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Faten Halabi - Sonny Zulu - Amit Malhotra - Khaled El Bialy

BRANCHES AND PAYMENTS

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Experiences That Matter



Discover The Trends Shaping GCC Banking For 2021 And Beyond



GCC banks are committing to digitization in a way never seen before to counter the effects of a subdued global economy.



That is the key finding of a study commissioned by Avaya and conducted by research firm Davies Hickman Partners.



The study, comprising in-depth interviews with 12 banking executives from across the GCC, identifies six major trends where GCC banking modernization is progressing at speed.

Download the complementary research report to discover the trends driving digital transformation in GCC banking, and Avaya's view on approaching them.



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Reinventing banking

As banks in GCC region are facing disruption from these entrants in the payments market, there is a widespread belief that the days of the bank branch network are numbered

Financial services providers in the Gulf region had significantly digitized their businesses way before the outbreak of the COVID-19 pandemic last year. The “stay at home” orders that were introduced by regional governments to curb the spread of the virus inevitably accelerated the use of contactless payment methods to an all-time high record, generating as much as 10 years’ worth of growth in just four months.

“The shift towards digital and cashless payments has increased over the last few years, and the COVID-19 pandemic has accelerated the shift to contactless payments,” said Amit Malhotra, General Manager, Personal Banking Group at Commercial Bank of Dubai.

In a report, *GCC Banking Trends - 2021 and Beyond*, Avaya said that the pandemic accelerated migration from cash payments and the shift is here to stay with the trend expected to have knock-on effects on how banks approach their retail branches.

Amid fears that cash might be a possible vector of the coronavirus, the shift to contactless payment methods across the Gulf is also being driven by the growth of e-commerce

as the pandemic pushes more shoppers online and changing preferences among the region young tech-savvy customer base.

Digital payments, once a convenience, have become a necessity in these times, said PwC.

However, as digital payments are opening a new banking chapter, GCC banks should not leave the bank branch behind in the race to digital but rather implement new technologies to enhance the experience, Avaya noted in the report. ►



- ▶ The cloud communications and workstream collaboration solutions provider also urged Gulf lenders to leverage branches to master best practices Know-your-Customer (KYC), gathering customer data and loyalty-building in an overbanked market.

An enabling environment

The use of seamless payment methods has undoubtedly increased and the use of smartphones for payments has surpassed the use of debit cards as the preferred method of payments among consumers across all six Gulf states. The pandemic has accelerated several trends in both consumer and business behaviors in the payments sector – and consumers do not expect to go back, said Mastercard.

The shift in buying behavior towards e-commerce platforms at the height of the pandemic when regional governments introduced movement and travel restrictions made it imperative for banks to provide consumers with a seamless solution to save and manage their card details across multiple websites.

With several consumers and retailers experiencing the convenience of online shopping, a survey by PwC discovered that 53% of Middle East retail majors increased their online presence with Saudi Arabia's Bin Dawood and Danube benefiting from this surge as their average sales increased by 200%. In the UAE, Carrefour saw a 59% jump in new online customers.

According to Deloitte, there has been a surge in the shift towards digital and contactless payments as consumers shift a greater share of their purchase online and businesses – either by choice or by necessity – race to setup e-commerce capabilities to capture sales in the new normal.

GCC banks are taking advantage of these adoption rates as a launchpad to drive their digital transformation strategies. The success of digital payment methods across the Gulf can also be attributed to the financial services sector's quest to meet customer expectations, increase efficiency, accelerate growth and cutback operational risk. ▶

- ▶ Visa said that contactless payments are successful globally because they offer real convenience, especially for ticketing and purchases in restaurants, express stores, buses, trains, parking and vending machines – places where the cash turnover is usually high, and consumers are usually in a hurry.

"I feel that contactless payments will continue to grow rapidly in the years to come, with further enhancements to provide faster and more secure transactions," added Malhotra.

