

# Digital Services in Banking

Getting the most out of today's evolving customer service model



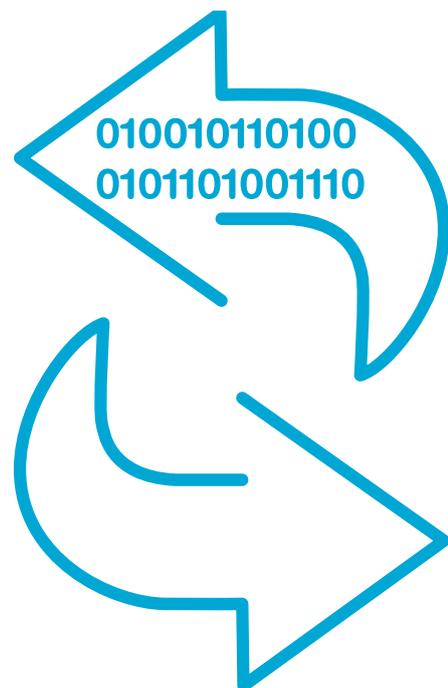
# Table of Contents

<b>1. Introduction</b>	<b>3</b>
<b>2. Overview of Digital Banking</b>	<b>4</b>
2.1. Enablers for Digital Services	4
2.2. Branch Banking	5
<b>3. The Need for Digital Services in Banking</b>	<b>6</b>
<b>4. Drivers and Challenges</b>	<b>9</b>
<b>5. Recommendations for a Digital Strategy for Banks</b>	<b>10</b>
5.1. IT Strategy to Support Digital Services	10
5.2. Investment Areas for Digital Services	11
5.3. Digital Maturity Assessment	11
5.4. Customer Solutions	14
5.5. Digital Workplace	17
5.6. Transparency and Optimization	20
<b>6. Recent Client Cases</b>	<b>23</b>
<b>References</b>	<b>27</b>

# 1. Introduction

The banking industry has long been a customer service driven industry. However the fundamental customer service model has been evolving at a rapid pace over the last decade. With more and more customers demanding them, digital services now play a key role in how customers expect to interact and transact with their banks.

The banking business model is evolving from providing basic account-based services to more enhanced contextual and personalized services, enabled by advancements in four key technologies—social media, mobile, analytics, and cloud (SMAC). Banks are currently moving towards monetization of tools such as gamification in pursuit of alternate revenue streams in a highly competitive environment. This paper highlights the growing importance of digital services in banking, and explores the opportunities for banks to leverage digital services and enhance the customer experience.



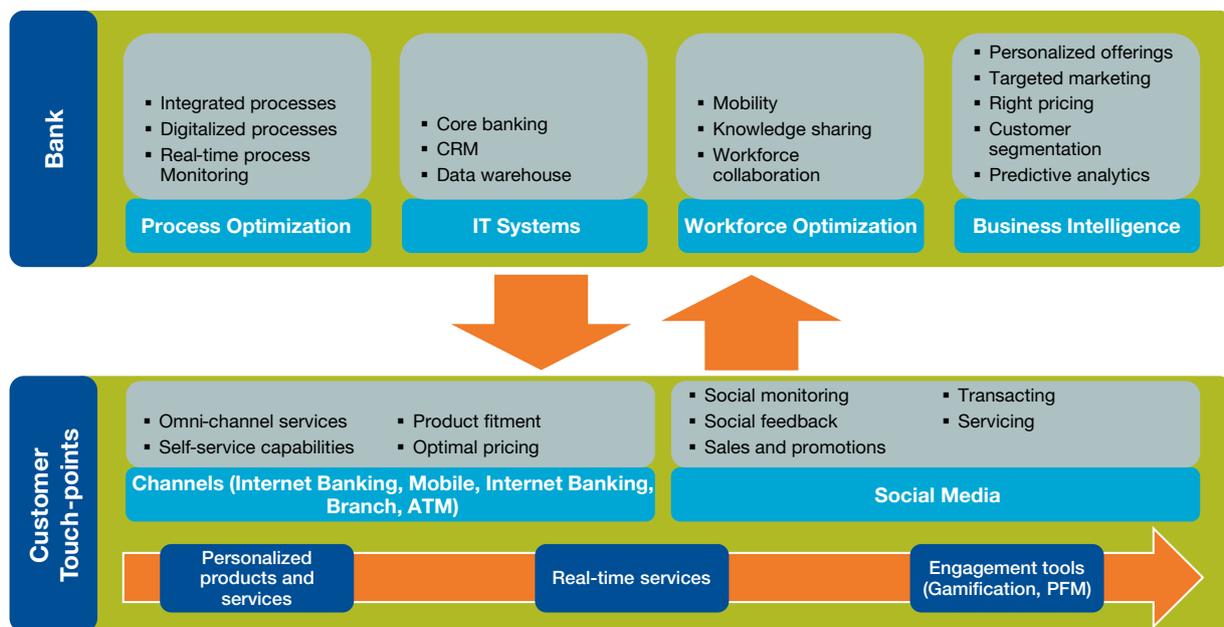
## 2. Overview of Digital Banking

Digital banking enables a real-time approach to customer service where the customer can interact with their banks across any channel with ease and simplicity.

In the banking industry, digitalization has evolved from simple customer service to a complete digital model for driving revenues and enhancing the customer experience. The traditional relationship between banks and customers has fundamentally changed with the advent of new technologies and platforms including smartphones and social media.

While there is no standard definition for digital services, in the context of the banking industry, digital banking can be defined as the simplification of customer service and establishing a digital workplace through optimized business processes, content management, digital channels, and customer relationship solutions. Digital banking enables a real-time approach to customer service where customers can interact with their banks across any channel with ease and simplicity. Banks can thus provide a unified and seamless experience to their customers.

Exhibit 1: Digital Banking Ecosystem



Source: Capgemini Financial Services Analysis, 2015

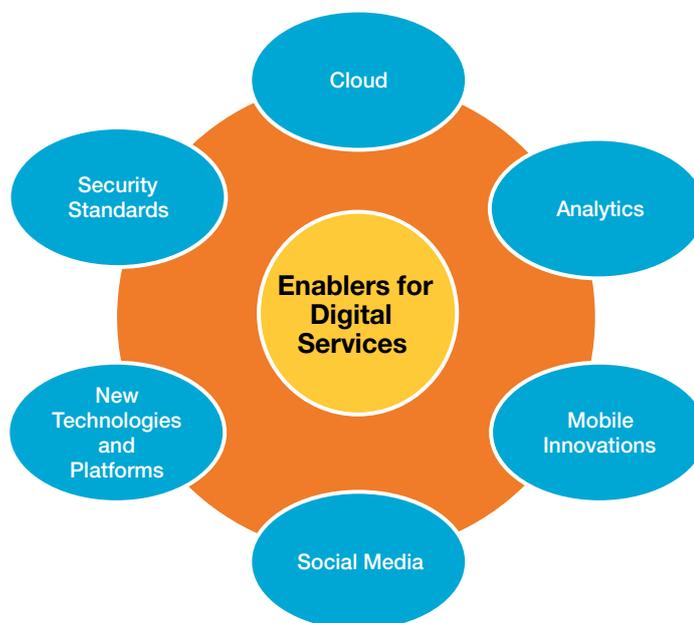
### 2.1. Enablers for Digital Services

The digital revolution has enabled banks to connect effectively with customers, forge long-term relationships, and personalize their banking experience.

