



# Standing out in a crowded financial landscape

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3 ways banks and credit unions can differentiate  
their CX in a saturated market

# 2020: the year digital solutions hit their stride

Long before the pandemic upended in-person consumer experiences, integral shifts in the way banking customers and credit union members interact with financial institutions were already in motion.

According to one 2019 EY report, global adoption of fintech services grew from 16% in 2015 to an astounding 64% in 2019.<sup>1</sup> The initial appeal of these digital-first solutions is obvious — they're sleek, they're easy to use, and most importantly, they've successfully simplified some of the complex transaction processes customers loathe. Between these new fintech solutions and massive digital transformations executed by many of the largest banks, banking customers now have more choices than ever before — and new motivation to find a powerful digital solution.

## The banking customer shuffle

**91% of consumers banked virtually over the course of the pandemic.<sup>2</sup>**



**40% of consumers indicate they are now likely to switch banks to get better tools.<sup>3</sup>**



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## In the last 12 months...<sup>4</sup>

**37%** of customers on the move switched to large national banks.

**17%** switched to online-only direct banks.

**10%** switched to a regional bank.

**4%** switched to a non-bank service provider (fintech).

Consumer demand for seamless digital experiences isn't going away. For local banks and credit unions, this means digital initiatives will now become table stakes in a highly saturated market.

1. [https://assets.ey.com/content/dam/ey-sites/ey-com/en\\_gl/topics/banking-and-capital-markets/ey-global-fintech-adoption-index.pdf#page=6](https://assets.ey.com/content/dam/ey-sites/ey-com/en_gl/topics/banking-and-capital-markets/ey-global-fintech-adoption-index.pdf#page=6)

2. <https://money.yahoo.com/covid-19-pandemic-triggers-spike-120500908.html>

3. Ubiquity survey: <https://www.forbes.com/advisor/banking/digital-banking-survey-mobile-app-valuable-features/>

4. FIS Global survey: <https://thefinancialbrand.com/111327/regional-bank-competition-digital-fintech-transformation-trends/>

How banks and credit unions can compete against digital banking's big spenders:

## Digital fluency and customized service

Despite these seemingly gloomy projections, banks and credit unions still hold a strong position in the finance landscape. Unlike digital-only fintech solutions or large national brands, these institutions continue to offer a strong physical branch experience with more responsive, personalized service. In fact, more than 50% of bank customers report they plan on continuing to use the physical branch to take care of some of their banking needs even as digital capabilities grow.<sup>5</sup>

Banks can differentiate themselves from their digitally focused competitors by offering the best of both the physical and digital worlds. By investing strategically in digital transformations that make sense for their unique customer journeys and pain points, and by pairing these digital resources with the hands-on advantages of the physical branch, banks and credit unions have an opportunity to elevate their value proposition and reimagine the user journeys that customers will seek in a post-pandemic world.

**"The most satisfied retail banking customers use both branch and digital services ... while the least satisfied are those who have a digital-only relationship with their bank and do not use branches."**

– 2020 JD Power Report <sup>6</sup>



# Building a framework for differentiation

Often working without the same budgets or manpower as large fintech operations, banks and credit unions need to be more thoughtful in the way they approach digital transformation.

The good news is: flashy gimmicks and additional manpower aren't necessary to integrate markedly better customer experiences into your existing bank or credit union web presence.

At the core of your digital strategy, focus your transformation efforts around accomplishing three things:

- Understanding and addressing core customer needs
- Predicting and facilitating the customer journey
- Creating personalized experiences that provide humanized value

By using these three objectives as a starting place, banks and credit unions can prioritize improvements that will have the biggest impact on the customer experience. In the next section of this eBook, we will take a closer look at these three digital differentiators and cover a few tips for implementing smart, cost-effective digital transformation efforts that can help support each one.

## Part 1:

# Understanding and addressing core customer needs

In the modern digital banking environment, your customers need more from your website than basic product information and a phone number. They want to fully explore their options — such as mortgage and refinance solutions — and compare them to your competitors before they take the plunge and reach out. But how do you know if the information on your website is actually meeting your users' needs?

### Start with customer behavior you can measure

Before you can build digital user journeys that fit the expectations of your customers, you need to understand how they research and choose between different banking offers. While focus groups and user surveys can be expensive — and sometimes frustratingly inconclusive — website analytics can quickly help identify powerful clues that can give you a good idea of what your users are seeking and how well you are delivering on their expectations.

