



PART 1

The true value of real-time personalisation.

How modern CDPs are bringing
financial services up to speed
with customer experience.



Overcoming the digital experience gap.

Jack is worried about how he'll afford his first home.

When his bank notices that he has opened a new savings account, they cross-reference this action with their full customer data set. Because he's recently updated his income, browsed property websites and even purchased a book on buying a home, his bank can take immediate action to help. Within minutes, he receives an email with personalised suggestions for ways to speed up his savings, including an offer for a consultation. Following a chat with his financial advisor, Jack decides to move his savings into a low-risk investment account, which doesn't offer immediate access to his savings. Once his savings reach a threshold set by the bank, he instantly receives information about different types of mortgages.

In less than a year, Jack has become a proud first-time homeowner. And the bank has a happy customer for life.



In today's financial services reality, Jack's story is more fiction than fact. The rapid shift to digital has put loyalty at risk. Yet financial institutions appear slow to adopt the tools that provide customers with consistent relevant messaging across channels based on current, relevant data. As more consumers have shifted to web and mobile transactions, driven in part by the pandemic, customer journeys and expectations are evolving. Customers have come to expect a highly personalised response – and 76% get frustrated when they don't get it.

Customer experiences like Jack's are readily achievable with a customer-first strategy and the right technology. However, even though there are many opportunities, few institutions are currently pushing the industry forward. Digital natives have a big advantage over traditional banks – delivering digital experiences is second nature to them. While finance incumbents tend to view



5 key takeaways

1. Make managing the technological infrastructure an ongoing process
2. Prioritise data
3. Don't lose the momentum from the pandemic
4. Focus on meaningful interactions, not just sales
Top performing firms are more likely to prioritise meaningful digital interactions.
5. Understand consumers' mobile needs
It is not enough to create a 'digital skin' for existing online offerings.

Source: The State of Digital Transformation
in Financial Services 2021 – Adobe & Omdia

customers in silos, digital natives know the value of having a unified view of customers.

48% of marketing executives strongly agree that the ability to be agile will determine success. But without the full picture of a customer like Jack, the cross-organisational actions to help get him into his first home could never have come together. If finance incumbents want to stay competitive, they need to think – and act – more like digital natives and provide digital offerings informed by a deeper understanding of the customer. Technology will be the deciding factor in their survival.



The missing link.

“The aspiration in financial services is the ability to anticipate the moments that matter to an individual. It’s a question of how these situations can be identified and met in those moments,” said Chris Young, director of financial services industry strategy at Adobe.

Today’s customers don’t want bells and whistles – they want their banks and insurance companies to provide a tailored, relevant experience. For example, if a customer has a history of going into their overdraft, the bank could send a text when their balance is low. Or if a different customer dents their car, their insurance company could use AI to remotely assess the damage in an instant. This not only saves the customer time, but also makes life easier for them: they don’t need to schedule an in-person assessment, for example. Meaningful experiences like these keep customers loyal – but they require a timely and nuanced understanding of each individual customer.

This is where customer data platforms (CDP) come in.



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What makes a CDP unique is its ability to gather data from every corner of your organisation and make it available for activation across all touchpoints. It prevents the disjointed customer experiences that often result from disparate data sets and organisational silos.

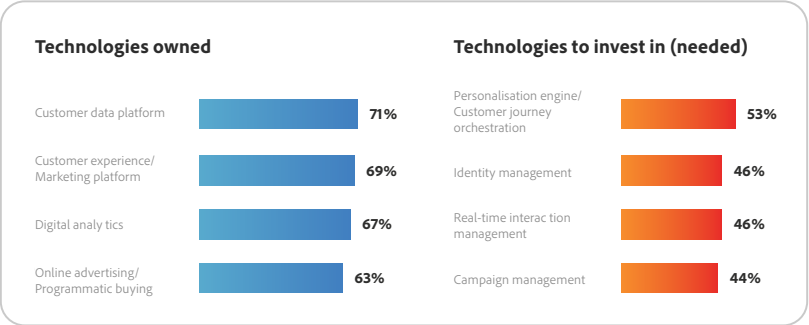
Kristine Hamlett

Enterprise thought leadership and content strategy, Adobe

The right technology – built around a real-time CDP – allows financial organisations to achieve the type of individual personalisation required to stay competitive with digital natives.

