Master thesis
Cand. Soc. Service Management

The future of customer experience

A study of value creation for the digital segment, within the financial sector

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Abstract
This master thesis is the result of a conducted research on young adults between 18-25 years and their relationship with their financial service provider. More specifically, this thesis investigates what creates value for the digital segment within the financial sector. The digital segment is new to the financial sector and is an interesting target segment for the banks, as it consists of the future bank customers. This research adopts a customer-centric view. Methodologically, the technique of triangulation is applied as the empirical findings are collected through qualitative semi-structured interviews with 15 informants, which is followed up by the same 15 informants answering a quantitative survey.

Findings show that the digital segment values human contact and personalised services. The digital segment is seen as the digital narratives and is therefore often anticipated not to value personal connections. On the contrary, this research points to a more nuanced understanding of the relationship young adults have to online and offline channels. One of the most unanticipated discoveries is that the digital segment feels as an overlooked customer segment. Even though most banks will argue that they are focusing on the young adults, this research indicates that the way the banks communicate and acts towards the young adults, does not have the wanted affect on them. Meaning, the customers does not feel included or serviced correctly by their bank. Findings show that availability and convenience to check the bank account online are essential to the young adults, as they are afraid to act incorrect. Furthermore, findings show that loyalty flourish from trust and financial knowledge, and the digital segment needs interaction and relationship to the bank before loyalty emerge.

With most informants expressing the need for more personal contact, and for the bank to be more proactive, this master dissertation suggest business managers to focus on meeting the customers needs, on creating more value for the digital segment. This is done by implementing the concept of a service check. Contributions and further suggestions to theory and business, as well as future research are included at the end of this thesis.

Keywords

Value creation, co-creation, customer journey, touch-points, trust, loyalty, transitions, the digital segment, omnichannels and retail banking.

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Katrine Mørkenborg Jensen

Jennipher Elex

Motivation

The motivation behind this master thesis emerged from the researchers' frustration within the financial sectors way to accommodate young adults.

When our parents grew up, every town and village had a local branch, where you knew your bank advisor, and the personal relationship was highly valued as you went to the bank and got recognised, just like when you are going to your hairdresser. However, since we grew up, branch after branch closed down, and each time it came as a minor shock to the local community. This made us wonder; since the local branches are closing down, where does the vale creation occur?

The motivation additionally arises from an experience of young adults being the generation of the future, that has the potential to exert significant changes in society and worldwide. The digital segment is chosen as this thesis customer segment, as we both find it interesting to investigate if this digitised segment values the branches and the personal advisor, or if they are satisfied with only practising on online platforms, the financial sector provides.
One of us has experienced the feeling of being overlooked, as the bank did not take into consideration her needs. Furthermore, the other researcher is facing substantial changes concerning purchases at the bank, and in this connection has experienced how the banks handle their youngest customers. Therefore this thesis is written from the customers' point of view, as the motivations have arisen from the researcher's own experiences.

Financial service providers are today viewed as a necessity in everyone's life, as it is one of the only opportunities to be able to manage your money in the form of receiving wages and paying bills. Furthermore, the sector is considered attractive to investigate, as the financial sector typically is perceived as a "serious" sector, and this is where we experience a clash when dealing with the digital segment. The young adults might not interact in a serious dialogue with the bank, but are more susceptible to create dialogue through experiences. As the financial service provider is a part of everyone's daily life, it is interesting to look into how the sector can focus on creating an essential, personalised experience for their customers and making them a part of their services.
All above mentioned motivational drivers, have driven the research throughout the process.

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List of abbreviation

Self service technologies	SST
Service-dominant logic	S-D logic
Consumer-dominant logic	C-D logic
Goods-dominant logic	G-D logic
Word of mouth	WOM

1

SETTING THE SCENE

Introduction
Research question
Readers guideline
Delimitation
Clarification of concepts
Case presentation

This chapter intends to introduce the background for this thesis and the problem investigated. Firstly, a brief introduction of the thesis will be elucidated, then a presentation of the problem statement of the topic. This will be followed by the research question and the underlying sub questions. Then, the delimitation, clarifications and a case presentation will describe the scope of this thesis.

1.1 Introduction

The financial sector has changed in recent years, as digitalisation has changed the way customers interact with their financial service provider. The Danish financial sector is not only being affected by the digital revolution, but the entire structure in the sector is starting to change, as new actors are emerging with new innovative products, challenging the traditional banking industry (Futures, 2018). It is, therefore, more than ever of the importance to understand the future customers, as the sectors' future is dependant on these customers' choices. These future customers are the digital segment which consists of the digital natives, who speak in an online language and is considered experts in use of the internet. These are the ones determining and imprinting the future of the sector.

However, what happens when digital born natives meet the traditional way of providing service, and how adaptable are the banks in order to win over the new digital segment, by applying value creation to their customer experience?
Due to the digitalisations change of the financial sector, the financial service provider needs to be adaptable and follow what the future banking customers are demanding and requiring, in order to survive the fintech evolution.

1.1.2 Problem statement

Due to the increase of online interactions and new generations, the digital segment, coming to age in terms of needing financial services. The financial service providers are now facing a challenge when it comes to engaging and creating value for this new customer segment. The issue lies in the banks' lack of understanding the segment, and therefore can not provide the young adult with a solution that satisfies their needs.

1.2 Research question

The main purpose of this thesis is through a customer-centric view, to explore where and how value is created when interacting with a financial service provider. With this knowledge suggestions to the banking sector is created regarding how to optimise value creation towards the digital segment. This research purpose has led to the research question of this thesis:

RQ: **What creates value for the digital segment, and how can financial service providers accommodate their needs?**

To fulfill the research purpose and answer the research question, three sub-questions have been developed, these will be used as underlying working questions.

Sub-q1; Which interactions between customers and financial service providers creates value?
Value creation through customer interaction and co-creation are explored to give a perception on what the banks are doing and how value is created for the digital segment.

Sub-q2: How can trust and loyalty increase the customer experience for the digital segment?
In which degree do trust and loyalty exist within the digital segments' choices, when interacting with a financial service provider. This investigates how loyalty flourish from trust and how these elements are implemented in a customer journey.

Sub-q3: How do financial service providers meet the digital segment on their territory?
Different initiatives are explored to guide the banks on how to create more value for the digital segment in their different life transitions. This is done from the digital segments perception on future banking services.

1.3 Readers guideline

In order to enhance the readability and make the thesis more foreseeable, it has been chosen to structure the thesis into six chapters. This is visualised in figure 1.

This thesis starts by setting the scene (1) to give an introduction to the researched field and to introduce why value creation within the financial service sector is found interesting to investigate. After setting the scene, a literature review (2) will investigate existing research conducted on the researched field. This will be followed by a methodology chapter (3) covering the philosophy of science. Chapter (4) will present and analyse the empirical findings. Chapter (5) will discus the analysed findings and draw parallels to the existing literature. Further contribution to theory and business will be highlighted. Lastly, a conclusion of the thesis will be presented together with future research (6).

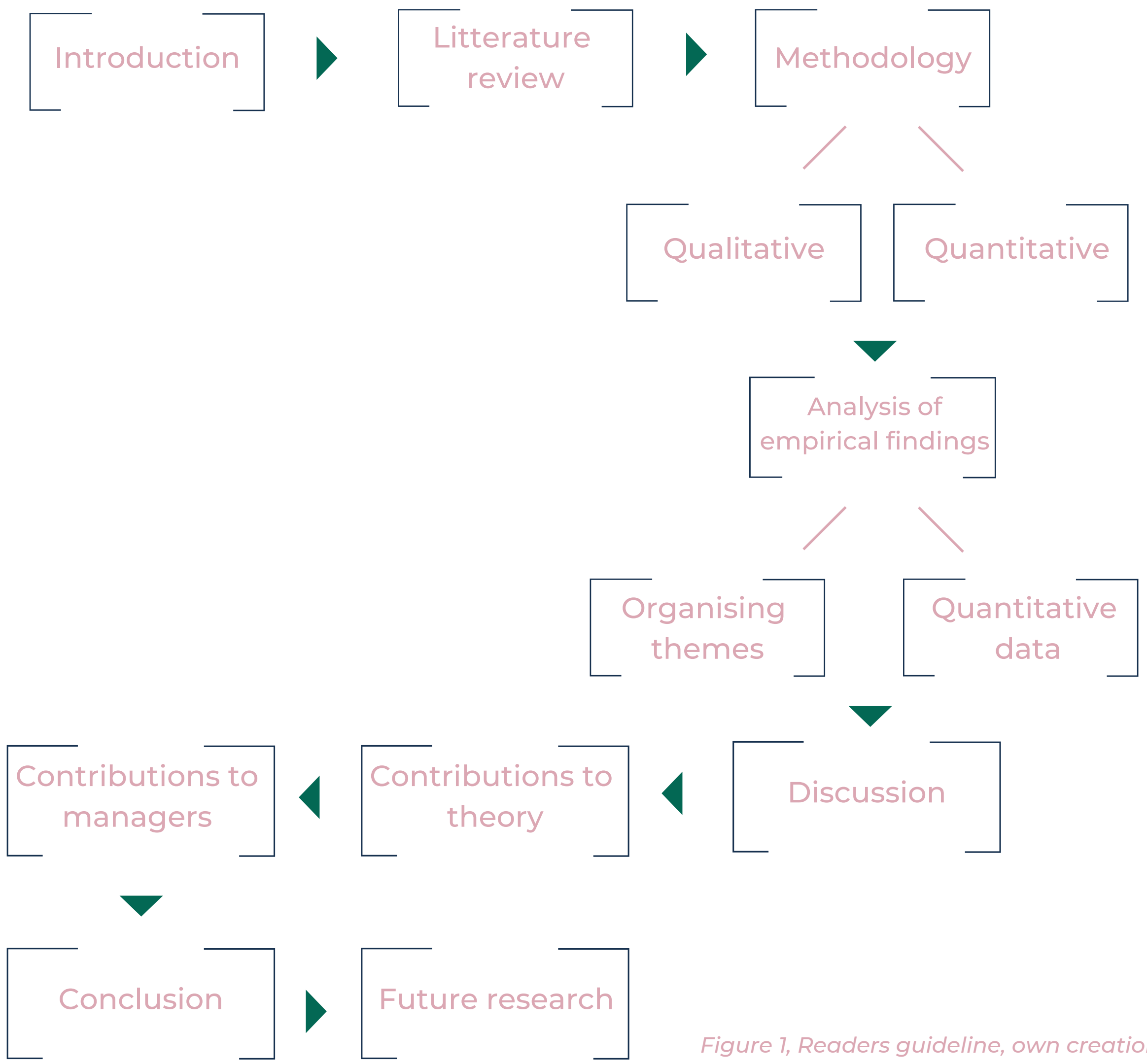


Figure 1, Readers guideline, own creation

1.4 Delimitation

This master thesis is delimited to show an in-depth understanding of value creation within the digital segment. It is limited to solely study where and how value is created when the selected segment is interacting with a financial service provider.
It has been chosen to focus on the Danish financial industry, and not on one specific bank. This has been determined because the scope of the thesis is to gain an overall understanding of how value is or could be approached in the financial sector. This thesis is limited to only focusing on the customers' point of view and how they experience the financial sector and not reversed.

Furthermore, this thesis is limited to only focusing on the digital segment which is seen as the future banks' customers. This segment consists of young adults from both generation Z and Y (De digitalt indfødte, n.d.), who are in the age range of 18-25 years. The members of the researched segment are young adults living in Denmark, which enables the research to study similarities and differences. However, it has not been relevant to the thesis to research gender differentiation in this segment. It has been taken into account, as there is an age gap between 18-25 years, that everyone in the segment has different ways of perceiving value. In addition, it is possible that informants in a different generation group or with a different nationality would lead to different findings.

It has been narrowed down to conduct two expert interviews, as this is considered as adequate to support the semi-structured interviews conducted with the 15 informants. Because the chosen research field is within the financial world, interviewing has been a sensitive issue. It has been selected to do individual interviews, which has been a well-thought choice, but has caused the informants not been able to develop their attitudes and trends with others. This could have caused the informants' answers not to be as profound as if they had been in a group with others, e.g. in a focus group interview.

The analysis of the empirical findings is based on the Thematic Network Analysis by Attride-Stirling (2001). As there might be other analysis techniques that would analyse the data more successfully or in another way, it should be taken into consideration that another analysing tool would have provided this thesis with slightly different findings.

1.5 Clarification of concepts

The digital segment is in this thesis defined to be young adults born between 1993 and 2000, and who at the given time of this research are in the age range of 18 to 25 years old.

Financial service provider will in this thesis also be referred to as a bank or retail bank. All of which is considered as the same concept. A financial service provider will be defined as a service provider doing bank business with individuals, which enumerate instruments such as loans, payment facilities, savings accounts, current accounts, cash supply, insurance services, currency exchange and further (Omarini, 2015).

Customer experience is the customers perception and experience caused by the interaction with companies' services and products (Lemon & Verhoef, 2016). The customer experience is conceptualised in this thesis as a customers' journey with a service provider over a period of time.

Value creation is regarding estimating the worth of something and where it is being created. Value creation is in this thesis covering over 'something' that is considered to be essential or beneficial to a human being. It denotes the degree of the importance of an element, and differ from individuals (Solomon, Marshall & Stuart, 2016).

Co-creation is a resource and knowledge exchange, involving two or more actors resulting in a shared creation of value (Vargo & Lusch, 2008).

Omnichannel consists of different channels connecting and personalising the customer experience (Cook, 2014 p. 262).

1.6 Case presentation

To understand the concept of the financial industry and to understand the changes it has gone through, this case presentation will be based on the roots of the arising of the word *bank*. The conceptualisation of the word *bank*, has gone through many changes over time. The word evokes various pictures for different individuals and can be defined in numerous ways.

The word *bank* has roots far back in the earliest civilisation, back to the early societies of the Middle East. However the designation *bank* first derived from the Italian word *banco*, *"a table covered with a green cloth where moneylenders completed their transactions in the marketplace"* (Omarini, 2015, p. 5). All this was the beginning of a worldwide industry, which today is referred to as; *the banking industry*. Over time the concept of banks has been going through various changes. The concept of banks that will be investigated in this thesis will be the concept of retail banking, which emerged from a revolution in the 1950s. A revolution that sought to change the attitudes of commercial banking towards the private banking sector (Omarini, 2015). In the 1980s the concept of retail banking developed 'allfinanz' strategies, which cover a term that insurance companies and retail banks aligned to provide their customers with a full product portfolio of financial services (Omarini, 2015, p. 13).

Skipping to recent change in the financial sector, let alone the banking industry, it has gone through many significant changes over the last decades. A change which has included a shift from solely having a human relation to its customers, and now having a digital based customer service. Therefore a question arises regarding whether or not the customers value the human relation to the banks enough, for the banks to still serve the customers at physical branches. One could argue that banks today no longer only serve as a bank, but as a personalised service provider, who adds value to the customers' everyday life, and aims to make complex decisions more comfortable for the customers.

The banking industry will continually change in the future, and the banks are trying to keep up with the rapidly changing environment and continuously improving customer demands. Especially the digital segment is according to financial literature, an important segment to have an interest in, when focusing on the future of the banking industry (Jeppesen, 2015).

1.6.1 The digital segment

Andersen, Jensen, Olsen, Østergaard and Schmalz (2015), defines a segment as a piece of a population, *"a segment is a group of individuals who has homogeneous characteristics that affect the user's preferences in relation to a company's product"* (p. 392).

As earlier stated this thesis research the digital segment, which includes individuals both from generation Z and Y. McCrindle (2014) defines a generation as following; *"a generation is a group of people who share a time and space in history that lends them a collective persona"* (p. 2). Hence, a generation is a group of people that grow up at the same time and in the same age range.

The oldest part of generation Z (18-23 years) and the youngest part of generation Y (24-25 years) are chosen to be the center of this research, as these young adults are new on the financial market and an attractive target group (De digitalt indfødte, n.d.). This segment is currently freeing themselves from their parents and starting to be independent individuals who are in control of their own economy. This segment has grown up in a richer society than the past generations and maybe because of that, demands higher standards when it comes to services. When bank customers turn 18 years, they become "real customers" as they get completely detached from their parents, and are starting their own journey within the sector.

The digital segment grew up in a time with the internet and countless opportunities to interact on digital platforms. This segment is the first to be raised into the era of technology and thereby smartphones; *"Many do not remember a time before social media"* (Williams, 2015, p 3). The segment receives information instantly, and loses interest just as quickly, meaning that the sender does not have many seconds to catch their attention before they are moving on to something new (Ibid.).

Furthermore, the digital segment grew up with much concern, and in a world with global conflicts and economic troubles (Williams, 2015, p 6). The young adults have closely watched their parents be careful about the products they consume and ingest. Furthermore, this segment grew up with significant climate changes which have resulted in despair and uncertainty about the day-to-day tasks, where their parents have made changes to be able to take care of the environment. The globe is boiling, the ice is melting, the winds get wilder, and the oceans rises, these are just some of the consequences of climate changes. This segment must be role-models and eat less meat, save on electricity and heat consumption. Therefore, society attributes a certain level of responsibility to the young adults for making the planet survive. Furthermore, growing up in the 21st century has given the segment, an unique insight into an uncertain economic period with the global financial crisis that arose from 2007 to 2009.

1.6.2 The power of digital disruption

The power of connecting technologies faster than ever, and supplying the tools for people to connect with vast amounts of information, will make the 21st century all about surprises (Schmidt & Cohen, 2010, p. 75). Especially the financial sector has experienced drastic technology-led changes over the last decade and especially gained ground in the distribution of retail banking services, and some might even say that the financial sector has been digital disrupted. The concept of digital disruption cover the change, that occurs when new digital technologies and business models affect what customers gain from buying a product on an already existing market. As stated in Finans Forbundets yearly report, regarding development trends in the financial sector, the technology is changing the way, people do business (Futures, 2018, p. 3). This has also occurred in other industries, with disrupting companies such as Über, Netflix or Airbnb (Jeppesen, 2015). The technological changes might indicate that the financial sector should change the way financial services are delivered to the customers, to maintain a competitive advantage. The digital disruption is opening up for innovative opportunities, which fintech companies are exploring and are therefore challenging the traditional financial service providers and the products they offer. The word 'fintech' is a contraction of the words finance and technology (Futures, 2018, p. 5). Fintech is a concept covering digitally based companies that utilise the development of digital technologies to offer new products and services. This affect and influence basic business models, and workflows in the established financial sector, through what is also called digital disruption (Ibid.).

The so called "winner" in this case, will be those who offer relevant, updated and value creating service experiences to the customers, and last but not least, the companies that are able to meet the customers where they are (Jeppesen, 2015). Fintech companies are generally focusing on digitised services, and it can, therefore, be argued that they are segmenting the digitised generation and customer segments who find digital solutions attractive.

2

LITTERATURE REVIEW

SD-Logic & SST
Cusomer centricity
Multichannel
Omnichannel
The customer journey
Trust in the financial sector
Customer loyalty
Life transitions
Summery of literature review

A literature review is completed to illuminate already existing knowledge about the research topic. It will further help the readers, who might not be familiar with all specific details of the chosen topic, to understand the background which this thesis will originate from. The review will be acting as a background for further investigation and has supported the researchers to identify the research question, which is to be examined.

2.1 Service-dominant logic and self-service technology

Anker, Sparks, Moutinho & Grönroos (2014) states that three different perspectives on consumer value creation exist; product-dominant logic (P-D logic), also referred to as goods-dominant logic (G-D logic), service-dominant logic (S-D logic) and consumer-dominant logic (C-D logic). The customer value creation refers to the value as an *'interactive relativistic preference experience'* (Grönross & Voima, 2013, p. 135). Grönross & Voima (2013); Echeverri & Skålen (2011) argues that customer value refers to value involving interaction between the customer and an object, with a value obtained through interaction between the two. Thus the feeling of value and value creation differs from individuals to individuals, as the concept of value resides in the users consumption or user experience.

In 2004 Vargo & Lusch made a breakthrough in the field of marketing, as they successfully introduced the phenomenon of S-D logic. S-D logic is a framework for explaining value creation, through the exchange, among configurations of actors. Vargo & Lusch (2004) implies that S-D logic is value defined and co-created with the customer rather than embedded in output. There has been a shift in the view and marketing has moved from a goods-dominant view with tangible products in focus to a service-dominant view with intangible products in focus (Vargo & Lusch 2004, p. 2). The main argument presented by Vargo & Lusch (2004), is that businesses can no longer preserve a competitive advantage by focusing on producing commoditised goods with embedded value, pushing them to the markets and automatically assume customers will accept and buy the goods. G-D logic is operand resources whose act is performed to produce an effect, the S-D logic is operant resources that produce skills and knowledge (Ibid.)

A change has occurred as the customer experience changed from co-creation with employees, to the customers producing the service for themselves. The theory of S-D logic provides new insights for understanding an important issue in a service experience; The application of self-service technology (SST) to customer service and experiences. By requiring the customer to be a co-creator while using SST, and therefore using operant resources, this is considered to gain a competitive advantage (Vargo & Lusch, 2008, p. 7). SST is a technology which are offering the customers the opportunity to produce their own service. When using this form of technology the customers are independent of employee interaction and direct service (Meuter, Ostrom, Roundtree & Bitner, 2000, p. 50).

The core ideas of S-D logic are divided into foundational premises (FP's). Vargo & Lusch first presented eight FP's in their article from 2004, since then an ongoing debate has gotten the authors to elaborate and developed on the FP's, resulting in the further addition of two FP's and some changes in the eight originals (Vargo & Lusch, 2008, p. 2). The ten FP's are, as Vargo & Lusch describes them (2008, p. 7):

FP1: Service is the fundamental basis of exchange
FP2: Indirect exchange masks the fundamental basis of exchange
FP3: Goods are a distribution mechanism for service provision
FP4: Operant resources are the fundamental source of competitive advantage
FP5: All economies are service economies
FP6: The customer is always a co-creator of value
FP7: The enterprise cannot deliver value, but only offer value propositions
FP8: A service-centered view is inherently customer oriented and relational
FP9: All social and economic actors are resource integrators
FP10: Value is always uniquely and phenomenologically determined by the beneficiary

When relating to SST, four of the most important FP's are FP6, FP7, FP9, and FP10.
FP6; *The customer is always a co-creator of value* (Vargo & Lusch, 2008, p. 7). This illuminates that the customer is producing value while experiencing and consuming a service. In relation to FP6, the concept of "Value in use" refers to FP7; *The enterprise cannot deliver value, but only offer value propositions* (Ibid.). Meaning that companies cannot deliver value independently, but are dependent on the customer's co-creation. These two premises contend that value is always co-created between the company, the customer and possibly other stakeholders. The customer is being promoted to act as a co-producer of value (FP6) and is communicating directly or indirectly with

the company to improve the offering. Meaning, the customer move from being an operand resource to being an operant resource. Furthermore, in the digital world, demand for personalised experiences and expectations from customers have increased rapidly over the years and customers have become co-creators of value (FP6). The S-D Logic view co-creation of value as determined by the user during the actual process of consumption (Vargo & Lusch, 2008). This is somewhat linked to the customer demand for personal experiences as discussed by Pine & Gilmore (2011). Hence, Pine & Gilmore (2011) argues, that a business must create memorabilia for its customers, and thereby the memory itself can become the core product and will amplify the importance of co-creation (Pine & Gilmore 2011, p. 85).

FP9 argues that companies exist to integrate competencies into services, *"All social and economic actors are resource integrators"* (Vargo & Lusch, 2008). FP9 highlights that all actors are not only providing services but also integrating resources from different resources. FP10; *"Value is always uniquely and phenomenologically determined by the beneficiary"*). This FP reinforces that each customer perceives all value propositions differently, and therefore the value is uniquely experienced and received.

Because of the change in the co-creation between customers and service employees, the service encounters have changed. Service encounters used to be a direct interaction between the customer and the service organisation. Increasingly more and more of these encounters are today between the customer and SST facilities (Beatson, Lee & Coote, 2007, p. 75).

Today, half of the banking transactions are conducted without any assistance from bank tellers, this occurs among others due to the resurrection of ATM machines, internet banking, and apps (Futures, 2018, p. 18). *"Customers interact with technology to create service outcomes instead of interacting with a service firm employee"* (Meuter et al., 2000, p. 50). Service technologies are replacing different face-to-face interactions with the intentions of making services better and more convenient. Different studies indicate that even though self-service options may not be timesaving, a majority of people still choose to use these, as the customers find it more convenient (Meuter et al., 2000, p. 51). By using SSTs, companies are giving the customers the ability to create the service for themselves, and therefore the customer might take more responsibility for the outcome. On the other hand, if customers accept responsibilities in dissatisfying situations, they may be more likely to have a positive mindset about SSTs function.

It is difficult for service managers to understand the customers' assessments of their interactions with SST facilities. The use of SST has potential advantages and disadvantages for the customer. One advantage can be timesaving through faster service delivery, as the service can be available at all times. Another advantage can be a higher level of customisation of the service, as the service in a higher degree, today is tailored to the individual customer (Beatson et al., 2007, p. 77). Unfortunately, the use of SST can also lead to some disadvantage, such as the fear of using new technology, if the customer is not comfortable with technology overall. Another important disadvantage is that customers might be concerned with the fact that they will have no or limited personal interaction with a service employee.

