

HOW FINANCIAL INSTITUTIONS CAN BENEFIT FROM LOW-CODE CRM



INTRO:

With rising customer expectations and intense competition across various industries, companies are looking for effective ways to keep their clients happy. Financial sector organizations are no exception. Nowadays, competition in financial services is constantly growing. Be it banking, credit unions, wealth management, mortgage and insurance companies, the financial services sector is increasingly recognizing the need for software to automate customer-facing processes while improving visibility and communication across the entire organization.

In addition to their regular responsibilities, financial institutions face the routine work of lead generation, sales, marketing and customer retention that is intrinsic to the development of every organization. Poor processes and practices are considered the main obstacles to becoming customer-centric in any industry - especially in the areas of communications, service and delivery. A well-utilized and integrated process management and CRM system can allow financial institutions to deliver first-class service by improving scalability, document and data management, opportunity management and decision-making analysis. With software that streamlines key financial workflows, provides closer integration with accounts and puts customers at the center of the business, finserv organizations can better anticipate their clients needs and engage with them at the right time throughout their financial life journey.

CHALLENGES FACING THE FINANCIAL SERVICES INDUSTRY

Over the past few years, financial institutions have seen huge technology-led changes. Many executives look to their IT departments to improve efficiency and facilitate game-changing innovation at the same time trying to lower costs and continue to support legacy systems. Customers are now demanding better services, seamless experiences regardless of channel, and more value for their money. The rise of fintech in a digitized world has made financial institutions look at new-age technologies differently – now, they are focused on delighting customers with enhanced mobile and digital experiences.

Today, organizations are searching for more advanced software that will help make sure their business is well-positioned to succeed in the future. However, keeping up with technology innovations presents a challenge in itself. Outdated IT infrastructure, cost reduction, cyber insecurity, as well as next-gen platform and process changes resulting from new technology, are just a few challenges for the industry.

To succeed in this fast-paced environment, IT and digital executives need to design a clear strategy. They will need to maintain a sharp focus on their customers' preferences.

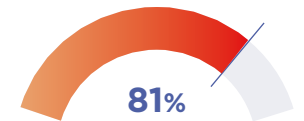
So, what is the best approach to moving forward? The answer is simple: combining tactical short-term actions with long-term initiatives that tie to a larger, strategic vision. Below you will find some of the most effective strategies tailored to help your financial organization succeed in 2020 and beyond.

\$4.7
trillion

Fintech will disrupt up to \$4.7 trillion of the revenue that traditional financial services enjoy in 2020.
(NIX Solutions)

\$309.98
billion

Global fintech market value is expected to reach \$309.98 billion at a CAGR of 24.8% through 2022.
(PwC)



of banking CEOs are concerned about the speed of technological change, more than any other industry sector.
(PwC)

LEVERAGE DIGITAL

Digitalization has brought numerous opportunities that are increasingly shifting customer preferences: more and more people expect instant access to online banking services. To meet customer's expectations, financial institutions need to leverage digital.

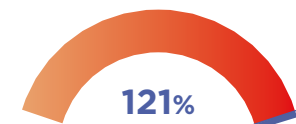
Lately, the financial sector has seen a rapid rise of non-traditional competitors through alternative payment methods such as contactless payments built into mobile operating systems. Now that adoption has grown, banks want better control over alternative channels. They want to manage security, UX, and customer connectivity at the point of purchase.

The future of digital transformation in banking is promising, and it is predicted to entirely change the image of traditional banks, as well as bring more services to the customers. Financial experts say that over the next three to five years, digital efforts will advance in areas as diverse as robo-investing, automation of consumer lending and clearing and settlement of cash and securities transactions. As they do, they will stop being distant, and will just be 'how we do things'. Financial institutions will need to balance the need for separate 'change the bank' transformation teams with the inevitability that digital will become the platform.

