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Payments and card optimization: Where to start from

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01

Context

Major trends in the payment's ecosystem and areas for process improvements

02

ServiceNow FSO

How ServiceNow FSO can address the new market needs

03

Use Cases

Credit Card Issuing and claims handling

04

Closing & Q&A

During the past few decades, the payments industry has rapidly embraced new technologies in the process, opening new avenues to serve customers

Pre - 1960s

1960s - 1990s

1990s - 2020s

2020s



Cash




Cards



Virtual Account



Modernization


Distribution channels

Physical

Physical and ATMs

Physical, ATMs, online and mobile

Physical, ATMs, online and mobile, embedded and metaverse


Technology

Telegram

Automated clearing house

Applications and instant payments

Platform as a service, generative AI, DLTs and open/API Banking

The same evolution is observed in the numbers related to the payments industry, which has experienced a rapid increase in the last 5 years

+62%

**Payment
System Access
Points**

+40%

Home Banking Users

+98%

Number of Payment Card Transactions



In this rapidly changing environment, payments processes do not seem to be fully mature enough to meet the new challenges of the ecosystem



IT architecture plays a pivotal and central role in driving innovation in payment process, and, in recent years, its evolution has predominantly focused on front-end System, often without corresponding adjustments to the back-end systems

**Front End
Systems**



**Back End
Systems**



*Core
Banking
Platform*



**Obsolescence of Core Banking
Platforms**



**Non-standardized Customer
Journey across all sales channels**



**Operational process inefficiencies,
related to the layering of
applications and IT systems**

Today there is a need for a paradigm shift to integrate and orchestrate processes and directly connect Front-End and Back-End Systems in a single ecosystem. Such a shift is enabled by ServiceNow FSO



