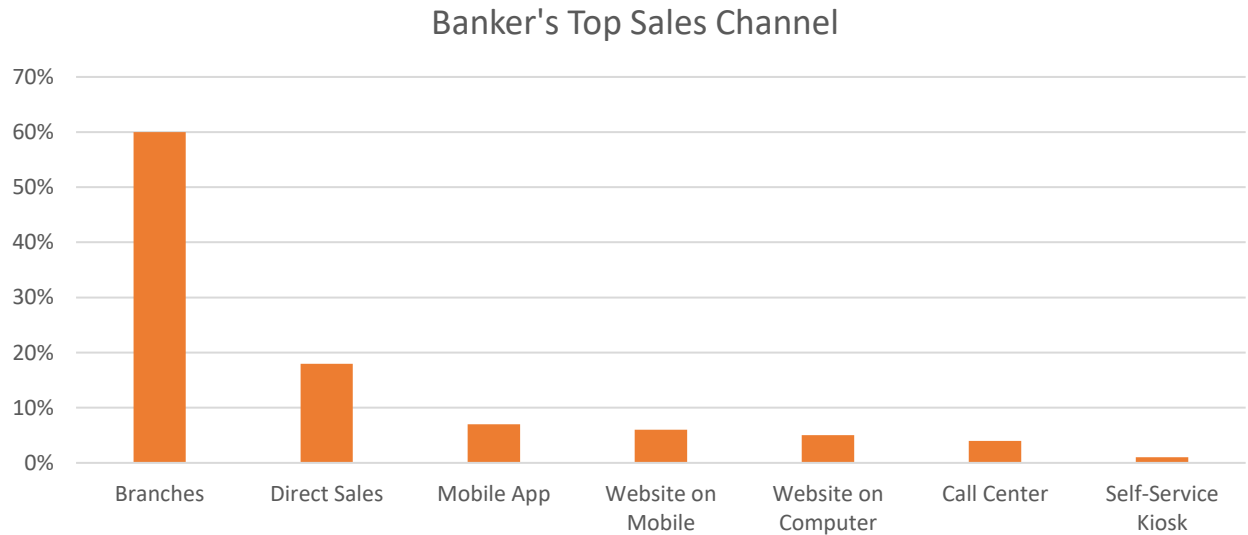


products and deepening customer relationships are strategic advantages that bankers said only a branch could provide. Additionally, they also said that branches are a key enabler of the all-important human interaction with customers.



World Branch Report, 2019

ENGAGEMENT, REDefined

It is evident face to face interactions and the branch play an absolutely critical role in banking even in a digital and connected world. Consequently banks must not view digital and face to face channels as dichotomous priorities divergent from each other.

Each point in a customer’s financial journey involves distinct activities and engagement by or with the customer. Engagement for some points is best implemented using digital channels or a partner for maximum convenience and efficiency. Certain other points and activities, however, require face to face engagement for maximum effectiveness and revenue potential.

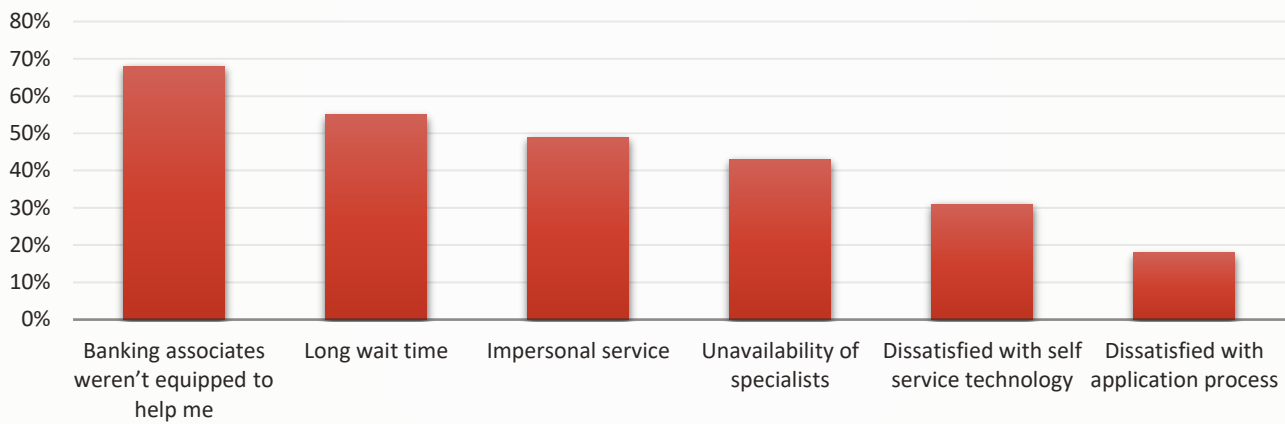
With the right strategy and approach, banks must use the two channels to complement and reinforce each other, playing their unique roles as in a symphony to maximize value for both customer and the bank.