This shouldn't come as a surprise to finance marketers. Most financial companies already have a CDP. Some have been handcrafted by in-house teams, others are cobbled together by third parties. But most organisations haven't accessed even a fraction of what CDPs can do – and aren't benefitting from their CDP in the way they should be. Although most financial organisations own a CDP, more than half need to invest further in a personalisation engine and customer journey orchestration. If CDPs can give financial companies the personalisation power they need to compete with digital natives, why do so many of them need to invest in personalisation?

Because not all CDPs are created equally.



Unlike most legacy CDPs used by financial organisations, modern real-time CDPs are purpose-built for unifying customer data. This new class of CDPs acts as a foundation for the connected, one-to-one experiences that traditional financial organisations need

to deliver today. Implemented in their entirety or as an add-on to existing CDP technology, today's real-time CDPs are an indicator of what's next for marketing – with the ease of use and time to value that can give financial services companies a sharp competitive edge.

Getting personal in the time of coronavirus.

According to the International Labour Organisation, there has been a growth of income volatility in recent years, negatively impacting people's sense of well-being. One pan-European financial behaviour study shows younger people are generally concerned about their financial prospects. A European Parliament poll found some 58 percent of people have personally experienced financial difficulties since Covid. MENA countries are facing several long-term economic challenges and high unemployment.

People are uncertain about their financial prospects and what they can and can't do, financially. Enhanced digital personalisation can help offer the support they need on the issues that matter to them, when they need it. This requires transition into a digital-first approach, which in turn means organisations without a digital customer experience strategy need to get one, fast.

The resilience of digital-native financial organisations – as well as the looming presence of tech giants like Google and Apple in the fintech space – have compounded the disadvantages of traditional financial services companies. In this climate, it may seem like digital natives are 10 steps ahead, with financial incumbents struggling to keep up, if not falling behind.



This doesn't mean that all is lost for financial incumbents. But they do need to adapt. The solution to the challenges financial services companies are facing right now is to keep up with technology. Today, that means personalisation with a real-time CDP.

Real-time is fast becoming a business necessity, especially in industries where timeliness matters. In finance, markets shift at the drop of a hat. Major life events or decisions mean that yesterday's banking customer isn't the same as today's. And circumstances outside a customer's control can change their needs in seconds.

According to a report from Celent, the Financial Services Industry has spent over £792 billion on technology investments over the last four years, enabling personalised digital user experiences. Just a few examples of what personalisation brings to financial services:

3 ways finance must adapt to a digital-first reality.

Deliver personal experiences

According to Marketing Evolution, 90 percent of customers say they'll join a bank if they get great financial advice, but only 6 percent of banks claim to be able to provide personal outreach. Good advice comes from a thorough, individualised understanding of each customer – and with the right CDP, you can achieve this at scale.

Develop customer trust

Trust – or lack thereof – is a dealbreaker for 81 percent of finance consumers, according to Edelman. Personalisation gives customers not only a better experience, but it also sets them up for better financial outcomes. Investing in individual customers bolsters trust and increases the chances they'll keep investing in you.

Defy low expectations

Compared to digital native fintech companies, some traditional financial services can appear out of date and out of touch. Finance is a slow-moving industry – 28 percent of finance executives consider "speed of technological change" a top threat to business, per PwC. Get ahead of the competition by excelling at customer experience.

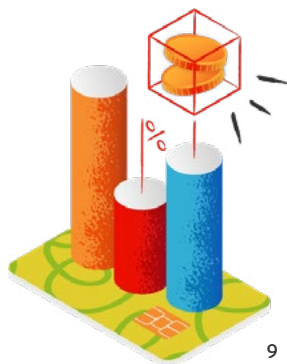
For Royal Bank of Scotland (RBS), making the digital experience easier leads to high conversion and lower cost of sale. In the UK, RBS have boosted loan application completion from mobile channels by 20%.

Volksbank, headquartered in The Netherlands, introduced digital experience tools to build long-lasting customer relationships, segment and connect with customers at different stages of their journey, and better understanding and manage data insights. The result: customer satisfaction was boosted, with NPS scores up from -7 to +6. The number of appointments to meet with a mortgage agent increased by 14% and email conversion rates increased by 7 times.

Wipro's 2021 study 'Hyper-personalization in Financial Services: Redefining Customer Engagement' indicates that "firms will compete on the quality of their digital experiences and the personalised offerings they can deliver to customers."

In a 2021 CapCo study, 72% of respondents rated personalisation as "highly important". In Ernst & Young research from October 2021, 81 % Gen Z survey respondents said personalisation could deepen financial services relationships.

