

The journey to first home ownership: How human-centred design shapes ANZ's future



CASE STUDY

To boost its performance with the crucial first home buyer segment, ANZ Bank engaged Assurity Consulting to design a customer-led strategy which would meet the unique needs of those seeking to purchase their first home. The results have exceeded ANZ expectation, delivering meaningful change in how the bank engages potential new customers, as well as embedding the concept of human centred design within its business where it is being applied in multiple additional areas.

Known simply as ANZ, ANZ Bank New Zealand Limited is the country's largest financial-services group and operates as a subsidiary of Australia and New Zealand Banking Group Limited of Australia. It provides a number of financial services, including banking services, asset finance, investments, and payment solutions.



Situation

As a company which has one in two New Zealanders as a customer, ANZ realised that it could lift its performance in the first home buyer market by better understanding the needs of these customers – and targeting those areas where it as a bank can make a difference.

The first home buyer segment is considered crucial because it is often the start of a lasting relationship with a financial institution, confirms ANZ Head of Mortgages Glenn Stevenson. “With the market beginning to change for these customers, and more first home buyers considering a purchase with house price growth slowing at the time and government stimulus programmes, we wanted to be more supportive and see how we could do more to help take the right steps into a first home.”

Stevenson is frank that going into the exercise with Assurity, the bank wasn’t ‘crystal clear on the problem’. “This was one of the first insights we got from the engagement: first home buyers don’t know a lot about the process and journey to home ownership on the one hand. On the other, we tend to take a bank-centric view, where the wider dynamic isn’t clear beyond ‘you’ve found a property and need a loan’. It was this wider dynamic that we sought to understand, so we’d be in a position to appreciate the specific areas where we can play more of a role.”

Solution

In a world where the words ‘customer delight’ are routinely encountered, Stevenson takes a more measured view. “It’s not necessarily the creation of ‘customer delight’ that matters, in the first instance it is more about understanding the whitespace between what customers want from you and where you stand in meeting those expectations. This is often where the game is won or lost,” he explains..

Assurity started with a simple question: How might we help more first-time buyers own their own home? It then set out to understand how to support first time buyers by exploring customer needs and the impact of market forces on their ability to purchase.

During the project, Assurity worked closely with a dedicated team from the bank and 23 existing and potential customers. Moving through three Design Cycles, investigating customer needs, conceptualising solutions and exploring their viability and feasibility. This goes to the heart of Assurity’s human centric approach. As part of the project Assurity identified four customer personas and an examination of the demographics, needs, emotional drivers and goals of each one.

The iterative cycles started with an Investigation, considering the needs of future homeowners, what home ownership means to them, the key influencers on the journey and the impact of market forces.

The Design Cycle provided the opportunity to gain deeper insight and build confidence in ideas, working on prioritised areas from the Investigation Cycle.

Finally, the Design and Integration Cycle extended the home ownership journey into the settlement experience and sought to understand the feasibility of prototyped and tested concepts to set up for delivery.



Results

While there are material benefits from the work Assurity Consulting has completed for ANZ including changes in the approach taken by frontline staff to first home buyers, Stevenson says the greatest advantage is a shift in ANZ's thinking. "They've taught us how to fish."

The bank, he says, is enthused about the concept of human centred design. "This is a great framework for understanding customers and developing solutions in real time that we can iterate, take forward and deliver. We're taking the approach into the organisation and will now ourselves teach more people how to apply it. And it's full credit to Assurity that we can now do that without necessarily needing external consultants."

He adds that it was something of a thrill for the bank to get in front of real customers and ask questions directly. "This was the highlight of the process. Engaging face to face, one on one, understanding some of the issues and asking questions directly has delivered the ability to prototype, refine and create solutions with immediate feedback."

The approach far exceeds the traditional methods applied in large organisations, which often instead rely on market research, Stevenson notes.

Through the process delivered by Assurity, he says the bank has come up with a variety of potential solutions, some of which are easier to deliver than others. "The beauty of it is that we can identify which are viable, which aren't, which will take great effort and expense, and which won't."

In the short term, he says Assurity's work has resulted in ANZ redefining frontline lender training material specifically for the first home buyer market. This now helps staff empathise and connect with their customers.

He even credits the consulting engagement with contributing to ANZ securing external awards for supporting first home buyers.

Other outcomes include introducing new and amending existing customer-facing information, on the web and in 'brochureware' provided to customers. "That's showed benefits early on, but there are other measures coming down the track which require further investment. But what's certain is that this engagement has given us a plan and there is more to come," Stevenson concludes.



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Glenn Stevenson, Head of Mortgages, ANZ



At a glance

Company:
ANZ

Industry:
Financial services

Requirements:

Buying a first home is a daunting, overwhelming experience with customers stepping into the unknown. ANZ Bank engaged Assurity Consulting to understand the journey to home ownership for first home buyers and harness these insights to design a customer-led strategy to simplify complexity and guide customers through the process.

Solution:

Tasked with the objective of helping first-time buyers own their own home. Working with a dedicated team from ANZ, Assurity led a series of design cycles to identify customer pain-points and develop solutions at key touchpoints from enquiry through to settlement.

Services provided:

- Customer Empathy
- Customer Segmentation Strategy
- Customer Experience Strategy
- Value Proposition Development
- Product Strategy
- Rapid Prototyping
- User Story Mapping
- Facilitation
- Human Centred Design
- Capability Uplift

Outcomes achieved:

- Provided a framework that allows ANZ to understand their customers and develop solutions in real time that can be iterated to take forward to delivery
- Outputs informed the redesign of frontline lender training material specifically for the first home buyer market
- Won several external awards in recognition of ANZ supporting first home buyers