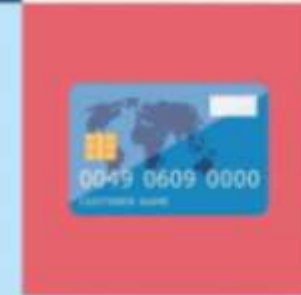




Financial Forum
INNOVATIONS

12.06.2019, SOFIA



Innovation Manager.BG

Ivaylo Alexandrov
IBM IS SEE Leader
Sofia 12 June 2019

IBM Services

IBM

Panel Agenda

Introduction

5 min

Trends and Key Success Factors

15 min

Praxia Bank – Stavros Tamvakakis

15 min

Panel Discussion

50 min

Q&A

5 min

Panel Participants



Trends and Key Success Factors

 15 min



Clients expect more. Today's enterprises must transform key business processes to compete.

76%

of consumers expect companies to understand their needs and expectations

89%

of business leaders are undertaking digital transformation initiatives to be more responsive

Cloud accelerates business transformation:

- Innovate with the latest technologies.
- Access more types of data and analytics.
- Improve return on existing investments.

Towards the Cognitive Enterprise

70%

Think that **employee experience** is at least as important as **customer experience**

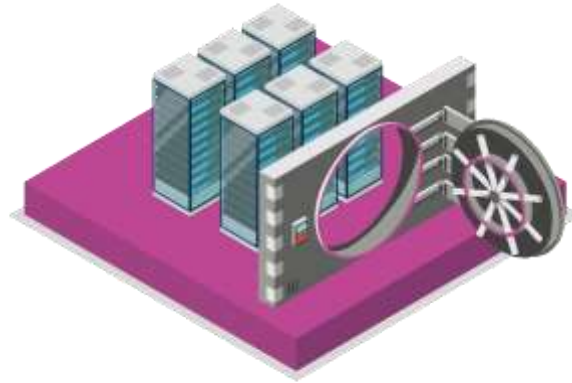


Client Experience / Employee Experience

- Expertise and know-how
- Symetry of attentions
- Digital Natives & Digital Papys

80%

Of the **data** is located **inside companies**

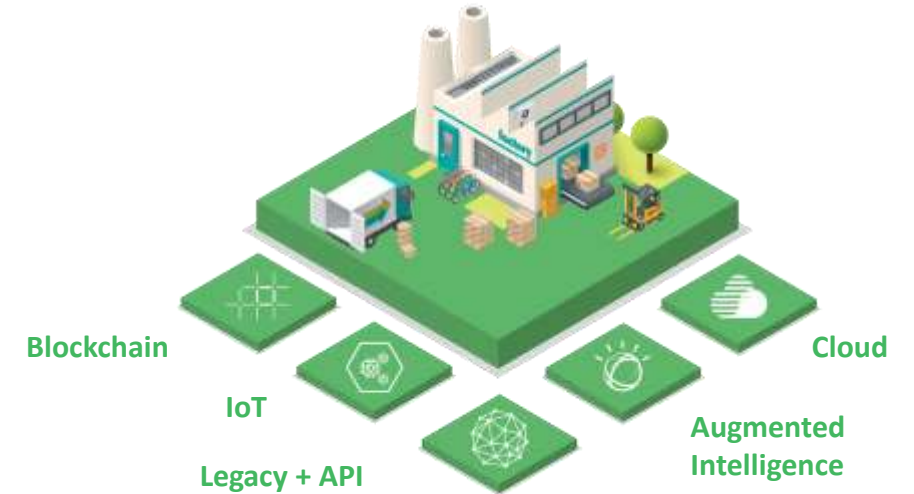


Data

- Client Data / IS Data
- Unstructured / Structured
- Transparency & Responsibility

72%

Of **innovators** that disrupt their sector are actually **established companies**



Platform

- IS Products / IS Ecosystem
- Leverage Legacy Systems and new technology
- Process / Data / Intelligence shared and specific

Change Management / Governance / Industrialization

Towards the Cognitive Enterprise – Augmented Employees

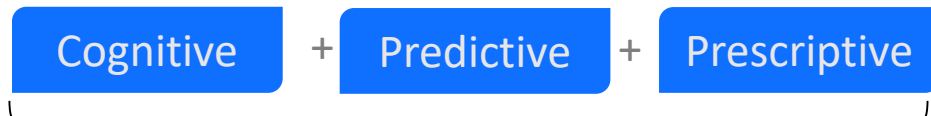


Cognitive Engagement

Orange Bank completely reshaped its client experience around a mobile, multichannel and cognitive model.

