



Banking On Personality: Investing In Empathy

We are in a digital era where engagement is primarily virtual. Yet, while banks have become functionally complete, they are emotionally detached. They must act now to forge a personal and emotional connection with customers to keep them and gain their trust.

Digital personality matters. In an era of hyper-digitalization where engagement is primarily virtual, an organization's ability to preserve personal and emotional connections with its customers plays an increasingly important role in its ability to compete.

On top of this, banks face increasing pressure from new fintech players and companies outside the industry—such as Amazon and Apple—which are raising customers' expectations.

Banks are struggling to respond. In an increasingly digital world, they have become functionally complete but emotionally detached. Worse, they now find themselves in a commodity trap.

Few have successfully infused their digital interactions and marketing touchpoints with the humanity, personality and customization that knowledgeable staff members can give. Many are seen as largely homogenous, offering similar products and services with undifferentiated experiences.

COVID-19 has accelerated the switch to digital. Capabilities, function and experience are now under a spotlight. And under pressure, cracks in both the experience and in banks' ability to meet the needs of today's customers are widening.



With 50 percent of customers currently interacting with their bank via web and mobile applications at least once a week,¹ banks have an opportunity to respond to consumers' evolving needs by adapting their business, brand and experience. To do this effectively, their every plan and action must be underpinned by human understanding.

Challenge

Banks enable people to use their money to unlock opportunity and empower themselves daily—an essential function. Yet banks have a problem. Currently, they are over-indexing on functionality (IQ) and under-indexing on empathy (EQ).

Banking and banks risk becoming largely invisible infrastructure. Just 29 percent of consumers trust their bank a lot to look after their long-term financial well-being, compared with 43 percent two years ago.² In the absence of trust, banks will find it hard to retain customer relationships and may increasingly become the back office of more engaging, trusted organizations that seek to embed banking into their offerings.

A single-minded rush to compete on functionality has slowly eroded customers' personal connections with their banks, weakening the relationship and leading to similar features across digital experiences.

Continuing to over-index on IQ and under-index on EQ degrades meaningful connections, making banks more vulnerable to new players who will increasingly own the relationship and compete on that basis.

New entrants to retail banking have pounced on opportunities to create innovative digital propositions and change the tone and nature of their customer interactions. Emphasizing a collaborative and empathetic "we're in this together" brand positioning has resonated with many customers—20 million accounts were opened with challenger banks operating in the UK in 2019.³

New-breed entrants are poised to bridge the empathy gap and pick up market share with a relentless customer focus that is reinforced throughout the design, function, tone of voice and experience of their offerings.

While primary account switching has decreased—just 3.8 percent of consumers globally switched their primary account in the last 12 months—27 percent opened a new account during the same period.⁴ This points to an emerging behavioral trend as customers accessorize their main account with accounts with others, such as Revolut, to deliver the day-to-day banking experience that meets their needs.



Even the best incumbents with markedly improved digital experiences have struggled to deliver the right navigation, tone of voice and content. In removing humans from the front lines, banks have inadvertently removed humanity from the experience.

Inspiration:

Aspiration is a digital banking and investment service with the motto "Do Well, Do Good." It allows customers to fund planet-friendly causes, shows them an impact score for each of their purchases in their transaction record, and promises never to fund the fossil fuel industry.

Nubank, a Brazilian digital entrant, positions itself as offering fair, uncomplicated and transparent financial services. It promises to treat people as humans, not numbers, and to help them reinvent their financial lives.⁵



Solution

To raise their EQ index and preserve and build personal and emotional connection with customers, there are a number of opportunity areas banks should consider:

1. Trust, a bank's most valuable asset?

In today's uncertain world, brands need to demonstrate empathy and human connectedness more than ever. Clear, sincere, empathetic communications are the basic modern building blocks for trust, and banks need to cultivate this if they are to connect with people authentically and emotionally.

There is a positive empirical relationship between trust and revenue growth. Companies with a distinctive and relevant purpose as well as high levels of trust generally achieve better financial results. Trust-based propositions can boost incumbent banks' retail revenue by an average of 9 percent, our research shows.⁶

Increasingly, banks must humanize their services. This means making them more nuanced and empathetic. By enabling genuine connections around customer outcomes and goals, they can play a greater role in looking after customers' financial well-being and earn their trust.

Inspiration:

Greenwood Bank, which describes itself as "a Black-owned banking system developed by us, for us," offers a digital banking experience made for Black and Latinx customers. Its offering includes peer-to-peer and early payday advances as well as other banking services that go with helping a community achieve its financial goals. Greenwood aims to be best in class and has a clear purpose—to facilitate re-circulation of wealth within minority communities. This is encapsulated in its statement "Greenwood Bank – Modern Banking for the Culture. You made it. You keep it. You prosper." As a bank derived from the community with a purpose to serve the needs of the community, it is well placed to earn trust.⁷



2. Time to (re)invest in brand

Banks have a choice. They can either stand out by having a defining purpose and brand personality to differentiate them in a sea of sameness, or they can risk relegation to the status of nuts-and-bolts utility provider. Few banks would willingly embrace a commoditization strategy.

