



## Harnessing Digital For Hyper-Personalized Service

business customers digital banking artificial intelligence

**Summary:** Nearly 40% of American adults are now using mobile banking apps. With the pandemic accelerating existing digital trends, many community financial institutions may be wondering if expanding technology threatens their highly personal customer relationship model. But digital technology can be a powerful way to enhance the personal touch. Here are some ideas to get you started.

Almost a third of American adults have used a dating website or app to find love (or something like it). Further, 54% say that relationships that start online have as much of a chance of succeeding as the in-person equivalent. As in-person service is often the bedrock of a successful community financial institution (CFI), these statistics — and what they suggest about trends in human behavior — spell both good and bad news for many institutions.

By now, it should come as no surprise that digital technologies are fundamentally changing the financial services sector, with many customers increasingly expecting their financial institutions to provide a more digital and personalized experience. Earlier this year, a research study found that [almost 40% of Americans are using a mobile app](#) as the primary means to manage their bank accounts. Many of the bigger financial institutions are increasingly focusing their attention (and substantial funds) on digital and new technologies. Yet, as we discussed in a previous article, [66% of banking customers still say they like to have access to a nearby physical branch](#).

So, while digital advances can't be ignored, it's important to remember that it's not about replacing people with technology. In fact, CFIs are often perfectly positioned to capitalize on technology to enhance their in-person service — and make digital banking more personal (or hyper-personal). Here are some ideas to do just that.

### 1. Service your customers with personalized options

CFIs often work with remote or isolated communities, such as farmers and other rural business customers, who may want a personal banking experience, but can't visit their local branch as often as they would like. Given the persisting challenges of the pandemic, many other segments of customers may still be reluctant to go into their branch. CFIs can use a multitude of technology options to enable the personal banking relationship customers want — in the location of their choice.

- **Virtual face-to-face.** Virtual conferencing technology, online tellers, and digital chat channels allow customers to interact with their trusted relationship manager or banking representative safely and securely. These conversations can take place in real-time, “face-to-face”, and when the customer most needs them. Providing a few options allows your customers to choose how they want to interact with their bankers and makes them feel valued and connected.
- **Portable banking.** Tablets can easily be used to offer a portable banking solution for those customers that want an in-person visit. Your relationship managers can visit customers where they are and provide many of the same services available in-branch. By deploying the right apps and technology in this way, CFIs can still

connect with remote customers in person, without sacrificing compliance, security, brand consistency, or customer experience.

## 2. Leverage AI and data to maximize personalization

While a CFI’s relationships with its customers are irreplaceable, more recent technological advances could help institutions ensure their customer interactions are as relevant, personalized, and seamless as possible.

- **Tailored products.** Artificial intelligence (AI) and machine learning are being used to provide a new level of “hyper-personalization” which helps your customers find the right services at the right time digitally. By leveraging these technologies and harnessing their data alongside your deep customer knowledge, your institution can deliver products and services uniquely tailored to each individual — both online and in-person. This is an especially effective way to engage with your younger customers [to keep them from switching](#).
- **Financial education.** Not only can hyper-personalization help customers find the right products at the right time, but it can also improve your customers’ financial wellbeing. Increasingly, customers are expecting their banks to offer personal financial management tools and ways to educate themselves on their finances. Educational videos and budget apps are two ways to help with these needs.

As the cost of technology continues to drop, providing customers with meaningful, tailored digital solutions along with in-person experiences become more possible. This personalized combination will help deepen relationships and ensure customers achieve their financial goals. After all, providing your customers with what they need, where they need it, when they need it is what you do best.

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Rates As Of: 10/22/2021 05:32AM (GMT-0700)

Treasury	Yields	MTD Chg	YTD Chg
3M	0.06	0.02	-0.03
6M	0.06	0.01	-0.03
1Y	0.13	0.04	0.02
2Y	0.48	0.20	0.36
5Y	1.24	0.28	0.88
10Y	1.68	0.19	0.76
30Y	2.12	0.08	0.48
FF Market	FF Disc	IORR	
0.08	0.25	0.15	
SOFR	Prime	OBER	
0.03	3.25	0.07	

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