



# Transforming financial services

Disruptive technologies are turning the financial sector upside down. Jonathan Sharp says now is the time to embrace digital transformation to improve customer services, productivity and revenues

**D**isruptive technologies such as Artificial Intelligence (AI), Robotic Process Automation (RPA) and Application Programme Interfaces (APIs) are turning the financial services market upside down, freeing them from traditional processes and enabling them to meet the increasing demands of customers today.

Financial services such as banks and insurance providers have never before been faced with such stiff competition and coupled with the introduction of regulations and compliance have had to step up to attract and retain both customers and employees.

PWC states that over a third (37%) of all global financial institutions already have a fintech service for their customers. It is estimated that over \$70 billion was invested in 2019 across the sector on fintech. So it is evident that companies and organisations view fintech as part of a strategy to help improve their services and remain ahead of their competitors.

### **Safe in the cloud**

When implementing new and innovative technologies and applications you need to ensure that you have a robust and reliable infrastructure which is why most organisations and companies move to the cloud.

The cloud provides scalability which is essential in financial services as there are more transactions which results in an increased strain on the company infrastructure. It is also more cost-effective as you don't have to invest in hardware and software, and is often presented in a modular model so you can rent the services. The most effective way of moving to the cloud is via a technology partner who can provide a managed service; they will advise on the best technology for your business, design a roadmap and manage it, freeing your team up to focus on other areas and the wider digital transformation journey.

Many companies fear that they won't get a new cloud solution approved but it is not a matter of ripping out your existing infrastructure and technology. Your legacy infrastructure and technology can be protected and utilised so you can adopt a hybrid network via the cloud. Some companies such as HSBC have built out a multi-cloud application network to meet demand where thousands of APIs were deployed across multiple environments using containers to unlock legacy systems and power cloud native application.

*It's not about the future, it is about now, and now is the time for the financial services market to embrace and welcome digital transformation*

Another advantage of cloud is that it enables technologies and applications to be easily integrated with it. The cloud is the foundation for fintech ecosystems, where you can integrate technology to create a seamless, end to end integrated solution to improve the customer or back and front office services. Providing a secure and resilient platform where third parties can design, build and run applications effectively.

### **Creating an ecosystem**

Financial businesses need to expand their services for customers ensuring that their own platforms and technologies integrate seamlessly with technology from partners; providing them with more choice on how to manage their services.

Capgemini states that the open banking trend may be overtaken as the banking ecosystem partnerships become more accepted and the industry will re-bundle services. The next phase is Open X – a shared marketplace that leverages data extensively and collaborates with other players to provide customers with a seamless experience.

### **Technology transforming services**

Banking and insurance services rely on telecommunications and contact centres so it is imperative that you have the correct unified communications technology in place for internal and external communications to flourish.

Companies need to focus on delivering a seamless customer experience enabling customers to travel through their journey with ease and first-time resolution. It is crucial to offer a range of communication channels for the customers to use including: the telephone, email, web chat and social media which can all be delivered through a multimedia contact centre. No less than 85% (PWC) of people agree to using bank services would agree to pay a regular fee to receive social media notifications from their bank.

A Forrester survey revealed that 64% of the survey respondents said their greatest obstacle is creating a single view of customer data and information when improving CRM capabilities. More than half acknowledged they struggle with creating customer insight to drive decision-making.

When a customer service agent deals with a customer's enquiry they are often faced with several screens, this is cumbersome and difficult to manage. Technology partners integrate a digital assistant into the contact centre so customers and agents are presented with a single user interface where all interactions can be completed on a single screen. This helps to make the customers' journey seamless, and makes the agent's job easier at the same time, enabling them to deliver a better experience.

### **The personal touch**

Now customers want a personalised service, they don't want to be handed over many times to different agents and repeat their personal information. Intelligent call-based routing uses CRM records and intuitive self-service options so customers can connect to the right people and services at the right time. This helps resolve queries quickly and effectively. Inbound automation speeds up low touch interactions and frees up the best skilled contact centre agents to solve complex customer issues and add value to interactions.

Screen pops can enable the agents to see who the customer is, what they have bought in the past, presenting them with their history. This reduces frustration and increases efficiencies with the enquiry, it also makes the customers feel valued as they are experiencing a personalised service.

Other unified communications tools range from video and audio conferencing to remote and working from home solutions, mobile and collaboration solutions such as Microsoft Skype for Business, Mitel UCA and Avaya One-X. These solutions enable you to facilitate voice calls video calls, instant messaging, screen share and joint remote

collaboration on documents. They enable companies to expand their recruitment pool as employees don't need to be based in the office and also to extend the opening hours of a contact centre to deliver a 24/7 customer service.

