A TOOLKIT FOR FINANCIAL SERVICE PROVIDERS

Building strong customer relationships in a digital environment

ACCION

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Acknowledgements

Center for Inclusive Growth

How should financial service providers moving from a brick-and-mortar to a digital model continue to effectively manage customer relationships in the absence of face-to-face interactions?

This toolkit aims to help organizations understand the challenges involved in managing customer relationships through digital channels and devise methods to address common gaps. In this toolkit, Customer Relationship Management is defined as the personalized interaction between a customer and an institution that is used to establish trust and leveraged to influence behaviors such as on-time repayment of loans. This toolkit is informed by cross-regional research which analyzed several Financial Service Providers (FSPs) across Asia, Africa, and Latin America.

Contents

Introduction

Without effective customer relationship management, digital products fail

The vast majority of institutional lenders are building or improving their digital products and channel infrastructure. As handheld devices become more accessible and more powerful, digital touchpoints are an increasing necessity for maintaining a minimum standard of value delivery to end customers.

Traditionally, organizations focused on serving Micro and Small Enterprise (MSE) segments have relied on physical touchpoints and customer-facing employees to build and maintain personalized customer relationships. They depend on leveraging these relationships to ensure customers understand products and repay loans on time.

As institutions move to a digital-first orientation, there is a requirement to transition these personalized experiences to a digital format. In many cases this requires multiple digital touchpoints across a single customer journey, allowing institutions to build customized experiences based on individual customer needs.

Moving to a digital-first model requires multiple digital touchpoints and customized experiences across the customer journey.

Finding the optimal balance between tech and human touch is key

Navigating this transition has been challenging, particularly for institutions looking to leverage digital tools to facilitate the lending cycle. Many institutions fail to acknowledge the influence of strong customer relationships on maintaining high repayment rates and customer retention. As a result, digital products are often designed to be overly dependent on automated creditworthiness scores for managing risk. This often leads to high default rates, discontinuation of digital lending products, and a return to manual practices.

To cater to all customer types and preferences, it is often necessary to determine a balance between physical and digital touchpoints. This balance should enable more digitally mature customers to be served as efficiently as possible, while allowing more digitally nascent individuals to migrate seamlessly to physical channels, as required.

The influence of strong customer relationships on maintaining high repayment rates and customer retention must be acknowledged.

Accion developed this toolkit to help guide institutions through the process of determining where and how digital channels can be leveraged to build strong customer relationships. We focus on **five key recommendations**:

1 Map out formal and informal interactions for strong customer relationships

Many of the activities and interactions that constitute strong customer relationships in a traditional model are informal and undocumented. This means they are easily missed when digitizing customer processes. It is important that institutions have a baseline understanding of the effort and activities required to manage customer relationships (both formal and informal) before leveraging technology to execute them effectively.

2 Segment customers by digital maturity

Customer capacity to adopt digital tools varies according to the context of interaction. Owning a smartphone does not necessarily mean customers are comfortable using it to interact with financial services. To quantify the opportunity to leverage digital tools to manage customers, institutions must segment their customer base by digital maturity.

3 Build digital interactions that avoid common pitfalls

Customer relationships enabled through digital products are often anonymous and transactional in nature. This can lead to the degradation of ties between an institution and its clients. Institutions should understand the common challenges faced by customers when interacting through digital channels so they can design customer experiences that explicitly address them.

4 Be clear on the infrastructure required to support digital relationship management

Digitization of the customer interface necessitates infrastructural changes required to support it. Institutions need a clear and concise understanding of how their technology roadmap will evolve to enable new digital functionality.

5 Monitor and measure success

Ongoing review and iteration is vital for ensuring customer relationship activities are having the desired effect. To ensure maximum capacity to collect and utilize data, institutions need to build mechanisms for collecting data and insights when designing customer relationship processes.

1

Map out formal and informal interactions for strong customer relationships

Strong customer relationships are anchored by informal touchpoints that are not easily replicated

Microfinance thrives on relational ties. One of the most important factors that has largely contributed to the success of the microfinance industry is the use of relational models embedded in social ties that MFIs create through their loan officers.

