

DEEPER ENGAGEMENT BETTER RESULTS

Using customer centricity to overcome
challenges in the finance sector



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Introduction

The last 10 years have seen an unprecedented change in financial services and specifically in the commercial banking sector. The banking crisis, low interest rates, new entrants, increased competition and technology have transformed the banking industry and banks are coming under increasingly intense competitive pressure.

Consumers both individuals and businesses have become more sophisticated and demanding with service expectations rising to new highs championed by global and UK brands such as Apple, Virgin, John Lewis, Amazon and Costco. Banks are starting to respond and improve service levels to match those expected at these leading brands – but they still have some way to go.

Whilst in the background regulatory requirements continue to increase, with banks needing to spend considerable sums on being compliant, and on evolving and developing systems and processes to keep up with the escalating requirements.

Banking Landscape

The UK banking landscape has altered significantly in recent years with new entrants moving into both retail and SME business banking. Overseas banks such as Santander and Handelsbanken have been joined by new challenger banks including Metro, Aldermore, Shawbrook, Atom and Paragon. They are seeking to win clients and market share from the traditional “Big 4” High Street banks.

The SME market is proving more difficult to break into than Retail banking because many business customers require a full range of solutions such as trade finance and foreign exchange along with traditional services such as loans, deposits and money transmission. However, technology is starting to break down these traditional barriers to entry. Increasingly businesses have access to online or internet banking and moving away from needing to visit branches and this is helping to level the playing field.

This document will focus on four key challenges that commercial banking professionals face and feature some successful **Customer Curiosity** solutions:

- Retaining clients and building customer advocacy
- Winning new clients and growing market share
- Managing risk
- Building reputation and expertise

Retaining Clients & Building Customer Advocacy

30 years ago the marketplace was dominated by the big 4 High Street banks Barclays, Lloyds, NatWest and Midland. There was limited competition between the banks and the services they provided were fairly standard. Local branches served local businesses and the bank manager knew all of his customers and his team dealt with all of their requirements.

If you fast forward 30 years', today's banking environment is very different. Admittedly the big 4 still hold a high proportion of business accounts but competition has stepped up and companies are now changing banks more frequently than ever before.

So if you are a relationship director managing a portfolio of say 30 medium sized businesses how do you ensure that you retain these businesses and repel any competition – particularly from the challenger banks which are expanding and gaining market share. You have limited time, more and more demands and less and less support.

Tactics you can employ include:

- Get closer to customers and use client centric topics to build deeper engagement
- Strengthen relationship through account planning
- Build a deep understanding of the business, industry and environment
- Pro-actively support clients – look for future opportunities

But all of these takes time and this is a luxury that today's busy bankers don't have. Fortunately, help is at hand and many banks are now using Artesian to provide intelligence and information to help their people be better informed and become more pro-active.

Tips for Retaining Clients with Artesian

1. Use news alerts to gain great insights and delight your clients finding great reasons to contact and engage
2. Build a 360-degree view of the client's business by following their main customers and suppliers
3. Congratulate clients on successes and awards identified by an Artesian alert

Growth  an hour ago www.samedanltd.com

ClinTec International wins Scale-Up Business of the Year award at the 2016 Minority Supplier Development Network UK awards

28th September 2016, London: ClinTec International (ClinTec) is celebrating being awarded Scale-Up Business of the Year, with founder and CEO Dr Rabinder Buttar also honoured as a finalist for Entrepreneur of the Year at the 5th Minority Supplier Development Network UK's (MSDUK) awards ceremony.

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If you managed the ClinTec relationship then this alert would be a great way of keeping in touch with the company and congratulating them on winning this prestigious industry award. They will be aware that they've won the award but imagine their surprise when their banker has also picked up on the news.

Winning New Clients and Growing Market Share

In an increasingly competitive world winning new clients is more and more difficult. Everyone seems to be going after the same great companies and whereas in the past you might have been up against one competitor you now may be in a beauty parade of three or more banks.

So how do you ensure that you get ahead of the competition and get in front of the CEO, CFO and other key decision makers?

You'll need to build reliable prospects lists which can be selected and filtered on industry, geography and creditworthiness lines. Once you've built your target lists you'll need to use your network to help get in front of the decision makers. You can use contacts, professionals and increasingly social networks such as LinkedIn to contact target companies.

But what messages do you want to provide? Hello I'm Nick from Big Bank and I would like to come and talk to you about foreign exchange doesn't really cut it anymore.

You need to understand what's happening in the prospect's world and use insights that resonate with them.




“ Hello, I'm Nick from Big Bank and I read in Retail Week that you are looking to expand into Europe. I would love to come and meet with you and see how we might be able to help and support your growth plans. ”

That style of approach elevates the conversation to a higher level and is more likely to succeed in getting you that all important first meeting.

