



**Customer journey analytics and management in financial services:**  
The key to delivering seamless, differentiated customer experience

## Introduction

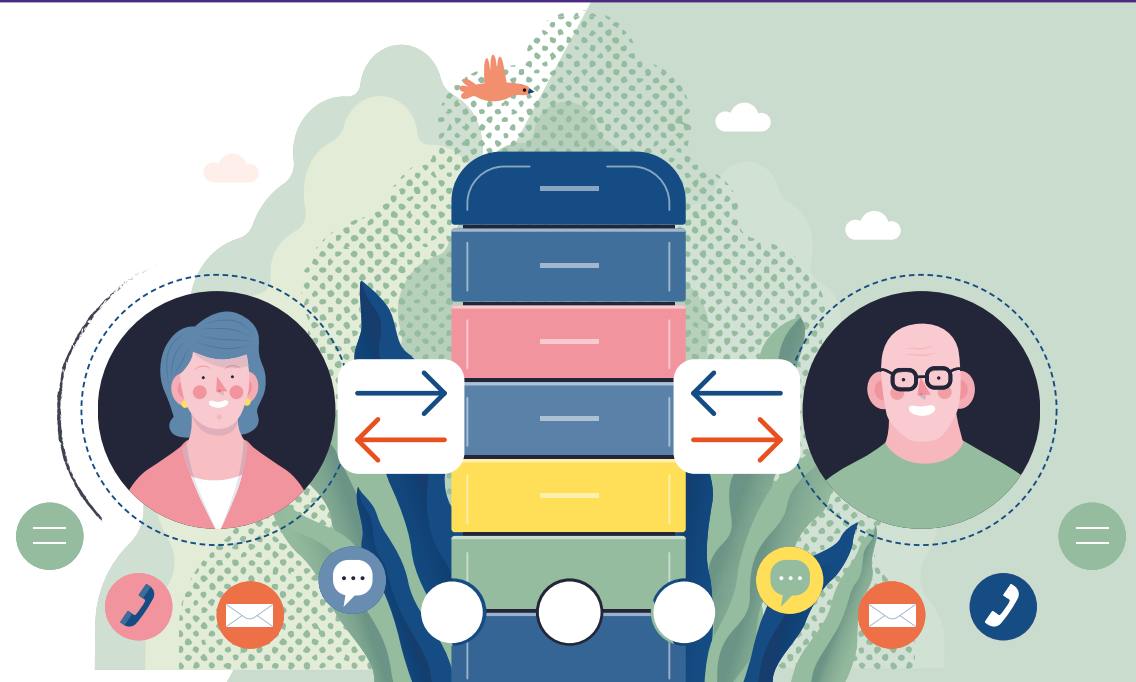
As economic uncertainty increases, financial institutions are under immense pressure to gain and retain customers and maintain and improve satisfaction. The first requirement is clearly linked to the second, with both having a direct impact on profitability.

Clients' relationships with an institution are formed by their experiences on the journeys they take to achieve their personal financial goals. Indeed, institutions are now more likely to win consumers' business and loyalty with experiences rather than with products and services. The latter have become relatively commoditised and are less likely to be differentiators as a result.

Firms are responding to the competitive landscape of customer experience with massive investments in CX initiatives, particularly related to digital transformation. However, customers are experiencing inconsistent interactions across physical and digital channels.

Journey analytics is the key to eliminating blind spots. By identifying the drivers of poor experiences across channels, financial institutions can improve customer experience and business performance, quantifying the impact of improvements on revenue and cost to serve, and increasing customer satisfaction.

Next to telcos, financial services companies have more data on their customers than any other sector but many are only starting to harness the power of journey analytics or have yet to do so. That mass of data is both a challenge and an opportunity.



