




Do what matters

 Flag suspicious activity

Detect and prevent fraud



 Enhancing security

Customer service: Time to break the rules

How Microsoft Copilot is changing the game for banks and insurers

Generative AI, the here and now: Change the way you're doing business today

When you use AI to reimagine the customer experience, the effect on revenue can be stunning. [Forrester](#) finds that a 1-point improvement in CX Index score can lead to an incremental \$123 million in revenue for a large multichannel bank. For an online bank, it can lead to an incremental \$92 million in revenue.

Consider these scenarios to understand how generative AI can change how your business operates today.

A commercial bank's contact center agent receives a lengthy customer email. An AI copilot reads it and summarizes the case. After reading the summary, the agent asks the copilot to review thousands of knowledgebase articles filtered for this topic, summarize the results and draft an email response. The agent reviews, modifies and sends the email. The agent is saved from having to trawl through numerous systems for the right answer—and the process is completed in a fraction of the time, delivering a faster answer to the customer.

New clients at a brokerage firm are onboarded with the help of AI, speeding the process of confirming that accounts are opened only for legal purposes by law-abiding clients, meeting Know Your Customer (KYC) requirements. This enables account executives to work with new clients more quickly and successfully.

An insurance company uses voice biometrics to immediately authenticate a customer calling to report an accident, eliminating the need for the agent to confirm the caller's identity and reducing the stress of the situation. AI also sends the customer an SMS link to upload photos, then generates an accident report summary that the agent reviews and forwards to the customer.

A wealth advisor at an investment bank uses an AI copilot to automatically summarize her conversation with a high-value client about investment opportunities in several industries, suggest next best wealth options, which are checked by human experts, and book follow-up conversations for the client with each of them.

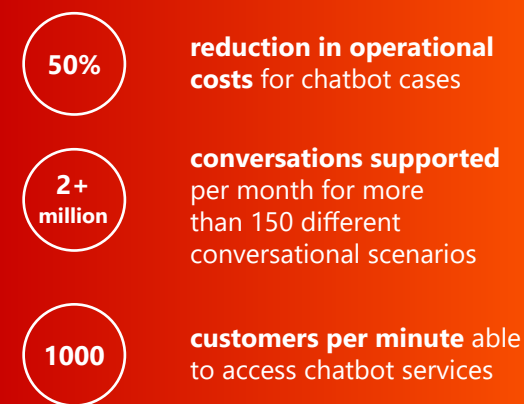
All this is real today. Generative AI and Microsoft Copilot are disrupting virtually every function of financial services firms, including customer service. Personalization at scale — and at every touchpoint — means greater customer retention and loyalty. Simple yet sophisticated self-service tools reward customers with immediate gratification. Improved fraud detection makes AI-enhanced customer experiences safer and more secure. Intelligent customer service tools empower employees to solve customer problems, boosting their job satisfaction and lowering attrition rates. And who doesn't want to create key financial documents and contracts for customers in record time?

Multinational bank advances customer service through AI

A leading multinational bank wanted to use AI to:

- Help retail and business customers 24/7 in the fastest and most effective way
- Route customers to the most suitable resource (agent/bot)
- Implement one AI platform to provide excellent customer service
- Integrate with its cloud contact center

Avanade delivered an AI solution with which the bank can process customer inquiries in real-time, through a game-changing customer experience. The results included:



Why are some banks and insurers holding off?

Financial services firms are eager to take advantage of generative AI. Already, 59% of banking employees use AI every day, according to [Avanade global research](#). We found more than half (54%) of bankers see process automation, improved efficiency and reduced error from manual, repetitive activities as the key benefits of applying AI to their business. Our research also shows that 42% of respondents ranked customer onboarding automation as the most exciting use case.

Yet, challenges persist and some banks are holding off on an AI adoption strategy or are unsure how to proceed. Of all the industries we surveyed, banks reported feeling the most threatened by AI.

One banker told us “The operating committee and the board level are not folks who traditionally understand technology. Leadership has excitement about the potential of AI but doesn’t necessarily understand what it means to be AI ready.”

Indeed, getting ready for AI can seem daunting. Data needs to be AI-ready, secure and managed in a cloud environment. Customer contact center platforms, applications and core banking systems need to be modernized. How regulation and compliance apply in this new environment needs serious thought. And staff need training



and development to use new generative AI tools effectively. More than half (53%) of banks interviewed anticipate needing significant support to train staff to use generative AI tools.

