

DIEBOLD PERSPECTIVE

The self-service trends you can't afford to ignore

By Hormuzd Karkaria, VP Software & Services Solutioning, Diebold

There are more than three million ATMs globally, and that number is projected to grow to four million in the next few years. Meanwhile, the number of branches continues to contract. Clearly, vast changes are taking place across our industry. I see three key trends in the financial self-service sector that should be on your radar and informing your strategic planning.

1. User expectations are higher than ever, while complex multivendor networks are becoming the norm

Globally, we're glued to screens on a regular basis. We even multi-task with second and third screens. We're savvier at interacting with technology, and our expectations are high. There is simply no excuse anymore for a self-service terminal that's awkward to use or access.

Today's ATMs must rise to the level of the technology we use in our everyday lives; that means more intuitive controls and functionality, more inviting design and more thoughtful user interfaces. Consumers expect a consistent, secure experience at every ATM. Software and hardware must be able to work together not just now, but given any future unknowns.

Can your ATMs keep up with the updates and changes of a multivendor network? In the evolving retail banking environment, a flexible, hardware-agnostic software platform is a must-have. If you have always purchased hardware bundled with software, consider whether you're getting the multivendor support you'll need for the long term.

2. Mobile integration is changing the way consumers interact with your self-service channel

M-Pesa is a well-known African success story – expect more of it to come. Fintech disruptors are jumping on mobile and digital from every conceivable angle, and consumers have an appetite for it. In fact, Javelin Strategy & Research discovered a tipping point occurred in 2015: more US consumers used mobile

banking than visited a branch on a weekly basis.

Successful omnichannel solutions will seamlessly integrate mobile capabilities. Consider a 'bring-your-own-device' mentality: consumers are most comfortable using their mobile phone, so how can you move as much interaction as possible to that device? Our engineers made that conceptual leap with our recent screenless, mobile-driven terminal.

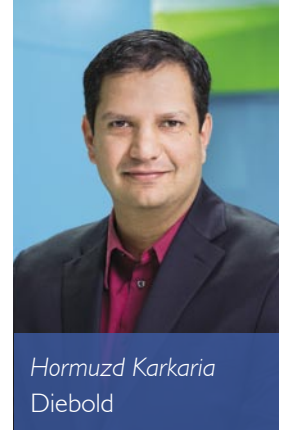
3. Analytics capabilities are enabling banks to differentiate through service and customisation

Preventative maintenance, intelligent service delivery and the ability to truly understand your customers: these capabilities are the next to become mainstream, and banks must seize the opportunity. Interestingly, a new report from the Financial Brand notes that FIs are still not prioritising analytics. It found that less than half of larger banks (and only 8% of community banks and credit unions) see improved analytic capabilities as a 'top three' priority.

Analytics cannot be ignored – and your ATM network is one of the best places to gather data about your customers. Compared to online ads, where you pay to semi-target consumers with low or medium-low specificity, ads on your own ATM network are much more powerful – they provide free, highly-targeted offers to customers who are known (through card and PIN), in a banking state of mind and standing in front of a device where they can act. It's an optimal time to not only engage with them, but gather information from them.

No matter how shiny and new, technology for its own sake will not be enough to save customer relationships. People don't care how much heavy lifting your organisation is doing behind the scenes. They will find and follow the provider that makes their own lives easier and that crafts experiences that are customised and seamless. Are you making the right decisions today to positively affect their choices tomorrow? ■

We know every FI is different. Wondering how your organisation's strategic goals can be aligned with these or other FSS trends? Connect with us at Diebold.com



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