Top intelligent tools that every financial institution should have in 2017

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Key findings:

01 Why artificial intelligence (AI) is a game-changer for financial institutions and banks

02 How banks can streamline their day-to-day operations with predictive lead scoring, intelligent opportunity management and forecasting

03 What intelligent tools will help banks and financial institutions make data-backed decisions to win and remain competitive

bpm'online

Joining human vigor and algorithmic rigor to force sales capacities

We live in a data-saturated world where a majority of communication is performed online. With more than 6 billion connected devices and over 2.5 quintillion bytes of data created every day, today's fast-paced environment offers immense opportunities for organizations that know how to put this data to use by structuring it in the right way. This is where artificial intelligence (AI) comes into the game. By 2020, AI will automate a considerable amount of underwriting, free up underwriters to provide more risk management, product development advice and other higher value support for clients.

What is AI?

At the highest level, AI is an intelligent technology that leverages historical data and applies what is learned to current contexts to make predictions. AI combines various related terms: machine learning, natural language processing, deep learning, predictive analytics, etc. As consumers, we are already using AI in our daily lives, for instance, just-in-time (JIT) assistance tools such as Apple's Siri, Google Now, and Microsoft's Cortana. Another example is Google who harnesses AI to autocomplete search queries and predict what you are searching for with exceptional accuracy and without any human involvement. Amazon product recommendations use machine-learning algorithms to offer the most relevant products you are most likely to purchase based on your preferences, history and interests.

Artificial intelligence is the next big thing in the world of innovation, powered by advances in computing power, the ability to store and process Big Data, and instant access to advanced algorithms. With such tremendous potential, AI is destined to be the perfect tool to fuel organizations' sales efforts and power sales teams with genuinely intelligent tools to more effectively organize their work and sell more. And in order to remain relevant in a technology-driven world, sales teams must learn to combine their efforts with these intelligent tools.

$153 B

The AI solutions market is estimated to reach $153 billion by 2020.

80%
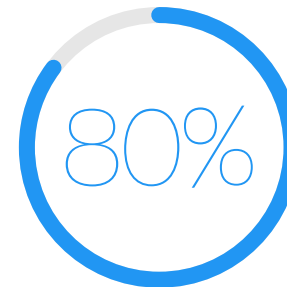
80% of executives believe artificial intelligence improves worker performance.

44%
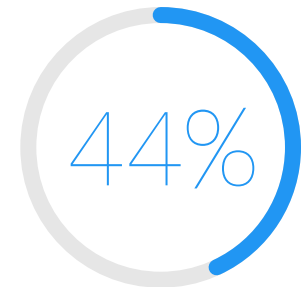
44% of executives believe AI's most important benefit is "automated communications that provide data that can be used to make decisions".

# Predictive lead scoring and enhanced lead management

With all its benefits, AI makes it possible to create an entire universe of banking and financial services apps to deliver smarter customer experiences across sales interactions. One of the core parts of the sales process is that intelligent SFA with AI capabilities is capable of streamlining the lead management process.

## SALES TEAMS CAN BENEFIT FROM INTELLIGENT LEAD MANAGEMENT CAPABILITIES IN A FEW WAYS:

- **Predictive lead scoring.** Intelligent CRM systems with automated lead scoring that is based on AI and BI algorithms identify key factors that influence lead maturity and assign the most appropriate weight to each factor. The algorithms take historical and behavioral data from the CRM system, and combine that with "big data" attributes gathered from various sources. The method utilizes the collected data to score leads and determine their readiness to be handed off to sales.

  This approach eliminates the need for people to manually weigh the importance of qualifying factors and to prioritize or qualify leads for sales. The system can automatically calculate a score based on the likelihood that the lead will convert or contribute to a large revenue impact. In this way, financial institutions can logically prioritize their sales efforts and focus on working with the warmest leads with the highest score or quality.

- **Intelligent lead routing.** With intelligent lead routing, the system automatically defines which sales rep receives the lead based on their expertise, pipeline load or other configurable parameters. This allows organizations to take into account a sales team's workload to establish the connection between pipeline load and performance to get more predictable business outcomes.

- **Intelligent nurturing campaigns.** Another core benefit of having an agile CRM system in place is intelligent nurturing campaigns. These tools can deeply analyze lead data such as their browsing activities, profile information, purchasing behavior, and service requests among others, and then automatically assign the lead to the most relevant lead nurturing campaign. This allows sales reps to employ well-devised and highly personalized approaches to communication with their prospects, rather than broadcasting the same offerings to all leads.

