

**Lead the way
in customer-focused
financial services
with analytics and AI**

What will financial services look like in the future?

Going by current trends, it will be more customer-centric, digitized, and personalized than ever before. Customer expectations are evolving rapidly, and people crave financial services that meet them where they are.

How financial services organizations effectively meet these increasingly complex and dynamic consumer demands will depend on their ability to unify and analyze customer data to better understand, personalize, and optimize digital customer journeys at scale.

Here, we explore the key trends shaping customer engagement, the challenges businesses face in delivering end-to-end, omnichannel experiences, and how financial services organizations can gain 360 views of their customers by using the right set of unified data, analytics, and marketing platform tools in the cloud to unlock customer insights and improve business outcomes.

What is customer 360?

Customer 360 is a relationship cycle consisting of many touch points where a customer meets a brand. A customer 360 solution provides an aggregated view of a customer by combining, in one place, all customer data including transactions, service interactions, online behavior, user profiles, CRM, and marketing data. The solution can be enhanced with ML models to provide businesses with capabilities for personalization and orchestrating experiences for each customer.





Delivering relevant experiences at multiple moments in the customer journey can **reduce costs by 30%** and increase revenue by up to 20%.¹

Contents

01

Key trends
shaping
customer
engagement

- 1.1 Rising customer expectations
- 1.2 360-degree insights on structured and unstructured data
- 1.3 Heightened data privacy and regulation

02

Challenges of
delivering
end-to-end,
cross-channel
experiences

- 2.1 Slow time to data insights
- 2.2 Expensive infrastructure
- 2.3 Ineffective use of data

03

How customer
360 solutions
can enhance
existing
platforms

- 3.1 Gaining a 360 view of your customers
- 3.2 Important questions to consider

04

Prepare for the
privacy-centric
future of
customer
engagement

- 4.1 Understand your customers
- 4.2 Personalize your products and services
- 4.3 Predict your customers' future needs


05

Your journey
starts here

- 5.1 We're here to help

**Key trends
shaping customer
engagement**

01



53% of consumers who bank mostly online say that data privacy matters most in their financial services relationships, more than they noted in any other industry.⁴

Rising customer expectations

Customers expect connected, relevant, useful, and trustworthy experiences with their favorite brands across both digital and physical channels. Although a high level of personalization can drive performance and better customer outcomes, it is especially difficult for financial services institutions to achieve, given the complexity of financial advice and reliance on legacy infrastructures and fragmented data sets.

More than 70% of consumers expect personalized interactions, and 76% get frustrated when this doesn't happen.²

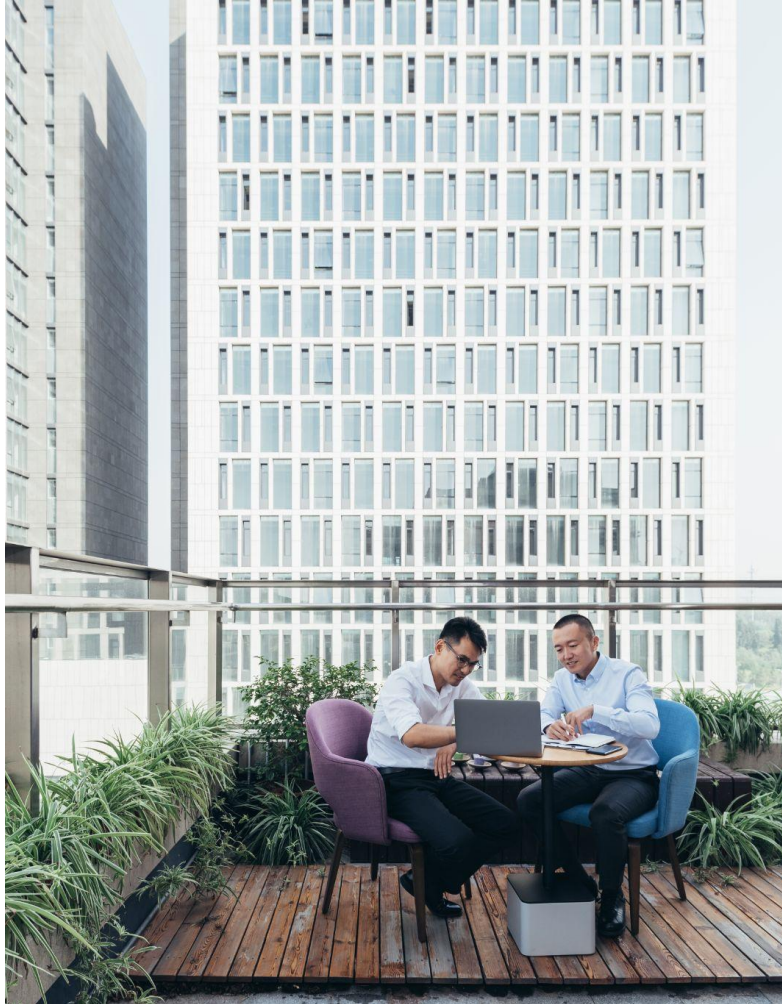
And the stakes for financial brands are high: a Morning Consult survey revealed that 29% of consumers said they would never use a financial services company again if it broke their trust – the highest percentage of the nine industries studied.³