From a generic assistance to contextualized services and recommendations with IBM capabilities :

+ 1 million conversations
+ 55% full AI
+ 80% accuracy



IBM Watson Capabilities

+

salesforce



Institutional bank leveraging AI & data science

20.000 employees of Crédit Mutuel constantly have the virtual presence of the best experts by their side

1

Scaling Expertises



2

Developping new skills

Virtual Assistants



Savings Services

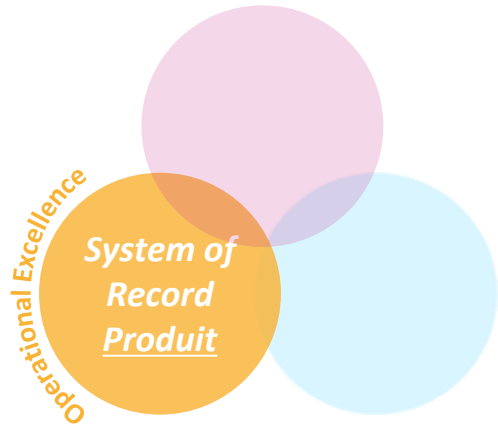


Health Service

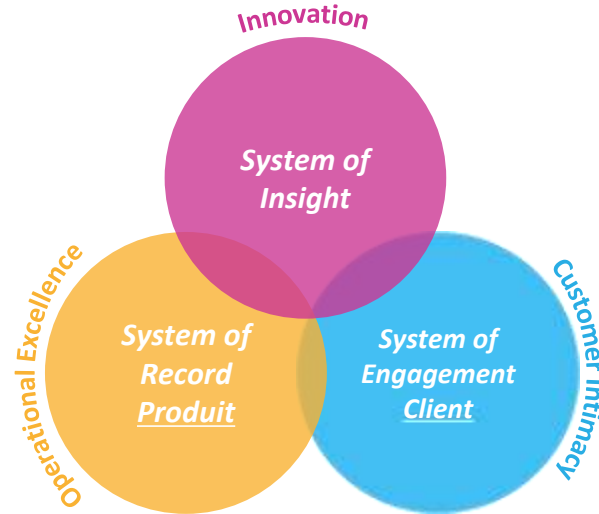


Car & Home Insurances

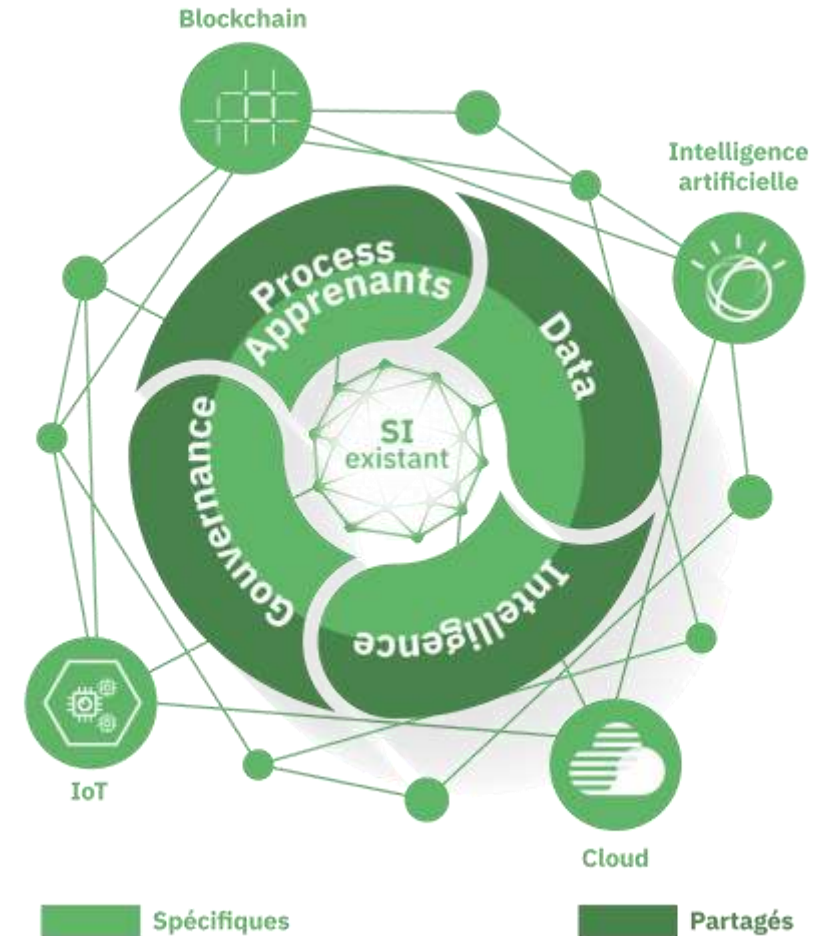
Towards the Cognitive Enterprise – Ecosystem platforms



