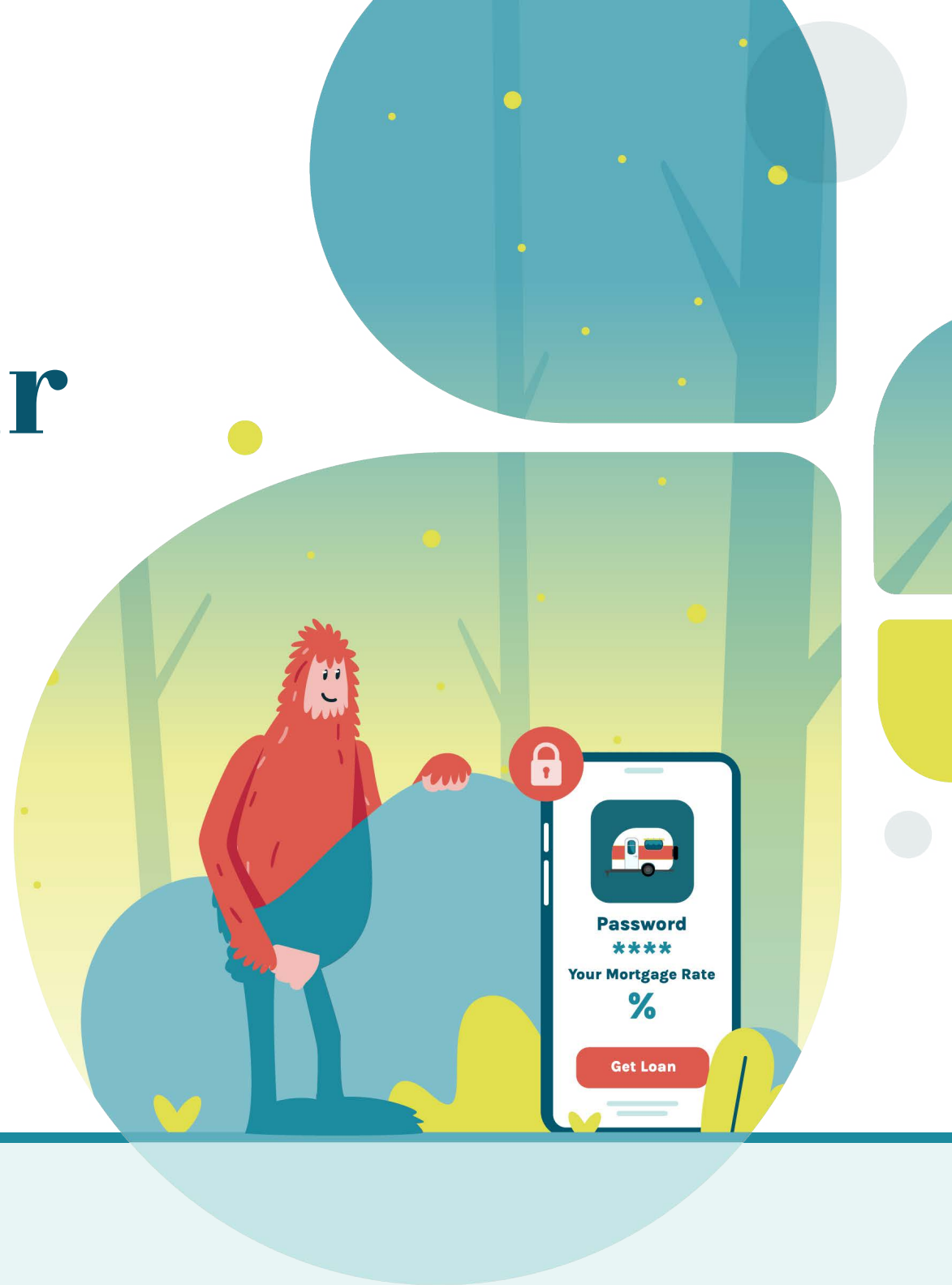**CHEETAH DIGITAL**

Know Your Customer

2022 Banking and Financial Customer Engagement Ebook

Take a journey with us to build and retain loyal customers and brand advocates by creating valuable relationships.

Password
****
Your Mortgage Rate
%

Get Loan

Table of Contents

Do You Know Your Customers?

