

 White Paper

Model Behavior

How to Incorporate Branch
Automation Into New Branch Forms

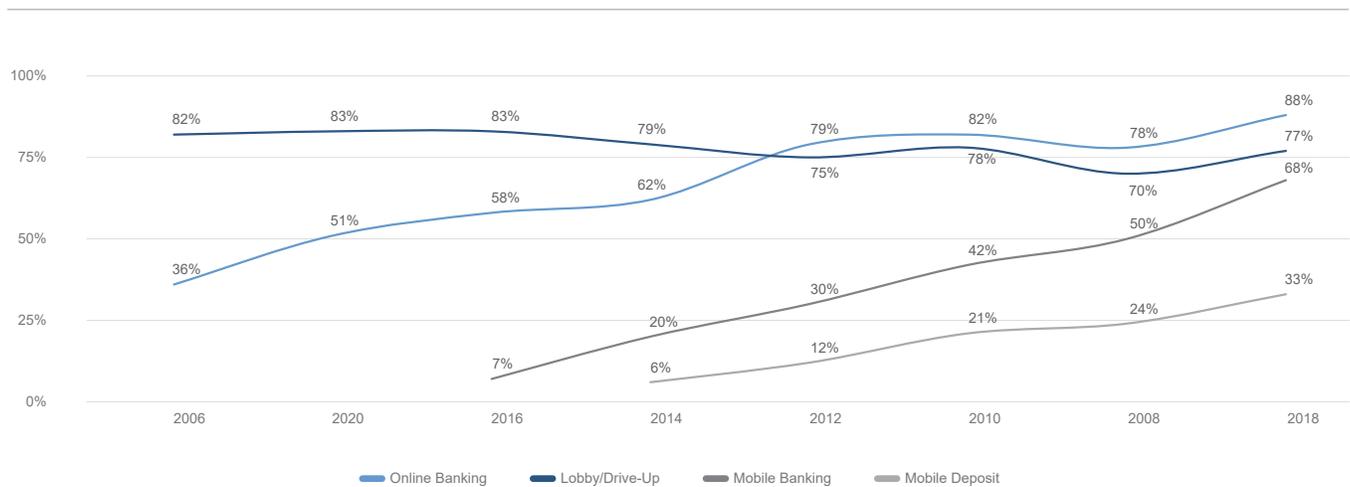
Consumers of financial services often have high expectations for both in-person assistance when help is needed, and for the convenience of on-demand self-service digital and mobile channels. By appropriately evolving and automating branches, financial institutions can deliver an experience that balances the delivery of the personal attention consumers need with the self-service capabilities many of them want.



Today's consumers are able to conduct their financial lives with enhanced speed and improved security options. And according to recent findings from Raddon® Research Insights (see chart), they're continuing to use these capabilities through a variety of delivery tools and payment methods.

Delivery Channel Use in a Typical Month

Percentage of Households Saying They Use Delivery Channel Monthly



Source: Raddon Research Insights, The Evolution of the Branch, February 2021

Striking the right balance between providing an optimal level of personal assistance with a strong digital and self-service capability is a significant challenge. Staffing your organization with skilled subject matter experts to assist consumers is a difficult yet well-known process. But what's the best method to address the growing demand for new self-service tools?

Millennials, for example, favor the deployment of significant automation and expanded ATM features. As the largest U.S. demographic, these consumers are relying on financial institutions to provide new options and servicing capabilities.

Millennials Consider These Features Important/Extremely Important While Using an ATM

Access through their smartphone



71%

of millennials consider this important

Receipts sent through email



63%

of millennials consider this important

Cash in preferred denominations



72%

of millennials consider this important

Deposits without using envelopes



67%

of millennials consider this important

Source: Raddon Research Insights, Branch Evolution: How Has the Pandemic Changed Branching?, September 2021

To satisfy today's consumers, financial institutions must find a way to preserve a personal touch, and at the same time incorporate new capabilities that provide automation tools for branch efficiency.

Here's how.

Make Brick-and-Mortar Changes

Creating an appropriate physical branch infrastructure is a key step in delivering comprehensive consumer service experiences. Implementing a three-tiered branch concept can be an effective approach.

Showcase Your Flagship Branches

Flagship branches provide the single, best opportunity to display your brand and deliver a premium consumer experience. Here, all your technology and servicing should be on full display, addressing the needs of consumers who want and need the human touch, as well as those who want significant self-servicing options.

Flagship branches should be inviting, spacious and open. They can be staffed with greeters or a concierge to get consumers in touch quickly with your experts – universal bankers, or advisory staff, for example – who can promptly deliver meaningful, direct assistance.