61%
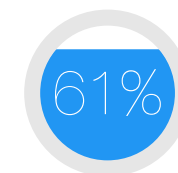
61% of bank executives say that a customer centric model is "very important". 75% of banks are making investments in this area

98%
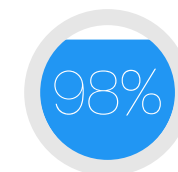
98% of respondents say they would purchase predictive lead scoring again.

88%
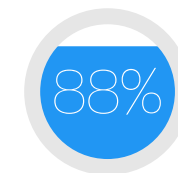
88% of respondents agree that they are receiving value from their predictive lead scoring platform.

Intelligent opportunity management and effective cross and up-selling

Intelligent SFA tools with predictive capabilities provide salespeople with the ability to leverage the huge amounts of data that changes over time, as well as static data (thousands of independent variables). With the help of data mining and machine learning methods, data is being converted into knowledge to yield more accurate and more actionable models in order to more effectively manage opportunities. Machine learning has come to play an integral role in many phases of the financial ecosystem, from approving loans, to managing assets, to assessing risks.

- **Prescriptive sales analytics.** Prescriptive analytics can provide salespeople with recommendations about what steps they should take next to achieve a specified goal, such as the highest possible revenue or highest level of engagement.

- **Intelligent sales alerts.** AI-based sales tools help sales reps to work faster and easier by offering smart prompts and alerts. For example, if a sales rep sets the closure probability that does not match the historical data (e.g. probability cannot be 80% when decision makers are not identified) the system will notify a sales rep about it and provide him with a closure probability index that is based on all similar opportunities and communication history. The feature combines both external and internal data to provide the most accurate and actionable alerts.

- **Next-best offer and next best action.** Based on historical data, the system defines the sequence of actions that lead to the highest lead/opportunity conversion rates and offers sales professionals the next-best offer or next-best action to help them choose the most relevant and efficient process flow in order to boost conversion rates. For instance, it leverages the data to recommend the best financial products products to up- or cross-sell, and defines whether the lead is ready to purchase or if they should be nurtured.

- **Smarter sales strategies.** In its analytical role, AI helps sales decision-makers distill concrete insights from the labyrinth of workflows and databases that characterize their department. Using these insights, sales managers can build strategies to better engage with prospects and improve their lead conversion ratio, which, of course, creates more revenue.

10%
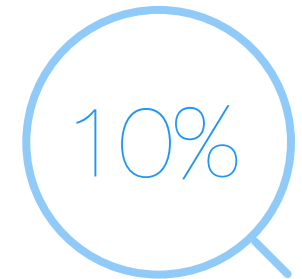
Putting machine-learning techniques to use banks experienced 10 percent increases in sales of new products, 20 percent savings in capital expenditures, 20 percent increases in cash collections, and 20 percent declines in churn.

Predictive forecasting

Forecasting sales turns out to be a real challenge for many large banks and financial institutions. Same companies still rely on teams of analysts crunching numbers in spreadsheets to estimate forecasts and analyze the efficiency. According to CSO Insights, fewer than 50 percent of deals close as originally forecasted. That's why AI is a just the right tool to help banks cultivate a better sales behavior and bridge the visibility gap between the sales teams and revenue.

- **Sales forecasting.** Predictive sales forecasting makes an intelligent estimate of what to expect for quarterly or yearly sales instead of just relying on intuition. Predictive forecasts are based on historical sales performance as well as the current state of the pipeline. The tool is aimed to have a more accurate sense of what is most likely to happen with the specific opportunity in the pipeline. Using the same context-based intelligence that enables predictive lead scoring, as well as the constant revisions that improve predictions, intelligent tools can provide a complete view of projected sales and significantly increase a forecast's accuracy.

- **Sales operations optimization.** An intelligent sales tool capable of analyzing what sales-related operations need to be enhanced or normalized based on existing results. For instance, the system can identify whether your bank needs to hire two additional middle-level sales professionals in Arizona as well as to predict how this change will impact the bottom line. With this knowledge, banks and financial institutions can get a better payoff from their sales resources and efforts.

63%
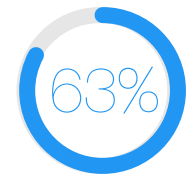
63% of insurance CEOs believe that the Internet of Things will be strategically important to their organisation

#1

The most common goal for organizations utilizing intelligent tools was to forecast sales numbers.

Enhanced communications with customers to drive sales and customer experience
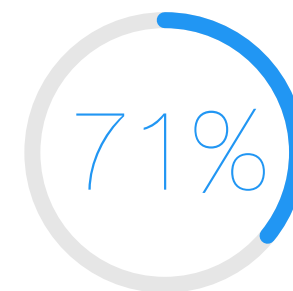
To employ an agile approach to selling and remain competitive, forward-thinking salespeople need to leverage multiple intelligent tools that go far beyond what we can imagine today. The ever-advancing technology allows sales pros to connect customer insights to differentiate the buying process, provide a seamless and consistent omnichannel customer experience, and take advantage of all available channels to reduce time to market and meet customers where they want to transact. 89 percent of banking and financial markets CEOs say their top priority is to better understand, predict and give customers what they want. Financial metrics and KPIs provide effective measures for summarizing overall bank performance.

