

SIX KEYS TO CREATING AN EFFECTIVE CUSTOMER ENGAGEMENT STRATEGY



GREENE
CONSULTING



CREATING ENGAGEMENT


Research clearly shows that “Engaged Customers” are more profitable, more loyal and serve as advocates for your brand. While intuitively obvious, this concept of “Engaged Customers” leads to two key questions.

The first question is “What defines a truly Engaged Customer?” There are many facets to this question but, in its simplest terms, we believe that Engagement is an emotional state, driven by two key factors. Engaged Customers are those that feel you truly understand them and that you have the ability to help them improve their financial lives. While every organization aspires to deliver on these goals, the reality is that it doesn’t happen organically- there must be a strategy focused on delivering these outcomes

This leads us to the second key question- “How do we develop and deploy an effective and sustainable Customer Engagement Strategy that delivers on these key objectives?”

At Greene Consulting, as we embarked on the endeavor of building our Customer Engagement Process- EngageWell- for Retail Banks and Credit Unions, we began by outlining Guiding Principles that informed every decision we made. In retrospect, we feel that starting with this foundation and adhering to these six principles was instrumental to the success of our work.

Whether you are seeking to learn more about the EngageWell Process or simply looking for insights on how to build your own approach to creating Customer Engagement, we hope you find these principles to be both informative and helpful.



SIX GUIDING PRINCIPLES

1 / DELIVER VALUE

What problem are we solving for customers?

2 / LIMIT THE ASK

Compress the "Time to Value"

3 / BE COLLABORATIVE

Customers want to be part of the process

4 / MAKE IT ACTIONABLE

Identify the "Easy Win" for the Customer

5 / GET THE RIGHT DATA

Unlock the Power of Personalization

6 / SET THE RIGHT EXPECTATIONS

Effective Internal Messaging is Mission Critical

PRINCIPLE #1: DELIVER VALUE

While the concept of delivering real value to your customers may seem obvious, we often find organizations thinking about Customer Engagement through their internal lens. The result of this internally-focused perspective is an approach focused on how do get customers to have deeper conversations so we can sell them more. Your Customer Engagement Strategy should absolutely drive revenue growth, but there is a critical question any organization must first address to establish a solid foundation for their Engagement Strategy. The key question is this- "What is the real problem our customers want us to help them solve?"

KEY QUESTION:

"WHAT IS THE REAL PROBLEM OUR CUSTOMERS WANT US TO HELP THEM SOLVE?"

Customers perceive little value in product-focused offers. It's highly unlikely they engaged with you thinking "I wonder if I have the right credit cards in my wallet" or "Is a HELOC right for me?" If your offer is not adding value to the customer first and foremost, your Customer Engagement Strategy will fail. So what problem does the EngageWell Process address? EngageWell equips Bankers with a clear framework for helping customers gain greater control over their financial lives and reduce stress.



PRINCIPLE #2: LIMIT THE COMMITMENT

The reason your customers engage your Bankers, either in the Branch or Virtually, is typically to address a transactional need. Maybe it's to make a deposit or address some other service need like replacing a lost debit card. The potential reasons are endless. So take a minute and think like the customer. You have ten items on your "To Do" list for the day and this is just one of them. Your goal is to complete this task as quickly as possible. Given this reality, consider this truism.

**THE BIGGER YOUR ASK, THE HIGHER THE LIKELIHOOD
THE CUSTOMER SAYS "NO"**

In real world terms, this simply means that asking a customer to spend 45-60 minutes discussing their financial situation will yield a lot of "NO's". The problem is not the value they perceive from getting financial guidance, it's because the ask is too big. Remember your goal is to create ENGAGEMENT.

When you get a customer engaged you are catalyzing an ongoing process of helping customers get on the path to financial wellness. If your offer requires more than 10-minutes of their time in that moment, the results of your Engagement Strategy will be less than optimal.

PRINCIPLE #3:

BE COLLABORATIVE

To create true customer engagement, your approach must be collaborative. Customers are not interested in hearing a pitch about a new product or engaging in a conversation about what they should do to improve their financial life- “You need to save 6 months of expenses to fund an Emergency Fund...” In fact, giving one-way guidance, regardless of the efficacy of your insights, will likely do more harm than good. (Note: If you have teen-aged children you will totally relate to what we are talking about here!). The problem with these approaches is they fail to make the customer feel heard and truly understood.

