IBM

Customer Advisor Accelerator for Smarter Banking
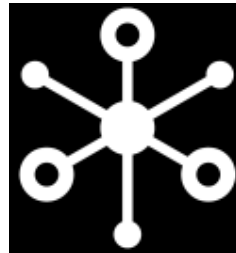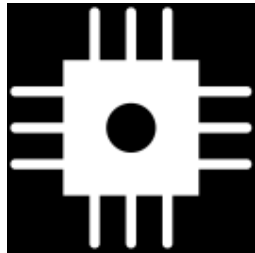
Ebru Binboğa
IBM Software Group
Financial Services Sector Solutions

Agenda

- **The Changing Face of the Customer and Banking Industry Chanllenges**

- **IBM Point of View**

- **How can Customer Advisor Accelerator Help?**

- **Key solution differentiators**

Who is this 'smarter' consumer?

Instrumented:

They have instantaneous access to information about banks/service providers, products and other consumers' experiences through technology

Interconnected:

They use multiple technologies to interact with other consumers and with their service providers

Intelligent:

They have clearly defined expectations of what they want from their banks/retailers now and in the future

Back to basics:

- Customer again in the center, based on relationship and trust
- Right balance between excellent service (and self service) and personal touch

Combined with extreme personalization:

- Ensure a memorable experience in all the interactions
- Personalized offers, personalized pricing advancing client needs thru the use of predictive analytics and consistent information

„Banking is transactional,
but money is emotional"

From Software Technology to Industy Specific Solutions
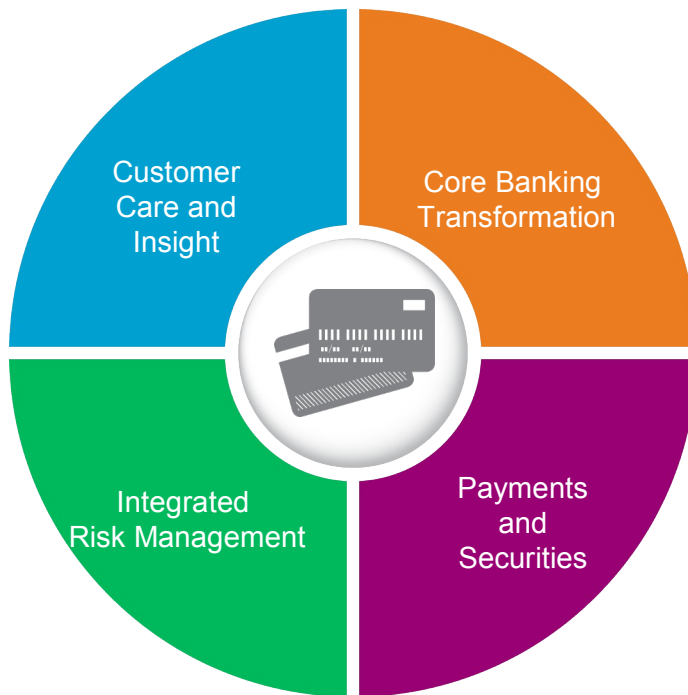
IBM Software Technology

IBM Solution Products
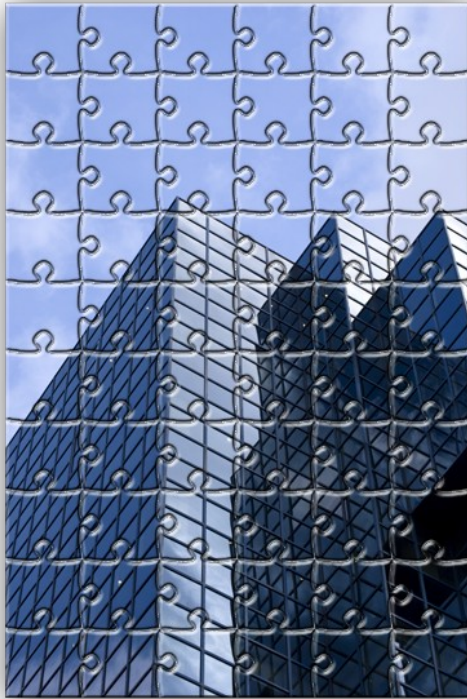
Repeated patterns are integrated into new program products

