



*TOMORROW
starts here.*



Connected Consumers and the Omni Channel Experience

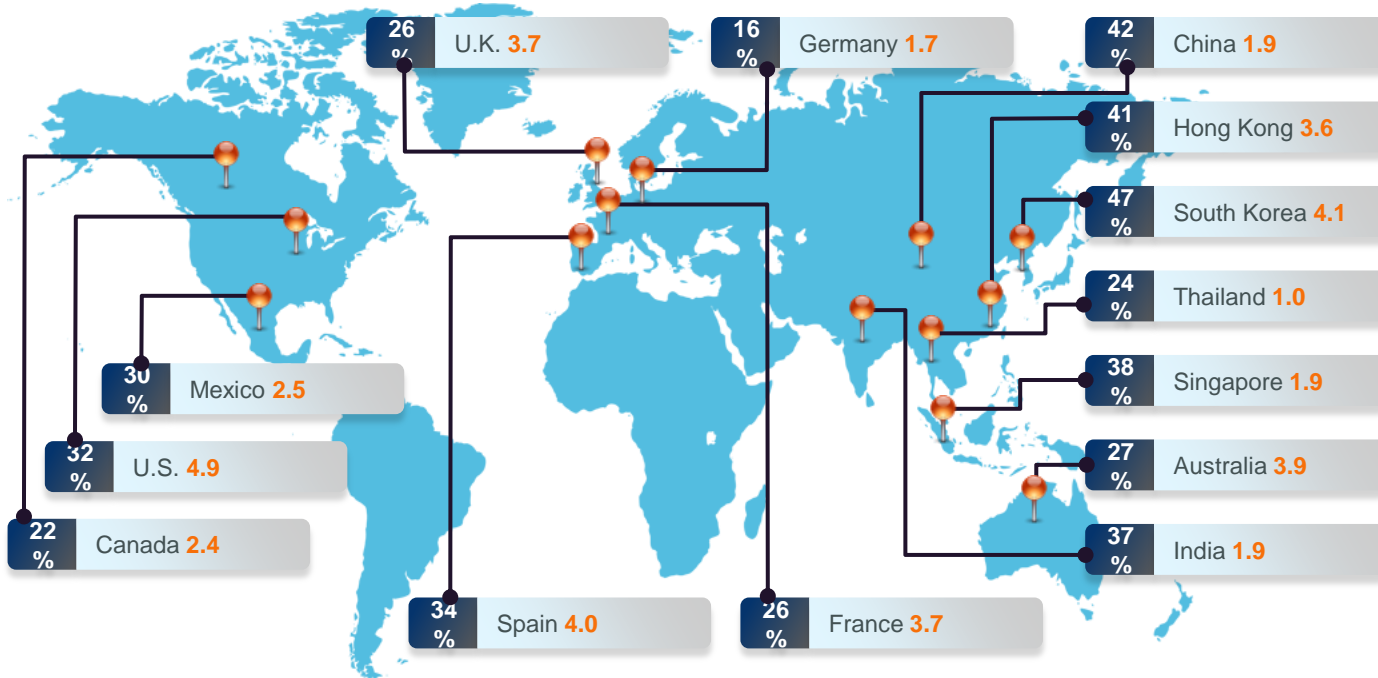
Joseph Bassaly

Collaboration Architect

A blue-tinted image of Earth from space, showing the curvature of the planet and a bright sun in the upper left corner. The sun is a bright white star with a blue lens flare effect. The Earth's surface is visible in shades of blue and white, with some cloud cover. The background is a deep black space.

Industry Trends

The Mobile Channel Is Growing



- Percentage of respondents who had mobile banking interactions in the previous three months
- Average number of uses per respondent in previous three months

From surveys conducted by Bain & Co. in 2012 (150,000 bank customers overall; 74000 in U.S.)

Source: Bain & Co. in 2012



Canadians who regularly use Mobile Banking

2013 = 43%

2010 = 5%*



“What’s most important to you in your banking relationship?”