Enterprise Information System built around the « **Product** »



Opening of the Information System from the enterprise to the **client**, the **partners**, the **competition**



Creation of the IS of a whole **ecosystem**:
Client / Supplier / Employees
Internal / External / Third Parties

Towards the Cognitive Enterprise – Key Success Factors

70%

Place more value on customer experience than products

70%

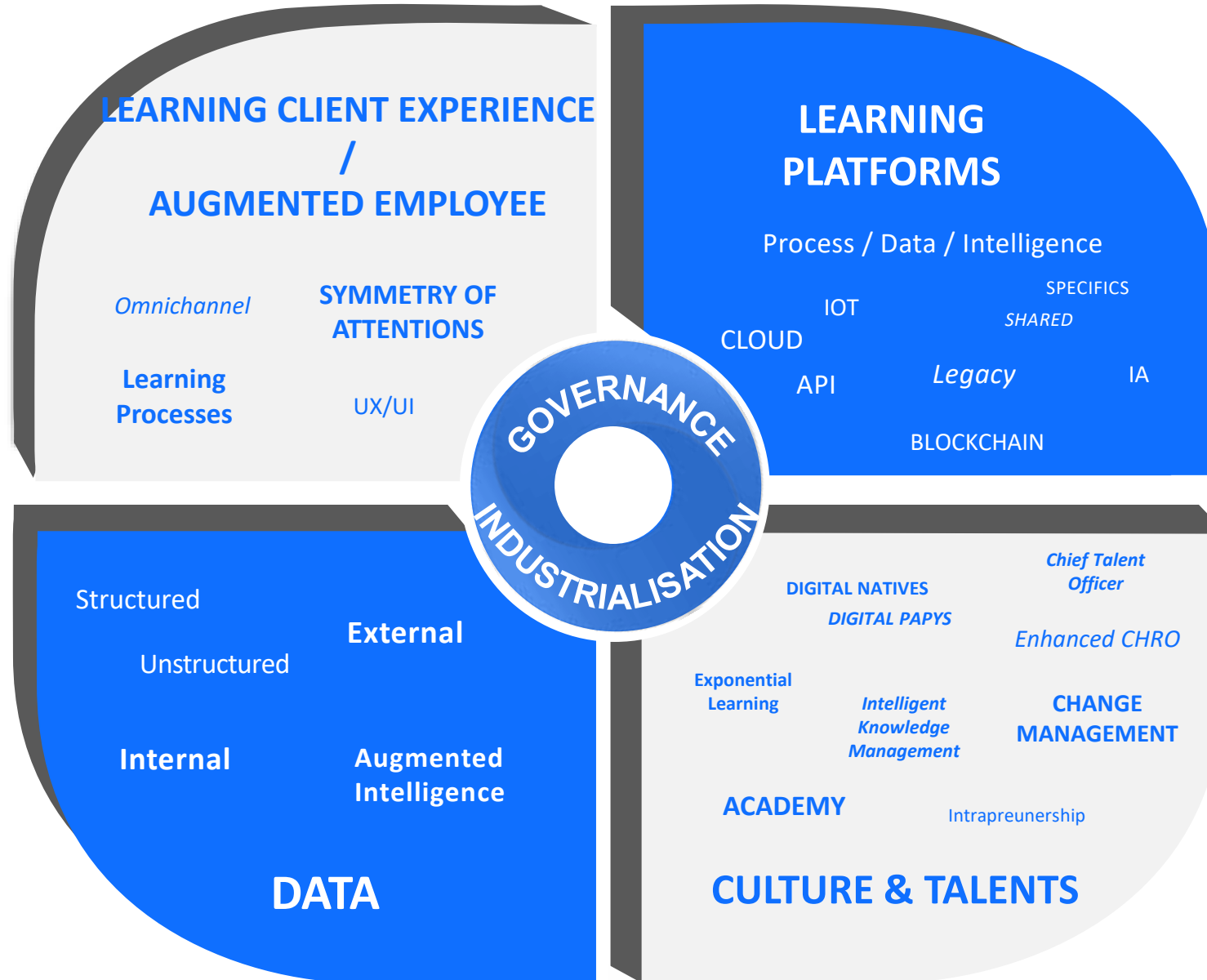
Think that **employee experience** is at least as important as **customer experience**

