



Standing Out in The World of Retail Banking

Big Data, New Trends, Better Experiences

The retail banking industry is seeing a major shift, moving towards more digital interactions, increased data flows, and new competition. Changes in consumer behaviour, expectations, and technological developments are all creating new demands.

Consumers now expect historic services (savings and checking accounts, mortgages, personal loans, and debit/

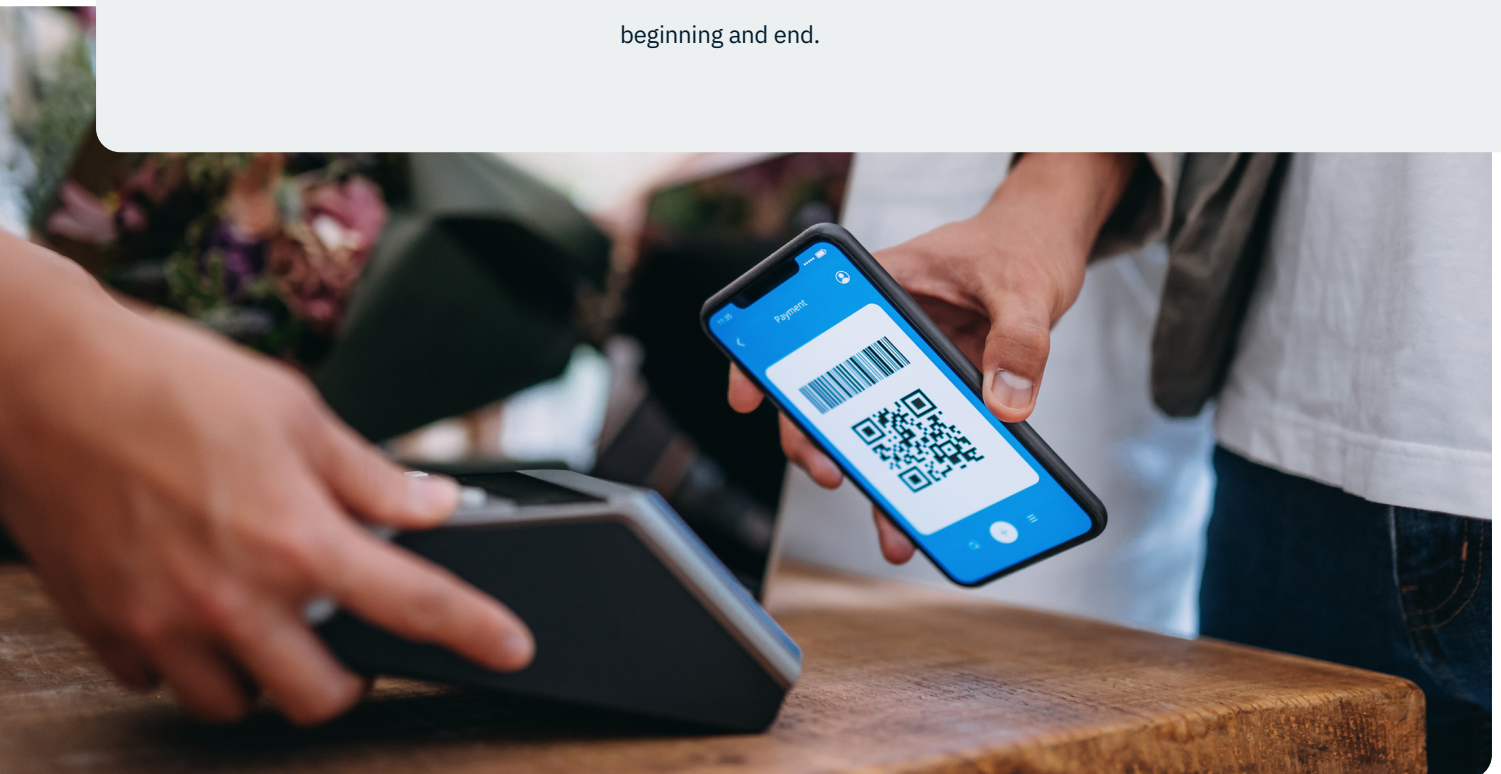
credit cards) to be completely reinvented. They want to open accounts in seconds, have a mortgage in minutes, and access all their banking data in just one click.

