

Why do banks have to incorporate design into their business culture?



Design and usability | 2

Another good recipe for customers to love their banks.

With the input from **Daniel Mordecki**, Director of Concreta.
#Userexperience #Appdesign

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When we think of a bank, the first thing that comes to our mind are numbers and bills. Or even, gold bars saved in extremely safe vaults. Not long ago, design didn't seem to be important in formal institutions that prioritized security before anything else. But in times where so many things have been dematerialized, where the link between people and their financial institution is mainly done via digital channels, design gains an unprecedented relevance. And it makes it mandatory to have a design centered culture in the entire organization.

Design yesterday and today

In the last century, the products design of a company was limited to a small group of designers. So, legendary examples such as Dieter Rams in the company Braun, who, with his slogan "less but better" didn't just leave an unforgettable footprint, but also a legacy that keeps being current nowadays.

However, design in our era of digital transformation has a radically different nature. Dieter Rams radio was identical during the entire period of manufacture, from the very first to the last unit. The design process in the last century ended when the first product of the assembly line was finished, no matter what the extension was.

➤ **Today, we must design products in constant change. That's why, the user experience design is a continuous process. Sometimes, even a daily process. And that makes everyone in the bank to be aware of its importance.**



Dieter Ram's design in Braun, based on the "less but better" principle is legendary and is still valid nowadays. Apple's iPod was inspired in T3 transistor radio, launched in the market in 1958.





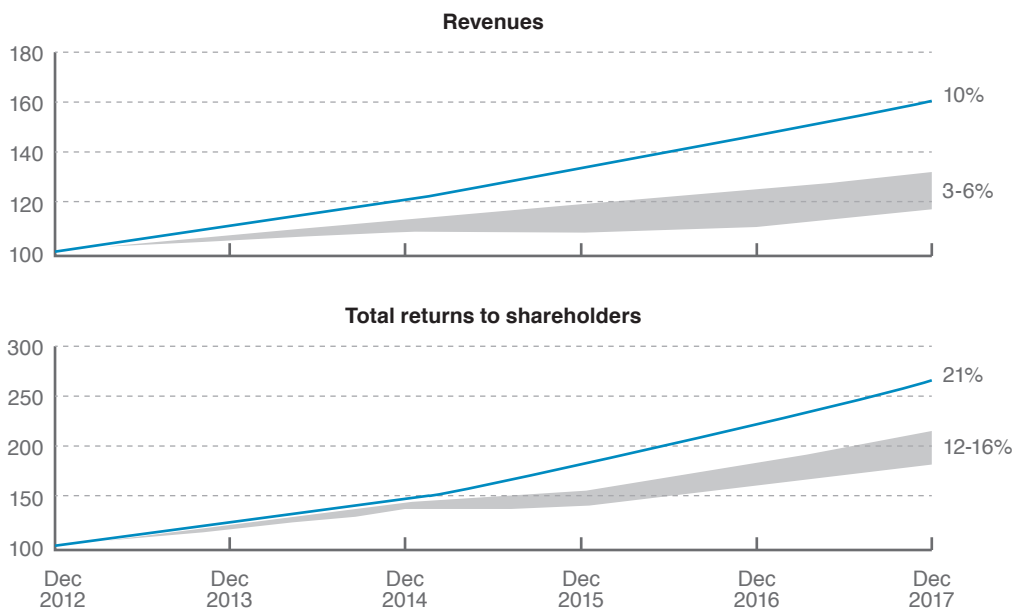
The value of good design

The importance of design has been recognized for years. In 2018, McKinsey consulting carried out a study comparing the performance of the last 5 years of companies according to their design strategy. The result is that companies that have a design-centered strategy have 2 times better results than those that are average in the market.

Companies with top-quartile McKinsey Design Index scores outperformed industry-benchmark growth by as much as two to one.