91%

Banking at a time that is convenient

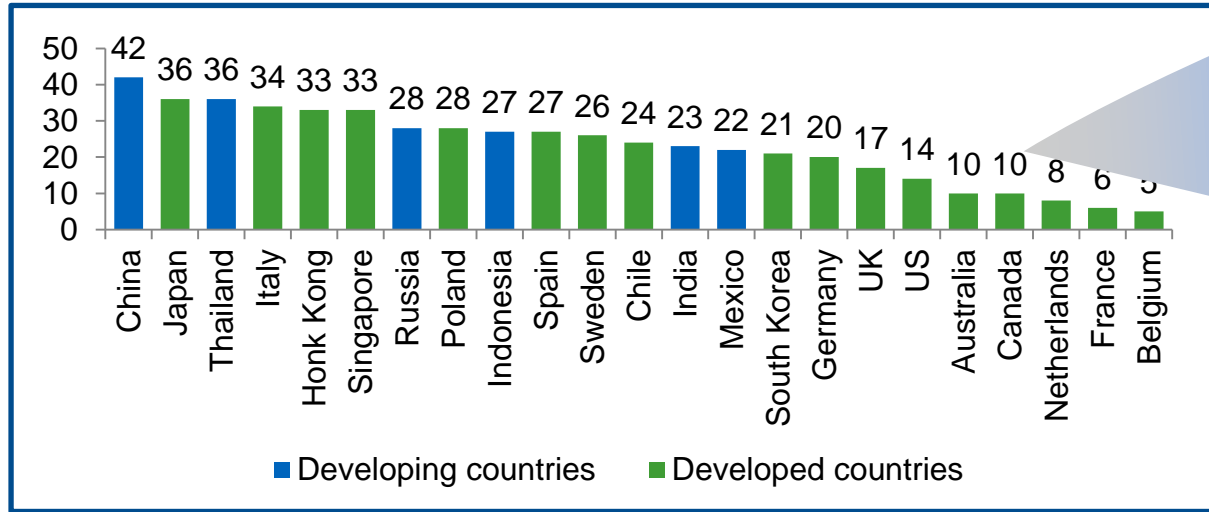
81%

Banking from virtually anywhere*

* Canadian Bankers Association, “How Canadians Bank”

Frequent Mobile Banking Users Give Higher Loyalty Scores Than Other Customers

Percentage point differences in Net Promoter Scores (NPS) between frequent mobile banking users and non-users



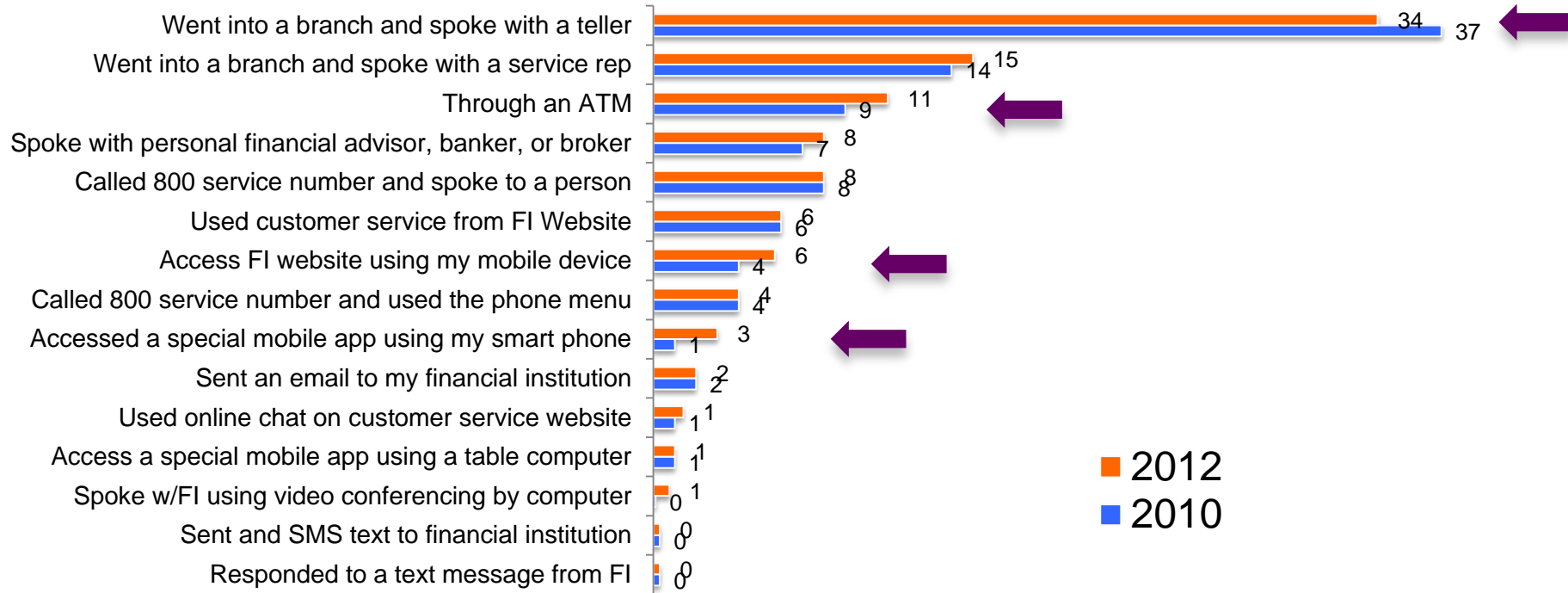
In Canada, mobile banking users gave their bank a NPS that is 10% higher than customers who do not use mobile banking

Notes: Mobile banking includes use of smartphone/tablet apps and bank websites via smartphone/tablet; frequent users are defined as those in the top quartile for the number of bank interactions using smartphone/tablet apps and bank websites via mobile devices; markets where as 100 for any category were excluded
Sources: Bats/Research Now and Bain/GMI NPS surveys, 2013