Co-creation of value

The literature of S-D logic considers the concept of value as co-creation, as it emphasises the processes that include actions both by the customer and the service provider (Vargo & Lusch, 2008). As above literature review of S-D logic implies that Vargo & Lusch (2008) FP's is originated from value co-creation. Central to the S-D logic is that the customer is becoming a co-creator of value (FP6) from their previously passive role. The company and the customer had different roles as respectively an active producer and passive customer. The focus of companies are on the exchange and thus their focus becomes an economic recovery. The interaction between the company and its customers are not considered a source of value creation. Companies decide which products and services to produce, and therefore determine what is valuable to customers (Prahalad & Ramaswamy, 2004a, p. 6). Self-service has, among others made customers abandon their traditional role and are instead becoming co-creators of value, or co-producers and thereby changing the dynamics of the marketplace. The customers want to shape their experience themselves, instead of the company deciding what to experience as a customer (Ibid.).

To all companies, the consequence of not recognising this shift in customers' preferences will cost the loss of customers, and can be damaging to the company (Prahalad & Ramaswamy, 2004a, p. 7). Companies, therefore, need to move away from a firm-centric view and embrace co-creation of value with customers so the value will be created jointly. Prahalad & Ramaswamy, (2004a) states that *"High-quality interactions that enable an individual customer to co-create unique experiences with the company are the key to unlocking new sources of competitive advantage"* (p. 7).

To co-create value, one must start to look at the interactions between the retail banks and the customers. Prahalad & Ramaswamy presented in 2004 four main building blocks of co-creation, which together form the basis for these interactions. The four building blocks consist of dialogue, access, risk-assessments, and transparency (DART) (Prahalad & Ramaswamy, 2004b). When combining these four building blocks in different ways companies can create new and important possibilities and capabilities.

Dialogue

Dialogue is an important element to co-creation of value and implies for deep engagement, interactivity and the eagerness to act on both sides. It is difficult to have a dialogue if the participants are unequal. In order to create the best possible solutions, both parties need to engage in an active and open dialogue, and therefore customer and company must become equal (Prahalad & Ramaswamy, 2004b, p. 23). The dialogue should evolve what customers experience, and this mutual dialogue shall involve issues that interests and concerns both parties.

Access

With the mindset of G-D logic, value was created when products changed ownership from the company to the customer. Today as the shift occurred towards S-D logic, a value can be created not necessarily by ownership of a product but by having access to desired experiences (Prahalad & Ramaswamy, 2004b, p. 25). This degree of access begins with giving the right information to the customer and supplying them with the right tools (Ibid.), or in other words helping the customers to access the necessary operant resources.

Risk-assessment

Risk is related to the possibility of harm caused to the customer (Prahalad & Ramaswamy, 2004b, p. 27). It is important that both customers and the bank understands and acknowledge the risks that can occur when co-creating, this understanding needs to be mutually accepted by both actors. As customers today play a more active role than before, and are more demanding, and therefore expecting to get all available information about both risks and benefits when choosing a given service or product e.g. a new mortgage loan. By using risk management correct and thereby having an active dialogue, a deeper level of trust can occur between the customer and the bank (Prahalad & Ramaswamy, 2004b, p. 30).

Transparency

The last building block of the co-creation process is transparency. As information regarding the banks products, prices, profit margins etc. are becoming more accessible, new levels of transparency are necessary (Prahalad & Ramaswamy, 2004b, p. 30). When combining the four building blocks, companies are able to engage in a better way with their customers. Especially when combining the building blocks of transparency and dialogue, as transparency is facilitating a collaborative dialogue with the customers (Prahalad & Ramaswamy, 2004b, p. 31).

Critique of S-D logic

Even though S-D logic is an acknowledged mindset, it is not without flaws, and neither accepted by all. It has been argued that S-D logic is not as much a prescription for a revolution, but rather a description of what has already taken place over the last few years (Randall, 2007, p. 4). *"Some are dismissive of S-D Logic, finding little of it groundbreaking and limited promise in S-D Logic"* (Randall, 2007, p. 4). Furthermore, critics believe it to be too firm-centric, while it also does not provide any actionable theory such as the four Ps of marketing does. *"This evolution in the marketplace has caused scholars to question the adequacy of the 4Ps as the dominant logic for marketing claim the 4Ps have become merely a handy framework"* (Randall, 2007, p. 2). However, the S-D logic is not intended to be a theory, but rather a mindset to look through, in order to see the concept of co-creation more clearly.

As earlier stated, Vargo & Lusch (2008) has, after critique developed on different premises. For instance, FP6 has been changed from *"The customer is always a co-producer"* to *"The customer is always a co-creator"* (Vargo & Lusch 2008, p. 7). This is because production often is associated with producing and the thinking of the premises is creating instead of producing. Furthermore, FP7 *"The enterprise can only make value propositions"* is changed to *"The enterprise cannot deliver value, but only offer value propositions"* (Vargo & Lusch 2008, p. 7). Meaning, companies can offer their resources to value creation, but cannot deliver value to the customers independently.

2.2 Customer centricity

Anker et al. (2014) challenges Vargo & Lusch's phenomenon of S-D logic and proposes C-D logic. C-D logic questions S-D logic assertion about customers co-creating value with the company. Anker et al. (2014) argues that S-D logic only focuses on value creation between service organisations and customers, and that this is too narrow a perspective. C-D logic places the customer as the main focus, and therefore in the center, rather than the service provider.

C-D logic is defined as; *"Consumer dominance occurs when consumers interact with a corporate entity (e.g. a brand or product) independently from any relations with corporate agents and in ways that have a potential to impact significantly on corporations, for better or worse"*(Anker et al., 2014, p. 534). The customers now independently create value, and this perception of a new dominant logic is far more customer-centric than S-D logic exhibits. This customer centricity goes hand in hand with the outside-in perspective elaborated by De Wit & Meyer (2014). Business managers need to have a mind-set focused and built around external opportunities. When using the outside-in perspective the managers are identifying the market opportunities and can, therefore, seek customers whose needs that have not been met before. These needs can now be adequately satisfied by the company (De Wit & Meyer, 2014, p. 188). In order for business managers to follow the perspective of outside-in, the starting point should be what the customer desire and need, instead of business managers focusing on the company's resources at the given time. Afterwards, the company can consider its resources and ability to develop and implement products or services, that will meet these needs. In contradiction to this, managers can follow the perspective of inside-out, with this perspective the business is built around the strengths and resources the company currently holds.

2.3 Multichannel

Analysing more deeply the concept of multichannel, it can easily be reached to the conclusion that customers today are using different channels, and more channels at the same time, before completing a given purchase. In the last years, new business models have increased the focus on customer experiences, therefore the attention has been focused on how to create a multichannel experience (Neslin & Shankar 2009, p. 70). This experience should optimise the good customer experience and at the same time give the individual the opportunity to, for example, choose how to buy, try or return a given product or experience. Before this can succeed, the companies must know exactly what to do, and how to develop a multichannel strategy.

Multichannels have the goal of *"enhancing customer value through effective customer acquisition, retention, and development"* (Neslin et al., 2006, p. 95). When using multichannels, multiple customer contact points are formed, or an area through which the company and the customer interact. A key point by using multichannels is seeing the customer as a strategy for creating more value for the company, this is defined as multichannel customer management. It is channels which can enhance customer value through customer acquisition and development (Ibid). As Neslin et al. (2006) describe *"Multichannel customer management is a customer-centric marketing function, unlike traditional sales channels research, which focuses on the firm and distributors"* (p. 96). Channels can include, websites, emails, apps, printed material etc. A multichannel customer tends to have a higher level of satisfaction than single channel customers, therefore it is often a success if using multiple channels. It can be argued that multichannel marketing is a source to the competitive advantage, and therefore more advantageously (Neslin & Shankar 2009, p. 73). Which also can be supported by Neslin et al. (2006) who states that *"Research on whether a multichannel strategy grows sales has generated a provocative generalization that multichannel customers have higher expenditure levels than do single-channel customers"* (p. 100).

2.4 Omnichannel

The term Omnichannel covers the fact that individual customers get one coherent and meaningful experience, regarding of which channel the customer chooses to interact on within a given company. *"All that customers are really concerned about is finding an answer to their current needs or desires in a way that is convenient, enjoyable and offers them good value, both in terms of money and use of their time"* (Cook, 2014 p. 262). The customers do not think about what channels they interact on, they only focus on the satisfaction they achieve when they have a good experience. In order for omnichannel to succeed, it is necessary that the company is able to collect data for any interaction that the customers have with the company, both online and offline. These data should be remembered and used in communication and services in future touch-points, regardless of channels. After the internet's progression, the online channels has become dominant and are considered as a disruptive development to the multichannel strategy. Compared to multichannel, omnichannels combine more channels and aim to make the shift between channels blurred (Verhoef, Kannan & Inman, 2015, p. 2).

2.5 The customer journey

Through the last seven decades, the definition of customer experience has emerged and changed (Lemon & Verhoef, 2016, p. 70). Back in 1955 Abbott (1955) stated *"What people really desire are not products but satisfying experiences"* (p. 40.). Almost four decades later, in the late nineties, Pine & Gilmore gave their perception of customer experience, as they argued in their book, 'The Experience Economy' (2011), that people purchase an experience *"to spend time enjoying a series of memorable events that a company stages"* (p. 3). Other authors such as Lemon & Verhoef argue in their article from 2016, that *"customer experience is a multidimensional construct focusing on a customer's cognitive, emotional, behavioural, sensorial, and social responses to a firm's offerings during the customer's entire purchase journey"* (p. 71). All these authors agree that an increased focus has arisen on customer experiences, as customers today interact with companies through numerous touch-points in multiple channels, leading to a more complex customer journey (Lemon & Verhoef, 2016, p. 69). According to Pine & Gilmore (2011), experiences constitute as a new source of value-creation. General, products go through different economic development stages which Pine & Gilmore (2011) refer to as the progression of economic value. This economic value consists of several stages where the experience economy is a transition from selling services to selling experiences (Pine & Gilmore 2011, p. 111). Furthermore, Pine and Gilmore (2011) emphasise that companies have major opportunities to charge higher prices when adding experiences to a certain product or selling experiences.

Customer experience will in this thesis be conceptualised as a customer's journey with a financial service provider over a period of time, during the purchase cycle across different touch-points (Lemon & Verhoef, 2016, p. 74). Customer experience cannot only be influenced by the service provider, but also elements beyond the service providers control have an impact (eg., the influence of other customers, fluctuations in the customer's moods) (Verhoef et al., 2009, p. 32). Experiences can therefore not only be controlled by the company. The company should not create the experience, but should create the opportunity for experience by orchestrating a series of elements and events. It is important in today's world, to acknowledge that a customers' experiences in one channel, can be affected by experience in other channels (Verhoef et al., 2009, p. 33). Every service exchange should focus on creating a customer experience, rather than just on money exchange.

The concept of customer decision journey, as a typical funnel model, has been continuously developed, and many authors has elaborated on the concept and given their perception on which phases a customer goes through. This thesis will follow the five phases defined by Solomon et al. (2016); *awareness*, *consideration*, *purchase*, *retention* and *advocacy*. In the *awareness* phase, the customer has the opportunity to choose among various brands, and get the desired awareness. *Consideration* is where the customer considers the product they are thinking about purchasing. The *purchase* phase is where the actual purchase is happening. In the *retention* phase, the customers use the products and in the *advocacy* phase, the customer gets new offers from the same business.

As the customer goes through the journey their value will change. By analysing and understanding the journeys ones customers goes through, an financial service provider will be able to understand the customers' current perceptions around the various touch-points they interact with. The company will also get an insight into the customers' overall experiences and the customers' expectations towards the service. Along the customer journey a value creation happens and hopefully if well designed, the journey will leave the customer with a satisfying experience and value have been created.

Touch-points along the customer journey

Think about all the different ways a company, in this case, the retail banks interact with and leaves impressions on its customers, employees, and all other relevant stakeholders. All these different ways can be defined as touch-points (Davis & Longoria, 2003). The financial service providers should ask themselves; *are they in control of all these interactions that the company has with its stakeholders?* Touch-points can be categorised into two types; technological (online) and human (offline) touch-points. Online touch-points can be defined as any technological interaction, the functionality has with its customers. It can be an advertisement on screen, an email, a text message, and any digital communication without the direct involvement of people. Offline touch-points are defined as the interaction between customers and service employees. Offline touch-points also consider interactions between customers, in form of word of mouth (WOM). Furthermore, Lemon and Verhoef (2016) identify four categories of touch-points, that a customer might interact with through the journey, these four can either be technological or human (online or offline). The four categories are brand-owned, partner-owned, customer-owned, and social/external/independent. By tracking a company's customer journey through touch-points, the company will get insight into how the customer experience can be enriched throughout the whole journey.

To enrich the customer experience, Vandermerwe (1993) introduced the customer activity cycle. The cycle introduces three phases, pre-purchase, purchase and post-purchase phase, the cycle is used as a value adding tool for the customer experience. Pre-purchase phase is the first phase and it is here the customers explore what to do and is concerned about how to make the right choice. The customer is in this phase exposed to different brand awareness activities and has the opportunity to choose among different brands (Vandermerwe, 1993, p. 52). The next and second phase, purchase, is also the decision making phase. This phase *"covers all customer interactions with the brand and its environment during the purchase event itself"* (Lemon & Verhoef, 2016, p. 76). This phase includes the actual purchasing of a product or service, but it also encompasses the final evaluation of the product.

The purchase phase differentiates from the pre-purchase phase, as the customer in the purchase phase is receptive to a more in-depth understanding of what the companies or brand is providing. The customer has now decided, and are not only interested in the goods or service, but have given a direct signal, that they want to buy the product. The third phase consists of the post-purchase

experience. This phase *"encompasses customer interactions with the brand and its environment following the actual purchase"* (Lemon & Verhoef, 2016, p. 76).
It is a great benefit for companies if they know who their customers are, what they want and thereby give them a satisfying experience. This phase is therefore where a company should focus on getting the customer into another sale (Vandermerwe, 1993, p. 52). If the customer has a negative customer journey it will become more difficult to engage them in new sales experiences as the customer easily can choose another company. This is especially due to the many forms of receiving communication, through online media as well as offline.

Vandermerwe's (1993) activity cycle, and Solomon et al. (2016) five phases customer journey can be merged and used together. Furthermore it can also be emerged to Court, Elzinga, Mulder & Vetvit 2009 loyalty loop. Awareness and consideration is a part of the pre-purchase experience, while the purchase is the purchase experience. Lastly, retention and advocacy is part of the post-purchase experience and is the aftersales process. It is important to have in mind that not all journeys are the same for each customer, and will differ from product to product.

2.6 Trust in the financial sector

Trust is known as perhaps one of the most influential relationship creating marketing tools, that a company can use and apply. This literature review of trust will be limited to taking four relevant authors into consideration, Grayson, Johnson, Chen and Hansen. All of whom have researched the concept of trust within the financial sector. Grayson et al. (2008), describes *"trust as a belief that an exchange partner is benevolent and honest"* (p. 242). Hansen (2012) considers trust as one of the most critical factors for developing a beneficial customer-seller relationship, "*trust not only relates to consumer trust in individual companies but also relates to the broader business context"* (Hansen, 2012, p. 280). All authors agree to define two different types of trust; narrow scope trust and broad scope trust (Grayson et al., 2008; Hansen, 2012), and their perception of the concepts are indistinguishable. Narrow scope trust refers to the trust a customer has in an individual company. Hansen describes it as *"the expectation held by the customer that the service provider (...) is dependable and can be relied on to deliver on its promises"* (Hansen, 2012, p. 280). Hansen (2012) continually defines broad scope trust as *"the expectation held by the consumer that companies within a certain business type are generally dependable and can be relied on to deliver on their promises"* (p. 281). Meaning, the customers trust in the financial sector.

Grayson et al. (2008) argues that customers trust in the financial sector is not only influenced by the actions of a single service provider, but also by the broader context where the service exchanges are taking place. The authors continually argue that specifically in the financial sector there needs to be a climate of trust, in order to maximise the customers' eagerness to use financial advisors and their services.

All three authors suggest that broad scope trust plays an important role and has an effect on narrow scope trust. Their research indicates the importance of the level of trust the customer has in the industry which the company operates in. The authors, therefore, express that financial managers are right to be concerned when the customer's broad scope trust is declining. Therefore they suggest that financial managers should consider the benefits of being proactive and influencing this kind of trust, as all companies in the sector benefits when the broader scope of trust is high.

Hansen (2012) furthermore argues that trust in a financial service provider is dependant on the customers' trust in the financial sector as a whole (narrow- and broad scope trust), financial knowledge, financial healthiness and lastly the customers' satisfaction with their bank.
Both financial knowledge, financial healthiness and satisfaction is affected by narrow- and broad scope trust, they are all interconnected, and influence each other.
Narrow scope trust will in this thesis be considered as the expectations the customer has towards their current bank and bank advisor.
Financial knowledge refers to the understanding of information stored in a customers' mind, about the financial sector. Hansen (2012) assumes that knowledgeable customers are more likely to have trust than customers with less knowledge. If customers already have knowledge about financial products, they are more likely to acquire new information, whereas customers who have less knowledge about the products will be less receptive for the same information.

Hansen (2012) furthermore defines a construct of financial healthiness as the customers financial status. The Financial healthiness is related to objective circumstances as income and assets, and subjective circumstances as satisfaction about financial behaviours, as to be able to pay bills and thereby avoid difficulties. Financial healthiness deals with customer emotions and feelings, and Hansen (2012) therefore argues that attribution theory is an important underlying factor when dealing with financial healthiness. Back in 1958, Heider introduced the attribution theory, which is concerned with how individuals explain the causes of behaviour (Heider, 1958). The theory attempts to explain the surroundings and to determine the cause of an event (e.g. why do people behave as they do). Attribution theory is defined as "*consumers evaluation of causality in a post behaviour context on the basis of different situational context*" (Hansen, 2012, p. 283). Attribution theory is mostly focusing on engagement where customers are threatened or surprised by negative events (Tomlinson & Mayer, 2009; Weiner, 2000). The overall attribution research indicates that customers usually tend to attribute failures towards variables outside of themselves, this is in literature known as defensive attributions. These defensive attributions are intended to retain the customers self-confidence and to enact mental justification.

Satisfaction is seen as the cumulative relationship satisfaction in the financial sector. If the cumulative relationship is satisfied the customer rely on their overall experience with their bank. Satisfaction is an overall feeling covering if a customer is happy with the service provided by their bank. Satisfaction can be built over two different periods, it can be developed immediately by the service encounter, or as satisfaction built over time.

2.7 Customer loyalty

Sirdeshmukh, Singh & Sabol (2002) argues that there is a strong relationship between customer trust and loyalty. They further argue that trust is a critical factor in service exchanges, and without it, customer loyalty is very difficult to obtain. Customer trust, especially in a person representing the company, is alleged to be affecting customer loyalty directly to the service provider. The concept of customer loyalty has been evolved over the years and the value of loyal customers cannot be understated. Back in the mid-nineties the main focus was on brand loyalty and the centre of rotation were tangible products (Tucker, 1964).

Customer loyalty is described as *"an intention to perform a diverse set of behaviours that signal a motivation to maintain a relationship with the focal firm"* (Sirdeshmukh et al., 2002, p. 20). Sirdeshmukh et al. (2002) further argue that loyalty indicates the customer engaging in positive WOM, and repeatedly purchasing products at the given company. Trust is also influencing customer loyalty by affecting their perception of congruence in the values with the service provider. Loyal customers are an element all companies aim to achieve and are striving after.

Prior literature has made it clear that there are broad variations in loyalty among individuals and that brand loyalty are a part of the frequency in which a brand has been selected in the past (Tucker, 1964).

Court et al., 2009 develops on the concept of loyalty, in their 2009 McKinsey white paper. They introduce the loyalty loop, which emerges in the last phase of the customer journey. The customer loyalty loop is a customer service concept that illustrates how customers decide what they buy, and afterwards continue to make a purchase from the same company again (Court et al., 2009, p. 1). Once customers makes a purchase, they use WOM, and tell others what they think about the product, but they still constantly reevaluate if they should stay with that specific company. The postpurchase experience shapes the customers' opinion for every subsequent decision in the category, so the journey is an ongoing cycle. Two kinds of loyalty arise; *active loyalists* and *passive loyalists*. The *active loyalists*, who not only stick with the company but also recommend it to family and friends (Court et al., 2009, p. 1). The *active loyalists* often recommend the company through WOM. The *passive loyalist*, whether it is from laziness or frustration caused by the many choices, remains with a company without being committed to doing so. The *passive loyalist* does not spend time considering switching between brands and businesses. Hence, the *passive loyalist* is easier to persuade to another company, if competitors contact them (Ibid.).

2.8 Life transitions

Belk's article from 1988; *Possessions and the extended self* changed the perception on why customers behave as they do. *"We cannot hope to understand consumer behaviour without first gaining some understanding of the meanings that consumers attach to possessions"* (Belk, 1988, p. 139). Belk's study (1988) showed that things can become part of the individual's "self" and a way of thinking about the role that consumption plays in the way people create their role in life. Belk (1988), refers to the extended self as; "*the premise that understanding the extended self will help us learn how consumer behaviour contributes to our broader existence as human beings"* (Ibid.). The extended self is in this thesis understood as an individual's sense of identity or as the individuals self perception. The self is unique for each human being, dissimilar from others and made up by the happenings in the past and present. This along with the individuals' future desires. In the context of customers, the concept of self has received interest in several years and there were recognised a relationship between possessions and customers´ sense of self. According to Belk (1988) possessions is *"recognizing that, knowingly or unknowingly, intentionally or unintentionally, we regard our possessions as parts of ourselves"* (Belk, 1988, p. 139). Meaning, that possessions higher the customers self perception and therefor have positive effect on their well-being.

Significant circumstances such as adolescence, school, marriage, moving, the birth of a child, career changes or even death are just a few of the transitional phases that customers may experience through their lifetime. A customer's life quality will be influenced by transitional circumstances and will help form the customers' life and therefore their extended self.
The customer's transitions from one role to another can cause a period of shock, inconvenience, confusion and even depression.

(Noble & Walker, 1997, p. 29). These circumstances are often marked by a change in the individuals life roles, e.g. from child to young adult, from living at home to moving out or from student to employee. A significant transition is defined as *"A change in a significant life role marked by a transitional or liminal period during which (a) personal identities are suspended, producing significant psychological consequences, and (b) symbolic consumption may be used to facilitate the transition to the new role"* (Noble & Walker, 1997, p. 32).

These important life transitions makes the individual go through three phases; separation, liminality, and aggregation.
The first phase, separation, is marked by detachment, and is the phase where people withdraw from their current status and life.
The second phase of the transitional process is the liminal period. *"In liminality, one is ambiguously separated from prior relationships and roles and has not yet acquired the attributes of a future state"* (Noble & Walker, 1997, p. 31). This phase provides alienation from social existence and removal from the individuals' social culture they use to be a part of.
The third and last phase is aggregation and is where the customer returns to a safe ground after having achieved a new role. After having achieved the "new" role, the individual reenters society with the new status. The re-incorporation can be marked by rituals and ceremonies like college graduation, where the graduate are being celebrated with receiving the graduation cap and afterwards are being celebrated by family and friends. It can be seen as the phase where a boss has

won the employees' trust and respect as that position received requires (Noble & Walker, 1997, p. 31). After going through the transition of the three phases one will experience a positive incensement self-view, and it should result in an improved psychological health.

Not all life changes involve a significant transition, smaller events such as, acquiring a new pet, or changing hair colour, will not evoke role changes that lead to disruption. All individuals have a set of roles that vary in defining the self. If a life event gives a liminal transition, it often involves roles that are important in the self-definition but this can differ from individual to individual. Through periods with liminal transitions, some psychological effects can occur. Shock, confusion, stress and anxiety are some of the effects this process can give, and often does (Noble & Walker, 1997, p. 33).

2.9 Summary of literature review

The above literature review explains the theoretical background for prior research.

Each theory within value creation, G-D logic, S-D logic, C-D logic (Vargo & Lusch, 2004; Ankel et al., 2014), SST (Meuter et al., 2000) and the DART framework (Prahalad & Ramaswamy, 2004b) has been defined, followed by a critical view of the chosen theories. Moreover, the theories analysing the customer journeys (Solomon et al., 2016) and touch-points (Davis & Longoria, 2013) is being elucidated in context with Pine & Gilmore's (2011) definition of a customer's experience.

Furthermore, trust as general and trust within the financial sector is explained as a stepping- stone towards a loyal customer and how a financial service provider through a customer journey can trigger a customer to becoming loyal (Hansen, 2012).

The concept of the transitional events that customers may experience through their lifetime is enlightened, as major life transitions will change the customer's perception of value (Noble & Walker, 1997).

The thesis is written from a customer-centric view, as it aims to analyse and contribute with suggestions on how to create higher value for the young adults. This literature review serves as the foundation for the research design and has helped the researchers to identify the main research question and the underlying sub-questions.

