Vendor Analysis: Dun & Bradstreet

KYC Data Solutions, 2024

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1. Report context

This Vendor Analysis is based on the Chartis quadrant report **KYC Data and Solutions, 2024**. This section summarizes the key theses in that report; subsequent sections take a detailed look at Dun & Bradstreet's quadrant positioning and scoring, and Chartis' underlying opinion and analysis.

Key thesis

Financial institutions are increasingly seeking to create unified, perpetual customer records or centralized data repositories to enhance customer insights and KYC (Know Your Customer) processes. Traditional core banking technologies have proven inadequate for this task, as they lack the flexibility and scalability needed to manage dynamic customer data across multiple touchpoints. To address this, institutions are adopting advanced workflow and KYC platforms that integrate data from diverse sources, enabling real-time, comprehensive customer views.

As non-bank and corporate KYC solutions evolve, however, bridging data flows between financial institutions and other entities, such as trusts and legal services, is becoming more complex. The challenge lies in ensuring interoperability between different systems, each governed by distinct regulatory frameworks and data formats. Advanced technologies, such as API integrations, machine learning (ML) and artificial intelligence (AI), are helping institutions manage this complexity, automating data transfer and maintaining consistency across domains.

On another front, trade-based KYC solutions are gaining traction as global trade grows in volume and complexity. These solutions focus on document management and entity risk assessments, helping firms verify the legitimacy of trade transactions. Despite the absence of a complete, unified trade-based KYC solution, institutions are adopting specialized technologies to manage this aspect of compliance.

The rise of synthetic identity fraud, fueled by generative AI (GenAI), has added another layer of complexity to identity verification processes. To combat this, vendors are integrating more advanced identity verification capabilities into their KYC offerings, blurring the lines between corporate and retail KYC.

The KYC vendor landscape is expanding rapidly, with new entrants offering a range of solutions, from workflow automation to advanced analytics. We are seeing some vendors specializing in such verticals as investment banking and trusts, winning market share by offering tailored solutions that address specific industry needs. Overall, though, as the regulatory landscape evolves and financial institutions demand more sophisticated data, leading firms are enhancing their data management capabilities to automate processes, transfer third-party data and improve data accuracy.

Geographically, the KYC market is becoming more diverse, with a growing number of entrants from such regions as the Middle East and Asia-Pacific (APAC). However, the KYC data quadrant continues to be dominated by larger firms that are expanding their offerings to include insights from adjacent areas.

The **KYC Data and Solutions, 2024** report on which this Vendor Analysis is based uses Chartis' RiskTech Quadrant® to explain the structure of the market. The RiskTech Quadrant® employs a comprehensive methodology of in-depth independent research and a clear scoring system to explain which technology solutions meet an organization's needs. The RiskTech Quadrant® does not simply describe one technology solution as the best; rather, it has a sophisticated ranking methodology to explain which solutions would be best for buyers, depending on their implementation strategies.

Demand-side takeaways

Financial institutions have explored ways to create a perpetual record of their customer information to provide a comprehensive unified view of the customer. However, it could not be achieved by using traditional core banking technology, which has been designed primarily for transaction processing and operational tasks and lacks the flexibility and scalability required to manage dynamic and evolving customer data. As a result, institutions are turning increasingly to advanced workflow and KYC platforms, which are designed with greater agility and integration capabilities, allowing them to serve as a central hub for customer data management. These tools provide a more dynamic, real-time customer view, integrating data from multiple sources, including transaction history, behavioral data and third-party verifications. This shift marks an evolution in how financial institutions manage customer relationships, moving away from static data models towards more adaptive, multi-dimensional approaches.

