



Customer Connections

**Kindness and loyalty
in uncertain times**

April 2020

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Introduction

Across the world, firms are having to make remarkable changes in how they operate. In these turbulent times they are rediscovering their sense of purpose, innovating rapidly and getting closer to the communities they serve. At the heart of their response needs to be human closeness, with trust and empathy as the corner stones. The challenge they face is having to react to changing circumstances at an unprecedented pace, whilst ensuring their responses are being formulated with the very latest best practice in mind.

Mastering deep, meaningful and human connections with customers and colleagues will become even more important to business leaders as the full force of COVID-19 comes into effect. Firms that invest in ethical, trust-building behaviors now can connect emotionally with their customers, provide invaluable support and secure long term loyalty. As well as providing thousands with kindness in uncertain times, those that get this right will both help protect their business and lay the seeds of future growth.

As the global situation becomes more complex, how and when companies should lend support is still uncharted territory. Unlike disaster relief, there is no roadmap or recipe for company involvement. However, companies must continue to keep their employees' trust, understand evolving consumer and community needs, and provide products, services and resources where appropriate.

We are already seeing companies innovating rapidly to cope with the uncertainties ahead. Working from home may become the new normal, finding unique ways to respond to customer needs being a virtual, rather than a physical, team based approach. There is little doubt that COVID-19 will irrevocably change the way businesses will compete over the next decade. What will decide success is how businesses react to the changing fundamentals.

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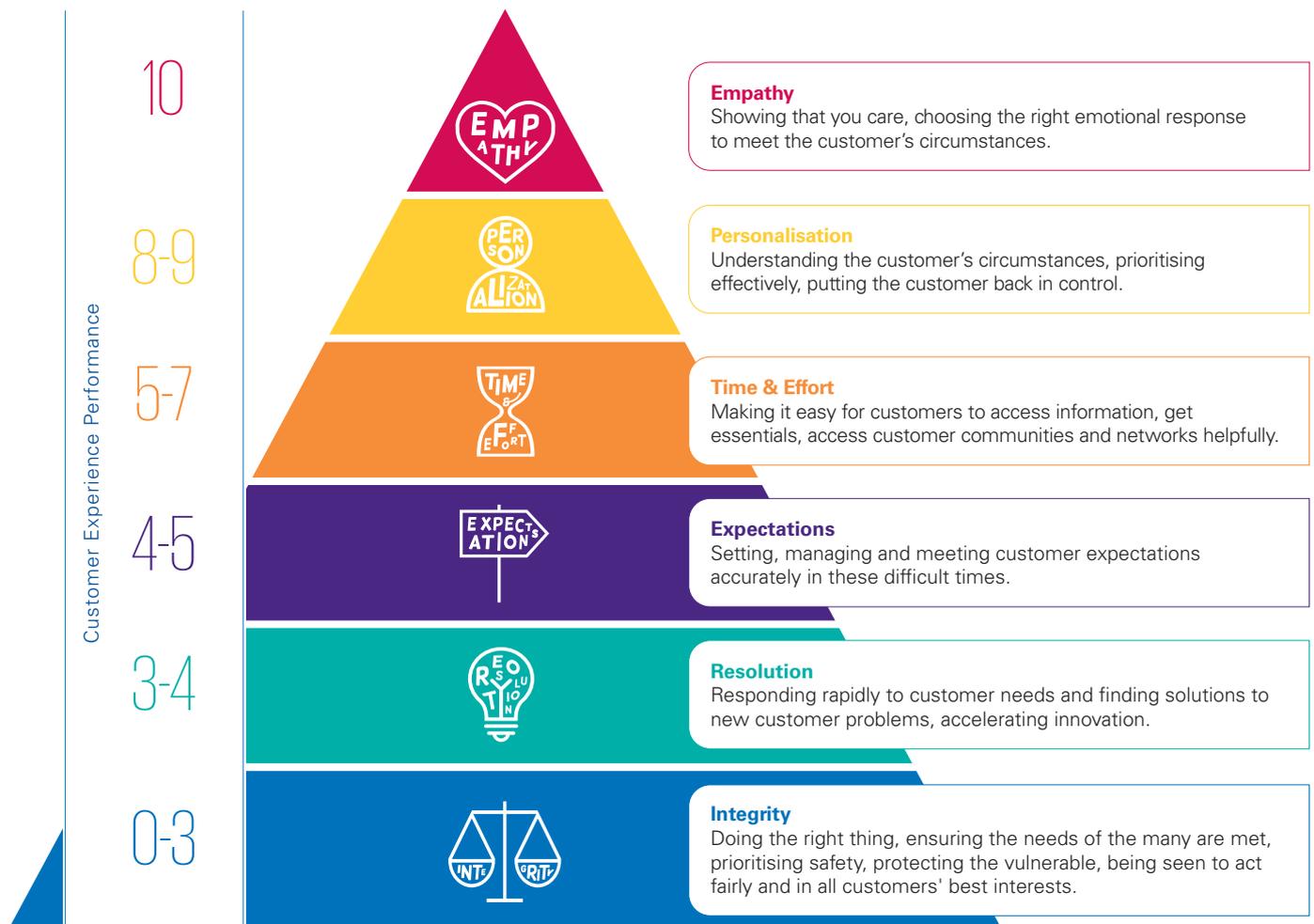
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Adopting best practice

As firms seek to ensure they are doing the right thing in the right way, it is helpful to have a set of principles that act as a comprehensive check list to ensure all the necessary bases are covered.

One framework firms might consider is The Six Pillars of experience derived from 10 years of primary research across more than 2,700 brands in 24 countries. It shows the universal principles that govern all positive human experiences with both customers and employees.