Do you really know them? We don't mean "intrusive third-party spying through the online window" know-them. For example, a customer search for home and life insurance, could be updating a policy for their second home or they could be expecting their fourth child. What they don't want you to know is they are originally from the Magellanic Clouds galaxy — so they won't appreciate intergalactic travel spam. Customers only want you to know what they want you to know and anything else is crossing a line.

Have you reached out and asked your customers questions about their true selves in exchange for valuable preference data? Do you have a zero and first-party data approach that will strengthen the security of your client data — and help you create client relationships built on integrity?

To drive long-term revenue you've got to engage and grow your client base with secure and compliant API's, as well as zero and first-party data.

Through this ebook journey, explore the best ways banking and financial services brands can do more with data, grow trusted relationships with customers, and set up a system that makes it so easy you'd swear it was magic.

> "
>
> *Today, we're making explicit that once third-party cookies are phased out, we will not build alternate identifiers to track individuals as they browse across the web, nor will we use them in our products.*
>
> *We don't believe these solutions will meet rising consumer expectations for privacy, nor will they stand up to rapidly evolving regulatory restrictions, and therefore aren't a sustainable long term investment."*

—— **David Temkin**
Senior Director, Product Management,
Ads Privacy & User Trust at Google

Know Thy Customer

The key to a successful business has always been developing strong relationships with your customers. However, with ever-advancing technology and the accompanying onslaught in digital experiences, fostering these relationships has become more vital, but also more complicated.

To remain competitive, banking and financial service brands must cultivate personalized and human connections in order to make the right product recommendations at the right time. To drive long-term revenue, you need to understand better who your customers are at their core, build one-to-one connections, and create a value-exchange relationship.

Customers want more than a transactional-based relationship with their financial services provider.

Unified data across all of your marketing channels enables you to show your clients that you know and understand them, all while keeping their personal information secure.

57% of financial brands are putting their resources into communication tech.

FOOD FOR THOUGHT:
How well do you know your customer?
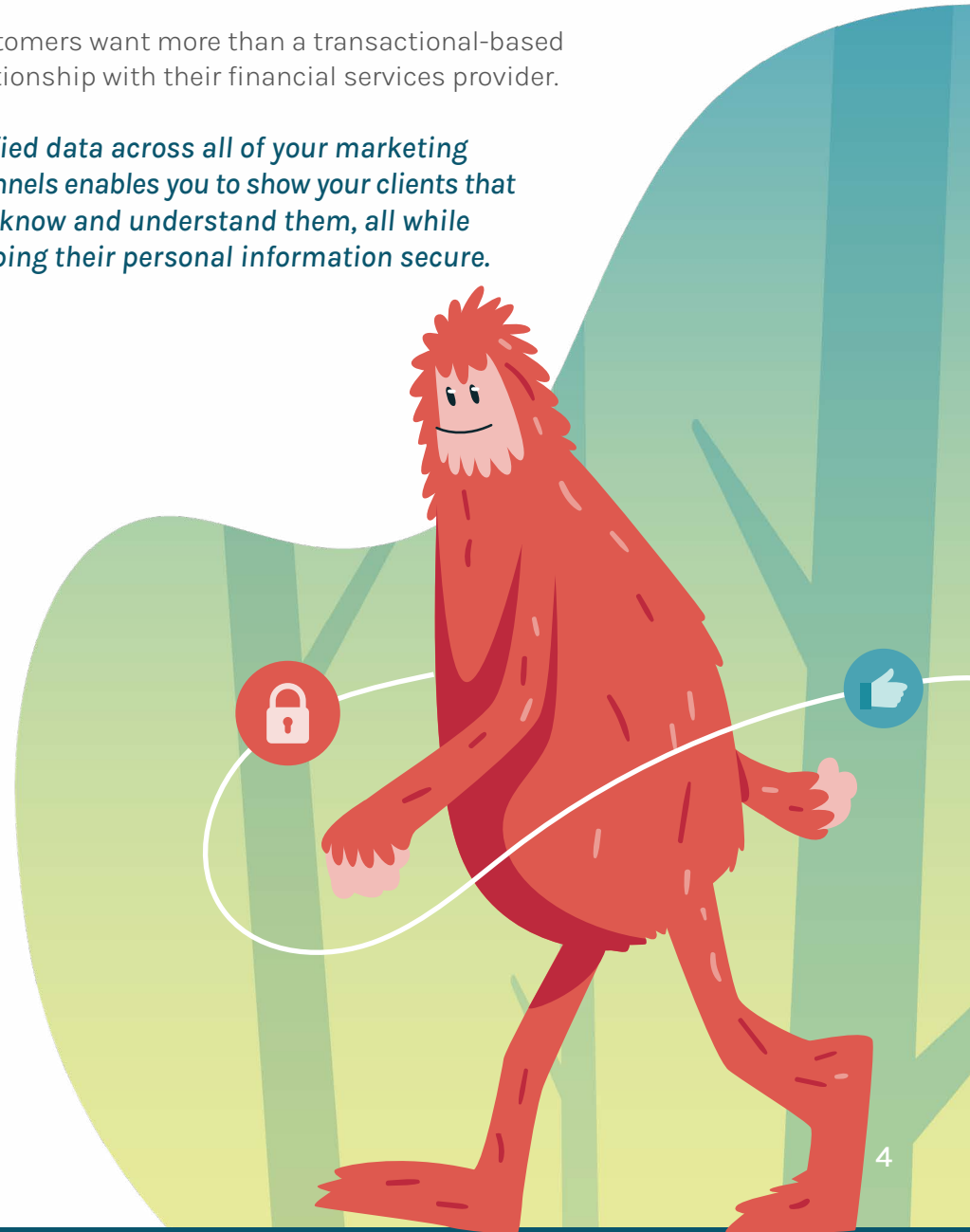
The Quest for Unidentified Data

