



Internet Business Solutions Group (IBSG), Cisco

Systems

Customers today are fulfilling their needs any time, anywhere, by any means





- Customers have more information and choices than ever, driving up their expectations
- Customers are <u>less loyal</u> with more product and price transparency
- Customers are more willing to complain publicly about dissatisfying experiences



Shopping on the Go

CISCO
TOMORROW
starts here.

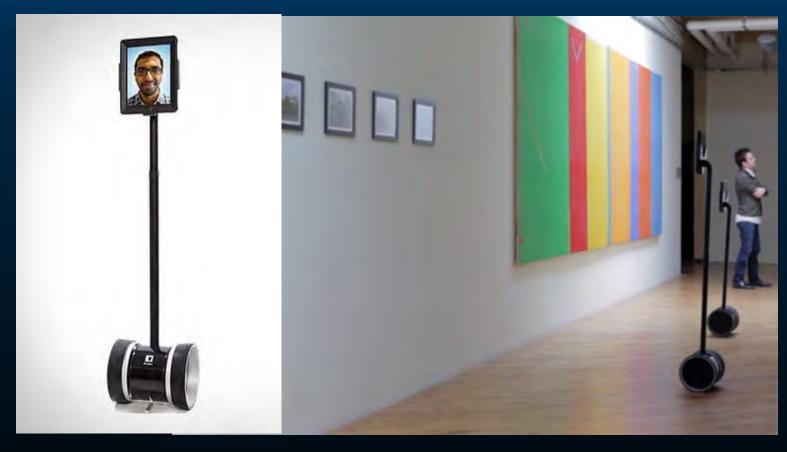
Philadelphia Original 300G





"Me" on the Go

CISCO TOMORROW starts here.





From Multichannel to Omnichannel



- Omnichannel approach is one where physical and virtual channels converge to enable a rich, efficient and seamless experience for communication and transactions
- Industries are reacting to the new digital, interactive, mobile reality by evolving from the current multichannel approach (and downshifting customers to lower-cost channels) to an omnichannel approach
- Consumers now expect "right here, right now" from their bank, just like they receive from other industries



Rise of Omnichannel Interactions

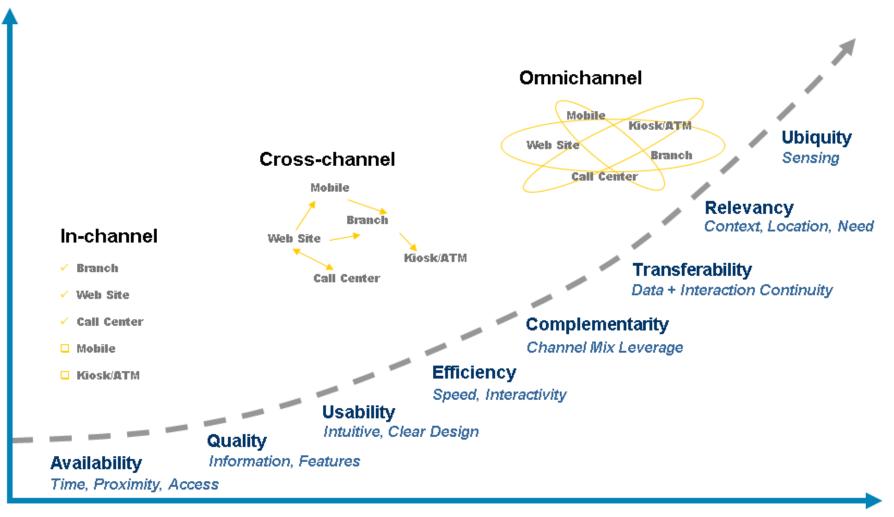




Examples: Mobile and location-based commerce / marketing, Video access to remote experts while shopping in-store, Immersive trial experiences (e.g., magic mirror), Instant product info/reviews/pricing.

Omnichannel Capability Curve





The Evolution of Channels



	<u>Multichannel</u>	<u>Omnichannel</u>
Channel Structure	Proliferation of discrete, mostly independent channels	Merger of physical and virtual Channels
Information / Data	Siloed, back-mirror view (e.g. payment transactions), structured	Pervasive, forward looking (e.g., Soc Media intents), unstructured
Customer Experience	Mainly convenient yet manual experience	Embedded / Contextual banking – Virtual capabilities everywhere
Bank Value Proposition	Cost containment - customers moved to cheaper channels	Maximize value (rev & cost) to customers and bank
New Business Models SINNOY The Internet of Ev Connect The Unc	Internet-only banks, insurance co's (e.g., ING Direct) Monolines (Credit Card)	Mobile Payments / Commerce Mobile / Social-only banks Expansion into new prod & svcs. Bank as enabler of life goals New info-based businesses

How are banks experimenting to reach omnichannel nirvana?