Yet it takes more than the pursuit of product-centric and rational, efficient interactions to win hearts and minds. That's why the principles of branding and the role of the Chief Marketing Officer (CMO) are more important than ever.

We believe in a unified brand experience, and that focusing on activating brand purpose is the key to accelerating growth in today's experience landscape. While it is the CMO's role to lead the evolution of the brand and personality, it is the responsibility of everyone in the organization to lead with humanity and personality.

3. Activate brand purpose

Customers don't necessarily expect brands to adhere to or follow a public purpose statement. But they do choose to deal with brands that act with clarity, recognize their responsibilities and are honest and helpful in addressing people's liquid expectations. Brands that are transparent, enable mutually beneficial experiences and support relationships where both participants succeed will generate strong brand affinity. Three out of four customers globally in 2018 said that experience is key in influencing brand loyalty.⁸

Typically, new competitors have a clear mission to fill a market gap, and a purpose that entails giving customers something that doesn't yet exist.

Increasingly, financial institutions will need to create defensible, ownable brand experiences that build trusted relationships with customers. They will need to express their brand and connect with people differently, and go beyond customer-centricity to focus on customer empathy.



To achieve this, they must remember that differentiated brands adhere to their brand purpose while adapting to changing client and customer needs. They are nimble enough to weather volatile markets and activate purpose in everything they say and do as a brand.

4. Connect personality to purpose and values

Human brands are authentic.

To communicate authentically, a brand must reconnect with its core purpose – the original values that justify its existence beyond simply generating a financial return. Brands that do this build trust, remain relevant and adapt to new behaviors. Characteristics should be consciously selected and deliberately designed. They must draw on the past, present and future stories of the bank in order to represent the brand's authentic self.



An important first step when humanizing a brand is to bring design and communications closer together. As voice technology increases and artificial intelligence becomes more prevalent in everyday interactions, a well-designed, empathetic and entertaining personality can attract and engage users. The effectiveness of messages will depend on style and content.



Inspiration:

Amazon Alexa has become a trusted voice in many households, and is regularly asked to settle a friendly dispute or answer a pop quiz question. By successfully creating a distinct pattern of tone and language, Amazon ensures Alexa drives the engagement required to learn from high quality user interactions and shape more lasting relationships.

Ask Alexa about her personality and she'll tell you she's ESFJ on the Myers-Briggs Type Indicator.

Amazon states that Alexa strives to be clever, relevant and to make the customer smile. She will respond to questions about herself, reply to a declaration of love, tell jokes and even sing a song. Her humor shines through, but never at the expense of efficiency. She is approachable, efficient, trustworthy and natural.⁹

Ask Alexa if she has any pets and she'll tell you no ... but that she used to have a few bugs that kept getting squashed. Ask her her weight, and she will reply, "I am weightless, like a cloud. Wait a minute, clouds actually weigh a lot, so that's not quite right. Let's just say I'm more sass than mass."

Personality is an extension of the values of the brand. It brings those values to life through the language and tone of voice used across every touchpoint and in every interaction. Words and language matter. Tone of voice is an important building block, too. Brands are being judged on what they do, what they say and how they say it.

While there are risks and compliance considerations in banking, it doesn't mean that all personality must be regulated out of communications. The right tone and message via the right channels matter now more than ever. Customers need a trusted advisor with whom to navigate their financial wellness. To build trust, every pixel of your experience must express who you are.



5. Richer data enables more contextual experiences

Simple segmentation is not enough to drive a communications strategy. Customers' relationships to products and services are changing along with the very nature of everyday work and play. Determining what to say and when to say it based on customers' functional and emotional needs will be key for banks to tap into what is truly helpful and relevant.

An experience that can adapt to its audience is critical. The experience needs to be adaptable to the sophistication of its user. Some users will regard plain speaking and simplification of complex concepts as building blocks of trust, others will draw comfort from being able to drill into the details at will.

The same applies to cultural and contextual nuance. A bank's personality needs to reflect its values as perceived by and within the markets it serves. Digital experiences can flex and respond based on data and user cohorts to express the brand's core purpose with a personality that is vernacular to the audience and its needs.

As they imbue their digital brand personality with greater humanity, brands must also embed personalized experiences in digital customer journeys at moments that matter.

