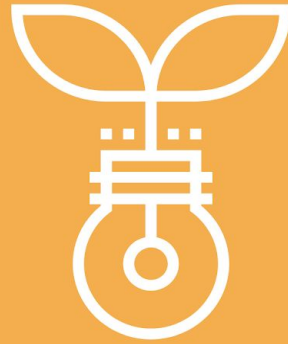


**Tomorrow delivered Today**  
*Digital people, AI technology*



**AI in the banking sector**  
*Best practices*

**D I G I T A L   S U N D A I**

# Content



**Best AI practices in banking**



**Introducing Digital Sundai**

# Digital & AI

Accelerate a new way of banking

## Online & mobile banking



Online use

Mobile use

23% ↑

30% ↑

Acceleration of migration to digital channels

## Cost reduction & Incremental value



Cost reduction

Incremental value

15% - 25% ↑

\$1 trillion

By AI front-to-back value stream redesign

## NPS



Customer advocacy / NPS

20% - 40% ↑

By AI front-to-back value stream redesign

# Fintech giants in the banking domain

Big fintech players have already gained a foothold in financial services in select domains. They are:

Embedding financial services & products in their journeys

Delivering compelling experiences for customers

Disrupting traditional methods for discovering banking products & services

Traditional banks need to rethink how they participate in digital ecosystems to stay competitive. They need to combine the:

speed,  
agility &  
flexibility  
of a fintech

with

scale,  
security standards &  
regulatory  
requirements  
of a traditional bank



## How can banks achieve this?

By becoming an

**AI first bank**

Disruptive AI technologies can improve banks' ability to achieve

Rapid innovation cycles

Higher profits

Distinctive omnichannel  
experiences

At-scale  
personalisation



# Applying AI technologies in banking

From

Front office

to

Back-office  
processes

AI technologies play a vital role in all aspects of the bank's business



*Chatbots for basic servicing requests*



*Face recognition to initiate transaction*



*Machine vision and NLP to scan and process documents*



*ML to detect fraud patterns & cybersecurity attacks*



*Analytical models for next best client identification*

# Becoming an AI-first bank

2.  
AI-powered decision  
making

3.  
Core technology &  
data infrastructure

1.  
Data-driven  
personalisation &  
engagement



4. Cross-functional  
business & tech  
teams

# Data-driven personalisation & engagement

*Customers expect their banks to:*

Be present in end-use journeys

Know their context & needs regardless of where and how they interact with the bank

Enable a frictionless, cross-channel experience

*Main points of focus*

## Intelligent

Recommending actions, anticipating and automating key decisions or tasks

## Personalized

Relevant and timely, based on a detailed understanding of customers' past behaviour and context

## Omnichannel

Spanning the physical & online contexts across devices & delivering a consistent experience

*How?*

Build a **comprehensive database** of a customer's needs, behaviors and preferences to fuel **analytics and AI algorithms** that maximize the value of every **interaction** between the customer and the bank.

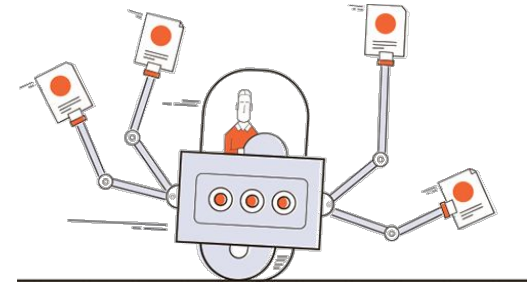
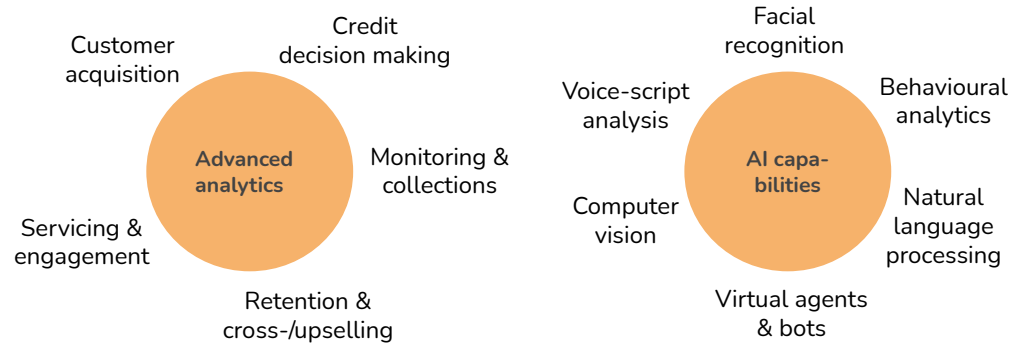
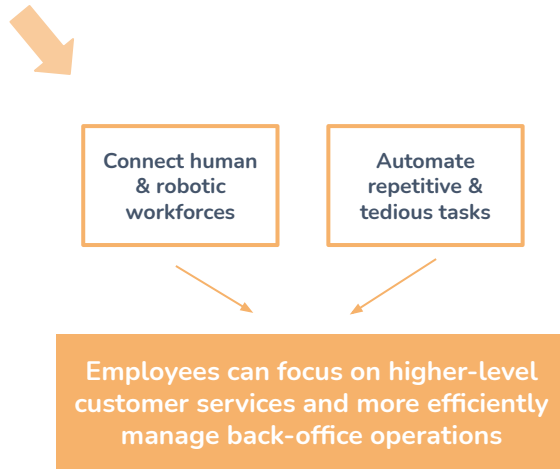


