Point of View

You Get Me: The Powerful Link Between Emotions and the Accountholder Experience

Communications to accountholders are often stale and impersonal, simply regarded as a tool for information sharing. But they don't have to be. Communications can be a strategic tool in improving the accountholder experience. By making the impersonal personal, companies create emotionally connected – and more loyal – accountholders. Organizations that excel at making every connection count stand to reap the rewards of an engaged accountholder base.

Humans are social beings. In his book "Social: Why Our Brains Are Wired to Connect," neuroscientist and UCLA professor Matthew Lieberman argues our need to connect with other people is more fundamental than our need for food or shelter. The human brain is wired to be social, to connect on an emotional level.

What does that have to do with business? If financial institutions can connect with accountholders emotionally – go beyond simply sharing information to designing interactions that tap into what an accountholder is thinking and feeling – it resonates with them on a deep level. They intuitively feel like the organization "gets them."

For instance, when accountholders interact with a financial institution, they may have an unspoken desire to feel secure. If the organization uses language and product features that reinforce its ability to keep money and information secure, it could form an emotional connection between the institution and the accountholder.

Having emotionally connected accountholders is powerful. They "buy more of your products and services, visit you more often, exhibit less price sensitivity, pay more attention to your communications, follow your advice, and recommend you more," according to the 2016 Harvard Business Review article, "An Emotional Connection Matters More than Customer Satisfaction." Not surprisingly, those positive actions from accountholders lead to better financial performance.

"The human brain is wired to be social, to connect on an emotional level."

Matthew Lieberman, neuroscientist and UCLA professor

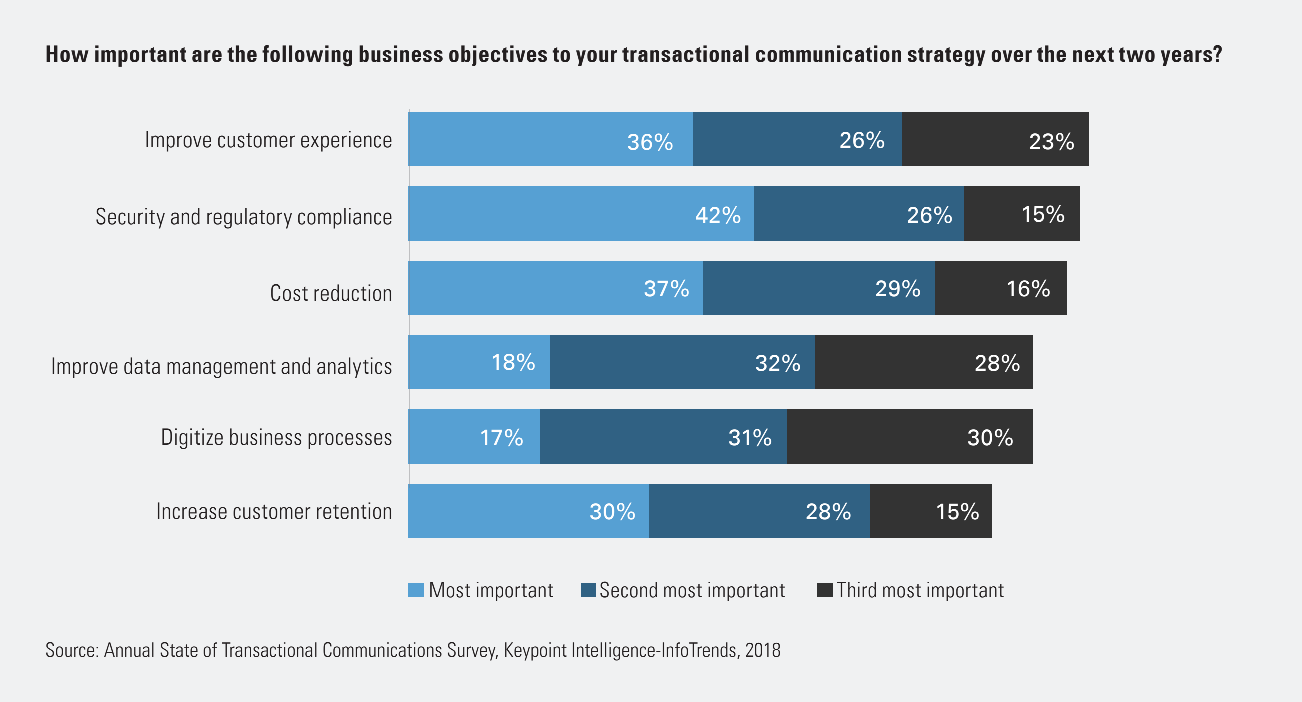
Accountholder Experience Drives Emotional Connection

