

# The Q2 Difference

Since 2004, Q2's mission has been to build stronger communities by strengthening their financial institutions. This mission has inspired the industry's most comprehensive and adaptable smart banking platform and fueled our efforts to change how the industry thinks about digital banking.



## Valuable Customer Insights

---

Q2 has pioneered machine learning as a way to keep account holders secure too, and we have built on this technology to transform the way FIs are able to market products to account holders. We've found that when machine learning and behavioral analytics are used together they provide more insights than other methods.

# Data and Analytics

As branch visits decline, the only way to really understand account holders' needs is through their data. But all this data can be overwhelming and difficult to leverage. In fact, only 20 percent of bank executives say their analytics are "somewhat future-ready" – and 22 percent describe their analytics as "not future-ready and falling behind."<sup>7</sup>



## Q2 Sentinel

Q2 Sentinel™, our business and corporate banking fraud prevention solution, combines transactional and behavioral data to identify and halt suspicious transactions—often before the transaction is executed. Behavioral data is collected from login and endpoint models, as well as transaction details and patterns, with a focus on deviations from historical activity around dollar amounts, authorization processes and protocols, and more.

The policy-focused side of Sentinel's analysis is centered on recipient monitoring—identifying suspicious activity, such as a high number of transactions with one recipient, or an increased number of transactions going to an unfamiliar recipient. Monitored transaction types include wire transfers and ACH (including single day) to help with payroll, taxes or other important funds—protecting you from common fraud attempts. In 2016, 30 percent of organizations were subject to ACH debit fraud and 11 percent to ACH credit fraud.<sup>8</sup>

Sentinel also allows you to view a queue of all activity, so you can quickly and easily respond to held transactions. You can also receive graphical reports to learn how and why transactions are flagged, and customize the messages presented to account holders during suspicious transactions.

And Sentinel gets smarter over time, learning from users' behavior to refine its ability to identify what constitutes suspect behavior—helping you attract and retain new customers who can trust you're keeping them safe.

<sup>7</sup> Cornerstone Advisors, What's Going On in Banking, 2017

<sup>8</sup> AFP, Payments Fraud and Control Surve, 2017



## Q2 SMART

Using Sentinel as the foundation, we've also created an easy-to-use, yet sophisticated targeting and messaging product. That's why we created Q2 SMART.™ It takes advantage of digital data to enhance your relationships with account holders and empower your FI to build highly engaging campaigns that deliver the right offer to the right people at the right time.

This groundbreaking data analytics platform received the 2017 Innovation Award from NAFCU Services. FIs using SMART are running hundreds of targeted marketing campaigns and leveraging the data sets of millions of account holders, with great success. In fact, SMART recommended audiences are 3X more likely to adopt a product or service than those that are not recommended.

1

**COLLECT DATA:** We collect and analyze account holders' online banking activities. They pay bills, submit transfers, and view account balances – and each of these activities creates a data point.

---

2

**IDENTIFY PATTERNS:** SMART uses machine-learning algorithms to identify patterns, which optimizes over time, creating even better paths to account-holder conversions and unlocking more products per relationship.

---

3

**TRANSLATE INTO TRAITS:** Using host transactions and generated transactions, traits are defined that provide you with actionable insights into products and features each account holder might want.

---

4

**CREATE CAMPAIGNS:** Build customized, multi-channel campaigns with SMART to target the right offer to the right customer at the right time. SMART then tells you clearly how each campaign is performing, based on real data about how customers respond.

With a deeper understanding of account holder behavior, FIs now have the ability to better serve account holders as trusted advisors and build long-term relationships.



**WATCH HOW TO GROW YOUR RELATIONSHIPS WITH Q2 SMART**

For more information on Q2, go to [Q2banking.com](https://www.Q2banking.com) or call (833) 444-3469

1-10-1018 © 2018, Q2 Software, Inc. All rights reserved.

