

Annual Members' Conference: The Future of Financial Services

Tuesday 27 March 2018

Hosted by: BT

A fascinating conference left Members of the Forum in little doubt that Artificial Intelligence (AI) and Machine Learning is no longer science fiction. The sooner businesses within the Financial Services sector start challenging their thinking, the more likely they are to survive what will be the fastest moving technology era of our lifetime. Lynsay Haque of The Financial Services Forum summarises some of the key points of the event.

“Every individual, company and government on the planet is being challenged by AI.”

Rohit Talwar, CEO, Fast Future

This quote encapsulates the sentiment of this thought-provoking event perfectly. Companies within the Financial Services sector need to understand AI now, and they need to start hiring data scientists! Here are some other highlights from this event. If you're interested to know more, visit <https://www.theforum.co.uk/knowledge-centre/resources/>, where you can watch the presentations in full.

Think differently - don't just use AI to replicate existing systems and processes

AI should be used to make the customer experience better and more relevant. Rohit Talwar, CEO of Fast Future, made it clear that businesses will have to let go of the traditional view of the world and learn to think differently. For example, the self-driving cars of the future are likely to be owned by themselves, rather than any one individual.

It's all about data, but you must make the value-trade transparent and worthwhile

Rohit Talwar likened data to oil, with AI being the oilrig to extract that data. But, as Orlando Machado, Global Director of Customer Analytics and Data Science at Aviva, pointed out – your customers need to know what you're doing with their data. The more they understand, the more permission they will give. According to research quoted by Greg Handrick, Partner at Prophet, 67% of customers are willing to share their data for an enhanced experience, and 70% would trade their data for a reward. Ultimately it will come down to developing smart ways of manipulating data and connecting with your customers on an individual level.

The pace of innovation will intensify, and so will the competition

Hanne Tuomisto-Inch, Senior Industry Head for Finance at Google, went on to say that today is the slowest pace of change you will experience in your lifetime. AI is happening now, and you need to be on board if you want to keep up and survive.

Make innovation relevant

Greg Handrick believes the Financial Services industry is struggling to stay relevant. His advice was not to fit your customers around your technology, but use technology to meet their needs, from both a product and service perspective. The customer may not know what they want or need, so you need to figure out what's really broken before trying to find an AI solution for it. Noel Lyons, Director of Experience Design at Barclays UK, talked about using the technology to solve human problems – in Barclay's case – how could they help make their customers better off?

You need time, budget, and the right people for change

Make time to learn what technology can do, think about how to respond, and work out how to create value from it. Rohit Talwar recommends carving out an innovation budget and, while you should always have an eye on the bottom line (any solution should drive value), don't get too hung up on ROI at the outset, otherwise nothing will get done. Both Hanne and Greg talked about investing in the right skills within your business and finding the right partners.

Learn from other industries

Deirdre McGlashan, Global Chief Digital Officer at MediaCom, and Noel Lyons, discussed looking outside of the Financial Services sector for inspiration. Barclays looked at fitness applications, then applied their learnings to their own proposition. Deirdre gave an example of the cognitive Marchesa dress, where machine learning was used to assist the creative process - www.ibm.com/blogs/internet-of-things/cognitive-marchesa-dress/

Improve targeting

In the old days, a 2% response rate to a campaign was considered good. But Orlando Machado sees that as a 98% irrelevance rate. In the insurance industry, if your customer unsubscribes from your communications, it's very difficult to find new ways to talk to them. Machine learning is about taking away the noise and clutter of data and taking highly relevant products and services to the customer.

Rethink promotion and distribution

Machines will be searching and assessing the relevance of a product or service on the customer's behalf. To ensure your brand is relevant, produce tools and information that help the customer. Hanne gave two good examples of this - the Halifax jargon buster www.campaignlive.co.uk/article/homebuyers-talk-halifaxes-jargon-buster-google-assistant/1449328, and a Swedish insurer that used a Visual Reality application to help families visualise what they would do in the event of a house fire.

Additional reading:

Several case studies were mentioned:

Pefin - www.pefin.com

Mint (US) - www.mint.com

Clydesdale Bank – www.waracle.com/case-studies/clydesdale-bank

N26 – www.next.n26.com/en-eu

Starling Bank - www.starlingbank.com

Monzo – www.monzo.com

Quill - www.quillcontent.com

Rvolut - www.revolut.com/

Thank you to our speakers

Rohit Talwar, CEO, Fast Future

Rohit advises global firms, industries and governments on how to survive, thrive, spot and manage emerging risks – especially those involving technology.

Noel Lyons, Director of Experience Design, Barclays UK

Noel champions the customer and ensures data and behaviour-driven design are at the forefront of Barclay's product thinking.

Deirdre McGlashan, Global Chief Digital Officer, MediaCom

Deirdre is a specialist in developing communications solutions that have systems thinking processes at their core.

Hanne Tuomisto-Inch, Senior Industry Head – Finance, Google

Hanne leads the insurance and financial services vertical at Google, helping companies drive digital transformation in their business and marketing.

Greg Handrick, Partner, Prophet

Greg helps businesses unlock growth from research-driven insights and opportunity sizing, to new product development, sales optimisation, and organisational change management.

Orlando Machado, Global Director of Customer Analytics and Data Science, Aviva

Orlando leads a team of data scientists, statisticians, insight analysts and targeting specialists, with the aim of understanding vast volumes of data to create relevant and engaging products and experiences.

The Financial Services Forum

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