



# Moving beyond multichannel

A Deloitte perspective on customer experience  
in Canada's financial services sector

Delivering the best customer experience has prompted Canadian financial institutions (FIs) to invest in multichannel capabilities.

**But is it enough?**





Financial services customers have changed.

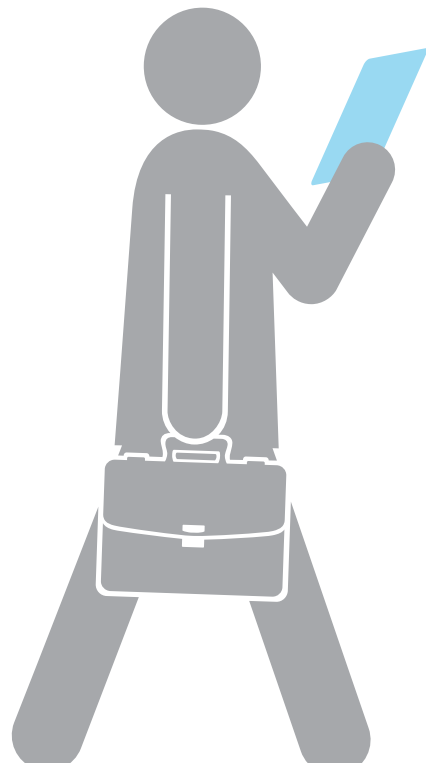
**They're connected, knowledgeable,  
tech-savvy, busy and very demanding.**

**They don't compare financial service institutions with each other. They rate them against the best customer service they receive, period.**

And often those lessons about delivering the best customer service are gleaned from the retail sector.



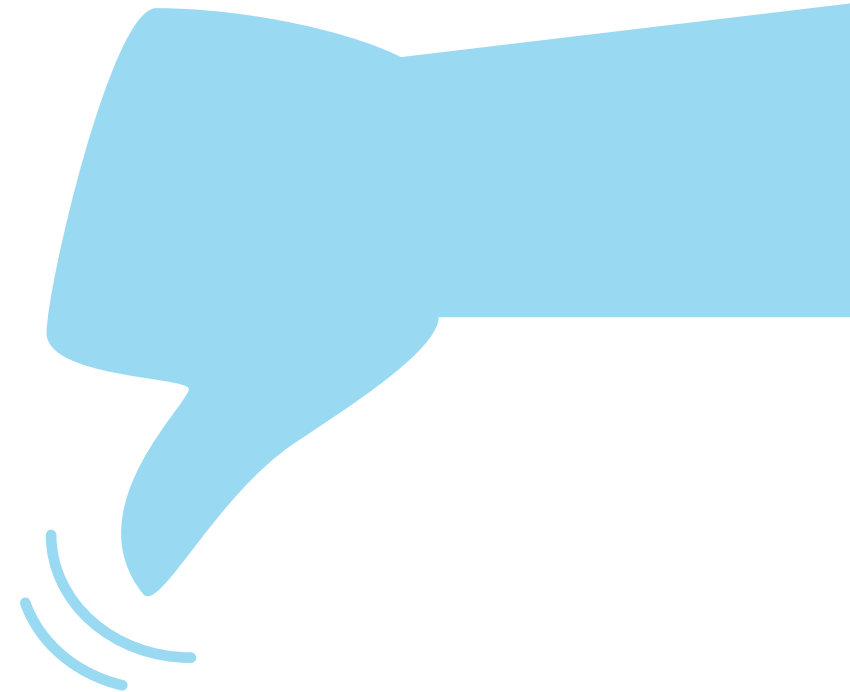
# Financial services customers expect to do business when, where and how they want.



They expect their bank or insurer to deliver products and services tailored to their unique, individual needs and goals.

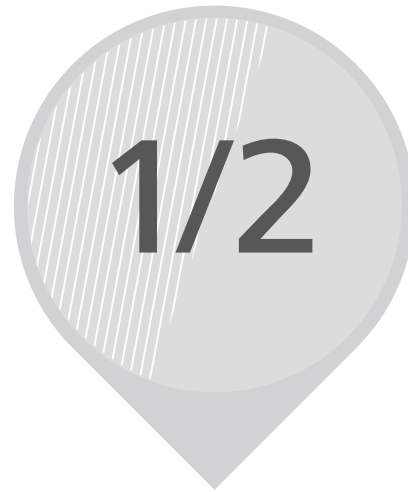
**But FIs aren't winning over everyone.  
Millennials are an especially tough crowd.**

A 2013 survey by a division of Viacom showed Millennials placed all four of the leading American banks among their 10 least-loved brands.





One third of the 10,000 Millennials surveyed believe they won't need a bank in five years.



More than half feel their bank doesn't offer anything different than other banks.



And almost three-quarters would be more excited about financial service offerings from a technology company than one from their banks.

