Process report

A CASE STUDY IN DANSKE BANK

Using service design as an exploratory
approach to gain customer insights and analyze
customer experience in the area of finance

MASTER THESIS BY SANNE BEYER
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ABSTRACT

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In collaboration with the Danske Bank this thesis uses an exploratory approach towards identifying consumers needs and pain points in the financial sector. The project revolves around a case of innovating the customer experience within the area of consumer loan when renting an apartment. The thesis has been conducted from the beginning of February to the end of May 2018 as the final project within the master program of Service Systems Design at the Aalborg University Copenhagen.

By using qualitative methods the project has explored the existing service offers and customer experience. Consumers' needs and pains have been identified and analyzed with the aim to innovate the Danske Bank's current service offer when renting an apartment, and the need for a loan that emerges along with that particular situation. Several actors have been included in the process with regards to the interviews and the workshop. The needs and pains of the consumers were the foundation from where new ideas for innovation and optimization could rise. Through an ideation workshop with employees from the Danske Bank and our own ideation session five ideas were created which after a feedback session were developed to seven recommendations to the Danske Bank. The recommendations aim at lifting the customer experience by making information easily accessible and improve the financial knowledge of the customers - thus providing tools that can help the DB customer to help themselves, be present in new channels and turn negative pain points to positive by making changes early in the journey.

Keywords: Service design, financial sector, bank, customer experience, consumer needs and pain points, boundary object.

ACKNOWLEDGEMENTS

II

COOPERATION

III

Service System Design

The master program Service System Design is available at Aalborg University Copenhagen. The program teaches: *"... how to plan and organise people, infrastructure, communication, media and components of a service in order to improve its quality, the interaction between service provider and customers and the customers' experience"* (Aalborg University Copenhagen, n.d.)

Danske Bank

The department of Group Process Development (GPD), Customer Journey & Process Center of Excellence in the Danske Bank. Which is an in-house consultancy where they explore and use the customers' needs and journeys to rethink solutions and processes and create value-adding offers for the customers.

The Thesis Group

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READING GUIDE

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The thesis consists of two parts: A process report and a product report.

The process report covers the research, analysis, ideation and creation of a set of recommendations. We will present the project case in collaboration with the Danske Bank, as well as reflect on the project case in relation to the theoretical framework. References and appendix is found at the end of the report.

The product report is the final deliver to The Dansk which summarize the process report and presents the set of recommendation in a more detailed manner, and can be found in appendix 9.

TERMINOLOGY

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Consumer
A person who is purchasing services or physical goods for personal use. When the term consumer is used in this report, it refers to a person who has taken a loan or could be facing it in the future. With the term consumer, the bank is not specified.

DB Customer
(DB = Danske Bank) A person who is using any given service by the Danske Bank and who is currently a customer at the Danske Bank.

User
A person who is using a digital service. The user can both be a consumer and a DB customer.

Loan
An amount of money lent to the customer by the bank, which has to be paid back with interest.

Consumer finance
A service offer, where a bank is lending money to consumers to finance individual needs, which includes a wide variety of loans.

Consumer loan
A loan option under the category of consumer finance. The loan is offered within the purpose of consuming as when buying interior, a vacation, a car or the deposit when moving into a new rental apartment. There is no official amount limit on consumer loans, but they are often a lot smaller compared to loans for estate purchasing.

Other lenders
All other companies than banks who offer consumers loans - this being, for example, the loan institutes, classic consumer loan companies or companies selling goods and offering a loan in this regard.

Life event
An event that evolves any larger change in demographics, employment, education, health or other important circumstances for an individual, such as moving into a new apartment, starting a family, getting married or experiencing the death of a relative.

Branch banks
The Danske Banks physical stores.

LEARNING OBJECTIVES

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Before approaching the project - official and personal learning goals have been settled and described as the following.

Official Learning Objectives

In this Master's thesis we had to demonstrate the acquisition of competences, skills and knowledge. This allowed us to learn the profession of service design. In a team of two we worked on a theme chosen in collaboration with the supervisor and an external company being the Danske Bank (Aalborg University, 2012).

According to the official curriculum from the Aalborg University of Copenhagen we as students will obtain the following qualifications throughout the thesis process:

Knowledge
- Must have knowledge about the possibilities to apply appropriate methodological approaches to specific study areas.
- Must have knowledge about design theories and methods that focus on the design of advanced and complex product-service systems

Skills
- Must be able to work independently to identify major problem areas (analysis) and adequately address problems and opportunities (synthesis).
- Must demonstrate the capability of analyzing, designing and presenting innovative solutions.
- Must demonstrate the ability to evaluate and address (synthesis) major organizational and business issues emerging in the design of a product-service system.

Competences
- Must be able to master design and development work in situations that are complex, unpredictable and require new solutions (synthesis).
- Must be able to independently initiate and implement discipline-specific and interdisciplinary cooperation and assume professional responsibility (synthesis).
- Must have the capability to independently take responsibility for own professional development and specialization (synthesis).

LEARNING OBJECTIVES

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Personal Learning Objectives

Besides the official learning goals we defined some personal goals as well:

- Obtain knowledge on how to apply service design in the financial sector
- Gaining a more practical experience in a professional environment
- Become comfortable in choosing suitable design research methods for the given situation
- Improve analysis skills in relation to customer insights

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INTRODUCTION

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1.0
INTRODUCTION

Service design is being established as an approach to either innovate or improve services: *"to make them more useful, usable, desirable for clients, as well as more efficient and effective for organizations"* (Moritz, 2005, p. 5) and is expanding as a field of research.It is an iterative process that uses design principles for solving problems, identify opportunities or improve services. It revolves around a deep interest in gaining an understanding of the people to whom you are designing for. Depending on context and situation the consumers can have different experiences and needs within the same kind of service. It is therefore essential to explore the holistic customer experiences to understand the existing service and uncover needs and pain points and discover opportunities for improvement, which this thesis will explore (Design Council, 2017).

To gain access to a real-world problem and give our work more relevance we looked for collaboration opportunities with companies. We reached out to the Danske Bank as the first, and they responded positively. They expressed an interest in our thesis and in collaborating with us - due to the fact that they had had some good and beneficial experiences with other students earlier.

The Danske Bank introduced us to various areas of interest, and apart from their proposal we were not given any more specific direction. Therefore we could choose a topic from personal interest to form the direction of the thesis. The chosen topic for this master thesis became consumer finance where the Danske Bank showed interest and asked for an analysis and a recommendation for moving forward, leaving us with an extremely broad scope. To narrow down the scope of the project a lot of initial research has been conducted revealing that people are taking loans for many different reasons and purposes. Different events occur through life where people are in need of financial support. A lot of young people apply for a loan to pay the deposit, when renting a new apartment. In today's consumer financing offers there is no specific service targeting this specific situation. People are being compared in terms of whether they need a loan for a new washing machine, traveling or renting an apartment. As a parallel to that we have analyzed the customer experience within consumer finance – looking particularly into the lending process when renting an apartment. This has formed a case and created the following problem statement:

How might service design support Danske Bank in identifying the needs and pain points of customers looking for a loan to rent an apartment?

1.1
LITERATURE REVIEW

In this section we took a theoretical view on the customer experiences and how to identify needs and pains which relates to the main focus of the problem statement of this thesis. The idea is to check whether the existing literature can support us in addressing the problem statement.

Customer needs and pains are underlined terms within customer experience - the notion of which Carbone and Haeckel (1994) and Pine and Gilmore (1998) were some of the first authors to address. By *"experience"* Carbone and Haeckel mean the *"takeaway"* impression formed by people's encounters with products, services and businesses (1994). Since then, numerous practitioners and academics have adapted and talked about customer experience. The literature argues that in any given service a customer buy or receive they will always have an experience – good, bad or indifferent (Berry, Carbone, and Haeckel, 2002). Shaw and Ivens state that providing a good experience is important, as it affects customer satisfaction, and companies should try to exceed customer's expectations *"not only to delight them consistently by offer better products and services but to win their loyalty by building a meaningful, memorable total experience"* (2002, p. viii)

Berry, Carbone and Haeckel state that *"companies must gain an understanding of the customer's journey – from the expectations they have before the experience occurs to the assessments they are likely to make when it's over"* (2002, p. 1). Some service design methods can be particularly helpful to map customer experience. As explained by Stickdorn et al (2018) journey maps visualize the overall experience of a customer regarding a service - physical or digital. This might clarify needs and pains and can be used as a more concrete tool to find gaps in the customer experience and thereby explore potential solutions. Within the customer journey different touchpoints can be identified which can help identify needs and pains (Lemon & Verhoef, 2016). The journey map can also facilitate a common understanding between members of a team: *"It forms a boundary object that allows diverse teams to work together efficiently and creativity with customer's experience as the common denominator"* (Stickdorn et al, 2018, p. 43). Furthermore, Stickdorn et al (2018) explains that journey maps can be created in various ways and highlights that a emotional journey could be mapped out: "Emotional journeys are graphs representing the main actor's level of satisfaction at each step" and continues *"an emotional journey visually reveals obvious problem within a specific experience"* (p. 46).

Polaine, Løvlie, and Reason (2013) and Stickdorn et al. (2018) complementing qualitative research over quantitative methods, and argues that it can help designers to dive deeper into understanding pains and emotions of the customers. Stated by Polit & Beck (2010) *"The goal of most qualitative studies is to provide a rich, contextualized understanding of human experience through the intensive study of particular cases"* (p. 1453).

Flick (2009) state that qualitative methods easily can be used without the use of quantitative methods, but whereas it does not work the other way around, as *"quantitative methods need qualitative methods for explaining the relations they find"* (p. 43). "In-depth interview are one of the main methods of data collection used in qualitative research" (Ritchie & Lewis, 2003, p. 138). In-depth interviews are useful when wanting detailed information about a person's thought and behavior (Bjørner, 2015). Additionally, Berry, Carbone and Haeckel argue that you should conduct in-depth interviews with both customer and employees *"to find out how people on both sides of a transaction feel about different aspects of an experience and the emotional associations that go along with it"* (2002, p. 2).

Further, Polaine, Løvlie and Reason (2013) explain that *"services are co-produced between providers and users"* and argue that a multiple range of actors should be approached in the design process to ensure a both holistic as in depth understanding of the customer experience (2013, p. 24). Van den Bosch & Rotmans (2008) also argues that key stakeholders should be involved in the process, and it should be actors who have the willingness and power to influence the services. According to Freeman (2010), a stakeholder is defined as *"any group or individual who can affect or achievement of the organisation's objectives"* (p. 46).
Research concentrated on stakeholder influence on project success, points at the service provider and the end users as significantly more important than other stakeholders (Karlsen, 2002).

Polaine, Løvlie and Reason (2013) also argue that visualization and tangible props can support a better design process in various ways. Mentioned is: Field research where props in an interview can occur as an object guiding the conversation, push the imagination of the respondents and remove focus from nervousness or performance anxiety. Complementing the use of visuals as tangible objects Stickdorn et al (2018) are highlighting the boundary object as a tool that helps people from different background to communicate and share an understanding and knowledge. They furthermore describe that designers can *"modify existing service design tools or create new ones that serve again as boundary objects with a common language that is accessible for everyone"* (2018, p. 43). The boundary object introduced by Star and Griesemer (1989), bridge social worlds and allow productive communications among people and states that *"The creation and management of boundary objects is a key process in developing and maintaining coherence across intersecting social worlds"* (p. 393). A boundary object can be used as the center of attention in a group of actors with divergent point of views (Star, 1989). Carlile (2002) describes how boundary objects can be used in product development and how it can construct a common information space. He states that it *"establishes a shared syntax or language for individuals to represent their knowledge"* (p. 451) and "facilitates a process where individuals can jointly transform their knowledge" (p. 452).

The cited literature mentioned above mainly refers to general situations and are not specifically related to the finance sector. Literature within the financial sector is for example Brentani & Cooper, who have studied how new financial services become successful and where one of the key factors is: 'More and better market inputs': *"every effort must be made to understand customer needs, wants, desires, values, requirements"* (Brentani

& Cooper, 1992, p. 239), which insights new products should be built upon. In the United Kingdom have First Direct, created a Bank *"without branches that still offers all standard retail banking services, 24 hours a day, 365 days a year"* (McDonald & Chermetony, 2001, p.4) after they discovered that most of the customers would rather complete all transaction by phone, which a large number of financial institutions have copied. A study by Boyd et al (1994) made within the financial sector shows that consumers know a little about specific products and that the most important criterion when selecting a bank is reputation and the next most important is the interest on savings accounts. The level of consumer participation varies across services, and in the sector as banking consumer participate moderately and provide an input to the service creation through providing information about the possessions (McDonald & Chermetony, 2001). Services typically involve employees to deliver them, but nowadays many are platforms where the user are providing the content, making the platform come to life and possibly creating interaction between other service users (Polaine, Løvlie and Reason (2013) This has Zopa, a peer-to-peer lending service challenged by *"giving people the ability to network, Zopa is not just another lending and borrowing service. It is a social community with a sense of reciprocal responsibility, something that has certainly been long absent in the mainstream banking world"* (Polaine, Løvlie, and Reason, 2013, p. 110).

As a contribution to the service design community this thesis intends to explore service design methods within the financial sector to identify customer needs and pain points with the overall goal to improve the customer experience and make suggestions

for the improvement of current offers. From the literature review we formulated the following research question which was explored throughout the report:

How might service design help identifying customer needs and pain points to find gaps in the existing customer experience in a financial service?

The research question will be reflected upon throughout the report after each chapter and additionally be reflected and discussed in the chapter Reflection.

1.2
METHODOLOGY

1.2.1 The Double Diamond

To structure the design process the double diamond developed by the British Design Council in 2005 has been chosen. The double diamond approach (Fig. 1) is very recognizable with its diamond-shaped squares and gives a simple visualization of the design process. The model is divided into four phases: discover, define, develop and deliver and marks out the divergent and convergent stages of the design process (Design Council, 2007). It represents an iterative design process which means that it was necessary to go back and forth between the phases (Stickdorn & Schneider, 2011) and continuously develop, adjust and redefine during the design process.

The first phase, Discover, allows the designer to extend knowledge about the topic and get an understanding of the people to whom they are designing for, which can be done through desk research and field research. In the next phase, Define, the designer interprets, align and converge findings and look into specific experiences within the customer journey in order then to identify pain points. Throughout the third phase, Develop, the designer will practice divergent thinking - once again having an open mind and start ideating and focusing on generating as many ideas as possible and developing them further. Last is the Deliver phase where the designer converges by making final choices, getting ready for the delivery to the client and evaluate the solution/concept/suggestions that will solve the user's needs. Each phase contains numerous tools and activities which help us as designers to develop the project (Design Council, 2007).
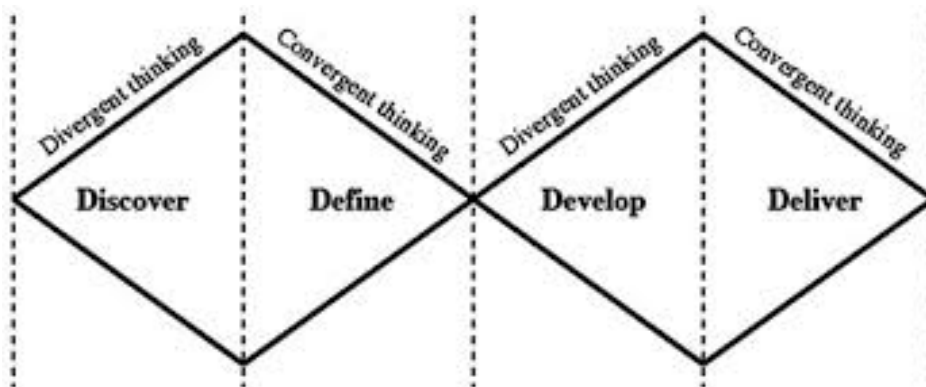
Figure. 1. The Double Diamond Model (Design Council, 2007)

1.2.2 Exploratory Research

Exploratory research has been used throughout the process. Exploratory research intends merely to explore the research question rather than to offer final and conclusive solutions (Dudovskiy, n.d). This type of research is often used if the problem is unclear or has not been clearly defined as in the case of this thesis. Exploratory research is very flexible and can provide the initial groundwork for future research. It allowed us as service designers and researchers to explore and investigate in a flexible manner and forced us to change direction driven by the research and results of new data and insights. *"Exploratory research is the initial research which forms the basis of more conclusive research. It can even help in determining the research design, sampling methodology and data collections method"* (Singh, 2007).

Exploratory research was particularly suitable for this thesis, as it helped to explore a new area where little to no previous research had been done. The method was very useful when approaching the research question, as it allowed us to research the topic through various methods and different theoretical views.

CASE

2

This section will describe the background of the case and company collaboration which requires understanding and underpins the design process direction.

2.1
COLLABORATION WITH DANSKE BANK

This thesis has been written and conducted in collaboration with the department of Group Process Development (GPD), Customer Journey & Process Center of Excellence in the Danske Bank. Which is an in-house consultancy where they explore and use the DB customers' needs and journeys to rethink solutions and processes and create value-adding offers.

We were directed towards Aurelija Rupsyte, Customer Experience Consultant in the GPB, as our main contact person. In a kickoff meeting with Aurelija we were presented with possible areas of interest for the thesis from the Danske Bank's point of view. We decided on a topic within consumer finance based on personal interest. After deciding on a topic Aurelija further introduced us to Tiina Pauliina Järvenpää, Project Manager in GPD, and part of the Consumer Finance Tribe; a project that currently work on optimizing and innovating within the area of consumer finance. At the beginning of the process a meeting with Aurelija and Tiina took place to clarify expectations around the project and collaboration, while meetings with Tiina were done continually throughout the process. The project was delivered to the Danske Bank three weeks before the deadline for them to read it through, bring valuable feedback and ensure that our confidential agreement was intact.

2.2
THE SERVICE PROVIDER

The Danske Bank is a Nordic universal bank with strong local roots in Denmark, Norway, Sweden and Finland. The bank was established in 1871 and has since grown to become one of the largest banks in Denmark. Today the bank is present in 16 countries, with 19,800 employees, has 2.7 million personal customers, 231,000 small and medium-sized business customers and 1,900 corporate and institutional customers. Their 2020 aspiration is to become number 1 in customer experience. The Danske Bank serves their customers through four business units: Personal Banking, Business Banking, Corporates & Institutions and Wealth Management (Danske Bank, n.d.). Throughout this thesis the focus will stay within Personal Banking.

2.3
PERSONAL BANKING

In the Personal Banking unit the bank strive to help the DB customers to be financially confident, make daily banking and important financial decisions easy - as well as to give the DB customers the best experience whenever they are in touch with the bank.

Companies need to meet the customers needs anytime, anywhere across different channels (website, mobile applications, etc.) and address their individual needs with a range of innovative solutions (Van Bommel et al., 2014). The Danske Bank Personal Banking aims to offer customized advice that addresses the DB customers' individual needs as well as broad range of innovative solutions in day-to-day banking, home financing, retirement planning and other aspects of personal finance. To give more individual advice the Danske Bank has divided their personal banking customers into five main customer programs that differ from simple banking needs to more comprehensive business ideas. Each customer program has its own support department where they help the DB customers around the clock – on the phone, by e-mail or chat or on their website. The team servicing the customer group of young people in 'Ung Direkte', aged 18 to 27 or students, differs from the other departments, as the team consists of young advisors only. The advisors of the five departments are in contact with the consumers, whenever a need for financial support occurs.

2.4
INITIAL ACTOR MAP

Argued in the literature review, several actors should be approached in the design process to ensure both a holistic as an in-depth understanding of the customer experience. Therefore, an initial actor map (Fig. 2) was created to give an overview of the system, with the different customer programs (Appendix 1) and their departments as mentioned above. We used the map throughout the discovery phase to gain an understanding of whom we should approach for interviews when aiming at identifying the needs and pain points of the DB customers. The initial actor map visualize who is present in the lending process. The DB customer can either choose to visit an advisor in a branch bank, apply online or get in contact with an advisor through phone, when the need for financial support emerges.
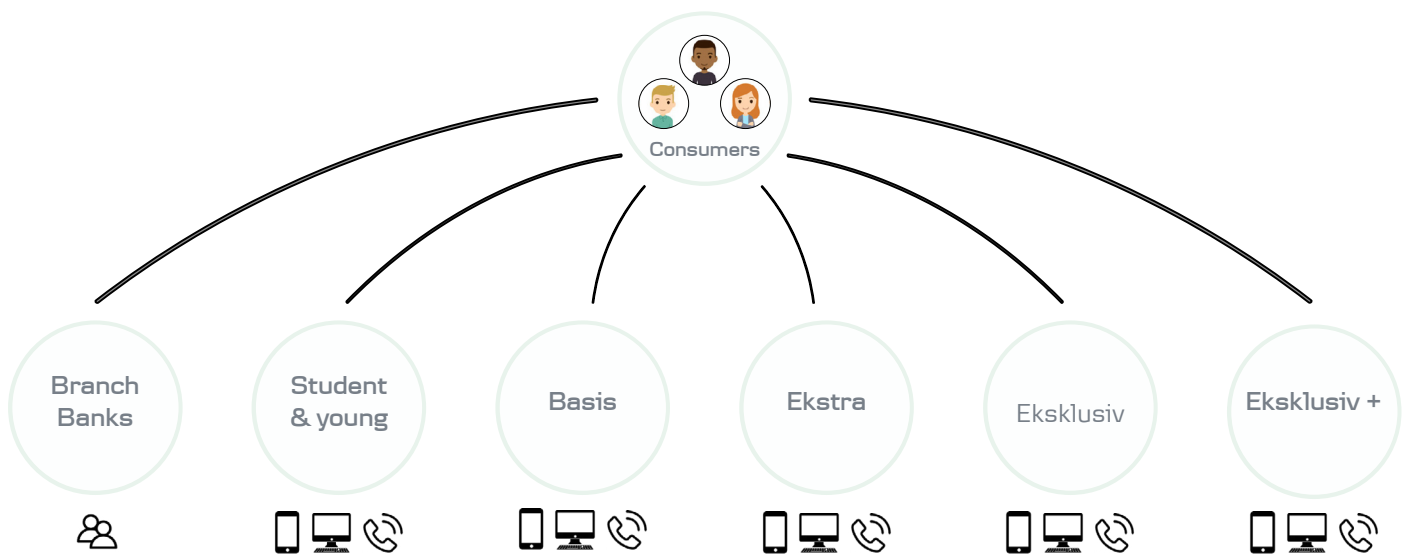
Figure 2: Initial actors map showing the different customer programme departments

2.5
THE NEED FOR FINANCIAL SUPPORT

All through life, events occur where people become financially dependent. These events may vary - for example from buying a home, renting an apartment, starting up a family or getting married. In these situations the Danske Bank offers financial support and consumer financing. Currently the department Consumer Finance Tribe, are working on improving the service offers within consumer finance to provide the best experience to the DB customers. In a landscape, where several banks and other lenders compete to offer great financial solutions, an essential element of differentiation is the quality of the customer experience, which led us to the focus area of our thesis.

2.6
FOCUS AREA

The Danske Bank has earlier identified that a great amount of the consumer loans are applied for with the purpose of paying for a deposit, which can be a fairly large financial amount. The focus of this thesis is put on the consumers who are about to rent a new apartment, where the need for a loan emerges for the first payment including deposit. Our role has been to investigate and analyze how consumers get the feeling of being supported, secure, and ready for a quick change and thereby get the sense of financial flexibility when these situations occur. By looking into the overall experience we intended to identify when the need emerges, as well as what kind of pain points there were. The goal was to give valuable suggestions on how the Danske Bank can improve the overall customer experience within consumer loan.

As mentioned in the introduction, the project took off, directed by the following problem statement:

How might service design support the Danske Bank in identifying the needs and pain points of customers looking for a loan to rent an apartment?

DISCOVER

3

The first phase of the Double Diamond, is the Discover phase. As described earlier in the methodology section this phase allowed us to explore our focus area in gaining an understanding of whom we are potentially designing to - thereupon uncovering their needs and pain points. Moreover, knowledge was gained within the offers and channels of the Danske Bank, relevant financial offers and the rental housing market. The phase was kick started through desk research and later field research..

3.1
DESK RESEARCH

This section will describe the initial desk research where we explored the topic. The research started rather broad with the aim of building a knowledge base about consumer financing - as well as creating an understanding and perspective about consumer loans in Denmark. The research also provided useful information about the rental housing market in Copenhagen based on existing material, research reports and data from Danmarks Statistik (Statistics Denmark).

3.1.1 Consumer Finance

In the search for a definition of the term consumer finance there is a common understanding defining it as a particular lending process that takes place between a consumer and a lender (Randulf, 2016). A business dictionary's definition of a consumer loan is: *"an amount of money lent to an individual (usually on a non-secured basis) for personal, family or household purpose"* (Business dictionary, n.d.). A consumer loan differs from a mortgage, car or home loan and is also called a mini-loan or short-term loan (Danske Bank, n.d.).

We explored ways of getting a consumer loan firstly and simply by typing in on a search engine *"get a loan for renting an apartment"*. It gave thousands of results, some of which showed other types of loan givers first. Not until further down the list the banks were showing. Taking a consumer loan through the bank is known as being the more responsible choice. The loan usually has a lower interest rate than other lenders and needs to be paid

back within five years or faster, depending on the monthly benefit (Finansmagasinet, n.d.). Consumer loans from other lenders than banks are characterized by their ease and speed and are usually more expensive than a loan from the bank. The interest rate depends on the loan size and timeframe - but is often so high that people get into deep debt, and many people get caught in these loans (Berlingske Business, 2017).

Quick-loans have become increasingly more popular in the recent years when Danes wish to borrow money. This type of loan is one of the most widely used ones in Denmark, because it is so quick and easy - not to mention the fast process through which you do not have to put any security, unlike at the bank. A comprehensive questionnaire survey from the Competition and Consumer Agency (2015) shows that quick-loans are most popular among the 20 to 29-year-olds. It is a fact that students as well as people at work take the loans, however, it is primarily people outside the labor market who make use of the quick-loans (Simonsen, 2015).