Loan officers leverage personal experience and subjective analysis to inform the lending process. Digitizing the process fully, or partially, inevitably reconfigures the role that loan officers play and their relational ties with clients. This creates gaps where informal and softer touchpoints are not replicated or substituted through new digital processes.

To understand where these gaps may occur, this toolkit provides an approach for mapping out the functional and non-functional aspects which contribute to the establishment of strong relationships through a traditional model. We interviewed loan officers, product managers, and operations teams, and observed customer interactions to determine how they build these connections. **Table 1** highlights our findings.

The close and trusted relationship loan officers develop with their clients is critical to the success of the industry. More concretely, in microfinance, loan officers are "soft" information holders who glean informal knowledge that can be crucial in the main activities of the lending process: **prospecting, application, processing, sanction, disbursal, repayment, servicing, and renewals**.

Table 1: Customer relationship management through the traditional model

Phase	Description	Key finding
Prospecting	Pre-selection process where the customer is made aware of the loan offering, key features, benefits, and advantages.	**A) Field staff can relate deeply to the context of their clientele:** Loan officers have a certain degree of familiarity with the customers and are typically from the same locality. This inherently creates a sense of service personalization. The ability to relate on common ground is often a key part of establishing a strong first impression.
		B) Field staff invest time to build trust during prospecting through multiple visits and calls: The first few visits and calls loan officers make to new clients are focused on building familiarity, understanding more about the customer, and building trust. This is viewed as a prerequisite to progress to the next phase in the process.
		C) Loan officers often leverage introductions to new customers from a trusted third party: In many cases, new customer contacts are generated through referrals. Many loan officers reported establishing contact through a mutual relationship as a highly valuable mechanism for expediting trust.
Application	Customer completes the loan application and provides the necessary documents to process the loan.	**D) Loan officers provide hands-on support during the application process, often capturing soft data points in addition to required data fields:** Loan officers generally take time during the application process to socialize with customers and take a very hands-on approach to guide them through the application process. During this time customers require significant support to understand application questions and requirements.
		E) Loan officers commit a significant amount of time to nudge customers to complete the application process: Customers are not always proactive about completing requisite paperwork. Loan officers maintain regular nudges to progress them through the application process.
Processing	Documents are assessed and the customers' eligibility is calculated. Additional clarifications and documentation are requested from the customer, if needed.	**F) Loan officers keep customers up-to-date on the status of their application, which takes time but strengthens the relationship:** Loan officers reported that keeping the customer informed of the status of the loan and letting them know of any additional requirements proactively created more trust and greater customer satisfaction.

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Table 1 (continued): Customer relationship management through the traditional model

Phase	Description	Key finding
Sanction	Loan officers intermediate between internal team members and customers to communicate additional requirements and agree terms.	**G) Loan officers often play a soft role in negotiating the terms of the loan:** Loans in the traditional model involve renegotiating the amount, warranties, requirements, and term. Loan officers play a hands-on role in discussing and explaining this to the client.
		H) Loan officers informally collect information on customer preferences and use them to personalize the service they deliver: Loan officers often talk to internal team members to communicate customer preferences. These preferences are used to personalize the service received by the customer.
		I) Loan officers proactively prevent trust issues by taking time to explain product terms and conditions: At times, the loan terms and conditions do not match the expectation of the customer, resulting in further iterations and negotiations. Loan officers consultatively engage customers to explain the details.
Disbursal	Documentation requirements are completed and the loan is disbursed.	**J) Loan officers use tactics to create a sense of urgency between sanction and disbursement:** Loan officers proactively engage customers to ensure timely document submissions. This is key to avoiding delays following the sanction period.
		K) Customers require a significant amount of support to complete pre-disbursement documentation: In addition to creating the urgency to complete documentation, loan officers provide a significant amount of proactive support to ensure customers understand and are able to complete pre-disbursement documentation.
Repayment	Collecting repayments from customers.	**L) On-time repayment is dependent on loan officer-initiated reminders:** Loan officers remind the customer of the repayment date when they meet them through regular check-ins. Loan officers reported the importance of executing these reminders in a very non-obtrusive manner.
		M) Loan officers personalize their approach to customer reminders: Loan officers customize their approach to engaging customers for on-time repayment based on intuition and historic repayment performance. Loan officers are generally aware of which customers tend to skip or delay payments and the loan officers remind these customers more often.
Servicing	Tending to customer queries and keeping the customer involved post-loan disbursal.	**N) Loan officers reach out informally to enquire about customer well-being:** In addition to being a regular point of contact for referrals, solving queries, and general support, some loan officers reported reaching out to customers to regularly enquire about their well-being. Many noted the importance of engaging in non-business-related contexts as well as on matters related to the loan, as important for maintaining strong customer ties.
Renewals	New loan offers to retain the customer	**O) Loan officers keep track of when the loan is scheduled to end and inform the customer well in advance**. Loan officers advise customers to keep documents ready and ensure that all payments are made on time so that the renewal of this process is seamless.