Security & data privacy concerns

Although seamless payments exploded in popularity last year following the outbreak of coronavirus, the increase in their use is also credited to how they are deemed a

a customer is making a payment. The connection is through tokenization – the process of converting meaningful data, such as an account number, into a token that has no meaningful value if breached, according to McAfee. While mobile payment services such as Samsung, Apple and Google Pay utilizes near-field communication (NFC), which is also a much safer way of settling payments.

However, just like any technology, digital payments come with both mobile security and data privacy risks. Cybercrime and malicious hacking cases have intensified since the outbreak of the pandemic. According to KPMG, the proliferation of digital channels following the outbreak of the pandemic has also led to increased cyber-risk exposure.

approaches to combat cyberattacks cannot adequately handle several threats and burdens, they encounter. Hence leaders in the GCC financial should constantly change their operating models to obtain a holistic view of the evolving landscape of financial crime.

The evolution of fraud and financial crime moves in tandem with the developments in the domains they plunder.

Branches of tomorrow

Digitalization in the GCC financial service sector is swiftly shifting the field of play whereby banks are now forced to focus on customer experience, and it is no longer about the products and services on offer. The payments market has been traditionally served by conventional banks, but the new and innovative non-banking payments providers are causing disruption and driving rapid changes in the financial service sector.

The emergence of new technologies is creating opportunities for innovation and efficiency at the same time opening doors to new competitors such as fintechs, global retail giants as well as card networks and digital-exclusively banks. As banks in GCC region are facing disruption from these entrants in the payments market, there is a widespread belief that the days of the bank branch network are numbered.

Defining the future of bank branch is a major business priority for GCC banks at a time when many bankers view branches as cost centers and predict a significant reduction in their footprint and retention of high-specification sites, Faten Halabi, Regional Sales Leader, Avaya said.

Several regional lenders including Mashreq Bank and the National Bank of Ras Al Khaimah (RAKBANK), closed some of their retail bank branches amid a plunge in traditional in-branch activities. While others are digitally transforming their branch network into user-experience centers.

However, in a report, GCC Banking Trends - 2021 and Beyond, Avaya urged GCC banks not to leave the branch behind in the digital journey but rather pilot new technologies such as robotic process automation,

“Defining the future of bank branch is a major business priority for GCC banks at a time when many bankers view branches as cost centers and predict a significant reduction in their footprint and retention of high-specification sites.”

- Faten Halabi, Regional Sales Leader, Avaya

secure way of settling payments compared to fiat currency.

According to ResearchAndMarkets.com, "Consumers are trying out new payment methods while purchasing from e-commerce websites and favor those methods that have the strongest protection against fraud losses."

Contactless debit/credit cards use a computer chip and a tiny antenna that connects with a card reader when

PwC also weighed in, saying that the situation is unlikely to change for the better in the future due to the use of third-party vendors, evolving sophisticated and complex technologies as well as cross-border data exchanges, the increased use of mobile technologies by customers and the heightened cross-border information security threats.

Globally, financial institutions are finding themselves a step behind as their existing

- ▶ biometrics (voice and facial recognition), video, Internet of Things – and evolve the branch to create an effortless experience.

In 2019, Mashreq said that it would allot over \$136 million until 2023 towards its digital transformation strategy. The same year, Mashreq joined forces with Avaya and Koopid to introduce the region's first digital engagement banking bot—a system that enables its customers to access banking services and complete service requests almost entirely through an AI-powered (AI) agent.

"Today, we have some clients who have been banking with us for over five years and they have never visited any of our branches. Does this mean that the branch will completely disappear?", Sonny Zulu, the Managing Director of Retail Banking, Standard Chartered Bank UAE asked adding that rather the primary purpose of the branch will continue to evolve in line with prevailing trends.

The bank branches must evolve radically, from being a traditional banking hall to a place where customers can experience the products and services it offers and the companies it collaborates with, said Accenture.

For banks to successfully transform their retail branches into user experience centers, Avaya in its report GCC Banking Trends - 2021 and Beyond urged them to leverage the potential of their front office employees by turning them into sellers by equipping them with the right tools, capabilities, customer data and insights to make them more effective and give them compelling new key performance indicators.

