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STUDY: 88% of Banks and Lenders See Crisis-Driven Uncertainty as Opportunity to Rebuild Customer Trust Through Digital Transformation

A new report from Smart Communications and Salesforce of 430 global executives highlights the importance of digital investment and hyper-personalized customer experience in rebuilding trust and succeeding in the future

NEW YORK and LONDON, June 14, 2023 (GLOBE NEWSWIRE) -- Smart Communications™, a leading technology company focused on helping businesses engage in more meaningful customer conversations, in partnership with Salesforce, has released new research on how banks and lenders are planning to thrive in an era of uncertainty. Conducted in the Spring of 2023, the report is based on a MoneyLive survey of 430 senior executives from across the global banking and lending sector, revealing key insights into the industry's strategic approach to digital technology investment and customer engagement.

The study found a discrepancy among the respondents, with 37% seeking to limit technology spending due to the uncertain future, while 63% are committed to sustained investment in new digital technologies to capitalize on future opportunities.

“Despite rising interest rates and market volatility, the majority of banks and lenders are recognizing the importance of investing in digital solutions that deliver hyper-personalized customer experiences and build trust,” said Karen Oakland, VP of Financial Services Marketing at Smart Communications. “At the same time, they are doubling down on investments in automation to accelerate turnaround time, eliminate errors, and reduce the burden on contact centers, advisors and other customer-facing employees.”

Digital tools and automation will help banks regain customer trust and address skill shortages

According to the study, 88% of respondents agreed that the current era of uncertainty presents the best opportunity for banks and lenders to regain customer trust since 2008’s financial crisis. To meet these goals as well as address skill shortages, banks and lenders need digital solutions and better connectivity to new data sets to better understand changing customer needs, ultimately enabling human agents to focus where they can make the biggest difference. The overwhelming majority believe self-service automation and personalized, automated outbound communications, designed to preempt customer contact, will be of major importance in reducing demand for human agents while protecting CX standards. Approximately 90% of survey respondents believe the ability to rapidly scale automated processes when the volume of customer inquiries rises – without increasing fixed costs – will be critical to their success over the next three years.

“The future of customer service in the banking and lending sector lies in hyper-personalization which can only be achieved at scale through digital transformation,” said Anna Bratton, Head of Banking at Salesforce. “Our research shows that 95% of respondents agree that low-friction customer experience (CX) will become a hygiene factor, and the competitive advantage will lie in personalized services that make customers' lives easier.”

Digital forms ranks as a top investment

Consumers now expect banks and lenders to provide AI-prompted conversations that guide them through important decisions. The survey also revealed, however, that many organizations have yet to optimize these capabilities across their enterprise. In fact, 92% of respondents agreed that offering "value-added convenience" financial management services will require a level of hyper-personalized, automated digital self-service maturity that many institutions have yet to achieve. Some 77% of respondents reported they are likely to invest in automating digital forms that adapt in response to customer's answers to create a more conversational experience. Indeed this capability ranked as one of the top investments required for "value-added convenience" financial management services.

The future is cloud technology but transformation is slow

Smart Communications' study also showcases the industry's move toward cloud technology is judged to be of great importance for success in the era of uncertainty. However, two-thirds (65%) of surveyed banks and lenders think their organizations face an investment gap when it comes to developing a systems architecture based on cloud, microservices and APIs. Progress is slow with only 4% of respondents reporting that they have crossed the 50% threshold for hosting their applications in the cloud, despite 27% intending to do so within two years.

The report concludes with a stark warning: 92% of respondents agree that for a bank or lender to put digital and CX investment on hold during a crisis is to plan to fail when the recovery comes. This survey shows the urgent need for banks and lenders to invest in digital transformation and customer experience initiatives.

For more information and to download the report, ***How Can Banks and Lenders Thrive in the Era of Uncertainty?,*** can be found here.

Join Smart Communications and Salesforce for the MoneyLive webinar, ***Surviving Seismic Shocks: Strategies to Triumph in a New Banking Era*** on June 15, 2023 at 3pm BST / 10:00am EDT where attendees can gain additional insights. Register here. If attending the Salesforce World Tour in London, UK on June 29, please stop by the Smart Communications kiosk to learn more.

About Smart Communications

Smart Communications provides the platform that leading organizations trust to deliver personalized, consistent and compliant conversations across all touchpoints and channels. The Conversation Cloud™ consists of SmartCOMM™ for enterprise-scale customer communications, SmartIQ™ for digital forms transformation, and SmartDX™ for trade documentation. Over 650 enterprise organizations across the globe rely on Smart Communications to simplify and automate complex processes and deliver highly secure, frictionless experiences across the customer lifecycle. To learn more, visit smartcommunications.com.

About Salesforce

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