

CX Transformation During and Post-COVID

The 2020 coronavirus pandemic has accelerated—and perhaps even shifted—financial institutions’ (FIs) banking transformation and self-service strategy journeys. Earlier this year, Diebold Nixdorf hosted a webinar with guests from Forrester Research about the major shifts that have fundamentally altered the economics of the financial and retail industries. As operations begin to stabilize and we transition into what many are calling our “new normal,” we’re bringing these experts back to share their current perspective on the critical role self-service and digital channels can play in communication and relationship management.



Brendan Witcher
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Consumers have adopted digital into their lives ubiquitously, which in turn provides companies with significantly better insights about the makeup of each customer through these digital touchpoints. In a world where data is the new competitive weapon for winning, serving and retaining customers, companies looking to survive the fight will evolve into organizations designed around data mastery.

By far the most successful delivery “channel” by way of usage and application has been omnichannel paths to purchase (BOPIS, Ship-From-Store, Ship-To-Store, Curbside Pickup, etc.), but the pandemic simply expedited the rate these programs were being used by retailers and adopted by consumers. The real trick now for long-term financial success is to optimize these programs to provide excellent customer experiences and maximize operational profitability.

In a word, poorly; however, many leading retailers are taking this as an opportunity to, as Kohl’s CEO Michelle Gass recently stated, “reset the retail model.” One such way to do this is to utilize technology within the store—like AI/computer vision—and technology in associates’ hands—like mobile POS/clienteling—to digitize traffic management instead of attempting low-tech solutions that are proving to be ineffective.

Contactless certainly has the attention of your average retailer right now, with many of them even revisiting the technology they have already put in place to enable such experiences. The somewhat under-appreciated transaction type that is showing some green shoots of promise is automated checkout, such as Walmart’s offering through a customer’s mobile device and the new W+ Loyalty Program, and Amazon expanding Go tech into new store models, as well as offering it as a white label solution to other retailers.

Going forward for retailers, “impact” must occur in two ways: aligning the conditions that a consumer wants to buy with the ability to create those conditions in an automated fashion, and removing digital debris that is causing operational confusions and leads to poor customer experiences. The impact is great in these two areas because of how broad reaching their applications are, and the speed to accomplish these is facilitated by management simply recognizing that they likely already have the tools they need to execute on them.

THE TAKEAWAY:

Especially during times of rapidly shifting dynamics, creating a sustainable and frictionless consumer journey is critical for customer retention. Consumers are returning to the brands they trust. Increasingly, those brands are successful because they’ve created a customer-centric, adaptable plan that can evolve over time as the landscape changes. Create your plan. It’s an important way to keep internal audiences aligned, operations efficient and customers confident in your organization.

For more information, please listen to our on-demand webinars:

- [How Financial Institutions Are Helping Customers During the COVID-19 Pandemic](#), featuring Peter Wannemacher
- [Now, Near, Next - Navigating Retail Post-Pandemic](#), featuring Brendan Witcher



WHAT TRANSFORMATION ACCELERATORS HAVE RESULTED FROM THE PANDEMIC?

WHAT DOES A SUCCESSFUL DELIVERY CHANNEL LOOK LIKE DURING AND POST-PANDEMIC?

HOW ARE FIs AND RETAILERS MANAGING TRAFFIC FLOW WITHIN BRICK-AND-MORTAR LOCATIONS TO ACCOUNT FOR APPROPRIATE SOCIAL DISTANCING?

ARE YOU SEEING A CHANGE IN THE MIX OF TRANSACTIONS?

WHAT TACTICS CAN MAKE THE BIGGEST IMPACT, QUICKLY?



Peter Wannemacher
Principal Analyst
Forrester Research

The biggest accelerators in banking right now are customers’ shifted expectations and behaviors after COVID-19. The effect is mostly a matter of degrees—the extent to which people are using digital banking—than a fundamental shift in the role banking plays in people’s lives, but it is a major acceleration.

The most successful delivery “channel” has been digital, hands down (although that term really encompasses multiple touchpoints). Self-service capabilities – card management within a mobile banking app, for example – have proven incredibly valuable to both customers and banks during the pandemic. The problem is that this success has been uneven across banks: For some, the crisis has shown how effective digital can be as a delivery channel; but for other banks the crisis has put their digital deficiencies in sharp relief.

We’ve heard about a mix of efforts including appointment scheduling tools, signage and updated rules (e.g., maximum number of people allowed, appointment only, etc.). In addition, we’re seeing more banks look at employee-facing tools like apps and alerts that help branch employees stay updated, manage their schedules and get info.

Yes, a big shift away from cash and card-present transactions and toward digital and contactless payments. Some of this shift is due to the immediate impact of COVID-19 itself, government lockdowns and other efforts to combat the pandemic, but there’s growing evidence that we’ve hit a true inflection point in the shift to digital transactions.

In terms of immediate impact, the answer is focused upgrades to digital services like alerts and account management tools. In the longer term, the biggest impact will come from data infrastructure and data integration efforts, alongside a more dynamic approach to strategy and roadmapping (which, yes, includes embracing frameworks like design thinking and Agile development).