

# The digitization highway for financial services

Respond to change at pace and build a new customer model



**Business  
Services**

# Riding the wave of disruption in finance

A digital tide of disruption is redefining the financial services sector. Financial technology companies (fintechs) and innovative start-ups are challenging traditional financial institutions. At the same time, today's customers demand the same level of responsiveness from financial institutions as provided by e-commerce companies and other digital providers.

Financial institutions need to respond to this rapidly changing pace by offering better customer experience, increased innovation and a secure technology ecosystem that is ready to embrace new ways of working.

Disruption comes with very genuine business opportunities. The accelerated speed of technological change is a hugely creative force. It can have a positive impact on productivity performance and the bottom line. Innovation is key. Financial institutions and their IT partners must be prepared for a world of constant flux – where digital always comes first.

Many executives expect their IT departments to improve efficiency and facilitate game-changing innovation, while somehow also lowering costs and continuing to support legacy systems. But to compete with new market entrants, financial institutions must radically reform. They need to focus on their distinct capabilities, use data analytics to exploit their goldmine of data, enhance the customer journey and better respond to market demands.

Financial institutions also need to digitize more services to make themselves more accessible – and introduce new ones to attract and retain customers.

Digital technologies will play a key role in this transformation of the financial services industry. Read on to find out how Orange Business Services can help you build steady and robust foundations that provide a springboard for the future. It also includes lessons from the success of early adopters.

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# 81%

of banking CEOs are concerned about the speed of technological change, more than any other industry sector<sup>1</sup>

1. PwC, Global CEO Survey, 2018

# Modernizing your legacy IT environment

Financial institutions need to invest in their IT infrastructure and transform to remain competitive. Agile financial institutions that can quickly adapt and differentiate themselves from the competition will be the ones that flourish. Crucially their network infrastructure must be able to meet the big challenges they face in staying relevant in a digital marketplace.

Networks drive performance in financial services and are essential in delivering customer satisfaction. They support ATMs, payment cards, online banking, mobile banking and in-bank customer interactions together with internal banking applications. All require highly secure, fast and robust on-demand network access. Orange Business Services offers a wide variety of network and IT infrastructure services to meet your requirements.

## **SDx: increase network agility**

Software defined networking (SDN) allows you to increase the performance and reliability of your wide area networks (WAN) between corporate offices, branches, remote locations and the cloud. Our SD-WAN service provides the adaptability and responsiveness to handle your fast-changing business needs and growing amounts of data, providing secure, flexible high-speed connectivity. Its network infrastructure offers the necessary security,

intelligence and agility to support applications and services that power customer first experiences.

## **Application performance management: improve end-user experience**

With applications performance management you can improve the flow of data across your WAN, accelerating the speed of access to critical applications and data, increasing transaction speeds and optimizing bandwidth consumption. We provide a complete monitoring solution for applications and infrastructure across a physical, virtual, cloud or containerized environment.

## **Cloud: create a flexible infrastructure**

We can help you drive down costs and add value by turning over more of your infrastructure to cloud services such as infrastructure-as-a-service (IaaS), platform-as-a-service (PaaS), software-as-a-service (SaaS) and desktop-as-a-service (DaaS).

Our experts will help you take your IT legacy into the future with a progressive and thought-through migration to the cloud. Our managed application service will allow you to improve your operational capability and choose an Orange or carrier grade neutral data center or public or private cloud to protect your data and comply with regulations.

## **MSI: manage multiple vendors**

Through our multisourcing service integration (MSI) service you can simplify multi-vendor management with a single contract approach, providing greater efficiency and extensibility. MSI provides the required governance at operational and third-party contract level, along with security processes and policies.



**Modernization is ranked as the most important information technology trend for nearly a quarter of global banking respondents<sup>2</sup>**

2. 2016 Ovum ICT Enterprise Insights survey

# Manage cyber risk and retain regulatory compliance

**Cyber threats are on the increase, which is also resulting in a new wave of regulations. Financial services have a tough balancing act to make, between ease of access and security.**

The nature of security breaches has changed and cybercriminals have become far more sophisticated. Cyberattacks cost financial services firms more to address than any other industry and the rate of breaches in the sector has tripled.<sup>3</sup>

The diversity of threat actors, from organized cybercriminal rings to state-sponsored groups and their continually changing forms of attack makes it mandatory for financial institutions to continuously advance and enhance their defenses.



## **Orange Cyberdefense: monitoring the threat vista**

Orange Cyberdefense can help you protect your network, computers and online tools from cyberattacks and malicious software within your network and beyond.

Orange Cyberdefense is at the vanguard of cyberdefense, with security operation centers (SoC) around the world monitoring and responding to events 24/7. Orange Cyberdefense has four specialized CyberSoCs to provide expertise in threat analysis.



## **Advanced threat intelligence: anticipate and contain attacks**

Our real-time advanced threat intelligence service uses data analytics to detect and analyze events, pinpoint countermeasures and take action. In addition, our computer emergency readiness team (CERT) can detect fraud attempts impersonating your brand through domain name, mobile app and data leak monitoring together with phishing prevention.



