

# 7 Critical Customer Journeys Every Financial Institution Should Measure & Optimize



# Contents

INTRODUCTION.....	3
WHAT IS CUSTOMER JOURNEY MANAGEMENT?.....	4
7 CRITICAL CUSTOMER JOURNEYS.....	10
<b>01</b>   LEARN, SHOP & BUY.....	12
<b>02</b>   SETUP.....	14
<b>03</b>   PAY.....	16
<b>04</b>   TRANSACT.....	18
<b>05</b>   SUPPORT.....	20
<b>06</b>   CHANGE.....	22
<b>07</b>   LEAVE.....	24
SUMMARY.....	26





# Introduction

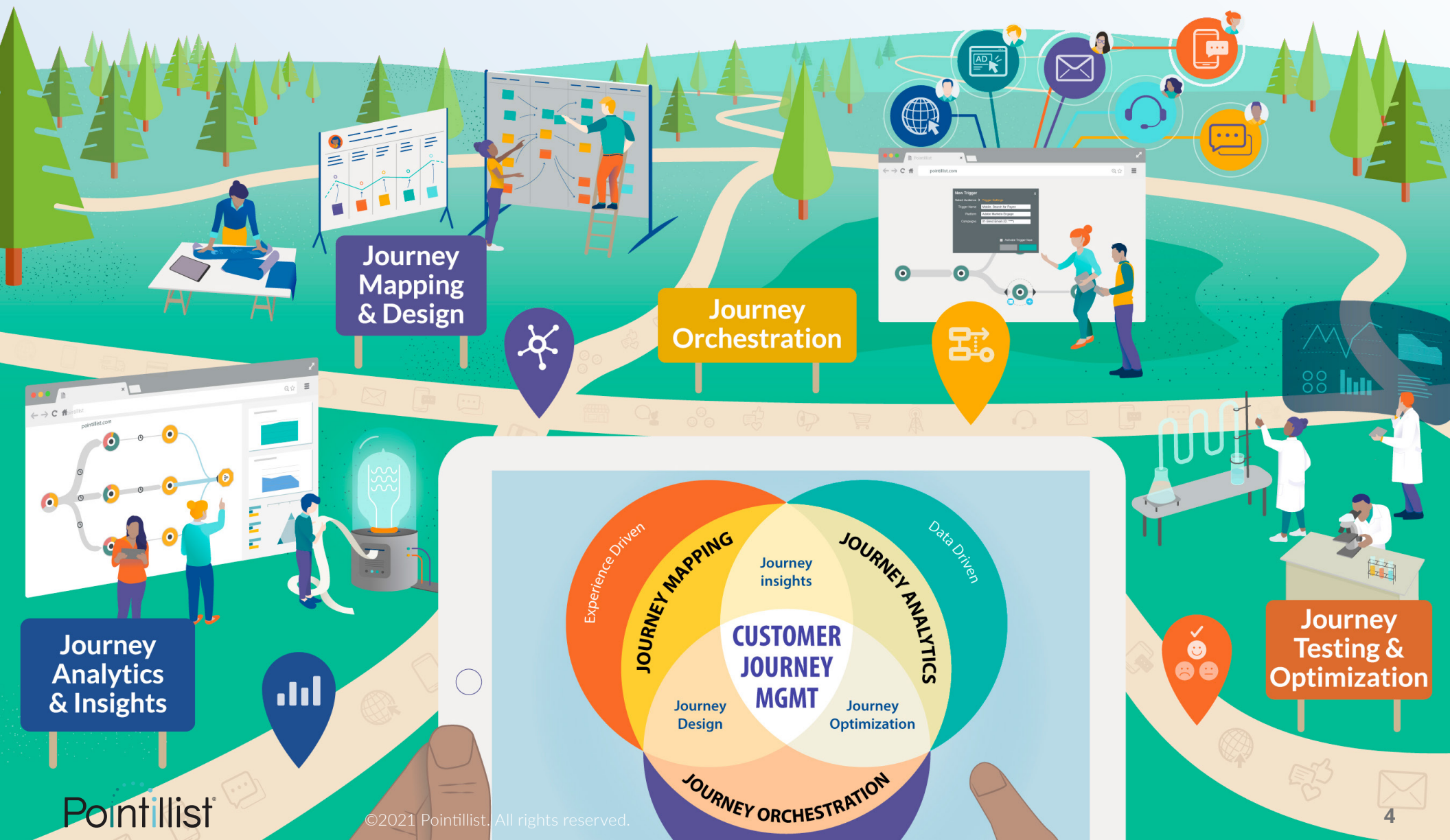
Customer experience is the new battleground and every financial institution is searching for the elusive equation that results in exceptional experiences for customers and profitability for their business. Since most banks track individual interactions at isolated touchpoints, they are unable to make the connection between a single bad interaction and overall satisfaction.

