



How to Communicate with Customers in a Digital Branchless Reality

Presenters



Jim Marous

Financial Brand

*Owner, Digital Banking Report /
Co-Publisher, The Financial Brand*



Olga Zakharenkava

Doxim

Vice President, Product Management

In Today's Webinar

- 01 Analysis of rapidly shifting trends in customer behaviour and expectations
- 02 Insight and tips on providing exceptional CX without face-to-face interaction
- 03 A digital banking “reality check” on your digital readiness and the broader competitive landscape
- 04 Tools, strategies and technologies to prioritize to make branchless banking a reality, fast

Digital-first

Omnichannel

Secure

*We must (and can!)
EMBRACE CHANGE
so that we **THRIVE**
through it.*

24/7

Delivers value

On My Terms

'CUSTOMER EXPERIENCE IS KING'!**Consumer Engagement****80%**

Consumers are more likely to do business with a company that offers personalized experiences

Demanding Generation**4X**

Millennials are 4x more likely than boomers to switch providers because of poor quality of communications

Source: Aspire (2020)

Consumer Engagement**33%**

of Americans say they'll consider switching companies after just a single instance of poor service

Source: American Express (2017)

Business Value Focus**49%**

of businesses are investing in omnichannel communications to increase customer experience (CX) and realize higher business growth

Source: Aspire (2020)

Customer Experience**86%**

of buyers are willing to pay more for a great customer experience

Source: PWC (2020)

Speed, Convenience, Friendly Service**80%**

of consumers point to speed, convenience, knowledgeable help, and friendly service as the most important elements of positive customer experience

Source: PWC (2018)

The Digital Future is Now, Accelerated by Crisis

Microsoft is permanently closing its retail stores

PUBLISHED FRI, JUN 26 2020 9:16 AM EDT | UPDATED 13 MIN AGO



Todd Haselton
@ROBOTODD

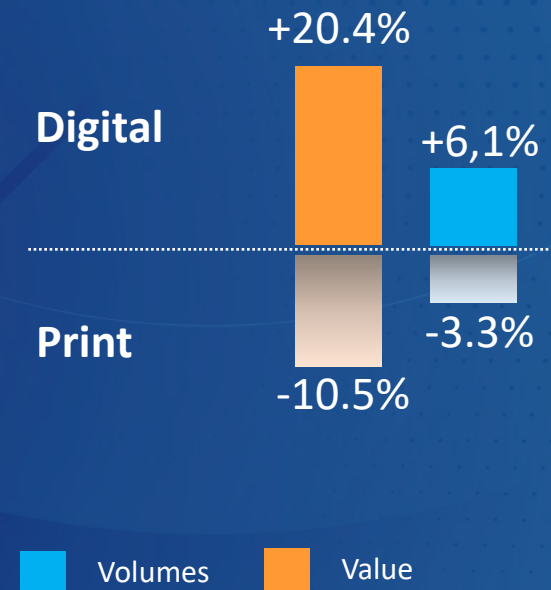
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KEY POINTS

- Microsoft on Friday announced it will permanently close its Microsoft Store retail locations.
- In the past decade or so, Microsoft began to expand its retail presence in an effort to create a shopping experience similar to Apple's.
- Microsoft said the closing of its physical locations will "result in a pre-tax charge of approximately \$450 million, or \$0.05 per share," which it will record in the current quarter that ends June 30.

Digital Growth vs. Print Decline

Volumes & Value of Communications | 2017 to 2022

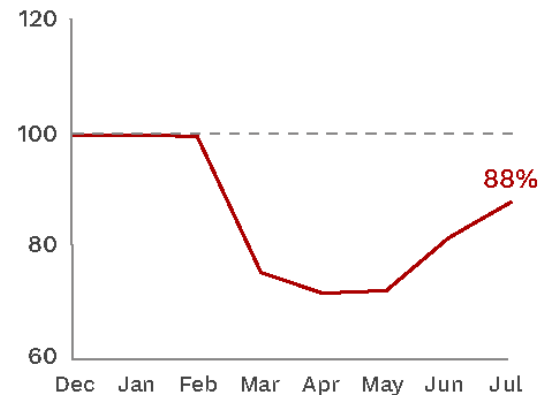


CUSTOMERS ARE NOT IN BRANCHES AND ARE NOT COMING BACK TO BRANCHES....

