

Best Practice Customer Acquisition Strategies in Banking

Gaining a competitive edge



Use this report to:

- Implement a successful acquisition strategy by learning from the largest providers in the UK.
- Acquire new customers through altering your brand strategy and innovating new products.
- Enrich your proposition with insight into global best practice acquisition strategies.
- Target key customer segments by building an acquisition strategy to meet their needs and demands.

About this report

Introduction

The acquisition of customers is vital in order for banks to grow their business. This report examines the approach of the top five UK banks, alongside global best practice, in order to identify successful acquisition strategies.

Customer acquisition can be expensive; therefore banks need to ensure that the strategies they use will be successful. Despite issues faced by the UK's largest banks they still offer important examples of best practice acquisition strategies. Brand strategy, product innovation, and service delivery are three approaches utilized by these banks to build up an overall acquisition strategy.

Your questions answered

- What strategies are the big five providers in the UK employing in order to acquire new customers?
- How can brand strategy, product innovation, and service delivery be used to successfully target new customers?
- How can an overall acquisition approach be built up from a number of different elements of a bank's strategy?
- How do the big five providers in the UK differ in their approach to customer acquisition?

Key findings and highlights

The acquisition strategies of the big five UK players are interesting to analyze in order to help establish how they have grown so successfully. The five players demonstrate diverging approaches, giving competitors an insight into a range of options available to them.

A strong and trusted brand is a key element for acquiring customers. Consumers need to be able to recognize and have confidence in their provider's brand. Encouraging consumers to engage with a brand will aid acquisition and help consumers to see a more human side of their bank.

In order for providers to continue to acquire customers they need to innovate and create customer-centric products. Innovation is important both for creating new experiences which consumers want to engage with, and also to ensure that a provider's offering continues to keep up with the changing demands of its customer base.

Want to know more on our methodology or receive an exclusive preview of the report?

Contact us today and we will be happy to answer all your questions:

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Acquisition strategies need to be built up from a number of factors

- Brand strategy: a strong brand value will aid consumer awareness and perception of the brand
- Service delivery: the channels through which a proposition is delivered will affect the acquisition of customers
- Product innovation: a strong product offering and innovative ideas will attract customers
- Customer segmentation: segmenting consumers allows for more targeted acquisition strategies
- Customer advocacy: word of mouth marketing is a powerful acquisition tool
- Price: price will always be a key part of the acquisition strategy for financial services providers

The big five UK players offer insight into achieving customer growth

- Providers must take account of consumer trends in order to meet the demands of customers

ACQUISITION STRATEGIES

- HSBC's international outlook and focus on service appeals to a more affluent segment of consumers
- Lloyds TSB is building a customer-centric image in order to attract new customers
- Barclays has leveraged technology to create the products and services of the future
- RBS/NatWest must innovate in order to live up to the "helpful banking" branding
- Santander is refining its customer service while driving forward with product innovation

Branding and brand message are vital for attracting consumers to a provider

- HSBC has dropped its longstanding brand tagline in favor of a new future-focused campaign
- Lloyds TSB is offering clarity to consumers with its brand strategy
- Barclays uses consistent messages of transparency and smart technology
- RBS and NatWest are aiming to be the most helpful banks for their customers
- Santander's unification of brands sends a positive message to consumers

Product innovation is essential in order to keep up with evolving consumer demands

- HSBC targets an international audience with segmented products
- Lloyds TSB aims to acquire customers through practical, everyday benefits
- Barclays has harnessed technology to drive forward its product innovation
- RBS/NatWest is falling behind the competition on product innovation

- Santander has redesigned its core banking products in order to prove its commitment to innovation

Consumers seek out propositions delivered through their preferred channels

- HSBC is allowing customers to self-select through its channel strategy
- Lloyds TSB is aiming to show its customer-centricity through its service delivery
- Barclays will acquire customers seeking forward thinking in the digital channels
- RBS/NatWest seeks to offer service to customers across all channels
- Santander is the bank that appears most committed to the branch channel in the UK

BEST PRACTICE ACTION POINTS

A number of core acquisition strategies form the basis of best practice

- It is essential to build up value in a brand
- Engage consumers through open communication and common interests
- Create innovative and customer-centric products
- Excel in the delivery of customer service
- Find a niche or segment of consumers to target
- Encourage word of mouth advocacy among consumers

Strategies from around the globe give weight to best practice

- Banks can increase their brand equity through charitable or community actions
- A strong brand message needs to be visible to consumers
- New entrants need to transfer their brand strength from other parts of the business
- Providers need to show greater, customer-centric innovation
- Increasing the use of technology to create products that are ahead of the curve will attract consumers
- Social media has the potential to be a strong acquisition tool
- Mobile banking is a key differentiator and will affect consumer choice

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Disclaimer

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