For the Customer

Customers today are looking for significantly more convenience and value from the time they spend at a bank branch, interacting with branch staff. They expect quick and accurate transactional services. They also want advice and guidance that is trusted and transparent. They look to a banker to be their trusted financial advisory as they explore meeting financial needs and goals. And most importantly, they want the engagement to be personalized and contextual.

In fact according to research from Celent, 68% of customers felt that the top contributor to a negative branch experience was the inability of branch staff to provide them with the required help and guidance. A majority of customers also cited long wait times and the lack of personalized engagement as other key contributors to a negative branch experience.

Negative branch experiences that would prompt switching banks



Celent, 2019

For the Bank

In the hyper competitive market that is financial services, new entrants ranging from startups to large internet platforms are constantly luring away customers through innovative financial services offerings and distribution models. They are steadily chipping away at once solid financial services relationships that were exclusive to banks. Face to face engagement and branches offer banks a ready and effective channel for banks to strengthen and deepen relationships with customers. Deep customer relationships increase the cross and up selling of financial products and services, an invaluable advantage in a highly competitive market.

Additionally, rapidly evolving market and business dynamics have also forced banks to rapidly scale business lines and operations. Value chain efficiencies and cost considerations have led to the adoption of a factory model to achieve growth at scale. However this factory model has led to a steady decline in customer relationships, in turn leading to an erosion of trust over time. It is essential that the focus of face to face engagement at branches be realigned to drive a relentless focus on re-building trust between the customer and bank.

It is therefore imperative face to face engagement be redefined to shift from a transactional oriented factory based model to one that drives deeper customer relationships, trust and revenue growth. And it is necessary for banks to scale this new approach across all possible branches and target all potential customer segments to maximize the potential of their already existing branch networks.

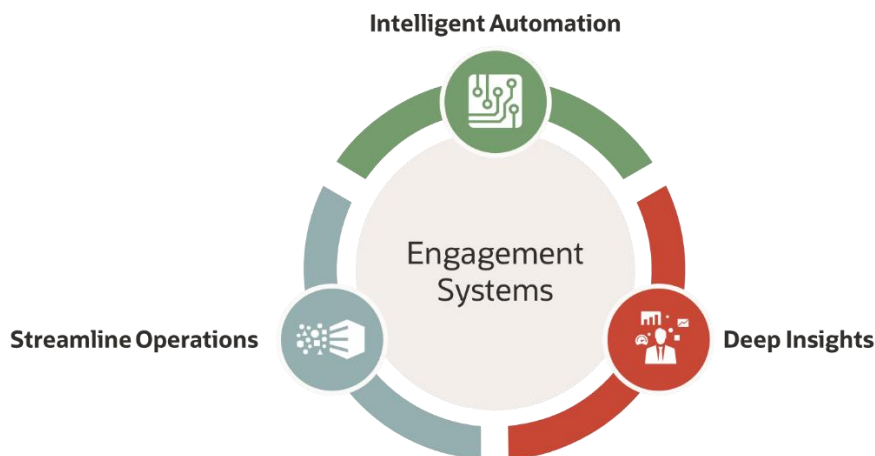
EMPOWERED BANKERS

For banks to scale this redefined approach across all branches can be a challenge. In the past, dedicated relationship managers have been deployed to address eroding relationships and declining trust. However high associated costs make them viable only for select customer segments and uneconomical to operate at scale.

A new strategy must be explored to scale this redefined approach effectively and efficiently across the branch network. Branch staff are the foundation of this new strategy. Tellers and other front line branch staff are literally the faces of the bank, interacting with customers daily. The role of these tellers and front line bankers must be repositioned so that every teller and front line banker is empowered with the resources that can help them become a relationship manager to every customer.