Only by understanding your customer's journey from her perspective can you begin to meaningfully improve customer experience. Customer journey management provides a framework that enables you to measure, monitor and optimize customer experience, as well as align your entire organization with your customers' goals.

The path to operationalizing customer journey management across an enterprise is a journey in itself. Many firms struggle to define and measure their customer journeys, which is a crucial first step on the way towards orchestrating better customer experiences.

This eBook examines seven high-priority customer journeys every financial institution needs to measure to improve customer experiences and business outcomes.

# What is Customer Journey Management?

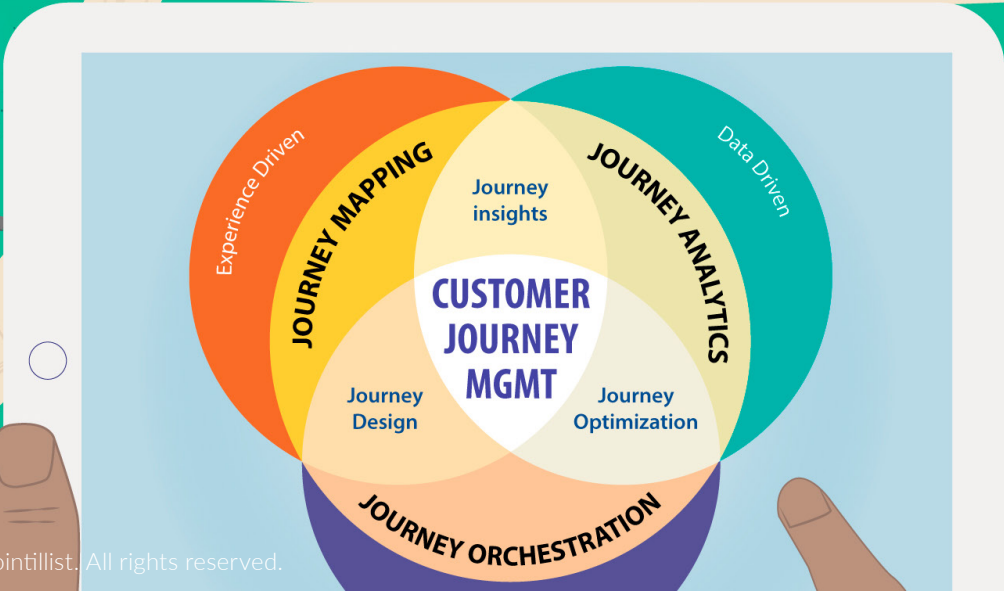


Journey Mapping & Design

Journey Orchestration

Journey Analytics & Insights

Journey Testing & Optimization



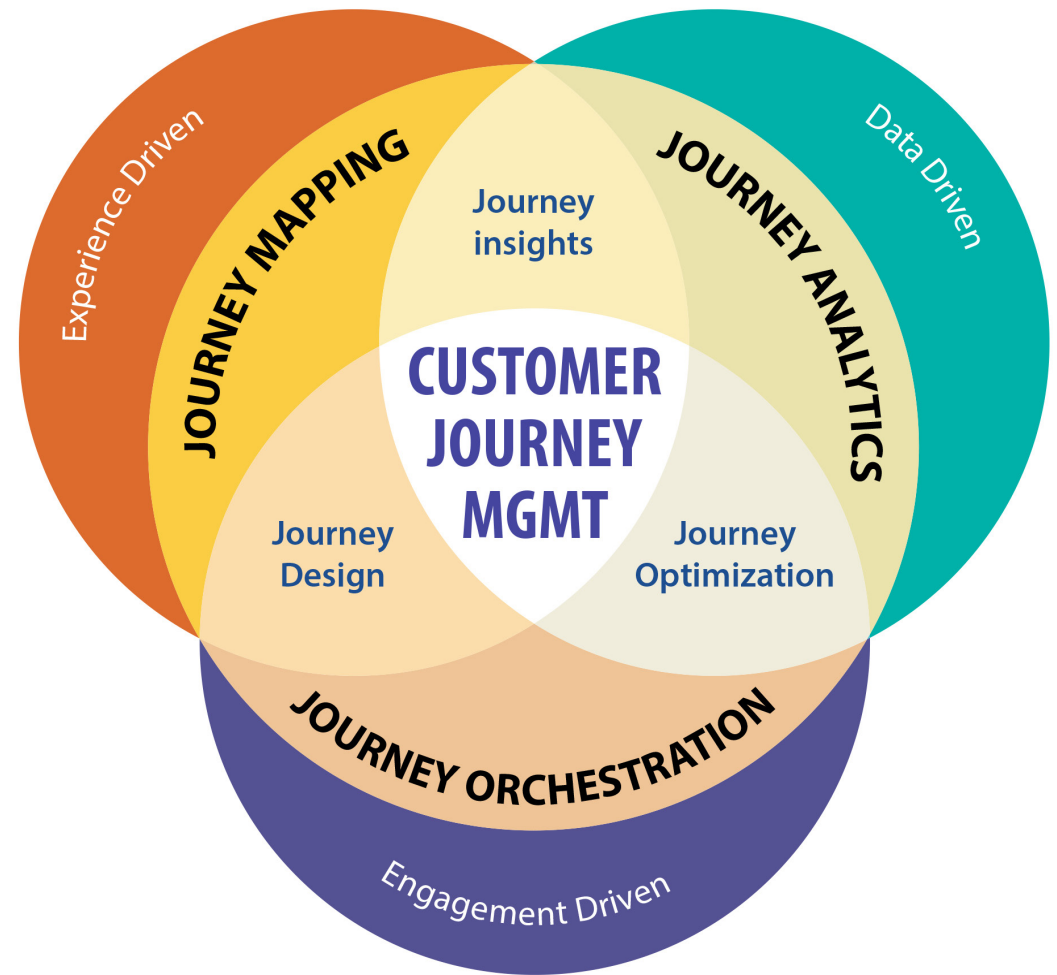
# A Proven Approach to Managing, Measuring and Improving CX

