Microsoft

Banking on AI

Learn how AI is enabling the transformation of banking and capital markets

Artificial intelligence isn't going to replace bankers. It's going to optimize how banks work by helping them become more agile, make smarter decisions, and, ultimately, stay more competitive. In this e-book, you'll find out how a combination of intelligent agents, modern apps, and machine learning can help your bank turn data into insight, transform ideas into action, and turn change into opportunity.

AI has the power to transform the financial services industry more than any other technology has in recent history.

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Innovation for all

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AI delivers a better customer experience by engaging people in a natural, highly personal, and innovative way. Gain more loyalty and improve your bottom line.

Know your customers
Get a 360-degree view of your customers with predictive intelligence that shows their buying habits and financial aspirations, which can boost overall performance and profitability for your organization.

Keep it conversational
VeriPark Next Best Action is a leading customer-centric technology that helps create a more natural dialogue for a more personalized

customer experience. It can aid banks in better understanding consumer data for more targeted offers that cater to the needs of each customer, which is key for retention. It also helps banks keep messaging consistent across all channels, whether at an ATM, on a website, or on social media.

Trust through security
How do you continue to innovate with an eye toward productivity and customer satisfaction while maintaining appropriate levels of security? Success means securing identities, apps, data, devices, and infrastructure with the most financial-services–ready cloud provider.

Metro Bank

Metro Bank uses AI to analyze customer interactions and track key performance indicators, including customer satisfaction. That way, the bank can identify and address problems before they begin to affect the customer relationship.

02
Data is the key

Data is the key

In the face of regulations, legacy systems, and cost pressures, financial institutions must utilize big data to lower costs, improve efficiency, and unlock investment potential.

A recent report by McKinsey & Company states that only 15 percent of today's bank risk control falls to analytics, but that by 2025, that percentage will rise to 40 percent.[1]

Optimize operations
Machine learning—a computer's ability to take data and improve performance without programming—helps you gain insight into risk and operational models, as well as act on real-time intelligence to enhance risk management while meeting all-important regulatory requirements.

Defending your data
Security in the cloud may be different from security on-premises, but it's just as important. That's why Microsoft has made significant investment in building cloud infrastructure to provide continuous monitoring, increased transparency, and digital privacy protection, allowing your customers to take advantage of all the cloud offers in a more secure way.

Mitsubishi UFJ Securities

As analysts at Mitsubishi UFJ Securities (MUFG) became more and more overwhelmed by the volume and complexity of regulations, they enlisted Microsoft Azure to help process more than 100 gigabytes of data every night and on weekends—without buying additional servers or leasing a new datacenter.

03
Not business as usual

Not business as usual

Reimagining and simplifying business processes will give financial institutions the edge they need to compete in the rising digital economy while improving their bottom lines.

According to a survey by Accenture, nearly 90 percent of banking executives agree that organizations must innovate at an increasingly rapid pace just to keep up with the marketplace.[2]

Save time and money
Digital agents are more cost-effective in dealing with customer requests—plus, they save your workforce valuable time.

Get answers quickly
Engage your customers with faster, more customized service that encourages people to bank more often, which will also increase revenue.

Reach more customers
You can only have so many bankers working to serve more than their top-tier customers. The use of bots means you can reach more customers at every financial level.

04
Making smarter bankers

Making smarter bankers

Applying what we've learned in bettering the customer experience, AI now allows bankers to be more collaborative and productive without sacrificing security.

By 2021, Gartner estimates that AI augmentation will generate about $2.9 trillion in business value and recover about $6.2 billion in worker productivity.[3]

Empower bankers
Gain rich customer insights with speed and efficiency to help your employees better understand their clients.
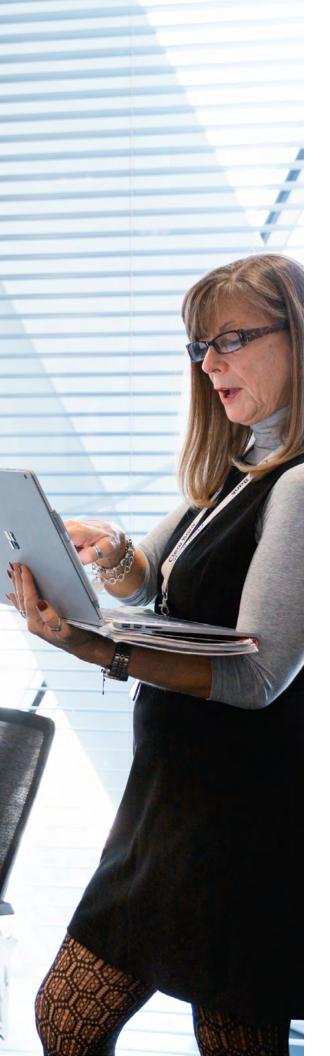
Workplace productivity
By giving your bankers access to real-time information on whatever devices they choose, your organization can keep costs down and increase productivity by fostering collaboration and faster decision making.

Keep them happy
AI can help you understand how your team is handling its workload and help prevent costly turnover.

TD Bank

With the help of Office 365, TD Bank is looking to the future of banking by empowering bankers to be more productive, which in turn attracts new talent to join the ranks.

05
The fight against fraud

The fight against fraud

AI has been on the frontlines against fraud for a while now, but these days, it's more powerful than ever, thanks to machine learning and stronger computing power.

"[AI] helps lenders make more accurate decisions more quickly. The loan applications a lender will turn down and ... approve are easy to spot. The gray area in the middle, which are the ones they have to manually refer, are much trickier."

—Mark Davison, Chief Data Officer, Callcredit

Quick detection
Give your security team the tools it needs to protect your bank and your people against increasingly sophisticated cyberattacks with real-time analysis for faster threat detection.

Protect and maximize
Real-time screening is simple to use, and, more importantly, it strikes the right balance between detecting violations and processing customer payments without unnecessary delays. You'll also find intuitive alert management tools to help streamline your operations, while graphical dashboards show risk levels.

Stay flexible
Reduce operating costs with flexible screening tools that seamlessly integrate with multiple banking and financial services business systems.

UBS

Based on Microsoft Azure and Power BI, UBS uses an automated screen engine to catch any sanctioned entities trying to slip through manual "Know Your Customer" (KYC) checks.

06
Manage risk

Manage risk

Machine learning boosts analytical capabilities in risk management and compliance to help you make more informed security decisions.

A recent report by McKinsey & Company estimates that about 50 percent of staff today are dedicated to risk-related operational processes, while 15 percent focus on analytics.[4]

Real-time intelligence
Optimize risk management by getting risk results as quickly as possible for faster, better everyday decisions. Real-time intelligence also helps you meet regulatory requirements more effectively.

Improve modeling accuracy
Radically improve risk analysis with predictive modeling—and fuel innovation with more simulations and "what if" analyses.

Axioma

Despite the obstacles of a new, highly regulated market, Axioma became a recognized name among FinTech providers largely because, unlike its competitors, it could update equity risk models daily, thanks to Azure.

Looking forward

Artificial intelligence technologies will continue to impact the ways in which banks do business into the future. Learn how AI from Microsoft can play a key role in your organization's transformation.

→ **Learn more**

1. *The Future of Bank Risk Management*, McKinsey & Company, December 2015.
2. Jim Marous, "Banking Must Move from Mobile-First to AI-First," *The Financial Brand*, May 16, 2017.
3. "AI Will Create 2.3M Jobs by 2020—Report," *FinTech Futures*, December 14, 2017.
4. "Artificial Intelligence Is a Game Changer for Risk Management in Finance," *Bloomberg*, October 30, 2017.