3

SCEINTIFIC APPROACH & METHODOLOGY

Philosophy of science
Research design
Mixed methods
Transcription
Thematic network analysis
Reliability & validity

The following chapter aims to present this thesis scientific approach. It has the intention to give the reader an insight into the perceived worldview and to present the thesis scientific approach. This chapter focus on the chosen worldview and therefore only a brief introduction of the different research philosophies will be given. Furthermore, this chapter aims to describe method choices and the argumentation of the chosen structure in this research. Since there are many differing definitions and different opinions on research philosophy and the concepts within, it is chosen to use Bryman (2016) as the primary source.

3.1 Philosophy of science

Philosophy of science is a field of philosophy concerned with the methods and view of science. The philosophy is concerned about what qualifies as science, the reliability of scientific theories, and the purpose of science. Ontology and epistemology are two different ways of seeing a research philosophy.

Bryman (2016) states that ontology is concerned with the nature of reality, and what can be known about it, e.g. *how things really are* (p. 28). More broadly, its studies can relate directly to *being* in relation to reality and the different entities and categories within reality. This thesis ontological assumptions is relativism as the existence of multiple realities are accepted.

Bryman (2016) argues that epistemology is concerned with what is considered or what is, seen as acceptable knowledge within an area. Epistemology is the philosophical field revolving around “the study of” knowledge and how to reach it. Since this research are dealing with human beings and their perception of value, the epistemological position follows the discipline of interpretivism. The interpretivist perspective was chosen as it stresses the importance of understanding human behaviour, and therefore helped the research team to understand the importance of the subjective meaning of social actions. As using the interpretivist perspective, researchers attempt to see the world through other people's point of view by ‘getting inside’ their minds. As bank customers’ interpretations depend on various socially constructed considerations that continually are evolving, it was assumed impossible to predict their mindset, therefore the interpretivist perspective helped the researchers to examine these mindsets.

3.1.1 Research paradigm

Lincoln & Guba (1994) defines a research paradigm as *"a set of basic beliefs that deals with ultimate or first principals. It represents a worldview that defines the nature, for its holder, the nature of the world"* (p. 107).

The research paradigm and worldview for this thesis are social constructivism as knowledge is seen as social constructed and constructed through interactions with others.

Esmark, Laustsen and Andersen (2005) state: *"The fundamental point of social constructivism is that reality is a socially constructed phenomenon"* (Esmark et al., 2005, p. 16). This philosophy stresses that knowledge is constructed in interaction with others. Meaning, each individual is shaped by experiences or interactions with others. All of these experiences or interactions contribute to the shaping of the researchers' perspectives and behaviour (Esmark et al., 2005, p. 17).

It has been chosen to conduct a qualitative analysis which has been supplemented with descriptive statistic, in form of a quantitative survey. The quantitative survey was conducted to support and validate the qualitative findings.

The social actors, in this research, are the digital segment, who will have different interpretations of the situations where they co-create value with retail banks. In the social constructivist worldview, there will always be cultural diversity and different perspective of things as it deals with human individuals. Therefore in this paradigm, diversity will contribute in a positive way with many perspectives. When applying social constructivism as a paradigm, it is accepted that the knowledge this thesis will produce, will be subjective. It is therefore accepted that the digital segment has subjective views related to the aspects of value and that various realities exist.

Since this research deals with individuals and the creation of value, which is continually developing, it needs to be studied in depth and reassessed.

As figure 2 illustrates, different types of paradigms have been taken into consideration for this thesis. Lincoln & Guba (2005) presents the paradigms of; positivism, postpositivism, critical theory, social constructivism and lastly the authors add the paradigm of participatory. There are profound differences between these paradigms, and the differences between positivism and the participatory paradigm will be elucidated as these are antipodes. As Bryman (2016) describes, *"Positivism is an epistemological position that advocates the application of the methods of the natural science to the* *study of social reality"* (p. 714). Positivism is an empirical and quantitative paradigm, whereas social constructivism is much more qualitative. Knowledge in the positivist paradigm does not depend on context and time, and can, therefore, be generalised. Positivism sees reality as neutral and objective, consisting of single things, while the chosen paradigm of social constructivism considers the world as a construction, and therefore subjective. Furthermore, Lincoln and Guba (2005) describes the paradigm of participatory, where knowledge is generated through active learning and engagement. The researcher often requires democratic personality and emotional competence (Lincoln & Guba, 2005, p. 171). The participatory form of research is giving the research participants an opportunity to speak their truth, most common through plays or forums. Participatory is a qualitative paradigm, which sees reality as subjective-objective, and as given cosmos (Lincoln & Guba, 2005, p. 168).

Bryman (2016) recommend the use of qualitative research methodologies, when using the paradigm of social constructivism, as these types of data help explore the way individuals make sense of their own context. Further, the qualitative research methodologies gave the researchers space to play a vital role in the data collection and analysing the data. To validate the qualitative findings a quantitative survey was conducted, and both were analysed as empirical findings.

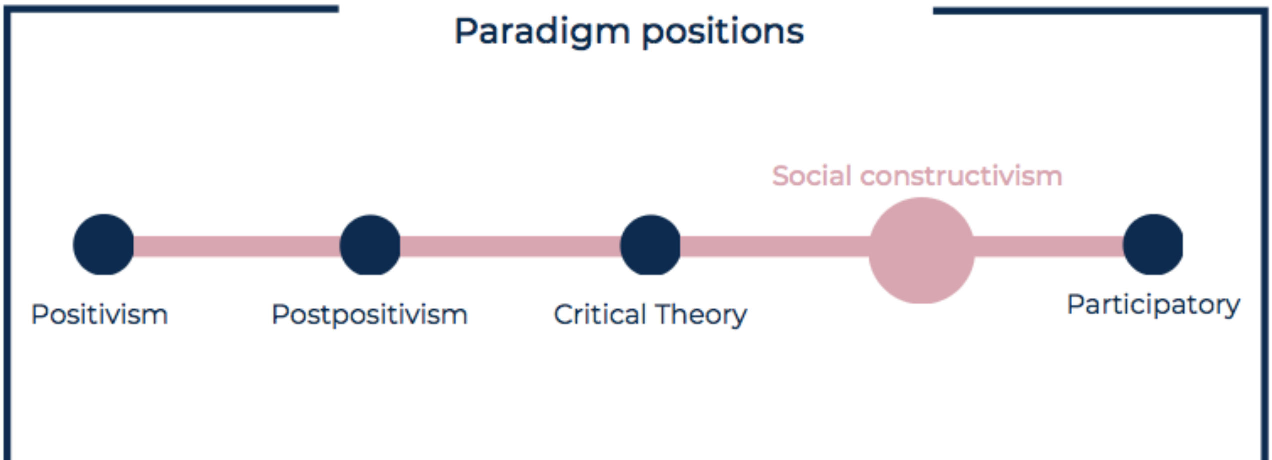


Figure 2, Paradigm positions, own creation, based on Lincoln & Guba (2005); Heron & Reason (1997)

3.2 Research Design

Bryman (2016) describes a research design as a framework that through methods and techniques aims to collect and analyse data (p. 40).

From the beginning of the research process, an inductive approach has been taken. An approach that seeks to find a relation between theory and research, in which the former is generated out of the latter. Bryman (2016) describes the inductive approach as *"theory is the outcome of research which involves drawing generalizable inferences out of observations"* (p. 22), where the research team begin with observations and afterwards seek to generate theory based on the observations, instead of using observations to disprove or prove a theory.

The research process started with a broad scope of the financial sector and the digitalisations effect on it. It was quickly apparent that digitalisation was an unavoidable change agent in the sector, and the sector needs to find a new balance between digitisation and personal contact to its customers. This thesis will however, from a customer perspective investigate where value is created and what the digital segment values when interacting with their financial service provider. Figure 3, will visualise the research design for this thesis.

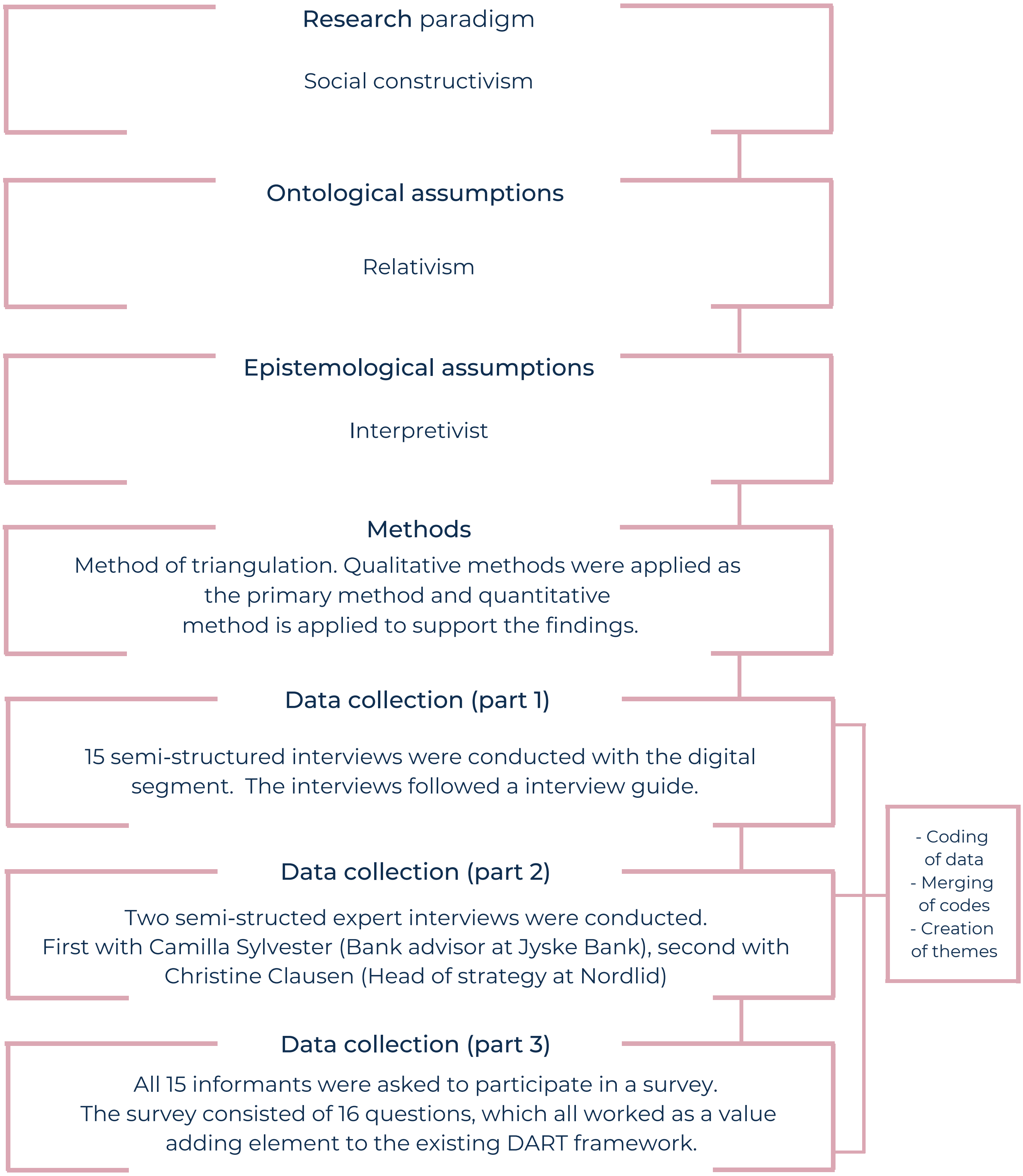


Figure 3, Research design, own creation

3.3 Mixed methods

In line with the social constructivist view, where all truth is considered as constructed by individuals or society, this thesis employs the method of triangulation. This entails that there have been applied more than one method tot his research. The triangulation, also in the literature referred to as mixed methods, has in this thesis been used as a process of cross-checking the findings deriving from both qualitative and quantitative research (Bryman, 2016). Qualitative research is a scientific method gathering non-numerical data. Therefore these methods are used when the researcher wishes to investigate several conditions that are difficult to measure. The data was collected to get an understanding of underlying reasons, opinions and motivations within the banking sector (Bryman, 2016, p. 694). Qualitative research is advantageous when researching the *why* and *how* question of human experience. Quantitative research is a method used to quantify a field and uncover patterns by generating numerical data, or data that is being transformed into statistics (Ibid). Quantitative methods, is in contrast to qualitative methods, weighing the collection of more massive amounts of "hard" data, e.g. information that can be measured and quantified immediately. It often implies that the researcher considers the researched field as an object.

The use of mixed methods has been chosen to heighten the validity of this thesis, and to equalise for the two methods flaws.

As the qualitative data was collected prior to the quantitative data, this thesis followed an explanatory sequential design. The use of explanatory sequential design helped the researchers to scope and generalise the qualitative findings. The prioritised approach will be qualitative research, in the form of semi-structured interviews and the second approach will be quantitative research, in form of a survey.

There are pros and cons when using mixed methods. One of the significant pros of using mixed methods is that the data is more comprehensive. It includes both numbers, statistics and words. It can be used to answer a broader range of research questions because the researcher can analyse more data. Mixed methods add an insight that otherwise had been missed. However, mixed methods, are very resource demanding in terms of time and can be very costly. Moreover, a large amount of data is often collected which can be challenging to handle, and it is difficult to manage the study if both methods are being used simultaneously. By using both qualitative and quantitative method, the two methods supplement and validate each other (Bryman, 2016).

3.3.1 Qualitative method

Pilot studies

A pilot study must initially examine whether an idea can be used in practice. Pilot studies are small preliminary studies conducted before administering an interview. Piloting is not just about ensuring that the survey issues work, it also has a role to ensure that the research instrument works well (Bryman, 2016, p. 260).

Pilot studies tests the research proposal, including theories and methods. In this thesis, a pilot study was conducted to elucidate which issues the financial sector is facing. Two pilot studies were held at the beginning of the research process, to narrow down the scope of the research field. The first pilot study was conducted with an informant working as a process consultant in a mortgage credit institution. As one of the researchers knew the informant in advance, it was decided that she only participated in the study to observe and the other researcher acted as an interviewer. This was decided to minimise bias.

The second pilot study was conducted with an informant working as a bank advisor in retail banking and therefore have direct contact with the customers.

A short questionnaire has also been made to gain an insight into the young adults approach to the banks, and thereby gave the researchers an insight into their attitudes. Furthermore, the pilot questionnaire was conducted to ask the respondent which kinds of products they had purchased through their bank and if they have had human or digital contact with the bank when purchasing these products. In total 29 respondents conducted the questionnaire, which gave a good indication of how the use their banks and which products they have purchased through their bank. It was concluded that the three most frequent products were: Home loan, purchase of credit card and creating bank accounts.

Semi-structured interview

Primary data is data collected to illustrate a particular problem. This often means being in direct contact with people through interviews, focus groups or questionnaires. In this thesis, the primary data were collected with qualitative semi-structured interviews, due to the opportunity that other individuals do not influence the data, which were used as primary data.

The primary data of this assignment consists of 15 semi-structured interviews. Furthermore, there have been conducted two expert interviews, one with a representative from the financial sector and the second with an expert from a customer experience agency. The expert interviews had the purpose of presenting or substantiating the informants' answers, and the theory used in this thesis.

All interviews were considered as scientific research interviews, which Kvale and Brinkmann (2015) argue is a professional conversation based on daily life experience. It is an interview where knowledge is constructed in the interaction between interviewer and the informants (Kvale & Brinkmann, 2015, p. 20). An interview is an exchange of viewpoints between two parties having a common interest.

All interviews were prepared as semi-structured interviews. Semi-structured means that, before the interview's start, only single formulated questions were written down, and otherwise, only a list of the areas the interview wishes to cover. The covered area and the individual questions meant that the interview started with a specific question, and then developed to an interview about the chosen field. Meaning, the interviewer picked up the informants' replies (Bryman, 2016, p. 468). The semi-structured interview allowed creating flexibility since the order of the questions, and the way they were dealt with was not predetermined. In addition, the interviewer had the freedom to go into depth with specific questions, that came up during the interviews. The advantage of the interview guide was that the interviews became more systematic in a comprehensive interview series (Bryman, 2016, p. 469). The purpose of this interview type was to get the participants to open up and express themselves with their own words. The semi-structured interviews were conducted, as this qualitative method is viewed as conducive to the segment of a detailed examination of the financial sector.

The first expert interview was conducted with Camilla Sylvester, bank advisor for private customers at Jyske Bank. The interview was intended to give an insight into the main issues the sector is standing in front of, and the advisors' perception of what the digital segment desires and demands of their bank. The second expert interview was with Christine Clausen, (head of strategy at Nordlid). Nordlid is a Nordic customer experience agency. The company specialises in creating relationships between brands and their customers (Nordlid, n.d), often from a customer-centric point of view.

An expert interview is quite different from other interviews, as experts often used to being asked about their opinions on specific topics, therefore this left some demands to the interviewers. As Kvale & Brinkman (2015) states *"The interviewer shall be well informed about the subject, master the technical terminology and be familiar with the informants social situation"* (p. 201). An interviewer demonstrating all these things will meet respect and will easier achieve a degree of trust from the informant.
The two expert interviews were what Kvale & Brinkman calls active interviews, where the interviewer were allowed to give their perception on the subject and contribute to the interview. This ideally allows a mutual understanding between the informant and the interviewer, also known as episteme (Kvale & Brinkman, 2015, p. 60).

It can be argued that a focus group interview would have given this research another value. The focus group technique is a method of interviewing, that will involve several interviewees at the same time, and are therefore considered very efficient (Bryman, 2016, p. 500). However, it has been chosen not to implement this type of method, as it would quickly create uncertainty when several individuals are gathered to talk openly about their finances. By only using a semi-structured interview, it was believed that bias was minimised, as the informants in an individual interview were more likely to be open-minded and speak the truth.

Interview guide

Before carrying out the interviews with the informants, an interview guide was made (appendix 1). An interview guide consists of the topics or the series of questions that one wants to get answered during the interview and is used primarily in semi-structured interviews. The interview guide is a term that refers to a brief list of areas that needs to be covered in the semi-structured interview (Bryman, 2016, p. 692). The order of the questions is only guiding, and the order can be changed during the interview. The primary focus was in this thesis to have a productive dialogue with the informants, followed by a natural conversation. The questions that were asked were open-ended and moved towards a more specific conversation with the individual informants. Using open-ended questions often makes the interview more fluent and "conversational", it therefore allows the informants to answer in their own words and terms.

All interviews were conducted in the informants and researchers native language, Danish. It were assumed that conducting the interviews in Danish increased the informants understanding of the questions, better than if they were asked in English. However, the risk for mistranslation arose, when the interviews were translated from Danish to English, during data analysis. This in consideration has made the researchers double check the quotations when translating.

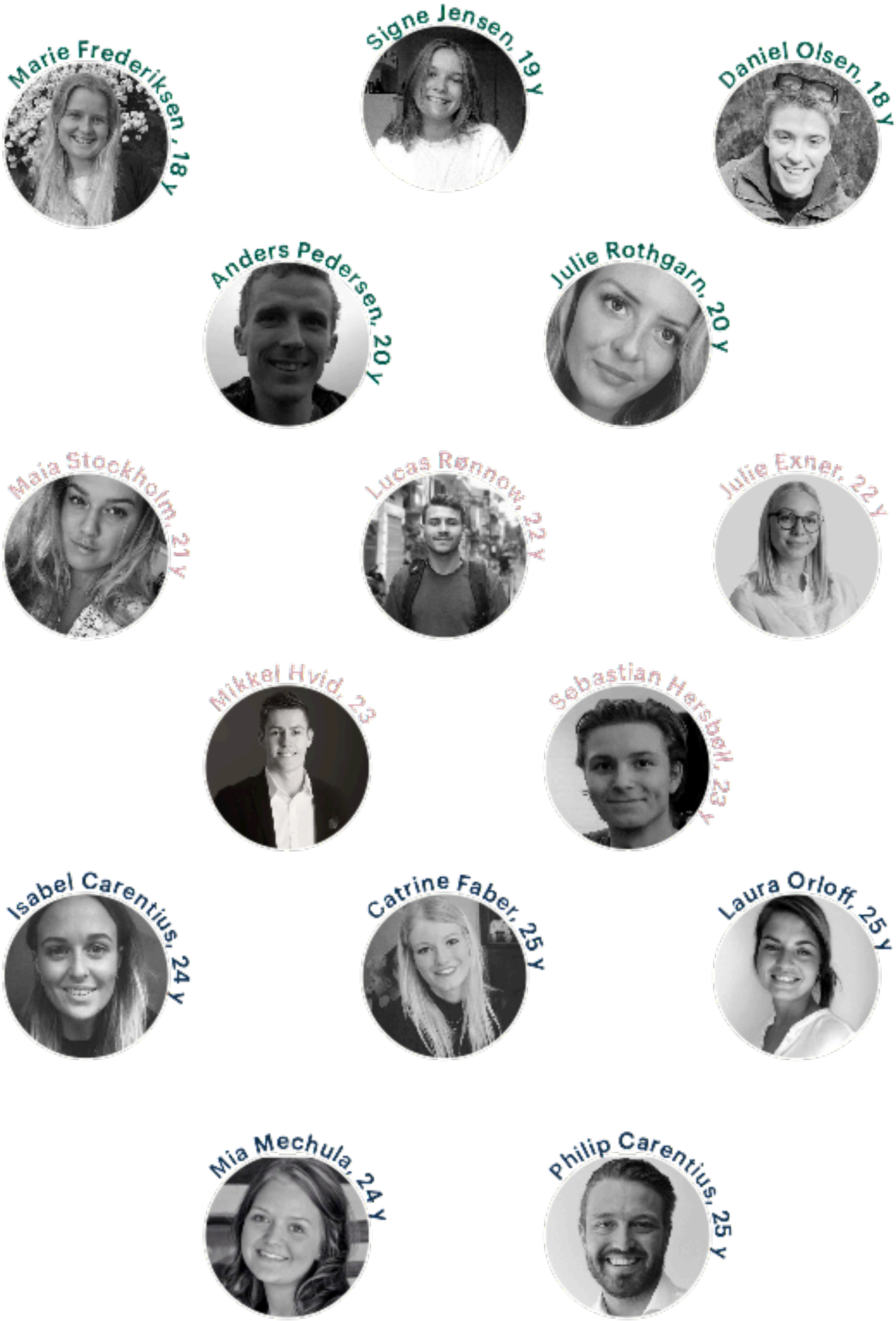
Two interviewers

Both authors of this thesis participated in the execution of the interviews. Being two interviewers required a main interviewer and a passive interviewer. The main interviewer had the leading role of the interview and asked most of the questions. The passive interviewer had the supporting role of making observations, and made sure that the before made questions were covered. As the informants were found through social network it was crucial for the interview to shift main interviewer depending on who knew the informant.

Selection of informants

After a pilot study with a bank advisor, it became clear that the financial advisors are trying to determine their new role in the digitised world, especially for the perspective of future banking customers. The primary data for this thesis were as highlighted previously, collected with semi-structured interviews. As previously mentioned, a questionnaire has been made to find patterns in the informants' use of their bank. The three products there were the most frequent were used as an instruction to the selection of informants, and it was therefore required that the informants had purchased one of the three products; Home loan, purchase of credit card and creating bank accounts. The amount of interviews depended on, when a clear pattern began to form of the answers and no new information came from the informants' answers (Kvale & Brinckmann, 2015, p. 317). In this thesis 15 informants were interviewed in the age range between 18 to 25 years old, thought was given to the gender distribution to be as equal as possible so the findings could be as realistic as possible. The gender distribution was six males and nine females. These were all found by using the non-probability sampling technique, snowball sampling, which implies needing the help of informants to recruit new informants (Bryman, 2016, p. 189). In the methods of snowball sampling, the researchers begin with approaching a small group that is relevant for the study. Often there will be a good chance that people pertinent to the study will know others who are relevant. Therefore, they can be used to establish contact with other potential participants. These new participants may know more people who can attend (Ibid.). Recruitments of the informants were based on a desire to talk with customers from small, medium and large banks to reproduce the young adults opinion on the financial sector, based on the different compositions that the Danish banking market consist of today. The informants came from various cities throughout Denmark, and diverse cities were thereby represented. This research, therefore, showed a full picture of the digital segment throughout Denmark. To increase the chances of accurately representing the sampled unit, the informants were divided into three smaller age subgroups. In following picture a visual presentation of the informants is presented. The informants in the age range of 18-20 years are visualised with the colour green, the informants between 21-23 years are visualised with the colour, rose. Lastly, the informants between 24-25 years is presented with the colour blue. This was done to ensure that all ages would be represented and that each subgroup had a representation of males and females, thus this thesis is delimited to not study gender differentiation. The informants had different financial service providers, and this brought a variation among the interviews but did not have a further impact on this research, as it is customer-centric, and not firm-centric.

Presentation of informant



3.3.2 Quantitative method

As it was decided to apply the DART framework on the case, to discuss how value is co-created in the financial sector, it was believed after revisiting the literature, that the framework was not adequate. As the researchers were critical towards the framework, it was chosen to conduct, some follow up data to get a better understanding of the framework. This was done by revisiting the informants, and asking them to participate in a survey and thereby conduct quantitative data. The informants now became respondents. However, they will still be referred to as informants throughout this thesis.

