

Enabling frictionless digital banking

Today, banking may well be considered a growing space, where non-banking players or fintech companies are proving to be stiff competition for the incumbents. Going digital is a reality today and providing a differentiated digital experience for customers across segments is the norm, not an exception. After all, experience is the key. Of course, several elements need to be pieced together, to enable a successful digital banking platform:

OMNI-CHANNEL BANKING

Digital banking channels are proliferating, ranging from ATMs, the internet and mobile handsets to wearables, bots and personal assistants. The first step towards delivering a "digital" banking experience is ensuring consistency and seamlessness across channels.

To deliver an omni-channel experience, though, banks have to transition from a siloed channel approach to one that offers central control. For instance, product-related information or promotions can be maintained in a centralised manner and disseminated via appropriate channels at the right time and location.

That apart, banks ought to ensure that both offline and online channels are in perfect sync. This, in turn, will ensure a seamless customer journey. For example, in a rare instance of a customer actually visiting a branch, they ought to ideally receive a message on their mobile banking application welcoming them to the branch and other relevant details.

FRICTIONLESS JOURNEYS

In a nutshell, from on-boarding to payments, digital banking is all about delivering frictionless consumer journeys. Consumers are heavily in favour of digital first banks which provide hassle free experience.

Today, opening an account through mobile phone can be



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a five minute process. Customers merely need to enter the Aadhaar number, click photos for KYC verification, take a selfie and attach the same as a part of the digital enrolment process!

Device features like camera, location, biometric recognition and notification capabilities are enhancing digital banking and payments experience. It can be as simple as scanning the QR Code on a bill to save oneself from entering the lengthy bill details.

In addition, new-age digital banking tools can also come in handy to identify and amend the gaps in a customer's jour-

ney. This alludes, of course, to concepts such as open banking or the Payment Services Directive (PSD2), as issued by banking regulators. Banks, needless to say, should offer services in a nimble-footed manner, which are, naturally, tailored to the customer's requirements. Clearly, the ability to contextualise information is a

powerful tool to ensure customer stickiness.

PERSONALIZATION - THE NEW NORMAL

67 per cent of customers responding to a global study executed by Accenture stated that they would provide banks with enhanced access to their data-if they received additional benefits in return. Needless to say, then, data is the new age new currency which can be traded for a personalized customer experience.

Customers require their financial applications of choice to not only help them perform basic banking-centric activi-

ties like transferring money or making bill payments, but also analyze their profile to suggest where to invest to get maximum returns, which card to buy for greatest benefit or enquire about the limit they can currently take a loan for.

It doesn't end there, of course. On their part, banks have to track key metrics

across the consumer's lifecycle and couple these with segmentation techniques and market automation tools to deliver a personalized experience.

Personal financial management (PFM) tools with gamification capabilities and a finance modeler will help banks deliver personalized offers and experience, based on occasions, location and usage patterns. From personalizing one's mobile banking application menu based on the features one would use the most to providing special offers and discounts or tracking one's payments patterns over a period of time - the name of the game is hyper-personalisation.

Personalization will surely rule the roost when it comes to the digital banking experience. However, banks would do well to remember that the experience needs to be delivered without compromising on security, authentication and trust. So, while implementing an effective digital banking strategy is a must, equally important is security.

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