

# Digital CX is Transforming Banking and Financial Services

**GLASSBOX**

# Introduction

Banking and financial services are undergoing a big shift in recent years: from responding to changing consumer behaviors to dealing with encroaching digital disruptors, the industry is under pressure to deliver a great banking experience – or risk losing customers. These worries are also pushing the digital customer experience (CX) to the top of the priority list.

A recent Forbes Insights and Glassbox survey, including 100 banking and financial services executives, shows that while companies want to meet this demand, there are internal and external challenges, and CX excellence is not a linear and clear-cut path.

Most of the respondents in the survey agree CX is a top business priority and commitment at their companies, but struggle with some operational and technology aspects. At the same time, many overstate their organization's digital CX readiness, capabilities and future state.

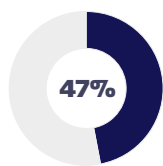
The majority of respondents saw a positive correlation between CX excellence and improved profitability, and plan to invest in digital technology and personnel in the future. These leaders are also very committed to a strong governance and digital CX processes.

On the flip side, more than any other industry in the survey, banking and financial services leaders agree that it's challenging to differentiate from competitors and keep up with fintech digital innovators, inside and outside their industry.

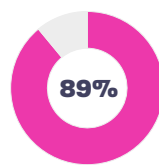
# Section I: The digital CX landscape rising

Digital CX is now an integral part of the marketing landscape: 84% of respondents agree that they increasingly compete on digital CX as much as they do on price. The same number agree that excellence in their digital CX is critical to their business survival.

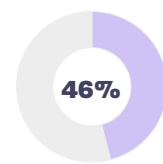
Overall, banking and financial services executives have mapped out their digital CX strategy and are confident about delivering a seamless digital experience:



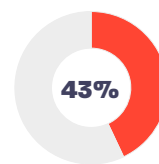
Have defined and articulated our goals and strategies for digital CX



are highly confident in their digital CX leadership/governance effectiveness



Rate their organization's digital CX as above average or better, and 22% as the best in their industry



Completely agree that they've established clear ownership and responsibility for performance in digital CX

But what about delivering on the promise of this confidence with actual results?

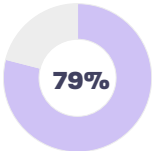
There are striking contradictions in how these companies perform versus how they see themselves at a strategic and planning level. To dig deeper into the “why,” we drilled down into key digital CX competencies.

# Section II: Digital experience in practice

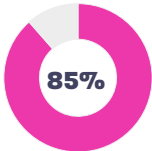
In general, the vast majority of banking and financial services respondents showed higher confidence than those in other industries from digital journeys to CX optimization to customer service.

## How confident are you regarding the following core elements of your digital channels today?

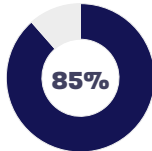
% of respondents rating “highly confident”



Conversion rates and revenues are being maximized



Digital experiences are optimally personalized



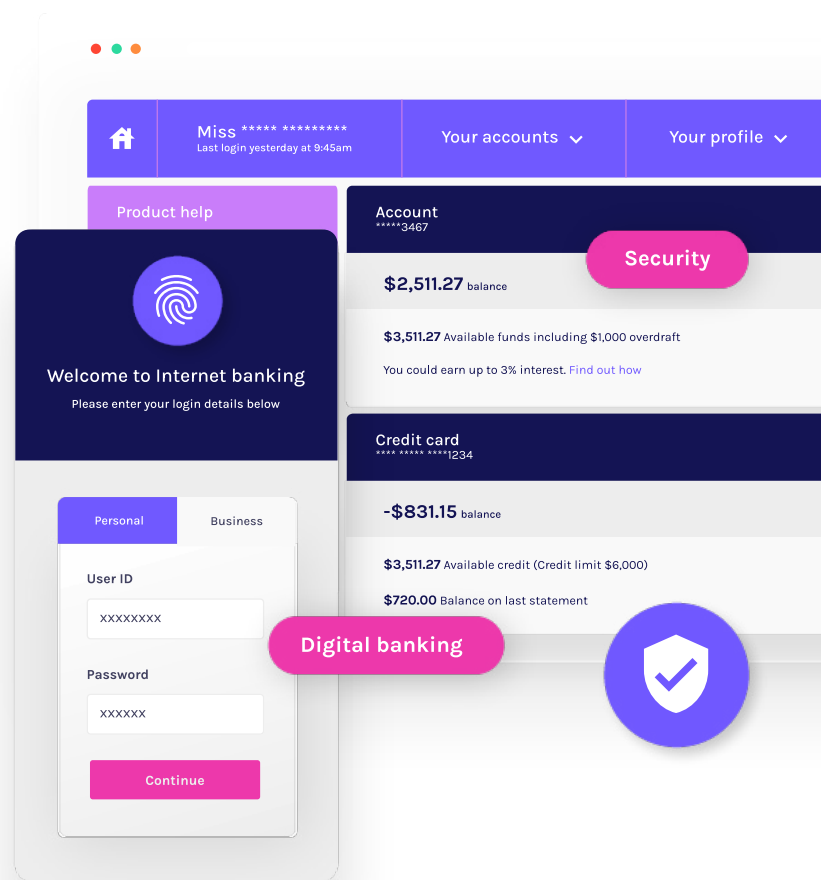
Customer digital experiences are fully optimized

For omnichannel operations, 50% of respondents were very confident in full integration of their contact center, mobile apps and online channels. The same number of respondents felt just as confident in their customer service operations across channels having access to both in-store and digital transactions in real time.