These branches also take full advantage of branch automation capabilities such as teller cash recyclers, and self-service and video-enabled Interactive Branch Kiosk(s), using the technology to increase efficiency and servicing.

Consider Micro Branches

Micro branches have a smaller footprint and may be in shared spaces – such as malls or supermarkets. The staff is reduced, and not all services are available here. Micro branches generally focus on advisory and high-volume services, and self-service and/or video-enabled Interactive Branch Kiosk(s) may also be featured.

Extend Your Reach With a “Branch in a Box”

Taking up less than 100 square feet, the “branch-in-a-box” concept contains secure, drive-up or walk-up self-service or video Interactive Branch Kiosk(s) – to extend your service hours and the reach of your brand.

Implement Branch Automation Capabilities

Deploying branch automation strategies and tools can improve efficiency, provide significant self-service options for consumers, and drive growth and success.

Start With Insights From Advisors

Industry advisors can help you evaluate branch technology upgrades or outsourcing options, to ensure your financial institution is using technology and relevant business processes to deliver an elevated consumer experience.

It is vital to understand your market, your consumers and the solutions available to you. An analysis of emerging trends, tools and branch management tactics and strategies can widen your perspective and point the way to innovations that help achieve your performance goals. Working with an experienced advisor can help you make sense of market developments and industry buzz.

No advisor should take over or replace any role at your financial institution; rather, they should complement your efforts and make your job easier. Truly collaborative partnerships can yield high-impact results.

Ask your advisor to begin with a focus on your unique market position and needs, and then mix in industry research. These ingredients provide a recipe that can identify innovative strategies to help you produce measurable results, positively impact revenue and promote long-term growth.

Advisors can guide you in several key branch automation areas, including branch network optimization, cash management optimization and self-service fleet tech assessments. These approaches can help you meet your consumers’ expectations and deliver optimal banking moments that balance automated experiences and robust staff interactions.

Add Self-Service Tools

Implementing new branch automation solutions can provide flexibility and convenience to your associates and consumers. Consider implementing:

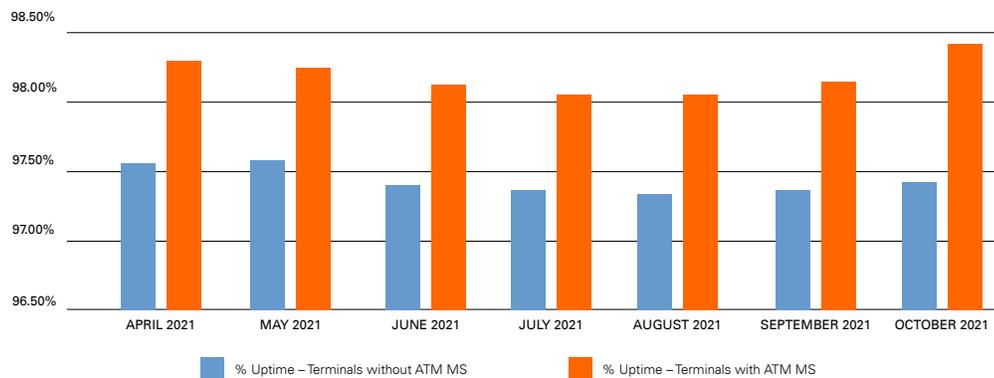
Modern Recycling ATMs – Deploy ATMs with powerful features for reducing residual cash, culling counterfeit notes and accepting deposits without envelopes. The devices can come prewired to support video technology. Future-proofing your ATM asset gives you the opportunity to upgrade the consumer experience with connectivity to account processing systems.

Interactive Branch Kiosk(s) – Interactive Branch Kiosk(s) are enhanced ATMs connected to account processing systems, remote video tellers or both, enabling consumers to conduct transactions formerly requiring in-person assistance. When connected to a financial institution’s core banking system, the kiosks enable consumers to conduct self-service transactions, including making payments on a loan or credit card, cashing checks and making deposits, withdrawals and transfers. These kiosks can extend a financial institution’s business hours and location availability, and require fewer associates to support interactions.

Video-Enabled Interactive Branch Kiosk(s) – These kiosks enable consumers to initiate sessions to see and speak with a teller. Personalized assistance can be provided for check cashing, mixed deposits, transfers, withdrawals, general service inquiries and other financial institution-defined services. Financial institutions can extend service hours and provide staffing flexibility to support new locations or mitigate service impacts from branch or drive-through closures. Tellers can also help consumers learn to self-service, leading to further savings.

Teller Cash Recyclers (TCRs) – TCRs are self-balancing, secure cash drawers operated by your branch personnel – in any floor plan – that free your staff from time-consuming cash-handling tasks. With no drawer to balance during the day, branch staff can assist consumers with more complex transactions.

