

## **Royal Bank of Scotland Engages IBM Watson For Cognitive Insights to Better Serve Customers**

**Chatbot begins helping customers in December, answering questions or quickly routing requests to advisors**

**NEW YORK and EDINBURGH - 06 Oct 2016:** IBM (NYSE: IBM) and Royal Bank of Scotland today announced the first pilot with customers of a cognitive chat bot that allows people to interact with an AI-powered platform. The system leverages IBM Watson Conversation, a cloud-based cognitive service, to enhance the customer service experience.

The bank will begin making the system accessible via its webchat service in December, starting with around 10 percent of Royal Bank customers in Scotland that use webchat, helping to answer specific queries on everything from 'How do I authorise my card to be used overseas?' to 'How do I update my home address with the bank'? The chatbot will be able to answer these simple questions in just a split second while directing customers to a human to answer more complex questions. Following a successful pilot, the system is expected to roll out to the bank's NatWest customers. This customer pilot follows a successful two-month trial of the technology earlier this year among 1,200 Royal Bank of Scotland and NatWest staff, primarily handling queries from small businesses customers with problems such as lost corporate cards or forgotten pins.

The aim of the system is to help our customers quickly and simply with their queries and problems whilst keeping waiting times to a bare minimum. With the chatbot being able to find answers from a variety of sources of information in just a split second and with staff being freed up to handle more complex problems, customers are to set benefit from a much simpler and faster process.

The chatbot can also decide on how to act based on the specific situation, so for instance, if a customer has their card stolen, they will be automatically routed to a human advisor, whereas if they just need advice on how to order a new card, it will quickly find that information for them.

In the future, the cognitive chat bot could begin using IBM Watson Alchemy Language capability to better understand how a customer is feeling – for example, if they are unhappy or frustrated – and then change its tone and actions accordingly.

"The chatbot frees advisors from spending time on simple, easily-addressed queries so they can help customers with more complex issues and questions," says Jane Howard, Head of Personal Banking, NatWest and Royal Bank of Scotland.

"As this cognitive system continues to learn overtime, Royal Bank of Scotland and NatWest will be able to expand its capabilities to more complex areas such as providing increased personalization and using predictive analytics to detect possible issues before they arise to make a recommended course of action," says Chris

Withers, Europe Head of Financial Services for Watson Solutions from IBM. “The system is a great example of how IBM Watson can be used to augment the intelligence of employees and improve the experience of customers.”

### **About Royal Bank of Scotland**

Royal Bank of Scotland has paved the way in banking ever since it was established in 1727. From the world’s first overdraft, and the first house purchase loan by a UK bank, to the first fully-fledged Internet banking service and mobile banking app the bank has a history of making life easier for its customers.

The bank has commitment to retain its close connections with the Scottish communities it serves. NatWest serves customers in England and Wales, supporting them with their personal, private, and business banking needs. NatWest helps customers at all stages in their lives, from opening student accounts, to buying their first home, setting up a business, and saving for retirement. Alongside a wide range of banking services, NatWest offers businesses specialist sector knowledge in areas such as manufacturing and technology, as well as access to specialist entrepreneurial support. NatWest has been running MoneySense, an impartial financial education programme for 5-18 year-olds, for more than 21 years. By the end of 2018, NatWest will help another 1 million young people to understand and take control of their finances.

### **About IBM Watson: Pioneering a New Era of Computing**

Watson represents a new era in computing called cognitive computing, where systems understand the world the way humans do: through senses, learning, and experience. Watson continuously learns from previous interactions, gaining in value and knowledge over time. With Watson, organizations are harnessing the power of cognitive computing to transform industries, help professionals do their jobs better, and solve important challenges.

Watson solutions are being built, used and deployed in more than 45 countries and across 20 different industries. Watson is open to the world, allowing a growing community of developers, students, entrepreneurs and tech enthusiasts to easily tap into the most advanced and diverse cognitive computing platform available today.

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