- Cloud based solutions enable banks to provide 24/7 services, and build portable, efficient, and agile solutions.
- Advancement in analytics enables banks to understand their customers as individuals rather than accounts, and use predictive analytics to service customers based on their lifestyle and preferences.
- Innovations in mobile technology and smartphones enable banks to amalgamate their services on mobile devices, and provide on the run self-servicing facilities to customers.
- Banks are now able to provide secured digital services such as e-mail money transfer and social media banking by adopting enhanced security standards and frameworks.

## Exhibit 2: Enablers for Digital Services

The enablers for digital services are changing the traditional relationship between banks and customers.



Source: Capgemini Financial Services Analysis, 2015

### 2.2. Branch Banking

Despite the rise of digital channels, customers still consider the branch as an important way to interact with their bank. However the role of branches is evolving beyond merely providing transactional services such as cash deposit, check deposit, and money transfer. Increasingly, branches now provide advisory services for high value-added products based on customers' needs, preferences and risk profiles. For branches to provide confidence and reassurance to customers for value-added product purchases, banks must build systems to understand their customers better and create a customer-centric view.

Digital tools enable bank branches to focus on relationship-building and the customer-advisor relationship. The digital model for bank branches is evolving to provide a complete digital experience to customers through digital kiosks, interaction centers, tablet-based banking, app banking, interactive TV banking, and digital signage.

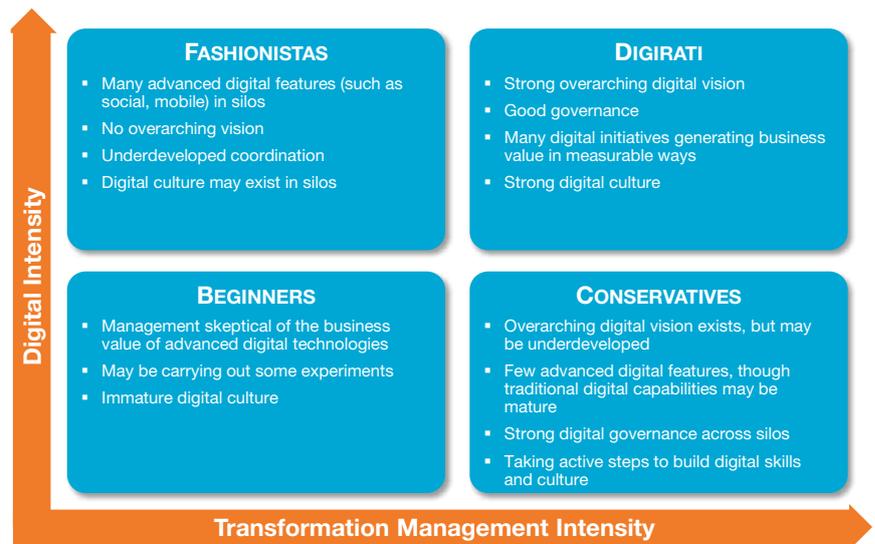
Banks can provide services such as origination, enquiry, servicing, and remote advisory services through digital kiosks at local train stations, retail outlets, and shopping centers. Customers can explore complex products through simulators and gamification tools, and make educated decisions to buy suitable products. Customers can even connect to remote advisors for expert advice on complex products, which in turn provides new cross-sell/up-sell opportunities for banks.

# 3. The Need for Digital Services in Banking

A study of the digital maturity of firms highlights a great variation from firm to firm. Firms were analyzed along two dimensions: digital intensity and transformation management intensity.

Exhibit 3: Types of Digital Maturity

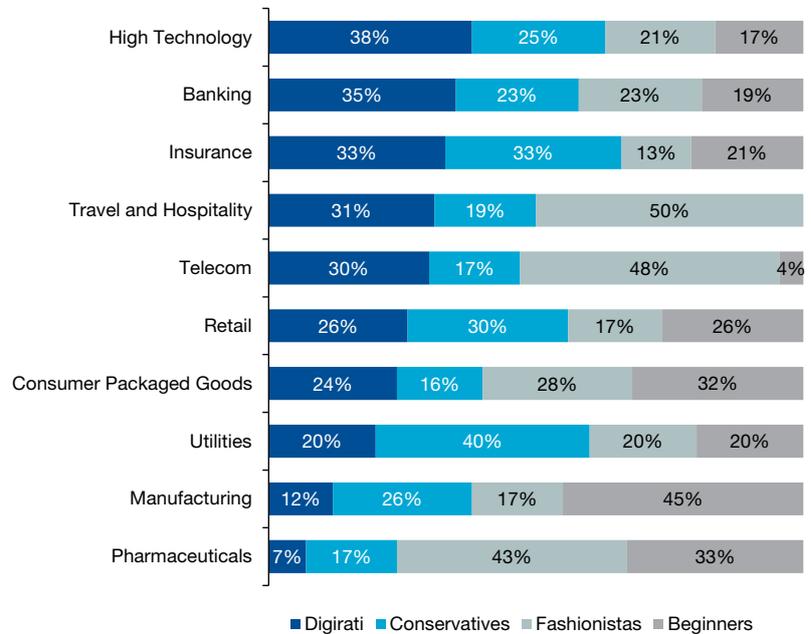
Banks have an opportunity to parlay their current successes into new digital innovations in mobility, social media, customer engagement and knowledge sharing.



Source: Capgemini Financial Services Analysis, 2015; Capgemini Consulting-MIT Analysis – Digital Transformation: A roadmap for billion-dollar organizations, 2011

The study also shows that some industries are more mature than others. The banking industry is fairly mature with 58% of the firms being Digirati or Fashionistas with strong capabilities in analytics and customer service. However, banks have an opportunity to parlay their current successes into new digital innovations in mobility, social media, customer engagement, and knowledge sharing.