Use of banking channels shifted during COVID-19

US branch capacity is down roughly 12% since December 2019.

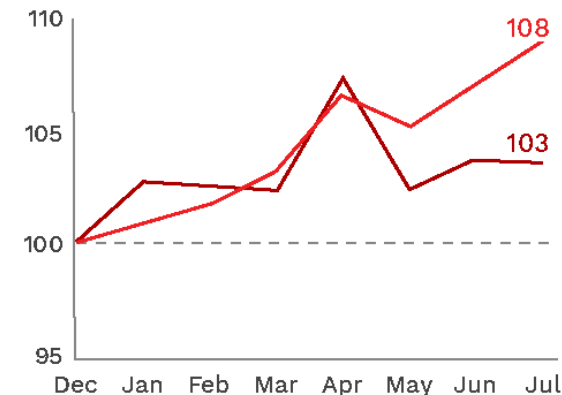
Network capacity,
Index to Dec 2019 = 100
Branches open to customers



Mobile and online activity continues to increase, with spikes in April.

Index to Dec 2019 = 100
30-day users

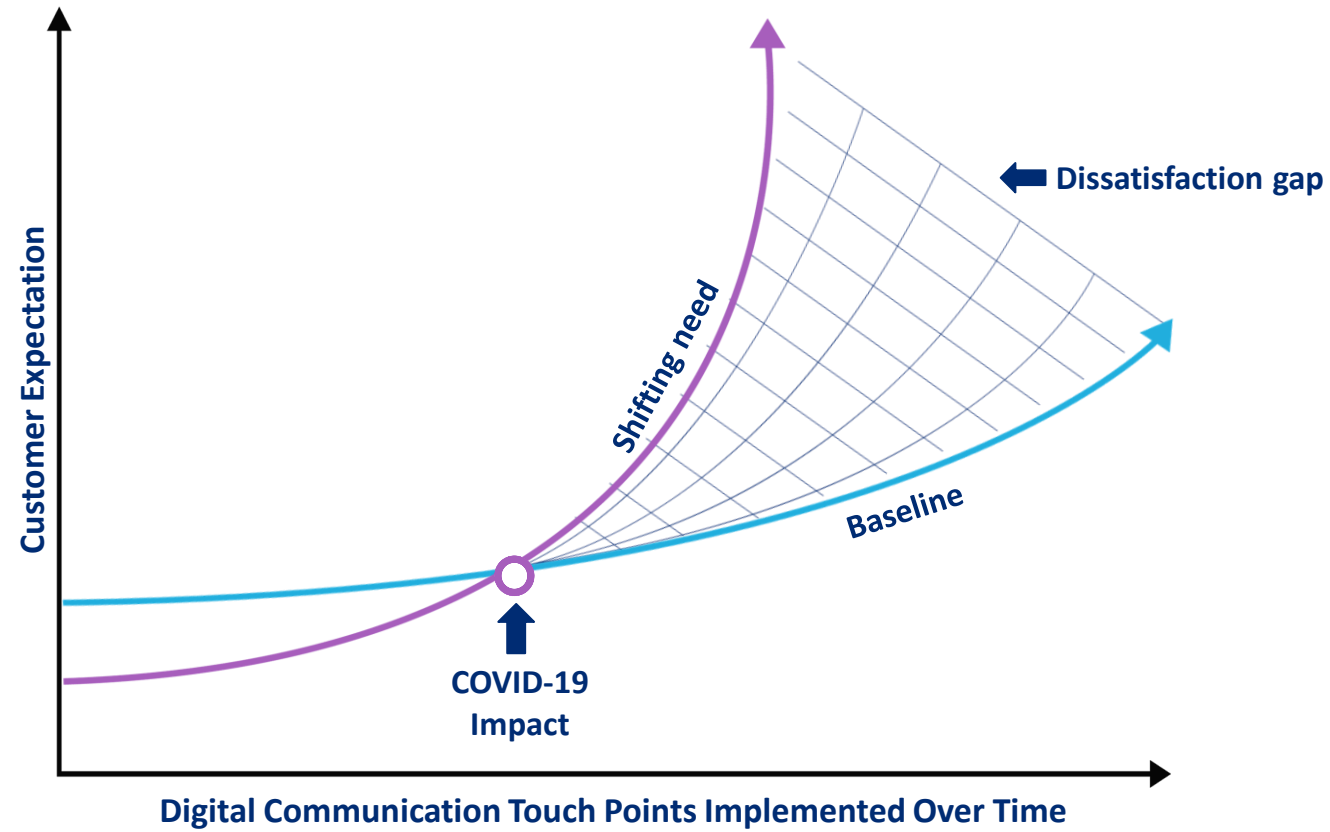
— Mobile users
— Online users



Customers are using distribution channels differently through the crisis; as branches have closed, use of content center, mobile, and online channels has increased.

SOURCE: McKinsey © October 2020 The Financial Brand

Shifting Baseline for Digital Customer Experience





Google Trends

Explore

● what is customer experience

Search term



+ Compare

Worldwide ▼

20

Interest over time ?

100

75

50

25

Jan 1, 2004

Dec 1, 2008

Nov 1, 2013

Oct 1, 2018



Digital-first

Omnichannel

Secure

If these are the universal truths about customer expectations in our branchless reality,

WHAT SHOULD I DO

to meet these expectations?

24/7

Delivers value

On My Terms

5 WAYS TO IMPROVE CX WITHOUT FACE-TO-FACE INTERACTIONS: A LOOK INSIDE

1 TRAIN YOUR EMPLOYEES ON HOW TO HELP CUSTOMERS GO DIGITAL AND REMOTE

Customers Need Support

50+%

US banking customers engage digitally infrequently or not at all and need extra support to make the transition (2019, McKinsey)

- Communicate clearly and in plain language
- Run segment-specific campaigns to help various categories of customers adopt digital faster
- Organize remote coaching programs run by employees
- Create bite-size video tutorials and use them in context
- Consider implementing user experience tools (e.g. Walkme, Pendo)
- Emphasize security and compliance of all your digital channels to ease any anxiety

5 WAYS TO IMPROVE CX WITHOUT FACE-TO-FACE INTERACTIONS: A LOOK INSIDE

2 INTRODUCE NEW EXPERIENCES TO HELP CUSTOMERS IN DISTRESS

- Offer professional help to make financial decisions – stress, anxiety and ‘feeling poor’ is known to lead to short-sighted financial decisions