Customer journey management is a proven approach to delivering the seamless experiences your clients demand. Rather than optimizing single interactions at each touchpoint, customer journey management focuses on the journeys customers take as they seek to achieve a goal. It's a shift in mindset that enables you to measure, monitor and optimize CX, as well as align your entire organization with your customers' goals.

Customer journey management is the process by which customer-centric institutions:

- Identify the journeys that matter based on customer goals and business outcomes
- Measure and monitor the in-journey signals that predict journey success
- Orchestrate corrective actions when needed
- Track journey success using journey success scores, and
- Prioritize underperforming journeys for investment

Leading banks, wealth management firms and mortgage lenders around the world are using customer journey management to improve customer experience, delivering value to both their clients and the organization.




# Identify the Journeys that Matter to Your Clients

A customer journey is the sequence of steps a client takes to achieve a goal that delivers value to themselves and (hopefully) the business.

Customer journeys should not be defined by the length of time or even the channels involved. They vary depending on the customer's goal.

Common examples of journeys include upgrading to a premium credit card, renewing a Certificate of Deposit or resolving a money transfer issue.

An illustration of a hiker in a red jacket and black pants, seen from behind, looking towards a mountain peak. A dashed yellow line with red circular markers traces a path up the mountain, ending at a yellow flag on the summit. The background features stylized blue and green mountains and a light blue sky with white clouds.

“The customer journey is the series of interactions between a customer and a company that occur as the customer pursues a specific goal.”

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# Customer Journey Data Lays the Foundation

Customer journey management starts with the creation of a centralized source of customer time-series data.

Integrated **customer journey data** enables real-time analytics, modeling and orchestration based on the behaviors clients exhibit across channels and over time. It eliminates the need for analysts to perform complex aggregations or transformations every time they need to answer a new question.

Adopting this approach provides all parts of the business with the real-time data they need to help each customer reach their goal efficiently.

“One of the challenges I face is piecing together data that’s in hundreds of different places across the organization. The consumer [facing side of the business] and marketing teams must be aligned and understand the extent of the data we collectively have.”

