

BE Digital: Optimizing digital for breakthrough results

Intelligent technologies and behavioral insights that set
you on the right path to deeper customer engagement.

www.simon-kucher.com

Unlock better outcomes from digital transformations.

Nurture deeper customer connections for higher digital returns.

BE Digital by Simon-Kucher is a proven, research-based approach to improve conversion, engagement, and retention across the sales lifecycle. Powered by our unique expertise in behavioral economics, smart data analytics, and advanced digital tools, BE Digital is a holistic solution delivering breakthrough digital results.



Banks have invested heavily in analytics, digital tools, and design in an effort to become data-driven, digital-first organizations. Unfortunately, a majority of these digital investments have underperformed.

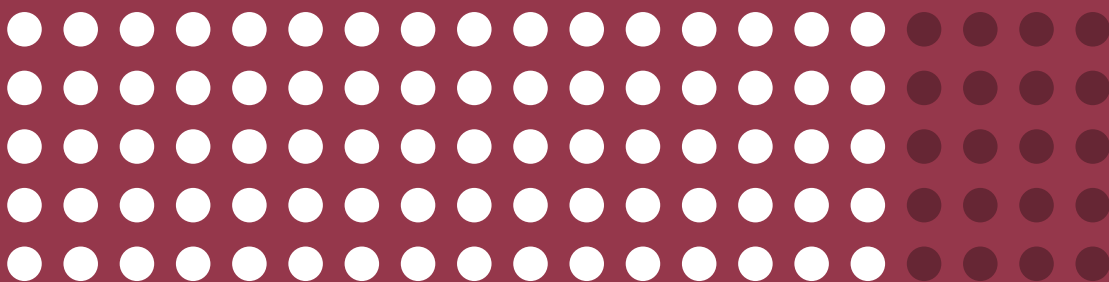
Understanding how customers think, make decisions, and act, especially on digital channels, is the key to successful digital transformation. Whether it's managing customer journey performance, navigating complex sales interactions, facilitating cross-selling, or preventing churn, an understanding of customer psychology and behavior must form the core of the approach.

The ability to nurture deeper connections and accurately anticipate needs are critical capabilities: 80 percent of banks will depend on selling to existing customers for future growth.

BE Digital by Simon-Kucher helps clients optimize existing digital infrastructure for growth. Our unique integration of behavioral economics expertise, smart data analytics, and nudge-powered digital tools unlocks deeper, more compelling customer connections, driving higher conversions, engagement, and retention for our clients.

“ The biggest challenge for banks today is managing their digital transformation. With BE Digital, they make better decisions, achieve higher returns on their digital spend, and most importantly, increase engagement of both their customers and employees.

Jens Baumgarten, Senior Partner



80 percent of banks will depend on selling to existing customers for future growth.

Common mistakes

So where are banks going wrong?

Companies assume that addressing technology or digital issues will also solve underlying business problems. Unfortunately, technology on its own cannot address sluggish sales or low adoption rates. It can even be counterproductive, having an opposite effect to the one intended.

BE Digital's methodical, research-based approach is informed by behavioral science and data analysis. Our in-depth behavioral assessment and activation process considers multiple dimensions including mental perspectives, cognitive angles, and psychological tendencies. Coupled with rigorous testing, BE Digital delivers high-performing customer journeys build on an accurate understanding of the realities driving customer decisions.

“ Understanding how people evaluate, make decisions and act is essential to successful digital transformations. That's the power of behavioral science applied to commercial strategy.

Enrico Trevisan, Senior Partner

What might this look like in practice?

Here are two examples of how digital initiatives can misfire:

In both cases, the company misunderstood the mental shortcuts and decision-making processes underlying observed behaviors.