Exhibit 4: Digital Maturity Breakdown by Industry

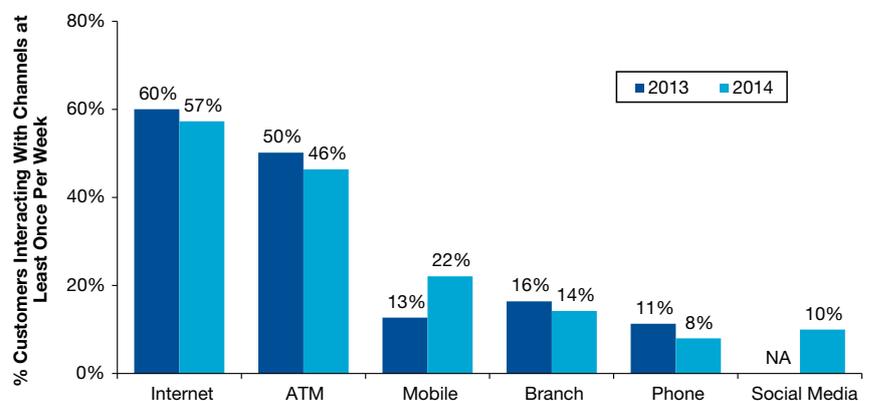


Source: Capgemini Financial Services Analysis, 2015; Capgemini Consulting-MIT Analysis – The Digital Advantage: How digital leaders outperform their peers in every industry; Digital Transformation Benchmark: Insights for the Retail Banking Industry, Capgemini Consulting, 2012

As more customers have adopted digital channels to interact with their banks, providing digital services to fulfill customer expectations has become a necessity for banks.

Capgemini’s 2014 Retail Banking Voice of the Customer survey finds that customers are increasingly using digital channels to interact with their banks. The findings of the survey shows that in different regions of the world, at least 10% of customers are using social media at least once a week to interact with their bank. As this percentage has increased, the percentage using ATMs, branches, and phone has decreased.

Exhibit 5: Customers Interacting with Different Banking Channels (%), 2013-14



Source: Capgemini Financial Services Analysis, 2015; 2014 Retail Banking Voice of the Customer Survey, Capgemini Global Financial Services; World Retail Banking Report 2014, Capgemini and Efma

As more and more customers are turning to digital channels to interact with their banks, the need for banks to provide digital services has become paramount. This evolving landscape presents an opportunity for banks to provide innovative digital services and stay ahead of the competition. Various factors are influencing the need for digital services:

- **Growing demand for digital channels and a seamless experience.** As the banking industry's traditional boundaries continue to transform, customers will increasingly expect to have access to banking facilities anytime, anywhere, and through any channel. Digital services enable banks to provide real-time personalized services to customers through channels of their preference. Banks need to invest in digital initiatives, and seamlessly deliver the right mix of products and services over multi-channel platforms.
- **Evolving and stringent regulations.** Digitalization will allow banks to quickly adapt to today's dynamically evolving regulatory environment by streamlining cross-functional processes, and providing timely information to regulatory authorities and other stakeholders.
- **Increasing need to protect customers from fraudulent activities.** Rapid technological and social changes combined with evolving consumer demands have added complexities that are vulnerable to fraud. However with the next level of security solutions such as biometrics, banks can fulfill customer expectations as well as better protect customers from fraudulent activities.
- **Ongoing security of customer data.** Customer data privacy is a compliance mandate for banks, and banks need to ensure confidentiality of customer data. A well-planned and defined digital strategy will enable banks to store and access sensitive customer information in a secure manner.



## 4. Drivers and Challenges

While banks are focusing on the changing landscape, they must constantly remodel and redefine their digital strategy to rationalize data management, upgrade technology platforms and strengthen security and compliance.

Most banks operate with a certain level of digital maturity. Their existing digital strategy is based on important factors such as the prevailing regulatory environment, regional customer appetite for digital solutions, and the scalability of their technology systems. Many of these factors are changing—customers are becoming even more demanding about cutting edge solutions from banks, regulators are getting more stringent about data governance, and a faster evolution of the bank's technology is becoming critical for business sustenance.

While banks are focusing on the changing landscape, they are constantly remodeling and redefining their digital strategy to rationalize data management, upgrade technology platforms, and strengthen security and compliance.

**Rationalize data management.** While banks are aiming at growing their customer base, they are also focusing on providing more services to their customers through various new digital channels. This new customer-centric engagement relies on a better understanding of their customers' needs, which drives superior customer service. Understanding the customer and getting the most out of customer data is the key. In many situations customer data lies within the banking system but is not utilized to its full extent. The biggest challenge for the banks is to rationalize data management and gather all the customer information available across various banking systems into a single master data management plan in order to get a complete holistic view of the customer.

**Upgrade technology platforms.** Most banks that are creating innovative digital solutions need to upgrade their existing systems to bring in the scalability required for implementation. While banks understand the benefits that digital front-end solutions bring to them, they must also focus on upgrading their back-end system. Banks are currently adopting digital strategies to concurrently upgrade technology both in the front office and back office to enable future sustainability.

**Strengthen security and compliance.** Digital channels offer flexibility and agility, but there are also aspects of vulnerability which can put the customer and the bank at risk. Banks primarily focus on strengthening digital systems with adequate monitoring and security measures. Proactive measures like multifactor authentication, voice biometrics, and adaptive monitoring are upgraded as threats mature along with the digital channel.

It is mandatory for banks to adapt their new digital channels as they build better customer confidence. While digital banking has simplified the banking process for customers, customer information is now available beyond the boundaries of the bank across various extensible devices. Banks must focus more on regulatory compliance. Increasingly, banks are putting into place advanced IT systems that can protect sensitive customer information from any misuse or information security lapse.

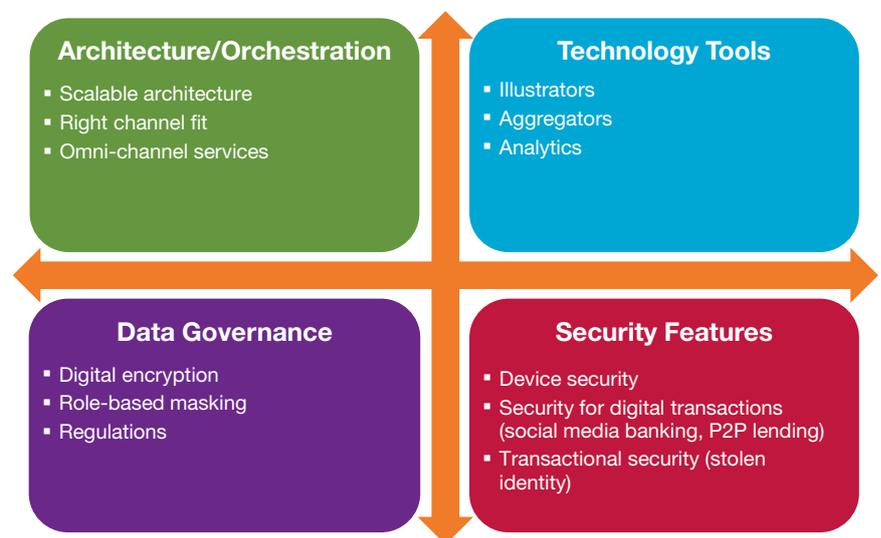
# 5. Recommendations for a Digital Strategy

The banking industry has witnessed a paradigm shift in the last decade, evolving from a branch-based brick and mortar model to an omni-channel service model. Customer behavior has changed, in part affected by their digital experience in other industries such as retail, airline, and telecom. Customers expect the same level of services from banks.