## **Malware alerting: keep customers safe**

Many customers looking after their finances online are unknowingly infected with malware that can steal personal data. Cybercriminals can also use customer systems as a vector to attack financial institutions. With Orange End User Malware Alerting, you can rapidly detect customers' malware infections. It will enable you to take countermeasures such as changing system anti-fraud measures and notifying customers.

3. Ponemon Institute, Cost of Cybercrime Report, 2017



**The average cost of cybercrime for financial services companies globally has increased by more than 40 percent over the past three years<sup>4</sup>**

4. Ponemon Institute, Cost of Cybercrime Report, 2017



## **Bank adopts e-payment to improve financial services and reduce fraud**

A Middle Eastern bank was looking to enhance its service offering through a robust provider, whilst combatting fraud. It adopted an innovative e-payment model using smart cards to deliver personalized services using the latest in biometric security to authenticate customer ID and reduce fraud.

Orange Business Services provided financial transaction services through biometric smartcards and VPN business connectivity. POS terminals connect to the card management systems which validate transactions via the Orange Business Services' network. Orange Business Services interconnects with all mobile telecoms operators in the region. The leading edge solution provides customers with secure, seamless connectivity and countrywide coverage. Customers can securely access financial management services via smart cards, mobile apps, wallets and the internet using secure omnichannel access.

# Re-invent the customer relationship

**Providing exceptional customer experience is key to attracting and retaining customers in a highly competitive financial services' landscape.**

As customers' digital habits change, financial services must continually innovate to meet their demands, rolling out new products and services. The transformation in transaction methods is allowing for more personalized engagement, allowing customers to integrate seamlessly across banking channels. For this to work effectively, financial institutions must engage across the entire journey and have a complete customer view.

# 1

## **Wi-Fi: connect customers to in-branch services**

With Orange high-speed Wi-Fi connectivity, you can provide an optimized customer experience in-branch. This provides more opportunity to convert customers to mobile platforms through in-branch promotions and increase in-branch engagement, for example. It will also allow you to target future offerings to ensure compatibility, thanks to more demographic data about your customers.

# 2

## **Mobile banking: create apps customers want**

Mobile banking apps are now part of customer's everyday lives in managing their financial affairs, from transferring money to checking balances. Mobile applications developed by Orange Applications for Business can support you in creating mobile apps that satisfy your customers' demands.

# 3

## **Omnichannel: seamless interaction**

Omnichannel is much more than providing customers with multiple ways to make transactions. It enables customers to have seamless and consistent interaction with financial institutions, regardless of which channel they choose.

With Orange Flexible Contact Center your customers can engage across multiple touch points. By integrating customer relationship management with your digital platform, you can gain valuable insight into your customers' thoughts, habits and experiences that can be fed into novel solutions.

In addition, our Chatbot solution can be programmed to deal with general queries, freeing up customer service agents to deal with more complex calls. This approach can lower costs and strengthen customer relationships.



## **French banking group optimizes customer support**

A major French banking group with over one million customers, was looking for an innovative solution to increase contact center efficiency and ultimately customer satisfaction for its regional banking chain, while reducing infrastructure investments.

We provided a managed contact center with a Genesys omnichannel management solution for 39 regional banks in the group, which is also linked to our Managed Voice Portal and Verint monitoring tools. The solution has modernized its contact center structure, dramatically increased agent performance and response times. Contact center managers now have advanced visibility to aid rapid decision making. Most importantly, it has enabled the bank to provide outstanding customer service.



**50%**  
of banks total  
customers regularly  
use more than one  
contact channel<sup>5</sup>

5. Forrester Research, Digital Banking Platforms Report, 2017

# Building a work environment for responsiveness and innovation

**Successful collaboration is essential to support fast decision making, increased productivity and innovation in financial institutions.**

Advances in technology, a changeable regulations vista and an increase in customer demands have triggered what the World Economic Forum calls “disruptive innovation” in financial services. Traditional financial institutions need to innovate to stay in the game.

To do this it is imperative that financial institutions focus on team work to improve efficiency, customer satisfaction and innovation, while attracting millennial talent and new opportunities.

Developing more open cultures and informed ways of working are key to innovation. To collaborate effectively you need to adopt a secure digital workspace that allows people to connect with resources in the office and on the move, while engaging them to buy into the digital transformation process.

## **Unified communications: collaborate effectively**

Improve your teams’ collective knowledge and performance with unified communications. The Orange Unified Communications solutions enable them to share information and communicate seamlessly 24/7, wherever they are. This includes easier document sharing, chat-based workspaces and allows them to collaborate through video and voice conferencing. Collaboration tools also help the fast on-boarding of new employees and provide a flexible and cost-effective training platform.

## **Mobile collaboration: flexible workspaces**

We can help you take advantage of the opportunities that mobile devices offer in the workplace within a clearly defined and stringent security policy. Orange Enterprise Mobility Management (EMM) solution gives your teams secure access to your internal IT systems, including specific business applications, from chosen device and network connection. The solution extends existing desktop and laptop security policies as is a key step in creating a secure mobile workspace.