Making sure your data sets are correct, complete and trustworthy is vital. Set up a data governance framework that includes data quality checks, data tracking, and data access controls. Use data cleaning and standardization tools to make sure that your data is uniform and error-free. Setting rules for obtaining, managing and using data is important for creating ethical AI solutions and avoiding algorithmic bias in results. This will help you follow GDPR (General Data Protection Regulation) and CCPA regulations. It will also strengthen your KYC and anti-money laundering processes. You can also use in-house data, including synthetic data, for your AI models, rather than external data from the internet.

Belgian insurer speeds customer service with automation

Our client wanted to improve agent engagement while increasing customer satisfaction. We implemented a Microsoft AI solution that boosted efficiency, freeing up time for agents to better engage with customers on higher-value topics.

Results include:



75% increase in completed cases per agent



New insights to support contact center expansion



A more improved and efficient case handling process

How Microsoft Copilot is helping banks and insurers take customer service to the next level

Avanade and Microsoft are leaders in providing copilot services that enable banks and insurers to realize the potential of this technology. With Microsoft leading the race and embedding AI across its ecosystem, and Avanade's position as the world's number one Microsoft partner, we're uniquely placed to help clients fundamentally evolve how they operate. With copilot at the centre, Microsoft and Avanade solutions free up employees to work in uniquely human ways — with empathy, ingenuity and critical thinking — to make them more efficient, innovative and productive. With more time for customers, issues and queries can be resolved and answered more quickly and effectively, leading to greater customer satisfaction.

Our award-winning expertise, proven accelerators and delivery methods are designed to help bring your customer experience to life through AI-powered copilots.

Japanese insurer integrates call center with CRM to enhance customer service

AEON Insurance Service Co. Ltd. wanted to transform its small, siloed call center with a move to the cloud and integration with the company's Microsoft Dynamics 365 CRM system.

AEON turned to Avanade for its CRM integration, which enables employees to easily share successful examples of cross-selling and other insights. Call center reps can identify and assist customers faster thanks to capabilities including automatic information retrieval. The company plans to deploy an AI chatbot and to apply data analytics to incoming call data.

Digital efficiency or human touch for your AI-enhanced customer contact center?

Clearly, it is not one or the other. The point is to know how to balance digital and human interaction throughout the customer journey. That's because you need both digital and human touch in your contact center and across all your service channels to deliver winning customer experiences.

The point isn't to replace people with self-service, but to enable self-service where it can be most efficient and satisfying for customers, and to use your contact center reps where and when they can deliver banking interactions that truly differentiate you as a financial services provider. For example, a call center agent who receives an AI-generated summary of a caller's recent interactions with a bank — and proposed suggestions or offers for the agent to make — is better positioned to be both more effective and more efficient. The promise is deeper customer engagement and higher revenue per customer, while operating at substantially lower costs, closer to that of fintechs and neobanks.



To give some idea of the potential available to banks and insurers in applying generative AI and Microsoft Copilot, here are two examples of work we have done outside the financial services sector. For one client we deployed Copilot for Customer Service, which allowed customer-facing staff to interrogate company policies and data to answer customer queries in real time. This reduced call handling time by 15%, improved first time resolution rate by 10% and saved the client \$250,000 a year. We are already seeing some banks adopt this approach, such as Morgan Stanley, for example. For another client, using Copilot Studio and Dynamics 365 Customer Service, we routed calls automatically to the relevant country and then translated the call in that country's language for the customer and the agent via a chatbot we had developed.

Customer service: Time to break the rules

Take the next step to benefit from generative AI

Avanade can help your firm use generative AI to boost customer service and satisfaction.

1

Just starting out? Consider our 2-hour Learn & Discuss session to introduce generative AI and brainstorm your best use cases.

2

Want a deeper dive? Hold a 2-day Hands-on Workshop/Design Thinking Session, with a full opportunity to clarify and prioritize your use cases, explore journeys and build in trust considerations.

3

When you're ready for more, so are we, with 2-week PoCs, 6-week Strategy Assessments and 2-month MVPs.

[Get started today](#)

To learn more about some of the most relevant Microsoft copilot options, check out the section at the end of this guide





The financial services industry trusts Avanade and Microsoft:

- 13 of the 20 top global banks and more than 60% of the 100 top global banks are clients; we work with 8 of the top 10 global insurers
- 80% of the world's largest banks and 85% of Global Systemically Important Financial Institutions trust Microsoft Azure

Why Avanade?

Avanade has spent nearly a decade partnering with Microsoft to help clients use AI to achieve things never possible before. Now, Avanade's privileged access to the development of Microsoft's Copilot solutions, combined with our long-standing experience of how to make the most of your existing Microsoft investments, enable us to help you more quickly ready your people, processes and platforms for AI and to responsibly scale AI to unlock more value and growth and transform your business.

