

Shaping the future through

Customer Centric Innovation

Steve Brown | Livia Lam

Innovation Lab

Commonwealth Bank of Australia

What has been our innovation journey?

Vision: #1 Customer Service

Moving from a product to a customer focused organisation to maximise customer satisfaction.

Customer-centric design

We set out to create a business model that delivers the customer wants and building CCD capability enterprise-wide.

Innovation Lab 2014

A tangible, visible space to showcase our innovation culture and inroads in technology evolution. A place for continuous ideation

Core Banking Modernisation

We invested and innovated at the core, provided us with agility, rapid product rollout and experience with test and learn.

Productivity

Continuous evolution to constant and sustained effort to improve capacity creation to redirect into innovation effectiveness and efficiency of our processes, products and solutions.

Analytics

Unlocking a critical component to designing an effective customer experience.

Our innovation heritage includes a strong track record of global first across the Group.

At each step of our innovation journey, we foster a culture of curiosity and collaboration

The CBA

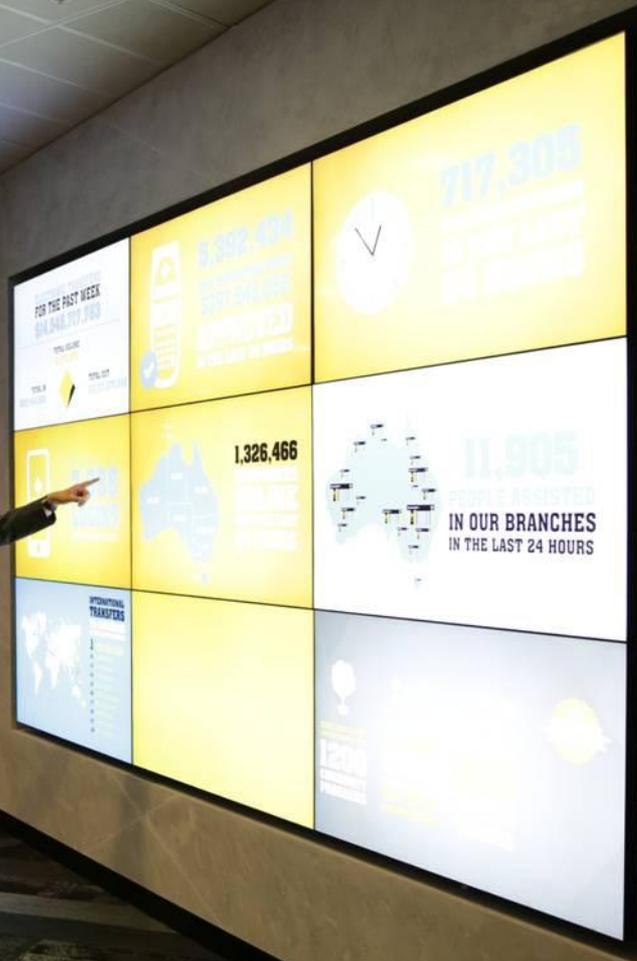
INNOVATION LAB



Innovation is in our DNA



ANSWERS & FUTURE OF INNOVATION





ABLETT!

SET

Handwritten notes and sticky notes on the rightmost whiteboard, including phrases like "HELLO DAVE", "I'M THE ONLY ONE", and "I'M THE ONLY ONE".



ECOMMERCE

WHY WE BUILT IT



I receive large volumes of paper forms and direct debit forms from customers that are costly to manage.

WITH OUR ECOMMERCE SOLUTION YOU CAN MOVE YOUR DIRECT DEBIT REQUESTS ONLINE.

Upgrading to an automated online direct debit processing system removes costly and time consuming manual processing tasks from your back office. Customers no longer have to fill in paper forms, but can instead set up a direct debit schedule using a simple online form.



BACK



THE FUTURE OF BANKING



WHY WE BUILT THE APP



INNOVATION TIMELINE



AGILE DEVELOPMENT

COMMBANK EDDR



1. Customer completes form online



2. Customer email address is verified



3. Direct debit schedule is set up

MANUAL DIRECT DEBIT



1. Paper direct debit request form obtained



2. Paper form is completed manually



3. Paper form is mailed to service provider



4. Service provider manually inputs form details into CRM system



5. Service provider assess hierarchy of form

EMMY&LEO

A JOURNEY OF INNOVATION

ITERATE FIRST, THEN PERFECT



We focused on testing early, refining our prototype with each new learning.