## **A global bank turns to cloud-ready collaboration tool to increase trade productivity**

A global bank was looking for an advanced solution to increase trader productivity and knowledge sharing to increase its competitive stance. It deployed Open Trade to increase its competitive edge and allow its traders to react rapidly to a dynamic, fast changing marketplace.

Open Trade is an innovative cloud-ready unified communications solution based on SIP technology. It integrates voice, video, email, IM and web-applications to access exchange systems on each trader’s desk. The system has dramatically increased trade productivity by giving them ready access to information via an intuitive touch screen. Its IP-software based architecture is flexible and enables fast integration of new applications. The overall solution has given the bank a real advantage over its competitors.

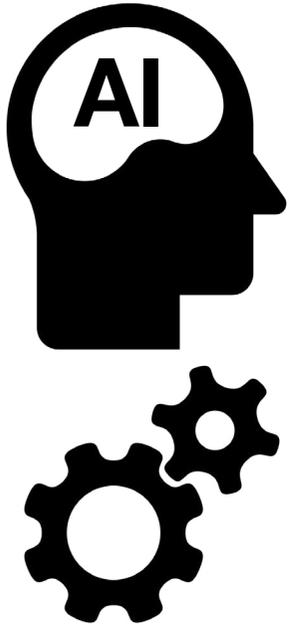
# 75

**minutes are saved per day with collaboration tools<sup>6</sup>**

6. Sage Research, Communications Report, 2016.

# Be at the forefront of financial innovation

In financial institutions, innovation in robotic process automation (RPA) is set to deliver the next round of cost savings, productivity and enhanced customer services. Improving access to wealth management services is a key target.



RPAs use artificial intelligence (AI) and machine learning to handle tasks that previously required human intervention. They can deliver efficient and consistently high-quality transaction processing aligned with a financial institution's governance and security policies.

This is only the start. We will see game-changing breakthroughs in AI, machine learning and cognitive intelligence which will be capable of automating even more complex tasks.

## Robo-advisors for wealth management

RPAs are making an impact in wealth management in the form of robo-advisors. They are digital platforms that provide automated, algorithm-driven wealth management services, with little or no human intervention. Financial advisors will remain key to wealth management, but robo-advisors will complement their services, while expanding the market to a more diverse clientele.

For example, robo-advisors can continually harvest different data sources to track markets and provide customers with real-time information. Robo-advisors can also be used to automate compliance, for example, which frees up wealth managers' time to strengthen customer relations. By analyzing transaction data, they can also help wealth managers better predict and guide customer investment.

## Orange Business Services and Additiv first with robo-advisor as-a-service

Together with Additiv, a specialist in digital solutions for the financial market, Orange has launched the first robo-advisor as-a-service into the financial sector, designed to automate wealth management.

Our joint software-as-a-service platform offering allows the robo-advisor to be easily plugged into financial institutions' core legacy systems, without having to make any changes to their complex infrastructure. It is based on Additiv's modular Digital Financial Suite (DFS), designed for the digitalization of new and existing business segments.

The service also meets the financial industry's requirements for hosting data off-premise in the cloud, but onshore in the country of origin. This is achieved by leveraging the Orange Business Services strong cloud, data storage and connectivity capabilities and Orange Cyberdefense's end-to-end cybersecurity expertise, military-grade encryption and intrusion protection.

Robo-advisor for wealth management from Orange is offered as a "white label" so you can re-brand it as your own app.

"The combination of digital gadgets, innovative analytics, and advanced algorithm-based engines has enabled new ways to interact with tech-savvy customers and meet their investment requirements. The automation of advice enables risk assessment and portfolio construction for each investor, regardless of the investor's portfolio size."

Michael Araneta, Associate VP, IDC Financial Insights

**Robo-advisors  
will manage  
around \$1 trillion  
by 2020<sup>7</sup>**

7. BI Intelligence, Robo-advisor Technology Report, 2017



# Build your smart financial services ecosystem with Orange Business Services

Orange Business Services has extensive experience working closely with financial institutions around the world. We help our customers achieve growth and create competitive edge by enabling knowledge sharing and innovation - safely, securely and responsibly.

As a global provider of digital services and a carrier grade integrator for the financial services sector, we understand the changing dynamics financial institutions are facing. We can help you meet the challenge of increased competition from fintechs and start-ups, stringent regulations, the pressure of customer expectations and the growing need to provide agile workflows.



Global IT, network and communications capabilities with local presence and support



Expertise to orchestrate your data at every stage; from collecting to analyzing through transporting, protecting, storing, processing, sharing and creating



8,000 research and development employees dedicated to business innovation



700 developers, integrators and specialized IoT experts



2,400 data intelligence experts



1,600 cloud experts, engineers and project managers



1,200 cyber defense experts

## Your global partner for the digital transformation journey

We are here to help you turn digitization into an opportunity, through strategic transformation designed to provide an agile and secure infrastructure. This will increase productivity, trigger innovation and provide new relationship models with your customers that map a seamless digital journey – and improve your bottom line.



Contact us to find out about smart financial services solutions from Orange Business Services at <https://www.orange-business.com/en/industries/financial-services>



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