ATM Availability Is Critical for Self-Service Transactions



5.93

more hours available
for **every** ATM
every month

Source: Fiserv 2021 internal data based on EPOC and Northeast Platforms

Adopting new terminals with enhanced servicing capabilities can improve associate productivity, extend your business footprint and improve customer satisfaction.

Outsource Cash Management and ATM Services

Consider outsourcing the management and operation of your cash infrastructure and ATMs/Interactive Branch Kiosk(s)/TCRs to a qualified service provider. A managed-services partner can provide robust support that enables you to improve your branch environment and add control and visibility to your costs and performance, so you can devote more time to your other business priorities. Among the benefits of outsourcing are:

Enhanced Hardware Availability – Experienced managed service providers may improve your fleet’s uptime, ensuring your devices are available to transact.

Streamlined Vendor Management – Eliminate the need to juggle multiple vendor relationships and streamline your internal resources by consolidating your program administration. Your service provider becomes your single point of contact to coordinate all aspects of your cash management and ATM programs.

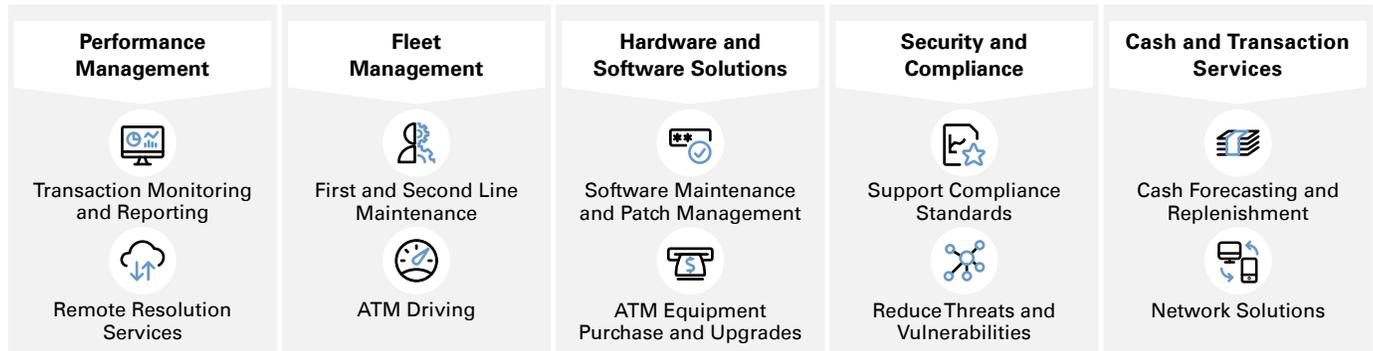
Supported Compliance And Security – It’s easier to keep up when a qualified vendor puts current industry standards and fraud prevention strategies to work on your behalf.

Maximized Revenue and Managed Costs – Your revenue may grow as you manage operations more efficiently, and your consumers enjoy increased uptime and an enhanced experience across your ATM network. A qualified vendor can also help you budget for expenses and manage upgrades or expansion of your hardware. Need new equipment? Large vendors have purchasing power that may minimize your capital investment and reduce operating costs.

Enhanced Innovation and Brand Building – Every interaction is an opportunity to strengthen consumer connections. A qualified vendor may be able to provide you and your consumers with enhanced cash management and ATM/Interactive Branch Kiosk(s) features and a better overall experience that aids in attracting new business.

By focusing on your consumers’ needs, you can leverage the expertise of your vendor to create a competitive advantage that balances consumer engagement and convenience while simultaneously reducing management expense.

Managed Services Provide Significant Operational Advantages



Achieve Results

Your branch evolution and branch automation approach can help you achieve better results:

Reduced Branch Costs – Evolution and automation can lead to substantial savings, including building smaller branches, replacing teller counters and eliminating pricey infrastructure like pneumatic tubes, vaults and undercounter steel.

More Revenue – Evolution and automation can increase self-service transactions and drive revenue growth through higher loan volume, increased transaction volume and more new account openings.

A Flexible Workforce – Branch automation elevates employee development and creates career paths that can improve workforce satisfaction and retention while attracting new, skilled associates. Staff can concentrate on building relationships with consumers and providing financial consulting and services.

Enhanced Productivity – Deploying technology can dramatically reduce branch staff handling of routine transactions, as well as the time spent handling cash. These efficiencies benefit all associates, including teller staff, branch managers and advisory staff.

When Form and Function Meet

Branches will continue to evolve. Your challenge is to reimagine them as financial service centers that can readily perform value-added interactions with consumers. By creating a unique vision for your branches, you can transform them into the ideal channel for reimagined service delivery.



Connect With Us

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