Journey analytics provides the visibility firms need to operate efficiently and gain transparency over customer satisfaction, thereby enabling evidence-based improvements. Journey analytics enables firms to:

- Measure customer journeys and identify opportunities for improvement;
- Orchestrate actions that maximise journey success;
- Align cross-functional teams on customer and business goals;
- Quantify the impact of changes to CX on customer behaviour and business outcomes.

This report shows how to transform the banking experience for customers, with multiple benefits for the financial health of the institution, through customer journey analytics. It can be done through a phased approach, allowing early wins while building the necessary internal expertise.

## What is a customer journey?

If we start at the basics, it is important to have a common understanding of what constitutes a customer journey.

Essentially, it is the set of common milestones, from start to finish, taken by a customer to achieve an end goal. This might be a journey based on a proactive decision, such as to apply for a credit card or mortgage. It can also be a journey to resolve an issue, such as a stolen credit card or forgotten password.

For instance, if a client notices a fraudulent charge on their credit card, they want to remove the charge as soon as possible. The steps they take to achieve this goal have an impact on self-service rates and contact centre metrics but, more than this, this type of support journey can have a direct influence on a firm's retention, trust and the customer's lifetime value.

A particular area of focus should be to try to identify the breaks in the journeys. When do customers drop out of applying for a product or service without completing the application? When do they switch from an online application or a mobile app to contacting the call centre?

Those break points can clearly be a source of customer frustration, particularly if they need to re-enter data to continue their journeys. Even without breaks, the need to enter data that is already held by the institution can also be exasperating for customers.

Ideally, those break points need to be fixed but first they have to be identified and understood. Clearly, the break points can mean lost business, reduced customer satisfaction and additional cost.

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However, most banks track only individual interactions at isolated touchpoints, so they cannot make the connection between a single bad interaction and overall satisfaction. It is understanding journeys from the customers' perspectives that enables meaningful improvements in CX.

There are seven types of journeys that are important for most institutions. Each will vary in terms of milestones, signals and success metrics depending on the customers and organisation:

1. **Learn, shop and buy journeys:** A person's journey begins before they become a customer. Ease of purchasing is vital. To meet internal goals such as net-new customers and cost per acquisition, banks must deliver effortless acquisition journeys.
2. **Set-up (onboarding) journeys:** After completing the purchase, clients want to activate the product or service, whether a credit card or setting up automatic deposits. Exceptional onboarding is critical to success, with a direct impact on retention and revenue.
3. **Pay journeys:** Delivering a seamless, low-effort payment experience is essential, as problems often have a detrimental effect on customer satisfaction and loyalty.

4. **Transact journeys:** These encompass many consumer goals, including credit card purchases and transferring funds from one account to another or to their peers. The experience can heavily impact metrics such as engagement, usage, satisfaction and, ultimately, retention.
5. **Support (customer service) journeys:** How you help customers to resolve a problem has a significant effect on satisfaction. This is a critical moment of truth as service journeys play a major role in a customer’s perception of brand and customer retention.
6. **Change journeys:** These can include reallocating assets, altering direct debits and changing reward selections, often triggered by lifestyle changes, such as starting employment, having a child or buying a home. It is an opportunity to provide additional value and demonstrate an understanding of their situations.
7. **Leave (retention) journeys:** Churn rates are around 25% for US financial services companies<sup>1</sup>, so even a small decrease can save valuable revenue. Identifying journeys that drive customers to close their accounts will inform efforts to retain existing customers. And when customers are determined to leave, their journeys should be made as easy as possible as this is often remembered and makes it more likely to win that customer’s business in the future.

The initial step to understanding these is typically journey mapping, to identify the internal processes that make up each journey. Many banks now have a fairly good grasp of these, at least within a single channel. More challenging is understanding the journeys and the issues when these span more than one channel.

One journey follows another, so this should also be visible to the institution and customer staff. For instance, a call centre member talking to a customer can see that this person was in

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a branch recently talking about mortgages or had a problem, so can pick up the thread, to try to upsell or cross-sell or improve customer satisfaction by checking that an earlier problem has been resolved.

