Four Insights to Propel Your Digital Future
How Financial Institutions Can Find The True Path to Digital Dominance
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Introduction

The customer must be central to every business decision a financial institution makes. The path to this deep-rooted customer-centricity can only be realized through leveraging transformative digital technologies—not as digital projects, but as fundamental business process change agents.

Why?

Because customers demand exceptional experiences that rival those of today’s technology giants—Facebook, Amazon, Alibaba, Alphabet and others. Experiences of that caliber cannot be delivered by merely completing digital projects, which often result in services being built as independent silos, creating inconsistent experiences.

With a dedication to delighted customers, innovative banks and capital markets providers are realizing the benefits of a unified digital platform as the path to digital dominance. Read on to discover insights on propelling your digital future and realizing tangible business results.
INSIGHT #1 — “CUSTOMER FIRST” SOLUTIONS WILL PAVE THE PATH

Superior customer experience drives superior growth.

According to Gallup’s customer engagement report, fully engaged retail banking customers:

→ Bring 37% more annual revenue to their primary bank than do customers who are actively disengaged
→ Have more products with their bank, from checking and savings accounts to mortgages and auto loans
→ Have higher deposit balances in their accounts than less engaged customers with the same products

Technology-enabled solutions provide the path to customer-centricity and drive breakthrough value. To achieve speed to market, operational efficiency, flawless customer journeys, and faster innovation, financial institutions need a technology platform that can preserve existing investments while quickly modernizing and adapting when the business landscape shifts. This mix of stability and agility can fuel financial services applications such as:

→ Customer On-Boarding Coordination
→ Customer Transaction Lifecycle Management
→ Loan Management
→ Disputes and Complaints Management
→ Contact Center Automation
→ Payments Disputes & Chargeback Management

37% MORE REVENUE
It is not enough for a financial institution to simply meet rising customer expectations. To achieve digital dominance, you must exceed expectations and aim to delight your customers. With superior digital capabilities and extremely customer-centric business models, technology-led companies such as Google, Apple, Facebook, and Amazon (GAFA) have forever elevated customer expectations for digital experiences.

A recent Accenture study indicates 78% of global consumers would consider purchasing banking services from a provider such as Amazon or Google. How can you compete with these giants?

Forward-looking financial institutions must embrace technology that delivers customer-centric services, starting with automating and simplifying existing processes, to intimately understand customer needs. This is the path to winning the next generation of banking customers, especially millennials, who have come of age during a time of technological change, globalization and economic disruption.

The millennial generation is 71 million strong, and are projected to inherit at least $41 trillion through mid-century. How will they invest?
INSIGHT # 3 — COOPETITION WILL ACCELERATE YOUR DIGITAL ADVANTAGE

For many financial institutions, the path to achieving digital dominance lies in competing less with FinTechs, and cooperating more.

In fact, 82% of established institutions expect to increase FinTech partnerships in the next three to five years. These nimble, digitally native financial start-ups aren’t weighed down with legacy systems, and can provide the innovative partnerships financial institutions need to thrive. Without this spirit of cooperation, financial institutions run the risk of losing market share in the online banking and investing space.

Embracing these partnerships and selecting a platform approach to integrate into the digital fabric is the best way to lessen the burden of legacy technology—since 43% of banks core systems are still built on COBOL, and an estimated $3 trillion in daily commerce flows through COBOL systems.

Leading financial institutions are defining their path forward and unlocking the full potential of the digital economy by embracing artificial intelligence (AI), robotic process automation (RPA) and low-code. According to PwC Global FinTech Report:

- 88% of incumbents are increasingly concerned they are losing revenue to innovators
- 30% of large financial institutions are investing in Artificial Intelligence (AI)
- 77% of financial institutions will increase internal efforts to innovate
INSIGHT # 4 — LOOK WITHIN FOR THE PATH TO YOUR DIGITAL DOMINANCE

Financial institutions are processing increasingly large volumes of data, from a variety of sources. For many, whose growth has happened organically through merger and acquisition, data may not be consistent or well organized, or may come from third-party sources or social media. Data can serve as a catalyst for new products and business models, but when data is fragmented across multiple legacy, product-focused, siloed systems, there is no intelligence, forecasting, predictive analytics, or machine learning about customer behaviors. To gain a competitive edge in today’s dynamic, digital global marketplace, financial institutions need to evolve into data-centric organizations.

The path to your digital dominance lies in the data you already have!

For example, the data that most financial institutions already have could help to predict when a customer is going through a life stage event and, using intelligent automation, recommend the relevant product, whether it be a mortgage, a college loan, or a mutual fund investment. This type of hyper-personalization is part of the “high-octane” financial institutions need to fuel their digital future with differentiated offerings that integrate solutions with a customer’s daily life.

According to research, less than one-third of customers believe their bank knows them and their financial needs well.
While technology cannot create your vision, financial institutions can fuel their digital future and blaze a path to digital dominance with strategic technology partnerships. Armed with a trusted technology partner, financial institutions are better equipped to navigate geopolitical uncertainty and market ambiguity.

Through continued adoption of automation and innovative technology financial institutions can drive sustainable, effective change, and most importantly, customer trust in the financial market and their organization.

Here’s what to look for in your technology partner:

→ Offers a low-code application development approach for speed and agility
→ Provides the ability to integrate data across existing systems
→ Includes dynamic case management to handle complex interactions
→ Allows for business process, workflow, and collaboration management
→ Offers the ability to embed AI, RPA, and future advanced technologies
→ Provides trusted security, reliability, and governance with cloud-enablement
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