**And many may get their wish.  
Tech behemoths have already made big  
pushes into the financial services space.**

**Canadians are embracing FI's multi-channel capabilities. Online is now the main banking channel for nearly half of Canadians with bank accounts.**



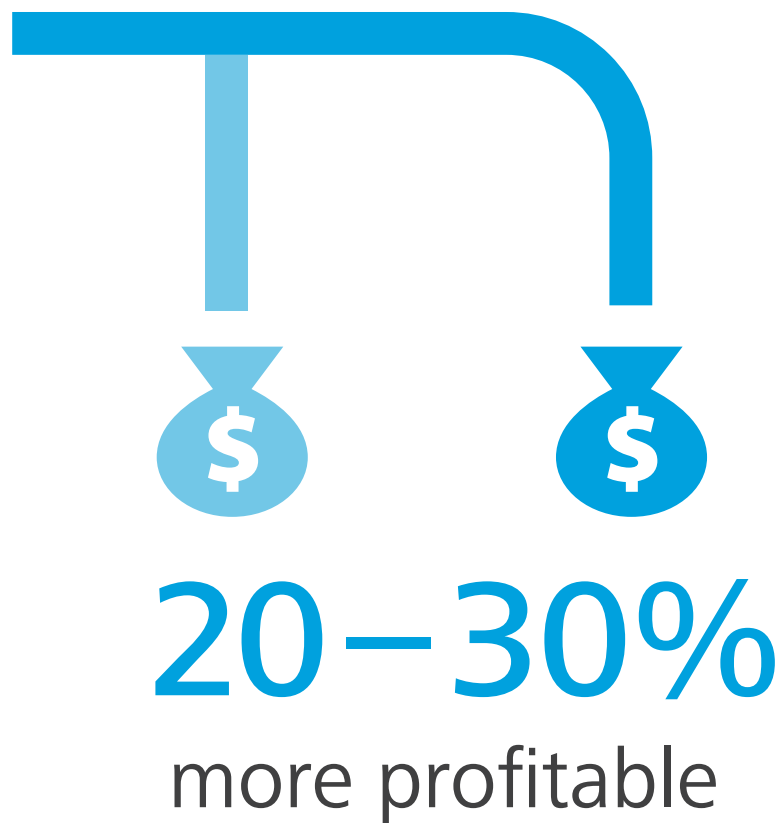
**68%**

used at least two channels each month, compared to less than half of Americans.



That Canadians like and utilize multichannel offerings has benefits for financial institutions as well. Because multichannel can be a powerful revenue multiplier.

### 2 channels

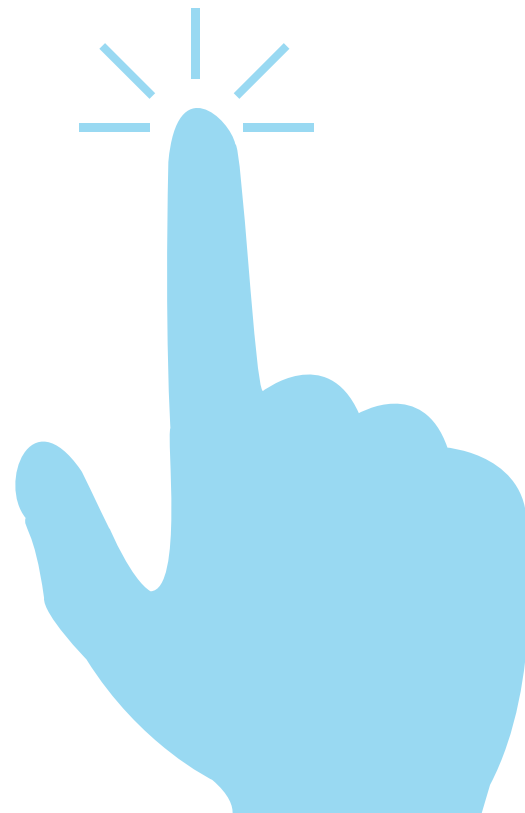


### 3 to 4 channels



**It's no wonder that financial institutions have been taking an all-out approach to multichannel.**

But, FI's need to look at their channels – and even their business model – in new ways.



1

First, firms need to **structure** themselves around customers.  
Not products or services.



# 2

**Understand** each customer and their path to purchase, and make it simple, straightforward and *enjoyable* for them to achieve their unique objectives.



