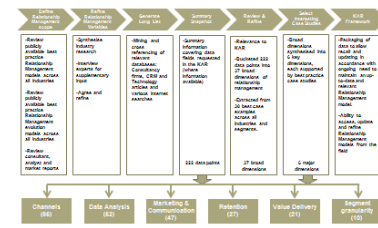# Knowledge Area Review (KAR)
Best Practices – Relationship Management

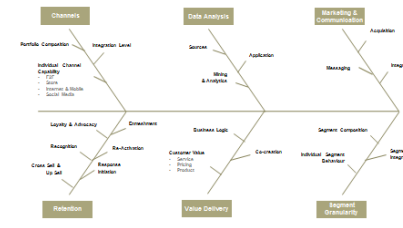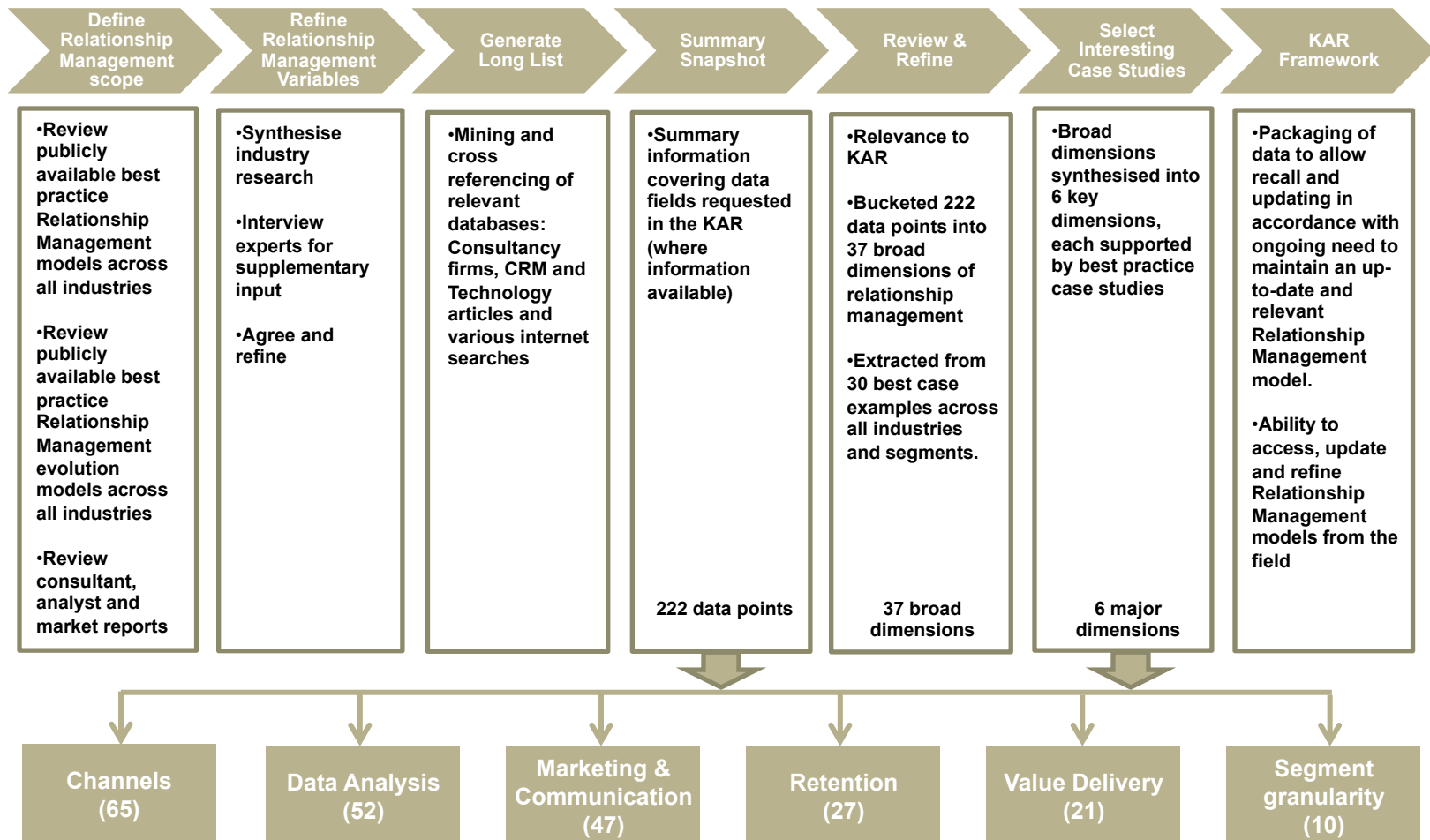Best Practices –
Relationship Management