PROCESS

Organizational inefficiency

Operational optimization leveraging RPA, and omnichannel

IT ARCHITECTURE

Obsolescence and Layering

Flexible and scalable IT architecture that reflects a customer-centric approach

CUSTOMER EXPERIENCE

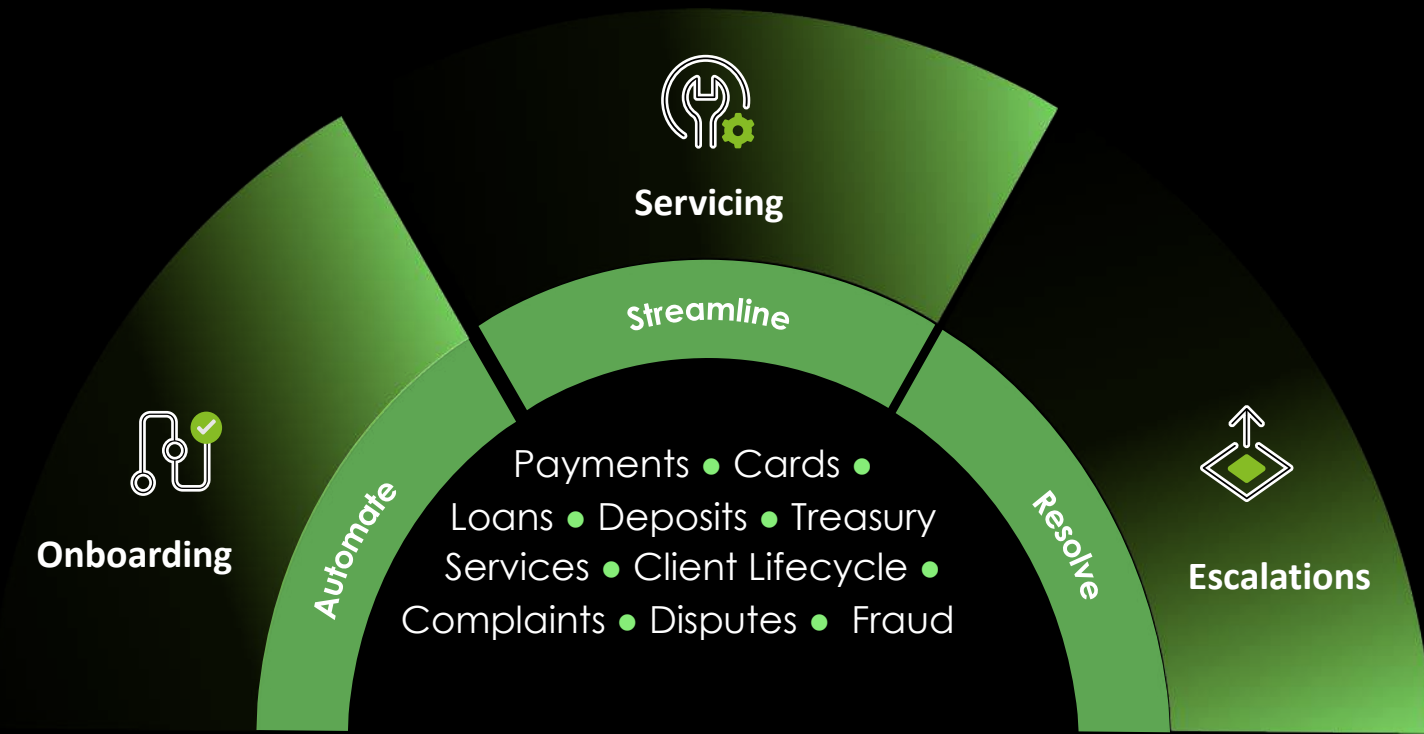
Fragmentation across all sales channels

Standardization across all sales channels and maximization leveraging GenAI



ServiceNow FSO

Supporting the end-to-end lifecycle, from the front to back offices, across all lines of business



Reduce costs

through more efficient servicing and digitally connected teams

Increase satisfaction

via fintech-like experiences (Employee Satisfaction + NPS)

Avoid regulatory findings

through embedded controls

Accelerate time to value

via banking-optimized data model, workspaces, workflow and integrations

● Financial Services Data Model Foundation

● Security

● AI and Automation

● Low-code and Extensibility

As a result, banks can lower their cost to serve while driving business value in weeks, not years

Automate issue resolution

72%

automation of the payment in error process



7 payment processes reinvented within 12 weeks

[Case Study](#)

Simplify self-service

63%

reduction in support case-types



2X platform adoption in 2 months

[Case Study](#)

Decrease manual workload

48%

reduction in workload per case file



From concept to launch-ready in less than 1 week

Payment case study - tangible outcomes

BEFORE

Highest payment exception by volume

28 days on average to complete

Regularly missing SLAs

Internal Audit observations and actions

Failing technology in process

Re-patriate resource due to Covid

Compliance challenges

AFTER 12 WEEKS



80% automation v previous process



2 days on average to complete



Financial write-off removed



Actions closed



Legacy technology replaced



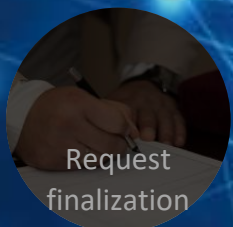
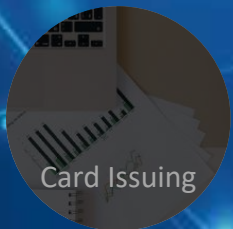
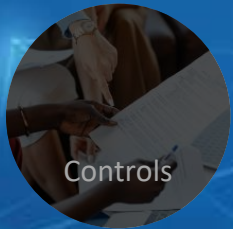
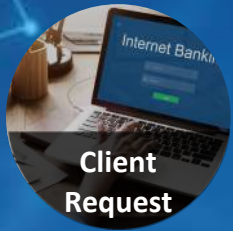
No requirement to replace outsource



Audit trail and embedded compliance



1° Use Case Credit Card Issuing



MAIN PAIN POINTS

Fragmentation of Experience across all sales channels
Paper – based management of the initial request



Input of the request by the Customer directly on the Bank Front End

Bank Customer Front End



Collection of the Customer's request by the Branch operator on the Operational Workflow

Operational Workflow



- Collection of the request by the Contact Center
- Registration of the request on the Operational Workflow

