

How Can Midsize Banks Compete with Big Banks in the Digital Space?



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Introduction

Digital transformation is a complex and expensive undertaking, that has necessitated big banks to allocate significant resources towards this effort.

Midsized banks have been struggling to keep up with the innovation happening at the big banks, as the industry leaders have been investing heavily in digital technologies. As these investments are starting to pay off, the midsized banks are beginning to feel the pressure, and they need to do something fast if they want to stay relevant.

There are a few strategies midsized banks can use in order to effectively compete with the bigger banks. This includes an uncompromising focus on customer experience, making smart use of technology, and partnering with FinTechs. With the right strategies in place, they can keep up and overtake the big banks when it comes to the digital experience.

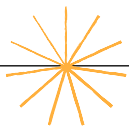
Midsized banks should focus on three key areas in order to compete with the bigger players:

- 1 Enhancing the customer experience
- 2 Investing in innovative technologies
- 3 Partnering with FinTechs



Focus on CX

One of the biggest advantages midsize banks have is their ability to be more agile and responsive to customer needs. They can quickly adapt to changing customer demands, whereas big banks tend to be slower in making changes. In order to compete with big banks on digital experience, midsize banks need to create a seamless and personalized experience for customers across all channels.



Make smart use of the technology available

In today's world, where smartphones are prevalent and people expect immediate access to information, carriers often feel stuck in a time warp with claims processing. A digital FNOL system allows an insurer to gather claim information directly from the policyholders via digital means. Policyholders can send their data via mobile apps, messengers, social media, email or other means.

A digital FNOL system allows an insurer to reduce claim cycle time and provides faster, more accurate claim information that has historically taken days or weeks to obtain with paper-based processes.

Partner with FinTechs

In order to keep up with the ever-changing digital landscape, midsize banks need to partner with FinTechs. By partnering with FinTechs, midsize banks can gain access to new technologies and innovations that can help them improve their digital experience.

No-code is one area where midsize banks can partner with fintech to get a leg up on the competition. Fintechs have a lot of expertise in this area, and partnering with them can help midsize banks to quickly and easily implement digital transformation initiatives.

Common pitfalls of customer experience in banking

It's not enough to simply offer digital channels – banks need to provide an excellent customer experience if they want customers to use them. Unfortunately, many banks make the following mistakes when it comes to customer experience:

1 Lack of customer focus

Too often, banks design their digital experiences around their own needs and not the needs of their customers. This results in a poor customer experience that is difficult to use and doesn't meet customer needs.

2 Lack of data

In order to create a personalized experience, banks need to have data on their customers. However, many banks lack the data they need to understand their customers. As a result, they are unable to create experiences that are tailored to the customer.

3 Lack of technology

Technology can be used to create a more engaging and personalized experience for customers. However, many banks are not using the latest technologies to improve their digital experiences.

4 Poor user interface

The user interface is the first thing customers see and needs to be designed with the customer in mind. Often, banks have poor user interfaces that are difficult to use and look outdated.

5 Ineffective content

Banks often provide irrelevant or incorrect information on their websites and digital channels. This can confuse customers and make it difficult to find the information they need.

6 Friction

Banks often make it difficult for customers to complete transactions on their digital channels. This can result in customers abandoning their transactions or going to a competitor.

Banks need to provide an excellent customer experience if they want customers to use them.

Enhancing the customer experience

Big banks have been investing heavily in digital channels, but the customer experience still leaves a lot to be desired. Midsize banks can overtake their bigger counterparts by focusing on creating an excellent customer experience across all digital channels. There are a few ways midsize banks can improve their CX:

- 1 Make use of customer data**
By understanding who their customers are and what their needs are, midsize banks can personalize the customer experience. They need to collect data from all channels (including online, offline, and mobile) and use this data to design individualized experiences for each customer.
- 2 Use new technologies**
Technology can be used to create a more engaging experience for customers. Midsize banks should invest in technologies like digital customer assistants, chatbots, and artificial intelligence to provide a more personalized experience.



- 3 Improve the user interface**
The user interface is the first thing customers see and needs to be designed with the customer in mind. The layout, colors, and typography should be easy to understand and use.
- 4 Provide helpful content**
Customers need to be able to easily find the information they're looking for. Midsize banks should provide helpful and relevant content on their website and across all channels.
- 5 Make it easy to transact**
Customers should be able to easily complete transactions without any friction. The user interface should be designed in a way that makes it easy to input information and navigate through the website.
- 6 Offer excellent customer service**
If something goes wrong, customers should be able to easily reach a live person who can help resolve the issue. Midsize banks need to provide multiple channels for customer support (including phone, chat, and email) and train their staff to be friendly and helpful.
- 7 Adapt quickly**
The digital landscape is always changing, so banks need to be able to adapt quickly. Midsize banks should regularly test and update their digital channels to ensure that they are providing the best possible experience for their customers.

