

Bank Branch Innovation

A discussion paper



What if you could...

- Reduce costs, improve efficiency, and deliver highly competitive, customer-centric services?
- Increase compliance by eliminating paper-based processes?
- Create insightful, impactful real-time customer communications?
- Display your targeted content when and where you want it?

The Challenge

Retail banks today are under enormous pressure to both improve service quality and reduce costs. Banks face a highly competitive and saturated market where product innovation and price no longer provide effective means of differentiation. In addition, today's high-value customers exhibit reduced loyalty and have an increased ability to spread their relationships across multiple banks. Further, because of technological advancements and demographic shifts, customer expectations are steadily rising. When it comes to banking, customers are most interested in receiving top quality, personalized service from their banks.

Customers perceive the branch as the premier channel for delivering high-quality service. Yet the branch is the highest-cost delivery channel. Despite the fact that as much as 80% of sales are still driven through the branch, the costs of running a branch network are not expected to be sustainable over time.

As customers expand their use of direct or non-branch channels, the number of transactions occurring in the branch is undergoing a significant decline. At the same time, banks are pouring resources into supporting the wide range of direct channels that customers have come to expect. Simply to remain profitable, branches either need to evolve into a lower-cost format, or attract higher-margin transactions. Whatever strategy they choose, banks need to be able to balance the cost of providing retail services with delivering an enhanced customer experience.

Though the branch remains a favored channel, it cannot persist in its current form. The pressures related to the need to lower costs while improving the customer experience are too great. The need to also decrease the complexities of today's multi-channel, multi-product environment provides an entree for rethinking the branch's role in a revamped retail delivery strategy. Banks must make changes in four areas in order to reposition the branch to play a new, more valued role in an overall delivery strategy. These areas include:

- Branch layout and design
- Technology
- Sales and service
- Staff and people

Branch layout and design has a significant impact on customer perception and experience.

Banks are beginning to realize that they can alter customer usage patterns and satisfaction rates simply by updating the look and feel of their branches. Awkward and outdated layouts leave customers confused about how to navigate the branch, while also decreasing efficiency.

Generic branches fail to generate interest or the sense that the bank is able to deliver a personalized customer experience. Inefficient service models require staffers to spend more time on administrative tasks than customer service, increasing costs and leading to negative customer experiences.

Low-tech, older branches fail to recognize that the branch is moving into an advisory role where customers need to feel welcomed and comfortable addressing everything from their most basic to their most advanced financial concerns.

Inspired by retail stores, banks are seeking to create more attractive surroundings, along with helpful signage to ease customers' transitions throughout the branch. Taking a page from retailers, they are deploying roving assistants and greeters to give direction and assistance to customers.

HP Approach

Banks all over the world rely on HP's end-to-end solutions to streamline their flow of documents and information and help them deliver outstanding customer-centric services. HP Advanced Document Solutions for Retail Banking combine hardware, software and services to drive branch innovation. These tailored, fully integrated solutions reduce costs, improve efficiency, and enable banks to deliver highly competitive, customer-centric services that can help you retain and expand your customer base.

Retail banks work with HP in a number of areas to drive branch innovation. These areas typically include

- Paper digitization
- Customer communications
- Branch collateral
- Customer interaction innovation

Paper digitization: If the branch experience is to be transformed, then the underlying paper-based processes also need to be addressed. By transforming paper-based workflows into increasingly automated and digital work streams, HP Advanced Document Solutions make it possible to give your customers the experience they're looking for: simple, easy, instant, and stress-free. Automation of paper-based processes also provides additional benefits such as improved efficiency and increased compliance.

¹Based on 2013 Fortune Global 500 and Forbes Global 2000 reports.

HP three-part approach

HP works with you to assess, deploy and manage an imaging and printing environment tailored to meet your business needs, while helping you reduce costs, conserve resources and simplify document-intensive processes.

Optimize infrastructure

HP can help you achieve a balance between your total cost of printing and your needs for user convenience and productivity.

Customer communications: Our multichannel customer communication management (CCM) solution empowers you to make the most of every customer touch point by creating insightful, impactful, real-time customer communications. From on-demand marketing and self-service web applications for enrollment and account sign-up, to personalized correspondence and proposals produced interactively by customer-facing employees, HP helps you improve the customer experience with relevant, meaningful communications delivered through the customer's preferred channel.

Branch collateral: Our digital signage solutions enable you to reach your key audiences and grow revenue by making your communications more relevant and memorable. Stunning, high-impact signage solutions are easily integrated into your current environment and reliably built and supported by HP with digital signage hardware and software. Deliver the right message at the right time, to the right people. Sophisticated software provides the ability to accurately display your targeted content when and where you want it—on a single screen or across a network of displays. Timely and relevant messaging keeps customers informed and motivated.

Providing branch collateral on demand allows customers to dynamically create collateral in the branch – collateral that is personalized and relevant, providing product clarity and improved outcomes.

Customer interaction innovation: Our Customer interaction innovation is inspired and enabled by our Windows 8 tablet hardware. Elegant, consumer-inspired design seamlessly integrates into Windows IT environments. It's designed for corporate IT and is fully serviceable.

Working with key partners, our branch kiosk capabilities can support key transactional process, statement and forms printing. Customers can even purchase tickets for travel and entertainment (linked to a loyalty scheme perhaps) and possibilities can be extended to additional services such as public print or on-demand brochures.

The HP ePrint Public Print Service lets end users discover and print to tens of thousands of public

print locations, like yours, when they are on the go. Mobile users may print directly from smartphones, tablets, and other mobile devices using the HP ePrint service app for their device.

Finally, branch spatial tracking technology uses cameras, RFID, NFC and other technologies to analyze customer trending and patterns, which you can use to optimize staff performance.

Why HP?

For decades, HP has been partnering with leading banking, financial services and insurance organizations, supplying the technical expertise and business savvy required to help position these companies at the forefront of their industry. Today, industry analysts rank HP as a leading provider of information technology and services to the financial services and insurance industries. In fact, 8 of the top 10 financial services and insurance companies are HP Managed Print Services customers.¹ HP also provides a wide range of products and services to the industry that help our customers reach their goals, from mission-critical processing to best-in-class testing, monitoring, security, and analytics – along with the infrastructure that supports it.

HP will take the time to understand your specific needs, and can help create a plan to optimize your infrastructure, securely manage your digitization and printing assets, and improve your workflow.

Get started

Contact your local HP representative to:

- Set up a workshop with us to assess your specific business needs
- Establish a plan to implement the best solution for today and into the future
- Identify an effective approach that can help you meet your business goals

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