Branch Banking is still the most preferred method of communication...but

Single Most Preferred Banking Communication Method

(Base = Those who communicated with bank within the past year)

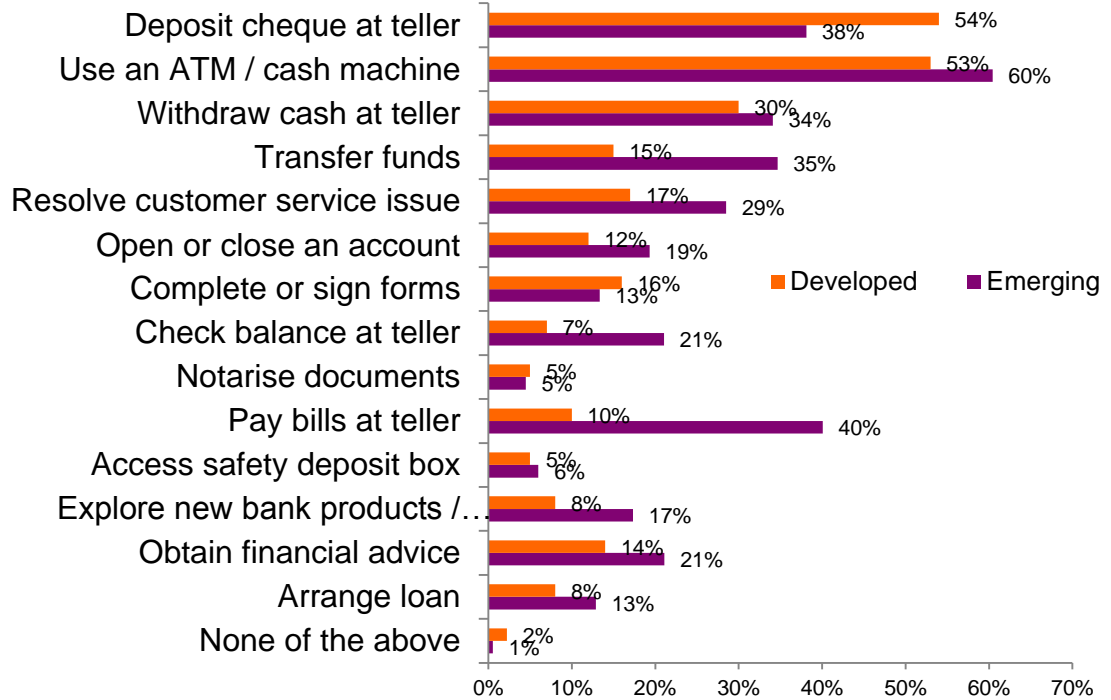


Source: Mercator Advisory Group CustomerMonitor Survey Series, Banking and Channels, 2012, Question 7

...Most Branch Visits Are Transactional In Nature...

- Transactional services are still the main reason for visiting branches
- These are low added value services for banks and customers