Annual growth (normalized), %

- Top-quartile McKinsey Design Index performers
- Industry benchmarks¹



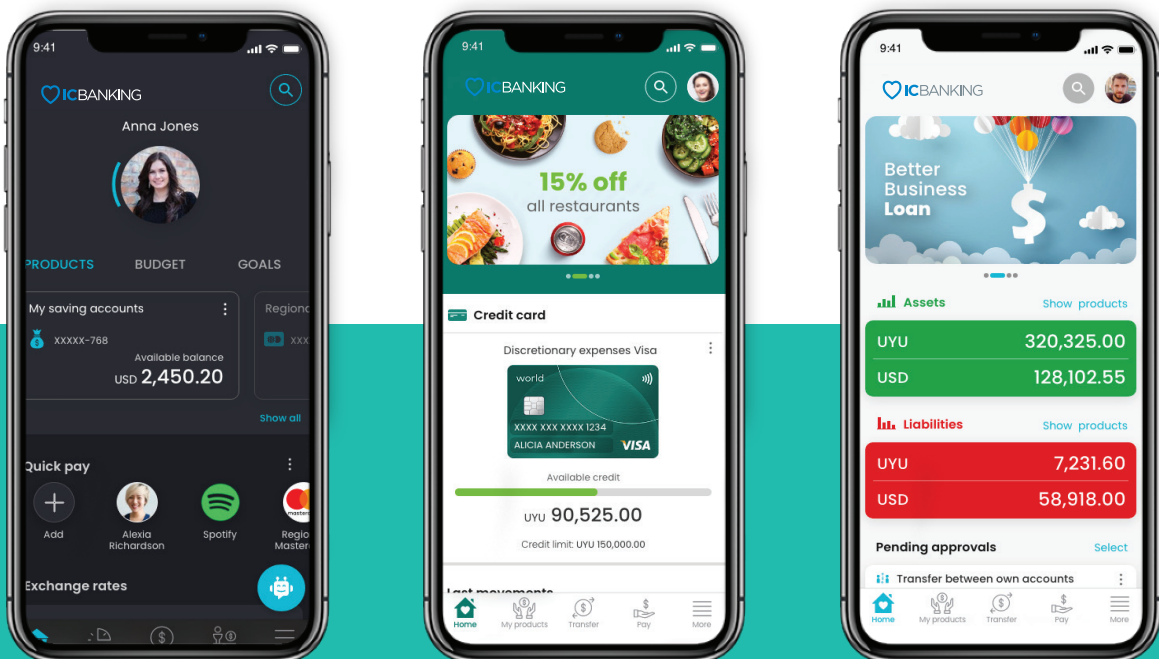
¹The envelope was set by the minimums and maximums of three independent data sets: MDI 2nd, 3rd, and 4th quartiles; the S&P 500; and a McKinsey corporate database of 40,000 companies.



However, while the obvious question that designers ask themselves when they try to calculate the final result is: If I change the design, how much more income could we generate? there is one other way in which design can help: reducing costs.

Something that has been overlooked about the value of design is that poor design is very expensive for an organization. Poor design generates expensive support calls and sale losses. What if I was going to apply for an online credit and I abandoned the task because it wasn't easy? And get an insurance?

When we start talking about where poor design affects our organization, we can talk about how much money we would save. We make it easier to calculate our ROI to make better design decisions.





Thousands of contacts, one single bank

From the customer's point of view, there is no dividing line, but a seamless experience where there is no distinction between web, app, plans, products, systems, branches, collaborators and company.

We can measure the experience that comes from the design of a product or service in a scale that goes from extreme frustration to extreme satisfaction.

The excellence in the user experience design in digital products is a paramount task, where each point of contact with the customer must be excellent throughout the entire lifecycle of the product. We talk about product in the broadest possible concept, including services and everything regarding the relationship between a company and a customer through digital media.

That makes software companies, like Infocorp, to act as true partners with their customers, the banks. Because we understand the huge responsibility that creating the app for a bank entails: For customers, we are the bank. And we need to make constant adjustments to make interactions increasingly simpler and easier for anyone.