KEY TAKEAWAY

Adopting the approach outlined in **Table 1** helps institutions gain a baseline understanding of the true value that digital tools need to replicate (or substitute) to maintain strong relationships.

2

Segment customers by digital maturity

Assessing digital maturity helps to identify the right tech and touch balance

Quantifying the opportunity to leverage digital channels requires institutions to understand their customers' capacity to adopt them. Agnostic application of digital tools across the customer experience often alienates less digitally mature clients and leads to inefficient engagement when driving activities such as loan repayment and renewal.

Segmenting customers by digital maturity allows institutions to assess the potential to execute each of the activities outlined in **Table 1** through digital channels. It also enables institutions to identify where the presence of physical touch cannot be substituted. In many cases, a balance of technology and physical touch is required at different stages in the customer experience. Accion's digital maturity assessment tool provides guidance on segmenting customers based on their capacity to use digital channels.

Figure 1: Accion's digital customer archetypes

THE NASCENT   **THE EXPERIMENTER**   **THE EMERGER**   **THE ENABLED**

Case Study

DVARA KGFS

To better serve less digitally savvy customers, Dvara KGFS revamped its WhatsApp chatbot to mimic interactions with loan officers.

Dvara KGFS is a rural financial institution in India with a mix of physical and digital channels. Dvara developed an omnichannel experience for customers to seamlessly interact with the institution through loan officers, contact centers, business correspondents, and WhatsApp.

Initial digital uptake and usage were slower than expected. Conversations over digital channels were often broken, as customers were not familiar with the terminology used by the WhatsApp chatbot.

In response, Dvara used Natural Language Processing (NLP) capabilities to ensure that chatbot conversations were simple and colloquial, making them as close as possible to a human conversation. Several call-to-action buttons and visual cues were incorporated instead of text in the conversation flow.

In the future, Dvara also plans to create chatbot personas that will resemble loan officers to help increase uptake of its digital channels.

Since launching digital channels in early 2023, uptake has grown to

20,000

active users.

Case Study

KIN∧RA
CAPITAL

Kinara Capital uses high tech and high touch approach to serve clients across the digital maturity spectrum. While Kinara is digitally enabled, it maintains branches with loan officers to provide client support.

Kinara Capital is one of India's leading fintech companies and offers collateral-free, end-to-end digital loans for MSMEs within 24 hours. Kinara's high tech and high touch approach caters to the needs of its customer base by extending an in-person, doorstep service to those who may not want to go through digital channels to access services.

While the option to apply for and manage loans digitally is available for all borrowers, Kinara loan officers still make it a point to periodically check in with customers in person, building customer confidence and trust.

These personal interactions are also a good opportunity for loan officers to request customer referrals to drive their business development efforts.

To date, Kinara Capital has disbursed over

$605 million

to over

60,000

MSMEs in India.

KEY TAKEAWAY

It is important for institutions using the digital maturity assessment tool to understand that customer capacity to adopt digital tools varies according to the context of interaction. For example, if a customer owns a smartphone, it does not necessarily mean they will be comfortable using it for financial services. Gaining a true understanding of the opportunity to implement digital tools requires a nuanced view of customer digital maturity.

3

Build digital interactions that avoid common pitfalls

Inadequate digital customer engagement practices impact performance

A high percentage of the activities identified in **Table 1** are informal. This makes them easily overlooked when transitioning from manual to digital processes, as seen from our interviews with MSE loan customers from Bangladesh, India, and Nigeria.

