

Excuse me, Emperor, You Have No Clothes by Charles Wendel

As a user of banks I am increasingly frustrated by the disconnect that exists between the image, the PR they present, and the reality a customer faces. The “digital transformation” that many banks are now pursuing presents the most recent example of something approaching corporate self-delusion. It reminds me of the phrase that a former client would frequently say, “Don’t believe your own BS.”

This weekend I read an interview with one senior banker in which they were quoted, announcing a new experience for clients: “I think about where our customers are growing and the need to meet them on their individual journeys, with personal experiences built on the data and what we know about them...Everyone’s journey is unique, and these journeys are no longer linear.”

My latest journey with this specific bank began last week when I tried to access my credit card account. After entering my info, the website required another code that they emailed (not texted) to me. I gave up after entering several codes several times; each time the code was invalid. I thought it was my error.

With more available time, I took a second journey with the bank this weekend. I decided to call into their customer service number, available for eight hours on Saturday and Sunday. So many others were taking the same journey that wait times were long, over 10 minutes, although I was never told the likely wait time. The bank also did not offer a call back service. So limited customer service hours, no time line for waiting, and no callback...an uncertain journey.

When a person answered, she had me start the process over again, put in my info, wait for a code to be emailed and, then, it did it work. When I asked her if this happened frequently to others, she did not reply. In fact she had no solution. I did. I hung up, went to my phone, and applied for an Apple credit card. It took less than five minutes, and they gave me a larger credit amount than my soon to be prior card offered.

Bankers need to stop fantasizing and focus on the current services they provide. Some basics such as longer customer service hours, telephone cueing capabilities, and better-trained staff do not depend on advanced technology and satisfy most customer needs.

Tyler Brûlé created and edits Monocle magazine, a UK monthly that focuses on design and innovation. This month he wrote about a conversation he had with a consultant focusing on digital. His context was the retail industry, but his comments apply equally to financial services: “‘I think we need to get back to basics. I believe your client should stop worrying about digital versus traditional shops and focus on the quality of people they hire,’ I said. ‘Instead of spending a lot of time with consultants, they need to get back to the art of service and selling.’” That ended the consultant’s interest in speaking with him.

He went on to write that what it required is “Linda,” one of his employees: “Linda is a type of person who understands the art of hospitality, salesmanship and attention to detail...when you do meet a Linda you want to hold on to them for life.” If Linda had been on the phone with me she would have figured out the problem rather than seeming sullen and disinterested. But, it is the bank that likely made this employee sullen and disinterested by how they treat her and by the working environment they provide.

And, who determined that customers want to go a journey with their banks? We have been conducting end customer interviews for a client and asking them about how they view digital banking and the digital services they are being provided. Some slightly paraphrased excerpts:

- “I almost laughed out loud when you asked about banks and their digital offers.”
- “I have to audit my bills because the charges are almost always wrong.”
- “They are terrible at digital, but they have a big balance sheet for lending.”
- “Digital is nice, but, most important, I care about the rate.”

And,

- “What ever happened to customer service.”?

These quotes all indicate levels of dissatisfaction that may create huge impediments to banks pushing for journeys when customers view the current ride as rocky. The last question cries for a response.

Of course, digitalization can provide great value, but only within the context of a larger business strategy that includes a customer service focus. If the analog journey you provide customers is mediocre, what makes you think the digital journey will be any better for them? Too many banks are willing to ignore today’s problems for uncertain and perhaps unwanted solutions tomorrow. They prefer a technology-based answer to doing the hard organizational and people work required. The best banks we know have a customer service culture that would never tolerate the situation I described above.

At the beginning of this newsletter, I mentioned the CEO who said, “Don’t believe your own BS.” He was one of the most intelligent and sophisticated leaders I have ever worked with and someone who knew the numbers driving his organization. But, he too, believed his own BS and his company is now gone.