Last September, RAKBANK also slashed its physical presence by 25%, closing nine retail branches across the UAE as part of the bank's digital transformation drive.

To create successful experience store networks, GCC banks will have to take a flexible, globally standardized and locally flexible approach to customer offerings and experience. According to Accenture, banks will also need to manage the overall business and systems architectures on a cross-channel global basis and drive

employees' behavioral change starting from the customer experience mindset, not a procedural or regulatory standpoint.

Outlook

Contrary to a growing belief that the days of the bank branch network may be over, the reality is some customers still prefer human interaction, and the existence of retail branch networks creates reassurance and trust in the sector, even for digital-exclusive financial service providers.

"Constant and continuous change of the business model to be more proposition-

new payment tools being launched in the GCC region.

Avaya's Halabi said, "When migrating to a new branch strategy, powered by technology, issues such as selecting service capability in certain branches, or ill-prepared branch employees who are not empowered and equipped to satisfactorily address customers' diverse concerns must be addressed."

According to ResearchAndMarkets.com, MENA digital payments market is expected to register an annual growth rate of 6.5% between 2020 and 2025.

“Bank branches must evolve radically, from being a traditional banking hall to a place where customers can experience the products and services it offers and the companies it collaborates with,”

- Accenture

centric and considering new innovations and best-in-class technologies are a way of life in our financial institution," Khaled El Bialy, Managing Director, Banque Misr UAE.

Accenture stated that customers love digital for routine transactions but want human contact when they need it – and the fact it's available in physical branches reassures them about the bank's brand.

Having said that, it is very much clear that branches are part of the future and for customers, they play a vital role as visible, tangible locations that provide a positive and personalized experience. In the last decade, the digital payment industry has recorded robust growth, with new providers, new platforms, and

While digital wallets have been around for a while, the adoption rate has varied a great deal.

Contactless payment options such as digital wallets and "pay" buttons such as First Abu Dhabi Bank's Payit, stcPay in Saudi Arabia, Samsung, Google and Apple Pay and Empay in the UAE remove the hassle of entering payment details for each transaction. Visa also said that payment technologies such as tokenization and secure remote commerce that increase security and reduce friction will gradually evolve to be part of the default checkout flow of e-commerce merchants, replacing traditional checkout forms. ■

A professional portrait of Faten Halabi, a woman with dark, wavy hair, wearing a light-colored blazer over a white top and a necklace. She is smiling slightly and looking towards the camera.

Faten Halabi Regional
Sales Leader, Avaya

“If they are to be preserved, we see branches evolving into customer experience zones.”

A New Banking Landscape

Faten Halabi Regional Sales Leader, Avaya explains that that while there will be reductions in the number of physical bank branches, exacerbated by the accelerated growth in mobile app use in the past twelve months, those that remain are evolving to provide newer services and facilities. However, when adapting the role of branches there are numerous considerations to assess

While bank branches are becoming less of a necessity for many transactions, there will still be a need for them. What functions or purpose will branches serve in the coming years?

Defining the future of the branch is a major business priority for GCC banks, and it is easy to see why. Many bankers see branches as cost centers and predict a reduction in the branch footprint but a retention of high-specification sites.

That said, the bank branch continues to remain relevant – particularly if it is preferred as the touchpoint for high-value customers. If they are to be preserved, we see branches evolving into customer experience zones. Whether this is a video-enabled customer service agent interaction, a digitized document processing facility, or a retail showcase of the bank's suite of products and services, the physical experience of the bank branch can still hold value for a significant percentage of the banked population.



What were, or still are the top considerations when managing transitions away from your branch network.

The most important consideration is to ensure that alternate channels are equipped, tested, and fully ready to address the workload that will be directed towards

them if a branch were to close. With the operational burden of branch management, cash stock, human resources, and real estate reduced, banks can turn their focus to driving and defining banking trends.

However, there is a note of caution to take here – it can be tempting to excitedly take on and build the most exciting, innovative ►



► technologies. But it is important to ensure that the basics of customer experience are still covered.