The importance of data isn't a far-fetched tale. However, the method by which a company collects data has become an essential difference. Security and privacy have come to the forefront, and customers are wise to the sometimes creepy ways of third-party data. That is why we are seeing it become extinct — for instance, on platforms like Google.

What customers share with you directly, zero-party data, or when they interact with your channels, first-party data, they are giving you vital information that they want you to use. Moving forward, this building of data from personal connections is what brands should use to interact and build loyalty.

But customers can be evasive, and the data you need to market to individuals with the right level of relevance and privacy doesn't come easily. That is why a centralized source of customer information — from all of your different data collection systems — is key.
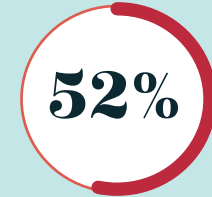
FOOD FOR THOUGHT:
Banking and financial services sectors are more competitive than ever. How you can remain compliant while increasing customer loyalty?
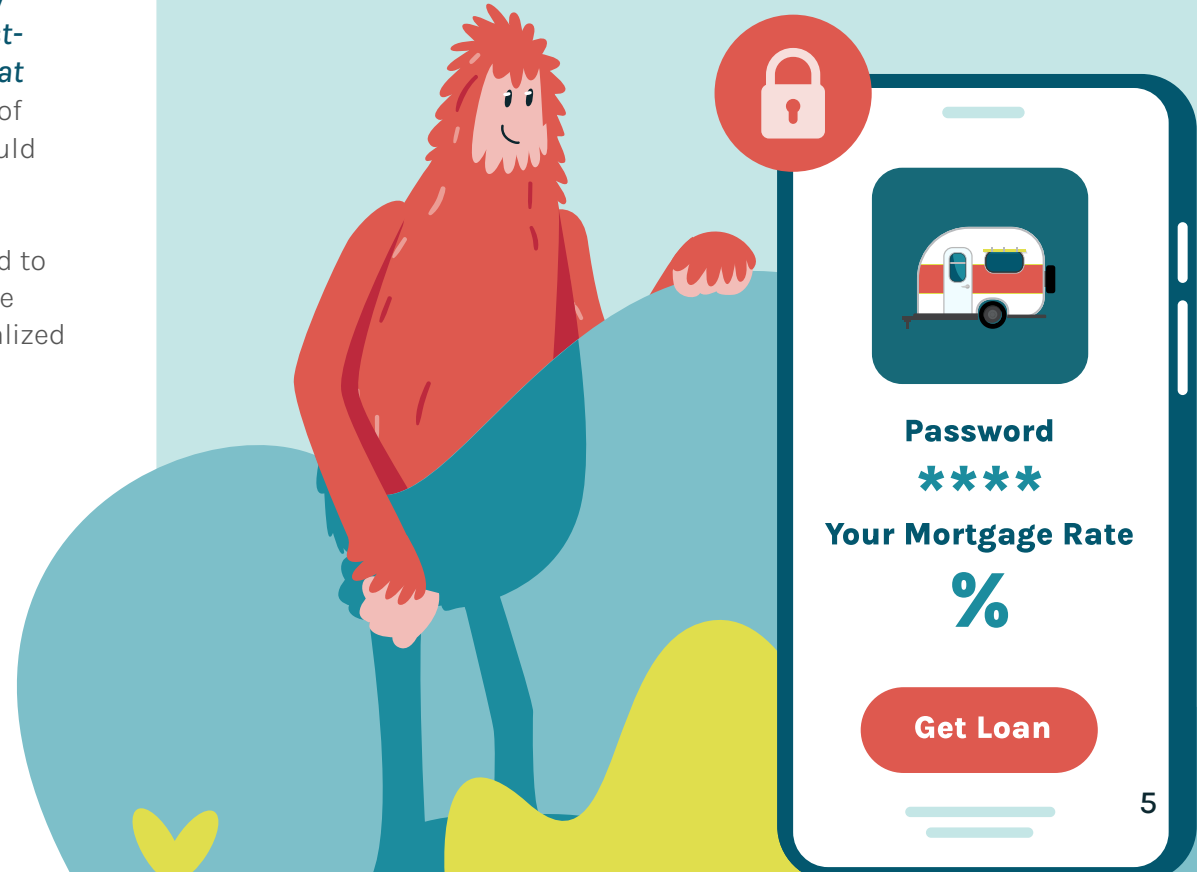
90%

