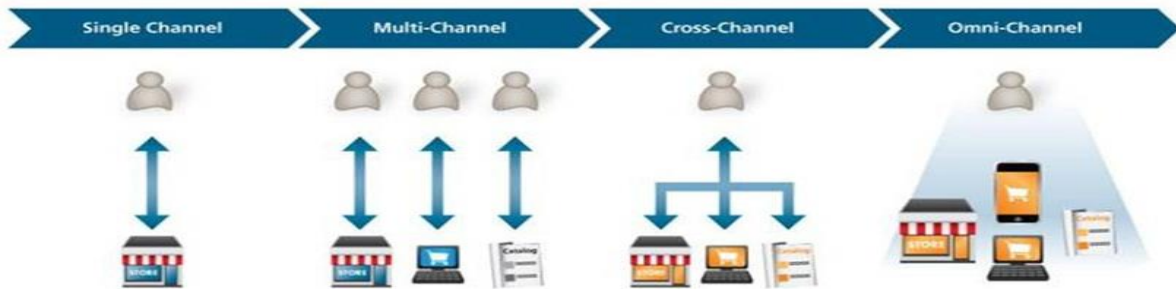


## Omni-channel Banking – Beware building Pipework without Insight



The news last week from the British Bankers Association that in 2013 UK consumers

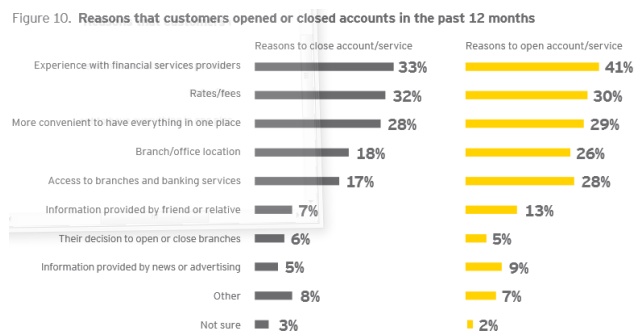
- Downloaded more than 12.4million bank apps
- Used their mobile phones for 18.6million transactions a week in 2013 – up from 9.1million in 2012
- Made nearly 40million mobile and internet transactions a week in 2013
- 28.4million debit and credit cards fitted with contactless technology
- Signed up to receive more than 457.7million SMS balance alerts and other text messages during 201

has delivered added impetus to the rush to the omni-channel model as the holy grail of banks and financial institutions. The omni-channel strategy is the provision of a seamless customer experience across all channels. At the moment this is perceived to be a consumer facing data and technology challenge however is just one very important part of the overall picture of a successful omni-channel strategy. In addition and equally crucial are you refining and targeting your offer to the needs of the individual and is your end to end service model reflecting the front end experience?

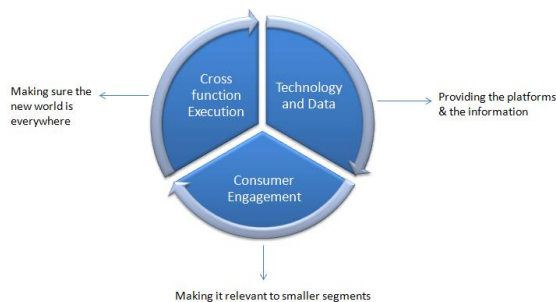
Is the reality for many banks and Financial Services organisations that they are making good time but going in the wrong direction?

As an industry we are trained in and our learnt behaviours are all focused on ‘push’ approaches to customer interactions. We decide what they want then push it to them. We are an ‘inside out’ not an ‘outside in’ industry. So the thinking around how omni-channel will work concentrates on the bits we are most comfortable with - the technology and the data. Now do not get me wrong of course the whole concept falls to the ground without this key pipework but are we sure we are considering the full picture of a successful and productive ‘single experience’ model (note I avoided omni-channel for reasons I will explain later).

Looking at the stats from just one worldwide banking confidence survey (1) sums up where perhaps the emphasis should lie



It's all about the total experience and value for money , not just access to data or ability to check your balance on a train at 10 o'clock at night , and this is why our 'Single Experience' model is made up of 3 equally important components;



### *Technology and Data*

The 'pipework' referred to above provides the single customer view and the multiple channel presentations on phones, tablets and branches. This component currently has the greatest level of focus within banks as it's the bit we all understand best. We can all build Apps, we can all deliver in-branch I-pad account opening facilities , we can all develop portals, we can all develop P2P payment services etc. and people like to use them BUT they are in the main transactional and in themselves do not establish the fundamentals of retention and advocacy i.e. personalised relevance and representing value for money. Frighteningly they are table stakes only!

### *Consumer Engagement*

The tough bit for us schooled in the world of Financial Services is accepting that to be successful in the new highly competitive digital worlds we are going to have to let the consumer drive the conversation and decide what they think is relevant and how they would like to interact with us. Simply throwing all channels at everyone and then hoping access is enough is doomed to failure. The survey referred to above (1) found two-thirds of consumers would increase deposits or investment, add accounts or services, or pay more if their bank found new ways to improve their service , 55% would do the same if they respected religious or cultural requirements and 48% would do the same if the bank provided plans to help them reach their financial goals.

The greatest test of a bank's relevance is its ability to anticipate customer needs and offer help. This cannot be achieved without personalising the offer. Personalisation comes through greater engagement , adding emotional interaction to the transactional interaction described above. Consumers now interact digitally with brands more than ever through comment, rating, complaints, enquiries, suggestions, competitions or simply providing content. These avenues of interaction should not be ignored as a means of measuring what content individuals like to absorb , how they like to receive it and how they react to it. Ignoring this vast potential reservoir of insight means you are only getting part of the picture.

### *Making Sure the New World is Everywhere*

The rush to the front end of digital engagement (channels and applications) has the danger of creating two speed development and a disjointed customer experience as new world front end crashes into the old world service model. A great customer experience is one where all interactions are consistent, all responses immediate and all focus is on the consumer needs. Does that sound like your current or planned customer experience? The very use of the term omni-channel speaks of silos, of experiences defined not by consumer need but by the manner in which they interact with you thus obviating the nirvana of the seamless experience. Our 'Single Experience' model breaks down these silo barriers offering a service designed to the needs of the consumer as they switch their touch points from website, to app, to branch and finally completing via mobile.

Our '*Single Experience*' approach offers a challenge to organisations to address the omni-channel opportunity not as a dash to front end consumer transactions but as an integrated experience designed to engage , retain and grow the consumer value through individualised insight and marketing ,an integrated service model and evidential value for money capable of supporting the omni-channel client in their customer journey.

One final consideration for us all is that how we see the customer journey today will not be the same in 12 months time and without the end to end perspective spoken about in this article how are you to cope with emerging channels , technology and behaviours and seamlessly blend them into your omni-channel vision?