SOLVE REAL PROBLEMS



DESIGN WITH THE CUSTOMER AT HEART



ITERATE FIRST THEN PERFECT



IMPLEMENTATION STARTS AT EDD

COMMBANK APP

THE AGILE DEVELOPMENT CYCLE

MEASURE

As we develop the app, we constantly monitor customer feedback and usage through social media. Detailed analytics and live user testing sessions.



THE FUTURE OF BANKING



WHY WE BUILT THE APP



INNOVATION TIMELINE



AGILE DEVELOPMENT

TOTAL SPENDING

IN BEHCROFT
A. HOW DO CONSUMERS SPEND IN BEHCROFT COMPARED TO THE NATIONAL AVERAGE?

BEHCROFT

WE SEE OVER
40%
OF ALL TRANSACTIONS
IN AUSTRALIA

SPENDING HABITS

IN SYDNEY

PER PERSON, PER YEAR



HOW MUCH AND HOW OFTEN DO CONSUMERS SPEND IN SYDNEY COMPARED TO THE NATIONAL AVERAGE?

SHARES IN OVER 8 BILLION YEAR-ROUND RETAILING

■ SYDNEY ■ AVERAGE



SPENDING HABITS

IN CHERRYBROOK

PER PERSON, PER YEAR

SECTOR: SUPERMARKET AND GROCERY STORES

The average transaction for supermarket, pharmacy, liquor shop

\$3668 (TOTAL SPENDING PER YEAR)
72 (TRANSACTIONS PER YEAR)



TIME SERIES

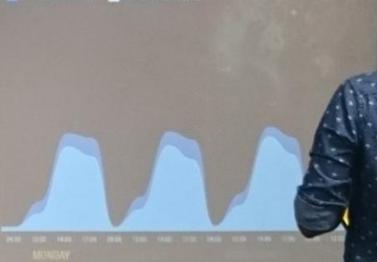
FOR SUPERMARKET AND GROCERY STORES

PER PERSON, PER YEAR



WHEN AND HOW MUCH DO PEOPLE SPEND ACROSS AUSTRALIA?