of consumers will share data with a brand when the value exchange is right!

On the flip side,

52%

think it's creepy when brands use 3rd party cookies to track and personalize the experience.

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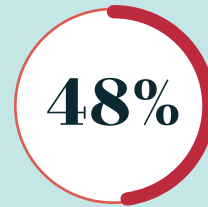**Your Mortgage Rate**

%

Get Loan

Acquisition of this type of preference data requires a strategy to incent customers to tell you about themselves willingly, and with the permissions to use that data. *Inferred, observed, and sales data is rarely enough to form authentic emotional connections;* brands that generate zero and first-party data are often better positioned to power programs that drive true, long-term customer loyalty.

Turn the unknown customer to known by:

1 Building a first-party database to establish a direct-to-consumer marketing channel.

2 Seeking zero-party data, information the consumer willingly shared with the brand, to drive personalization.

3 Learning from all your interactions with individuals across all channels, allowing you to create a more personalized customer journey.

57% of financial brands are putting their resources into new digital marketing technologies.

48% And 48% are completely changing up their go-to-market business models.

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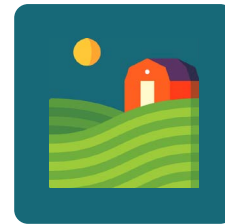
Your Mortgage Rate

%

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Brand Community is Not a Myth

Customers have exceptionally high expectations for brands these days, especially the ones they love. It only takes one misstep or bad experience to send them elsewhere.

Customers expect brands to build relationships and create experiences for them. They want to engage and interact with their favorite brands — to join something bigger — to be part of an exclusive community. Well-executed interactions across channels help customers feel a connection; in turn, your customer reciprocates with purchases and,

eventually, loyalty to your brand. Done correctly, your brand will be legendary.

Magical things happen when you personalize experiences based on the information your customers volunteer. Recent market research shows that 44% of consumers will likely become repeat buyers, and 32% will likely leave a positive review.

50%+ of consumers are comfortable sharing their data with a brand in exchange for a better service.

FOOD FOR THOUGHT:

Do your customers feel your rewards are enough to keep them loyal to your brand?
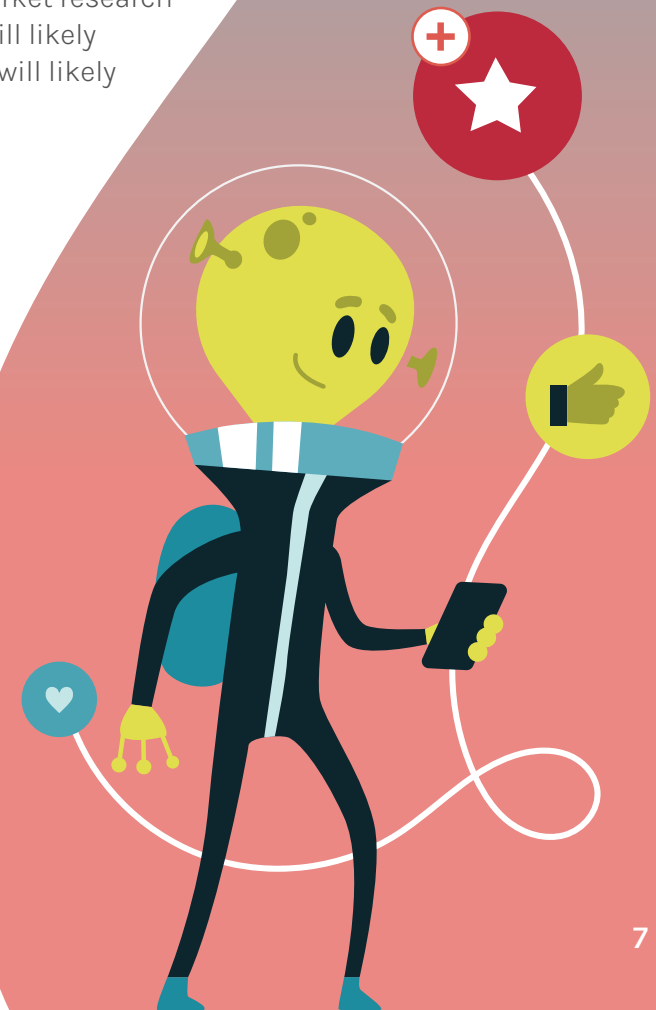
Today, customers want to remain elusive but understood. Transactional relationships, hinging on discounts, coupons, and points for purchase, are no longer good enough.

Customers expect brands to:

- ✓ Interact with them in real-time.

- ✓ "Know them and show them" how well a brand understands them.

- ✓ Connect and form a real relationship with them.

- ✓ Provide relevant content that makes them feel heard and seen.

- ✓ Engage with them on different devices and channels.

- ✓ Offer loyalty programs that reward behavior.

Customers do **not** want brands to:

- ✗ Get back to them "whenever."

- ✗ Send information that doesn't fit their needs.

- ✗ Push products and services that they need to sell.

- ✗ Overwhelm them with irrelevant content.

- ✗ Focus only on one device or channel.

- ✗ Have loyalty programs that only incentivize transactions.

Building Trust and the Value Exchange

Over the last few years, there has been a noticeable change in the types of value exchange that customers want in their loyalty programs. If your programs are relying on discounts or rewards/points, your customers may start looking at your competitors.

In its place, brands that are offering exclusive early access to products/events/services, recognition for loyalty, and enriched online experiences are the ones garnering more interest and loyalty.

If you're doing it right, your customers will use your products and services for life. Consistently create better experiences over the entire life cycle, increase revenue by identifying — and acting on — cross-sell and upsell opportunities when they arise in your customer's lives. Evolve your understanding further to grow engagement, retention, and loyalty.

> " *To work with financial services requires watertight security and compliance processes which Cheetah Digital fully meet. We build projects together, we build them quickly, and they work.*"
>
> —— **One of The Top 10 Largest Banks in the World**

In a value exchange, there are three categories; the first two, free service+ and personalized discounts, are table stakes. Contextually differentiated and improved experiences are where brands will begin to set themselves apart.

Free Service+

Even services that have traditionally been "free" (e.g., linear TV) must still ensure ongoing relevance and differentiation from the competition.

Personalized Discounts

The consumer believes that a required action (e.g., sharing additional data) is a fair trade for a discount on the product or service.

Contextually Differentiated and Improved Experiences

Your customers get a desirable bonus for a certain action (e.g., loyalty programs) that feels personalized/unique/enhanced.

FOOD FOR THOUGHT:

Does Your Value Exchange Measure Up?

Forging Emotional Connections

Customer expectations of brands have been on an upward trajectory for years. Digital transformation increased the velocity, and the recent pandemic accelerated the trend. Many brands struggle to meet the rising expectations, and stewarding ordinary programs is not a formula for success. Articulating and demonstrating value to your customers, from moment one, is critical and a key to driving ongoing customer loyalty.

Customers now want rewards to surprise and delight. Recognition at crucial milestones, benefits to share with family, and other innovative tactics are ways to remain competitive and show your customer you go above and beyond.

75% of consumers stop engaging in loyalty programs because the program rewards are either perceived to have insufficient value or are not relevant.