# 3

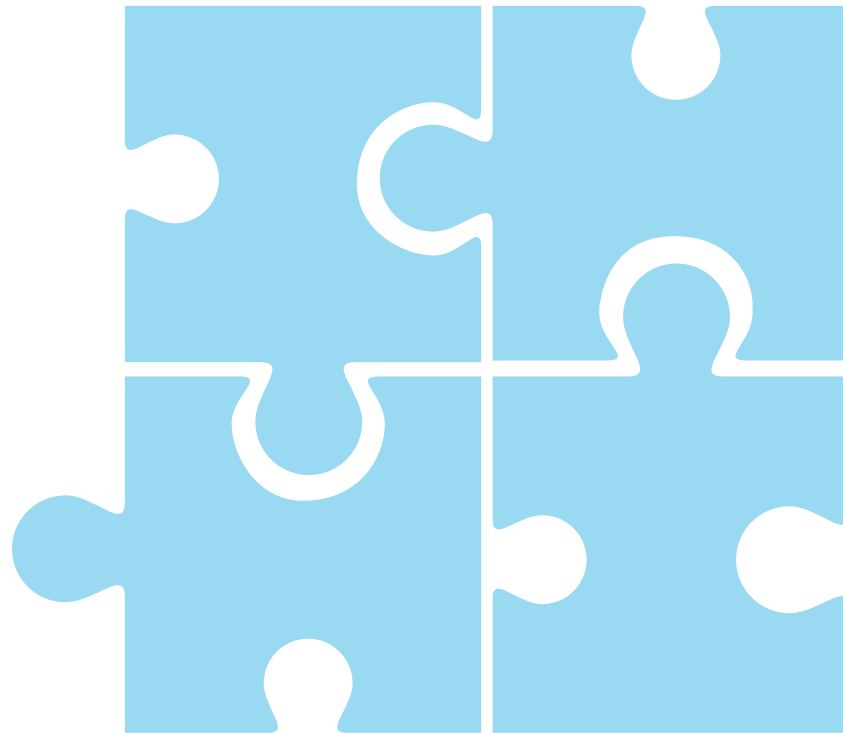
**Eliminate** redundant application processes. Make sure customer service reps, loan officers, advisors and managers are working from the same complete view of each customer.



4

**Deliver** advice and offers that suit a *specific* customer's needs, not that customer's general demographic profile.





Financial institutions need to look at channels **together** – not separately – to exploit advantages and synergies, deliver a superior experience and avoid unnecessary costs.

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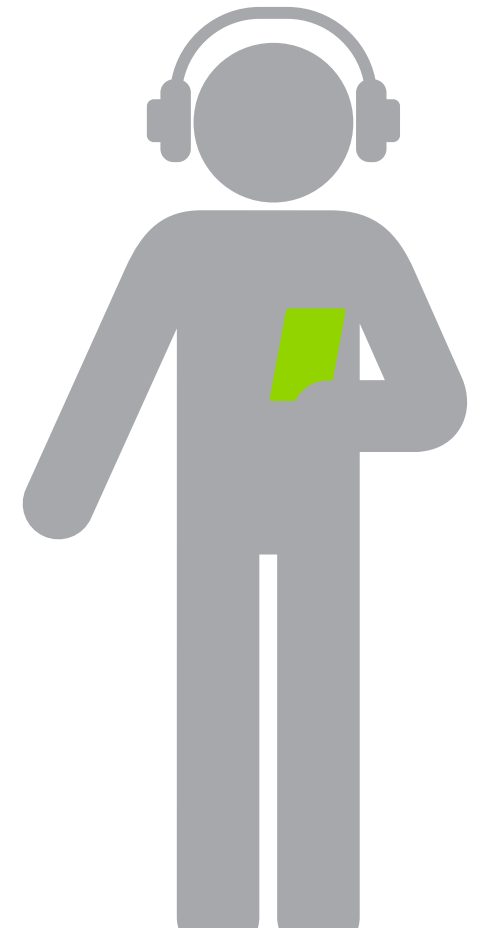
**Things to consider**





# Understand who uses your channels – and how

Who uses your channels? What do they do there? Use this understanding to craft solutions that meet those needs behaviours.



A decorative graphic of green footprints is scattered across the page. Some are at the top, some are on the right side, and some are at the bottom. The footprints are stylized, light green shapes with a white stripe across the middle, representing a path or journey.

## Understand your customers' paths to purchase

As retailers already know, customers take a long, winding road before they set foot in a store or buy online. Understanding the paths customers take can help you determine which channels deserve significant investment – and which don't need as much attention.