Reasons for visiting a branch

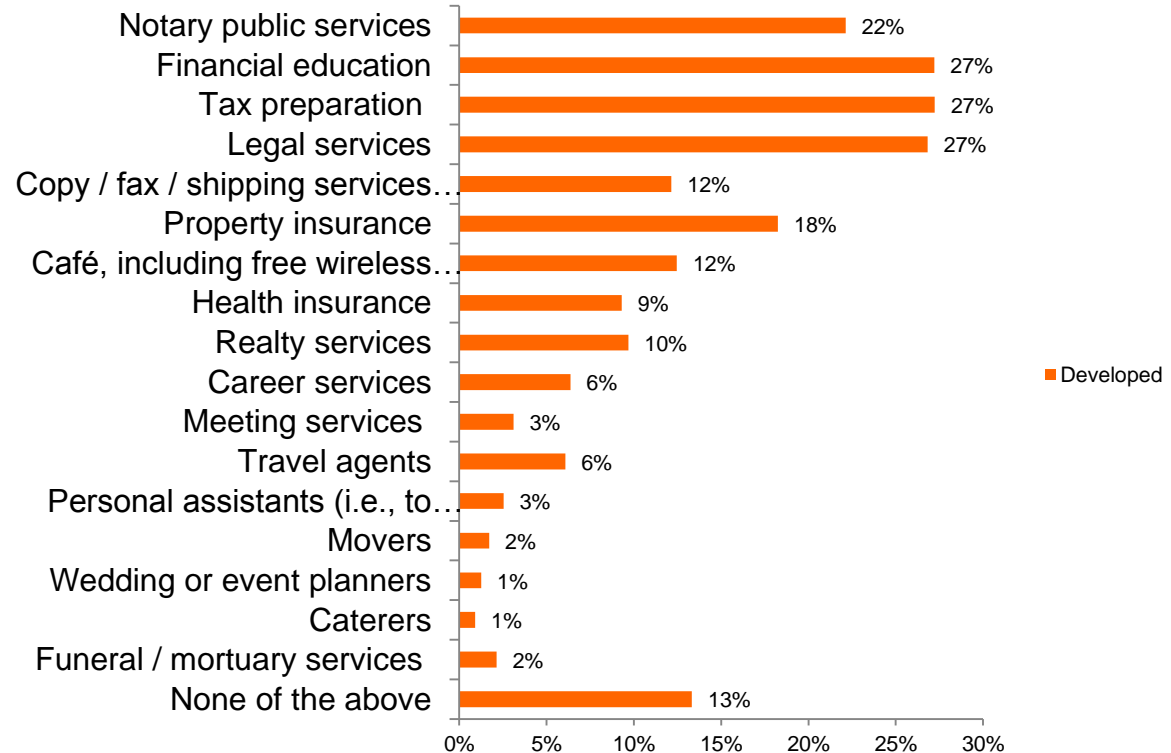


Source: May 2012 Cisco Internet Business Solutions Group (IBSG) surveyed 5,300 on-line consumers across eight countries Developed countries: Canada, France, Germany, U.S., U.K.. Emerging countries: Brazil, China, Mexico

...Yet Consumers Want to Visit Branches for Valuable Advice via Interactions with Experts...

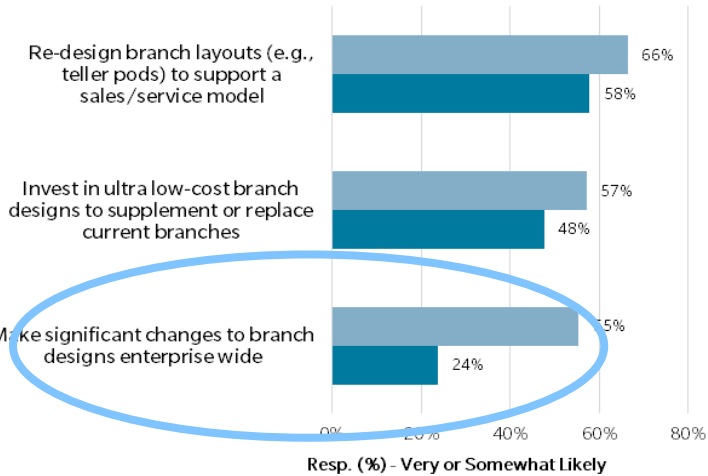
Q. Which kinds of services would you be most interested in obtaining through a Specialty Branch arrangement?

- 26% of consumers will leave bank if advisers, personal advice removed from branch (Global)
- 83% of consumers in favor of branches expanding their financial advisory services (Global)



...which are causing a Tipping Point in Branch Transformation...

Likely Branch Channel Changes



Source: Celent survey of NA FIs, July 2012, n=132

A huge jump in enterprise-wide changes expected



Branch or Store Type	Typical Square Footage	Number of Tellers (Traditional)	Number of ATMs	Meeting Rooms/Space
Flagship	3,500–15,000 (Depending on function)	3+	2+	Many
Traditional	3,000–10,000 (Depending on function)	1+	1+	Some
Mini	1,000–3,000	0–2 (Depending on function; some may have remote tellers)	1+	Limited (Sometimes used for public events)
Supermarket	300–750	1+	0–1+	Limited (Depending on size and function)
Self / Assisted (Some with video capabilities)	1,000–1,500	0 (In person; several remote tellers may be available)	0–1+	Limited (May include remote videoconferencing)

Is that change even outside banking sector?

- 34% of Consumers Already Shopping in an Omnichannel Fashion
- 74% of Consumers Open to a Virtual Doctor Visit
- 61% of Consumers Willing to use automated store

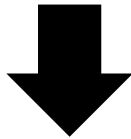
Current Multi-Channel Strategy

1.



Poor Hours
Expensive to Enter New Markets
Limited Access to Advice
High Transaction Costs ¹

- Branch: \$4.25,
- Online: \$0.19
- Mobile: \$0.10



Leads banks to invest in self service & digital channels

2.



3.



Declining Branch Traffic ²
Exploding Digital Traffic

} Underutilized branches & Impersonal experiences

Results

Branch

- Oversized real estate footprint
- Misaligned resources suited for transactions, not advice and sales
- Revenue leakage when customers can't get instant access to advice, service and sales

Digital

- Impersonal online experiences
- Inability to "meet" and "connect" with customers on fastest growing channels
- Fragmented or no relationships with customers

Cisco OmniChannel Banking Model, from transactions to interactions

Unify Delivery Channels with Customers in the Center



Business Transformation

Engage customers in insightful conversations across any channel

Provide a frictionless Omni-Channel experience

Foundation for new business models and interactive customer experiences

From Transactions to Interactions and new revenue sources

Close deals and monetize digital channels

Embed tools into digital channels to not only begin sales processes online, but complete them as well

