

USER EXPERIENCE EXCELLENCE: A STRATEGIC IMPERATIVE FOR FINANCIAL SERVICE ORGANIZATIONS

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Abstract

Each and every economy is moving in the direction from cash preferred economy to cash less economies. This can be observed by most economies having set a target to become a cash less economy by 2030 which is not so far to come. In order to attain this objective and to shift customers entirely from physical dealing with the financial service providers like bank to absolute virtual dealings. All this require developing a great user experience (UX) that instead of increasing their frustrations will help in creating altogether easiest way of doing their tasks in all their comforts and help in building brand loyalty. This research paper aims at determining what the customers want in UX (user experience) and whether organisations are able to understand what the customers expect from them and what is the likely the future of UX. This paper is based on explanatory and diagnostic research design and both primary and secondary data is used to meet the need of the study.

Keywords: UX, Online Transactions, Fintech, Design Thinking, Failure Mapping

Objectives

1. To analyse the impact of user experience factors in terms of customer retention for a financial organisation.
2. To understand the gap in terms of user experience and what is the role of technology enhancement in reducing that gap.

Research Methodology

Data Collection: Primary data is collected from the users of financial services in various age groups. Information regarding the various strategies used the financial organisations for enhancing customer experience is collected from various secondary sources including technology blogs.

Sample Size: Sample size for this study was 100 users who indulge in financial services on almost daily basis.

Test Applied: Chi Square test is applied in order to compare observations with expected results.

Research Design: Explanatory research is used in order to identify the causes and effects of innovations in user experience by the financial organisations at such a large scale.

Diagnostic research is used in order to find out the reasons behind shifting of the customers from one financial service organisation to another and what factors can make a difference in terms of customer retention for these organisations.

Hypotheses

H0: User experience plays a vital role in terms of customer retention for a financial organisation.

H1: User experiences do not play a vital role in terms of customer retention for a financial organisation.

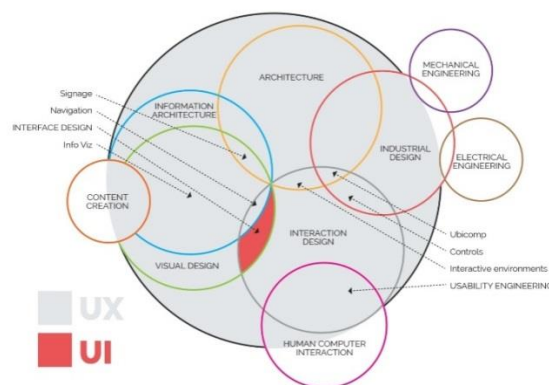
Introduction

As the mobile and internet usage is growing with the numerous of new additions to bank accounts, the nation is heading towards becoming an attractive financial hypermarket. With the addition and launch of new initiatives by government as Jan DhanYojana, and other funds' investments in Fintech space has shown a significant increase as 383 million dollar to 1868 million dollars in the 2017 from 2016. But, reinvention is still missing in traditional banking services. Now, in this blog, we will understand UX / UI Design can help banking and Finance sector.

Fundamentals of User Experience (UX)

By user experience we can understand as any kind of interaction that takes place between the customer or potential customer with an organisations product or service. The interaction could vary from the simplest one (like deciding the colour scheme) to the most complex one that requires a good level of expertise in using the tool properly ordering through a website. An organisation that takes into consideration each and every aspect very seriously that can enhance the user experience can be able to surpass all the others standing in the line of competition and excel.

If we want to find why is it important to provide extremely outstanding user experience then it can be understood from the goal of providing a successful user experience which are like making things as easier as possible for the user that will take as little as possible time and efforts of the user to get the work done. Even though the user rarely intentionally think about these things still lots and lots of time, money, efforts and research work is required to be put in by the organisations creating a seamless user experience for its users that aims at fulfilling if not all then atleast most of their needs, requirements and expectations.



Importance of UX Essential for Financial Organisations

Every customer is seeking those platforms that can swiftly do transactions and ensure safety as a top priority. If any organisation want to retain customers than they have to go towards fulfilling the current needs of the customers as well as continuously work to upgrade the platform so that customer will not even think of switching to any other platform.

Every financial organisation is working hard to reduce frustration and dissatisfaction of the customer both for offline and online user experience by provide more clean, seamless and

less redundant tasks to be performed while fulfilling any transaction with the organisation or while seeking any information that is required at any point of time.

Design of UX is the utmost requirement for the financial organisations as almost all the customers have smartphones, tablets, laptops etc. that they carry with them almost at all times with them wherever they go and at whatever time. Even now the customers are so addicted or used to these devices that they even eat, sleep or even go to washroom with carrying any of these devices as they do not want any time to be wasted or in other words they always want to be get connected with the outside world. So, in that case investment UX design becomes even more important as if the customer can use your application at any time without any hassle and he feel good while interacting through that interface then it will be great for your organisation as that will lead to more and more opportunity for the organisation to retain a customer for the longer period of time.