As Prahlalad and Ramaswamy (2004b) argue; value creation only emerge when two actors are interacting, in this case, the bank and its customers. As the retail banks embrace the four building blocks of co-creation, it will enhance the company's opportunity for value co-creation. However, it can be discussed that the DART framework, may have some flaws. After analysing the DART framework, it was believed that the framework is too simple, to be able to draw accurate evaluations about how four building blocks can create new and essential opportunities and abilities in different ways. It was not clear to the researchers how the interaction between the banks and the customers were, even though the DART model was applied. Although, the DART framework was still considered by the researchers of this thesis, as an essential and effective framework that emphasis four competencies, which a company should emerge on to work effectively in value co-creating with its customers.

The analysis of the DART framework did not give any concrete answers to what a given company should do better, but merely a pattern of general errors. Therefore, a measuring system was developed by the researchers. This system aimed to contribute positively and to be used as a research method which adds new knowledge to the already existing DART model. The 15 informants were asked about dialogue, access, risk and transparency regarding their interacting with the bank. In each of the four building blocks, the informants were asked four questions, in total 16 questions, that all aimed to give the researchers measurements to use on the DART framework and to specify what the banks should evolve to affect value co-creation with its customers. The results of this approach to measuring tools enlighten more specific possible errors and deficiencies of the DART concept.

The 16 questions were carefully selected and produced based on already recognised and existing knowledge, collected primarily from Prahalad & Ramaswamy (2004b). Furthermore, attitudes and topics in the general co-creation literature used in this research have also been studied. The main inspiration for the design of this “add-on” to the existing literature, was thus based on research from the co-creation and DART framework. The 16 questions, asked through the survey, allowed evaluation of an entire metering model with a single statistical test, and additionally provided specifics when the framework was to be analysed and evaluated.
All questions were debated with fellow students at Cand. Soc. Sem., about whether they would contribute to the already existing DART framework or not, and then the questions was pilot tested on five random respondents to test the understanding of the questions. These five respondents were all found within the researchers’ network.

It was believed that the quantitative analysis would substantiate the collected qualitative data that the new questions would add to the DART framework. In order to bring more support and validity to the thesis and go in-depth with the case, it was decided, after coding and analysing the empirical findings, to retake the contact to the informants. This was done, as it would be interesting to take up the subject again after giving the informants reflection time, however, as a quantitative collection method this time. The informants welcomed the follow up survey and wanted to participate once more in this research.
To get the most beneficial effect of the DART framework, all 16 questions had to be answered with “yes” from the informants' side. This indicates that they know what their bank does, and thus an interaction can be created. Each question had a value of 25 per cent and to complete the framework, all 100 per cent of the answers had to be obtained with “yes." Meaning, the term dialogue had four questions and to get “total score” all had to be answered with “yes." However, the framework is not fulfilled, if only one building blocks score a 100 per cent, it needs to be a combined effort, and all building blocks need to score a 100 per cent, for the entire framework to be fulfilled.

Customers should not have insight into the four building blocks; dialogue, access, risk and transparency, but simply answer the 16 questions. However, most importantly, the researchers got insight in where the value- creation are lacking. This was used to find suggestions to what business managers could do in order to create more value for the digital segment, and be aware of where their weaknesses regarding inaction with customers lies.

3.4 Transcription

All the conducted interviews was recorded, and transcripted immediately after the end of each interview. All informants were asked permission for recording the interviews, and it was clear to the researchers, that there could arise a bias when accepting the recordings. One bias could be that the informants may become self-conscious or alarmed about how their words are being understood (Bryman, 2016, p. 479). It has been taken into account that the transcription does not include most breaks and the spoken answers of the informants are translated with care into more written language, without changing their meaning. Any small talk used to make the informant at ease, or diversions from the main topic were deliberately left out to make a more accurate transcription. There were spent an enormous amount of time transcribing, and any unclear responses from the informants were listened to several times, to make sure the transcription was made accurate. This made it easier to code the transcriptions (Ibid.). The preparation of the data for transcription enables the research to quickly transcript into the data analysis program Nvivo (Bryman, 2016, p. 11).

3.5 Thematic network analysis

Thematic network analysis is one of the most common forms of analysis in qualitative research. It emphasises analysing recording patterns or "themes" within data collaborated. Bryman (2016) states that a thematic analysis *"(...) means that they examined the data to extract core themes that could be distinguished both between and within transcripts"* (p. 11). However, it can be argued that Bryman (2016) sees the thematic analysis as a more linear method of analysing data, whereas Attride-Stirling (2001) describes the thematic analysis as a related network, thereof the name thematic network analysis. The researchers will therefore for this moment, deviate from the main and primary author, Bryman, and follow the mindset and proposed perceptions of Attride-Stirling.

Themes are patterns arising in the data collection that is important for the description of a phenomenon and are linked to the topic being investigated. When applying a thematic network, the researchers are simply aiming to explore, and thematic analyse the qualitative data collected. *Basic*, *organising* and *global themes* are all systematised extractions of the thematic network.

Attride-Stirling (2001) describes the basic themes, as the lowest order premises noticeable in the qualitative findings. She further describes the organising theme, as the basic themes were categorised into clusters of similar matter. Last, the global theme is described, as the overall theme encapsulating the essential meaning of all the proposed metaphors presented in the organising themes. The global theme cluster the organising themes, which all together shall present a final concluding argument (Attride-Stirling, 2001, p. 389). It was important for this thesis, that the data collected were analysed methodically, otherwise, meaningful and useful results would be lost. The thematic network provided a technique for dividing and breaking down the qualitative data text and helped find the implicit association between the data.

The first step in the thematic network analysis was to code the data, and by doing so, reduce the collected data. Here the researchers got truly familiar with the qualitative interviews with the use of a coding framework. The coding framework was based on pre-established topics and was used to dissect the text into meaningful text segments. This involved identifying essential statements in the interviews, which were relevant in answering the research question. In this thesis, the data analysis program Nvivo was used. The program enabled the researchers to coordinate the analysis of the text. The coding system was made through the developed topics, and the interviews were developed to coding text, so it became possible to set up the coding system. Once all text was coded, the themes were extracted from the coded text segments (Attride-Stirling, 2001, p. 394) Afterwards, the themes were identified and constructed, and the thematic network was created. All codes and themes is collected in a code framework (appendix 2). To conduct the quantitative data, Google analytics was used. This analytic tool provided a service where the conducted answers were transformed into per cent and were therefore used in tables and diagrams to analyse differences and similarities.

3.6 Reliability and validity

To minimise the bias in this thesis, reliability and validity have been taking into concern. The concepts of validity and reliability are mostly used to research where scientific elements are sought. This reliability relates to the consistency and credibility of research results. Reliability deals with experiments, measurements, tests, and psychological tests. Moreover, if the findings from research can be replied consistently, they are reliable.

When dealing with human beings, as this study does, the results often differ from each other. Stenbacka (2001) argues that, *”reliability has no relevance in qualitative research, where it is impossible to differentiate between researcher and method”* (p. 552).

This has to do with whether the informants will change their response during the interview or whether they give the researchers different answers. The greater the correspondence between data from various sources of the same, the greater the reliability of the data (Kvale & Brinkmann, 2015, p. 318). It has been attempted to avoid asking “leading” questions, as this could affect the results of the information response.

Validity relates to the truth, accuracy, and strength of a statement. In the social science aspect, a method must examine what it says it will examine (Kvale & Brikmann, 2015, p. 318). Stenbacka (2001) states that the question of basic validity is whether *“the intended object of measurement actually is measured”* (p. 552). A way to ensure validity is that the process is open, and understand the phenomenon being researched *“(...)the phenomenon is valid if the informants is part of the problem area and if he/she is given the opportunity to speak freely(…)”* (Stenbacka, 2001 p. 552). To minimise bias and heighten validity, it was chosen to conduct interviews until a pattern arised. A pattern arised after conducting 15 interviews.

Moreover, the informants could have been, not intentionally, dishonest or misled the interviewer while conducting the interviews. However, one great advantage by using qualitative interviews is that it is often difficult for the informant to decode which answers the interviewer is seeking, and therefore the data is seen as usable. With bias in consideration, there is no reason to doubt the empirical findings or the validity of the answers provided by the 15 informants from the chosen segment.

Bryman (2016) express the importance of letting the readers know which factor have had an influence on the conduction of a social research. The researchers of this thesis, therefore, want to forewarn the reader of their possible biases and assumptions about the researched field.
Especially the impact of social values, which also is referred to as axiology, as the values will reflect the researchers personal feelings or beliefs.
These statements and willingness to explain the researchers possible biases is often referred to as "confessions" in the literature (Bryman, 2016, p. 35).

Since one of the researchers, Jennipher Elex, has worked in a customer service function in the financial sector, she already prior to the start of the research had some knowledge of financial products and the industry in general. This has benefitted the research, as the researchers at a glance knew whom to contact, to get different information, and it has led to a faster decision making process. This knowledge of the industry has influenced the research at first, but has not had any influence later in the process. It has been taken into account that Jennipher Elex, may have been influenced and shaped by her already existing knowledge on the researched field.
The other researcher, Katrine M. Jensen, has, on the other hand, had limited knowledge on the researched field and has not been influenced by elements from the financial sector before this research began.

4

ANALYSIS OF EMPIRICAL FINDINGS

Organising themes
Analysis of quantitative empirical findings

This chapter will elucidate the empirical findings and structurally analyse the collected data. This analysis is divided into six organising themes, that were generated through the thematic analysis. As this thesis, has a customer-centric view, an expert interview with Camilla Sylvester (Bank advisor at Jyske Bank), is briefly analysed to clarify the contrast between the customers' perceptions and the retail banks' activities. Furthermore, Christine Clausen, (head of the strategy at Nordlid), give an expert view on how to create customer experiences from a customer-centric view. Lastly, the quantitative conducted data will be analysed.

4.1 Organising themes

The following figure 4 aims to demonstrate the thematic network and illustrate the relationships between the illuminated themes.

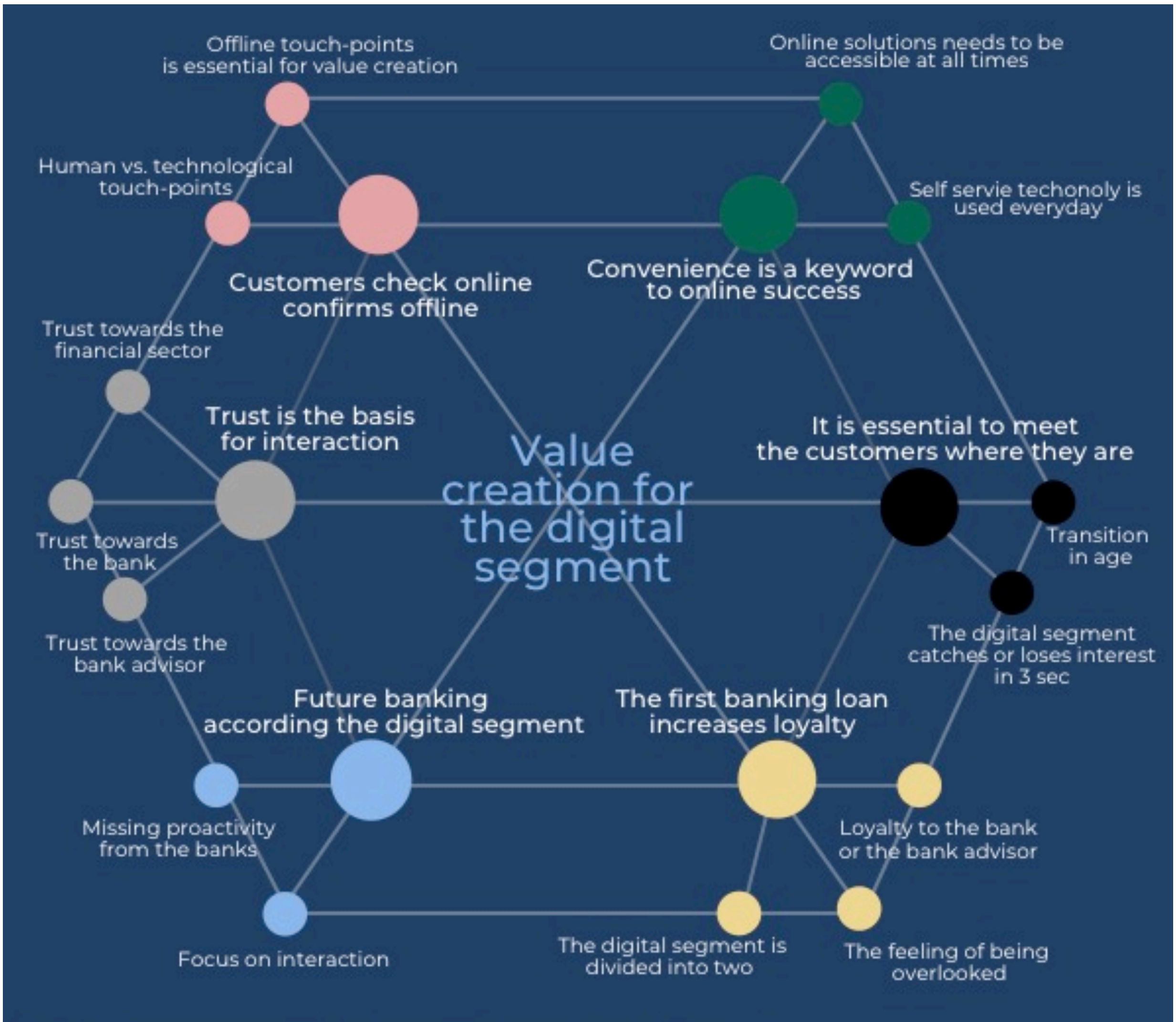


Figure 4, Thematic Network Analysis, own creation, based on Attride-Stirling (2001)

The global theme of this thesis is value creation for the digital segment, which will be described in relation to the six organising themes. The six organising themes are; OT1: *trust is the basis for interaction*, OT2: *customers check online, confirms offline*, OT3: *convenience is a keyword to online success*, OT4: *it is essential to meet the customers where they are*, OT5: *the first banking loan increases loyalty*, OT6: *Future banking according to the digital segment*. Each organising theme has underlying basic themes, in total 14 basic themes has been developed.

4.1.1 Organising theme 1: Trust is the basis for interaction

Doing the conduction of the interviews trust came up a couple of times. The first organising theme "Trust is the basis for interaction" comprises three different kinds of trust. All these kinds of trust compose the basic themes. First, in this analysis, trust in the financial sector will be explored together with trust towards the bank itself and second trust in the bank advisor. The last basic theme consists of the fact that trust is built over time, and how trust shifts from family members to bank professionals. Trust is a feeling that is manifested by the fact that an individual is expecting or believing that another individual is reliable.

The financial sector has in recent years been in heavily adversity in the media. Especially the sector's image has had a rough year, which might have had an impact on the trust towards the sector. When Camilla Sylvester (Bank advisor at Jyske Bank) is asked what she believes is the main issues that the financial sector is facing she answers;

Camilla Sylvester (Bank advisor at Jyske Bank) *"I believe on top of my mind, that people associate the banks with all the money laundering cases."*

Meaning that the banks see the highly debated money laundering cases, as a threat towards the trust between the bank and its customers, as the money laundering discredit the entire sector. However, the findings indicate that the digital segment, has no worries about the money laundering cases, as the informants generally state that the cases do not affect their relationship and therefore their trust towards the banks.

Philip Carentius (25 y): *"You clearly think about it, but it is not something that I value when choosing a bank. It does not influence my everyday life, but of course you think about it and to some extent, effects the banks' image and their advisors*."

Mia Mechula (24 y): *"No, the money laundering cases have not affected me and it is not something I have given much thought*."

Julie Rothgarn (20 y): "*I have always been a customer at Danske Bank (...) But I have heard that I should probably shift to another bank, because of the money laundering cases. (...) But I think deep down that my money is still protected, maybe it would be different if I had a lot of money in the bank*."

Therefore, it can be argued that money laundering is something the banks thinks more about than the customers, at least more than the digital segment. This can be assumed as a matter of course since the banks are more aware and inside the case of money laundering than the customers. This said the banks should not be worried that the young adults will shift banks because of a money laundering case. The informants overall have trust toward the bank itself, especially the informants who do not have a personal advisor, really value the trust towards the banks. Even though some of the large Danish banks has been highly criticised in the media because of the money laundering cases, young adults still have trust towards these banks. In the case of money laundering the segment do not distinguish between trust to the sector and trust to the banks, it becomes one and the same to them.

Furthermore, the conducted interviews demonstrate that the informants overall still wishes to have personal contact with the bank to some extent. The human interaction has changed over the years, but the interviews show that they still value the personal connection to their bank advisor. Trust is a necessary interaction between the customer and their bank, but trust is even more important between the customer and the bank advisor, who shall advise the customers to make the right decision. The informants who have a personal bank advisor express that trust to the advisor is essential for them, instead of only trusting the bank, so it is about the personal relation.

The financial world, hereby retail banking and its products, is partly unknown to the youngest informants, and it is not a matter of course that they trust the unknown. Some have not had any interaction with their bank yet, but know that there will come a time where they will be in the need of their bank and bank advisor, etc. when buying a house. Trust is something that is built over time, and the interviews indicate that it takes time for the young adults to build this trust to their bank and bank advisor. The trust is easily built when the customer can get in touch with the advisor easy and often. When Philip Carentius (25 y) is asked if he feels a greater degree of trust when he achieve personal contact when needed, he answers:

Philip Carentius (25 y) *"I would not be satisfied with a bank where I could not have personal contact with a human being*."

Furthermore, Laura Orloff (25 y) feels that she can rely more on her bank when less formality arise, and simply send a short text message to her bank advisor when having any questions;

Laura Orloff (25 y): *"(...) I can write to my bank advisor privately and text him, which means that I have much more personal contact and can reach him fast and easy*."

The informants expresses that if their bank advisor does not respond to their inquiries (phone calls, email etc.), dissatisfaction will occur and the degree of trust will decline, as the customer needs to feel, as the first priority. Listening and interacting with customers will minimise the risk of dissatisfied customers. This argument for engaging in value creation is being underlined by empirical findings when following informant states;

Philip Carentius (25 y): *"My bank advisor shall listen to my needs and shall put himself in my place otherwise I will not feel valued*."

As stated trust is built over time, and the process of building trust to the bank begins when the young adults, first interact with the financial sector. Instead of starting this process, young adults often use family members as bank advisors. The youngest informants, when asked if they had a bank advisor, could not recall.

Signe Jensen (18 y): *"I do not know. We just talked to someone employed in the bank, who sat behind the counter when we visited."*

Marie Frederiksen (18 y): *"I do not think so. I just walk down to the physical branch and talk with the first person who met us."*

The youngest informants do not, at first, go to the bank advisor, as they may not know who the person is and thus have no trust and confidence to the person. The informants find it challenging to make contact with their advisor, and their bank, if it is not clear to them whom they should contact. The youngest informants consult with those they trust and can see, have control over their finances. Some of the youngest informants also often have various counsellors within the family.

Daniel Olsen (18 y): (...)*"I ask my mom about help if I have some questions regarding the bank, but I am not using the bank so much yet, and it is therefore more questions of interest."*

Signe Jensen (18 y): *"If it is about small changes or questions, I simply ask my dad if I need help. If it is bigger things, that my dad does not know, I ask my granddad, because he knows a lot about banking products"*

It can be argued that the young adults who do not have a family member, who is in a position to advise and guide them, is in need of a personal bank advisor. However, on the other hand, it is essential for the digital segment, that they not get bothered by the banks with minor, less critical problems. The young adults quickly start to feel embarrassed, when contacting the bank regarding small issues. Here a feeling of being a burden occurs to the youngest informants.

Anders Pedersen (20 y): *"If the bank had reached out to me, I probably would be more willing to call them, even though it is about small things. Now I am afraid to cause inconvenience or not be important enough, it is easier to talk to a family member instead."*

Some informants states that the bank has contacted them, when turning 18 years, mainly through letters sent to the young adults. The informants states that content of these letters either were too difficult to understand or just a piece of simple information about turning 18 years, and becoming a

“real” customer. This contact provided by the bank at an early stage, indicate that the banks are trying early to develop trust and relation to the young adults.
The findings show that the banks mainly fails, as the youngest part of the informants generally do not have a close relationship to their financial service provider, so it can be argued that what the banks are doing is not working.

Daniel Olsen (18 y): *“ Yes, I received a letter from the bank when I turned 18, and I simple had to answer it. This letter was about becoming an adult instead of youth customer in the bank.”*

Maia Stockholm (21 y): “*I received a letter with a lot of difficult financial terms from my bank, but as I did not answer it, the bank called me after a few weeks.”*

4.1.2 Organising theme 2: Customers check online, confirm offline

The second organising theme *“customers check online, confirm offline”* comprises two basic themes. The two basic themes involve online and offline touch-points, furthermore it has become clear that offline touch-points is essential for value creation.

In this thesis, touch-points are divided into two categories; Human (offline) and technological (online) touch-points. Human touch-points are considered as physical branches and bank advisors. The bank advisor is a person who is employed by the bank to advise the bank’s customers about their finances. Instead of “bank advisors” they could be referred to salesman, as their work consists of earning as much money for the bank as possible (Thygesen, 2018, p. 1). On the other hand, a bank advisor is under the oath of legislation and different ethical rules where they can be held accountable for their actions. The human interaction can be done through phone, chat, personal meetings etc.
Technological touch-points in the banking sector are considered as any touch-point happening online e.g. apps, website, online ads, where the touch-point is automatic controlled, and no human interaction are involved. The following figure 5 visualise which touch-points existing bank customers typically go through, when interacting with their bank. These touch-points can either be online or offline and are drawn from the informants’ interviews.

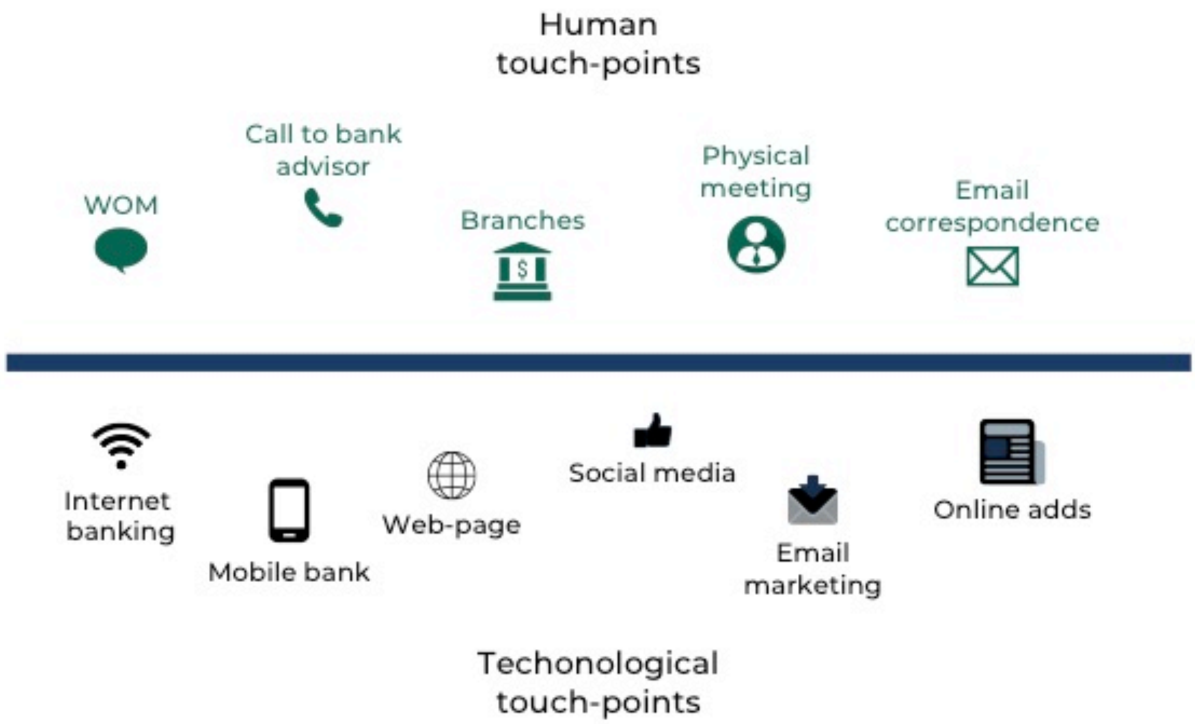


Figure 5, Touch-points, own creation

The findings show that it often provides value for bank customers to use multiple channels to interact with their bank. However, unfortunately, one informant has experienced an adverse effect of the use with multichannels, as he has experienced that two channels worked poorly together, which caused confusion and led to a dissatisfied value.

Anders Pedersen (20 y): *"(...) I have experienced that my bank advisor could not help me with a card I ordered online, because she could not find the order online in her system. She ordered me a new one, but after one week I suddenly had two cards and had to pay for both of them".*

Expert Christine Clausen, (head of strategy at Nordlid), expresses a concern for the use of multichannels, when she states following: "*It first becomes connected at the moment where all data are tied together and you can use the insight gained about the customers from one channel you can use in another channel. This is one of the banks biggest challenges today, that they do not have the technology that allows them to gather all that data.*"

A pattern arises as the informants typically first search online to read about different products on the internet bank or the banks website. Afterwards, a majority of the informants decided to call the bank and if possible their bank advisor, to confirm that they understand the information and are doing the right thing. This is only possible as the customers are provided with several channels and the opportunity to interact with the bank both online and offline. It turns out that many of the informants have uncertainty about using the online banking system, and it makes them feel unsafe as to whether they are doing the right thing, which is considered surprisingly as the informants are considered being part of the most digitised generations.