Non-banking institutions are increasingly adopting bank-like KYC capabilities, a trend that has increased and matured in recent years. A growing number of institutions need to bridge the gap between financial institutions and corporations, and this convergence has introduced new complexities, particularly in the realm of data transfer and communication between entities. For example, transferring data between organizations, including trusts, legal services and financial institutions, now requires solutions that can communicate and integrate with one another, using different platforms, systems and regulatory frameworks. This has led to an increase in the complexity of the KYC process. Rather than working within a single ecosystem, institutions are now navigating across multiple domains, each with its own set of compliance standards, privacy rules and data formats. As a result, institutions require more sophisticated technology capable of integrating disparate systems, automating data sharing and ensuring the consistency and accuracy of information across all parties involved, while also adhering to regulatory requirements and ensuring data integrity is maintained. This has resulted in a stronger demand for advanced API integration, machine learning and AI-driven solutions to help manage the growing complexity of KYC processes in a multi-institutional environment.

Ultimately, as this trend continues to evolve, institutions will need to adopt more robust and flexible KYC frameworks that not only meet the needs of their own compliance departments, but also facilitate collaboration with external partners. The challenge now lies not just in performing KYC for individual customers, but also in creating an interconnected ecosystem that can handle the increasingly complex flow of data between various institutions and industries.

Demand for trade-based KYC solutions is rising as global trade grows more complex. Unlike traditional KYC, which focuses on individual or corporate identities, trade-based KYC also monitors the flow of goods, services, and funds across borders, assesses trading entities’ risk profiles, and scrutinizes transaction documentation. As trade volumes increase, firms are increasingly prioritizing these enhanced KYC processes.

This year, Generative AI has significantly impacted identity verification, though its role in criminal activity remains more debatable. There’s been a marked rise in synthetic identity fraud, with criminals using AI to create sophisticated fake identities that evade traditional verification, complicating onboarding for organizations. These complex fabrications heighten security risks and operational challenges. In response, identity verification is increasingly integrated into KYC processes and technology frameworks, blurring the lines between commercial and retail KYC, as individual identity checks become essential throughout the customer lifecycle.

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Supply-side takeaways

The number and variety of vendors entering the KYC space are broader than ever before, offering a range of solutions that cater to different industry needs, organizational sizes and use cases. These include case management and workflow automation firms, which focus on enhancing KYC compliance by streamlining and automating complex processes. Their platforms reduce manual workloads by automating tasks, including document collection, approval workflows and ongoing monitoring, enabling financial institutions to conduct KYC checks more efficiently and accurately. Many vendors provide configurable dashboards and rule-based decision engines, allowing institutions to customize workflows to meet specific compliance requirements while improving tracking and reporting on KYC activities.

Analytics-focused firms leverage advanced data analytics, ML and AI to improve decision-making processes. These firms use large datasets to offer deeper insights into customer risk profiles, detect suspicious behavior patterns and flag potential issues early. By analyzing both structured and unstructured data with sophisticated algorithms, their platforms help institutions better assess risks related to identity verification, transaction monitoring and customer activity. As regulatory scrutiny increases and synthetic identity fraud rises, analytics-driven KYC solutions are becoming crucial for risk mitigation and compliance.

Specialist focused KYC vendors offer highly specialized and tailored solutions to cover the specific needs of financial institutions and regulated industries whose needs have become more complex. One example is the increase in vendors offering GenAI capabilities, such as AI-powered chatbots, which assist in customer onboarding by engaging with customers in real time to answer any questions, collect documents and walk people through the process.

In-house identity verification (IDV) has become more significant, which is reflected in the increase of IDV capabilities being integrated into broader platforms, leveraging technologies such as biometrics and document verification, etc. Vendors that do not provide IDV capabilities are recognizing its growing importance and often choose to partner with specialized IDV providers, integrating these capabilities into their offering.

2. Quadrant context

Introducing the Chartis RiskTech Quadrant®

This section of the report contains:

- The Chartis RiskTech Quadrant® for KYC data solutions, 2024.
- An examination of Dun & Bradstreet's positioning and its scores as part of Chartis' analysis.
- A consideration of how the quadrant reflects the broader vendor landscape.

Summary information

What does the Chartis quadrant show?

Chartis' RiskTech Quadrant® uses a comprehensive methodology that involves in-depth independent research and a clear scoring system to explain which technology solutions meet an organization's needs. The RiskTech Quadrant® does not simply describe one technology option as the best KYC data solutions; rather it has a sophisticated ranking methodology to explain which solutions are best for specific buyers, depending on their implementation strategies.

