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Banking on frictionless customer journeys

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In 2014, the “age of the customer” was born as a phrase and remained largely abstract. But fast forward just a few years and in 2017, it is the holy grail for businesses – especially banks.

We have now welcomed a new digital age of customers who do not want to be told they must bank in a certain way or through certain channels. Customers want to be the masters of their own journeys, banking at a time and place, and in a way convenient for them.

This shift in customer behaviour and expectations hasn't gone unnoticed and banks are starting to respond. In fact, according to the recent [Digital Banking Report 2017](#), providing frictionless customer journeys was cited as the most important area of immediate development for financial services leaders. Closely linked to this, the third most important issue was the need to improve integrated multichannel service delivery. So, it's clear the industry understands the importance of delivering an excellent customer experience, but how far away are banks from achieving their aim of providing seamless customer journeys?

A time for change

Banks are increasingly being defined by the services and experiences they deliver to customers. Organisations such as Apple and Amazon have raised the bar for organisations across all industries as consumers expect the same level of customer experience regardless of whether they are buying a book, mobile phone or taking out a mortgage.

Today's 'always on' consumer wants to be able to bank at their convenience, through the channel of their choice – they do not want to be dictated to or restricted by internal processes that force them down channels they don't want to use or lengthen the customer journey. Disruptors from within the banking industry understand that customer experience is the new battleground for customer acquisition and loyalty and have designed seamless journeys without the hindrance of legacy systems. In order to compete long term, traditional banks need to shift their focus from internal systems to customer needs when designing customer journeys.

The pressure on banks is further intensified when it comes to complex customer journeys, such as mortgages or wealth advice journeys. The multiple touchpoints, complex compliance and multiple parties in these journeys mean the opportunities for interruptions or break points is increased, and can result in higher drop off rates. The challenge for banks is to ensure these journeys are delivered in a seamless way despite their complexity. Re-shaping business processes and strategies is vital, and finding the balance between cost and engagement will define the real winners in the customer experience race.

Redefining customer journeys

In order to deliver frictionless customer journeys, regardless of whether they are simple or complex, banks need to take a granular look at each journey and understand the breaking points that cause delays and abandoned journeys. Organisations need to ask the following questions of their customer journeys:

- Are customers being forced down a channel that they don't want to use?
- Are unnecessary delays caused by waiting for documents to arrive in the post?
- Is there a plan for recovering digital journeys that fail to complete?
- Are product comparisons well-communicated, or are customers left confused by the range of options to them?

Addressing these questions will help banks identify the issues and breaks in the customer journey that negatively impact on businesses through increased drop offs, decreased completions and reduced NPS scores.

Banks also need to shift their mindset from siloed communication channels to complete customer journeys. Customers do not think in terms of channels, they think in terms of overall experience across whatever channels they choose to engage. It is only by designing journeys around customer needs and enabling a seamless omnichannel experience that banks can ensure they deliver a service that meets expectations.

Similarly, the right measurements also need to be in place to fully support the customer experience. While channel-level metrics are useful for understanding a single aspect of a customer journey they can often deliver a narrow and misleading view of whether the customer journey is successful.

Average handling time (AHT), for example, is a measure often used but it would suggest two 9 minute phone calls to resolve a single issue is preferable to one single 10 minute call. Similarly, traditional measurements may only take one channel into account, rather than the several that a customer may be using in practice. By appreciating the complex and non-linear nature of modern customer journeys, banks can ensure they are measuring the effectiveness of the entire journey, and delivering on the CX promise.

Finally, in order to deliver a truly frictionless journey, banks also need to eliminate confusion from customers' journeys. Delivering clarity in terms of features, pricing and compliance will remove stalling points from journeys, not only improving the experience for customers, but ensuring higher conversion rates and reduced customer service calls.

Adapting business strategies

By identifying breaks in the customer journey, and understanding where delays appear, technology can be applied in the right way to help transform both simple and complex customer journeys.

Determining which journeys demand high engagement and where low engagement will suffice, and how each requires different technology, will help to create the perfect balance between experience and cost.

One standout bank that has already begun the transformational process is RBS. RBS identified breaks caused by posting and processing documentation and implemented their DigiDocs platform to solve the problem. Instead customers can now seamlessly move between digital and telephony channels when applying for products, uploading and downloading supporting information and signing documents through an online portal. By adopting this approach RBS have improved customer experience as well as deliver reduced drop off rates.

The future is frictionless

While banks have made tremendous strides in offering customers more choice and convenience, a truly frictionless journey is one that gives customers choice and that allows them to move between the channels they want, seamlessly.

Whether that is via chat, telephone or self-service, or by showing, sharing and signing documents online, understanding every element and requirement of the overall customer journey means banks can optimise their customer service channels to ensure they are delivering the best possible experience.