Companies that grow faster can drive 40% more of their revenue from personalization than their slower-growing counterparts.² However, consumers are not happy with the level of personalization they are receiving during interactions with their banks. J.D. Power found that 78% would continue using their bank if they received personalized support, but just 44% of banks are actually delivering it.⁴

Companies that grow faster can drive

40%

more of their revenue from personalization than their slower-growing counterparts.²



Trend 2

360-degree insights on structured and unstructured data

When consolidated and managed properly, data can create a feedback loop that benefits customers and brands alike. Companies that effectively use their first-party data can generate double the incremental revenue from a single ad placement, communication, or outreach.¹

Financial services organizations are not suffering from a lack of customer data as much as they are from data silos and the usability of data. The explosive volume, variety, and velocity of data coming in from websites, documents, branches, call centers, and systems at all different times and in multiple formats and structures make aggregating it and delivering on relevant, actionable insights in a timely manner all the more difficult.

By combining customer servicing and transactional data with marketing, channel, CRM, and other first-party data within a secure cloud-based environment, equipped with intelligent, machine learning (ML)-driven customer insights, financial services companies can uncover deeper customer insights and activate them quickly.

Heightened data privacy and regulation

The foundation of the financial services relationship is still primarily trust and data privacy. 53% of consumers who bank mostly online say that data privacy matters most in their financial services relationships, more than they noted in any other industry.⁴

Regulations are also driving the rapid expansion of privacy frameworks and technology changes restricting access to third-party cookies and other user-level tracking and identifiers.



Challenges
of delivering
end-to-end,
cross-channel
experiences

02



While the financial services industry has responded to customer demands by investing in **privacy-safe, unified customer views**, three **significant challenges remain.** →

Slow time to data insights

To drive their customer experience efforts, businesses are hungry for data accessibility, unification, and intelligence. 61% of businesses say they would like increased access to data across the organization.⁵

But disparate data lacks integration and product-oriented (versus customer-focused) legacy technology keeps data where it is collected. Fragmented data models and batch processes are grinding down the speed of insights financial services companies need to drive customer journeys.

In research conducted by Forrester Consulting on behalf of Google, 57% of enterprise decision-makers reported facing challenges by siloed data managed by different teams across their organization.⁶ 45% of financial institutions said they had difficulty collecting and organizing data.⁷



61%

of businesses say they would like increased access to data across the organization.⁵

45%

of financial institutions said they had difficulty collecting and organizing data.⁷

Expensive infrastructure

Financial services organizations are often mired down by manual data wrangling, modeling, and quality control processes. To scale, they usually have to add more people to the process. The proliferation of tools and duplicative usage increase license costs, while complex cross-channel measurement makes it difficult to determine and track returns on investment (ROI). Alongside this, it becomes challenging to scale ML models to personalize individual engagements at every touchpoint.



