Supporting Omnichannel Delivery with the Core System

Omnichannel is a hot buzzword right now and can be somewhat difficult to precisely define. It seems that everyone has a slightly different definition of it, but regardless of how it is defined, it is an important trend and key issue for banks. It is closely related to multichannel banking, but not the same. In a multichannel environment, a user can start in one channel and continue in another channel – all with the same look and feel of the user interface. This is certainly high desirable and is a component of omnichannel banking, but it is not omnichannel. In my opinion, omnichannel uses intelligent strategies to integrate disparate digital and physical channels into a single, seamless experience – it represents the big overall picture on how customers are interacting with the bank.

This convergence of the branch and the digital will be fueled by data analytics and involve customizing the financial journey of each customer. In addition to data analytics and personalization strategies, another huge buzzword – the Cloud – will play a big role. The cloud and its variety of services on demand will push costs down for the bank and drive new possibilities when it comes to offering products and services. Managing technology is not a bank's core competency – customer service is where their focus must remain. The cloud means less technology maintenance and faster access to new technologies at a more affordable price point, especially for smaller institutions. Let's face it: on their own, community banks simply can never keep up with the mega-banks.

The community affinity that community banks have is tremendous and they need to use that to their advantage. The branch is a great place to cross-sell, up-sell and offer financial advice, but it can also be used to promote digital technologies. Some institutions offer digital experts at their branches to train people on online, mobile and ATM technology usage. This ensures that customers are aware of the digital channels that the bank offers and helps drive usage of low cost self-service channels. There are more ways to integrate mobile and branch, e.g., queuing up transactions before customers get into a branch for a quick visit, or customers using their mobile phones to withdraw cash from an ATM. These examples are ways in which omnichannel helps customers get what they need quicker.

I recently wrote a blog post that asked the question: Is the branch the newest digital channel? In this post, I note that the branch of the future has been a topic of discussion since the advent of online banking and mobile, but now is the time is now for institutions to incorporate the branch deeply into their go-to-market strategies and craft a true omnichannel strategy for customer experience. The full post is available here: http://bankingblog.celent.com/2015/06/17/is-the-branch-the-newest-digital-channel/

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