
Importance of Big Data in Financial Sector

The banking sector has grown by leaps and bounds when it comes to operations and service delivery. This industry is responsible for generating humongous amount of data but having so much information with them the banks have failed to utilize this information properly from their databases. Big Data will play a crucial role towards the development of this sector through following goals and objectives:

- **Changes in Service Delivery structure:** Big Data comprises of very vast system but its major job is to create easy working conditions for employees. It will also help bank to rectify their problems without affecting their customers. Also the data will be useful for giving an insight about their spending structure, ensuring the bank that its customer don't over spend.
- **Comprehensive Progress Evaluation:** This will allow bank to constantly monitor client's transaction behaviors in real time, allowing them to provide the kind of resources that their clients need. This real-time evaluation will boost overall profitability of the banks. The current databases are not that much capable enough to handle the transaction traffic at much faster rate and if this information needs to be processed switching to Big Data is the only option.
- **Customer Segmentation:** With the help of Big Data the banks will be able to recognize their clients on the basis of various parameters like services, credit card expenditure etc. This will help the banks to target their customers more efficiently according to the tailor made requirements of the customers.
- **Product Offerings:** Now the customer segmentation is done, banks know properly which audience to target based on their personalized product offerings can be offered to that sector of people by analyzing past and present expenses and transactions. Creation of personalized product offerings will cater to an untapped niche of personalized services that gives banks the ability to create more meaningful client relationships.
- **Cyber Security and Risk Management:** Big Data locates and presents big data on a single large scale that makes it easier to reduce the number of risks to a manageable number and plays a pivotal role in integrating the banks requirements into a centralized, functional platform. This reduces the banks chances of losing data, or ignoring fraud. Adopting to Big Data banking industry will be able to get a better understanding of client requirements, so that they can provide such services in a timely manner. The task of implementing Big Data on a large scale is just taking shape, with many IT departments concerned about the transition to high-tech IT infrastructure. The banking industry has remained untouched for several years and the security issues are always a priority in this industry since it's involves circulation of many personal and confidential information

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which needs to be protected at every stage. Big Data can be advantageous for both customers and banks like:

- No unauthorized transaction will be made and increasing the levels of safety and security that will automatically raise the security standard of the entire industry.
- Cloud based analytics packages can sync in real time with your big data systems, creating actionable insight dynamically. Big Data will expand the banking industry in a way that will allow them to earn more revenue through cost reduction and by cutting down on unnecessary costs, the banking industry can provide customers with exactly what they're looking for, instead of irrelevant information.

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