Ideally, agents can see everything a client has done outside of the contact centre, as well as the journey or journeys they are currently taking. This enables them to support customers more effectively, reducing call centre metrics such as call time and repeat calls.

The complexity that burdens legacy institutions is absent in many new challengers. They are typically digital native and have a focus on doing one or two things well, driving ease of use, speed, and good customer experience. This in turn is putting pressure on banks and, increasingly, wealth management and payment companies, to improve their own customer experiences or lose market share and relevance.

All of this must be done within a regulatory environment that will, to a degree, limit what can and cannot be done. This has been reflected of late in financial institutions being hit with millions of dollars in fines from regulators concerned for their use of messaging apps that lack an audit trail.

<sup>1</sup> <https://www.statista.com/statistics/816735/customer-churn-rate-by-industry-us>

## What is customer journey management?

Customer journey management is a shift in mindset, away from optimising single interactions at each touchpoint and moving towards measuring, monitoring and optimising customer experience, and ultimately aligning the entire firm with its clients' goals.

Journey analytics and management are used by customer-centric organisations to:

1. Identify the journeys that matter based on client goals and business outcomes;
2. Measure and monitor the in-journey signals that predict journey success;
3. Orchestrate corrective actions when needed;
4. Track journey success using journey scores;
5. Prioritise underperforming journeys for improvement and investment.

Essentially, customer-centric enterprises understand client goals and help them reach those goals as efficiently as possible. Client goals are about speed and convenience, with frictionless service. When it comes to assisted service, customers want to be serviced by knowledgeable agents. They will accept bots if these understand the inquiry but hate them when they are dumb or, worse still, dumb and a dead end with no resolution.

There is a clear structure and process to this, using an evidence-based approach. By continuously analysing journey performance, firms can identify the journeys or moments

within a journey that need improvement. They can also prioritise each improvement by how it will potentially impact journey scores and other customer experience KPIs.

Journey management helps journey owners to determine how each action taken affects CX metrics. Customer journey management software allows companies to customise journey dashboards and monitor progress over time. In this way they can see if their improvements are yielding the desired results and refine their responses as clients engage with the company.

Customer journey management allows firms to monitor journeys and reveal the indicators of churn. CX and marketing professionals can increase retention by understanding which journeys lead to churn, examining the root causes of CX issues and prioritising actions to optimise those journeys.

It is important to identify in-journey signals and success metrics along a journey to predict if clients are likely to achieve their goals. Examples include the number of repeated steps, abandonment rates and self-service containment rates.

Monitoring journeys over time and across channels should also bring improved escalation management. Firms can isolate the cause of severe cases and determine how many other clients are experiencing – or are likely to experience – the same issue. They can then avoid or mitigate those issues more efficiently.

Marketing teams can use journey management to increase revenue from existing clients by sending cross-sell or upsell offers. Monitoring customer journeys and incorporating journey context allows marketers to orchestrate these offers at the right moment for each client and through the best channel.

## The challenges

### Organisational

Often, financial services companies undertake customer surveys, by email and/or phone, but these can only ever be based on a relatively small sample size so don't help much when a large bank might have thousands of interaction points.

“There’s a whole industry to support measurement of customer experience in financial services, a lot of it revolving around surveys,” says former Fortune 50 CMO, business school professor and executive advisor, David Edelman. “If you have any kind of interaction, be it in a call centre, in a branch, even sometimes online, you are going to be hit with a survey. It’s survey overload.”

This is happening in a lot of sectors, not just banking. Typically there are teams analysing that survey data, drilling down to the branch, call centre or even individual rep level. However, this is extremely point solution oriented. It asks about the interaction itself but in many cases that interaction should not have been necessary – why are you calling in the first place?

If, for instance, the customer is in a branch doing a low-value wire transfer, this might be because the task was too complicated online. The customer may have a really satisfactory experience in the branch, reflected in a good survey score, but why were they there in the first place?

