HOW CAN FINANCIAL SERVICES MARKETERS EMBRACE DIGITAL TRANSFORMATION?

> "Digital tools are invading the business environment, provoking significant changes in the way we work, communicate and sell. This has given rise to new opportunities and challenges, and has triggered the Digital Transformation of enterprises."
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> Capgemini on Digital Transformation

The financial services industry is highly competitive with multiple players all battling it out for a share of consumers. It is also highly regulated. These challenges are unique to the industry and provide a set of challenges and hurdles that marketers must creatively overcome.

The financial services industry is experiencing rapid change. Marketers are forging a path with creative, original and innovative ideas on how to push financial services into the digital arena.

The industry is trying to modernize and digitalize their processes to rid their companies of legacy systems and to be able to compete across all channels and touch points. They are in the midst of a digital transformation.

A recent study by Econsultancy stated that 63% of marketers in the financial services industry will be increasing their digital marketing budgets this year.

This is a sign that companies are embracing digital transformation. They are investing in digital marketing and the technology that enables marketers to execute digital marketing as effectively as possible.

Digital Transformation

So what is digital transformation? According to Forbes it is the use of technologies to radically improve the performance or reach of an enterprise. A study by the MIT Center for Digital Business and Capgemini found 78% of respondents across a wide range of industries said that achieving digital transformation will be a priority for them in the next two years. In order for a company to enjoy success there is a requirement for more than simply investment in digital tools and technology and the replacement of legacy systems; there must be leadership from the top down.

The MIT Center for Digital Business examined the DNA of 400 companies that are mastering digital transformation and have found that these enterprises share two main qualities:

They have both digital intensity and leadership intensity.

- **Digital intensity** is the adoption of technologies to excel at doing business digitally.
- **Leadership intensity** is the ability to make strategic choices about where to invest and how to harness, innovate and drive the technology forward.

There are many benefits to effectively using digital technologies including:

- A better customer experience
- An enhanced brand reputation
- Streamlined operations
- Increase in sales and retention of customers.

Companies that have embraced digital transformation are 26% more profitable than their average industry competitors and enjoy a 12% higher market valuation.
MIT Center for Digital Business

Digital Intensity

Digital intensity requires the use of technology to adopt new ways of working digitally. Digital intensity disrupts traditional business models and requires the removal of legacy systems.

We've worked with several financial services industry clients and have seen everything from paper based approval processes to companies still using Lotus Notes. A Capgemini study found that legacy systems were the third ranked barrier to organizations going through a Digital Transformation.

Many legacy systems can be complex to update, especially when they need to be connected and integrate with new kinds of technology. Technology is used very differently now than when it was first introduced into the business world. Technology today is used to improve and automate processes, increase efficiency of teams, and analyse customer behaviour and data.

Whilst it may briefly disrupt a business, digital transformation leads to several benefits, including:

1. Extending the reach of the organisation
2. Improving management decisions
3. Speeding up the development of new products and services

Leadership intensity

The same Capgemini study found the fifth ranked barrier to digital transformation for organizations is lack of vision from the leaders of the company. In order for digital transformation to take place there must be leadership in place that understands technology and how to harness the power of it. All technology should deliver a return on investment in some form whether this is financial savings, time savings or efficiency.

Every organization must have leadership to drive digital transformation. Digital leaders know where to invest time and money. They can identify where the company needs technology to excel and can build a clear strategic roadmap on how to replace legacy systems. They can lead their company through with as little disruption as possible.

Multiple channels and touch points

In the last 10 years the number of channels and touch points in which consumers can interact with companies has grown dramatically. Consumers expect to interact with brands or businesses, no matter the industry, in multiple channels and expect a consistent experience.

Financial services organizations will need to use an increasing number of digital channels and technologies alongside traditional offline communication and in-branch activities as part of digital transformation. Marketing, customer service and communications are not a cut and dry business anymore. Marketers must harness the power of technology in order to deliver an experience customers are expecting whether it's through social media, customer service, email marketing campaigns, mobile apps, advertisements, websites, etc. Every channel provides companies with the opportunity to interact with customers and provide a service that benefits the customer. When done well, this strengthens the customer relationship and positions the brand in a positive manner in a consumer's mind.

Customer Experience or CX is a vital ingredient in this marketing mix. CX is all the interactions a consumer will have with your brand throughout their buying journey. This means the consumer's overall experience in all channels and at every brand touch point.

Marketers are quickly becoming responsible for looking after consumer experience and ensuring a consistent brand, message and experience is delivered across all channels and touch points.

CX forms a vital part of consumer's interactions and perceptions about a company or a brand and it ultimately affects buying choice. It's critical to a brand's success that a clear and consistent message is communicated across all channels and touch points. This is no easy task.

Presenting a consistently good customer experience provides many benefits to organizations and aids in helping financial services organizations with two of the biggest challenges they face:

1. Consumers' lack of faith in financial organizations. The 2014 Edelman Trust Barometer found that only 48% of consumers globally trusted companies in the financial services industry; with the sub categories of financial advisory and insurance as the least trusted.

2. It is difficult for consumers to differentiate between financial services brands. Among millennials, 53% thought their bank delivered nothing different from other banks.

"Personally, I interact more often with my bank, NatWest, through its iPhone app and various personal and business web-applications than through its physical or paper-based touch points. When the bank released a very on-brand version of its iPhone app with a massively improved user interface and user experience, my estimation of NatWest went up by more than it would have done through pretty much any other brand or marketing-related activity it could have undertaken." Jens Lungaard, CEO, Brandworkz 'Why user experience is as important as visual identity'

There are many reasons why you want customers to have a good experience with your company and your brand:

- Consumers are twice as likely to share a negative experience they've had with a brand, product or service than share a positive experience and most choose to hit social media to share this negative experience.
- A good customer experience helps to, differentiate your brand and company from your competitors, create a loyal customer base and build a strong brand that customers will trust. When consumers have a good experience with your brand, whether that is from their experience with your employees, website, app, call centre, shop floor or any other place they may encounter the brand, they will remember it. One good experience means they are more likely to return for a second time. When they have repeated good customer experiences the brand will be positioned positively in the consumers mind, generating a sense of trust and brand.

