Maximizing Mobility for Financial Services

Change has taken center stage in Financial Services. Android Enterprise can help you maximize mobility and create a competitive advantage in an increasingly dynamic industry.
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In brief

The financial services industry is facing unprecedented disruption that is impacting its relationships with customers, employees, regulators, and technology.

While mobile devices already have incredible penetration within the industry, few financial services providers are maximizing their benefits or utilizing them as a tool to manage industry disruption or create competitive advantage.

The industry needs to refresh their mobility strategies to take advantage of the incredible advancements in mobile technology (including software and hardware) and help deliver on customer, employee, and regulator demands.

Android Enterprise can help financial service providers maximize their current investments in mobility and prepare for future disruption.
This report was developed with Accenture’s support using primary and secondary sources to identify emerging themes in the financial services industry.
The financial services industry is changing
Traditionally, the pace of change within financial services had lagged behind other industries. Not anymore.

Today, according to research conducted by Accenture, 66% of financial services executives say the pace of change in their businesses has never been greater. With disruption continuing to accelerate, most financial service providers (FSPs) are turning to technology to keep up.
In particular, FSPs are turning to mobility to help them stay in front of the following trends:

**Evolving customer expectations**
Younger demographics have ushered in new customer expectations around technology, cross-channel communications, and the customer experience, both online and in-person. FSPs are expected to deeply understand their customers and then provide the differentiated experiences they are demanding through mobility.

**Growing employee-centricity**
The industry is in the middle of a talent war. FSPs must modernize their brands and improve the experience of a younger workforce that expects more from their employers and their devices.

**Increasing regulatory scrutiny**
Financial services regulators are upping the volume and complexity of industry regulations. To protect themselves, FSPs must build flexibility into their mobility strategy and controls to stay compliant now and in the future.

**Adopting new technology**
Technology like wearables (including smartwatches and AR/VR headsets) and foldables will soon become commonplace in business settings. FSPs must develop strategies for the hardware, software, and mobility use cases necessary to successfully integrate these new technologies to create both customer and organizational value.
This paper is meant to help you get the most out of your current investments in enterprise mobility, optimize your mobility strategy, and prepare for an uncertain future.
The state of mobility in financial services
While mobile devices have long been ubiquitous in the industry, few FSPs have maximized their potential or captured the full value of mobility investments.

In 2022, there are an estimated 22M active corporate-owned mobile devices in U.S. financial services, almost 2x the next closest industry/vertical (public sector). This is rather shocking considering that there are only 6M full-time financial services employees in the US, and the millions of devices classified as BYOD (bring your own device) are not included within that 22M estimate.

Why such heavy investment? Mobile devices, deployed thoughtfully, provide secure access to company systems and applications. They have also proven to have a multiplying effect on employee productivity, engagement, and communication. Additionally, many FSPs deploy devices to contingent workers, consultants, on-site regulators, and for customer self-service scenarios. Finally, during the pandemic, 85% of cross-industry businesses accelerated their adoption of digital communication and collaboration tools as the pandemic forced employees into remote or hybrid environments.

Despite wide-scale deployment, significant value is being left on the table. Based on our recent survey of technology decision-makers, less than 50% of FSPs use mobile devices for critical use cases such as providing customer support, selling products, or collecting data. These use cases take advantage of the advancements in mobile technology (the proliferation of custom applications, for example) and have the potential to improve both customer and employee experiences.
Corporate-liable use case prevalence by device type

<table>
<thead>
<tr>
<th>Use Case</th>
<th>Smartphones</th>
<th>Tablets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Email &amp; calendar</td>
<td>81%</td>
<td>57%</td>
</tr>
<tr>
<td>Collaboration apps</td>
<td>76%</td>
<td>63%</td>
</tr>
<tr>
<td>Text &amp; voice comms</td>
<td>69%</td>
<td>51%</td>
</tr>
<tr>
<td>Document creation &amp; sharing</td>
<td>71%</td>
<td>56%</td>
</tr>
<tr>
<td>Using search engine</td>
<td>49%</td>
<td>49%</td>
</tr>
<tr>
<td>Using org-specific apps</td>
<td>42%</td>
<td>37%</td>
</tr>
<tr>
<td>Providing customer support</td>
<td>37%</td>
<td>37%</td>
</tr>
<tr>
<td>Navigating to location</td>
<td>49%</td>
<td>34%</td>
</tr>
<tr>
<td>Selling products</td>
<td>31%</td>
<td>29%</td>
</tr>
<tr>
<td>Operational data logging</td>
<td>31%</td>
<td>25%</td>
</tr>
<tr>
<td>Collecting customer data</td>
<td>54%</td>
<td>20%</td>
</tr>
<tr>
<td>Tracking items</td>
<td>29%</td>
<td>17%</td>
</tr>
</tbody>
</table>