■ TRANSACTION VALUE ■ TRANSACTION VOLUME



CBA Innovation Lab

**30+
projects**

**120k+
post-its**

**36k
visitors**

**Top 7
Bank
Labs**

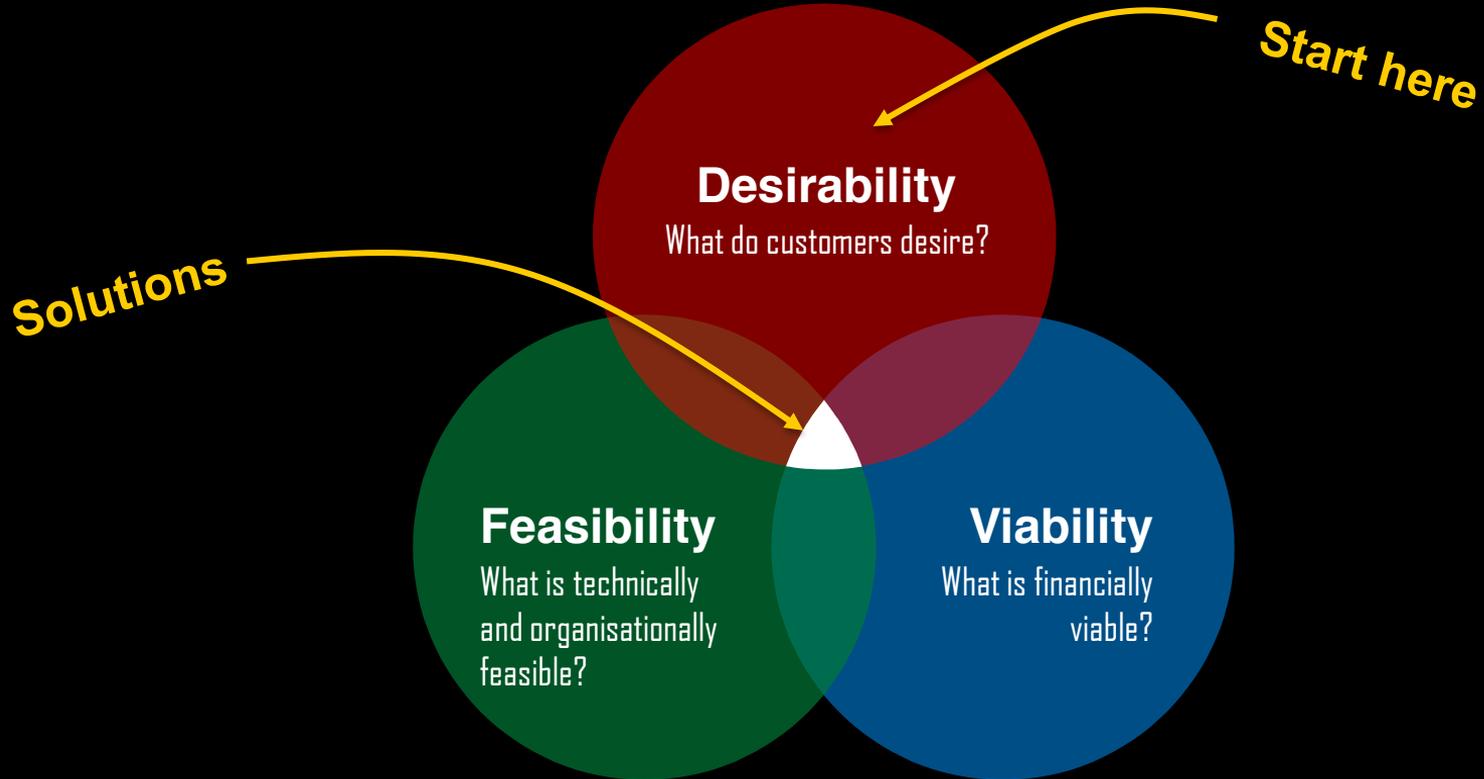
**~70
Events**



What is

Customer Centred Design?

It's solving the *human* problem



Doug Dietz

Principal Designer

General Electric Healthcare





GE Healthcare



The new **GE Optima MR360** is well suited for a wide range of MR scanning needs – with the ease of operation to help make a clinician's staff more productive. For streamlining routine scans, the Optima MR360 incorporates an express exam approach to MR.

It includes many intuitive and automated functions that help increase patient comfort, operator confidence, image consistency, and professional satisfaction of MR staff.







SM
YH.SH.TJ

GE Adventure Series™



Pirate Island



CBA projects

Albert terminal + PI app bank

Life Insurance retrospective

Sending money overseas

Charitable giving

Integrated working capital

New employee experience

Retail collections and financial difficulties

Any questions so far?

