

# Defining the Market Space

Leveraging Opportunities to Expand  
Revenue Sources

The world today....

The imperative for financial institutions globally is simple: grow or die

The survivors will be those that are most efficient and effective in responding to this challenge

Studies have shown that financial institutions are better at rhetoric than practice!

Major challenge remains the need to realign culture from one focussed on short-term profit to customer service

# Building a Customer-centric organisation: what works best

## Five key elements of customer-centric growth identified:

- Abandon product silos
- Understand the customer
- Identify and appoint customer champions
- Empower customer facing staff
- Fashion and follow appropriate customer metrics

## Abandon product silos

Existing customers are the main potential source of growth

- New products and services
- Referrals

Sharing of customer data across the organisation is a major impediment

- Technology challenges
- Cultural challenges

## Understand the customer

Change in customer circumstances is one of the major reason for customer shift from one organisation to the other

Our response must be to anticipate and proactively address shifting customer needs:

Balanced view of current and future needs

- Use as basis for developing and introducing new products and services
- Enables cross-selling and up-selling products and services

## Identify and appoint customer champion

### Disconnect between customer service objectives and practice

- Responsibilities dispersed across organisation
- Multiple and often inconsistent view of customers and their needs
- Competition with other functional responsibilities, leading to inadequate focus on quality of customer services

### Lack of appropriate policies and procedures

## Empower customer facing staff

Process efficiency and product performance are standard expectations, not distinguishing features

Need to move beyond *meeting* to *exceeding* customer expectations

What customers value:

- Quality of interactions at critical times
  - Response to complaints
  - Response to urgent queries

Beyond a pretty face...

- Reduce hand-offs - do it right the first time

## Fashion and follow appropriate customer metrics

### Current practice focuses on financial metrics

- Focus at individual customer level, ignores importance of discrete customer groups
- Ignores potential upward social mobility

Financial metrics are also major inputs into developing goals and performance benchmarks at corporate, department, unit, and individual levels

Need to employ balance approach reflecting financial and non-financial metrics