



HOW ARTIFICIAL INTELLIGENCE WILL IMPROVE YOUR FINANCIAL PERFORMANCE



WHY IS PREDICTIVE FINANCE NOW A "MUST-HAVE"?

- ▶ There are probably millions of £s worth of value hidden in your data
- ▶ You can get started tomorrow, without a huge investment
- ▶ Previously only the most sophisticated companies could make use of predictive analytics - now everyone can
- ▶ Artificial intelligence is an undeniable competitive advantage



KNOWN CUSTOMER VALUE

PREDICTIVE CUSTOMER VALUE

43% of Finance Departments have already begun their digital transformation and are seeking new performance optimization solutions.

ARTIFICIAL INTELLIGENCE: THE NEXT BUSINESS FRONTIER

Finance Departments can now close their Excel spreadsheets and rely instead on the power of predictive modeling and Machine Learning to meet their goals.

Although the use of AI is still relatively new, every company in every activity sector will be affected by the coming technological tsunami. A report on the impact of artificial intelligence by the McKinsey Institute details its impact by sector:

- ▶ **Distribution** : 30% reduction in delivery times, 4–6% growth in sales
- ▶ **Industry** : 13% increase in EBIT linked to cost reductions (predictive maintenance and supply), 5–10% growth in sales (customer retention and cross-selling)
- ▶ **Energy** : 10–20% increase in EBIT due to greater efficiency in management of power demand and supply and closer targeting of relevant customer offerings
- ▶ **Finance** : customer services will become semi-automated with the introduction of chatbots, giving productivity gains of 25–40%

Put briefly, the use of artificial intelligence to improve customer relations and cash sources or reduce costs is no longer a question of choice. Any company that doesn't want to be left behind by progress must grasp the challenge represents and treat it as major strategic opportunity.

Companies today can easily see the relevance of predictive algorithms to their organizations and rapidly begin to use them to deliver concrete benefits. How far has your company got on this journey?



Anticipation

Performance drivers, new cash sources, customer retention ... The combined data from your ERP, CRM and the market itself can now be interpreted for use by Finance Departments. Analyses can be confirmed by artificial intelligence and then exploited to predict payment delays, make customer behavior comparisons and prevent risk.



Decision

In today's hyper-connected times, Finance Directors require reliable systems that yield measurable results on which they can act instantly. Artificial intelligence now means that growth potential can be easily identified, as well as new opportunities, to give the all-important competitive edge.



WHAT DO YOU NEED TO BENEFIT FROM ARTIFICIAL INTELLIGENCE?

1. Sufficient Data

You need enough data to be able to build robust predictive models.

This isn't always the case with generic industry models. Generally, you'll need more than 2,000 customers and three years' worth of history.

2. Finance Department Maturity

Finance Departments must be able to successfully act upon the predictive insights provided.

Finance teams therefore must have the capability to make decisions using intelligent insights from Big Data and that gleaned from their collaboration with the Sales teams.

Accounting systems and reporting processes and or/CRM must be in place.

3. New Corporate Culture

New insights produced across the customer lifecycle will require some of your processes to change if they're to incorporate new data and optimizations.

To achieve the most powerful results most companies will require a willingness to change, robust project and change management, and strategic leadership from the Executive team to transform and register the best business results possible.

4 STEPS TO PREDICTIVE FINANCE

Digital is considerably changing companies' knowledge of their customers and their associated value. To grow revenue, companies put the customer at the heart of their strategy and use artificial intelligence on Big Data to understand and target customer portfolios better, find hidden information and predict trends. In today's era of 'smart data', intelligent information brings high added value.

Today, companies don't need to invest in new IT systems or consultancy. Artificial intelligence platforms facilitate data segmentation and provision of information sharing internally, opening new opportunities for customer engagement.

Predictive analytics can bridge the gaps between Sales, Customer Service and Finance, empowering them to work together. The flattening of the hierarchical structure and the multiplication of decision-points fundamentally changes the management of the information.

