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HYPERPERSONALISATION IN BANKING AND INSIGHTS ON ACCELERATION

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Defining A Strategy For Hyperpersonalisation



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The Hyperpersonalisation Imperative

As increasingly tech-savvy and time-poor populations demand digital throughout, banks can struggle to develop and nurture the strong personal relationships that were the foundation of this industry.

The loyalty and trust that was naturally built over many hours of discussion and collaboration have been eroded by convenience considerations. Expectations are soaring for digital experiences intuitively tailored to individual needs and preferences – and a rapid and secure transition across digital and physical channels when, where and how the customer chooses.

Against this backdrop, the financial services organisations who are emerging as leaders are reimagining engagement – across the entire customer lifecycle. Personalisation has long been a key strategic focus for banks with most using customer data to tailor offers based on the individual's past transactions. In this new environment however, where competition is diverse and fierce, this traditional approach is failing to impress.

Instead, banks need to go further and offer a hyperpersonalised experience. This strategy integrates customer data

from both digital and physical interactions. The offers, support and communications delivered are both timely and hyper relevant to the precise context of the individual customer's life – and to what they want to achieve. Hyperpersonalisation moves customer experience from responding to the past, through to predicting and recommending for the present and future of each customer.

The Benefits Of Hyperpersonalisation In Banking

So how are banks delivering on this marketing concept of 'segment of one' when they have thousands of customers, each transacting across the day on multiple channels? Innovation-driven banks are creating and building more meaningful and sustainable relationships with customers by consistently gathering and analysing the data generated through all physical and digital channels – to drive more hyperpersonalised experiences.

When done well, hyperpersonalisation differentiates a bank's brand –

strengthening customer loyalty, retention and new demand. Customers gravitate towards the most hyperpersonalised and therefore convenient platforms.

Hyperpersonalisation improves profitability by providing the intelligence to guide more productive employees – and tailored services. It helps banks to meet their regulatory requirements and fulfil their ESG goals. For example, hyperpersonalisation efforts can identify those who could benefit from more support or tools to improve financial inclusion and accessibility. This can

be highly positive for disadvantaged members of a community and those with physical or mental disabilities who can be financially more vulnerable.

Banks can also leverage hyperpersonalisation to convert customers they have in one area of the business to another – for instance, engaging with a business banking customer to set up new personal banking services.

Innovation-driven banks are creating and building more meaningful and sustainable relationships with customers.

Plotting A Path To Hyperpersonalisation

Technology is enabling incredible new milestones for hyperpersonalisation in banking. Real-time customer data is analysed using Artificial Intelligence (AI) – this includes powerful machine learning, predictive and prescriptive analytics tools and behavioural science expertise. Banks can then accurately predict and deliver financial services, products and pricing that are more relevant to each specific customer's manifest and latent needs. This can be within their current context, such as a buyer searching for a new car and needing a loan, or a situation such as a young adult with limited knowledge needing help to invest an inheritance.

While the benefits of hyperpersonalisation are undoubtedly game-changing, for many banks, making the shift is complex.

The research Infosys undertook for this paper exposes the wide range of issues banks are facing, including 54% citing the lack of use cases. This is alongside, being constrained by legacy IT systems, challenges securing sponsorship and budget – as well as finding the right partners to support efforts.

The next challenge is in cutting through the data noise to generate actionable insights – and embedding processes to share this with relevant teams in real-time. This type of operating environment drives excellence in customer communication, offers and service. Of course, within many banks, especially larger organisations, the ability for this unencumbered data velocity can be difficult. Out-dated technologies and fragmented and siloed platforms

and systems can however be overcome – via a well-orchestrated and timed, incremental approach.

This report examines the critical success factors. Our goal is to provide useful reference points for teams looking to progress hyperpersonalisation across their bank. Although there is debate over the magnitude and speed of change, it is clear banks will need to adapt to vastly different employee and customer expectations. Hyperpersonalisation provides banks with a clear data-based strategy to navigate the journey – empowering employees and banks to achieve stronger customer centricity and build deeper, long-term collaboration that inspires genuine trust and loyalty.



This paper looks to explore the shift to hyperpersonalisation that is already underway in banks across Australia, New Zealand and Singapore.

Based on comprehensive research amongst senior decision-makers in banks, the report highlights the extent to which hyperpersonalisation has become a key priority for banks in all three markets, the wide variety of drivers that are powering this dynamic – and the barriers banks need to overcome to achieve more.

Worryingly, the research exposes a lack of confidence amongst bankers about their organisations' ability to leverage data or to access the volumes of data they need to support hyperpersonalisation. To begin with, banks need to ensure that they are able to collect and integrate the amount of customer data that is required for hyperpersonalisation. They need to ensure that this data is accurate and consistent –

Research Methodology

To better understand the progress that banks in Australia, New Zealand and Singapore are making as they shift towards hyperpersonalisation, Infosys has undertaken comprehensive research amongst a range of relevant stakeholders within banks in these countries.

and that their handling of customer data is compliant with all security and privacy regulations.

Interestingly, and as might be expected with such a new and broad concept, visions and definitions of hyperpersonalisation vary between different stakeholders and across the three different markets. However, at a topline level, there is a broad acknowledgement that banks need to ensure they have the right data infrastructure in place in order to generate real-time insights on each individual customer's needs, drivers and ambitions.

Despite the challenges they face, the research shows that bankers feel excited about the possibilities that hyperpersonalisation

presents. Across all markets and all functions, there is a widespread understanding of the urgent need to make the shift to hyperpersonalisation and of the benefits that this will deliver to those banks that do so quickly and effectively.

Importantly, the research identifies a series of critical success factors for banks to accelerate their hyperpersonalisation efforts and to drive competitive advantage as a result. These include having the ability to predict customer needs and deliver the right service at the right time – and focusing on product innovation to strengthen connections with customers. Other key focus areas include the integration of hyperpersonalisation solutions with other relevant services, and investment in AI and machine learning technologies and in predictive and prescriptive analytics tools.

This research comprised of:

- Interviews with 105 banking professionals, all of whom operated at management level – C-suite, senior level executive and operational levels.
- Respondents who worked for businesses located in three markets – Australia, New Zealand and Singapore.

- Respondents who worked across four business functions – Data, Intelligence & Analytics; Digital Transformation; Marketing and Customer Service/Engagement.

All research was conducted in June 2022.

HYPERPERSONALISATION IS ACCELERATING BUT THE DATA ISSUE REMAINS

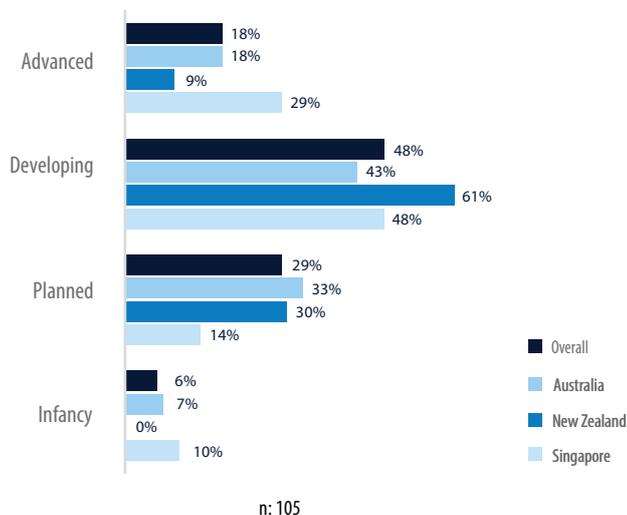


Almost two thirds of banks in the Australia- New Zealand- Singapore region are already underway on the journey towards hyperpersonalisation.

The research finds that 48% of banks have already enabled, hyperpersonalisation in select areas of the business to support specific business functions, product lines or customer campaigns (see Figure 1). Impressively, 18% of banks have already reached an advanced stage, where hyperpersonalisation is embedded across the customer journey, with data

consistently gathered, shared and analysed seamlessly across all areas of the bank to underpin optimum customer service. This figure rises as high as 29% in New Zealand, suggesting that banks in this market are leading the way.

