



## *Online and Mobile Banking – Digital Differentiation Strategies*

With branch visits declining dramatically and digital channels continuing to grow – especially mobile – banks face a convenience conundrum. Today's 24 x 7 digital interactions are far more convenient for the customer, but they eliminate the face-to-face branch interactions that are so well suited to cross/up selling. Banks must place a priority on digital features and experiences that boost engagement, boost confidence in managing money digitally, and place the bank at the top of the list when customers shop for banking products and services.

Relationships are built on trust, which community banks have in abundance. The urgent challenge is to build trust with every online and mobile login, and every financial alert and notification, by delivering financial advice, insights and education. Banks must anticipate the next product that the customer will need, such as a mortgage, credit card, or college savings fund, and be there to seamlessly present it to them when the offer is most relevant. By taking the role as the trusted advisor, the bank can effectively place themselves in line to be the true primary financial institution in their customers' lives – not just the facilitator of their transactions.

Any attempt at digital differentiation must start with the premise that this is a "mobile first" era. Consumer behavior clearly indicates that the mantra must be "start mobile and stay mobile." Yet we must enable customers to choose when they prefer to log online, visit a branch, or phone a call center.

Making the bank's mobile platform as full featured and robust as it can be has to have the highest urgency. For example, mobile deposit was one of the biggest mobile banking advances because the convenience was so obvious to consumers. Enabling customers to turn credit and debit cards on and off from a smartphone or smartwatch is a similar must-have offering, because the real-time fraud control is so empowering. Mobile devices truly have the power to reframe security via features like this, coupled with real-time alerts and notification. These are unparalleled security monitoring capabilities that empower the user and "deputize the consumer."

Online and mobile banking have truly changed the way that consumers interact with financial services firms; in fact the digital channels have literally redefined personal banking. It is your job to engage your customers digitally and build connections and conversations with them. It is your job to know their spending and savings habits so that you can start conversations, make recommendations and deliver value. This puzzle will emphasize streamlined money movements, cash flow monitoring, better bill pay capabilities, account aggregation, secure logins, and other features that empower customers and build trust in your bank. If you do it well, your digital channels can counter the convenience conundrum by positioning your bank as trusted advisor that shows customers step by step how to make their financial lives better every single day.



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