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Monitoring software: the unsung hero of channel performance

Unlock the power of your self-service channel

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One trend contributes above all others to banks' desires to change monitoring platforms: customer experience as the competitive differentiator

By Vincenzo Fiore, CEO Auriga

At the end of last year, Auriga and ATM Marketplace completed their market research report *ATM Monitoring Technology for Omni-channel Banking Systems*. More than half of the 100+ surveyed FIs stated that they were 'satisfied' with their current monitoring platform. However, it seems that in monitoring systems, like in customer satisfaction, 'satisfied' is no longer good enough, as 61% of banks stated that they were planning to change their monitoring solution. This raises the questions: What is motivating the banks to reconsider their options? Is there a consistent market driver for change?

Customer experience as key differentiator

The self-service banking industry is experiencing significant change, such as hardware commoditisation, mergers and a fundamental change in architectural approach. Yet, one inescapable trend contributes above all others to banks' desires to change monitoring platforms: customer experience as the competitive differentiator. What does customer experience have to do with ATM and self-service device monitoring systems? Quite simply, everything.

Self-service is a key part of omni-channel

Self-service devices are playing an increasingly strategic role in bank transformation as a touchpoint for customers and as the foundation of cost reduction-based business cases. Physical devices in-branch (mixed deposit machines, cash recycling units, assisted self-service devices (ASD/ASST) and kiosks) offer a growing breadth of services to both customers and staff. As virtual and direct channels continue to grow in usage and capability, the need to monitor them and manage problems in experience delivery create real challenges. The journey to omni-channel banking is not an incremental one, and customers are already beginning to expect (rather than hope) to encounter a consistent customer experience across all channels, as well as be able

to begin a transaction in one channel and finish it in another. Today's differentiation in this regard is fast becoming a qualifier. Omni-channel in the future will mean more complex levels of integration and collaboration between physical and virtual channels with real-time feedback to customers and banks. And due to modern hardware having a relatively low fault-rate, the 'branch of the future's' dynamic applications and networks will have the greatest impact on service availability. To keep pace with customer service expectations, banks may need to change systems to gain new levels of monitoring capability.

Knowing is not enough

A winning customer experience requires performance on four levels: business service, channel, self-service device and transaction. Across each of these, banks will still need to understand traditional KPIs (such as networks functioning to service levels), but must also develop new KPIs that enable optimisation beyond the technology by moving into the human domain: What are the staff doing? How are customers navigating the bank's offering? Strategic performance focus needs therefore to simultaneously be lifted up from device management to channel and service management levels while also having laser-like focus on individual transactions and experience – the things customers actually judge brands upon.

At the business service level we see software cycles accelerating and bringing new functionality and faster-paced change. Software is playing an increasingly prominent role in customer experience, pushing hardware into a more supportive role. Auriga's WinWebServer (WWS) Proactive Monitoring Manager provides advanced business services that are centrally configured and managed, and easily delivered to any self-service channel. Our research shows many FIs could benefit from such central software distribution and package release management. 85% of those surveyed currently have software distribution and release management as products separate from their monitoring solution.

Managing self-service channels is increasingly time-consuming and costly. Transformative monitoring solutions can operate across modern and conventional multi-channel, multi-location and even multi-bank distribution models. However, 73% of banks surveyed do not have a single omni-channel monitoring system that can control all existing channels.

At device level, banks need to both monitor and guarantee important functions. Terminal inventory remains a critical part of self-service device estate management, and other considerations include predictive maintenance, automated processing of malfunctions, auto-recovery and remote problem resolution. Informed remote fixing capabilities enable banks to manage many self-service devices without the need for support from their branch staff or service provider, minimising customer experience impact and costs (estimated at 30-40% reduction in on-site maintenance).

Finally, at the transactional level, a transformational monitoring solution will provide 'banks of the future' with data and insight into end-user and staff activity by delivering both technical monitoring and transactional monitoring. Linking monitoring to electronic journal collection, for example, can give important insight into customer behaviour.

However, knowing and recording what is happening is not enough. The 'bank of the future' requires proactive analysis and optimisation through action. Differentiated performance is seldom about having more data: banks need analysis and meaningful insight to enable informed, empowered decisions. Personalised and realtime dashboards can help FIs to see the service levels they are achieving, showing different types of problems and geographical views at a glance. We think it is becoming increasingly hard to see how multiple monitoring platforms can provide an holistic as well as timely and accurate view for driving performance – 28% of banks we surveyed may agree, as they are planning to shift to a single omni-channel monitoring system in the near future. The gains can be significant: after deploying WWS Proactive Monitoring Manager, Auriga's customers have typically seen automatic problem resolution success rates increase by 12%, resulting in a 5% reduction in engineer visits and an improvement in ATM availability of up to 4% – a significant performance improvement.

So what is stopping FIs implementing a unified monitoring platform? The age-old barriers of complexity, legacy system protection and integration costs. But a truly transformative monitoring platform can be architected to overcome these issues.

Cost focus and platform investment

Cost of change cannot be ignored in any organisation. FIs who choose a highly modular monitoring platform can spread integration efforts and investment costs while using the opportunity to justify the benefits. Future-proofing requires scalability: allowing the number of channels, users, transactions, and self-service terminals to be increased without limitations. Transformational monitoring platforms are easily configured to deal with such increasing workloads and to take full advantage of all available 'branch of the future' resources, whoever actually performs the monitoring. For example, WWS Monitoring's trouble ticketing system can be integrated with a maintenance firm's service desk so problem tickets can be automatically opened and engineers tracked in real time to increase efficiency and traceability.

Vendor independence maintains customer experience advantage

Will it be possible for FIs to stay at the leading edge without the flexibility of multi-vendor platforms and the ability to choose different vendors' best of breed technologies as they emerge? We think that creating and maintaining a transformative customer experience will require banks to retain maximum control over their self-service decisions. Multi-vendor platforms mean cross-vendor conflict of interest in driving performance across channels. These inevitable conflicts between hardware vendors over relative performance strongly suggest a vendor independent approach to monitoring. Such an approach can deliver control for the FI over its KPIs, allowing the FI to self-configure KPIs without dependence on its supplier.

Auriga suggests that winning FIs will move away from traditional thinking about monitoring. Instead of considering a strategic process of individual channel strategies (within an overall omni-channel strategy) and then making individual channel management and monitoring decisions, the 'bank of the future' will consider monitoring strategy as part of omni-channel strategy. Monitoring platform decisions are becoming too important to leave until later in the process. FIs that are 'delighted' rather than 'satisfied' with their monitoring system are more likely to have delighted customers and more likely to be competitively differentiated in the future. ■

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