- Make it easier to find / apply for new financial products, especially given digital-only might be new to many of your customers
- Design relief programs (pausing loan payments, loan restructuring)
- Educate customers on available government programs whenever you have an opportunity

Date created: February 4, 2015

American Psychological Association Survey Shows Money Stress Weighing on Americans' Health Nationwide

Stress in America™ survey finds parents, younger generations and lower-income households have higher stress than others overall

WASHINGTON — While aspects of the U.S. economy have improved, money continues to be a top cause of stress for Americans, according to the new *Stress in America™: Paying With Our Health* survey released today by the American Psychological Association. According to the survey, parents, younger generations and those living in lower-income households report higher levels of stress than Americans overall, especially when it comes to stress about money.

“Regardless of the economic climate, money and finances have remained the top stressor since our survey began in 2007. Furthermore, this year’s survey shows that stress related to financial issues could have a significant impact on Americans’ health and well-being,” APA CEO and Executive Vice President Norman B. Anderson, PhD, said.

The survey, which was conducted by Harris Poll on behalf of APA among 3,068 adults in August 2014, found that 72 percent of Americans reported feeling stressed about money at least some of the time during the past month. Twenty-two percent said that they experienced extreme stress about money during the past month (an 8, 9 or 10 on a 10-point scale, where 1 is “little or no stress” and 10 is “a great deal of stress”). For the majority of Americans (64 percent), money is a somewhat or very significant source of stress, but especially for parents and younger adults (77 percent of parents, 75 percent of millennials [18 to 35 years old] and 76 percent of Gen Xers [36 to 49 years old]).

