

Going Digital – Why Banks are Flocking Towards it

Going Digital - Digitization

It simply means capturing data, or knowledge, for a vast number of things that we do, in a way that can be used to be more efficient or bring more value in things that we offer as a business or do as persons. The data captured are in digital format. You can think of it as zeros and ones, or 0 & 1. This sounds familiar with the world of computers. Right!

Going Digital - Digitalization

Yes, digitization and digitalization are two very different things, but are related, like the comic characters Tom & Jerry. Now having digitized the inputs, digitalization is the process of exploiting the digital aspect of it to profit organizations in delivering better service, products, experiences etc.

The Banking World

This is the new craze, more so in the banking industry. Everyone is going digital! The financial industry is so competitive that going digital has its meaning and *raison d'être*.

Banks realized that digitizing information unlocks potential to study customers' needs, spending patterns etc. and try to develop products and services, or even new way of doing things to the customers' benefit. They hence capture a bigger market share. The number of IT firms offering this service, or the number of workshops and training events covering it, reflects this tendency.

How fun is it for customers?

Imagine that you get a congratulatory email from your bank's relationship personnel almost instantly after you got that long-awaited promotion or bonus.

Or your dossier is already open and ready with your favorite coffee as soon as you step in the bank.

Or even better, your pre-approved car loan is e-sent to you even before you asked for it or mentioning the amount required for that next new car you longed for.

And add the above to many more fun and really convenient experiences, you get a taste of what's coming for you. Guess you would start bullying your bank to go digital!

And How Fun is it for Banks?

Fun, or we should rather say profitable with business growth potential. By offering such convenient and 'wow' services and tailor-made products to their clients, banks maximize their chance of retaining existing clients, attracting new ones and increase their bottom-line.

Expenses are reduced due to more efficient processes, lower turnover time and less staff required for the same tasks. We call this a rationalization of business lines. With a wealth of data at their disposal, banks would be seen much valuable. As a matter of fact, the current richest enterprises in the world all deal in the data business in some way or the other [Amazon, Apple, Google, Facebook etc.]

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