

ENTRUST PERSPECTIVE

Providing a secure and convenient banking experience

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The digital transformation cannot exist just on the front end but necessitates a transformation of the back office as well. For NCR, combining all those digital initiatives across channels is streamlined by shared technology layers in the banking platform and an API-driven set of services that allows banks to choose the setup that suits them best

As digital transformation continues for organisations around the globe, banking is one of the industries that has the potential to lead the way. At the height of COVID-19, financial institutions closed their lobbies to keep customers safe. This sudden shift left many financial organisations scrambling to update their digital strategies to meet new consumer expectations. As a result, we saw banks with established digital strategies experience fewer business disruptions than those who were behind the curve on prioritising digital transformation.

Similarly, although the use of contactless payments has steadily increased over the last several years, the pandemic has pushed contactless toward significant mainstream adoption. An August 2020 survey found that one in five consumers used contactless payments for the first time during the pandemic. Many believe this technology is essential moving forward, enabled further by the gradual increase in contactless transaction limits, and will continue even after the pandemic subsides.

Instant card issuance is a key capability

As we move toward a more on-demand future, customers will continue to want things instantly, including their payment cards. Even as bank branches reopen, the desire for a seamless, low-contact, self-service experience remains. With instant card issuance, customers can go to their banks and pick up a new card right away, rather than wait several days for it to arrive in the mail. Banks can also offer a self-service and/or drive-through experience with touchless instant issuance. Then customers can immediately start using their new chip-equipped card for safe, contactless payments.

At its heart, instant card issuance is relatively easy to adopt: all that's needed is a card printer and

either an on-premises or cloud-hosted software stack. To help enable this scenario, Entrust has recently launched its Sigma DS4-K instant issuance device. Entrust designs and builds these devices to meet the stringent reliability and security requirements of our partners and the industry, as well as considering the kiosk environment itself.

To ensure a compelling and secure user experience, there are extra factors to address. In addition to the existing services, such as account opening and management and cash/cheque deposits and withdrawals, the Interactive Teller Machines (ITMs) used by customers should have a user-friendly interface that's able to handle multiple card designs and embossing, including both credit and debit card profiles. Furthermore, the printer and the system it is attached to should include cybersecurity protections, including secure booting, malware detection and encryption of user certificates to protect sensitive data. It is here that Entrust works closely with partners like NCR to deliver a combined ITM solution. NCR has over 14,000 ITM terminals globally and is a global leader in remote assisted self-service.

Although the adoption of online shopping, banking applications and digital wallets continues to grow, payment options are not being removed, so there will continue to be a place for physical cards and in-branch transactions for the foreseeable future. The increasing use of mobile applications and digital payment services has not only paved the way for new banking models but also highlighted the importance of user experience in banking, regardless of how they choose to engage.

Offering value through the branch

The physical branch is in a state of continuous transformation. Major banks have shut down as much as five percent of their holdings due to digital banking, and global branch numbers are now below 1 million (965,000) and set to fall to 937,000 by 2025. However, these branches still have a relevant

place in delivering experiences to consumers by focusing more on consultancy and advisory services. Consumers still want to interact in person to engage on money issues, planning and advice.

In some cases, branches are being moved to locations such as healthcare centres or university dormitories. By and large, the branch footprints themselves are smaller. But drill down a bit, and within those smaller footprints, the continuum of interactions is being reimaged.

ITM kiosks can provide a wide array of banking transactions that can be completed in the self-directed banking channel. Some of these will be traditional services such as basic cash withdrawal, deposit, account management and document printing, but it is now feasible to introduce interaction models that enhance the self-service experience even further. This can include many services that would have traditionally required a teller and physical signed forms, such as loan and new account applications through to global payments or payment disputes. Additionally, we can now add capabilities such as pre-staging (where a customer can complete all the initial forms online or via an app and collect their card by simply entering the generated code) or video support in which a relevant bank employee can remotely connect to the kiosk and advise or support the customer in real-time.

Though branch visits may have decreased in frequency, the value is still there – and delivering that value in omnichannel settings within the branch can help banks cement relationships with their customers. When the relationships are more holistic, consumers tend to become multichannel users. And those who engage with in-branch high-tech services – and particularly self-service options like ITMs and mobile check capture – are more valuable customers than those that are digital-only.

The importance of this continuum of interactions necessitates a digital transformation not just on the front end but in the back office as well. For NCR, combining all those digital initiatives across channels is streamlined by shared technology layers in the banking platform and an API-driven set of services that allows banks to choose the setup that suits them best.

On the consumer-facing side of the equation, if a customer using the ITM starts down a particular



path and gets frustrated, they can either invoke a virtual assistant to help facilitate the transaction or get right to the banker who can help them.

Provide secure and consistent services across the physical and digital spectrum

The pandemic imposed new challenges on all of us. We at Entrust embraced these challenges by providing banks and financial organisations with a means to deliver their services not just within normal operating hours, but 24/7. The next step on this journey comes in the form of our recent acquisition of Antelop Solutions, which merges digital and physical banking credentials, enabling banks to deliver and manage digital cards securely in consumer mobile apps.

As more customers look to adopt contactless cards and payments during and after the pandemic, this technology will be particularly important for banks. We also expect that instant card issuance will continue to be popular in the post-COVID world for purposes of convenience.

The reason for developing all these capabilities is to provide consumers with a safe and convenient banking experience, where they can access their financial data securely and conduct transactions with ease. As such, modern banking needs to cater to every customer for every financial requirement in a way that is seamless, secure and consistent across the physical and digital spectrum. The implementation of these kiosks ensures banks can blend the online and offline experiences and provide the support and peace of mind that customers expect, at the speed at which they expect it. ■

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