It's no longer time to prioritise personalisation – it's time to act on it.



Anticipating the moments that matter.

The three pillars of modern, real-time CDPs:

Hyperawareness

Organisations need to be able to sense customer changes immediately – at the scale of millions. For example, you should know if your customers have stopped responding to your marketing, if their portfolio is performing badly compared to the market or if they are researching how to transfer money out of their account.

Intelligent, data-based decision making

When indicators show that, for example, a customer is considering taking their business to another company, it's time to pull out all the stops for customer retention. But your methods have to work for individual customers – they can't be generic. The right CDP will give you data-backed insights, so you know exactly how to proceed.

Real-time response

Once a customer switches their bank, financial advisor or insurance company, it's too late. Marketers need to be empowered to act in the moment to provide customers with the right experience to meet or exceed their expectations. For example, a real-time response can help prevent attrition and lower customer churn rates.



Leading the way to a more connected future.

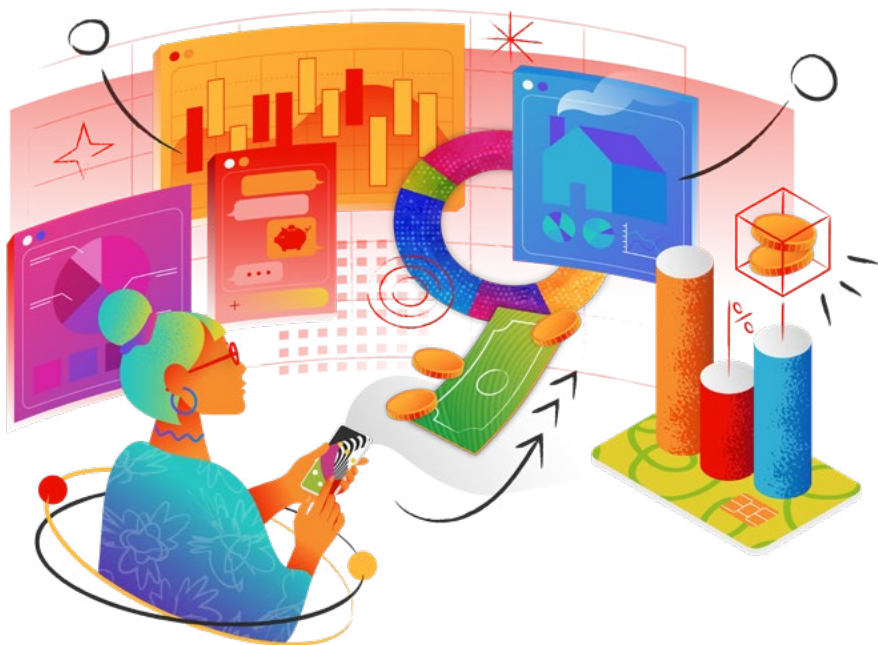


In banking, digital sales are expected to increase to 60% by 2024, up 76% from today. With rising customer expectations and growing competition, yesterday's leading financial organisations might think their moment has passed. Not so. With the right technology and strategy, incumbents are actually in a promising position to maintain or regain their status industry leaders.

Incumbents have a big advantage over their digital-native competitors. They can use a wealth of customer data gathered over the decades to gain important insights into the future – all while fuelling experiences for their existing customer bases. Digital natives may be more technologically advanced, but they are newer, smaller and have less data – and lack the legacy of trust built up over decades. This means that the incumbent financial organisations – empowered with the right CDP – can use their data to quickly outpace even the stiffest competition.

Financial incumbents already have most, if not all, of what they need to remain leaders in the future. Now it's time for them to ensure they have the right real-time CDP in place to build the personal, relevant and connected experiences customers demand.

Dig deeper into the nuts and bolts of CDPs and their role in data governance and privacy in the second part of this series, [*What every finance marketer should know about modern CDPs, personalisation and data privacy.*](#)



How Adobe can help.

As part of Adobe Experience Platform, Adobe Real-time CDP combines known and unknown customer data in real time for holistic, up-to-date profiles you can access in any channel to create true personalisation. Purpose-built as a CDP for marketers, it offers the capabilities required to deliver one-to-one personalisation at scale, including data governance, journey orchestration and AI/ML. Create and deliver uniquely personal, relevant experiences across your entire customer base in the moment, every moment.

[Learn more](#)

For more updates and insights, visit [Adobe's Financial Services Industry page](#).

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