

Commercial Banking Leadership Council

Why Customers Choose Their Providers

Provide products that solve customer challenges

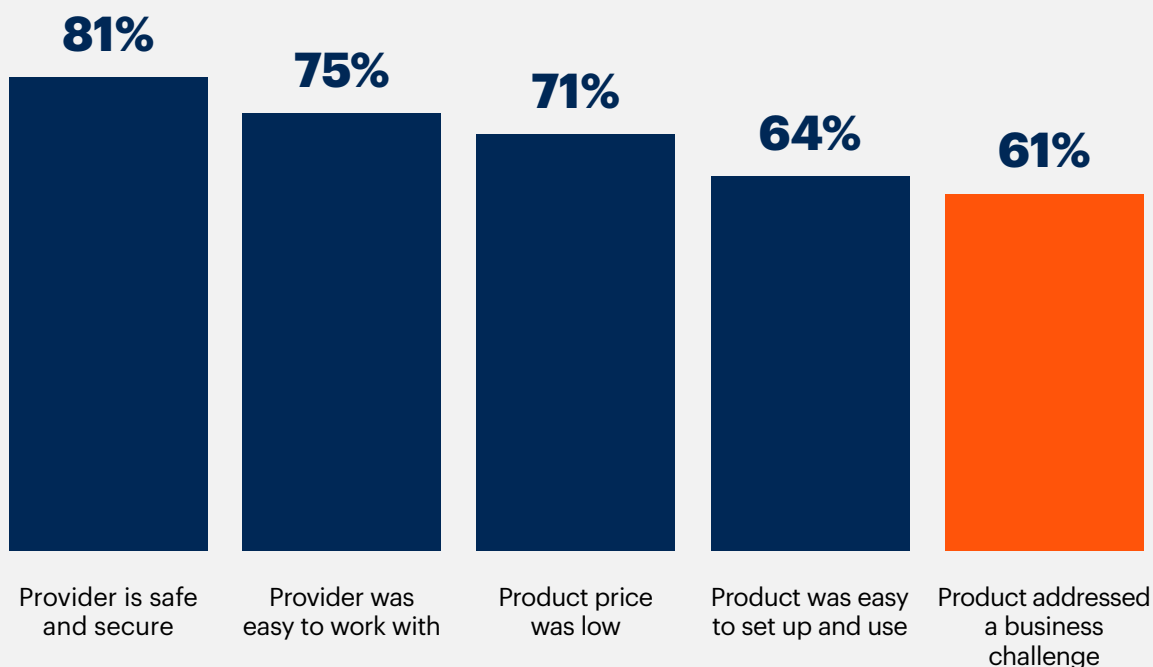
Until recently, customers mainly valued — and paid for — access to a bank's balance sheet. But today's customers are more sophisticated and have more choices, both in terms of the sheer number of competitors, and in a burgeoning set of native digital solutions targeted at solving specific CFO or business owner problems. Customers today demand more than the traditional access to a balance sheet, and will reward providers that provide these solutions.

We analyzed the behaviors and preferences of business owners and middle-market clients from around the world to understand what drives clients to select a new financial provider. Results from our 2017 survey indicate that one of the top reasons both small business and middle-market customers select a financial provider is that they provide a product that addresses a business challenge.

Q: Please rank the following reasons according to their importance in selecting your provider for the product.

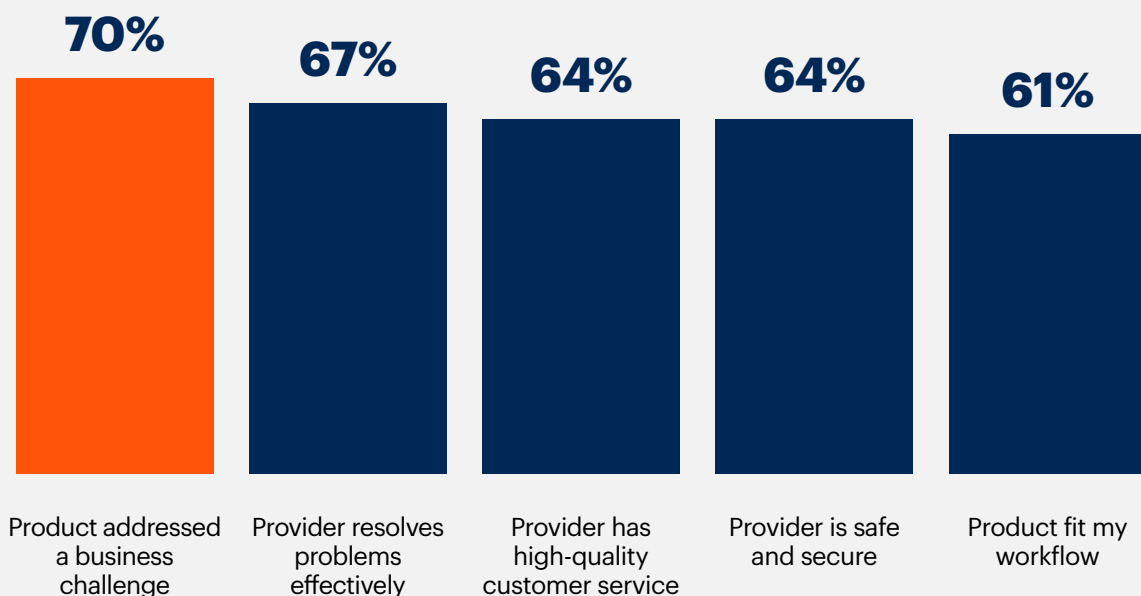
Percentage of respondents who responded reason was "very" or "extremely" important

Business owners



n=221

Middle-market clients



n=87

The Way Forward

Banks recognize that their product offerings must meet the needs of their customers, and 82% of executives believe developing innovative products is important. However, only 55% are confident in their ability to do so, according to our annual survey of executive priorities.

To create these products, banks must focus on building products that are digitally formatted and delivered, continuously available and solve customers' business problems. Sharing insights — previously unknown information that helps customers manage their business — and explaining how the bank is uniquely able to help customers achieve their desired outcomes will pay dividends.

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Additional Resources

- Learn about your customer's business challenges and what they look for in a financial provider with the 2018 Performance, Behaviors, and Preferences of the Business Owner and Middle Market Client reports.
- Dive into the Inside View report to gain insight into how to overcome the two key obstacles to building innovative products.
- Watch the replay, "Building the Products that Customers Want to Buy," to learn how leading banks are redefining products and examining the rich potential of fintech partnerships in a conversation with Citizens Bank and Opportunity Network.
- Explore "Innovative Commercial Banking Products" for examples of the most innovative products in banking today and a framework you can use to help your products stand out from competitors.