

9<sup>th</sup> Annual

BANK TECHNOLOGY NEWS

the innovators

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The companies on this year's list were selected based on the degree to which their product or service showcased a promising solution to a vexing problem facing the financial industry: the need for customer centricity, better risk management, consumer demand for next generation retail banking, or increased security.

All of them also offer hope for an industry in need of a makeover, whether it's improving consumer trust through better products and services, regulator trust through better risk management, or investor happiness with the ability to drive new and incremental revenue. The following pages reveal a snapshot of where the industry ought to be going.

-Rebecca Sausner

# Zoot Tackles Cross Sell Woes

**FIRM** Zoot

**CEO** Chris Nelson

**PRODUCT** zOptimize

**THE SAAS BRIDGE**, Using new technology to solve an old problem, Zoot uses software as a service to enable different channels to communicate with each other, enabling cross selling, marketing and other CRM activities.

The industry has been talking about customer relationship management for decades. For big banks the trouble has always been a mishmash of legacy technologies organized around products but not people. However, simply ripping and replacing this architecture and starting over is not feasible.

That's where Zoot Enterprises' zOptimize Multichannel Cross-Sell Solution comes in. It promises to bridge channels and allow them to communicate with a software-as-a-service (SaaS) solution that overlays existing architecture. Not only does zOptimize tie the channels together, it provides intelligence around what product or service to offer a specific customer at a specific time and how to pitch it.

Bob Landry, vp of banking group services at Mercator Advisory Group, says zOptimize's Web-based front end is "a new approach to a very old problem. ...Large institutions have a complex infrastructure built up over the years and don't have the ability to have one vendor across channels."

The attraction of the Zoot solution, he says, is that it doesn't try to change that. It accepts the fact that "banks continue to invest in channels one at a time, that's how decisions are made."

Zoot President Dennis Dixon explains that the firm worked with four or five major banks to design the solution, which was introduced in April. (No clients have deployed the solution yet.)

"Luckily clients look to us to solve problems that they haven't been able to solve." In this case, he says, these large, siloed banks told Zoot they need to bring the channels together and have an enterprise view of the customer to "make the most out of the customer interaction," considered a key element of cross selling and other types of customer service and customer relationship building.

By tying the channels together and linking the front and back offices, zOptimize can offer the right product at the right time to the right customer in a compelling way that's more likely to resonate with that specific consumer.

A series of predictive models are built into the solution that looks at the customer's likely product needs in combination with their risk profile. It also contains a financial metric that calculates the current and future value of the customer. All this can be customized by each financial institution.

Next, the system chooses among the possible products to offer the one or two most likely to resonate with the customer. During any given interaction a bank can't offer a customer all the products they qualify for or they're unlikely to take any, Dixon says. The bank needs to narrow down the list of possible offers quickly; that's what the software does. Offers can be extended via all channels, including the scripts for CSRs.

"An offer is only as good as it's presented," Dixon says. "Today 90 percent of products are sold by 10 percent of the employees, and this scripting helps those other 90 percent." Because channels are tied together there's a central repository, so each channel is aware of all the offers made to a client.

"zOptimize provides the means to deliver a consistent experience and offers across channels to expand the relationship," Landry says. "But by including analytics and sales engineering, and then putting it in a platform that's easy to integrate with existing systems, they've taken it to the next level." —MS