SVP and Head of Marketing Technology  
Truist Financial



# Journey Measurement Connects Customer Behavior to Business Outcomes

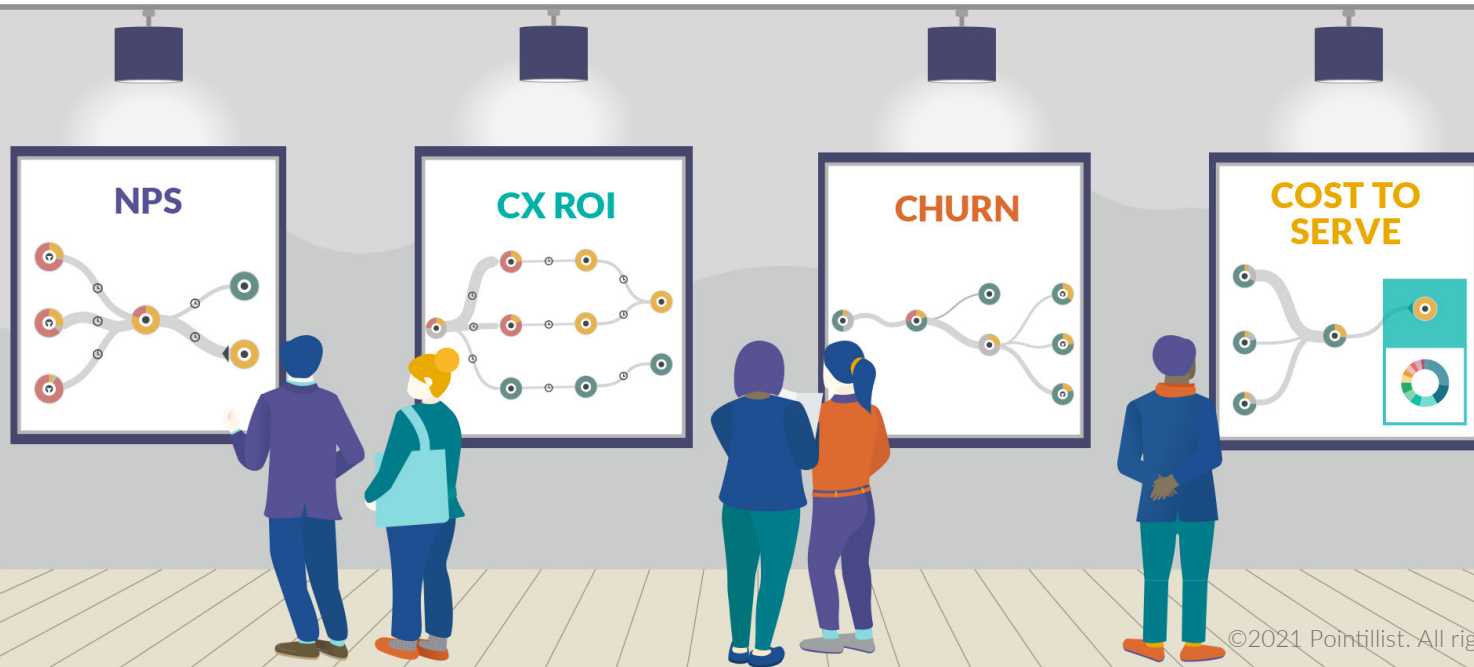
To improve customer experience, CX teams need to measure the performance of each journey and the in-journey signals that predict journey success. There are a wide variety of in-journey metrics—like conversion, NPS®, CSAT, inaction, elapsed time and more—that should be evaluated to see which captures the key moments that predict success for each journey.

Journey success is captured through journey scores, which are based on end-of-journey metrics, such as satisfaction, completion rates or effort scores.

This allows you to:

- Monitor journey performance
- Identify and prioritize underperforming journeys for improvement
- Quantify the impact of customer behavior on metrics and KPIs

By measuring CX using a journey-based approach, you'll establish a direct link between customer behavior and hard metrics like share of wallet, profitability, churn and customer lifetime value. This way, you can assess the success of each customer journey using the metrics that best capture the value your clients expect and KPIs your business is measured by.