5 WAYS TO IMPROVE CX WITHOUT FACE-TO-FACE INTERACTIONS: A LOOK INSIDE

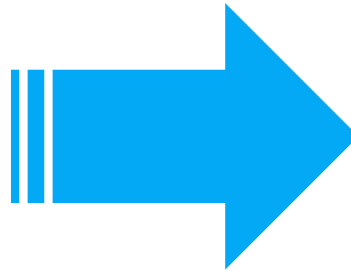
3 IMPROVE OPERATIONAL EFFICIENCY AS YOU UPGRADE EXPERIENCES

No branches means you need to offer digital self-service!

You do not really know what is 'great' for YOUR customers

You track interactions, not journeys

You have limited resources to invest in CX



Use this as an opportunity to choose best of breed technology enablers

Ask customers! Change your approach to evaluating satisfaction: from scores to narrative related to specific goals

Connect to customer journey, measure experiences, not point interactions

Embrace smart tradeoffs; focus on the dimension of CX that will make the most impact; de-emphasize declining channels

4 CARE ABOUT EMPLOYEE EXPERIENCE WHEN INTRODUCING CHANGE

**Digital offerings are necessary
but not sufficient!**



Customers of service providers are more satisfied with the service when employees rank their employer high and would recommend to a friend! (2019, McKinsey)

From 47% to 69%

- Train employees!
- Emphasize new learning opportunities
- Focus on wellbeing and health
- Communicate frequently
- Show commitment to your team
- Tell employees why the change they are going through matters to customers and to our changing society overall

5 WAYS TO IMPROVE CX WITHOUT FACE-TO-FACE INTERACTIONS: A LOOK INSIDE

5 CHANGE LEADERSHIP MINDSET TO STRIVE FOR CX MATURITY

Stage 1 IT Led

- Document mindset
- Reactive rather than proactive
- Focused on minimizing cost and risk
- Print-centric
- Multiple voice to the customer

+/-30% of Today's Organizations

Stage 2 LOB Led

- Focus on relevant communications
- Investing in and data analytics
- Motivated by business needs
- Moving toward mobile first
- Working toward cohesive messaging