Catrine Faber (25 y)*: "First I logged into the internetbank and read a lot about the card. Afterwards, I wrote to my bank advisor to ask what was most advantageous. I had to go abroad for 6 months and wanted to make sure, I had access to my money. After talking to my bank advisor and had her confirm that it was the right solution for me, I went online and ordered it myself.*"

Mikkel Hvid (23 y)*: "I looked online, but could not find the solution to my problem, so I called them. So I both used the banks online and offline solution. But the offline solution ended up being the best way to solve my problem.*"

Julie Rothgarn (20 y)*: " First I searched some pieces of information on the internet, but I did not find the answer. So I ended up calling the bank, then they asked me what I was looking for in the product, and together we found the right solution".*

Furthermore, the informants describes that this uncertainty is related to the complexity of the products that the banks offer. They feel that one mistake can have a significant impact on their private economy.

Philip Carentius (25 y): *"It definitely comes down to uncertainty. The things a bank offers are very financial and not very interesting, therefore I think it is important to have a bank advisor who can advise me.*"

Mia Mechula (24 y): *"When it is a more complex product, I simply call the bank because I fear to fail. I can almost hear my parents complaining that I have done something wrong with my finances, so I become uncertain about the situation, and need to check if everything is okay*."

A majority of banks in Denmark offers online banking solutions to customers today. Generally, all banks have developed a mobile app, thus with limited features. Furthermore, the banks are providing a service called Netbank, which is an internet banking service. Many internet banks offer more advanced features such as trading, budgeting and loan calculations. In addition, it is often possible to communicate securely with the bank advisor and order various forms of financial services via an online chat. Here the banks are combining human and technological touch-points, in which a human being is in control over the experience the customer receives through the online app. Sebastian Hersbøll (23 y), is one of those who use the online chat function.

Sebastian Hersbøll (23 y)*: (...) "It works a lot like messenger, so I can simply write to my advisor through the app regarding questions, very informal (...) We have had a very informal correspondence because I had to change my bank account. She wrote to me, how it was done and if I had any questions. I had one question about how to transfer money, and she guided me through the process*."

Some of the informants get a dissatisfied experience when using their mobile app and find out, that what they should resolve, cannot be done through the app. Instead of using their mobile app, they have to log on to their internet bank. This makes their "purchasing process" complicated, and it ends up being more advantageous for them, to call the bank, rather than solving their problem through online services.

Philip Carentius (25 y): *"I am not concerned with if I can find things online, as I do not spend much time searching for it. However, it will always be advantageous if I easily could find it myself and that it only took 10 seconds to be able to find out which product was the right one, without calling someone*."

Mia Mechula (24 y): *"For instance, I actually think that there are many things I have to fix on the computer as the app does not provide the service. For example, when I signed some documents, it should be done on the computer, through the internet bank."*

It can be elucidated from the empirical findings that the informants use their bank advisor in different scenarios. The findings indicate that those with a personal assigned bank advisor are more common to reach out with every little problem, whereas those with no personal bank advisor only contact the bank when purchasing a new product. A trending pattern shows that none of the informants are in need to visit a physical branch to solve these problems, only when buying their first home or other large products, the informants find the need for a physical meeting with their bank advisor.

Philip Carentius (25 y): *"To me, the branches may not mean that much, it is rarely I need a physical face-to-face meeting."*

Maia Stockholm (21 y): *"No, it does not have an influence on me that Sydbank does not have a branch near me, I do not use the branches."*

It is not important for the digital segment to have physical branches near them. If they need their bank advisor they simply call them and make an appointment. The young adults do not use the branches, like any other typical store, and most of them do not know where the nearest branch is.

4.1.3 Organising theme 3: Convenience is a keyword to online success

Organising theme three comprises two basic themes. The first theme decode the importance of the online bank solutions being available at all time. The second theme is concerning the arising of self-service machines, which give the bank customers control over their finances.

The empirical findings indicate that a shift has happened from the previously passive customers' role to the customers becoming a co-creator of value. Technology has had a significant effect on the financial sector, where it has opened up for many self-service possibilities, as the before mentioned internet banking and apps. The growth in online banking has resulted in customers' interacting with their banks through technological channels to a greater extent. The informants are, as stated before born into the digital world, and is therefore familiar with the opportunity to check their bank accounts easy on their smartphone; however, whenever and wherever they want. Significant changes are taking place across the whole financial sector, and through the last decade, a multichannel experience has become standard procedure. The standard mobile bank app is raised to a technology tool the customers use on a daily basis. This means a more intuitive control from the customers' side as well as functionality, inviting design and easy user experience. The self-service transaction must be painless and secure to the customer.

The findings shows that the informants is diligent users of the mobile bank apps and the findings furthermore expounds that 100 per cent of the informants use the mobile app almost everyday. They compare the mobile app with social apps, such as Facebook and many of the informants has made it a habit to check their financial situation every day. As they compare the mobile bank app with social media apps such as Facebook, it requires some demands to how user friendly the mobile banking apps are and a high demand to the apps functionality, which some of the informants find not to be updated enough. As the informants has the opportunity to check their financial situation everywhere, it provides them with the opportunity to be more in control and to manage their money constantly.

Marie Frederiksen (18 y): *"I daily check how much money i have on my different accounts through the internet bank."*

Lukas Rønnow (22 y): "*I believe I did it yesterday, when I checked my account through the app. I check my account a couple of times every week to see if I am in deficit and to see how much money I have left for the rest of the month.*"

Catrine Faber (24 y): *"Yes, I use the mobile app everyday. I have several accounts, and therefore it is nice to be able to check the balance."*

When the informants were asked what a good bank is to them, a majority answered that a good bank is convenient to use and accessible at all times. If they need help immediately, they want to be able to reach the bank at all time.

Anders Pedersen (20 y): *“A good bank is to mee a bank which is accessible. It has to be easy and convenient to use, especially the online app shall be easy and updated. I shall always be able to reach the bank and if my bank advisor do not answer, he shall return my call quickly.*"

Julie Exner (22 y): *“They shall be able to help me, whenever I need it, and shall be accessible 24 hours a day.*"

Mikkel Hvid (23 y): *“The perfect bank shall be accessible, that can be both on telephone and online through mail or apps. But especially with my lopsided work hours, I shall be able to contact and call the bank in the evening. But it should not be a young student assistent I get in contact with, but rather a bank advisor who can explain me the products and help me with my financial situation.*"

If the online solutions such as the mobile bank app, does not work as intended, the informants feel frustrated and in times where this convenient solution fails, they are in huge need to contact the bank through other channels. The digital segment lives a busy life, so to be able to organise and control their finances on the go, is essential for this segment, and the keyword is convenience. It is convenient to be able to move money from one account to another, when they are laying by the pool at a vacation or to check their saving account while waiting at the bus.

The role of the traditional bank advisor is, and has been challenged over the past years, as people today through self-service technologies can manage many things themselves, where they beforehand should visit the branches to have the bank teller handle it for them. It is much more convenient for the customers to do all these things at home, instead of transporting themselves down to a branch, standing in line just to order a new credit card or transfer some money.

Camilla Sylvester (Bank advisor at Jyske Bank) states “ *(...) The financial sector also faces the challenge, that people can do a lot of thing themselves and from home, in relation to easy investment platforms, they can easily change their loans. So those who are comfortable with the online solutions, can handle a lot of things themselves that a traditional old fashioned bank used to take care of for them.*"

Camilla Sylvester (Bank advisor at Jyske Bank) continues by arguing, that a challenge may be that those who visit the branches today might be the customers that the bank "do not want." Meaning, that the bank advisors should not really guide or advise them but simply help them with their online device, which could be transferring money and other quick services. Camilla Sylvester (Bank advisor at Jyske Bank) explains, that they will of course, offer that service, but these type of customers, are not considered as 'important' customers, and the bank advisors do not make a profit from helping the customers with their self-service device.

As stated in this thesis motivation, branches close, and self-service units arise. Self-service are one of the most critical touch-points a bank can have with their customers. In a world where the products and services offered are personalised, SST is a new opportunity to deliver a differentiated, and much more personal experience to the customer. The problem arises when a customer can not make the app work and believes that it is the app that has an error, because he/she should be able to find out how to use the service.

Isabel Carentius (24 y): *"Well, I can not get the online app from Lån & Spar bank to transfer money to other banks. The app is complicated, and I am wiser than not to figure out how to use it, but it is so complicated*."

This experience provides low value to Isabel Carentius (24 y), and makes her consider if Lån og Spar bank, is the right place for her to finance her economy.
When Isabel Carentius (24 y) is asked *"Do you feel that Lån & Spar Bank has a poor working app, or is it you that find it difficult to use?"* She has a clear answer;

Isabel Carentius (24 y): *"It is definitely the app, because my previously bank had an app that worked well*."

Meaning, she already had a successful experience with another bank apps, which makes her believe that Lån & Spar bank are not up-to-date with their technology.

Whenever an informant mentioned having an issue with working the online solutions provided by the banks, they were asked: *Has it affected you, that the online solution did not work as intended?*

Lucas Rønnow (22 y): "*The app has been down several times, but it does not affect me. It it not a big issue for me.*"

Anders Pedersen (20 y): *"There have been episodes where the app does not work. But it is not me who can not figure out how to work the app, it is simply the app that is out of service. So it do not bother me, I just wait until the app works again. But it shall of cause work the majority of time I have to use it, otherwise it would be really frustrating.*"

The empirical findings surprisingly indicate that the young adults are not being easily frustrated about the apps mis-functions. The findings did not indicate that the informants take credit for making the app work well. Those informants mentioning "good app performance", did not indicate that it was because of them, but gave credit to the banks' software systems. Yet again, if some of the informants had experienced failure with the online solutions, they all denied that it was their fault and it was definitely not because they did something wrong.

Mikkel Hvid (23 y): *"I have experienced once where I should transfer some money and the system said that the code was incorrect. And I never forget my codes.*"

Signe Jensen (19 y): *"My bank app often asks me to update my personal information, even though i already have entered all the information I know. It annoys me a little"*

As long as these online solutions works regularly and the service quality is high, the customers are satisfied because these solutions are convenient. Good service quality leads to satisfying relationship with customers and services provided electronically is usually not the same as the one available at a branch. The technology has brought heightened customer expectations to using self-service, as every bank transactions is supposed to be very easy and accessible.

4.1.4 Organising theme 4: It is essential to meet the customers where they are

The organising theme four is focusing on meeting the customers where they are. Here two basic themes arises. The first basic theme concerns the different stages in the life of a customer. The banking customers can be in different stages even though they are the same age. It has not been possible to cluster all young adults from 18-25 years in the same category with regard to transition in age. Furthermore, the second basic theme addresses the fact that the digital segment only use few seconds, known as the moment of truth, when deciding what catches their interest (Christine Clausen, Nordlid, 2019).

Camilla Sylvester (Bank advisor at Jyske Bank), states that they have a concrete customer journey to young adults. It starts when the young adults is 15 years old, and the bank calls the parents, and ask if their son or daughter needs an bank advisor now, or want to wait until they turn 18 years. When the young adults turns 18 years, they are asked to join a physical meeting in the bank branch, and here the bank advisor has the opportunity to introduce them to the banks' concept and services.

Camilla Sylvester (Bank advisor at Jyske Bank) states: *"When you turn 18 years, you are asked to come down to our branch with a copy of your passport and health insurance card. Furthermore we need you to sign a money laundering formula, to make sure you know the rules.*"

It is important to banks in general that they at an early stage forms a personal relationship to their young customers, so the bank advisor get to know the customer and can follow their life cycle. On the other hand, when Marie Frederiksen (18 y) is asked if she would have liked the bank to contact her when she turned 18 years she answers;

Marie Frederiksen (18 y): *"Well, I do not like it when the bank calls me. I would rather take contact to them, when I am moving out from my parents.*"

However, this is not a general attitude from the informants. Many of the other informants have replied that it would have a positive value to them, if the bank phoned them continuously about preparations for their accounts and loans. Perhaps it is too overwhelming to talk face-to-face with an bank advisor when you have just turned 18 years. Most of the young adults have never been contacted by their bank and if they have been contacted, it has been about red numbers and overdrafts on their account. Thereby, several of the informants states that they are scared when their bank suddenly calls them.

Expert Christine Clausen, (head of strategy at Nordlid), argues that it is important to meet the digital segments needs by looking at them as individuals.

Christine Clausen, (head of strategy at Nordlid): *"The young adults want to be met as special individuals, who cannot be placed in a box with others. Therefore it is difficult to get that segment to attend to events because they want to be treated as individuals*."

The young adults especially needs their bank and their bank advisor when they face a life change. This might be moving to another city to study, to study abroad, a car loan or a loan to an apartment. Such life changes often involves a changed economic situation, and therefore some young adults change bank to get the best financial advise.

Anders Pedersen (20 y): *"Last time I tried to buy a product from the bank, was when I bought a car. I only had enough money to the down payment, so I had to loan the rest of the amount. My bank advisor did not believe that it was a good idea, so I could not loan the money to my car. Instead I went to the car delivership and got a loan. It was super easy, I only had to show my account statements and paychecks, and the interest rate was fair enough".*

When the informants face a shift in their life, they typically consider their finances, and they can be very influential here to changing bank. It is therefore essential that the bank is particularly aware of these transitions in the informants' lives. Just as Anders Pedersen (20 y) who chose to use the car dealer to finance his loan, instead of the bank, because the bank could not meet his needs. However, this thesis does not take into consideration that the bank needed to credit assess the informant beforehand, and maybe could not.

When the informants were asked whether they would like their bank to conduct data on their life cycle and thereby provide better advise, the informants had a positive decline;

Mia Mechula (24 y): *"Yes, it would be fine. I have no clue for example if there are interest rates on my saving accounts. So it would be nice to have the bank call me and guide me about the money I have on my different accounts (...)*."

Sebastian Hersbøll (23 y): *"Yes, as long as it not gets too sales oriented, and my trust and credibility towards the bank stays intact and they have my interests at heart*."

As a business, it is an excellent value to know its customer and their behaviour, as the insights can contribute to a better customer experience. Christine Clausen, (head of strategy at Nordlid), argues that it is a good idea to divide the digital segment into blocks because they are in different stages in their lives. In order for a customer wanting to get involved with a bank, the customer must be processed during their various life cycles, and given advise that is not necessarily sales oriented, etc. help getting an overview of the customers' finances. By doing so, the customer will already be processed when he or she wishes to buy a complex product, and therefore the bank is in a more advantageous position.

Another element that arises in the interview with Christine Clausen (head of strategy at Nordlid) is that companies must be quick and precise to capture the digital segments attention. She argues, that the informants have different digital behavior than other segments. They interact on many online platforms, act differently and use anonymous profiles that are harder to extract data from. The informants have grown up asking the internet, Youtube and their global communities about everything between "heaven and earth." Therefore, if a business is not capable of capturing the young adults attentions fast, the chance has passed.

Christine Clausen, (head of strategy at Nordlid): *"The young adults are so busy and the bank only have 3 seconds to catch their attention. All the communication the bank makes shall be on point. Maybe when the bank is well known to the young adults, and they trust what the bank communicate, the product or service communication are allowed to take a bit longer. So in 3 seconds the banks shall get the customers to understand the relevance of why they are reaching out to them*."

Christine Clausen, (head of strategy at Nordlid) argues that when she is helping companies building up customer experiences, it is important for her to know what value the customers want to experience. She argues that the businesses need to identify the customer journey, in order to find out where to create value to the digital segment. She continues;

Christine Clausen, (head of strategy at Nordlid): *"Some of the main questions for building up the customer journey from the customers life cycle are: "What issues do my customer encounter along the way? What experiences and feelings do they have? What do they miss from us?*"

When the informants were asked, when they last was contacted actively by the bank they answered, they could not recall;

Mikkel Hvid (23 y): *"I do not think so. At least I do not remember ever having received a call from my bank.*"

Lucas Rønnow (22 y): *" I do not recall they ever had, at least I do not remember.*"

As earlier stated, none of the informants considers themselves interesting for the bank. This is because the young adults rarely have experienced being contacted by their bank, and thereby they do not feel any attention from the bank. The informants is in many ways an overlooked segment, even though they are the future banking customers. The young adults has limited knowledge about which products the bank can offer them, and often have been told by their parents what a great bank deal consists of.

Being contacted by the bank is often associated with negative emotions, as the bank often contact the informants when they have deficit on their account. Therefore, the young adults has a fear associated with being contacted by their bank.

Maia Stockholm (21 y): *"Yes, He calls sometimes when I am in deficit again, and suggest that we together fix it.*"

Isabel Carentius (24 y): *"They only contact me when I am in deficit, and try to help me avoid it from happening again.*"

The digital segment often feels overlooked, and some times associate being contacted by the bank with negative emotions. The banks are simply forgetting that these are the segment who in the future will loan money and do big investments, and therefor they should invest more time and effort in the young adults.

4.1.5 Organising theme 5: The first banking loan increases loyalty

Here three underlying basic themes arise. First, the empirical findings shows, that the informants feel overlooked in the financial sector, as they have no contact to their bank. Second basic theme, is concerning the degree of loyalty towards the bank or the bank advisor. Furthermore, third basic theme demonstrates, that the informants is divided in two different groups regarding loyalty.

The feeling of being overlooked can be linked together with the fact, that the segment feels they do not to matter, because of their small fortune. The digital segment believe that only large customers, such as corporate clients, are the ones deserving the banks attention. If the customers do not feel that they matter to the bank, it is difficult to earn their loyalty, and the customers will seek other financial service providers.

Anders Pedersen (20 y): *"The bank has never contacted me, and when I contact the bank their response time is prolonged. In that way, I feel overlooked and insignificant. The bank might not earn a huge profit on me as a customer, but I would still like to be valued a bit more."*

Christine Clausen, (head of strategy at Nordlid) argues that: *"The banks shall remember to invest in the young adults as they are the future. This segment typically feel overlooked, as the banks do not communicate directly to this segment. The banks should look into McDonald's, the company do not make a big profit on the happy meal, but as these children grow up, they will probably keep coming back during their life."*

The empirical findings demonstrate that when talking about loyalty, the informants is divided into two groups. The ones who know, and have interaction with their bank advisor, and the ones who do not. A pattern arises as the informants are asked regarding their loyalty, and the trend shows that informants at 23 years or younger show no loyalty at all towards the banks. On the other hand informants over 23 years is to some extent more loyal to their bank, as some of them have a relation to their bank advisor. When the informants are asked if they would change bank if they could get the same product to a slightly less amount of money, the informants under 23 years, do not hesitate to shift banks, and therefore in an instant express disloyalty. It is seen, that it is the element of saving money that means the most to the youngest part of the informants instead of loyalty. It must be taken into consideration that they have not bought a complex product from the bank yet.

Daniel Olsen (18 y): *"As it looks now I would change bank if they could give me a better loan so I could save money*."

Mikkel Hvid (23 y): *"I am definitely disloyal, but if I had a personal bank advisor who I had talked to many times, and this person always helped me out, I would definitely be more loyal*."

Sebastian Hersbøll (23 y): *I would always accept the cheapest offer, even though I had created some relation to my bank advisor. Yes definitely without a doubt*."

Sebastian Hersbøll (23 y) has a very detailed statement about always choosing the bank where he can save the most money. This focus on money saving, arises from the fact, that the young adults know how to care for their money, and must be considered of high focus to this segment. It gives them the highest satisfaction when they realize they get most out of their finances. Sebastian Hersbøll (23 y) do not currently believe that he would stay in a bank due to loyalty, even though he has a bank advisor whom he has often chatted with over the bank app.

When the informants are 24 to 25 years old, they have different demands and needs to the banks and are therefore in somehow more loyal. All the informants in this age group have a personal assigned bank advisor, which is assumed to be one of the reasons why they are more likely to stay loyal. As this age group has addressed the banks to get counselling and help to understand the complex products that the banks are offering when buying their first home etc. This first meeting with the bank and its complex products is a fatal moment regarding the subsequent creating of trust and loyalty. When the young adults take their first loan the bank changes from being a saving deposit where money are placed, to be perceived as something seriously and a place that can help their dreams come through. The first loan, therefore, has a significant impact on the informants' future bank relation and future relationship between the young adults and their bank advisor. If the first loan experience is a positive experience, which gives a satisfying value, the young adults probably want to establish their next loan in the same bank. The first loan experience can in this situation be a trust and loyalty creating event. The young adults can be nervous and uncertain whether they can borrow the money they want, but if they get a good experience, and are seen and heard by the bank advisor, then it is an event that creates great confidence. The first loan is thus not just a loan, but to a great extent also a social development that contributes to the confidence or lack of the same to the bank advisor and the bank.

When the informants were asked about whether or not their loyalty to the banks could be related to their relation to their bank advisor, a pattern showed that the informants in this age group definitely were more loyal because of their close connection to their bank advisor.

Laura Orloff (25 y): *"Yes, he is a big reason to why I stay. He is much more energetic than the other advisors I have talked to. So I believe that I should save a lot of money before shifting banks."*

Catrine Faber (25 y): *"I think it is difficult to change banks. So now that they have proven to me that they can help my and advise me well, I will definitely try to stay with my current bank."*

Throughout the cause of the eight years, that the informants are in this segment (18-25 years), they are going through a change regarding the use of their banks. First, the banks are acting as money storage, a place where the informants safely can store their money. Afterwards, the banks shift to being more advisory focused, and the young adults now need their bank to act in another way.

4.1.6 Organising theme 6: Future banking according to the digital segment

When asking the informants how a bank should create value for them, two basic themes arise. The first theme is regarding the interaction between the bank and informants and how this should be managed. The second basic theme is about missing proactivity from the banks, as the customers, as earlier stated, can experience the feeling of being overlooked.

The question *"how can a bank create value?"* is a difficult question to answer as the informants sometimes do not think outside of the box. As Henry Ford stated *"If I had asked people what they wanted, they would have said faster horses"* (Vlaskovits, 2011, p 1), instead Henry Ford invented the car. This classic example, of the customers' imagination being limited to some extent, is in 2019 still a relevant focus. But on a daily level, the informants are asked how their bank could create more value for them. Most of the informants answered that they would like the bank to be more proactive, because the informants are much affected by their surroundings and the bank and its products is not a priority to the young adults.

As stated before, the young adults would like to be a priority to the bank, and they want individual, personalised treatment. Through the interviews, it became clear that the informants feel that the banks are not proactive towards them, but reactive. The banks usually only respond when the young adults approach the bank themselves, e.g. when they have to get a new credit card, or when they have red numbers on their account. The attention the informants receive from the bank is therefore often based on the few times when their expenses have been higher than expected and the account is in deficit.

The youngest part of the digital segment (18-22 years)

Again a pattern arises when asking how the informants want the future bank to be. The young adults from 18-22 years are focusing on the bank being able to provide valuable interest rates, and understand them if they are going to spend too much money. The informants further mentioned that a relevant bank to them is a bank who know their financial situation and helps them get the most out of their money. These are the most frequently mentioned goods and services among young adults.

Maia Stockholm (21 y): *"That the bank has faith and trust in me, and that I have room to make some stupid decisions and have red numbers on my accounts some times*."

Marie Frederiksen (18 y): *"A good bank is a bank who can help me and give me an advisor who knows my financial situation*."

Signe Jensen, (19 y): *"Well, it shall be a bank that can help me with my economy and my future purchases and of course give me a good interest rate*."

When the youngest part of the informants, 18-22 years, is asked if they would like the bank to contact them once in a while, a majority say that it is not necessary. They express that it is too complicated for them to have personal contact with the bank, which makes them nervous that they have to decide complex solutions right here and now if the bank calls them.

Marie Frederiksen (18 y): (...) *"They do not need to make contact to me. I will call them when I need something from them."*

Signe Jensen (19 y): *"I would rather ask my parents if I have any questions. And first, when I need using the bank, I will contact them. If the bank called me, I would immediately think that something was wrong."*

Julie Rothgarn (20 y): "If I was more clarified with my life and economy, I believe that it would be nice if the bank called. But if I am still young and confused, I believe it would be annoying and it would remind me that I am growing up and need to make up my mind about a lot of things."

When Daniel Olsen (18 y) is asked if he would like that the bank or his bank advisor contacted him, his answer was;

Daniel Olsen (18 y): *"Top of my mind, Yes, but not when I am this young, and if I need help with something my parents can help me. But I would be more open for the bank to send some emails, so I can sit in quite and peace and look into it."*

The informants' anxiety deals with being contacted directly and on the spot, without being able to discuss the situation with their parents, who previously used to serve as their bank advisor. As Daniel Olsen (18 y) argues, he will be open to receiving emails from the bank, as this allows him to read the mail in peace and quiet. This will give him the feeling that he can gain control over what the bank will offer him and allow him to get familiar with the situation.
Though the informants are born into the digital world, many do not read their emails. They receive numerous emails every day, as many companies use the channel for advertising and news. It is a dying marketing strategy, and especially for the digital segment, which interacts on many different channels.

