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# 10 Questions to Ask When Choosing a CRM in Banking

Leaders within the banking industry know how critical it is to find an all-in-one solution that helps drive significant improvement in customer experience, competitive insights, and internal collaboration. And while the fix is **customer relationship management (CRM)** software, choosing a program isn't always so straightforward.

With a centralized CRM system, all areas of a business benefit from insights and progress made across the organization. A successfully implemented CRM solution will meet individual needs while encouraging team members to work together. In addition, including a modern CRM system to your operations will strengthen your relationships with customers, sharpen your market analysis, and encourage significant growth.

## What is CRM in the Banking Industry?

CRM, or customer relationship management, is a category of integrated, data-driven software solutions that elevate your interactions and relationships with customers. CRM is a necessity in any customer-focused industry. For banks, it's an especially useful tool for meeting sales and marketing goals and exceeding customer expectations.

CRM software is a tailored solution that helps banks implement customer-centric strategies. For example, under one system, bank tellers and employees can:

- **Store customer data such as contact information, products used, and interactions across channels**
- **Schedule appointments, send personalized emails, and respond to social media posts**
- **Update customer profiles in real time with notes or new information**
- **Visualize, nurture, and manage leads in their sales pipeline**
- **Create reports that analyze customer behavior, marketing campaign performance, and more**

Most notably, the ROI from CRM speaks for itself. Nucleus Research found that for every dollar spent, CRM pays back an average return of $8.71.

## Why Is a Banking CRM Solution So Important?

All capabilities provided by CRM is essential, but to meet the expectations of today's customers, the heightened focus is placed on the R in CRM — relationship. Consumers have so many options available to them they don't have to put up with poor service or inconsistent communication. This makes having a 360-view of the customer of the utmost importance.

A CRM system provides a complete and holistic view of customer, financial, and business data through role-based dashboards for tellers, relationship managers, branch managers, and back-office staff. With modern relationship management platforms, your bank can capture and analyze information from all lines of business, view the information holistically, and surface intelligence and recommendations aligned with the customer at the appropriate time. With all this data accessible in one system, selling becomes more intelligent, and relevant, and — most importantly — enables banks to move from a reactive transaction model to a more proactive relationship service model.

With access to real-time information, a CRM system offers the following benefits for banks:

- **Improved customer retention and loyalty for stronger client relationships**
- **Improved processing efficiency and reduced front/back/middle office effort**
- **Improved internal collaboration between lines of business — which improves cross-sell ratios and wallet share**
- **Easier access to customer data to ensure complete customer visibility**
- **The ability to meet customers where they are and deliver the service they expects**

**So how do you find a CRM solution that checks all the boxes and gives you the most benefit for your investment? We've got 10 must-ask questions when shopping for your next CRM platform.**

### 1 Does it provide a 360-degree view of the customer?

Banking CRM is a consolidated system that can integrate with your other banking software programs to provide a single view of every customer account. From making a deposit at an ATM to requesting information about a certain type of loan, every pre-determined action a customer takes can be recorded in your CRM system. This makes it quick and easy to gain deeper insights into their habits and personal preferences, which can help you align certain products to their financial goals.

### 2 Does it enhance the customer experience and enable improved personalization?

Financial services customers are connected, digitally savvy, and can afford to be selective about where they do business. A CRM system will help your bank smoothly enter this new customer-centric, digital world. By providing 360-degree insight into customer interaction history and needs, your bank can provide the personalized engagement that customers crave, leading to new customers and long-term, repeat customers.

### 3 How will this CRM system allow for strategic growth and profitability for our organization?

Increasing your customer base can seem like a daunting task. But with the right tools available via a CRM system, it doesn't have to be. A CRM system can increase your member base by giving you the insight to deliver tailored offers based on a customer's profile. This personalized service will help your company stand out from the competition and appeal to both new and existing clients to maintain growth and preserve

### 4 What kind of data analytics and reporting does CRM support?

These days, it's all about big data. Your bank has likely collected a tremendousamount of customer data over the years. The problem that most financial institutions face is understanding how to access and then leverage that data.

Some CRM software now offers smart cloud technology or artificial intelligence (AI) functionality that can help your bank manage the sheer volume of data being brought into CRM systems. This functionality is a relatively new addition for CRM, so it will not be available through all providers. However, even if you aren't interested in using AI today, it's nice to know you have the option should the future roadmap include a need for smart tech. After all, you want CRM to help you solve current and future challenges, making AI-enabled CRM a forward-thinking choice.

