

Banks missing out on extra custom due to lack of personalisation capabilities

Over two thirds of consumers would be more likely to take out an extra product with their bank if it came with bespoke advice

London, 14 September 2017 – [GFT](#), the global provider of advisory, business consulting, IT and software services to the financial services community, reveals that banks are missing out on extra business from their customers due to a lack of tailored advice. The research, which questioned 2,000 UK consumers, found that 67% would be more likely to take out a loan, credit card or mortgage with their bank if it came with personalised advice on that specific product.

Only 10% of consumers believe that their bank provides useful advice on their financial wellbeing, with 68% saying that their relationship is purely “transactional”. The eagerness for more advice driven interactions is most prevalent among millennials, with 78% of those within the 16-24 age bracket likely to look to their bank for their other financial requirements if they were able to receive tailored advice.

Almost a quarter (24%) of those questioned say they have been denied access to a banking service or product without explanation, at least once. This experience almost doubles for those within the age bracket of 25-34 (40%), perhaps linking to the average age at which a UK adult looks to take out extra banking services, such as a [mortgage](#).

However, if banks are clearer as to how they use customer data, relationships could be strengthened. Almost half (47%) of customers would be willing to share their data in exchange for lower prices, whilst 55% would feel comfortable with the bank monitoring their spending habits if it was then able to improve their disposable income through personalised offers, money saving tips, real time reminders and updates.

Christian Ball, Head of Retail Banking at GFT commented: “With PSD2 soon to be implemented, the drive for greater competition will bring bank data, customer data and third party providers together. Ultimately, it will impact the current banking model in two key areas. Firstly, the relationship between banks and their customers, as banks move to identify how they can improve the customer experience through data. Secondly, there is the opportunity for banks to grow market share and improve cost efficiencies through access to new customers via ‘marketplaces’, and with greater flexibility for how banks consume services.”

Ball continues “If banks are to thrive in this new banking ecosystem, they must focus on a wider range of data sources to enhance their understanding of the customer and their effectiveness in matching them to financial products and services. Top of the agenda for banks should be to improve customer segmentation through greater use of transaction metadata gained from a smart transaction manager and personal

financial management (PFM) engagement, as well as considering alternative sources of insight, such as social media activity.“

GFT is developing a number of Know Your Customer (KYC) and customer analytics tools that will help banks to deliver the personalised benefits deemed to be lacking by consumers in the recent GFT research. Emerging GFT tools and assets include *Friendlyscore* a real-time credit scoring mobile app to enrich the retail store journey and *Brandchats* enabling a deeper KYC analysis from public social network content. In addition, GFT's partnership with Dexi accelerates the ability of clients to benefit from intelligent data automation.

Jacob Laurvigen, COO and Co-Founder of Dexi.io, a leader in intelligent data automation software also commented on GFT's findings: “Banks stand to gain by building a detailed and accurate picture of each customer to inform the products and services they offer. To do this effectively, they must be ready to work with ‘Fast Data’, quickly gathering, assessing and overlaying data from different external, web-based sources in real-time. Automating this process will guarantee quality and consistency, as well as delivering significant scalability and capability benefits over human manual data gathering, checking and cross-checking.“

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About GFT

GFT Technologies SE (GFT) is a business change and technology consultancy trusted by the world's leading financial services institutions to solve their most critical challenges. Specifically defining answers to the current constant of regulatory change – whilst innovating to meet the demands of the digital revolution. GFT brings together advisory, creative and technology capabilities with innovation culture and specialist knowledge of the finance sector, to transform the clients' businesses.

Utilising the CODE_n innovation platform, GFT is able to provide international start-ups, technology pioneers and established companies access to a global network, which enables them to tap into the disruptive trends in financial services markets and harness them for their out of the box thinking.

GFT expects to achieve a consolidated revenue of around 425 million euros in the 2017 financial year. Founded in 1987, the company is now represented in twelve countries with a global team of around 5,000 employees. The GFT share is listed on the Frankfurt Stock Exchange in the TecDAX (ISIN: DE0005800601).

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About the research

The research was conducted by Censuswide and questioned 2,000 UK consumers between the 26th and 28th July 2017.

Press Office Contacts

Tim Osler
tim.osler@gft.com
020 3753 5765

Hotwire PR for GFT
gemma.lingham@hotwirepr.com
020 7608 4632