

Artificial Intelligence

“Hey Siri, what’s the weather like in Port Louis today?”

“Alexa, make me laugh!”

“Ok Google, play me some music.”

This is not only for the tech-savvy, you must have all, at some point, made your phones or used a gadget to do something for you. Ranging from these to self-driving cars, Artificial Intelligence (AI) has grown rapidly popular in this fast-moving world largely helped by big data and advanced algorithms. Portrayed as robots taking over the world in sci-fi movies, AI is not that scary, but not that smart yet. It has however, helped in a number of healthcare, retail, manufacturing, and in banking business.

Banking, at least the physical part of it, has become an industry that is being waved down by Millennials. Financial Institutions, with the use of AI, have enhanced the effectiveness, the speed and the accuracy of human effort.

How is AI being used by banks today?

1. Enhanced client experience

Customer identification and authentication has been smoothed out, and the KYC process has been revolutionized. Banks have leveraged on big data they hold of their clients’ past interactions, allowing them to better understand their customers and their behaviours. Chances are high the personalized services your bank offers you are mostly born from data your bank holds on your spending patterns.

2. Online interactions

From online bots that chat with you to voice assistants, interaction with your bank can change to one that mimics employees, but which can provide at the same time, personalised insights and recommendations, just like a human expert.

3. Automation of processes

Processes have been transformed as AI can achieve incredible accuracy and speed. Repetitive processes are eliminated allowing human capital to dedicate their time to more value-added tasks that require human interaction. Similarly, this ensures quick processing of services at all steps for the client.

4. Fraud detection

With AI, banks can predict future trends or outcomes, hence any unusual transaction on your account can be easily identified.

What are the challenges?

AI is likely to revolutionise the banking industry, at least in the years to come. You might not be the tech guy or a millennial, but AI systems have been trained to improve your client experience.

The principle drawback of AI is that it is fed by data, and therefore any accuracy in the bank of knowledge is likely to be reflected in the results. Another limitation of AI, is that one AI system is a specialized function, therefore can focus on a single task, unlike humans, they are trained to perform only one clearly defined task.

The objective of AI is to add intelligence to already existing services and reason on input. AI has not been put in place to replace humans, it simply betters our abilities and renders us more efficient in what we do. An AI-driven future will make processes intelligent enough to bring about solutions and advantages to all players.

Peek around, you will see how surrounded by AI you are!

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