The RiskTech Quadrant® is a proprietary methodology developed specifically for the risk technology marketplace. It considers vendors' product, technology and organizational capabilities. Section 4 of this report sets out the generic methodology and criteria used for the RiskTech Quadrant®.

How are quadrants used by technology buyers?

Chartis' RiskTech Quadrant® and FinTech Quadrant™ provide a view of the vendor landscape in a specific area of risk, financial and/or regulatory technology. We monitor the market to identify the strengths and weaknesses of different solutions and track the post-sales performance of companies selling and implementing these systems. Users and buyers can consult the quadrants as part of their wider research when considering the most appropriate solution for their needs.

Note, however, that Chartis does not endorse any vendor, product or service depicted in its research publications and does not advise technology users to select only those vendors with the highest ratings or other designation. Chartis' publications consist of the opinions of its research analysts and should not be construed as statements of fact.

How are quadrants used by technology vendors?

Technology vendors can use Chartis' quadrants to achieve several goals:

- Gain an independent analysis and view of the provider landscape in a specific area of risk, financial and/or regulatory technology.
- Assess their capabilities and market positioning against their competitors and other players in the space.
- Enhance their positioning with actual and potential clients and develop their go-to-market strategies.

In addition, Chartis' Vendor Analysis reports, like this one, offer detailed insight into specific vendors and their capabilities, with further analysis of their quadrant positioning and scoring.

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Chartis Research RiskTech Quadrant® for KYC Data Solutions, 2024

Figure 1 illustrates Chartis' view of the KYC data solutions vendor landscape, highlighting Dun & Bradstreet's position.

Figure 1: RiskTech Quadrant® for KYC Data Solutions, 2024

Source: Chartis Research

Quadrant dynamics

General quadrant takeaways

The KYC data quadrant remains primarily influenced by size and scale, with leading firms consolidating their positions. Vendors of all sizes are expanding the depth of their data offerings, not only in compliance and anti-money laundering but by incorporating insights from related sectors. This expansion enables financial institutions to build more comprehensive views of complex counterparties and clients, using datasets that cover such areas as bribery, corruption, forced labor and supply chain dynamics.

Moreover, the geographical specificity of available data has improved. As ultimate beneficial ownership information becomes more difficult to obtain, many firms are focusing on localized data that emphasizes regional factors, including the activities of crime groups, local registry details unavailable online and integrations with regional identity databases.

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Despite the continued dominance of a few key players, increasing demand from financial institutions for more detailed and intricate data will allow both new entrants and established firms to carve out specialized niches, broadening their impact within the quadrant

Vendor positioning in context – completeness of offering

Dun & Bradstreet (D&B) has broadly continued its approach to KYC data as outlined in our previous research, which has proved successful in this market. As one of the leading data providers in the space, its sanctions and watchlist data, which is available via multiple solutions, provides clients with hundreds of blacklists/sanctions lists. This data also includes more than 590 million corporate records, which was one of the reasons for its high rating in sanctions and watchlist data.

Dun & Bradstreet's solutions also provide politically exposed person (PEP) data covering more than 256 countries and territories, with access to more than 160 million historical significant event records, including adverse media articles from thousands of news sources.

The company also provides corporate data structure and entity relationships covering more than 390 million shareholders, with key insight into more than 365 million individuals. This data includes directors, shareholders and ultimate beneficial owners (UBOs).

The unique Data Universal Numbering System (D-U-N-S) assigned to entities and individuals helps provide an accurate identification of searches by users and assists in assessing the relationships of the individual or company being searched. The solutions' risk engine and workflow also use D-U-N-S to generate risk indicators based on customers' configured policy settings.

