



Dealing with heightened demand? How banks can improve their customer experience to pull ahead

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After a tumultuous few years of pandemic closures, those of us in Europe now face a perfect storm of household bills soaring and colder, darker winter months creeping in. Many of us are having to make sacrifices to stay warm and feed our families – while some people are even in the situation where they’re having to choose between one or the other.

A lot of organisations face growing expectations to help customers through this turmoil, while still staying compliant with energy efficiency and carbon emissions. So what are financial services companies doing for their part?

Well, new technology, such as payment systems offered by FinTech companies, is going to help. I'm confident that with personalised, responsive support based around every customer's specific needs, banks will be able to better guide people through the choppy waters ahead.

However, all this change is going to have an impact on the traditional way of doing things as well. And as FinTechs are dependent on banks and valuable partners who use their tools and services, the financial services industry must find new ways to reach its customers, without causing even more chaos.



Taking a look at the trends

Heading into a new year, it's critical that financial services organisations examine the industry landscape and consider any insights they can get their hands on. Deloitte's 2023 banking and capital markets outlook offers a view into what may lie in the year ahead.

A superior cross-channel experience

As customers become more in tune with technology, they expect their banking experiences to keep up. Banks have to offer the same level of service in every channel so that however a customer wants to interact, they're impressed by the experience. Any new technology or processes that are introduced to meet these needs have to go through strict governance and compliance measures – which can delay responding efficiently to customers' needs.

This omnichannel experience will also require having the analytics to know where customers are struggling in the process or which channels they are using the most, and then investing in the technology that supports those areas. Organisations will also need to keep security in mind when it comes to their processes and technology. Real-time money transfers, credit checks, fraud, and risk management should all be considered during the adoption of new and innovative technologies.

Hands-on guidance during challenging times

While customers have been more concerned with the speed, ease of use, and efficiency of their banking experience in the past, now they also want a banking partner that can be by their side in uncertain times. Institutions should know each customers' financial status and personalise services to meet them where they are.

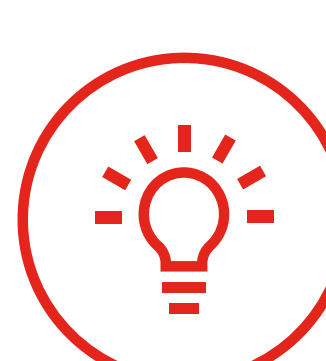
Inventive applications

To tackle growing customer expectations, banks must also improve their offerings by investing in unique applications with focuses on environmental, social, and governance (ESG), embedded finance, and digital assets. Customers are looking for a service that can offer something more than the standard banking practices.

But how do we make each of these ambitions a reality?

Putting ideas into practice

Heightened demands require banks to create a better customer experience that is data-driven, consistent across channels, and complete with a personalised approach. On top of this, every industry is looking for new ways to become more energy-efficient while continuing to manage costs. But to achieve these, you need the technology to transform.



Modernise processes for a superior experience

Integrated solutions, like business process automation (BPA), offer new ways of doing business while enhancing customer interactions. When BPA is combined with a well-integrated, optimised and secure data fabric, organisation-wide processes become more agile and effective.

BPA can also be a great tool to support reporting and ensure regulatory compliance as new ESG norms arise.

When BPA is optimised with technologies like artificial intelligence (AI) and machine learning, organisations can easily streamline processes – or start benefiting from new capabilities. Then, processes that were either too costly or too complex to do manually become a reality.

Imagine, for example, the impact of a system that can read, interpret, and automatically respond to over a million emails – or even handwritten letters – within an hour! I can't emphasise enough how much time and space this technology can free up for banks. All staff are relieved of their admin burden – and specialist teams have the time they need to focus on details that ensure quality and customer satisfaction.

AI innovations like these are key enablers for transforming business operations. They will help institutions to unlock impactful insights and easily communicate across channels, reaching customers at every stage, in a customer-friendly and standardised way across platforms. With the right technology, you can even make full use of both structured data (quantitative data that's easy to categorise) and unstructured data (qualitative data that's difficult to organise) to understand how to reach business goals. Not only that, but automation will help you find new efficiencies to help save time and money.

Providing high levels of service through hard times

To counter the uncertainty in the economy on top of any personal situation customers may be facing, banks must be there for their clients every step of the way. To ensure that they can continuously offer a high level of service, organisations should invest in technologies that offer insights and are customisable to customer preferences.

Imagine a client asks a bank for a loan to build a new house. In the traditional model, this process will require a lot of paperwork. Construction documents from the architect, images of the location and so on would need to be looked at on top of the client's financial information. This can be a tedious, time-consuming and inefficient approach. Multiple interactions with the bank, the architect and other parties will need to be factored in – taking up time and resources.

But new technologies like Augmented Reality (AR) and Virtual Reality (VR) can enable banks to work through the process in what I'll call a 'three-dimensional omniverse'. Clients can have a virtual walkthrough of the project, including all the required data and expert input.

Consulting and financial management experiences can also be enhanced. Remote support from experts, adding knowledge and advice during customer appointments, and seamless walkthroughs of customer portfolios could be included.

The Internet of Things (IoT) and AI can provide real-time customer analysis to identify new opportunities to enhance interactions. AI also helps to analyse customer behaviours so that banks and financial institutions can personalise communication and offerings to customers.

Reaching your net zero target

[The European Banking Authority \(EBA\) has published its roadmap on a sustainable finance](#) based on ESG targets. Initiatives like these are major drivers for businesses and IT will be impacted – it's safe to say that traditional operations in both business and IT will be impacted.

The EBA has identified IT as a major concern when it comes to reaching ESG targets. This means that banks will have to double down on efforts to monitor and optimise their IT stacks. They need to ensure that asset management of all IT components, including software and all business processes, is up to scratch.

It differs from organisation to organisation, but in the broad sense there are a few different actions banks can take to optimise their IT stacks for ESG compliance:

- Put additional reporting and monitoring structures in place
- Make continuous optimisation par for the course across processes
- Ensure that ESG and banking compliance regulations for data management and privacy are at the heart of IT service delivery and infrastructure. Both on-premises, in the datacentre, and for third-party cloud-based services

Doing so will require an enterprise-wide IT strategy that prioritises the most efficient technologies and architectures.

For end users, a device as a service (DaaS) offering means that clients have access to the latest energy-efficient devices while managing costs so that they're staying environmentally-conscious and more efficient in processes.

Offering a better future through next-level applications

As customers become increasingly concerned with social and environmental issues, banks can prioritise giving them the tools to tackle initiatives from equity and diversity to decarbonisation and data security. Organisations can use AI to automate the manual research and extraction processes. Then, collecting data to support ESG efforts is simpler and more efficient.

Once it's collected, it needs to be stored, preferably on a platform that matches it to customer profiles and is straightforward to access. This allows for insights to easily be shared that can further the progress on these issues.

Investments in technology could mitigate the risks that banking organisations are facing, helping them stand out to customers amidst the chaos.

Looking ahead to 2023

Even with uncertainty in the market, now is not the time for financial services organisations to simply stand by. Instead, banks should try to push ahead of the competition, using any insights and following what's going on in the industry to inform their strategies moving forward. With bold innovations and investments in solutions from Lenovo powered by Intel® technology, and a wide ecosystem of partners, businesses can improve the customer experience, streamline processes, manage costs, and create new and efficient ways of working to meet evolving demands and achieve their goals.