### **On the move**

Mobile applications free customers to conduct financial services on the move, they can pay bills, make deposits, check balances and get alerts if there is unusual activity. Insurers are rolling out fitness apps, conduct mobile claims filing, micro insurance services and even have smart devices that monitor habits.

Mobile solutions leverage the power of the cloud by keeping services intuitive, personalised and simple for customers. Mobile is most significant change in the financial industry with 53% of 25-34 year olds conducting all banking on their mobile devices.

### **Automating the customer journey**

Technologies such as AI and RPA automate elements of the customer's journey to simplify it for them to reach a resolution faster without the frustration of being passed from one department to another.

*The Automation Study* by fintech firm Avalog revealed that 55% of banking professionals see AI, automation and robotics as a vital part of the future of financial services and 46% want to improve customer experiences at 46%. Customer experience was important in staying ahead of the competition with 41% saying it was the priority and operational efficiency at 19%.

Implementing an AI virtual digital assistant in your contact centre improves customer service and the productivity of agents. The digital assistant has the ability to self-learn content from your website and or from customer

conversations that take place in webchat. They also have the ability to recognise and pre-empt the needs of customers during similar interactions in the future.

They can be programmed to produce answers to questions and resolve issues by completing web forms during conversations. When the customer wants to speak to a human they can be transferred to a customer service agent when necessary.

It is advisable to make the digital virtual assistant, the first point of contact for website users because often the initial stage is customers' information gathering or requesting answers to basic questions. This enables contact centre agents to focus on complex enquiries handing over information sourcing to the digital assistant.

### **Increasing productivity**

AI and RPA doesn't just vastly improve customer service it also increases efficiencies of staff and productivity. Business cloud research entitled *Taking Automation to the next level* revealed that when asked to look to the next five years 44% stated that to improve productivity would be their primary goal for automation.

Intelligent automation which combines RPA with AI and additional capabilities such as Natural Language Processing is enabling businesses to automate workplace processes in an agile, secure and effective way in both the front and back office.

### **Real-time reporting**

Evaluating and reporting is essential in financial services especially with the vast amount of data. Multimedia solutions enable you to access historical and real time reporting so you can see the entire picture and drill down to individual call and agent level for each communications method from the omni-channel.

You can respond instantly to changing traffic volumes and ensure that the service levels are maintained. With the historical reporting you can measure performance against objectives and key performance indicators, review play by play account of the contact centre and identify new ways to improve business processes.

Andy Marlow, Kelliher Insurance Group's Sales and Service Manager concludes,

*"The integrated multi-channel contact centre and outbound dialling solution have helped the business to deliver a significant increase in sales. Not only because sales agents can make outbound calls faster now with automatic dialling and dial-in scripts. We can understand the actual volume of customers attempting to contact us outside our working hours. The amount of calls we were missing was astonishing. It led us to review our opening hours and to run a marketing campaign that saw our team call back all those clients who had been unable to get through. It created new sales leads that, previously, we were unaware of."*

Big data analytics is essential in financial service and provides organisation an opportunity to fully understand what each customer wants.

### **It's all about the integration**

The key to digital transformation lies in the integration, technology must be integrated into the front and back office for it to be truly successful. It needs to talk to your existing and new tech and apps to utilise what you have and what you need.

It is important to find a partner that specialises in integration and will work closely with you to discover your objectives and devise a tech strategy. They will need to understand how to utilise your existing technology and what you require, plus the importance of engaging with your employees to discover what tech they think will help



improve their customer service. Enabling you to deliver a comprehensive, integrated digital transformation strategy that will deliver improved comms, business processes and a superior customer service.

### **Embracing now and the future**

CIO's and CTO's need to embrace digital transformation by creating an creative and open culture where employees can work remotely, share data without being restricted by silos, make creative suggestions and not be scared to fail. This will help attract and retain top talent which is and will continue to be a challenge with the digital skills gap.

They will benefit from partnering with a solutions provider who will advise and work closely with them to understand what their objectives are and how technology can help them achieve them within the restriction of compliance and regulations but still make it easy to use and deliver a seamless service.

A common perception is that all technology projects need to be big and overwhelming and therefore take time to deliver ROI and if they don't they are abolished. This is not the case projects can be deconstructed into small and manageable projects that are easier to get approval on and to roll out.

It's not about the future, it is about now, and now is the time for the financial services market to embrace and welcome digital transformation to improve customer services, efficiencies, productivity and revenues. ■

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