80%

Of the **Data** is located inside companies

70%

Of companies are building their **business model and strategy on Data**



72%

Of innovators that disrupt their sector are actually **established companies**

60%

Of companies judge that the **human factor** will have a major impact within the next 2 years

55%

Of companies have launched **Open Innovation** initiatives with startups

Key Success Factors – Industrialization

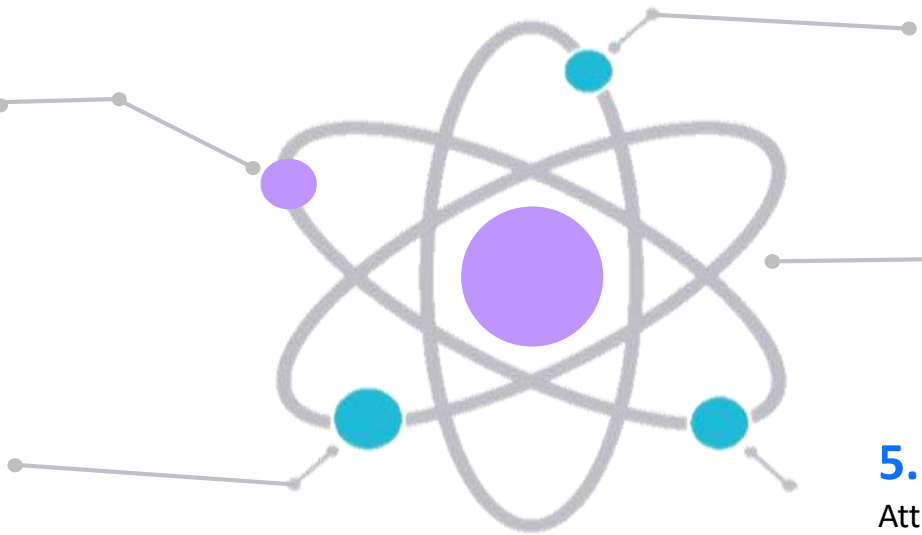
A Platform factory : Industrialized open system model

2. Industrialization

Development of new IA / Blockchain / IoT solutions, Standards, Methodologies, Tools

1. Innovation

Identify, Qualify and Prioritize new use cases and technologies



3. Assetisation

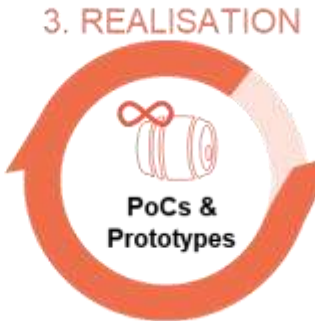
Functional & reusable building blocks

4. Continuous improvement

Models, Machine learning, Deep learning,

5. Skills

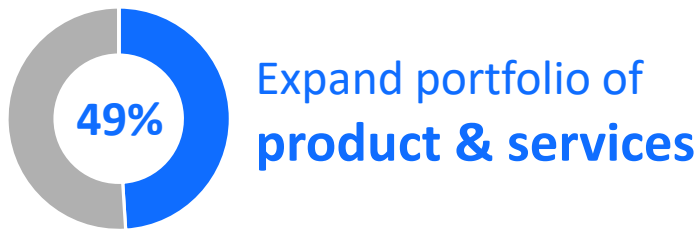
Attract, Retain, Reskill talents + Adoption change management



