

The Future of Financial Services in the Era of AI

How AI is transforming financial services inside-out

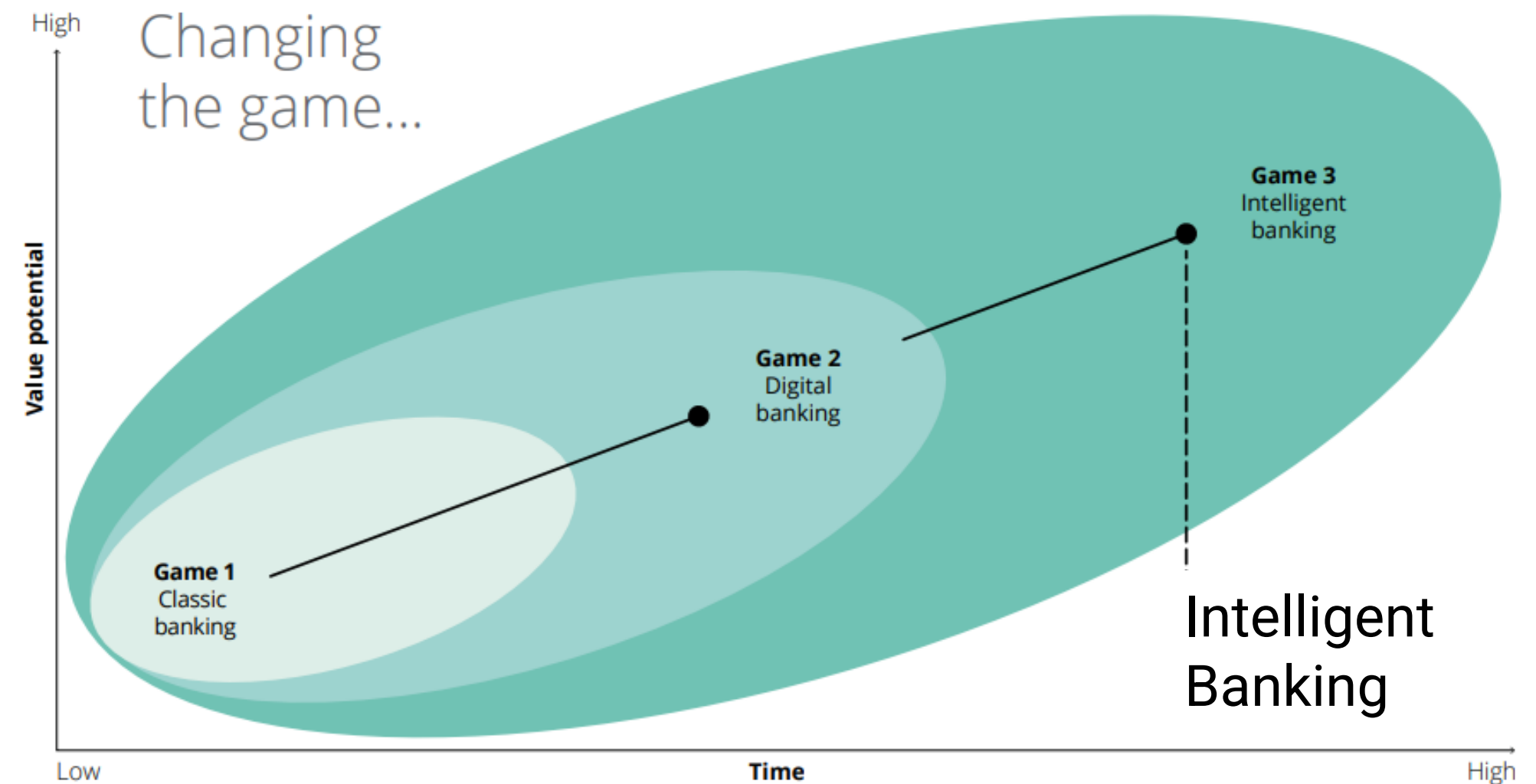
Dinto Jose | VP Merchant Solutions
Deutsche Bank | 30.10.2024

Why AI Matters for Financial Services

AI as a Strategic Enabler: AI is capable of transforming customer experience, decision-making, and risk management.

Shifting Customer Expectations: Increased demand for personalized, efficient, and secure financial services.

Competitive Advantage: AI gives financial institutions a lead in innovation and efficiency.