Beyond measurements of customer satisfaction, product performance data also points to inadequacies in digital customer engagement. Relationship management plays a key role in portfolio quality and retention rates, two key aspects of profitability. Data shows that delinquencies in the digital lending industry are typically higher than those of traditional lenders, with a lack of customer engagement often being cited as a key driver[1].

The absence of strong customer relationship practices not only affects the number of customers that repay loans on time, but also the percentage of payment recovery from customers already in delinquency[2]. We gathered information on the challenges customers experience when navigating digital customer journeys. These challenges were mapped against the insights in **Table 1** to identify where digital engagement fails to replicate, or substitute, informal interactions that would otherwise constitute strong customer relationships.

85% of respondents from our study reported a strong preference for interacting with loan officers through digital channels

63% cited this preference was driven by a lack of available and timely support to help them navigate through the various steps of the loan process

~25% noted greater concerns surrounding security and fraud in the absence of face-to-face interactions

1 Digital lenders strengthen underwriting to counter delinquency risk | The Financial Express
2 https://www.experian.in/wp-content/uploads/2023/01/Experian_White-Paper_Fintech-led-Digital-Lending.pdf

Table 2: Common gaps in the digital experience

Phase	Key finding	Identified gaps
Prospecting	**A) Field staff can relate deeply to their clients' context:** Loan officers have a certain degree of familiarity with customers and are typically from the same locality. This creates a sense of service personalization. The ability to relate on common ground is often a key part of establishing a strong first impression.	Digital outreach is often anonymous and generic, setting a precedent for a transactional relationship that is easy for customers to ignore when being prompted for repayment. Many customers are suspicious of unsolicited digital contact from an unfamiliar source.
	B) Field staff invest time to build trust during prospecting through multiple visits and calls: The first few visits and calls loan officers make to new clients are focused on building familiarity, understanding more about the customer, and building trust. This is viewed as a prerequisite to progress to the next phase in the process.	Digital prospecting is typically less personal and based on one-way communication with the customer. A lack of interaction and connection is less effective for establishing equity in the customer relationship.
	C) Loan officers often leverage introductions to new customers from a trusted third party: In many cases, new customer contacts are generated through referrals. Many loan officers reported establishing contact through a mutual relationship as a highly valuable mechanism for expediting trust.	Digital outreach is often unsolicited, with many customers citing regular contact from unfamiliar sources as an irritant that damages their relationship with the institution.
Application	**D) Loan officers provide hands-on support during the application process, often capturing soft data points in addition to required data fields:** Loan officers generally take time during the application process to socialize with customers and take a very hands-on approach to guide them through the application process. During this time customers require significant support to understand application questions and requirements.	Customers can become frustrated at the lack of timely guidance and support provided during the application stage. Customers often do not understand how to complete required processes or how to source help.
	E) Loan officers commit a significant amount of time towards nudging customers to complete the application process: Customers are not always proactive about completing requisite paperwork. Loan officers maintain regular nudges to progress them through the application process.	Nudges are not bound in the context of a personal relationship and are less effective in influencing behavior.
Processing	**F) Loan officers keep customers up-to-date on the status of their application, which takes time but strengthens the relationship**: Loan officers reported that keeping the customer informed of the status of the loan and letting them know of any additional requirements proactively, created more trust and greater customer satisfaction.	In the context of a mobile or web application, customers often have to complete the entire process in one go, while in the traditional process, they fill out different sections of the form based on the availability of information and documents.