Christine Clausen, (head of strategy at Nordlid): *"The banks shall have tremendous respect for all people's time, but especially the digital segment is so busy and exposed to many inquiries and advertisements every day. So what the banks do must have a value for the young people, and it must be clear what difference the bank wants to make."*

She continues: *“The young adults do not open their emails, so it is difficult to even with good content to reach the young adults. There can be made excellent contact with them if we first know how we can catch their attention in 3 sec and can make the content better for them.*"

Christine Clausen, (head of strategy at Nordlid), argues that the future bank should focus on finding out how to get the young adults attention and ensure that the content they receive is relevant and based on individual needs. She continues by saying, that if the banks do not focus more on marketing and become concrete on what they can offer the young adults, they will lose the digital segment as customers to another bank or even fintech companies.

Julie Exner (22 y) is the only informant, in this age range, who tends to like receiving calls from the bank. This is because, she thinks, her knowledge within fintech enriches her interest in the bank. Fintech is, as Julie Exner (22 y) describes *“a contraction of the words financial and technology, which is an industry consisting of companies that use modern technology and innovation to compete in the market for traditional financial institutions and intermediaries in financial services“*. Because of Julie Exners (22 y) high knowledge of financial products, she feels more comfortable in having contact with the bank and is interested in the bank being more proactive. She is the only informat in the age group of 18-22 years who feels comfortable with the idea of the bank calling her, where the remaining informants are more dismissive. When she is asked about the bank contacting her she answers.

Julie Exner (22 y): *“Yes, definitely, that would be nice. I would have less to think about, and at the same time my accounts would be in good hands.*"

The oldest part of the digital segment (23-25 years)

Unlike the youngest part of the informants, the informants from 23 to 25 years are more optimistic about the bank contacting them. The oldest part of the digital segment has, as before mentioned, been more in contact with the bank, and therefore feel more confident about the situation. There is an obvious gab difference between 18 and 25 years, but none of the informants have been contacted by their bank. The young adults has contacted the bank themselves, but would like the bank to be more proactive in the future.

Philip Carentius (25 y): *"As long as it not becomes once a month. It means something to me that the advisor actually has made an interest and learned what type of person I am (...) Do they call to let me know that I have a certain amount of money on my saving account and it would be beneficial to invest them or move them to an account with higher interest rates then I would really benefit from the call."*

Another important aspect arises when Philip Carentius (25 y) argues why it is positive that the bank should call him. He says that it is important that the bank knows where he is in his life and therefore can provide personalised advise and products. This is the eccentric factor that the bank can provide and add value by calling this segment. This relates and are correlated to organising theme four, revolving meeting the young adults where they are in life. This opinion is shared by other informants;

Catrine Faber (25 y): *"Yes, if they know my situation and where I am in my life and what I might need. Otherwise it will be a waste of time."*

Laura Orloff (25 y): *"I would really like if they called, when they believed that my money could be optimised in some way. It would definitely create more value to me and create a higher loyalty feeling if they called often and kept in contact. It might be the case that I have a need I do not know of, and my bank advisor made me aware of this and came with a solution."*

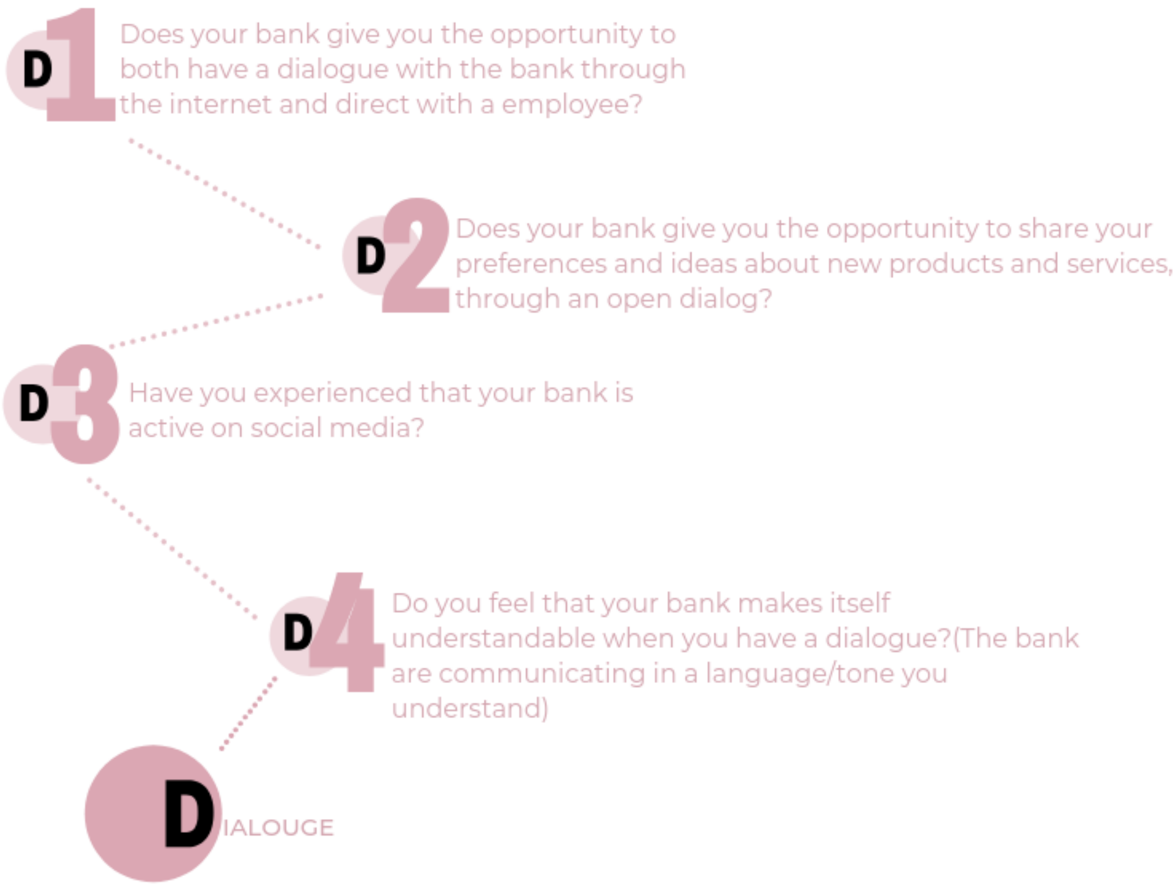
It can therefore be argued that, the oldest part of the informants believe that the bank should be more proactive, in order to be able to maintain them as customers, and for the informants to feel that they get the most out of the services that the banks offer.

4.2 Analysis of quantitative empirical findings

This section of the analysis aims to analyse the quantitative findings, conducted in this thesis. These findings will not be analysed with the qualitative findings extended from expert interviews and semi-structured interviews. Both qualitative and quantitative findings will be benchmarked against each other in chapter 5.

As stated in the methodology chapter, this survey consists of 16 questions divided into four sections regarding the framework DART. The below analysis will analyse the 16 questions answered by the 15 informants. In appendix 3, four tables will be visualised to illustrate the answer rate in per cent; Dialogue, access, risk-assessment and transparency.

Dialogue



When looking at the conducted survey, the first question asked is; *"Does your bank give you the opportunity to both have a dialogue with the bank through the internet and direct with an employee?"* (D1). Here 100 per cent answers that the banks allow them to interact and have a dialogue both online and offline.

Thus, when asking; *"Does your bank give you the opportunity to share your preferences and ideas about new products and services, through an open dialogue?"* (D2), only 20 per cent of the informants answers "yes", and therefore it is a small part of the informants, who experience this opportunity. 66.7 per cent do not think their bank allows them to share ideas and preferences about new ideas and products (D2).

It is assumed that the 66.7 per cent responding "no" to the survey has failed to share preferences and ideas with their bank, as they could have answered "do not know" if they were in doubt.

The third question are; *"Have you experienced that your bank is active on social media?"* (D3). When it comes to the banks' dialogue through social media, such as Facebook, Instagram or Twitter, the findings indicate that 86,7 per cent of the informants has never experienced their bank actively engaging on social media (D3).

Only 6,7 per cent (one informant), states that he or she has experienced their bank actively using social media when answering "yes." Here a significant part of the informants are agreeing on not having experienced their bank on social media, as the informants are assumed to all interact on social media.

The last question is; *"Do you feel that your bank makes itself understandable when you have a dialogue? (The bank are communicating in a language/tone you understand)"* (D4). 53,3 per cent feels that the bank is not making itself understandable when having a dialogue. Thus 40 per cent are answering "yes", and this indicates of course, that more informants are having the feeling of not understanding the bank.

Access

First question regarding access is; *"Does your bank give you access through technical solutions to share your opinion and experiences with the bank?"* (A1). A majority of the informants, 60 per cent, believes that they have no access to, through technical solutions, sharing opinions and experiences with the banks. Furthermore, 26,7 per cent answers that they "do not know" and 13,3 per cent answers "yes." This is the question where the informants are most uneven in the gab from answering "yes" and "no".

Question 2 is; *"Does your bank react on your questions or comments within 24 hours?"* (A2). 53,3 per cent are agreeing to the bank reaching out within 24 hours if the customer has contacted the bank. However, 40 per cent answers that their bank does not react within 24 hours, and have therefore experienced that the bank reacts slower, or maybe never reacts on the customer's inquiry. Only one informant answers "do not know", and it is assumed that this informant have not experienced the need to get access to the bank within 24 hours. Question (A3); *"Does your bank offers access to an online forum where customers can share opinions with each other and the bank?"*, is only answered with "no" and "do not know." 66,7 per cent of the informants answers “no” and therefore is assumed to know that their bank does not provide an internet forum where they, as customers, can share opinions with each other and the bank. 33,3 per cent answers that they “do not know” if their bank provides this kind of service. Question (A4); *“Do you have free access to communicate with your bank easily?”* has a positive outcome. 86,7 per cent of the informants answers “yes”, and they are therefore almost unanimous in, that their bank gives access to freely communicate with them. Only 13,3 per cent answers “no”, and no informants “do not know”.

Risk-assessment

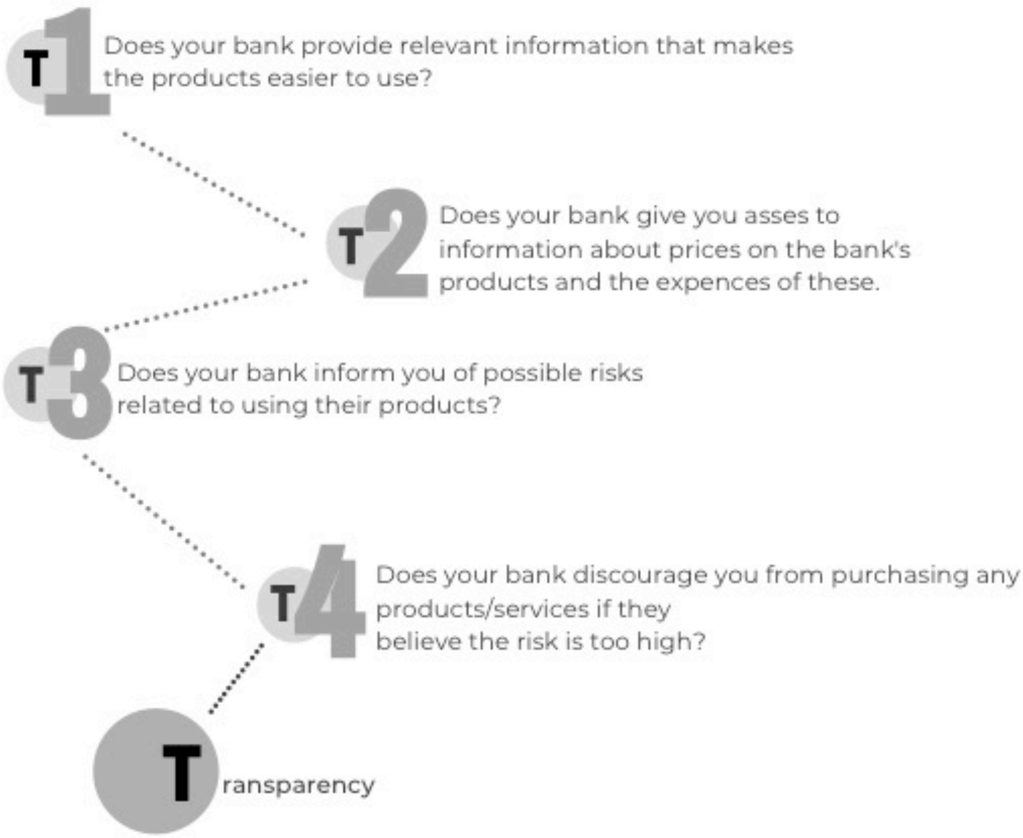
The first question asked regarding risk is; *“Does your bank provides relevant information that makes the bank products easier to use?”* (R1). 73.3 per cent of the informants agree that the bank does provide relevant information about the use of their products, this is against one informant answering “no". This is considered as a positive response rate, as not all informants have bought a complex product yet.

Question 2; *"Does your bank give you all relevant information about their products so that you can assess the offers on your own?"* (R2). 53.3 per cent do not believe that sufficient information is provided to allow customers to access products on their own. Furthermore, 26.7 per cent of the informants believes that they get all the information they need. This must be considered as a negative response rate, as the percentage of informants answering "yes" is far lower than informants answering "no".

The next question regarding risks is; *"Does your bank inform you of the possible risks related to using their products?"* (R3). Here, 60 per cent of the informants answers "yes", which is considered as a positive response rate, equivalent to the response rate of those informants answering "no" were only two. 26,7 per cent of the informants answers "do not know", and it is assumed that these informants have not bought a complex product yet.

The last question (R4); *"Does your bank discourage you from purchasing any products/services if they believe the risk is too high?"*. As many as 73,3 per cents are saying "yes" when asked if they feel that the banks are advising them not to engage in products involving too high of a risk. 26,7 per cent answers "do not know" and thereby none of the informants are answering "no."

Transparency



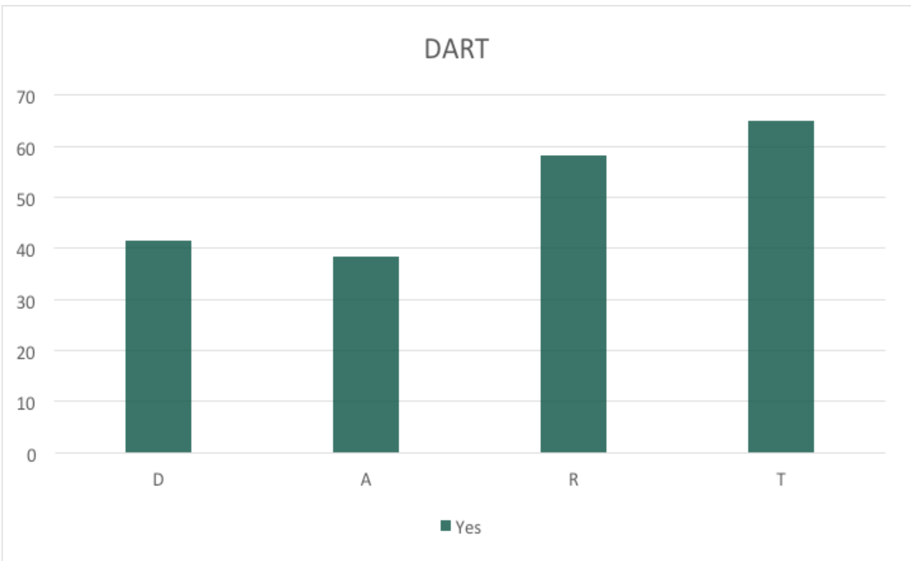
The first question regarding transparency is; *"Does your bank provide all relevant information, which makes your use of their products easier?"* (T1). 80 per cent of the informants expresses that the bank is supplying them with enough relevant information for making the customers' use of the products easier. Only 6,7 per cent (one informant) answers "no" to this question.

When interpreting the findings regarding the question: *"Does your bank give you access to information about prices on the banks' products and the expenses of these?"* (T2), 53,3 per cent of the informants answers "no", as they feel that they have limited access to information regarding prices and expenses on the banks' products. Only 26,7 per cent believes that they have free transparency to this information.

Concerning the question (T3); *"Is the bank's information about the products updated so that your experience of the products becomes easier and better?"*, 80 per cent of the informants answers "yes". They respond "yes" to the fact that the bank is transparent in relation to information, which leads the bank's products to become more convenient and better to use. Only 20 per cent answers “do not know." The last question regarding transparency is; *“Do you feel that you have the information about your bank that you should have?”* (T4). This response rate is roughly shared in two equal parts. The one part is 53,3 per cent which answers “no” and therefore states that they do not feel that they have all the information about their bank they need. On the other hand, 46,7 per cent answers “yes”, and therefore these informants are provided with all the information they need.

To summarise the above analysed framework, following figure aims to illustrate the total score of positive answers. As earlier stated, to achieve the most beneficial outcome to the question, would be if all building blocks had a total response rate of 100 per cent. To visualise the total response rate a calculation of the “yes” answers is made in below table.

The questions regarding dialogue have in total less than 50 per cent of “yes” answers (41,6 per cent), and this indicates that the banks must make an effort to achieve more positive responses regarding their dialogue with the informants. The questions regarding access therefore has a “yes” answer rate of 38,3 per cent, this is mostly caused by question A1. The bank does not provide enough access to their customers. When analysing the questions regarding risk, it is more positive numbers. It shows that 58,3 per cent of the informants answered “yes”, and this is a reasonable outcome. On the other hand, the questions regarding transparency have 65 per cent “yes” answers. This is satisfying concerning the other questions answered through the DART framework.



5

DISKUSSION

One way communication vs. interaction
Figuring out the banking world
Customers are disloyal
Working across channels
Gain customer knowledge to understand needs
Proactivity is the future
Contributions to theory
Contributions to managers
Limitations

This chapter aims to discuss the empirical findings and the theory elucidated in the literature review. In the prior analysis, the global theme is "Value creation for the digital segment" and this global theme leads to six organising themes. These six themes are all interrelated and connected in some way and below discussion will enlighten the most essential connections. Two types of solutions will be represented after each section and will lastly be summarised into guidelines and suggestions to existing theory and managers.

One way communication versus interaction

This first section discusses the two organising themes; 2 and 3.
These themes connect the elements by customers checking online and confirming offline, and the convenience the informants seek in the online solutions. Both of the themes will be discussed from the view of co-creation literature.

It is stated in the analysis that the digital segment, has an excellent advantage by using multichannel and thereby use both technological and human resources to get in touch with their bank. Although the young adults state that they use SST to check their bank account every day and that it is essential that their banks provide this online solution 24 hours a day, the human aspect surprisingly still values a lot to some of the informants. The internet has expanded access to the banks, especially through the use of SST, and almost every household in Denmark has internet, therefore everybody has access to this service.
As customers today through SST are getting more involved and thereby are getting more knowledge regarding their financial decisions, an open dialogue is essential. Today this open dialogue is more accessible reached, as the concept of dialogue, as Prahalad & Ramaswamy (2004b) argues requires both participants to be equal.

The new online technologies have fostered a new way to make dialogues through online chat systems, and this can provide an equal relationship to the service provider. As the analysis of the empirical findings shows, the customers are more and more depending on SST and are having less face-to-face interactions with their bank. It can, therefore, be argued that the business managers need to make sure that the dialogue with the customers, both online and offline, are open and equal. When looking at the conducted survey, 100 per cent answers that the banks allow the customers to

interact and have a dialogue both online and offline (D1). This goes hand in hand with the answers drawn from the interviews, where the informants express the need for checking online but are confirming a purchase offline. It can, therefore, be argued that the banks are providing their customers with the right platforms, in order for the customers to reach the bank.
However, 53,3 per cent of the informants express that there is limited transparency to information regarding prices and expenses on the banks' products (T2). This indicates that the banks are not as transparent when it comes to products, and therefore the dialogue, may be considered, not that open regarding specific products.

Nonetheless, when it comes to giving the customers access to a forum where they can express feelings or opinions regarding products or experiences with the bank, the banks are clearly lacking behind (A3). A majority of the informants (66,7 per cent) answers that their bank does not provide this kind of forum. There is, as the survey shows, none of the informants that believe there is a forum where the banks have allowed the customers to exchange opinions between the customers and the bank. It can be discussed whether it is relevant for customers to have access to this kind of forum. However, concerning the digital segment, the forum is considered suitable, as it is believed that, it will increase customer access if there were developed a free speech forum. The forum should be a platform for the young adults to ask for advise and get inspired by other conversations and debates. It can, therefore, be argued that the bank would provide a better open dialogue in a forum, instead of one-way communication where the bank communicates to the customer.

When using offline touch-points, the dialogue especially needs to be open, in order for the customers to be comfortable with co-creating, and therefore creating value. As the interviews shows, the informants use online touch-points to check information online, before they contact the bank, so it is crucial that the first touch-point is open. A lot of the informants uniquely expresses that they feel scared and have anxiety when talking with the bank. The informants state that this is coursed as the banks offer a lot of complex products, some informants even say that they are afraid to look stupid or incompetent in the eyes of the bank.
In these cases, it can be discussed that an open dialogue might make a significant difference for the customers, as they could be more sincere and straightforward with the bank. If the customers feel they can be honest, their engagement and eagerness to interact with the bank would presumably increase. As Prahalad & Ramaswamy (2004b) states, the dialogue needs to entail empathic

understanding and shall often be evolving around the customers' experience. This is however often not the case when asking the informants, as many of them express that they feel misunderstood by the bank. In the conducted survey 53,3 per cent express that they do not feel that the bank has an open dialogue, as the young adults do not understand the professional tone, the bank advisors are speaking in (D4). Co-creation can only occur if customers understand what the bank is communicating and understand what the bank can offer. Therefore, the banks' ability to co-create with the digital segment fails to some extent. It can often be difficult to reach an understanding of the private economy and the agreements a customer makes with the bank. The perception of the bank advisor's side of how a meeting has progressed can vary widely depending on whether it is viewed from the perspective of the customer or the bank advisor. The bank advisor can leave a meeting with the assumption that the customer understood and is satisfied with the outcome of the meeting. On the other hand, the customer can leave a meeting, feeling both unintelligent and let down because of a mismatch provided by a misunderstood dialogue with the bank advisor. This can have consequences for the confidence, which has already been put to the test by the informants, who first need to build a relationship with the financial world.

As the findings indicate, 86,7 per cent of the informants has never experienced their bank actively engaging on social media (D3). This is not a statement that the banks do not use this kind of media. However, the informants in the digital segment, are not receiving an outcome of the banks' presence there. A quick five minutes search indicates that a majority of the banks are present on the social media, Instagram, however, the banks are not posting anything. It can, therefore, be argued that the banks have limited use of this platform, where the informants are operating. As Christine Clausen, (head of strategy at Nordlid) explains, the digital segment decides if something is interesting within 3 seconds. It can be discussed whether it would create value to the digital segment if they have the opportunity to interact with the banks through channels the young adults already are active on.

Regarding access, a majority of the informants believe that they have easy access to communicating with their bank. When it comes to the banks' reaction time, it can be discussed whether the banks are doing a good job or not (A2), 53,3 answers that the bank is responding within 24 hours, and 40 per cent answer that the bank is lacking behind. In the analysis of the empirical findings, it became clear that the informants need a bank that is accessible at all times, and if not, the bank advisor shall return on the customer's request quickly. This is, therefore, an access point that the banks should focus on and should measure every once in a while, to see if they are living up to the customers' demands.

Furthermore, the findings conducted with the survey shows, that the banks are doing well in terms of giving access to its customers, so they easily can communicate with their bank. (A4) 86.7 per cent answers “yes”, and this is considered a positive response rate, which corresponds to what the informants have said in the interviews, and the qualitative empirical findings can be verified against the quantitative findings. Moreover, free access to communication is an essential touch-point for the banks, and there should be none "do not know" answers, as it would set the banks far behind in the process of winning the informants’ trust and retaining them as customers.

There is a slight resemblance between two of the questions asked in the survey, A1and D2. However, question D2 focus more on the open dialogue about preferences and ideas, while question A1 focuses on the technical access, to be able to share opinions and experiences with the bank. As stated in the analysis 60 per cent answers “no” to question A1. In addition, 26.7 per cent responded that they “do not know”, and the remaining informants answer “yes”. This proves that the banks must focus more specifically on the fact that they are dealing with the “digital-born segment”, and allowing the young adults to express themselves through digital solutions. This will link access and dialogue together, as the bank can subsequently contact the customer and start a good open dialogue.

Figuring out the banking world

According to literature, risk is known as; the level of customer co-production that depends on the customers’ ability and willingness to participate (Prahalad & Ramaswamy, 2004b, p. 27). If the banks fail to activate their customers to use the online systems, the potential co-creation might not happen. By creating dialogue customer can ask questions to the bank, which contributes to creating a more trusting relationship. One informant expresses that he often use the chat function in his bank app, this chat function is only used for short correspondence where both he and his bank advisor shall interact, in order for co-creation to emerge and create value.