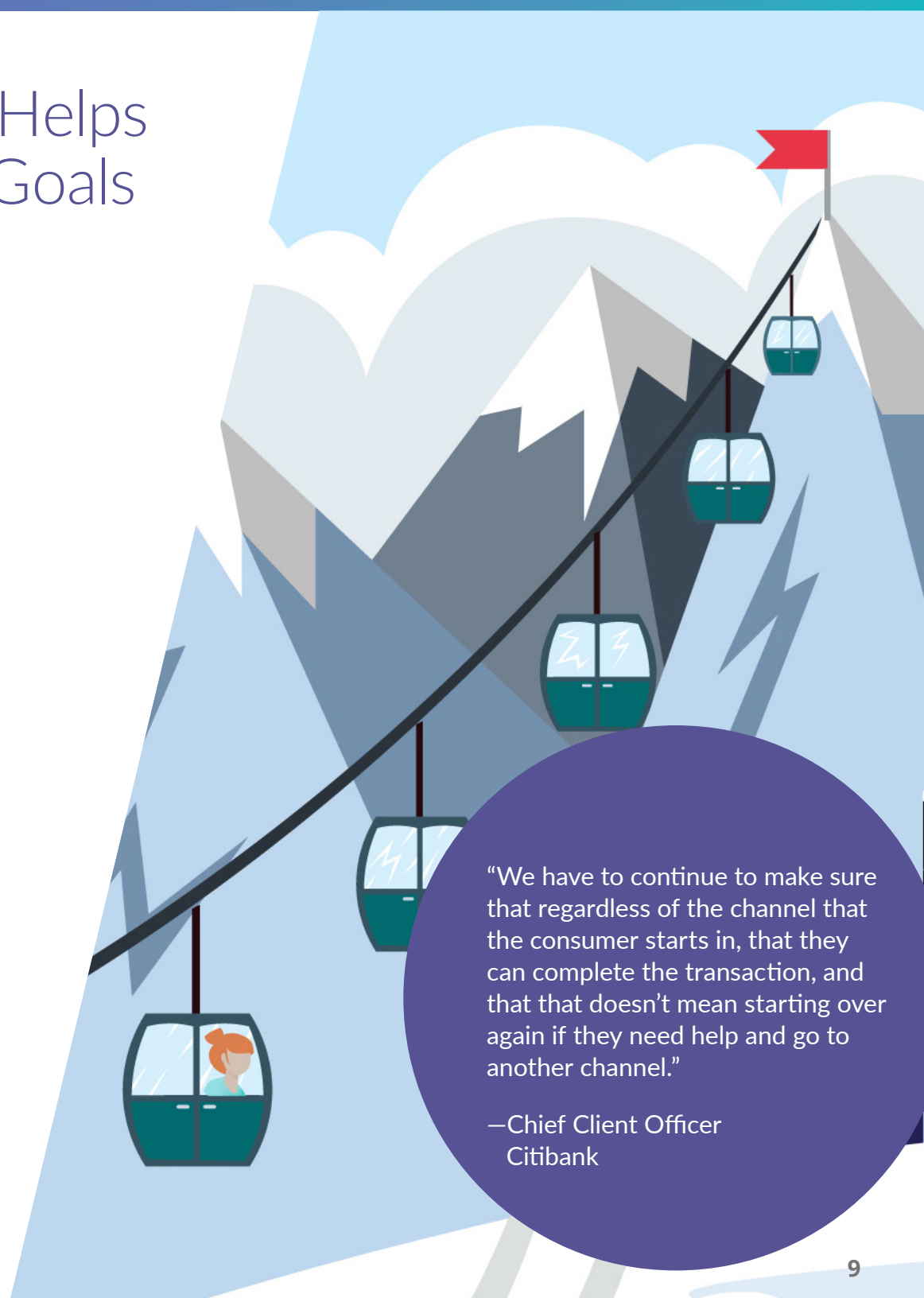


# Journey Optimization Helps Clients Achieve Their Goals Efficiently

Traditionally, firms focus on improving interactions within specific touchpoints. But this neglects the actual journey your clients take across channels and over time.

To improve experiences, you need to understand each customer's historical experience and current goals. Journey optimization is a closed loop approach that uses AI and machine learning to improve the experience of each customer, so they can achieve their goal more efficiently.

Combining journey data and journey measurement enables CX and marketing teams to prioritize actions that have the highest potential impact on both your business goals and your clients' experiences.



“We have to continue to make sure that regardless of the channel that the consumer starts in, that they can complete the transaction, and that that doesn't mean starting over again if they need help and go to another channel.”

—Chief Client Officer  
Citibank

# 7 Critical Customer Journeys Every Financial Institution Should Measure and Optimize



# Glossary

The remainder of this eBook will review seven types of journeys that are important for most institutions and provide an example for each from the financial services industry. Every journey, including the milestones, signals and success metrics, will vary

depending on your clients and your firm. The following chapters are intended to provide you with a starting point for defining the journeys that matter for your clients and your organization.

First, let's define each of the components you'll find within each journey.

## Goals



### Customer Goal:

The outcome your client wants to achieve



### Business Goal:

The outcome your business wants to achieve

## Journey Milestones



Key steps clients take on their path to achieve their goal.

## In-journey Signals

Indicators along the journey that predict whether or not your clients are likely to achieve their goal.

## Success Metrics

Metrics that capture the value your clients want to get out of the journey and the company goals associated with the journey, allowing you to quantify the impact of customer behavior on business outcomes.

# 1. Learn, Shop & Buy Journeys

# 1

Your client's journey begins long before they actually become a client.

As consumers learn about products and shop for loans, credit cards and investment accounts, they are inundated with information about similar products and claims of better service and lower prices. A recent study found that 74% of people are likely to switch brands if they find the purchasing process too difficult.

To meet internal goals like net-new customers and cost per acquisition, banks must deliver effortless acquisition journeys that stand up to the best consumer buying experiences.



# Shop for a Mortgage



Customer's expectations for a fast, transparent, convenient and personalized mortgage purchasing experience have been raised by digital experiences outside banking. Many traditional banks are encumbered by a complex web of legacy systems and siloed data, making it challenging to measure and improve cross-channel acquisition journeys.

