

Market commentary

Personalize communications today

COVID-19 pushed consumers to online channels for services, experiences and communication with a velocity and force few could have expected.

The challenge for financial institutions (FIs) is to assess what this change means for how customers want to be engaged and communicated with moving forward.

For years, the banking industry has predicted a slow but sure move toward digital. It's now here, sooner than anyone had anticipated, and it's brought with it new expectations around personalized communications. Now is the time to act before your account holders turn to your competitors.

The key to success for any FI is to realize that what consumers prefer about digital delivery mechanisms is the ease and speed. At our core, all of us still prefer a personal touch. In fact, the majority of consumers are more likely to engage with a business if the digital delivery mechanisms are personalized.

For FIs, this means not forgoing your relationships and not closing call centers, branches or drive through lanes. In fact, it means bringing humanity to the digital channels your customers have indicated they want to communicate with you on.

Since the pandemic, digital banking channels like secure messaging, live chat, chatbots, and AI-powered virtual assistants have seen an exponential surge in demand and popularity. FIs who have been able to quickly configure and implement this next generation technology saw massive benefits in reducing call center noise and increasing customer experience engagement.

By enhancing their communication channels with these digital tools, FIs can better meet the needs of their customers



and generate improved customer satisfaction and loyalty.

Social media also plays a key role in this omnichannel communication strategy. Developing a strong social media strategy helps FIs curate proactive and reactive conversations around products, services, and yes, even trends.

The key to success for any FI engaging customers, or prospective customers, on social media is to provide influencer-like conversation and information, to return engagement with other users, to reward followers, and to remain topical, current and human.

Because of their aversion to risk, FIs will always selectively invest capital only where it makes absolute sense. This strategy should extend to deciding when and where to use digital to enhance consumer communication options.

This requires in-depth knowledge of the customer journey and a willingness to close gaps in the journey. It also requires an ability to identify the experiences that matter most to customers and to enhance those experiences.

For example, many FIs take a one-size-fits-all approach to alerts and communications. Consumers, however, have varying degrees of expectations and preferences when it comes to alerts management. Some may want them via text, others via email, some in limited capacities or not at all.

It is also important for an FI's marketing strategy to consider personalizing communication. Digital leaders are utilizing data and analytics to deliver individualized offers and higher levels of personalized engagement.

Personalized communication is not the future of digital banking, it's the expectation of today. Every FI will need to devise their own strategies to deliver omnichannel personalized experiences and communications. The success of their digital banking efforts now relies on it.

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