Tips for Winning Clients with Artesian

1. Use “Prospector” to identify appropriate target companies based on specific requirements
2. Use news alerts, blogs and social media feeds to facilitate conversations and meetings
3. Research companies to identify needs and requirements

Growth  15 days ago www.comms-dealer.com

SSE Enterprise Telecoms adds two data centres

SSE Enterprise Telecoms has added two more data centres to its national fibre network. Customers of Ark and Datum's data centres, both located in Farnborough, now have access to SSE Enterprise Telecoms' range of Carrier Ethernet, dark fibre and optical networking services. SSE Enterprise Telecoms

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A great news alert and a trigger to call or email the directors of SSE picking up on their expansion programme. It will put you in pole position for a follow up meeting with this top prospect.

Managing Risk

Banking is a risk business. Banks lend money and extend facilities to the majority of their clients and need to regularly monitor exposures and track trading performance through management and year end accounts. Customers will often tell you when things are going well – but when performance deteriorates there is often a wall of silence or accounts are produced late.

So how can a Relationship Director and Credit Manager keep on top of any risk events and changes in financial performance? Obviously, regular visits and meetings is a tried and tested approach but quite often customers tell you what they think you want to hear.

The modern banker can also supplement this standard approach by checking local and national media and picking up news from regulators such as Ofcom and Financial Reporting Commission. But this can be cumbersome and time-consuming.

The clever use of Artesian can help the busy banker. Artesian can assist by making it easier and quicker to capture risk news stories. In short, with Artesian you can build a 360-degree view of key risks and dependencies and improve risk management.

Tips for Managing Risk with Artesian

1. Artesian will highlight “risk” news stories and delivers them daily by email
2. Review financial performance and highlight key ratios and trends
3. Track your clients’ customers, suppliers, regulators and competitors to pick up on wider events that may have a negative impact



7 days ago

mortgagesolutions.co.uk

Broker firm banned for ‘ignoring’ regulator

The Financial Conduct Authority (FCA) has refused Danmirr Capital Limited's application to carry out the regulated activities of credit broking, debt adjusting and debt counselling, after repeated requests for further information were ignored by the firm. Having received the application in April

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Why this?

It's highly unlikely that the directors at Danmirr Capital will call you to tell you this news but by tracking their regulator, in this case the Financial Conduct Authority, you'll be one step ahead and can take immediate and appropriate action.

Building Reputation and Expertise

This topic can be applied equally to a long established bank and a new challenger. How do you build company and individual reputation and expertise to show that you have understanding, capability and can deliver?

The tactics here are to build a reputation as an expert in a specific industry sector and a number of banks take this approach where they have a suitable critical mass. Relationship Directors manage clients along an industry specialism and aim to build an in-depth knowledge of the sector.

This approach can lead to further introductions to the industry specialists but is often infrequent and unsustainable.

Another approach is to build industry eminence by following and then posting thought leadership articles on social media including LinkedIn and blogs. These articles can be obtained from a variety of sources all leading to the impression that the banker has a deep understanding of the industry.

Artesian can assist by collecting and curating articles on industry sectors, industry bodies and leading professional firms that help to gain insights into that specific sector. These can then be shared with contacts such as clients and prospects to sustain the belief that the banker is a subject matter expert and the go-to person in the industry.

Tips for Building Reputation and Expertise with Artesian


1. Get news alerts on sectors that are relevant and important to you
2. Research industry information and news stories to build expertise
3. Quickly and easily identify then share relevant news stories with clients, prospects and contacts via email and social networks

E-Commerce Now Accounts For 6.9% Of UK FMCG Sales; Set To...


Global sales of groceries through e-commerce platforms reached \$48bn in the 12 months to June 2016, with the UK seeing some of the strongest growth, according to a new report by Kantar Worldpanel. The third annual Future of E-commerce in FMCG study...


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This report from Kantar Worldwide highlights the growth of E Commercial in the UK Fast Moving Consumer Goods market. Great to post on social media or use in discussions with your clients in Retail and Wholesale sectors proving added value to the relationship and providing your industry credentials.

Summary

As we have outlined Commercial Banking is getting more and more competitive, clients are more demanding and regulation is tightening. This has created a market where companies – the bank customer – has better value, better service and a greater choice.

With more expected of commercial banking managers, banks are using to technology such as Artesian Solutions to ease workloads, monitor clients' activity, track financial performance and improve efficiencies.

We've covered four key challenges; Retaining Clients, Winning New Business, Managing Risk and Building Reputation and provided some techniques that our banking users are adopting. We hope that these resonate with you and that our tips help you drive customer alignment and meaningful engagement.

Find Out More

When you show a genuine interest in your clients and understand their business, they are more likely to put their trust in you.

Discover how Artesian equips your client facing teams with relevant insights that helps them discover new business opportunities and gives them a competitive edge.

**CHOOSE YOUR
DEMO EXPERIENCE**

About the Author

Nick Boardman joined Artesian Solutions in June 2016 bringing commercial expertise gained from over thirty years in the commercial finance sector. He has held senior positions at Barclays and Bank of Scotland, and was most recently Senior Manager, National Business Development at Lloyds Banking Group.



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