Challenge 1: Customer fatigue and failure to complete a digital sales process



Assumption: The process is too long

Approach: Reduce the number of steps for the customer to navigate

Effect: More information included per step

Impact: More cognitive effort required to understand each step



Results: Lower likelihood of process completes

Challenge 2: Low sales conversion rates



Assumption: The customer didn't have sufficient information to buy

Approach: Increase the amount of information provided

Effect: Free spaces on pages filled with additional content

Impact: Cognitive overload on each page



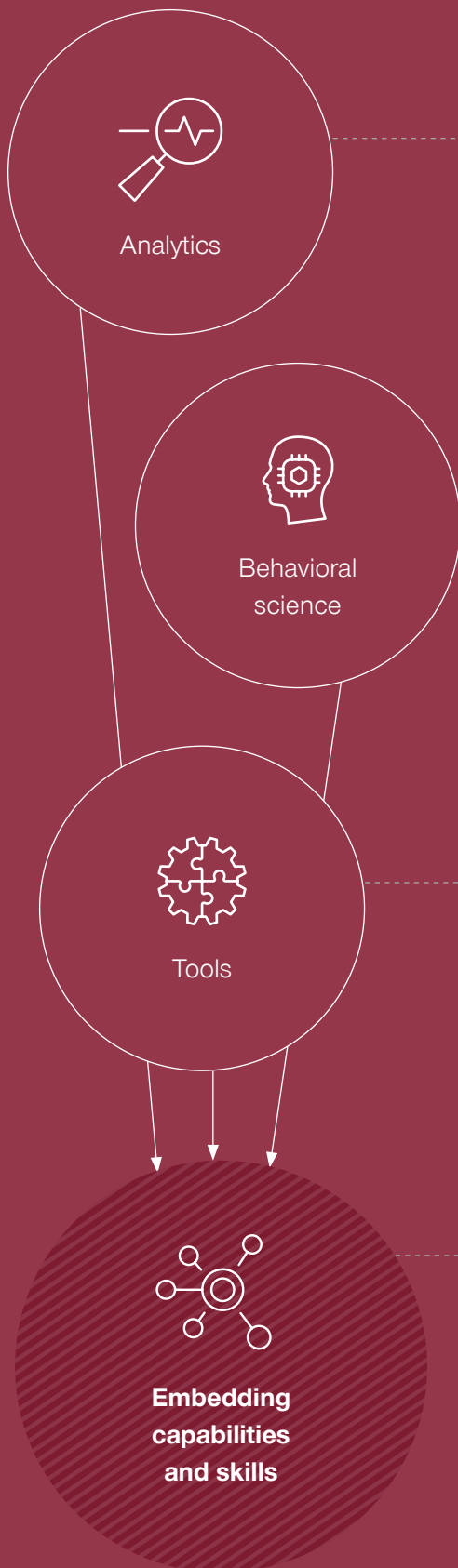
Results: Reduced ability of customers to decide

BE Digital, by Simon-Kucher

What does it do?

BE Digital's comprehensive approach takes into account an organization's strategic priorities and constraints. It integrates behavioral science, advanced analytics, and nudge-powered digital tools to optimize sales journeys for breakthrough results.





BE Digital Approach

Leverage smart data analytics – Acquire the ability to pivot with agility and speed. Accurately anticipate future needs, predict outcomes, and optimize product mix for growth. Identify critical junctures in the customer decision journey where behavioral elements and nudges can aid customers in their choices, judgement, and evaluation process.



Uncover the hidden system of decision-making – Draw from behavioral science to uncover the hidden cognitive mechanisms and biases impacting customer decisions. These insights, derived from rigorous scientific research, are the secret codes behind satisfying experiences, optimized choice-architectures, and high-performing sales interactions.



Integrate powerful performance tools – Digital tools informed by science, human-centered design, and data analysis are critical drivers of performance. Address inertia, resistance, performance gaps, and psychological barriers with precision, based on proven methods developed by our team of in-house experts.



Embed and evolve across the organization – Ensure the new approach takes root and flourishes across the organization. Elevate commercial operations for the long term, enabling the organization to consistently approach customers at the right time, in the right way, and with the right topics.

Case Studies

How does this work in practice?

We have implemented BE Digital across a range of use-cases and commercial challenges. Here are some examples from recent experience.



Case Study 1

Breaking Barriers to Sales



Case Study 2

Revitalizing sales Teams



Case Study 3

Improving customer engagement
and product penetration



• Case Study

Breaking Barriers to Sales

Despite significant investment in time and resources, a global bank's newly launched loan product fell flat. The bank was baffled and needed to understand why a product so critical to its future growth was underperforming.

Approach:

BE Digital audited the lending product's customer decision journey and sales interactions to identify areas for improvement.

- Assessing the path-to-purchase along mental, cognitive, and psychological angles, the BE Digital team uncovered a host of hidden barriers that contributed to customer confusion, inertia, and indecision. A number of inconsistencies also discouraged bank relationship managers from selling the new product
- The BE Digital team launched a nudge strategy designed to address decisioning barriers at critical turning points in the customer journey and improve sales processes
- The team used stringent testing protocols, including simulating buying situations, to measure the impact of new decision stimuli and validate its approach before implementation

Impact:

In just a few short months, conversion rates for the bank's new lending product increased by an impressive 60 percent. A set of digital nudge tools also enhanced its sales team's performance.

Conversion rates for
new lending product
increased by 60 percent

Enhanced its sales
team's **performance**



● Case Study

Revitalizing Sales Teams

Sales and relationship managers at one large bank found themselves poorly equipped to drive growth. They did not have enough time to properly advise clients, lacked access to competitive insights, and struggled with lead generation.