Core Areas of AI Impact in Financial Services



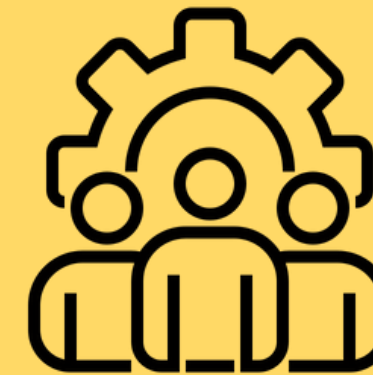
Customization & Predictive Banking

Personalized offerings and proactive services.



Risk Management

Intelligent handling of internal and external risks.

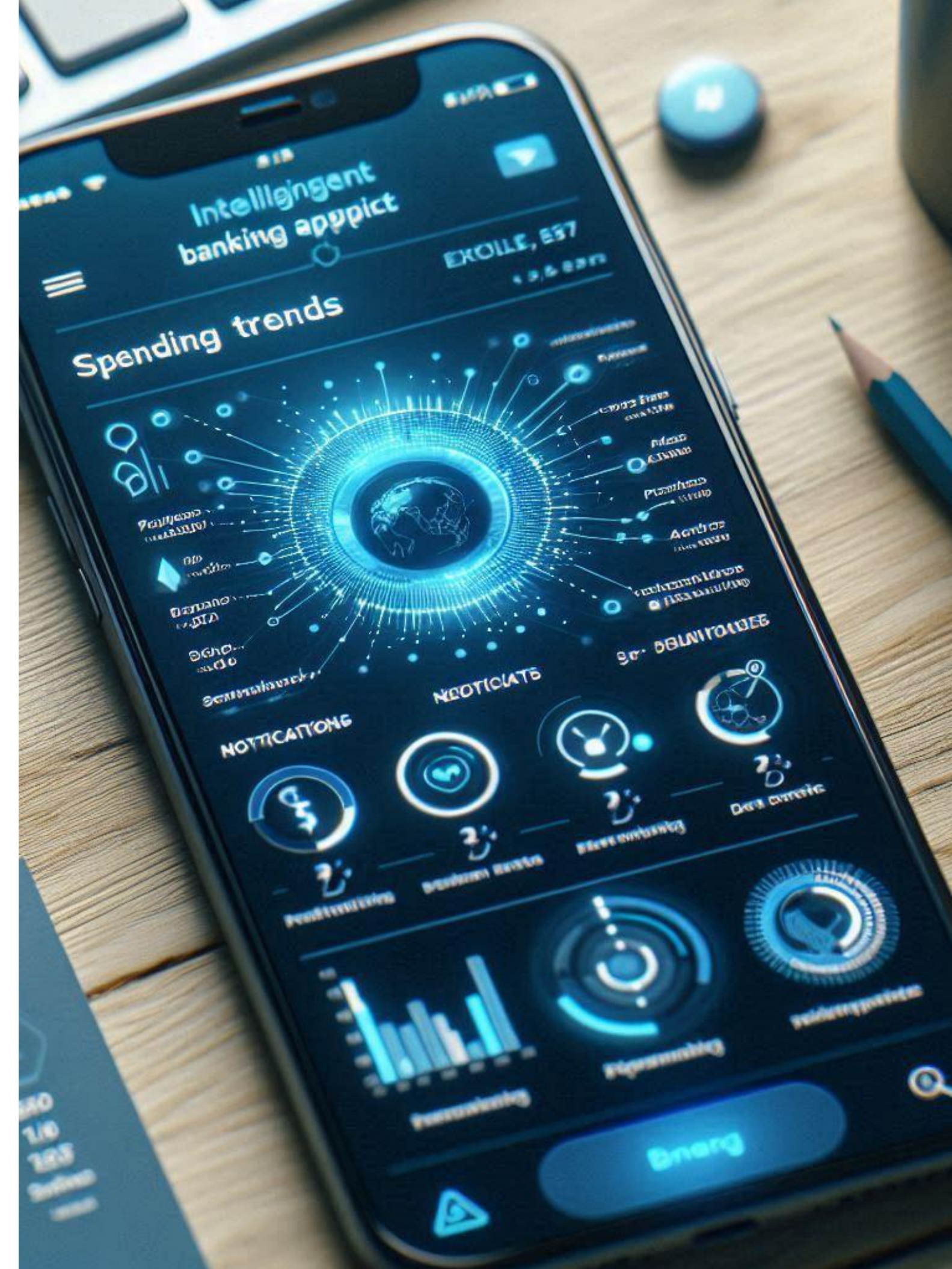


Operational Transformation

Enhanced efficiency and cost reduction.

