



Digital Services

Bringing your distribution channels and user experience to the next level with Temenos Connect

Deloitte offers services across all stages of the digital transformation journey, bringing you expertise on digital strategy, market best practices and, advice on how to apply them with leading edge technologies.

The market challenge

Today, banks are fully embedded in the digital disruption turmoil, whether they have been part of the leaders in terms of digital initiatives, or have just been seen as followers. With the increase of new entrants and competitors on the market, banks now have to compete with high tech companies—revolutionizing their existing paradigm—and simultaneously introduce new efficiency and user experience standards across the whole value chain.

A potential solution?

Nowadays, banks mostly believe that they are capable of offering digital distribution channels. Yet, for some, this only consists of an old fashioned and outdated web-banking portal which is not sufficiently scalable when required to connect multiple devices, gather multiple sources of data, and provide easy and secure access to personal data.

Some believe it is difficult to upgrade their digital channels while keeping their current core banking system and that any change will incur sunk costs. We believe this is partially true, depending on whether the target solution relies on a flexible and scalable architecture or not. Waiting for core platform replacement may delay your digital strategy implementation for several years. The market sees that too and we believe that, as new best practice, leading banks should set up two parallel organizations evolving at different speeds: one for the core system evolution and one for the front and

distribution channels supporting agile developments and release management.

In our opinion, this structuring is the best way to continue investing in distribution channels while aiming for a leading position on the market with limited sunk costs as long as the underlying architecture is modern enough (e.g. SOA).

Predictions indicate that those banks, which are not changing fast enough, will disappear over the coming decades.

Our digital practice is able to help banks facing this type of considerations at different levels, ranging from strategy definition to the review of target architecture or the implementation of new front layers on top of existing core systems.

Our opinion

We believe that many banks are at a crossroads, facing two distinct options. One choice is to remain a follower, trying to stick to the most successful moves, or one can attempt to take the leader position by launching innovative digital front transformation initiatives.

Living with the existing solution and supporting additional evolutions is probably the most convenient for everyone within the organization. However, this choice is putting high risks on the IT architecture maintenance, the costs of evolution and the flexibility of the solution for responding to upcoming digital changes, which are necessary if banks want to anticipate and meet market needs.

Delays in renovating the bank's digital channels can lead to:

Locked-in costs: costs that are locked into maintenance/tactical spending and not strategic development

Implementation failure: even the smallest system changes are associated with significant cost and risk

Inhibited responsiveness and data inconsistency: the multitude of interfaces, databases and platforms prevents banks from rapid delivery time to market with consistent data across channels

Loss of market share: the lack of innovative solutions for digital channels may fail to attract younger generations of customers

Security breach: relying on old technology and architecture might increase the risks of system violation and data leaks

Alternatively, a bank can renovate its digital channels and achieve a higher level of digital maturity

Renovation of digital channels leads to:

Efficiency and reliability: improved operational efficiency and enhanced customer service through harmonized and consistent data channels

Enhanced customer experience: user friendly features and workflows reducing administrative burden

Greater future investment: spending is redirected from tactical to strategic investment and enhancing customer solutions

Simplified architecture: rationalized systems and platforms reduce ongoing costs

More self-serving capability: new digital platforms enable clients to execute most of their operational actions themselves instead of contacting their bank. This saves operational costs and frees up time for commercial prospecting

Is this really possible?

Deloitte is immersed in the banking sector and aware of those new digital trends that impact the market. There have been significant changes in the market, mostly caused by the emergence of new players operating either as retailer or as an online player not adhering to the conventional bank distribution model. This new entrants build on multiple electronic channels to sell their products and reach new customers.

We believe that Temenos Connect is a product that helps traditional and online banks to differentiate themselves by building a robust and scalable solution delivering higher user experience to their clients.

We have profound experience in implementing Temenos Connect as described in the following case study.

Case study – A Canadian bank's new online channels based on T-Connect

General information

Deloitte Digital is in the process of delivering a digital banking solution that will **revolutionize the online customer experience** delivered on the core banking platform

The Issues

The client plans to **launch a brand new digital banking model**--the first of its kind in Canada--with a **focus on mobile and web user experience**

The solution

Deloitte Digital's unique ability among industry competitors to successfully leverage business strategy, creative design, and technology integration in a single service offering and enterprise setting, **was critical to the continued success** of the project.

Key insights into cutting-edge industry trends within the mobile, core banking, and overall digital landscapes helped to shape the engagement and position Deloitte as a partner not only to this client, but other clients with similar back-end technologies wanting to transform their digital customer experience.

This result was made possible by major delivery milestones, including:

- Defining the **user priorities** and scoping functionality for the initial release
- Designing a beautiful **mobile app that fully integrates** with the core banking back-end
- Building and implementing the front-end solution that will be the **entry point of the online channel** to customers

Activities covered by Deloitte Digital

Deloitte services

Deloitte Digital worked closely with Temenos, a global core banking product and services company, to scope, plan and design the new mobile banking solution.

