TCS Customer Intelligence & Insights™ successfully leverages AI-powered analytics for Five Star Bank to accelerate their digital transformation and enhance customer experience

In a groundbreaking collaboration, Five Star Bank, a premier provider of consumer and commercial lending services across Central and Western New York, successfully uses 'TCS Customer Intelligence & Insights™ for banking' solution to harness the power of AI-driven insights. The bank was looking for a solution that provides contextual customer insights to help them better meet customer expectations and drive competitive differentiation.

TCS Customer Intelligence & Insights™ helps the bank:

- Gain a deeper understanding of their customer base and extend their digital banking services beyond the confines of their physical footprint.
- Help the bank uncover hidden segments of customers, as well as create innovative strategies to address the needs of small and micro businesses.
- Determine the lending risk and deliver hyper-personalized customer experiences.
- Gain insights to avoid attrition blind spots and drive omnichannel customer personalization.

Various ways in which this engagement helped Five Star Bank leverage AI and enhance customer experience include:

Identifying the uncharted segment
As Five Star Bank delved into various data silos, they discovered a customer segment that defied traditional categorization. Neither fully retail customers nor typical business clients, this ambiguous group presented an intriguing challenge. The journey began with a commitment to unravel the mystery surrounding this uncharted demographic.

Focusing on SMBs and churn prevention
Studies have identified an unsettling trend- a potential 8-10% churn rate among Small and Medium-sized Businesses (SMBs). Motivated by this insight, the collaborative effort between TCS and Five Star Bank homed in on opportunities to help banks address the specific needs of SMBs. The objective was clear: identify the pain points of this segment and deploy AI-driven solutions to mitigate churn.

Understanding the side-hustle entrepreneurs
The AI project brought to light a unique aspect of the customer base- the side-hustle entrepreneurs. Many small business owners initially started their ventures while maintaining full-time jobs elsewhere. This dynamic group often categorized as Doing Business As (DBA's) represented micro-businesses that required targeted financial solutions. The challenge was to understand their distinct needs and tailor banking services accordingly.

The importance of $10,000
Within this segment, the AI-driven customer analytics unearthed a critical insight- the significance of relatively small financial injections. For these entrepreneurs, an infusion of $10,000 could be a game-

changer. Recognizing this financial threshold allowed the bank to tailor products and services to meet the specific liquidity and credit needs of these micro-businesses.

Holistic support for business goals

Beyond monetary assistance, the AI-driven insights enabled the bank to position itself as a holistic partner for these entrepreneurs. By understanding their challenges and aspirations, the bank could offer not just financial support, but relevant financial guidance and a dedicated ally invested in their business growth. The relationship transformed from a transactional one to a collaborative partnership.

Discovering a substantial customer base

One of the most impactful outcomes of the AI project was the revelation of approximately 4,000 customers within this specific segment. These are individuals who until then had been overlooked and underserved. Armed with this newfound knowledge, Five Star Bank could tailor its offerings, ensuring that these customers felt seen, understood, and supported.

Implications for the banking landscape

The success of this AI-driven initiative goes beyond the immediate gains for Five Star Bank. It sets a precedent for how banks can leverage AI technology to identify and cater to niche customer segments. The focus on SMBs not only addresses a potential churn issue but also positions the bank as an agile and responsive institution in a rapidly evolving financial landscape.

Conclusion

The TCS Customer Intelligence & Insights platform is designed to help banks deliver hyper-personalized omnichannel customer experiences and risk analytics. CI&I is a single, secure, extensible analytics solution that unifies all internal and external customer data while adhering to data privacy requirements. The future-focused platform provides connected intelligence through pre-built, industry-specific customer analytics use cases that accelerate time to value. CI&I's analytics help increase loyalty, CLV, and wallet share; reduce NPAs, bad debts, and write offs; and provide an improved understanding of pre-payment risk.

The collaboration between Five Star Bank and TCS stands as a testament to the transformative potential of AI-driven insights in the banking sector. By embracing technology, the bank not only uncovered a hidden customer segment but also redefined it role in supporting the growth of small and micro businesses. As the financial industry continues to evolve, this success story serves as a beacon for other institutions, encouraging them to explore the untapped potential within their own customer data and leverage AI for a more personalized and impactful customer experience.

About TCS Customer Intelligence & Insights™:

TCS Customer Intelligence & Insights™ is an AI-driven customer analytics and real-time CDP solution that leverages data for actionable insights so organizations can deliver personalized experiences that build customer loyalty and increase lifetime value. TCS Customer Intelligence & Insights™ received two recognitions in 2023- a Gold Stevie® Award for Sales and Customer Service for the category 'Marketing Solution – New' and a prestigious Sammy Sales and Marketing Technology Award by Business Intelligence Group, for the category, Product of the Year, for large companies (10,000 or more employees).

- **Project image/ logo**

- **Project/ Company URL**
  Five Star Bank: https://www.five-starbank.com/

  TCS Customer Intelligence & Insights for banking: https://www.tcs.com/what-we-do/products-platforms/tcs-customer-intelligence-insights/solutions/tcs-customer-intelligence-insights-personalized-banking

  Any additional supporting materials

Short videos about project
How CI&I helped Five Star Bank solve segment specific use cases (3:23): https://vimeo.com/850616692/9b87463bab?share=copy

How CI&I helped Five Star Bank find new growth opportunities and achieve operational efficiencies (6:00) : https://vimeo.com/850606552/011188b763?share=copy

Product Overview Video

TCS Customer Intelligence & Insights™ for banking product overview video: https://youtu.be/IygwrthdL1Y

Press announcement link:

[Five Star Bank Partners with TCS to Drive Digital Transformation and Enhance Customer Experience](#)