Customization & Predictive Banking

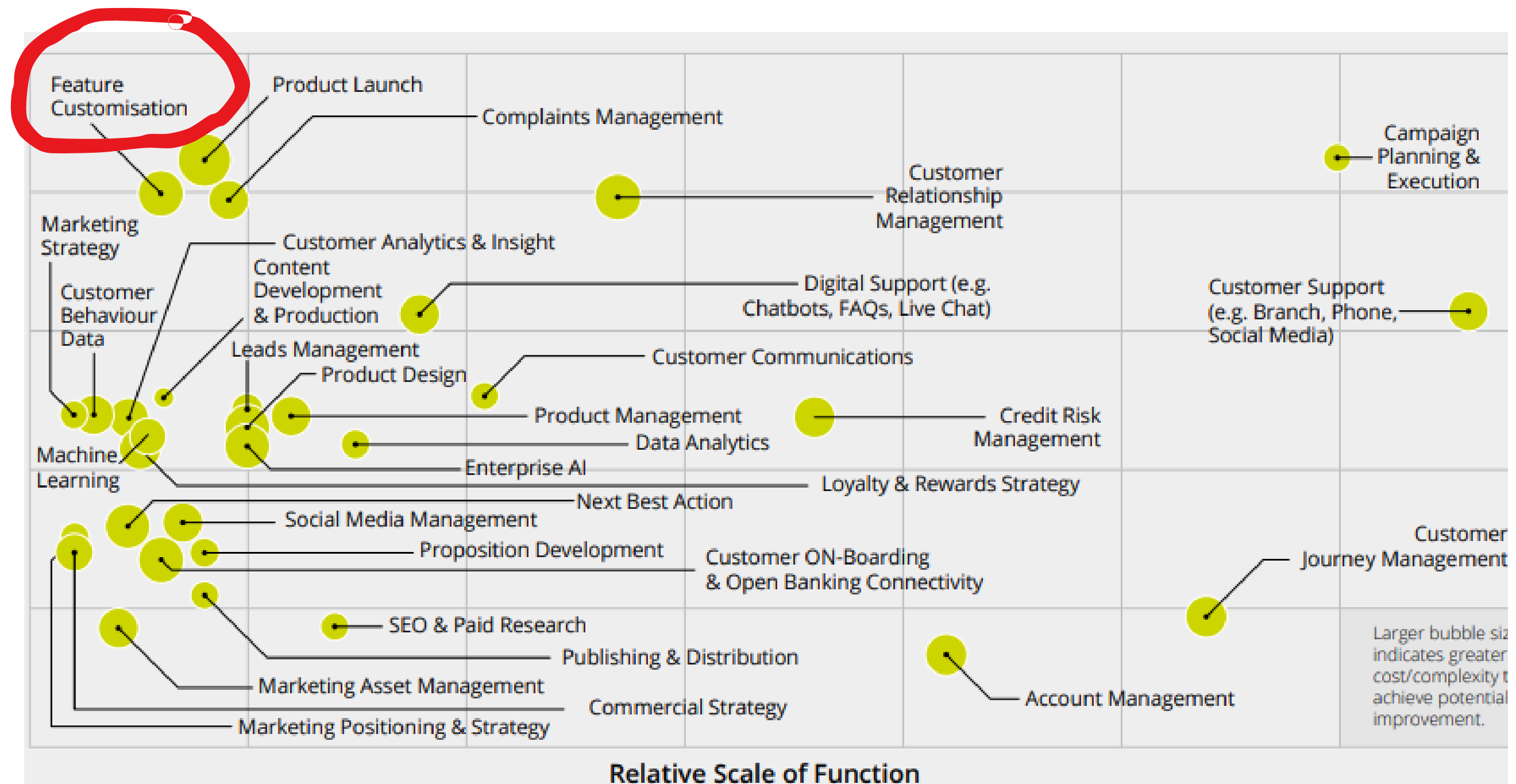
- Move from one-size-fits-all to hyper-personalized financial services.
- Proactively anticipates customer needs and approaches customers before they approach the bank.
- Personal finance management recommendations and personalized value added services.