Table 2 (continued): Common gaps in the digital experience

Phase	Key finding	Identified gaps
Sanction	**G) Loan officers often play a soft role in negotiating the terms of the loan:** Loans in the traditional model involve renegotiating the amount, warranties, requirements, and term. Loan officers play a hands-on role in discussing and explaining this to the client.	When using digital channels, customers must decide whether to accept the loan with the terms and conditions as they are. The sanction or rejection process is very impersonal, especially when loans are rejected — customers are not clear why and report facing anxiety as a result.
	H) Loan officers informally collect information on customer preferences and use it to personalize the service they deliver: Loan officers often talk to internal team members to communicate customer preferences. These preferences are used to personalize the service received by the customer.	Many digital products support generic customer engagement experiences, which typically only become personalized once a customer falls into delinquency.
	I) Loan officers proactively prevent trust issues by taking time to explain product terms and conditions: At times, the terms and conditions of the loan do not match the customer's expectations, resulting in further iterations and negotiations. Loan officers consultatively engage customers to explain the details.	Although some providers employ call center-initiated knowledge verification tests to ensure terms and conditions are well understood, many digital products rely on the customers to carefully read detailed terms and conditions without the support to help understand them. This leads to poor customer understanding of product details.
Disbursal	**J) Loan officers use tactics to create a sense of urgency between sanction and disbursement:** Loan officers proactively engage customers to ensure timely document submissions. This is key for avoiding delays following the sanction period.	Customers rarely complained about digital disbursement processes.
	K) Customers require a significant amount of support to complete pre-disbursement documentation: In addition to creating the urgency to complete documentation, loan officers provide a significant amount of proactive support to ensure customers understand and are able to complete pre-disbursement documentation.	In many cases during digital processes, required disbursement documentation is completed during the application process.
Repayment	**L) On-time repayment is dependent on loan officer-initiated reminders:** Loan officers remind the customer of the repayment date when they meet them through regular check-ins. Loan officers reported the importance of executing these reminders in a non-obtrusive manner.	Digital products typically depend on automated reminders which are sent periodically or in accordance with a customer's repayment history. Respondents complained about receiving too many reminders, noting that reminders are sent even when they are regularly paying on time.
	M) Loan officers personalize their approach to customer reminders: Loan officers customize their approach to engaging customers for on-time repayment based on intuition and historic repayment performance. Loan officers are generally aware of which customers tend to skip or delay payments and the loan officers remind these customers more often.	Digital products typically employ a very limited amount of personalization which often lacks interaction between the customer and the institution.
Servicing	**N) Loan officers reach out informally to inquire about customer well-being:** In addition to being a regular point of contact for referrals, solving queries, and general support, some loan officers reported reaching out to customers to regularly inquire about their well-being. Many noted the importance of engaging in non-business related contexts, as well as on matters related to the loan, as important for maintaining strong customer ties.	Typically very little interaction after loans are disbursed beyond payment reminders. Customers reported becoming frustrated with the lack of access to timely support.
Renewals	**O) Loan officers keep track of when the loan is scheduled to end and inform the customer well in advance.** Loan officers advise customers to keep documents ready and ensure that all payments are done on time so that renewal process is seamless.	Renewals are not prioritized in digital platforms and customers are not informed of offers to renew in advance. Digital channels can improve renewals by using existing data to generate approved offers in a timely manner.

Design digital products with the customer's digital experience in mind

The gaps identified in **Table 2** represent common pitfalls that need to be addressed when organizations are managing customer relationships digitally. These factors, although by no means exclusively responsible, are likely contributors to the high failure rate among digital initiatives within the financial services industry — up to 70 percent of all digital transformations fail.

When designing digital products that are dependent on digital customer interactions, institutions can reference the approach and findings outlined in **Table 2** as a practical tool to help identify where gaps may appear in their own customers' experience. This toolkit does not identify specific channels and functions for addressing these challenges, as each solution should be specific to the digital capacity of customers in each context.

Failing to address gaps in the digital experience can undermine digital transformation efforts.

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KEY TAKEAWAY

In practice, digital experiences tend to be more generic and transactional than face-to-face, with limited access to conversational support to help customers understand and navigate product processes. Institutions must consider and identify the specific channels and approaches to ease points of friction for the customer.

4

Be clear on the infrastructure required to support digital relationship management

Existing infrastructure may need to evolve to enable new digital functionality

In many cases, the implementation of digital tools at the customer interface requires investing in new systems and tools. Digital channels create the opportunity to capture and leverage data to drive efficiencies in customer engagement and personalize customer service, based on individual preferences.

To achieve this, institutions need to develop a clear and concise understanding of how their technology roadmap will evolve to enable new digital functionality. The tools in earlier sections of this toolkit can be used to help institutions determine the functional and non-functional experience they wish to enable for their customers. This customer experience can in turn be used to disaggregate key infrastructure requirements for execution, and inform decisions on technology and systems procurement.