KAR

PRODUCT SAMPLE: BEST PRACTICES – RELATIONSHIP MANAGEMENT (113 slides)

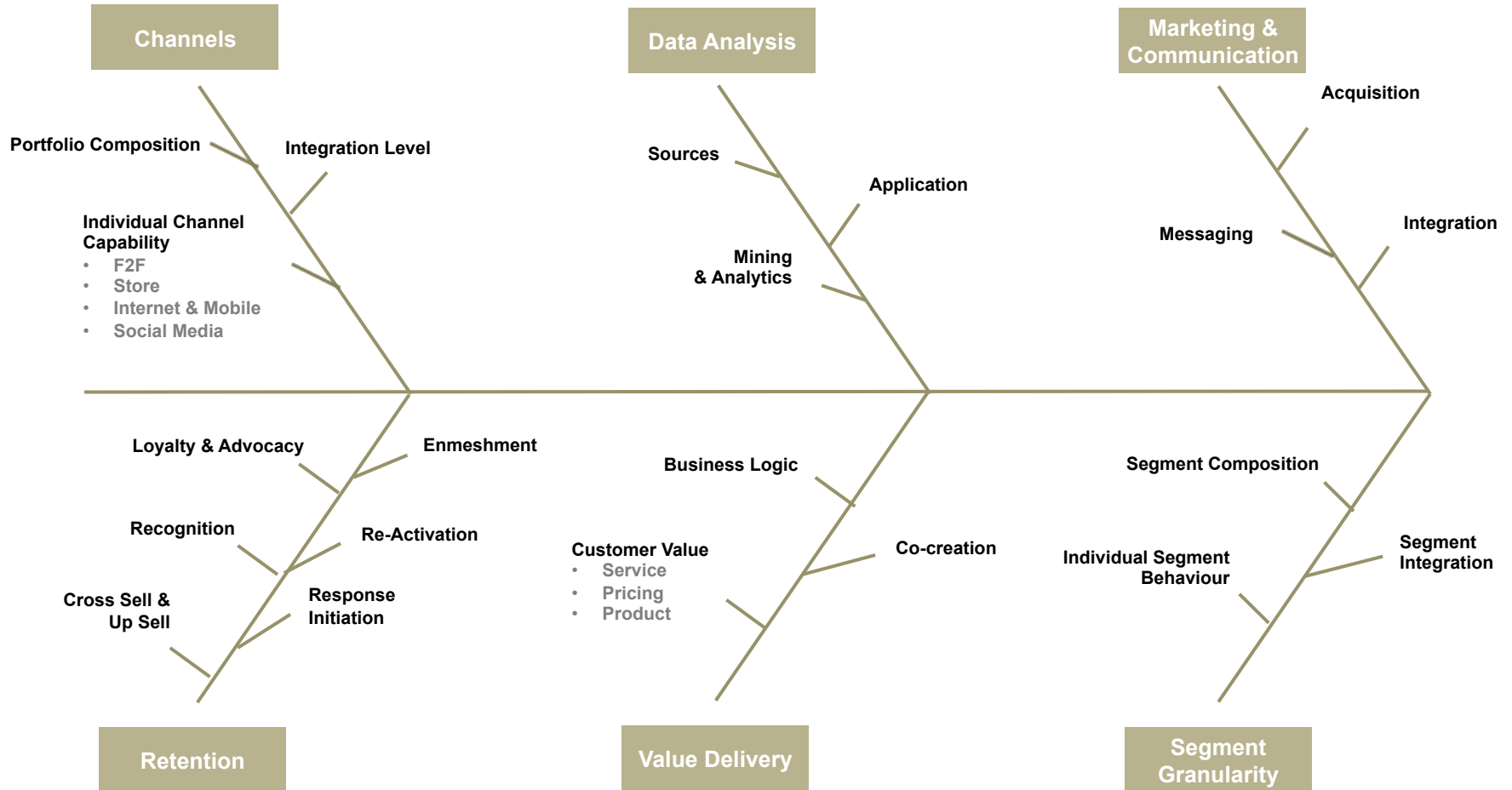*Commercial research relevant to most companies in an industry sector*

