

# Putting loyalty back on track in banking

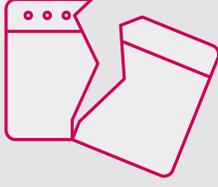


## Introduction

It's a challenging time for banks:



There has been a rise in digitally-driven challengers with a customer-centric approach (e.g. Digibank by DBS, Liv by ENBD and Mashreq Neo) as well as digital wallet providers/tech platforms (e.g. WeChat, Facebook etc.) who are encroaching in their space



Coping with digital transformation and updating legacy systems is tricky - there have been a number of high profile cases involving well known brands in recent months where this has gone wrong



Legislative change around the world with an intention to encourage competition/switching, PSD2 in Europe, for example, and generally low switching costs for customers

Loyalty is now more important than ever. When delivered correctly, loyalty can be a very powerful way to positively influence your customers, and your bottom line. Especially when you consider all the internal stakeholders involved in the loyalty decision making.

## The expert view

The research identified three key trends:

We partnered with leading research and analyst firm Forrester, to interview 635 leading loyalty experts around the world to understand their approach at their organisation, and how as an industry we can do more.



There's a divided approach to loyalty

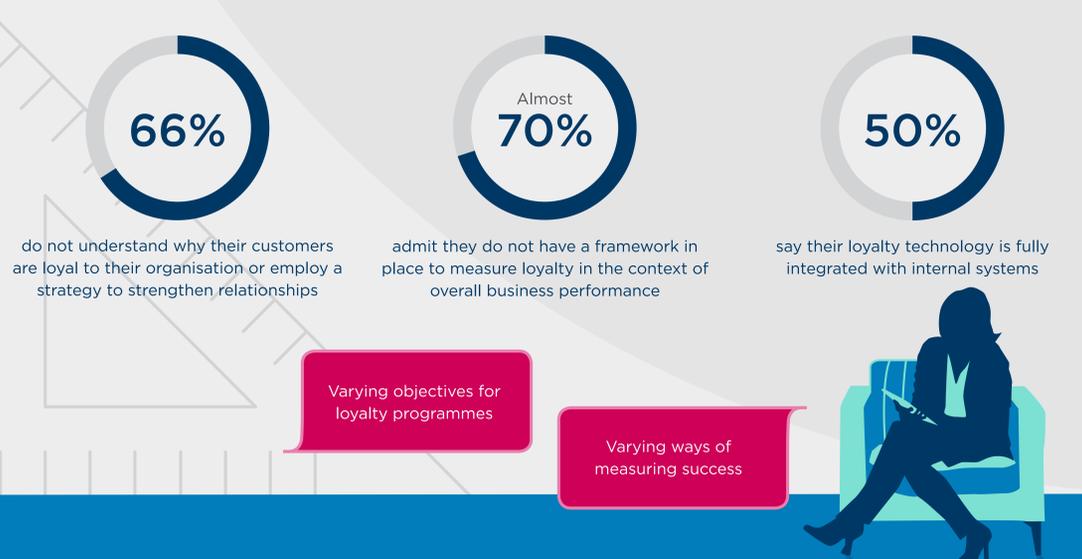
Organisations are not measuring consistently to set up for success

Too many of the traditional players are in the dark about their customers

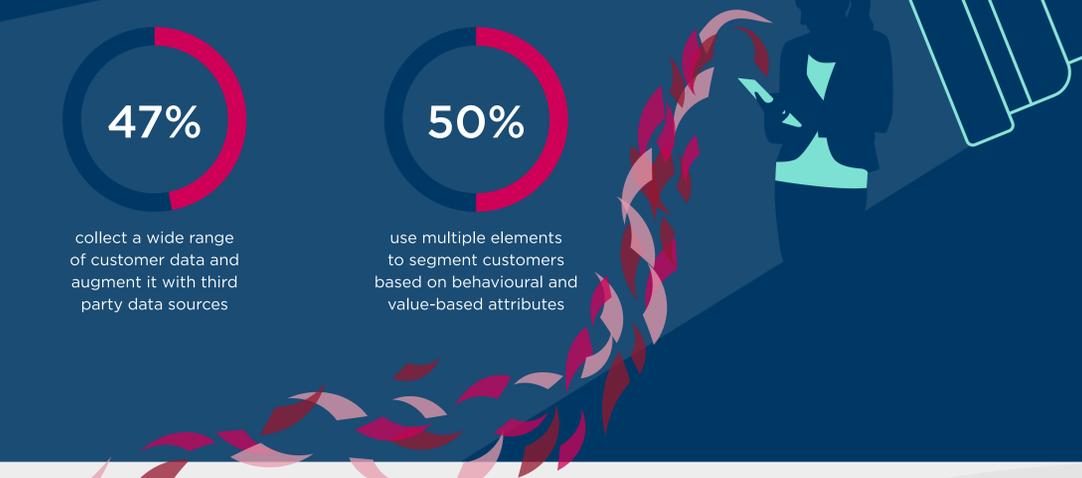
## Divided approach to loyalty in FS



## FS organisations are not measuring consistently



## Many of the traditional leaders in FS are in the dark about their customers



## Top Tips/Best practice

- Know that value is more than price
- Focus on measurement
- Understand your customers
- Be clear on what you're trying to achieve
- Use new technology strategically
- Break down the silos
- Embrace partnerships

It's surprising that so many organisations are taking such a disjointed approach to loyalty in 2018. Programme providers need to put loyalty back on track by becoming better aligned in terms of their objectives, what they measure and what success looks like. They are essentially flying blind in an age when customers have more power, choice and higher expectations than ever before. Customers want to feel recognised by the companies they're loyal to and receive highly relevant and personalised experiences and to be rewarded for their loyalty - one bad experience and they can switch to a competitor.

Steve Grout, Director of Loyalty at Collinson