

Redefining Financial Services CX in a Phygital World



What is Phygital?

Phygital refers to combining digital and physical experiences. A classic example of a phygital experience is a kiosk.

THE PHYGITAL WORLD IS HERE TO STAY

Customers want **in-person and digital personalized services** to be engaging, interactive, easy to use, and consistent

Customers want **options to complete a transaction** either online, in a bank branch, on the phone, or a mobile app

Consumers choose banks that **practice sustainability**, take action on environmental concerns, and implement ethical corporate governance



Customer journey is not linear anymore; Considering decision touchpoints are important

Post pandemic, banking customers expect to have an **omnichannel banking experience** and want **inclusive finance**

Regardless of the option they select, consumers expect a **seamless, secure experience** in real-time

NUMBERS SPEAK FOR THEMSELVES

<p>1 Global cashless payment volumes are expected to increase < 80% from 2020 to 2025 and almost triple by 2030 (FIS Global)</p>	<p>2 The mobile payment market to grow at a CAGR of 29.1% from 2021-2022</p>	<p>3 Digital wallets will account for more than half (52%) of e-commerce payments worldwide by 2024, as consumers shift to account, payment platforms, and QR code-based transactions (FIS Global)</p>
<p>4 4x increase in the number of contactless cards in 2022 compared to 2020 in the US (Visa)</p>	<p>5 Survey shows almost 40% of crypto owners will consider switching primary banks to one that offers crypto products (Visa)</p>	<p>6 1 in 3 consumers will move to a FinTech competitor if they provide low-cost, quick, efficient, easy-to-use products and services that are available anywhere at any time</p>
<p>7 Buy Now, Pay Later (BNPL) schemes are predicted to be the fastest-growing online payment preference globally over the next three years (FIS Global)</p>	<p>8 Credit cards will continue to be the preferred choice of payment in physical stores – set to increase from 40% in 2019 to 42% of in-store purchases in 2023 (FIS Global)</p>	<p>9 3 in 4 small businesses (SMBs) believe new forms of digital payment are critical to their growth (Visa)</p>

THE OTHER SIDE OF THE COIN

1 in 2 customers do not enjoy banking (World Retail Banking Report 2022)

1 in 4 consumers who wanted to go digital in 2021 were unable to create a new digital banking account (PwC)

The amount of data available has increased, but fintech institutions are struggling to make sense of the data and gather insights

Survey shows:

95% of banking executives strongly believe legacy systems and outdated core banking modules are significant barriers to optimizing data and implementing customer-centric growth strategies (World Retail Banking Report 2022)

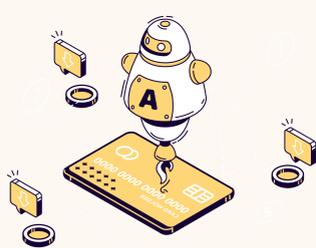
80% agree underdeveloped data capabilities deter customer lifecycle process developments (World Retail Banking Report 2022)

PRIORITIES FOR BANKING AND FINANCIAL INSTITUTIONS

- 1 Creating an ecosystem where a **customer-centric approach and digital transformation** are at the core
- 2 **High-touch approach for touchless interaction** - As touchpoints become increasingly digital, banks need to focus on the “human touch” – make customers feel valued, appreciated, and safe across channels
- 3 Hyperpersonalized CX – Creating **data-driven experiences** and implementing **gamification**; Gamification includes rewards, incentives, and fun educational games – key to acquiring and retaining customers at a lower retention cost
- 4 Data-driven **Innovation and optimization** for a sustainable, adaptable, resilient way forward
- 5 **Critical accelerated digital initiatives** - cloud migration, remote delivery, data management, customer service, and automation of parts of the customer journey
- 6 Customer-centric banking and financial institutions will **invest in analytics** and gain insights to provide a seamless, personalized omnichannel experience
- 7 **Be a part of the customer's larger ecosystem** by tying up with various eCommerce and other digital platforms that require financial transactions – these platforms offer new sources of revenue and increase consumer loyalty

THE RESILIENCE TO GROWTH SHIFT USING DATA ANALYTICS

1. Agile Fintechs have adapted to changing customer behavior and expectations by leveraging data and customer analytics, marketing analytics, and opportunity analytics to create hyper-personalized CX and grow wallet share
2. Most commonly used AI technologies, according to a survey report, are (McKinsey)



Robotic process automation (36%) for structured operational tasks



ML techniques (25%) to detect fraud and support risk management



Virtual assistants (32%) for customer services

PARTNER WITH LATENTVIEW ANALYTICS TO:

Improve operational efficiency using actionable data insights

Align strategy, technology, and resources for targeted personalization and interventions

Build custom solutions and capabilities that combine industry expertise and advanced analytics

TO KNOW MORE ABOUT

✉ marketing@latentview.com consultingservices@latentview.com

Fill in this form, and we'll get in touch with you