

AURIGA PERSPECTIVE

How to make the #NextGenBranch a reality

The financial and banking industry is changing due to digital transformation, the entry of challenger banks and evolving customer expectations. Mark Aldred, head of international sales at Auriga, discusses the challenges and opportunities this is presenting banks.

What does digital transformation mean for bank branches and what should banks do to remain competitive?

Mark Aldred (MA): The banking industry is evolving at the same pace as digital transformation. On the one hand we see consumers becoming more familiar with digital banking, and their expectations are constantly evolving. On the other, we have seen the emergence of many challenger banks who have a competitive advantage due to being digital natives who know how to leverage their customers' data to create bespoke journeys. This is why we expect banks to increasingly use technological investments to enhance the digital experience and ensure access to financial services. Yet, digital innovation and investment also extend to physical branches, where we are seeing banks trialling alternative formats. This is based on the insight that a majority of consumers still want access to cash as well as a human interface, which only branches can offer. Banks need to think differently if they want to survive and thrive in the current market and provide a physical location offering services that have been optimised to reduce operating costs, boost efficiency and maintain high levels of customer satisfaction.

What does #NextGenBranch mean for you, and which technologies do you leverage to support banks as they shape their future?

MA: Our #NextGenBranch proposition is a lean branch model, fully digital, multifunctional and customer-oriented, which uses technologies such as video banking, artificial intelligence and automation to deliver 24/7 access to banking services.

In particular we believe in the significance of video banking, which provides customers with another touchpoint and many of the same services as a teller.

Our Bank4Me solution offers a digital video terminal in a private area of the branch, allowing access to all bank services in self-service assisted mode through interactions with the bank's consultants via video conference. This is useful where full-service branches are not an option, owing to either geographical or cost considerations. In the current climate with the COVID-19 pandemic sweeping the globe, remote tellers can help maintain service provision while supporting social distancing for colleagues and customers. Many customers continue to prefer face-to-face services, and video banking is a way of bridging the gap between self-service and in-person. Furthermore, such technology is also helpful in boosting financial inclusion by offering access to financial services and extending service hours for people living in rural and remote areas.

What is your view of the future trends in cyber crime and the growth in digital banking? How can banks prevent attacks?

MA: Financial institutions need to be alert to the ever-growing number of cyber attacks targeted at the self-service banking infrastructure. These attacks are hugely disruptive and undermine trust in digital banking services. Auriga is investing in cyber security through the recent acquisition of Lookwise Device Manager (LDM) from S2I Sec and our new membership to the ATMLA Security Association. By seamlessly integrating LDM's capabilities into Auriga's WWS software suite, our customers can benefit from full protection, security monitoring, and control of their networked devices, such as ATMs, POS terminals and critical infrastructure control systems. This means Auriga can build the most effective cyber risk management and security capabilities for digital financial services across all channels, including the branch. Banks can protect themselves by investing in such solutions.

Incorporating cutting-edge technology and specialist expertise, we are reaffirming our strategy of evolving our products to meet the changing needs of our clients with the best integrated technology platforms. ■



Mark Aldred
Auriga

We believe in the significance of video banking, which provides customers with another touchpoint and many of the same services as a teller

