

Tomorrow's AI-Enabled Banking

How can HLB-NGA Cognitive Technology develop new relationships between Retail Banks and their customers?



RISKSECURE™

Executive Summary

Banking is facing new levels of disruption

Shifting customer needs requires banks to plan for a fundamental rethink of operations in order to thrive in a rapidly digitized and data-driven world. Customers expect access to information and resources at all times.

Due to an increasing number of Fintech entrants and emerging start-ups, competition across all industries is fierce. Making it critical for retail banks to reform their business models quickly.

A further pressure on operational costs is also the ability to absorb the demands of mounting compliance regulations and the costs thereof? Together these competitive pressures represent a significant threat to the status quo.

Banks that harness cognitive technology will gain the advantage to provide customers with cross-channel, up-sell, targeted, on-time products and services

RiskSecure's AI will make it possible to automate vast proportions of knowledge work, managing data at record speeds and capacities while harnessing the same information for invaluable insights. RiskSecure's cognitive-based solutions will also enable a more proactive and personal customer experience at a low cost. This is driven by RiskSecure's ability to build knowledge at high speed, understanding natural language, and run operational processes in a fully compliant fashion.

Banks that harness cognitive technology will gain the advantage of faster digitization and provide customers with cross-channel, targeted, best tailored products and services



Winning Customer Loyalty

Customers have access to constant comparison information and visibility of alternative financial solutions which have seized considerable market share from more traditional financial institutions. Winning the trust and loyalty, however, is becoming more and more difficult, as increased competition has made it harder for banks to differentiate based on pricing or offerings alone.

The most disruptive competitors for banks are not direct industry players, but a growing set of competitors that lie outside traditional banking models. A constant stream of FinTech start-ups and solutions are shaking up the market, while simultaneously driving larger rifts between retail banks and their consumers.

Tomorrow's AI enabled banking

Artificial Intelligence technologies will not have an isolated impact on banking operations.

Technology is changing the fundamental processes carried out in every part of the structure and how they link together. In tandem, the roles of bank staff will evolve from executing operations directly to managing the AI systems that execute work.

Credit risk management, fraud detection, market projections are all traditional, analytics driven banking roles. In practice, however, this area is moving fast from being an art to a science. RiskSecure will make it possible to use advanced analysis techniques, such as machine learning and apply it to huge amounts of data in a way that was not previously possible. RiskSecure will enable banks to make important decisions in near real-time. For example, they will support instant credit decisions or provide cross-sell and up sell suggestions. In addition, machine learning will increase the effectiveness of marketing related analytics by enabling strategies on 'next product to buy' or churn prevention.

RiskSecure is also automating the role of Anti Money Laundering and fraud detection investigation using machine learning from the vast amount of knowledge gained globally on the best practice for investigations.



Implications for the banking industry

So, what is the result of tying all these developments together? Near Real-time intelligence systems will enable RiskSecure to take educated decisions (e.g., on credit) and execute processes in a compliant way. Your financial back-bone will be managed in a proactive fashion as the underlying machines in the bank will exchange data and will accurately predict upcoming events.

1. AI will help you unlock the value of the wealth of data they have in-house. You will have an unprecedented historical perspective at both the macro and micro level that can be leveraged to generate value.
2. Banks can close the gap with the new online providers by offering real-time decisions. Most importantly, however, given your established customer base and expertise you can offer fast access to financial services over a broader and more complex variety of products than a typical start-up could. The convenience factor will allow you to retain a large proportion of clients.
3. Banks can offer previously neglected client new products and service that best suite them.
4. Banks can help customers grow by providing them with real value and not just products to invest in.
5. Banks can provide customers with global and best practice product suggestions by matching their profiles with other profiles similar to their profile.
6. The AI could assist in the bank providing new product types, which in turn could reduce the churn rate.

This combination of skilled employees and AI “cognitive agents” equates to a more agile workforce that rapidly address tasks and problems across all digital channels in real-time.

Seizing the competitive advantage

RiskSecure offer the biggest opportunity in decades to establish new operational models. Insights from analytics engines will identify gaps in current offerings, uncovering opportunities and advantages that can be seamlessly provided to customers ahead of non-bank competitors.

While you might be currently evaluating how to restructure your workforce, you might not of taken a hard look at fundamentally adapting your operating model to cognitive.

These following three recommendations for embracing AI within your organization that will help accelerate change:

-
- Make it a board priority letting your banking leaders working in operations and risk manage exceptions and be steered by the AI machines.

-
- Start building a cognitive center of excellence (CoE) now.