As a result, online mortgage players like Rocket Mortgage and Quicken Loans are on the rise and the importance of a frictionless mortgage shopping experience has never been higher.

## Goals



### Customer Goal:

Get mortgage approval



### Business Goal:

Acquire new clients

## Journey Milestones



Browse website



Use an affordability calculator



Complete the pre-qualification process



Submit application



Approve application



## In-journey Signals

- Percentage of customers that switch channels before completing a milestone
- Number of repeated steps
- Number of consumers using affordability calculator
- Percentage of consumers who abandon forms



## Success Metrics

- Application submission rate
- Number of mortgages sold
- Cost to serve
- Customer satisfaction (CSAT)
- Net Promoter Score (NPS)



# Activate a New Credit Card



Cardholders want to be able to use their card as quickly as possible. They expect card activation to be a simple and low-effort process. For issuers, a smooth onboarding journey is the difference between satisfied, engaged clients and cardholders who are likely to churn.

According to The Financial Brand, “if a new account opener doesn’t engage and start using their account in the first 90 days, they probably never will.”

## Goals



### Customer Goal:

Credit card is ready for use



### Business Goal:

Become top of wallet

## Journey Milestones



Receive new card



Confirm identity



Confirm card verification value



Activation complete



## In-journey Signals

- Number of clients who call to activate card
- Number of customers who activate card online
- Time to activation



## Success Metrics

- Share of wallet
- Assets Under Management (AUM)
- Net Promoter Score (NPS)
- Digital registration percentage (App/Web)
- Enrollment percentage (Paperless, Alerts)
- Average Time to First Spend

# 3. Pay Journeys

Making a payment each month, or setting up automatic payments, should not be a painful process.

Unpaid bills or late payments can seriously impact your institution's cash flow, but difficult payment experiences can negatively affect your customers, too.

Encountering problems frequently can put your customer's satisfaction and loyalty at risk. Delivering a seamless, low-effort payment experience is essential.

# 3





# Enroll in Autopay



Enrolling in autopay gives your clients peace of mind. Their goal is to remove the hassle of manually paying a bill each month, so the journey itself should make that quick and easy. Yet, most banks pass information through a series of legacy systems that contribute to delays and inconvenience.

The need to optimize journeys like enrolling in autopay has never been more important for traditional institutions. Today, banks must provide a billing experience that rivals those of new competitors, where these goals can often be accomplished in a few simple steps using any device.

## Goals



### Customer Goal:

Enroll in automatic bill payment



### Business Goal:

Retain clients, increase client trust, increase share of wallet

## Journey Milestones



Sign into web portal or mobile app



Agree to terms and conditions



Add first payee



Create first auto payment



## In-journey Signals

- Number of clients who begin enrollment via self-service and switch to agent-assisted channels
- Number of repeated steps



## Success Metrics

- Number of transactions
- Percentage of unassisted transactions
- Customer Effort Score (CES)
- Digital containment rate

# 4. Transact Journeys

When your customers use your product or service, they get to enjoy the value you promised during the shop and buy journey.

Transact journeys encompass many different customer goals, such as purchasing gas and groceries or transferring funds from one account to another or to their peers.

Engaging with your organization and using your product or service heavily affects metrics like engagement and usage, satisfaction and ultimately, retention.

Regardless of your client's goal or the path they take to achieve it, effective measurement of your key Transact journeys is important for improving CX and achieving desired business outcomes.



# Transfer Money



Money transfer operators like PayPal, Zelle and Venmo are gaining market share, as they often provide lower transfer costs than banks. In 2020, only 29% of consumers used their bank to transfer money to peers, as opposed to 44% who used a money transfer service.

Banks need to improve the money transfer experience so consumers don't rely on alternatives. That starts with measuring the journey, revealing friction points and optimizing experiences.

## Goals



### Customer Goal:

Transfer is complete



### Business Goal:

Increase client satisfaction and share of wallet

## Journey Milestones



Open mobile app or log into website



Initiate a transfer



Select account from which to draw funds



Enter amount



Confirm transfer



## In-journey Signals

- Number of clients who click 'transfer money' in app or online
- Number of clients who call to complete a transfer
- Number of external accounts added to client accounts



## Success Metrics

- Number of transfers per month
- Percentage of unassisted transactions
- Digital containment rate
- Customer Satisfaction (CSAT)
- Cost to serve

# 5. Support (Customer Service) Journeys

# 5

While encountering issues is frustrating, the way you help your clients resolve their problems has a significant impact on their satisfaction. Great customer service is meaningful to customers.

This is a critical moment of truth; service journeys play a major role in your client's perception of your brand, their satisfaction and their decision to churn or remain a customer.





