

Reimagine Financial Services: Customer Journey

Combining technology and human touch to get closer to customers



Reimagining Engagement

By Simon Gray



Simply keeping up with digital native competitors is no longer enough to meet fast-changing customer expectations, let alone differentiate your business. Forward-looking financial institutions are combining the convenience of digital with the empathy of human interaction to enhance the way they engage with their customers, deliver better outcomes and provide a springboard for innovative new propositions.

In an earlier [article](#), we looked at how a well-defined channel strategy offers the most effective and coherent way of realising the full potential of digital innovations.

The benefits are clear, including reduced cost to serve, better understand your customers and the ability to reach new markets without the need for a physical presence. Digital also allows you to anticipate customer demands and respond proactively – a customised ready-to-go mortgage as soon as someone starts viewing new homes, for example.

Having a single customer view that connects multiple channels also means you can create a more seamless and informed customer journey, moving from a narrow product focus to customer-centric solutions.

These customised solutions can fit around changing needs and cut across multiple product lines – shifting surplus deposits into investments or health, wealth and retirement, for example. Crucially, the most suitable components within these solutions can be sourced through open architecture ecosystems as well as in-house.

It's clear, though, that those who place customer experience and transaction journeys at the heart of their payment design are those more likely to understand the opportunities ISO enables.

Overcoming the obstacles

Is the industry capitalising on these opportunities? Some financial institutions are gaining ground, but familiar legacy issues continue to hold many back. What we often see is that the customer-facing front end interactions are swift and slick, but the supporting infrastructure that sits behind it is still old, slow and compartmentalised.

This makes it hard to create either a single view of the customer or a seamless omnichannel journey. And while digital native challengers don't have a legacy deadweight to hold them back, parity with them is now no more than table stakes rather than a differentiator.

The other big challenge is how to engage in the way customers want. This is far from clear-cut and often varies by segment and individual customer. While digital can provide a convenient and cost-effective option for routine transactions, the ever-increasing complexity of today's financial demands often requires human input to advise customers and help devise the right solutions. This ability to bring in a human touch when needed is a chance for incumbent institutions to differentiate themselves from digital-only challengers.

Five ways to get ahead

Delivering the kind of engagement and subsequent journey that customers want demands a perfect, but also flexible blend of technology and human touch.

Five priorities stand out:



1. Know what your customers really want

There is no one-size-fits-all way to create the right customer interaction, journey and outcomes. Indeed, the big danger is developing a grand strategy that fails to take account of the individual and often nuanced expectations of your particular customers.

That's why it's so important to reach out to customers, understand their demands and build your response around this. This includes analysis of your customer base and the most appropriate customer journey to determine the right contact model. The resulting capabilities can provide the interaction and understanding needed to deliver customised, optimised and cost-effective solutions.

2. Build the human touch around empathy and understanding

Customers often want to deal with real people when it comes to complex needs, such as pensions and wealth management. They may also have queries or need extra support for transactions that they initiate digitally. Meeting these demands means monitoring omnichannel engagements and being able to step in quickly to help when needed.

Empathy and understanding are the keys to making the most of this human input. Customers want to be sure that you're listening and designing solutions around this, not simply pushing products. This calls for both training and a possible shift in mindset, underpinned by appropriate performance objectives and incentives.

3. Create an adaptable target operating model

Operating models should be able to deliver the speed, insight and agility to respond to customer demands - both at the front end and within the supporting infrastructure. Just as important is the flexibility needed to adapt to fast-changing market demands.

The key is to design an adaptable model that won't be rendered obsolete by technology or changing expectations by the time it's implemented. If deployed effectively, cloud flexibility and developments such as plug and play service offerings now make this easier to achieve.

4. Make implementation 'pay as you go'

While it's important to build your customer contact model around a guiding strategic vision, implementation can still be iterative and adaptable. This pragmatic approach can also help to avoid the financial and reputational risks of a 'big bang' switchover that goes wrong.

Customer journey analysis can help to guide priorities and gauge return on investment. Cost savings and revenue gains at each stage can then help to fund the next phases of development and implementation.



5. Make the most of ecosystem capabilities

Platform ecosystems mean that you no longer have to build everything from scratch. Often, the solutions you need already exist, you can buy them 'off the shelf', and you can plug and play multiple offerings quickly and easily. This saves huge amounts of time, effort and money.

But don't overlook the importance of human input and experience. Aside from building relationships, it's also important to analyse customer needs and design experiences carefully - especially when they're now likely to span multiple products and providers.



Cementing Loyalty and Trust

Digital capabilities offer easier accessibility, valuable insights and faster response. But they can never replace the depth and trust that come from human engagement.

By adding the human touch to a digital approach, you'll not only be able to develop more suitable solutions for complex needs, but also build relationships for lasting loyalty. Indeed, as more services become automated, the human touch could actually be a more important differentiator than before.



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