Finserv: Competing in Customer Experience

The financial services industry, known as finserv, encompasses a range of businesses unified by one particular purpose – they manage money. It's a diverse group that includes stock brokerages, investment funds, banks, credit unions, consumer-finance organizations, as well as companies involved in areas from credit cards to insurance to accounting and more.

SelectUSA reported that in 2017 finserv in the U.S. accounted for $1.45 trillion in gross domestic product, with more than six million employees handling the investing, lending and management of money and assets. At the center of this massive ecosystem is the consumer. Concerned about finances and their future, they've come to demand the same attention and convenience they're accustomed to in less critical matters – a level of service spurred by advancements in areas like online shopping.

Consumer expectations are high and service shortfalls have a severe impact on business. In a study by inContact, 80% of customers said they'd switch to a competitor over poor treatment. In another by Gladly, 92% said all it would take is three or fewer frustrating instances to lose their business. In a PricewaterhouseCoopers (PwC) survey of 15,000 consumers, a third of respondents who claimed to love a specific brand said they'd go elsewhere after just one unsatisfactory experience. ZenDesk said 70% of customers that leave for a competitor have no problems with product – the main issue is customer care.

Research by Walker Information predicts that by 2020 customer experience (CX) will be the main differentiator in business, eclipsing typical motivators of price and product. Already, in the 2019 release of Dimension Data's annual Global Customer Experience Benchmarking Report – which surveyed 1,114 individuals involved in CX services worldwide – 88% recognized it as an important competitive differentiator that drives loyalty (87%), revenue increases (68%) and cost savings (56%).

Poor CX? Survey Says:

35% will leave after just one bad experience
80% will leave over poor treatment
92% will leave after three or fewer bad experiences

The positive impact of improving customer experience has not been lost on finserv.

Bizagi noted as early as 2016 more than 80% of banks viewed CX as an advantage. Competition has since become even more heated. Younger demographics are drawn to the Google, Apple, Facebook, Amazon (GAFA) model. These behemoths have pushed into the market, and according to Accenture, nearly 50% of Gen Y respondents in the U.S. would be willing to bank with Google and Amazon. Nearly the same amount would also consider advisory services from such online service providers. Then there are the fintech disruptors, start-ups whose technology targets specific, lucrative aspects of finserv.

Incumbents risk losing business to competitors that provide a better technology-based CX and the finserv industry understands immediate action is necessary. Not surprisingly, McKinsey & Company reports 75 percent of the 50 largest global banks are undertaking CX transformation.

Improve CX? Survey Says:
Competitive differentiator (88%)
Drives brand loyalty (87%)
Boosts revenue (68%)
Lowers costs (56%)

Front Line Support for Customers and Advisors

PwC's CX survey found convenience, speed and helpful/friendly employees matter most to consumers. Further, companies that "get it right" prioritize technologies that cultivate and deliver these benefits, not simply adopt technology to seem as if they're on the cutting edge.

Finserv needs to meet consumers "where they are" and implement must-do technology. It's a sentiment echoed by those on the industry's front line. In a Bizagi survey of financial service pros, 85% felt meeting customer expectations faster was an urgent need. Yet, 69% also felt tech complexity was undermining their organization's attempts to transform CX.

Customers need online self-service tools, supported by communications channels that easily link them to financial advisors should they need assistance with a transaction or to resolve an issue. This also requires the ability for all involved to securely exchange information. There should be one convenient place where account holders can receive such an optimum experience - seamlessly, transparently and in the way they prefer - whether it's via chat or email, phone or laptop.

Still, getting there is not easy. According to Customer Contact Week's 2019 study, Contact Center Success In The Automation Age, one of the foremost challenges is faced by 80% of organizations whose agents have to access multiple screens and systems to interact with customers. The report notes the "'silo,' 'misalignment,' 'friction' and 'fragmentation' complaints so cliché in the business world" are particularly crippling when it comes to customer contact.

Relevant information can't be accessed, impacting service speed, convenience and accuracy. Agent focus is impeded as attention is diverted from customer interactions to wrestle with multiple screens. Insights are clouded, meaningful connections are lost and opportunities missed.

Perils and a Path

There are reasons why it's been particularly challenging for finserv to adopt new technology in order to improve the CX, versus other industries. Data security and privacy concerns top the list, as do disruptive integration issues and/or the high cost that comes with a rip and replace of tech systems. This often manifests in an ongoing dependence on phone, fax, postal mail and courier, which results in inconvenient, frustrating service, limits advisor performance and is costly. The CX suffers as a result.

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Finserv has strict and ever-changing regulatory measures to comply with including Sarbanes-Oxley (SOX), Gramm-Leach-Bliley Act (GBLA) and the Payment Card Industry Data Security Standard (PCI). Failure to meet these, or worse, opening the door to data breaches that expose customer information, can result in serious fines and irreparable damage to a company's reputation.