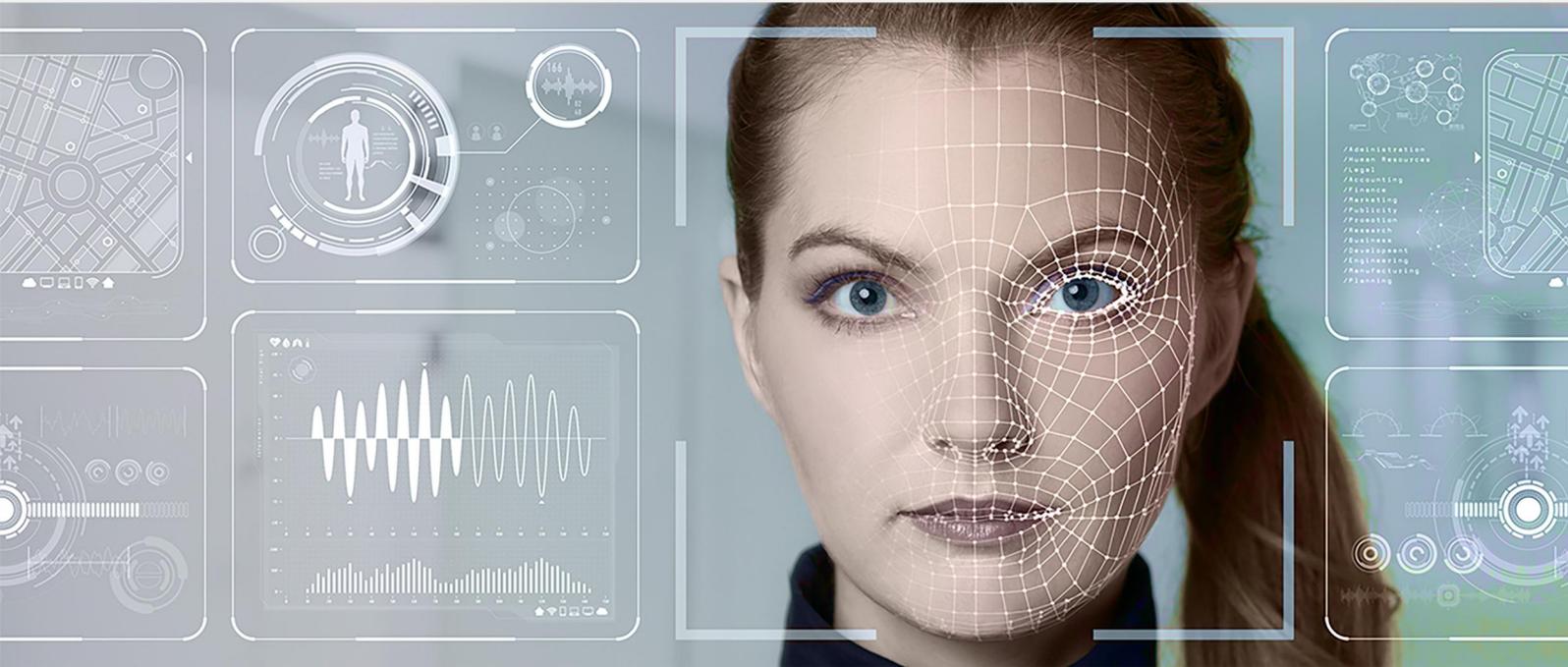
-
- Build the transformation plan around client's needs above cost reduction opportunities. Determine in which areas the customer is most helped and we will adopt the new AI driven service model.
-

By pairing the your existing strengths of traditional retail banking with RiskSecure cognitive technology, you can seize competitive advantage amongst a growing number of competitive non-bank forces.

You will have the opportunity to launch first-of-a-kind services at a speed and cost unmatched by today's set of services.

The impact of Socialistener's cognitive agent Petra

Petra is a next generation virtual financial services advisor. Therefore, we call her a cognitive agent



Petra learns extremely quickly and easily

Petra does not need extensive programming to understand your operations. She learns from the best practices within your bank. She can absorb knowledge from transactions within your various product offerings as well as learn from previously recorded actions. Just like existing agents, she connects to other systems in order to source information or to enter data.

Petra can also escalate to a human colleague who has more expertise if requires. Petra is a next generation virtual financial services advisor. Therefore, we call her a cognitive agent



Petra offers a fast response, fast resolution and is available 24x7



She works at speeds unattainable by humans and is able to manage thousands of customer queries in parallel



Petra gets cleverer over time, continuously increasing her knowledge of your operations to add additional advise.



**Petra is independent and provides unbiased advise and opinions
Petra can identify points of interest that might have been missed in the past.**