Figure 1: Where do you think the bank you work for is on the hyperpersonalisation journey?



Overall while most banks have already taken some steps to implement hyperpersonalisation techniques and technologies, a further quarter (29%) are still in the planning stages, defining use cases and building out their strategies.

Significantly, only 6% of banks in the region are still at the earliest stages of their journey, continuing solely with traditional, personalised marketing campaigns.

This means that a staggering 94% of banks in the region are now either already on the journey to hyperpersonalisation or planning to start in the near future.

Despite these encouraging signs however, the vast majority of respondents admit that there is work to be done in order for their bank to fully achieve their objectives around hyperpersonalisation and to maximise the impact of their initiatives in this area. In particular, the research highlights the extent to which banks need to improve when it comes to leveraging their data.

Every point of engagement with a consumer – from a call to completing a transaction via mobile banking serves as a “moment of truth” – do you deliver excellence and how did you do so? The valuable data generated is useful in building relationships and Customer Lifetime Value.

Only 11% of stakeholders feel that their bank is currently extremely or very effective in leveraging customer data to support hyperpersonalisation efforts (see Figure 2a). The majority (80%) feel that their bank is either slightly or moderately effective in this area.

Interestingly, only 4% of stakeholders in Singapore state that their bank is very effective in leveraging customer data to support hyperpersonalisation efforts (see Figure 2b).

The research highlights how the capacity to leverage customer data is vital to delivering hyperpersonalisation. Banks that are very or extremely effective at leveraging data are far more likely to have reached an advanced stage of hyperpersonalisation than those that are only moderately or slightly effective.

Related to this, stakeholders also report low levels of confidence about the adequacy of the data that they currently hold in relation to their customers. 85% are not fully confident that their bank has sufficient data to enable hyperpersonalised customer journeys (see Figure 3). And this figure rises to 91% in New Zealand.

Data quantity may be more myth

“Abundance of data and content is not a pre-requisite for rolling out hyperpersonalisation initiatives. Starting small and scaling progressively is key to drive a hyperpersonalisation agenda within an organisation. Designing specific targeted content leveraging day-to-day transactional data can deliver quick success to drive greater data consolidation and insights generation in a consistent and continuous manner.

Many banks already have DataMarts where customer profile data is stored. The challenge is this data is spread across many systems and hence does not provide a meaningful single view for analysis. Leverage data connectors to bring in the customer profile data to the campaign platform from all existing sources for analysis optimisations. Enrich existing customers profile data by adding new dimensions and attributes. This 360-degree data view will drive the desired target segmentation and personalisation.”

Anmol Jain, Managing Partner & Company Director, Infosys Consulting Asia Pacific

Figure 2a: How effective has your bank been in leveraging data to predict what customers want?

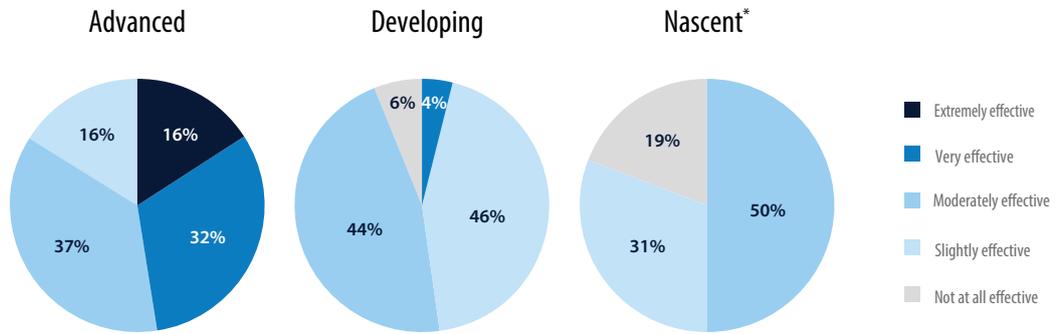


Figure 2b: How effective has your bank been in leveraging data to predict what customers want?

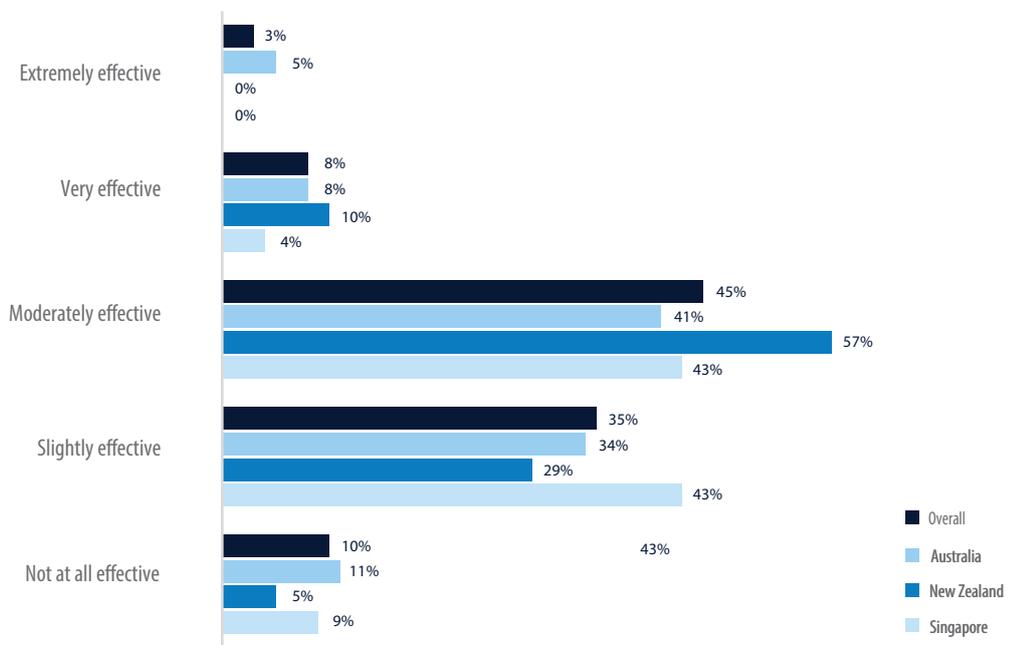
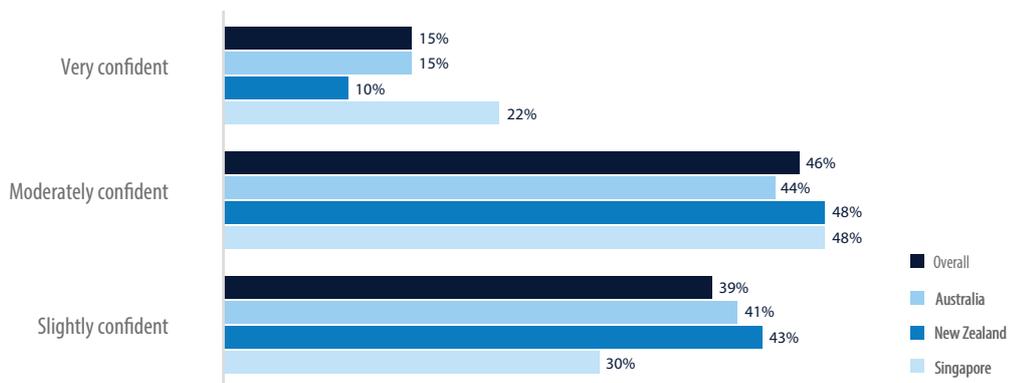


Figure 3: How confident are you that your bank has sufficient customer data to enable hyperpersonalisation journeys?



* Combining respondents in 'Planned and Infancy stage'.

THE BARRIERS TO HYPERPERSONALISATION



The research uncovers a significant number of challenges that banks in the region are facing as they look to ramp up their hyperpersonalisation efforts. These range from strategic and resourcing issues through to technical and budgetary challenges.

