

# HOW TO REALLY KNOW YOUR CUSTOMER

How commercial banks can outcompete their rivals with a joined-up view of their customers



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# How to really know your customer

How commercial banks can outcompete their rivals with a joined-up view of their customers

In the emerging age of financial choice, commercial banks can no longer rest on their laurels. Businesses may have used your services for years, but that doesn't guarantee that they will continue to do so in future.

Your bank has already come under fire from insurgents like Metro Bank and Handelsbanken. These banks have caused significant disruption to the high-street banking business because they promise a better customer experience.

Now, the rise of Fintechs represents an entirely new threat. Firms like Funding Circle and Zopa are moving into services that your bank provides, but with redesigned business models and online delivery.

There may be doubts about whether these Fintechs will be able to replace banks entirely, but there's no doubt that they are already drawing more and more bank customers away to use the services they offer, often poaching the best customers and the most lucrative upsell and cross-sell business. High street banks can't thrive if all they're left with is current accounts and cash machines.

"If Fintech doesn't kill banks, it might instead sap the sector's profitability. A future as a sort of financial utility—ubiquitous but heavily regulated, unglamorous and marginally profitable—is hardly a gratifying outcome for banks."

- [The Economist](#)

Even if you can convince your clients to stay loyal to their business current accounts, what's to stop them taking the rest of their financial needs to the lowest bidder?



# What can you do?

Commercial banks can try to counter these worrying upstarts by lowering prices and offering competitive rates, but that's not enough. The truth is, there's a reason businesses are so open to jumping ship: they haven't been given a reason to stay loyal.

Whether it's because banks have yet to reclaim their credibility since the financial crisis, or whether businesses simply aren't happy with the current level of service provided, it doesn't matter. Businesses who continue to remain unhappy, and who see better alternatives continue to develop: they won't hesitate to move.

**“How do you stop businesses from jumping ship? By keeping them happy. Creating strong, enjoyable services for your customers is essential, and this will allow businesses to start to trust your bank again.”**

For banks to combat the incoming flow of alternatives, it's not just about lowering prices to compete. That won't work alone, and it will only drain the profitability of banks further. Instead, every commercial bank should aim to achieve these two things to ensure they keep hold of their business customers:

## 1. A better, personalised customer experience.

How do you stop businesses from jumping ship? By keeping them happy. Creating strong, enjoyable services for your customers is essential, and this will allow businesses to start to trust your bank again.

## 2. Stronger up-selling and cross-selling.

But, just providing good customer service is not enough. Your employees need to have the tools to be able to easily sell your existing business customers with ruthless efficiency. Before your business customers go looking elsewhere for additional financial services, your business development managers need the information to tell those customers why they should be using your bank for those services. Both of these goals can be achieved by creating one simple solution: a single view of the customer. Sound too good to be true? Read on to find out how it might work for you.





# A single view of the customer

By having one resource which brings together all the information you have about each commercial customer into one unified platform, you create a powerful weapon in your fight against the competition.

A lot of businesses say they can offer your bank one complete view of your customers, but they don't all deliver on that promise. Here's what a truly effective customer relationship management (CRM) system really looks like:

- **One complete view.**

From a single page, your staff can see all the information you have about the business customer they are managing: the holdings you already have with that business, ongoing interactions, unresolved complaints, primary contact information and everything else your relationship managers need to know. Your business bank already has a huge amount of information available on each of your business customers: now is the time to take advantage of that and make a powerful impact.

- **Next recommended actions.**

Your business development team will no longer have to second-guess what their business customers might want to sign up for, and neither will they have to wait for those customers to come to them. Instead, your platform provides people with calculated suggestions for the next logical service your bank should be offering to each individual business customer.

- **Mobile.**

Your relationship managers are never barred from essential customer information. They can access the same data from anywhere, on any device; whether they're in the office, or travelling to a meeting with the client.

"If you really want to maintain a complete view of your customers, you need to look beyond the information you already have. Strong social monitoring tools track social media mentions of your business, your competitors and your service areas."

- **Enhanced teamwork.**

Because consistent customer portfolios are accessible by all your staff, they can easily cooperate with each other. For instance, the platform allows them to mark tasks with priority levels based on your bank's SLA agreements, making it easy for your whole team to track, and work towards always fulfilling, your bank's promises.



- **Responsive support.**

Ongoing complaints are also listed on the same page and this makes it easy for these complaints to be responded to proactively. By responding quickly to support queries your staff can effectively rebuild trust between your bank and the businesses you serve.

- **Social monitoring.**

If you really want to maintain a complete view of your customers, you need to look beyond the information you already have. Strong social monitoring tools track social media mentions of your business, your competitors and your service areas, giving you a more informed view of your sector. Say one of your business customers has been complaining on Twitter about the slow processing time of their transactions through

TransferWise: your social monitoring tool highlights this to your staff, giving them the opportunity to win this customer's monetary transfer business back to your bank.



# Between you and success

If this kind of integrated CRM tool is already available for you to use to counter your competition, what's stopping your bank from using it? In part, of course, deploying new software is not as easy as flicking a switch. Between your bank and your successful integration of a new system, you will have to deal with regulations and the backwards inertia of 'what we have is good enough', while ensuring your business customers are not affected by the move.

But, banks may not have an option. The ones that miss out on the opportunity to unify their customer data risk losing ground against their competitors. Without a clear way to track customer data and apply it to their customer service model, those banks will fall behind the banks who do embrace a customer relationship

management system. At the same time, they'll remain exposed to the new entrants who will continue to draw away their customers.

In order to succeed, you need to build a compelling business case for [digital transformation](#). The time you spend preparing this may well prove worth it for the future of your bank.

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# Better business banking, today

There's a lot of talk about the ['better bank of the future'](#). Banks of the future will supposedly be more connected, more advanced and better for their customers. But, the reality is that the tools which would make your bank better are available today.

By gaining a single view of your customers through CRM, you can connect your existing customer teams, and provide the tools that allow them to deliver outstanding customer experiences, which yield more profitable and sustainable relationships.

Just take Metro Bank. With a host of innovative Microsoft business solutions, they've managed to turn customer service into their main differentiator and it's made them a great success, helping them to achieve nearly 100 percent year-on-year growth.



As Paul Marriott-Clarke, the commercial director of Metro Bank [told Microsoft](#):

"We talk about revolutionised banking: about creating fans, and not just customers. For customers to understand we're there for them, it's important that the journey of our colleagues also be seamless."

By creating a single view of your customers, you can bring Metro Bank's customer engagement and insight into your own organisation. When your business is coming under fire from competition who are upping the game when it comes to the customer experience, the only choice is to fight fire with fire.





# The Microsoft solution

Microsoft Dynamics CRM is a solution that will allow you to accomplish everything we've just described.

To find out how, [watch this video](#) to see how Microsoft Dynamics strengthens the relationship between your business relationship managers and their clients, revitalising your customer service and strongly improve your chances of upselling to your customers.

You can read more on this topic and take a look at Microsoft Dynamics CRM at our [website](#). We can connect you to partners who can help to build your business case and guide you through your migration processes.

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