

# CUSTOMER FOCUS

As a sector that has historically struggled to engage with customers, financial services is waking up to the fact that acquisition and retention can have a huge impact on the bottom line. From personalising offers to 24/7 communication, financial services providers are rethinking aspects of the entire user journey, proving that an engaged customer is a happy customer

## 02

### Yomo

Yomo is a savings and investments app that rewards customers for being frugal. Users can open an account in 30 seconds, set up automatic transfers and earn free rewards for hitting savings milestones.

Financial pitfalls of UK millennials

25% have run out of money before pay day

21% have gone into an unplanned overdraft

13% have had their card declined without realising they had no money

Experian/YouGov 2016

## 01

### Mastercard

Mastercard have addressed the growing demand for convenience with the introduction of Identity Check, which gives customers the option to authenticate payments using their face. Dubbed "selfie pay", the technology includes biometric identifiers such as fingerprint, iris, facial and voice recognition to verify customers' identities using their mobile to dramatically speed up online checkout times and battle card fraud. Ajay Bhalla, president of Mastercard's enterprise risk and security division, says: "The time has come to drop cumbersome passwords and embrace a better consumer experience through biometrics".

46%

of UK adults report low knowledge about financial matters

24%

have little or no confidence in managing their money

Financial Conduct Authority 2017

## 03

### Fidor Bank

As a self-titled "people's bank", Fidor Bank is challenging the traditional approach to customer experience, by giving customers a say in how the organisation is run and shaped. The online-only firm provides an online community for customers to give and receive financial advice, and rewards users for doing so with benefits such as cash, improved interest rates and savings bonds. "The key success of Fidor is its community. We create a digital place where people can exchange and discuss money in an open and transparent manner," says chief executive Matthias Kröner.

93%

of consumers prefer biometrics over passwords for authenticating payments or other financial services

Mastercard/University of Oxford 2017

## 01

## 04

### Dlighted

Saving enough for a deposit is one of the biggest headaches for renters; luckily there's a firm out there that hopes to cut the cost of moving house by almost 90 per cent by doing away with the hefty upfront fee. Through low-cost deposit-replacement insurance, Dlighted offers landlords and letting agents protection of £600,000 against unpaid rent, legal fees and property damage. For renters, its tenant vetting service is also based on rent history as opposed to credit files and, once accepted, tenants will be able to earn no-claims bonuses to lower future rent.

Average rental deposit

Deposit Protection Service 2017

£1,831

London

£970

England and Wales

## 05

### Modulr

Modulr is speeding up the tediously slow process of business payments with a 24/7 automated service that brings transaction times down to less than 90 seconds. The company says it wants to make the idea of business-hours payments a thing of the past. "New alternative banks are able to make the customer signup process a matter of minutes – compare that to opening an account at a traditional bank which can take days or weeks and require you turn up at a branch with a stack of documents," says Kosten Metreweli, chief commercial officer.

72%

of small and medium-sized businesses say they would consider switching banks for the offer of real-time payments

ACI/YouGov 2017

## 06

### Bought By Many

For many living with cancer and other serious conditions, buying travel insurance can be a costly, stressful experience. Bought By Many's mission is to make insurance better for everyone. By grouping together people with similar niche insurance needs, the firm is able to negotiate better deals for them as a collective for better quality, often better priced, insurance. "Incumbent insurers are often slow to change and rely on legacy systems, while we're free of these constraints," says chief executive and co-founder Steven Mendel. "This means we can rethink existing products and create our products from scratch, keeping a close focus on how the policies and processes can be better for the customer."



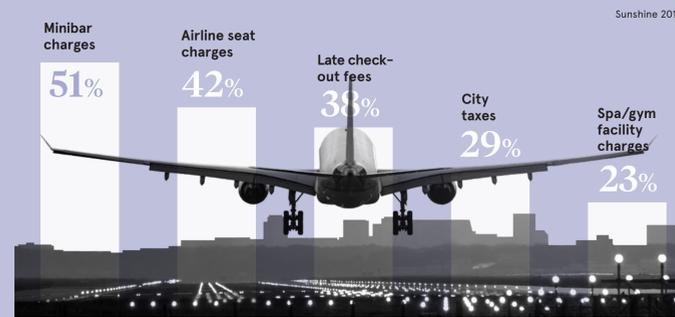
£2k+

potential cost of travel cover for someone with cancer for a week away in France

Bought By Many 2018

### Most common unexpected hidden costs on holidays abroad

Percentage of UK public who have experienced unexpected costs on their last holiday abroad



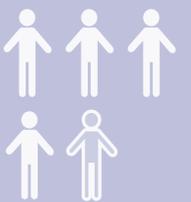
### Thomas Cook Money

Thomas Cook Money was launched late last year to transform the holiday money and insurance market, and eradicate the "financial hangover" that holidaymakers face when they get home. Customers are able to save, spend, borrow and protect their money at home and abroad all year round, "not just for the two weeks they're away", according to managing director Anth Mooney. "By looking after holiday money all year round, we hope to help our customers have more and happier holidays than ever before," he says.

## 08

### Generali

Insurance giant Generali says it has taken steps to address the industry's "revolving-door syndrome" by making sure customers are engaged and feel valued. The firm partnered with Medallia to identify critical pain points such as a "lack of human touch" during the customer journey. One particular change was the introduction of "empathy coaching" for staff and welcome calls to new customers to enhance the customer experience.



4 in 5

consumers prefer that human customer service interactions remain a part of customer service

Verint Systems 2016

## 09

### Habito

Anyone who has bought a house knows that the process of applying for a mortgage can be a drawn-out affair full of confusing rates and additional fees. This is where Habito comes in. The fintech startup offers free, 24/7, online mortgage advice to find customers the best deal from more than 70 lenders, with a dedicated mortgage expert on hand from start to finish. "Our purpose is to set people free from the hell of mortgages," says Habito's communications lead Naomi Lane. Customer centricity has also filtered down to the product itself: "Because we know people are often kept awake worrying about mortgages, we designed our website in dark-colours 'night mode' so the light doesn't disturb their eyes too much."

39% Total average

18% 18-24 year olds

Financial knowledge

Percentage of UK public who think they know enough about mortgages to choose a suitable one without consulting a financial adviser

Financial Conduct Authority 2017

## 10

### Santander

Santander is making social media the foundation for engaging with its more than 14 million customers. Through its work with social media management platform Sprinklr, the bank was able to centralise its social capabilities across silos and reach customers on their preferred channels at their preferred time for a more personalised experience. Santander UK's chief marketing officer Keith Moor says: "What social media does is obliterate the traditional barrier between a brand and its customers. If people like something, they'll talk about it. If they don't, they'll certainly talk about it."

Top reasons why consumers follow brands on social media

Percentage of global consumers

73% Interested in product/service

59% Interested in promotions

51% They're entertaining

42% Offered an incentive

42% Interested in the industry

Sprout Social 2016