

Crucial Considerations for Your Technology Strategy

A three-part series in collaboration with Deborah Reuben and Kristian Dolan

Part Three: Customer Experience for a Changing World

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Our first article discussed the big picture view to help de-risk your technology roadmap. Our second article explored the challenges and ways to overcome accidental architectures. Our final piece is centered on crucial considerations for digital customer experience in a rapidly changing world.

Much of our lives have shifted online and it is likely to stay that way for the foreseeable future. Before COVID-19, digital customer experience in equipment finance grew in importance and was considered critical by many organizations. In today's environment, its significance has skyrocketed.



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As much as we may desire it, we're not going back to "normal"; we're going back to different. So, let's get ready for "different." What are the crucial considerations for designing, building and delivering

a great digital experience for equipment finance customers and partners? With more and more business transactions and interactions happening online, what must you consider to keep pace with change, deliver value for customers and ensure your company's success?

A recent article by Timothy Calkins of the Kellogg School of Management at Northwestern University explores the idea that "COVID Has Forever Changed the Customer Experience."¹ He discusses the nature of pandemic-driven changes in retail customer experience and the need for companies to adapt. While the article focused mostly on the retail customer experience, it highlights some major B2B experience considerations. How does it relate to equipment finance?

"The realization has hit all of us that this pandemic is not a two-week or a two-month disruption," states Tim Calkins, a clinical professor of marketing at the Kellogg School. "It's going to go on for a very long time."

If you don't yet have a means for your customers to engage digitally, it's time to get that capability in place. If you already have this capability, it may be time to revisit and see how you can enhance the experience given our business world's changes.

How are lenders differentiating from their peers? If competing solely on rate, it can be challenging to retain customers or even a race to the bottom. A great customer experience can

be a competitive advantage. Partners (vendors/brokers) and customers look to other things beyond rate, such as:

- **A frictionless experience.** The financing experience needs to be intuitive, simple and issue free. If your online process requires a "user manual," you'll have some challenges. Customers, vendors and brokers work with many financial institutions. They do not have the time nor the will to "learn" another system.
- **Customer Service.** Are you adding value to your customer and vendor? Is the digital experience allowing them to quickly and intuitively get what they need?
- **A human touch.** Sometimes, you need to interact with a person. Can your customers quickly get a hold of you? How responsive are you?

One of the first components in the EF Technology Solutions Framework is systems of engagement. These systems can be separate from your equipment finance core platform or a part of it, depending on your situation.

Systems of engagement enable digital interactions between your company and your customers, vendor partners, sources of business and investors. It is essential to provide a cohesive experience regardless of how the users interact with your company. There are a variety of digital touchpoints to consider across the equipment finance process, including:

- Web portals for online application submission and status tracking
- Mobile applications for quoting, status and credit application
- Lease quotes and credit applications at the point of sale
- Customer-facing intelligent analytic dashboards utilizing data from connected devices, aka the Internet of Things (IoT)
- Self-service portals and online payment platforms
- Social media, interactive chatbots, voice and more
- Remote considerations such as e-signature, video, digital payments and other contact-less interactions
- Identity verification
- Fraud detection

Rapid advances in technology and customer expectations are continually driving changes in the engagement layer's possibilities to differentiate the customer experience.

Our previous article discussed the importance of deliberate architecture. When it comes to your customer and vendor

portals, the interoperability and platform considerations will come into play. A robust architecture is a key to delivering the right level of transparency and functionality to meet customer needs.

You can acquire new functionality through microservices. Gain efficiencies and increase transparency through interoperability with your origination and portfolio management systems. Two of the most common approaches for meeting equipment finance customer needs are customer and vendor portals.

Partner (Vendor/Broker) Portals

Progressive equipment finance companies are streamlining operations by implementing vendor and broker portals. These solutions enable their partners to directly control their financing and embed financing into their sales cycle. Portals can allow self-service capabilities for partners across the entire origination flow.

Customer Portals

Many portfolio management solution providers offer “portal” technology enabling lessors to provide secure self-service options online. Providing digital self-service capabilities for your customers can off-load a tremendous amount of work from your staff and improve the customer experience. A web portal experience that integrates well with the portfolio management system empowers your customers to self-serve a variety of requests such as:

- Address changes
- Buyout quotes
- Payoff requests
- Renewal inquiries
- Invoice and payment inquiries

The best online customer portals consider the customer’s perspective in designing the customer’s experience. What is it that the customer is trying to achieve when visiting your portal? Keep in mind that their goals may differ from your internal efficiency goals. For instance, they may want to get information about their leases to plan or help with an important business decision. They may need to make a payment or answer a question after your regular business hours. Make it easy for them to achieve their objectives.

Beyond the System Considerations

Customer engagement technology is not a “one and done” situation. Tuning the customer experience is an ongoing process; it never ends. As you are building or enhancing the online customer experience for your company, give thought to the resources you will need to own the work of monitoring, managing and strengthening this critical capability for your company. Expect the customer experience to evolve. As you get ongoing feedback and capture data from customers who are engaging in your online platform, you will see new ways to enhance the experience to offer unique value and increase satisfaction.

The Customer’s Point of View

We know it is vital to bring the customer’s perspective into the picture when designing the digital customer experience or to select solutions. But how do you do it? Start by getting clarity on the current state:

- What is your process and technology situation?
- What does the process look like from the customer’s viewpoint?

- Where are the pains in the process from the customer’s standpoint?

Think through this before selecting a solution. A straightforward approach is to do the mapping process we described in our first article. Instead of mapping it from the internal perspective, map it from the customer’s lens and based on their goals.

Many progressive teams use “Customer Journey Maps” to break down different customer experiences into a journey. One of the many design thinking tools, these maps visualize how customers interact with you today and how they feel about the experience. Creating this type of visualization can highlight your customer experience’s weaknesses and opportunities.

The next step is to translate this into a “to be” journey map that describes how the customer experience should work in the future. This exercise becomes the baseline for building the ideal customer experience into your digital platforms.


Why does it matter? Often in equipment finance companies, internal processes and technologies are implemented with a focus on internal efficiency. That’s great. We need to be efficient to serve customers effectively and profitably. The problem comes in when processes are designed with no thought to the customer’s experience. When customer experience is an afterthought, it’s possible that your internally efficient operations are also efficiently annoying or turning off your customers.

An excellent digital customer experience is no longer a cool, standout innovation. Today, it’s table stakes. It’s just the way we do business. With so much of the business world shifting to digital, customers have heightened digital experience expectations. An eye to the future and willingness to evolve customer experience is key. **New opportunities will emerge out of the challenges of the pandemic.**

Calkins states it well, “When constraints go away, or we are met with new constraints, all of a sudden we can try new things. This can lead to new ways to connect with customers, new product offerings, new opportunities and things that hadn’t been considered before.”

Our continually changing business environment means endless opportunities for learning, experimenting and adapting. During this challenging time, the organizations that focus on learning and experimenting, and building agility are best positioned to emerge ready to try new things in the future.

Having your digital foundation in place and keeping an eye on customer needs will position you to be future-ready while delivering an exceptional customer experience.

For more information about what to consider as you form your equipment finance technology strategy, visit equipment-financesoftwareguide.com. The Equipment Finance Software Guide is a free e-book by Deborah Reuben and Kristian Dolan. 

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1. Source: COVID Has Forever Changed the Customer Experience. <https://insight.kellogg.northwestern.edu/article/customer-experience-covid-innovation>