For most customers, their loyalty to their bank remains strong - so long as their needs are met. The inconvenience of failed or delayed transactions is often a tipping point driving customers from one bank brand to another. When migrating to a new branch strategy, powered by technology, issues such as selecting service capability in certain branches, or ill-prepared branch employees who are not empowered and equipped to satisfactorily address customers' diverse concerns must be addressed.

Of the many options for day-to-day purchases such as contactless or smartphone, do you foresee any one payment method or trend taking a clear lead?

The growth of paper money in higher denominations was largely due to the mobility it afforded, without burdening the holder, but today, your smartphone can very

well be the immediately accessible payment method you need.

This is echoed by the respondents to Avaya's Life and Work Beyond 2020 survey, which polled 10,000 consumers across 11 countries, and shows that usage of mobile payment methods, including banking applications, are seeing significant growth. And according to our qualitative research on GCC banking, executives believe that five years' worth of mobile app growth has been compressed into just the last 12 months.

This is not to say that the future is all about neo-banks and digital payments, but it does speak to users' preference for effortless payment models. If mobile payments provide that effortlessness, that will be the winner.

Innovation in payments apps moves fast and is constantly evolving. How do banks keep pace with developments in this space to ensure competitiveness and high levels of service?

In the race for customer attention,

traditional banks are often perceived to have been overtaken by FinTech innovators, neo-banks, payment gateways and apps, financial networks and even consumer technology players. This argument limits the understanding of a bank to a personal account or card provider, when, in fact, the breadth of services that banks offer encompass nearly every potential financial product a consumer may need, as well as a host of services for corporates and governments.

Banks can keep pace by realizing the value in the data that they hold. Running analytics to uncover insights from this data can result in an illustration of changing customer trends across products, preferences in terms of transaction modes and times, and so much more. Applying this intelligence to business and product planning will enable banks to move to the forefront of customer relevance and being prepared with products and solutions for customers at their point of need. ■

Sonny Zulu Managing
Director of Retail Banking,
Standard Chartered Bank, UAE

**“Who wouldn’t want to move
to something better?”**

Managing Customer Led Change

Traditional bank branches are closing or changing their role as customer preferences evolve. **Sonny Zulu** Managing Director of Retail Banking, Standard Chartered Bank, UAE describes what drives this change, what payments options we can expect to see and that how we use our digital tools is what matters.

While bank branches are becoming less of a necessity for many transactions, there will still be a need for them. What functions or purpose will bank branches serve in the coming years?

When I joined the Banking industry about 18 years ago, bank branches were the centre of most banking businesses. The back office was the hive of activities where most of the branch staff spent over five hours or so after closing the doors to customers balancing books, updating registers, ticking vouchers, filing and checking checkers. There is no question that innovations and technology developments have contributed significantly to simplify most these processes. Accordingly, most of the manual processes have been digitised and migrated from being staff assisted to self-serviced. Today, we have some clients who have been banking with us for over five years and they have never visited any of our branches. Does this mean that the Branch

will completely disappear? Not necessarily. However, the primary purpose of the branch will continue to evolve in line with prevailing trends. There are also a few challenges with 'digital only' models which will necessitate the continued and prolonged existence of the brick and mortar. Having said that, a few facts will remain true in the coming years:

- **Reducing number of Branches** – Nearly all the major banks have been announcing a reduction in their branch footprint in the last few years. At first it was in tens and now it's in the hundreds within a 12-month period. Oddly, some of these branches were only opened in the last decade. We expect this trend to continue with some banks eventually operating a single branch model. The branches may therefore remain to exist albeit in far fewer numbers than today. This drastic change may go unnoticed as more customers migrate to digital platforms.
- **Reducing number of staff per Branch** – Not too long ago, I had some

branches in my network that had over 45 staff. Today, those same branches are being successfully managed by less than 12 staff. With automation and simplification of processes, the future of work is changing. We now need more coders, data analysts and innovative thinkers who will be able to effectively serve the customer of tomorrow. We will still need people but with a different skill set. It is therefore important for all bankers to upskill themselves to remain relevant in the coming few years.