IBM provides solutions in four domains that provide the capabilities to address banking business needs
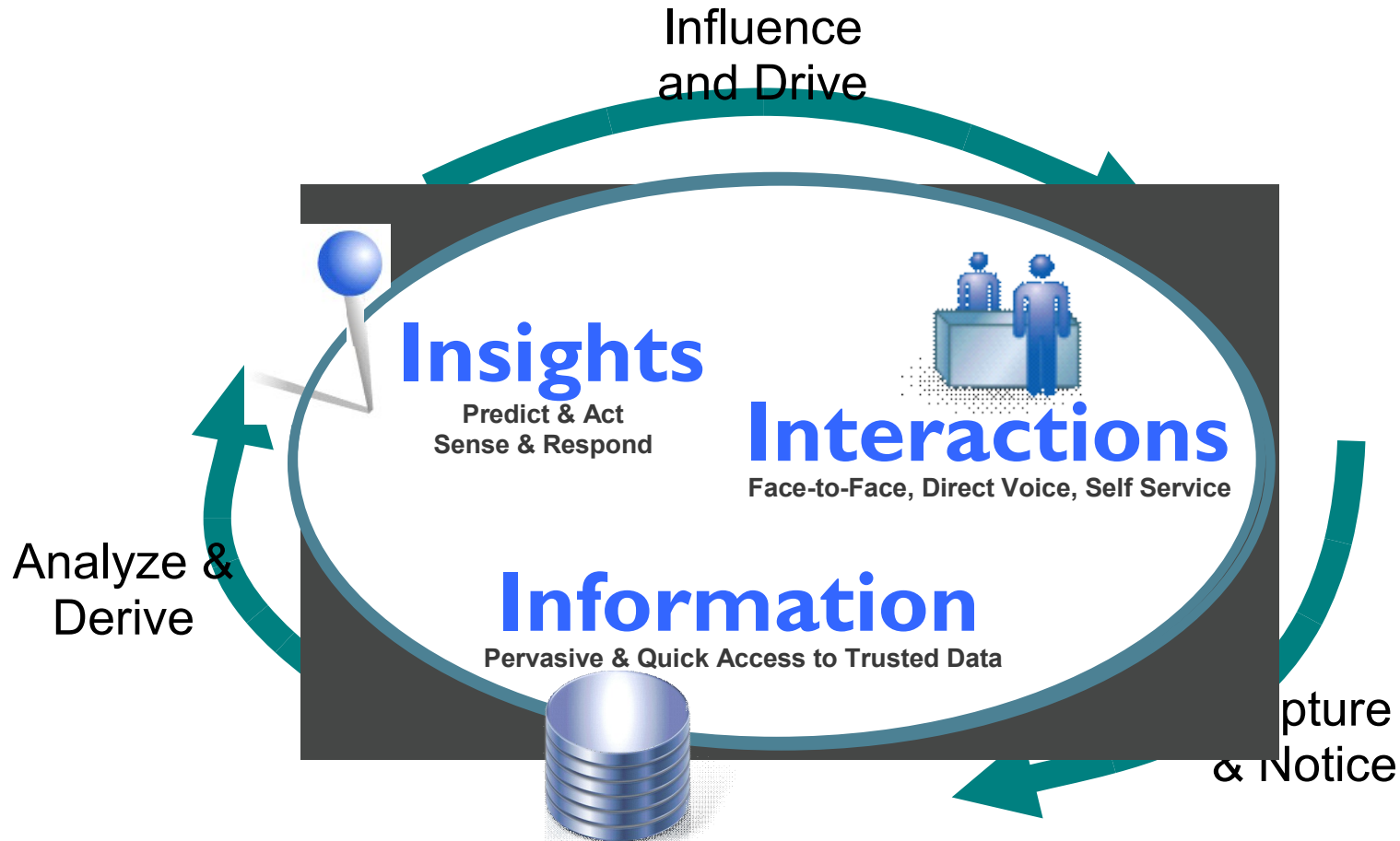
IBM Banking Industry Framework

The **core banking transformation** domain allows you to modernize and renovate the legacy applications that support core banking functions while aligning with the changing needs of the business

The **payments and securities** domain helps you progressively transform your payments operations to become more flexible and efficient

The **integrated risk management** domain supports taking a holistic approach to managing financial risk, financial crimes, operational and IT risk, and compliance

The **customer care and insight** domain helps you build a foundation for creating a single view of the customer and enabling more effective and efficient sales and service

What is Customer Care & Insight?

