

'Banks need to leverage existing customer base, provide technology-enabled services'

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Mumbai, May 11:

Banks need to leverage the existing customer base they have built on trust and security over decades and offer them services which do not entail detailed paperwork, manual interventions, longer processing, response time, and high fees, according to a PwC report.

In the report, which was released at the Confederation of Indian Industry's Banking Technology Summit, PwC observed that fintech companies are fully embracing technologies to deliver customers traditional banking services that are adaptable and flexible.

"The digital disruptors are characterised by mobile functionality, simplicity, use of big data, accessibility, agility, Cloud computing, personalisation and convenience.

"Traditional bankers, in turn, need to focus on ways and means in adopting these disruptors and using them to reach out with the masses," said the report titled 'Leveraging technology

disruptions to realise India's digital economy'.

Traditional bankers, according to the report, have legacy processes and a wide organisation structure that hinders the culture of agility and innovation, whereas challenger banks (small finance and payments banks) have a flatter organisation structure and fewer barriers to change, which encourages innovation and the ability to rebuild faster.

"It is time that traditional bankers rise up and respond to the new challenges," said PwC, which provides assurance, advisory and tax services.

Banks have to work on their strengths and strategise in order to serve their customers in this new digital world, it added. PwC suggested banks can consider reinforcing their capabilities by using the huge amount of transactional data to consolidate customer data, digitise business processes quickly and continuously evaluate new technologies through dedicated innovation labs or partnership models.

'Branch-less banks'

Several banks have introduced apps that squeeze the key functionalities of a bank into a smartphone. By providing quicker and faster services through e-wallets, faster responses to queries through 24x7 virtual assistants powered by artificial intelligence, and benchmarked security standards, smartphones have evolved into branch-less banks, the report said.

Given that around 41 per cent of India's population is below 20 years of age, PwC felt the tech-savvy group constitutes a huge market which banks can tap through innovative products.

A PwC report says traditional bankers have legacy processes and a wide organisation structure that hinders the culture of agility and innovation

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