Table 1: Completeness of offering – Dun and Bradstreet (KYC Data Solutions, 2024)

Completeness of offering criterion	Coverage
Sanctions and watchlist data	High
Negative news and PEPs	High
Electronic and Digital ID	Low
Corporate structure	High
Entity relationships	High
Trade data	High
High-risk business	High

Source: Chartis Research

Table 2: Market potential – Dun and Bradstreet (KYC Data Solutions, 2024)

Market potential criterion	Coverage
Customer Satisfaction	High
Market Penetration	High
Growth Strategy	High
Financials	High

Source: Chartis Research

The extensive data related capabilities and coverage of Dun & Bradstreet's solutions are reflected in its category leader position in the quadrant.

Table 1 shows Chartis' rankings for Dun & Bradstreet's coverage against each of the completeness of offering criteria.

Vendor positioning in context – market potential

Dun & Bradstreet continues with its strong capabilities and offerings from last year, contributing to the vendor's category leader position in the KYC Data quadrant this year.

The continuous high-ranking in-market penetration reflects the sizable and global spread of Dun & Bradstreet's client base, which includes 90% of Fortune 500 companies. Building on its established foundation in the data marketplace, Dun & Bradstreet has strengthened its position as a leading provider for data services. Its strong global presence and extensive coverage of market segments has resulted in strong growth over the past few years, meeting the increase in demand in the KYC data space.

Dun & Bradstreet's market leadership is also reflected in the increasing number of partnerships it has forged with other data and technology providers which had helped cement its position as a central player in the corporate data ecosystem.

Table 2 shows Chartis' rankings for Dun & Bradstreet's coverage against each of the market potential criteria.

3. Vendor context

Overview of relevant solutions/capabilities

Table 3 provides a summary of the vendor and its solutions.

Compliance risks and regulations are growing more complex every year, and with it growing costs associated with non-compliance. With a backdrop of continued evolution of regulation and ever-increasing fines, compliance teams continue to struggle to balance their compliance requirements against cost and efficiency pressures.

Some examples include:

- **Dynamic and stressed due diligence processes**. Compliance professionals are under increasing pressure to conduct heightened due diligence with less resources and time. Manual processes make their tasks very difficult and lengthy to complete.
- **Disparate data from numerous sources**. Gathering the insights needed to conduct effective due diligence and make informed decisions takes a lot of time and requires data from numerous sources, many of which do not correlate or express a clear truth. This increases operational costs and decreases efficiency.
- **Effectively mitigating compliance risks before disruption**. It's a challenge to keep up with material changes in compliance risks on an ongoing basis in an effort to quickly mitigate and avoid reputational and operational disruptions.
- **Disorganized documenting and tracking of compliance assessments**. Finally, compliance professionals struggle to keep assessments organized and accessible for increasingly frequent reviews, sharing reports across teams and responding to auditors and regulators.

Table 3: Dun & Bradstreet – company information

Company	Dun & Bradstreet
Headquarters	Jacksonville, FL, US
Description	Dun & Bradstreet, a leading global provider of business decisioning data and analytics, enables companies around the world to improve their business performance. Dun & Bradstreet's Data Cloud fuels solutions and delivers insights that empower customers to accelerate revenue, lower costs, mitigate risk and transform their businesses. Since 1841, companies of every size have relied on Dun & Bradstreet to help them manage risk and reveal opportunity.
Solution	Dun & Bradstreet's Compliance Solutions help simplify a complex regulatory environment with insights to better manage, monitor and accelerate due diligence on third parties. Dun & Bradstreet's proprietary data and automated platforms help conduct rigorous due diligence (screening, onboarding, monitoring) and manage third-party risk. When compliance teams can enhance due diligence with a continuous KY3P program, they can reduce their risk exposure, avoid hefty fines, and protect their brand reputation.

Source: Chartis Research

Compliance professionals need a way to continuously monitor compliance risks while reducing the time spent on manual processes, lengthy research and unnecessary outreach to direct focus on risk-related situations before disruption occurs.

Traditional KYC vs. continuous KYC monitoring approaches

Traditional KYC approaches apply periodic compliance risk reviews at a routine cadence and are designed to capture risk at the time of the review. The grim truth is that risk factors shift more frequently than this process can keep up with, leaving potential risks between periodic reviews.