A study by Econsultancy and Adobe found that marketers in the financial services industry put growth and retention as their top priority in 2015. A consistently good customer experience directly aids in this objective.

Technology to aid CX

As financial services marketers are beginning to venture into using multiple digital channels and touch points, they need to think about how they can best manage CX. In order to do this they must use technology. It's impossible to effectively manage all channels and touch points without it.

With so much technology available today it's important to know which solution is the best fit for your company.

Brandworkz

So how can Brandworkz help you in your journey through digital transformation?

Brandworkz is a cloud based digital asset and brand management software platform used by marketers and brand managers in multiple companies in the financial services and other highly regulated industries.

In an EY survey to over 32,000 retail bank customers globally they found that the key to winning, growing and retaining customers in an increasingly competitive banking environment was a great customer experience.

The way customers are treated is the second most important reason for trusting their bank, states EY.

But one thing holds true; consistency is key. Consistency of marketing message and consistency of experience ensures that your company's brand is positioned positively in your customers' minds.

It is designed to be the central content hub of your marketing ecosystem.

With so many marketing channels and so much content to manage it is easy to lose a grip of what content is located where, who has access to the content and that the right message is being communicated to the right people in the right channels and touch points.

Brandworkz enables you to centralise, manage and share marketing and brand content; allow artwork editing and oversee marketing production activity. You enable consistent messaging and a strong brand across all digital channels and touch points.

Brandworkz enables financial services marketers to keep an audit trail of all the marketing and brand material in production and automate the inclusion of the compliance team at key stages of the production processe so everything is signed off.

There are several features that Brandworkz offers that help marketers in the financial services industry to overcome the unique challenges they face.

1. Workflow and approval

One of the most important features for financial services clients is the workflow and approval feature that enables collaboration, approval and review of the various stages in the marketing production process from one central online dashboard. It enables on-artwork annotation by multiple users in the system and ensures there is a digital audit trail for compliance and regulatory needs. It also speeds up the process and eliminates the chance for human error.

2. Centralized Location (Digital Asset Management)

All your marketing assets are held in one central location which allows teams from across the world access the correct materials 24/7. You can manage who is downloading what materials for which purpose, meaning you control where images, documents or information are being used and are able to remain compliant.

3. Permissions

In Brandworkz you are able to assign different permission levels to different groups of users. Therefore you can control who sees certain assets or information which allows you to protect your brand. This also helps to ensure that you meet all compliance and regulatory guidelines.

4. Brand guidelines

You can upload your brand guidelines on CMS pages which allows you to educate and align everyone to your brand and positioning.

Return on Investment

With Brandworkz, clients see ROI in three areas. Strategic improvements and revenue growth, cost reduction and cost avoidance.

1. Strategic improvements and revenue growth

Clients see increased revenue through better marketing efficiency and higher employee productivity because marketing teams no longer spend much of their time on manual admin tasks, such as asset searching and distribution, and are able to focus on strategic tasks. They also see increased revenue through the understanding of brand guidelines and access to on-brand assets results in more consistent, on-brand verbal and visual messages. Sharing of successful marketing materials or campaigns in Brandworkz means higher reuse of assets, less creation of local materials from scratch and less duplication of work. Overall our clients have seen reduced time to market by accelerating compliant sales and partner enablement with tool kits, how-to videos and templates, and through faster creation and approval of marketing artwork.

2. Cost Reduction

Brandworkz has created a Return on Investment (ROI) calculator which predicts the savings you could see using the system. Broken down into specific core activities, you will see how much you could save on your brand management costs using Brandworkz. Whether these tasks are searching and distributing brand assets, updating brand guidelines or localising marketing artworks, variable fields in the ROI calculator allow the user to input their own information to receive as accurate an indication of savings as possible.

As a guide, the figure in year one is typically five to ten times your investment in Brandworkz. To try the ROI calculator for yourself, please contact: neil.monahan@brandworkz.com

3. Cost Avoidance, security and compliance

Brandworkz avoids the risks and costs associated with lack of brand asset control. Many businesses find themselves inadvertently using assets past their license expiry date because they cannot be disabled. In addition, a brand management system minimises the risk of losing assets if your agency or printer goes down (e.g. liquidation or fire).

With Brandworkz there is less risk of leaking of sensitive and restricted assets because our granular permission-based system and security features restrict which users see what materials.

You will see a decrease in the purchasing of near-identical assets or images and a reduction in artworks which exist already being re-created by local markets. Print spends can be brought down by using a

structured and centralised briefings, workflows and approval system. This also avoids costly production re-runs due to oversights in marketing material creation.

Conclusion

A marketing and brand management platform is a key factor in building successful, compliant, and high value companies and brands. By achieving brand consistency, creating and maintaining a great customer experience while remaining compliant, you generate company value, enhance your brand reputation, and retain and grow your customer base which leads to higher sales and increased revenue. A solid foundation for brand management, workflow and approval systems will allow you to harness the power of technology and help you on your way through the process of digital transformation.

To learn more about Brandworkz please visit www.brandworkz.com or get in touch with us info@brandworkz.com or +44 (0)20 7288 9700 in the UK, +1 (214) 643 6152 in the USA and + 61 (0)3 9095 7050 in AsiaPac.