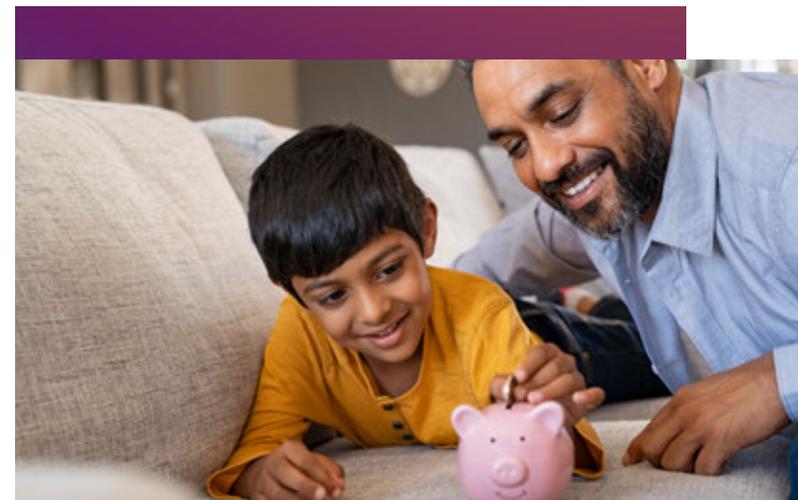
The tone of conversations with customers should be approachable, relatable and consistent across channels without losing context or intimacy. Banks that successfully use personality to create more engaging communications and spark conversations will help to make financial topics more approachable and accessible to all, particularly across the neglected middle market.

A bank's ability to do all of this will require it to go beyond traditional methods and channels to gather meaningful feedback. Better data analysis will be needed to extract richer insights that will provide greater opportunities to create intimacy with customers.

Rather than using a data-driven segment of one for targeted product marketing, data should be used to respond appropriately and empathetically with personalized experiences. Conversations with chat bots should be as natural and free-flowing as possible, while human conversations should be technology-enabled.

Inspiration:

The Financial Gym builds connection and community through goals-based money literacy classes and one-to-one relationships with dedicated trainers called Best Financial Friends. Paid members learn, get advice, set goals, confide and share.¹⁰ The end result is that members feel they are supported, not alone.



Final Thoughts

Banks have an opportunity to forge strong customer connections, build trust and ultimately drive growth by infusing humanity and personality into digital channels where they have the most impact.

Capable agents—virtual, live or in-person when customers need it—are table stakes. But banks can find more opportunities to engage beyond basic banking, by fixing what's broken. While customers are looking for more from their banks than simple issue resolution, they may not realize that the bank has more to offer.

In increasingly uncertain times, banks can offer wisdom and guidance to help customers make sound decisions and move with confidence.

Whether customers are planning for the future or focusing on the moment, banks can create open channels for dialogues with them to help them get ahead. Creating those forums for dialogue can ensure that the bank is one of the first places customers turn to for advice and community.

And just because an experience is virtual doesn't mean it should be any less human. To grow long-term loyal banking relationships, take inspiration by looking back—to the branch manager relationship of yesteryear, where sage advice was delivered with comforting language. Balance technology with empathy to create experiences that feel personal and as human as possible. With the right approach delivered swiftly, a virtual experience can be just as authentic, personal and warm.



Authors



Anne Bertelsen
Managing Director
Accenture Interactive, Banking



Susan Owens-Murphy
Senior Manager – Fjord,
a part of Accenture Interactive



Alexi Benhamron
Manager – Bloom,
a part of Accenture Interactive

About Accenture

Accenture is a leading global professional services company, providing a broad range of services in strategy and consulting, interactive, technology and operations, with digital capabilities across all of these services. We combine unmatched experience and specialized capabilities across more than 40 industries — powered by the world’s largest network of Advanced Technology and Intelligent Operations centers. With 514,000 people serving clients in more than 120 countries, Accenture brings continuous innovation to help clients improve their performance and create lasting value across their enterprises. Visit us at www.accenture.com

Accenture Interactive

Accenture Interactive helps the world’s leading brands transform their customer experiences across the entire customer journey. Through our connected offerings in design, marketing, content and commerce, we create new ways to win in today’s experience-led economy. Accenture Interactive was ranked the world’s largest and fastest-growing digital agency in the latest Ad Age Agency Report. To learn more follow us @accentureACTIVE and visit www.accenture.com/interactive

This content is provided for general information purposes and is not intended to be used in place of consultation with our professional advisors.

This document refers to marks owned by third parties. All such third-party marks are the property of their respective owners. No sponsorship, endorsement or approval of this content by the owners of such marks is intended, expressed or implied

Copyright © 2021, Accenture. All rights reserved. Accenture and its logo are registered trademarks of Accenture.

Images from ©AdobeStock

References:

- 1 Accenture Global Banking Consumer Study 2020 (Accenture, December 8, 2020, [Link](#))
- 2 Accenture Global Banking Consumer Study 2020 (Accenture, December 8, 2020, [Link](#))
- 3 Accenture’s Digital Tracker ([Link](#))
- 4 Accenture Global Banking Consumer Stud 2020 (Accenture, December 8, 2020, [Link](#))
- 5 Nubank ([Link](#))
- 6 Purpose-Driven Banking: Looking Beyond COVID-19 (Accenture, June 9, 2020, [Link](#))
- 7 With New Digital Banking Offerings, Greenwood Aims To Close Racial Wealth Gap (Forbes, February 12, 2021, [Link](#))
- 8 PWC, Experience is Everything ([Link](#))
- 9 The Alexa Personality (Amazon, [Link](#))
- 10 Financial Gym ([Link](#))