The biggest barrier that banks are encountering in implementing hyperpersonalisation solutions is in defining suitable use cases – 54% cite this as a challenge (see Figure 4a). Many banks recognise the potential benefits that hyperpersonalisation can deliver but they're struggling to identify how to apply these new approaches and technologies to their own products and services. Indeed, 47% of stakeholders are concerned that their bank still lacks the complex product offerings which best suit hyperpersonalisation.

Elsewhere, almost half (47%) of stakeholders cite technical debt, caused by an ongoing reliance on legacy systems, as an obstacle to hyperpersonalisation, and 45% point to difficulties finding the right partners to support them on their journey as a challenge. Banks that have already reached an advanced stage of hyperpersonalisation report the most difficulties in finding the right partners, indicating that many vendors are struggling to provide best practice advice and solutions at the most strategic level (see Figure 4b).

“While decision makers and marketers understand that personalised experiences will enhance customer engagement, more than half of the respondents report that their organisation still struggles to define use cases.

Clearly, finding the right partner is critical – not just to deliver the cost savings from implementation, but to help define strong use cases which will enhance the customer experience across all stages of the sales funnel – with measurable results.”

Matt Kain, President, Asia Pacific region at WONGDOODY (an Infosys company)

Figure 4a: Which of the following are obstacles for your bank in implementing hyperpersonalisation for your customers?

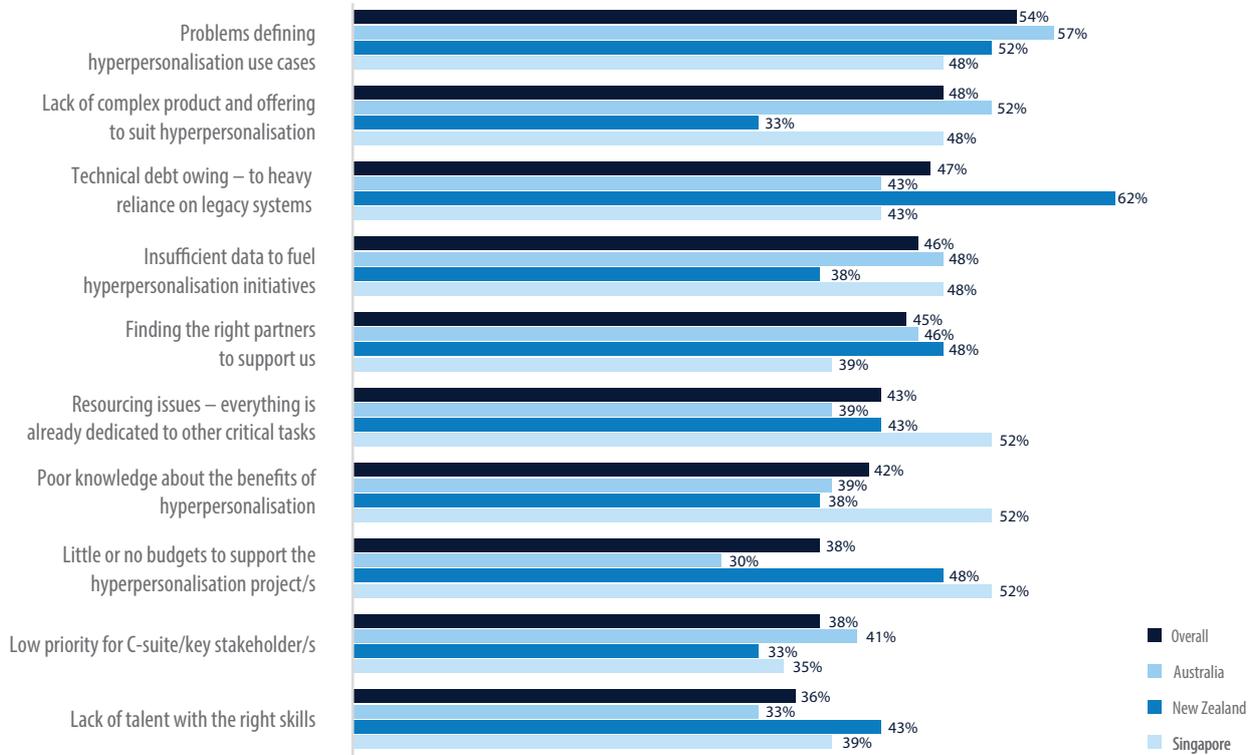
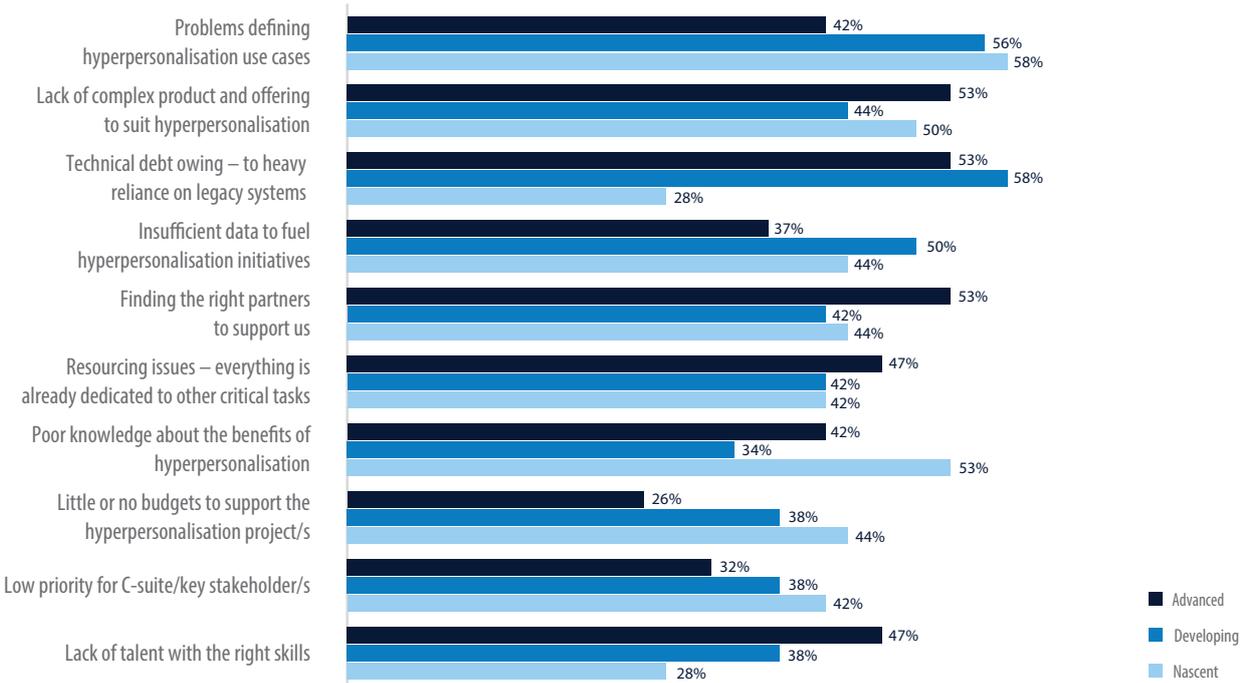


Figure 4b: Which of the following are obstacles for your bank in implementing hyperpersonalisation for your customers?



Interestingly, a significant number of stakeholders are also being held back by internal, cultural issues.

More than a third (38%) report that hyperpersonalisation is still a low priority for C-suite executives in their organisations and, as a result, they're not getting access to the budgets required to support these programs. The same

number also point to a lack of skills within their organisation to support hyperpersonalisation.

The research reveals some interesting variances across each of the three countries. Stakeholders in Australian banks are more likely to cite difficulties in defining use cases and a lack of a suitable product offerings as the biggest barriers

to hyperpersonalisation, while those in New Zealand point to technical debt and legacy systems as their greatest challenge. In Singapore, stakeholders report that a lack of knowledge about the benefits of hyperpersonalisation and a lack of resources to support new initiatives are the primary challenges.