Best Practice Relationship Management across Financial and Non-Financial Services

- Synthesizes perspectives and experience of leading consulting firms and global corporations

- Defines World Class Relationship Management and profiles its major dimensions synthesized from over 30 best practice relationship models

- Presents selected best practice relationship management models and evolution paths of CRM and its technologies

- Contains capabilities trajectory tools for each of the six key dimensions identifying key capabilities and the best and pilot practices in Financial and Non-financial services

- Suggests best practice relationship management capabilities in 2015 across all major dimensions

- Lists and summarizes 100+ case studies and examples of global companies

- Summarizes key messages, references all exhibits to their original sources and lists further reading from ICG Industry Insights Reviews

ICG's methodology for profiling major World Class Relationship Management dimensions

Define Relationship Management scope	Refine Relationship Management Variables	Generate Long List	Summary Snapshot	Review & Refine	Select Interesting Case Studies	KAR Framework
•Review publicly available best practice Relationship Management models across all industries •Review publicly available best practice Relationship Management evolution models across all industries •Review consultant, analyst and market reports	•Synthesise industry research •Interview experts for supplementary input •Agree and refine	•Mining and cross referencing of relevant databases: Consultancy firms, CRM and Technology articles and various internet searches	•Summary information covering data fields requested in the KAR (where information available) **222 data points**	•Relevance to KAR •Bucketed 222 data points into 37 broad dimensions of relationship management •Extracted from 30 best case examples across all industries and segments. **37 broad dimensions**	•Broad dimensions synthesised into 6 key dimensions, each supported by best practice case studies **6 major dimensions**	•Packaging of data to allow recall and updating in accordance with ongoing need to maintain an up-to-date and relevant Relationship Management model. •Ability to access, update and refine Relationship Management models from the field

Channels (65)	Data Analysis (52)	Marketing & Communication (47)	Retention (27)	Value Delivery (21)	Segment granularity (10)

Relationship Management enhancements by taxonomy

Channels
- Portfolio Composition
- Integration Level
- Individual Channel Capability
  - F2F
  - Store
  - Internet & Mobile
  - Social Media

Data Analysis
- Sources
- Application
- Mining & Analytics

Marketing & Communication
- Acquisition
- Integration
- Messaging

Retention
- Loyalty & Advocacy
- Enmeshment
- Recognition
- Re-Activation
- Cross Sell & Up Sell
- Response Initiation

Value Delivery
- Business Logic
- Co-creation
- Customer Value
  - Service
  - Pricing
  - Product

Segment Granularity
- Segment Composition
- Individual Segment Behaviour
- Segment Integration