## 5.1. IT Strategy to Support Digital Services

A well-defined IT strategy that complements the bank's digital strategy is essential for implementation of digital services. The IT strategy of banks should focus on architecture/orchestration, technology tools, data governance, and security features to enable the implementation of scalable digital solutions.

Exhibit 6: Focus Areas for IT Strategy



Source: Capgemini Financial Services Analysis, 2015

**Architecture and orchestration:** The IT architecture of banks should provide the flexibility to customize digital products and services through application program interfaces (APIs) and data feeds. It should be scalable to accommodate new digital solutions, and provide the right mix of products and services to customers through the channels of their choice. IT platforms should support seamless integration and flow of information to provide an omni-channel experience to customers.

**Technology tools:** Banks should have the right technology tools to understand their customers' needs and preferences and provide an enhanced experience. The IT infrastructure should support device-agnostic deployment of tools on various devices such as tablets, smartphones, laptops, and desktops. Illustrators enable banks to educate customers about their products in an interactive manner and improve the chance for conversion of a sales demo into an actual relationship. Analytical tools empower banks to make efficient use of customer data and deliver personalized, contextual, targeted, and need-based offerings to customers through their preferred channels.

Digital maturity assessment, customer solutions, digital workplace and transparency and optimization are investment areas for digital services.

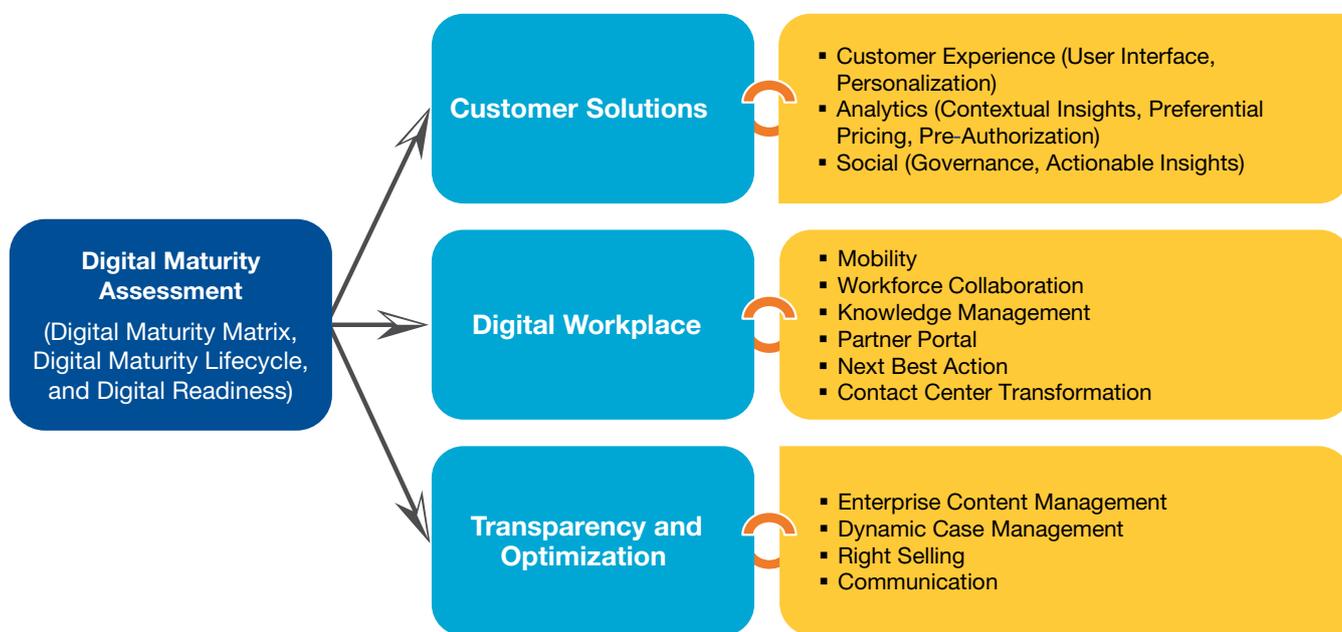
**Data governance:** Effective data governance is critical for banks to manage their operational risks and comply with existing and new regulations such as Basel III, FATCA, and AML. Banks must implement data masking systems to enable protection of sensitive customer data through role-based masking. Banks should also have digital encryption systems to enable secured transmission of confidential customer information and prevent misuse of customer data.

**Security features:** Mobile devices have become an inherent part of an enterprise's infrastructure and they are often operated beyond workplace boundaries. Banks must implement mobile device management (MDM) and mobile applications management (MAM) solutions to prevent any policy violations and protect devices from misuse. With the proliferation of digital transactions such as peer-to-peer (P2P) lending and social media banking, it has become imperative for banks to protect their customers from fraudulent transactions. Banks must enable secured transactions through security features such as multi-factor authentication, limits on transaction ticket size, and secured servers. Banks can also prevent fraudulent transactions related to identity theft by implementing biometric security systems.

### 5.2. Investment Areas of Digital Services

Digital maturity assessment, customer solutions, digital workplace, and transparency and optimization are the key investment areas for digital services.

Exhibit 7: Investment Areas for Digital Services



Source: Capgemini Financial Services Analysis, 2015

### 5.3. Digital Maturity Assessment

Digital maturity assessment is the first step towards discovering the opportunities for implementation of digital services. Banks must follow a systematic process to assess their digital maturity, and determine their current (as-is) and the target (to-be) digital capabilities. Here is an example of how it works using Capgemini Consulting-MIT analysis:

### Digital Maturity Lifecycle

A bank first ascertains their current digital maturity type, and then targets the maturity level they want to achieve on the Digital Maturity Lifecycle.

A bank first ascertains their current digital maturity type, and then targets the maturity level they want to achieve on the Digital Maturity Lifecycle.

**Level 1:** Banks at this level are at the starting point of the digital maturity lifecycle. They do not have the capability to provide services on all the digital channels, and the channels are not integrated. They provide nascent mobile-based services based on technologies such as USSD and WML. The usage of workforce collaboration tools is limited to tools essential for any organization such as e-mail and phone. These banks do not have any presence on social media.

**Level 2:** Banks provide multi-channel digital services with limited channel integration. They provide basic smartphone based services such as balancing checks, paying bills, and transferring funds. They encourage workforce collaboration through basic tools such as video & audio conferencing, and SharePoint. These banks have limited presence on social media (blogs, social media pages), and usage of social media is limited to promotional activities.