“Though hyperpersonalisation has been part of the modern banker’s lexicon for some time, it has lagged in realising its vast potential.

Working with our banking customers across Australia, New Zealand and the ASEAN region, we’ve identified a “two-speed” problem on the technology front. Today’s consumer transacts largely via online channels; is used to instant messaging; real time updates and finicky last-minute changes – it’s unapologetically about what, when and how they choose to bank. Meanwhile, most core banking backend technology is processing transactions in batch mode nets – with end-of-day posts, status is refreshed with a lag creating significant limitations to analysing historical data in real time.

Some banks have implemented a message-based layer between the digital front end and the legacy back end which balances this two-speed problem. In the medium term however, a strong solution is to migrate the backend to business microservices connected via APIs. This makes the system more responsive, scalable and upgradeable.

Ultimately, the more regulated, secure Open Banking environments we are moving to provide for a more conducive environment to sharing information among consumers, traditional banks and new financial intermediaries. This in turn fuels more customised, point-in-time financial offerings with a greater probability of consumption. As new distribution avenues then open for banks, they will be encouraged to offer customers a wider, more personalised selection of products – some of which may not even be developed in-house.”

Vinaya Sukumaran, Senior Industry Principal - Financial Services, Domain Consulting Group, Infosys.



Hyperpersonalisation Sample Use Cases

Here are some common scenarios where hyperpersonalisation speeds up accurate services designed to drive customer experience excellence and loyalty. The Infosys Consulting team are able to share real world use cases directly attributable to the work they

are driving for customers – from defining a hyperpersonalisation strategy to driving the end-to-end implementation of engines and rapidly scaling initiatives.

 <p>Generate new relationships with a new generation</p>	<p>Sam Tandon, who has a child saver account has just turned 18.</p>	<p>Sam gets a text alert asking him to consider a new young adult saver account – with links to learn more.</p> <p>The bank knows that Sam is a traveller and offers an account with great features for this – as well as educational loans.</p>	<p>Sam reads the information and gets the account opened on his mobile phone in a few minutes.</p> <p>He reviews the educational loans and creates an appointment for a video call to learn more.</p> <p>Sam also starts saving towards a year-end holiday to Africa.</p>
 <p>Strengthen existing customer relationship</p>	<p>Clara Williams has checked in at San Francisco airport for a business trip to Sydney. She makes social updates and then completes a POS transaction using her existing credit card.</p>	<p>Clara receives a mobile push notification from her bank with a 20% discount offer when she spends more than \$500.</p>	<p>Clara has been looking for a new laptop bag that's travel friendly. She takes this opportunity to buy a bag using her bank's credit card and the 20% discount.</p> <p>Clara also posts a photo with her new bag on her social channel, tags the bank and recommends the bank to her friends and family. The bank responds to compliment the purchase and acknowledge her recommendation.</p>

 <p>Generate new Leads (Loans, Deposit and Wealth)</p>	<p>Yesh Tandon plans to buy a property in Melbourne. He visits the banks website to apply for a property mortgage loan.</p>	<p>Yesh receives a quick call from his Relationship Manager to talk about his requirement.</p> <p>He also receives an SMS listing property details, as per his preferred location in Melbourne.</p>	<p>Yesh receives an attractive property loan offer from the bank – within his required interest rate as he is already holding a FD account with the same bank.</p> <p>Yesh decides to proceed with the property mortgage loan application. This is approved by the bank in minutes, leveraging existing data the bank has about Yesh.</p>
 <p>Strengthen existing business customer relationship</p>	<p>Sheila Anto, a business customer has significant equity build in a property she owns.</p>	<p>Sheila's Relationship Manager, Julie, receives an alert and calls Sheila. Julie is aware that Sheila's business is growing rapidly and a second warehouse facility will be very valuable.</p>	<p>Sheila is grateful for this quick and timely update on equity. She has been very busy and had dropped her focus on buying a new warehouse – but it's definitely critical to smooth business growth.</p> <p>Sheila is able to close a deal on a new warehouse quickly. She tells her network about the outstanding support her bank provided through the transaction.</p>
 <p>Customer Service & Demand Failures</p>	<p>Michael Low lost his bank debit card while he was shopping in a busy mall.</p>	<p>Michael contacts the bank's call centre immediately and reports the lost card.</p> <p>His debit card is blocked with an SMS to confirm that this action has been taken.</p> <p>He is also given the option to go to the nearest branch of his bank to collect his new debit card.</p>	<p>As an existing customer, Michael receives his new debit card at the most conveniently located branch.</p> <p>While at the bank, he notices a \$200 cashback offer on a new credit card. He talks to the service person and his application is made and approved in minutes, based on data the bank already has.</p> <p>Michael feels very supported and valued as he received his new debit card in less than an hour. Further the new credit card he needed – with \$200 cashback created an unexpectedly positive outcome from the pain of losing his card.</p>



The research drilled down into the specific data challenges that banks in the region face in delivering hyperpersonalised experiences. In particular, it looked at the extent to which banks are able to capture the right volume and quality of customer data and then to share this data effectively across the organisation.

As expected, given the complexity and compliance involved, all banks regard capturing customer data from both online and physical interactions consistently across the customer journey as a challenge, and 11% of stakeholders report that it is very challenging (see Figure 5). Overall, though, the bigger challenge for banks is not in how they capture customer data, but in how they then share data insights in a seamless and timely way across the organisation so that teams can deliver hyperpersonalised offers and communications to customers. 19% of

stakeholders report that it is still very hard for their bank to share data from both online and physical interactions with the right teams across the organisation (see Figure 6).

Figure 5: How challenging do you believe it is for your bank to capture customer data from both online and physical interactions consistently across the customer journey?

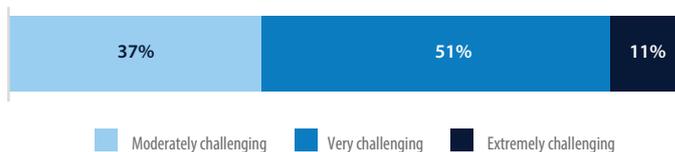
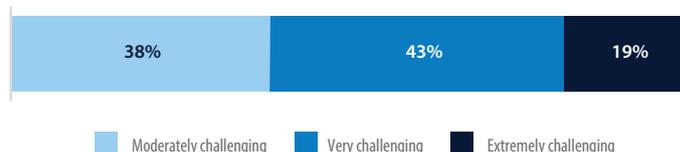


Figure 6: How challenging do you believe it is for your bank to share data insights from both online and physical interactions with the right teams across the organisation?



In order to deliver hyperpersonalised experiences, it is essential for organisations to be able to analyse customer data, turn this data into actionable insights and then share these insights with teams across the business, as quickly as possible. The real-time capture and sharing of data is vital in order for a bank to provide relevant and timely offers and recommendations to customers.

Currently, however, only 11% of banks in the region are able to share customer data insights with teams across the organisation in real-time, and this figure drops as low as 4% in Singapore (see Figure 7a). Most banks (61%) are taking up to 24 hours to share insights with teams and in more than a quarter (28%) of banks, this process is still taking up to a week.

The research shows a clear correlation between the speed at which banks are able to share data insights and how sophisticated they are in their deployment of hyperpersonalisation. All banks that have reached an advanced stage of hyperpersonalisation are able to share insights within a week, 53% are able to do so within 24 hours and 26% are able to do so in real-time (see Figure 7b)

Figure 7a: By your estimation, within what time frame are customer data insights shared with teams across the organisation?