In 2014, investigate uncovered that 92% of Australian grown-ups utilized the web frequently. While this investigate highlighted that the biggest extent of clients are the 18-44 age gather (100%), it moreover appeared that 68% of those clients are matured 65+, with the number anticipated to be much higher in 2016. The paradox that web utilization is the space of the youthful, customarily not the center statistic for non-retail keeping money firms must be addressed.

In expansion to this, measurements uncovered that there are 15 million+ smartphone clients in Australia, and 68% of individuals having get to to different gadgets. These numbers are expanding and will in the long run reach full immersion. To put this into setting – most of your clients have a keen phone; on the off chance that your online nearness does not have a client involvement that reacts to the gadget on which it's being seen, you're as of now behind.

As an industry, budgetary administrations can now not cover up from the fact that having a client centered online nearness is the foremost imperative portion of their businesses promoting strategy.

Unfortunately, apart from a few of the greater banks, the money related administrations industry, on the total, battles to get it the genuine esteem that great UX brings to their trade, especially within the B2B space. The sentiment is one of disappointment for having to spend so much time and cash inquiring about, arranging and making something that needs changelessness which must be ceaselessly upgraded and kept up. The difficult truth is that unless these businesses alter their center and appropriately contribute in their online communication, they will get cleared out behind. Within the conclusion, the advertise will eventually choose whether a commerce survives or not.

Great Efforts Required for Great UX

Designing a UX is not anything that just happens. A good amount of time, money and efforts have to be invested in terms of carefully planning what exactly you want to provide to the customer and how the customer is going to interact with the interface. After these pre activities only the organisation can think of using any design tool for the purpose of designing a good UX interface. In short you have to study the black box (user's mind) then only you can even think of taking the first step of creating a UX that can win and retain customers for your organisation.

Preconditions for a UX

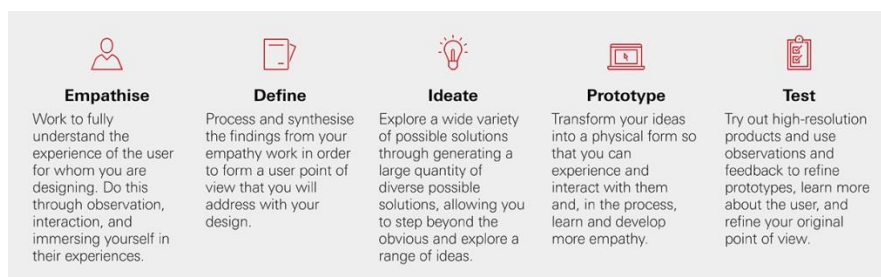
After getting an idea as to what you are going to provide to the customer, you have to focus on the three basic things that are discussed in the below section in order to start developing a good user experience:

- 1. Functioning Vs. Looks:** first and foremost a customer is seeking how well the application or tool is performing and fulfilling his/ her requirements then comes the look of the interface that gives a pleasing UX and there will be no frustration or dissatisfaction arising while performing any transaction. So, you should ensure both these aspects which are basic but are extremely important for you to design a tool for the customer.
- 2. Simplicity Vs. Amplification:** we always want that our customer should get all the information possible through one medium but by doing so we makes the interface so much filled with all the information in which the customer sometimes feel lost. To create a good and effective UX the interface should carry only those things that are absolutely essential for the customer and that should also be arranged in that manner so that the customer should not felt lost in information overdose.
- 3. User oriented Vs. Market oriented:** Even though focus of the research should be on both of them but you cannot expect that that customers always work as per what the trends are showing or what are their opinion about various things. So, you should focus more on user orientation i.e. how customers actually use the product or service rather than how they ought to use that based on the market preferences or market studies.

Inert Value of Design Thinking

Design thinking aims at designing and providing solutions based on all kinds of feasibility studies undertaken. It doesn't restrict itself to primitive modes of designing that focuses on a step by step process while it tries to get the benefit of valuable contributions from other disciplines that can provide an altogether unique viewpoint and help in designing the most seekable UX.

A design thinking model is presented as below:



Source: The Good, The Bad, and The Wicked: Thinking About Design Thinking - Form3 Design

With the advancements in technology and user friendly interface, Gen Z is becoming more and more demanding. The inclination of the user for choosing any FinTech application depends upon how better the experience is provided by that interface. As per the recent research published users are spending 10 times more time on those financial applications that are designed keeping UX in mind and there is a constant shift by the users from traditional banking application to these applications ensuring seamless digital banking experience.