FOOD FOR THOUGHT:

Do your customers feel emotionally connected to your brand — or do they feel spied on?
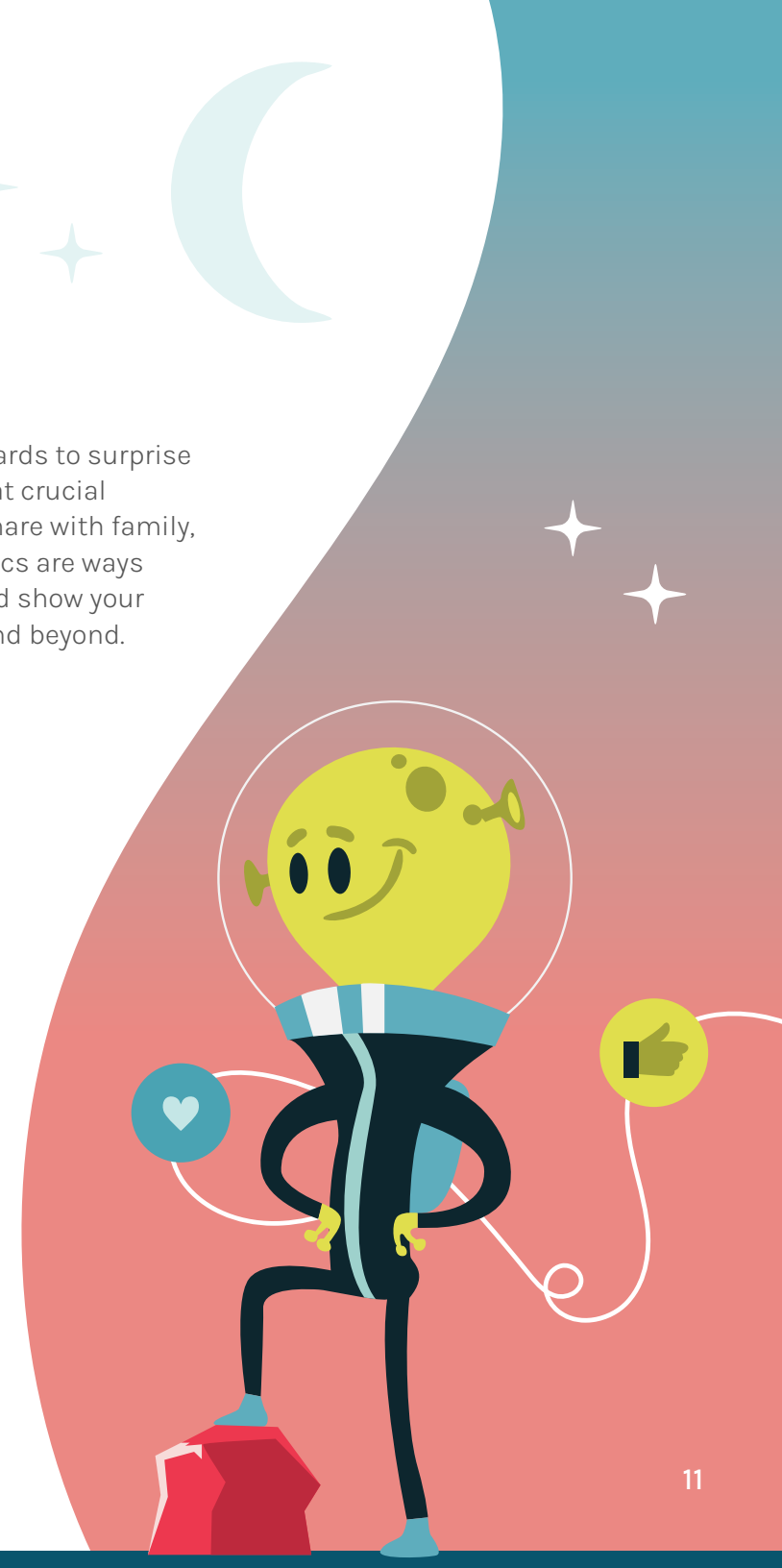
Are you using the four effective "drivers" or differentiators that increase customers 'emotional' loyalty? To keep them coming back for more you need the right technology and partner in place.

1

Humanizing Digital Connections by Listening

Virtually all brands need to engage in an ongoing dialogue with customers, asking key questions, then acutely listen and react to the answers.