Approach:

BE Digital introduced a gap-focused approach to sales supported by intuitive digital tools that nudged sales teams in the right direction.

- The team built a powerful lead generation engine leveraging machine-learning, AI, and a database of anonymized data from multiple banks
- BE Digital replaced a campaign-focused approach to sales with a customer-centric strategy built around identifying customer needs based on their financial wellbeing
- To align sales behaviors with organizational goals, BE Digital introduced an agile sales management tool, using nudges and gamification to properly incentivize sales behaviors and optimize sales interactions

Impact:

In less than one year, the bank improved the number of products held by 0.6 products per customer. Sales conversion rates increased to 90 percent. Overall, this improved their profit per advisor by 20 percent and combined with a customer engagement program, led to significantly higher customer satisfaction.

Improved products held by
0.6 products per customer

Sales conversion rates
increased to **90 percent**

Improved profit per
advisor by **20 percent**



• Case Study

Improving customer engagement and product penetration

A bank was struggling to foster deeper customer relationships. Most customers had only one product with the bank. Attrition and churn rates, which were already high, would spike after every price increase.

Approach:

BE Digital leveraged analytics, behavioral science, and digital tools to transition the bank from a product-centric to customer-centric competitive strategy.

- BE Digital built predictive models to analyze usage, transaction, and demographic data. Using hypothesis-driven and sophisticated cluster analysis, the team was able to accurately anticipate customer product needs for more effective sales and marketing
- To incentivize multi-product holdings, the team drew from behavioral economics theories of goal setting and gamification psychology to introduce an engaging rewards program
- A financial health digital tool with self-assessment capabilities added a pull-based component to encourage cross-buying

Impact:

In just 18 months, the number of products held on average increased to 1.3 products per customer. The bank discovered it could increase prices on core products like current accounts and short-term business loans by 25 percent or more, while keeping churn rates significantly below 1 percent.

Products held increased to
1.3 products per customer

Increase prices on core
products by **25+ percent**

Churn rates significantly
below **1 percent**

Conclusion

BE Digital by Simon-Kucher builds on more than 20 years of experience successfully applying behavioral science insights to reach business goals in banking and financial services.

With a talented team of experts in behavioral economics, data science, risk and decision sciences, operations research, customer touchpoint redesign, and organizational theory, BE Digital is uniquely placed to support across the commercial spectrum.

BE Digital draws from a global nudge database of over 1,000 use-cases in financial services, and experience implementing more than 300 digital performance tools to drive revenue growth. We deliver clear, tangible benefits, and unlock better outcomes from underperforming digital transformations.

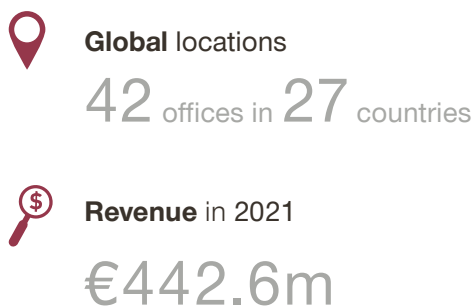
From powerful digital applications built by our Simon-Kucher Engine team of design and development experts to sophisticated market testing and advanced analytics conducted by trained researchers at Simon-Kucher Elevate, BE Digital support clients with a complete solution.



Simon-Kucher & Partners at a glance

Simon-Kucher & Partners, Strategy & Marketing Consultants

Simon-Kucher & Partners is a global consulting firm with more than 1,700 professionals in 42 offices world-wide focusing on TopLine Power®. Founded in 1985, the company has 35 years of experience providing strategy, marketing, and sales consulting and is regarded as the world's leading pricing advisor.



Globally renowned consultancy for topline improvement

Financial Times



#1 Marketing, Brand, Pricing

on par with two other consultancies
Financial Times, list of the UK's Leading Management Consultants, 2018

brand eins/Statista



#1 Marketing, Sales, Pricing

brand eins Thema special edition: Consulting – industry report from *brand eins Wissen* and *Statista*, online survey, seven years in a row: 2014 - 2020

Capital



#1 Marketing, Sales, Pricing

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Capital, survey of the best consultancies in France, 2016, 2018
(conducted every two years)

Forbes



★★★ Marketing, Brand, Pricing, Sales

Forbes, survey of the best management consulting firms in the US, October 2016, 2018
(conducted every two years)

What others say about us

World leader in giving advice to companies on how to price their products

BusinessWeek

In pricing, you offer something nobody else does

Professor Peter Drucker, management thinker

No one knows more about pricing than Simon-Kucher

Philip Kotler, marketing guru

Our Experts

We are happy to share more about the BE Digital approach and experiences.
Get in touch and let us know how we can help.



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