Influence and Drive

Insights
Predict & Act
Sense & Respond

Interactions
Face-to-Face, Direct Voice, Self Service

Analyze & Derive

Information
Pervasive & Quick Access to Trusted Data

Capture & Notice

Any entry point, continuous cycle, continuous discovery and refinement

New Account Opening problems result in decreased revenues due to customer loss and increased costs

Lack of Integration between channels results in …

Inconsistent customer experience

$4.5M in lost revenue due to customer abandonment

Difficulty in transferring cases and applications

Increased work for introduction of new products

Lack of Automation results in …

$11.4M in lost cross sell and upsell

$2.4M in increased costs

90% of applications require manual intervention increasing both cost and time to fund the account

New Account Opening Impact on Global Banks…
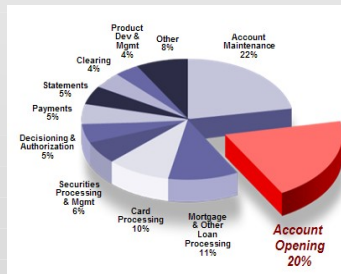
1.5M Accounts lost / year due to client dissatisfaction

$570M lost revenue

22% of total processing costs due to maintaining lines and channels

Account Opening:
Customer Care and Insight ⟶ Interactions

Cost Breakdown of a Bank's Activity
Total Operational Cost
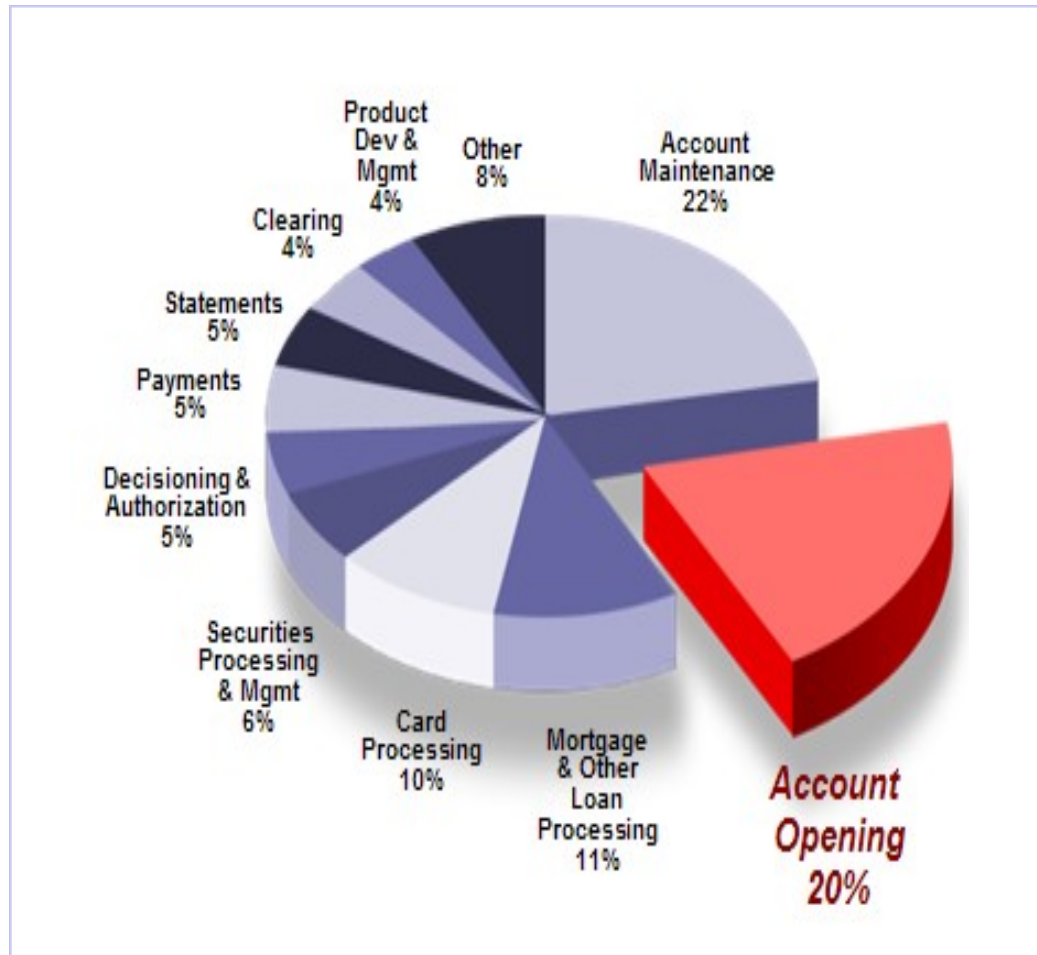
Customer Advisor Accelerator (CAA) is a solution for Banking Products Recommendation, Configuration, and Selling