2

Next-Generation Personalization

Loyalty programs that invest in integrating and acting upon trusted customer preference data will drive next-generation personalization, paying big dividends in the form of customer loyalty.

3

Benefits/Value Exchange

Benefits are at the heart of most loyalty programs. In order to be desirable, they must be easy to communicate and understand, provide both near and long-term gratification, and deliver recognizable value.

4

Exceeding Expectations at Moments That Matter

Exceptional loyalty programs find ways to exceed customer expectations at critical moments.

FOOD FOR THOUGHT:

Does your current platform enable your program to perform optimally?

77%

of consumers said they look positively on brands that pull targeted Facebook ads due to concerns of harmful content.

Turn Unidentified Friendly Organisms Into Identified Customers

Many banking and financial service marketers struggle to meet the needs of today's consumers. Demands and expectations are constantly rising and to reach each individual with authenticity, relevance and accuracy takes the right approach and platform.

More than ever, brands need to have a single, but comprehensive, view of the customer. This allows them to interact on a personal level, but still protect their data.

6x Consumers use an average of nearly six touch-points with half of them regularly using more than four when engaging with a brand.

FOOD FOR THOUGHT:

Do you know where, when, and how to start your program?

Marketing to Consumer As Individuals Requires New Capabilities

Consumer Expectations

Marketing Capabilities

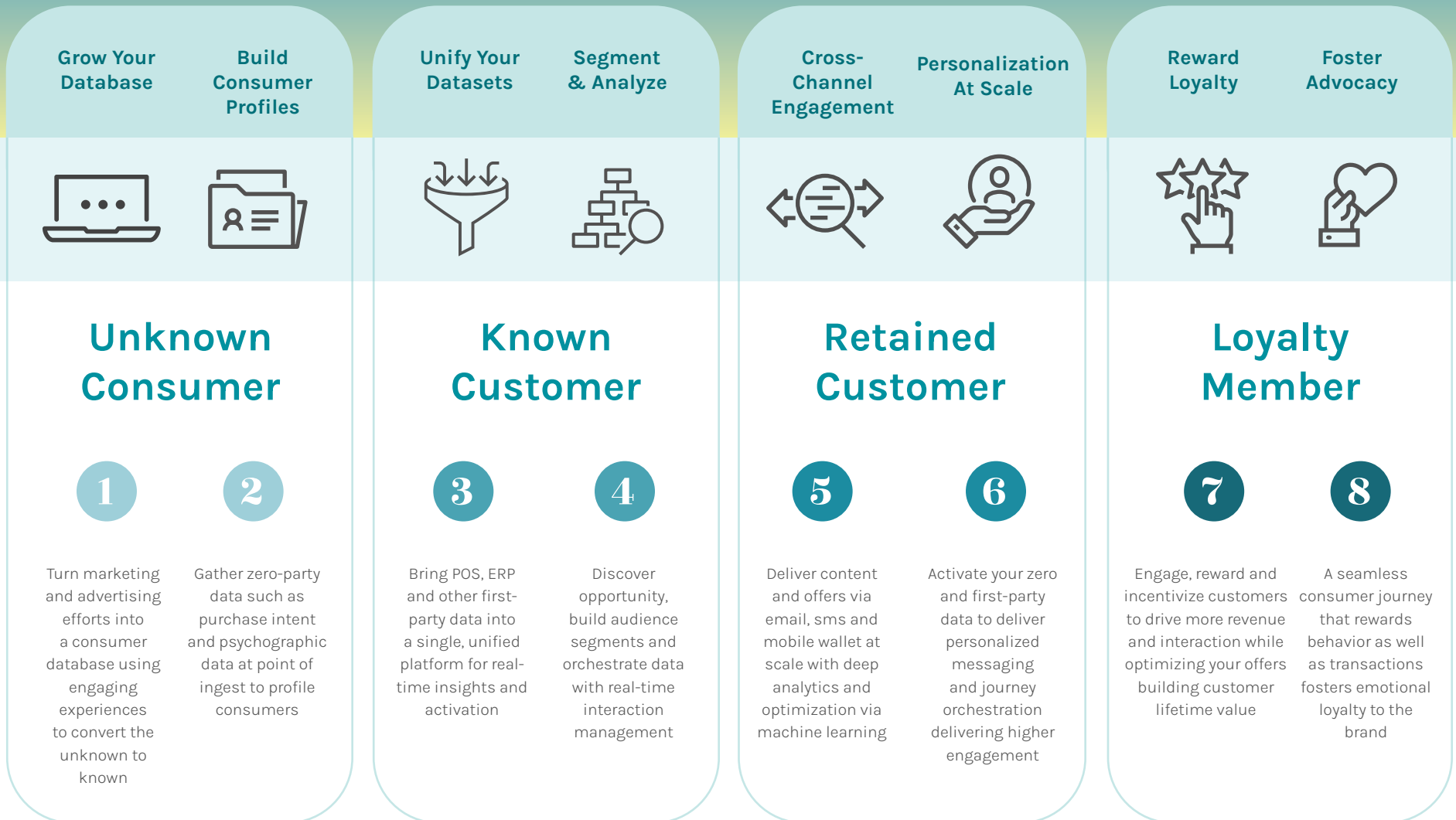|		
Treat me as an individual, not a segment	**1**	**Single customer view and real-time personalization** **Consumer preferences and insights**
Protect my data and don't snoop on me	**2**	**Permissions-based data strategy**
Act like One Brand, however I interact with you	**3**	**Cross-channel journey orchestration**
Develop a relationship with me	**4**	**Incent behavior beyond transactions**
Keep me coming back for more	**5**	**Loyalty program management**