Key Success Factors – Cloud to accelerate transformation

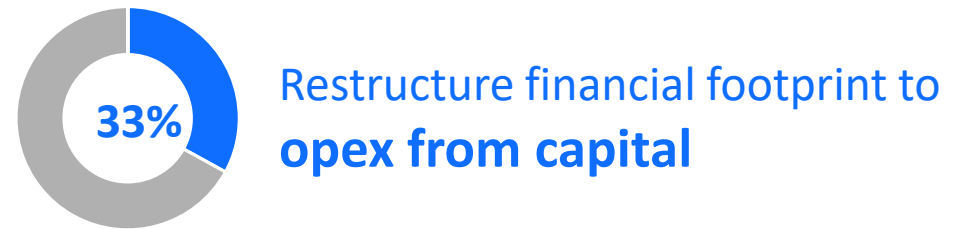
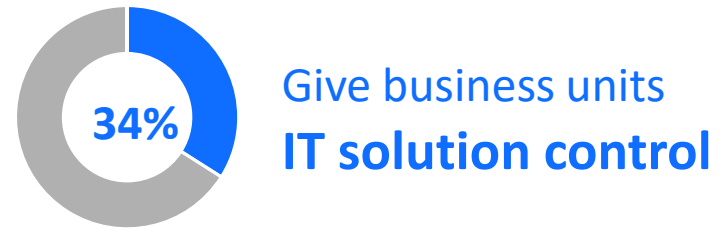
Clients expect more, and today's enterprises must transform key business processes to compete

How important are the following **strategic reasons** for establishing a multicloud environment for your business?



Source: IBV 2018 multicloud management survey, Q12. Percentages represent the number of respondents who selected 4 or 5 on a 5-point scale.

What are the **biggest business benefits** of a multicloud environment?



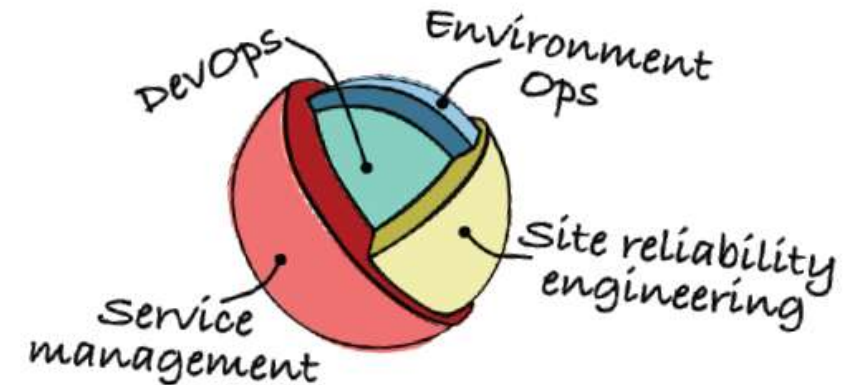
Source: Benefits of Multicloud, CloudView 2018: Implications for the Channel, IDC 2018