Exhibit 8: Digital Maturity Lifecycle



Source: Capgemini Financial Services Analysis, 2015

**Level 3:** Banks are digitally advanced and provide omni-channel digital services with full-scale channel integration. They provide advanced smartphone based services such as remote check deposit. These banks promote workforce collaboration through advanced social networking tools such as SalesForce Chatter, and enterprise search management capabilities. Social media is used for two-way communication and customer feedback. These banks use analytics for basic purposes (customer segmentation). They also use gamification and PFM tools to engage customers. The usage of cloud services is limited to reducing costs.

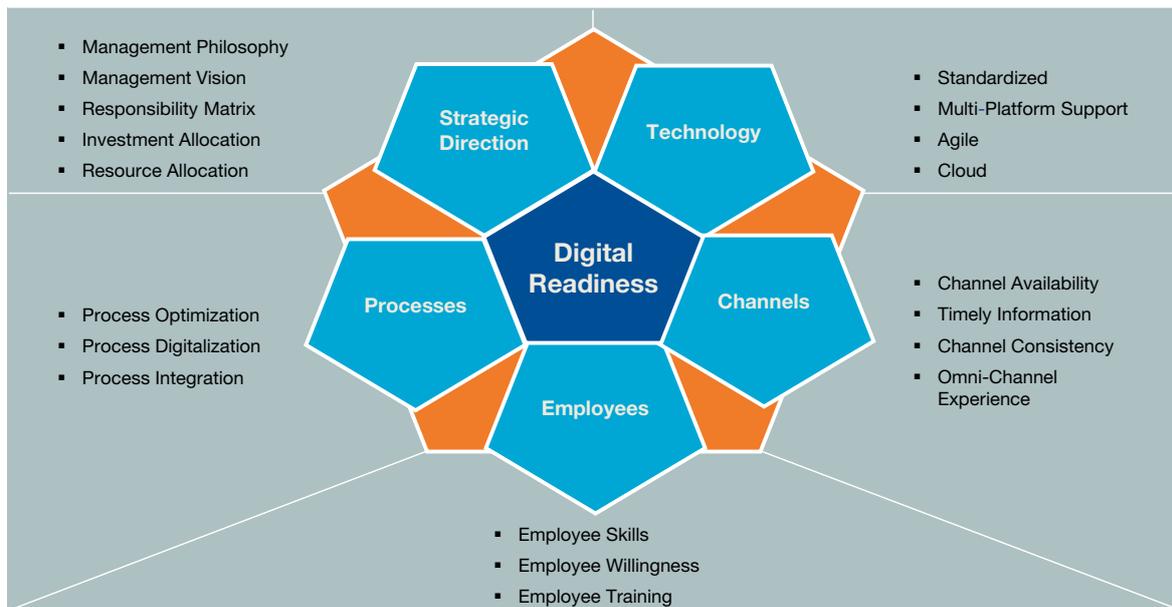
Banks can use the Digital Readiness Matrix to evaluate their digital readiness across different areas, and to prioritize areas for implementation of digital services.

**Level 4:** Banks at this level are digitally mature, and digital branding is a part of their business strategy. They utilize social media as a channel, and provide innovative services on social media such as banking facilities, and real-time social monitoring and feedback. These banks use advanced analytics for contextual insights and services such as optimized pricing, targeted marketing, and location based services. They promote real-time workforce collaboration through highly sophisticated tools and use of mobile and tablet-based tools for information sharing. These banks monetize their usage of gamification and PFM tools, and use cloud-based services for portability and providing uninterrupted services 24/7.

*Digital Readiness Assessment*

After banks have determined their target digital maturity level, they need to evaluate their digital readiness. Banks can use our Digital Readiness Matrix to evaluate their digital readiness across different areas, and to prioritize areas for implementation of digital services.

Exhibit 9: Digital Readiness Matrix



Source: Capgemini Financial Services Analysis, 2015

A Digital Readiness Questionnaire can be used to calculate a digital readiness score. This will help banks build a roadmap for implementation of digital services based on the target digital maturity level and assessment of their digital readiness.

## Exhibit 10: Digital Readiness Assessment

Score	Assessment	Description
Less than 10	Low	The bank has only nascent digital services and should revisit its digital strategy. The bank should strategize to implement a top-down approach for implementation of digital services and attain the target digital maturity level.
10 to 15	Moderate	The bank has moderately mature digital services, and should refine and enhance its digital strategy. The bank can assess areas of opportunity from the individual scores of different parameters, and prioritize key areas for implementation to attain the target digital maturity level.
More than 15	High	The bank has a well-defined and fully orchestrated digital strategy and it should utilize the digital services to innovate and gain competitive advantage.

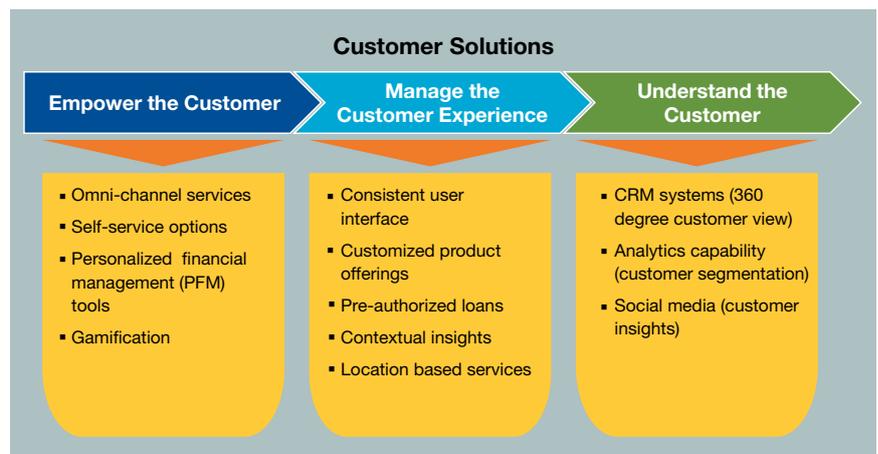
Source: Capgemini Financial Services Analysis, 2015

Banks must build Customer Solutions to understand their customers, empower them with cutting-edge products and services, and provide a positive experience.

### 5.4. Customer Solutions

Customers are increasingly demanding services through self-directed channels of their choice. This makes it imperative that banks understand customer behavioral preferences, and provide customized solutions and rich digital experiences to them. Banks must build customer solutions to understand their customers and empower them with cutting edge products and services.

## Exhibit 11: Customer Solutions



Source: Capgemini Financial Services Analysis, 2015

Banks can empower their customers by providing them self-service options at branches and digital channels, and enabling them to seamlessly initiate, pause, continue, and complete transactions through the channels of their choice.

### Understand the Customer

Understanding their customers is essential for banks to provide products and services that cater to their specific needs. Social media can be utilized by banks as a source for personalized customer insights. The following scenario illustrates how banks can utilize **social media analytics** to understand customers and provide personalized services and offers to them.

