GENERATIONAL VALUE OF DATA HYGIENE: THREE WAYS ACCURATE OPPORTUNITY INTELLIGENCE BOOSTS GROSS SALES

INDUSTRY CONTEXT

Nowadays, customers demand that financial organizations offer an entirely personalized service. If financial organizations want to create long-term relationships, going one step further is paramount. Doing so has several benefits, such as avoiding investing too much in advertising and creating new business opportunities.

GENERATIONAL TRANSITION

Customers are popularly divided into boomers, Gex X, Millennials, Gen Z, and Alphas. Financial institutions do not need to convince millennials or Gen Z (as they are/have entered the banking age) of digital value. Still, there is work to deliver the experience they are looking for.

Looking closely at these generations, they have grown up sharing their data without care because it will help power artificial intelligence or machine learning algorithms for a better, more personalized experience. For them, experience is paramount. **However, 85.5% are still frustrated with traditional banks' financial services on mobile.** This negativity can be traced to the fact that millennials experienced the full brunt of the 2008 financial crash, and Gen Z witnessed their parents go through economic uncertainty.

BANKS AND CREDIT UNIONS CAN REBUILD THIS TRUST

By delivering transparency and focusing on long-term relationships and experiences rather than single transactions. It is essential in a time like this when millennials are learning about and planning long-term investments and purchases, and Gen Z is searching for a solution. They will not be deceitful.

Today's technology makes it challenging yet possible to meet the needs and even the whims of actual generations. These generations seek instant answers while getting good bang for their buck. They also seek to be contacted through their devices, leaving behind archaic methods such as face-to-face appointments.

This presents a massive opportunity for financial institutions: McKinsey (2022) estimates that **"approximately $200 billion in transactions are already flowing through digital wallets in the U.S. And the base-case scenario indicates this volume should reach 18 million transactions by 2020, or a total of $1.2 trillion. This represents about 18 to 20 percent of total U.S. retail spending. Approximately $1 trillion will come from mobile and eCommerce transactions."**

Companies that provide excellent customer experience see their revenues grow 4-8% above the market's average:

AVERAGE COMPANIES

Average
revenue

CUSTOMER-ORIENTED COMPANIES

+ 4-8%
revenue

Source: Bain & Company

The biggest challenge is efficiently leveraging data already collected to offer a personalized experience at the right moment. Customer-facing employees should have permanent access to holistic and accurate customer data that they can access through multiple devices.

A company's digital database is perhaps its greatest asset. A gold mine that the company must manage well to provide quality customer service, therefore improving the return on investment and the organization's health.
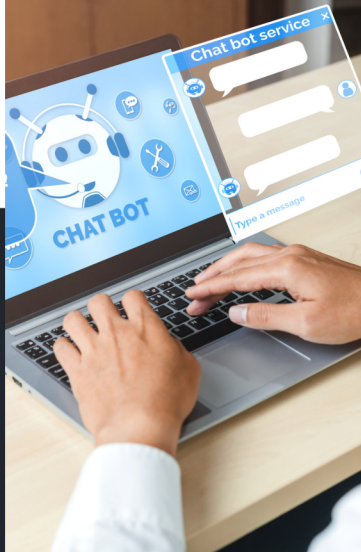
DATA MANAGEMENT AND DIGITAL RELATIONSHIPS

Companies that aspire to have next-level connections with customers are held hostage to a complex data infrastructure. However, this does not necessarily represent a burden for the company but a window of opportunity to digitalize processes. Also, companies can no longer afford to skimp on their tools in exchange for an immediate benefit.

A true customer 360 view is vital. Good data-driven insights allow for a more significant number of opportunities to capture. **Paying attention to the origin of the opportunity since data capture is the most crucial step.** Financial institutions must manage this data capture perfectly—accurate and live information from beginning to end.

Thanks to the excellent interpretation of the data, it is possible to predict future movements to know which services to offer and when to provide them. It is not only about keeping an updated database but a database that allows the company to plan so that every resource has a real purpose.

