FINASTRA

Market Commentary

5 digital trends driving the future of customer experiences in financial services

In an increasingly competitive financial services market, customer experience is becoming a key driver of retention, growth and competitive advantage. As account holders expect more from their financial institutions, providers will need to keep up. Luckily, Fintech apps could be the key to adapting.

About the author

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Vincent Pugliese is Finastra's SVP & GM, Platform, responsible for the business strategy, execution, and overall go to market for all aspects of FusionFabric.cloud. Vincent joined Finastra in 2018 in the role of SVP & GM, US Digital, Retail and Lending, responsible for the P&L, product strategy, and execution of the products and solutions targeting the US Community Markets.

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Service Personalization

In a world where everything from entertainment to shopping is delivered according to our unique tastes, financial institutions will be expected to follow suit. The problem is that many internal systems are not up to the task, meaning that the majority of institutions are failing to deliver the service users expect.

The key issue is data: fragmented databases make it difficult to organize information and create 360-degree customer profiles, which leads to mistakes such as offering the wrong product or delivering a generic service.

One possible solution is creating an external data layer that can collate, analyze, and present user data in an easily consumable way. KapitalWise uses AI to help financial institutions drive engagement by predicting trends, changes, and events so you can always offer your clients personalized solutions they have come to expect time.

CX Automation

As user experience becomes more important for retention and competitiveness, more financial institutions are looking to reduce routine support inquiries to help teams focus on more serious issues.

In this scenario, automation and AI have the potential to transform routine interactions. Major banks are already deploying robots across front, middle and back office operations to increase efficiency and service levels for account holders.

One of the most popular uses has been chatbots, using AI to deliver a 24/7 customer service that allows users to interact in the way they prefer. For example, Finbot is a conversational chatbot and voicebot for corporate banking that helps institutions automate customer support with pre-built dialogues and a pre-trained AI knowledgebase, all integrated through Finastra's Fusion Corporate Channels.

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Smarter saving

In uncertain times, savings become more important than ever, yet recent research shows that 40% of Americans can't come up with $1,000 to handle an unexpected emergency. For community banks and credit unions, known for their community relationships and commitment to the financial wellbeing of their account holders and members, this is a huge opportunity to add value to user relationships.

The advent of AI-powered systems has seen a range of new apps that analyze users' accounts to automatically move small amounts of money into savings to help them prepare for the future.

Solutions such as Fingoal analyze users' credit and debit card transactions to help them find savings in their existing spending patterns. Not only does this help your account holders, with most saving $100/mo, but also it helps institutions maintain higher deposit balances and to grow those balances faster.

Millennial engagement

Millennials are the fastest growing customer base for financial institutions, but also have the lowest levels of engagement with their primary provider and are more likely to switch.

To remedy this, it's essential for institutions to focus on their unique needs. The majority of this generation report that it's "extremely" or "very" important that their financial institution helps them improve their financial health. Luckily, there are a range of apps that have targeted this very challenge.

One promising solution focuses on the number one reason couples fight - money. HoneyFi creates financial transparency between couples, streamlining day-to-day financial management while helping them save for their futures.

Flexible corporate banking

While B2B services have traditionally lagged behind consumer options in terms of experience, recent research shows that 95% of commercial clients who bank digitally in their personal lives now expect to bank digitally for business as well. This is especially important in a post-pandemic world where more businesses are embracing flexible working.

In order to deliver the convenience, security and speed that these customers expect, institutions must invest in providing an experience that works as well from home, on a mobile phone or in the branch.

One solution is using apps to target specific services that corporate customers need. For example, Appzillon gives your clients instant visibility over balances, transactions and approvals to help them make the right approval decisions instantly, while delivering end to end control and confidence.

Predictive Engagement Platform *by KapitalWise Inc.*
Find out more

Finbot for Corporate Banking *by Floatbot.ai*
Find out more

FinGoal *by FinGoal*
Find out more

HoneyFI *by HoneyFI, Inc.*
Find out more

Appzillon Corporate Mobile Banking *by I-exceed*
Find out more

FusionFabric.cloud

Service personalization
Predictive Engagement Platform
by KapitalWise Inc.
Enables financial institutions to drive
revenue by leveraging data that
helps you engage with customers
the moment they need you the most.

Corporate Banking
on the go
Appzillon Corporate Mobile
Banking **by I-exceed**
Enabling busy executives to
approve transactions on the go or
in the middle of a busy schedule.

CX Automation
Finbot for Corporate Banking **by Floatbot.ai**
A conversational AI chatbot and voicebot,
that helps banks and fintechs
to automate customer support.

Couple finances
HoneyFI **by HoneyFI, Inc.**
Help couples manage their finances
together to achieve their goals.

Smarter Savings
FinGoal **by FinGoal**
Give your account holders personalized advice
on how to spend smarter and go father.

About Finastra

Finastra is building an open platform that accelerates collaboration and innovation in financial services, creating better experiences for people, businesses and communities. Supported by the broadest and deepest portfolio of financial services software, Finastra delivers this vitally important technology to financial institutions of all sizes across the globe, including 90 of the world's top100 banks. Our open architecture approach brings together a number of partners and innovators. Together we are leading the way in which applications are written, deployed and consumed in financial services to evolve with the changing needs of customers. Learn more at **finastra.com**

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