At the same time, we are seeing an increase in digital payments, rising regulatory pressures, and more competition from disruptive challenger brands outside of the traditional banking sector.

The banking world is now faced with many changes and challenges, but there is a solution: Data.

In this paper, we explore how retail banks can use all types of customer data to their advantage by:

- Capturing meaningful data to understand customer decision making.
- Combining data from multiple sources to explore opportunities to increase value.
- Analysing consumer behaviours and emotions to understand relationships and uncovering the moments that matter most in customers' experiences.
- Creating connected omnichannel experiences to create holistic multichannel experiences.
- Collecting data accurately across the whole customer journey, not just the beginning and end.



Customers Expect Action in Exchange for Their Data. It's Time to Deliver!

Yes, collecting data has huge benefits for how you run your business and create efficient organisational change, but more importantly collecting customer data needs to benefit your customers in that they feel listened to when their feedback affects changes.

Data driven business decisions are smart decisions, fueled by a wealth of insight, straight from the people who matter most—your customers and employees.

Companies who adopt data-driven marketing are more likely to have an advantage over the competition and increase profitability. In fact, they are **six times** more likely to be profitable year-over-year. (Forbes)

By aligning your business objectives and taking a strategic approach in how you take action on data, you will start to recognise the following benefits:

- Positive culture changes within your organisation
- Relevant real-time data
- Ability to create strategic action plans
- Alignment on a clear experience vision
- Agility necessary to keep up with trends and competitors

- Happier customers and employees
- Increased return on investment, in both the short term and the long run

And if you needed more convincing as to why data intelligence is so important, today's retail banks are competing not only with challengers and fintechs, but also with tech giants who are successfully breaking into the banking sector. These companies are the original pioneers of data driven decision making and know everything to know about their customers. It's time to get competitive!



Your Customers Are Making a Mountain of Data—Conquer It!

A vast amount of data is generated about your customers across numerous touchpoints on a daily basis. The question is, how do you aggregate that data and apply it to key initiatives for measurable impact?

A report from McKinsey & Company shows that between March and August 2020, one in five consumers switched brands, and seven in ten tried new digital channels. But the resulting surge in data has not provided marketers with substantially better understanding of their customers, because their companies' outdated data modelling isn't able to capture these shifts with the necessary granularity and speed.

Data that is available at the right time can help you understand customer behaviour, adapt to their needs, and even predict future behaviours quickly. However, you first need to ensure that

the data you are analysing is centralised and validated in one platform in order to make informed business decisions and future proof experiences.

5 Strategies for Retail Banks Looking to Leverage Big Data

Now that you understand the importance of leveraging the data at your disposal, here are some key topics to consider when collecting and analysing data, to ensure that what you are receiving is relevant, meaningful, and actionable.

#1: Capture Meaningful Data

Retail banks have included customer experience improvement goals in their strategic plans for years now, but they still struggle with multichannel customer engagement because data silos and manual processes cause poor and disjointed experiences.

Listening to customers is one of the best ways for banks to gather rich data about the experiences they provide. However, in order to listen meaningfully, the survey design must reflect what your business is trying to achieve and what KPIs have been set. Designing listening strategies with the end in mind is the premise for a holistic programme. By knowing what data you want to collect means you can make sure you are asking the right questions at the right touchpoints.

Banks have a vast amount of data on customers—including credit card transactions, payments, deposits and withdrawals, and the take up of their products and services. Not only can banks leverage non-banking information around customer behaviours and spending habits, but they can also leverage a mix of unstructured and structured feedback data along different customer journey points, and unsolicited feedback from social media platforms and review sites to piece together a more rounded view of their customers.

Bank customers say they want intelligent interactions, which are contextual and personalised to their needs. By understanding your customers' needs, you are able to make recommendations, personalise your services, and predict future behaviour.