Intelligence in Customer Facing Tool

Customer advisor accelerator delivers value from a key set of capabilities

- Cross-sell/up-sell products tailored to your customers
- Release greater variety of products, faster

Business rules

- Standardize efficient processes across channels
- Extend process across disparate systems

Process design and management

- Rule based dynamic Form generation.
- Reduce time for business people to build a Form
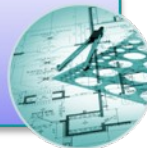
Dynamic Forms

- Expand customer experience by unifying delivery of services

Collaboration

- Connect to existing core banking systems with scalable
- Integration platform, unified customer data (MDM)

Foundation for expansion

- Business Dashboard & KPI
- Product selling analysis
- Process monitoring

Monitor & Business Report

Key Feature : Business rule based questionnaire

Customer benefit
➢ Personalized questionnaire
➢ Auto generated according to client info and products.
➢ Ensure the data correctness and consistence for a customer
➢ Customer will guided to right products

Questionnaire
▶is required

Personal Information

What is your age range? ▶	19 - 39 ▾
What is your monthly income? ▶	>8000 ▾
What is your residence? ▶	USA ▾

Questions for the products you selected

What is the time frame for you to achieve your financial goals? ▶	11-15 years ▾
Which of the following best describes your investment objectives? ▶	Preserving principa ▾
Five years from now, what do you expect your standard of living will be? ▶	Somewhat better tł ▾
From now on, what do you expect your investment annual return to be? ▶	6-10% ▾
Ten years from now, what do you expect your portfolio value will be? ▶	Moderately greater ▾
What do you want to do with the income generated by your portfolio? ▶	Receive all dividen ▾

Risk Tolerance

An investment decision involves the possibility of high return as well as the possibility of suffering a loss. What most influences your thinking when making an important investment decision? ▶	I'm only influenced ▾
Which of the following statements best describes what your reaction would be to short-term fluctuations in this investment portfolio? ▶	I would be extreme ▾
Which of the following statements best describes your reaction if the value of your portfolio suddenly declined 15%? ▶	I would be very co ▾
Which of the following investments would you feel most comfortable owning? ▶	Certificates of depc ▾

Key Feature : Rule based Products Recommendation

Customer benefit:
•.LOB can quickly change the rule
• quick time to market
• select the right product according to KYC info.

Save and deploy to rule execution server

With the new rule, a new product from the IRA catalog is now in the recommendation list

Key Feature: Dynamic Form Generation

Customer benefit:
- quick time to market
- .LOB can quickly change the offering
- personalized form to save client time and effort, ensure the data correctness

Key Feature ： Interact with customers to provide an exceptional customer experience

Customer benefit

▪Create a customer centric experience to improve customer satisfaction

▪Quickly see the complete customer profile and understand their unique needs

▪Leverage dynamic questionnaires to refine customer needs and develop the most accurate recommendations