- **Limited transactions at the branch** – given the shrinking margins and limited monetisation of digital platforms, Banks are looking for more efficient ways of doing business to reduce their operating costs and create room for more investments in innovation. In the coming few years, there will be distinct price differentiation between digital and manual transactions. Banks will also limit the number and type of manual transactions that can be ►

▶ performed at the branch. Although this may be seen as being driven by banks, in reality, it is the customers that are driving this change. Think of it, why would a customer drive several kilometres, burn fuel, risk getting a speeding or parking ticket, get jammed in traffic, queue up at the branch just to perform a simple transaction which they could have done in the comfort of their home at no cost?

• **Simple, Fast and Accurate Services** – with automation and accelerated digitisation, transactions performed at the branch will be much faster and customers who visit the branch will spend less time there. Some banks have already implemented biometric authentication. Others have taken out the requirements to complete physical forms and reduced the number of required signatures. With such process enhancements, the turnaround time at the branch will be much shorter. The fact that digital capabilities allow the staff and the customer to access and look at the same data at the same time will drastically reduce the error rate and the customer will have better experience.

• **Complex transactions** – some wealth management transactions which include investments in different assets classes often require face to face interaction especially for first time investors. Having said that, the branch may not necessarily be the place to meet. In the coming few years, there will be a lot of banking deals sealed at safe and secure alternative locations such as hotels, homes and timeshare flexible office spaces.

Undoubtedly, despite all the technology advancements and prevailing consumer trends, there will always be a need to accommodate those consumers who still prefer to visit the branch. These include the vulnerable clients who may need an assistant or those that may be less digitally savvy. Financial inclusion is a big topic globally and most banks appreciate the fact that there will always be a need

to provide alternatives for consumers who may not migrate to digital platforms. The branch of the future will therefore serve a small part of the population in a very different way which will be simpler and faster.

What were, or still are your top considerations when managing transitions away from your branch network.

The key driver in our decision making is consumer preferences and prevailing trends. We put the client at the centre of everything we do. For example, we know that the Branch is not the favourite place for millennials. However, they need the financial services as part of their daily lifestyle. We therefore take our products and services to where the millennials are spending most of their time. With this approach, we are not migrating millennials away from the branch, rather following them where they are. I must admit that in some cases, we make efforts to proactively migrate our clients away from branch. However, in most cases it is more of an awareness drive. We build awareness, provide information and naturally the adoption is almost inevitable. Who wouldn't want to move to something better? We are also aware that some consumers have genuine cyber security concerns. We therefore ensure that we build tight controls to protect our clients.

Of the many options for day-to-day purchases such as contactless or smartphone, do you foresee any one payment method or trend taking a clear lead?

Radio-frequency identification (RFID) or near field communication (NFC) payments are definitely surging. However, what I foresee taking a clear lead in the next chapter is voice payments, instant cross border payments, card provisioning, and extending contactless to other wearable smart devices.

Innovation in payments apps moves fast and is constantly evolving. How do you keep pace with

developments in this space to ensure competitiveness and high levels of service?


It is always important to remember that digital platforms are only tools. How we use them is what is really important and that is what makes the difference. There is often the temptation to keep looking for the latest innovation and to upgrade to the latest version without fully understanding and effectively utilising the existing technology. There is a race for the most, the best, the only and the first innovation. However, we are a business. As you know, most digital banks have huge investments and huge capital valuations but are not making profits yet. Some will survive and some will not. Some innovations will have marginal gains while others will be game changers. As we often see in the mobile industry, some new versions, costing double the price, can hardly be distinguished from the predecessor. It is therefore important to strike a good balance between keeping pace and growing the business.

In today's unexpected pandemic accelerated environment, how do you manage the development and decision-making demands of the digitisation imperative?