All this seems to be just a sales task. Still, if the institutions look to create long-term relationships with the customers and therefore generate more significant revenue, it is necessary to know each one of the end users. Not just by name but by their lifestyle.

More than data collection is required. Data of all kinds are relatively easy to obtain, but in vain if these turn out invalid or outdated. Moreover, especially within the financial industry, data can go from gold to coal if it changes in days or hours. A customer's status can change quickly through a bank run or mortgage acquisition. In this industry, the only constant is change. Regarding investments and earnings, it is about sensitive information that does not lend itself to mistakes, allowing for almost no margin of error.

CONSEQUENCES OF NOT MAKING THE DIGITAL LEAP

According to a study made by IDG, one of the biggest technology media companies, 89% of organizations have plans to adopt a digital-first business strategy. However, only 44% have fully embraced this approach. Digitalization and good data management are conducive to a thriving business; however, a lack of information and a close forward-looking vision keep a company from enabling success. Banks, for example, are continually striving to adopt digital platforms that take full charge of data collection and retention, which can even make automated decisions for efficient processes. However, this is not yet standard practice, as convenient as it may be. Institutions that see the benefits early on will have an excellent opportunity to take the lead.

44%

Source: IDG

Digitalizing an organization's internal processes should not represent a problem.

On the contrary, it is a convenient investment, providing multiple benefits from its implementation. It is necessary to perceive this digitalization as the door to a new holistic era. Each department involved in a customer journey stage should be connected through these systems. For an organization to take advantage of business opportunities, it needs to be fully aware of how to handle information from beginning to end.

When prospecting, it is crucial to have a clear channel for receiving leads. For bankers, thresholds and rules are specific to each organization, which demands fully customizable features. Having multiple inputs should be an advantage and never a disadvantage. With the right tools, it is possible to receive contacts from anywhere in the world.

METICULOUS APPROACH

Before contacting the audience, the organization needs to know whom to go for and how best to get them. The approach needs to be precise, as in most cases, a matter of a few minutes, in which the customer, in a matter of seconds, will decide whether it is worth his time or not. Both duplicate records and unvalidated data represent a real threat to this. Not to mention data that has been impossible to process and considered lost or unusable. As absurd as it may seem, great business opportunities may be lost daily at the hands of invalid emails or emails sent multiple times to the same person. Organizations must trust their data to make an excellent first impression and maintain a long-term relationship.

47%
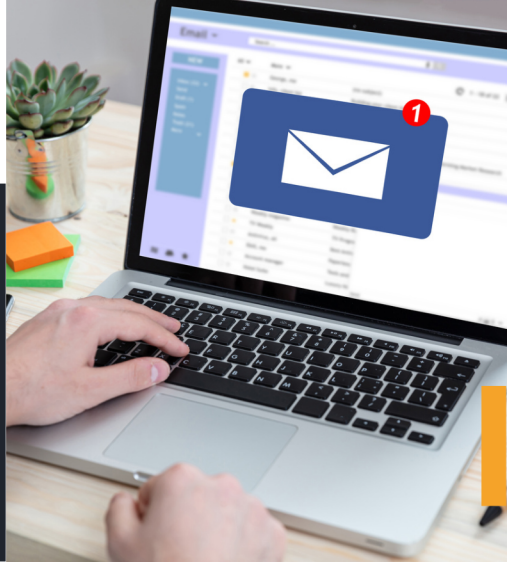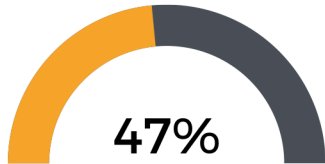
In a study conducted by Plauti (2021), it was found that **out of a universe of 38 million records, up to 47% were duplicates (18 million)**. These records were obtained within Salesforce from multiple integrations representing innovative digital platforms and cleaned through Duplicate Check. Without the right solutions, these 18 million records would have wasted time, effort, and money after their discovery. From the results, the companies involved had the opportunity to focus on the relevant data, generating more business opportunities.