Ineffective use of data

When data is not available fast enough to act upon, it loses its value in picking up the right data signals. With less reliance on cookies, financial services institutions must be able to capture growth from new insights and focus on forward-looking metrics such as customer lifetime value (CLV). Companies need an effective feedback loop of insights from measurement to upstream functions. But without a complete, integrated history, firms struggle to deliver customer-centric journeys and optimize growth strategies.



How customer
360 solutions can
enhance existing
platforms

03

A woman with long dark hair, wearing a white sleeveless top and olive green pants, is sitting on a wooden chair at a wooden table. She is looking at a laptop screen and has her hand on her chin, appearing thoughtful. The background is a curved wooden wall.

Gaining a 360 view of your customers can start with becoming a **customer-centric** organization.



As customer experience has become the number-one business priority, it's no surprise that customer data platforms (CDPs) have gained traction across multiple industries to help businesses analyze, predict, and personalize customer journeys. 73% of businesses say a CDP will be critical to their customer experience efforts.⁵

However, acquiring a CDP may not by itself be sufficient for holistic customer views. Only 14% of organizations responding to Gartner's 2021 Cross-Functional Customer Data Survey have achieved a 360-degree view of the customer.⁸

As third-party cookies are phased out, financial services organizations will need to think strategically about customer centricity and maximizing their use of their first-party data to drive better and more sustainable business outcomes. A customer 360 solution can help companies address these challenges by unifying customer data and enhancing the effectiveness of their CDP platforms.

Only 14%

of organizations responding to Gartner's 2021 Cross-Functional Customer Data Survey have achieved a 360-degree view of the customer.⁸

Only 36%

of organizations are truly customer centric.

Gaining a 360 view of your customers can start with becoming a customer-centric organization. However, only 36% of organizations are truly customer centric. In a recent study commissioned by Google, the companies that scored the highest in customer centricity maturity had higher annual revenue growth and employee satisfaction, and could implement change faster than the companies at the bottom end of the scale – by about 8% overall.⁹



Important questions to consider



Executives

How can I harness the strategic value of my data to deepen customer relationships and maximize revenue across channels? How can I predict and increase CLV?



Customer service

How do I get more real-time customer experience intelligence and use it to drive personalized experiences and create loyal customers?



IT

How can I collect, combine, analyze, and visualize data with maximum security and compliance?



Marketing

How can I understand customer sentiment and make better product recommendations? How do I quickly activate marketing promotions that increase sales?

Prepare for the
privacy-centric
future of customer
engagement

04

A man with short dark hair and glasses is sitting in a grey armchair, looking down at a tablet device he is holding. He is wearing a grey button-down shirt and a watch on his left wrist. The background is a dark, modern interior with vertical panels.

A customer 360 solution built using Google Cloud products allows for native integration with the Google Marketing Platform, **saving you time and cost** by eliminating the need to build custom integrations.



Google Cloud brings deep experience in data orchestration and analytics, along with secure cloud infrastructure and AI/ML capabilities.

Customer 360 solutions can empower brands to achieve deeper consumer understanding by unlocking data silos and activating insights that deliver higher engagement, loyalty, and growth. Combining customer data from multiple sources, analytics, and algorithms at scale with your specific goals and differentiators creates unique opportunities to actualize a provocative view of disruption.

When you use [Google Marketing Platform](#) with [Google Cloud](#) to enhance your CDP, you are investing in a secure, flexible, and scalable cloud infrastructure that lets you act in a way that works best for your business. With Google Cloud's serverless data analytics infrastructure, all your database operations are automated and fully-managed, allowing you to focus on business growth instead of managing your infrastructure.