Operational Workflow

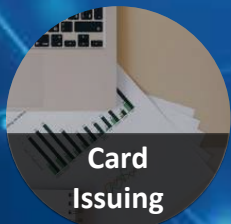
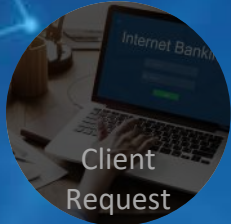


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Orchestration of a fully digitized experience

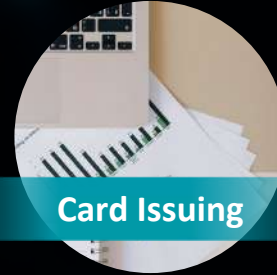
MAIN PAIN POINTS

- Time-consuming activities (e.g. controls)
- Many IT Systems to Use
- Paper Contracts



Controls

- **Controls** for correctness and completeness of documentation
- **AML and Anti-Fraud Controls**



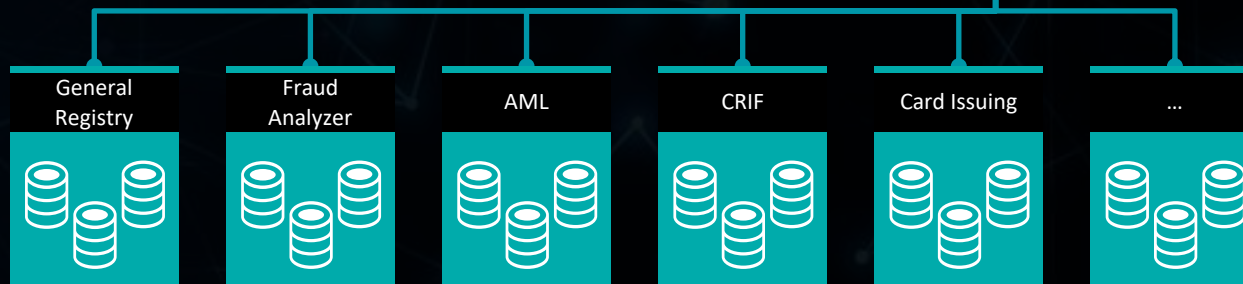
Card Issuing

- **Creditworthiness assessment**
- **Card issuance request**



Request finalization

Digital signature of the contract and automatic archiving of digital documentation



Organizational efficiency and task automation

Single Orchestration Platform

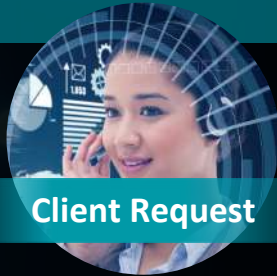
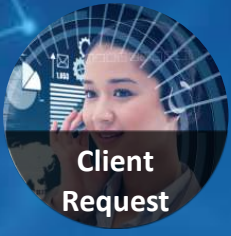
E2E Process Monitoring



2° Use Case Claims Handling

MAIN PAIN POINTS

Inefficient request handling
Ineffective request addressing



Client Request

Request Management

Resolution & Feedback

Collection of the request by the Contact Center leveraging AI

Interpretation of the Client's tone of voice and automatic pre-analysis of the request

Request management according to the **most appropriate actions**

E.g.: Re-generation of PIN code for the activation of the credit card issued to the Customer