Organizations are seeking ways to address these rapid changes by using data-led approaches and automation, and potentially implementing a continuous KYC monitoring model.

Continuous KYC monitoring uses automation to deliver the end-to-end periodic KYC review process steps, leaving a small subset of the complex cases that require some degree of human intervention. The remainder are cleared (and the risk constantly updated) without the need for 'eyeballs'.

Advantages of continuous KYC/KYB practices:

- Proven cost reduction.
- Reduced human intervention
- Mitigation of human error or bias
- Improved analyst workload
- Identification of risk sooner, enabling faster mitigation

Moving to a continuous KYC/KYB monitoring approach requires three main elements to align. These are:

- A solid data-led approach to sourcing the required data attributes
- A clear policy that covers all situations
- A workflow layer that has the ability to apply rules automatically

Dun & Bradstreet offers compliance teams a single source of third-party risk insights to help uncover risks concealed beneath the superficial data. Automated workflows help streamline onboarding and screening processes, reduce due diligence time and support continuous monitoring.

Vendor leading practices

Dun & Bradstreet's proprietary data and automated platforms help conduct rigorous due diligence (screening, onboarding, monitoring) and manage third-party risk. When compliance teams can enhance due diligence with a continuous KY3P program, they can reduce their risk exposure, avoid hefty fines and protect their brand reputation.

Dun & Bradstreet helps compliance teams:

Accelerate due diligence

Clients can uncover complex business relationships and simplify regulatory compliance needs with enhanced screening, onboarding tools, KYC workflows and data-driven intelligence.

- **Entity Verification** – providing one source of truth for the data needed to verify and identify the right potential customers, business partners and third parties, including: core company information, firmographics, ownership and corporate linkage, public filings, and D-U-N-S registered verification to eliminate the need for time-consuming research and data validation between disparate sources.

- **Screening**. Dun & Bradstreet offers faster automation for Know Your Customer (KYC) and Know Your Third Party (KY3P) identification and attribute-based access control by using the D-U-N-S to bring multiple regulatory identifiers together in one place. Users can collect information from third parties via a questionnaire; screen third parties for sanctions, negative news and other adverse events; and uncover complex business relationships.

- **Onboarding**. Customers can make faster, more accurate onboarding decisions through document identification of third parties and the solution enables speedier process flow for validation of connected entities and of signing authority.

- **Monitoring**. Dun & Bradstreet's solution increases efficiency by eliminating manual work with automated alerts and near real-time updates to increase productivity.

Manage and master data

Clients can collect and organize compliance data and have it seamlessly integrated into existing platforms. With Dun & Bradstreet's data available in one location, organizations can enrich their in-house data with robust insights (such as beneficial ownership) to reduce regulatory burdens and simplify complexity.

Assess additional third-party risks

Country risk

The solution provides a calculation when an entity is domiciled in a high-risk jurisdiction. The set default country risk in the solution is based on Transparency International guidance. Country risk is a configurable attribute and can be set based on a company's policies.

Industry risk

D&B provides a calculation of risk based on specific industries, categorized via SIC code. Industry risk is a configurable attribute and can be set based on a company's policies.

Entity risk

D&B provides risk level information based on attributes associated with a company's business partners, as well as risk associated with the number of employees, the length of time the business has existed and the management team associated with the entity. Entity risk is configurable attribute and can be set based on a company's policies.

Beneficial ownership structures

Dun & Bradstreet delivers comprehensive beneficial ownership data to establish source of wealth and gain visibility into who a company is doing business with:

- Data on more than 390 million shareholders.

- Key insights on more than 365 million individuals, more than 16 million corporations and 9 million direct entities.

ESG risk*

Companies can achieve detailed visibility into their business partners' environmental, social, and governance practices that can help to evaluate entities based on policies and regulations and monitor changes in ESG performance throughout the business relationship.

- ESG insights on 80+ million global entities in more than 200 territories, broken into 13 key ESG themes and 31 specific topics.