% mobile device decision-makers who selected “all business activities [that] company-purchased [smartphones/tablets] are used for”; N=147
Trends deep dive & how mobility could be used more effectively
Evolving customer expectations

Led by “digitally native” younger customers and the industry’s enhancements in mobile applications, financial services customers now expect an elevated experience across all channels, including in-person. While many FSPs are trying to do this, many have not been successful. In 2022, Accenture estimates only 12% of customers believe their FSP experiences truly reflect their needs⁵. Why? A broad failure to deliver on the years-old promise of data and transparency. While 78% of banks today broadly “use” data, according to Accenture, few have scaled it or key enablers like analytics (cited by 7%) and AI (5%) to extract its full value in customer engagement⁶.

So, what do your customers want? They want seamless, data-driven, and personalized experiences, whether interacting with your brand digitally or across a dwindling number of face-to-face interactions. Yet while most of the industry has focused on optimizing the digital experience (is there an objectively “bad” mobile banking app these days?), only those companies with a genuine focus on the customer experience are thinking about the impact mobility has on brick-and-mortar customer engagement.

During these limited face-to-face interactions, FSPs need to think less about transactional support (that’s what people are using your app for) and instead focus on delivering technology and data-driven “shoulder-to-shoulder” experiences. Since these customer interactions have an outsized impact on brand image, effectively deploying technology is critical to providing an elevated in-person customer experience.

12% of customers believe their FSP experiences truly reflect their needs⁵

“Banks are shifting from being a service provider to building customer relationships through a personalized channel. Particularly in retail bank branches, where employees are being equipped with technology to allow for more impactful interactions.”

Core Banking Lead for a Large U.S. Bank
What this trend means for you

Most FSPs haven’t taken the critical step of scaling data enablers like AI and analytics. Doing so is critical to better understanding your customers and providing the personalized experiences they are demanding.

You need to recreate the benefits of digital, in-person. This requires investing in end-user technology that can streamline processes such as check-in, data-gathering, onboarding, consultation, claims handling, sales, document sharing/execution, signature, and more.
How to adapt your mobile strategy

Leverage mobile devices to capture more accurate and timely data

Younger demographics have ushered in new customer expectations around technology, cross-channel communications, and the customer experience, both online and in-person. FSPs are expected to deeply understand their customers and then provide the differentiated experiences they are demanding through mobility.

Create next-gen customer experiences across all channels, including in-person

Mobile devices have the ability to attract younger customers and change the way people experience your brand. Armed with mobile devices that can leverage custom applications and data from across the organization, FSPs can create more personalized and seamless “shoulder to shoulder” interactions with customers that ultimately improve net promoter (NPS) and customer satisfaction (CSAT) scores.

Replace infrequent face-to-face interactions with more frequent virtual touchpoints

Two-thirds of US adults have either had a virtual consultation with a banker or want one. Mobile devices are the key to increasing ad-hoc, “anywhere” touchpoints with customers and employees.

Invest in self-service use cases

FSPs with retail footprints need to integrate technology that streamlines the customer experience and gathers data digitally while freeing up staff to deliver personalized assistance. Tools like self-service kiosks can modernize your brand, reduce customer wait times, and maximize your on-floor talent.

Leverage mobile devices to provide other value-added experiences

As you rethink your physical operations, use mobile devices to host events like financial literacy workshops and investing seminars to build stronger relationships with customers.
Growing employee-centricity

As the talent war continues and employees quit at record rates, Accenture estimates that 81% of HR leaders are rolling out or piloting various technologies designed to attract younger employees and improve the employee experience\(^7\). Why? Because there is a glaring difference in employee satisfaction when comparing those “satisfied” with work technology versus those that are not. According to a recent survey, employees who are satisfied with work technology are 2\(\times\) more likely to be “generally happy with their work” and 30% less likely to feel “burned out”\(^8\). These benefits are especially pronounced with younger employees who have grown up in the digital age, more readily adopt technology, and are the key prize in the war for talent.

Meanwhile, a separate battle for productivity is raging, one that is increasingly focused on the productivity of frontline workers (those who work in branch offices, for example) who represent 43%\(^9\) of the U.S. financial services employee base. Why? Frontline workers have highly varied needs, still manage offline/paper-based processes, can’t work remotely, and thus, have not benefited (relative to knowledge workers) from the huge advances in remote work and collaboration technology over the past few years. FSPs that recognize this gap are equipping frontline workers with the technology and training required to boost productivity, improve job satisfaction, and deliver additional services to customers via more fulfilling interactions.