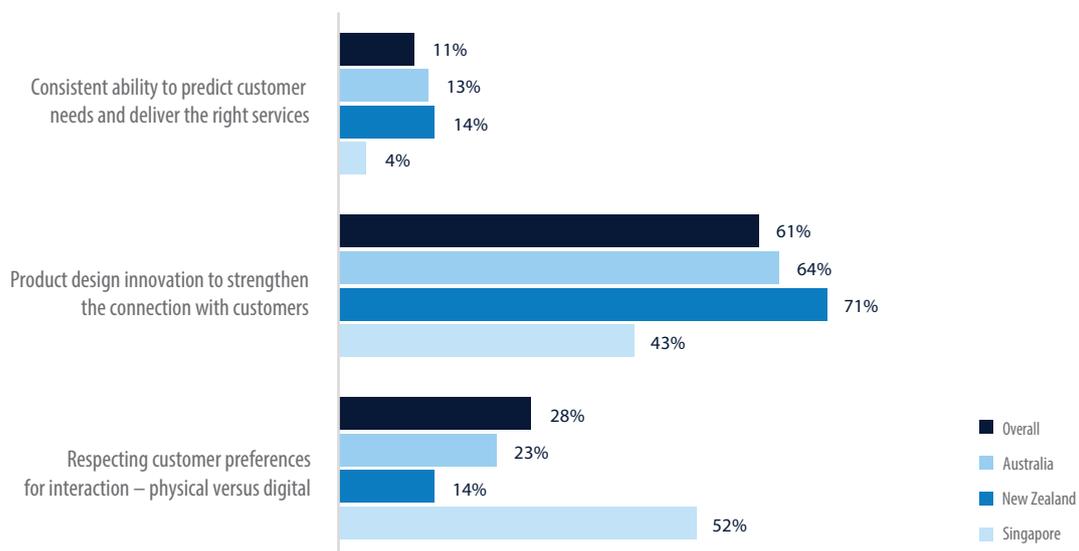
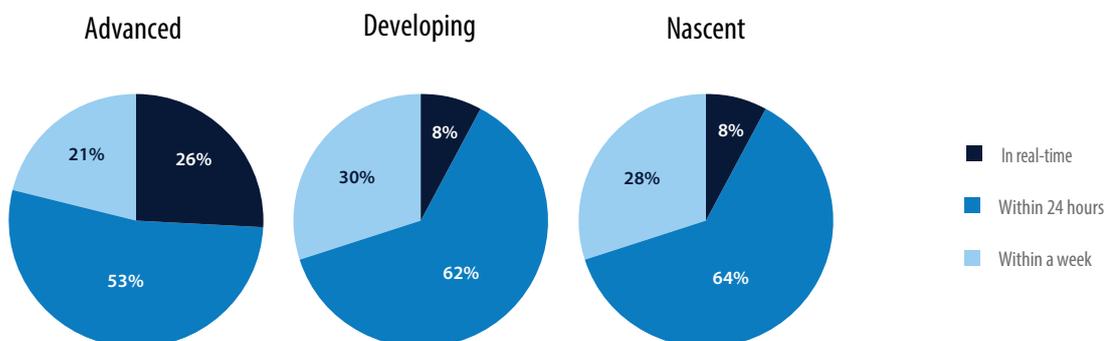


Figure 7b: By your estimation, within what time frame are customer data insights shared with teams across the organisation?





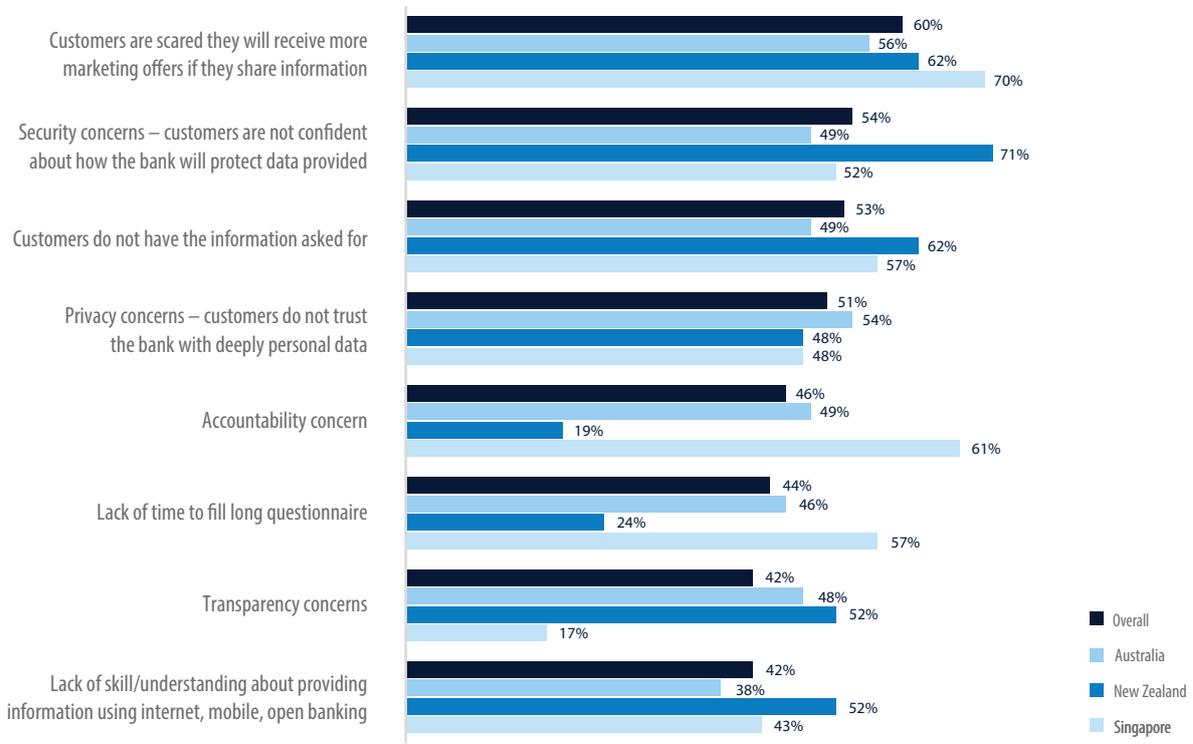
The research reveals a strong recognition amongst stakeholders that the success of their hyperpersonalisation initiatives doesn't just depend on the ability of their bank to enable this new level of communication with customers.

As well as needing to put in place the right structural, technical and cultural foundations to deliver hyperpersonalisation on a consistent basis, banks also need to ensure that their customers are open to and comfortable with this new level of engagement with their banks. Most of all, this means making sure that customers are willing to share the quantity and types of data that are absolutely critical for hyperpersonalisation to be successful.

However, the majority of stakeholders point to at least one challenge their bank faces in getting customers to share their personal data. Stakeholders believe that the biggest objections for customers sharing their data with banks are fears that it will lead to them being bombarded with marketing offers, and concerns around the security and privacy of their personal data (see Figure 8).

Interestingly, 53% of stakeholders state that customers often don't have the information that their bank asks them for, and 44% point to customers not having enough time to complete long questionnaires. 42% report that customers find it difficult to share personal data because they don't have the skills or understanding to do so using online or mobile banking applications.

Figure 8: What do you think is the biggest challenge for customers when it comes to sharing data?



“Hyperpersonalisation can potentially be stymied by a disregard for privacy issues. For example, the use of data obtained via interactions on social media platforms has raised alarms about consent. Many governments are also reviewing regulations on key issues in this space such as bait-and-switch teasers that confuse customers significantly, often impacting the most vulnerable in societies. It is critical for banks to delve into the details of data source and work with customers and governments to choose strategies that deliver convenience and equalise accessibility – without blurring or crossing the lines.”

Vinaya Sukumaran, Senior Industry Principal - Financial Services, Domain Consulting Group, Infosys.

Evidently, banks in the region need to focus heavily on how they communicate with customers around the sharing of personal data. This means reassuring customers about the security and privacy of sharing their data and providing full transparency around how personal data is stored, protected and used. It also means educating customers around how they can share their data and enabling them to do so in the quickest, most convenient and safest way possible.

Critically alongside this, banks need to be able to demonstrate to customers the benefits of sharing their personal data - how they can receive more personalised, relevant and timely communications and product offerings from their bank, which can help and support them based on their own unique needs at a specific moment in their lives.

