

Key digital banking strategies that will keep customers engaged and can turn expenses into revenues

Article

The news: A digital banking experience is table stakes for any financial institution (FI). In the US, nearly 85% of the population is expected to use digital banking by 2027 [according to our forecast](#).

But while some digital and challenger banks offer the latest and greatest technology as part of their digital banking experience, some incumbent and traditional banks see the investment as a sunk cost, or they build cheap but inefficient experiences on top of their existing tech stacks.

Here we look at how banks can strategically invest in developing a digital banking interface that will result in happier customers, personalized experiences, and increased revenue generation, [per](#) BAI.

Provide a financial health assessment: Customers want easy access to information that gives them a picture of their financial health. Make figures like balances, credit scores, upcoming payments, and loan details prominent on the user's main screen for increased engagement.

Personalize financial education and marketing: Use the customer reaching a financial goal or taking a positive financial action as an opportunity to educate them on a new financial topic. This can be embedded in a personalized congratulatory message. It's also an opportunity to market a new product or service that fits the next stage of their financial journey.

Put your brand at the forefront: Many banks track how customers and prospects use their websites. Banks that are able to analyze what consumers are looking at and where they're navigating on the website should use that data to create targeted marketing. All advertisements should focus on how your bank can provide customers with tailored financial solutions that align with their specific goals, and your branding should be clear.

Don't skimp on usability: Countless studies show that customer satisfaction is highest among digital bank users. Banks that have high customer satisfaction have easy-to-use and intuitive customer-facing interfaces. These banks see the value in investing in the proper technology to make the interface function smoothly. Banks that try to cut costs with cheaper but hard-to-use solutions see customer satisfaction drop.

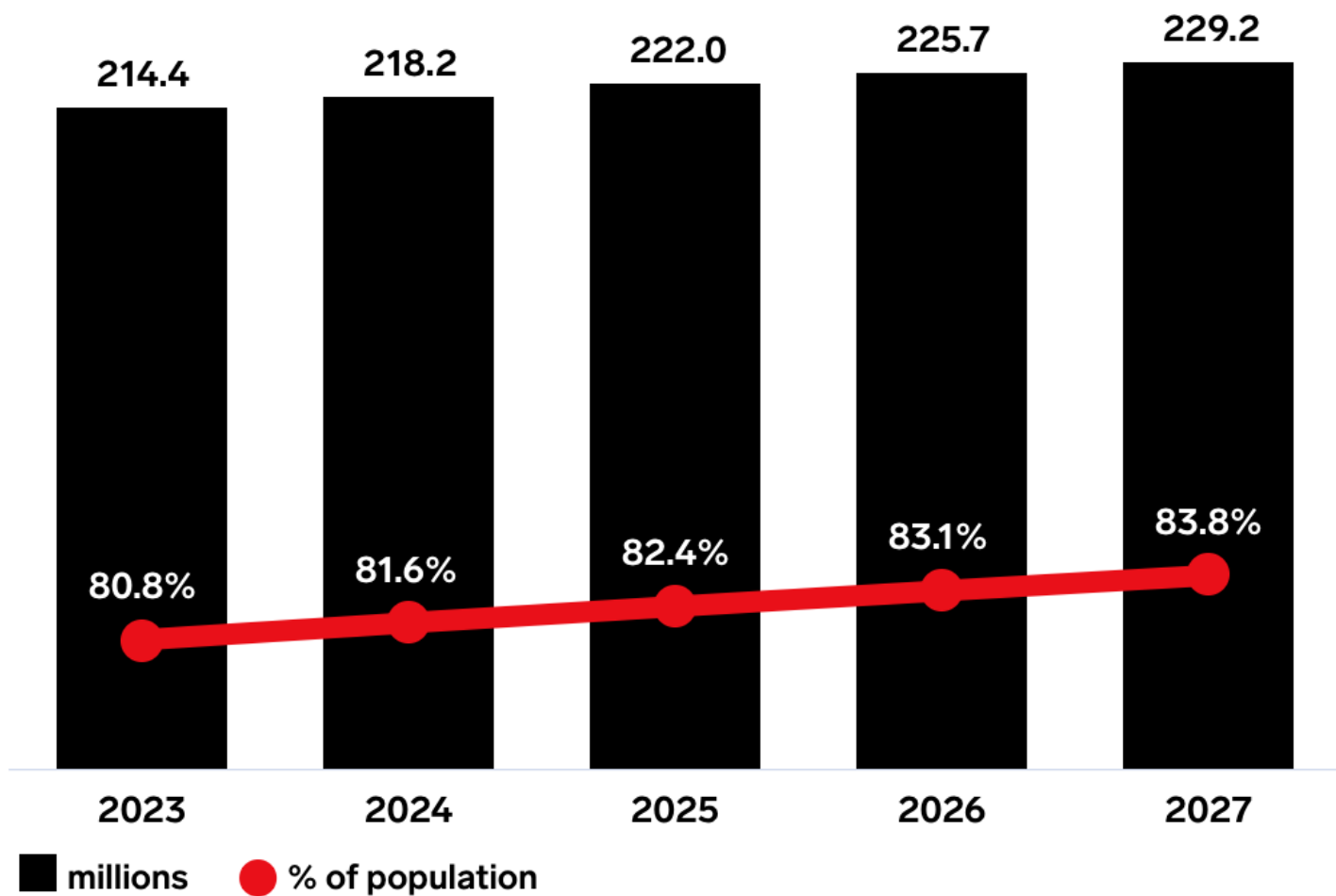
Analyze all your data: Banks are sitting on a treasure trove of customer data. With an abundance of options to partner with data analytics firms or purchase analytical software, banks have no excuse not to use that customer data to their advantage. This data can help

banks create personalized and targeted marketing campaigns, develop relevant financial products and services to better serve their customers, and potentially even speed up problem resolution processes.

The bottom line: The banks that dedicate time and resources to ensuring their digital experiences are the best they can be will turn their spending into revenue through attracting more engaged and loyal customers. Banks that resist a healthy investment into digital capabilities will always trail behind at the mercy of an outdated legacy tech stack covered in band-aids.

Digital Banking Users

US, 2023-2027



Note: ages 18+ who access their bank, brokerage, credit card or credit union account digitally via any device at least once per month; excludes virtual wallet services (e.g., PayPal, Google Wallet)

Source: eMarketer, April 2023

[InsiderIntelligence.com](https://www.insiderintelligence.com)