

ARTICLE

The CX Journey to Lifetime Value

Use CX to Unlock the Lifetime Potential of Member Satisfaction



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Harvard Business Review defines customer experience (CX) as “... the cumulative impact of your members’ end-to-end journey with you, the multiple touchpoints over time, which create a true competitive advantage to companies that get it right.”

While that is a commonly accepted definition for retail, CX has an interesting evolution and somewhat different interpretation for financial institutions. Historically, financial institutions considered CX from the post-sale or transactional perspective (i.e., after the account is opened). This practice created a problematic one-sided, linear experience that is not so much about a credit union learning their members’ needs, but rather telling them what they can provide.

Pre-Purchase Strategies Are Now the Norm

The developing world of CX pushes financial institutions to adopt a broader view of engagement, one that focuses on being there for members—analyzing every part of the member’s journey—beginning the moment they first encounter their brand.

This holistic approach to CX gets members and prospects to experience the strength of an institution’s brand promise from every stage of the journey and at every touchpoint. In the new world of CX, “being there” for members means getting there and staying there in order to attain top-of-wallet status.

Consumers Want to Be Heard and Understood

Legacy financial systems have been designed and built around data processing. Initially, that was the most important function that a financial industry player needed to do.

But member expectations have changed. **Now members expect their credit union to know enough about them to answer the questions that create happiness and improve their lives: “What do I need now?” and “What will I need in the future?”** Credit unions that can quickly respond to these needs control the value of the entire future relationship with their members.

Simply Infusing Technology Is Not the Answer

Financial institutions are making their biggest strides in technology investments that deliver a more frictionless account holder experience—but there are consequences to treating technology and the digital experience as a check-the-box task.

Member engagement is not a technology problem, it’s a culture problem. Tech is simply one piece of the puzzle for an effective, holistic CX program designed to deliver an end-to-end omnichannel experience.

Delivering quality account holder experiences involves every area of an organization—not just the marketing officer. Even IT groups need to be aligned on market activity and expectations in order to make informed technology investment decisions that address CX goals.

The bigger issue facing institutions is the way digital innovation has changed member expectations. Because, as consumer IQ quickly rises, so must the financial industry’s ability to adapt to their demand for real time, one-to-one quality engagement where, when and how they want it.

The Colossal Challenge of Building Trust and Credibility

Consumers engage companies in so many different ways. We call them channels, but consumers don’t. Ask any of your members about channels, and they’ll probably respond with a blank stare because they don’t think about channels. They think about the easiest way to get what they want at that moment.

Every institution needs to be up to that enormous challenge, because delivering a seamless cross-channel brand experience that is compelling and consistent is critical to building trust, confidence and brand credibility.

Up to **95%** of new account applications *are abandoned* before completion.¹

¹ “Account Opening: Run It Like You Own It,” Aite Impact Note, June 2019. [Link](#)

A powerful pre-sale influencer is delivering on the brand promise, both online and off. The importance of continuously monitoring, improving and maintaining an accurate and quality online experience should never be underestimated. Making it easy for members to find their way to your digital or physical front door is a significant touchpoint for delivering on core values and building brand authenticity. **A true member experience strategy seamlessly connects those digital and physical moments of truth across their journey.**

Ramping Up Analytics Brings You Closer to Your Members

Consumer information is coming harder and faster than ever before, leading to many credit unions experiencing a data challenge. Without the means to extract valuable insight from account holder data and learn everything there is to know about their members, a startling number of credit unions are learning it's virtually

Less than **50%** of banking providers *are using data* to better understand customers and create more relevant experiences²

impossible to deliver the relevance and understanding members now demand.

These are must-have skills for financial institutions today. Knowing what to do and where to do it is so powerful for changing and improving culture and service. The capability to analyze data along the entire process and determine how it impacts KPIs is necessary to achieving business objectives. The deep insight afforded by data lets you break down a seemingly limitless member journey into smaller bite-sized action items.

Try visually mapping out your members' journey and applying metrics to it along the way. This method is highly useful for helping identify friction points to prioritize where investments and process improvements should take place.

Response to Seasonal Campaigns Is Growing Colder

Financial institutions are making great strides in personalization and understanding where the account holder is in their journey. It's more than just understanding the lifecycle, it is knowing where the member is in the lifecycle and engaging them at the right time and in the right place.

² Forrester, January 2019, How to Become Your Customer's Favorite Bank (Even If You Can't Be Their Only One)

Now, financial marketers have to know so much more, not just about how members are transacting today, but what services they might need tomorrow or in the near future. The ability to suggest appropriate products and services for what members need right now is personalization in action.

This requires both a lot of consumer behavior understanding as well as the technology to engage members—when, where, and how it matters to them—and to drive conversions. Seasonal campaigns are becoming a thing of the past. Now, we're looking to new technologies and resources to drive one-to-one, personalized, always-on engagement.

The Value of CX Is In the Long Haul

CX is unlike everything else you measure. It's not a short-term or line-item metric—it's longer. The ultimate long-term goal of CX is to meet the needs and goals of members to enrich their lives, not only now, but for years to come, resulting in greater long-term member loyalty.

I think you'll find that, over time, a holistic, behavior-based CX strategy is a game-changer in becoming the trusted resource your members turn to again and again.



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