AI in Customization & Predictive Banking

- *Machine Learning (ML)*
- *Natural Language Processing (NLP)*
- *Advanced Data Analytics*

Bank functions with greatest potential from Analytics and AI



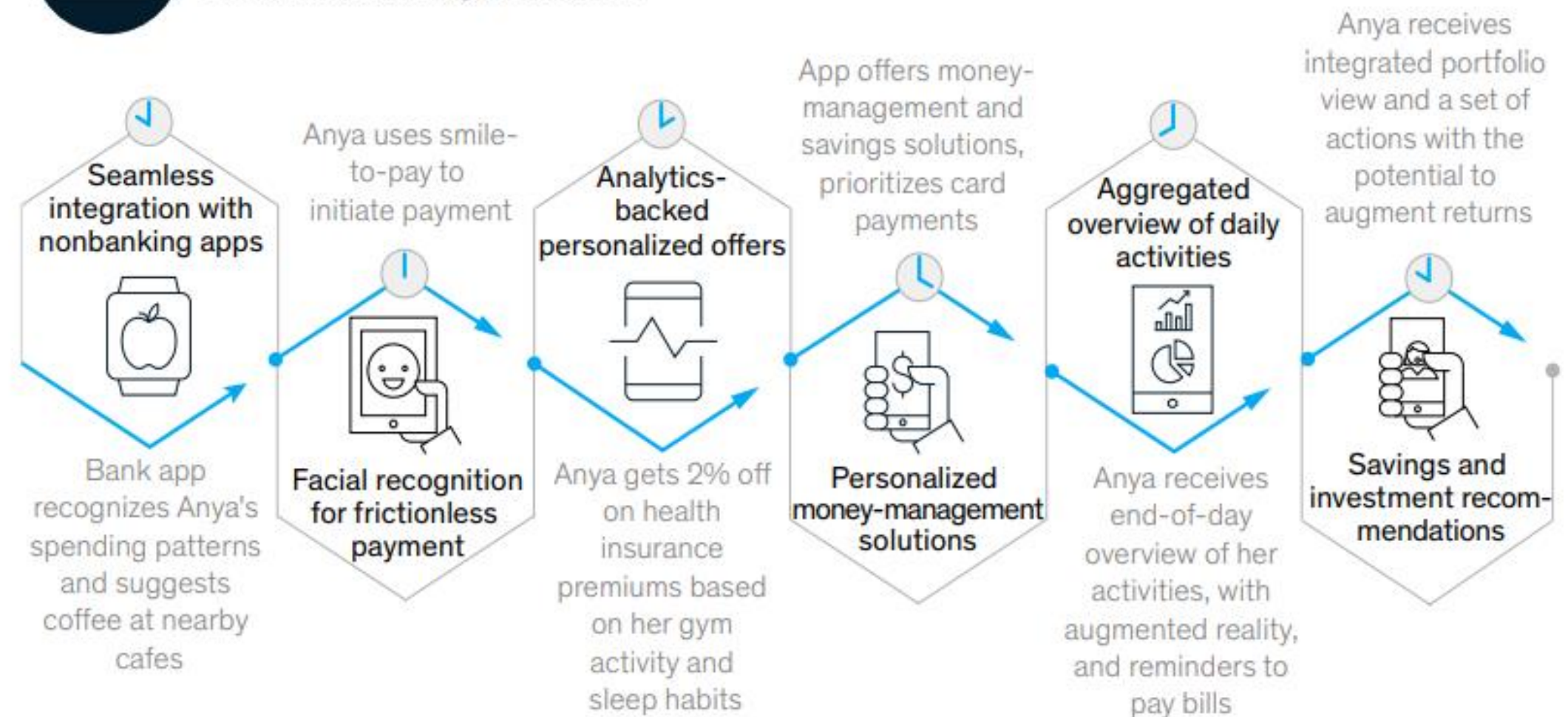
The Future of Customization & Predictive Banking

- Personalized Intelligent Automated Notifications
- Voice and Chatbot-Driven Support
- Value added, personalised financial services embedded in non-financial platforms.

Intelligent, Personalized Value -Added Services for Retail Banking Clients



Name: Anya
Age: 28 years
Occupation: Working professional



Intelligent

Personalized

Omnichannel

Banking and beyond banking

AI-Driven Risk Management

Internal Risks: Operational risks, fraud prevention.

External Risks: Market and economic fluctuations.

Real-time detection,
assessment, and
prevention of risks.



