Build customer trust and enhance the banking experience with IBM Blockchain

Create new business opportunities while increasing operational efficiency

Blockchain solutions are enhancing banking experiences for customers by decreasing transaction times from hours to seconds, removing manual processes, and reducing friction in day-to-day trade finance. 

Digital identities

The result: IBM Blockchain and SecureKey Technologies are building an identity-sharing ecosystem with Canadian banks so clients can instantly verify identities when opening new accounts. Other uses include driver’s license applications or requesting utility services.5

Cross-border payments

The result: IBM Blockchain is helping financial services firms around the globe transform processes and provide better client service through a cross-border payments. This solution provides a multi-ledger, single network platform for real-time clearing and settlement.

With more secure and streamlined trade processes, frictionless digital identity interactions, and faster, lower-cost, cross-border payments, IBM Blockchain is helping banks approach business in entirely new ways. You can remove manual processes, offer new products and services to customers more quickly, and leverage technology to serve new client bases without increasing risk.

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91% of banks will invest in blockchain solutions by 2018.2

Current challenges in banking – and how IBM Blockchain can help:

Trade finance

Opportunities

Blockchain-based smart contracts can automatically store, secure and exchange contract details and financial terms, coordinate trade logistics and payments on an integrated real-time network, and streamline digital trade processes. With IBM Blockchain, ledger transactions can flow from one small enterprise to another through a trusted bank. Larger firms can also benefit by better tracking of trade finance transactions.

Challenges

Banks struggle with manual processes and stringent requirements for managing, tracking and securing domestic and cross-border trade transactions. For example, processes for corporate trade financing letters of credit are typically paper-based and fragmented. This can make financing even more challenging for the 50 percent of small and medium enterprises that may have no credit sources.1

Opportunities

IBM Blockchain decentralizes information. In addition, it provides greater transactional transparency, helping to elevate trust between banks and their clients. The platform enables simplicity and operational efficiency while enhancing the customer experience.

Cross-border transactions can be costly and take days to complete. Fluctuations in foreign exchange rates and fragmented banking systems can create friction and lead to high reconciliation and dispute resolution costs.

Opportunities

IBM Blockchain, ledger transactions can streamline digital trade processes. With IBM Blockchain, banks can create secure, low-cost, and high volume cross-border payments without sacrificing margins. They can also access new markets and currencies with reduced risk.

Digital identities

Opportunities

Identification documentation can be consolidated on IBM Blockchain with managed access and permissions—all without storing the actual identifying information. This supports KYC due diligence, helps secure personal information and enhances client satisfaction.

Challenges

Requiring clients to repeatedly provide identifying information can erode customer satisfaction and cause transaction delays. Obtaining clients for checking accounts or mortgages—or migrating them from one bank to another—requires strict compliance with “know your customer” (KYC) standards.

Opportunities

IBM and eight European banks have created we.trade, a multi-bank collaboration that’s building trusted and regulated trade finance services to customers more quickly, and leverage technology to serve new client bases without increasing risk.

IBM Blockchain can help your organization, visit: ibm.com/blockchain/industries/financial-services

How blockchain is transforming banking

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