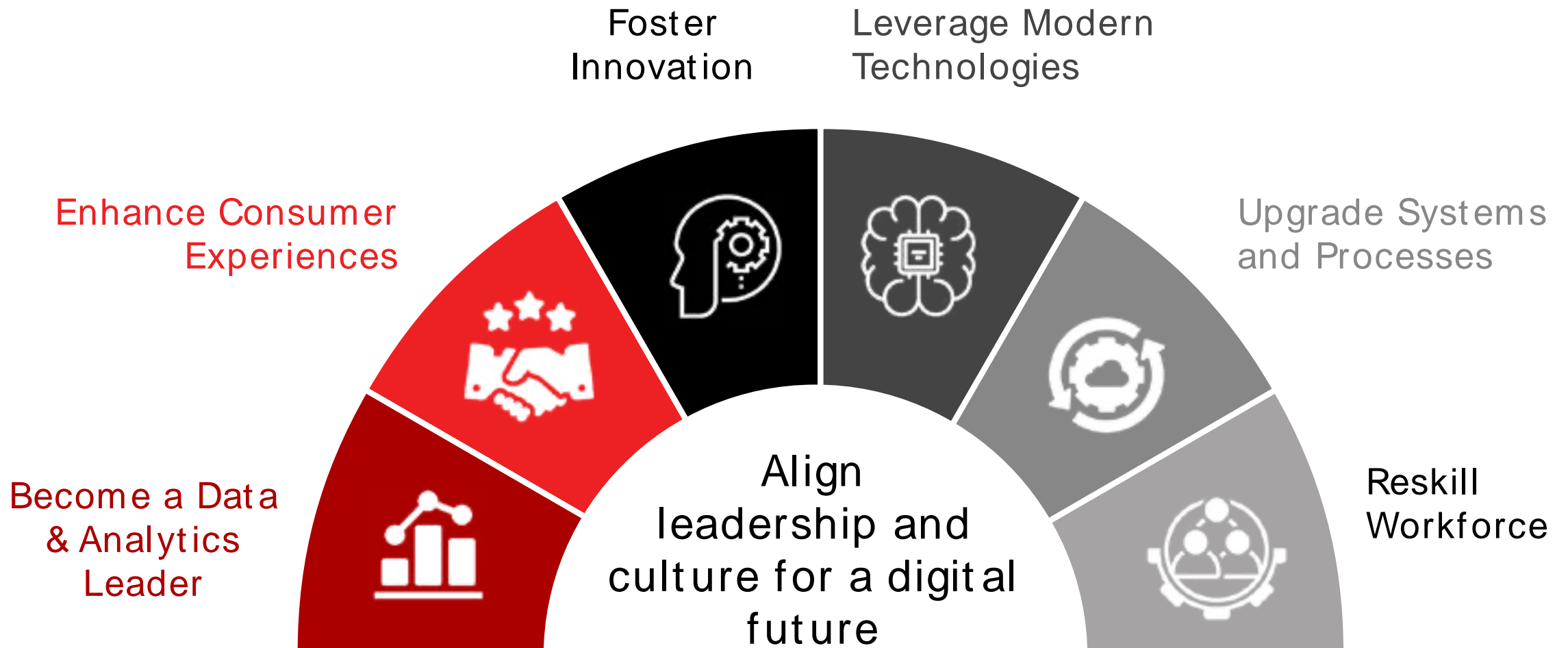
+/-60% of Today's Organizations

Stage 3 CX Led

- Grow business through superior CX
- Create cohesive journeys
- Prioritize customer needs
- Channel and device agnostic
- Consistent personalized messaging

+/-10% of Today's Organizations

The 7 Essential Components of Digital Transformation Success



Stage of digital transformation achievement

Which of the below options best describes the stage of your organization's digital transformation journey?

ANSWER CHOICES	RESPONSES
Deployed at scale and delivering as desired	7%
Deployed at scale and not delivering as desired	10%
Partially deployed and delivering as expected	49%
Partially deployed and not delivering as expected	13%
Limited deployment, results unknown	12%
Still in design phase	8%
No digital transformation strategy currently	2%

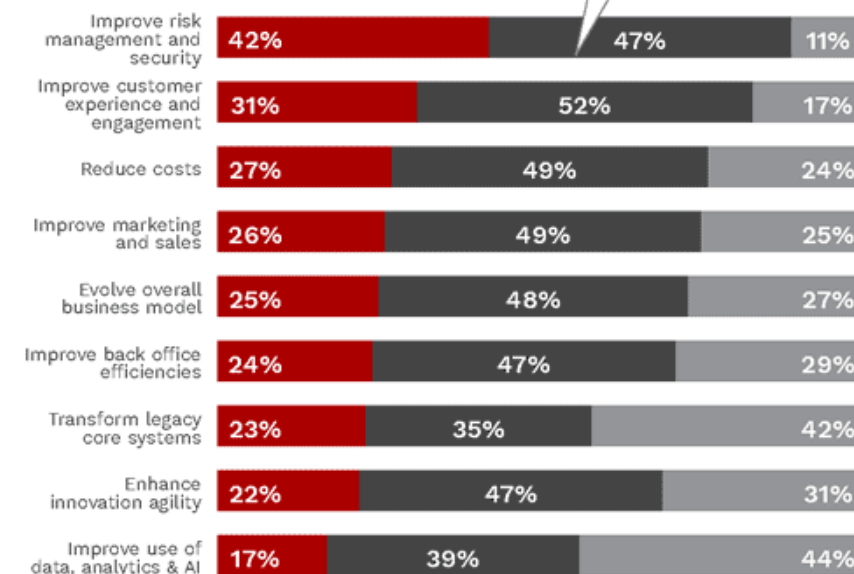
SOURCE: Digital Banking Report Research © Sept. 2020 The Financial Brand