FinTech organisations are facing the intense pressure in the market which induces them to actively involve themselves in providing improved UX developed through design thinking. The impact of UX can be observed by many financial institutions like Bank of America which has seen a jump of around 45 percent in its online banking registration after redesign process of its UX.

Things to remember while preparing any UI / UX design

Originator must utilize common colors, shades, signs, identifications, fashion for text style, and pictures, this will make the app client inviting and familiarize the client with versatile app more helpfully. Architect can offer an uncommon and extraordinary client interface for viewer's versatile app. Web architects are by and large great in utilizing colors and typefaces to offer watcher an astounding feel for the application.

It is of fundamental significance that nuts and bolts utilize for app creation is simple, particularly the words and the pictures. So that, client does

A gifted UI/UX designer shows its clients almost each prepare / highlight on the application through notices, like, whereas stacking substance, the watcher must be taught that something is stacking on the screen. To secure the finest plans, engineer and originator must consider and worth the time of administrators. So, the substance ought to stack speedier on the application in the event that any client is utilizing the application for its different purposes.

Designer must take of the stream of application which constitutes of its substance and activities. It is implied to say that app ought to not contain as it were alluring format and plan but it too ought to emphasize on its effortlessness for its administrator. So that it makes the client interaction exceptionally pleasant.

The total UI plan must be steady. This will offer assistance client to get it the utilization design all through the app usage.

It is basic to get it the noteworthiness of UI/UX format within the development of smartphone application because it gives tremendous benefits in upgrading the victory of an application.

While the overhauledUX plan permits client to transmit reserves accessible from the most see facilitated with a keeping money databank and phone book in a single arrange to protect a pivotal watcher.

Data Analysis

Observed	SA	A	N	D	SD	Total
Never use	0	0	24	6	22	52
Sometimes	182	216	120	34	20	572
Regular Basis	292	192	70	64	58	676
Total	474	408	214	104	100	1300

Expected	SA	A	N	D	SD	Total
Never use	18.96	16.32	8.56	4.16	4	52
Sometimes	208.56	179.52	94.16	45.76	44	572
Regular Basis	246.48	212.16	111.28	54.08	52	676
Total	474	408	214	104	100	1300

Test Statistics	SA	A	N	D	SD	Total
Never use	18.96	16.32	27.84972	0.813846	81	
Sometimes	3.382401	7.413048	7.091181	3.022238	13.09091	
Regular Basis	8.406647	1.915656	15.31307	1.819645	0.692308	
Total	Test Statistics					207.0906687

Chi Square Test

Formula

$$\chi^2 = \sum \frac{(O_i - E_i)^2}{E_i}$$

χ^2 = chi squared
 O_i = observed value
 E_i = expected value

Significance Level	0.05
Degree of Freedom	8
Test Statistics	207.0906687
P Value	2.0451E-40 or 0.0000000000204151
Critical Value	15.50731306

Statistical Value > Critical Value	Reject
Statistical Value < Critical Value	Fail to Reject

Result

P Value less than 0.05, According to the chi square test, Null hypotheses is rejected because Satisfaction levels of Customers are significantly different from customer to customer.

According to the Critical value approach, Statistical value 207.0906687 is more than the critical value 15.50731306. Hence, Null Hypothesis will be rejected.

Critical value approach and P value Approach both are giving same result. We can say that both are the variable not relate them.

Future of UX

The future of how the user is interacting with the technology lies in where the tools like Artificial Intelligence will take us. Augmented Reality (AR) and Virtual Reality (VR) is changing the definition of a good user interface. They have created an altogether new world in which user interacts with the technology like we have come into a new universe which is known as 'Metaverse'. We can expect anything to happen like our financial decisions are to be taken not by us but by our technology. Where and in which mode money is to be kept and for how long that can provide us maximum returns, safety and flexibility has to be decided based on big data and huge calculations that cannot be possible by any human intervention rather only technology is capable of doing so.

No matter how much progress is there in technology, one thing that is going to remain valuable for any financial organisation is how comfortably a user can be able to interact with that technology i.e. UX design as the great user experience comes from fulfilling deep rooted human desires, need and wants rather than from the driver i.e. technology.

Gap in Terms of User Experience and the Role of Technology Enhancement in Reducing That Gap

Technology is ever changing so does the needs, wants and demands of the users. Due to these dynamics in the market gap will always be there that provides a basis for new innovations. May be in the years to come AI will take over all the financial transactions from us and will ascertain whenever and how much we require, where and how much to invest etc.

Technology plays an important role in bridging the gap between the needs of the users and fulfilment through UX by providing the enhancement of satisfaction at each time the user gets while using an upgraded version of application by the financial organisation.

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