- **Intelligent data enrichment.** This includes an ability to automatically append missing or additional information to the lead or opportunity from external 3rd party sources and store it in the system. It also has the ability to provide integrated data cleansing capabilities to eliminate incomplete, redundant, or duplicate lead information based on historical data. With this tool, sales professionals are able to obtain a 360-degree customer view and get a better understanding of the resources required to convert a specific lead into an opportunity.

REAL LIFE CASE OF USING INTELLIGENT DATA ENRICHMENT IN THE SFA

James has just created a new contact in the CRM system, but the record lacs key data to prepare a good pitch. This is where intelligent data enrichment comes in handy. The tool automatically gathers prospect's information from all available channels and uploads it to the system which allows James to effortlessly obtain a 360-degree view and a better understanding of who the prospect is, when it is better to reach out to him and what kind of pitch is most likely to be effective.

71%

71% of banking and financial firms globally believe analytics creates competitive advantage

- **Enhanced communications with customers.** Intelligent sales tools enable salespeople to tie activity on a company's website to the contact data, or take into account the previous communication history with the specific contact, to prompt sales reps the best and the most relevant communication channel, time to reach out the contact and even suggest the most suitable tone of voice. With such user behavior and communication history tracking, the system can serve sales professionals with proven approaches to win and close deals faster.

- **Streamline processes across entire customer journey.** Overall, an intelligent and agile CRM solution is a goldmine for financial institutions and banks since it enables them to effectively handle the entire customer journey from the first stages of the customer acquisition to repeat sales and loyalty. Such solutions are capable of bridging the gap between marketing, sales and service, which enables extensive collaboration opportunities and allows for sharing of critical customer data and analytics between departments instantly.

Conclusion

Today, it's not just the volume of data that matters, it's more about how all this Big Data is organized, structured and acted upon. If your organization has been around for a few years, chances that you are utilizing an outdated legacy system that lacks the agility and business intelligence capabilities is very high. Intelligent cloud SFA solutions with AI capabilities connect all of that data to create a single view of each individual customer. Advances in AI solutions made it possible for salespeople to leverage the structured data in their day-to-day activities for multiple purposes while boosting the operational efficiency and enhancing the communication process with customers and prospects.

The benefits of utilizing intelligent SFA tools are huge and include better alignment of marketing and sales teams, increased efficiency and productivity of salespeople, more accurate sales forecasts as well as more relevant, better-timed messaging to improve the customer experience.

Source: bpm'online index, supported by third-party research

INTELLIGENT PROCESS-DRIVEN CRM FOR BANKS AND FINANCIAL INSTITUTIONS TO STREAMLINE CUSTOMER-FACING PROCESSES
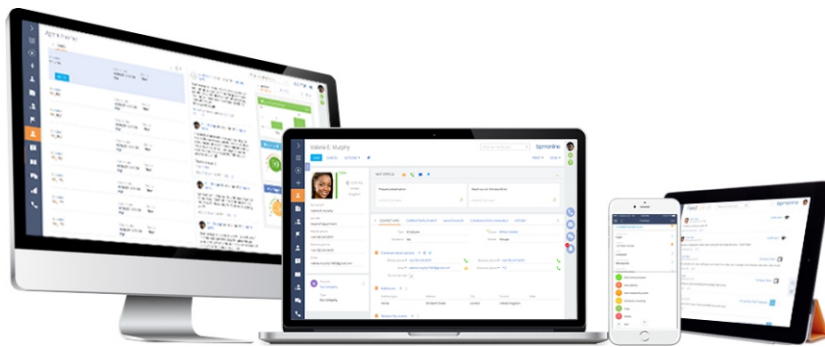
Powerful process-driven CRM for retail and corporate bank sales and marketing automation; bank front-office and contact center management; lending processes automation – from application to loan origination; debt collection

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ABOUT BPM'ONLINE

Bpm'online is a global provider of award-winning CRM software that streamlines customer-facing processes and improves operational efficiency. Bpm'online financial services is a powerful CRM designed for corporate and retail banks and financial institutions to manage a complete customer journey and enhance customer experience. The users of bpm'online financial services highly value its process-driven CRM functionality, out-of-the-box best practice processes and agility to change processes on the fly. Bpm'online financial services offers products that are seamlessly integrated on one platform connecting the dots between banks' business areas: retail banking and front-office, corporate banking, marketing.

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