#### Understand the Customer: Scenario 1

A customer posts on social media about her upcoming overseas trip. Her bank captures this information through its social media analytics engine, and populates suitable products such as foreign exchange market services and travel insurance on her self-service portal and mobile app.

Customer Insight into Action (CiiA), a social media analytics tool by Capgemini, can monitor and capture customers' activity on social media, apply sentiment analysis, and classify the customers' messages into different categories based on customizable attributes: The insights from CiiA can be used to up-sell/ cross-sell products, take remedial action with retention strategy, and offer suitable products to customers.

#### Benefits for Banks

- Proactive social prospecting
- Proactive brand & reputation awareness
- Improved customer interaction and retention

CRM systems and analytics capabilities enable banks to have a unified view of their customers and segment them accordingly. The following scenario illustrates how banks can utilize **analytics** and **customer relationship management (CRM) solutions** to offer need-based services and pre-authorized products to customers.

#### Understand the Customer: Scenario 2

A customer searches on a bank's portal about the interest rates for an auto loan. The bank's web analytics engine determines that this customer is looking for an auto loan and sends her pre-authorized auto loan offers based on her risk assessment.

CRM solutions help manage customer on-boarding, need analysis, end-to-end servicing, customer interactions, and 360 degree customer view.

#### Benefits for Banks

- Customer assessment and need analysis
- Improved customer value generation
- Increased customer satisfaction

### *Empower the Customer*

Banks can empower their customers by providing them self-service options, and enabling them to seamlessly initiate, pause, continue, and complete transactions through the channels of their choice. The following scenario illustrates how banks can provide **omni-channel services** to customers and create a positive customer experience.

#### **Empower the Customer: Scenario**

A customer initiates an online application for foreign exchange services through her laptop. However she could not complete the application as she had to leave for some urgent work, and on her way she completes the application using the bank's mobile app.

Omni-channel solutions enable banks to provide a seamless experience to customers across multiple channels.

#### **Benefits for Banks**

- Reduced time-to-market, and optimized offerings based on customer behavior and responses
- Improved quality interaction with customers across digital channels
- Delivery of world class customer experience, loyalty, and satisfaction across all channel



### *Manage the Customer Experience*

Banks must create a delivery strategy that puts the customer at the center and provides a seamless experience. Banks should provide a consistent user interface across various channels such as mobile, internet banking, and ATM's. Their functionalities should take customers into account based on identity, location, device, and preferences. The following scenario illustrates how banks can use **location based services** to create customer connect by providing predictive services and contextual recommendations to their customers.

#### **Manage the Customer Experience: Scenario 1**

A customer visits a store for shopping. As soon as she enters the store, based on her location she receives a message from her bank about discount offers and privileges on her credit card that are available in the store.

Location Based Solutions can be utilized by banks to provide contextual and personalized services to customers.

#### **Benefits for Banks**

- Improved business value generation
- More engaged and satisfied customers
- Enhanced brand management

Banks should look to provide a consistent user experience to their customers across all channels, and offer tools such as PFM and gamification to engage and connect with them. The following scenario illustrates how banks can utilize **gamification tools** to engage their customers and monetize the usage of such tools.

## Manage the Customer Experience: Scenario 2

A bank creates a game for its customers on social media. Customer can earn points based on transactions using their cards or bank accounts which can be used to unlock different levels of the game. The customers also get loyalty points after clearing each level that can be redeemed.

### Benefits for Banks

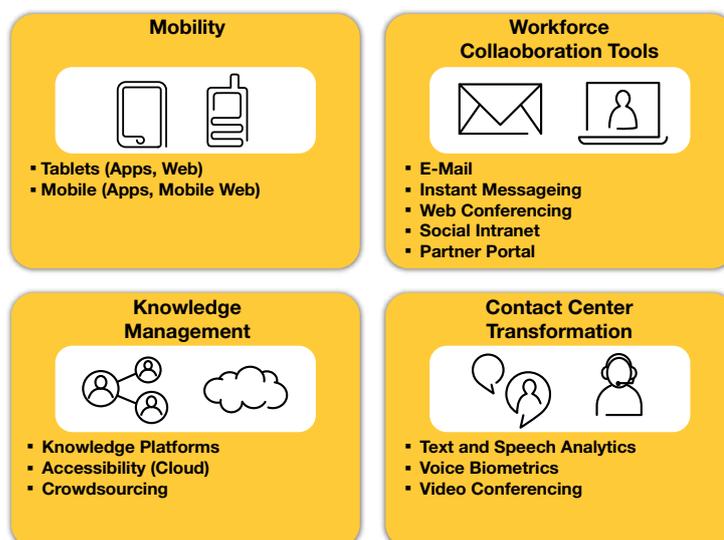
- Digital branding and marketing
- Improved customer engagement
- Alternative revenue stream

## 5.5. Digital Workplace

The Digital Workplace enables employees to share information quickly across locations using different devices and collaborative services. Investment in the digital workplace will help banks to achieve increased productivity, greater innovation, and improved employee satisfaction.

### Exhibit 12: Digital Workplace

Investment in the Digital Workplace will help banks to acquire competitive advantage through increased productivity, greater innovation, and improved employee satisfaction.



Source: Capgemini Financial Services Analysis, 2015

### Mobility

Mobility enables employees to access and utilize relevant information anytime and anywhere. Employees can access timely information through various devices such as smart-phones and tablets, which may be used to service, cross-sell, or acquire clients. The following example illustrates how **mobility** can be useful for banks to provide real-time service to their customers.

### Mobility: Scenario

A bank employee visits the client's site for verification purposes to open a new savings account. The client enquires about her eligibility for a home loan. The employee uses the home loan calculator app on her tablet to find out the customer's eligibility and interest rate.

Enterprise Mobility Orchestrator is Capgemini's integrated framework for strategy development, platform development, and recommendations/roadmap for the bank's mobility strategy.

### Benefits for Banks

- Competitive advantage
- Improve client satisfaction
- Enhanced client experience

### Knowledge Management

Knowledge Management enables employees to access the right information at the right time. Crowdsourcing and cloud-based services enable seamless availability of information to employees across multiple time zones and working hours. The following scenarios illustrate how banks can utilize **knowledge management (KM)** platform, and **remote advisors** to provide real-time advisory services to clients.

### Knowledge Management: Scenario 1

A relationship manager (RM) visits a client. The client asks her questions about a financial product. As the product is not in the portfolio of the RM, she searches the product information in the bank's knowledge management portal. She finds a video presentation that she demonstrates to the client, and connects the client to a remote advisor (subject matter expert).

TRlveo is Capgemini's relationship management solution which sets customer concerns at the heart of the banking relationship, and brings added value to advising.