Practical Session

Customer Centred Design

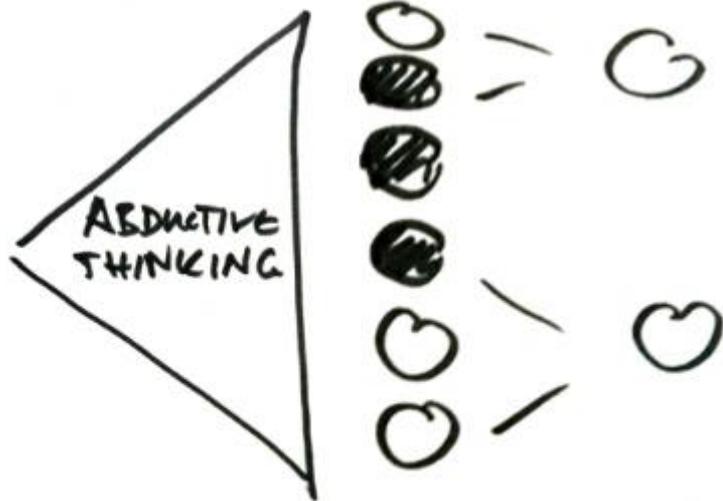
BUSINESS THINKING

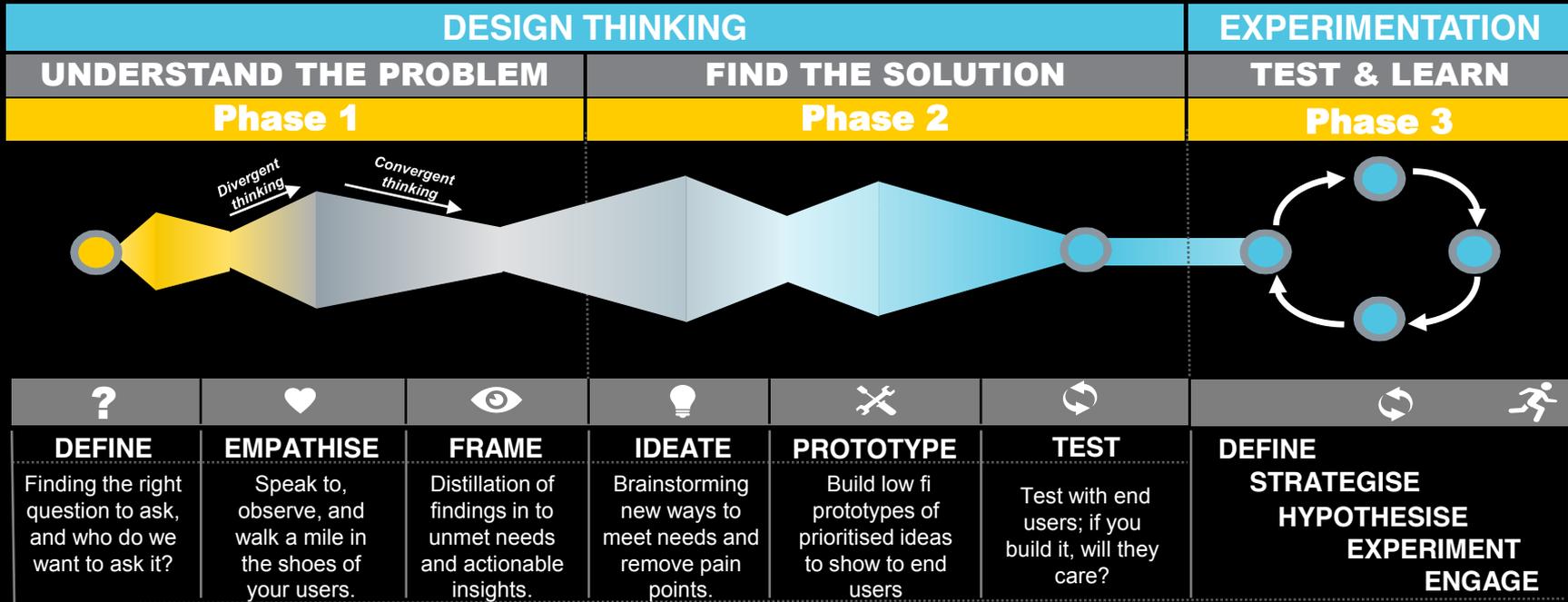
PROBLEM SOLUTION



DESIGN THINKING

UNDERSTAND PROBLEM SOLUTION





Fortitude Valley

Sunshine Coast



CARS USING CLEM7
PAY ONLY \$2.95
UNTIL MAY 9

CLEM JON
TUNN
TH
CLEAN
4.6 m

OVER
V
DO NOT
TUN

SUNSHINE COAST
EXIT







of 500 new buses for Brisbane

DEFINE

What is the most significant transport problem we should be focusing on right now?

How might we decrease the average peak journey time by 30%?

How might we improve people's commute experience?

How might we improve people's commute experience through increasing the convenience of public transport?

