

Customer Relationship Management

In the private banking environment, financial institutions must establish a currency of trust to attract the high value customer. This requires to know as much as they can about their clients and effectively use that information to meet their client's evolving financial needs. Managers need to know which relationships they must retain and proactively cement their loyalty by personalizing their every transaction and anticipating their next move. They need to know where to focus expensive face to face sales and service resources so they are assigned against the right activities with the right customers. And they must have active strategies to reduce the cost to serve, while maintaining high levels of satisfaction.

Existing Shortcomings

The Relationship Manager is facing shortcomings in picturing the overall relationship, identifying opportunities, building relationship with the customer, adjusting plans and ideas, managing paper on the customer. The goals of CRM for the Relationship Manager are to free time to plan and execute strategy, to provide a central monitoring, to reinforce client relationship management.

Successful extension of the relationship strategy for customers at a low cost requires a simplification of product, service and administration.

Segmentation

The new approach includes segmentation and tiered sales strategies (mass-market customer vs. high value customer). The goals are to segment the market, increase the number of investment specialists (who provide high value recommendation) and increase the number of external agents, both of which focusing on the sales and service delivery generating revenue and asset accumulation.

Customer Centric View

Achieving clients expectations require instant information on all previous activities. With CRM, Relationship Managers have a singular, customer-centric view of their clients. This includes all activities for all contacts so that the entire interaction history becomes instantly accessible.

The new focus on Customer Centric View must include knowledge of the customer's entire relationship, tailored service to customer segments, seamless access to customer's accounts,

transactions, and pending request so that the Relationship Manager can manage the assets, inform on markets, advise/recommend, execute orders, value/educate/understand the customer.

For the Relationship Manager

CRM must enable to deliver service that is personalised, proactive, precise and fast, integrating the core system with similar views, seamless service, the ability to process and follow orders. The service delivery perspective must be effective, consistent, visible, professional and meaningful.

From a business perspective, results are increased assets under management, decreased costs of management, productivity improvements and customer retention.

Delivering CRM to the Private Banking

ERI provides banks and financial institutions with key functionality to manage the entire customer relationship across the company. Functionality includes portfolio management, transactions and holding information, securities performance information at both the account and customer level. In addition, customer profile, activities and portfolio information is extended to offer recommendations for assets allocation. ○