# AI-powered decision-making

## At-scale AI-powered decision making to improve

- Operational control
- Predictability
- Efficiency
- Customer focus

through automation & outsourcing





# Core technology & data infrastructure

Deploying AI capabilities across the organization requires a

**scalable,  
resilient &  
adaptable**

The solution is a modular and scalable modern technology architecture - a data and digital platform (DDP), leading to:

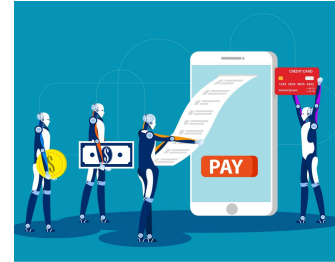
**Increased  
agility**

**Higher  
efficiency**

**Reduced  
time-to-  
market**

- DDP is cloud-based and accessed through standardized APIs
- The DDP should exist of four different layers:

set of core-technology components.



1

## Smart business

Enabling omnichannel experiences independently of device, location or interaction channel

2

## Data

Stores data from legacy and next- generation data assets in a single source of truth for use by all

3

## Core transaction

Encapsulates the legacy technology by allowing existing assets to support the digital journey

4

## Infrastructure

Uses public-cloud providers to scale operations & reduce costs



# Cross-functional business & tech teams

Rethink the bank's functions end to end from the **customer's perspective**



Identify critical **value streams**

= series of value-adding activities leading to the overall results customers need



Joining	Borrowing	Getting funds fast	Saving
Optimizing financial well-being	Making transactions	Addressing fraud & disputes	Requesting service

Typically fewer than 10 value streams

Every value stream has its own autonomous business & tech team that

- **Works autonomously**
- **Carries responsibility for product management & change**
- **Controls their own assets, budgets, KPIs & talent**



Agile way-of working



Remote collaboration

Modern talent strategy (hiring; reskilling)

Culture & capabilities

# Potential first use cases

1

## Voicebots

“Rapidly providing accurate answers to questions is a key aspect of strong customer relationships”



### **Solution**

Implement a chatbot with speech-to-text capabilities to process and answer questions 24 hours a day, offering customers continuous service & support.

2

## Advice quality

“Consequences of non-compliant advice can be significant”



### **Solution**

Quality management classifies a subset of (non)compliant advices, leading to data which can be used to create and train a text analytics AI model.

3

## Next best client

“Relationship managers need to decide on which people to contact to maintain the relation and/or upsell services”



### **Solution**

Develop analytical models to predict which client best to contact next by collecting granular internal & external data on client preferences & transactions.



# Content



**Best AI practices in banking**



**Introducing Digital Sundai**

# Why Digital Sundai?

## WHY Digital Sundai?

- ‡ Digital Sundai strives to create **superior organizations** through Digital & AI
- ‡ We believe Digital & AI projects only succeed when **technology & business** are both done right
  - ‡ We bring experienced **digital business** competence
  - ‡ Our aim is to bring top **AI & Analytics** expertise
  - ‡ Executed through our **agile digital** methodology and culture
- ‡ Digital Sundai is a **networked enterprise** which only works with top digital talent & top digital partners
- ‡ We are an **Open company** and an integral part of the **Digital community** with relations and access to the latest **Business & Tech** start-ups, scale-ups academia, and established companies
- ‡ **Google Cloud** is our preferred Technology ecosystem

