

# UnionBank of the Philippines

UnionBank Taps Alvaria to Help with the Bank's Digital Transformation



*Throughout its 36 years of existence, UnionBank has always been quick to embrace innovation, embedding technology in its way-of-doing-business and leveraging it in making strides to empower its customers.*

## The Organization

UnionBank is a publicly-listed universal bank that distinguishes itself through superior technology, unique branch sales and service culture, and centralized backroom operations. It has consistently been recognized as one of Asia's leading companies in banking and finance, ranking among the country's top 10 universal banks in terms of key performance ratios in profitability, liquidity, solvency and efficiency.

## Motivation for Change

The Philippines is one of the fastest growing economies in South East Asia. The country has a population of 106 million with 50 million having access to the internet and 34 million smartphone users. However, only 20 million have access to formal financial services.

UnionBank's chairman, Dr. Justo A. Ortiz, PhD, instilled in the organization the purpose of "Making the Diff" by connecting and enabling communities through Smart Banking in the spirit of UBUNTU, which means community building. The Bank's digital transformation journey entailed building partnerships with organizations that see the same vision, have a clear purpose and are highly agile.



*“Alvaria's contact center technology is like a plug and play solution. We were able to implement it in just a few months' time.”*

– Dennis L. Matutina, Executive Vice President,  
Center Head – Channel Development, UnionBank

## Desired Solution

UnionBank sought technology providers that would join them in their journey to digital transformation and help them execute a three-point strategy:

1. Establish a solid digital mindset. UnionBank had to engage stakeholders and employees through thought-leadership sessions and training to increase skills and competencies so that “No one gets left behind,” a mantra that the bank holds dearly. Part of that mantra is to deepen customer engagement through digital channels.
2. Build a robust digital enterprise architecture. Their first step was building an API platform. UnionBank wanted to be the only bank in the Philippines with a robust API platform. On top of that they wanted to construct a layer of business process automation platform.
3. Re-engineer bank processes to be digital and straight-through. UnionBank wanted to rethink the way they do business to eventually become 100% paperless.

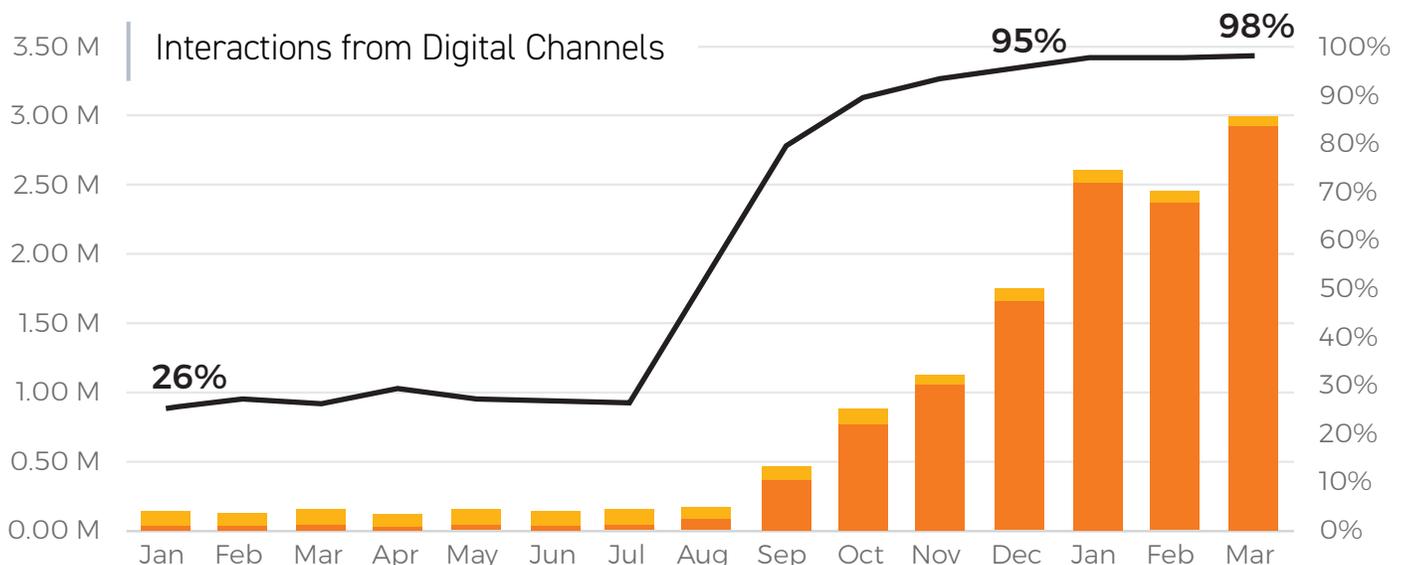
## Why Alvaria

Alvaria's omnichannel customer interaction management technology, Aspect® Unified IP® integrated with Alvaria™ Quality and Alvaria™ Workforce. The expertise from the Alvaria team, and channel partner, Trends & Technologies, Inc. (Trends) were also instrumental in helping UnionBank achieve their customer engagement goals.

## The Results

UnionBank's digital transformation journey resulted in lowered operating expenses, increased income and positive customer feedback.

In 2017 only 26% of total interactions were coming from digital channels, with 74% coming from voice. In Q2 2017, the bank launched its new mobile app and chatbot. And in Q3 2017 they launched Aspect Unified IP, with Trends as the system integrator, which provided the bank's customers with true omnichannel experiences. The results of the solution were very impactful: Driven by a substantial increase in digital channel engagement, overall customer interactions grew exponentially in Q4 of 2017. In 2018, voice is no longer the preferred channel.



Telesales within UnionBank has also been transformed. By utilizing Alvaria Workforce the bank realized that the increase in self-service over digital channels created downtime for agents. The bank was able to optimize this downtime by augmenting sales functionalities. In 2016, 30 representatives were delivering about 800 million pesos in revenue a year. However, after implementing Alvaria Workforce in 2017, UnionBank was able to reduce the full-time agent count to 22 while also increasing sales to one billion. In 2018, the agent count was just 16 representatives but projected to bring in 1.8 billion in sales volume. Over a two-year span thanks to the optimization of their agent workforce, UnionBank was able to reduce labor costs by nearly half while more than doubling sales volume.

Since implementing Alvaria's suite of interaction management and workforce optimization technology and completing their digital transformation, UnionBank also elevated their customer experience delivery. The bank saw:



The digital transformation extends to bank locations as well. When customers walk into the Bank's first fully digital branch, The ARK, they are guided by specially trained bank ambassadors who hand them an iPad and assist them in their various transactions. The paperless experience is complemented by a transformed space, Virtual Reality equipment, Fast Wi-Fi and free-flowing coffee.

UnionBank's digital transformation is well on its way with the end goal of achieving greater financial inclusion for all Filipinos. The Bank is set on going digital to the core as it continues to embrace and harness technology amid a committed drive for inclusive prosperity.

#### About Alvaria

Alvaria™ was founded through the merger of Aspect Software and Noble Systems, technology leaders in Customer Experience (CX) and Workforce Engagement solutions. Our name is derived from Latin for "hives" – nature's perfect form for millions of years – bringing you solutions that are scalable, resilient and secure, with efficiency, speed and pinpoint accuracy. ALVARIA™. Reshaping Customer Experience™. For more information, visit [www.alvaria.com](http://www.alvaria.com). Follow Alvaria on Twitter at [@Alvaria\\_Inc](https://twitter.com/Alvaria_Inc). #ReshapingCX