# Dispute a Credit Card Charge

According to Bankrate, 25% of all card complaints involve items that consumers want removed from their statements. Disputing a charge should be a fairly simple goal to accomplish, but the journey can vary based on the customer's situation, the merchant in question and your policies as a card issuer.

Delivering a transparent, low-effort experience is a must for institutions. Resolving disputes efficiently has a major impact on client satisfaction, not to mention service costs and retention rates.

## Goals



### Customer Goal:

Charge is removed from statement



### Business Goal:

Minimize effort and cost, increase client satisfaction

## Journey Milestones



Call contact center to make request or sign into web portal or app



Search for transaction



Open an inquiry



Confirm dispute is resolved



## In-journey Signals

- Percentage of calls that escalate to a manager
- Repeat call rate
- Percentage of customers that initiate dispute digitally
- Percentage of customers notified via automation



## Success Metrics

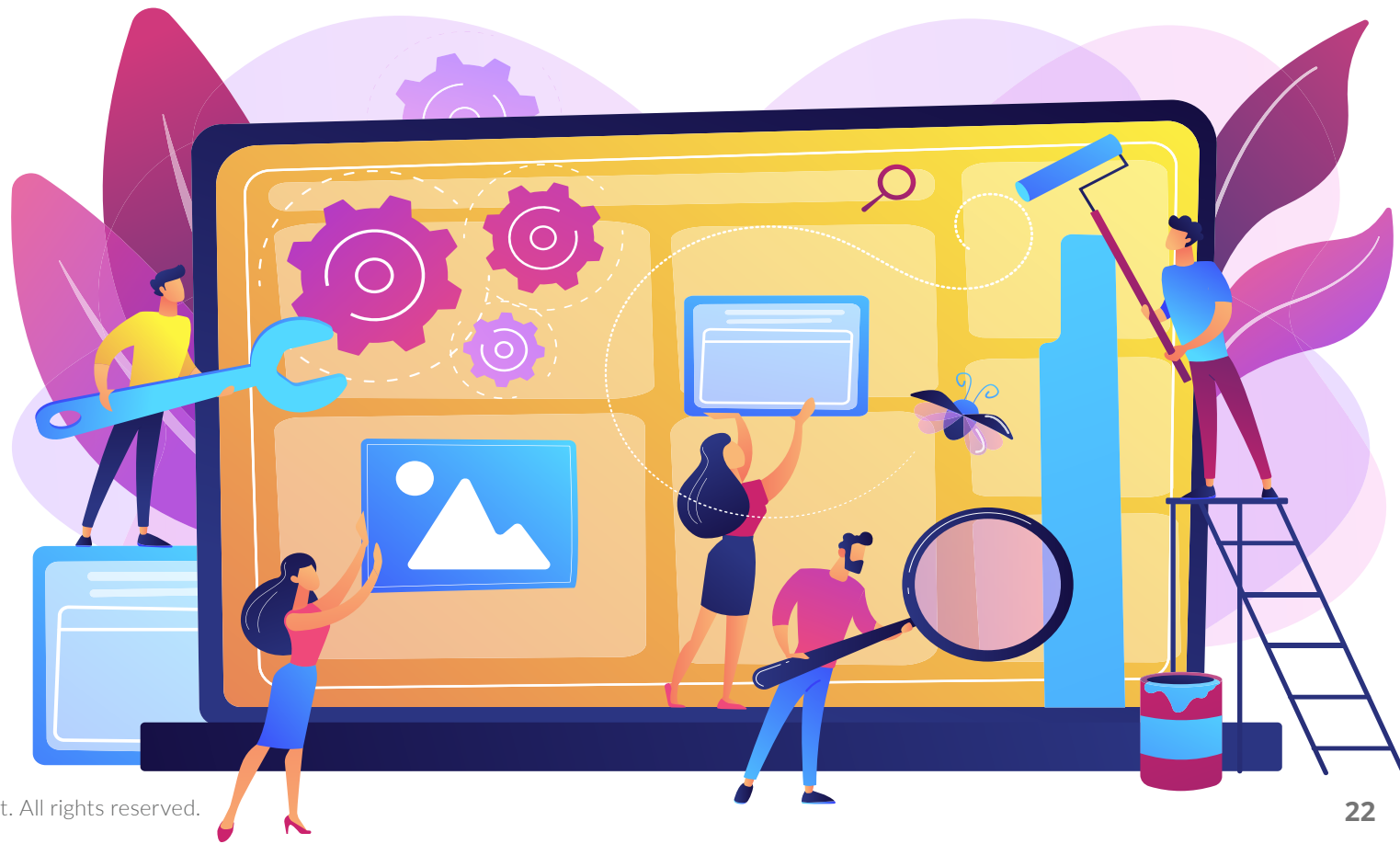
- First Contact Resolution (FCR)
- Net Promoter Score (NPS)
- Cost to serve
- Average resolution time
- Ratio of Positives to False Positives
- Average time to next spend
- Card replacement rate

# 6. Change Journeys

Change journeys can include reallocating asset allocations, altering direct deposit accounts, changing reward selections and more. These journeys can be spurred by a myriad of lifestyle changes, such as getting married, having a child or retiring.

