Beyond the Branch

Bridging the gap between digital and personal banking

Challenges of traditional branch banking

- Rising consumer expectations for personalization and faster delivery of new services

- High-cost model in terms of opening accounts, transactions, and balance inquiries

- Not inherently resilient because powered by legacy systems with low-bandwidth connectivity

- Broad security attack surface and compliance concerns

The Branch Is Not Going Away

Despite the numerous branch bank closures in the past few years, financial services organizations still consider their local branches a critical component in customer relationship management and satisfaction. According to a 2020 J.D. Power study, "The most satisfied retail banking customers use both branch and digital services to conduct their personal banking, while the least satisfied are those who have a digital-only relationship with their bank and do not use branches."[1]

Branches remain a powerful channel for brand awareness and customer satisfaction. However, they need to evolve to meet the needs of today's customers and deliver high-value services to attract new customers—all while increasing efficiency and protecting sensitive information.

How can financial services organizations transform their existing branches to more modern innovative centers designed to meet and exceed customer expectations while integrating the advantages of digital banking?

Unify the digital and personal experiences

Seamlessly integrating computer-based activities and information gathering with human interactions is key. Cloud native and new digital apps tend not to be well integrated with on-premises legacy systems in branch banks. Customers want the data that is digitally collected about them and their online activities to be known when seeking personal branch services.

Provide connected real-time services

By modernizing the core banking system and integrating it with your back office, you can improve online customer workflows and offer new targeted services in real time. For example, if a customer supplies a change of address, it's a relational opportunity to inquire about the nature of the move, then digitally personalize with an offer for insurance services or a home equity loan within minutes.

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1. J.D. Power. "2020 U.S. Retail Banking Satisfaction Study." April 2020.

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Benefits of digital banking

- Attract a new generation of customers and deliver personalized services faster

- Accelerate high-value transactions, and automate low-value, high-cost transactions

- Provide a seamless customer experience on all channels— physical, mobile and web

- Secure all customer data from device to cloud to edge, and add high levels of resiliency

- Build an immersive showcase for new banking technology

Introduce higher value transactions

Financial interactions are strengthened by a combination of trust in digital tools, such as predictive automated money management, and human beings to guide you. Adding and expanding digital services can help clients better understand and manage their finances. It can also enable wealth managers to leverage information from interpersonal relationships and digital channels to curate a highly personalized set of recommendations, providing an additional level of service while increasing loyalty and trust.

Automate high-cost, low-value services

Automating deposits, account balance inquiries and loan payments frees branch employees to support higher value services. Consider self-service kiosks, virtual tellers or mobile ambassadors to help customers feel comfortable if they want to perform these transactions within the branch.

Keep data secure, transactions fast, and systems up

To instill trust and confidence, bank services need to be fast, available and secure. Security should be built into all workflows as data moves between customers, bank employees, to the cloud, the edge and back. Connectivity between all these points must be high performance, and data must be protected at rest and in transit.

VMware Connects Personal and Digital Banking

VMware solutions can help the financial services industry evolve their client interactions from digitally disconnected events to interpersonal trust-building activities. This transformation involves bringing together technologies to address modernizing legacy systems, integrating cloud-based apps, and meeting security and privacy requirements.

Modernize legacy apps and improve services

Accelerate modernizing core banking and customer-facing apps while reducing operating costs and risk by partnering with VMware Tanzu™ Labs, a service that works side by side with organizations to solve digital challenges. Provide customers real-time personalized information and deliver new services faster. Consider moving teller platforms or critical services to the cloud or optimizing them at the edge for enhanced locality, resiliency and security.

Figure 1: VMware solutions enable organizations to mobilize and connect financial services at the edge, optimize remote connectivity, and improve customer retention and acquisition

Move services to the cloud

Support both traditional three-tier applications and the emergence of 12-factor cloud native apps with VMware Cloud™ or VMware Cloud Foundation™. VMware Cloud, combined with the VMware Tanzu Application Platform, provides infrastructure and platform as a service, with a consistent set of security, compliance and management tools, whether the apps are in the private cloud, at the edge (branch or carrier edge), or safely and sovereignly in the public cloud. Deliver new applications and customer-facing services faster with CI/CD.

Optimize remote activity

Use VMware SD-WAN Edge™ including Secure Access Service Edge (SASE) to secure remote access and support critical network acceleration, application prioritization and cloud access security brokering (CASB) functions over all major carriers from over 150 POPs worldwide.

Deliver a secure experience from anywhere

Ensure that customers and employees can securely access sensitive data and PII from any device with VMware Workspace ONE®. Workspace ONE supports identity brokering and policy-based access to apps wherever they are hosted. Give employees the freedom to use their own devices or company-issued shared devices to improve customer service, while ensuring the highest levels of data loss prevention.

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