Hyperpersonalisation and transparency must work glove in hand. Banks must

help customers understand how the data being collected will be used to offer a tailored service that saves them time and delivers better outcomes. How is the bank creating value with every interaction? Are you servicing a customer, nurturing the relationship, mitigating risk and proactively taking every effort to inspire loyalty – or just selling?



Dynamic Duo of Hyperpersonalisation: Sentiment Analysis & Relevance Scores

“Hyperpersonalisation provides an opportunity to positively influence customer sentiment and strengthen affiliation with a brand. Leverage sentiment analysis to assess anecdotal qualitative feedback from customers to gauge their level of affiliation towards your bank.

Hyperpersonalisation breaks down if relevancy is not achieved. It is critical to embed pro-active measurement of relevance scores derived from components such as views, clicks, engagement and reviews.

Other important KPIs and metrics used by banks include conversion rate, experience and revenue uplift and lifetime value.”

Anmol Jain, Managing Partner & Company Director , Infosys Consulting Asia Pacific



Encouragingly, while there are clearly a multitude of obstacles that almost all banks need to navigate in order to deliver hyperpersonalisation, the research indicates that stakeholders have clear ideas about where they need to focus their efforts in order to achieve their ambitions in this area.

The research identifies ten critical success factors for banks looking to accelerate their move towards hyperpersonalisation over the next 12 months and beyond.

The biggest focus for banks is on developing the ability to consistently predict customer needs and deliver the right service at the right time. This is cited as important by 49% of stakeholders (see Figure 9a). Just behind this is the need for banks to innovate within their product design to strengthen the connections they have with customers, and to

be able to respect customer preferences for interaction, across digital and physical channels.

Other key priorities for banks to improve their hyperpersonalisation efforts include crafting a more human experience for customers and being able to tailor their engagement efforts according to each individual customer's ability to use and understand digital channels.

Figure 9a: What factors do you believe are critical for hyperpersonalisation efforts?

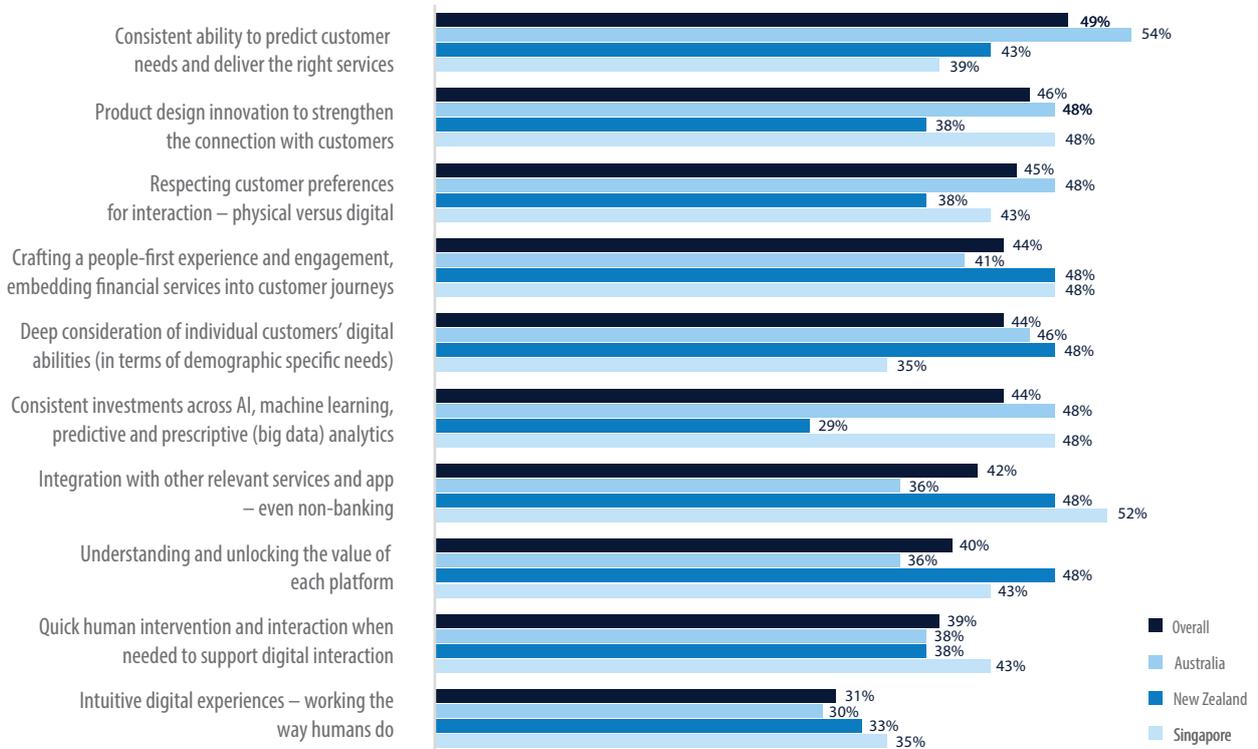
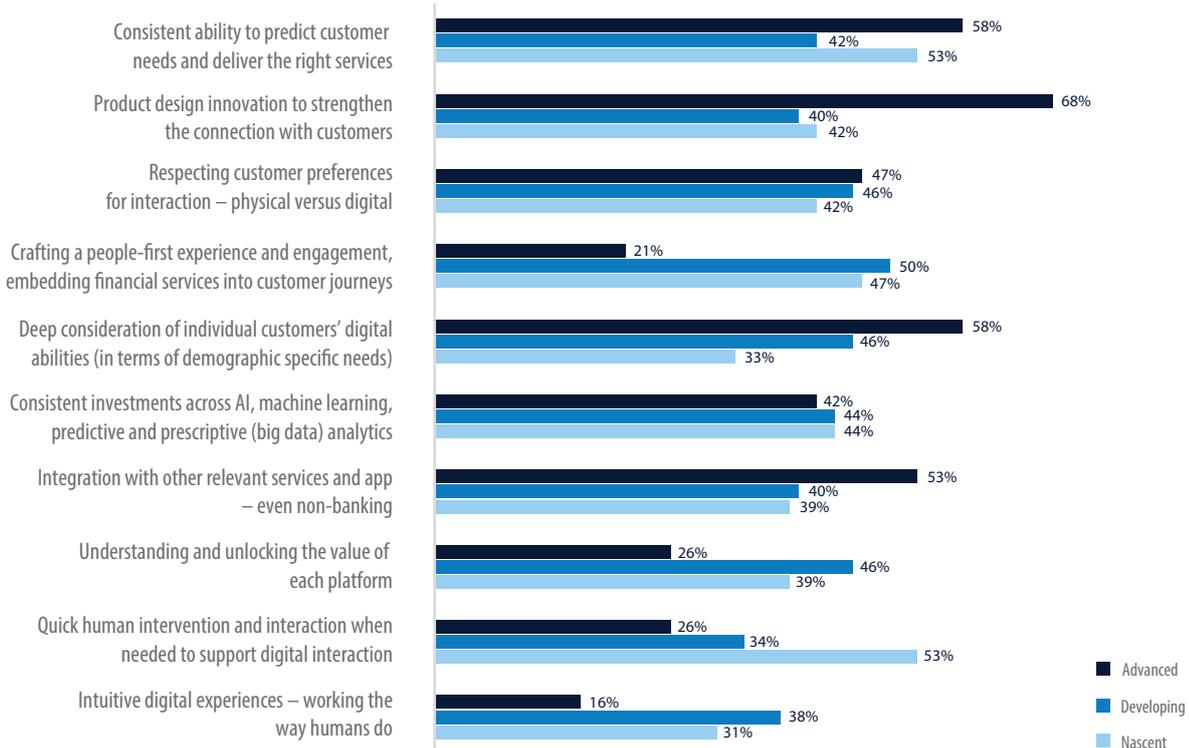


Figure 9b. What factors do you believe are critical for hyperpersonalisation efforts?



“Consumers expect and value personalised experiences. Recommendation engines already drive our streaming consumption and ecommerce. So why would a bank present the same homepage to a new homebuyer that it does to a seasoned investor? You already know your customers intimately – it’s time to unleash that data and deliver personalised experiences.

