



Three Ways To Improve The Customer Experience

business customers digital banking customer experience

Summary: Community financial institutions are always thinking of their customers. Yet, with banking behavior changing and banking options exploding, it is especially important to stay focused on the customer experience. To keep you on track, we highlight three areas of focus: accessibility, security, and real-time assistance.

According to Bain & Co., if you boost your customer retention by 5%, your profits can increase by as much as 125%! While many community financial institutions (CFIs) consider their customers more than just a way to make a profit, this is definitely a nice bonus for a good customer relationship.

Knowing this, it is not surprising that even though many priorities have changed amid the pandemic, the customer experience continues to be top of mind. Indeed, it's second to the top in terms of priorities through 2021, according to the [Financial Brand's Digital Banking Report](#). More than half of the institutions stated improving customer experience as a priority, according to the study. Although CFIs often reign in this area, with proliferating banking options, now is not the time for complacency. According to one study, the average consumer has as many as five different financial service providers to satisfy their various needs. So, we thought this area deserves some attention.

Where should CFIs focus?

Not surprisingly, research from the Financial Brand's report suggests that the digital app user experience will have the most possible impact on the customer experience this year. Indeed, 53% of respondents named this, followed by personalization (45%) and financial education/advice (33%). If CFIs can successfully stitch these customer needs together, they will be ahead of the game in retaining and gaining business customers through 2021.

With that in mind, here are a few areas you might focus on in the year ahead.

1. Accessibility. Especially since branch hours may still be limited, CFIs need to continue making extra efforts to ensure customers can access the services they want, when they want them. This includes continuing to offer extended hours for phone banking and providing easy-to-use features via digital banking, including mobile banking, which is growing as a customer preference. Regularly checking-in with your customers will tell you how far along the adoption curve they are here and what features are most important to them. As branches continue to reopen, it will also be easier to attend to the full range of customer needs through advisory personnel and frontline staff.

2. Security. As a greater number of customers opt for digital banking, security will be an increasing priority for your institution. [Using biometrics](#) to safeguard your customers' data and reminding your customers of the high level of regulatory compliance needed for bank transactions should continue to instill trust in your customers. You should also consider location controls and alerts, if you haven't already, to help safeguard mobile transactions.

3. Real-time assistance and guidance. Customers often want human help, which is what you do best. Continue to meet your customers' needs for advice when they need it, especially since online platforms can't do this as well. That said, the banking population is changing and for some people, [automation](#) fills a need.

While the technology-savvy, younger generations are a growing presence in banking, it can be a challenge to use this technology in a way that doesn't alienate customers. In fact, Bain & Co. found that 23% of surveyed consumers were willing to look elsewhere due to the length of time in completing a digital process, such as account opening. Also, 19% felt vulnerable when their issue wasn't resolved with their initial contact with the financial institution. CFIs can leverage learnings from bigger banks and look for decreasing costs as technology advances. Still, you will want to find ways to strike a good balance between automated responses and human guidance.

This list is far from exhaustive, and each CFI should chart its own course. Just make sure that whatever direction you take, you always map things out with the customer experience in mind.

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