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- Enhanced channels: Social banking/service, Remote video help
- Many branch formats: Advisory, Video, Micro

DenizBank – Turkey Full Online Banking from Facebook

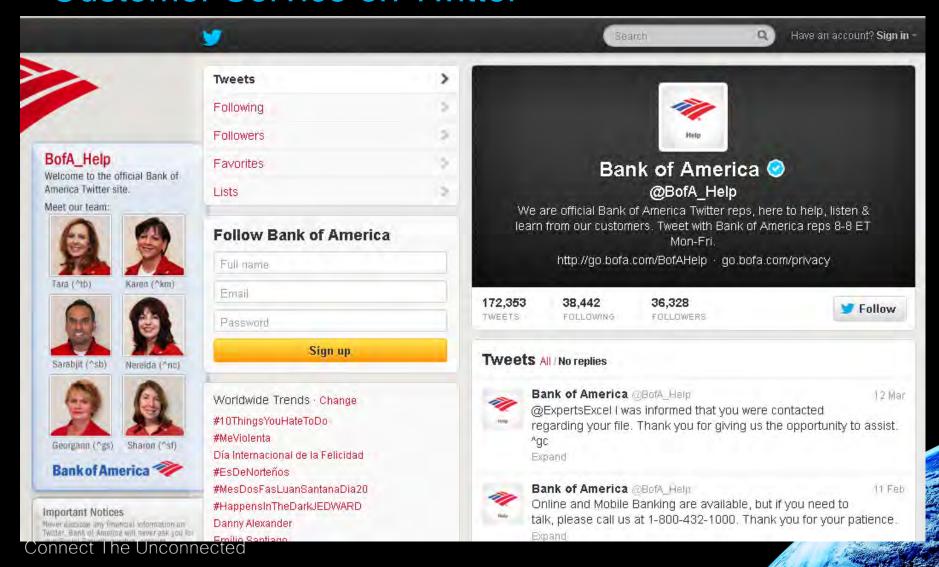




Facebook platform users can check their bank account, see a summary of assets and liabilities, send money to anyone, anytime, purchase/enroll in consumer loans and credit cards, and invite FB friends to use the platform, among other capabilities.

Bank of America – U.S. Customer Service on Twitter





Citibank Express – MNL, KL, SGP Branch in a Kiosk



Express allows customers to do almost all of their banking without visiting a branch, including opening accounts and applying for loans, cards and cashier's checks

- Online banking connection
- Video-conferencing
- Personalized promotions on split screen
- Biometric authentication
- Starting a transaction on a computer or mobile device and complete it on Citibank Express and vice versa
- Near field communication capabilities as well as scanning and embossing functions for future roll-out's of instant ATM/credit card printing



SNS Bank - Netherlands

Bank "Shops"

- Self-service or High-value advice only
- **4 "modules"** working together: Internet, Customer Service, Shop, Advice
- Internet primary channel with all operations available (transactions, sales, services), real-time personalized offerings based on customer profile and click behavior
- Customer Service available via phone or video
- Bank Shops ("SNS Winkels") are introduced, with traditional branches are phased out.
 - o "A" locations ~100 m²
 - No cash transactions
 - Personal product advice and information
 - Help for online banking
- Advice By appointment-only, meeting with financial advisors at the bank shop, at home or elsewhere







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Rabobank – Netherlands Video Concierge

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Bank Virtual Receptionist dealing with customer questions such as how to draw out money, making an appointments with an advisor for complex product advice and initial account opening, opening additional accounts etc



First Financial Credit Union – U.S. Closing on the Go





- First Financial Credit Union, in Chicago, recently added a feature to its app that lets customers sign loan documents via a phone or tablet's touch screen, eliminating the need to go into a branch to close a loan.
- Chief Executive Patrick Bassler said the credit union wrote 287 loans in November, the month the feature was introduced. That was more than double the monthly average, and the bank didn't have to add a single temporary or permanent employee.



Questions?

