



- Consumers say they want simplicity – and it pays
- FS brands are 'hard to understand' and are 'deceitful'
- The biggest issue banks still face is lack of trust
- Consumers most want value, convenience, accessibility

It's simple: banks are too complex

Financial services customers in this country say they'd pay more for simpler communications and less complex experiences with banks. BRIAN RAFFERTY explains the surprising finding of a new global consumer survey.

Our belief is that simple, clear and transparent communications and interactions are at the heart of being a strong brand, one that's valued and appreciated. But belief isn't enough; we wanted proof. So we asked more than 6,000 consumers in seven countries: does simplicity matter to consumers?

We included questions about financial services and key consumer brands within that category and others, in the UK and six other countries.

The survey results show that, not only does simplicity matter for financial services, it pays: in the UK, people state that, on average, they're willing to pay over 3% more of their monthly bill for simpler communications and experiences with banks.

In our Global Brand Simplicity Index, the top 10 brands with simplest communications and interactions are in food (like McDonald's, Burger King, KFC, Pizza Hut, Starbucks and Subway), communications (like Nokia) and retail (like WalMart and Boots). The bottom 10 global brands are banks (HSBC, Citi, Standard Chartered, Hypo), car and car rental (Peugeot, Alamo, Europcar), insurance (Allianz), fitness (Fitness First) and air travel (Ryanair).

The UK Brand Simplicity Index™ top 10 brands include retail, fast food, media and travel brands:

Rank	Brand	Brand Simplicity Index Score®
1	ASDA	921
2	Amazon	879
3	Sainsbury's	872
4	Tesco	850
5	McDonald's	834
6	Burger King	822
7	BBC	821
8	The Sun	818
9	Travelodge	815
10	Boots	809

SADLY, IN CONSUMERS' EYES, BANKS STILL SEEM MORE FOCUSED ON THEMSELVES AND THEIR FINANCIAL PERFORMANCE THAN ON GENUINELY BEING THERE FOR THEIR CUSTOMERS.



Fast food, grocery retailers and technology/electronics are the three sectors consumers everywhere see as helping them most to have a simpler, easier life.

Banks (especially in relation to mortgages), insurance and credit card companies are seen as contributing most to making life more complex in the UK and all other countries. In the UK, no bank brands are rated highly, but some do better than others: Halifax and NatWest lead the pack, followed by Barclays. At the bottom are Britannia, Lloyds TSB and RBS.

Financial services brands are ranked poorly because they're seen to make people's lives more complex by:

- communicating in ways that are hard to understand and/or perceived as deceitful;
- being perceived to intentionally overcharge;
- being seen as 'niche' or targeted at too select an audience/not accessible;
- being found difficult to interact with, with poor customer service experiences and/or hard-to-use interfaces.

Most UK banking brands are perceived to communicate poorly and participants express concerns about their level of complexity: "HSBC, Visa, etc always come with far too much small print." Britannia is seen to use jargon: one says they "do not use plain English". Another feels they have a "confusing array of products".

Lloyds TSB has "too many rules, hidden print" and leaflets that are "very confusing". RBS is thought not to have a "clear message" and difficult online interactions that prevent them from signing up new customers: its website is "very complicated to navigate and I was unable to contact them for advice online without being registered as a customer already".

The few higher-rated UK banks are given credit for a better online experience. Halifax is said to make it "easy to pay bills and manage accounts"; NatWest's online banking is "clear and simple". HSBC is given credit for use clear fonts and voiceovers when advertising their products: "At least their patter is good."

But the biggest issue banks still face is lack of trust: consumers see them as being out for themselves and not focused on serving their customers. A few representative quotes from consumers illustrate the point:

- "They use complex contracts and manipulate their sales figures and offers to trick and deceive – not straight talking and clear."
- "Hidden charges: not being open in dealings."
- "They are only out to make a profit."
- "Are only interested in [themselves]."
- "They're too interested in providing vague promises mixed in with flashy adverts than being clear and concise about what they actually offer ... their websites... are nothing more than one big sales pitch."

On the other hand, there are clearly lessons from those services that are judged simplest. They communicate directly, clearly and without jargon and the benefits they seem to provide include:

- reducing stress by providing savings/value;
- saving time through increased convenience and accessibility;
- providing interactions and interfaces that are easier to use;
- enabling consumers to get more from life: deeper relationships, easier lifestyles.

Banks (and brands in all low-rated industries) need to fix the way they communicate and interact with their customers before they can hope to regain consumer trust. A bank may advertise itself as "your trusted partner" or as

"bringing you greater opportunities", but our research shows that this type of messaging is actually hurting banks rather than helping them.

Most banks make the same claims and are undifferentiated in their messaging and tone. Moreover, trumpeting that they're a trusted partner and customer-centric without first adjusting the way they go about their business, only adds to the perception of deceitful communication.

INSURANCE AND BANKING, IN THEIR EXCESSIVE FOCUS ON PROFIT METRICS AND LEGALESE, HAVE FORGOTTEN WHAT THEY ARE REALLY SELLING: TRUST AND PEACE OF MIND.

The lesson for banks is simple: clarity and transparency pays. Despite all the advances with online and automated banking, financial services is not being given any credit for making people's lives simpler. Industries like insurance and banking, in their excessive focus on profit metrics and legalese, have forgotten what they are really selling: trust and peace of mind.

Brands that communicate simply and directly and focus on delivering outstanding customer experiences can not only justify a premium, but also gain loyalty in the process.

The first institution that truly understands how to deliver an outstanding experience to its customers will garner lasting loyalty and profits for its retail operations. Sadly, currently, in consumers' eyes, the banks still seem more focused on themselves and their financial performance than on genuinely being there for their customers.



BRIAN RAFFERTY Is Global Director of Customer Insights and Research at global branding and design agency Siegel+Gale. Read and download the full survey results on http://www.siegelgale.com/wp-content/uploads/2011/02/Global_Brand_Simplicity_Survey_2010_UK.pdf

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