



Treat Different People Differently

Making Banking Experiences Relevant, Frictionless and Consistent.



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ABSTRACT

In today's digital world, we constantly get impulses and are granted access to an enormous variety of financial products, services, providers, etc. In the past, financial services providers spent huge amounts of money on advertising to attract the attention of their target audience and arise desire. Today, that's no longer enough.

Clients seek products and services that make the difference and, above all else, meet their specific, actual needs. The value of a service or product is different for one person than another, depending on who they are, where they are, what their state of mind or stage of life is.

So, where do you start getting to know and understand the needs of your current and potential clients and offer them a relevant, personalized experience

Introduction

For a very long time, most financial services providers were convinced to have a good view on which client segments they were serving or wanted to target, and on the products and services these clients and prospects needed or longed for.

Focus was on creating good products and delivering good services in the most efficient way, at the lowest cost and fit for the largest distribution possible. Overall, clients satisfied



themselves with products and services “close enough to their needs” as long as security, trust and quality was ensured.

But the times they are a-changin'. “Close enough” is no longer good enough. Nowadays, we all got used to and expect a relevant, personalized experience. Quite a challenge for most companies.

Personalizing Client Interactions: Why Does It Matter?

Security and trust still remain the top requirements when it comes to banking and insurance services, so does quality.

Multiple studies and reports though point out new customer values: financial services need to be **frictionless** (convenient), **personalized** (relevant) and **omnichannel** (consistent and time/place independent).

The evolution in client expectations and behavior, the increased need for innovation and engagement are accelerated mainly by forces outside of the sector and are irreversible.

Consumers want to be treated ‘special’ in every business relationship and no longer accept to be pinned based on their age, income, etc. Bye, bye one-directional, automated push communication and one size fits all interactions and offerings. Consumers are increasingly adept in cracking the façade and recognizing mass, automated messaging.

Define Your Roadmap with the AE Personalization Maturity Model

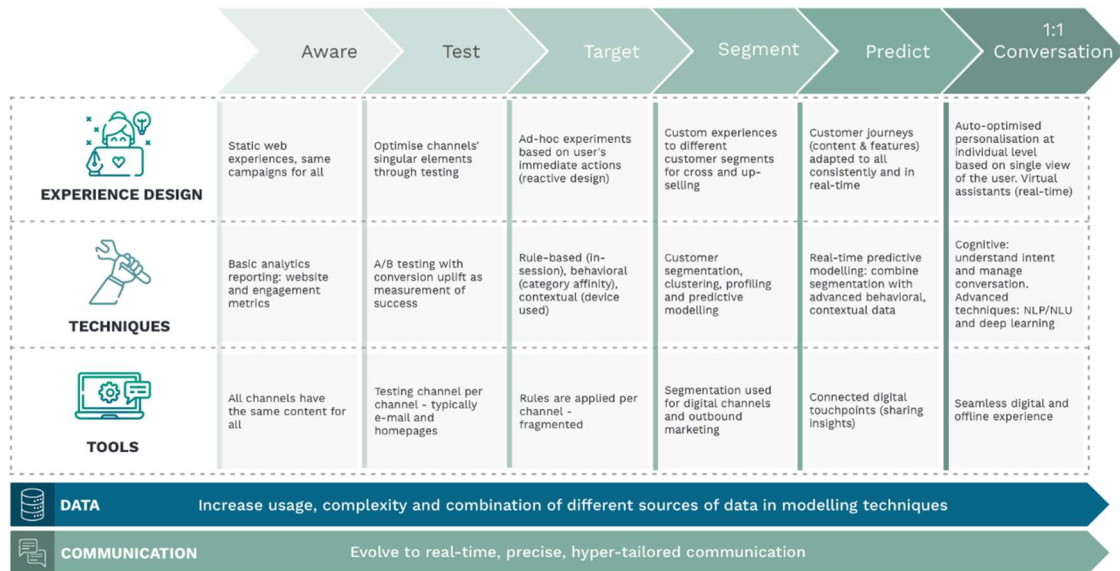
Financial services providers deem to be well positioned, since they sit on a vast amount of internal data which, if structured and efficiently accessible, they can combine with external, open data to achieve new levels of insight, with a greater contextuality and timeliness than ever possible just a few short years ago. **Predictive analytics, artificial intelligence (AI) and machine learning** can be combined to provide a hyper-relevant capability that is delivered in real-time using digital devices.