### Benefits for Banks

- Competitive advantage
- More satisfied customers who recommend financial advisors
- Customer value generation
- Improved customer interaction

### Workforce Collaboration

Workforce collaboration tools enable real time many-to-many communication, improved collaboration, and enhanced workplace efficiency and productivity. Social intranet tools such as Salesforce Chatter and extranet tools such as Partner Portal help increase collaboration through quick access and dissemination of information. Partner Portal acts as an extension of the bank. The empanelled partners of banks (white-label partners) can use Partner Portal services for activities such as client risk profiling, customer on-boarding, and product origination and submission. Banks can fulfill the execution through their back-office operations. The following scenario illustrates how banks can utilize **portals** to collaborate with their partners, and provide better service to their customers.

Workforce collaboration tools enable real time many-to-many communication, improved collaboration, and enhancement in workplace efficiency and productivity.

### Workforce Collaboration: Scenario

A bank has a tie-in with an auto dealer that has a large number of retail outlets in various cities. The dealer uses the bank's partner portal to offer financing schemes to customers according to their risk profile. The risk assessment can be done by using various tools provided by the bank on the partner portal. The bank benefits due to an increased reach without setting up additional branches. The dealer benefits due to increased sales by arranging easy financing for customers. The customers benefit due to transparent and hassle free financing loan service.

Customized portals can provide pre-defined templates and widgets that can be reused, thereby reducing development time. The portals can be easily integrated with the bank's back-end systems.

### Benefits for Banks

- Faster time to market
- Cost reduction
- Reduced error rate
- Visual consistency and homogeneity

### Contact Center Transformation

Banks can implement contact center solutions to better manage customers' time, and provide services such as video conferencing to resolve customer queries, leading to increased customer satisfaction. The following scenario illustrates how banks can implement **call management systems** in the contact center to effectively manage the waiting time of customers, and increase customer satisfaction.

### Contact Center Transformation: Scenario

A bank receives many customer complaints about the wait time for contact center services. The bank enriches its IVR applications by extending access to contact center services from any smart device, via voice, chat and other social media which allow a business to optimize the number of agents responding to customers with a high level efficiency.

Odigo Smart Call is Capgemini's cloud-based contact center solution which provides flexibility to customers to access contact center agents through their preferred channel. Customers can see their current waiting times to speak to an agent within a smartphone app, and join the queue without having to wait on the phone. When the customer's turn comes, they can receive an alert with an invitation to place a call and talk to agent immediately.

### Benefits for Banks

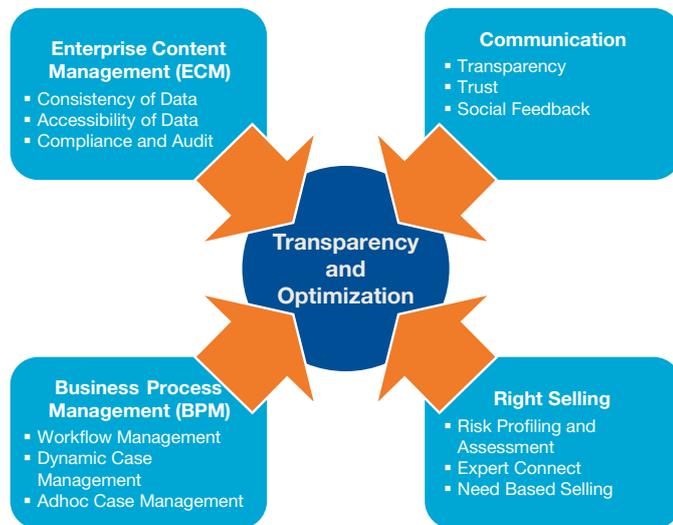
- Workforce optimization
- Reduction in call wait time
- Positive customer experience

## 5.6 Transparency and Optimization

Transparency and optimization is the backbone of any digital services implementation. Banks must build up systems to communicate transparently with their customers, and sell products based on their needs and risk appetite.

Exhibit 13: Transparency and Optimization

Banks must build up systems to communicate transparently with their customers, and sell products based on their needs and risk appetite.



Source: Capgemini Financial Services Analysis, 2015

### Communication

Communication is an extremely important element in building a transparent system and winning the trust of customers. Social media can be utilized by banks to monitor the opinions of their customers, and develop a feedback mechanism to convert social conversations into a meaningful relationship. The following scenario illustrates how banks can utilize **social feedback** to optimize their processes and provide value-added service.

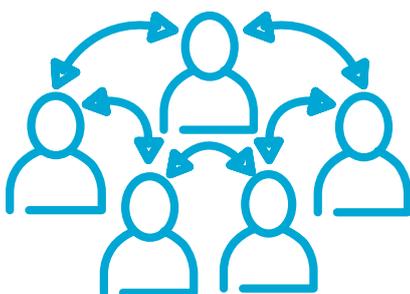
#### Communication: Scenario

A bank notices a negative sentiment trend on social media about the ATM services in a particular city through their social media analytics engine. The bank analyzes the data of all the ATMs in the city and realizes that there is an increase in the number of instances where customers are unable to withdraw money due to unavailability of cash in ATMs. The social banker helps the customer to find the nearest ATM where customers can withdraw money, and meanwhile reroutes faster replenishment of cash for ATMs in that city.

A social media monitoring tool can review key social media sites including dedicated community sites and apply sentiment analysis.

#### Benefits for Banks

- Proactive social prospecting
- Proactive brand and reputation awareness
- Improved customer interaction and retention



### Right Selling

Right selling is about understanding the needs and risk appetite of customers to offer relevant products and services. Banks can provide advisory services to customers so they can consult subject matter experts in real time. The following scenario illustrates how banks can implement **need-based selling** using real-time advisory services.

#### Right Selling: Scenario

A customer visits her internet banking website and sees a suggestion for a new investment product. She clicks the Talk to a Banker tab in front of the suggestion to enquire about the product and gets connected to an expert through audio conferencing. The banker answers the customer's questions and also explains the features and suitability of the product for her investment portfolio.

Odigo is Capgemini's omni-channel solution which has functionalities such as virtual agent (remote advisor) to resolve customer queries in real-time, and suggest products based on customers' needs.

#### Benefits for Banks

- Increased sales opportunities
- Improved sales conversion
- Increased customer satisfaction
- Long-term relationship building

### Business Process Management (BPM)

Business process management (BPM) enables banks to streamline their workflows and manage ad hoc cases based on process maps. Dynamic case management (DCM) also makes the processes more efficient by adding repeated exceptions to the rule engine. The following scenario illustrates how banks can improve their **workflow management** and make their processes more efficient by implementing **BPM solutions**.

#### Business Process Management: Scenario

A bank analyzes that its processing time for a certain class of loans is more than their competitors, which results in opportunity loss (lost prospects). The bank implements a BPM solution, which improves its workflow management and reduces its loan processing time drastically.

BPM consulting expertise, frameworks, and technologies to design, automate, monitor, and improve the customer origination process offered by Capgemini can transform process inefficiencies in banks into adaptable and efficient processes.