IT Transformation

Lower operational expenses

Achieve superior customer experience while lowering operational expenses through virtual expertise access and process optimization

Streamline Sales and Leads via Interactions across ALL Channels

Clients needs access to expertise anytime, anywhere, any channel



Omnichannel Evolutions

Channel Based

Brick & Mortar or Voice

Corporate Driven to
Provide Quality Service

Distributed Systems

Multi Channel

Brick & Mortar or Voice or
Web

Corporate Driven to
Direct Customers to
Least Expensive Chanel

Services Oriented
Architecture

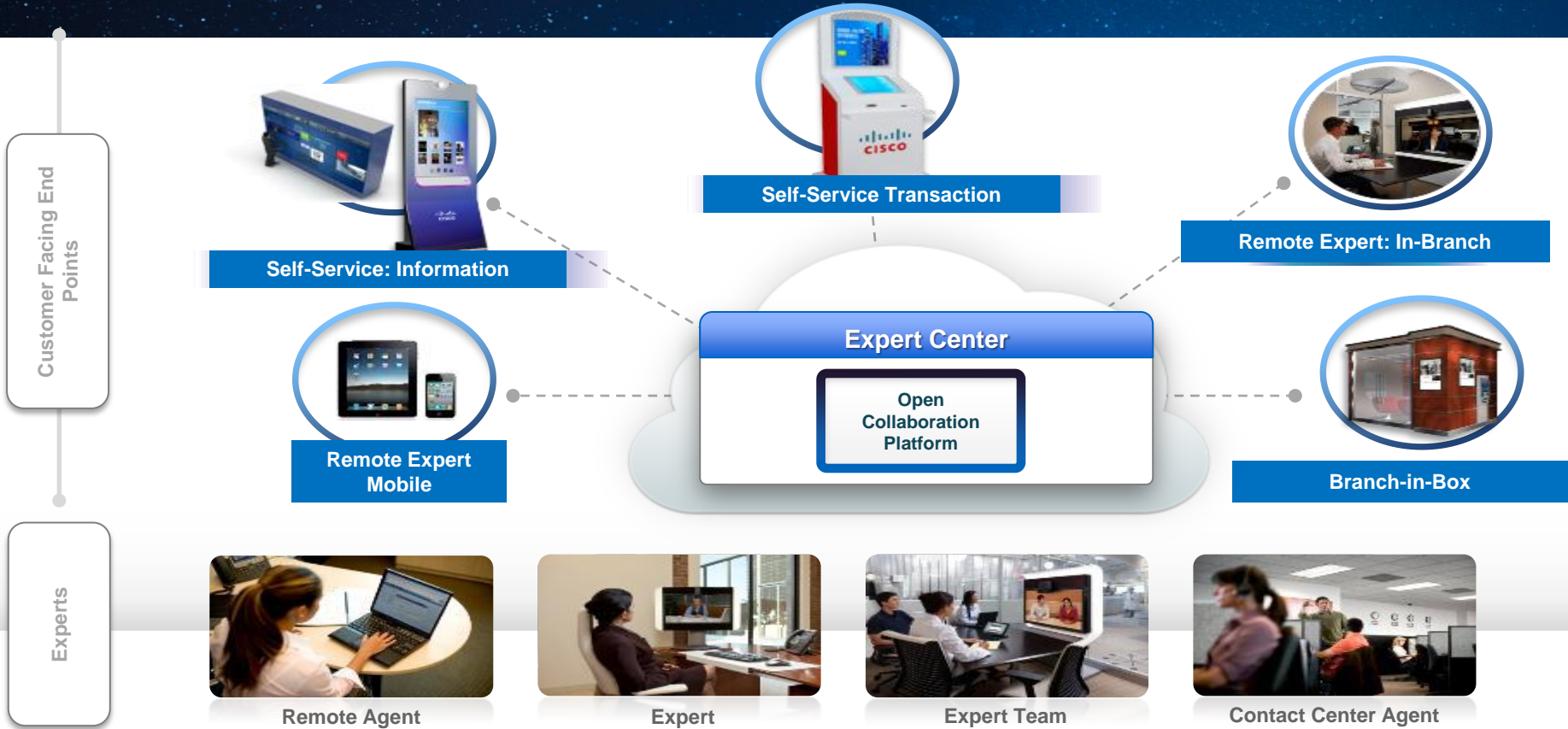
Omnichannel

Anywhere / Digital and
Personal

Customer Driven for
Service on Customer's
terms

Application & Platform
Architecture

Cisco's Omni-Channel Portfolio



A blue-tinted image of Earth from space. The sun is visible in the upper left corner, creating a bright starburst effect. The Earth's horizon is visible on the right side, showing the curvature of the planet and the atmosphere. The text "Channel Transformation" is overlaid in white on the left side of the image.