Investing in innovative technologies



In order to remain competitive, banks need to invest in innovative technologies that can help them streamline their operations and provide a better customer experience. While the big banks can afford to be early adopters of cutting-edge technologies such as VR/AR, midsize banks must focus on proven technologies that will have the biggest impact on their business.

Being at the bleeding edge of innovation is great, but it's not always necessary (or even possible) for midsize banks. Instead, they should focus on implementing the technologies that will have the biggest impact on their business. A few examples of such technologies include:

1 **No-code/low-code development platforms**

As mentioned earlier, no-code/low-code development platforms can help banks quickly develop digital solutions without expensive IT resources.

2 **Automation**

Automation can help banks save time and money by streamlining processes. For example, chatbots can be used to automate customer support inquiries.

3 **Robotics Process Automation**

Robotics Process Automation (RPA) can be used to automate tasks like data entry and analysis. This can help banks free up time and resources that can be used to improve the customer experience.

4 **Artificial intelligence**

AI can be used for tasks such as fraud detection, customer segmentation, and automated customer support.

5 **Biometric authentication**

Biometric authentication can be used to identify customers through their fingerprints, facial features, or voice patterns. This is a more secure way to verify customer identity than traditional methods such as passwords.

6 **Chatbots**

Chatbots can be used to provide customer support 24/7. They can also be used to provide product recommendations and other personalized services.

7 **IoT**

The internet of things can be used to connect devices such as ATMs and credit card machines to the internet. This allows banks to remotely monitor and manage their operations.

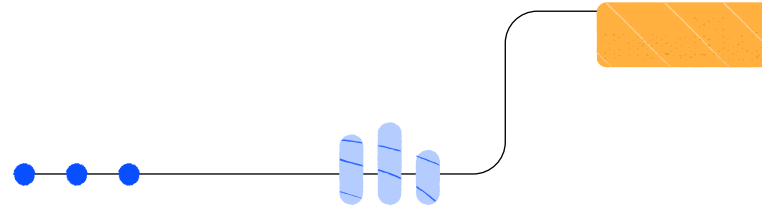
The best thing about these technologies is that the banks themselves don't need to be experts on any of them. They can partner with Fintech vendors to implement these technologies quickly and efficiently.

Keeping up with the digital transformation in banking

Digital transformation is the process of transforming an organization from its traditional, paper-based methods to a more digital-centric approach. This can involve adopting new technologies such as cloud computing, big data, and AI, as well as changing the way employees work.

Digital transformation is essential for banks if they want to remain competitive. Big banks are investing billions of dollars in digital transformation, and midsize banks must do the same if they want to keep up. Some steps that midsize banks can take to digitally transform their business are:

- 1 Invest in innovative technologies**
As mentioned earlier, midsize banks need to invest in innovative technologies if they want to keep up with the big banks. This includes technologies such as blockchain, AI, and biometric authentication.
- 2 Adopt a digital-first mindset**
employees at midsize banks need to be willing to adopt a digital-first mindset. This means using digital channels for all tasks, both work-related and personal.
- 3 Implement agile working practices**
Agile working practices need to be implemented in order to enable employees to work more flexibly and efficiently.
- 4 Encourage collaboration**
Collaboration needs to be encouraged between employees in order to promote innovation.
- 5 Train employees**
Employees need to be trained in new technologies and digital tools.
- 6 Change the organizational structure**
The traditional hierarchical organization structure of banks needs to be changed in order to promote a more agile and innovative culture.



- 7 Implement a customer-centric approach**
Midsize banks need to focus on providing a great customer experience if they want to compete with the big banks. This can be done by investing in customer-centric technologies such as chatbots and IoT.
- 8 Use data analytics**
Banks need to use data analytics to understand their customers better. This can be used to drive marketing campaigns, personalize customer experiences, and improve product offerings.
- 9 Automate processes**
many manual processes in banks can be automated using RPA. This can help to reduce costs and improve efficiency.

Digital transformation is not a one-time event.

Digital transformation is an ongoing process, not a one-time event. In order to keep up with the changing needs of customers, banks need to continuously update and improve their digital channels. This means that digital transformation should be seen as an ongoing journey, not a destination.

Midsize banks must invest in innovative technologies and adopt a digital-first mindset if they want to compete with the big banks. They also need to focus on providing a great customer experience. By doing so, they can improve their chances of success in the banking sector.

One advantage midsize banks have is agility: they can implement digital transformation initiatives quickly and efficiently. Many midsize banks are already doing this, and they are seeing great results with the help of no-code development.