To help guide organizations through the process of understanding their capacity to support digital initiatives, Accion developed a technology maturity diagnostic which can be used as a:

Diagnostic tool
Determines the status of the organization along the technology maturity continuum and identifies where the most and least amount of progress has been made.

Benchmarking tool
Provides information for peer-to-peer comparisons and evaluations by investors, donors, creditors, and strategic partners.

Reference to set technology strategy
Defines specific maturity targets. These targets will impact the organization's market, customers, budget, and capabilities.
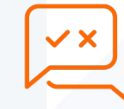
Communications tool
Helps articulate how strategic technology initiatives enable the organization to meet its business goals, provide context, and measure progress to the board, management, and technology stakeholders.

KEY TAKEAWAY

Clarity on the customer experience and the functional activities required to support digital relationship management is a prerequisite for deciding on technology and systems infrastructure.

Institutions need to use this clarity to benchmark the standards that systems and tools need to meet during the procurement process. This is vital for minimizing retrospective changes to core technology.

5

Monitor and measure success

Monitoring key indicators uncovers insights that can be used to improve the customer experience

With all digital initiatives, monitoring how well new methods of managing customer relationships are received is vital for improving the customer experience. Organizations need to define the key data points they want to collect during each customer interaction and use that information to develop insights and recommendations for change. This information is typically collected via two methods:

1

Transactional data collection

Institutions will define metrics that can be used to automatically generate and store data based on informational transactions with the customer. **Figure 2** provides examples of the different types of data points that can be collected at different phases of the customer journey.

2

Customer interviews and observations

Institutions can ask customers key questions in an interview format to determine how well their digital experience is being received and to gain feedback on key challenges. **Figure 3** provides an example framework which can be used to structure the customer interview process.