Channel Transformation

Cisco's View on Omnichannel

Omnichannel

A customer relationship strategy where the customer is the ultimate center of all interaction channels; decides how, when, and where to communicate and expects a simple, transparent experience



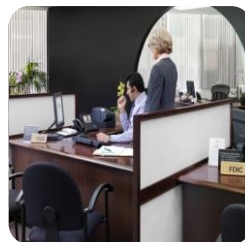
Home



Mobile



Customer



Branches



Contact Center

The Mobile and web experience

- Clientless video application is launched as soon as button is clicked
- Mobile Advisor Gateway handles inbound call
- Video call is made to the enterprise and connected to a employee

Consumer

Mobile Applications



Online Banking



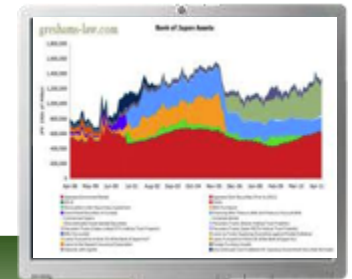
Video Call
Over Internet

Financial Institution

Enterprise Video



Cobrowse & Screen Sharing



The Mobile and web experience

- Not rip and replace! Mobile Advisor video-enables existing platforms and applications, allowing firms to differentiate the client experience.
- Mobile Advisor's focus is to bridge the internal (employees) and the external (clients) interactions over video by tying consumer video into existing enterprise applications and video infrastructure.

Insert video, presence, and other UC functions
into existing banking platforms



Web Portal Applications



Mobile Applications

The Mobile and web experience

Click-to Engage from The bank's application

Customer Perspective

- Customer selects the communication method that makes sense at a given time.
- Private & Secure communication
- No need for high queue calls and repeat authentication information

Bank Perspective

- Increased Customer Satisfaction
- Toll Charge Savings
- Utilize mobile technology to enhance the consumer experience, while reducing contact center operating expenses



1

Customer logs on the app, browse into offer and click to get connected

2

Platform will receive the route request and puts the customer on Virtual queue

3

When agent becomes available, customer receives the call back with customer data maintained

The Mobile and web experience

Click to Engage from public website

Customer Perspective

- Prospect selects the communication method that makes sense at a given time.
- Private & Secure communication
- No phone needed for real time co while in queue

Bank's Perspective

- Better conversion rate for Prospects
- More new assets
- Multichannel Customer Service Representatives
- Offer next generation user experiences

The screenshot displays a Cisco website with a navigation bar (Products & Services, Support, How to Buy) and a main banner for 'TOMORROW Starts Here Cisco Live 2014, San Francisco'. A 'Register Now' button is visible. An inset window shows a chat interface with a video feed of a representative and a list of other users. Below the banner, there are sections for 'Latest News' and 'Higher Ed BYOD Survival Guide'.

1

Prospect is browsing customer website, customer offers chat service based on user browsing behavior.

- Product Type
- Idle Times
- Page Content

2

Prospect is offered Chat option; customer accepts the offer.

- Provide customized treatment while customer waits for next available agent

3

Prospect and Client Services Representative begin chat session

Prospect wants to discuss and engagement escalated to Video and/or Co-Browse.

Third Party document signing integration



Increase Conversion by Intelligent Call Routing

Agents consider user preferences and profile for connecting to Associates

Customer Perspective

- Get service from experts
- Less time on call – improved user experience

Bank Perspective

- Increase Asset Gathering Capabilities and Reduce Leakage
- Increased Associate productivity
- Lower number of inbound call to the Contact Center
- Better lead conversion



Prospect/Client
Location: Unknown

- New/existing client calling



Contact Center Agent
Location: Bank Contact Center

Agents can **increase close ratios** by connecting to associates **immediately**.

- Agents can connect clients to the right expert/based on their **availability (presence information)** and best method of contact.

AVAILABLE



Bank Associate
Location: Branch

AWAY



Bank Associate: Remote (On the Road, Home, Client Office)

BUSY



Bank Associate
Location: Home Office

Connection between Mobile and Physical location



DETECT



CONNECT



ENGAGE



GUEST PRESENCE



GUEST ACCESS

GUEST EXPERIENCE

- Mobile device and characteristics detected before they enter the venue

- Seamless and secure Wi-Fi connectivity
- Preferences, profile, device and roaming credentials identified

- Highly-relevant content and services based on user attributes and real-time location

The Physical Channel Experience

- **Café-style sales centers** to drive foot traffic. More inviting environments that encourage customers to come in and hang out. Free coffee, free wifi, etc..
- **Smaller footprints** to reduce real estate costs. Some are moving **towards pop-up or studio-sized branches** to reduce real estate costs and extend physical footprint at lower cost.



- Move transactions to **self service devices** in order to lower costs of in branch transactions. Some branches are tellerless, and therefore open 24/7/365. This lowers personnel costs.
- Retrain / hire staff to focus on services, sales, and advice to **increase interactions**. Many banks exploring **virtual expertise via video conferencing** to extend specialists for sales opportunities without having to staff each branch. This increases sales.