3.1.2 Danske Bank

When looking at consumer loans from a holistic point of view we found it necessary to narrow down the desk research and focus on the Danske Bank who intends to compete against other lenders by providing more responsible loans that prevent consumers to end up in a bad financial situation. A consumer loan in the Danske Bank is called 'Danske Lån'. In this case the bank evaluates the consumer's finances and calculate the exact interest rate (Danske Bank, n.d.). The process to apply for a consumer loan is currently the same regardless of whether the need is for renting an apartment, traveling or if the washing machine is broken and needs

to be replaced (Danske Bank, n.d.). The loans can be taken on the website online, via the APP, by call or a face-to-face meeting with an advisor. When looking at the Danske Bank website, under the tab *"Mit liv"* (Fig. 3), several life events are shown where the Danske Bank aims at accompanying their customers in delicate moments and provide financial support and financial flexibility. You can get financial support or guidance if you are buying a new car, starting up a new family, getting married or buying or selling an house, but there are no guidelines for those who are seeking a loan for renting an apartment.
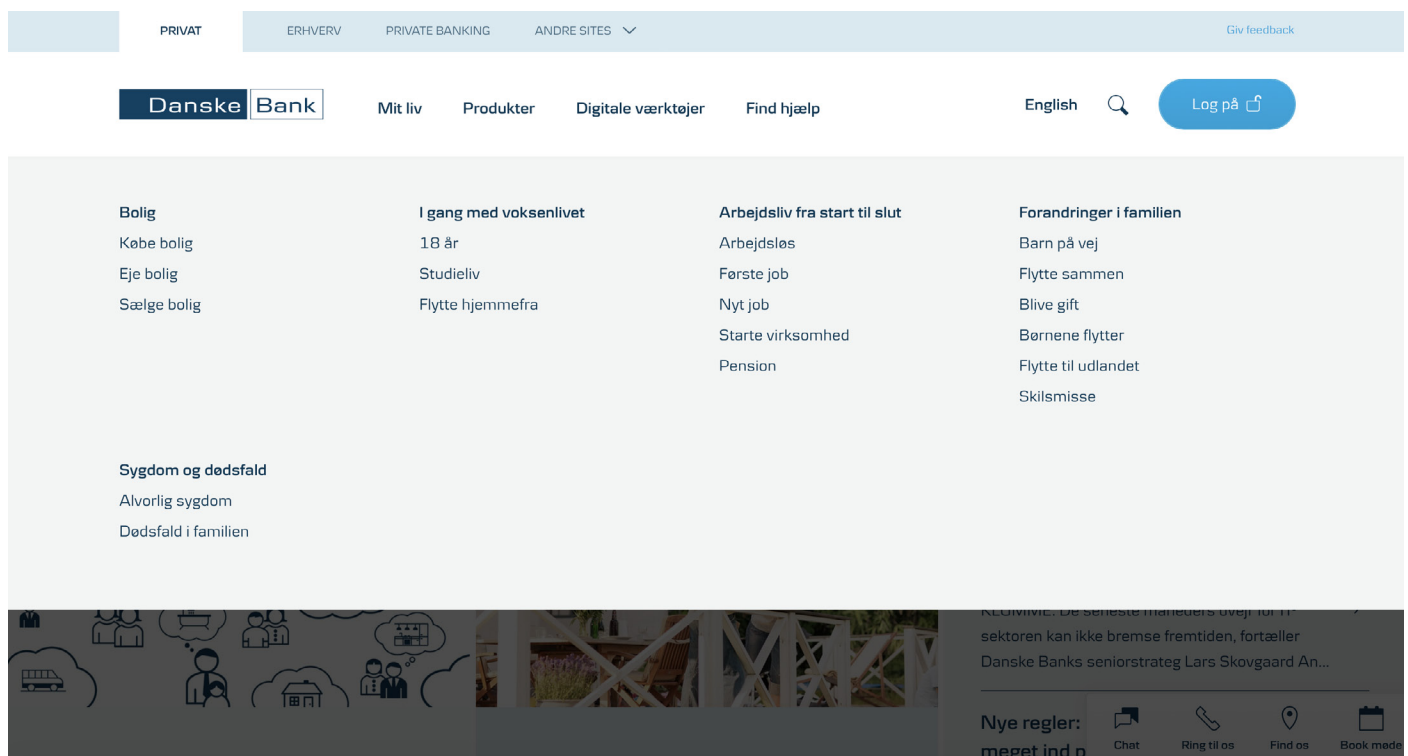
Figure 3: The dropdown menu on the Danske Banks' Danish website

3.1.3 Competing Service Offers

As implied, the Danske Bank is competing with numerous of other lenders as well as other banks to offer consumer loans. Taking a closer look at other banks on the Danish market all of them offer consumer loans, but none is providing a service/solution to the specific situation: Renting an apartment.

This appears to be different in other countries. For example in the United Kingdom they offer another setup when renting an apartment where you can contact the local council about possible rent or deposit guarantee schemes if you need help to pay the deposit. The concept is called 'Deposit Protection', and in this case the *"landlord must put your deposit in a government-approved tenancy deposit protection scheme if you have an assured shorthold tenancy (AST)"* (GOV.UK, n.d.).

In Finland they offer a similar service with the deposit guarantee schemes. These are taken care of by the Finnish deposit banks. However, the branches of the foreign banks in Finland do not fall within this concept (Financial Supervisory Authority, 2017). In Canada the landlord may want to demand a credit check on you to be sure that you are able to pay the rent on time. If the landlord suspects that you have any credit trouble he or she may ask you for a guarantor which is usually a parent or a guardian with a good credit history (Financial Consumer Agency of Canada, 2018). These solutions are not available on the Danish marked when renting an apartment.

As mentioned earlier, when you need to borrow for the deposit you are being compared and put in the same position as if you needed to borrow money for a new washing machine or a trip abroad. This does not make sense due to the fact that different factors apply for the various situations, purposes and loan evaluations.

It is, however, a completely different story when buying a new home e.g. In this case all the banks offer a number of suitable financial solutions to the specific situations. The Danske Bank has taken it to the next level and developed a unique digital solution within this area: Sunday - an APP that provides a full overview serving both as a personal housing loan calculator and as a site showing the homes that the house hunters can afford - as well as how a specific home purchase will affect the future financial situations for the DB customer (Sunday, n.d.).

3.1.4 Rental Housing Market

A lot of people are dreaming about owning their own house or apartment, but the number of those who choose to rent has increased. This shows from data from Danmarks Statistik 2015 (Statistics Denmark 2015). Since 2010 the proportion of Danes who rent an apartment has risen from 37% to 42% - meaning that today there are approximately 2,4 million in rental housing - while 3,3 million on the real estate market (Finans, 2017).

It is especially the 18 to 29-year-olds who are increasingly renting an apartment (Politiken, 2017). The statistic from 2015 also states that young people rents for a longer period of time, particularly the 25 to 36-year-old (Statistics Denmark   2015) According to Lars Kirstein, renting chief in Datea: *"Many emphasize the flexibility and freedom of not owning"* (Berlingske Business, 2017).

The desire to move to the big cities has become more prominent the recent years, and this has pushed up the prices. In Copenhagen the average rent has risen by 51% from 2010 to 2016 compared to Århus, Aalborg, and Odense where the rent has increased by 34,8% respectively 28% and 23%. It is challenging to find an affordable apartment in some of the big cities in Denmark, and there is a massive lack of renting accommodations. Many end up in expensive short-term rentals because it is their only option and the fact that they are desperate (Penge & privatøkonomi, 2017). The demand for rentals is far more significant than the housing offers. As the demand for housing is increasing more and more rental estate is being built. In Copenhagen, currently, over 1,200 construction projects are being performed and transformed into homes that are either for sale or rent (Nybygget, 2018).

3.2
FIELD RESEARCH

The following chapter describes a consumer perspective which is represented through ten conducted interviews that became essential in exploring and identifying consumers needs and pain points. Moreover, two conducted advisor interviews are presented thus giving a better understanding of the current loan and credit opportunities as well as a more holistic service understanding for the service experience. All findings were gathered and clustered along with the process and later used in the define phase.

3.2.1 Consumer Interviews

The first round of interviews were conducted with the involvement of consumers. The purpose of the consumer interviews was to get in depth with what needs and pain points appear in their experience when renting a new apartment and facing economic difficulties.

It was not easy to recruit respondents to interviews, as a person's financial situation seems to be a rather sensitive topic to many (Bjørner, 2015). Accordingly, we met a lot of people who did not want to share their financial situation with us. We therefore chose to not restrict the research to only interviewing DB customers - but instead interviewing customers with other banks as well. Doing so made it possible for us to explore cross different service providers.

The criteria for the involved respondents was that they formerly had been in the situation of renting a new apartment and in this regard sought financial support either from their bank, network or other lenders. Due to the desk research, the respondents selected for the interviews were between the age of 18 to

36 years old, and facing the first payment for the new rental apartment alone.

3.2.1.1 Interview Structure

The consumer interviews aimed to let the respondents tell their story in a semi-structured interview where they felt safe and comfortable. The semi-structured framework (Appendix 2) allowed us to guide the respondent with questions and props, as well as speaking freely in a relaxed manner. It was an interview form with a fairly open framework which allowed conversation and two-way communications. Predefined questions/themes were created as a guideline, but at the same time let us as researchers address the questions and *"to include additional questions in response to participants' answer and reactions to the interviews situations"* (Bjørner, 2015, p. 87). The interview and props were done in Danish to avoid any language barriers when interviewing as well as ensuring a comfortable setting by speaking the native language of the respondents. Some of the respondents felt most relaxed in doing the interview face-to-face in a home environment where a few others preferred phone interview.

3.2.1.2 Emotional Journey Map

As explained in the literature review, visualization and tangible props can support a better design process in various ways. Mentioned is; field research where props in an interview can occur as an object guiding the conversation, push the imagination of the respondents and remove focus from nervousness or performance anxiety of any kind.

To test theory on the above assertion we decided to create what is described as a boundary object according to Stickdorn et al (2018, p. 43), for the consumer interviews. An emotional journey map supporting both the person interviewing and respondent with an overview of what was expected of the interview, how far in the interview they were and what needed to be specified further.

The map covers a general journey in five phases: Your housing situation at the time, investigation of the rental housing market, financial considerations, payment of the deposit and costs in relation to moving in. The emotional journey map visualizes the phases with titles, arrows and icons and

an open space for creating the emotional journey. The clouds are indicating that "*here the respondent is happy*" and "*in heaven*" - whereas the bottom waves indicate that the respondent is "*unhappy*" and "*drowning*" (Fig. 4).

The emotional journey map was tested and adjusted before presented to the respondents. Throughout the interview the respondents were asked to describe the different phases and remember the emotions present at the given time. In collaboration a dot was placed at the emotional line every time the emotions had changed. This lead to questions like "*what were you feeling?*" "*Why were you frustrated?*". Or "*why was this heaven?*". Which brought further details that most likely would not have come to our awareness without the map as a starting point for dialogue (Appendix 3).

Later the emotional journey maps were used as a reminder of the different interviews and their insight - before gathering and clustering the findings.

Figure 4: Boundary object: The emotional journey map used in the consumer interviews

3.2.1.3 Download Your Learnings

As mentioned, ten interviews were conducted where each of us were responsible for conducting five interviews through a pre-set framework. Afterwards, we decided to create a space for sharing our individual knowledge and build a common foundation before proceeding towards the advisor interviews.

In doing so IDEO's method *"Download Your Learnings"* was used. The method allowed us to share individual conducted insight to create a common knowledge base. With *"Downloading Your Learnings"* we sat down together and took turns on sharing insights, knowledge, stories, and quotes conducted from the interviews using only post-it and pens (IDEO, n.d.). The other team member had to act as an active listener while the other member explained and wrote down a finding on a post-it (Fig. 5). The process continues until the table is full of post-its and all members have shared their individual knowledge. It showed to be a simple and useful method that ensures efficient sharing of the wide range of identified consumer needs and pain points.

Figure 5: Downloading Your Learnings

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Figure 6: Clustering of key findings

3.2.1.4 Clustering

From *"Download Your Learnings"* a large number of post-its was laid out on the table. It was then time to cluster and make sense out of the many findings. Using the method *"Find The Themes"* by IDEO made it possible to organize gathered insights by looking for connections, themes, and patterns (ibid). Each post-it was taken from the table and placed on a whiteboard. When a connection between the post-its was found it was formed as a group and titled with the key finding. Through clustering, the 78 post-its were narrowed down to 17 key findings within consumer behavior, needs and pain points (Fig. 6).

3.2.1.5 Key Findings

The 17 key findings from the clustering were overlapping and showing patterns. The key findings were therefore presented through five themes being used as preparation for the advisor interviews.

A lack of basic financial knowledge

Financial considerations are mostly last–minute

Wanting a holistic and personalized financial experience

The advisor creates trust

The feeling of being independent is important

FINDING 1
A lack of basic financial knowledge

The respondents felt confused in relation to their future financial situation and decisions and opportunities when renting a new apartment. A basic understanding of their economy, and what they could afford, were missing. Moreover, their knowledge level were almost equal to zero in regards to loan and credit options.

Respondents expressed that their focus was more on the monthly rent than on the deposit. Further, the respondents, who received a 'no' from the bank, did not understand that it was to protect them. Several consumers, who received a 'no', got a loan from another bank or other lenders - but are sadly finding themselves in a challenging financial situation today. Consumers often also get surprised when they realize the size of the interest they have to pay on their loan.

FINDING 2
Financial considerations are mostly last-minute

Eight out of ten of the respondents described a last-minute call to the bank. The emotions were mixed when having to move - but also regarding the finding of a new apartment to rent and the inevitable financial considerations. It is often so that the whole situation of searching for a new apartment to rent is an emotional challenge because of the competitive market, and the timeframe for saying yes to a new apartment is often on short notice. This tends to push several respondents to take rushed decisions where they regret later on not having looked further into their financial options beforehand. It takes four to six months on average from when they start to look actively for an apartment to when they finally find one. Several respondents expressed that they would wish that they had used some of that time to investigate their financial possibilities more thoroughly. The interviews showed that financial considerations, research, dialogue with other lenders or the bank were not initiated till after a new apartment was found. This led to a mix of negative feelings where the need for financial support and guidance suddenly became urgent.

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FINDING 3
Wanting a holistic and personalized financial experience

The respondents had a hard time understanding financial matters cross areas as banking, insurance, loan, private economy and more. They seek a bank that can provide them with a holistic financial experience that supports their different financial needs through time. What draws the respondents from this holistic experience is the lack of personalization. The respondents feel like they are a number in a pile, and especially financially challenged consumers feel neglected.

Several respondents wished for a personal bank advisor instead of being shifted around between advisors every time they make contact. The process of having to explain their personal story to a new person every time was frustrating.

FINDING 4
The advisor creates trust

The larger banks are seen as a safe choice because of their size and stability. Still the large amount of the DB customers can make the individual feel elected and overlooked. The advisors appears to be a key element to balance this with personal contact providing knowledge and care. The respondents have a stable level of trust to the advisors, although they do not always feel understood or understand their options.

FINDING 5
The feeling of being independent is important

The respondents like to feel independent. They do not like to borrow money from the bank or their network. Besides commercialized competitors the parents often work as a support system in terms of lending their kids money for a deposit when renting an apartment. Even though it is more beneficial from a financial point of view to borrow money from your network without interest - it still creates a feeling of not being able to take care of yourself when doing so.

3.2.2 Advisor Interviews

Through the consumer interviews it became clear that advisors with direct contact to the consumers within the young segment needed to be involved in the process. The predefined customer programs, visualised in the initial actors map in figure 2, had a significant influence on which advisors could be relevant for an interview. Through our contact Tiina we got in touch with the customer program departments *"Basis"* and *"Ung Direkte"*. Both directed us to advisors in the departments who were able to contribute to a more holistic understanding of the loan options available - as well as the customer experience from the advisor's point of view from each department.

3.2.2.1 Interview Structure

We conducted two semi-structured interviews with employees from the Danske Bank. It was important to create a relaxed environment where the advisors would open up on strengths as weaknesses on the internal procedures and customer experience (Appendix 3). The two interviews took place face-to-face at the advisors location at the Danske Bank in Høje Taastrup.

The first interview was made with an advisor from the 'Basis' department, with many years of experience within the financial sector. This advisor takes care of personal banking customers via the phone as well as through the digital applications for loans and credit. The second interview was made with a younger advisor, with a solid experience within the financial sector. This advisor were seated in the department 'Ung Direkte' taking calls from the younger private segment with the purpose of counseling.

3.2.2.2 Key Findings

Through the interviews with the advisors, four themes were defined and are further to be specified.

Customers lack financial knowledge

Digital services are winning

The advisor can affect the 'Yes' and 'No'

Mostly a last-minute call for a loan
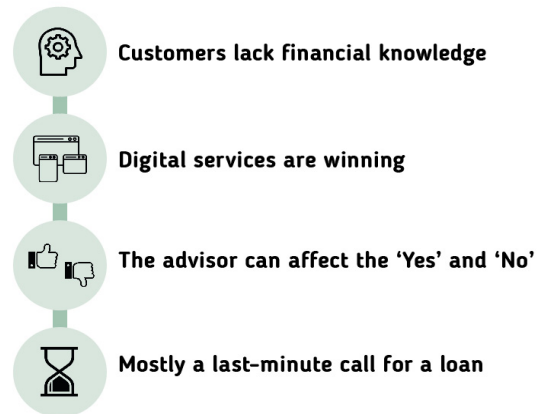
FINDING 1
DB customers lack financial knowledge

The advisors explained that in general the 'Basis' and 'Ung Direkte' customers are not that conscious about their private economy. Often they do not understand basics in using a budget or having an overview of their current as well as future expenses.

Some advisors try to educate the Danske Bank customers when in contact with them. Together with the DB customer, the advisor looks into income, fixed expenses and the remaining and disposable amount. The advisors have different tricks and tips to educate the DB customers and try to give them a basic understanding of how to use a budget where expenses become more visible and tangible. The interviewed 'Basis' advisor often encourages the DB customers to take three months where they 'test' their future economy - by each month putting aside the amount of money that their fixed expenses will rise with. By doing this the DB customer can see if it is realistic to take a loan in their situation. This is of course only for the DB

customers who are willing to make an effort, but in many cases, the DB customers need the money now and are not accepting the three-months-tip or a 'no'. The 'Ung Direkte' advisor explained that often it feels like the DB customer stops listening when a 'no' has been given.

The advisors told that the Danske Bank are holding webinars for educational purposes where they educate the DB customers in many different areas as; private economy, investment, saving and more. Moreover, advisors from 'Ung Direkte' are visiting 8th and 9th grade in primary schools to teach them about income, fixed expenses, budget planning and more. The advisors still wish that more was done to educate the DB customers.

FINDING 2
Digital services are winning

The advisor from 'Basis' administrate all incoming digital loans that the system could not handle. In her opinion, the digital services are gaining market share, and especially the younger segments below 35 years old are using the digital services heavily. She sees the future contact between the bank and the DB customers to go more through the digital platforms supported by a phone call or chat, where also loans can be applied.

This is also recognized by the advisor from 'Ung Direkte' who explained that the Danske Bank is focusing on the digital customer experience, and mentioned branch banks closing down, leaving only a 100 stores left in Denmark in total. The need for human-to-human interaction is still present and channels as the phone, e-mail, and chat were therefore mentioned as important.

In parallel to the digital universe one of the advisors expressed a concern: That the banks are very focused on removing all unnecessary steps in creating user-friendly and quick digital journeys. In the Danske Banks current digital lending process there are no questions regarding the particular situation of the DB customer and why the money is needed. This information is crucial for the loan evaluation by either the system or the advisor. If the person, for example is about to rent a new apartment - then their future fixed expenses will possibly change and the payment of a loan can therefore not be set from how the current expenses are. The advisors emphasized the need to know the situation before being able to counsel the DB customers helpfully.

The advisors continued that if the DB customer's digital application is declined, then they do not receive any reasoning upon the outcome. Instead, it is communicated that the DB customer can call the Danske Bank if they want any further explanation which is rarely done. Since the system does not consider the DB customer's situation or purpose of the consumer loan, mistakes can be made and a 'yes' or a 'no' can be wrongly given. If the DB customer chooses to call an advisor for further explanation the DB customer can end up with an approved consumer loan instead of getting declined by the digital loan system - due to the fact that the advisor has a wider range of considerations than the automated system.

FINDING 3
The advisor can affect the 'Yes' and 'No'

Through the interview it became clear how big of an influence the advisors had on whether

the DB customers get the loan or not. The confidential information is processed by the system that via different calculations determines if the loan can be approved or not. Parallel to this the advisor can evaluate further on the loan agreement by looking into the DB customer's previous records of loans, savings, and general financial behavior. Every DB customer has a 'Hustandsprofil' in the database of the Danske Bank where the advisors can type in information eventually for the next advisor to use. If the advisor evaluates the agreement to be a bad deal for the DB customer and the bank - then the advisor has the authority to say 'no'. Quoting the 'Basis' advisor: *"Sometimes the customer feels that they can do everything because they want it badly enough, but then reality suddenly hits them, and the situation becomes a lot tougher than expected."*.

The different advisors have different levels of authority. If an advisor does not have the authority to approve the loan, then they can contact the credit department, but this very rarely happens. The 'Basis' advisor made us aware that they sometimes are approached by people who are registered in RKI (Ribers Kredit Information) and who are in a very critical financial situation. But if the DB customer is in desperate need of financial support, then the advisor can make them aware of the housing deposit loans insured by the municipality.

The DB customers of 'Basis' and 'Ung Direkte' do not have a personal advisor. When a DB customer calls they first meet the level one advisors who can help with simple financial questions. If they need more complex advise as in a loan context they are passed on to the DB customer program department where they belong, so to speak. The DB customers do not necessarily know about the customer

programs, departments and different levels of support. Both departments: 'Basis' and 'Ung Direkte' have a hole team being ready to provide support. Why 'Basis' and 'Ung Direkte' do not have a personal advisor is based on the number of assets that the DB customers holds. It is low in these two customer groups and therefore does not have to be watched or nursed as much. The 'Ung Direkte' department stands out from other departments in having young advisors supporting the younger segment. The interviewed advisor from 'Ung Direkte' explained that, for the younger segment, the personal bond does not mean that much, but still the personalized advice is important.

FINDING 4
Mostly a last-minute call for a loan

The advisor recognized that the DB customers often contact the bank very late in the process when the need for a loan emerges, and they have to pay the deposit for a new apartment. Sometimes they call the bank almost the same day as the payment needs to drop, leaving very little time for the advisor to investigate, educate and evaluate the loan agreement fully. The advisors explain that when the situation is to rent a new apartment a classic consumer loan is the most commonly used.

The gathered research and interviews resulted in a great amount of insight within the areas of consumer finance, competing offers and the rental housing market, as well as consumers needs and pain points from both a consumer and advisor point of view. To ensure a successful transition from the Discover to the Define phase, five themes were identified, which are introduced in the next phase.

PRELIMINARY REFLECTIONS ON THE RESEARCH QUESTION

In the Discover phase we applied different methods mentioned in the Literature Review which supported us with the aim of answering our research question. The in-depth and semi-structured interviews with consumers and the use of the boundary object were discovered as particularly useful to identify the consumer's needs and pain points. The boundary object allowed us to clearly understand critical aspects of the different journeys and understand whom we should potentially design for.

The boundary object was a very positive experience that complemented a traditional interview approach. With the advisor interviews we could identify additional customer needs and pains which we had not met in the interviews with consumers. This is perhaps because the ten interviews, that were conducted, did not cover all segments. For the advisor interviews we did not develop a boundary object which potentially could have ensured us an extra level of insight and understanding.

DEFINE

4

The design process proceeded to the Define phase being next in the Double Diamond. The phase allowed us to structure and get an overview of conducted research, essential findings and new knowledge gained during the Discover phase. The insights were synthesized into six takeaway themes (Fig. 7) where we could create a new problem statement afterwards as well as define whom we are designing for through personas. The phase further holds an extended actors map and a customer journey to identify needs and pain points. Finally, the Define phase was concluded with a Design Brief with the purpose of guiding the further process of the Develop phase.

4.0
SIX TAKEAWAY THEMES

FINANCIAL AWARENESS

Consumers lack a general understanding of their private economy, financial options and possible changes in their fixed expenses when taking a consumer loan.

FINANCIAL GUIDANCE

There are no specific services, tools or written guidance targeting the situation when a consumer need a loan to pay the first payment when renting an apartment.

FINANCIAL BEHAVIOR

The consumer's financial habits and behavior highly affect their borrowing options at the Danske Bank when being evaluated by an advisor.

FINDING AN APARTMENT

Consumers have often four to six months to investigate the rental housing market as well as their financial opportunities.

LOAN APPLICATION DECLINED

The consumers do not always understand why they were declined for a consumer loan. A 'no' is currently better understood through human-to-human interaction than human-to-technology.

DIGITAL OFFERS

The technological evolution and digitization change that customers need - moving from branch banks to digital solutions - still supported by human-to-human interaction by means of the phone, email, and chat.

Figure 7: The six takeaway themes

4.1
NEW PROBLEM STATEMENT

In the discovery phase we clustered findings and achieved a common knowledge and thereby the opportunity to narrow down our direction for the design process.

The initial problem statement was defined as being the following: How might service design support Danske Bank in identifying the needs and pain points of customers looking for a loan to rent an apartment?

Due to findings and new insights we found it necessary to change the initial problem statement. The new problem statement was therefore defined as:

> How might service design support the Danske Bank to innovate their digital service offers by identifying the needs and pain points of customers looking for a loan to rent an apartment?

4.2
ACTOR MAP

As mentioned earlier, an initial actor map was created (Fig. 2) to gain an overview of the relevant actors and their relations within the system. Throughout the Discover phase the actor map evolved and was used as a tool to keep us as designers on track with whom to consider in the further process. The initial map was no longer adequate enough, and a new actor map was created to visualize the findings conducted during the Discovery phase.

The actor map (Fig. 8) shows the existing actors within the lending process at the Danske Bank. Besides the branch banks the DB customers can choose to contact the bank by phone, email, chat, and the platform 'Netbank' or 'Mobilbank'. When using the phone or chat the DB customer is directed to the first level advisors. These are general customer support advisors who can manage minor and general questions. When the DB customers are in need of financial support, as regards a loan, they are passed on to an advisor in level two within the different customer programs. The advisor in level two has a larger grade of authority than level one and can approve loan agreements, and they also handle online applications for consumer loans. In rare situations the asked loan amount may be out of the advisor's authority range - in which case they have to contact the level three being the credit department.