DEFINE

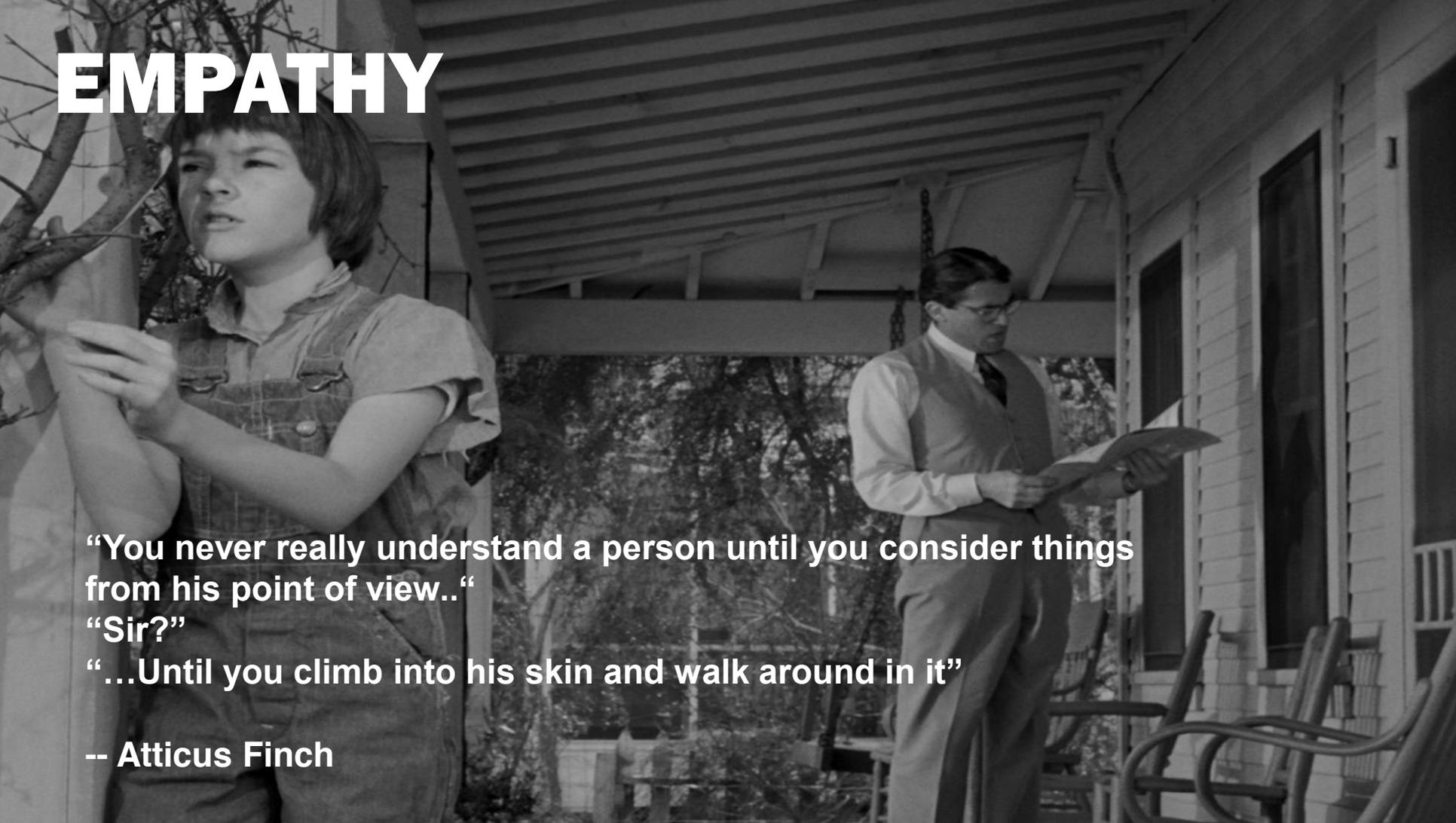
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EMPATHY



“You never really understand a person until you consider things from his point of view..“

“Sir?”

“...Until you climb into his skin and walk around in it”

-- Atticus Finch

EMPATHY

Goal: Understand your customer; their motivations, pain points and delights:

1. Pair up with the person sitting next to you
2. Interview them **about their experience** of travelling to and from work. Take notes in your work book.
 - What has been their best experience? Their worst?
 - Look to understand the emotional side of the experience, more than the rational. “How did that make you feel..?”
 - Bring out your inner 5 year old; ask lots of “why’s”

FRAME



FRAME

Goal - Generate a focused expression of the problem or opportunity, based on your customer interview.