Every financial institution must be sure of the products and services it offers. By mishandling the information, it loses the user's trust. Customers either fully trust their financial institution or do not require their services. Any change made by the customer must be registered and taken into account immediately, whether a change of address or abnormal handling within a fund. The company must detect the slightest movement to offer support at the right time. The company needs to earn the customer's trust, not the other way around.

Another challenge to consider is the buying behavior of the new generations. Priorities and even some values have changed in just a few years. Thanks to a study by Forbes (2018), it is known that new generations value the purchase or acquisition of services based on their lived experience. They may even pay more for it. Add to this the fact that customer interest is very volatile, and if the company fails to hit the target, there is no room for a long-term relationship. As a result, the company's egress and effort will be doubled to restart the sales process. This event affects not only the sales level but the entire company cycle. Customer organization engagement will stagnate within the first steps, creating disposable connections and no reciprocity efforts.

An organization's reputation also lies in its internal impact. The branch results presented to headquarters (and, at some point, to external audiences) can sometimes be skewed, thanks to poorly captured and verified data.

Alex Albu shared his experience as a Salesforce admin at Comply Advantage and explained how back then, poor data had an organizational impact before implementing the right solution:

" I discovered that we had thousands and thousands of duplicates on Accounts, Contacts, Leads, and so on. (...) you can imagine, on the reporting side, a Regional Sales Manager looking at the report of a ratio of closed won opportunities based on how many contacts we had that month. And suddenly, you'll see numbers not being shown correctly just because we had maybe 10% of the data duplicated."

To prevent a company's image from being affected by poor data management, opting for integrated solutions and unifying sales processes is essential. At the customer service level, the institution's data analysts, salespeople, and managers need to comprehend the importance of implementing extensions and solutions that ensure adequate interpretation and management of the captured data. This way, the agent responsible for providing customer service will know better how to address the public and their needs.

At the management level, working with trustworthy data leads to accurate results. Based on the parameters obtained, efforts will be well-directed in addressing issues and designing a long-term relationship with the customer.

Thanks to the right tools, it is easy to capture a wide variety of data and data belonging to distinct categories. If the organization wants to obtain quantitative and qualitative data within the same form, it is essential to consider that the platform can distinguish between letters, symbols, and numbers. Automatically validate and convert to the corresponding stage. Human labor can perform that task; however, it becomes impossible, considering that hundreds of leads enter per minute. This is where the need to rely on technology that can automate data hygiene becomes apparent.

The limited human ability to interpret and catalog incoming data affects the detection of opportunities and the company's image but also affects the daily employees' journey, so this point must be considered of equal or even greater importance. However, it directly relates to the first two points; the latter leads us to discuss the root problem. The issue and its consequences have weight on their own, and there is no need to look beyond the economic or image impact; the poor reading and understanding of data slows down and spoils the performance of the sales force and data analysts, demanding a double effort to achieve the objectives of the area. The members of an institution should focus primarily on converting opportunities instead of correcting human errors based on archaic record management.

A mistake in the database can represent a significant loss of time, effort, and money.

If the institution knows the audience's behavior, it also knows what service and tone to offer. The approach and result could be quite different between a retired senior citizen and a young college student. The behavior is bound to vary. A senior citizen will seek face-to-face communication, limiting the use of cell phones or computers. At the same time, the university student will be more active digitally, even as a candidate for a school loan or a mortgage at the time of graduation. One right approach is worth more than a thousand attempts, and this is only possible if the data is well captured, interpreted, validated, and stored. Ready to be used for the benefit of the company and the audience.

CONCLUSION

The younger generations are coming to revolutionize the business world, prioritizing the proximity to the companies. Business schemes will inevitably adapt to the new norm, adjusting their structure to fit digital platforms and making the most of the easy access to general and personal data instead of seeing the complexity involved. Companies must broaden their vision and adopt complete digitalization within all customer journey stages.

Poor data hygiene can overshadow any business opportunity this digitalization can offer, so opting for an intelligent solution that focuses equally on all records stages is essential. From head to tail.

A highly competitive business landscape requires high efficiency, productivity, and reliability, all while maintaining the well-being of employees and satisfied customers. With clean, verified, and well-organized data, any window of opportunity translates into a prosperous business.

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