The constant evolving of the actor's map throughout the Discover phase led us to come across new actors. We discovered that the first level advisors have the initial direct contact with the DB customers but do not have any influence on the loan process. An interview with an advisor from level one was therefore not relevant for the scope of the project. Secondly, we discovered that the credit department being a part of the system had no customer contact and acted only as a support system for the other departments. Therefore, we did not include them during the field research. Finally, the branch banks identified in the initial actor's map were not interviewed further - based on research showing that the DB customers in the young segment are mainly using the digital platforms while, at the same time, the Danske Bank is proceeding with a more digital focus and shutting down branch banks.
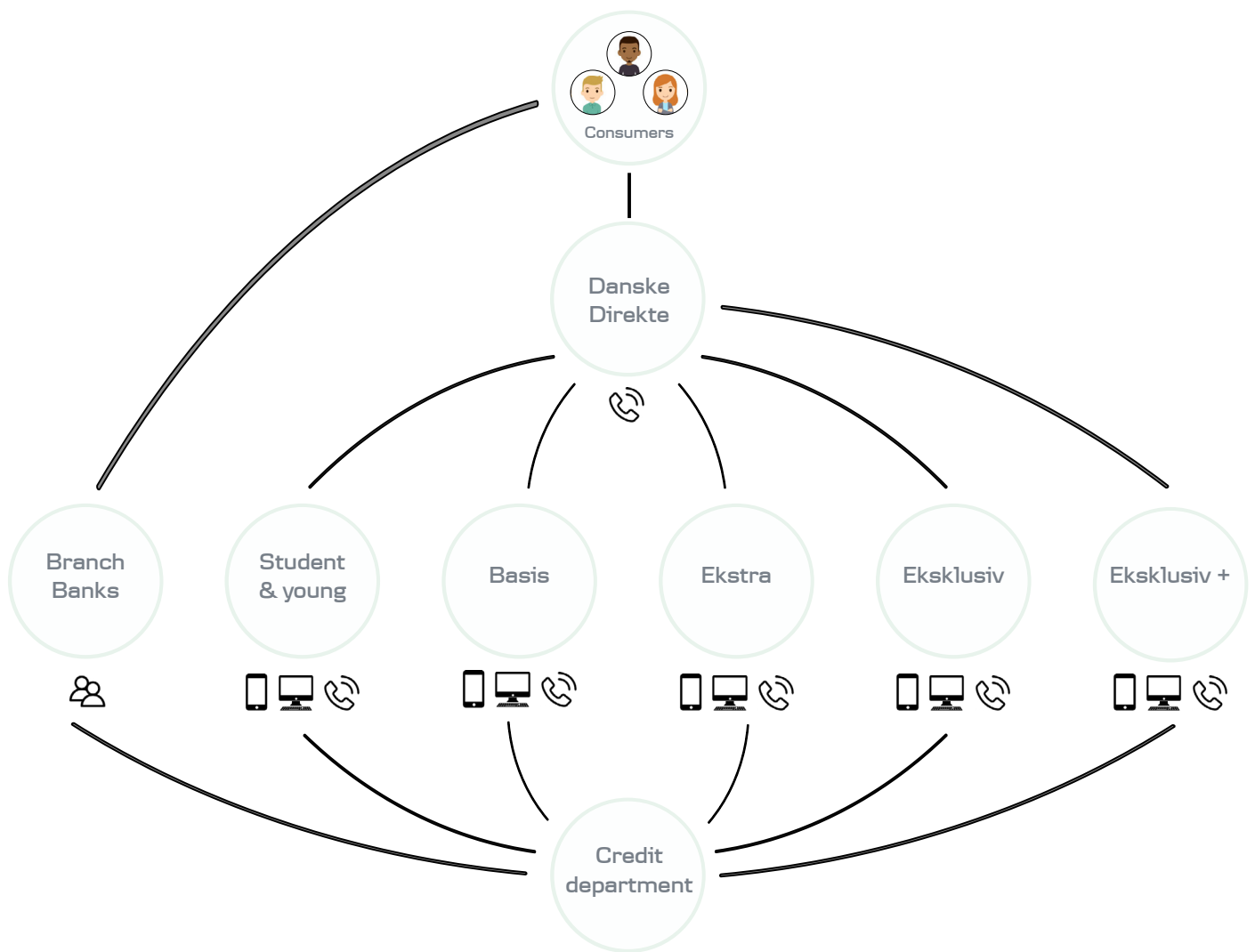
Figure 8: New actors map showing the different customer programme and additional departments

4.3
WHO ARE WE DESIGNING FOR?

The following section aims to define potential end consumers by creating personas. The personas were based on the findings from our interviews with both consumers and the advisors which helped us gain a better understanding of the consumer's experience when renting a new apartment, and when the financial need emerges.

We limited the project by only focusing on the younger segment 20-29-years-old, as we identified that it is primarily the 18-29-years-olds who are increasingly renting an apartment, and consumer loans being very popular among the 20-29-years-olds. Furthermore, we limited ourselves by only looking into/getting in contact with consumers who were not registered in RKI, and who had faced a relatively large payment of the deposit alone.

Based on our fieldwork and desk research we identified several types of different consumers and some general trends. The main patterns showed that the consumers lack basic financial knowledge and understanding regarding their private situation - whether they are students or working full time. They do not understand their options and have low confidence in the bank, but slightly lighter in the advisor. Another common thing for this segment is the heavy use of the bank's digital channels. It is important to mention that we had also been in contact with consumers who do not belong to this segment and have a different journey. But we saw a tendency towards the more financially challenged consumer and have therefore created three personas which illustrate various types of consumers in different situations within this segment - framed by above limitations and patterns.

4.3.1 Personas

The three personas created are not real people but *"fictitious description of users"* as Cooper (1999) defines them. The personas are based on findings and patterns discovered throughout the process and are further used to develop idea/concepts that meet the consumers' needs and pains. Additional, the personas enabled us to understand and communicate the essence of the users - instead of having individual images which supported the design process (Nielsen, 2004). The personas were further used to map out a customer journey upon the existing experience.

MORTEN

AGE 22

OCCUPATION STUDENT/PART TIME JOB

LOCATION NØRREBRO

APPLICATION DECLINED

Figure 5. Persona 1

Situation

Morten lived in a temporary apartment. He began searching for a new apartment on different websites and through his network and succeeded. Morten did not know much about finances, but in his opinion, he is a responsible person. He did not have a saving and went to his bank to for a loan to pay the deposit. He applied through the mobile bank app, but within a few minutes, it was declined. *"How could they so quickly determine if I was not suitable for a loan?".* The app said 'call us', but he thought it would make no difference. He contacted two others bank, and one offered him a consumer loan and convinced him to change bank. Left he sit with the questions; *"why would one bank say no, when another said yes?"*

Use of channels

Understood the outcome of the loan application

Basic Financial Knowledge

Confidence in the bank

Confidence in the advisor

Finding a new apartment

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |

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ANNA

AGE 25

OCCUPATION FULL-TIME JOB

LOCATION ØSTERBRO

APPLICATION PARTLY APPROVED LOAN

Figure 10: Persona 2

Situation

Anna lived with a good friend, and their friendship was struggling caused by them living together. She was desperate to find a new place. It took forever, but finally, she was offered an apartment. With a full-time job, she felt financially balanced, but without any larger saving, she needed support from the bank to pay the deposit. She applied through the website for a loan but got declined within a day. She did not understand the decision and call the bank. The advisor admits that the system could have made a mistake and offers to lend her half of what she needed. A bit confusing she said yes to the offer from the bank and afterward contacted a quick loan provider to borrow the rest of the money. Today her financial situation is struggling - because of the interest rate on the quick loan, she has had to postpone her payments to the bank several times.

Use of channels

Understood the outcome of the loan application

Basic Financial Knowledge

Confidence in the bank

Confidence in the advisor

Finding a new apartment

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |

SIMON

AGE 27

OCCUPATION GRADUATED

LOCATION FREDERIKSBERG

APPLICATION DECLINED

Fig

Situation

Simon was about to graduate and thereby being kicked out of his student apartment within three months. He was desperate and struggled to find a new apartment. He searched within a realistic monthly pay range rather than looking at the deposit. Finally, an offer presented itself, and he took it. He saw the larger deposit amount, and with an income based on trade union support and no savings, he needed financial help from the bank. He calls the bank but quickly gets a no. Very frustrated he hangs up without hearing the full explanation. He contacts three other banks and receives a no. He was forced to contact a quick loan provider with a high-interest rate, leaving him in a much worse financial situation, where his loan payments for many years will conflict with future plans.

Use of channels

Understood the outcome of the loan application

Basic Financial Knowledge

Confidence in the bank

Confidence in the advisor

Finding a new apartment

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |

4.4
CUSTOMER JOURNEY

A customer journey was created based on the discovering made earlier in the process and as Stickdorn et al (2018) state - it gave us a visual overview of the overall experience and common understanding in the group. The journey is rather general and is built upon consumers, being both the DB customer of the Danske Bank and consumers. Furthermore, it presents the personas journeys when renting an apartment in three steps: Before, during and after. It is not only visualizing the lending process but also the expectations and experience of the consumer when the need for a loan occurred, as well as after phase. The journey assisted us as designers to step into the consumers' shoes and understand the experiences from their perspective. It also helped us to dig deeper into the consumers' needs and pains points and specify them.

			BEFORE				
			the customer gets contact with the bank				
Awareness	**Explore options**	**Search**	**Waiting**	**Adjust expectation**	**Get an apartment**	**Consider**	**Options**
The person realizes that he/she needs to find a new apartment.	The person begins to search for renting apartments through websites, network, app and social media	Searching for apartments actively, by calling, writing applications and going to open houses events	Finding a new apartment is a process with a lot of waiting time.	The person would like a 2 bed apartment, with a balcony	The person finally gets offered an apartment through network, websites or waiting lists.	Financial consideration upon the deposit and future monthly expense	Reads online or contact the bank to explore loan options.
"Oh no! I'm forced to move"	*"Where do I start my search on finding an apartment?"*	*"It is nice that there are some rental housing websites to gain an overview from"* *"It is so hard to find an apartment. I feel desperate and don't think about the finances"*	*"I'm tired of waiting and hate that I don't have any control over my situation"*	*"I had many demands when starting to search for an apartment, but got fewer and fewer along the way, due to the fact it is so difficult to find an apartment"*	*"I finally got offered an apartment"*	*"I have not thought about the financial part before now, I need this apartment. I expect the bank to help me right away"*	*"I'm nervous to call the bank for the first time so late in the process"* *"I don't know my options or what's best for me. I can't find information online targetting my situation"*

Figure 12: Customer journey map

DURING					AFTER			
when the customer is in contact with the bank					the customer is in contact with the bank			

Apply	Send documents	Waiting	Get answer	Receive the money	Sign contract	Pay the deposit	Move in	Reflection
Apply through phone, e-bank, app or face to face meeting.	The person has to send some documents in connection with the loan application.	Waits for a 'declined' or 'approved' on loan from the bank.	The person receives either a 'declined' or 'approved' through phone, e-mail, e-bank, app or face-to-face meeting.	The person receives the approved loan amount on the bank account.	Sign contract for the rented apartment.	Pay the deposit for the new apartment.	Gets the key and move into the new apartment.	Looking at the loan and seeing how much the interest rate actually is.
"I feel that the advisor is trying to understand my situation" "The digital application form was easy to fill out, but it did not care about my situation"	"I don't mind sharing my information with the bank"	"Why would the bank not help me? I know I'm able to pay back the loan and THIS situation is urgent"	"Yes I got the loan that I needed and can move on with my plans" "I got a No! Why did the bank not help me out, when I needed them? I don't understand, and will now go look elsewhere for a loan"	"My loan was declined and I only was approved half of the money i needed"	"I can now sign the contract"	"I thought I could get the loan faster - I almost did not manage to pay the deposit on time"	"I'm happy to move into the new apartment."	"I'm shocked to see how high the interest rate actually is"

50
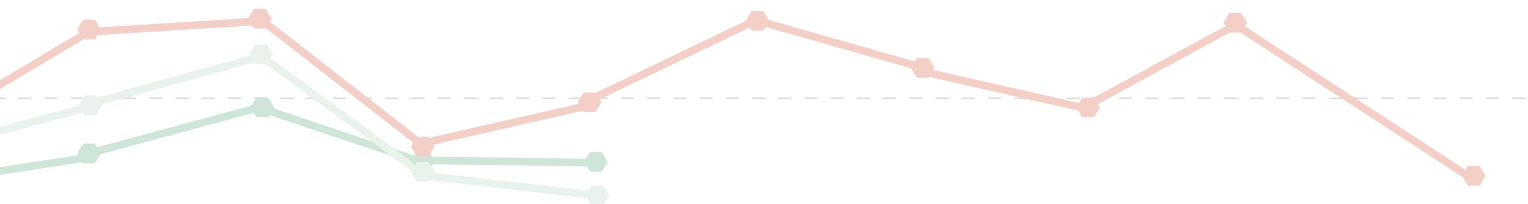
4.4
DESIGN BRIEF

From re-defining our problem statement we created a new overview of the actors involved in the existing service experience and identified who we were designing for and their needs and pains. Now we were at a point in the design process were we could use the gathered insight and knowledge to develop innovative suggestions to the Danske Bank. Going from the Define phase to Develop a detailed design brief was formulated to make sure that the transition between the phases would be smooth.

The design brief shortly presents the design challenges and explains what the problem is, sums up who we are designing for, their relevant behavioral patterns, needs and pain points and the goal of a potential outcome. The design brief was used as a tool in the Develop phase guiding the process and ensured that the final delivery was based upon insight.

DESIGN BRIEF

WE KNOW

Consumers who are about to rent an apartment are facing a long and demotivating process of desperately looking and competing for a new apartment. They are low on financial knowledge and do not contact the bank before but after they have found a new place to rent. The consumers expect the bank to help them and mostly use the online platforms or the phone to apply for a loan. The consumers expect personalization but currently this is only gradually fulfilled through direct contact with an advisor. Consumers often do not understand why their loan was declined and go seek for a loan elsewhere which can result in changing their bank. Besides, consumers also seem to get a shock whenever they realize the size of the interest they have to pay on their loan.

THE PROBLEM

The consumers are not contacting the bank before very late in the process which creates another desperate situation upon their process of looking for an apartment. The consumers are very low on financial knowledge both in terms of private finances, what they can afford and what their loan options are. When the consumers receive a 'no' they often do not understand it. Through a phone call the consumer can have the 'no' explained further but through the digital application system there is not an explanation for the declined loan. Online material for self-study is not targeting this situation, and the digital application system does not encounter why the money is needed which can result in a loan both being approved or declined wrongly. The lack of understanding the loan or a 'no' does often end up in putting themselves in an even worse financial situation than before.

THE GOAL

The goal is to create a set of recommendations that can be used by the Danske Bank in innovating their digital service offers within consumer loan when renting an apartment. The service offers should lift the customer experience towards a more stable and positive emotional state.

WE ARE DESIGNING FOR

- DB customers and potential new customers of the Danske Bank
- Aged 20- to -year-olds
- Consumers about to rent a new apartment

BEHAVIOR

- Using 4 to 6 months to find a new place
- Do not seek financial opportunities before searching for an apartment
- Contact the Bank late in the process
- Using a lot of digital platforms to either gain information or apply for a loan
- Use advisors via phone
- Making bad decisions based on the feeling of being desperate and a lack of knowledge
- When the 'no' is not understood a loan is found elsewhere

WE WANT TO AVOID

- A service offering that compromises on ethical to empower speed
- Decision making upon the feeling of being desperate or lack in knowledge

HOW TO

- By designing for the needs and pain points of the consumers
- Advantageously supporting digital services with a feeling of human contact

MAIN MESSAGE

A clever and calming customer experience where the Danske Bank acts as key supporting partner.

Figure 15: Design Brief

PRELIMINARY REFLECTIONS ON THE RESEARCH QUESTION

During the Define phase we continued the use of journey maps to gain an understanding, an overview and further analysis of the consumer needs and pains. The customer journey map became a strong tool to visualize and give an overview and understanding of the identified needs and pains from the Discover phase. The customer journey was supported through personas giving a deeper understanding of the individual and besides that it supported us in communicating the process and our findings when in dialogue with the Danske Bank. It could be argued that the identification of customer needs and pain points does not only lie in the research phase itself, but also in how it is handled and further processed in making it into tangible points towards even more work and development.

DEVELOP

5

In the Define phase we were able to convert all of our research down to a design brief. We changed from converting to divergent thinking while entering the Develop phase. The design brief and customer journey created the base from which an ideation workshop with employees of the Danske Bank was facilitated. After the ideation workshop we proceeded with an internal ideation session that led to considerations and decisions upon which ideas to go further within the process was created. The chosen ideas were then presented in a more detailed manner followed by expert validation and feedback from contact person Tiina.

5.1
IDEATION WORKSHOP

We prepared and facilitated a two-hour workshop with six participants which took place in the Danske Bank in Ejby. An ideation workshop with employees from the Danske Bank could bring different professional skills and knowledge into play to continue a valid direction in the further process. An emotional journey was used as a boundary object to activate the participants. The ideation workshop was a big milestone in the project and a lot of time was spent on preparation.

5.1.1 Purpose

The main purpose of the ideation workshop was to create as many ideas as possible upon the consumers' needs and pains. While creating the workshop several sub-purposes were also specified:

Our purposes with the ideation workshop were to:

• Gain feedback and validation upon customer needs and pain points identified in our process

• Point out what pain points are the most critical and have the most potential for improvement

• Gain an understanding of what the emotional goal should be for the most important pain points

• Ideating on potential solutions, suggestions and recommendations

• Involve expert knowledge and insight in creating valid ideas

• Create ownership within the Danske Bank for the project and potential outcome.

5.1.2 Preparation

The following section describe the preparations we made and the considerations we had before the ideation workshop.

5.1.2.1 Participants

The theoretical with approaching multiple actors was applied and gave great insight and improved our knowledge on the existing service experience of the consumers as well as the DB customers. We then very early in the process considered the involvement of employees to be continued in the Develop phase which was discussed continuously throughout the process with our contact person Tiina. We expected that the involvement of employees would ensure actions based on their expert knowledge within the company and the DB customers. The variation in expert knowledge did of course not have to be brought by the same person but instead by multiple ranges of relevant professions within the Danske Bank.

The considerations on a workshop with the employees were first briefed to our fellow students and supervisor at a thesis checkpoint session; with the aim of receiving feedback and hearing about others experiences to learn from. Moreover, it was necessary for us to do further desk research on how to facilitate a professional workshop, and what we should consider. We continuously throughout the process discussed the workshop with our second contact person Tiina. Because of the very tight schedules employees are facing at the Danske Bank we needed to consider invitations early on in our process to ensure that the relevant people would be available for the workshop.

The participants were carefully chosen and invited through multiple sets of considerations and in collaboration with Tiina from the Danske Bank. We first considered that actors in the existing service system should be involved in the workshop, ideally, advisors who serve the DB customers directly in the specific situation of the DB customers renting a new apartment and borrowing money for the deposit. Secondly, we considered that additional expert knowledge upon the digital loan application system should be present. Thirdly, employees working with content, communication and product development or other relevant areas of consumer finance should be included in the workshop.

From the advisor interviews we had built a personal contact with both leaders and advisors from the customer program departments of 'Basis' and 'Ung Direkte' which made us the front figures in recruiting relevant advisors from those two departments. Our second contact person Tiina had obvious, good connections internally at the Danske Bank and helped recruiting other relevant participants. We formulated an invitation which Tiina used for recruiting and inviting people.

DEPARTMENT	TITLE
Consumer Finance Tribe	Chief Consultant
Consumer Finance Tribe	Content Manager
Consumer Finance Tribe	Business Analyst
Consumer Lending	Product Manager
Basis	Advisor
Ung Direkte	Advisor

Figure 13: Participants in the ideation workshop

Seven employees were invited and confirmed immediately, and six participated (fig. 16.

We wanted an interdisciplinary set of participants that could bring different professional competencies and knowledge into play and get their inputs on the discovered pain points (Edmondson, 2003). We worried that the participants were not familiar with an emotional journey and did not know 'how to read it' - for which reason we tried to make it very simple and make it reading-friendly. Furthermore, we prepared ourselves to receive critical comments on the journey: which emotions the participant could not agree on, relate to or understand.

We were concerned that some people would be more dominant in an open discussion while others remained silent. Therefore, we planned the workshop to be a combination of plenum and groups to make sure that everyone's opinion was heard. We assumed that some knew each other, and that some did not know anyone and therefore chose to plan and define the groups beforehand and divide them into diverse groups where we considered their professions and their relations.

The location was also carefully considered in terms of what would suit the participants the most, instead of what would suit us. The Danske Bank in Ejby was chosen, as it is fairly easy to access for the participants and would provide a certain level of trust keeping the workshop in a familiar and professional

setting (Appendix 6).

5.1.2.2 Emotional journey

Earlier on in the consumer interviews we used an emotional journey map as a boundary object. It was very positively received and contributed significantly to the outcome of identified consumer needs and pain points. The ideation workshop became a space where we could try out the boundary object in a different and much larger scale, with the interaction of many respondents at the same time. An new and different emotional journey map was created based on our research and printed in a very large scale and became the 'center' of the workshop (Fig. 14). It was used as a tool to transfer our knowledge to the participants and activate the participants.

The emotional journey was created from the customer journey that we made in the define phase. The journey was simplified to ensure the participants a quicker understanding of the positive and negative aspects as well as the consumers experiences before, during and after.

The map illustrates the feelings and thoughts of the consumer throughout different stages. The quotes are taken from the interviews conducted in the discovery phase.

EMOTIONAL JOURNEY: RENTING AN APARTMENT
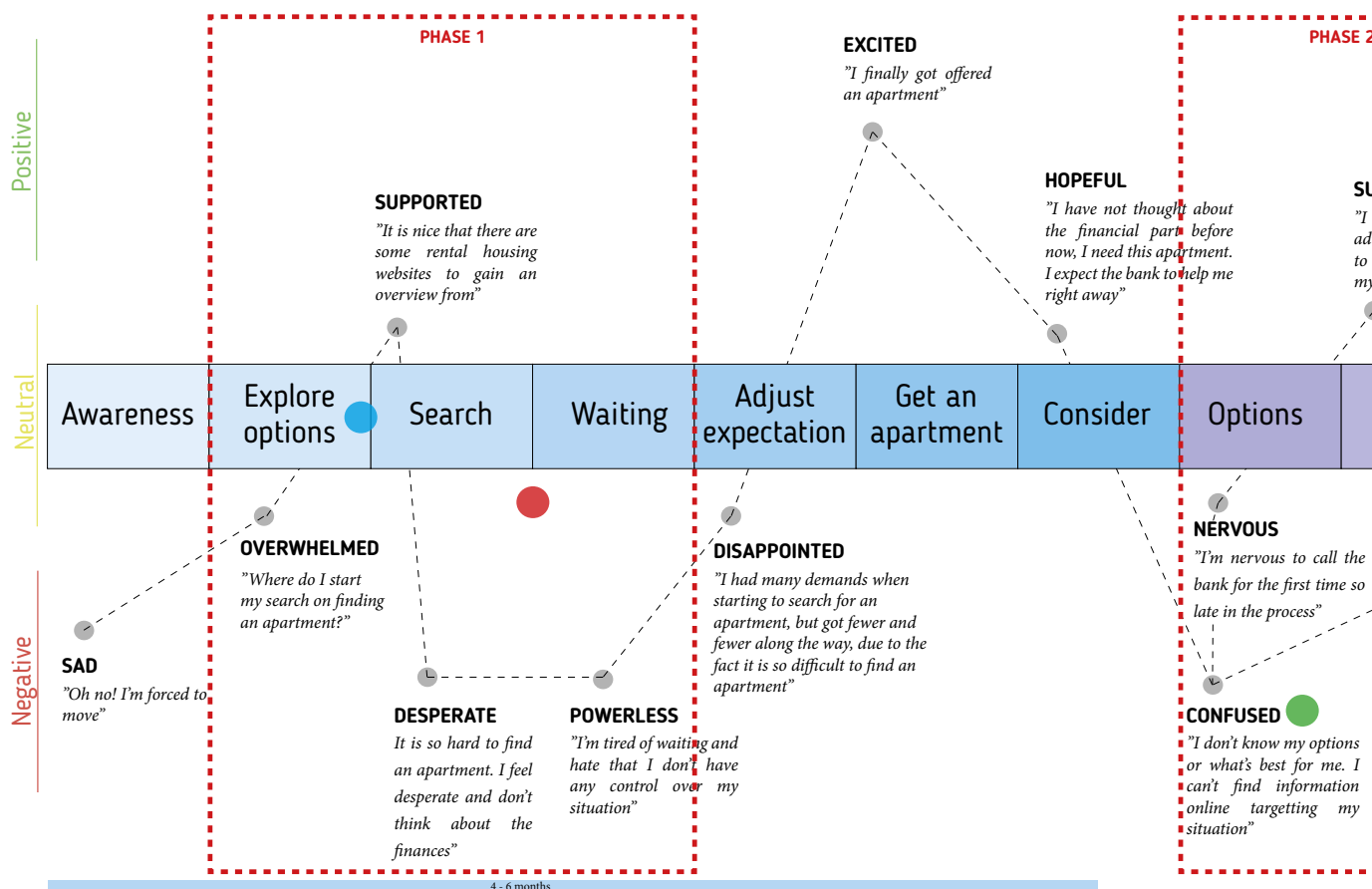
Figure 14: Boundary object: The emotional journey used in the ideation workshop, where the outcome is added

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SE 2

PHASE 3

SUPPORTED

"I feel that the advisor is trying to understand my situation"

SECURE

"I don't mind sharing my information with the bank"

RELIEVED

"Yes I got the loan that I needed and can move on with my plans"

RELIEVED

"I can now sign the contract"

HAPPY

"I'm happy to move into the new apartment."

Apply	Send documents	Waiting	Get answer	Receive the money	Sign contract	Pay the deposit	Move in	Reflection

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SCEPTICAL

"The digital application form was easy to fill out, but it did not care about my situation"

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on
ny

NERVOUS

"Why would the bank not help me? I know I'm able to pay back the loan and THIS situation is urgent"

DISAPPOINTED

"I got a No! Why did the bank not help me out, when I needed them? I don't understand, and will now go look elsewhere for a loan"

STRESSED

"I thought I could get the loan faster - I almost did not manage to pay the deposit on time"

SHOCKED

"I'm shocked to see how high the interest rate actually is"

5.1.2.3 Workshop structure

The workshop started out with a short introduction by Tiina who told about our collaboration and vocally validated our project as being very relevant to their current internal work in the Consumer Finance Tribe. We continued with introducing ourselves and the thesis focus area and briefly what work had been done so far during our process. A simple 'around the table', where everyone presented themselves, made everyone get to know one another – if they did not do so already. This led us to the energizer which was done to make the participants loosen up a bit before proceeding with the main section of the workshop (Appendix 4).

The main section of the workshop circled around the emotional journey map and contained five steps:
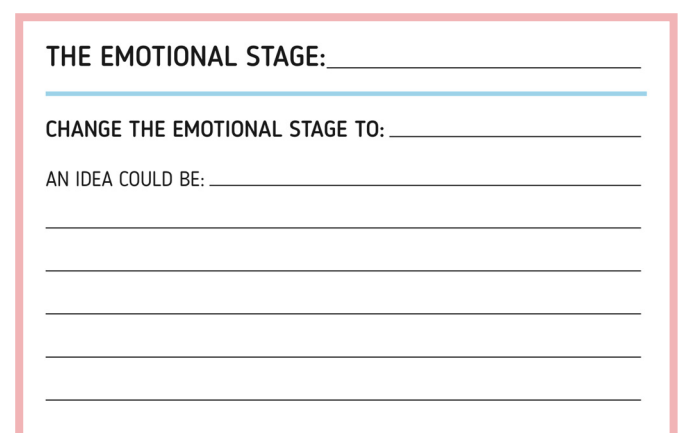
Step 1 was done in pairs where they had to read the emotional journey, discuss and place three dots on the map which they found the most either critical, important or interesting points or patterns (Fig. 17).

Step 2 was a discussion among all participants guided by us as the facilitators, upon which the dots were placed. The visual dots and discussion made a solid ground for us as facilitators to make a choice on which points to proceed with in the workshop.

In **Step 3** new pairs were created, and each group got a critical area or a point to focus on from the emotional journey map. In pairs they had to discuss what the ideal emotion should be for the consumer to feel - instead of the current negative feeling - and place a post-it with the ideal emotion on the emotional journey.

The choice of an ideal emotion then led the groups to **Step 4.** In the same pairs they had to brainstorm and discuss ideas to change these emotions from negative to positive while writing it down on a piece of paper prepared by us (Fig. 15). The papers can be seen in appendix 7. In **Step 5** a discussion in plenum took place where each group presented their ideas, suggestions, and considerations while the other groups gave feedback or added to the ideas.

The workshop was finalized with us as facilitators explaining what the next steps would be and a brief evaluation session was done were the participants gave feedback upon the workshop and us as facilitators.