According to the State of Customer Journey Management and CX Measurement report 2021, 41% of companies said they capture improvements in metrics like Net Promoter Score (NPS) or customer satisfaction (CSAT), but they are challenged to translate that into revenue or costs.



Journey analytics provide deeper insights than is the case with surveys.

A few financial services firms – typically the largest – have embraced customer journey analytics and management as a strategic initiative; others are at an early stage but are already often starting to see benefits.

From an organisational perspective, there is the question of who owns the customer journey. Few financial institutions currently look at this from an holistic point of view. Customers, on the other hand, do not care how their bank is organised, they only see a single entity and build an impression accordingly.

There might well be digital teams, handling mobile and web analytics, but independent from other teams such as for the call centre and branches. Where there is a data science team, these are typically small but have a large workload, so can constitute a bottleneck.

Increasingly, there are customer experience officers (or similar titles), although these do not always come with the necessary overarching remit to span all relevant areas.

The staff members for a particular channel might only be interested in customer journeys within their own domain. However, a spike in calls to a contact centre, for instance, could stem from problems in another channel.

One change is that upper management positions are increasingly being filled by people who have grown up through the technology shifts and are more aware of the need for improvement than some of their predecessors. And it won't be long before digital natives are also knocking on the door of senior management.

The cultural aspect is part of the challenge. How do you get everyone in your institution to talk and think customer journeys? That would be a major departure for established financial services companies; it can often be second nature to fintechs and other challengers.

**Data and technology**

The reality within most financial institutions is that they are silo-based, with data held in different formats in many different places. "We don't have the data," is often cited as a hurdle to customer journey analytics, whereas the reality is that the data exists and, indeed, can be extracted to populate customer journey platforms, with AI addressing the need to bring it into standardised formats.

That is not to under-estimate the challenge. To see the full picture of customer interactions across channels and over time requires bringing together all of the relevant data across the different touchpoints. Those touchpoints include the often

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overlooked (by institutions, not by customers) ATMs and other self-service kiosks.

The data resides in many places, in different formats, and is fragmented and, often, duplicated.

The metrics that are available are themselves often silo specific and are more transactional than journey-oriented.

Many banks are looking to migrate to the cloud and are much more comfortable with this model than in the past, as indeed are many regulators. However, all established banks have a mass of on-premise legacy systems, with a mix of technologies and programming languages. These are often fragile, poorly documented, embedded in the organisation through point-to-point interfaces, often batch-based and are proving extremely difficult to replace.

The legacy systems constitute a hindrance to customer journey management as they create complexity and a lack of transparency – many constitute “black boxes”. There will be channel delivery systems in front of these but still the need to interact with the back-end systems for many tasks, including opening, closing or changing accounts and requesting data such as a balance.

# SEVEN CRITICAL JOURNEYS EVERY BANK MUST MEASURE, MONITOR AND OPTIMIZE

Your customers see every interaction as part of one connected experience. Most business teams can't visualize behavior outside of the channels they own but measuring customer experience (CX) through that lens doesn't give you a full view. Journey measurement gives your entire firm perfect vision.

Every bank and its customers are unique. So, it's critical to measure these seven journeys to improve experience and business outcomes.

“The mass of data is where AI comes in. The tools can allow users to pick any two points and understand what is going on in terms of all the different routes between them.”

“Journeys cut across channels and products,” says David Edelman. “We have inherently a challenge of the concept of journeys against the concept of organisational structure and management models in banks – although this is not unique to banks.”

The channels are often set up as separate cost structures, each with their own operational systems and customer data systems. Then there are separate products that often have their own P&Ls and databases, and different functional groups, such as for marketing or fraud.

The mass of data is where AI comes in. The tools can allow users to pick any two points and understand what is going on in terms of all the different routes between them. That analysis can be used to see where there is fall-off, where there are extra steps involved, and any kind of abrasion that a customer might face along the way. A good platform will present that analysis in a user-friendly way that requires no coding and is visual, making it easy to understand, and with the ability to then drill down to see what is going on.