#### Benefits for Banks

- Reduced turnaround time for processes
- Transparency to customer providing a superior customer experience

Business process management (BPM) enables banks to streamline their workflows and manage ad hoc cases based on process maps, leading to reduced turnaround time and superior customer experience.

### *Enterprise Content Management (ECM)*

ECM systems enable banks to access consistent and accurate information from data repositories. ECM helps to report accurate data for compliance requirements and understand the decision-making logic for complex processes such as mortgage loans. The following scenario illustrates how banks can ensure the availability of **consistent data** for compliance and audit requirements or any other business need by implementing **ECM solutions**.

#### **Enterprise Content Management: Scenario**

A bank notices a sudden increase in the in the number of default on payments for mortgage loans in a particular region. The bank's auditors download all the documents for mortgage loans in that region from the ECM system to evaluate the loan approval process. Through a detailed investigation they find that their partner company (mortgage broker) is not following a proper due diligence process for mortgage loans which is resulting in the increased number of defaults on mortgage loans.

#### **Benefits for Banks**

- Secured data management
- Timely availability of consistent data
- Fraud detection and prevention



## 6. Recent Client Cases

**Client Requirements/Challenges:** *A leading French bank wanted to enhance banking services in its branches and ease the process for scheduling of customer-advisor meetings.*

### Redefine the customer experience in bank branches

- *Prosodie-Capgemini* collaborated with Bachelite on the design, construction, and operation of three aspects of the New Definition Branch: the banking services screen, the reception terminal, and the applications on the touch screens and tablets
- Services were designed to personalize the relationship between the customer and the bank through digitalized operations enabled by the touch-screen kiosks
- Customers can access the services in new branches using multimedia technologies such as product films, and simulation on loans or insurance products

**Client Requirements/Challenges:** *A top tier bank in the Netherlands wanted to provide a seamless customer experience across multiple channels, and improve customer satisfaction by offering an outstanding user experience across all devices and digital channels.*

### Deliver an omni-channel customer experience

- Capgemini collaborated with the client using a *“digital-partnership model”* to successfully deliver an omni-channel customer and employee experience
- The implementation led to benefits such as reduction in time-to-market, and improved quality of interaction with customers and employees across digital channels through implementation of new future-state digital channel architecture
- Customer experience was also dramatically improved with the development of new innovative channels, such as the development of mobile banking apps

**Client Requirements/Challenges:** *The advisors of a leading bank in France were facing challenges to provide the right kind of advice to their customers due to inflexible legacy systems that could not provide a complete view of customers.*

**Build sustainable customer-advisor relationships**

- Capgemini developed a tool using *TRiveo methodology* that enables the advisors to use web applications and tablets for functionalities such as searching client information, retrieving client documents, and to synchronize client information with back office
- The solution relies on an interactive patrimonial analytical grid, named **TRIPODE**®, that enables to evaluate customers' potential and to define together the means to develop it
- The advisors now have better understand of customers' asset structure and decisions to be taken, which helps them to pitch more relevant proposals

**Client Requirements/Challenges:** *A leading bank in the UK wanted to provide a mobile banking application for all major platforms (iOS, Android, Blackberry) across 15+ countries.*

**Transform mobile banking for real-time and secured services**

- Capgemini collaborated with the client for end-to-end product development and implementation, and developed a multilingual cross geography *Mobile Banking Application* which offers advanced features such as Security tips, and Single app for checking, saving, credit, and foreign currency accounts
- The mobile application was built and deployed for branch staff across various geographies, and unstructured supplementary service data (USSD) feature was deployed to enable mobile banking services in non internet zones

**Client Requirements/Challenges:** *An American financial services corporation wanted to make a mobile app which can be used by its clients to view and download research reports on securities, industries, economics, currencies, etc. on their cell phones.*

**Digital marketing  
and branding  
through mobile  
apps**

- Capgemini developed a *Hybrid Mobile app* for the client, which can be used by institutional investors to access research reports with greater ease anytime and anywhere
- The research app provided wide publicity to clients research, leading to increased readership of its research reports, which positively affected the its other core businesses

**Client Requirements/Challenges:** *A financial services company in Belgium wanted to replace its Siebel v7.7 CRM tool with another CRM solution to meet its advanced functional, technical, and security requirements.*

**Positive customer  
experience  
through enhanced  
CRM**

- Capgemini collaborated with the client's subject matter experts to understand their requirements and replaced the old customer relationship management (CRM) system with *Salesforce.com*
- The implementation lead to positive improvement in customer experience, increase in speed to market, and increase in sales conversion rate using case management, activity management and telephony integration



# References

1. "DIGITAL TRANSFORMATION: A ROADMAP FOR BILLION-DOLLAR ORGANIZATIONS", Capgemini Consulting, 2011
2. "Digital Transformation Benchmark: Insights for the Retail Banking Industry", Capgemini Consulting, 2012
3. "The Digital Advantage: How digital leaders outperform their peers in every industry", Capgemini Consulting
4. "Online Banking as a Discrete Channel Is Obsolete", Gartner Inc., 20 May 2013
5. "Optimizing Branch Use in Multichannel Banking", Gartner Inc., 26 November 2013
6. "CELENT MODEL BANK 2014, PART 1: CASE STUDIES OF DIGITAL AND OMNICHANNEL IN BANKING", Celent, April 2014
7. "Disrupting Finance: Digital Banks", Forrester Research, Inc., 25 June 2014
8. "Lessons In Leading The Digital Business Revolution", Forrester Research, Inc., 2 May 2014



### About the Authors

**Varun Rawat** is a senior consultant with the market intelligence team at Capgemini Financial Services, with more than 5 years of consulting experience in banking and capital markets industry.

**Priyadarsani Das** is an associate consultant with the market intelligence team at Capgemini Financial Services, with more than 3 years of experience in financial services industry.

**Bhaskar Banerjee** is a Global Digital Transformation Centre of Excellence manager at Capgemini Financial Services, with more than 14 years of experience in IT domain and expertise in financial services solutions, such as Digital transformation, CRM, mobility, customer experience, and analytics.

The authors would like to thank **William Sullivan, Christophe Vergne, David Wilson, and Sivakanth Dandamudi** for their contributions to this publication.

For more information, contact us at: [banking@capgemini.com](mailto:banking@capgemini.com) or visit: [www.capgemini.com/banking](http://www.capgemini.com/banking)



## About Capgemini

With almost 145,000 people in over 40 countries, Capgemini is one of the world's foremost providers of consulting, technology and outsourcing services. The Group reported 2014 global revenues of EUR 10.573 billion.

Together with its clients, Capgemini creates and delivers business and technology solutions that fit their needs and drive the results they want.

A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

Learn more about us at  
[www.capgemini.com](http://www.capgemini.com)

The information contained in this document is proprietary. ©2015 Capgemini. All rights reserved.  
Rightshore® is a trademark belonging to Capgemini.