Channels

Channel Capability Trajectory Model

Key Capability	Sub Capability	Financial Services			Non-financial Services		
		Current Practice	**Best BAU Practice**	**Pilot Practice**	**Best BAU Practice**	**Pilot Practice**	**Future Best Practice**
Portfolio Composition		• Full suite of traditional channels	• Mobiles and tablets • E-commerce entrenched	• Social media • Crowd sourcing **(CP-03)** • New platforms	• Social media • E-commerce • Auto-checkout	• Virtual channels - 3D scanners **(CP-04)** • No products in store; scan-to-buy	• Personal digital concierge, advisor
Individual Channel Capability	− *F2F*	• Origination • Execution • Incident management	• Personalized, high quality, holistic advisory	• Virtual and highly customized response **(CF-01)** • C-suite concierge	• Virtual & highly customized response • Holistic advisory role	• F2F interaction using real-time data analytics **(CF-06)**	• Virtual F2F - 24/7
	− *Store*	• Transactions • Account opening • Incident management	• "Customer experience" • Product display • Conversation hubs	• Branches to adopt "retail stores" design	• Retail stores augment brand and drive E-commerce	• Virtual store **(CS-04)**	• Virtual customized identification, engagement, recognition and transaction
	− *Internet & Mobile*	• Transaction & account management • Mobile banking is stand alone	• Linking with social media networks • Small mobile payments	• Account opening • Automatic, distributed CRM	• Account opening • Click based advertising	• Virtual check-in • Location based technology	• Auto ID to personalize customer experience
	− *Social Media*	• Marketing • Product information	• Incident management	• Social networking • Customer product design • Peer interaction	• Real-time multi media solutions • Brand affiliation	• Aggregating social media messaging	• Proactive 'tracking' of customer behavior
Integration Level		• Manual data sharing • Manual CRM upload	• Real-time, unified customer view **(CI-01)** • Reaction to high value, high risk item • Activity based reporting	• Auto CRM • Proactive cross sale	• Cross-channel integration	• Retail stores and other channels seamlessly integrated **(CI-04)**	• Performance benchmarking of outcomes achieved

Source: ICG Analysis

World Class Relationship Management in Financial Services 2015

Sample Case Studies

Category	Activity	Description
Financial Services – Retail Banking (DA-05) **BBVA**	**Brand reputation monitoring**	BBVA has implemented an automated consumer insight solution to monitor and measure the impact of brand perception online – whether this be customer comments on social media sites (Twitter, Facebook, forums, blogs, etc.), the voices of experts in online articles about BBVA and its competitors, or references to BBVA on news sites – to detect possible risks to its reputation or to possible business opportunities. Read the full article
Financial Services – Retail Banking (DA-06) **DBS**	**Interaction Analytics to improve customer service**	DBS Bank Ltd has rolled out interaction analytics technology at its Singapore-based customer centre to enhance its customer center efficiency. By using speech analytics, DBS can identify the type of calls that require longer handling time such as loan enquiries. Once these topics are flagged, the analytics solution goes one step further to pinpoint recurring key phrases across these calls. The bank then uses this information to determine the underlying causes such as unclear communications, process issues or knowledge gaps. Read the full article

Sample Case Studies

Category	Activity	Description
Non-Financial Services – Consumer Electronics (RL-05) OLYMPUS	**"Superstacks" – Ecosystem innovation**	Olympus, known for its digital cameras, used the cloud to create an integrated solution that allows consumers to back up and store pictures, share their photos with friends, print their favorites, and create digital slideshows and photo albums—essentially serving as a one-stop shop for all their customers' digital photo needs. Unlike one-off feature enhancements, superstacks have the potential to win more customer loyalty and satisfaction, and get customers to pay more and be less obsessed with the prices of products—because consumers will pay for that better customer experience. Read the full article
Financial Services – Retail Banking (RR-02) DBS	**Virtual Check-ins**	DBS Places is a relatively complex promotion for the bank's Asian customers built around Facebook Places. Facebook Places is a GPS-location based technology that lets users virtually "check in" online, so they can share where they are in real-time with friends and family. Participants checking in a DBS Bank branch through its Places Facebook app will be able to earn points and redeem merchant deals. The campaign is open to anyone who owns a mobile device. Read the full article

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