PwC says that Artificial Intelligence will be the priority investment focus for over 30% of Finance Departments in the next 12 years. Is it for you?

1. Mass Data Collection

Predictive analysis requires all (or as much as possible) of the available data about businesses, at both account and contact level. This data needs collecting from hundreds of internal and external sources, indexed on an ongoing basis from each entity, before combining for modeling.

2. Predictive Model Construction

After data have been pre-processed, normalized and modeled using a variety of statistical techniques (filtering, rounding, factor analysis, parameters selection)- depending on the outcome being modeled - these multiple models (generalized linear model, neuronal networks, support vector machines...) then need to be evaluated and continuously modeled. they are then tested to identify the process to build the best predictive model.

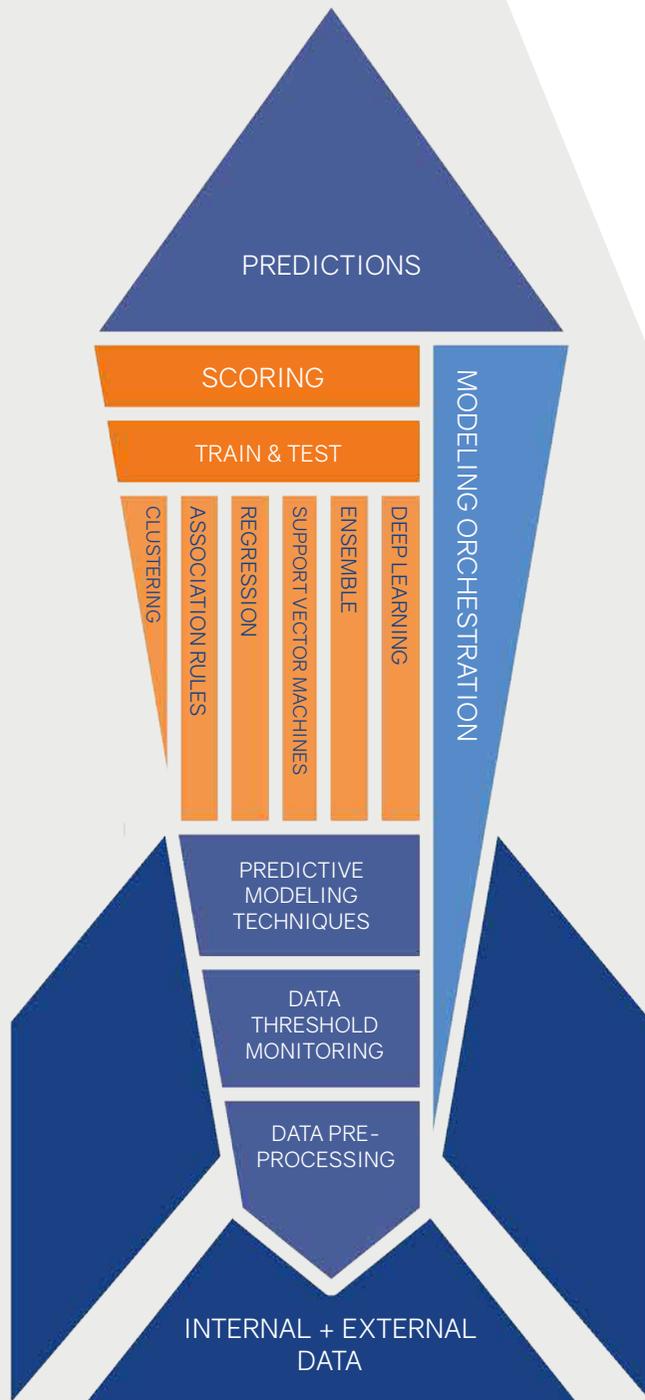
3. Ongoing Extraction of Business Data

Now thousands of scores and propensities are translated into insights that the business can take action upon. Finally, decision-makers can anticipate customer behavior and satisfy their needs. The information is widely distributed and shared as continuously updated flows.