Prompt resolution of the request and **final feedback** to the **customer**

Automation



Digital Business Operations



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Integration Hub



Operational Workflow for process Orchestration



General Registry



Fraud Analyzer



AML



CRIF



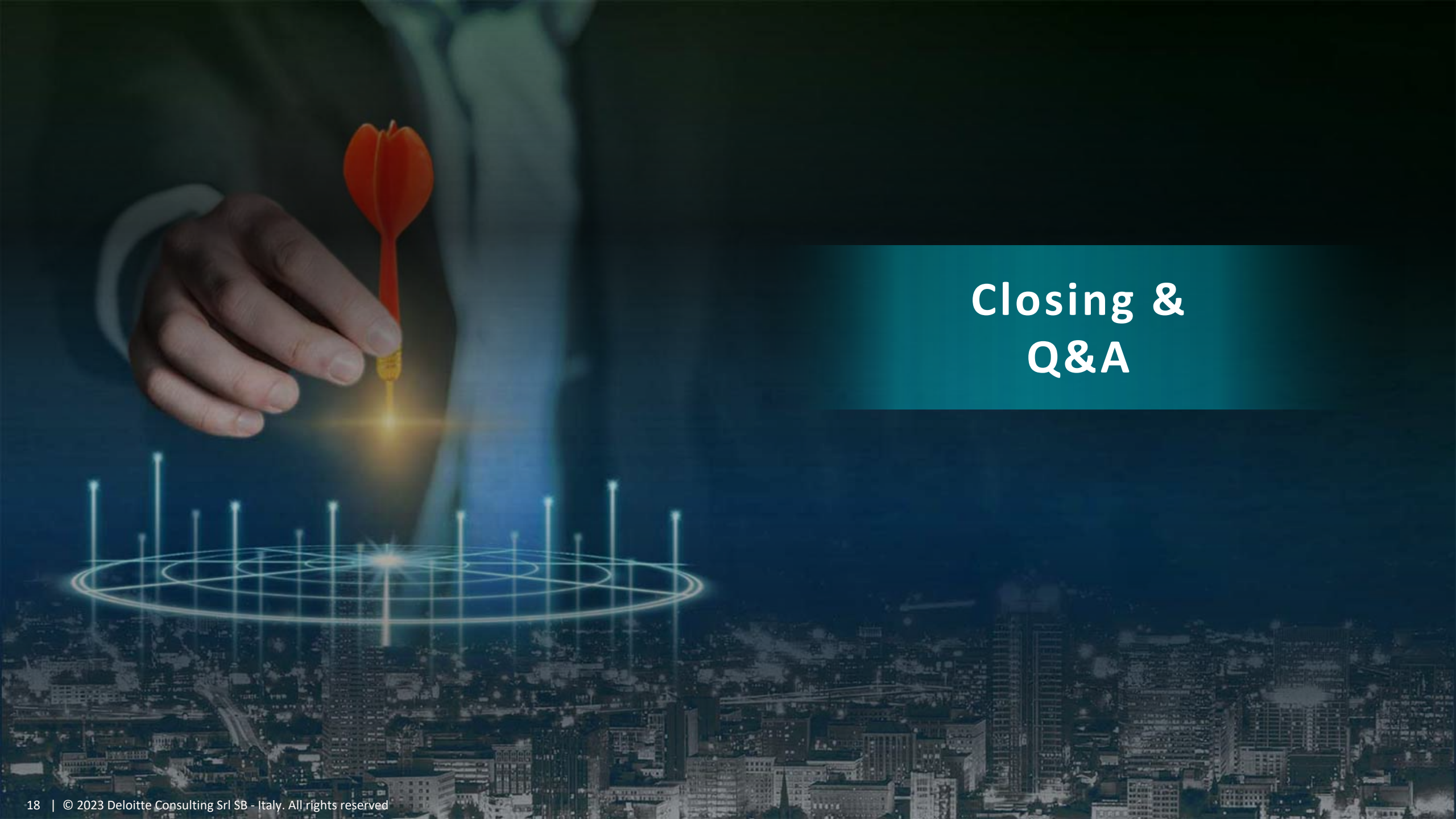
Card Issuing



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Prompt resolution
Effective resolution, low recycling, and reduction of the number of requests



Closing & Q&A

ServiceNow FSO could serve as an accelerator and facilitator in leading FS Players through the transformation of their Business Models based on the following three Key Drivers



**Customer Journey
Orchestration &
Maximization**

Orchestration of the Customer journey across all sales channels, with the aim of maximizing the experience



**Process Digitization and
Automation**

Streamlined and digitized operational processes that aim to enhance organizational effectiveness and efficiency, also by leveraging RPA/AI



**Flexible, integrated and
scalable IT Architecture**

Direct connection between Bank and Customers within a single IT ecosystem



Q & A



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