CX Benefits? Survey Says:

Faster response times (85%)
Less tech complexity (69%)
Single desktop view (80%)

Still, technology has evolved to reduce vulnerabilities and deliver the capabilities needed for today's ultra-competitive finserv market.

One path to success is implementing a next gen secure message center with web-mail, web-form or web-chat services offered natively in self-service portals and mobile apps. This enables customers to easily ask questions of advisors and share files, forms and images. Messages can be routed to subject matter experts working in a unified desktop for faster service. Case numbers can be assigned for tracking in ticketing systems. Notifications sent via email or mobile text messaging (SMS) channels notify customers of a timely response.

Underlying it all must be end-to-end data encryption to protect message content and files or image attachments in motion and at rest. Also required are detailed logging and tracking reports to protect finserv companies in compliance audits.

Finserv organizations can encounter integration issues in trying to deploy such solutions into existing applications and infrastructure they hope to leverage. They wish to augment and optimize the quality tools that both customer and advisors have come to rely upon, as well as get the best return possible on investments already made. In essence – they wish to "power up" a better message and document sharing experience as an integrated service within the online interfaces advisors and customers use most. And they don't want further maintenance and security complexity, which often occurs with technology sprawl.

Both legacy and proprietary solutions pose hurdles. While most customer management technology in use today can support message, email, forms and file sharing channels, the security of the data in motion doesn't extend beyond the application or is limited in its reach and functionality. Legacy email encryption technology doesn't measure up to today's CX demands, either. Most lack integration tools needed for a unified desktop experience for advisors and customers alike; separate portals and logins are needed to exchange secure messages.

For customer facing services, the latest "digital experience" platforms may have the secure messaging functionality needed by finserv, but generally require a full rip and replace of current portals and CRM/contact center solutions. This can be too disruptive for larger finserv players and not affordable for smaller ones.

Ideally, the industry needs a secure message center solution that can be "stitched in" to existing resources, provided by a vendor familiar with finserv's requirements. It's a tall order, but there is one secure data technology provider meeting this demand.
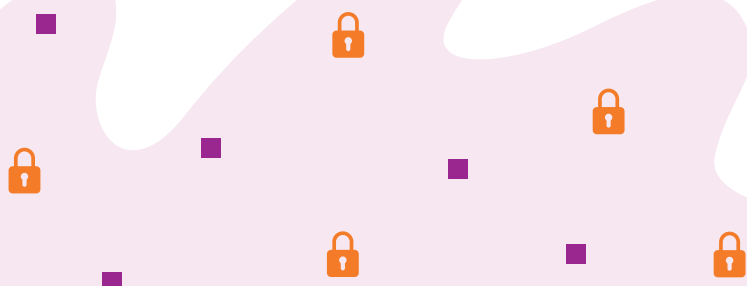
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An Answer

As a leading provider of data privacy and security solutions, DataMotion has earned a niche for itself in industries that deal with sensitive information such as healthcare and insurance. Its secure message center solution is providing finserv with the integrated answer it seeks, whether the organization is large or small, regardless of if they want to leverage existing infrastructure or implement it as part of a new client services portal, mobile app – or as a contact center or CRM upgrade.

An integrated secure message center inside a client services portal or app is ideal for seamless communications, ensuring client satisfaction and advisor performance in the most natural way. Driving the DataMotion solution is a secure data exchange services platform (DataMotion SDX), which makes it easy to add a secure message center to an existing portal.

Security and compliance can add complexity to customer experience solutions.

DataMotion's secure message center solution provides:

- Single sign-on (SSO) to eliminate extra password and login frustration
- The ability to send timely message status notifications to senders and recipients
- Delivery of messages and files directly to inboxes with Safe Transport Layer Security (SafeTLS)
- Integration with employee facing email clients, CRMs or contact centers
- End-to-end encryption processes applied to every message exchange for trusted security
- Integration with channels to log and track every message and file exchange for verifiable compliance

For many in finserv, DataMotion's secure messaging APIs (application programming interfaces) are the biggest attraction. They provide the native integration desired with the ability to stitch in best-of-breed secure message center features while controlling the portal or mobile app user interface.

This implementation avoids a cost-prohibitive rip and replace and existing resources can be leveraged for greater ROI. Advanced contact center capabilities can be acquired without disruption, while maintaining tools familiar to both advisors and customers. Secure messaging technology silos typical of legacy email encryption services can also be eliminated.

Delivered as a managed communication service from the cloud, security and IT maintenance costs can be reduced using the DataMotion secure message center solution. And because it is "pure-play technology," the best possible CX is assured, as is long-term support for the solution.