Financial services technology decision-makers we surveyed acknowledged both of these fronts, ranking employee productivity (#2) and employee satisfaction (#5) among their top 10 technology priorities over the next 1-2 years\(^{10}\).
What this trend means for you

Employee loyalty is increasingly hard to come by. To reduce attrition, you must invest in technology targeted at increasing employee satisfaction and productivity.

Well-deployed work technology can modernize your brand and help you both recruit and retain employees, especially those that are younger and more reliant on technology in their day-to-day lives.

Technology investments focused on frontline worker productivity will carry a higher ROI (relative to knowledge workers) in the near term.

How to adapt your mobile strategy

Customize devices for unique employee needs and preferences

Mobile devices have solved some of the employee woes caused by analog, paper-based, or otherwise inefficient processes. However, to maximize their value, management controls that allow you to customize mobile devices (including hardware and software) to employee's specific needs are critical.

Eliminate the need to have a work and personal device

To maximize employee productivity and engagement, FSPs must provide devices that can seamlessly segregate personal and work applications and data all in one device.

Deploy devices and custom applications to reskilled employees to help them "do more"

Day-to-day job satisfaction is critical to recruiting and retaining employees. Empowered by customized mobile devices that allow for multi-tasking and the use of company-specific applications, reskilled employees can eliminate mundane work and free-up capacity for more fulfilling and productive activities that increase job satisfaction.

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CAGRs for total job openings & separations in financial services, in the U.S., 2-17-2022

CAGRs calculated based on latest employment data gathered in June 2022 from U.S. Bureau of Labor Statistics

<table>
<thead>
<tr>
<th>Pre-COVID CAGR</th>
<th>Post-COVID CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 2017–Jan 2020</td>
<td>April 2020–April 2022</td>
</tr>
<tr>
<td><strong>Job openings</strong></td>
<td><strong>Voluntary quits</strong></td>
</tr>
<tr>
<td>-8%</td>
<td>5%</td>
</tr>
<tr>
<td>35%</td>
<td>45%</td>
</tr>
</tbody>
</table>
Increasing regulatory scrutiny

The verbal “soft policies” most FSPs rely on to regulate employee use of technology are failing. In 2021, financial services employees caused 44%\(^{11}\) of industry data breaches and have become a particular focus of regulators. As examples, the SEC recently fined at least five prominent Investment Banks $200M\(^12\) each after employees admitted to using unapproved technology, including applications like WhatsApp and Signal, to communicate business matters to clients and colleagues.

That is why financial services technology decision-makers we surveyed broadly acknowledged their focus on security controls, naming it their #1 technology priority over the next 1-2 years\(^{10}\).

As examples, the SEC recently fined at least five prominent Investment Banks $200M\(^12\).
What this trend means for you

- Soft policies are ineffective in controlling employee behavior and use of technology.

- Open ecosystems and the partnerships your technology providers have will be critical to your ability to innovate and create competitive advantages through technology in the future.

How to adapt your mobile strategy

**Leverage granular device controls, not soft policies**

To keep up with regulators, you need to implement granular controls at the device and operating system level that can be updated as regulations are implemented or become more complex.

**Deploy security AI and automation**

To guard against risk, invest in intelligent, layered, and proactive device security. **Those that fully deploy security AI and automation can reduce the time to identify a security breach by 74 days\(^{13}\) on average and reduce average breach cost by 65.2\%\(^{13}\).**

**Segregate company and personal applications and data**

Whether through separate devices or device functionality that ensures two way privacy and controls.

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Adopting new technology

The pace of technological innovation is creating both opportunities and challenges for many organizations. Today, it’s more difficult than ever to keep up with what technology is out there, how it benefits end users, and how to integrate them with your technology stack.

Case in point: Although laptops, smartphones, and tablets sit atop today’s technology pyramid, they will soon have company. According to Samsung Smartphone CEO Roh Tae-Moon, by 2025, foldables (2-in-1 smartphones and tablets) will make up “over 50%” of the premium smartphones sold by Samsung and “become the new standard of smartphones”\textsuperscript{14}.

This projects massive growth for foldables in the short term as 10M foldables were shipped industry-wide in 2021 and Samsung shipped 272M\textsuperscript{14} smartphones in the same year. Additionally, early returns on wearables (including devices like smartwatches and AR/VR headsets) in business settings are strong; 76% of adopters report improvements in business performance since implementing wearable devices and 79% of adopters said that wearables are or will be strategic to their company’s future success\textsuperscript{15}.

While the potential of new hardware like foldables and wearables is significant, FSPs must spend time thinking through their use cases and how to successfully integrate innovation (from a functional and technical perspective) into their businesses.
What this trend means for you

New technologies like foldables are expected to grow in popularity quickly. You need to develop a strategy for integrating them and accompanying software into your organization to meet both employee and customer expectations.