Success of digital transformation strategies

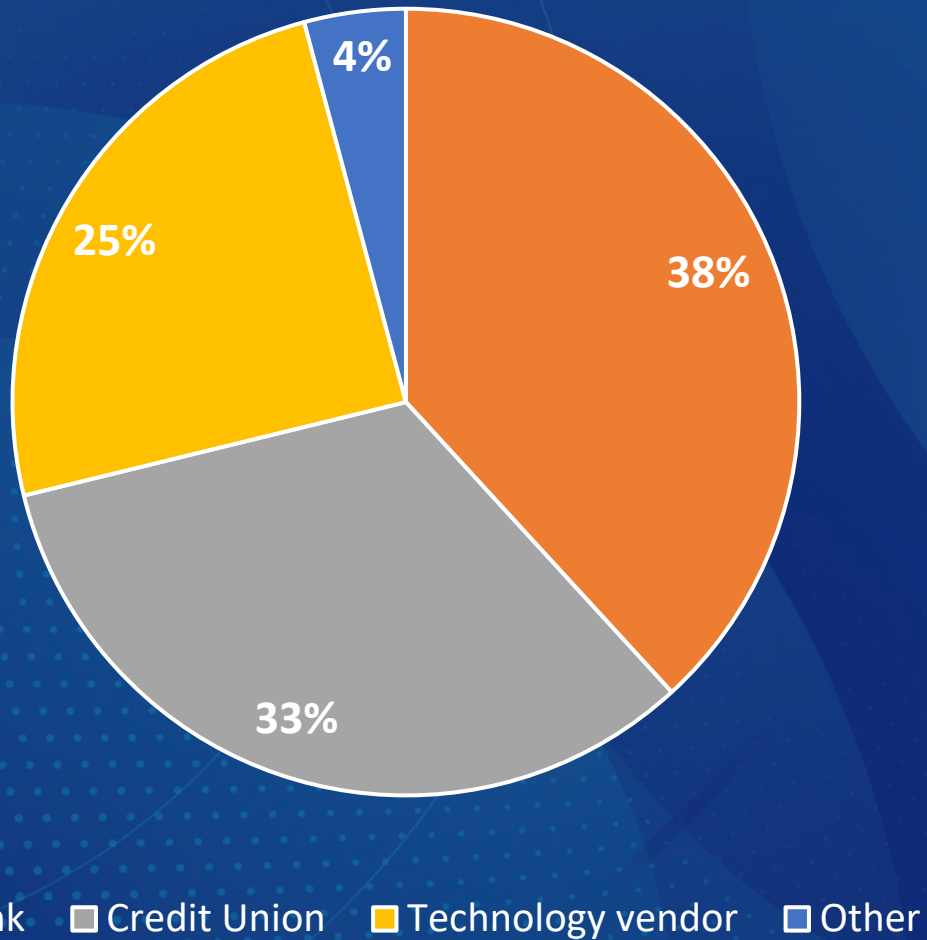
On a scale of 1-5 (where 1 is very low and 5 is very high), how SUCCESSFUL has your organization been with these digital transformation strategies to date?



■ High or very high
■ Moderate
■ Very low or low



SOURCE: Digital Banking Report Research © Sept. 2020 The Financial Brand



POLL

Are YOU ready?

Your peer audience today:

- 70%+ banks and credit unions
- Leaders from all lines of business

WHAT WE HAVE LEARNED FROM OUR CUSTOMERS

- Organizations that have implemented a lot of technology are not necessarily providing great CX.
- This also does not mean they are digitally mature.
- Technology means they are aware and prepared.

A MILLION-DOLLAR QUESTION

How do I address all dimensions of what makes a great CX and really connect with customers, using the right combination of technology, strategy, and people?

Are we faking digital CX?

How do we create real digital experiences?