Understand what your customers are trying to do. They are not trying to get a loan, they are trying to buy a house. They are not looking for a credit card, they are putting their kids through school. They don’t want a line of credit, they want to grow their business. Don’t try to sell them what you have. Help them buy what they need.

Think about it as trying to design thousands of unique experiences – the more data you have, the more you can predict needs in order to deliver serendipitous offers and truly beneficial relationships.

Every brand experience your customers and prospects have – from digital marketing, website, call centre, online chat, socials - can be tailored to the data you have. And each experience gives you more data so you can do even better on the next interaction.”

Matt Kain, President, Asia Pacific region at WONGDOODY (an Infosys company)

44% of stakeholders believe that it’s important for banks to consistently invest in cutting edge technologies, such as AI and machine learning, and in predictive and prescriptive analytics tools, in order to boost their hyperpersonalisation efforts. But at the same time, 39% recognize that they also need to find ways to ensure rapid human intervention and offer human engagement when needed to support customer interactions.

Interestingly, the research shows how priorities change as banks become more sophisticated in their deployment of hyperpersonalisation (see Figure 9b). Those

that are still at an early or nascent stage on their journey to hyperpersonalisation are significantly more focused on ensuring quick human intervention to support digital interactions, while banks that are in the developing stage are prioritising the creation of people-first experiences and how to unlock the value of each platform.

Banks that are already operating at an advanced level of hyperpersonalisation, however, are strongly focused on product design innovation to deepen customer relationships and on responding to individual customer’s digital abilities and needs.

The research reveals some slight variances between priorities in each of the three countries. In Australia, banks are primarily focused on developing the ability to predict customer needs and product design innovation, while in Singapore, they are prioritising the integration of hyperpersonalisation solutions with other relevant services and applications, even non-banking services. In New Zealand, a greater focus is being given to understanding and unlocking the value of each platform and creating a people-first experience which embeds financial services into customer journeys.



Across the board, there is an acceptance that hyperpersonalisation represents the future of customer engagement and experience within banking and the next major battleground for customer acquisition and retention.

Despite the challenges involved, the research reveals a strong sense amongst banking stakeholders in Australia, New Zealand and Singapore that they simply have to succeed in their efforts to deliver hyperpersonalisation (see Figure 10a). The potential benefits are too great and the implications of failure too severe for them to fail.

Indeed, the research indicates the extent to which stakeholders believe that hyperpersonalisation will enable banks to re-imagine their relationships with customers, to re-think how they develop and design products and services, and to drive better productivity and profitability across their operations.

Stakeholders see the biggest benefit of hyperpersonalisation as providing banks with a platform to drive greater automation and cost savings while maintaining customer experience (see Figure 10b). Alongside this, they point to reduced customer churn and greater productivity as key advantages.

Other perceived benefits of hyperpersonalisation include better return on investment on marketing spend due to more targeted campaigns and in-context offers, and improved brand positioning which can strengthen leadership and attract the very best talent into the organisation.

Figure 10a: What do you think are the benefits to your bank of providing a hyperpersonalised experience to your customers?

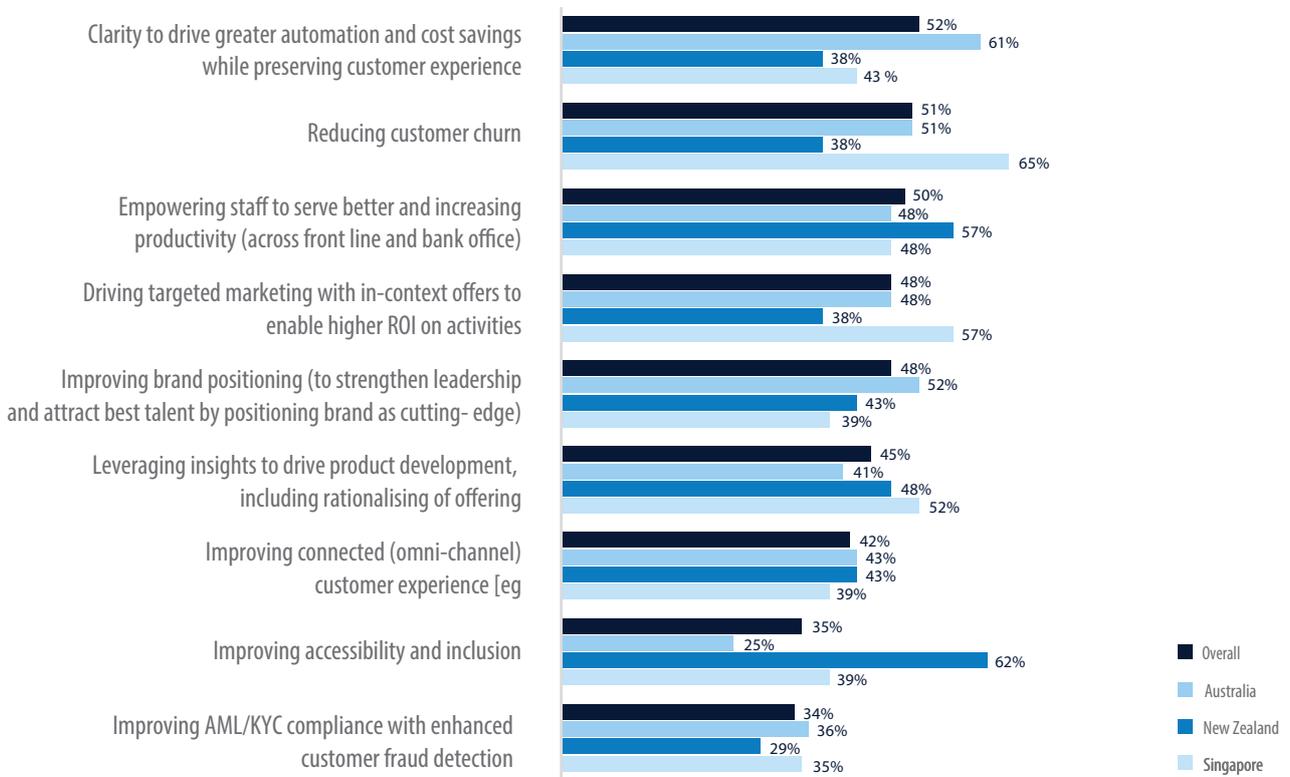
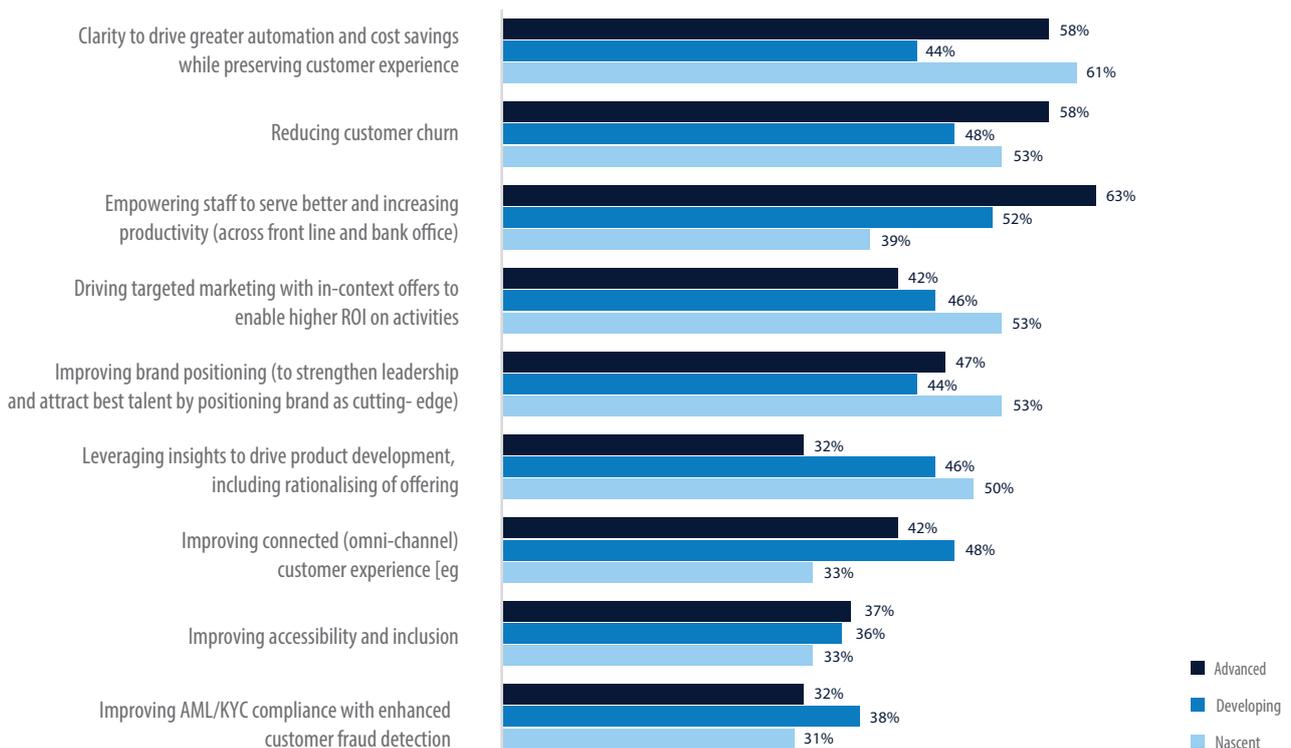