THE EMOTIONAL STAGE:_____

CHANGE THE EMOTIONAL STAGE TO: _____

AN IDEA COULD BE: _____

_____

_____

_____

_____

_____

Figure 15: Template: prepared papers to the workshop

5.1.3 Consideration

The ideation workshop went beyond expectations, and we were amazed by how it turned out. Several things are worth mentioning: The flow and structure of the workshop worked really good, and it was especially helpful that we had talked about our roles as facilitators beforehand and divided stuff between us, so each of us was responsible for something and trusted the other - e.g. while one presented the first assignment, the other one took pictures and was ready to tell the groups. Secondly, the boundary object with the emotional journey map was very successful and well received - during the preparation of which we had much concern that the participants would misunderstand without the background knowledge conducted. The journey worked as the center/base of the workshop and helped motivate, guide and activate the participants as well as create a dialogue. The workshop shaped a discussion where many ideas were generated, and it worked very well to distinguish between group work and plenum as everyone's opinion was heard.

Looking back, it was not necessary to use the prepared power point, as the eyes and focus were on the emotional journey the whole time. Furthermore, it was beneficial for the documentation part afterwards that the participant during the workshop placed the dots, wrote on post-its and placed the latter on the journey as well as filled out the prepared papers. In this way the participants were documenting their work which made it easier for us to process the outcome after the workshop.

Overall, we under-estimated ourselves as facilitators and in preparing the workshop. We had talked about every possible scenario - and it was not only about being prepared but also to lean back and take situations as they emerged while at the same time being prepared to make unexpected decisions. For instance we had planned that the participants in plenum should choose three focus areas to continue with, but we quickly noticed a pattern and made sure that we made the decision instead.

The workshop ended with an evaluation and feedback session to us as facilitators – how we did it and what/how we could improve, especially since this was our first workshop with professionals. The participants responded only positively and told us that they liked the transition between each exercise. They made the comment that it was well-balanced and well- structured, as well as we appeared confident, prepared and professional.

5.1.4 Outcome

The ideation workshop was very beneficial and gave us a lot of ideas. We got three main areas identified which the participants thought were more critical, important and interesting pain points (Fig. 17). The areas hold many different ideas which can both stand alone and/or complement each other. Further, the ideal emotions created by the participants are listed up with their ideas described.

Area 1.

Fully supported
Make the Danske Bank a part of the journey much earlier, so the consumers feel financially supported. An idea was to provide support by being present on rental housing websites and give support on what would fit the consumers' budgets. Make the individual consumer aware to consider the financial aspect "early" on: webinar with tips and advice or chat available on the rental housing websites.

Confident
The consumer could save time when searching by focusing on more suitable opportunities through filtering: what they can afford, deposit and monthly rent.

Secured
Another idea presented was the concept of a pre-approved loan, so when a consumer is searching for an apartment they know what they can afford and thus target their search after what would suit their budget. With a pre-approved loan they will be able to say 'yes' immediately when an apartment is offered to them.

Area 2.

Heard
Allow the consumer to express themselves, and why they need the loan. The present situation is that there are only a few steps in the digital loan process, and that currently this does not include any caring for the facts, purpose and need for a loan. Let the consumer explain their situation via phone, chat or application form.

Helped
Build two-way communication within the digital application form. An idea could be that of a chat option or messages that are humanized and not looking like a standard automatized answer.

Area 3.

Educated
By providing more content and guidance earlier on in the journey the consumer would know more about their finances and options, and the pain point with the emotion 'shocked' in the after-phase could be avoided. The Danske Bank could be more proactive by being present at high schools or universities and educate people about what it requires when renting an apartment and what to do when the need for a loan emerges. Furthermore, the Danske Bank should reach out to young people when they turn 20 instead of 18 which is now the case.

Cared for
The Danske Bank could in the after-phase reach out to the DB customers to hear if they got the apartment and simply show that the advisor cares for their situation.

5.2
IDEATION SESSION

With the outcome of the ideation workshop we decided to have our own ideation session. First, all the ideas from the ideation workshop were written down on post-its and placed on the emotional journey. Secondly, a simple but effective ideation session was kicked off by the use of IDEO's brainstorm approach and rules. The goal was to generate new ideas as well as building upon the ideas from the workshop (Fig. 19).

By following the brainstorming approach by IDEO the ideation session ensured openness, creativity, and a supportive collaboration - all together building upon each other's ideas (IDEO, Brainstorm). The brainstorm rules were agreed upon, and all unnecessary elements on the table were removed from the table - leaving pens and post-its (IDEO, Brainstorm Rules). Before starting the ideation session we reminded ourselves of the redefined problem statement, and who we were designing for. All post-its were then clustered to give an overview, find patterns and similarities. Each group of patterns were given a headline and discussed upon in identifying possible ideas.
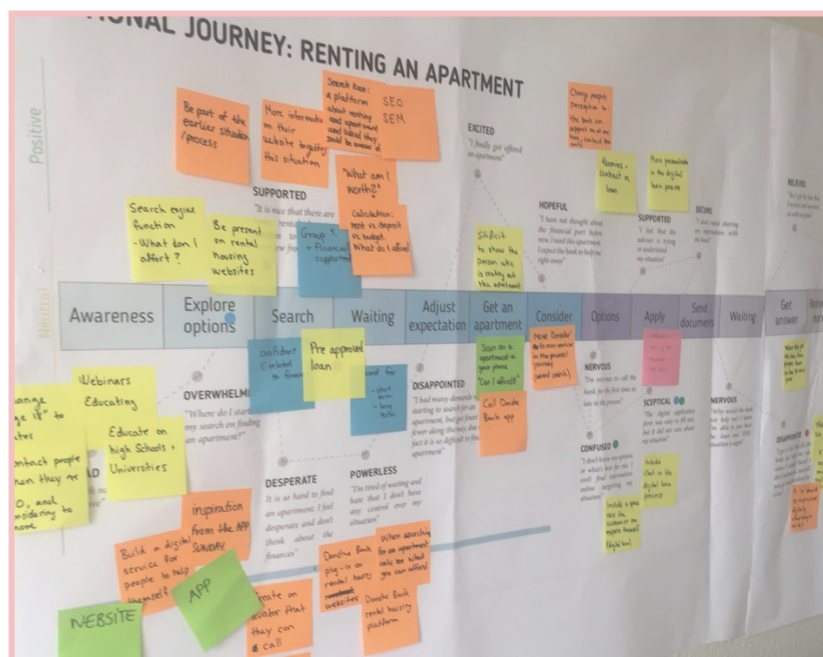
Figure 16: Our own ideation session

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5.2.1 Decision making process

The aim was to identify the most valuable and doable ideas for us to further proceed with - in creating a set of recommendations for the Danske Bank. Many of the ideas showed great potential, were not conflicting with each other and could potentially be build up in parallel with this thus making the process a lot harder. Many considerations went into the decision making process. We reminded ourselves that it was important that the final selection of ideas suited our six insight takeaways, the new problem statement, our design brief, and the considerations of the idea possibly being able to solve the identified needs and pain points.

Some of the identified ideas were covering multiple segments and new focus areas. Therefore ideas could be deselected as not being a perfect match for this project. It was further valued if an idea could lift multiple pain points, and we considered to have a range in the assumed level of difficulty. We felt very confident in five selected ideas as being the most suitable for our thesis and for the final delivery.

Picture 17: Clustering of post-its from our own ideation session

5.3
SELECTED IDEAS

The ideation session identified a multiple range of ideas with great potential matching the six takeaway themes (fig. 9), as well as the design brief. The following section outlines the chosen ideas and recommendations as a series of next steps for the Danske Bank. The purpose was to create a selection of initial concepts which further could be used to build more finalized solutions.

The ideas presented in the roadmap are:

- **Create a knowledge base**

- **Help the consumer to help themselves**

- **Become an integrated part of the apartment search**

- **Personalize the digital loan process**

- **Prevent getting a 'no' late in the journey**

5.3.1

Create a knowledge base

The idea is to provide the users with basic knowledge about renting an apartment. The focus should be on providing a low-level and clear explanation of renting an apartment, utilizing guidance and teaching opportunities, as they do within other life events.

The Danske Bank could simply devise a guidance on their website under the tab "Mit Liv" with the headline "Renting an apartment". Within the category different subheads could be presented, such as:

- Costs of living alone

- What should you consider before moving

- What should you know about rental agreements

- Moving into an apartment that suits you budget

- What financial options are available

- Understanding how the loan will affect your budget

- What you should know about the loan and interest rate

This information will increase the needed knowledge that the consumers are lacking. It will allow them to read about what it actually requires, or what should be considered when renting a new apartment. It will make customers as well as potential customers aware of the options at the Danske Bank and the possibility of receiving help. This is a brilliant basic that will be rather easy to implement and measure in performance. The performance could potentially be measured in visits or leads. The online knowledge base should continually be held updated by the insight from the advisors who know what is important to the consumers. The advisors should make them aware of the available online information and use the subpage as a tool to educate the customers.
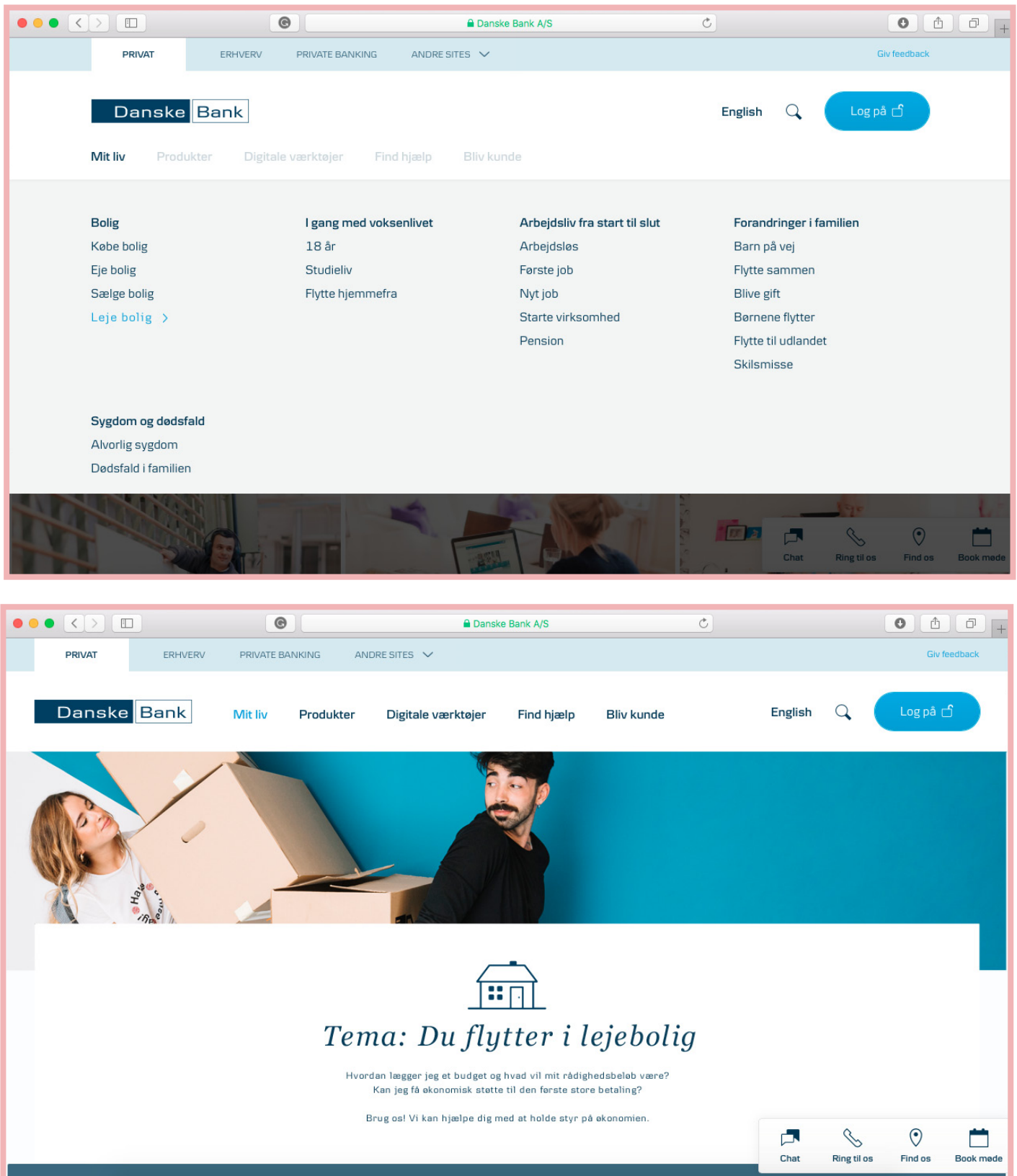
Figure 18: Visualizing how the dropdown menu with the title: 'Lejebolig' and subpage could look like

5.3.2

Help the consumer to help themselves

The Danske Bank could develop a knowledge tool (calculating module) which should be used by users when searching for an apartment and function as a support/ guidance tool during the process. The aim is to make sure that the users are searching for an apartment that suits their budget. The idea is that it should act as a digital calculator, guiding, and teaching the user about their financial situation and how the loan will affect their future budget – positively as well as negatively. While doing so also showing the user visually and in an understandable way why a specific apartment does or does not suit their budget. Ideally, the tool should be used searching for an apartment and ensure that the financial considerations appear early in the process.

Suggested is that the user should be able to type in personal financial information together with the information and numbers for a potential rental apartment. The tool will then calculate and, as an outcome, inform the user if it suits their budget or not, and what loan is possible. Besides, the tool should also be able to recommend the user to search for an apartment within a specific amount both regarding the amount of the deposit and monthly rent.

The 'knowledge' tool can be implemented in two ways: First, as a simple calculation version on the Danske Banks' website under the life event subpage: Renting an apartment (Lejebolig). Secondly, a higher-level version could be developed as an app, where users can log in and save data about their current financial situation (budget) and compare different apartments: price-wise to see how it could affect their future budget.

The fundamental in the idea is built upon the existing service Sunday: *"Find your dream home and see what it will cost you"* provided by the Danske Bank - which is a platform that only supports those who are buying and cannot be used for the segment who are looking to rent.

User are searching for an apartment on any given rental housing website
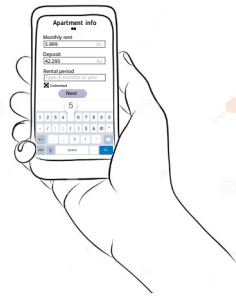
User opens the calculation app and type in information about the apartment, such as the monthly rent, deposit payment and rental period.

User types in if a loan is needed to pay the entire deposit, part of the amount or nothing is needed. The app can be used both cases.
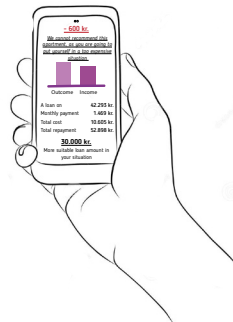
User can see how this apartment affect their financial situation, with total income, outcome and disposable amount, as well as cost of loan and repayment – negative as positive. And the user will be recommended a more suitable loan amount.

User can see how the monthly payment will affect their budget – also without the need of a loan form the bank.

Figure 19: Storyboard showing the use of the app, and how a potential apartment could affect the budget

5.3.3

Become an integrated part of the apartment search

Rental housing platforms are often seen as a part of the consumers' journeys towards finding a new apartment to rent - a range of platforms that are currently crossed multiple times without the consumer having a solid financial knowledge. Here we see an opportunity for the Danske Bank to enter a partnership which will allow them to be present much earlier in the customer journey.

The market for digital rental housing platforms included a large number of companies/platforms. In order to identify what companies and platforms would be the most suitable for the Danske Bank to collaborate with further desk research was required. A selection of rental housing platforms on the Danish market was presented in the stakeholder map (Fig. 20). The inner circle shows platforms that were primarily focusing on the rental housing market, and where several of the platforms were mentioned during the consumer interviews. The platforms within the second circle were more aiming to reach a broader audience where buying and selling is also an option.

Figure 20: Potential stakeholders for collaboration

Through the desk research of what platforms were on the market a discovery was made on the website of Boligportal.dk (BoligPortal, n.d.). The website has a collaboration with the platform: "Fair Lån" that presents an overview of quick loans providers. When a user looks at an apartment several links appear with the text *"Do you need a loan?"* linking directly to "Fair Lån" where the users get encouraged to take a loan. It is a website where no banks are represented, and the interest rate among the quick loan providers goes all the way up to 706.4%. It is disturbing that an interest rate of 706.4% could potentially make an interest rate of 29.17% or 55% seem small for a person without a basic understanding of a loan, while it is still unreasonably high (Fair Lån, n.d.).

To influence the consumer into making wiser financial decisions the Danske Bank could be present at the rental housing platforms. We suggest two options of how a collaboration and partnership with a rental housing website could be done.

Awareness

A collaboration could be based on marketing and communication principles. Awareness could be brought through banners, subpages or blog posts. These could encourage the consumer to make wiser financial decisions and link the user to relevant service offers by the Danske Bank. This can bring awareness early on in the process and make them feel supported through the difficult process of searching for a new rental apartment.

Integrated function

A collaboration with the rental housing platforms could be looked at as an opportunity to innovate the traditional functions and improve the experience. This could benefit both the platform and the Danske Bank in a competitive way. We suggest the concept 'Budget & Bolig'. In this concept, you will find an intelligent system where a few information given by the user are calculated upon - thereby generating information to the user if this specific apartment is a good or a bad match for their economy, and how their future budget will look like. The system should be visible through an integrated tap in the lower right corner that pops-up the first time a specific apartment is looked at. In the pop-up box the users can type a few information about their current financial situation, and when this is done the calculator saves the data in the browser. In this way and everytime a new apartment is looked at on the platform the system calculates how the consumer's future economy would look like with this specific apartment, and how a possible loan could look like.

Figure 21: Visualizing how the pop-up box could appear on e.g. boligportalen.dk

5.3.4

Personalize the digital loan process

To enable us to make the digital loan process more personalized we looked into how the current steps for a digital loan work. Before that we only had the knowledge and experience from the interviews with consumers and advisors to lean on. Through the Mobile Bank we tested the digital loan application process as shown in Appendix 7.

Looking at the digital application system both smaller as well as larger adjustments to the existing form can make a big difference in personalizing the customer experience. The adjustments to the digital loan application system are about making the process feel more personal in allowing the consumers to express themselves and initiate a two-way communication.

The user should be able to make the system aware of the purpose of the loan and have the freedom to write an optional text where the user can choose to share their thoughts and emotions. It is important that a support system has been built up to handle and respond to what is written. The users should still have the option of skipping these questions if they prefer not to inform of certain private matters. (Fig. 22).

Contact me
Implement an opportunity of contact when forwarding the application. A selection of options should be available where the user can choose and initiate personal contact with the bank if needed (Fig. 23).

Two-way communication
When filling out the digital application form a support channel should be available with either a chat function or a call the bank function. This will demand extra internal support handling and reorganization, but could potentially ensure that more customers understand the process and want to go through with the consumer loan.

Secondly, the larger adjustments are about making the system calculate the more personalized information. This can ensure an outcome (either 'yes' or 'no') that is more valid.

Figure 22: How to insert what the purpose of the loan is in the digital loan process.

Figure 23: Allow the customer to choose 'get contacted' when handling the application.

Purpose based calculation

The information of purpose currently stands as a rather large missing piece in the digital application system. If the purpose of the consumer loan is to pay the deposit and move into a new apartment, then the DB customer's economy and future budget could change drastically, which should be considered when the digital application is handled. The system should consider the future financial situation of the DB customer when validating if the loan should be approved. A new input with information could be integrated in digital loan application system, allowing the DB customer to inform about the purpose of the loan. The new calculation based on the purpose could be implemented in two ways:

System development: The system should register the purpose, potentially ask for further information and finally make calculations on the future financial situation. Here technological expertise would be needed to estimate how it could be done and point out the amount of resources needed for such implementations and changes in the calculation system.

Human touch: The second option is that when the system registers that the purpose covers the first time payment for a rental apartment, then the digital loan application is forward to an advisor. The advisor would then handle the application in a more personalized matter by assessing how the future financial situation of the DB customer would look like if the loan was given. In figure 24 a blueprint is created to visualize how the system in this case could handle the digital loan application with the support of an advisor. Notice that the blueprint is zooming in on this very specific part of the service, and all steps of the digital loan process is therefore not included.
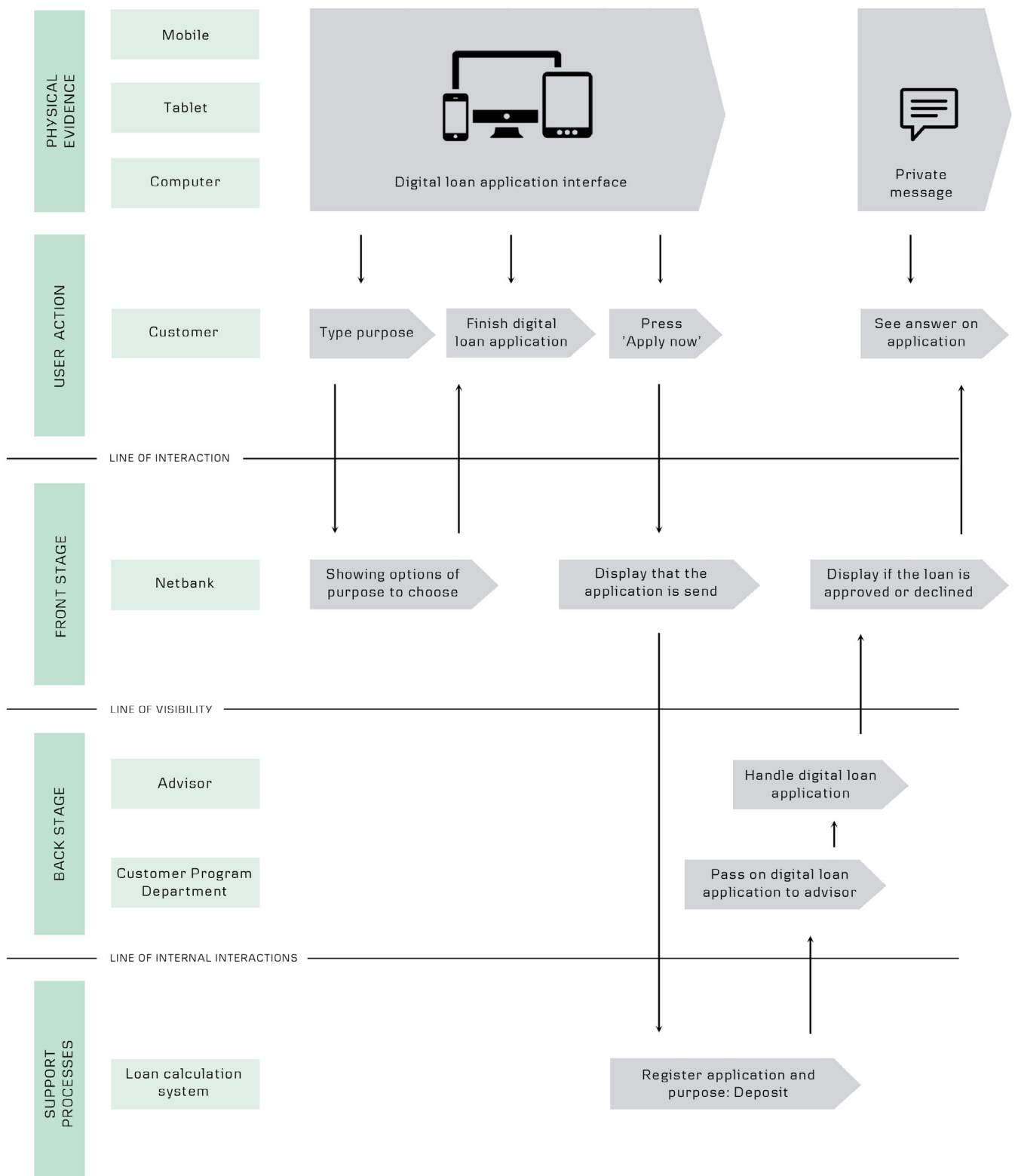
Figure 24: Blueprint showing 'human touch'

5.3.5

Prevent getting a 'No' late in the journey

By offering a pre-approved loan the DB customers can target their search for an apartment in a much smarter way and within an amount that suits their budget. They will know their financial limitations and be guaranteed to immediately be granted the loan when needed. The pre-approved loan can affect a multiple set of the pain points in the current journey in a positive manner by lifting early and thereby change the hole journey (Fig. 25). The pre-approved loan can be very beneficial for the DB customers both when accepted and when declined. When the DB customer applies for a pre-approved loan there is not the same feeling of desperation and stress, and a 'no' would possibility be received more constructively. With the pre-approved loan the 'no' can be moved from very late in the process to earlier on. The DB customers can handle the outcome and change their financial situation positively to a higher level by for example saving up and then possibly be approved for a loan at a later time during their journey.

The calculation process of the pre-approved loan would be based upon an analysis of the existing as well as future financial situation and credibility of the individual for the Danske Bank to be able to either offer or decline a pre-approved loan. The pre-approved loan could be applied in 'Netbank' or by calling the advisor. There will be set certain timeframes where the pre-approved loan would need to be briefly reconsidered - in order for the loan to keep track with the financial reality of the customer. These considerations should be developed as being as automatic as possible thus keeping the customer calm and confident by not involving him in the process.

It will not matter if it takes six months to find an apartment, as the loan will be available when it is needed, and the DB customer will not have to pay interest before they make use of the loan.

NEW EMOTIONAL JOURNEY: RENTING AN APARTMENT

EXCITED
"I finally got offered an apartment"

EXCITED
"I finally got offered an apartment"

SUPPORTED
"It is nice that there are some rental housing websites to gain an overview from"

AWARENESS
Make the consumer aware of how high a financial situation it can be

PREPARED
Make the consumer searches for apartments what suits their budget

UNDERSTANDING
Compare and understand the financial situation - why the consumer does not afford the apartment

HOPEFUL
"I have not thought about the financial part before now, I need this apartment. I expect the bank to help me right away"

SU
"I
ad
to
my

Positive / Neutral / Negative

Awareness	Explore options	Consider	Options	Search	Waiting	Adjust expectation	Get an apartment	

OVERWHELMED
"Where do I start my search on finding an apartment?"

SAD
"Oh no! I'm forced to move"

DESPERATE
It is so hard to find an apartment. I feel desperate and don't think about the finances"

POWERLESS
"I'm tired of waiting and hate that I don't have any control over my situation"

DISAPPOINTED
"I had many demands when starting to search for an apartment, but got fewer and fewer along the way, due to the fact it is so difficult to find an apartment"

NERVOUS
"I'm nervous to call the bank for the first time so late in the process"

CONFUSED
"I don't know my options or what's best for me. I can't find information online targetting my situation"

4 - 6 months

Figure 25: How the emotional journey map changes with a pre-approved loan

SUPPORTED
"I feel that the advisor is trying to understand my situation"

SECURE
"I don't mind sharing my information with the bank"

RELIEVED
"Yes I got the loan that I needed and can move on with my plans"

RELIEVED
"I can now sign the contract"

HAPPY
"I'm happy to move into the new apartment."