When a client changes their product or service, it's an opportunity for your firm to provide additional value and prove that you understand them. And often it's an opportunity to generate more revenue as well.

# 6



# Rebalance Portfolio



Whether they're reacting to market volatility or experiencing a life change, altering their asset allocation should be easy for clients to accomplish. Wealth management firms must differentiate these particular journeys based on experience, especially as major players reduce their commissions to zero.

Institutions can maximize their value by optimizing ease and efficiency of this journey, as well as addressing the specific goals and needs of each individual client.

## Goals



### Customer Goal:

Portfolio is rebalanced



### Business Goal:

Increase digital self-service, lower client effort

## Journey Milestones



Receive alert that balances are slipping below desired allocation



Sign into web portal or mobile app



Navigate to portfolio



Specify new allocation per fund



Confirm changes



## In-journey Signals

- Percentage of clients who reallocate assets via self-service
- Number of clients who review asset allocation options
- Number of rebalanced accounts
- Number of times a client rebalanced
- Number of accounts that selected Rebalance Notifications
- Average rate of viewing balances



## Success Metrics

- Digital containment rate
- Net Promoter Score (NPS)
- Lifetime value
- Assets Under Management (AUM)

# 7. Leave (Retention) Journeys

In 2020, churn rates hovered around 25% for financial services institutions. Even a small decrease in churn can save your business valuable revenue.

Identifying the journeys that drive clients to close their accounts will inform your efforts to retain existing customers exhibiting signals of soft churn.

But when your customers are determined to leave, it behooves you to make their journey as easy as possible. Your customers will remember the effort required and firms that make the journey easy are more likely to win customers back in the future.







# Reinvest Maturing Certificate of Deposit

As a certificate of deposit matures, depositors need to decide whether to roll over the funds into a new CD, transfer funds to a checking, savings or brokerage account, or withdraw their funds, perhaps to purchase a car or a new home.

To retain both clients and their assets, the key is to create frictionless digital experiences that improve financial health, anticipate future needs and exceed expectations by understanding each client's current financial goals and engage within the context of the journeys they take to achieve them.

## Goals



### Customer Goal:

Withdraw or reinvest money



### Business Goal:

Retain assets under management

## Journey Milestones



Alert client that CD is maturing



Learn about investment options



Select new investment or withdraw funds



Complete investment or withdrawal



## In-journey Signals

- Number of clients comparing types of CDs
- Number of clients comparing terms and interest rates
- Number of withdrawals from existing CD within grace period
- Number of calls related to renewal



## Success Metrics

- Customer Effort Score (CES)
- Assets Under Management (AUM)
- Retention rate
- Renewal rate

# Summary

Every firm strives to deliver differentiated, exceptional customer experiences, but many struggle to put the pieces together to actually achieve that goal.

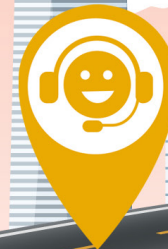
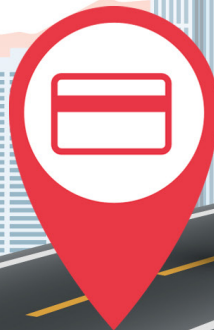
Data and analytics are a critical piece of the puzzle. But the reality is that today, companies have more data than insights and more insights than actions.

Adopting a customer journey management approach brings the puzzle pieces of data management, journey measurement and journey optimization together.

Prioritizing your clients' goals and the journeys they take to achieve them enables you to:

- Monitor in-journey signals
- Track performance and journey success
- Prioritize journeys for improvement
- Orchestrate corrective actions

Powered by this approach, you can elevate your CX measurement program to the next level, improving both client experiences and business-critical outcomes.





## Improve Customer Experience from Data to Insights to Action

The Pointillist Customer Journey Management platform enables CX, analytics and marketing teams to improve customer experience and achieve their desired business goals.

Customer-centric enterprises rely on Pointillist to:

- Aggregate customer data from any source
- Advance from touchpoint analysis to Customer Journey Management
- Analyze journey-based metrics and KPIs
- Identify the root causes of underperforming journeys using AI
- Orchestrate actions that maximize journey success



**REQUEST A DEMO**

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