Despite their assurance that digital channels are in great shape, this confidence wanes around their specific technology tools and practices. For instance, 67% said it was challenging to find the right mix of digital tools, and 68% said it was challenging to maintain data integrity. Seventy percent of the respondents agreed it was difficult to shift from reactive to proactive analytics. Of direct concern for financial institutions is that almost 70% agreed that it's challenging to achieve and maintain security, data privacy and compliance.

When bringing the digital CX vision to life in their organization, 73%, the highest of any industry in the survey, found it challenging to find, attract and retain talent that understands technological and business implications in the work. And 66% said fostering collaboration and communication across business functions for digital CX was difficult.

But it's not just internal issues to resolve, banking and financial services leaders are feeling the pinch of external forces.



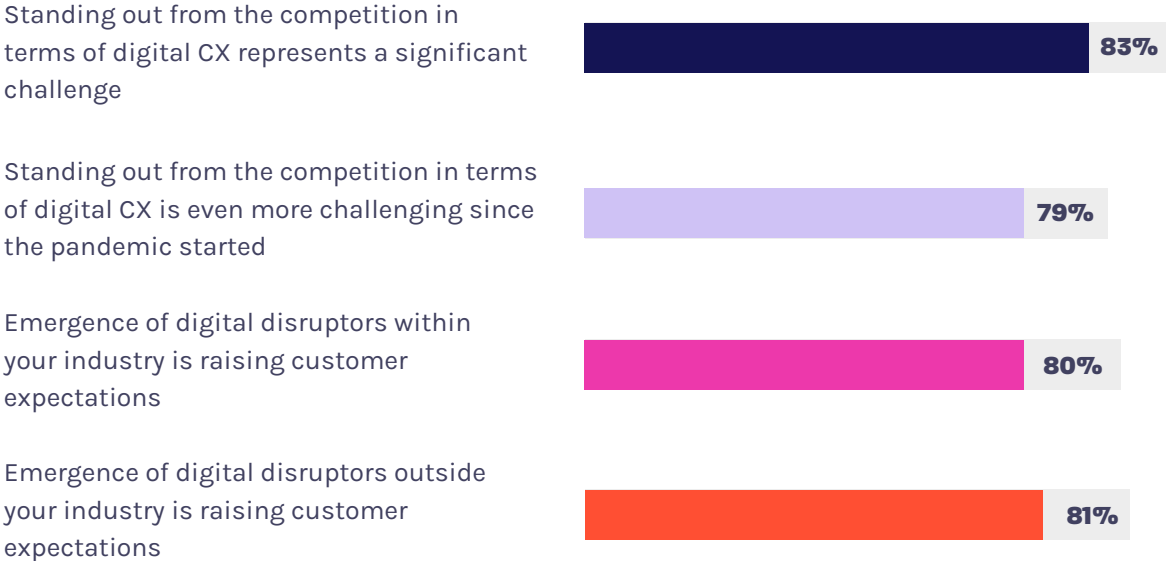


# Section III: A growing concern with competition

Every business relies on its customers for survival, but banks and financial institutions showed more worries than other industries about differentiating from the competition and digital disruptors raising customer expectations. This may also reflect that consumers often engage with their banks daily, whereas in other industries, such as insurance and telecom, there is much less frequent interaction.

## How strongly do you agree with the following statements?

% of respondents rating “highly confident”



On the other hand, customer-related metrics went in a positive direction, with respondents rating these areas moderately or significantly better this past year. For instance, 58% of respondents said that of revenue; 58% for customer retention; and the same number for Customer Lifetime Value (CLV).

# Section IV: Driving towards digital CX excellence

In the years ahead, banking and financial services leaders are committed to prioritizing their CX vision and initiatives, and aligning them with the right technology, operations, budgets and organizational effort.

They plan to put their plans into action, too. Forty-six percent of banking and financial services executives signaled that they will invest 11-25% more in digital CX technology, and 41% said they would increase their personnel 6-10% over the next few years.

The respondents also plan to significantly expand their technology investments – from infrastructure to user experience to mobile app capabilities to advanced analytics, and other areas. These leaders also plan to adopt tools and processes to monitor, analyze and continuously improve digital CX.

As the survey shows, there is a mix of confidence and concern among banking and financial services executives, knowing the stakes are higher than ever. The next few years will be crucial for each of these businesses to try and stand out as a CX leader, or risk losing customers and their place among the competition.

# Get your copy of the full report!

Explore the transforming role of CX retail, e-commerce and other industries in-depth. Get your copy of the full report: [Forbes Insights Report: The Leading Edge Of Digital Customer Experience.](#)





# Methodology

Forbes Insights, in association with Glassbox, surveyed 400 U.S.-based executives in organizations with at least \$100 million in annual revenue. Thirty percent represent companies with at least \$1 billion in annual revenue.

Survey respondents work in a wide range of industries, with the majority in retail/e-commerce and banking/financial services (excluding insurance). Respondents were equally weighted across a variety of business functions, including customer service, digital strategy/operations, customer experience and e-commerce. Nearly two-thirds (65%) of respondents are VP or director level and C-suite executives make up 10% of the respondent pool.

To learn more about how Glassbox can help you improve digital journeys, please contact [info@glassbox.com](mailto:info@glassbox.com)

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