An example of drilling down could be to see why some customers, as opposed to others, drop out of processes. It could be to do with product usage, demographic – maybe they are people who do not have English as their first language, for example – or their previous online usage, such as those using an app for the first time, as opposed to those that have worked out how to use it over time. In other words, what are the correlating drivers that cause variances.

## 1. Shop and buy

As consumers shop for loans, credit cards and investment accounts, they're inundated with information about similar products and claims of better service and lower prices. To meet internal goals like net-new customers and cost per acquisition, banks must deliver effortless acquisition journeys that stand up to the best buying experiences.

## 2. Set up (onboarding)

Whether they're activating a credit card or setting up automatic deposits, you must deliver exceptional onboarding experiences. Onboarding is critical to success. Inconsistent and inefficient journeys can negatively affect retention and revenue. Too often, internal processes, timelines and metrics – not customer goals – drive onboarding journeys.

## 3. Payments

Unpaid bills or late payments affect your institution's cash flow. And difficult payment experiences will frustrate your customers. Encountering problems frequently puts your customer satisfaction and trust at risk. Delivering a low-effort payment experience is essential.

## 4. Transactions

Transact journeys encompass different consumer goals, such as purchasing groceries or transferring funds. These journeys heavily affect metrics like engagement and usage, satisfaction and retention. Regardless of your customer's goal, effectively measuring your key transaction journeys is important for improving CX and performance.

## 5. Support (customer service)

Great service is meaningful to customers. It's a critical moment of truth. Service journeys play a major role in each customer's perception of your firm, their satisfaction, and their decision to churn or remain a customer.

## 6. Changes

Change journeys can include reallocating assets, altering direct deposit amounts, changing reward selections and more. When a customer changes their product, it's an opportunity to provide additional value and prove that your firm understands them. Often, it's also a way to generate more revenue.

## 7. Leave (retention)

When your customers are determined to leave, it benefits you to make that journey as easy as possible. Consumers will remember the effort required; firms that make the exit journey easy are more likely to win back a customer's business in the future.

The path to operationalizing customer journey management across your institution is a journey itself. Genesys can be your guide on that journey.



### START YOUR OWN JOURNEY

Download the ebook to learn how you can measure and optimize customer journeys. Or speak to an expert about customer journey management.

## Implementing customer journey management

“There are several reasons why banks are realising that journeys matter,” says David Edelman. “The biggest is the drive for digital containment. Many banks want people to be online, getting most of what they need to get done digitally.”

Cost is a clear reason but there are others, including the opportunity for messaging that is less intrusive than via a branch or call centre. “They are trying to make their digital portals really more enterprise, relationship portals because they are seeking to expand their share of wallet and the range of products they have with customers,” he says.

There is also a lot of experimentation going on, adds Edelman, which means banks are trying to innovate and release new features. “They don’t all go well but to get feedback on that they find people might come to the call centre or walk into a branch. There’s a stream of interaction that happens outside the digital channel that can give them feedback on problems that are happening in the digital channel.”

He also sees a lot of emphasis in banks on “the first 90 days”. “Onboarding is really important to make sure everything goes smoothly so the customer has good brand experience, they become engaged so that if they have a credit card they start using it or if they open a bank account or an investment account they start funding it,” he says. These are all opportunities to bundle in other offerings while they are in this new relationship.

The onboarding processes often span different channels – after all, the branch is still an important place to open an

account. “These early journeys are really important and banks are realising this more and more, and that’s another reason to turn to journey analytic tools,” he says.