To achieve this, each banker must be equipped with information that helps them understand customers better. They also need the time and resources to help them more effectively and efficiently manage transactions, drive meaningful and beneficial conversations with customers and provide them with personalized and contextual advice and guidance.

Technology holds the key to empowering bankers with the required resources. Banks must invest in next generation customer engagement systems that offer streamlined operations, intelligent automation and deep insights.



Such systems will enable technology to take over simple, mundane and time consuming tasks while providing the insights, knowledge and tools to bankers to drive unprecedented personalized engagement.

- **Streamlined Operations**

Bankers must be equipped with systems that can help them streamline onboarding, originations, transaction and product servicing activities, which form the bulk of customer facing branch operations. Streamlined processes with intuitive user interfaces and accessibility across multiple devices will help bankers execute operations much faster, while maintaining accuracy and quality of service. Systems

must be equipped with capabilities similar to e-commerce such as intuitive product management and multi product originations through shopping cart checkouts which offer a much needed next generation experience to bankers. Additionally, systems must offer flexible workflows to enable banks to customize and streamline complex processes like approvals. Information capture must be optimized throughout any process and status updates must be made available to ensure transparency.

- **Intelligent Automation**

- Digital Assistants: Smart digital assistants with voice based interfaces can help bankers speed up customer facing operations by talking to the system to call up required screens or relevant details instead of using cumbersome navigation like a mouse/keyboard to search for the same.
- Natural Language Processing (NLP) can help automate the processing of emails, documents as well as interpret the meaning of words, sentences, and paragraphs in context and take simple decisions. NLP based image processing capabilities can significantly reduce manual validation of documents. NLP can automate slow, tedious and potentially erroneous tasks, freeing up valuable time for bankers.

- **Deep Insights**

- Machine Learning (ML): ML algorithms can analyze data points like historic transactional data, account balance data, service requests, etc. and learn and identify hidden behavioral patterns to help bankers identify customers at risk of attrition and segment customers based on similar transactional behavior such as risk appetite, risk response, openness to new opportunities and product exposures, investment patterns, etc. Models can predict a more accurate lifetime value of a customer using historical transaction data and revenue data. Bankers can be provided with much needed intelligence and knowledge to improve personalized and contextual engagement.
- Customer 360: Systems must offer complete and enhanced 360 degree views of an individual customer to empower bankers with the necessary insights and context. Bankers can then provide meaningful advice, guidance and elevate overall engagement while maximizing cross and up sell opportunities and overall lifetime value of a customer. Enhanced household views and actionable alerts can help bankers make relevant and customized suggestions and offers in real time as they engage with customers.

ENGAGED CUSTOMERS

Empowered bankers with the requisite insights and resources can help drive new levels of customer engagement. They can shift from transaction servicing to engaging with customers across the complete lifecycle, right from when a customer makes an inquiry with a bank or for a product, to servicing the customer and right through to advising the customer on finances and additional products, relevant to them.



- **Acquisition:** Empowered bankers will have the product knowledge and the necessary systems and capabilities to help onboard customers or originate relevant products or a collection of relevant products for a customer or group of customers. They can help make the onboarding and originations experience smooth, transparent and personalized for the customer. Happy onboarded customers or customers who have had a streamlined account opening or those who have been offered a customized home loan to meet their unique needs help bankers deepen relationships, life time value while enhancing revenue growth.
- **Assistance:** Bankers empowered with intuitive user experiences and streamlined processes can offer customers fast transactional and product servicing, all while maintaining high service quality and accuracy. Automation can help them address larger volumes of customer requests quickly and efficiently. Time freed up can then be dedicated to improving customer engagement.
- **Advice:** Bankers empowered with the right insights on the customer through intuitive views and dashboards can provide meaningful advice to customers. By suggesting relevant products that are personalized to a customer's unique requirements, they can help significantly improve customer satisfaction and deepen relationships. At the same time they can drastically increase the successful cross and up selling of products and services, to accelerate revenue and growth for the bank.

CONCLUSION

It is clear that customer – banker engagement is the cornerstone to driving success in financial services. Empowered bankers who in turn drive engaged customers are key to unlocking value for the customer, in terms of deeper customer relationships, higher life time values and accelerated revenue growth.

It is therefore time for banks to invest in an empowering the banker, one who is liberated from mundane tasks and equipped with the right knowledge, insights and tools to drive an engaged customer, reignite relationships and regain lost trust.

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