The organizations that master The Six Pillars grow more quickly, manage costs better and make people happier. Each pillar is supported by a set of 'golden rules', detailing the specific ways business leaders need to act to position themselves, in these hugely uncertain times, for a fruitful future.



 For more information and detailed resources, please visit our [website](#).

How can best practices navigate uncertain times?

We are already seeing significant innovation across The Six Pillars. Starting with Integrity – the most important foundation of all experiences:



Integrity

How companies act today in the midst of a global crisis will strongly influence how customers feel about placing their business with them in future.

Increasingly firms are aware of the good profit/bad profit issue. Sustainable profits arise from exemplary corporate behavior.

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Some firms have responded to COVID-19 with guarantees on jobs and pay. We observe many firms actively seeking ways of doing the right thing in the circumstances.

Many Financial Services Institutions are actively managing their integrity, proving that can act with their customers' best interest as top priority.

Banks in Poland along with The Polish Bank Association (ZBP) have offered their customers possibility to temporarily suspend mortgage payments.

The action have aroused high interest among borrowers. ZBP has reported banks have received more than 800 thousand applications until the end of April.

Many banks have also undertaken individual actions to address customer problems and have suspended some of their fees.

Some institutions have also got involved in social information campaign, warning customers against fraudulent threats and advising on caution measures.



COVID-19: Golden rules

Doing the right thing, preventing panic, ensuring the needs of the many are met, prioritizing safety, protecting the vulnerable, being seen to act fairly and in all customers' best interests

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Resolution

Companies that naturally problem solve will innovate and survive the crisis; for others, learning to innovate will be essential for survival.

With self-isolation about to become the new reality for millions of people, novel thinking and new approaches are required.

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Use of digital tools and solutions, especially in customer communication and servicing has become even more important as organizations face shortage of human resources and limitations and restrictions in the workplace.

Mortgage providers have set priority to solve problems with mortgage payments suspension and debt restructuring applications.

Many are proactively informing customers about application issues, allowing the applicants to amend the documents while still in the process.

Banks took rapid actions to get prepared for increased traffic in remote channels and contact centers. It is now crucial for them to get ahead with the development of accelerated transformation into digital banking.



COVID-19: Golden rules

Responding rapidly to customer and employee needs, government requests and finding solutions to new customer problems.



Expectations

The management of expectations in an environment of potential panic is critical.

People have an inbuilt psychological need to feel in control. Our brains are expectation engines and they need to have expectations clearly set and, when necessary, reset if they are not to feel out of control.

Understanding the psychology of expectation setting will be essential for firms to ensure their customers are able to manage their lives successfully.

The framework is hierarchical in nature, focusing on Personalization without addressing trust will bring little long-term benefit. Doing the right thing, finding creative ways to meet customer problems, accurately setting expectations, minimizing customer effort, addressing customers' individual circumstances and showing you care follow a natural sequence, however in these uncertain times Financial Services Institutions will need to ensure they are addressing all six areas if they are to connect emotionally with their customers.

Guiding customers through application processes and meeting deadlines for granting financial aid is extremely important for building and maintaining customer loyalty, especially in the times of crisis.



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COVID-19: Golden rules

Setting, managing and meeting customer expectations accurately in these difficult times.



Time and effort

Minimizing effort for key groups is essential. New forms of customer communication are needed.

New, altruistic, communities are emerging as new forms of human connection are required.

Financial Services Institutions who are able to support these new networks will be able to get even closer to their customers and help solve real needs.

Prioritization triage and rapid responsiveness will be critical for both meeting customer needs and for managing the firm's reputation.

With people spending more time working from home, Financial Services Institutions are responding by increasing online access to products and services.

Banks have started to expand the spectrum of functionalities in remote channels at the same time promoting self-service among customers who - in some institutions - were given possibility to open an account fully remotely by providing their faces and ID pictures.

Such activities are an essential foundation for accelerated digital development in post-COVID reality.



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COVID-19: Golden rules

Making it easy for customers to access information, get essentials, harnessing communities.



Personalization

Understanding a customer's individual circumstances is key to human relationships.

Adapting to a customer's unique circumstances will be beneficial in the long-term. Our research has consistently shown that we remember things that are personally meaningful to us and this, more than any other factor, influences future behavior.

Financial Services Institutions can use data to identify which customers are better positioned to ride out the crisis and those who will need more active management and outreach. From here, you may need to develop specific, defined, customer service suggestions, such as converting credit card balances to home equity lines with fee deferrals or waivers for homeowners who need liquidity.

The virus will also be a big accelerant for remote working and online education. It is likely that this shift will impact morale, productivity and mental health of workers institutions need to prepare for it.



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COVID-19: Golden rules

Understanding the customer's circumstances, prioritizing effectively, putting the customer back in control.



Empathy

Understanding your customers, putting yourself in their shoes and reflecting back to customers that you are changing what you do because of that understanding.

It is time for all firms to show that they care, that the safety and wellbeing of their employees and customers is their prime concern. As Financial Services Institutions around the world grapple with the implications of the virus across their enterprise, customer and employee responsiveness will be a priority.

Banks in Poland have shown they can relate to their customers and understand specific situation they have found themselves in. Education of seniors in the field of digital banking, dedicated senior zones at the branches or remote banking spot recorded from home are just a couple of examples worth mentioning.

Corporate kindness are two words not usually put together, but in the examples above, we are seeing that corporate social responsibility is no longer the responsibility of the CSR department, but is now fundamental to how an institution operates.



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COVID-19: Golden rules

Showing that you care, choosing the right emotional response to meet the customer's circumstances.

The Six Pillars of experience are the fundamental building blocks of world class customer experiences.

For further information and to access global best practice and reports, please visit our [website](#).

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