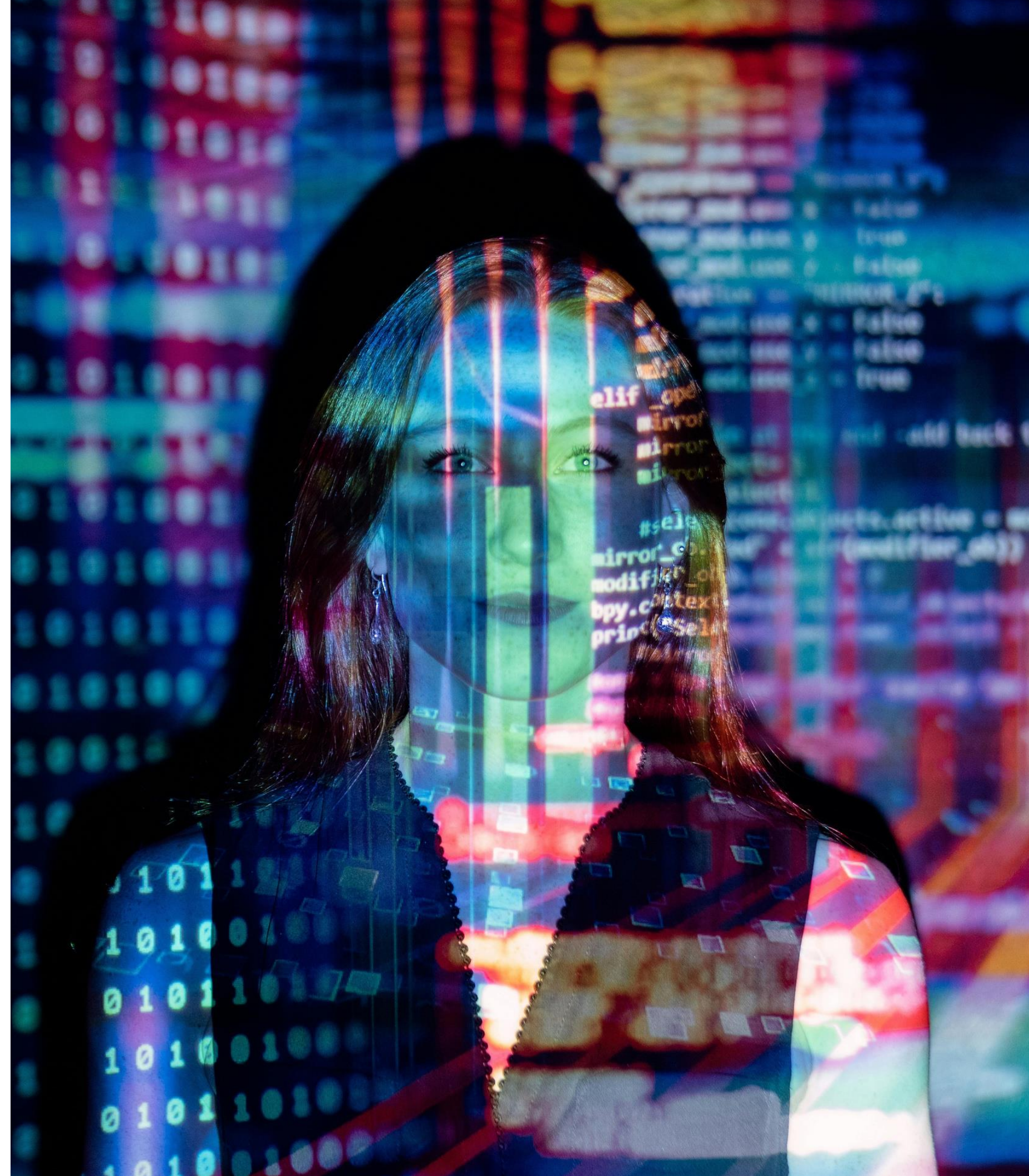
AI in Risk Management

- ***Anomaly Detection:*** Fraud, AML, Sanctions and other anti-financial crime controls.
- ***Predictive Analytics:*** Forecasts market risks based on data trends.
- ***NLP for Different Types of Risk Analysis:*** Analyzes news for geopolitical threats, KYC, Vendor Risk etc



The Future of Risk Management

- Stronger risk management, fewer false positives and improved customer experience.
- Self-Learning Models: Adapt to new fraud patterns autonomously.



AI for Operational Transformation

AI's Role: Reduces redundant, manual works and allowing scalability.