Apply	Send documents	Waiting	Get answer	Receive the money	Sign contract	Pay the deposit	Move in	Reflection

SCEPTICAL
"The digital application form was easy to fill out, but it did not care about my situation"

NERVOUS
"Why would the bank not help me? I know I'm able to pay back the loan and THIS situation is urgent"

DISAPPOINTED
"I got a No! Why did the bank not help me out, when I needed them? I don't understand, and will now go look elsewhere for a loan"

STRESSED
"I thought I could get the loan faster - I almost did not manage to pay the deposit on time"

SHOCKED
"I'm shocked to see how high the interest rate actually is"

Value Proposition

To clarify how the pre-approved loan could contribute to improve the customer experience we used the value proposition canvas (Fig. 26) which makes it explicit in how the service creates gains and releases pains. As Osterwald et al. (2014) describes it: *"Value Proposition describes the benefits customers can expect from your products and services"* (p. 6). It was a tool that made it possible to visualize how a pre-approved loan could create value for the customers.

- Financial guidance
- Be guaranteed a loan
- Ownership of future
- Improve personal financial understanding

Product & Service

- Pre-approved loan

Gain Creators

Pain Relievers

- Prevent getting a 'no' late in the process
- Empower customer to take responsible financial decisions
- Eliminate the feeling of stress
- Avoid to end up in bad financial
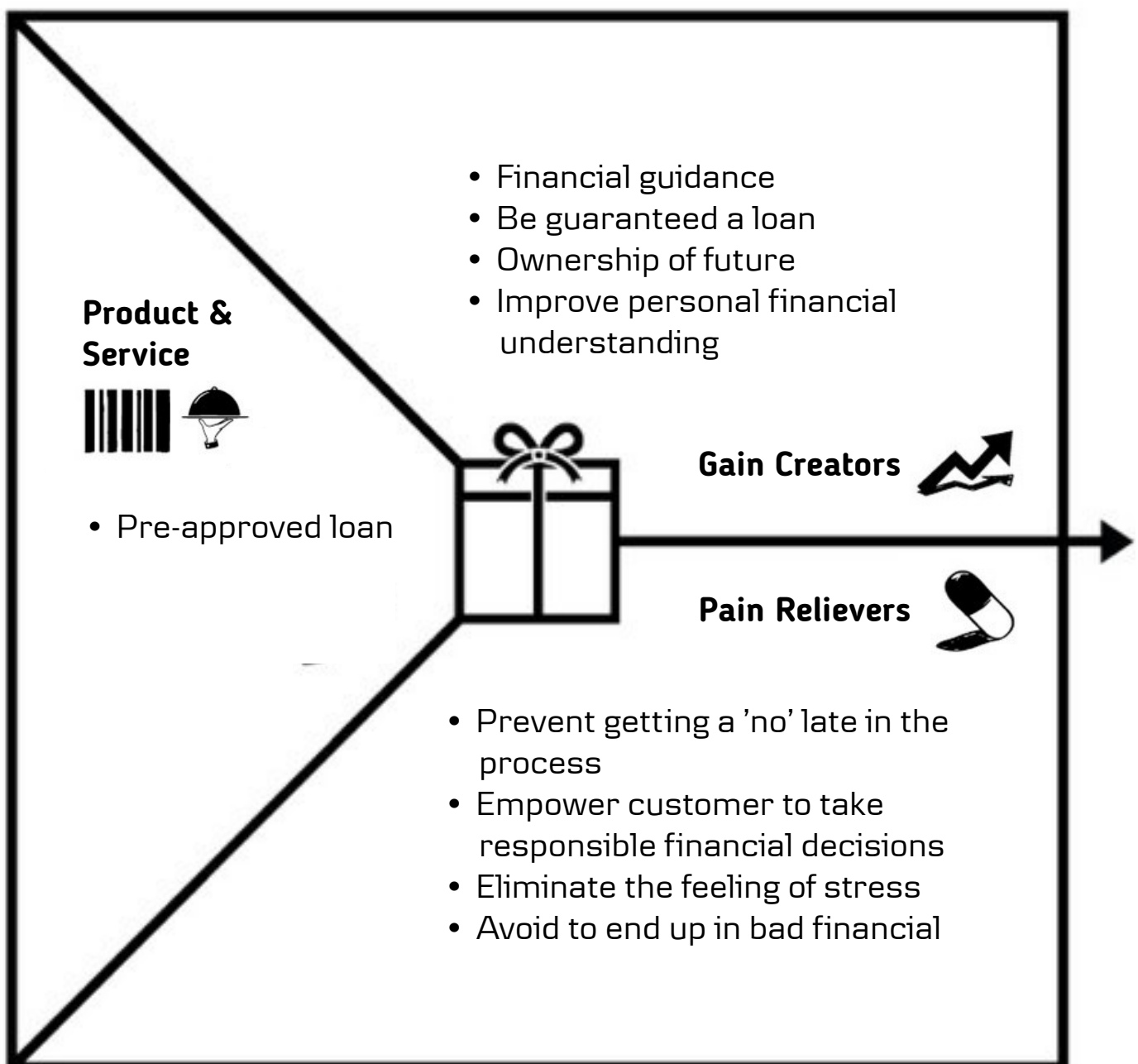
Figure 26: Value proposition canvas of a pre-approved loan

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- Search for an apartment that suits the budget
- Better financial understanding
- Improve future financial situation

Gains

Customer Jobs

Pains

- Get a loan
- Become financial aware
- Be financial responsible

- Lack of financial knowledge
- Last-minut financial consideration
- Confused about loan options
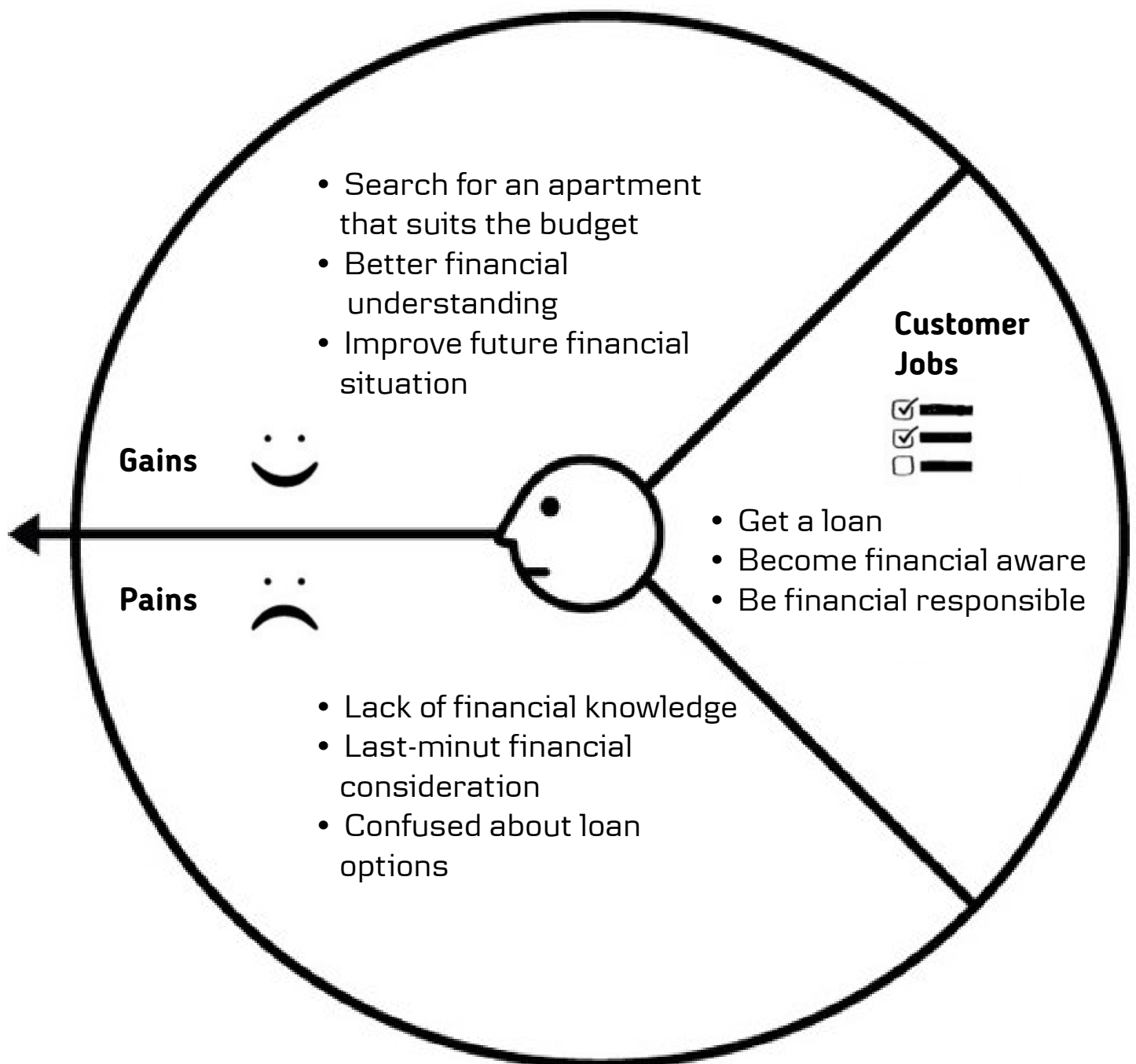
5.4
EXPERT VALIDATION/FEEDBACK

We presented the ideas to our second contact person, Tiina, from the Danske Bank to get feedback on the selected ideas. We wanted to know as well what was expected of us with regard to the delivery part. The feedback was very valuable and made us reflect upon new things.

The ideas were well received by Tiina, and she was all enthusiastic about our suggestions. We were complimented for our considerations, and how they connected to the focus of this thesis. She suggested that we use a matrix where the influence on the customer experience is compared to the challenge of building it. This could act as a validation tool to rate if they have low, medium or high potential.

She reminded us to consider whom we are communicating with and make ensure that a range of professions understand and see the value of the suggestions. We should, therefore, have a business perspective on the suggestion in the delivery (product report). Furthermore, she recommended that we prioritize visualization of the ideas instead of explaining with text. It was also mentioned that we should consider and keep in mind to further think about how the suggestions could be used for multiple segments and situations, as this would create more value. Further, she was very impressed by the idea of purpose based calculation, and suggested that it should stand alone and be empertized further. She also wanted us to consider if the 'purpose' were the only information that would be needed or if other future life conditions were important in creating a smarter calculation system. The feedback from Tiina was included in the final deliverable – the product report.

After the feedback from Tiina our five initial ideas and set of recommendation became seven which will be presented in the product report, see appendix 9.

PRELIMINARY REFLECTIONS ON THE RESEARCH QUESTION

In the Develop phase we decided to use a boundary object in the ideation workshop with employees from the Danske Bank. The initial thought was that it could be interesting to see how the boundary object could be used to not only identify needs and pains but also initiate ideation upon the needs and pains. In the ideation workshop the boundary object acted as the center of attention and was used in a different context than earlier in the process.

This time we used the boundary object to communicate and transfer knowledge of the identified customer's needs and pains to the participants. This was very well received and the outcome was beneficial for our further ideation process. Different factors influenced the outcome, so - if other professions had been present at the workshop or if the boundary object had been formed differently - it could have given a different result.

DELIVER

6

The phase 'Deliver' was entered as the final phase of the Double Diamond. Here we converged the outcome of the 'Develop' phase to present the deliverables to the Danske Bank. The aim was to make the selected ideas to a presentable set of recommendation. To present the deliverables and handover the project, a product report has been created and a presentation meeting will further be held.

6.1
PRODUCT REPORT

The product report found in appendix 9 present and describe the identified consumers needs and pain points, and highlights key findings from the process report and ends up with presenting a set of recommendation for further improvement to be done by the Danske Bank. The product report is seen as the final hand-over from our thesis process and is created to be read by an interdisciplinary group of relevant people.

6.2
DELIVERY PRESENTATION

Together with Tiina, a final delivery presentation was agreed upon as one of our deliverables to the Danske Bank. The presentation will include a short sum-up of the process but mainly focus on the findings, considerations and our set of recommendations. The presentation will be held at the Danske Bank's office in Ejby.

REFLECTIONS

7

In this section we will continue from the preliminary reflections and reflect on the design process, and how the research questions were approached throughout the project. The reflections continue towards the challenges and possibilities of working with service design in Danske Bank, and final reflections were set upon our learning objectives.

7.1
REFLECTION ON DESIGN PROCESS

Reflecting on the design process we acknowledge the continuous need for structure and short-term deadlines during the process. A draft of a timeline was created in the beginning with the aim to help structure our process and time. Complementing this were the Double Diamond Model which was a good choice of framework, as it helped structure and plan the design process. Furthermore, meetings every second week with both the Danske Bank and supervisor session were planned to align expectations and receive feedback.

Working as a group of two benefited the design process where tasks were equally divided, and we continuously kept each other informed and updated. Working in a team was required a certain level of planning, flexibility and openness towards each others' differences and ideas.

During previous semester projects we have been used to apply service design tools to identify and solve more concrete problems thus ending up with a final solution. However, in this project, where little previous work had been done, and where concrete problems had not been identified yet, we provided a more initial groundwork for future research and development. An exploratory research was used, and even though it was a rather new way for us to approach the design process, it helped to improve our knowledge on the topic and understand the unknown. It was a valuable method where we as designers turned our heads towards the point where the findings were leading us.

The use of exploratory research and qualitative research methods were suitable to identify consumer's needs and pains. Using qualitative methods allowed us to obtain insights into in-depth and exploratory character as well as gaining an understanding of the consumer's inner feelings and motives. When approaching the consumers for interviews we were aware that a person's financial situation can be a rather sensitive topic to some (Bjørner, 2015). We therefore kick-started our search for respondents through our own network where an empathic approach was used. Here we got in contact with a large handful of respondents, but the search for respondents was still limited by the criteria that they needed to fulfill. We therefore decided to write a public post on Facebook to reach other relevant respondents. This went against our initial empathic approach, where privacy could somehow seem neglected by posting publicly on Facebook, but it led to two good and relaxed interviews with respondents who were out of our network, fitted to the criteria and were very open minded. Ideally, the interviews were supposed to only include DB customers, but quickly we realized that recruiting customers was difficult since their private financial situation often is a sensitive subject. Therefore, we decided to not only interview DB customers but also to interview consumers in general with a wide range of banks.

The use of the boundary object in the consumer interviews and the ideation workshop with employees had a significant impact on the outcome and process. It was beneficial as a dialogue tool that created a common understanding as well as becoming the center of conversations and discussions. By being creative and combining existing methods, we were amazed how much insights we could get from the respondents by combining the boundary object to both an interview and a workshop. Instead of a traditional and formal interview, we spiced up the consumer interviews and together placed the dots, which were a success. Several respondents liked the inclusion of an emotional journey map, and how it helped them to understand the purpose of the interview and retain an overview throughout the process. The respondents expressed that the emotional journey map gave an impression of a certain level of professionalism which added an extra layer of trust to the project and the individual interviewing. From a service designer perspective, the tool supported the traditional approach and questions with a more natural flow to the conversation and ensured that every phase in the journey was covered firmly throughout the interview. A bare space in the emotional journey indicated quickly that we as researchers had to ask further questions before a mark could be made and understanding and insight were given. The boundary object was therefore not only benefitting the respondent but also the person interviewing.

Within the workshop, the boundary object was the piece that kept everyone aligned, and worked perfectly in communicating and ideating upon customer needs and pains. The emotional journey used in the ideation workshop covered both the pre, during and after stages of the consumers experience. Interesting discussions in the workshop occurred on how changes in the pre-phase could change the overall experience and lift the emotional journey. That said, we are also well aware that we may have "created" this conversation and affected the outcome, as the boundary object did not rise from a natural ground, but was created by us as service designers with a purpose and contained what only we saw relevant. The same goes with the customer journey map and the personas we created. It is not a precise visualization of how it exactly is, but instead how we have interpreted the insights from the interviews.

The ideation workshop went beyond expectations, and we were amazed by how it turned out. Several things are worth mentioning: The flow and structure of the workshop worked really good, and it was especially helpful that we had talked about our roles as facilitators beforehand and divided tasks between us, so we each was responsible for certain areas and trusted the other - for example while one presented the first assignment, the other one took pictures and was ready to divide the groups. Secondly, the boundary object with the emotional journey map was very successful and well received - during the preparation of which we had much concern that the participants would misunderstand without the background knowledge conducted. The journey worked as the center/base of the workshop and helped motivate, guide and activate the participants as well as create a dialogue. The journey as an boundary object acted as a translator between people of different professions, and respondents without any service design experience could easily engage with the tool. The workshop shaped a discussion where many ideas

were generated, and it worked very well to distinguish between group work and plenum as everyone's opinion was heard. Looking back, it was not necessary to use the prepared power point, as the eyes and focus were on the boundary object the whole time. Furthermore, it was gainful for the documentation that the participant during the workshop had placed dots, written on post-its and placed them on the journey as well as filled out the prepared papers. In this way, the participants were documenting their work which made it easier for us to process the outcome after the workshop.

Overall, we had underestimated ourselves as facilitators. While preparing for the workshop we considered possible scenarios, that suddenly could emerge. But with us being very well prepared, we handled the workshop with professionalism following the plan while still being flexible enough to make unexpected decisions. For instance, we had planned that the participants in plenum should choose three focus areas to continue with, but we quickly noticed that it could become an ongoing discussion instead of quick and constructive and we therefore made a fast decision that we would make the final decision instead. The workshop ended with an evaluation and feedback session to us as facilitators – how we could improve, especially since this was our very first workshop with professionals. The participants responded very positively and told us that they liked the transition between each exercise. They made the comment that it was well-balanced and well-structured, as well as we appeared confident, prepared and professional.

In the ideation workshop consumers were not included. The involvement of consumers could have brought another level to the ideation but would also have created another dynamic among the participants. It was then considered to facilitate a critic session with the consumers to the generate and validate on the ideas. However, we were limited with our timeframe, for which reason the consumer involvement in developing, building and verifying ideas did not take place and is instead recommended as a next step to gain further validation upon the ideas for the Danske Bank.

The interviews with the advisors gave a great amount of knowledge and insight that allowed us to identify new customer needs and pains. Reflecting on the interviews with the advisors the approach was rather traditional with a semi-structured framework. We initially anticipated the financial industry and its employees to be rather traditional, but looking back it could have been interesting to see how a boundary object could have made a difference to the outcome within the advisor interviews. To challenge the well known format of an interview as we did with the consumer interviews, could have brought new or deeper insights to the process, but our prejudices towards the industry made us lean towards the basic research methods rather than become daring.

From the interviews with the advisors we got to know a little more about the technical aspect to the digital loan process and the calculation system behind it. The information given to us was still only scratching the surface, and reflecting back it could have benefitted us to look more into the look, feel and system behind the digital loan process much earlier in the process. A technical aspect to both the existing services and final ideas could have given us a deeper understanding of how and why everything

is calculated currently. Together with a technical validation, a business perspective has not been considered much throughout the process which also could have benefitted the outcome. As a service designer, business words as 'brand loyalty' or 'reduced cost' have not been used throughout our semesters. It could have been interesting to see what a business perspective could have done to the outcome if it had been considered earlier in the process. Bearing these reflections in mind, the next step will be to put a business perspective on the ideas and make a business model canvas on selected ones, which will be presented in the product report.

The involvement of consumers, different actors, and the service provider as much as possible during our process brought useful findings. The involvement of different actors could have been continued multiple times during the process, but due to our timeframe we had to make decisions and limited ourselves on whom to, or not to include. If we had more time, it could have been interesting to interview and involve first level advisors. This group of advisors were not involved because of their missing authority to provide a loan - but reflecting on this, the first level advisors are still influencing the customer experience with their direct customer contact and could potentially have given new perspectives and insight on DB customer needs and pains, as they are the first ones in contact with the customer.

To summarize and give a brief answer to the research question:

Service design can help identify customer needs and pain points. The used methods in the thesis are not specific related to the financial sector only, and could potentially be applied within other sectors. In our specific case, where only little research had been done, it was particularly suitable to use exploratory research, qualitative methods and the boundary objects. Moreover, is it important to approach the consumers in a emphatic way, as a person's financial situation can be a rather sensitive subject. To find gaps in the existing customer experience, it was crucial with the involvement of both side of the service, meaning the consumers and advisor.

7.2
SERVICE DESIGN IN DANSKE BANK

Service design methods are not new for the Danske Bank. It plays a significant role in their daily work, as they have an extensive focus on the customer experiences - solving user-friendly banking solutions to customers. The Danske Bank has several employees with the right service design mindset who know how to work with it - which is seen as a strength. It has been interesting to learn how a successful company as the Danske Bank applies and implements service design tools in the daily work. The thesis has been tough at times, as we have strived to live up to a certain level of professionalism and the expectations to deliver a set of useful recommendations.

During the process we gained a new perspective of service design potentials in a professional environment. Throughout the process we had regular meetings with Tiina from the Danske Bank who gave valuable feedback on our work. We provided updates and communicated our process with the use of visualizations such as the customer journey and the emotional journey. We experienced a high interest in researching the pre-phase and involving the consumers and employees during the process. Our research presented both new insights as well as confirmed some findings that the Danske Bank already had identified themselves.

The usage of in-depth interviews was not new to the Danske Bank, but the use of an emotional journey as a boundary object was new to them and was seen as a useful tool that could be adapted to other internal projects within the bank. The same appeared valid in regards of the workshop where the boundary object solidly supported a great outcome. This was acknowledged by Tiina, and she was in general delighted with the professionalism and facilitation of the ideation workshop.

Within this thesis we conducted research within the area of consumer loans with the specific purpose of renting an apartment, and our findings were described as very valuable insights for the Danske Bank and future development. We got commended on how professional we seemed at every meeting and that we overall had done a tremendous job.

A learning we take with us, is the consideration of engaging with the entire organization, in our process, the use of methods and findings, which could benefit other departments/internal projects within the Danske Bank. We could have had some open session with other employees where they could see and learn about our findings. However, our work and process was cherished by Tiina, as we did not over-promise something, but kept it straight and honest about what could be expected by us as service design students during the process, which was seen valuable.

7.3
REFLECTION ON LEARNING OBJECTIVES

When reflecting on our official and personal learning objectives it brings a sense of having achieved a solid learning process that stands out from the other semesters. Through this thesis we have gained practical experiences and knowledge in a professional environment making us grow significantly as service designers.

With our collaboration with the Danske Bank we worked independently to identify the consumer's needs and pains and analyze the problem areas with various design methods and tools. Professionalism grew through the unpredictable process and focus area where we were in contact with an interdisciplinary range of people on a regular basis. We acted as external consultants which allowed the process to use an explorative approach. During this thesis we have obtained knowledge on how to apply appropriate service design tools and become comfortable in choosing methods suiting our scope.

We believe that our approach could be applied within other areas of the financial sector and consumer loans which we see as our contribute to the service design community.

Our greatest learning from the design process is the ability of a service designer to understand and combine different methods and approaches. The traditional semi-structured in-depth interview can for example reach new heights by being combined with a boundary object. A sense of playfulness with different approaches and methods has proven its worth, and that we as service designers can reach better outcomes by being as structured and linear as an iterative process.

CONCLUSION

8

8.0
CONCLUSION

This thesis has studied the relationship between service design and the financial sector taking the point of departure in consumer finance within the Danske Bank. More specific, the project focussed on innovating the customer experiences when renting an apartment - in which case a need for a consumer loan may emerge. To investigate the research question presented in the Literature Review both desk and field research were applied. Desk research in the form of a comparative analysis of the current offers, the rental housing market, as well as a general exploration of the service provider - and field research in the form of semi-structured interviews with both consumers and advisors which provided us with a great amount of insights and gave the project a solid groundwork.

From the desk research it was discovered that currently none of the banks in Denmark have a service offer targeting this specific situation. Besides, an increased use of quick-loans, especially among young people, is taking place. From the field research is was moreover discovered that the consumers' generally lack financial knowledge - and in the desperation of finding an apartment they make bad financial decisions that affect their future financial situation.

An ideation workshop with employees from the Danske Bank was held to generate ideas upon the consumers needs and pain points. The thesis finalizes with a set of recommendations to the Danske Bank that can improve the customer experience within this specific area and segment.

An ideation workshop with employees from the Danske Bank was held to generate ideas upon the consumers needs and pain points. The thesis finalizes and meets the problem statement with a set of recommendations to the Danske Bank that can improve the customer experience within their digital service offers build upon the identified needs and pains of customers looking for a loan to rent an apartment.

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APPENDIX

9

APPENDIX 1
THE DANSKE BANK CUSTOMER PROGRAMME

Basis

Du har enkle bankbehov. Derfor skal du have en god og enkel løsning.

Dine fordele
- Vælg en af de fordelagtige kundepakker Danske Hverdag eller Danske

- Hverdag+ til den daglige økonomi Forbrugsoverblik i net-, mobil- og tabletbanken

- 5 % rabat på Indboforsikring og 15 % samlerabat på bilforsikring* hos Danske Forsikring

- Rabatter hos Realkredit Danmark, Danica Pension, Danske Forsikring og home

Hvis dine samlede forretninger i Danske Bank-koncernen er under 60.000 kr. er du Danske Basis kunde.

Ekstra

Du har et lidt større forretningsomfang hos os. Derfor skal du have en god løsning med flere fordele.

Dine fordele
- Vælg og få rabat på en af de fordelagtige kundepakker Danske Hverdag eller Danske Hverdag+ til den daglige økonomi

- Mulighed for bedre rentesatser på udlån**

- Personlig rådgivning i din lokale afdeling eller via netmøder

- Forbrugsoverblik i net-, mobil- og tabletbanken

- 10 % rabat på Indboforsikring og 15 % samlerabat på bilforsikring* hos Danske Forsikring

- Rabatter hos Realkredit Danmark, Danica Pension, Danske Forsikring og hom

Hvis dine samlede forretninger i Danske Bank-koncernen er mellem 60.000 og 750.000 kr. er du Danske Ekstra kunde.

Eksklusiv

Du har et relativt stort forretningsomfang hos os. Derfor skal du have flere fordele end de fleste

Dine fordele
- Få Danske Hverdag+ til 0 kr. – den mest fordelagtige pakke til den daglige økonomi

- Mulighed for attraktive rentesatser på udlån**

- Personlig rådgiver – mød din rådgiver i din lokale afdeling eller via netmøder

- Mulighed for MasterCard Guld (inkl. rejseforsikring) til 195 kr. i årligt kortgebyr

- Forbrugsoverblik i net-, mobil- og tabletbanken

- 15 % rabat på Indboforsikring og 15 % samlerabat på bilforsikring* hos Danske Forsikring

- Rabatter hos Realkredit Danmark, Danica Pension, Danske Forsikring og home

Hvis dine samlede forretninger i Danske Bank-koncernen er mellem 750.000 og 2.000.000 kr. er du Danske Eksklusiv kunde.

Eksklusiv +

Du har et stort forretningsomfang hos os. Derfor skal du også have flest fordele.

Dine fordele
- Få Danske Hverdag+ til 0 kr. – den mest fordelagtige pakke til den daglige økonomi

- Mulighed for de mest attraktive rentesatser på udlån** Personlig rådgiver – mød din rådgiver i din lokale afdeling eller via netmøder

- Mulighed for MasterCard Guld (inkl. rejseforsikring) til 0 kr. i årligt kortgebyr

- Forbrugsoverblik i net-, mobil- og tabletbanken

- 20 % rabat på Indboforsikring og 15 % samlerabat på bilforsikring* hos Danske Forsikring

- 25 % rabat på omkostninger ved etablering af nye realkreditlån

- Rabatter hos Realkredit Danmark, Danica Pension, Danske Forsikring og home

Hvis dine samlede forretninger i Danske Bank-koncernen er over 2.000.000 kr. er du Danske Eksklusiv+ kunde.