Figure 2: Transactional data collection
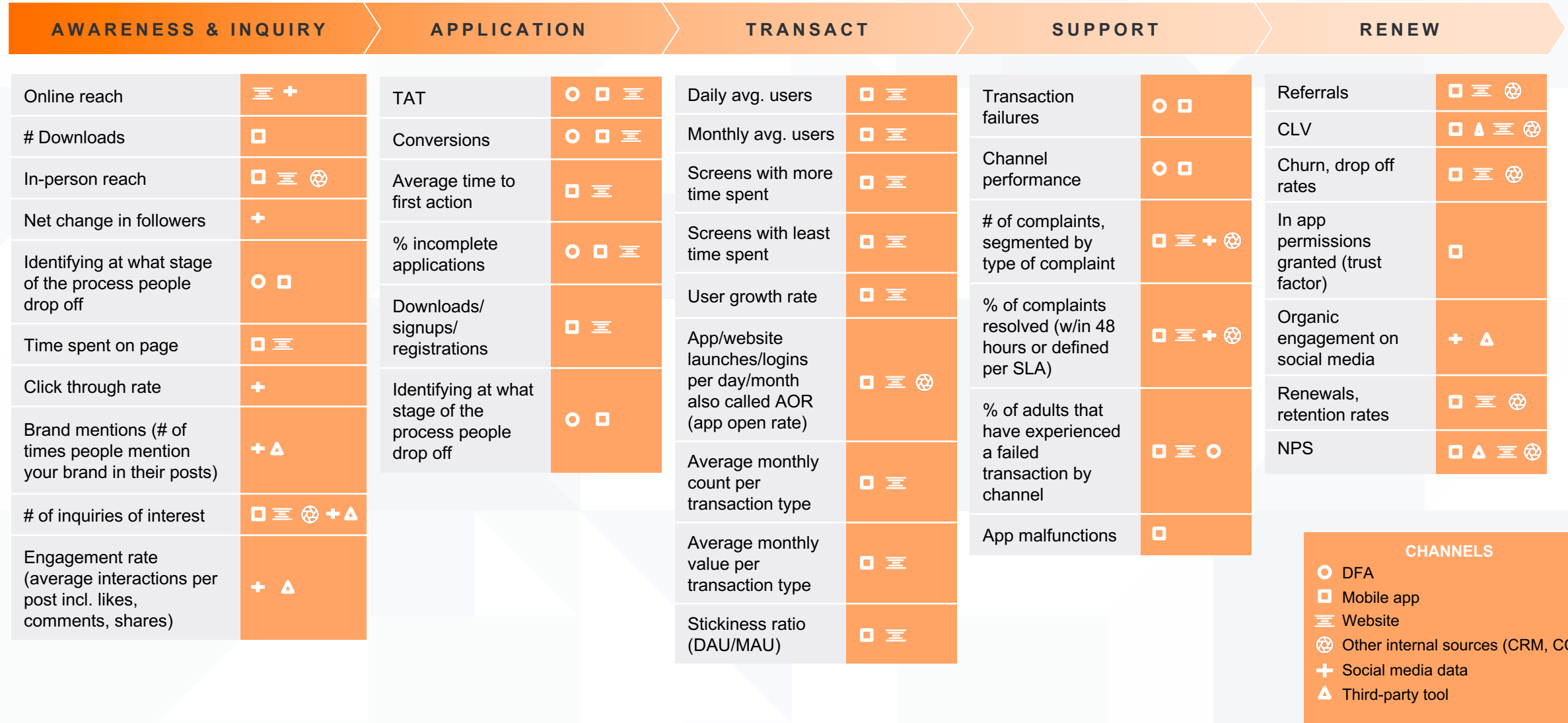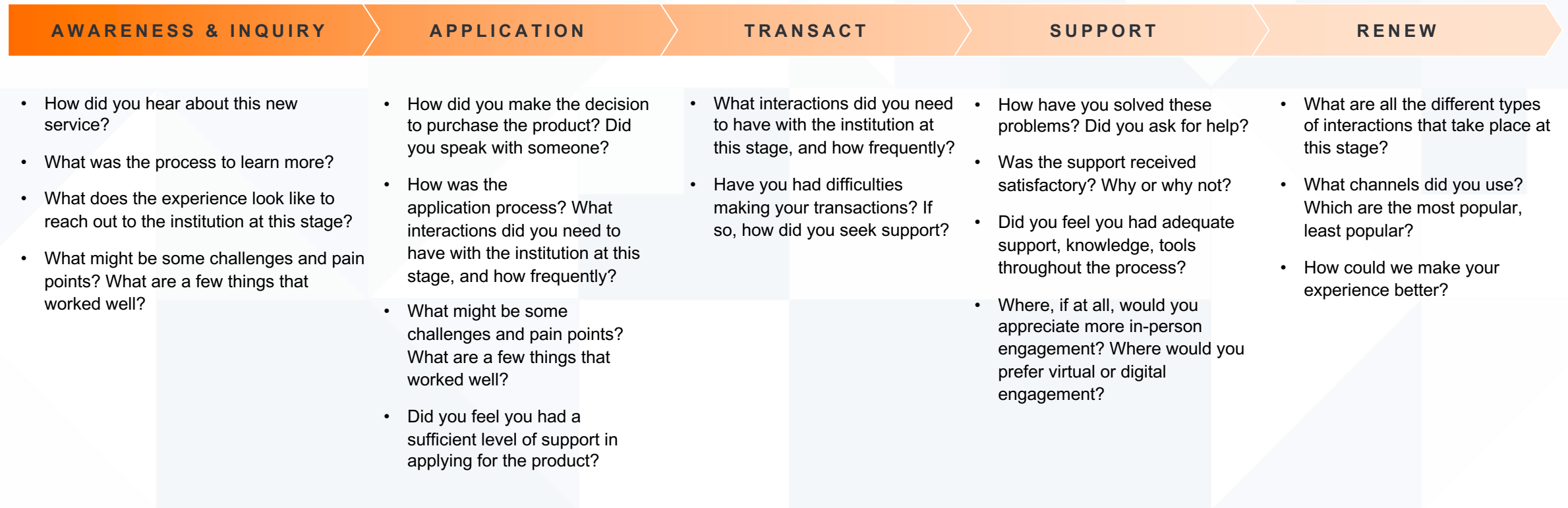
AWARENESS & INQUIRY	APPLICATION	TRANSACT	SUPPORT	RENEW
Online reach (Website, Social media data)	TAT (DFA, Mobile app, Website)	Daily avg. users (Mobile app, Website)	Transaction failures (DFA, Mobile app)	Referrals (Mobile app, Website, Other internal sources)
# Downloads (Mobile app)	Conversions (DFA, Mobile app, Website)	Monthly avg. users (Mobile app, Website)	Channel performance (DFA, Mobile app)	CLV (Mobile app, Third-party tool, Website, Other internal sources)
In-person reach (Mobile app, Website, Other internal sources)	Average time to first action (Mobile app, Website)	Screens with more time spent (Mobile app, Website)	# of complaints, segmented by type of complaint (Mobile app, Website, Social media data, Other internal sources)	Churn, drop off rates (Mobile app, Website, Other internal sources)
Net change in followers (Social media data)	% incomplete applications (DFA, Mobile app, Website)	Screens with least time spent (Mobile app, Website)	% of complaints resolved (w/in 48 hours or defined per SLA) (Mobile app, Website, Social media data, Other internal sources)	In app permissions granted (trust factor) (Mobile app)
Identifying at what stage of the process people drop off (DFA, Mobile app)	Downloads/ signups/ registrations (Mobile app, Website)	User growth rate (Mobile app, Website)	% of adults that have experienced a failed transaction by channel (Mobile app, Website, DFA)	Organic engagement on social media (Social media data, Third-party tool)
Time spent on page (Mobile app, Website)	Identifying at what stage of the process people drop off (DFA, Mobile app)	App/website launches/logins per day/month also called AOR (app open rate) (Mobile app, Website, Other internal sources)	App malfunctions (Mobile app)	Renewals, retention rates (Mobile app, Website, Other internal sources)
Click through rate (Social media data)		Average monthly count per transaction type (Mobile app, Website)		NPS (Mobile app, Third-party tool, Website, Other internal sources)
Brand mentions (# of times people mention your brand in their posts) (Social media data, Third-party tool)		Average monthly value per transaction type (Mobile app, Website)		
# of inquiries of interest (Mobile app, Website, Other internal sources, Social media data, Third-party tool)		Stickiness ratio (DAU/MAU) (Mobile app, Website)		
Engagement rate (average interactions per post incl. likes, comments, shares) (Social media data, Third-party tool)				