Options Matter

Still, not all finserv organizations are alike, and deployment flexibility is what puts even more distance between DataMotion and competitors. In fact, while the solution on its own sets a performance benchmark, finding any competitor that offers full-featured options without total rip and replace is difficult, if not impossible. The DataMotion secure message center – enabled by the SDX Platform – offers a toolkit to flexibly solve a wide range of sensitive data in motion workflows, while providing trusted security and verifiable compliance for the information exchange.

The following two case study synopses illustrate this flexibility.

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#1 – Secure Message Center - Integration

The first involves a DataMotion secure message center customer widely known as a major finserv player. The organization has $900 billion in assets under management, with more than 10,000 advisors offering wealth management, advisory and insurance services to 2 million clients. The company wished to keep its core advisor-client application infrastructure largely the same while adding a new secure messaging solution to its existing customer self-service portal. DataMotion delivered a solution that met the following requirements:

- Provide a secure message center function within the client services portal
- Utilize REST APIs for designing and running the secure message center
- Migrate 2TB of client-advisor message and file data from a legacy messaging system
- Consume the service from public cloud infrastructure
- Support a message and file exchange rate in excess of 10,000 per day
- Pursue a rapid deployment and minimize service cost
- Meet all security and compliance requirements

Beyond exceeding the technical, functional and operational requirements of the project, the DataMotion solution was also the most cost-effective. While other replacement approaches required millions of dollars due to wholesale rip and replace, the DataMotion secure message center "fit for purpose" solution could be delivered more cost effectively, providing the benefits needed at a fraction of other proposals, including a 'homegrown' development project approach.

A secure message center inside a client services portal or mobile app is ideal for improving communications, and the customer experience.

#2 – Secure Message Center - A Phased Approach

In contrast, a different implementation approach was needed by a smaller, privately owned and independent firm. Overseeing more than $140 billion in assets, the organization serves nearly 3,000 families, endowments and foundations with offices worldwide. Customers typically have a minimum of $40 million in assets, and in addition to wealth management, the firm handles many other personal aspects of their financial life. This requires intimate relationships, personal client attention and strong communication tools.

The company wished to provide a secure message center within their client services portal, without the need for custom development.

DataMotion delivered a solution that met the following requirements:

- Provide a secure message center function within the client services portal
- Simplify the user experience for both clients and advisors
- Utilize corporate SSO to simplify user authentication and access
- Leverage a standard, feature rich secure webmail interface
- Customize the user interface with corporate branding and logo
- Consume the service from public cloud infrastructure
- Pursue a rapid deployment and minimize service cost
- Meet all security and compliance requirements
- Provide a platform for future enhancements

DataMotion secure message center was integrated into agent workflows, with messaging co-branded to provide the same look and feel identified with the firm. Utilizing a unique secure delivery method, messages and files are now delivered directly into a client email service inbox (such as Gmail) – no additional links are required for download and they can send a secure response as well.

In this initial phase, the firm successfully boosted CX with integrated secure client-advisor email and file exchange without making significant changes to their client services portal or advisor desktops.

The next phases will cover the total redesign of the portal interface, while integrating APIs and expanding capabilities.

Experience Makes the Difference

According to research from Qualtrics, "70% of financial services customers leave their institution because of a series of minor expectation failures over time." It doesn't take much to chase them away or lose new opportunities.

DataMotion has been deployed in datacenters of leading finserv and insurance companies for over a decade. While the secure email vendor landscape is crowded with point solutions and service silos, DataMotion has set itself apart with an API strategy that integrates security and compliance into the high-volume messaging and file exchange workflows inherent in the business processes of industry.

The result is that those in finserv can meet customers where they are and do so in ways that make the most operational and fiscal sense. They can provide better communications between clients and advisors – deliver the CX required by today's consumers – while improving outcomes at lower costs, without compromising information security.

As is often the case, experience makes the difference, and DataMotion is capable of providing a competitive advantage in finserv that other vendors simply just can't match.

ABOUT DATAMOTION

DataMotion provides a secure digital exchange platform that redefines how organizations communicate, collaborate, and share information with their customers and partners. Leaders in financial services, insurance, government, healthcare, and call center markets leverage the DataMotion platform to accelerate their business processes. In the healthcare sector, DataMotion allows for the easy exchange of medical records that facilitate modern clinical exchanges for telehealth, homecare and large-scale solutions, enabling nationwide exchange with over 2.5 million clinical end points. DataMotion provides a suite of self-service APIs and connectors enabling enterprises, developers, software vendors and system integrators the power to create easy-to-use applications and services, seamlessly enhancing their solutions with flexibility and compliance built in. The DataMotion platform is HITRUST CSF certified.

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