

# THE VALUE OF INVESTING IN IN-BRANCH VIDEO BANKING

WHITE PAPER

## WHY CHOOSE VIDEO BANKING?

Banks need to think differently if they want to thrive and survive in the current market. Setting aside budget for innovative technologies such as video banking – as part of their digital transformation strategy – is one example of how financial institutions are adapting. Besides the way in which we're using technology, the roles and contributions of bank employees are also evolving.

Banks can increase operational efficiency, boost customer engagement, satisfaction and sales all in one go by adopting video banking as a highly cost-effective service. Either online via a consumer's personal mobile device or in-branch, whereby customers use an ATM, ASD or kiosk to interact with a remote teller.

Traditional banks in the UK, such as [Barclays](#) and [NatWest](#), have recently launched online video banking services to enable consumers to access customer services from their own mobile devices; with in-branch video banking less common. 90% of respondents from the [2018 Kantar research published on behalf of Efma, CUNA and Vidyo](#) revealed that in-branch video banking would be their preference over online video banking. So why else should banks seriously consider investing in in-branch video services?

## COST-SAVING FOR THE BANK AND BETTER ACCESS TO CASH AND SERVICES FOR THE PUBLIC

The fall in demand for physical money has prompted banks to shut down branches and ATMs, resulting in a rapid decline in the access to cash nationwide. Video banking is one way to alleviate the situation for consumers. The 2019 [Access to Cash](#) report warned that 17% of the UK population (8m people) share the sentiment that cash is an 'economic necessity'. This is supported by the Which? research suggesting residents in [rural and remote areas](#), as well as in [poorer neighbourhoods](#), are likely to be hit hardest.



Video banking provides banks a more cost-effective option for offering fundamental financial services in rural areas compared to maintaining a regular bank branch. Banks can now service customers remotely via a central teller, taking away the need to hire or retain the number of staff required to service several branches in-person. For instance, someone living in rural, mainland Scotland or the Highlands and Islands can access face-to-face support by remotely connecting to a video teller based in Edinburgh, to assist them with setting up a bank account, which not only makes better use of existing staff members' time but also keeping the branch open and profitable.

## ENHANCE BOTH CUSTOMER EXPERIENCE AND CUSTOMER RETENTION

This is equally an advantage for customers as it means local access to financial services is protected. Video banking can actually become an even more accessible experience than that of a traditional bank branch. Using a video link via a remote teller, banks can service customers outside the usual opening hours and even keep branches open 24/7, seven days a week - ultimately increasing the overall branch productivity.

Video banking can improve the customer journey and boost client retention. The same Kantar research also indicated that over half of organisations that had implemented video banking reported increased customer satisfaction (56%). This does not come as a surprise as in-branch and online video banking offer consumers additional choice over how they bank, whilst still maintaining the benefits of person to person interaction required for more complex, time-consuming activities like securing a loan or applying for a mortgage. Moreover, video banking is able to provide better access to assistance for those consumers looking for help with self-service technology or product advice. This technology works in combination with other innovations such as AI, chatbots and robo-advisors, however, it must be part of a wider omnichannel strategy in order to successfully improve the customer experience.

## AN EXCEPTIONAL REMOTE BANKING EXPERIENCE

Both in-branch and online video banking can work hand in hand with new technologies to deliver time- and cost-efficient higher-value conversations. Biometrics and facial recognition can be leveraged to identify callers accurately and faster, videos can be analysed to offer in-depth insights for enhancing the customer experience, and historical data can also be used to predict the best contact centre agent for which to route the call. Plus, in the same way that AI is applied to chatbots to understand a customer's emotions, the technology can be applied to video banking to decode customer sentiment and decide how to better communicate with them. For example, if the consumer looks frustrated, the

## VIDEO BANKING IS INTEGRAL TO THE OMNICHANNEL EXPERIENCE

AI can notify a human being to take over. Whereas, if they look happy and relaxed, the bank could use this as an opportunity to suggest a new service or upsell.

Yet, it must be mentioned that video banking should not be considered as just another channel to add to the bag – it should instead become part of the overall omnichannel banking experience. Customers don't view video calls as independent from the rest of the brand, so banks shouldn't either. Hence, organisations need to invest in an unified data - and service-sharing platform to accommodate seamless transfer on all channels and technologies; including video, AI, chatbots and robo-advisors, so that information exchanged via one channel is available across all other platforms.

### FIVE TOP TIPS FOR IN-BRANCH VIDEO BANKING IMPLEMENTATION

1. **Carry out a cost-benefit analysis:** It's essential to begin by understanding what banks want to get out of video banking and how it can be applied to ensure the best return on investment.
2. **Reference data:** Measuring against KPIs is critical to the success of your video banking implementation.
3. **Budgeting for the future:** Banks should consider the pros and the cons of a vendor carefully and opt for a unified platform rather than a one-off solution.
4. **Target audience:** Customers of all demographics can take advantage of video banking, it's not only for Millennials or Gen Z. As long as they are secure and private, there's low resistance to accessing services over video links. Don't ever hesitate in making video a mainstream banking option.
5. **Upskill your staff:** Employees will need to learn how to fix technical issues, provide support via video link, and guide customers in using video banking. They also need to be

equipped with wider knowledge and expertise of services and products.

Video banking empowers banks to effectively bridge the gap between brick and mortar branches and purely digital services such as mobile and online banking. By putting aside a budget now, banks will be able to improve profitability, customer loyalty, and grow sales - provided that it is seamlessly integrated.