In the EngageWell Process, Bankers engage in a conversation that starts with helping customers conduct a self-assessment of their current financial situation to identify potential gaps. Then they work with their Banker to define their Financial Priorities- the issues they want to address to improve their financial situation. This collaboration ensures customers feel that the guidance or solutions offered to help them are truly aligned with their needs.

We believe the concept of “Collaboration” is vital to your mission of creating Customer Engagement.



PRINCIPLE #4:

MAKE IT ACTIONABLE

According to the American Psychological Association, 68% of US households feel “Moderate” to “Significant” stress about their financial lives. So let's examine the drivers of stress- the drivers of stress in any area of our lives. Stress about finances is often the intersection of knowing you should be doing things differently but not knowing specifically how to address these gaps. The result is people simply repress these thoughts and move on with their daily lives. This important fact should be highly informative to any Customer Engagement Strategy. Your process should directly address this simple question, “How can we identify an easy win that will positively impact this customer today?”

The EngageWell Process helps customers define their Financial Priorities in rank order, enabling the Banker to immediately outline how they can solve the customer’s number one issue- the “Easy Win.” And, the EngageWell Process results in Bankers identifying an average of 2.8 opportunities in this one conversation, giving them a clear roadmap for how to follow up,

**THE ENGAGEWELL
PROCESS RESULTS IN
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AN AVERAGE OF 2.8
OPPORTUNITIES IN JUST
ONE CONVERSATION.**

So make sure your approach helps customers experience an easy win in the moment and also provides a framework for future engagements.

PRINCIPLE #5: GET THE RIGHT DATA

Earlier we outlined that one of the defining elements of an engaged customer is one who feels that their bank/credit union truly understands them. Given this fact, an effective Customer Engagement conversation should be grounded in developing a deeper understanding of a customer's situation. But too often we find that banks/credit unions interpret "deeper understanding" as meaning we need to learn more about their finances- savings, credit cards, debts, and so on. While this information is important, focusing on these balance sheet issues alone often results in customers feeling like you are more interested in their "purse" than you are the "person". To avoid this trap you must address one key question: "What specific information do we need to know about our customers in order to demonstrate that we truly understand them?"

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In the EngageWell Process the answer to this question is understanding each customer's Financial Priorities- the problems they want you to help them address. This data is then seamlessly populated to your CRM so these valuable insights can be used to drive highly personalized marketing and lead nurturing campaigns.

Now do the math. If each of your Bankers had just one Engagement Conversation every day for 50 weeks over the next year, how many customers would you have where they told you what is important to them? That is a pretty powerful cache of data!

PRINCIPLE #6:

SET THE RIGHT EXPECTATIONS

I cannot overstate the importance of this point. In our experience, it is uncanny how frontline Leaders and Bankers immediately view a strategy like this as another “Check-the-Box” offer that should be made to every customer they encounter. The result is a robotic and uninspired offer made to customers who view it as another thinly veiled sales tactic that they can easily deflect. To avoid this outcome, you must develop a clear Communication Strategy that addresses two key issues.

INTENT

The first, mission-critical, issue is INTENT. Bankers must emotionally connect to the WHY of your strategy. With EngageWell, the message to the frontline is, *"We are helping customers gain greater control over their financial lives. When we help them, we will find opportunities to deliver more solutions."* Once you define your Intent, reinforce your message consistently for no less than 90-days to ensure your frontline associates are fully aligned.

METRICS OF SUCCESS

The second key element of your communication strategy is defining what defines success. In our experience, organizations that have the greatest success focus on a message that sounds something like this.

"Our goal is for each of our Associates to find 1-2 customers a day who want to gain greater control over their financial life. In every customer interaction ask yourself, 'Is this a customer that needs our help?' If it is, then make the offer."

Developing an effective communication strategy is vital to achieving sustainable impact from your Customer Engagement Strategy. Every organization is unique, and this issue can be nuanced. We would be happy to share our experiences on what has worked and what has not worked if you are interested.