Practically, this means you have to keep pace with change, operationally and strategically. At the same time, we know all organizations have a natural resistance to change, especially after years of a relatively protected status. The best tactic here is to consider 'challenger' models in bank management that try to anticipate what a fierce competitor would look like.



of millennials used
mobile banking
in 2019.
(DataProt)



By the year 2022,
mobile transactions
are projected to
grow by 121%.
(Tipalti)

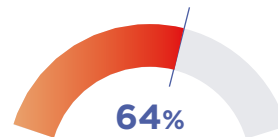
LEVERAGE DIGITAL

Customer demand and customer centricity are the key drivers that are pushing challenger banks forward. It is no secret that today's consumers want more - they want new options and challenger banks provide that.

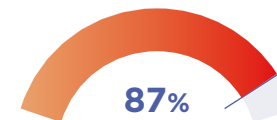
The main advantage of challenger banks is that they are built with their customers in front of mind. That is why old traditional banking institutions are having difficulty struggling to match the offerings of these new entrant digital banks. Even though traditional banks have the advantage of brand loyalty and name recognition, their offering cannot just be simply a better UX. Customers are looking for better products, services, and customer experience all in one package. Banks' client lists are lengthy, and they have worked for years to build trusted relationships. It is no secret that winning their customer loyalty is a tough task for these types of institutions.

Acquiring customers while trying to generate revenue is the biggest challenge for challenger banks. One way in which they are attracting customers is by practicing transparency. Hidden fees and other misleading practices often frustrate banking customers. They also try to keep fees low or eliminate them altogether. From the UX point of view, challenger banks offer advanced online experiences, spending a lot of development money to create top-notch apps. Their primary goal is to make online banking easy and effective for consumers since customers just want the ability to easily move and use their money.

Challenger banks are on the rise and the number of accounts being opened around the world is increasing every day. That's why staying innovative is imperative for continued success as the industry is constantly changing.



of consumers have used two or more fintech services or platforms, which will only increase in the coming years. (EY)



of Gen Zeners take a "do it yourself" approach to finances and want to handle their own finances. (Computer Rock)

\$7
billion

Chatbots in financial services are expected to save companies over \$7 billion annually by 2023. (Workflow)

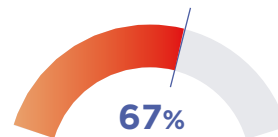
UPDATE YOUR IT OPERATING MODEL

In just a few years, your operating model is probably going to look quite outdated, even if it covers all your company needs today. That is because what your financial institution offers to your customers is almost certain to change. You may need different software, hardware or storage technology. And, if you haven't yet, you should look into low-code platforms.

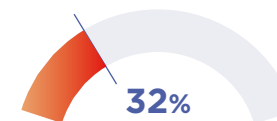
Low-code development platforms are applied to solve a wide array of issues within fintech markets. First, they allow for the optimization of documentation and quality assurance processes. Secondly, for organizations that have to deal with complex paperwork on a daily basis such platforms save time and prevent greater disasters from occurring. What's more, low-code platforms streamline backend data workflow management.

Utilizing low-code CRM can help you reduce the need for separate licenses and for payment management systems. What's more, tech-savvy employees can be given closer control of the programs they work with. They can add functionality to support corporate change, or even build in completely new components to support new requirements they might have for the application.

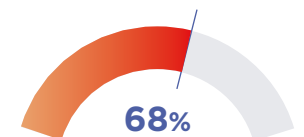
Besides, low-code platforms enable companies to overcome the developer shortage and keep up with the growing demand for apps and processes automation. Low-code holds the power to democratize the development process altogether. Even though the majority of companies still very much rely on third-party software providers to assist with their daily workflows, more and more businesses are reviewing such choices and considering replacing them with low-code platforms and empowering employees with technology to create solutions in-house.



employees expect intelligent technologies to create opportunities for their work.
(Accenture)



of employees identify digital skills as a key gap in their organization.
(Capgemini)

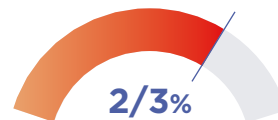


of workers switch apps 10 times an hour or more and waste a full hour a day in app switching.
(Forbes)

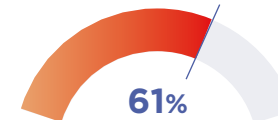
GET MORE INTELLIGENT ABOUT YOUR CUSTOMERS' NEEDS

Since customer intelligence will be the most important predictor of revenue growth and profitability in the next few years, traditional financial institutions should better focus on what their customers value. Now, technology advances have given businesses access to exponentially more data about what users do and want than a dozen years ago. It is an opportunity for whoever can use analytics to unlock the information inside, to give customers what they actually want.