### Ask yourself these questions as you look through your website's valuable consumer data:

- Which topics on our website are receiving the most hits?
- Can we further break down these page views by demographic variables — such as life stage, etc.?
- Are our consumers converting on our calls-to-action or abandoning the process early?
- Where else are they seeking out informative banking content? What does that look like?

Armed with these insights, it becomes much easier to sketch out customer personas and understand the “why” behind user interest in a mortgage loan, small business loan, or any other banking service.

## Part 2:

# Predicting and facilitating the customer journey

Once you have a better understanding of your customers' needs, it's time to map out those needs across your physical and digital touchpoints. Remember, most banking customers still value in-person experiences, and they tend to be happiest when they receive a mix of in-person and digital support.

In order to effectively deploy this powerful advantage against a wave of new fintech competition, banks and credit unions need to find new ways to bring the two together. That means meeting early customer expectations for easy access to valuable information online, before transitioning users to a combination of efficient digital tools and high-touch in-person experiences as they move along in their journey.

### Don't let digital drawbacks cut your user journey short

A recent Siteimprove consumer study found nearly 40% of users said they would abandon a website in less than one minute due to poor UX.<sup>7</sup> Avoiding user friction as your customers navigate content and explore offers during the initial consideration stage is critical. Without seamless digital experiences — especially early in the engagement process — prospective customers may not make it to the later phases of the customer journey where your banking staff can win them over with high-touch, in-person engagements they can't get from the competition.

### Finding clues of poor UX

1

#### Webpage abandonment and bounce rates

Bounce rates can be a great indicator that something about your digital UX is off. Use high bounce rates as a red flag to take a closer look at what might be going on "under the hood."

2

#### Heat and scroll mapping

Once you have identified a page that requires a closer look, consider using heat and scroll mapping tools to see what might be affecting performance. Are users not scrolling to the CTA at the bottom; are they missing the CTA on the side of the page; is the text overwhelming?



## Part 3:

# Creating personalized experiences that provide human value

Fintechs earn wins through attractive rates or fees (27% of prospects who switch to a fintech) or being easy to set up (20% of prospects). But they still can't compete with banks and credit unions on deeper loyalty measurements, such as trust (22% of customers who stay with their financial institution). To win against agile fintech competition and corporate banking behemoths, banks and credit unions need to lean into their ability to deliver trusted experiences.

In the digital age, banks and credit unions have a valuable opportunity to use their web presence to make customers feel heard, supported and confident that they have a local team in place to help them reach their financial goals. By tying together persona and UX research, these institutions can create end-to-end user journeys that solve customer problems and support them every step along the way. They can also weave in physical touchpoints to strategically fill gaps in a way no digital-only strategy ever could — addressing the exact questions, concerns and unique circumstances that come with each new customer.

### Tips to turn digital into personal:

1

**Identify customer needs using conversion markers.**

A cascading set of conversion markers and form-fills can help you identify customer needs and their position in the buying journey. These insights can later be used to send out targeted messages that re-engage users or deliver a personalized, limited time offer that entices the customer to convert.

2

**Use data to drive faster results for your customers.**

Once your organization develops a strong digital culture, the automated nature of many of these digital tools can allow your team to focus its efforts on the big customer engagements that tend to have the greatest impact on the bottom line. With more focus returned to the customers needs, rather than simple tasks and processes, your front-line employees can wow customers like never before.

3

**Build out user journeys that encourage users to interact with your team at every turn.**

Integrating chatbot features and other low-pressure contact tools can help improve the seamless hand-off to an employee. On pages that suffer from poor contact rates, consider how additional content and pages might be able to help deliver incremental improvements and smooth out the user journey.

# A powerful opportunity for banks and credit unions

After years of slow digital customer growth and lagging adoption of digital marketing strategies, the use of — and demand for — seamless digital banking experiences has accelerated dramatically. More than ever before, a well-designed digital strategy is essential to compete against digital-first fintech solutions.

The good news? Banks and credit unions don't need to have an army of marketers and web developers to create digital experiences that resonate.

By combining convenient digital experiences with trusted in-branch experiences, banks and credit unions have a powerful opportunity to reinforce their value proposition and compete with their competition head on.

Ready to see how Siteimprove can help you rapidly create an omnichannel banking experience that helps your brand stand out from the crowd?

**Visit Siteimprove to get started. >**

<https://siteimprove.com/en-us/financial-services/>



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