#2: Combine Data from Multiple Sources

Breaking down data silos and combining data from multiple sources across an organisation can increase efficiency and control in a fast-changing and demanding environment.

Without connecting the data streams from different lines of business, products, and services, all in one centralised platform, banks risk a distorted view of the customer experience—and ultimately an increase in customer churn—resulting from a poor and disjointed omnichannel experience.

Open banking now offers banks unprecedented opportunities to create, retain, and increase value by collecting vast amounts of data. In a data ecosystem, businesses are now sharing and managing information to create value. By having all your controls in one strategic

solution, you are able to easily bring together data from touchpoints and systems across the organisation.

Customer insights provide deep knowledge about customers to optimise each interaction with the customer. Having a 360-degree view of all facets of a customer’s activity and engagement with the bank would enable a holistic approach. By eliminating silos, banks can consolidate individual customer

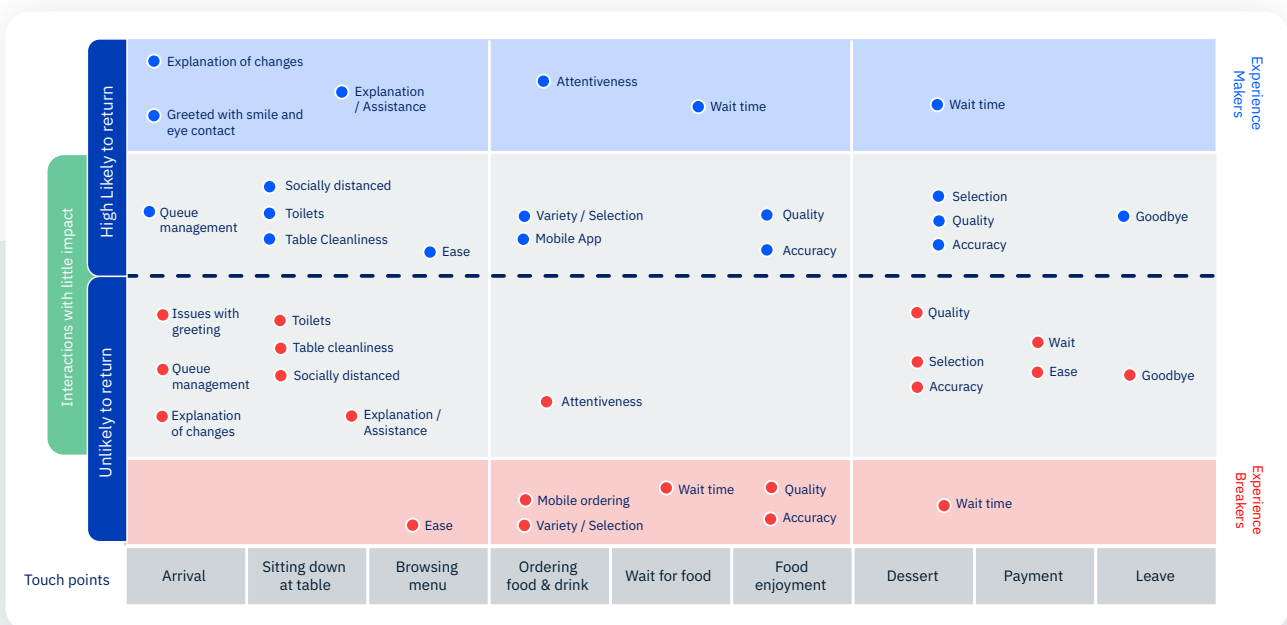
data across business lines. A real-time single customer view across the customer journey improves data analytics and, as a result, firms can spot upsell and cross-selling opportunities.

#3: Analyse Behaviour and Emotions

Customer journeys are multidimensional and influenced by many emotional behaviours. Without creating key emotions in customers, banks run the risk of being

forgotten. Knowing where and when to focus is key to making the greatest impact—and to keeping customers coming back again and again.