Deloitte Digital has been **developing the mobile web banking front-end through feature-driven, agile sprints**, and is also providing program management for the technical implementation (including the core bank).

In advising the front-end designers, builders, and integrators, **Deloitte Digital defined the user experience and functional requirements for the digital bank** and ensured alignment with industry best practices to optimize the client's customer experience.

The team has also been **building the front-end mobile solution**, which became a new online channel for the banking clients

You are not alone

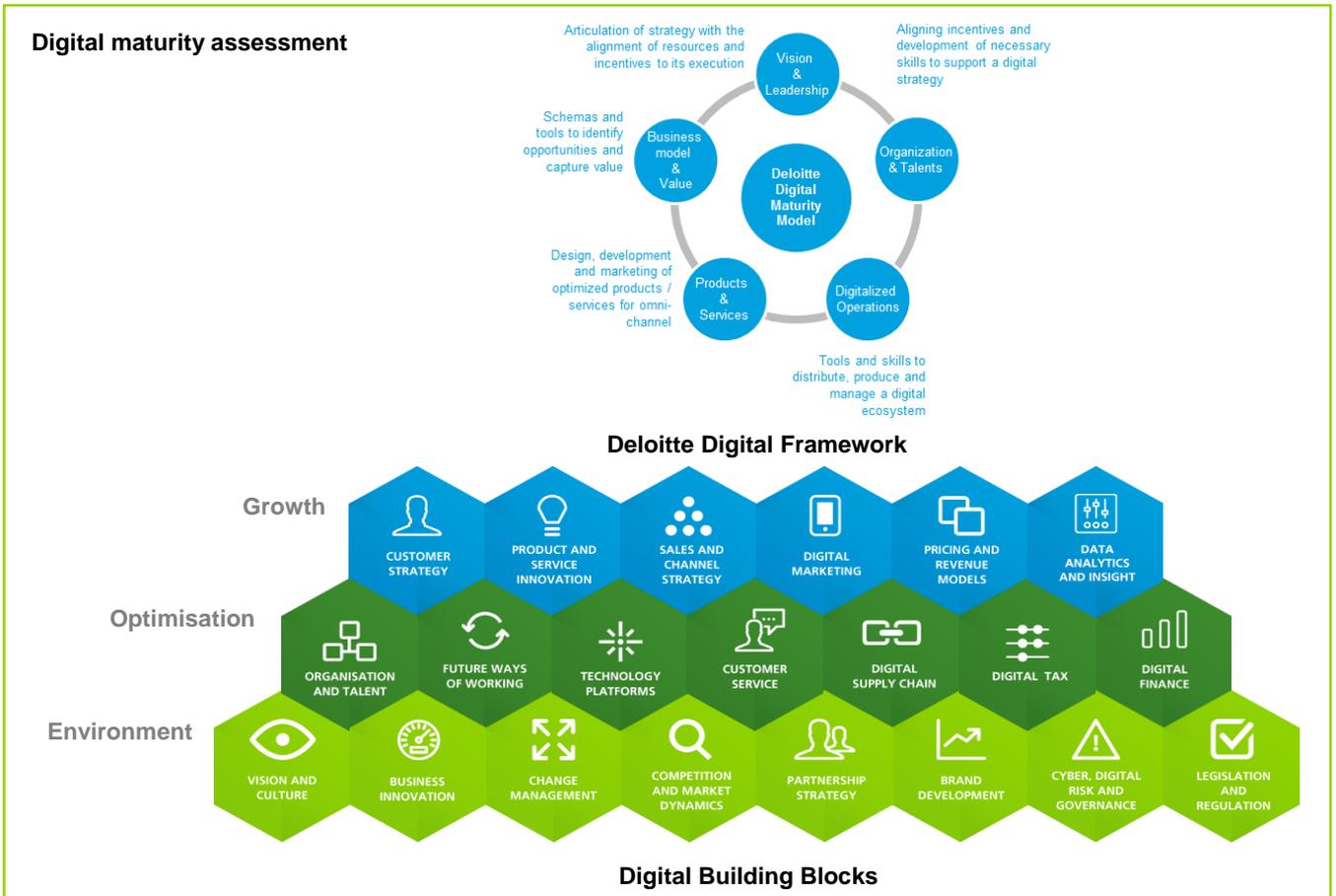
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Our Value Proposition

We offer a comprehensive Digital Maturity Model and framework that can help you to navigate this complex and challenging opportunity. Using our frameworks, we have helped clients identify their need by breaking the requirements into smaller surmountable chunks via our Value Proposition.

Deloitte's global presence

Due to Deloitte's large network of member firms spanning the globe we are in a unique position to serve our national and international clients locally, globally and throughout the EMEA region. We can address most of your digital endeavors with our specialists' team based in Luxembourg while leveraging our Deloitte Digital network across EMEA.



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