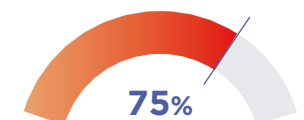
These days, customers are learning more about the value of their personal data. Financial experts expect to see them tendering out their information to banks, insurers, and asset managers in return for the best deal, much as affinity groups already do. As customers become more connected through social media, they are becoming more demanding and less loyal. Easier comparison and faster switching mean that relationships can be brief and largely transactional. We are already seeing one-click transfer, which moves all funds, direct debit instructions and other services to the new provider with very little effort on behalf of the customer. And the demographic trends have scary implications for conventional financial services companies because the youngest users are the least loyal.



of financial institutions
are losing out on
business due to
inefficient Know Your
Customer processes
(Finance Digest)



of bank executives
say that a customer
centric model
is very important
(PwC)

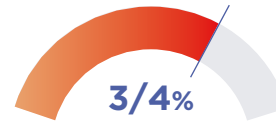


of banks are making
investments in this area
(customer centric
model)
(PwC)

GET MORE INTELLIGENT ABOUT YOUR CUSTOMERS' NEEDS

In the nearest time, we expect that the 'new normal' operating model will be customer-and context-centered. That is, companies will change the way they interact with their customers based on the context of the exchange. They will offer a seamless omnichannel experience, through a smart balance of human and machines. This will require the integration of massive amounts of situational data, much of it from mobile sources – smartphones, sensors, wearables and so on – and the ability to tie it to operational data such as transaction history and risk profiling. If that is not difficult enough, you will need to make these connections in real-time, so you can deliver 'next-best-action' recommendations and advice.

Until now, most financial institutions have focused on building their mobile presence. Going forward, market leaders are expected to build on this foundation to deliver in-the-moment information, advice and decision-making power to their customers. This represents an important shift. Mobile originally developed as a nice-to-have add-on to electronic banking. However, advances in networks and mobile devices have flipped the hierarchy. Now, you need to adopt a mobile-first view of features and development.



More than three-quarters of Americans used a mobile device to check their bank balance in 2019.
(DataProt)

\$503
billion

The total value of payments made using mobile devices will have reached \$503 billion in 2020.
(DataProt)

CASE: ENT CREDIT UNION



CHALLENGE:

Ent Credit Union had an aspirational plan to expand in the regions they serve, while maintaining their dedication to the member. To this end, Ent aimed to deploy a next generation CRM solution to improve member and employee experience, improve communication, deepen member relationships, and track leads. Their test for a new CRM would be a new Outbound Relationship team dedicated to indirect members. The company required a flexible and nimble system to evolve as the company's needs change.

SOLUTION:

Creatio helped Ent Credit Union meet two core business needs: to manage business banking relationships effectively and improve onboarding of indirect members as a result of third-party sales. Deployed in just 3.5 months, the Creatio platform served Ent as a first-class tool to centralize member information and automate sales and lead management processes. Using agile development, Ent is adding solutions to Creatio for customer support interactions, offers for personalized promotions, and other credit union specific tools to ensure they continue to transparently meet member needs. Creatio's configurability and scalability enables Ent Credit Union to scale the platform across various departments and accelerate business growth and efficiency.

EXPANSION

- For three months after launch, Ent Credit Union focused on the experience of the first teams.
- Starting in August, the company brought on teams who work closely with the existing users, like Corporate Banking.
- Throughout the fall and winter, Ent continued to develop features and key integrations for their service teams.
- In the spring of 2020, Ent Credit Union began developing training plans for their service center and call center teams. Unfortunately, COVID-19 altered those plans.