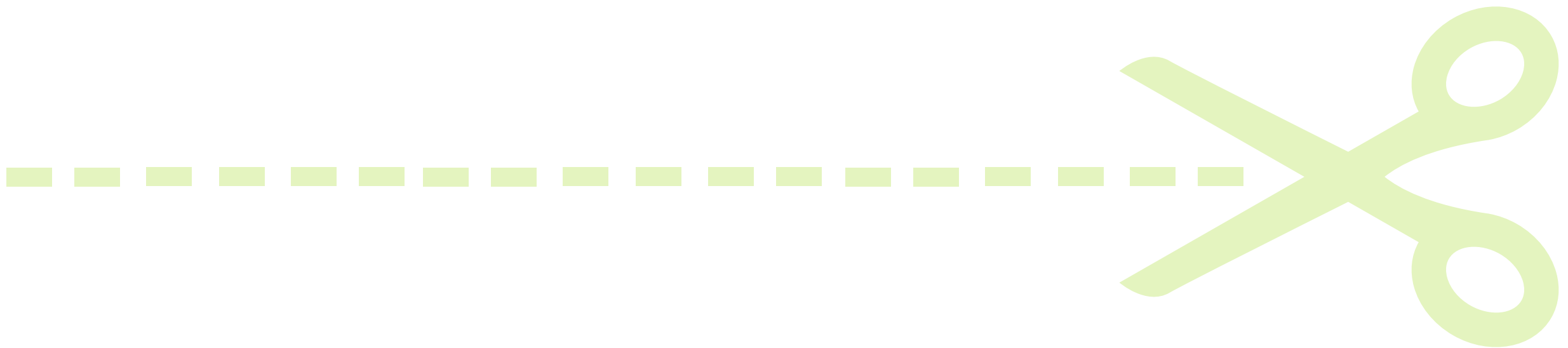


## Exploit each channel's advantages

What's the value proposition of each channel? What does it offer that other channels (or competitors) don't? Use that to give customers a compelling reason to choose that channel.

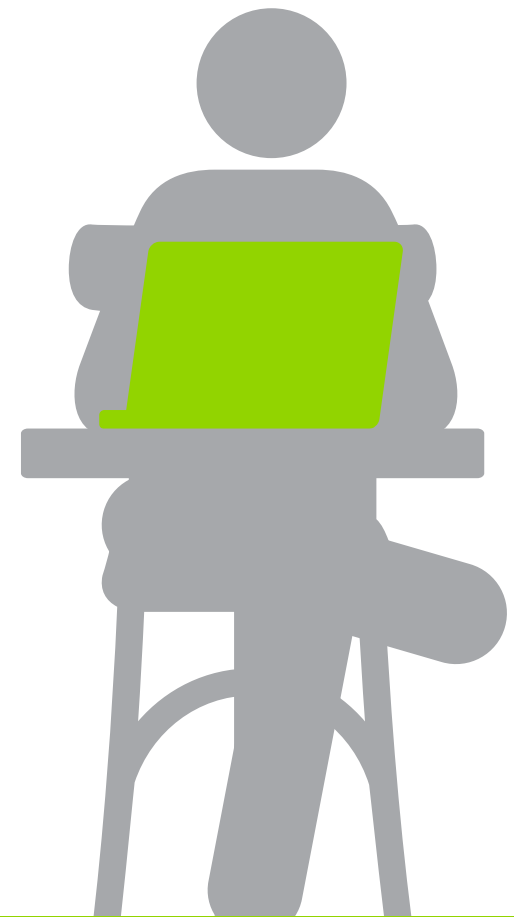
# Simplify

Improving customer experience isn't always about adding features. How can you make it easier for customers to do what they need to do? Use different channels to streamline and simplify processes.



# Invest in people

More tech doesn't always mean a better customer experience. Ensure staff is properly trained and have access to a complete picture of the client. It can have a powerful impact on a person's impression of your business.



# Look “outside” for inspiration

Retailers have made tremendous strides in understanding their customers and delivering an outstanding experience. Financial institutions can learn from these and adapt these innovations to make sense in the FI space.



# FSI 2.0

**Innovation Breakouts**



# Advances are already underway in different parts of the FSI universe

Some Canadian FIs are hoping to improve customer experience by creating everything from a coffee-shop to a spa like feeling for the bank branches. Others are joining forces with retailers to create electronic wallets.





# Eurovision: overseas innovations

Condo-sized branches smaller than a 1,000 sq. feet and offices replacing traditional counters are new offerings from a pair of Dutch banks. Another institution on the Continent introduced a mobile app that lets financial advisors provide clients with real-time portfolio updates and graphic displays of their investment history.



# Evolve your real estate strategy along with your multichannel strategy

With customers moving to digital and mobile, the role of traditional physical locations such as branches will change. Financial services firms will need to rethink their real estate strategies – are new formats in order? Smaller spaces? New locations?



# Redesign the P&L

In omnichannel, what matters is the sale, not where the sale took place. Incentives that reward success and profitability based on location or specific channel aren't well suited to the new environment. Financial institutions will need to change incentives and metrics to encourage a new way of thinking about business.



# Invest in organizational change

An integrated, customer-centric approach to doing business won't thrive unless the organization's set up to support it. Customer data needs to be shared across the enterprise. Sales and marketing efforts must be planned and executed in an integrated way. Performance management and incentives need to be redesigned to reward new behaviours.

These can be significant changes for an organization – and it will take leadership and commitment to overcome resistance and drive forward.

## For more information

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