

## Digital Trend

### **Relevant customer communication and digital sales**

SpareBank 1 SMN's most important competitive advantage is its combination of simple, user-friendly digital solutions and relevant advice offered both by our digital channels and our branch offices. Digital sales accounted for 34 per cent of overall sales in 2018, up from 24 per cent in 2017. By year-end more than 60 per cent of all loans applications from retail customers started in the digital channel.

New digital solutions for businesses are also an important focal area, and in autumn 2018, we launched, as the first bank in Norway to do so, an entirely new service that makes establishing one's own business a simple matter. This fully digital service is hooked up to the Brønnøysund Register Centre and the government internet portal Altinn. Since its launch, 83 businesses have been established by way of the new service.

In autumn 2017, the bank introduced the market's most powerful tool for coordinating relevant customer communication across the bank's channels. Through 2018, this has enabled the bank to initiate various follow-up programs designed to ensure that customers receive correct information tailored to their needs. Initiatives presented in the mobile channel and the internet channel are well received by customers. Correct use of data and a well-functioning and effective cross-channel interplay are crucial to creating a good customer experience, and to increasing sales across all channels. Advanced statistical prediction models substantially enhanced the level of precision. At the start of 2019, a project is under way to put the tool to use in the Corporate Banking business line too.

The client meeting with advisers is central to the bank's offering to retail customers and businesses alike. At the same time as more and more contact points between the client and the bank are being digitalised, the bank is working purposefully to ensure that we provide relevant and good advice in connection with important life events of our personal customers or with major changes at businesses. In 2018, the bank introduced virtual reality (VR) technology in its adviser training to imbue our competence-building measures with even greater learning effect for our advisers.

### **The financial industry of the future**

SpareBank 1 SMN has set itself the ambitious goal of exploiting the opportunity provided by the revised Payment Services Directive, PSD2, to offer improved services and add more value for existing and new customers. In 2018, it became possible for our customers to view their account balance with other banks on their smartphone. This is the first step on the path towards an open system enabling us to offer banking services to both new and existing customers. This can be done through the bank's existing channels, new dedicated interfaces and ecosystems bringing in a number of partners.

Much of the development work will take place through the SpareBank 1 Alliance, which has a strong development unit, but the bank is also strengthening its in-house team with new skills designed to enable more customer centric innovation and development, in particular involving interaction with local innovation entities. The bank works closely together with start-up companies, partly through its fintech incubator F3 "Finance for the Future", located in the bank's head office building.

In 2018, the bank continued its work on cloud technology as a platform for new IT solutions. Cloud solutions provide opportunities for quicker access to new solutions or to adapt solutions to meet new needs. SpareBank 1 SMN participates in the Alliance's shared security strategy effort to address and respond to the changes this development brings.



## Rise in digital channel sales

Digital sales accounted for 34 per cent of overall sales in 2018,  
an increase from 24 per cent in 2017

Nelly S. Maske, Executive director, Organisation and Development