To build lasting, profitable and mutually-rewarding relationships with customers you must have the right integrated technology and services.

| Grow Your Database | Build Consumer Profiles | Unify Your Datasets | Segment & Analyze | Cross-Channel Engagement | Personalization At Scale | Reward Loyalty | Foster Advocacy |

Unknown Consumer

1

Turn marketing and advertising efforts into a consumer database using engaging experiences to convert the unknown to known

2

Gather zero-party data such as purchase intent and psychographic data at point of ingest to profile consumers

Known Customer

3

Bring POS, ERP and other first-party data into a single, unified platform for real-time insights and activation

4

Discover opportunity, build audience segments and orchestrate data with real-time interaction management

Retained Customer

5

Deliver content and offers via email, sms and mobile wallet at scale with deep analytics and optimization via machine learning

6

Activate your zero and first-party data to deliver personalized messaging and journey orchestration delivering higher engagement

Loyalty Member

7

Engage, reward and incentivize customers to drive more revenue and interaction while optimizing your offers building customer lifetime value

8

A seamless consumer journey that rewards behavior as well as transactions fosters emotional loyalty to the brand

Kiwibank Builds Rich Customer Profiles

For almost two decades, Kiwibank has been revolutionizing the New Zealand banking sector by delivering best-in-class service, as well as lower fees and competitive business rates. Boasting a customer base of over 20% of the entire population of New Zealand, Kiwibank wanted to get to know their customers even better to truly personalize offers and build emotional loyalty.

In order to achieve this, Kiwibank turned to Cheetah Digital to provide a solution that would help them create interactive marketing campaigns that collect zero-party data.

Kiwibank knew it needed more personal customer data — and that the ability to create a wide variety of immersive customer experiences would help secure the necessary zero-party data.

Cheetah Experiences was chosen because we provided the ability to choose from an ever-growing collection of stackable marketing experiences that connect the digital consumer on paid, earned, and owned channels, including, giveaways, contests, quizzes, polls and surveys, landing pages, and more.

From project initiation to design, rules set-up, program configuration, POS and order system integrations, testing, and successful rollout took just three months.

75% Their efforts resulted in a **75% conversion rate**

150k with **zero-party** data entries collected

FOOD FOR THOUGHT:

Want to learn how to get stellar results and loyal customers like Kiwibank?

About
Cheetah Digital

Cheetah Digital is a cross-channel customer engagement solution provider for the modern marketer. The Cheetah Digital Customer Engagement Suite enables marketers to create personalized experiences, cross-channel messaging, and loyalty strategies, underpinned by an engagement data platform that can scale to meet the changing demands of today's consumer. Many of the world's American Express, Barclays, Allstate, and USAA trust Cheetah Digital to help them drive revenue, build lasting customer relationships, and deliver a unique value exchange throughout the customer lifecycle.

A Cheetah Digital rep will be reaching out to you to schedule your customer engagement and loyalty consultation.

Visit www.cheetahdigital.com.