60 per cent of the informants agrees that the banks are informing them about the potential risk of using the products provided by the banks (R3). It can be assumed that a deeper level of trust will arise when the banks are transparent with the risk of establishing a loan so that the customers feel that they also are in control with the loan and know what they agree to. 26,7 per cent of the informants state that they "do not know", if their bank informs them about a potential risk, and it is assumed that these informants have not bought a complex product yet. Furthermore, a majority of the informants have the same perception of, that their banks are advising them not to buy a product if the risk is too high (R4). As much as 73,3 per cent say "yes", and it can, therefore, be stated that the banks are forefront when coming to informing the customers on the potential risk when dealing with a bank and its products.

On the other hand, it would be a disadvantage for the banks if they could not advise on high risks or the purchase of products. As Prahalad & Ramaswamy (2004b) argues, the company can gain much trust by using risk management correctly and thereby maintaining an active dialogue between the customer and company. 80 per cent expresses that the bank is applying them with enough relevant information for making the customers' use of the products easier (T1), this is supporting R4.

The informants are also asked if they feel their bank provides relevant information that makes the bank products easier to use (R1). 73.3 per cent agree that the bank does. This, again, gives a good indication that the banks are adequate at allowing the digital segment to choose services that are advantageous and thereby lower the risks.
Even though the informants respond well to the question regarding the bank providing information about the use of products, everyone does not believe that they can assess the offers on their own (R2). 53.3 per cent of the informants does not think that enough information will be given that they can assess offers on their own. Here, the banks need to be more sharp on the informants' desire to check online but confirm offline. The young adults should be provided by the opportunity to read more information before they buy a given product and before they have to contact the bank and their bank advisor.

Due to today's high level of information, which the customers have access to at all time, there is a higher need for the banks to become transparent.

80 per cent indicates that the bank’s information regarding products are updated, so the customers' experience of the products is enhanced (T3). It has been chosen to implement a question regarding whether the bank's information is up-to-date in the survey since it is interesting to get an insight into whether the informants believe the bank is “up to date”. 20 per cent “do not know” if their bank is updated, however, this is the informants in the age category 18-23 years, who have not dealt with this problematic yet.

The informants is asked if they feel that they have all the necessary information regarding their bank (T4). This is something that divides the informants into two equivalent groups. 46,7 per cent says “yes”, and 53,3 per cent say “no”. The increasing of transparency might help avoid the problem of the informants not feeling appreciated by their bank and hopefully add more value to the process of buying their first products. Nonetheless, it can be argued that the banks shall focus more on providing the customers with transparent information regarding the bank. The young adults are afraid that there is something they do not understand when interacting with the bank, and that is one of reasons, why they use their family as their first personal bank advisor.
This discussion of whether the banks are using transparency enough or not, can elucidate that the banks are transparent to some extent. When taking into consideration the answers given in question T3, this positive response rate indicates satisfied customers. On the other hand, question T4 should be more than a 50/50 division, and the bank should focus more on giving every individual from the digital segment the opportunity to get all the information needed.

The conducted interviews showed that the role of the traditional bank advisor has changed, and has been challenged over the past years because the customers use self-service technologies. This SST provides customers with managing many things themselves, and the bank advisor does not have as much personal contact as earlier. Therefore the digital segment feels they do not have the information needed, but contrary they will no get the required information, when only using the bank app and internet banking.
The findings show that it is essential for the informants to receive honest advisory with no hidden agenda, in regards to selling products the customer might not need. This also indicates that the prices given on, e.g. loans must be without hidden barriers.

The customers' sweet spot

As the literature review states, different perspectives on customer value creations exist; G-D logic, S-D logic & C-D logic (Anker et al., 2014). The newest addition to the literature is the phenomenon of C-D logic. As the banks act as a service provider who manages the customers' finances, it can be argued that the customers, when interacting with the bank, are in touch with both S-D logic and C-D logic. C-D logic is enlightened when the informants choose to use the banks online devices and SST. Furthermore, it can be drawn from the informants' answers, that they want to create value by them self with the use of SST, but also co-create value directly with their bank. It can, therefore, be argued, that financial service providers should seek to construct a sweet spot (figure 6), and find a perfect balance between the use of C-D logic and S-D logic.

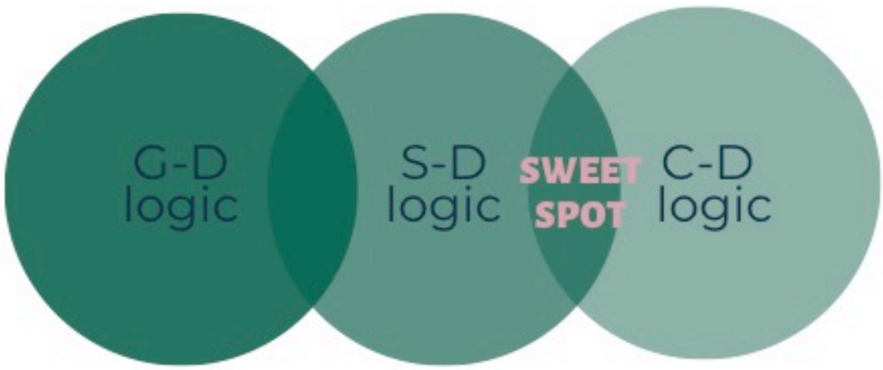


Figure 6, Sweet spot, own creation

As the use of SST emerges, the customers do not have as much interaction with the service provider, but with the SST solution provided by the financial institution. When the informants are using the banking app, they are in control over the services and can create value for themselves. This type of service has the informants in focus and makes the service convenience and available at all time. The informants create value without having any direct interaction with a human being. However, this value creation is only possible as the financial institution continues to provide the SST service.

When the customers are interacting directly with their financial service provider, as the empirical findings shows, a co-creation is happening.

The informants expressed that they use the online chat function provided in the online banking service, and they are then interacting directly with the service provider, and it can thereby be argued that the bank is using S-D logic, as a customer value creation tool. This is in relation to Vargo & Lusch (2008) FP6: "*The customer is always a co-creator of value*" (Vargo & Lusch, 2008, p. 7), as the banks would not have the opportunity to provide a value if the customers did not interact. Furthermore, FP7: "*The enterprise cannot deliver value, but only offer value propositions*" (Ibid.), and it can, therefore, be argued, that the banks are dependent on the customers themselves helping to create the value that the banks are seeking to provide.

The financial service providers thereby use two customer value creation tools, as they use C-D logic to provide a service where the customer can check products online, and create value by themselves. Furthermore, the bank offers S-D logic, as a value creation tool, where the customer can get advise through direct human interaction. It can be argued, as the bank continuously develops on their SSTs, that the banks are trying to have a customer-centric view. It can be argued that today's financial institutions see themselves as the centre of attention, they look out on the customers and think which product they might want and need.
The banks might in the future shift the focus to be more customer-centric and thereby use the outside-in perspective, instead of looking at the bank itself and use inside-out (Jeppesen, 2015). This shift could provide more focus on FP10: Value is always uniquely and phenomenologically determined by the beneficiary (Vargo & Lusch, 2008, p. 7), as the digital segment states, that the bank should provide more personalised products, but at the same time the banks should have in mind that the beneficiary determines the value. Literature insinuates that the banks should be looking at the products from the customers' perspective, and see what the customers desire.
This might help the banks to figure out in which moments of the customer journey the customer wishes to interact with the bank and where to create value. If the banks want to become customer-centric, they need to shape and understand the sequence of events its customers encounters (Norton & Pine, 2013, p. 12). The digital segment today wishes personalised services, that collect and process information, that makes it easier and more clear to make decisions. They expect to have

access to financial services around the clock and assumes the financial advisor to be updated on their individual needs.

As the young adults find it challenging to understand the professional tone (D4), the banks are communicating in, it can further be discussed, when dealing with complex banking products that it can be hard to co-create value. The customers might not be able to co-create when not having any knowledge on the complex product, and therefore shall the banks when dealing with complex products go back to the traditional thinking, of being a service provider that solely provide and create the value for its customers.

Suggestion

Budget

Nonsense

The following two figures is a small step towards creating more value to the digital segment. The first suggestion to the banks, is to develop a feature in their banking app, called *'Budget'*. This feature provides a place where the customers can see their budget and consumption in one interrelated overview. This would give the customers a better understanding of how their money is spent, and when they overstep their budget. Nonetheless, will it provide the bank with notice on where the customer needs help to uphold the budget. This will give an opportunity to co-create the customers' finances and for the bank to be more customer-centric. This suggestion will help the banks combine C-D logic and S-D logic, and hopefully create a sweet spot in between.

The other suggestion and recommendation are to develop a *'nonsense'* feature at all their online solutions. This solution is developed out from the informants' responses given in the DART survey. The '*nonsense'* button should translate the banks' professional language to a tone the customers understand, if the customers face an element they do not understand. The button will send an alert to the banks and report the nonsense. This action will increase focus on a clear tone in the banks' language, so the bank over time become easier to understand.

Customers are disloyal

This section discusses the two organising themes; 1 and 5.

These themes connect the elements, that trust is the basis for interaction, and that the first banking loan increases loyalty. These themes are discussed together as it becomes clear that loyalty can not emerge without the presence of trust. Furthermore, loyalty arises after the young adults purchase their first major product in the bank.

The literature states that the financial crisis in 2008 had huge impact on the trust towards customers, and the financial sector was struggling to maintain customer trust (Grayson et al, 2008). It is therefore assumed that a new crisis will be the reason why customers once again doubt the financial sector, and loses a part of their trust. Quite surprisingly, empirical findings shows that the informants are not affected by the last crisis, the highly debated money laundering cases. EPSI Rating, a Danish analysis firm, has investigated the overall satisfaction in the Danish banking sector. In their 2018 analysis over the Danish banking sector, EPSI states that the overall customer satisfaction has fallen over the last year, as a result of the money laundering cases. Also the banks' image scores very low in the investigation (Söderberg, 2018). However, the empirical findings from this thesis, surprisingly indicates otherwise. It indicates that the young adults, do not worry about the money laundering cases, as the informants states that the cases do not affect their relationship and therefor their trust towards the banks. The young adults argue that they still have trust in the financial sector, even though the crises have arised. The empirical findings therefore reveal the opposite of what the literature state, to some degree. However, this can be due to the fact that the literature is researched on a broader scope of the Danish population, and this thesis is researching a specific segment. Furthermore, as Hansen (2012); Grayson et al. (2008) agrees on, two kinds of trust occurs when dealing with financial service providers; narrow scope trust and broad scope trust. When the digital segment are expressing that they still have trust in the financial sector, it can be referred back to literature as broad scope trust. This broad scope trust affects the customers' narrow scope trust. The narrow scope trust is the customers' trust in the bank and their bank advisor. The informants all agrees to having trust towards the bank and their bank advisor. Meaning, that the informants perceive their bank advisor as dependable and as a trustworthy human being they can rely on.

It can be discussed that if the literature and empirical findings were equivalent, the broad scope trust was negatively affected by the ongoing money laundering cases, this would probably, to some extent affect the narrow scope trust. At at least it must be assumed that the bank and the bank advisors should do a better effort to maintain or obtain the customers' narrow scope trust.

Hansen (2012) further introduces the principle of financial knowledge, which can be combined with the informants' answers on whether or not, they would like to be contacted by the bank, about new offers, events or financial guidance. As the literature states customers with already existing financial knowledge are more likely to achieve further information which is aligned with the informants in the age range 24-25 years, who already have established their first banking loan. These informants have already received financial advise, and have through this process achieved more knowledge than the informants in the age range 18-23 years, who up until now only have bought a smaller financial product. If the informants, 18-23 years old, had more knowledge they would be less receptive for getting information and their anxiety when the bank reaches out to them, would probably be minimised, as they were more familiar and comfortable with the bank. Hansen (2012) argues that the level of knowledge can explain how the customers act, with that knowledge they have, and this is consistent with the reactions the informants experience.

The financial healthiness, are concerned by objective and subjective circumstances. The empirical findings show that objective circumstances have a small effect on the informants, as most of them do not know about elements as assets, and use their bank account as budget. Thus, the informants who have established a house loan has a more subjective circumstance to their finance, and it gives them satisfaction when they see that their loans decrease and they pay on time. The youngest informants express that they at the end of the month have red numbers on their account, and thus do not affect them negatively, but the fact that the banks call to tell them about the negative account balance makes them dissatisfied.
As the findings show the informants surprisingly do not follow the typical mindset of attribution theory, as the theory predicts customers tend to attribute their failures towards the bank and the bank advisor, instead of themselves (Weiner, 2000). This is in theory known as defensive attribution (Hansen, 2012, p. 283). Oddly enough, the informants are not reacting on failures with defensive attributes, and do not have a great reaction. They quickly acknowledge that the online bank does not work and know that it is neither their, nor the bank's fault, but a system error. It is

assumed that the reaction has roots in their digital knowledge, as they are born into a digital world, and thereby have the patience to wait for a system update, and then continue using the app afterwards.

As the findings reveal, the digital segment has different perceptions on loyalty, and it can be argued that loyalty comes with age and life transitions, and is heightened if the customer has a personal bank advisor. Therefore the discussion will be divided into two age groups, as the customer journey and the including touch-points will differ from each other.

The youngest part of the digital segment

As Camilla Sylvester, (bank advisor at Jyske Bank), expressed in the interview, the banks are reaching out to the young adults when they are turning 18 years, hoping to build a relationship with the customer, and thereby establish loyalty towards the bank. As stated in the analysis of the empirical findings, this does not succeed, as the young adults between 18-23 years old, do not have a relationship to the bank and may be considered as disloyal. It can, therefore, be argued that for the banks to create loyalty, there are missing a touch-point that can help trigger the loyalty. Furthermore, the empirical findings reveal, that before the informants have made their first loan, they have limited loyalty towards the bank. This is seen in the findings, as the 24-25 year old informants exhibit more loyalty.

Despite that the customers are already customers in a given bank, the young adults from the digital segment between 18-23 years, or those who have not bought their first loan yet, still goes out and collect offers from other banks. The findings show that the young adults are very aware of saving money and therefore tends to change banks more often if a better offer occurs. Therefore these type of customers return to the pre-purchase phase, or as called in the customer journey, the customers' awareness (Solomon et al., 2016). Whereas the young adults who have already established their first loan, and often is in the age range of 24-25 years, jump directly to the purchase phase.

In this discussion, the main focus is on customers considering establishing a loan. As the 18-23 year old adults already are customers in a bank, they are in the consideration phase, because they are considering buying a product from their own bank. Thus, because the informants are acting like passive customers, their mindset could be argued is in the awareness phase, as they do not obtain loyalty to their bank yet, and do not see themselves as essential customers to the bank. Meaning that the banks consider the young adults as customers in the consideration phase, but the customers perceive themselves as being in the awareness phase.

Therefore the banks should, before the young adults are seeking offers from other banks, obtain their attention and hopefully their loyalty. As Sirdeshmukh et al., (2002) argues trust is crucial for loyalty to be achieved, and there is an unavoidable relationship between the two. It can, therefore, be discussed why the banks do almost nothing to obtain a trustworthy relationship to the young adults, who have not received a loan yet.

As some of the informants states, they have only been met with an email, or flyer from the bank when turning 18 years. However, Camilla Sylvester, (bank advisor at Jyske Bank), express that banks are trying to reach out, but this is clearly not making an impact on the young adults. This shows that Jyske Bank is aware of the problem and have in mind that they need to make an effort to reach out to the young adults. All informants who were asked whether the bank had contacted them when turning 18, had to recall it because it had not made an impact on them. Therefore it can be assumed that the first touch-point trying to engage in an interaction between the bank and its customers get lost.

The findings indicate that there is no close correlation between what the banks or at least Jyske Bank think they are doing, and the perception of this with the informants. As this thesis only includes an interview from one bank, it can not be stated what other banks are doing.
However, it can be stated that since the 15 informants, are customers in various banks, and none of them had experienced the bank successfully building a relationship with them when they seceded from their parents' bank and became "real" customers.
It can be discussed in general, that what the financial service providers are doing today and have been doing the last couple of years, might not be effective enough. It can, therefore, be argued that a new touch-point needs to be implemented, that continually occurs in the years when the customer is in the age range 18-23 years. The touch-point shall help build a relationship with the young adults and shall prepare them for their future purchases at the bank. Hopefully, this touch-point will increase the customers' opportunity to become loyal, when the time comes.

The touch-point there is missing in the customer journey should be placed in the awareness phase. This is, as before mentioned, because the youngest part of the informants who have not taken a loan, is seen as customers in the awareness phase because they have no loyalty to their bank. Even though the young part of the informants already are customers in a bank, they do not see themselves as valuable customers. For the young adults to feel relevant to the bank, the bank must make contact to the customers to let them know that they value them as customers, and to reach them before they get the thought of switching bank.

The oldest part of the digital segment

A majority of the oldest part of the informants have a loan in the bank. After having purchased the first product in their bank, the customer journey is coming to an end, and it is here the first loyalty loop arises. From the informants' answers in the interviews, it can be elucidated that they are loyal after a pleasant and satisfying customer journey with a close personal connection to their bank advisor. Further, it can be deduced that loyalty occurs when the customers have established a loan at the bank. After doing so, the customers are finding themselves in the post-purchase phase. The post-purchase experience is a crucial moment for the subsequent decisions that the customers are making, and whether or not the customer journey ends here or continues into an ongoing cycle, which Court et al. (2009, p. 8) refer to as the loyalty loop. This loyalty needs to be triggered somehow, so the first process in a classic buyer process does not occur again. This first step in the process is mostly in the literature referred to as the pre-purchase phase or initial consideration set (Vandermerwe, 1993; Court et al., 2009). As or if the loyalty gets triggered the customer goes directly to the purchase phase and skip the pre-purchase phase. In this purchase phase, the customers check the products out online but feel the need to confirm the purchase offline with their bank advisor, which was described in the first part of the discussion, emerging theme 2 and 3.

It can be discussed that if the customers have successfully established their first loan, they tend to be more loyal and the banks can easily trig their loyalty loop. Whereas the customers who do not have a loan at the bank, is harder to trig and it can be argued that these customers need more attention than they are given today in the pre-purchase phase. The bank will have a competitive advantage by having their customers in the loyalty loop, and it will require fewer resources from the bank if the customers already have decided to be loyal to the bank, and not look elsewhere when they have to establish their next loan.

Switching banks has never been so quick or easy as it is right now, and it is therefore essential that the bank reward their loyal customer. The informants argue that this could be done, by inviting them to a night where they learn how to make a budget or other kinds of interactions. The bank should aim at having active loyalist, who is staying in the bank because of high satisfaction. Furthermore, the discussion about loyalty towards the banks indicates that there are missing some touch-points in the customer journey.

Suggestion

The above section discusses trust and loyalty towards the financial sector and the financial service providers. Following figures will demonstrate how the bank can implement two new touch-points, as these are seen as solutions for respectively the informants, in the age range of 18-23 years and 24-25 years. The touch-point that should help the 18-23 year old young adults getting more loyal is *family banking*.

As earlier stated, the young adults economy and opinions are closely linked to their parents, and it is the parents who advise them. For the bank to support this, it could provide family meetings where the bank invites both the young adults and the family member, whom the young adult used to go to for bank advise. In this way, the family member can build trust to the bank advisor and therefore show the young adult that it is safe to be advised by the person. *Family banking* is implemented as one of the first touch-points that the digital segment meets when becoming "real" customers.

For the customers at 24-25 years, the touch-point *loyalty program* is implemented at the end of the customer journey in the advocacy phase. If a customer is loyal and uses their bank to buy products the bank should award the customer with a bonus, free cinema tickets etc. If the customers are active loyalist and attract new customers, they should be awarded too.

Both the *loyalty program* and *family banking* will be drivers towards a more trustworthy relationship and loyalty towards the banks which all will create a higher degree of value for the digital segment. Figure 7 demonstrates how the two touch-points can be implemented and placed in the informants' customer journey, which is segregated in five phases; awareness, consideration, purchase, retention and advocacy (Solomon et al., 2016).

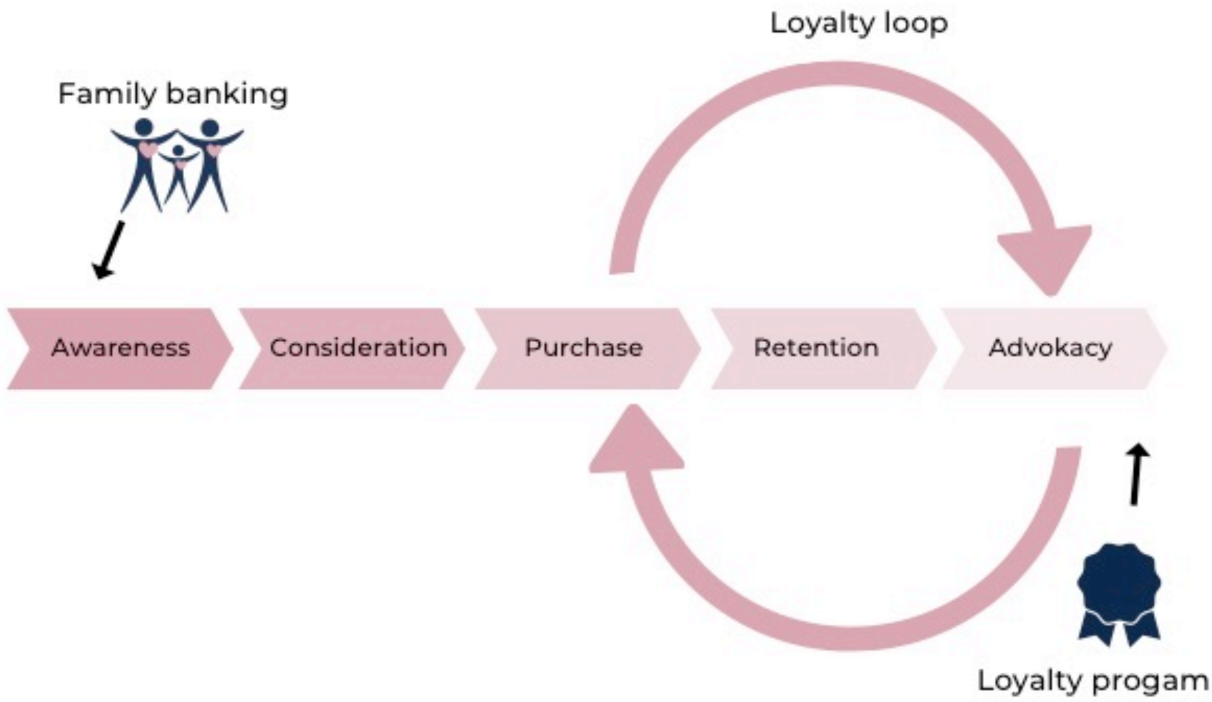


Figure 7. Loyalty loop, own creation, based on Solomon et al., (2016); Court et al., (2009)

Working across channels

The third and last discussion is based on organising themes; 4 and 6.

These themes connect the elements that it is essential to meet the customers where they are. Meaning, where the digital segment is in their life transitions, but also at which channels the segment interact.

It can be deduced from the empirical findings, that the digital segment values the mix of online and offline touch-points. The segment checks online and afterwards need to get confirmed by the bank offline, that they are taking the right decisions. It has given much value to the customers that the banks offer a variety of channels, and are using multichannel. As stated in the literature by Neslin & Shankar (2009) a multichannel customer tends to have a higher level of satisfaction than single channel customers (Neslin & Shankar, 2009, p. 73).

However, some informants expressed that information from one channel was lost to another. Therefore it can be discussed whether the banks shall develop an omnichannel solution.

As Verhoef et al., (2015) states omnichannel aims to make the shift between different channels blurred. It is therefore assumed that the use of omnichannel would be the ultimate customer experience for the customers, as all information would be shared across the banks' different channels. However, Christine Clausen, (head of strategy at Nordlid), expresses that it can be challenging and cost effective to develop this kind of omnichannel solution. Thus, it can be discussed what challenges the banks' face while implementing an omnichannel system since they have not implemented it yet. Implementing an omnichannel system will have high cost and will cause more work for the bank advisors, as they need to make sure that all information is being written into the right system so that other co-workers can see the conversation, and thereby know what the customer want. The banks' systems are not good enough to use the existing data, and to build up a relationship with the customer (Christine Clausen, 2019). It is about contextual communication and services working across channels. The bank needs to be better at knowing who they communicate with and get the necessary data into an omnichannel system.

Practically, and as the literature states, the most difficult for organisations as they move from multichannel to omnichannel, is the integration of the underlying systems and processes. This was also discussed in the interview with Christine Clausen, (head of strategy at Nordlid), who expressed

the concern about that even though the banks would implement omnichannel, it is essential that they have an updated CRM system, to combine all the data from their customers. The internal cooperation in the banks are lagging, when a strategy as omnichannel has to exist in everyday life.
It is essential that the omnichannel solution has focused on incorporating all channels, no matter if they are online or offline, so the customers can continue to check online and confirm offline. This would higher the degree of value that the digital segment gets from interacting with their banks. It will furthermore, be advantageous for the banks to know where the customers are in their life cycle when implementing an omnichannel system.