1. Solo work this time

2. Synthesize your interview notes;

- **What do you think they are trying to achieve?**
- **What surprised you?**
- **What stood out as particularly good or bad?**
- **“Wifi” is not a need!**

IDEATE + PROTOTYPE

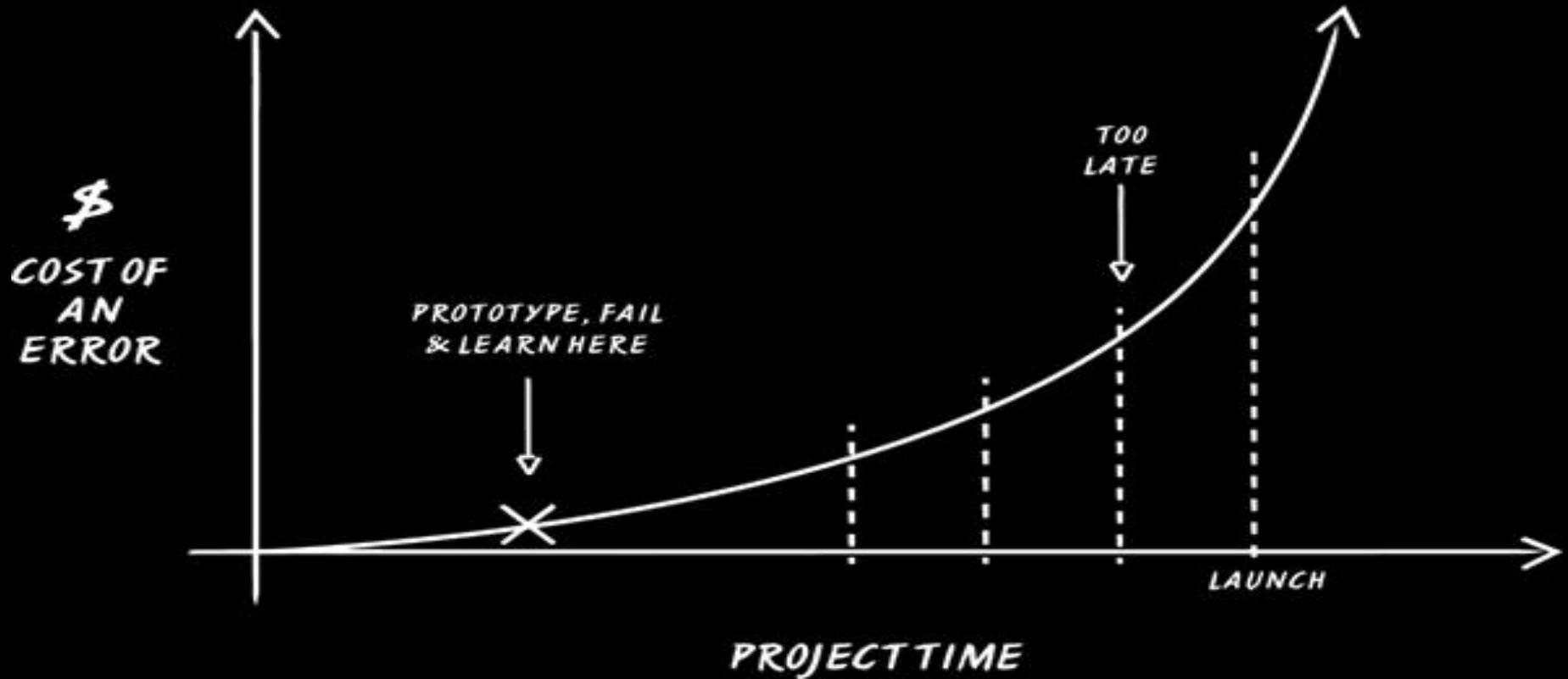


IDEATE + PROTOTYPE

Goal – Find new, breakthrough ways, to meet your customers needs.