The pandemic helped to accelerate the decision-making process. Most decisions are now being made far down in the organisation. Staff have been empowered and they know which decisions can be made on the spot by a single individual and which ones are significant in scope and more infrequent requiring senior authority or more people to decide. Agile ways of working have also helped to ensure that we remove approval layers and enhance collaboration. Everyone involved in the process is now working as one team with a clear objective. Our teams have become better at dealing with unsuccessful experiments and at learning from our experiences. We are comfortable to experiment, learn fast, try a new method and take timely decisions. Our speed to market has improved significantly. What would have taken us 3 months is now being delivered in a few weeks or days. ■

Amit Malhotra

GM, Personal Banking Group,
Commercial Bank of Dubai



“The key is to ensure all services are available on the digital channels, and position branches as value-adding advisory centres.”

Transforming the banking world

Amit Malhotra GM of the Personal Banking Group, Commercial Bank of Dubai, stresses that the process of change from the traditional branch model to digital must be by customer demand and that going forward, the success of a bank will be based on its ability to be agile.

While bank branches are becoming less of a necessity for many transactions, there will still be a need for them. What functions or purpose will branches serve in the coming years?

There is a popular misconception that the days of the bank branch network may be over, but the reality is more complex. I believe the future is a hybrid model of high quality, full-service branches combined with a fully-fledged digital service offering. In essence, all banks will become digital banks supplemented by a branch network, not unlike Amazon having physical stores. Our customers have the choice and convenience of using the digital channels for all of their day-to-day requirements, but in case they need personalized advice or are looking for products such as investments or a mortgage, they can come to our branches

and meet with the specialized advisors. The key is to ensure all services are available on the digital channels, and position branches as value-adding advisory centres.

What were, or still are your top considerations when managing transitions away from your branch network.

Our aim is for the transition from branch to digital to be fully driven based on customer demand. Our customers must want to move to digital, because their digital experience surpasses the physical one in the branch network. I can confidently state that this is today already the case for actual transactions, with the main remaining challenge being the customer on-boarding and identification. We need to provide digital solutions that effectively fulfil the KYC requirements, mitigate risk and enhance the client experience. CBD

has adopted cutting edge technologies and partnered with fintechs to enable these KYC requirements and provide best-in-class customer experience. The new digital identity tools have helped us in optimizing our compliance models and boosting our performance in risk mitigation. Moreover, digital identity verification is quicker and easier than their manual equivalents, reducing the on-boarding time and minimizing human error incidents. This enhances the customer experience and will create a further pull towards a transition to digital channels.

Of the many options for day-to-day purchases such as contactless or smartphone, do you foresee any one payment method or trend taking a clear lead?

The shift towards digital and cashless payments has increased over the last ►

“Banks effectively deployed technology and demonstrated unprecedented agility and resilience.”

► few years, and the COVID-19 pandemic has accelerated the shift to contactless payments. I feel that contactless payments will continue to grow rapidly in the years to come, with further enhancements to provide faster and more secure transactions. Companies like Samsung, Apple, and Google already have their own contactless payment systems based on NFC technology (near-field communication) and more and more customers are using these systems. For example, in China and London contactless payments are commonly used as a mode of payment in public transport. This trend is set to grow especially with the increased popularity of using wearables for payments. Hence, I do not expect any individual payment method to take a lead over all others, but I do expect contactless payments in any shape or form to continue to grow exponentially.

Innovation in payments apps moves fast and is constantly evolving. How do you keep pace with developments in this space to ensure competitiveness and high levels of service?

Everything starts and ends with the customer. At CBD, we are constantly evolving our payment propositions in line with market developments and

consumer appetite for more convenience payment options. CBD is at the forefront of engaging with the market payment leaders and fintechs towards ensuring that our offerings are competitive and offer the highest level of service, all with the aim of further improving the customer experience. The global pandemic has also proved that the recovery will be led through digital channels and innovation, especially with the increase in the number of consumers moving away from cash to cashless payment modes.

What are you doing to enhance payment services for merchants, small businesses and corporates?