APPENDIX 2
CONSUMER INTERVIEW GUIDELINE

Alder:
By:
Profession:
Bank:
Hvornår stod du i situationen, hvor du skulle leje en lejlighed:

Hvordan er dit forhold til din bank?
Hvornår har du sidst skulle leje en lejlighed?
Hvad var depositummet?

Faser når du skal ud og leje en lejlighed:

Fase: Din daværende situation
Hvordan opstod situationen? Hvorfor skulle du ud og leje en ny lejlighed?
Bagland: Boede du med en kæreste, hvor I er gået fra hinanden? Blev du smidt ud af din lejlighed? Boede du til leje tidsbegrænset? Skulle du flytte hjemmefra? Ville du have noget større/mindre?

Fase: Undersøgelse af boligmarkedet
Hvordan gik du til opgaven om at finde en ny leje lejlighed?
Hvor søgte du ny lejlighed? Gik du på boligportal hjemmesider? Benyttede du boligforening? Brugte du dit netværk?
Var det let at finde en ny lejlighed? Hvor lang tid brugte du på at finde en lejlighed, fra da du situationen blev aktuelt til du havde et nyt sted?

Fase: Økonomiske overvejelser
Hvilke tanker gjorde du dig i forhold til at betale depositummet? Undersøgte du forskellige forbrugslån? Kontaktede du banken eller undlod du dem i processen?
Havde du en opsparing? Lånte du af dine forældre? Havde du lidt på opsparingen og blev nødt til at låne lidt? Havde du et andet lån på det tidspunkt? Var du nervøs for at kontakte banken?

Fase: Betaling af dit indskud
Hvilken løsning endte du med at vælge? Fordele og ulemper ved dit valg? Fortrydelser?

Fase: Indflytnings omkostninger
Udover depositummet havde du andre omkostninger i forbindelse med flytningen? Havde du møbler i forvejen eller råd til at købe nye til lejligheden?

Opfølgning

Hvornår i hele processen begyndte du at tænke på "pengene"? Var du nervøs? Havde du følelsen af at du var sikret økonomisk?

HVIS det var en bank løsning: Hvilke kanaler benyttede du dig af? Hvordan kommunikere du med banken? Hvilke services benytter du dig af for at kommunikere med banken?

Personligt - fysisk i banken

Netbank

Chat

Email

Telefon - Opkald

App

Ny eller gamle app?

Mobilepay?

Website

APPENDIX 3
CONSUMER EMOTIONAL JOURNEY MAPS
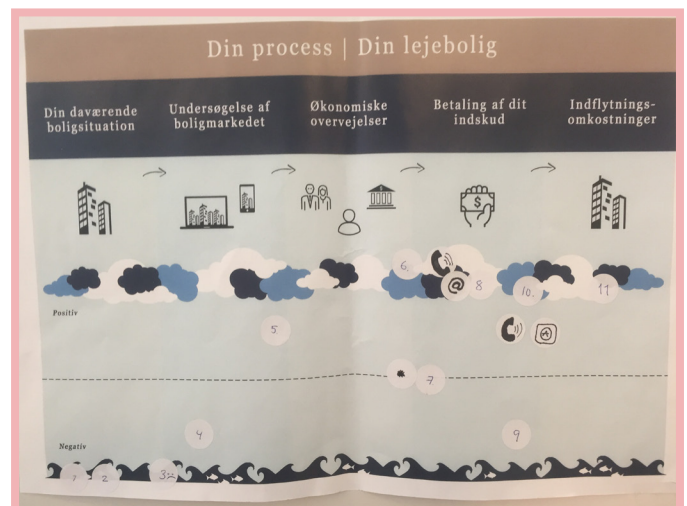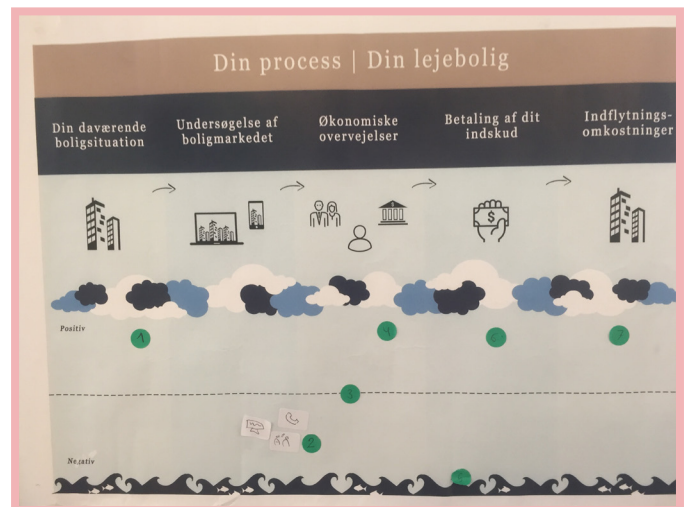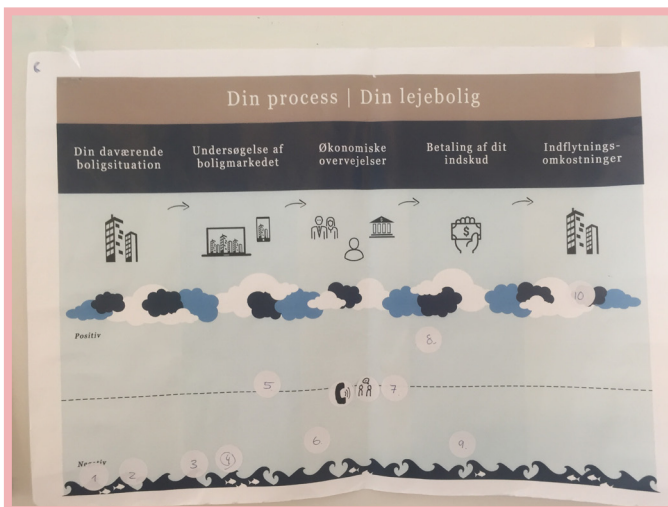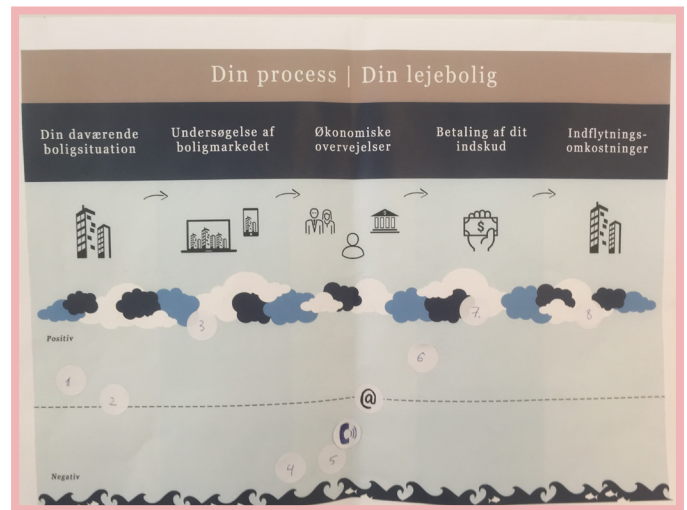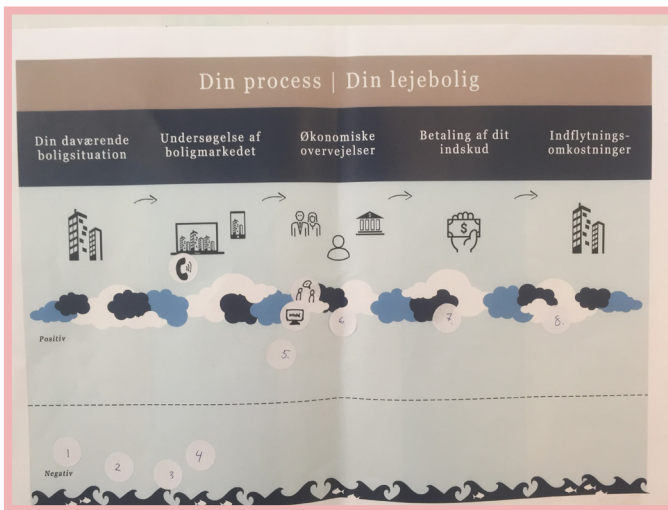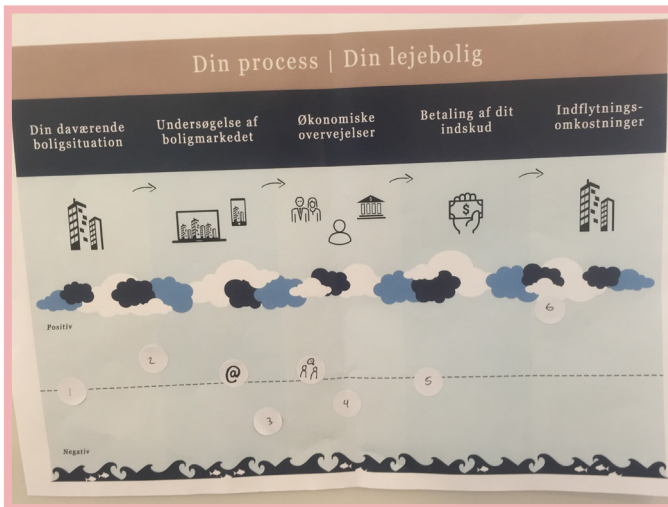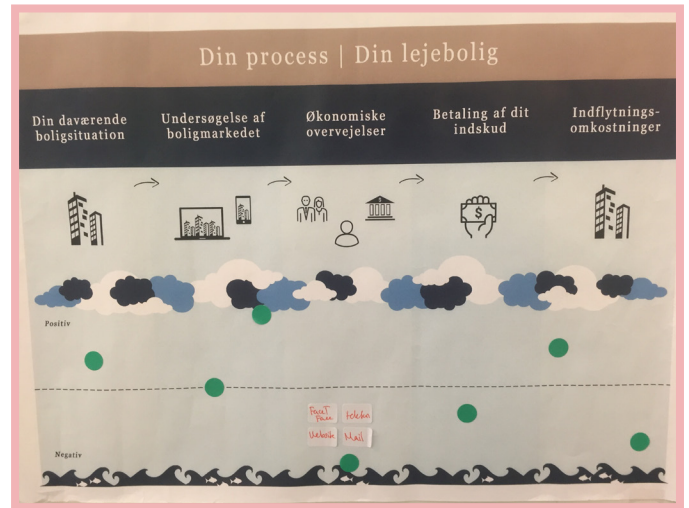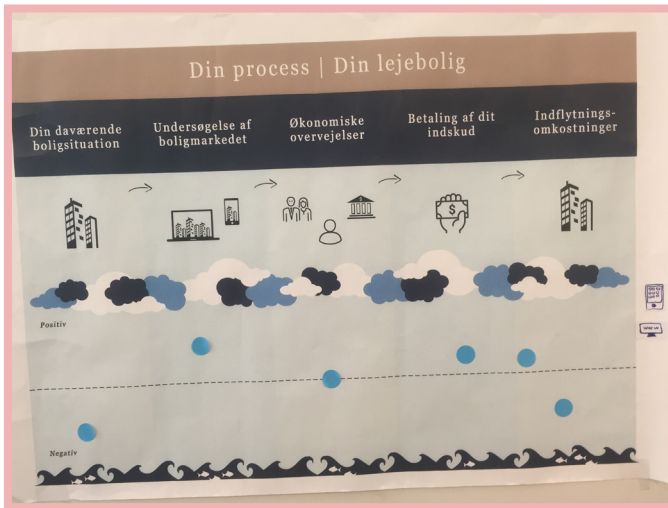
APPENDIX 4
ADVISOR INTERVIEW GUIDELINE

Navn:
Hvad er din baggrund?
Hvor længe har du været bank rådgiver:
Hvor længe har du været ansat i Danske Bank?

Lån, kassekredit eller kreditkort til indskud - hvad/hvordan anbefaler I? (proceduren)
Hvad bliver mest brugt?
Er der forskel på kundernes situation?
Forskel på renten?

Hvornår bliver I som bank oftest involveret i kundens bolig situation - når de skal leje en lejlighed?
Before: Inden de skal ud og kigge og leje en ny lejlighed, for at få rådgivning til, hvad de har råd til?
Doing: Når de har fundet/blevet tilbudt en lejlighed og vil høre om de kan låne til indskuddet?
After: Når de har sagt ja til at leje en ny lejlighed og står og skal overføre indskuddet inden for en uge for eksempel.

Hvor meget viden har kunderne indenfor området og om deres muligheder?

Hvilke bekymringer deler kunderne med dig i forbindelse med at leje en bolig?

Hvilken beløbsramme befinder vi os i, når vi snakker om lån til indskud + udgifter, når man skal leje en ny lejlighed?

Hvad skal der til/hvad er årsagen til at I skulle sige nej til at hjælpe en kunde med indskud til en lejlighed?

Har i samme viden og fremgangsmåde imellem rådgivere?

Er der et gentagende behov hos kunder, hvor du ikke kan hjælpe dem? (evt. økonomiske situation hos kunden)

Hvor stor indflydelse har i på at lave ændringer

Hvordan ville du gerne kunne hjælpe kunderne bedre?

Hvordan er processen når de får et "nej"? Hvordan kan en kunde modtage et "nej" på forskellige måder?

Har I ungeafdelingen også autoritet til at give lån som i Basis?

Nu hvor kunderne ikke har en personlig rådgiver i denne afdeling, men er tildelt et team, oplever du så har der bliver skabt en personlig kontakt/emotional bond mellem dig og kunde?

APPENDIX 5
IDEATION WORKSHOP | ENERGIZER

An energizer was prepared and successfully done to loosen up the participants. It kick-started the workshop with a boost of energy and was useful to get everyone to interact with each other and laugh together, as well as it brought a calm atmosphere to the workshop.

How: The participants were placed in a line, facing the same way. The first in line was shown three pictures and had to translate what she saw only using body language. When the next in line thinks that she had guessed the three words, she turns and has to pass the words on to the next person in line, again only using body language. The last person standing, had to vocally present what she thinks she saw, which is not easy, as there can be misunderstanding throughout the line of participants.

The little Mermaid
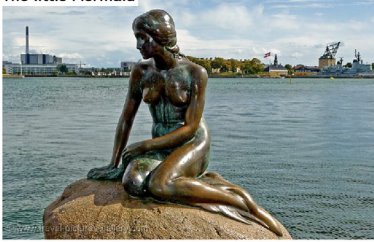
Watch

Wheelbarrow

APPENDIX 6
IDEATION WORKSHOP | PICTURES

APPENDIX 7
IDEATION WORKSHOP | PAPERS

THE EMOTIONAL STAGE: ~~POWERLESS~~ EXCITED

CHANGE THE EMOTIONAL STAGE TO: EXCITED & SECURED

AN IDEA COULD BE: – allowing the customer to say yes thanks to approved loan
– "digitalised approval letter" to show to the renter

THE EMOTIONAL STAGE: SUPPORTED

CHANGE THE EMOTIONAL STAGE TO: FULLY SUPPORTED & AWARE

AN IDEA COULD BE: – Be present on rental housing websites
– support on what would fit my economy
– "remember to consider "early on"
– webinar on tips for renting 'advice

– preapproved loan
– chat available on the rental portal

THE EMOTIONAL STAGE: DESPARATE

CHANGE THE EMOTIONAL STAGE TO: CONFIDENT

AN IDEA COULD BE: – save time on searching when focusing on the right opportunities
– filter on "what you can afford for
– inform and advice on the d
– two lines: monthly rent, deposit
– show/advice on full financial needs (moving costs etc.)

THE EMOTIONAL STAGE: SCEPTICAL

CHANGE THE EMOTIONAL STAGE TO: SECURE /SAFE (TRY

AN IDEA COULD BE: CHAT i PROCESSEN
RINGE IND OG UDFYLDE i FELLESSKAB
online ansøgning – skrive "Fritekst"

THE EMOTIONAL STAGE: SKEPTISK

CHANGE THE EMOTIONAL STAGE TO: FØLE SIG HØRT

AN IDEA COULD BE: Hvad er det jeg gerne vil låne t
At få mulighed for at fortælle om egen situation
At kunne retfærdiggøre behov CHAT – TLF – FORMULAR

THE EMOTIONAL STAGE: SKEPTISK

CHANGE THE EMOTIONAL STAGE TO: AT FÅ FEEDBACK

AN IDEA COULD BE: CHAT /TELEFON / BESKED TILBAGE
PÅ SPØRGSMÅL

THE EMOTIONAL STAGE:_____

CHANGE THE EMOTIONAL STAGE TO: ___HAPPY_____

AN IDEA COULD BE: _____
___Push / hertalt   – er alt ok? _____
___ eut   mulighed for at blive rnget op.__

THE EMOTIONAL STAGE: RELIEVED_____

CHANGE THE EMOTIONAL STAGE TO: ___CONTENT_____

AN IDEA COULD BE: _____
  • Forhåndsgodkendelse + lånerente
    /kom i gang tidligere.
  ○ Mere lempelige kreditregler
  ○ Produktive   v. 20 års alderen hvor
    flere flytter hjemmefra.
  ○ Mulighed for at blive rnget op
    i låneprocessen.

APPENDIX 8

DIGITAL LOAN APPLICATION INTERFACE

Screen 1

.ıl TELIA 🔞   17.32   60 % ▪️

✕

Lån og kredit

Lad os se, hvordan vi kan hjælpe dig. Hvor mange penge vil du låne?

| kr.

1	2	3
4	5	6
7	8	9
	0	Næste

Screen 2

.ıl TELIA 🔞   17.36   54 % ▪️

✕   Lån og kredit

tryk på det.

Er du enlig, samlevende eller gift?

Enlig

Vi har registreret, at du ikke har børn under 18 år. Er det rigtigt?

Ja, fortsæt

Hvor mange biler har du?

0
1
2

Vælg

Screen 3

.ıl TELIA 🔞   17.37   53 % ▪️

✕   Lån og kredit

Hvor mange biler har du?

0

Din årsopgørelse fra 2017 viser, at du har en samlet gæld på ▮▮▮▮

Har du siden da afdraget ekstraordinært på gælden - eller lånt flere penge?

Jeg har afdraget almindeligt

Forventer du, at din indkomst vil ændre sig væsentligt indenfor de næste 6 måneder?

Ingen ændringer

Min indkomst vil falde

Min indkomst vil stige

Screen 4

.ıl TELIA 🔞   17.37   53 % ▪️

✕   Lån og kredit

Forventer du, at din indkomst vil ændre sig væsentligt indenfor de næste 6 måneder?

Min indkomst vil stige

Tak, vi har nu fået alle de oplysninger, vi skal bruge.

Her kan du scrolle ned og se det lån, du har valgt. Tjek især, om vi har valgt de rigtige konti til udbetaling af lånet og betaling af ydelsen.

Lånebeløb	20.000 kr.
Løbetid	24 mdr.
Månedlig ydelse	1.015 kr.
Samlede omkostninger	4.366 kr.

❯ Send ansøgning

Screen 5

.ıl TELIA 🔞   17.33   59 % ▪️

✕   Lån og kredit

Lad os se, hvordan vi kan hjælpe dig. Hvor mange penge vil du låne?

20.000 kr.

OK, her er dine muligheder. Vælg den, der passer dig bedst.

Prøv at ændre beløbet og/eller løbetiden og se, hvordan det påvirker dine lånemuligheder.

20.000 kr.

0 mdr.   11 mdr.   **12 mdr.**   13 mdr.   14 mdr.

Låne-muligheder	Månedlig ydelse	Samlet tilbagebetaling
Danske Lån Online	1.918 kr.	23.011 kr. ❯

Få pengene med det samme

Screen 6

.ıl TELIA 🔞   17.33   58 % ▪️

✕   Lån og kredit

20.000 kr.

OK, her er dine muligheder. Vælg den, der passer dig bedst.

Prøv at ændre beløbet og/eller løbetiden og se, hvordan det påvirker dine lånemuligheder.

20.000 kr.

22 mdr.   23 mdr.   **2 år**   3 år   4 år   5 år

Låne-muligheder	Månedlig ydelse	Samlet tilbagebetaling
Danske Lån Online	1.015 kr.	24.366 kr. ❯

Få pengene med det samme

Ifølge loven skal vi oplyse, at vi kun rådgiver om vores egne produkter, og at vores rådgivning ikke er uafhængig.

Screen 1:

ıll TELIA 📶 17.33 58 % 🔋

‹

Ansøg om Danske Lån Online

Lån op til 100.000 kr. nemt og hurtigt.
Du får svar med det samme, og bliver
lånet godkendt, sætter vi pengene ind
på din konto inden for 10 minutter.

Lånebeløb	20.000 kr.
Løbetid	24 mdr.
Månedlig ydelse	1.015 kr.
Samlede omkostninger	4.366 kr.
Læs mere ˅	
ÅOP (Årlige Omkostninger i Procent)	20,69 %
Årlig varia...	11,95 %

Start ansøgning

Muligheder med Danske Lån Online

Screen 2:

ıll TELIA 📶 17.33 58 % 🔋

‹

Lånebeløb	20.000 kr.
Løbetid	24 mdr.
Månedlig ydelse	1.015 kr.
Samlede omkostninger	4.366 kr.
Læs mere ˅	
ÅOP (Årlige Omkostninger i Procent)	20,69 %
Årlig variabel debitorrente	11,95 %
Samlet tilbagebetaling	24.366 kr.

Start ansøgning

Muligheder med Danske Lån Online

Screen 3:

ıll TELIA 📶 17.34 58 % 🔋

✕ Lån og kredit

Lad os se, hvordan vi kan hjælpe dig. Hvor mange penge vil du låne?

20.000 kr.

OK, her er dine muligheder. Vælg den, der passer dig bedst.

Prøv at ændre beløbet og/eller løbetiden og se, hvordan det påvirker dine lånemuligheder.

Danske Lån Online 20.000 kr. med en løbetid på 24 måneder.

Næste skridt er, at du giver os samtykke til at indhente oplysninger fra SKAT (f.eks. indkomst og gæld), så vi kan vurdere din ansøgning. Ansøgningen fortsætter, når du har givet dit samtykke.

Gå til SKAT og giv samtykke.

Screen 4:

ıll TELIA 📶 17.36 55 % 🔋

‹

Samtykke til SKAT

✓

Vi har modtaget dit samtykke fra SKAT

Tak, fordi du gav samtykke til at få overført dine oplysninger fra SKAT.

OK

Screen 5:

ıll TELIA 📶 17.36 55 % 🔋

✕ Lån og kredit

Næste skridt er, at du giver os samtykke til at indhente oplysninger fra SKAT (f.eks. indkomst og gæld), så vi kan vurdere din ansøgning. Ansøgningen fortsætter, når du har givet dit samtykke.

Jeg giver samtykke til SKAT.

Tak. Du er nu halvvejs i ansøgningen og mangler kun nogle få spørgsmål.

Vil du ændre et svar undervejs, så tryk på det. 👉 •••

Er du enlig, samlevende eller gift?

Enlig

Samlevende

Gift

Screen 6:

ıll TELIA 📶 17.36 55 % 🔋

✕ Lån og kredit

oplysninger fra SKAT (f.eks. indkomst og gæld), så vi kan vurdere din ansøgning. Ansøgningen fortsætter, når du har givet dit samtykke.

Jeg giver samtykke til SKAT.

Tak. Du er nu halvvejs i ansøgningen og mangler kun nogle få spørgsmål.

Vil du ændre et svar undervejs, så tryk på det. 👉 •••

Er du enlig, samlevende eller gift?

Enlig

Vi har registreret, at du ikke har børn under 18 år. Er det rigtigt?

Ja, fortsæt

Nej, tilføj barn

APPENDIX 9
PRODUCT REPORT

PRODUCT REPORT

A CASE STUDY IN DANSKE BANK

Using service design as an exploratory approach to gain customer insights
and analyze customer experience in the area of finance

MASTER THESIS BY SANNE BEYER
& SUSSIE SKAARUP STENSNÆS

ABSTRACT

I

This product report is the final hand-over of the master thesis project to the Danske Bank. The project is aiming at identifying consumers needs and pain points in the financial sector and revolves around a case of innovating the customer experience within the area of consumer loan when renting an apartment. The thesis has been conducted from the beginning of February to the end of May 2018 as the final project within the master program of Service Systems Design at the Aalborg University Copenhagen.

The customer experience and existing service offers have been explored through qualitative research - and different actors been involved throughout the process. The consumer needs and pains were then identified and ideated upon, after which a set of recommendation was developed to innovate and improve the existing customer experience. The proposals aim at lifting the customer experience by making information easily accessible and improving the financial knowledge of the customers - thus providing tools that can help the customer to help themselves, be present in new channels and turn negative pain points to positive by making changes early in the journey. Finally, the report brings a visual comparison of the ideas to define their further potential for the Danske Bank followed by next steps.

READING GUIDE

II

The thesis consists of two parts: A process report and a product report.

This document is the second of two papers: the Product Report. The Product Report is the final delivery to the Danske Bank which summarizes the process report and presents the set of recommendation in a more detailed manner.

The Product Report can therefore stand alone, but we encourage the reader to read the Process Report for a full understanding of the process and choice of methods.

TABLE OF FIGURES

III

TABLE OF CONTENTS

PROJECT BACKGROUND

This thesis has been conducted and written in collaboration with the Danske Bank. The project has been done under internal supervisor sessions with Customer Experience Consultant Aurelija Rupsyte and project manager Tiina Pauliina Järvenpää, in the department of Group Process Development. The project was conducted from the beginning of February to the end of May 2018 by Sanne Beyer and Sussie Skaarup Stensnæs, two master students in Service Systems Design at the Aalborg University Copenhagen. The master program of Service System Design teaches: "... *how to plan and organize people, infrastructure, communication, media and components of service to improve its quality, the interaction between service provider and customers and the customers' experience"* (Aalborg University Copenhagen, n.d.).

As service designers we aimed to optimize and design competitive and relevant service experiences. The key service design principles are: to holistically consider the needs of the people affected by or influencing the service, to collaborate with stakeholders of various backgrounds, to act exploratory, adaptive and experimental - and to see the service as a sequence investigated in reality (Stickdorn et al., 2018).

The background of the project is based on the Danske Bank interest in analysis and a set of recommendations within the area of consumer finance to improve the customer experience. As it was a rather broad scope we narrowed it down to ensure focus on the consumers who are about to rent a new apartment with the secondary need for a loan enabling them to pay deposits and first time rent. The project aimed at identifying the consumers' needs and pain points within this situation, and further to use the key findings to develop a set of recommendations to innovate the service offers of the Danske Bank.