- 1. Solo work again**
- 2. Sketch out 3 concepts**
 - **Draw for storytelling, not art!**
- 3. Concentrate on desirability at this stage, whether it makes financial sense, or is technically possible, comes later.**
- 4. Focus on the end result for the customer and conveying that concept, more so that making it perfect.**

TEST

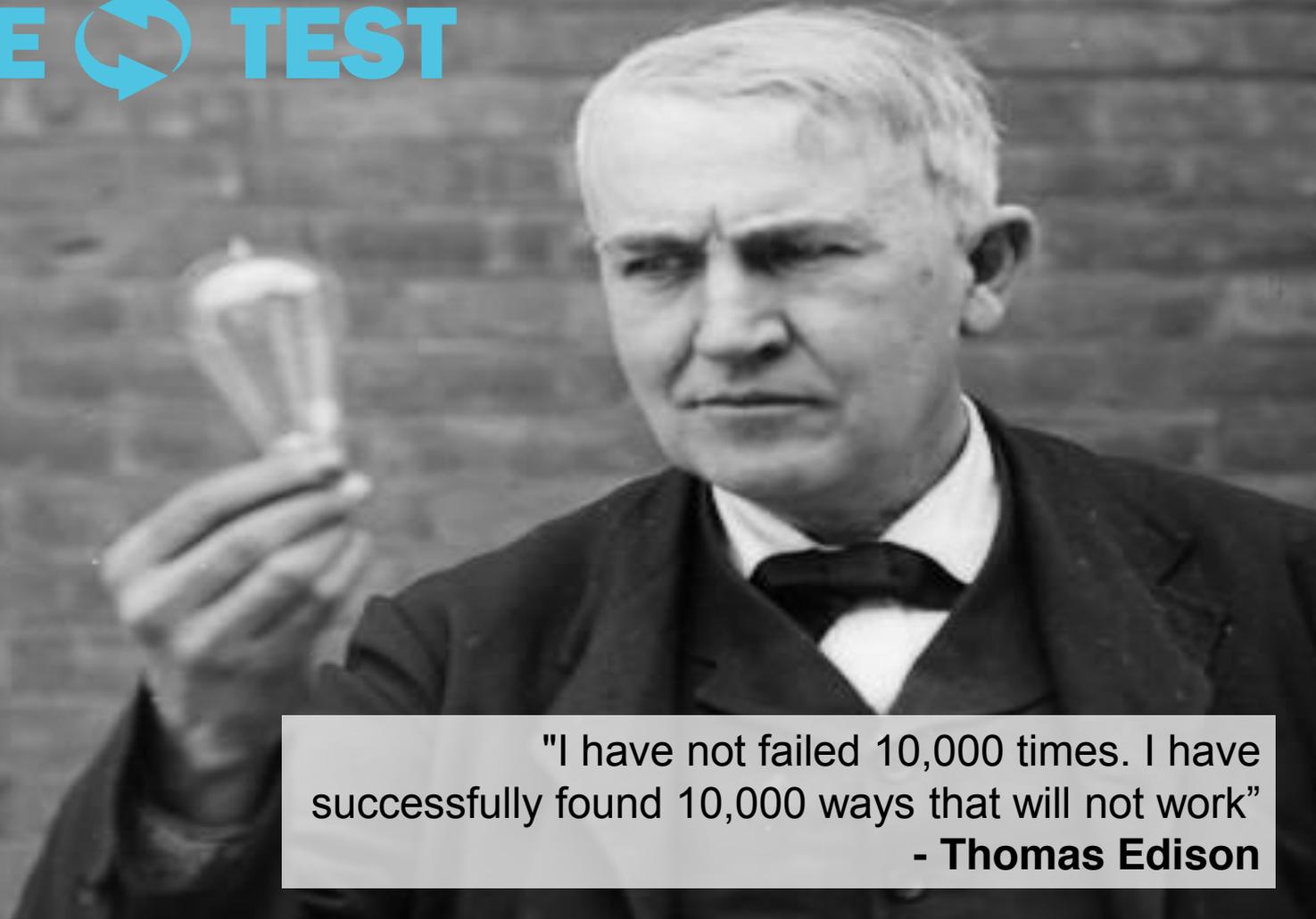


TEST

Goal – To find out if you build it, will your customer care.