**AMERICAN
EXPRESS**

 **PayPal**

Google

 **instacart**

NETFLIX

ROCKET Mortgage


U B E R

amazon


 **acorns**
Invest the Change[®]

zoom


CLEAR

 **Pay**



TECHNOLOGY



PEOPLE

AGILE STRATEGY

AGILE EXECUTION





TECHNOLOGY

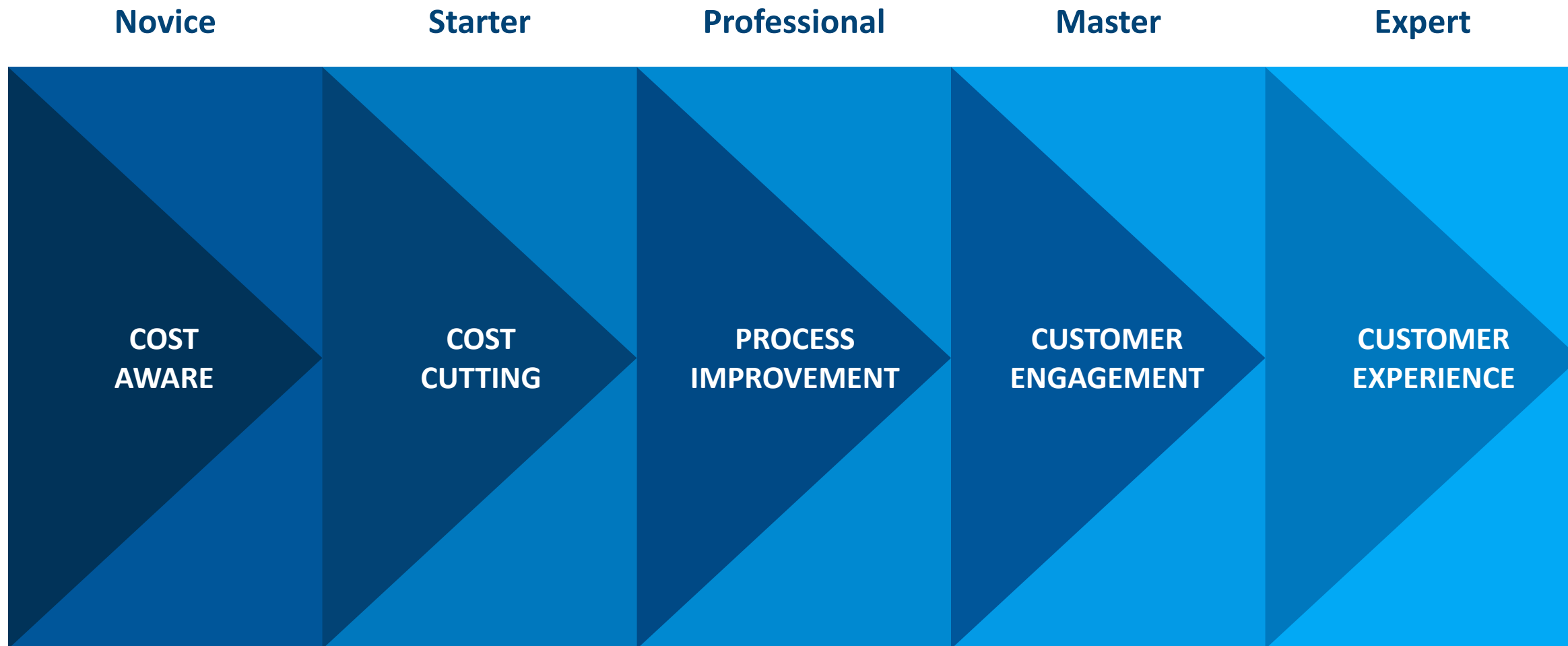
- Build a best of breed tech stack that can fill major gaps and support each of the key components of 'great customer experience'
- Scalable and modern
- Secure and compliant
- Outsource as much complexity as you possibly can so you can focus on customers, not on tech issues
- Have your CX teams have a strong say in what technology is selected!



PEOPLE

- Hiring and training takes a long time that we may not have in the current environment
- Leverage outsourcing for your CX tech implementation and execution functions to be able to iterate and innovate
- Focus your full-time employees on their core competencies while reskilling them
- Talk about CX ALL THE TIME
- Inspire employees by demonstrating their impact on CX and communities overall
- Make sure leadership focuses on CX. Change leadership if needed!