4. Intelligent Conversion of Data into Actionable Insights

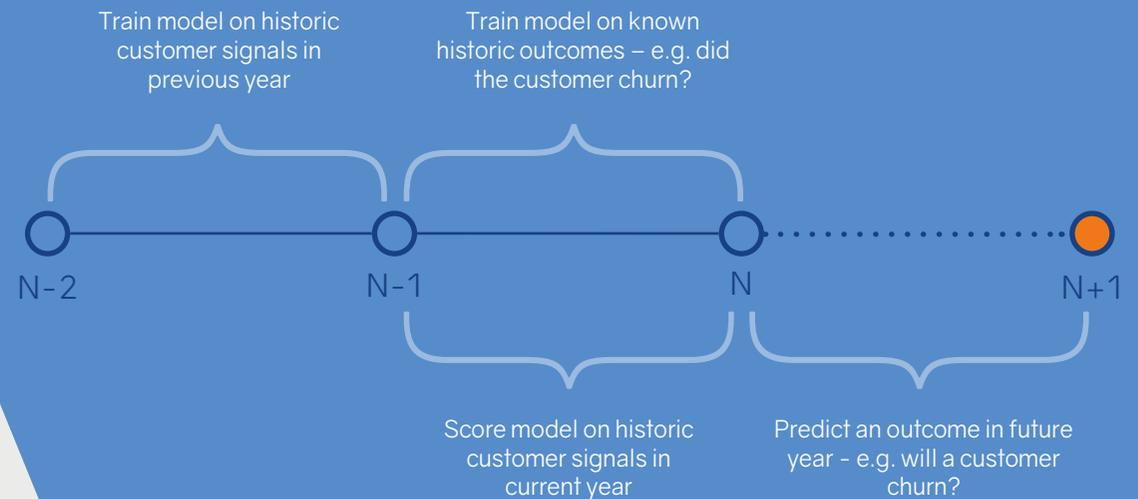
Once data is collected, aggregated and extracted, businesses can benefit from actionable insights to accelerate and support decision - making on the entire customer cycle. This information is available through a specific platform or via the CRM or Marketing Automation tool. the analysis of this field of data leads to a better follow-up and assessment of the decisions' impact, to adjust them if necessary.

HOW DOES ARTIFICIAL INTELLIGENCE WORK?



Today everything is in place for artificial intelligence to see exponential growth across the next five years. It is set to be part of our daily lives, and those of every company.

Artificial intelligence combines a collection of statistical techniques to analyze the past, to predict what is going to happen in the future.





ABOUT SIDETRADE

The highest performing companies have already opted to go the artificial intelligence route and observed a **43% increase of their performance** according to Forrester.

We are seeing first-hand why Predictive is such a hot topic, with the financial gains being made by those who are leading the pack. Exciting times lie ahead!

Sidetrade (EURONEXT GROWTH: ALBFR.PA) is the most compelling AI Software Company shaping the future of Customer Engagement and empowering Marketing, Sales and Finance people to grow sales and accelerate cash.

Seamlessly integrated with existing CRM and ERP, Sidetrade leverages Artificial Intelligence to disclose untapped new business opportunities, increase upsell, reduce churn, predict customer payments and accelerate cash flow generation. Over 1,500 companies, of all sizes and sectors, in 80 countries, employ AI Sidetrade solutions for sustainable growth.

Sidetrade enables a new level of collaboration between Marketing, Sales, Finance, and Customer Service teams to accurately evaluate, predict and increase customer performance and secure competitive advantage.

With its Artificial Intelligence platform, Sidetrade uses predictive data science to take the guesswork out of the customer relationship.

The advanced use of machine learning and human collaboration empowers businesses to proactively improve operational effectiveness of the end-to-end customer cycle via smart sales prospecting, streamlined cash collection and case management processes.



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