Cyber risk exposure*

Companies can assess and manage cyber risk throughout the compliance process, from onboarding evaluations to ongoing monitoring for changes in risk.

- D&B's add-on feature provides a breakdown of 10 key cyber risk factors that will help customers understand a business partner's cyber hygiene and potential to expose them to cyber threats.

Registry intelligence

This capability allows all users to retrieve original copies of registry documents from more than 1,000 types of documents sourced from more than 200 registries worldwide as part of the due diligence process on customers/vendors/third parties. It enables a simple process to get these documents without the struggle with access permissions, in foreign languages, on government websites in different formats. All the information is standardized, delivered in near real-time, from trustworthy sources.

Diversity risk

Add-on module that provides insight into third parties' status on 28 diverse ownership structures, an interactive dashboard widget to view diversity at the portfolio level, detailed diversity information via a new chapter on the 360 Profile Page, and templates for reporting portfolio diversity to the business.

Outreach portal

Add-on capability enabling the configuration, automation and deployment of questionnaires to gather insights and documentation needed during third-party evaluations.

Financial risk

New add-on module that provides trusted predictive and descriptive risk scores from Dun & Bradstreet that help evaluate the long-term risk of doing business with a third party, and the probability of the third party failing.

- Capability add-on delivers intelligent financial strength indicators in your due diligence processes to help ensure that third parties meet your policy's requirements.

Flexible tools and solutions to transform Know Your Customer (KYC) and Know Your Third Party (KYTP) programs

In a volatile, uncertain global landscape where regulations are expanding, thorough due diligence has become steadily more challenging. Compliance professionals need accurate, up-to-date data and efficient processes to be able to proactively mitigate risks.

With the right data and analytical tools, compliance teams can build effective, proactive programs to protect their companies and avoid costly risks.

Comprehensive, actionable data working in tandem with AI-based compliance automation solutions can create powerful defenses for businesses. They also help compliance teams safeguard the company's stability, continuity and reputation, while transforming the function from a cost center into a business value creator.

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Whether an organization is looking to implement continuous KYC/KYB monitoring or just manage existing compliance processes more effectively using quality data, Dun & Bradstreet has a variety of solutions to support a customer's needs, including:

- **D&B Risk Analytics – Compliance Intelligence** is a continuous KYC/KYB monitoring solution that includes risk workflow and automation driven by Dun & Bradstreet's AI-powered data and insights. It helps compliance teams verify and enrich data on business partners against the Dun & Bradstreet Data Cloud with core company information, financial insights, firmographics, beneficial ownership and linkage, public filings, D-U-N-S Number Registered Verification and several other risk attributes.
- **D&B Data Blocks for third-party risk & compliance** enable third-party risk management teams to integrate data and insights directly into their enterprise platform of choice via API.
- **D&B Network Intelligence** provides compliance and procurement teams with a comprehensive lens to identify individuals who are potentially acting in more than one role within their network of third parties.
- **Supplier Data Services** is a data file delivery process that ensures that companies have the highest-quality data when and where they need it. By matching their data to Dun & Bradstreet's 590 million business records, their data can be standardized, cleansed and de-duplicated.

**D&B ESG Rankings and D&B Cyber Risk Ratings are available as add-on modules within D&B Risk Analytics – Compliance Intelligence at an additional cost.*

4. Methodology

Overview

Chartis is a research and advisory firm that provides technology and business advice to the global financial services industry. Chartis provides independent market intelligence regarding market dynamics, regulatory trends, technology trends, best practices, competitive landscapes, market sizes, expenditure priorities, and mergers and acquisitions. Chartis' RiskTech Quadrant® and FinTech Quadrant™ reports are written by experienced analysts with hands-on experience of selecting, developing and implementing financial technology solutions for a variety of international companies in a range of industries, including banking, insurance and capital markets. The findings and analyses in our quadrant reports reflect our analysts' considered opinions, along with research into market trends, participants, expenditure patterns and best practices.