Remote Expert Point of Presence



Kiosks

Rich media content, static information, one-way delivery mainly replacing paper signs

Customer Perspective

- Personalized recommendations
- More relevant
- Better user experience



Network-based touch screen, customized content, two-way communications to augment other channels

Bank Perspective

- Lower cost
- Drive leads
- Drive volume
- Higher cross-sell/upsell

Extend reach and engage consumers with live two-way video collaboration - from any device



1



Interactive Experience Device instead of PC at Branch

2



Add Digital Signage

3



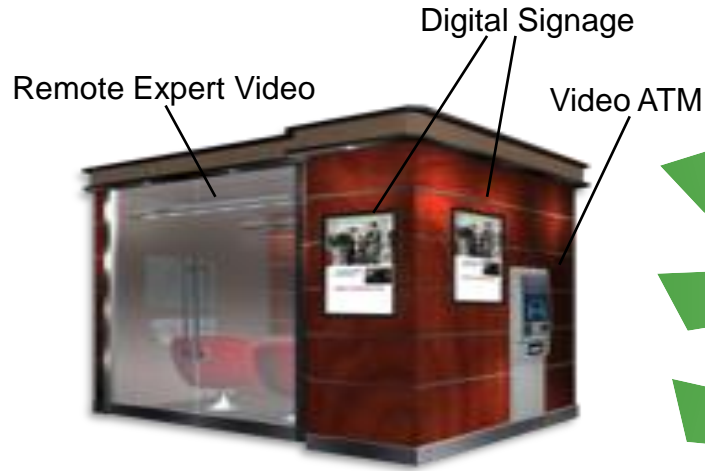
Connection to Contact Center

4



Bank Kiosk with Interactivity

New forms of physical presence



“People-less”
Boutique Digital Point of Presence



Mobility Increases Efficiency

Agent Engages with Associates, Experts and Advisors in Real-Time via Mobility

Customer Perspective

- Get Service When Needed
- Maintain similar experience with all channels



Single Number Reach – Financial Advisors have one single number to be reached that leverages multiple devices.



Bank Perspective

- Increase Asset Gathering Capabilities and Reduce Leakage
- Increased Associate productivity
- New generation's preferences are addressed
- Faster lead conversion via online channel

Bank Associate
Location: Remote



Service Center Integration



Secure connections back into corporate data centers enable FA's to **access applications** and be productive while on the road.



Office Phone with Voicemail

• Applications on mobile devices provide FA's with **Visual Corporate Voicemail**.

• FA's can set their availability status (*Presence Information*)

• Join/Set up **web conference** calls with ability to **view presentations** on the handheld device.

Webcasting / Training Channel for Customers

Educate and Increase Trade Volumes via regular web casting

Customer Perspective

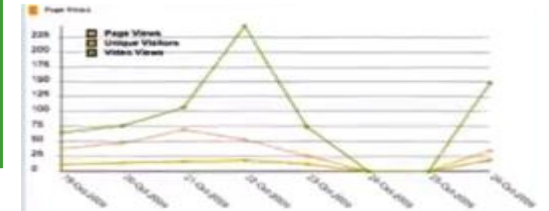
- On line advice available 24/7
- Live session they can access from anywhere
- Recorded sessions they can access from any where anytime

Bank Perspective

- Differentiator
- Get feedback on product s real-time
- Drive volume
- Leverage assets as these can be done with current resources