Wearables come in many different shapes and sizes and offer a massive opportunity for innovation in business settings. For example, Fidelity Investments developed a VR agent named ‘Cora’ that can interact with customers in VR chat rooms to provide stock recommendations and answer questions.¹⁶

How to adapt your mobile strategy

Identify employees who would benefit most from new technology

Employees who need to shuffle between tasks, work away from their desk, or use multiple applications simultaneously will benefit from the flexibility of foldables as an example.

Speak to your customers about the “next-gen” technology-driven experiences they are interested in

Interest in AR/VR experiences has grown rapidly in the past few years. Listen to your customers - find out how they see these technologies benefiting or extending their relationships with you.
How Android Enterprise maximizes your mobile strategy
Meet evolving customer expectations with Android Enterprise

Create the seamless and personalized next-gen experiences your customers expect with

- Developer tools and the vast Android developer community to build custom business solutions.
- Secure technology integrations from industry-leading providers.
- Google’s industry-leading AI and analytics capabilities to deliver on the promise of your vast amounts of customer and institutional data to drive “shoulder-to-shoulder” interactions.

Android Enterprise delivers on employee-centricity

Help employees get more out of their devices with

- Work Profile data separation on a single device that helps keep work apps and data secure and personal apps and data private.
- Digital wellbeing tools like Focus Mode to help employees tune out distractions while Turn Off Work Mode makes it easy to disconnect from work when they’re done.
- Real-time insights and AI-assisted decision-making when they are on the go, with fewer devices making them more productive between clients, in the office, and at home.
Stay secure and meet evolving regulations with Android Enterprise

Keep your devices and data safe and help you manage regulatory complexity

Find peace of mind with proactive, built-in, proven security that leverages Google’s powerful AI to help keep your devices and data safe with

- Multi-layered security, including verified boot, device encryption, and a trusted execution environment (TEE) that has been tested and certified at scale.
- Intelligent, proactive threat detection powered by Google Play Protect that’s always on and scanning for harmful apps, analyzing apps via the cloud, and using machine learning for protection that gets smarter every day.
- An open and transparent operating system that strengthens security through scrutiny, collaboration, and constant testing.

Android Enterprise delivers on employee-centricity

Deploy devices with ease and wield granular admin controls to stay regulatory compliant with

- Comprehensive set of Android Enterprise Management APIs to manage every use case from locked down to open use (BYOD, COPE, business only, and dedicated device).
- Secure central app management and distribution via Google Managed Play making it easy to deploy and manage any app—whether it’s custom or publicly available.
- Zero-touch enrollment to configure and deploy devices instantly across your distributed workforce; no manual intervention needed to set-up — users just open the box and start using the device with management, apps and configurations all set.
Apply the latest technology with Android Enterprise’s innovative form factors

**Modernize your brand, create new experiences, and discover flexibility with:**

Find peace of mind with proactive, built-in, proven security that leverages Google’s powerful AI to help keep your devices and data safe with

- Diverse hardware (from premium smartphones, foldables and tablets to customized hardware) to ensure the needs of all employees (retail branch employees to investment bankers) are met.
- Critical business solutions offered by Android’s large and diverse partner ecosystem to help employees get the most out of their devices.
- Augmented reality, virtual reality, Google Assistant, Dialogflow, and more through Google Cloud’s artificial intelligence portfolio.
Next steps

Companies must act now to maximize their mobility programs to counter changing industry dynamics. Here are the five steps to incorporate Android Enterprise into your mobility strategy:

01 Evaluate your current mobility strategy and identify gaps in current deployments

Are you creating diversity in your tech stack to mitigate risk and foster future innovation? Are there device types like tablets, foldables, and kiosks that will improve the customer and employee experience? What are the pain points identified by customers and employees related to mobility? What are my competitors deploying?

02 Contact an Android validated EMM provider to set up an initial pilot program with Android Enterprise

What EMM partner will be the best fit for you? Is this a new partner? Or is it one that is also managing my non-Android devices?

03 Determine the combination of device deployment modes (COPE, BYOD, single-use, etc.)

What combination of device modes will work best for your business? Do devices need to be locked down for regulatory compliance? Will employees be allowed to use their own devices? What about frontline workers? What deployment modes will serve them best?

04 Expand your Android deployments beyond the pilot program

Will this be a tiered rollout? Will you deploy a single use case first? How many devices will you need?

05 Evaluate and iterate

How often will you need to replace devices? What new form factors should you be aware of? Where can you identify more opportunities to expand with Android Enterprise?
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