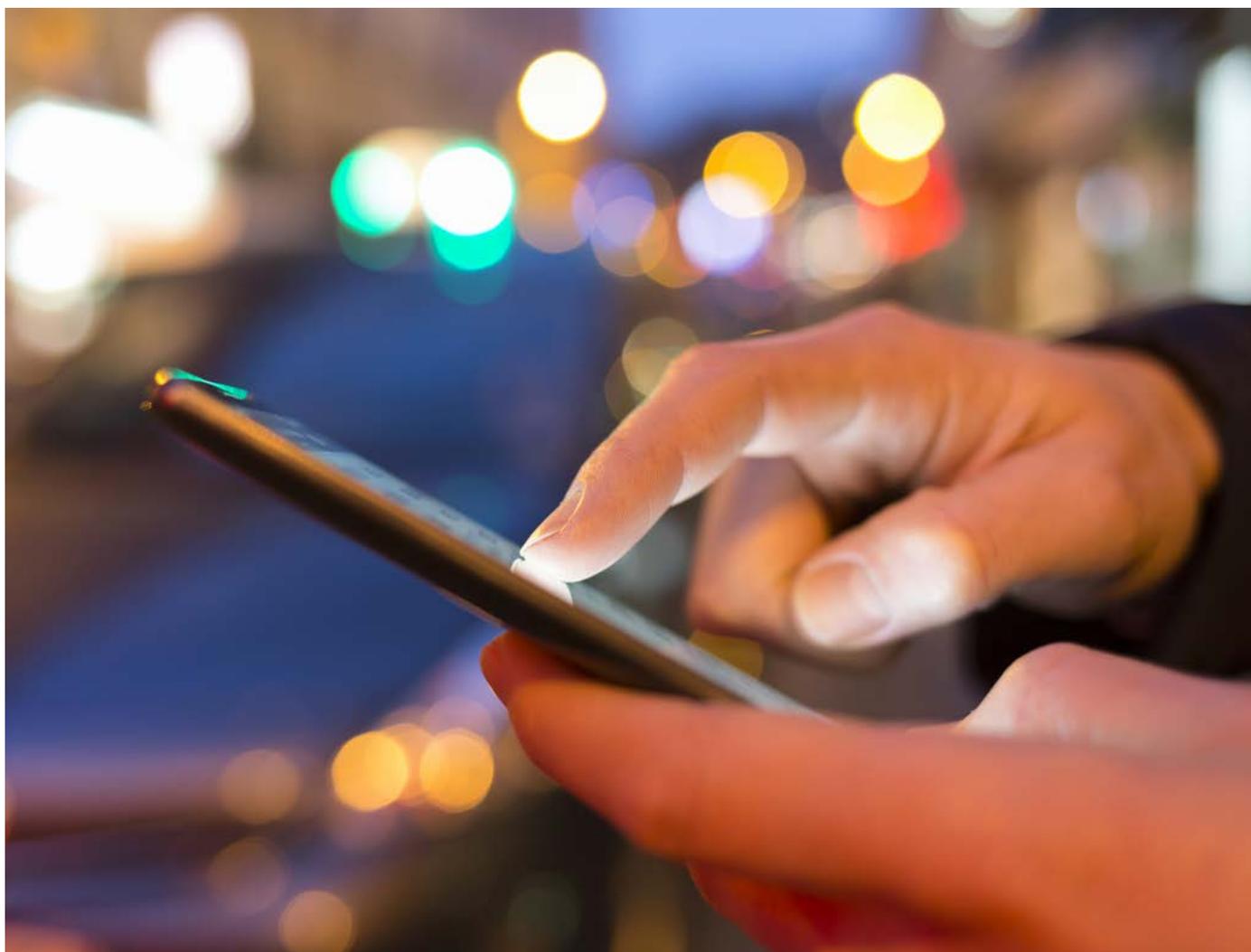
Figure 10b: What do you think are the benefits to your bank of providing a hyperpersonalised experience to your customers?



Take the advantage in competing with Fintechs

“Hyperpersonalisation is a must have tool for traditional FS providers to compete with new world Fintech competition. There is a huge opportunity to drive hyper personalisation at scale as we pivot towards an open banking ecosystem and embedded finance. The focus must be on enabling more secure and shared access to consumers’ data to fuel service excellence. Leveraging the insights gained will enable banks to create the right future financial products and services.”

Anmol Jain, Managing Partner & Company Director , Infosys Consulting Asia Pacific



CONCLUSION: DEFINING A STRATEGY FOR HYPERPERSONALISATION

Evidently, stakeholders see a whole range of game-changing benefits that hyperpersonalisation can deliver to banks.

The challenge now is for banks to develop a vision for hyperpersonalisation within their organisation and a strategy to achieve this vision as quickly as possible.

Importantly, banks should consider a modular approach to hyperpersonalisation to deliver value in an accelerated and sustainable manner. Rather than trying to do everything at once, a phased implementation allows banks to deliver different features in stages. This also enables cultural, process and technical changes to be managed in a more controlled and structured way.

Banks should be looking to identify initial business use cases, defining value-driven, hyperpersonalised customer journeys and demonstrating the value that these programmes can deliver. Trust remains the most valuable currency for banks as it provides the essential foundation for further implementation.

To collect the right data sets at the right time, banks need to ensure that they have robust and agile data infrastructure in place. Only then can powerful analytics solutions deliver the best results and enable more teams to spot trends and identify opportunities in real-time. These data and analytics platforms need to be integrated with marketing automation tools so that they can quickly and easily deliver hyperpersonalised offerings to both existing and prospective customers.

Ultimately, banks should be striving to generate the data required to develop a 360-degree view of their customer base and to identify the most likely potential new customers. Teams should be doing this while maintaining the most stringent and transparent governance around data security and privacy.

This research shows that hyperpersonalisation can no longer be seen as the future of customer engagement in banking – it is the present. This is a holistic strategy of always on, one-to-one, tailored engagement. Forward-thinking banks across Australia, New Zealand and Singapore are making great strides towards delivering hyperpersonalised experiences to their customers, and many will start to reap the benefits.

Over the next three years, the shift to hyperpersonalisation will completely re-define the traditional bank-customer relationship and transform how banks develop new product offerings. The banks that are able to expedite this move and implement the technologies, processes and culture to support hyperpersonalisation on a consistent and sustainable basis, will undoubtedly dominate the market.

For more information, contact askus@infosys.com



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