



SOLUTION BRIEF

Embracing Consumer Duty to Deliver Positive Outcomes; Shifting From Compliance Focused to Customer Centric

What is Consumer Duty?

Consumer Duty Principle, proposed by FCA, is a significant new legislation for the UK FinServe sector. The legislation aims to set a consistent and increased standard of care to customers, and mandates organisations to put the needs of the customer first.



Brands recognise that Consumer Duty is critical and compliance ahead of the deadline is a top priority.

In a recent Ernst & Young Consumer Duty Survey **90 percent of the 32 FinServe organisations interviewed ranked Consumer Duty as a “Top Three Regulatory Priority”**.

Failure to deliver these outcomes for your customers, can potentially result in hefty fines. In FY 2021 FinServe organisations paid a total of **£567 million in fines** for breaching consumer duty rules and regulations.

What Consumer ‘Problems’ will Consumer Duty Solve?

As we face tough economic conditions and a deepening cost of living crisis, it has never been more important for consumers to make sound, well informed financial decisions. The Consumer Duty will protect consumers,

particularly those who are vulnerable, by treating them fairly, giving them the support and information they need to make sound financial decisions and delivering beneficial outcomes for the consumer.

In practical terms, according to the FCA, this will mean that customers:

- Have greater power to switch or cancel products and services that are not right for them
- Avoid hefty penalties and charges imposed by FinServe organisations
- Have access to better customer support, resolving any queries quickly and efficiently
- Better understand the products and services they are purchasing so that they can be confident they are the right product / service for them and their circumstances
- Personal circumstances are considered at every stage of the customer journey, particularly those that are vulnerable

How will it Affect Customer Experience (CX)?

The introduction of the Consumer Duty principle and potential for large fines for failure to comply is undoubtedly daunting and represents a significant shift for the FinServe sector. However, striving to deliver positive outcomes for your customers and placing the customer at the heart of business decisions, is something that most, if not all, FinServe organisations have been focusing on and prioritising for some time. The new legislation will sharpen and accelerate this focus, as to comply with Consumer Duty will require a deep understanding of all your customers, across their entire journey with your organisation.

According to the FCA, complying with the proposed Consumer Duty will “require a significant shift in culture and behaviour”. There is no question that this scale of change will impact internal technology and data systems. However, the most successful firms will be those who place the customer at the heart of their decision making, and truly live a customer centric culture within their business.

“The most forward-thinking firms also see the value of taking a business-led approach, primarily increasing customer-centricity across the business, rather than adopting a compliance-first mindset.”

ERNST & YOUNG



Successfully deploying a customer-obsessed culture throughout an organisation, will generate stronger returns and better consumer outcomes, than those organisations who focus solely on compliance. Executive level ownership and sponsorship will help to embed a customer centric culture.

There is a real opportunity for growth amongst those companies who embrace the Consumer Duty and successfully deploy that customer obsessed culture. If your customers feel heard and listened to, trust your organisation and believe you have their best interests at heart, they are more likely to stay loyal. With switching providers being now easier than ever, more new customers can be acquired, with customers seeking a trustworthy, reputable company that has proven they put the customer at the heart of their business.

HOW CAN INMOMENT HELP?

There are numerous ways InMoment can help companies build customer centric culture from which to thrive:



IDENTIFY RISKS



COURSE CORRECT



CULTURE OF CONTINUOUS
IMPROVEMENT

IDENTIFY RISKS

Detecting Consumer Intent

InMoment automatically identifies those customers who intend to complain or even switch providers. Using InMoment's AI Powered Platform, customers can be flagged, with a formal case raised to resolve any issue, before a formal complaint is lodged and a potential fine incurred.

Immediate Alerts for Risk

Instantly identify where customer outcomes are not being met, automatically share with the right person and teams, to ensure a speedy resolution, delivering a better outcome to customers, and incurring fewer fines.

Online Reputation Management

Monitor and enhance your online reputation, being alerted to any negative online reviews / comments to avoid the risk of online reputational damage.

Solve Compliance Issues

Identify, extract and understand your customer semi and structured data, both new and historical to solve specific compliance challenges

COURSE CORRECTION

Solve a Problem at Source

Reduce formal complaints by solving issues at source. Automatically provide customers with product descriptions, self help videos etc to resolve issues, and should a problem still exist, real time case management is available to rectify a problem.

Churn Reduction

Listen holistically across all data sources to assess whether outcomes are being met. InMoment can ingest all signals, such as survey data, social reviews, Call Centre transcripts, Complaint letters, Product descriptions, in one integrated platform.

Identification and Tracking of Outcomes for Vulnerable Customers

Ensure your most vulnerable customers continue to have a seamless experience and be automatically alerted to any aspects of the customer journey that are not providing an inclusive experience. Deploy our unique Consumer Duty Taxonomy consisting of DEI, Compliance, and the Financial Services Industry Pack.



Outcome Tracking Through Consumer Duty Taxonomy

A comprehensive understanding of why your customers are NOT getting the right outcomes. The opportunity to add specific tags yourself, in a self-serve fashion if you require.

CULTURE OF CONTINUOUS IMPROVEMENT

Understand emotion and impact along the customer journey

Walk in the shoes of your customers, truly understanding the moments that matter to your customers, as well as identifying any potential pain points and barriers along the journey.

Drive Customer Centricity

Celebrate and socialise positive customer experiences, championing positive customer outcomes across your entire organisation.

Audit of Survey Design

Ensure that all of your surveys and listening posts are set up correctly to ensure you ask the right questions and capture the right metrics in regards to consumer duty, to ensure you deliver the right outcomes.

If you would like to find out more or book a meeting reach out to voc@inmoment.com

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