While we continue to innovate and provide contemporary solutions that bring value to all merchant segments, the bank is specifically focusing on the SME/MSME sector by launching the Tap2Pay/SoftPOS solutions that are not only cost effective to the merchant, but are secure, innovative and faster to deploy. On the payment gateway front, in line with UAE's vision of transforming into a fully digital economy, the platform offers end-to-end eCommerce payment acceptance capabilities catering to the needs of all merchant segments.

In today's unexpectedly pandemic accelerated environment, how do you manage the development and decision-making demands of the digitisation imperative?

As we look back to 2020, we should be proud of the way the banks have responded to a crisis that was not on any organization's radar. Faced with branch closures, and the need to expand end-to-end process digital capabilities, I believe that we did things that once seemed impossible. Despite some hiccups, banking operations were executed smoothly. Customers were served, employees were productive, and regulators were reassured. Banks effectively deployed technology and demonstrated unprecedented agility and resilience.

The success of a bank going forward will be based on its ability to be agile. The landscape of the financial sector is changing dramatically. With technological disruption, the emergence of new entrants, both fintechs and digital giants, as well as the constantly evolving customer expectations, organizations are forced to continuously adapt to these changes and deploy an agile organizational model. ■

Khaled El Bialy

Managing Director, Banque
Misr - UAE

“Investment in technology and people is deemed a necessity and not a luxury.”

Keeping the Customer in Mind

Khaled El Bialy Managing Director, Banque Misr, UAE is concise with his thoughts about the changes to branch networks, payments, digitisation and the customer experience, pointing out the important reasons for the necessity of branches with the caveat that their evolution is a must

While bank branches are becoming less of a necessity for many transactions, there will still be a need for them. What functions or purpose will bank branches serve in the coming years?

Fast-moving transformation of digital delivery channels while customers are willing to switch services for unique digital features is inevitable. Banks evolve in that area in order to reduce risk, improve cost-efficiency and better serve customers. However, branches are quite important delivery channels, and they will continue to be so for a long time. Most customers deal with us across many venues including digital – there are very few who would skew to branch-only or digital-only. There are many reasons for the continued necessity of branches, including concerns over internet security, simplicity of use and a lack of knowledge surrounding the capabilities of online and mobile banking along with the instinctual human desire to meet the people they are entrusting with their money which is in essence a good tool for trust-building and effective value proposition delivery. Having said that, branches must evolve consistently with other channels to continue delivering its unique value and cost efficiency.

What were, or still are your top considerations when managing transitions away from your branch network.

- Design better digital experience with effective value proposition;
- Create a fast, easy and secure self-service experience;
- Align Transformation with our overall institution and Branch Business Goals.

Of the many options for day-to-day purchases such as contactless or smartphone, do you foresee any one payment method or trend taking a clear lead?

I still believe that contactless payments will lead the way for some time as they provide a secure, safe, fast, effortless and good overall customer experience, while also for banks, providing brand positioning and increased revenues.

Innovation in payments apps moves fast and is constantly evolving. How do you keep pace with developments in this space to ensure competitiveness and high levels of service?

Constant and continuous change of the business model to be more proposition-centric and considering new innovations and best-in-class technologies are a way of life in our financial institution.

What are you doing to enhance payment services for merchants, small businesses and corporates?

Building on our solid infrastructure and versatile platform, we are exploring different ways to enhance customer's payment services through various delivery channels; such as, online, mobile, kiosks, point of sales and smart terminals. This is all happening with our customer's experience at our line of sight.

In today's unexpected pandemic accelerated environment, how do you manage the development and decision-making demands of the digitization imperative?

We are currently witnessing what will surely be remembered as a historic disposition of remote work and digital access to services across every business sphere. Investment in technology and people is deemed a necessity and not a luxury. The uptick in the use of digital services is here to stay with a main focus on customer's experience and value creation across all business verticals. Having said that, conducting continuous risk assessments of digitized processes and take appropriate actions to remediate any identified security gaps, is a must. These assessments should also be a foundational element of future digital transformation initiatives, so the proper controls can be implemented from the beginning to provide a safe, secure and stress-free customer's experience. ■