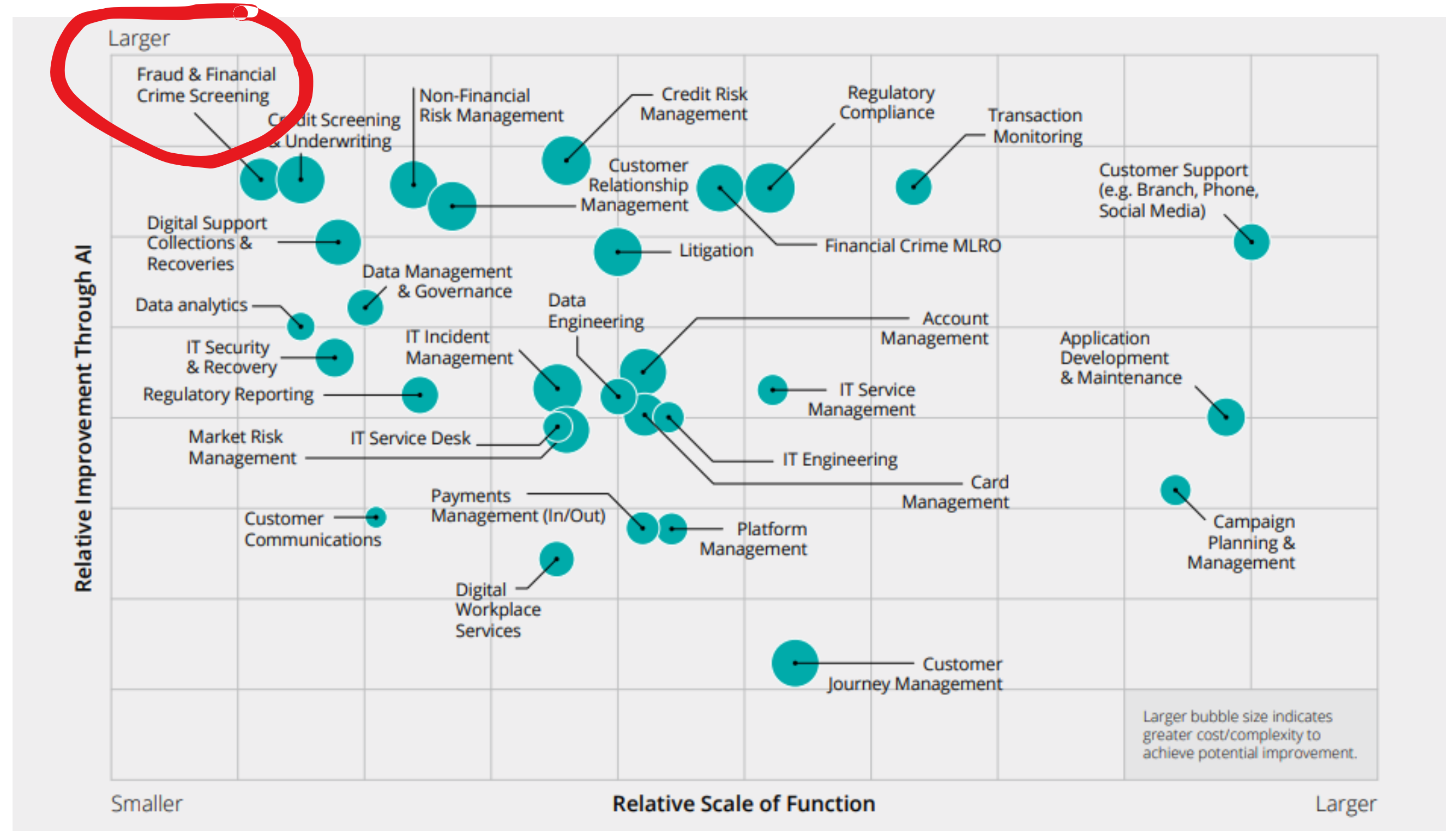
Efficiency & Cost Savings: Lower operational costs, quicker turnaround times and better customer experience.



Applications of AI in Operations

Bank functions with greatest potential benefits from AI

- *Robotic Process Automation (RPA)*
- *Intelligent Document Processing*
- *Chatbots and Virtual Assistants*



Challenges in AI adoption in Banking

- **Data quality and integration:** Data comes from various sources, and in most banks, it's spread across multiple systems and geographies.
- **Regulatory compliance:** There are concerns around data privacy, biases in AI models, and other compliance issues.

Key Takeaways

AI enabled technologies is an essential foundation for future-ready financial services.

Expect to see AI adoption in Personalization of products, risk management, operational efficiency.



Questions & Discussion