CONCLUSION

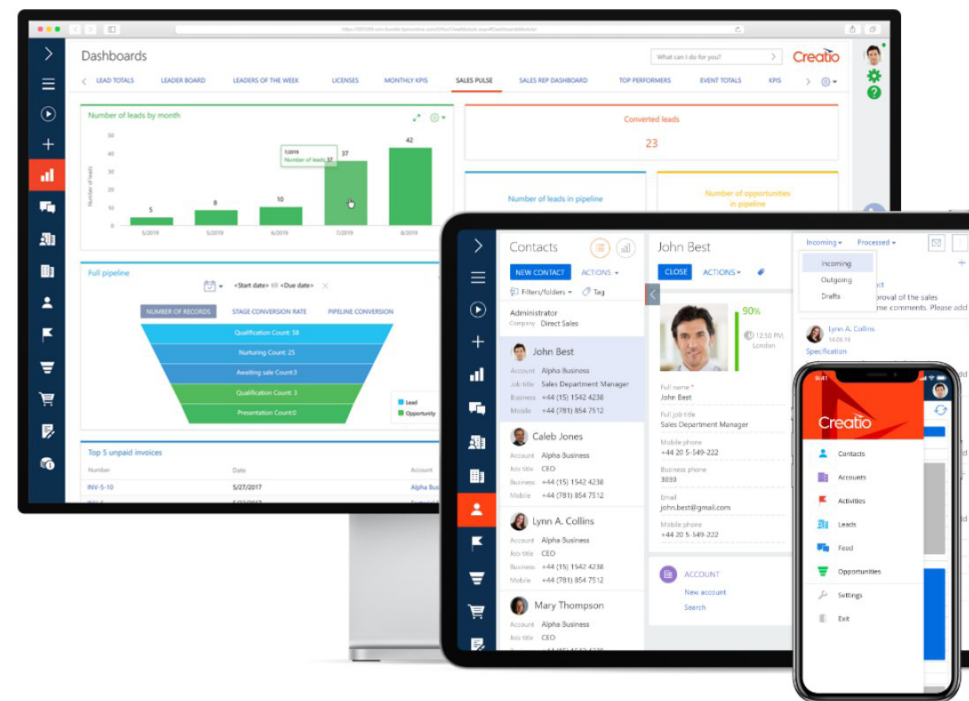
There are a number of innovations available nowadays that can help in facilitating digital transformation in the financial sector. Good digital transformation banking strategy should include relevant technologies that can bring the most value for both an institution and its customers. Among trending solutions, a proficient low-code platform, BPM and CRM products stand out.

Creatio blends together a robust BPM, an intuitive low-code development and a best-in-class CRM in a single, integrated platform. Creatio's offering for financial institutions, Financial Services Creatio, is designed to manage a complete customer journey and enhance their customer experience. With the help of Creatio's out-of-the-box best practice processes, users can easily manage customer-facing operations in retail and corporate banking. Ready-to-go processes guide users through the most effective actions and make it easy to jump start system adoption.

Financial Services Creatio is an intelligent CRM solution powered with low-code technology to help banks and financial institutions to streamline customer-facing and operational processes

FINANCIAL SERVICES CREATIO COMES IN 4 EDITIONS:

- FINANCIAL SERVICES CREATIO, BANK CUSTOMER JOURNEY EDITION** is an innovative software for bank front-office and contact center management. The system provides its users with a unified catalog of bank products, omnichannel communication, teller's, agent's, and supervisor's workplaces, consultation processes management, contracts and documents management, and a robust business process designer to fit any industry-specific business need.
- FINANCIAL SERVICES CREATIO, BANK SALES EDITION** is designed to manage end-to-end sales processes of financial products and services to the bank's corporate clients, including lead management, opportunity management, product management, account management, etc.
- FINANCIAL SERVICES CREATIO, LENDING EDITION** is an intelligent solution to fully automate the lending processes. The system provides with omnichannel communications, loans processing, Loan pipeline monitoring, loans verification and underwriting. product and employees data management, management, and AI-powered technologies for data management.
- FINANCIAL SERVICES CREATIO, MARKETING EDITION** is a multichannel marketing software to boost demand generation with advanced marketing tools and intelligent personalized campaigns.



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