### 5 Does it improve efficiency?

CRM should help you automate workflows so you can improve your sales and customer service team efficiency, quickly respond to support issues, and efficiently onboard new employees. By systemizing routine processes, you create operational efficiencies that drive right to the bottom line. Consider how each solution will deliver workflow automation and which approach will work best for your bank. You'll want to ensure you can update and create new workflows with ease, without requiring the assistance of a technology expert. Finally, consider the limitations of the workflows. You should be able to trigger workflows from an event in another integrated system and not be limited to what is happening in the CRM system.

### 6 Will it help improve sales and marketing initiatives?

The data in your CRM system can be compiled into reports so you can gain a much deeper understanding of your customers. From there, you can identify trends, successful campaigns, and areas for improvement that will help you anticipate customer needs and tailor your future marketing efforts. You can also use the data in your customer profiles to pinpoint areas for cross-selling and upselling. For example, suppose a customer makes a deposit inside the bank, the teller can have a full view of their profile and notify the customer of new products they may be interested in or qualify for, such as a platinum credit card.

### 7 Is the CRM platform secure for me and my customers?

In a highly regulated industry, data security is paramount. With the utilization of cloud applications increasing (which in turn creates more data) and employees working across multiple devices, the risk of data loss is increasing. One estimate by Microsoft reported that 58 percent of workers have accidentally shared sensitive data with the wrong person.

Now, with the introduction of the **General Data Protection Regulation (GDPR)**, banks are being forced to re-evaluate their data processing systems, especially the critical platforms they choose to enable their workforce. The GDPR may require significant changes to how your bank gathers, uses, and governs data. When comparing solutions, you should consider the platform on which CRM is built. Is it a platform you can trust? What type of track record does the provider have? What verifiable steps have they taken to prove they take data security seriously?

You'll also want CRM that can easily integrate with your other critical software, to ensure fragmented systems don't cause you to fall out of compliance. Finally, look at what tools the provider offers to help you stay compliant, such as built-in security apps and risk assessment models.

### 8 How will CRM integrate with my existing and future technology?

For retail banks, this is a critical question, since integration can be so difficult with legacy systems. CRM systems with an open architecture can compile information from previously siloed systems across divisions, regions, and products to give you a holistic view of customer data.

A robust CRM solution will be able to provide an integration layer across back-office systems, creating a "single point of entry." In other words, CRM becomes the "authoritative source of data" or relationship system of record. This single source of data provides several benefits, including the ability to reduce end user effort and improve customer experiences.

Clearly understanding how the platform provider will help with integrationcould be a deciding factor when choosing between solutions.

### 9 Can the CRM system scale as I grow?

In the banking industry, there is arguably no feature more critical than flexibility when it comes to choosing a CRM system. Not only do rules and regulations within banking change periodically, but your organization's future growth and expansion are undefined, and you need a solution that can keep up.

Investing in CRM is just that, an investment. Suppose your CRM doesn't include applications that suit your immediate needs but can also be integrated and upscaled in the future. In that case, you'll eventually find yourself going through this process all over again. Instead, choose a holistic solution that meets your requirements today and your goals for tomorrow — this will assure your system can grow with you.

### 10 What implementation and post-launch support can we expect?

CRM providers can have different engagement styles during deployment and post-implementation. It's essential to identify the type of involvement you want from your CRM provider so you won't be unhappy if a provider is too hands-on or hands-off. If your CRM users need answers to questions, or if a problem with the system surfaces outside of working hours and needs to be fixed ASAP, you should know whether the service provider will be available to help resolve them.

It's also important to ask what the average response and resolution times are for their support team, and whether your company will have access to a dedicated support team or a call center that is shared across customers.

Today, there is a banking CRM platform that checks all of these boxes and is accessible for banking operations of all sizes — Hitachi Solutions Engage for Banking. Powered by Microsoft Dynamics 365, Engage for Banking is tailored for the unique business needs of retail and commercial bankers. It provides a holistic, customer-centered view of the business and helps build strong, long-lasting customer relationships. In addition, because it is an efficient, plug-and-play solution, banks can better understand, track, and manage their relationships with customers and prospects, ultimately helping win more business and improving customer loyalty

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