CHANNELS
- DFA
- Mobile app
- Website
- Other internal sources (CRM, CC)
- Social media data
- Third-party tool

Figure 3: Customer interviews and observations

AWARENESS & INQUIRY	APPLICATION	TRANSACT	SUPPORT	RENEW
• How did you hear about this new service? • What was the process to learn more? • What does the experience look like to reach out to the institution at this stage? • What might be some challenges and pain points? What are a few things that worked well?	• How did you make the decision to purchase the product? Did you speak with someone? • How was the application process? What interactions did you need to have with the institution at this stage, and how frequently? • What might be some challenges and pain points? What are a few things that worked well? • Did you feel you had a sufficient level of support in applying for the product?	• What interactions did you need to have with the institution at this stage, and how frequently? • Have you had difficulties making your transactions? If so, how did you seek support?	• How have you solved these problems? Did you ask for help? • Was the support received satisfactory? Why or why not? • Did you feel you had adequate support, knowledge, tools throughout the process? • Where, if at all, would you appreciate more in-person engagement? Where would you prefer virtual or digital engagement?	• What are all the different types of interactions that take place at this stage? • What channels did you use? Which are the most popular, least popular? • How could we make your experience better?

KEY TAKEAWAY

Ongoing review and iteration is vital for ensuring customer relationship activities are having the desired effect.

To ensure maximum capacity to collect and utilize data, institutions need to build mechanisms for collecting data and insights when designing customer relationship processes.

Conclusion

Managing customer relationships by leveraging digital technology has the potential to deliver significant cost and convenience benefits to both institutions and customers. However, implementing digital tools is complex and risks damaging the longstanding trust that has otherwise been facilitated via face-to-face relationships.

The digital maturity of the micro and small business segment requires a hybrid approach to going digital. To cater to all customer types and preferences, it is often necessary to determine a balance between physical and digital touchpoints. This balance should enable more digitally mature customers to be served as efficiently as possible, while allowing more digitally nascent individuals to migrate seamlessly to physical channels as required.

As institutions test and experiment with new methods of interacting with customers, they should proactively monitor the success of new initiatives, leveraging data to inform key insights and recommendations.

Thank you.

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