▪Collaborate across the organization to determine the best resource to help your customers
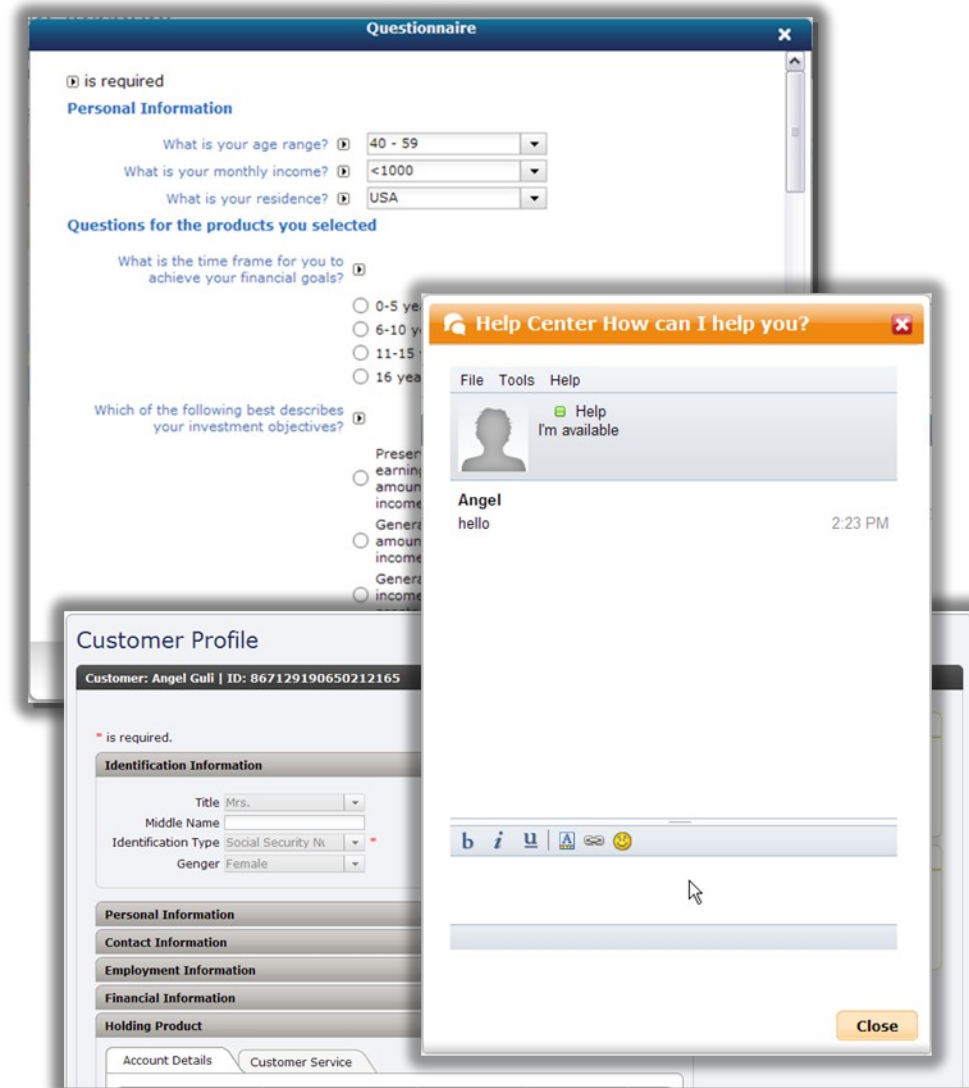
Key Feature ： Monitoring

Customer benefit:
• Create detailed reports to gain insight into organizational performance
• For product offering, change the policy accordingly

Value Proposition of Customer Advisor

Customer benefit	Technology Enabler
Customer get memorable experience in all the interactions	Extensive Cross Sell rules, precise product recommendation, build-in rule set template, personalized pricing and bundling
Dramatically reduce account opening time, improve customer experience	Automated New Account process, single process for cross channel account opening includes UI, rules, data models, and exception handling.
Enable business people to quickly change front-end Form without IT help.	Dynamic Questionnaire, Dynamic form, build-in rule templates.
Customer come back to bank due to relationship and trust. Personalized product offers and pricing	Single view of client info, advancing client needs thru the use of predictive analytics and consistent information
Bank gains the insides and continues to improve the process/products	Cognos reporting enable bank to gain inside s on account opening process, and product promotion activities.

Bus Events   Analytics   Collaboration   Process   Bus Content   Bus Rules   Information   Monitoring
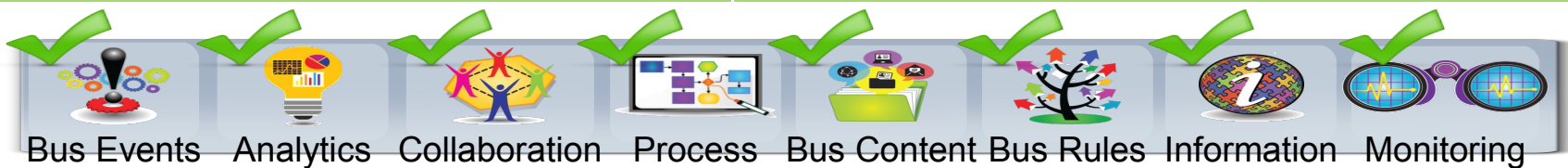
धन्यवाद
Hindi

多謝
Traditional Chinese

ขอบคุณ
Thai

Спасибо
Russian

Gracias
Spanish

Teşekkürler

شكراً
Arabic

Merci
French

Obrigado
Brazilian Portuguese

Grazie
Italian

多谢
Simplified Chinese

Danke
German

நன்றி
Tamil

ありがとうございました
Japanese

감사합니다
Korean