

Navigating the Complexity of Regulated Customer Communications

For financial services organizations, the regulations surrounding customer communications create significant challenges and barriers for marketing and servicing teams. The legacy systems and manual processes they use to manage these communications and regulated content simply aren't able to effectively address the issues.

TODAY

Legacy System Hazards

- A simple change takes months
- Errors lead to rework
- Fines result from non-compliance & missed deadlines
- Costly remediation events are common

External Hazards

Accelerated pace of new regulations

The number of new regulations being published across the G20 has doubled.

(JWG Group Ltd.)

Growing number of regulatory changes

Global banks are tracking 200 regulatory changes per day - which is 3X the 2011 rate.

(Boston Consulting Group)

Rising cost of compliance

Regulatory compliance costs are expected to rise from 4% to 10% of revenue by 2021.

(Duff & Phelps)

Infractions Update 03.2020

Worldwide
Fines have increased 29% to \$26.5B in 2018 (Navigant, Duff & Phelps)

United States 🇺🇸
• Enforcement actions by federal regulators increased 52% in Q2 2019 (Navigant)
• New proposed SEC whistleblower rules increase reporting and enforcement of violations (SEC)

Canada 🇨🇦
• Maximum fines have increased from \$500K to \$10M per violation (McCarthy Tétrault)
• Over the next 3 years, enforcement staff will increase 130% (complete by 2020/21) (McCarthy Tétrault)

UK 🇬🇧
Fewer but heavier penalties by the FCA have caused a tenfold increase in the amount of fines levied (Financial Times)

Complex Variations Lead to Inefficiency and Risk

Legacy systems require a unique template to be used for each individual communication. Consider the complexity of a bank's credit card communications. A single communication for one product is replicated 4X for regulations that vary by region, across 2 language variations and across 3 separate channels – now apply this to 21 card products.

A single update to a credit card disclosure will need to be made manually hundreds of times to hundreds of templates. The scope of work is huge, as is the opportunity for errors and non-compliance.

$$21 \times 4 \times 2 \times 3 = 504$$

CREDIT CARD PRODUCTS REGIONAL VARIATIONS LANGUAGES CHANNELS (Print, Email, Web) TEMPLATES

* EXAMPLE BASED ON REAL-WORLD ORGANIZATION

TOMORROW (WITH MESSAGEPOINT)

These issues can be resolved with a modern approach that gives business users control over content creation and management. Messagepoint does just that with its AI-powered content hub that centralizes all your content and communications, for all your channels, in one place. So, you're no longer waiting for IT; now you're in the driver's seat.

Increased Speed

From months to minutes

Content changes can be made in minutes and instantly reflected across all communications and channels

Increased Accuracy

100%

Eliminate redundant manual changes

Decreased Labor Costs

75% reduction

With less reliance on IT or third-party service providers, reduce the average cost of content changes by 75%

Business user control

FULL

Modernize with an AI-Powered Content Hub



Business user authoring & user roles give control to content owners and approvers



Content sharing across communications and channels provides a single point of change



Content and rules for all channels controlled in a centralized hub



Instantly proof while authoring to accelerate change cycles



AI-powered Assisted Authoring for content optimization

Visit messagepoint.com/rd to learn more, read case studies and see a demo!