Google Cloud's approach to customer 360 helps accelerate time to value

Google Cloud worked with its customers to help pioneer a new customer 360 solution that addresses the data, infrastructure, security, and compliance challenges financial services organizations face while enhancing their current data management, CRM, and CDP platforms.



With Google Cloud, you can augment your data management platform, customer relationship management (CRM) system, and current CDP to make it smarter. A customer 360 solution built using Google Cloud products allows for native integration with the Google Marketing Platform, saving you time and cost by eliminating the need to build custom integrations.

Google brings deep experience in marketing technology, advertising, and consumer analytics. At the same time, Google Cloud provides expertise in infrastructure services and serverless, enterprise data warehousing with embedded data analytics and ML capabilities. When combined, they can help you optimize marketing and advertising spend, predict purchase probability, and unlock other advanced insights.

What makes enhancing your CDP with Google Cloud unique is its ability to accelerate time to value by unifying customer data and providing tight integrations across Google Cloud, Google Marketing Platform, and other CRMs to allow near real-time activation of personalized insights. Our enriched modeling with unstructured and streaming data can help accelerate and optimize your marketing programs and drive real-time decisioning through one consistent workflow that feeds insights back into a unified data platform with minimal data movement or replication.





A customer 360 solution built with Google Cloud, complete with AI/ML model algorithms for non-data scientists, can provide a true 360 view of the customer journey, proactively engage customers, and bolster the following **business strategies. →**

Understand your customers

Delivering relevant experiences at multiple moments in the customer journey can reduce costs by 30% and increase revenue by 20%.¹

Your customers' transaction, service, online behavior, and other first-party data can help you identify important industry trends and patterns in your customer behavior. Your offline sales and marketing data can provide valuable information as well. When all that data is combined into a single customer 360 solution equipped with powerful analytics and ML capabilities, uncovering more insights is not only easier, but can be better organized and more efficiently managed.

By capturing customer signals, you can better sense demand, gauge how customers feel about your business, and offer seamless experiences that help influence customer behavior across multiple online and offline channels, and various customer segments.



Using Google Cloud, **CNA Insurance** was able to stitch its data together into a **global 360 view** that gets updated in real time - a radical improvement from the daily and weekly data loads done previously.

[→ Learn more](#)

Personalize your products and services

81% percent of people are in favor of companies that use AI to personalize recommendations.¹⁰

Consumers, especially younger generations, are more open to sharing their personal data in return for benefits or value. For example, 72% of people would share some form of personal data to get cheaper insurance premiums,¹¹ and among 18- to 24-year-olds, this willingness rises to 87%.¹²

With AI-driven insights, you can detect audiences with specific needs and deliver customized messages. For example, a bank could offer personalized investment

or savings products to customers with high checking account balance, or showcase refinancing options to customers using automatic mortgage payments. In addition, you could reduce churn by sending specific messages to customers who haven't interacted with their policy in several months, or recommend products and services based on what their peers already use.

The quality of brand interactions is vital to building customer trust, and emotion continues to be a key driver for delivering high levels of customer experience performance. 54% of customers who report positive emotions like feeling happy, valued, and appreciated are willing to forgive brands that make mistakes.¹³



COMMERZBANK

In partnership with Google Cloud, Commerzbank is using data analytics and ML to give customers **more visibility into financial data** while accelerating loan processing.

[→ Learn more](#)



With Google Cloud's AI capabilities, Wells Fargo has launched a new virtual assistant, Fargo, in its mobile app. It will provide **mobile self-service options** to its customers and **proactively guide** them towards financial wellness.

[→ Learn more](#)

Predict your customers' future needs

80% of companies called ML and other automated insights “critical or very important to achieving their organization’s marketing objectives.”⁶

With ML, you can determine the next best product or service for each website or app visitor by using recommendation models, or predict customers' future actions by using a purchase propensity model. Propensity modeling examines numerous independent variables to predict the likelihood of future actions, such as converting to a customer, clicking on an ad or message, purchasing a product, or stopping doing business with the company.