➤ **At Infocorp, for instance, we work following a constant roadmap with three types of adjustments: minor, major and structural changes that are released every few months. In the case of IC Mobile Banking, version 7 was released with substantial changes compared to its first release of years before. Today we are taking even a further step: Incorporating the Digital Banking Toolkit, which allows the very same bank team to design their app from base code.**



The user experience design as company culture

An excellent user experience requires that each one of the “true moments” as defined by Jan Carlson¹ be excellent. And this requirement, which involves the entire organization, will only be met if **design is incorporated into the company culture.**

Let's think of a company with iconic design, such as Porsche, Dior or Apple. Is it reasonable to think that any of their employees doesn't know about the importance of design for the company? That's the superior state of a design culture, when the entire organization from end to end is aware of the value of design for the business. Such a culture doesn't take place overnight, nor randomly, but with a clear and sustained strong leadership direction of the design team and an awareness policy towards the rest of the organization.

Nobody thinks that in order to have a design-centered strategy companies must be directed by designers. Not at all. What is needed are directions able to understand that **design communicates and achieves results.**

¹ Moments of truth by Jan Carlson, Díaz de Santos 2006 - First English edition 1987





> When there is no design culture, you hear phrases such as “I like this” or “I don't like this”. “I don't know anything about design” or “you guys are the experts, but...”. And we still get an opinion based on our own believes or prejudgment, but not based on evidence.

User experience design is a field discipline, one of research and constant relationship with users. Of course, there is a theoretical body that organizes the knowledge generated by the community, while professionals and design teams have their own cumulated experience. But there is no theory, professional employee or design team that has enough wisdom to guess how actual users will behave in real situations using actual apps. They don't have it today and it doesn't seem that this is going to change anytime soon. This idea is reflected on the core idea **“Get to know your user: you are not your user”**. That's why it's important to do, assess and change.





Making design decisions based on evidence

Evidence to analyze in terms of design comes from two main sources: Observation and testing techniques with users and analytics.

The observation technique covers a toolkit to find out directly how users use the apps, which design decisions work, and which don't, in which areas users interact seamlessly and in which areas they don't.

Analytics is an indirect form of observation, in which statistical information is used to understand users' behavior, the most habitual being the traffic information in websites or apps, but not the only one.

A design-centered company requires management that understands the language of these results, to be able to interpret insights and be capable of relate them with the business in order to make decisions.

The management should send a clear and strong message about the relevance of design for the business, about the need to exhaust all resources in order to make the best decisions, about the professional and responsible management of design processes and resources. And it needs to sustain it in time, in order to generate the context in which design culture can be developed and consolidated.

The design team, whether it is internal or an external provider, should be responsible for their own training, as well as the awareness and training of the rest of the organization. And, above all, work as true partners.





At Infocorp, we follow every design requirement demanded by the banks. They then give their final approval to make sure that every digital channel follows the organization guidelines. But, as partners, we especially like to build together the best solutions thinking in the users. And, as we said before, through the Digital Banking Toolkit, we offer all the capabilities, so that the company internal teams working in a multidisciplinary way can design and set their apps' parameters, which will also give flexibility to change it whenever they want.





In short:

- A company will find value and a significant ROI if their employees understand that their customers' satisfaction depends on their experiences, that the quality of those experiences depends on how they were designed and that everyone is part of this process, even if it's just to feel proud of belonging to an organization that offers excellent user experiences.
- Having a department or a design vendor is not enough. It's mandatory to integrate the design culture into the Bank.
- Personal taste is not a business case, nor a reason to make design decisions. Good observation techniques, as well as user testing and analytics, are needed to make good decisions in terms of usability.
- At Infocorp, we work together with the banks' design teams, in order to create the best experiences, while customizing the solutions with a unique look & feel for each customer.
- And through the Digital Banking Toolkit, they have the possibility to customize not only the design, but also the main features in their digital channels.





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helping people LOVE their bank

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