Only Avanade is the #1 strategic partner for Microsoft technologies, with more than 90 Microsoft Partner of the Year awards including 18 wins as Microsoft SI Partner of the Year. Our expertise, resources and credentials include:

- 2023 Microsoft Customer Experience Partner of the Year (Avanade and Accenture)
- 6,500+ Dynamics 365 experts with 7,000+ Microsoft certifications
- #1 worldwide in Dynamics certifications
- 70 Dynamics 365 Delivery Centers in 20 countries
- Avanade's expertise, together with the technology of Microsoft and the industry experience of Accenture, create a unique and powerful combination.
- Avanade named a Leader in the The Forrester Wave™: [Microsoft Business Applications Services, Q1 2024](#)
- Avanade and Accenture named a Leader in the [Everest Group PEAK Matrix®: Microsoft Dynamics 365 2023](#)
- Dynamics 365 named a Leader in [The Forrester Wave™: CRM Suites, Q3 2022](#)

To learn more, [contact us](#) or visit our [banking](#) site. If you want to hear about our approach to Copilot in banking, read our [guide](#).

Everything you wanted to know about Copilot but were afraid to ask

Microsoft Copilot allows employees to interact with crucial work tools using everyday language “prompts” or inputs. Its fundamental purpose is to act as a digital assistant, and it gets smarter as you use it. Copilot enables employees to access sentiment from client discussions to develop new services, improve onboarding and streamline application processes. Because Copilot connects directly to — and surfaces information from — business applications and internal knowledge bases, workers can quickly act on and update information from your CRM and other business systems, all from within the applications that they already use.

Copilot combines the power of large language models (LLMs) with your organization’s data — all in the flow of work — to turn your words into a powerful productivity tool. Copilot is an

AI gamechanger, especially in customer service, where it’s putting AI in the hands not only of employees but customers too.

With Copilot, agents can quickly create a draft email or chat response to customers with a single click. Copilot understands the context based on the current live conversation, identifies relevant information from trusted websites and internal documents, and crafts a response for the agent to review and send to the customer. Also, businesses can provide more powerful conversational experiences to their customers by leveraging Copilot. Customers can get their needs met more easily with highly intelligent self-service conversational bots to resolve customer issues.

With generative AI and Microsoft’s range of copilots evolving rapidly, we’ve created this high-level overview of the copilots you need to be aware of in your organization. There are more than a dozen individual flavors of copilot, so we’ve highlighted those that will be most relevant to customer and employee experiences in banks and insurers.



Sales and Service:

Customer Service



Real-time AI assistants that enable agents to summarize interactions, update systems, access knowledge and draft communications faster and more accurately

- Microsoft Copilot for Service is a standalone generative AI assistant that works with third-party ecosystems such as Salesforce and ServiceNow, accessed from familiar Microsoft 365 applications like Outlook and Teams
- Microsoft Copilot in Microsoft Dynamics 365 Customer Service is natively integrated in Dynamics, accessible from within the existing CRM platform as well as being available in familiar Office applications

Sales



AI assistants that help sellers surface customer insights, make meaningful connections, personalize customer engagements and save time

- Microsoft Copilot for Sales, as above, works with third-party CRM platforms such as Salesforce
- Microsoft Copilot in Dynamics 365 Sales, as above, integrated in Dynamics



Generative AI in the applications you use today

- Microsoft Copilot for Microsoft 365 – Create, collaborate and innovate with AI embedded in the Microsoft 365 apps you use every day

Other critical copilots for banks and insurers

- Microsoft Copilot Studio – A platform where you can create and customize your own powerful, connected copilots and virtual agents, ready to answer questions and support customers and employees
- Microsoft Security Copilot – Amplify your security team's impact and efficiency with generative AI security

To discover which AI solutions are best suited to solve your biggest business challenges, contact the experts at Avanade.



Do what matters

Contact Us

Avanade is a recognized leader in delivering Microsoft solutions to financial services institutions. For more than 20 years, we have worked with banks and insurers worldwide developing and implementing solutions.

Contact us today

www.avanade.com/banking

www.avanade.com/ai

Avanade is the leading provider of innovative digital, cloud and advisory services, industry solutions and design-led experiences across the Microsoft ecosystem. Every day, our 60,000 professionals in 26 countries make a genuine human impact for our clients, their employees and their customers. Avanade was founded in 2000 by Accenture LLP and Microsoft Corporation. Learn more at www.avanade.com

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