Chartis seeks to include RiskTech and FinTech vendors that have a significant presence in a target market. The significance may be due to market penetration (e.g., a large client base) or innovative solutions. Chartis uses detailed vendor evaluation forms and briefing sessions to collect information about each vendor. If a vendor chooses not to respond to a request for information, Chartis may still include the vendor in the report. Should this happen, Chartis will base its opinion on direct data collated from technology buyers and users, and from publicly available sources.

Chartis' research clients include leading financial services firms and Fortune 500 companies, leading consulting firms and financial technology vendors. The vendors evaluated in our quadrant reports can be Chartis clients or firms with whom Chartis has no relationship.

Chartis evaluates all vendors using consistent and objective criteria, regardless of whether they are Chartis clients. Chartis does not give preference to its own clients and does not request compensation for inclusion in a quadrant report, nor can vendors influence Chartis' opinion.

Briefing process

We conduct face-to-face and/or web-based briefings with each vendor.1 During these sessions, Chartis experts ask in-depth, challenging questions to establish the real strengths and weaknesses of each vendor. Vendors provide Chartis with:

- A business update – an overview of solution sales and client satisfaction.
- A product update – an overview of relevant solutions and R&D roadmaps.
- A product demonstration – key differentiators of their solutions relative to those of their competitors.

In addition to briefings, Chartis uses other third-party sources of data, such as conferences, academic and regulatory studies, and publicly available information.

Evaluation criteria

We develop specific evaluation criteria for each piece of quadrant research from a broad range of overarching criteria, outlined below. By using domain-specific criteria relevant to each individual risk, we can ensure transparency in our methodology and allow readers to fully appreciate the rationale for our analysis. The specific criteria used for KYC data solutions are shown in Table 4.

[1] *Note that vendors do not always respond to requests for briefings; they may also choose not to participate in the briefings for a particular report.*

Table 4: Evaluation criteria for Chartis' KYC data solutions quadrant, 2024 report

Completeness of offering	Market potential
• Sanctions and watchlist data	• Customer satisfaction
• Negative news and PEPs	• Market penetration
• Electronic and digital ID	• Growth strategy
• Corporate structure	• Business model
• Entity relationships	• Financials
• Trade data	
• High-risk business	

Source: Chartis Research

Completeness of offering

- **Depth of functionality**. The level of sophistication and number of detailed features in the software product (e.g., advanced risk models, detailed and flexible workflow, domain-specific content). Aspects assessed include innovative functionality, practical relevance of features, user-friendliness, flexibility and embedded intellectual property. High scores are given to firms that achieve an appropriate balance between sophistication and user-friendliness. In addition, functionality linking risk to performance is given a positive score.

- **Breadth of functionality**. The spectrum of requirements covered as part of an enterprise risk management system. This can vary for each subject area, but special attention is given to functionality covering regulatory requirements, multiple risk classes, multiple asset classes, multiple business lines and multiple user types (e.g., risk analyst, business manager, CRO, CFO, compliance officer). Functionality within risk management systems and integration between front-office (customer-facing) and middle/back office (compliance, supervisory and governance) risk management systems are also considered.

- **Data management and technology infrastructure**. The ability of risk management systems to interact with other systems and handle large volumes of data is considered very important. Data quality is often cited as a critical success factor and ease of data access, data integration, data storage and data movement capabilities are all important factors. Particular attention is given to the use of modern data management technologies, architectures and delivery methods relevant to risk management (e.g., in-memory databases, complex event processing, component-based architectures, cloud technology and software as a service). Performance, scalability, security and data governance are also important factors.

- **Risk analytics**. The computational power of the core system, the ability to analyze large amounts of complex data in a timely manner (where relevant in real time), and the ability to improve analytical performance are all important factors. Particular attention is given to the difference between 'risk' analytics and standard 'business' analytics. Risk analysis requires such capabilities as non-linear calculations, predictive modeling, simulations, scenario analysis, etc.

- **Reporting and presentation layer**. The ability to present information in a timely manner, the quality and flexibility of reporting tools, and ease of use, are important for all risk management systems. Particular attention is given to the ability to do ad hoc 'on the fly' queries (e.g., 'what if' analysis), as well as the range of 'out of the box' risk reports and dashboards.