There are a number of primary aspects, of which analytics is a key part:

- **Journey mapping** is a way to visualise and communicate the client’s experience across touchpoints and over time as they seek to achieve a specific goal. Identify the significant steps that indicate progress toward those goals. For instance, applying for a mortgage encompasses several milestones – from assessing options to applying for a loan to paying the first bill.
- **Journey analytics** is the science of analysing client behaviour data across touchpoints and over time to measure how customer behaviour affects business outcomes.
- **Journey orchestration** uses each client’s entire experience across touchpoints and channels to inform and personalise interactions that will improve customer experience and drive desirable outcomes.
- **Journey insights** encompass quantitative and qualitative information to help understand customers’ behaviour as they seek to achieve a goal.
- **Journey design** is the process of defining the experience clients have as they seek to achieve a goal and the interactions the company will take at each step to promote progress towards the goal.
- **Journey optimisation** is an iterative approach that typically uses AI and machine learning to improve the experience of each client over time, so they can achieve their goal more efficiently.

The starting point is usually the creation of a centralised source of customer journey data. Integrated customer journey data enables analytics, modeling and orchestration based on client behaviour across channels and over time. It eliminates the need for analysts to perform complex aggregations or transformations each time they need to answer a new question.

Adopting a customer journey data hub provides all parts of the business with the data they need to help each customer reach their goal efficiently.

CX teams can then use journey analytics to facilitate customer journey measurement. This enables companies to monitor and improve experiences by aligning the organisation around both customer and business goals.

CX leaders measure the following to understand performance and predict success for each journey:

- Journey milestones;
- In-journey signals;
- Journey success metrics.

There are a wide variety of in-journey metrics – such as conversion, NPS, CSAT, inaction and elapsed time – that can be used to capture the key moments that predict success for each journey.

**“** *Combining journey data and customer journey measurement enables CX and marketing teams to prioritise actions that have the highest potential impact on business goals and customer experiences.* **”**



Journey success is captured through journey scores, based on end-of-journey metrics, such as satisfaction, completion rates, cost or effort scores. Ever more CX leaders now rely on customer journey analytics software to measure, monitor and assess the performance of customer journeys.

It is critical to understand each client’s historical experience and current goals. AI and machine learning to improve the experience of each customer, while in recent years, CX and marketing professionals have adopted customer journey orchestration software as a preferred way to achieve journey optimisation.

Combining journey data and customer journey measurement enables CX and marketing teams to prioritise actions that have the highest potential impact on business goals and customer experiences.

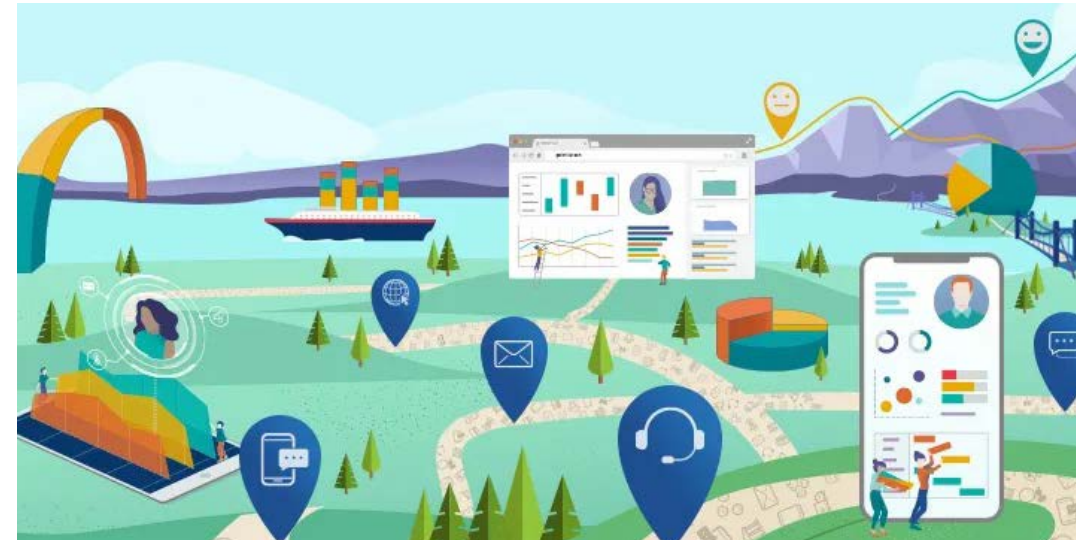
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Together, these components of the customer journey management framework will mean happy clients and will support companies to meet their desired business outcomes.