1. **Go back to your original buddy**
2. **Explain your concepts, don't sell it though!**
 - ✓ **“This is an app that tells you when your bus will arrive at your stop. What are your thoughts?”**
 - X **“This app solves all your problems and you're going to love it!”**
3. **What did they love, what did they hate? Would they use it? If so, when? If not, why not?**

ITERATE TEST

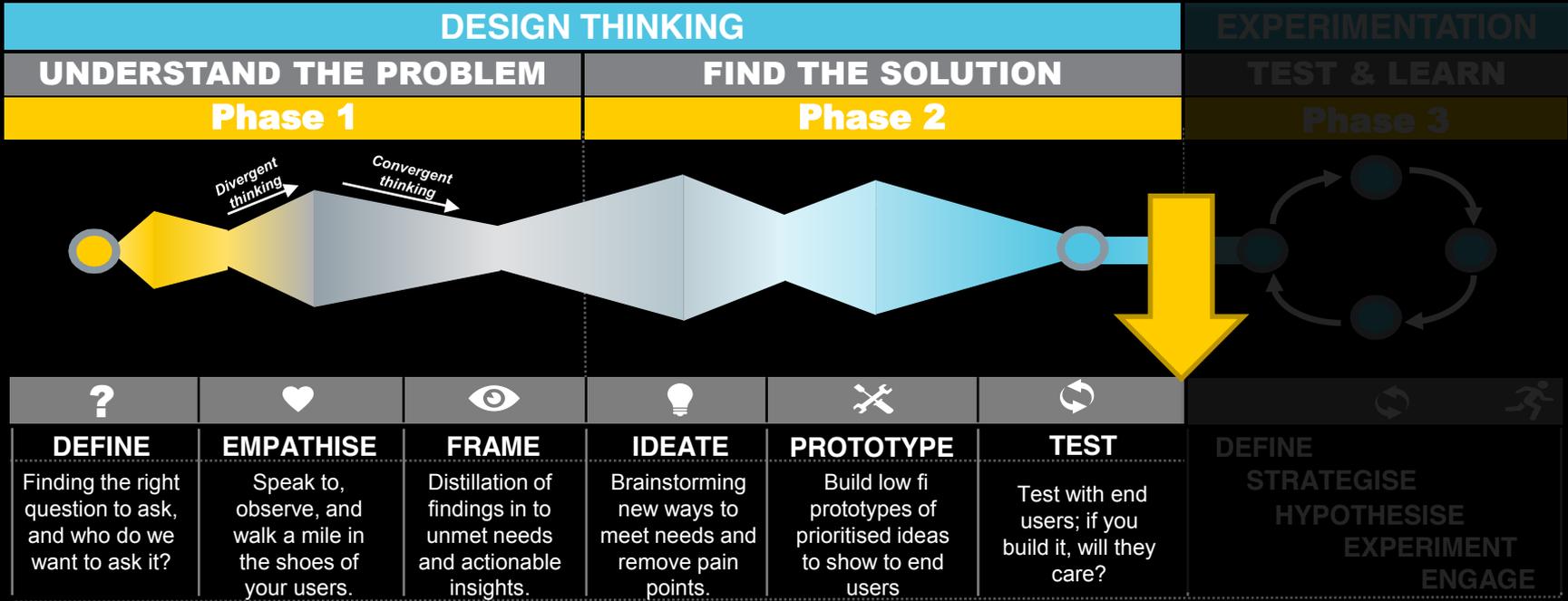


"I have not failed 10,000 times. I have successfully found 10,000 ways that will not work"
- **Thomas Edison**

ITERATE TEST

Goal – Build one great concept based on user feedback!

1. **Take your best concept, and build on it based on your customers feedback.**
 - **Perhaps you learnt something new about your customer from the feedback, incorporate new learning's!**
2. **Go back to your buddy and present your final concept.**
 - **Again, what do they love or loathe? Would they use it, and when? How much would they pay for it?**



Three takeaways

1

Focus on your end user

Find the right problem to solve

2

Test concepts quickly, learn early

If you make it, will it make a difference?

3

Innovation takes many forms

It's not always about technology

Thank you!

Any questions?

steve.brown@cba.com.au | livia.lam@cba.com.au