Gain customer knowledge to understand needs

As Nobel and Walker (1997) states, significant life transitions make the individual goes through a change. The digital segment is, or most are, in a place in their life where the thought of moving from home is in mind. Getting away from home, and getting away from what they are used to, opens up many possibilities. The disconnection from the safe childhood home and parents can be overwhelming for the young adult, and they, therefore, need a bank and an advisor who gets their needs and understand their situation. If the bank understands and is aware of that the young adults are in a phase, away from their safe place at home, they have the opportunity to bring more value to the young adults and give the right advise.

As the analysis of the empirical findings shows, informant Anders Pedersen (20y) has gone to the car dealership to get a car loan, as he experienced that the bank did not understand his needs. A question arises, as to whether or not, people today need a traditional bank? Fintech companies are already challenging the traditional way the customers use the banks. It can be discussed that if the banks do not get better of following and tracking their customers' life transitions, and by that offering a personalised and more customised service, the customers might not even need the bank anymore. If the bank advisor is unable to understand the informants' needs, the young adults will seek other places to get help to go through their liminal transition, and to fulfil their needs.

After the conducted interviews, a common life cycle has been developed, to indicate which different liminal phases the 15 informants goes through. A typical life cycle for the digital segment is as following (figure 8);

First, the young adults, will get detached from their parents and become "real" customers. The young adults get detached from the youth and move over in the adulthood phase.
Then, they will start high school where they receive support from the Danish state (SU) and maybe have a part-time job after school. Next step is, in many cases, that the young adults travel around as backpackers or join a school program at an education. Afterwards, many young adults choose to move out from their parents and get a rented room or apartment. Then, many complete a bachelor, followed by a master degree, where they also are supported with SU. After graduation, the young adults are settling down, and it is time to buy their own apartment, as the young adults in this phase are ready to get their first full time job. Furthermore, many other steps arise through the life cycle of the young adults, e.g. buy a new computer, loan to vehicle etc.

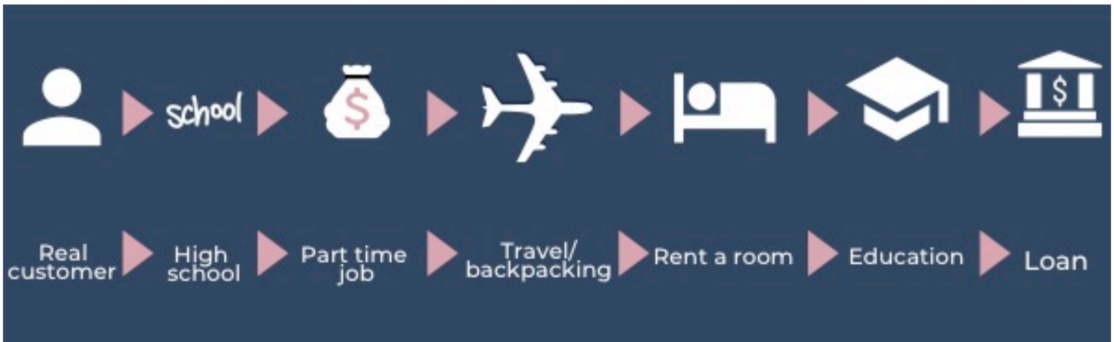


Figure 8, Life transitions, own creation

The bank would receive an advantage by listening and give attention to the digital segment, in order to get to know their life cycle, where they are in this process, and thereby provide greater advising. All individuals from the digital segment will go through different liminal transitions, either insignificant or more complex. All transitions will give a need for advise and guidance, as all transitions consist of a process, the segment has not been through before, and the bank must be the first to offer their help to win the segments trust.

Proactivity is the future

Christine Clausen (head of strategy at Nordlid) indicates, that it must be considered time-consuming and very costly for the bank to contact every customer once a year.
However, Christine Clausen (head of strategy at Nordlid) argues that the banks shall interact with its customers, but maybe approach the issue in another way. She suggests that the banks should receive more knowledge about their customers' life transitions, and through this information make personal offers. This can be correlated with what Jeppesen (2015) argues that it is essential that the banks learn to tackle when their customers have a particular need for a financial product or service. She furthermore argues that the banks shall analyse on the already existing data they have on their customers, but further, they should collect the data needed to understand in which transition the customers are currently.

Suggestion

Above mentioned discuss how financial advise at the right time in the young adults' life can help them understand the bank and what the bank can provide for young adults. One of the suggestions the banks can implement is to create a "dream" concept. The bank can advantageously target its products more specifically to the young adults, so not only one single product is provided for all young customers, but more products that are aimed at the different profiles the young adults have. It could be to provide a "quick" cheap loan to a new computer or new phone. Furthermore, it could be products that are aimed at the young adult with unique dreams. Here, the bank can offer them some special services to help them move towards achieving their dreams and visions. By targeting the products even more sharply to the young adults, it shows a greater understanding of the young adults' situation and future dreams.

The other recommendation is to make webinars that deal with the digital segments speculation and needs. These webinars could provide guidelines for how to conduct the first loan or merely an explanation of how the bank operates. This will create value by allowing the young adults to participate behind the screen at home, and experience a real person explain complex products and services. They should, of course, be able to talk to the person during the webinar if questions should arise.

5.1 Contributions to theory

This thesis extends the value creation literature and research by uniquely adding the combination of theories to the case of value creation for the digital segment. An understanding of how customers wish to receive value when interacting with their financial service provider, will help researchers explain when value is created and between whom. It has become clear, that the level of value created will increase when a relationship of trust exists. Unlike other research studying the concept of broad scope trust (Hansen, 2012; Grayson et al., 2008) it was in this thesis found that the digital segment does not let macro crisis affect their broad scope trust. By understanding the existing literature on where customers are in their life transitions, it has become apparent when banks can create higher value for the digital segment, and where a better co-creation process could occur.

However current literature lacks when it comes to knowing, how to create value for the customers when buying complex products, and hereby the customers want to avoid co-creating with the bank. In these cases, it is the sole responsibility of the bank to create the value for the customers. This leads back to the origin of service literature, where the service providers are the ones solely creating value for the customers.

Future literature should focus more on the diversification of products and services. Especially when relating to the financial sector, it is essential which products there are referred to, and whether or not value shall be co-created, created completely by the customer themself or should solely be created by the financial service provider.

Additionally, the literature is missing focus on loyalty created in the digital world. This thesis will contribute to the literature with a discussion about how to create loyalty through trust, in a digital world, where customers have less human interaction. This thesis is giving a new proposal to how loyalty can be obtained within this digital world, by applying loyalty programs.

Existing literature is further missing some aspects on how to measure co-creation between a service provider and its customers. This thesis attempts to establish and contribute to the existing literature, by adding some measurement instruments to the DART framework, which can help service providers collect enriching data on whether they are co-creating enough as their customers wish them to do.

5.2 Contributions to managers

Findings showed that all the informants expressed the need for co-creating value and communicating with the bank, and it is essential to understand the services the sector provides. Furthermore, findings showed that trust and loyalty has a significant impact on the experience of the informants' customer journey. Lastly, the informants are complaining that the banks are not concerned with their life transitions, and thereby the young adults feels overlooked.

To all the above issues, six different suggestions have been elucidated, which all are considered to heighten the value for the digital segment. All six suggestions are led by one driver and primary suggestion that the banks should implement. Without knowing where customers are in their life, how can the banks target them individually and identify which of the six suggestions to offer them? The primary solution that can help create more value for the digital segment and meet their individual needs, would be a *service check* (figure 9). This *service check* can help provide more knowledge and in-depth information about the digital segment. The customers is encouraged, once a year, to fill out a personal line of questions or a formula, stating which transitions they are going through in the nearest future (e.g. studying, having a baby, getting married and other significant transitions occurring in their life). The *service check* shall be done through the banks' app or internet banking, and the banks should send a reminder about filling out the personal information, to make sure that as many customers as possible fill out the required data. This *service check* takes into account that the youngest part of the informants is afraid of talking directly to the bank, as the information the *service check* will generate is being collected online.

In order to make the *service check* successful, it would be advantageous to implement omnichannel systems which interconnect all the bank's channels.

The *service check* must be a part of this omnichannel system and implement the customers future life transitions. This will provide the bank advisor with easy access to knowledge regarding the customers' needs, and remind the bank advisor about what to offer the customers. This omnichannel system will be able to show what the customer has recently purchased.

This contribution to managers will generate higher value to the digital segment, and help the banks create interactions with the young adults. In order to motivate the digital segment to collaborate in this *service check*, and provide the bank with the required data, the banks could take advantage of producing a campaign. This campaign should influence on social media, where this segment operates, and thereby motivate them to participate in the *service check*.

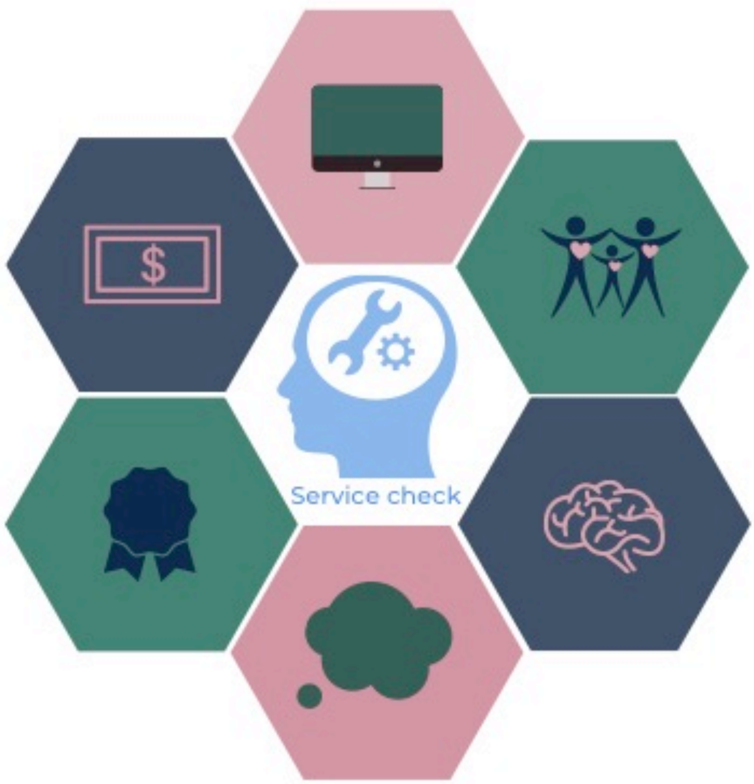


Figure 9, Service Check, own creation

5.3 Limitations

A limitation arises when finding informants to the conducted interviews as there has been limited access to populations who meet the requirements regarding the digital segment, and it has not been possible for the researchers to talk to everyone.

Only a small sample size has been studied, and it must be taking into consideration that the findings are generalised on an entire segment. The research only includes one interview with a bank advisor only representing one retail bank, and it can, therefore, be argued that some of the statements in the findings are one-sidedness.

It can be argued that this thesis should have looked deeper into the concept of fintech businesses, and these effect on the value creation for the digital segment. This should be done, as this thesis states that fintech companies are mainly focusing on the digitised segment, who is the centre of the investigation in this research.

6

CONCLUSION & FUTURE RESEARCH

Conclusion
Future research

The fourth chapter analysed the empirical findings, and the fifth chapter discussed these findings. This chapter aims to conclude the thesis. It furthermore aims to identify and summarise the main findings of this thesis by answering the research question. Lastly a short suggestion of future research, will be given.

6.1 Conclusion

The primary purpose of the thesis is, from a customer-centric view, to explore where value for young adults is created, when interacting with their financial service providers. The research is structured around the thematic network analysis and is a contribution to existing research within the research field of young banking customers.

This thesis aims to answer the main research question; **What creates value for the digital segment, and how can financial service providers accommodate their needs?**

When proceeding to the core of the research and studying the elements of **what creates value for the digital segment**, it can be concluded that the digital segment achieves value when interacting with their financial service provider in various channels. One of the essential interactions is found to be, that the digital segment inquires more frequent human interaction from their bank as they are missing proactivity. The digital segment requires offline co-creation, as they feel the urgency to confirm their purchases with their bank advisor, and hereby engage in co-creating value. Furthermore, it creates value when customers conveniently are creating value for them self, by using SST. This implies that the customer now becomes a co-producer of value.

A broad scope and narrow scope perspective of trust were elucidated, and it was found that the digital segment is poorly affected by the broad scope of trust. Incidents such as the money laundering cases, does not affect them. It is prominent for the analysis that loyalty flourishes from the trust. It can be concluded that the informants, who already have achieved financial knowledge, are the ones exhibiting loyalty. Furthermore, it can be concluded that the youngest part of the digital segment, is being perceived as customers by the bank, but have a mindset of "not belonging to a bank", and therefore shows no loyalty.

Conclusively, for **financial service providers to accommodate their needs** it is suggested, that the financial service providers, through a *service check*, will be able to meet the young adults better in their life transitions and at this moment create value when they require personalised solutions. By achieving data on the digital segments life cycle and transitions, the bank can provide them with personalised products, which match their current financial situation.

6.2 Future research

The researchers hope that the outcome of this thesis will inspire others to investigate the concept of value creation, in relation to the framework of co-creation, customer journeys and the financial sector.

It could be interesting to adapt the research on the same segment, in another Scandinavian country to compare the new findings to this thesis conclusion. It would be interesting to investigate, whether other young adults in Scandinavia will have the same perception of value creation towards their financial service provider and to see if parallels can be drawn.

Future research could investigate how retail banks in the Danish banking industry can uphold their competitive advantage, when the arising of fintech companies are challenging the entire sector and the customers use of a traditional bank. The development of fintech companies grows rapidly, and the phenomenon will in the coming years possibly be more common in the sector. The concept of fintech position itself to the youngest part of financial customers, as fintechs are driving digital disruption within the financial sector.

Future research, as an addition to this thesis, should analyse the competition from fintech businesses, and find out precisely where the fintech businesses makes a change for the digital segment. The banks today have limited technological resources, and future research should enlightening possible technology partnerships as, digitalisation demands a new business model, with a focus on the banks' most important jobs - placing the customer in the centre (customer centricity) and serving their needs. The bank that the customers' want will still focus on advisory and relationship, and counselling is something the banks should bring to their digital channels in a much greater extent than they have done before.

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Appendices

Appendix 1: Interview guide

Interviewet indledes med en kort præsentation af interviewene (beskæftigelse, uddannelse mv.). Informanterne gøres her opmærksomme på at interviewet vil bidrage til udarbejdelse af specialeafhandlingen, der omhandler hvordan det digitale segment ønsker at deres bank skal skabe værdi.

Navn	
Alder	
Postnummer	
Beskæftigelse	

Del 1: Informanternes generelle brug af banken

- Hvilken bank er du kunde hos?
- Hvornår har du sidst brugt din bank?
- Har du en bankrådgiver?
- Betyder det noget for dig, at du kender din bankrådgiver?
- Hvad vil det betyde for dig hvis du ikke kan få kontakt til din bankrådgiver?
- Hvilken værdi giver det/vil det give dig at du har en relation til din bankrådgiver?
- Har du tillid til din bank og din bankrådgiver?

Del 2*:* Kontakten med banken

- Kan du huske hvornår du sidst var i kontakt med din bank vedr. køb af et produkt? (Lån, billån, køb af lejlighed)
- Hvordan startede kontakten til banken da du ville købe denne ydelse?
- Var det en god start på købsprocessen?
- Hvilken værdi gav det dig?
- Hvad ville det betyde for dig hvis denne "værdi" ikke var der

- Hvem tillægger du værdien hvis berøring med banken ikke lykkes? (App skal opdateres, app virker ikke)

Del 3: Værdiskabelse for kunderne

- Hvad er en god bank for dig?
- Hvilke ydelser skal en bank kunne tilbyde dig?
- Hvordan vil banken kunne give dig en større værdi hvis du har personlig kontakt?
- Hvordan kan din bank skabe merværdi for dig?
- Hvordan skal den perfekte bank være?

Appendix 2: Code manual

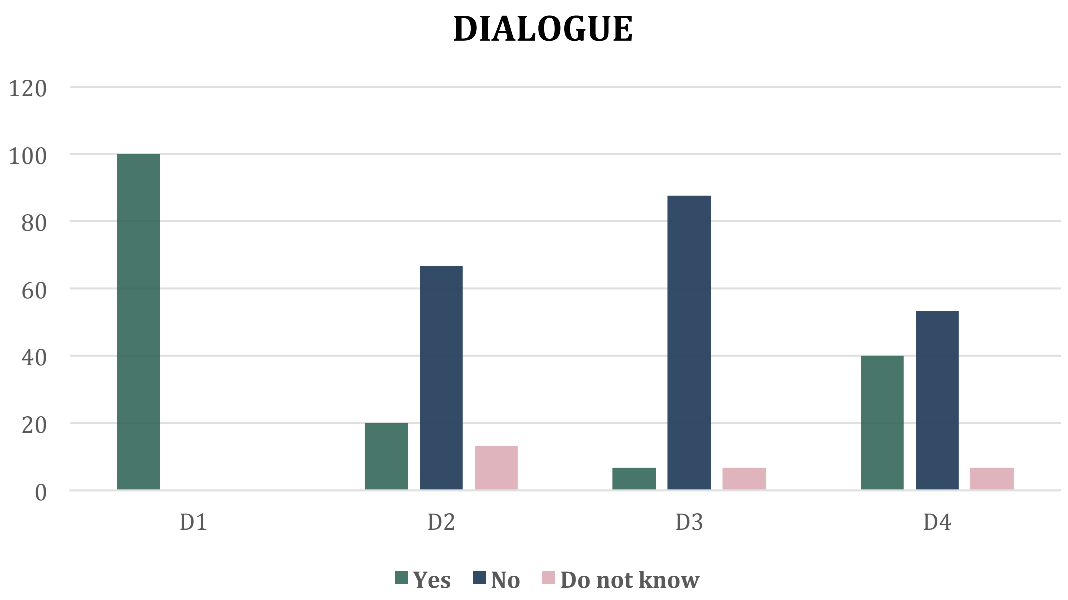
Code manual

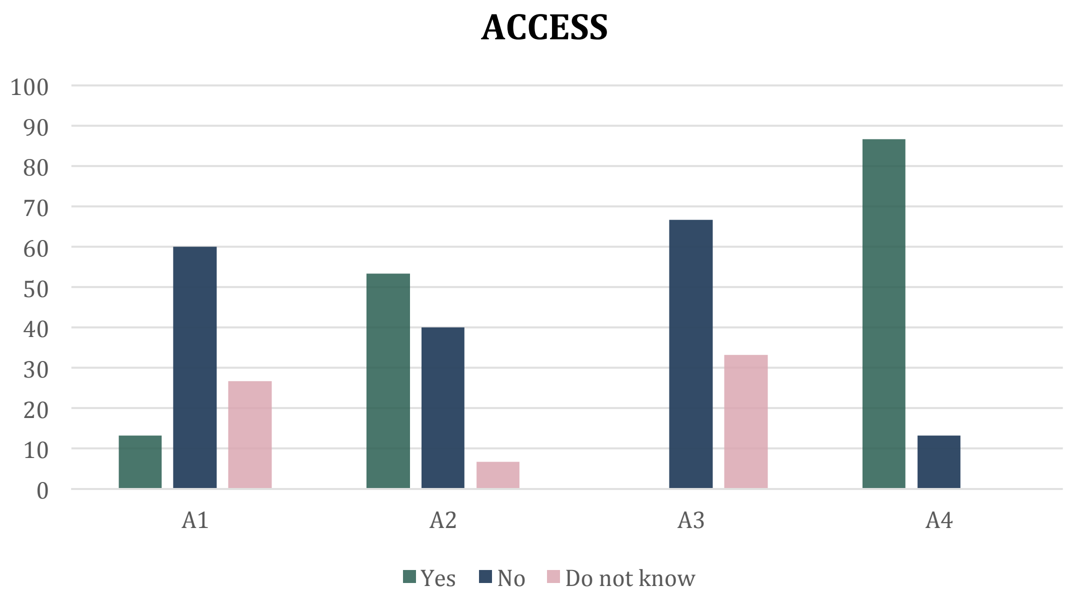
Codes	Issues discussed	Themes identifyed
Trust	• Trust to the financiel sector • Trust to the bank • Trust to the bank advisor • Trust to your parents	Trust towards the financial sector Trust towards the bank Trust towards the bank
Online an Offline Touch-points	• Mobile app • Internet banking • Bank webpage • Bank branche • Call to bank advisor • No bank advisor they know off	Human vs technological to uch-points Offline touchpoints is essentioal for value creation Self service technology is used every day Online solutions needs to be accessible at all times
Loyalty	• Loyal • Disloyal	The feeling of being overlooked The digital segments is devided into two groups Loyalty to the bank or to the bank advisor

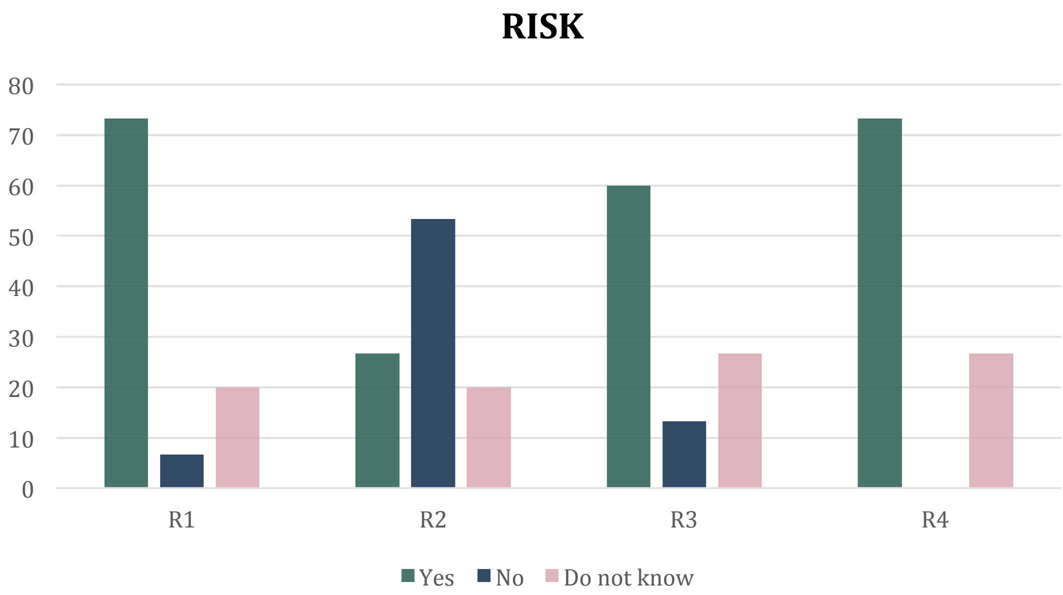
Code manual

Codes	Issues discussed	Themes identifyed
Future banking	• Avaliable • Competetive advantage • Online solution • Proactive/Not proactive • Branches er nor important	Focus on interaction Missing proactivity from the banks
Value creation	• Satisfied • Unsatisfied	Transition in age The digital segment catches or loses interet in 3 sec

Appendix 3: DART



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60
50
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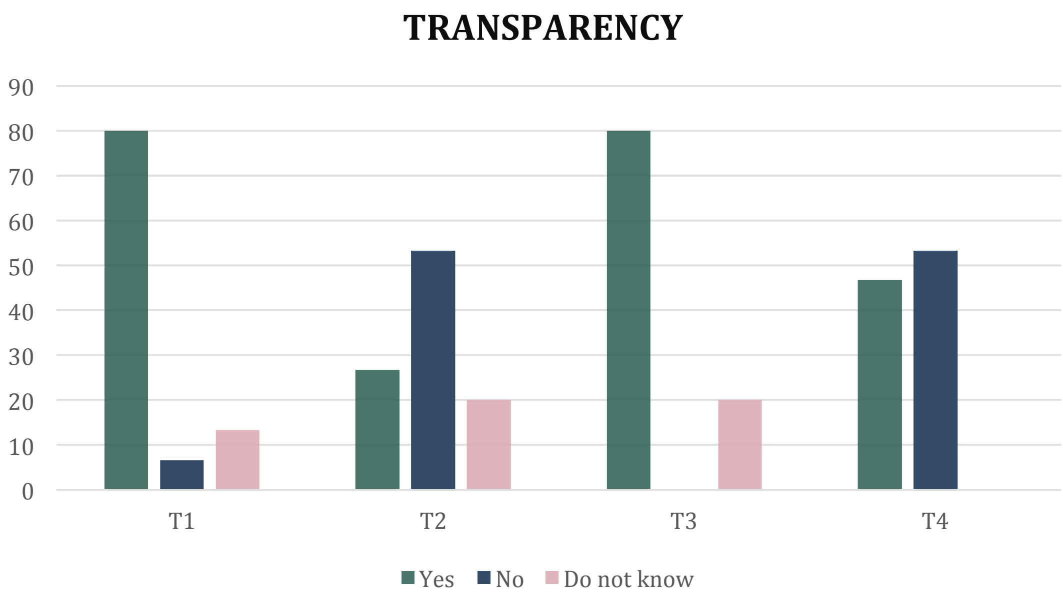
30
20
10
0
R1
R2
R3
R4
Yes
No
Do not know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60
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30
20
10
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T1
T2
T3
T4
Yes
No
Do not know