Designing experiences to create emotional connections with customers at the key touchpoints increases value and reduces risk. Here is an example of how InMoment banking client, Virgin Money, is putting its money where its mouth is by doing just that:



Client Spotlight: Virgin Money



CUSTOMERS THAT SMILE, STAY

Virgin Money is a big advocate for the value to be found in utilising behavioural science practices and in better understanding customer emotions and impressions. The Virgin Money team wanted to delve deeper into their customer data to see the customer journey from the customer’s perspective and allow the team to understand where they were succeeding and where they needed to improve.

InMoment helped pinpoint areas for improvement through Touchpoint Impact Mapping, which uses unstructured customer data to detect the moments of emotional highs and lows that most impact customer experiences.

Through Touchpoint Journey Mapping, Virgin Money uncovered that negative emotions in the onboarding experience could impact future experiences and, therefore, action needed to be taken in this area to overcome friction.

Retail banks need to take advantage of the latest techniques in data science, to explore their wealth of data in detail, including structured, unstructured, and inferred. By having all this information at their fingertips throughout the organisation means banks are able to deliver fresh insights in a way that encourages the right transformative actions to be taken with clarity.

#4: Master Omnichannel Experiences

Customers today are seeking out consistent and relevant omnichannel experiences, with 70% stating that it's vital to their selection of a bank of choice. However, fewer than half of organisations are able to monetise their data and insights through products and services.

Customers demand intuitive, integrated omnichannel experiences which are

personalised, on-demand and accessible anywhere 24/7. However, cross-channel friction still frustrates customers despite banks' efforts to deliver an omnichannel experience, and thus, the gap between customer expectations and retail banks' priorities continues to grow further apart.

A study from Boston Consulting Group shows that online banking use has risen by 23%, and mobile banking use is up by 30%. This cements the fact that the retail banking customer journey is changing and becoming more multichannel and cross functional.

However, customers expect the same on-hand, expert help online that they would receive in-store. They also expect the experience to be consistent, no matter what part of the bank they are interacting with.

#5: Collect Data Across the Entire Customer Journey

Retail banks can achieve their goals by identifying value opportunities within their customer journey. The typical bank has touchpoints such as joining the bank, borrowing, saving, and making transactions. By identifying and prioritising these interactions and focusing on what matters most to your customers, retail banks can achieve business growth.

Banks must keep the customers at the heart of the journey by tracking key moments in their experiences and measuring sentiment through data and text analytics to see which key areas are having the most impact on their decision making in order to strengthen and improve these specific moments in the journey.

Client Spotlight: NatWest



Natwest wanted to gather data from customers using different products at every stage of their respective customer journey.

Using the InMoment platform, the data that Natwest receives throughout different stages within the customer journey is collated and analysed at every level in the organisation to ensure the business is working together in a joined-up approach instead of in silos. Every week, individual branch and telephone teams review the data and the interactions they have with customers. Regions then get together once per month to share best practices across the group.

The central insight teams utilise all data points from customer insight and NatWest's internal customer information to allow them to focus on how to improve customer experiences across different customer journeys.

"By using customer feedback to uncover customer stories and unlock value in customer data, NatWest is able to create more engaging, meaningful and relevant customer experiences."

ANTHONY BROWN,
CUSTOMER INSIGHT RELEASE TRAIN LEAD, NATWEST

Ultimately, your CX data should be set up in a way that enables you to solve business problems and make decisions with your customer and employee perspective. By optimising your data collection process and making relevant data accessible to the right internal teams, you will drive experience outcomes and achieve your business goals.

To learn more, get in touch!

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Improving experiences is why InMoment™ exists. Our mission is to help our clients improve experiences at the intersection of value—where customer, employee, and business needs come together. The heart of what we do is connect our clients with what matters most through a unique combination of data, technology, and human expertise. With our hyper-modern technology platform, decades of domain authority, and global teams of experts, we uniquely deliver a focus on Experience Improvement (XI) to help our clients own the moments that matter. Take a moment and learn more at [inmoment.com](https://www.inmoment.com)