Digital CX Maturity Framework – Agile Strategy + Agile Execution



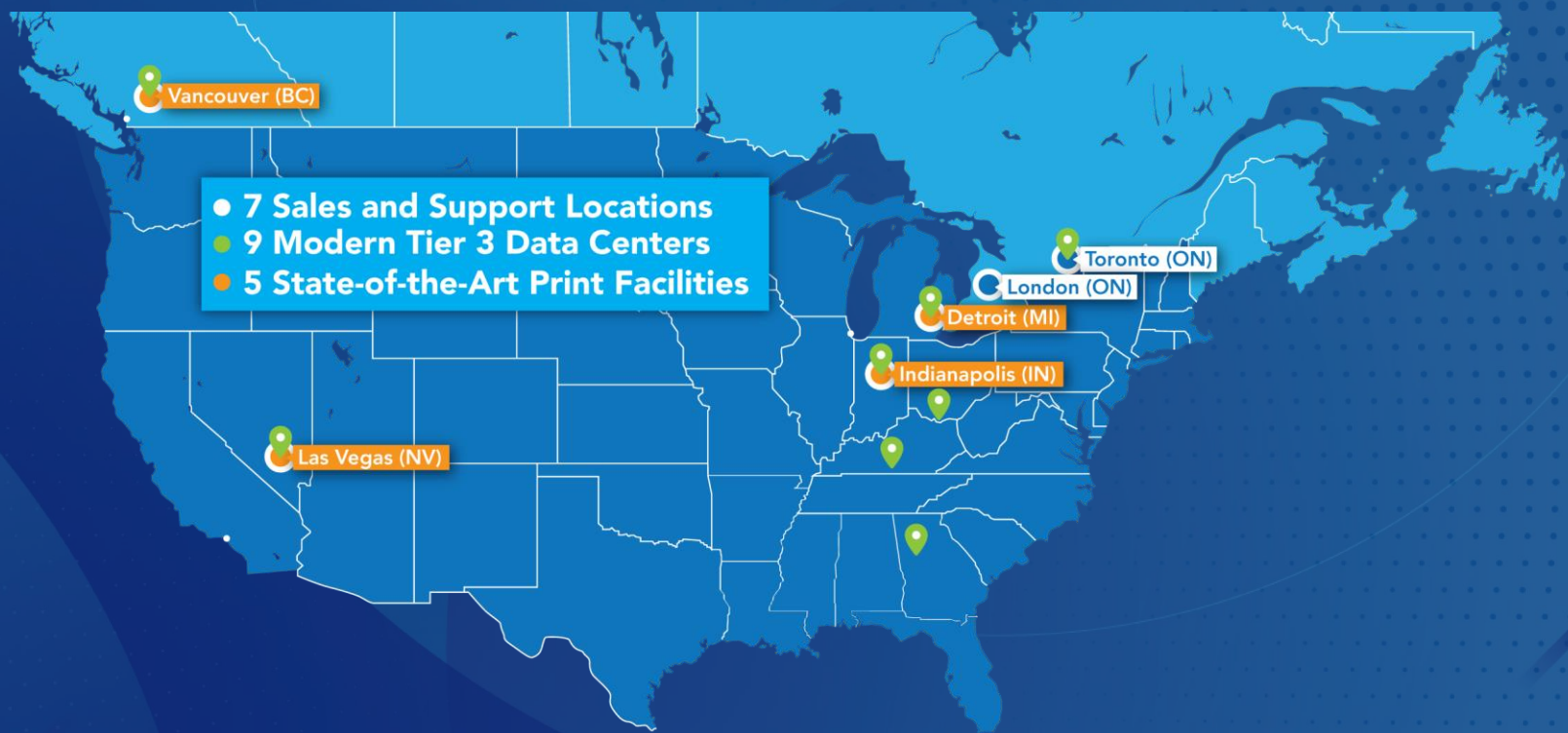
Technology, People, & Strategic Consulting to Excel in Digital Customer Experience

Founded in 2000 as a digital-first company to help clients in financial services with their digital transformation journey

2000+
clients

500+
employees

We understand that change takes time, but have we designed our platform and our solutions to help you take effective steps to digitization - fast, beginning today.



Secure & Compliant



Award-Winning





Any Data, Any Source

- Core Systems
- XML, Batch FTP, API, Ad-Hoc
- Centralized Account Management
- Data Processing



Authoring & Design

- High-Volume Composition
- Regulatory Documents
- Template Management
- Asset Management
- Correspondence
- eSignature Integration



Security & Compliance

- Flexible ECM Integration
- Accessibility Compliance
- 24/7 Access & Monitoring
- Secure Datacenters
- Full Redundancy & 3rd Party Audits



Presentation & Delivery

- PDF, HTML, Email, SMS, IVR, Print/Mail
- Business & Marketing Messaging
- Payments
- Accessibility
- RESTful APIs, SSO, SFTP



Omnichannel Interaction

- Preferences Management
- Email Marketing
- Customer Experience Portals
- Two-Way Communications
- Customer Service
- Personalization



Analytics & Reporting

- Event Tracking
- Usage Reports
- Compliance Reports
- Marketing Insights



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Vice President, Product Management

Thank you!
Let's Discuss

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