AE’s business architects have developed a **maturity model** which is used to assess its banking and insurance clients’ maturity in personalization. The model distinguishes **6 levels of maturity** assessed by looking at **3 domains** (experience design, techniques and

DON'T SELL
Products, services

SELL
Dreams, value,
benefits

touchpoints). It helps banks and insurers to determine on which of the 6 levels their organization is situated.



Starting from the organization's current or target reference architectural model and the assessment of the current maturity level of its organization, both the **actions and roadmap** are determined to move on to the next level.

Every level comes with a step up in usage, complexity and modelling of data on the one hand, and an evolution in real-time, precise and tailored communication on the other hand.

Improve Your Organization's Client Interactions in Five Steps.

Starting from the current maturity level, a roadmap and action plan with **5 steps** is designed to **take your organization in an iterative way to a higher maturity level**.

STEP 1 – MAP OUT CUSTOMER JOURNEYS

Walk in the shoes of your customer. A focus on delivering **value** instead of products or services, starts by stepping in the shoes of your customer and mapping out his journey. It is thereby not only important to look at attracting and winning your customer interest and



trust, but also to retain it. So, focus on the journey **before, during and after the transaction.**

STEP 2 - DEVELOP AN OMNICHANNEL STRATEGY

Deliver a frictionless experience. Your client - even your prospect - needs to feel recognized across all your distribution channels. Make sure all the touchpoints are orchestrated. This results in a **pleasant, seamless experience** for your customer, who picks up right where he left off via a channel of his choice.

STEP 3 - REVIEW YOUR MARKETING STRATEGY

Each level on the Maturity Map translates into **different objectives and communication aspects**. In the earlier phases, the definition of your target audience is still vague. By climbing up the maturity ladder, you'll collect more data and introduce new tools to extract insights. The lens slowly sharpens and it becomes clear who your target customer is and how you reach out for him in a personalized way. The purpose of your campaigns becomes crystal clear and the tone of voice is exactly the one that resonates with your customer.

STEP 4 - ELABORATE THE TARGET REFERENCE ARCHITECTURE: MAKE OR BUY BUILDING BLOCKS

With a clear vision on your target audience, it is time to **evaluate your existing application landscape**. Which building blocks are needed to capture, structure and efficiently use your data? Which tools make it possible to collect and monitor real-time data? Which competences and resources are needed to implement this strategy? To answer these questions, it is important to keep your position within the Maturity map in mind. The more mature, the more important it becomes for your company to **gain insights from real-time – and behavioral - data and act upon these.**

STEP 5 - THE CUSTOMIZED JOURNEY

After having completed all the previous steps, you are now ready to convey a hyper-personal message, crowning all the earlier work. In this step, it's about **increasing the capturing, usage and combination of data**. You're now in a position to turn these data into a real competitive advantage.



Conclusion

As customers have grown accustomed to personalized solutions in other industries, it is evident that they mirror these expectations when it comes to financial services.

Personalization is probably one of the domains where incumbent firms are most challenged by new-entrants, both big techs and small fintechs. The latter have it in their nature to focus on the needs and expectations of the end-client and are often less hindered by legacy infrastructure and processes. We believe that it's only through personalized solutions, products and services that financial services providers will be able to retain customers, especially profitable ones, and preserve loyalty to their brand.

There are different layers of personalization and the majority of banks and insurers still have work ahead. With the correct assessment, a structured approach, the right competences and mindset one can certainly move up on the maturity chain.

Read more on the **approach, competences and mindset** you need to get there in our **free downloadable whitepaper**.



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