PROJECT PROCESS

	FEBURARY					MARCH					APRIL					MAY			
W. 5	W. 6	W. 7	W. 8	W. 9	W. 10	W. 11	W. 12	W. 13	W. 14	W. 15	W. 16	W. 17	W. 18	W. 19	W. 20	W. 21	W. 22

Legend:
- Desk research
- AAU deadlines
- Supervisor meeting
- Consumer intervires
- The Danske Bank
- The involvment of DB employees

01.02.18 Semester kick-start
07.02.18 First supervisor meeting
12.02.18 Meeting with Aurelija
21.02.18 Supervisor meeting
02.03.18 Meeting with Aurelija & Tiina
06.03.18 Supervisor meeting
Consumer interviews
21.03.18 Supervisor meeting
21.03.18 Interview with 'Basic' advisor
04.04.18 Interview with 'Ung Direkte' advisor
10.04.18 Supervisor meeting
19.04.18 Ideation workshop
24.04.18 Supervisor meeting
03.05.18 Meeting with Tiina
09.05.18 Supervisor meeting
21.05.18 Supervisor meeting
31.05.18 HAND IN

Desk research · Desk research · Literature research · Recruiting consumers for interviews · **08.03.18** Meeting with Tiina · **22.03.18** Meeting with Tiina · **05.04.18** Thesis check point · **10.04.18** Meeting with Tiina · Literature research · **25.05.18** Skype meeting with Tiina

Literature research · Consumer interviews · **15.04.18** Sparring

Figure 1: Overview of activities during the process

By using qualitative methods the project has explored the existing service offers and customer experience. Consumers' needs and pains have been identified and analyzed with the aim to innovate the Danske Bank's current service offer when renting an apartment, and the need for a loan that emerges along with that particular situation. Several actors have been included in the process with regards to the interviews and the workshop. The needs and pains of the consumers were the foundation from where new ideas for innovation and optimization could rise. Through an ideation workshop with employees from the Danske Bank and our own ideation session five ideas were created which after a feedback session with the Danske Bank were developed to seven recommendations instead.

TARGET GROUP

The following section aims to describe our target group that consists of people who are about to rent an apartment - whereby the need for a loan to pay the deposit and first time rent emerges.

We limited the project by only focusing on the younger segment, 20-29-year-olds, as we have identified in the desk research that it is primarily the 18-29-year-olds who are increasingly renting an apartment, and consumer loans being very popular among the 20-29-year-olds.

This segment belongs to the customer programs of 'Basis' and 'Ung Direkte' in the Danske Bank. Furthermore, we limited ourselves by only looking into/getting in contact with consumers who were not registered in RKI, and who had faced a relatively large part of the first time payment alone.

NEEDS AND PAINS

In this section the identified needs and pain points discovered from the consumer and advisor interviews are presented. The key findings are described through the following themes.

A lack of basic financial knowledge

Financial considerations are mostly last-minute

Wanting a holistic and personalized financial experience

The advisor creates trust

The feeling of being independent is important

FINDING 1
A lack of basic financial knowledge

The respondents felt confused concerning their future financial situation and decisions and opportunities when renting a new apartment. A basic understanding of their economy, and what they could afford, was missing. Moreover, their knowledge level was almost equal to zero in regards to loan and credit options.

Respondents expressed that their focus was more on the monthly rent than on the first time payment and deposit. Further, the respondents, who had applied for a consumer loan and received a 'no' from the bank, did not understand that it was to protect them. Several consumers, who received a 'no,' got a loan from another bank or other lenders - but are sadly finding themselves in a challenging financial situation today. Besides consumers often get surprised later on when they realize the size of the interest they have to pay on their loan.

This was confirmed in the interviews with the advisors where they expressed that it often feels like the customer stops listening when a 'no' has been given. Further explained was that in general the 'Basis' and 'Ung Direkte' customers are not that conscious about their private economy. Often they do not understand basics in using a budget or having an overview of their current as well as future expenses.

Some advisors try to educate the customers when in contact with them. Together they look into income, fixed expenses and the remaining and disposable amount. The advisors have different tricks and tips to educate the customers and try to give them a basic understanding of how to use a budget where expenses become more visible and tangible. For example, an advisor would encourage the customer to take three months where they 'test' their future economy - by each month putting aside the amount of money that their fixed expenses will rise with. By doing this the customer can see if it is realistic to take a loan in their situation. This is of course only for the customers who are willing to make an effort, but in many cases the customers need the money now and are not accepting the three-months-tip or a 'no.'
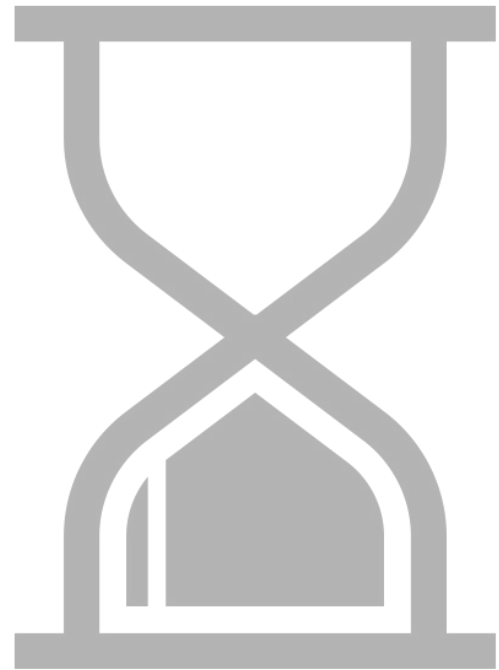
126

FINDING 2
Financial considerations are mostly last-minute

Eight out of ten of the respondents described a last-minute call to the bank. The emotions were mixed when having to move - but also as to finding a new apartment to rent and the inevitable financial considerations. It is often so that the whole situation of searching for a new apartment to rent is an emotional challenge because of the competitive market, and the timeframe for saying yes to a new apartment is often on short notice. This tends to push several respondents to take rushed decisions where they regret later on not having looked further into their financial options beforehand. It takes four to six months on average from when they start to search actively for an apartment to when they finally find one. Several respondents expressed that they would wish that they had used some of that time to investigate their financial possibilities more thoroughly. The interviews showed that economic considerations, research, dialogue with other lenders or the bank were not initiated till after a new apartment was found. This led to a mix of negative feelings where the need for financial support and guidance suddenly became urgent. This is recognized by the advisors, and that the customers often contact the bank very late in the process when the need for a loan emerges, and they have to ensure the first time payment for a new rental apartment. Sometimes they call the bank almost the same day as the payment needs to drop, leaving very little time for the advisor to investigate, educate and evaluate the loan agreement fully.
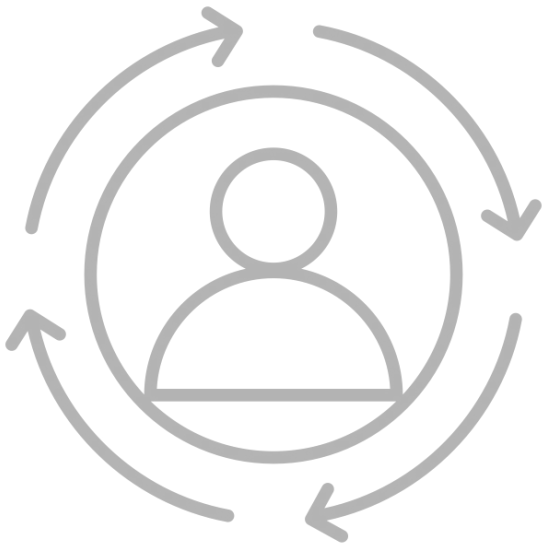
Wanting a holistic and personalized financial experience

The respondents had a hard time understanding financial matters cross areas as banking, insurance, loan, private economy and more. They seek a bank that can provide them with a holistic financial experience that supports their different financial needs through time. What draws the respondents from this comprehensive experience is the lack of personalization. The respondents feel like they are a number in a pile, and especially financially challenged consumers feel neglected.

Several respondents wished for a personal bank advisor instead of being shifted around between advisors every time they make contact. The process of having to explain their own story to a new person every time was frustrating.

In parallel to that the digital universe is gaining market share, but the concern is that the banks are very focused on removing all unnecessary steps in creating user-friendly and quick digital journeys. In the Danske Bank's current, digital lending process there are no questions regarding the particular situation of the customer, and why the money is needed. This information is crucial for the loan evaluation by either the system or the advisor. If the person, for example, is about to rent a new apartment - her og his future fixed expenses will possibly change, and the payment of a loan can therefore not be set from how the current expenses are. The advisors emphasized the need to know the situation before being able to counsel the customers helpfully. The advisors continued that if the customers' digital applications are declined - they do not receive any reasoning for the outcome. Instead, it is communicated that the customers can call the Danske Bank if they want any further explanation which is rarely done. Since the system does not consider the customer's situation or purpose of the consumer loan, mistakes can be made, and a 'yes' or a 'no' can be wrongly given. If the customer chooses to call an advisor for further explanation the customer can end up with an approved consumer loan instead of getting declined by the digital loan system - since the advisor has a broader range of considerations than the automated system.

The advisor creates trust

The larger banks are seen as a safe choice because of their size and stability. Still, the massive amount of customers can make the individual feel neglected and overlooked. The advisors appear to be a key element to balance this with personal contact providing knowledge and care. The respondents have a stable level of trust to the advisors, although they do not always feel understood or understand their options.

The feeling of being independent is important

The respondents like to feel independent. They do not wish to borrow money from the bank or their network. Besides commercialized competitors the parents often work as a support system regarding lending their kids money for a deposit when renting an apartment. Even though it is more beneficial from a financial point of view to borrow money from your network without interest - it still creates a feeling of not being able to take care of yourself when doing so.

EMOTIONAL JOURNEY MAP

From the discovery phase and the conducted insights an emotional journey map was created illustrating the feelings and thoughts of the consumer throughout the different stages. The quotes are taken from the interviews conducted in the discovery phase.

EMOTIONAL JOURNEY: RENTING AN APARTMENT

Positive

Neutral

Negative

EXCITED
"I finally got offered an apartment"

SUPPORTED
"It is nice that there are some rental housing websites to gain an overview from"

HOPEFUL
"I have not thought about the financial part before now, I need this apartment. I expect the bank to help me right away"

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| Awareness | Explore options | Search | Waiting | Adjust expectation | Get an apartment | Consider | Options | |

OVERWHELMED
"Where do I start my search on finding an apartment?"

SAD
"Oh no! I'm forced to move"

DESPERATE
It is so hard to find an apartment. I feel desperate and don't think about the finances"

POWERLESS
"I'm tired of waiting and hate that I don't have any control over my situation"

DISAPPOINTED
"I had many demands when starting to search for an apartment, but got fewer and fewer along the way, due to the fact it is so difficult to find an apartment"

NERVOUS
"I'm nervous to call the bank for the first time so late in the process"

CONFUSED
"I don't know my options or what's best for me. I can't find information online targetting my situation"

4 - 6 months

Figure 2: The emotional journey map

RELIEVED
"Yes I got the loan that I needed and can move on with my plans"

HAPPY
"I'm happy to move into the new apartment."

SECURE
"I don't mind sharing my information with the bank"

SUPPORTED
"I feel that the advisor is trying to understand my situation"

RELIEVED
"I can now sign the contract"

Apply	Send documents	Waiting	Get answer	Receive the money	Sign contract	Pay the deposit	Move in	Reflection

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SCEPTICAL
"The digital application form was easy to fill out, but it did not care about my situation"

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NERVOUS
"Why would the bank not help me? I know I'm able to pay back the loan and THIS situation is urgent"

DISAPPOINTED
"I got a No! Why did the bank not help me out, when I needed them? I don't understand, and will now go look elsewhere for a loan"

STRESSED
"I thought I could get the loan faster - I almost did not manage to pay the deposit on time"

SHOCKED
"I'm shocked to see how high the interest rate actually is"

SIX TAKEAWAY THEMES

From the themes and insights mentioned above we synthesized the findings into six takeaway themes (Fig. 3).

FINANCIAL AWARENESS

Consumers lack a general understanding of their private economy, financial options and possible changes in their fixed expenses when taking a consumer loan.

FINANCIAL GUIDANCE

There are no specific services, tools or written guidance targeting the situation when a consumer need a loan to pay the first payment when renting an apartment.

FINANCIAL BEHAVIOR

The consumer's financial habits and behavior highly affect their borrowing options at the Danske Bank when being evaluated by an advisor.

FINDING AN APARTMENT

Consumers have often four to six months to investigate the rental housing market as well as their financial opportunities.

LOAN APPLICATION DECLINED

The consumers do not always understand why they were declined for a consumer loan. A 'no' is currently better understood through human-to-human interaction than human-to-technology.

DIGITAL OFFERS

The technological evolution and digitization change that customers need - moving from branch banks to digital solutions - still supported by human-to-human interaction by means of the phone, email, and chat.

Figure 3: The six takeaway themes

WHO ARE WE DESIGNING FOR?

Based on the qualitative data collection we identified several types of different consumers and some general trends. The main patterns showed that the consumers lack basic financial knowledge and understanding regarding their private situation - whether they are students or full time workers. They do not understand their options and have low confidence in the bank but slightly more confidence in the advisor. Another common thing for this segment is the heavy use of the bank's digital channels.

It is important to mention that we were also in contact with consumers who did not belong to this segment and who had experienced a different journey. But we saw a tendency towards the more financially challenged consumers and therefore created three personas illustrating various types of consumers in different situations within this segment. The personas are based on findings and patterns discovered throughout the process and have further been used to develop ideas that meet the consumers' needs and pains.

MORTEN

Situation

Morten lived in a temporary apartment. He began searching for a new apartment on different websites and through his network and succeeded. Morten did not know much about finances, but in his opinion, he is a responsible person. He did not have a saving and went to his bank to for a loan to pay the deposit. He applied through the mobile bank app, but within a few minutes, it was declined. *"How could they so quickly determine if I was not suitable for a loan?"*. The app said 'call us', but he thought it would make no difference. He contacted two others bank, and one offered him a consumer loan and convinced him to change bank. Left he sit with the questions; *"why would one bank say no, when another said yes?"*

Use of channels

AGE	22
OCCUPATION	STUDENT/PART TIME JOB
LOCATION	NØRREBRO
APPLICATION	DECLINED

Understood the outcome of the loan application

Basic Financial Knowledge

Confidence in the bank

Confidence in the advisor

Finding a new apartment

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |

Figure 4: Persona 1

ANNA

AGE	25
OCCUPATION	FULL-TIME JOB
LOCATION	ØSTERBRO
APPLICATION	PARTLY APPROVED LOAN

Situation

Anna lived with a good friend, and their friendship was struggling caused by them living together. She was desperate to find a new place. It took forever, but finally, she was offered an apartment. With a full-time job, she felt financially balanced, but without any larger saving, she needed support from the bank to pay the deposit. She applied through the website for a loan but got declined within a day. She did not understand the decision and call the bank. The advisor admits that the system could have made a mistake and offers to lend her half of what she needed. A bit confusing she said yes to the offer from the bank and afterward contacted a quick loan provider to borrow the rest of the money. Today her financial situation is struggling - because of the interest rate on the quick loan, she has had to postpone her payments to the bank several times.

Use of channels

Understood the outcome of the loan application

Basic Financial Knowledge

Confidence in the bank

Confidence in the advisor

Finding a new apartment

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |

Figure 5: Persona 2

SIMON

AGE	27
OCCUPATION	GRADUATED
LOCATION	FREDERIKSBERG
APPLICATION	DECLINED

Situation

Simon was about to graduate and thereby being kicked out of his student apartment within three months. He was desperate and struggled to find a new apartment. He searched within a realistic monthly pay range rather than looking at the deposit. Finally, an offer presented itself, and he took it. He saw the larger deposit amount, and with an income based on trade union support and no savings, he needed financial help from the bank. He calls the bank but quickly gets a no. Very frustrated he hangs up without hearing the full explanation. He contacts three other banks and receives a no. He was forced to contact a quick loan provider with a high-interest rate, leaving him in a much worse financial situation, where his loan payments for many years will conflict with future plans.

Use of channels

Understood the outcome of the loan application

Basic Financial Knowledge

Confidence in the bank

Confidence in the advisor

Finding a new apartment

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |

Figure 6: Persona 3

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DESIGN BRIEF

From the define phase to the development phase a detailed design brief (Fig. 7) was formulated to make sure that the transition between the phases would be smooth.

DESIGN BRIEF

WE KNOW

Consumers who are about to rent an apartment are facing a long and demotivating process of desperately looking and competing for a new apartment. They are low on financial knowledge and do not contact the bank before but after they have found a new place to rent. The consumers expect the bank to help them and mostly use the online platforms or the phone to apply for a loan. The consumers expect personalization but currently this is only gradually fulfilled through direct contact with an advisor. Consumers often do not understand why their loan was declined and go seek for a loan elsewhere which can result in changing their bank. Besides, consumers also seem to get a shock whenever they realize the size of the interest they have to pay on their loan.

THE PROBLEM

The consumers are not contacting the bank before very late in the process which creates another desperate situation upon their process of looking for an apartment. The consumers are very low on financial knowledge both in terms of private finances, what they can afford and what their loan options are. When the consumers receive a 'no' they often do not understand it. Through a phone call the consumer can have the 'no' explained further but through the digital application system there is not an explanation for the declined loan. Online material for self-study is not targeting this situation, and the digital application system does not encounter why the money is needed which can result in a loan both being approved or declined wrongly. The lack of understanding the loan or a 'no' does often end up in putting themselves in an even worse financial situation than before.
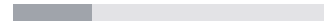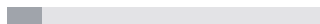
THE GOAL

The goal is to create a set of recommendations that can be used by the Danske Bank in innovating their digital service offers within consumer loan when renting an apartment. The service offers should lift the customer experience towards a more stable and positive emotional state.

WE ARE DESIGNING FOR

- DB customers and potential new customers of the Danske Bank
- Aged 20- to -year-olds
- Consumers about to rent a new apartment

BEHAVIOR

- Using 4 to 6 months to find a new place
- Do not seek financial opportunities before searching for an apartment
- Contact the Bank late in the process
- Using a lot of digital platforms to either gain information or apply for a loan
- Use advisors via phone
- Making bad decisions based on the feeling of being desperate and a lack of knowledge
- When the 'no' is not understood a loan is found elsewhere

WE WANT TO AVOID

- A service offering that compromises on ethical to empower speed
- Decision making upon the feeling of being desperate or lack in knowledge

HOW TO

- By designing for the needs and pain points of the consumers
- Advantageously supporting digital services with a feeling of human contact

MAIN MESSAGE

A clever and calming customer experience where the Danske Bank acts as key supporting partner.

Figure 7: The Design Brief

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SET OF RECOMMENDATIONS

Seven ideas are presented to the Danske Bank to improve the existing customer experience as well as creating new innovative solutions. The recommendations aim at lifting the customer experience by making information easily accessible and improve the financial knowledge of the customers - thus providing tools that can help the customers to hel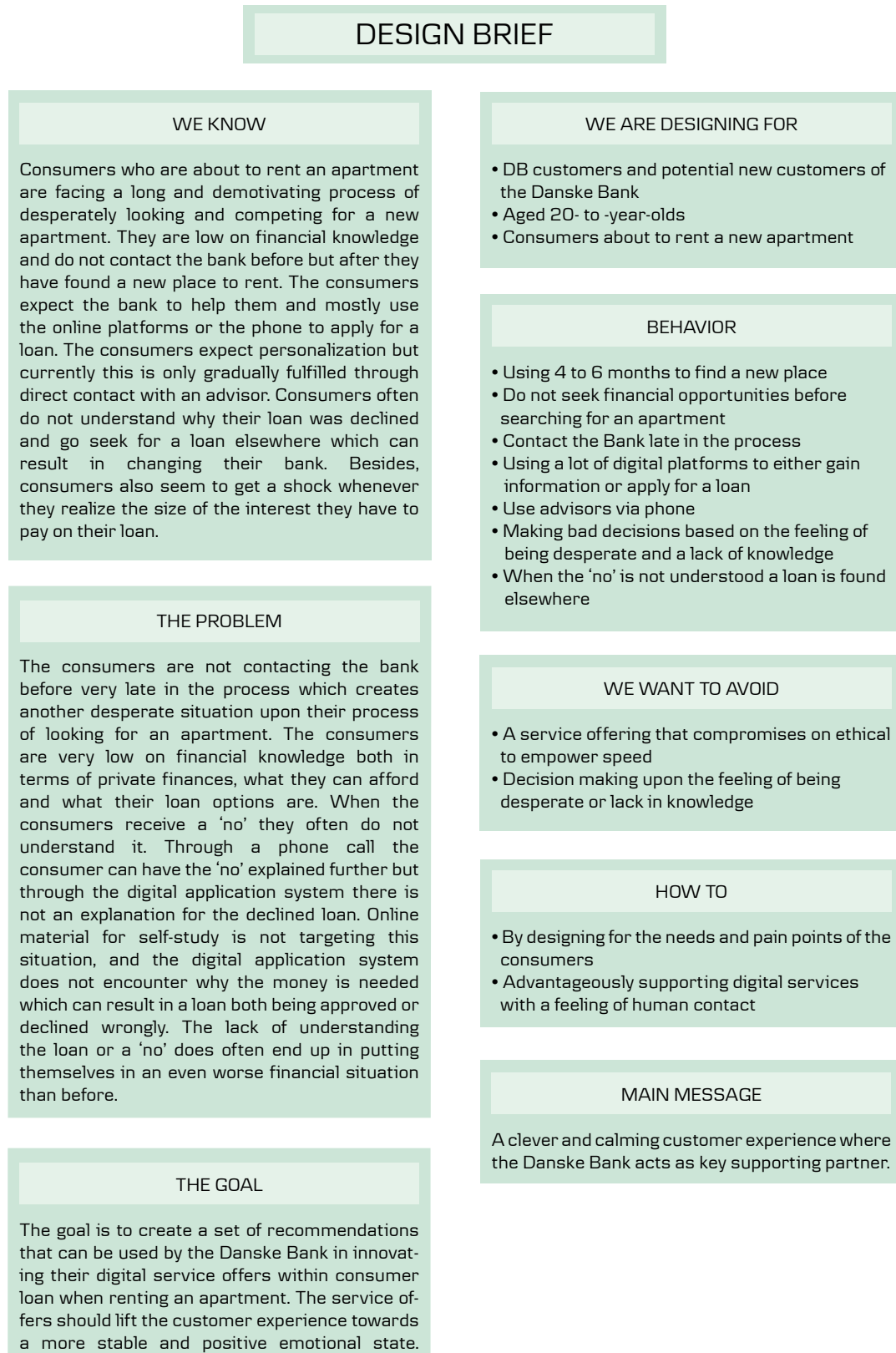p themselves, be present in new channels and turn negative pain points to positive by making changes early in the journey. The ideas build upon the identified consumer needs and pains, and how it could create value for the Danske Bank. The seven ideas are at an initial stage, and therefore the next steps will show our recommendations to the Danske Bank on how to proceed the process.

The seven ideas are divided into three levels: Brilliant Basics, Magical Moments and Game Changers.

BRILLIANT BASICS

Ideas with a sense of obvious quality to them, and which stands as a need-to-have for the Danske Bank and its customers. For the development and implementation steps, a smaller amount of resources would be needed.

1. Create a Knowledge Base   **2.** Be Present on the Rental Housing Websites

MAGICAL MOMENTS

Ideas that change a few touchpoints to make a significant positive difference in the total customer journey, through a medium level of resources.

3. Personalize the Digital Loan Process   **4.** Prevent Getting a 'No' Late in the Journey

GAME CHANGERS

Ideas that will make a notable positive change in the customer experience and service offerings by the Danske Bank as we know it. These ideas will need a more substantial amount of resources to be in place.

5. Purpose Based Calculation   **6.** Become an Integrated Part of the Apartment Search   **7.** Help the Consumer to Help Themselves

CREATE A KNOWLEDGE BASE

SITUATION
I am about to rent a new apartment, but I do not know much about my financial options or what to consider financially.

PAIN TO SOLVE
I can not find any information on the Danske Bank website targeting my situation. I will look somewhere else for help

EXPERIENCE
By going to the Danske Bank website, clicking on 'Mit Liv' and the subpage 'Lejebolig', I quickly find information targeting my specific situation. Now I have gained a solid knowledge base on what to consider when renting a new apartment and what financial options I have for supporting my first payment, for example a consumer loan.

The idea is to provide the users with basic knowledge about renting an apartment. The focus should be on providing a low-level and clear explanation of renting an apartment, utilizing guidance and teaching opportunities, as the Danske Bank does within other life events.

The Danske Bank could devise guidance on their website under the tab "Mit Liv" with the headline "Renting an apartment". Within the category different subheads could be presented, such as:

- Costs of living alone

- What should you consider before moving

- What should you know about rental agreements

- Moving into an apartment that suits your budget

- What financial options are available

- Understanding how the loan will affect your budget

- What you should know about the loan and interest rate

This information will increase the needed knowledge that the consumers are lacking. It will allow them to read about what it requires or what should be considered when renting a new apartment. It will make customers as well as potential customers aware of the options at the Danske Bank and the possibility of receiving help. This is a brilliant basic being rather easy to implement and measure in performance. The performance could potentially be measured in visits or leads. The online knowledge base should continually be held updated by the insight from the advisors who know what is relevant to the consumers. The advisors should make them aware of the available online information and use the subpage as a tool to educate the customers.

VALUE DRIVERS

- Brand value
- A supporting tool to the advisors
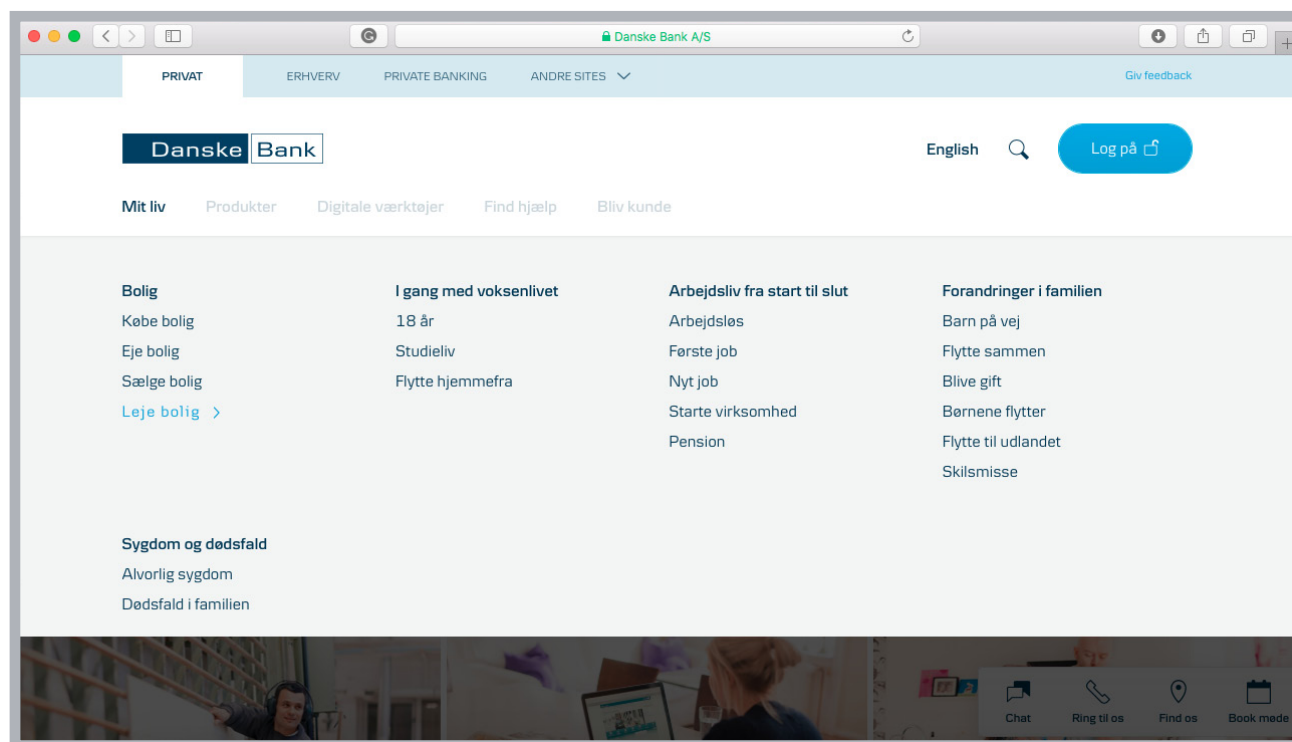- Improve the customer experience when renting an apartment

Figure 8: Visualizing the dropdown menu with the title: 'Lejebolig'

Figure 9: Visualizing subpage 'Lejebolig'

PRESENT ON
RENTAL HOUSING WEBSITES

SITUATION
I am using one of the most well known rental housing platforms to search for a new apartment to rent.