What is no-code?

No-code is a movement sweeping the tech industry that's empowering regular people to build digital products and services without writing any code. With the help of no-code platforms, anyone can create digital products and services without needing to learn how to code.

No-code platforms provide a user-friendly interface that allows users to drag and drop components to create digital products. There's no need to learn coding or scripting languages, which makes it easy for anyone to build digital products.

Most no-code platforms also come with built-in app stores, so users can easily share their creations with the world. This makes it easy for banks to create digital experiences that are customer-centric and offer a great user experience.




How no-code accelerates digital transformation in banking

No-code is a powerful tool that can help banks accelerate digital transformation. By using no-code platforms, banks can quickly create digital products and services without the need for coding skills. This means that banks can launch new digital products and services much faster than if they were to use traditional development processes.

No-code also makes it easy for banks to experiment with new technologies and ideas. By creating prototypes quickly and easily, banks can test new ideas and technologies without the risk of wasting time and money on unsuccessful projects.

Additionally, no-code platforms help banks to improve communication and collaboration within the organization. By providing a user-friendly interface that anyone can use, no-code platforms promote a collaborative approach to product development. This helps to speed up the process of digital transformation and encourages innovation.

Finally, no-code platforms help banks to improve customer engagement. By creating digital experiences that are customer-centric, banks can improve loyalty and encourage customers to use their services.



What are some other ways midsize banks can compete with big banks?

1 Reducing or even removing clunky paperwork by introducing digital user journeys

One way to quickly gain ground is by introducing digital user journeys in lieu of traditional paper-based processes. This will immediately give your bank a modern feel and help reduce frustration among customers that have to constantly fill out paperwork.

2 Automating complex or time-consuming tasks

Many banks still rely on outdated manual processes that are time-consuming and often lead to errors. By automating these processes, banks can save time and money while also reducing the chances of human error.

3 Introducing chatbots to provide instant customer support

Chatbots are another great way to quickly improve user experience without having to undergo a year-long digital transformation project. Chatbots can be used to provide instant customer support and help customers with simple tasks such as account balances and transactions.

4 Enhancing security with biometrics

Another quick way to improve user experience is by enhancing security with biometrics. This will help to ease customer concerns about security and also help reduce fraud.

5 Offering personalized experiences

Personalized experiences are another great way to quickly improve user experience. By offering personalized experiences, banks can show customers that they are valued and that their business is important to the bank.

6 Improving the mobile app experience

The mobile app experience is another area where banks can quickly improve user experience. By improving the mobile app experience, banks can make it easier for customers to conduct transactions and access their account information.

7 Implementing a digital wallet

A digital wallet is another great way to quickly improve user experience. A digital wallet allows customers to store their credit and debit cards, as well as loyalty cards, in one place. This can help to reduce the clutter in their wallets and also make it easier for them to conduct transactions.

8 Offering rewards and loyalty programs

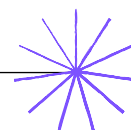
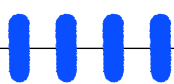
Rewards and loyalty programs are another great way to quickly improve user experience. By offering rewards and loyalty programs, banks can show customers that they are valued and that their business is important to the bank.

9 Creating a social media presence

Creating a social media presence is another great way to quickly improve user experience. By interacting with customers on social media, banks can build relationships with customers and show that they are engaged with their needs.

10 Using customer feedback to drive change

Finally, one of the best ways to quickly improve user experience is by using customer feedback to drive change. Banks can use customer feedback to identify areas where they need to make changes and then work on making those changes. This will help to ensure that the bank is always providing a great user experience for its customers.



Customer experience is key to success

Banks are quickly realizing that in order to remain competitive, they need to focus on digital transformation. In order to do this, they need to create digital experiences that are customer-centric. By following the tips above, banks can quickly improve their digital experience and offer a great user experience.

Banks that provide an excellent digital experience will be able to better compete with big banks and win over customers. Implementing a few quick fixes can go a long way in providing a better customer experience.

In a world where more and more transactions are taking place online, the digital experience of a bank is more important than ever.

These are some of the ways that midsize banks can compete with big banks on digital experience. By focusing on the customer experience, investing in innovative technologies, and partnering with Fintech vendors, midsize banks can level the playing field and provide a better overall experience for their customers.

In conclusion, midsize banks may not be able to compete with big banks in terms of resources, but they can still compete by focusing on customer experience and making use of new technologies. By partnering with fintechs, midsize banks can quickly and easily implement digital transformation initiatives and stay competitive in the banking industry.

EasySend is a no-code platform that transforms any manual process into a digital customer journey, empowering companies to embrace an agile approach to digital transformation, improve customer experience and boost profitability.