Key Success Factors – IT Organisation and models transformation

Integrated Lifecycle Management towards DevOps, AppOps and Cloud models

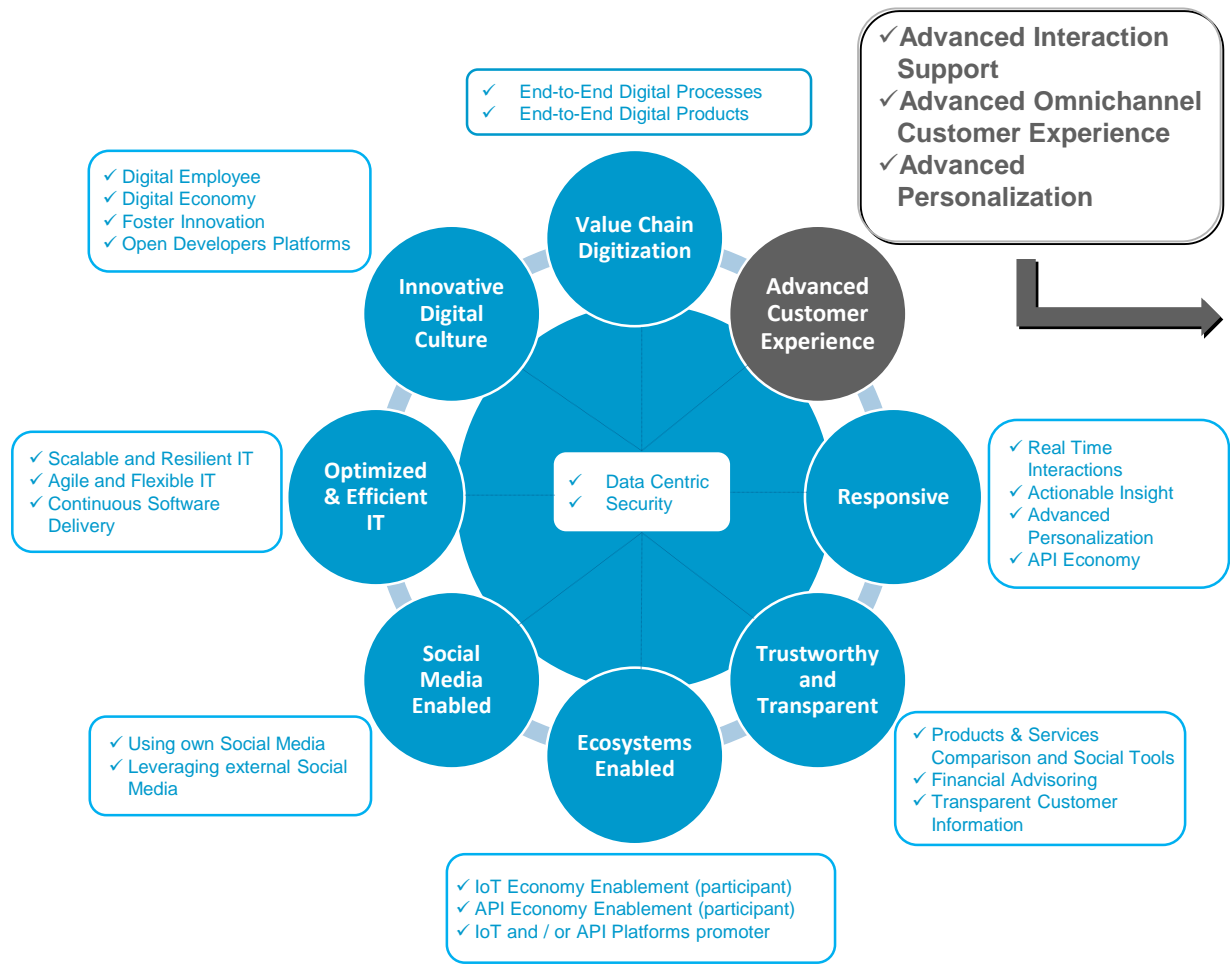
Intergrated Lifecycle Management to cover [end to end integration and deployment](#) processes and support the [AppOps management](#)

- 1** Reduce Time To Market and Cost through DevOps automation and industrialization
- 2** Prepare Cloud Transformation through standardization and automation
- 3** Transform organizations to create seamless, agiles end to end business/IT processes



Banking in the Digital Era: Value Propositions and Capabilities

Digital Bank Detailed Capabilities – Advanced Customer Experience



- ❑ **Advanced Interaction Support:**
 - Mobile First Interaction
 - Multimedia (text, voice, video, image)
 - Intelligent Interaction (conversation)
 - Natural Language Processing
 - Virtual Advisors

- ❑ **Advanced Omnichannel Customer Experience:**
 - Multichannel support (any channel: Online, Mobile, Branch, Social, ATM, CC,...)
 - Seamless Processes through devices and channels
 - Digital-Physical convergence (New Branch Office Model)

- ❑ **Advanced Personalization**
 - 360° View of Customer (Internal + External Information + Advanced Analytics)
 - Contextual Information
 - Customer Experience Monitorization



Key Takeaways

- Businesses who do not digitally transform their customer experiences will be left behind in the marketplace.
- End to end digital processes, omnichannel and advanced customer experience are focus
- Enterprises are rapidly adopting cloud capabilities.
- IT Organization and model transformation to support business toward agile development, open platforms, dev ops, app ops and cloud models.



Panel Topics

- What are the most important trends in banking innovations in Bulgaria?
- Is the driven predictive banking close? One of most impressive innovation trends for 2019?
- Cloud Processing / Robot Process Automation / Blockchain as most important element of the money fast movement and the bank of the future.
- Open Banking expansion. Do banks have their FinTech companies already? How do banks work with start-ups, have they factored them into their innovations budget for this year or for the next years?
- How to communicate with financial startup entrepreneur?
- Phygital process in the banking. Banks' key advantage is still people trust. How to combine fast digitalization with human communication? The “digital” brings money; the “physical” spends money. How to combine them?
- Is there a relation between the administrative position of the innovator within the bank and the digitalization results?