Market potential

- **Business model**. Includes implementation and support and innovation (product, business model and organizational). Important factors include size and quality of implementation team, approach to software implementation, and post-sales support and training. Particular attention is given to 'rapid' implementation methodologies and 'packaged' services offerings. Also evaluated are new ideas, functionality and technologies to solve specific risk management problems. Speed to market, positioning and translation into incremental revenues are also important success factors in launching new products.

- **Market penetration**. Volume (i.e., number of customers) and value (i.e., average deal size) are considered important. Rates of growth relative to sector growth rates are also evaluated. Also covers brand awareness, reputation and the ability to leverage current market position to expand horizontally (with new offerings) or vertically (into new sectors).

- **Financials**. Revenue growth, profitability, sustainability and financial backing (e.g., the ratio of license to consulting revenues) are considered key to scalability of the business model for risk technology vendors.

- **Customer satisfaction**. Feedback from customers is evaluated, regarding after-sales support and service (e.g., training and ease of implementation), value for money (e.g., price to functionality ratio) and product updates (e.g., speed and process for keeping up to date with regulatory changes).

- **Growth strategy**. Recent performance is evaluated, including financial performance, new product releases, quantity and quality of contract wins, and market expansion moves. Also considered are the size and quality of the sales force, sales distribution channels, global presence, focus on risk management, messaging and positioning. Finally, business insight and understanding, new thinking, formulation and execution of best practices, and intellectual rigor are considered important.

Quadrant construction process

Chartis constructs its quadrants after assigning scores to vendors for each component of the completeness of offering and market potential criteria. By aggregating these values, we produce total scores for each vendor on both axes, which are used to place the vendor on the quadrant.

Definition of quadrant boxes

Chartis' quadrant reports do not simply describe one technology option as the best solution in a particular area. Our ranking methodology is designed to highlight which solutions are best for specific buyers, depending on the technology they need and the implementation strategy they plan to adopt. Vendors that appear in each quadrant have characteristics and strengths that make them especially suited to that category and, by extension, to particular users' needs.

Point solutions

- Point solutions providers focus on a small number of component technology capabilities, meeting a critical need in the risk technology market by solving specific risk management problems with domain-specific software applications and technologies.

- They are often strong engines for innovation, as their deep focus on a relatively narrow area generates thought leadership and intellectual capital.

- By growing their enterprise functionality and utilizing integrated data management, analytics and business intelligence (BI) capabilities, vendors in the point solutions category can expand their completeness of offering, market potential and market share.

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Best-of-breed

- Best-of-breed providers have best-in-class point solutions and the ability to capture significant market share in their chosen markets.
- They are often distinguished by a growing client base, superior sales and marketing execution, and a clear strategy for sustainable, profitable growth. High performers also have a demonstrable track record of R&D investment, together with specific product or 'go-to-market' capabilities needed to deliver a competitive advantage.
- Because of their focused functionality, best-of-breed solutions will often be packaged together as part of a comprehensive enterprise risk technology architecture, co-existing with other solutions.

Enterprise solutions

- Enterprise solution providers typically offer risk management technology platforms, combining functionally rich risk applications with comprehensive data management, analytics and BI.
- A key differentiator in this category is the openness and flexibility of the technology architecture and a 'toolkit' approach to risk analytics and reporting, which attracts larger clients.
- Enterprise solutions are typically supported with comprehensive infrastructure and service capabilities, and best-in-class technology delivery. They also combine risk management content, data and software to provide an integrated 'one stop shop' for buyers.

Category leaders

- Category leaders combine depth and breadth of functionality, technology and content with the required organizational characteristics to capture significant share in their market.
- They demonstrate a clear strategy for sustainable, profitable growth, matched with best-in-class solutions and the range and diversity of offerings, sector coverage and financial strength to absorb demand volatility in specific industry sectors or geographic regions.
- They will typically benefit from strong brand awareness, a global reach, and strong alliance strategies with leading consulting firms and systems integrators.