Industry and customer banking journeys designed to meet your needs and wants
Inspiring your Banking future

Our Mission
Inspire the Financial Institutions to envision the future of Banking.

Our Focus Areas
Retail Banking & Wealth Management
• Digital Transformation
• Customer Journey & Experience
• Cognitive technology
• Partners ecosystem development.

Our Center
A real bank facilities environment, to take you live through different integrated journeys.

Our Activities
Taylor-made Briefings, Customer Journeys, Solution definition Workshops and IT / Business Counselling.
Our offering areas

1. The Next Generation Bank
2. Digital Reinvention Agenda
3. Omni-Channel Banking
4. Customer Engagement
5. Cognitive Advisor
6. Digital Reinvention Architectural View
7. Blockchain

Make your own selection to configure your customer workshop
The Next Generation Bank

The game is changing and banks need to get ready for it

By conceiving and creating the structures which define banking’s future, leading banks are rethinking their role and activities creating platforms and ecosystems through which banking can occur. Their ability to do so relies on sophisticated digital technologies. We call this process Digital Reinvention.

This initial presentation provides the basis for the entire briefing session

It looks like the financial world is set for another change as digital and cognitive (AI) innovation will shake up the experience retail banks offer their customers. Over the last few years, we’ve seen the rise of the empowered customer, which will continue to evolve as legislation gives customers more power and choice in managing their finances.
Digitization is an unstoppable and disruptive process that will change completely the current banking industry, as already happened in other sectors, requiring the development of new operating models, which includes new approaches to architecture and technology, processes, organization, people and culture.

→ **IBM Digital Capability Model [BCoE Talk]**

IBM has the methodology and experience to help banks define a sound Digital Reinvention roadmap. The methodology is based in a Digital Capability Model. This capability model enables an holistic approach to the digital reinvention, considering all the aspects of being a digital bank.

→ **IBM DBF maturity assessment [Workshop]**

The DBF Maturity Assessment tool allows a quick assessment of your current digital capabilities and the definition of your desired capabilities. It provides, also, a list of target initiatives to close the gaps between your as-is and to-be capability levels. The tool has been designed to enable a 1-day assessment that will identify the key initiatives required for your digital reinvention.
Physical channels: Where clicks meet bricks

→ **Branch transformation** [BCoE Talk]
A key point for banks to be in line with the market trends, optimizing costs while enhancing customer experience. Some references cases will be introduced, showing the world banking trends regarding the impact of digitization in the brick and mortar world.

→ **Branch redesign** [BCoE Talk]
The vision of a strategic design consultant for redesigning branches creating interfaces and bridges between people and technologies, people and spaces, companies and their potential branches.

→ **Inspirational live experience walk** [BCoE Talk]
A walk through several interesting innovations that banks and retailers have undertaken to provide an outstanding Customer Experience in their branches and stores in Barcelona.

→ **Self service trends** [BCoE Talk]
Insights on how innovative institutions transform their self service channel to build new ways to engage, collaborate and adapt to the new digital customers expectations and behaviors, as well as driving profitable growth.
Banking future is in the digital channels

→ **Digital channels in a mobile world** [BCoE Talk]
The online and mobile channels are highly interconnected and can not be developed separately, from the customer experience point of view. How to achieve competitive differentiation? Based on bank customer examples, see what are the trends in the online and mobile services space.

The influence of the social paradigm is developed in the BCoE live customer journeys.

→ **Digital banking IBM partners**
Banks feel the pressure to quickly adjust to demanded functionalities, strategic or required, calling for new sources to nurture the set of services provided. Like Banks, the Banking Center plays a role working with a selected ecosystem of partners to inject value into the Banking Industry Transformation.
Omni-Channel Banking

Omni-Channel & Social Customer Experience Journey

This scenario is composed by a set of business solutions illustrating a bank customer journey through an omni-channel environment, supported by insight, innovative tools and an enhanced customer experience.

- Internet banking for the new social customer
- Omnichannel interactive marketing
- Video conference with advisor
- Mobile services
- Self-Service Advanced Function
- Dynamic Digital Merchandising
- Meeter and greeter with cognitive tools
- Branch Advisor:
  - Customer events, Next Best Offer, Employee collaboration & expertise sharing
“Banking business runs on relationships. But as customer demand for new and better digital experiences reaches a fever pitch, the way banks think about building and maintaining relationships with customers is changing – fast.”