Quickly Search
Video
Content



Customer 360 Through Analytics

Build Amazon-like experience by leveraging data analytics

Customer Perspective

- Personalized recommendations
- More relevant
- Better user experience

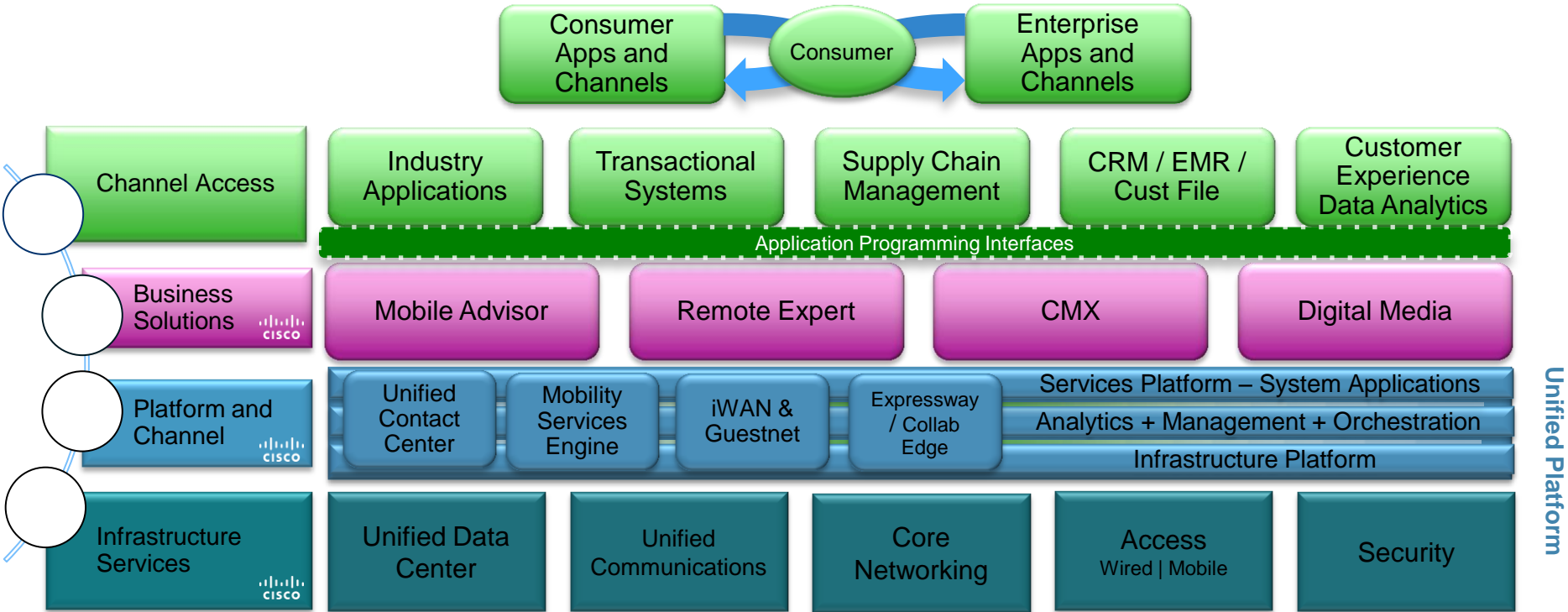
Bank Perspective

- Differentiator
- Higher conversion
- Drive volume
- Drive retention
- Higher cross-sell/upsell



Build a data virtualization and abstraction layer, based on the Composite Information Server, to provide a single view of customer data from multiple disparate sources for all LOB's

Omnichannel Solution Architecture



A blue-tinted image of Earth from space. The sun is visible in the upper left corner, creating a bright starburst effect. The Earth's horizon is visible on the right side, showing the curvature of the planet and the blue atmosphere. The text "Business value and benefits" is overlaid in white on the left side of the image.

Business value and benefits

OmniChannel Business Value & Benefits

Clients who have leveraged OmniChannel Video Banking have reported the following benefits

Remote Expert leads to reduced revenue leakage

- Reduce the amount of time it takes to get in contact with a customer lead

Remote Expert leads to increased employee productivity

- Free up employees to meet more clients per day/week/month and close more business

Remote Expert leads to higher close rates - Sales Conversion Ratio

- Double sales ratios for complex products versus telephony alone (phone in branch connected to contact center agent)
- From 50% to 70% conversion (sales)
- 10% to 15% of sessions became sales leads
- 37% improvement in close rate over branches without Remote Expert
- 69% increase in mortgage applications compared with branches without Remote Expert

Remote Expert leads to increased Cross Sell – Up Sell rates

- 25% to 33% increase in products per account touched
- Increase of 2.0 to 3.5 products per customer

Source: Cisco Clients Implementing Remote Expert

OmniChannel Business Value & Benefits

Clients who have leveraged OmniChannel Video Banking have reported the following benefits

Total # of Leads
Real Time Referrals
of Channels



Declining Call Center Volume



Limited Digital Channel interactions

Declining Branch Traffic



leads
of channels to kick off sales inquiry

More channels involved in sales

25% to 66% % increase in revenues compared to traditional methods

Increased Lead Volume

Revenue Leakage
Cross Sales Rates



Revenue Leaks due to phone tag



Missed hand off to experts



successful real-time handoffs



Phone tag

of deals closed

Abandon rate

of products per household

From 50% to 70% conversion (sales)
25% to 33% increase in products per account sold

Client Satisfaction
Attrition



Lack of relationships leads to high churn rate

Price sensitive customers



Client and Employee Satisfaction



Attrition

Free up employees to meet more clients per day/week/month and close more business

Improved client satisfaction

Thank you for attending

Thank you for attending Cisco Connect Toronto 2014, here are a few housekeeping notes to ensure we all enjoy the session today.

- Please ensure your cellphones are set on silent to ensure no one is disturbed during the session
- Please hold all questions until the end of these session to ensure all material is covered

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Complete and return your paper evaluation form to the Room Attendant at the end of the session.



Winners will be announced today at the end of the session. *You must be present to win!*

Please visit the Concierge desk to pick up your prize redemption slip.



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Please rate the session on the following:

Session overall	[5]Very Good
	[4]Good
Content	[3]Average
	[2]Below Average
	[1]Poor

Please rate the Speaker on the following:

Presentation Skills	[5]Very Good
	[4]Good
Subject Matter Expertise	[3]Average
	[2]Below Average
	[1]Poor

Additional Feedback: _____



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