

BANK TECHNOLOGY NEWS



BRANCH AUTOMATION

BBVA Branches Into Video

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By Steve Bills, American Banker

Customers may soon be talking to a screen at the branch - instead of a person.

Improved technology and growing interest in cost cutting have prompted several financial institutions to install videoconferencing systems to serve customers, replacing tellers in some cases or providing immediate access to specialists who might be working at another location.

[BBVA Compass](#) Bank is testing a video workstation that offers mortgage origination and investment services at six Houston-area branches that lack such specialists. The system features a split-screen that shows the banker's face and lets customers watch as their application is created.

"You really feel like you are face to face with the person, even better than face to face," says Compass svp and R&D director [Alejandro E. Carriles](#), who spearheaded the project.

The Birmingham, Ala., unit of [Banco Bilbao Vizcaya Argentaria SA](#) of Madrid has been evaluating the Virtual Banker system for about two months. [Shelaghmichael Brown](#), a senior evp at Compass and its head of retail banking, said it plans to install the system at another 60 to 70 branches in 2010.

The system helps the bank provide financial services to more customers without requiring additional employees. "We have a widely dispersed network. We have a need to make some of our specialist services [available] more widely," she says. The \$59.4 billion-asset [BBVA Compass](#) has 741 branches in seven states.

At Compass the video system is considered a way to augment the services its staff can offer, rather than replace tellers. The video workstation is typically set up in a private office, and a branch employee usually joins the customer while they are working with the remote agent, [Carriles](#) says.

The system includes a printer and scanner, so customers can send documents to the agent and receive printouts. The device also features a card reader for transactions that require fees, such as paying for a property appraisal.

While BBVA Compass is focusing on services that are not available in local branches, [Coastal Federal Credit Union](#) in Raleigh is using video to replace tellers. [Willard Ross](#), the credit union's chief retail officer, said the \$2.2 billion-asset [Coastal Federal](#) has installed video teller systems at 13 of its 19 branches, enabling employees to work on sales rather than processing transactions.

The Express Teller system, developed by [uGenius IP Holdings LLC](#) in Sandy, Utah, uses employees at a central call center in Raleigh. The devices function much like a conventional automated teller machine, with a video screen that enables members to communicate with the teller.

[uGenius](#) says its machines can handle 95 percent of typical teller transactions, including cash and check deposits; check cashing; account payments and transfers; and other services.

Coastal Federal has been able to achieve a 40 percent reduction in teller staff, while at the same time offering extended hours, [Ross](#) says.

[Nicole Sturgill](#), research director for delivery channels at [TowerGroup](#), says video banking is becoming a viable option for several reasons, including advances in video technology, the financial crisis and consumers' changing expectations. "This is a way of centralizing your subject-matter experts but making them available to anyone, anywhere."

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