Forbes

The customer engagement is driven by 4 imperatives:

• Data, the treasure these times
• The customer experience, to match new digital consumer expectations
• Managing a successful customer relationship
• Building bridges between marketing and sales functions

The most successful banks will get their customers’ engagement by orchestrating all the ecosystem services for the customer, as well as injecting cognitive capabilities in each step.
**Cognitive Customer Experience Journey**

An innovative banking integration, with renewed customer experience and engagement using a Watson chatbot to assist a client on its mobile phone. It accompanies the client to select the most suitable product with the ability to automatically qualify the customer lead. Both customer lead and customer chatbot conversation are moved to a CRM tool (Sugar).

- **Customer logs in the banking app using biometric face recognition.**
- **Customer starts dialog with Watson about pension plans.**
- **Watson detects the buy intent and proposes a meeting with an advisor.**
- **The opportunity is automatically created in Sugar CRM by Watson.**
- **Advisor validates the opportunity and reviews the Watson conversation.**
- **Advisor uses cognitive search to clarify the points related to taxes.**
- **Watson arranges the meeting in customer’s and advisor’s calendars, providing also the weather forecast.**
- **Advisor completes the validation and submits for discount approval.**
- **After manager approval, the customer receives the personalized offer to proceed with the contract.**

- **Mobile banking**
- **Biometric facial recognition (by FacePhi)**
- **Cognitive chatbot with Watson services**
- **Weather company services integration**
- **Lead detection and qualification**
- **Automatic creation of leads in the CRM system**
- **All capabilities of Sugar from SugarCRM**
- **Cognitive services integrated into Sugar**
Cognitive Instant Money

A complete end-to-end buying experience: a bank customer is shopping in a retail business that holds an agreement with a Bank in order to provide financing services for the goods. The customer will be able to finance her shopping items on the fly. All the process is managed through a chatbot based on a Watson conversation.

1. Customer opens a chatbot on messenger
2. She takes a photo of the product that she is interested in buying
3. Watson identifies the product, and proposes a list of available models
4. Product info from retailer catalogue is shown: price, stock, what others also buy with this product...
5. Watson offers to finance the product, and drives the conversation to capture all the data required.
6. Using customer accounts info, a credit scoring is calculated
7. Fulfillment process starts. KYC based on PSD2 API access to customer bank account
8. Digital customer on boarding using ID card automated OCR and verification
9. A confirmation QR Code is created for the customer to be used to pay at the counter

- A new “in store” experience
- Instant financing
- Messenger chatbot with text and voice
- Digital customer onboarding
- Bluemix services
- Watson image recognition services
- Watson conversation services

Discussion points:
- Instant scoring based on PSD2
- Blockchain
In their race for profitable growth, Wealth Management & Personal Banking is in the focus for most of Financial Institutions. With an integrated portal powered by Watson, all Financial Advisors can significantly increase their business results.

→ Decoding the future of Wealth [BCoE Talk]

In this session, we will be introducing why WM Institutions and Personal Banking divisions need a digital transformation, their possible strategic moves and the alternative solutions. We will show how new Cognitive and Analytics technologies can help and support traditional Wealth Managers to:

- Enhance **customer prospecting and on-boarding** to drive revenue increases, by capturing new clients while retaining existing ones.
- Perform an effective client engagement to sell more & better, with Digital Assistants (R4A) support.
- Provide competitive digital advisory services to millennials.
IBM
BCoE

5 Cognitive Advisor

Cognitive assistance for the financial advisor

With Client Insights for a Personal Finance Advisor, we provide a cognitive assistant to make life easier to the Financial Advisors. It empowers the advisor with actionable insights, leads, better client segmentation, advice and recommendations. Client Insight for a PF Advisor functionality is provided by CIWM Solution complemented with few other IBM Cognitive Services.