One of the key drivers of an accountholder's emotional connection to an institution is the experience.

For financial institutions – with products and services largely indistinguishable from one competitor to another – the accountholder experience is one of the few ways to differentiate themselves. According to the 2017 Keypoint Intelligence-InfoTrends "Annual State of Transactional Communications Consumer Survey," 85 percent of companies said "improving customer experience" was one of their top three objectives, edging out both security/regulatory compliance (83 percent) and cost reduction (82 percent).

"An Emotional Connection Matters More than Customer Satisfaction."

Harvard Business Review



Three areas that can drive a superior customer experience are:

- **Being easy to do business with:** Whether opening an account, paying bills online or checking an account balance via a smartphone, accountholders want everything easily accessible
- **Being consistent across channels:** We live in a multichannel environment. Accountholders can, and do, interact with institutions in a variety of ways. That makes the task of managing consistency across channels more complex than ever. The institutions that master consistency throughout the engagement life cycle – for digital and print – stand to reap the benefits
- **Delivering relevant and personalized communications:** Personalization is the new normal. From their coffee order to their car purchase, accountholders are accustomed to having it their way. They expect the same level of engagement from their financial services providers

Transactional Communications Impact the Accountholder Experience

Unfortunately, many interactions haven't been designed using an emotional connection strategy. The negative consequences of those impersonal, auto-generated communications can be substantial. More than 63 percent of people switch providers due to a bad experience, according to the Keypoint Intelligence-InfoTrends research.

On the flip side, when applied correctly, personalized messages and products can pay off in a big way. For example, a study by a major bank found that millennials were deeply concerned about the environment. The bank crafted messaging and designed a credit card with product attributes that tapped into that emotion. When it introduced the credit card, "use among the segment increased by 70 percent and new account growth rose by 40 percent," according to the Harvard Business Review article, "The New Science of Customer Emotions."

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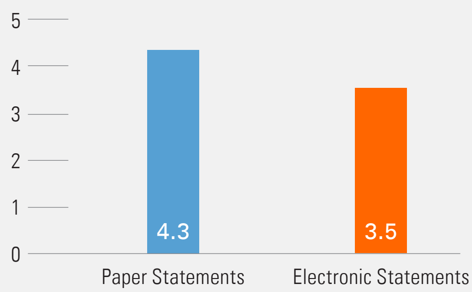

Source: Expectations & Experiences: Household Finances, Fiserv, 2017

Part of any communication strategy should be to re-examine transactional documents such as statements, bills and notices.

Accountholders spend three to four minutes absorbing the information on their monthly statements, according to the 2017 Expectations & Experiences: Household Finances consumer trends survey from Fiserv. Given that the average attention span of an individual is eight seconds, three to four minutes is an impressive amount of time to spend on a single document.

You have accountholders' attention. Those documents are an often-overlooked opportunity to positively engage accountholders with easy-to-read content, customized messaging, color formats and brand consistency.

In today's fast-moving world, people want to engage in personalized experiences that anticipate their financial needs rather than be inundated with what they see as junk mail. Transactional documents are a golden opportunity to improve experiences and create emotionally connected accountholders, deepening their trust in their provider. Financial institutions that are successful at multichannel communications stand to reap the benefits of more engaged accountholders and drive greater distinction from competitors.

About the Author

Chris Chronis, Director of Product Marketing, Fiserv. Chronis is responsible for product marketing and consumer research functions for Output Solutions. Chronis joined the company in 2009. He has spent more than 30 years in the financial services industry, including 20 in the customer communications management segment focusing on marketing, competitive intelligence, strategic planning and product development.

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