In fact, from an organisational viewpoint, those financial services firms that are leading the way are increasingly setting up journey teams made up of people representing different functions across the organisation. These dedicated teams use the data to start to make improvements and in turn, analyse subsequent data to see the results and plan the next improvements.

Those teams need funding, so there needs to be senior leadership and buy-in to set up and support them. Often it will start from within one product line then, as the results start to emerge, the challenge is to take the journey management approach across the enterprise.

It is often not clear in the C-suite who has that leadership. It might be the customer marketing officer; there are starting to be chief customer officers, spanning both marketing and customer service. Chief operating officers might also take the lead, particularly if they see that the impact of digitisation on the P&L is not moving fast enough. “There’s not necessarily a clear, obvious candidate,” says David Edelman. “At the same time, you have many CEOs paying lip service to being customer focused but are they really doing what they need to do to get there?”



## Conclusion

According to the 2021 State of Customer Journey Management and CX Measurement report, the majority of high performing organisations (68%) have a role or team dedicated to journey management, compared with 31% of underperformers.

Overall, 53% of organisations currently have a dedicated role or team, 10% planned to add one, and 19% had aligned existing roles/teams with a journey-based approach.

Every financial services firm strives to deliver differentiated, frictionless customer experiences. But many struggle to put the pieces together to achieve that goal.

Data and analytics are critical parts of the puzzle. However, in reality, banks have more data than insight and more insight than action. Adopting a customer journey management approach brings together the puzzle pieces of data management, journey measurement and journey optimisation.

“ For a bank to distinguish itself in the eye of the consumer, it will be mostly around convenience and in many cases avoiding annoyances. ”

Powered by this approach, financial services firms can elevate their CX measurement programs to the next level, improving both client experiences and business outcomes. As well as the cost savings and the heightened customer satisfaction, journey analytics allows them to become more personalised. If you can track a customer’s journey, if the call centre rep or the online chat has visibility into this, then the experience can be so much better.

Customer experience really matters to banks and they are trying hard to improve service because so much else is commoditised and challengers and fintechs are an ever more competitive threat. For a bank to distinguish itself in the eye of the consumer, it will be mostly around convenience and in many cases avoiding annoyances.

“We are moving to a point where journey analytics allows personalisation at scale,” says David Edelman. “What banks are trying to do more and more is make their customers feel they are being treated as individuals. And individuals who do expect their banks to know quite a bit about them – if you have all this data about me, why the heck aren’t you using it to help me and make my interaction easier?”

You also need journey analytics to innovate, so that you can understand what happens when you make changes. “So between personalisation and innovation, customer journey analytics is really essential,” he concludes.

## About Genesys

Every year, Genesys delivers more than 70 billion remarkable customer experiences for organisations in over 100 countries. Through the power of the cloud and AI, our technology connects every customer moment across marketing, sales and service on any channel, while also improving employee experiences.

Genesys pioneered Experience-as-a-Service so organisations of any size can provide true personalisation at scale, interact with empathy and foster customer trust and loyalty.

## About Pointillist by Genesys

Customer-centric organisations rely on the award-winning Pointillist Customer Journey Management Platform to measure, manage and optimise individual customer experiences at scale. CX teams depend on Pointillist to:

- Measure omnichannel customer experiences and identify opportunities for improvement;
- Quantify the impact of customer behaviour on business outcomes;
- Orchestrate actions that optimise customer experience and maximise business success;
- Align cross-functional teams on customer and business goals.

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