Scenario flow

1. Financial Advisor access to his Dashboard to see his Client priorities for the day
2. The system provides FA with reasons for prediction and recommended action
3. All life events detected and predicted are used by FA to prepare Customer calls
4. FA calls the Client and provides advice adjusting investments to match his risk profile and personality
5. FA performs a dynamic segmentation analysis for a new bank campaign
6. FA qualifies his potential candidates for the Marketing Dept.
7. Marketing uses FA input as a seed pattern to identify all targeted bank customers for this campaign
8. Marketing launches a push campaign to all targeted Clients
9. Integrated Dashboard
   ✓ Digital Assistant for the Advisor
   ✓ Analytical and Cognitive capabilities
   ✓ Actionable insights
   ✓ Life events detection and prediction
   ✓ Leads and next best actions identification
   ✓ Dynamic segmentation
   ✓ F/O contribution to Marketing campaigns
Digital reinvention requires banks to generate new customer value propositions and to transform their operating models to develop a new portfolio of capabilities as defined by the Digital Banking Framework (DBF). IT Systems and the way they were conceived need to evolve to be adapted to these requirements.

**IBM Banking architecture blueprint (SoX)** [BCoE Talk]

Engaging the digital customer, transforming the bank in a platform open to new ecosystems, and applying artificial intelligence to make customer interactions relevant and business processes agile, requires a new IT architecture.

SoX is the new architecture blueprint to accelerate your transformation. **SoX stands for Systems of Engagement, System of Record and Systems of Insights**, and has been designed to provide the digital capabilities defined.
Blockchain is a shared ledger that allows participants in a business network to transact assets where everyone has control but nobody is in control. In this world every agreement, every process, every task, and every payment would have a digital record and signature that could be identified, validated, stored, and shared.

Blockchain will cross geographical boundaries, this is the immense potential of Blockchain.

With Blockchain, we can imagine a world in which contracts are embedded in digital code and stored in transparent, shared databases, where they are protected from deletion, tampering, and revision.

Financial organizations plan on using Blockchain for international money transfers, for security clearing and settlement, and for Know Your Customer (KYC) regulations and anti-money laundering services.

Blockchain leaders need to attract entities that produce and consume to these multi-sided networks. New Platforms harness the interoperability of ecosystems to foster new business models.
Appendix
Fintechs and Partners Ecosystem
Working together
A walk through several interesting innovations that banks and retailers have undertaken to provide an outstanding customer experience in their branches and retail stores in Barcelona.

**WHAT → The tour will help to get ideas as well as identify opportunities in the following areas:**

- **Branch banking strategy & design**
  - Thinking on a Branch redesign project?  
  - In search of Customer experience ideas?
- **Customer segmentation (Retailers and Banks)**
  - Need to improve customer engagement  
  - Personalization of offers / services
- **Innovative Self Service functionality**

**HOW → Visitors will be accompanied to visit few selected retailers and bank branches:**

- **Introduced** to the concepts of the tour before departing  
- Organized for **about 2h** of duration
- **Addressed to groups of 3-4 persons maximum**, given the fact that the environment is a real work space
Sample Agenda for a One Day Session

Agenda
dd Month 2018

09:00 – 09:15  Welcome Coffee
09:15 – 09:30  Introduction to the IBM Banking Center of Excellence
09:30 – 09:45  Customer Environment & Objectives for the meeting
09:45 – 10:45  Topic 1
10:45 – 11:45  Topic 2
11:45 – 12:00  Break
12:00 – 13:15  Live Customer Journey Scenario
13:15 – 14:30  Lunch
14:30 – 15:30  Topic 3
15:30 – 15:45  Break
15:45 – 16:45  Topic 4
16:45 - 17:15  Wrap-up & Next Steps

Note: The recommendation is to have a maximum of 4 themes, for a 1 day visit.
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08029 Barcelona (Spain)

Phone (+34) 934.018.102

IBM main entrance and the
IBM Banking Center of Excellence
are located at the 8th floor.

More info and media in our public web page:

Recommended Hotels

**Hilton Barcelona**
Avinguda Diagonal, 589
Phone: (34) 93 495 77 77
www.hilton.com

*Note: Make sure you use this Hilton, not the Hilton Diagonal Mar which is located on the other end of Barcelona.*

**Meliá Barcelona**
Avinguda Sarrià, 50
Phone: (34) 93 410 60 60
www.solmelia.com

**Princesa Sofia Gran Hotel**
Plaza Pío XII 4
Phone: (34) 93 508 10 00
www.princesasofia.com

**NH Constanza**
Deu I Mata 69-99
Phone: (34) 93 281 15 00
www.nh-hotels.com