Lifetime value (LTV) modeling helps predict which customers provide the greatest long-term value to your business. When you can better determine the customer segments with the best impact on your bottom line, you can better engage with them through your website, apps, and marketing messages.

In fact, over 40% of financial services executives in North America identified greater CLV as one of the top benefits of delivering highly effective personalized customer experiences, according to a 2021 commissioned Forrester Consulting survey, conducted on behalf of Blend.¹⁴ This indicates that personalization is not only good for customers; it's also good for the business bottom line.



Scotiabank

Using Google Cloud’s ML models, Scotiabank **reduced the time it spent predicting customer offers** from 14 days to just hours.

[→ Learn more](#)

Google Search Ads 360 helped Scotiabank strengthen its digital marketing presence. As a result, Scotiabank improved the application-to-transaction rate for its **credit card business by 15.4%** and increased **mobile transactions by 25.8%**.

[→ Learn more](#)

**Your journey
starts here**

05



Customer expectations are changing rapidly, and financial services leaders need to be as innovative and efficient as possible.

Financial services organizations that have a high degree of data diversity and data sources, an emphasis on customer centricity, and holistic views of their customers are on track to benefit from customer 360 solutions the most.

By combining siloed data in a secure cloud-based environment with ML-driven customer insights, financial services companies can uncover deeper, real-time customer insights and activate them quickly across multiple channels.

[Google Cloud's customer 360 solution](#) can help you unify your customer data and make faster, smarter decisions with privacy-centric, secure new technologies to deliver seamless, personalized experiences for your customers.

We're here to help

To learn more or explore how Google Cloud fits into your customer data technology strategy, please contact us or visit our [website](#).

→ [Contact sales](#)

Read this next

Check out our latest infographic, "[Predict, personalize, and wow your customers with better analytics and AI](#)" to learn about key drivers shaping the future of customer engagement in financial services.



Footnotes

¹ [“Responsible Marketing With First-Party Data,”](#) BCG, May 2020

² [“The value of getting personalization right—or wrong—is multiplying,”](#) McKinsey & Company, November 2021

³ [“Why CX Now Makes or Breaks Banking Brands,”](#) The Financial Brand, 2022

⁴ [“Survey shows customers give banks lackluster grades on their personalization,”](#) Insider Intelligence, April 2022

⁵ [“2030 Today, 2021,”](#) Segment.com, 2021

⁶ [“The Future of Analytics: Firms Seek Advanced Tools to Improve Customer Experiences And Marketing Outcomes,”](#) a commissioned study conducted by Forrester Consulting on behalf of Google, July 2020

⁷ [“Banking Needs To Prepare For Marketing’s Data Arms Race,”](#) The Financial Brand, July 2021

⁸ “Gartner®, Gartner’s Customer Data Survey: [The 360-Degree View of the Customer Is More Myth Than Reality](#),” Benjamin Bloom, Lizzy Foo Kune, Mike McGuire, 30 November 2021

GARTNER is a registered trademark and service mark of Gartner, Inc. and/or its affiliates in the U.S. and internationally, and MAGIC QUADRANT is a registered trademark of Gartner, Inc. and/or its affiliates and are used herein with permission. All rights reserved.

⁹ [“The State of Customer Centricity,”](#) CX Partners, commissioned by Google, March 2022

¹⁰ [“Getting Personal: Consumer Perspectives on AI in Marketing and Customer Service,”](#) cdp.com, April 2022

¹¹ [“The Future of Insurance: Personalized, Digitized and Connected,”](#) Capco Insurance, September 2021

¹² Press Release: [“72% of Consumers Would Share Personal Data to Get Cheaper Insurance Premiums,”](#) Capco, July 22, 2021

¹³ [“Forrester’ 2022 US Customer Experience \(CX\) Benchmark study,”](#) Forrester, June 2022

¹⁴ [“Bank CMOs and Personalization,”](#) Insider Intelligence, July 2022