PAIN TO SOLVE
I have very little financial knowledge on what to consider when renting a new apartment and could use some support.

EXPERIENCE
It makes me calm and confident knowing that I can get financial support and guidance from the Danske Bank when I find myself in the desperate field of the rental housing market.

Rental housing platforms are often used by the consumer when searching for a new apartment to rent - a range of platforms that are currently crossed multiple times without the consumer having a solid financial knowledge. Here we see an opportunity for the Danske Bank to be present much earlier in the journey without having to use any significant amount of resources.

A collaboration with a platform could be based on marketing and communication principles. Awareness could be brought through banners seen in figure 10 and 11. These could encourage the consumer to make wiser financial decisions and link the user to relevant service offers on the website of the Danske Bank.

This can bring awareness early on in the process and make them feel supported through the difficult process of searching for a new rental apartment.

VALUE DRIVERS

Brand value

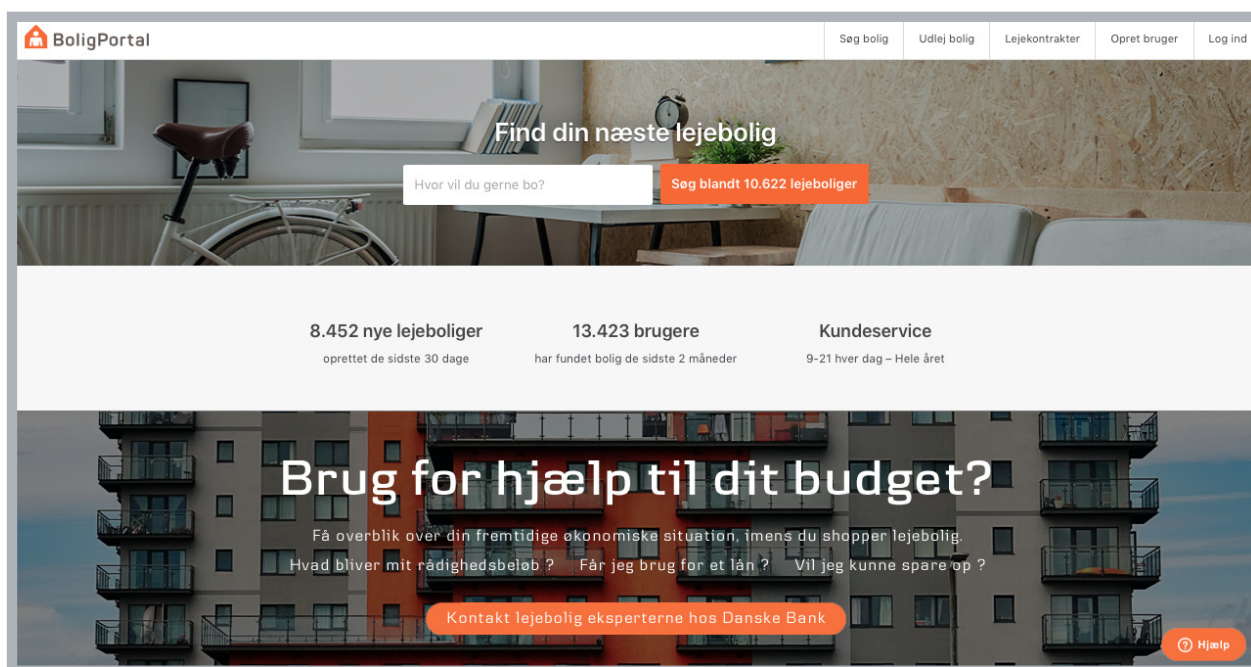Increase sales

Reach a new touchpoint

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Figure 10: Banner on the frontpage of BoligPortal.dk
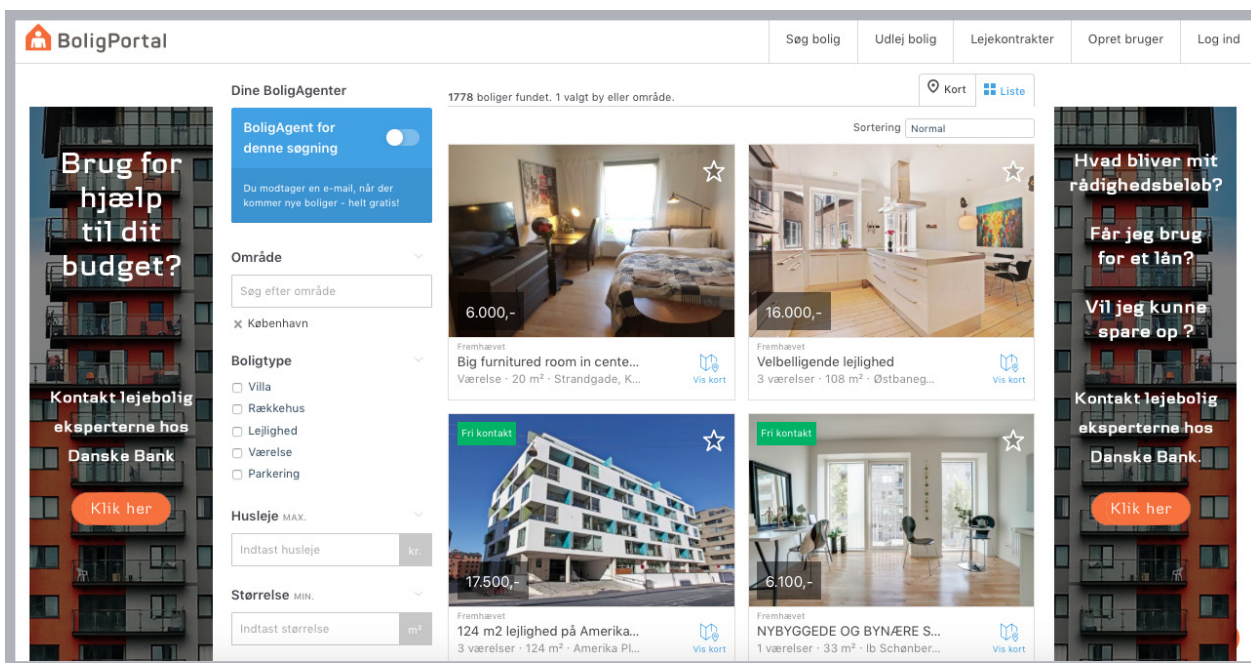
Figure 11: Banner on the search engine of BoligPortal.dk

PERSONALIZE THE DIGITAL LOAN PROCESS

SITUATION
I could apply for a consumer loan very quickly and easy, but it almost seems too quick?

PAIN TO SOLVE
The digital loan application form did not care about my situation. Even though it was designed like a personal message flow, I knew it was a machine that did not care about my situation.

EXPERIENCE
The personalized digital loan application process makes me confident in that the Danske Bank cares and are wisely handling my application for a consumer loan while bearing my situation in mind.

Looking at the digital application system smaller adjustments to the existing form could make a big difference in personalizing the customer experience. The adjustments are about making the process feel more personal in allowing the consumers to express themselves and initiate a two-way communication. We are presenting three solid additions to the existing digital loan application system.

• Ask for the purpose
• Contact me
• Two-way communication

VALUE DRIVERS

Customer loyalty

Improve the customer experience when applying for a loan

Ask for the purpose: The user should be able to make the system aware of the purpose of the loan and have the freedom to write an optional text where the user can choose to share their thoughts and emotions. A support system should be built to handle and respond to what is written. The user should still have the option of skipping these questions if they prefer the purpose to stay as a private matter (Fig. 12).

Figure 12: How to insert what is your purpose in the digital loan process.

Contact me: Implement an opportunity for contact when applying for a loan. A selection of options should be available where the user can choose personal contact with the bank if needed (Fig. 13).
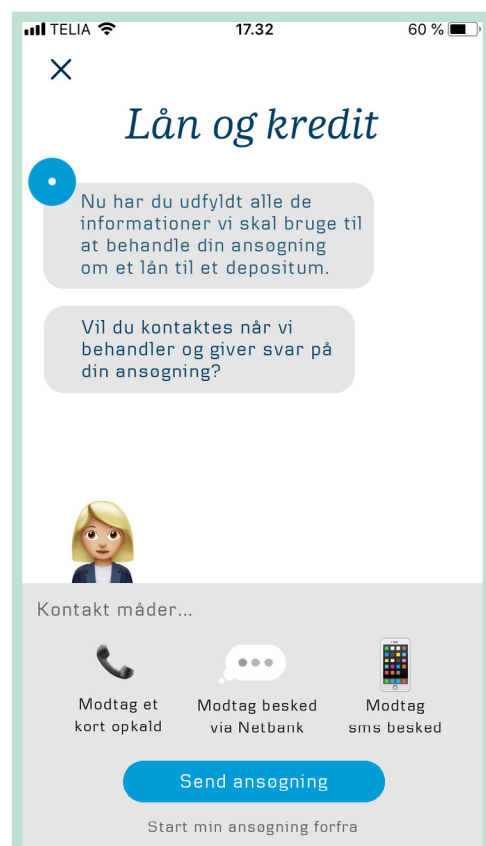

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Figure 13: Icons for contact me when handling my application

Two-way communication: When filling out the digital application form a support channel should be available with either a chat function or a call the bank function. This will require extra internal customer support by the Danske Bank (Fig. 14).

Figure 14: Two-way communication

PREVENT GETTING A 'NO' LATE IN THE JOURNEY

SITUATION
I have been through a stressful and chaotic search for an apartment to rent. I finally found one, and I need to take care of the first payment within a very short deadline. I reach out to the Danske Bank in the very last minute for a loan.

PAIN TO SOLVE
My stress level and desperation for an apartment are on the highest, and when I finally find one my loan application gets rejected by the Danske Bank. So, late in the process I have no other option than to seek the money somewhere else.

EXPERIENCE
With a pre-approved loan my search for an apartment is targeting what I can afford. The guaranteed loan makes me feel calm knowing that I will get the loan exactly when I need it and avoid any last minute desperation.

By offering a pre-approved loan the customers can target their search for an apartment a lot wiser and within an amount that suits their budget. They will know their financial limitations and are guaranteed to be immediately granted the loan when needed. The pre-approved loan can affect multiple sets of the pain points in the current journey positively by lifting steps early and thereby change the whole journey (Fig. 15).

The pre-approved loan can be very beneficial for the customers both when accepted and when declined. When the customer applies for a pre-approved loan there is not the same feeling of desperation and stress, and a 'no' would possibly be received more constructively.

EMOTIONAL JOURNEY: RENTING AN APARTMENT

EXCITED
"I finally got offered an apartment"

SUPPORTED
"It is nice that there are some rental housing websites to gain an overview from"

HOPEFUL
"I have not thought about the financial part before now, I need this apartment. I expect the bank to help me right away"

SUPPO
"I feel
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Positive

Neutral

Awareness	Explore options	Search	Waiting	Adjust expectation	Get an apartment	Consider	Options	A

Negative

SAD
"Oh no! I'm forced to move"

OVERWHELMED
"Where do I start my search on finding an apartment?"

DESPERATE
It is so hard to find an apartment. I feel desperate and don't think about the finances"

POWERLESS
"I'm tired of waiting and hate that I don't have any control over my situation"

DISAPPOINTED
"I had many demands when starting to search for an apartment, but got fewer and fewer along the way, due to the fact it is so difficult to find an apartment"

NERVOUS
"I'm nervous to call the bank for the first time so late in the process"

CONFUSED
"I don't know my options or what's best for me. I can't find information online targetting my situation"

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4 - 6 months

Figure 15: New emotional journey

RELIEVED
"Yes I got the loan that I needed and can move on with my plans"

SECURE
"I don't mind sharing my information with the bank"

SUPPORTED
"I feel that the advisor is trying to understand my situation"

RELIEVED
"I can now sign the contract"

HAPPY
"I'm happy to move into the new apartment."

Apply	Send documents	Waiting	Get answer	Receive the money	Sign contract	Pay the deposit	Move in	Reflection

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SCEPTICAL
"The digital application form was easy to fill out, but it did not care about my situation"

NERVOUS
"Why would the bank not help me? I know I'm able to pay back the loan and THIS situation is urgent"

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DISAPPOINTED
"I got a No! Why did the bank not help me out, when I needed them? I don't understand, and will now go look elsewhere for a loan"

STRESSED
"I thought I could get the loan faster - I almost did not manage to pay the deposit on time"
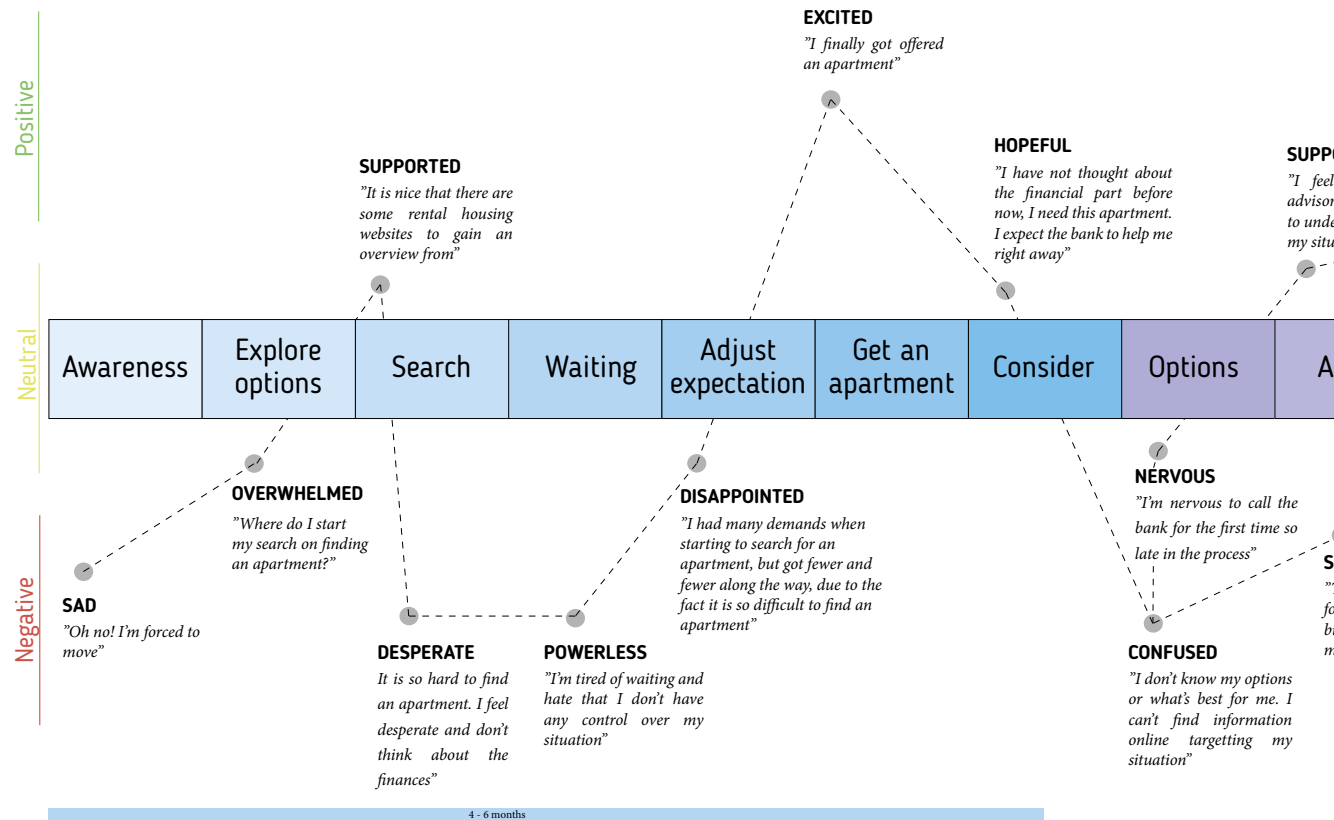
SHOCKED
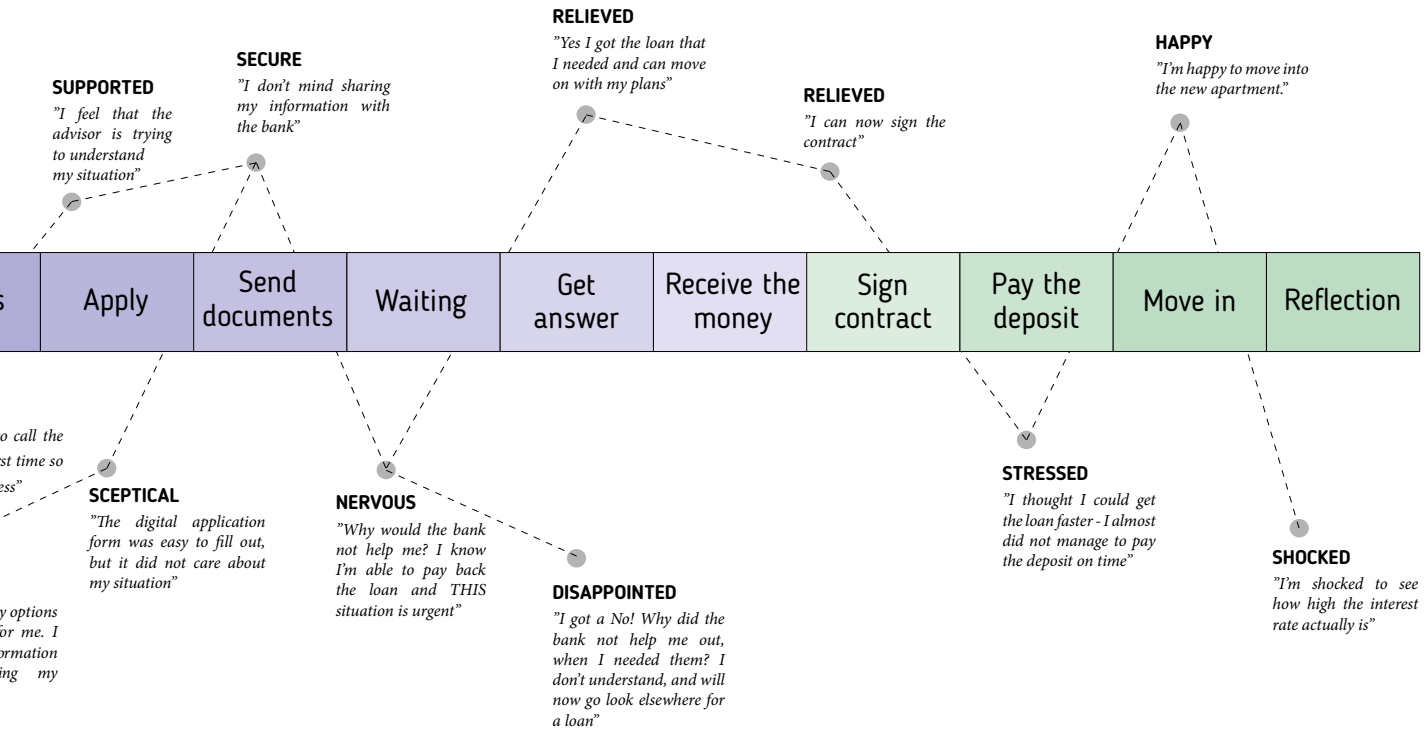*"I'm shocked to see how high the interest rate actually is"*

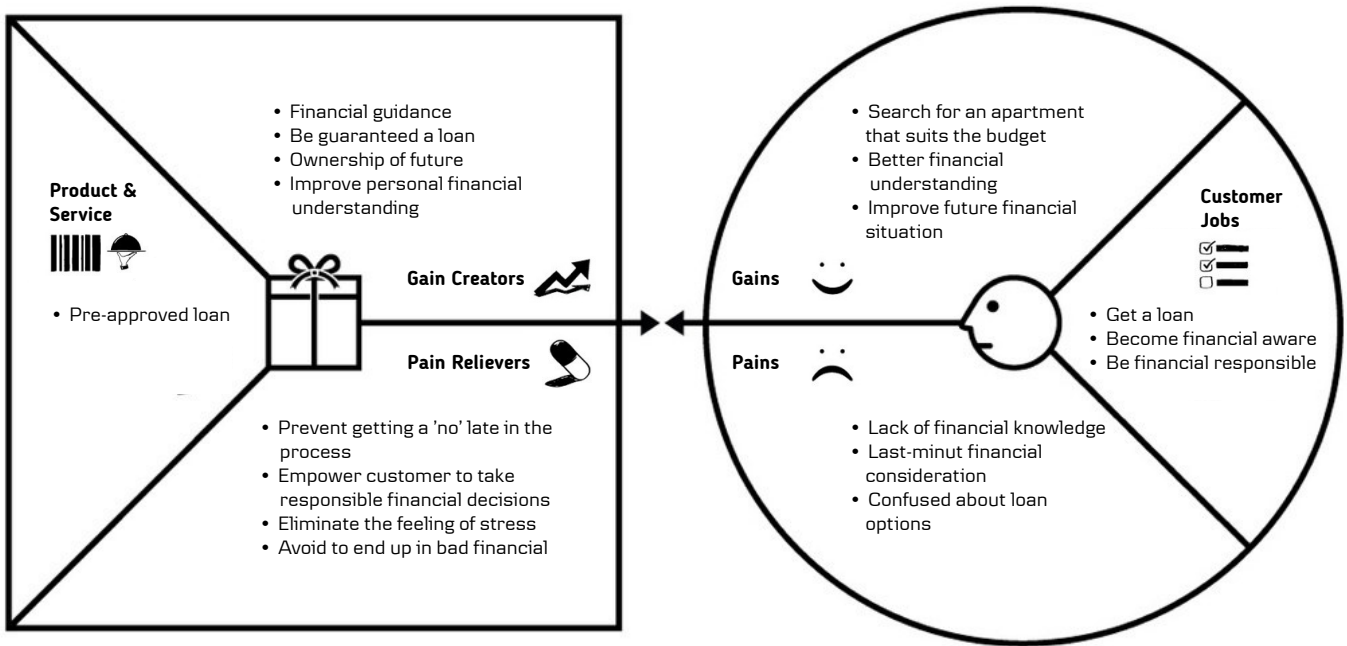*Figure 15: New emotional journey*

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Figure 16: Value proposition canvas of a pre-approved loan

The calculation process of the pre-approved loan would be based upon an analysis of the existing as well as future financial situation and credibility of the individual - for the Danske Bank to be able to either approve or decline a pre-approved loan. The pre-approved loan could be applied in 'Netbank' or by calling the advisor. There will be set a timeframe where the pre-approved loan would need to be briefly reconsidered to keep track on the financial situation of the customer. These considerations should be developed as being as automatic as possible.

It does not matter if it takes six months to find an apartment, as the loan will be available when it is needed, and the customer will not have to pay interest before they make use of the loan. To clarify how the pre-approved loan could contribute to improve the customer experience we used the value proposition canvas (Fig. 16) which makes it explicit in how the service creates gains and releases pains. "Value Proposition describes the benefits customers can expect from your products and services" (Osterwald et al. 2014, p. 6). It was a tool that made it possible to visualize how a pre-approved loan could create value for the customers.

<div style="border:1px solid #999; padding:1em;">

VALUE DRIVERS

▉ Improve the customer experience when searching for an apartment

▉ New service offering

Increase sales

</div>

Competitive overview

On the Danish real estate marked a pre-approved loan is a well-known option, but it is not applied to other types of loans. A concept of a pre-approved consumer loan is therefore not an immediately visible option, and the Danske Bank could thus provide an entirely new service offer to their customers. With the previous description and the initial competitive overview we see a gap in the market and thereby an opportunity for the Danske Bank. Looking globally the pre-approved consumer loan is a rare concept but can be found in different variations. The company NerdWallet (n.d.) specializes in making every financial aspect easier through different digital services. Within the category of personal loans it is possible to fill out a formal where the customer can be pre-qualified for a loan starting at 1.000 Dollars - which, on the Danish market, is an amount that would be considered a consumer loan.

Continuing the research we found that outside of the Danish borders the pre-approved loan is often used within car loans. The U.S. Bank National Association (n.d.) offers a Pre-Approved Auto loan and are stating *".. the pre-approval process doesn't require you to provide information about the specific vehicle you want to purchase, which makes it ideal if you're still shopping around and want to narrow down your choices by knowing how much you can borrow.".* These words describe exactly what a customer on the Danish marked needs when searching for a new apartment to rent. These loans are handled within five minutes, and the loan will not cost the customer anything before it is taken into use (ibid.). This example is one of many that can be found through a simple google search.

PURPOSE BASED CALCULATION

SITUATION
I am about to move into a new rental apartment and have applied for a loan through the digital loan system to pay my first payment and deposit. I got the loan I applied for very fast which briefly made me happy.

PAIN TO SOLVE
Sadly my fixed expenses changed drastically with the new apartment. My financial situation has now become a burden where I need to consider what bills to pay before others every month - including paying back the loan.

EXPERIENCE
If my loan was evaluated through the new purpose based calculation my future expenses and financial situation would have been considered by the Danske Bank. They would then have explained to me that the loan would put me in a bad financial situation, and therefore my application should have been declined.

The information of purpose currently stands as a rather large missing piece in the digital application system. If the purpose of the consumer loan is to pay a deposit and move into a new apartment the customer's economy and future budget could change drastically which should be considered when the application is handled. The system should consider the future financial situation of the customer when validating if the loan should be approved. A new input with information could be integrated into the digital loan application system as shown in idea number three figure 12, allowing the customer to inform about the purpose of the loan. The 'purpose' in itself is not something to calculate on, but it tells if this is a one time payment that will not change the personal economy that much, as i.e. in the case of buying a TV, or if the future economy will change drastically as with the first child, first car or when renting a new apartment. These new considerations when calculating if a loan should be given or not can ensure an outcome (either 'yes' or 'no') that is more valid and beneficial for both the customer and the Danske Bank.

The new calculations based on the purpose could be implemented in two ways:

System development

The system should register the purpose, ask for further information related to the purpose and finally make calculations on the future financial situation. When the purpose is the first time payment when renting an apartment - the further information needed could be the future monthly rent and future fixed expenses. Here a technological expertise would be needed to estimate how it could be done and point out the amount of resources needed for such implementations and changes in the calculation system.

Human touch

The second option is that when the system registers that the purpose covers the first time payment for a rental apartment the digital loan application will be forwarded to an advisor. The advisor would then handle the application in a more personalized matter by assessing how the future financial situation of the customer would look like if the loan was given. In figure 17 a blueprint is created to visualize how the system, in this case, could handle the digital loan application with the support of an advisor. Notice that the blueprint is zooming in on this particular part of the service, and all steps of the digital loan process are therefore not included.

VALUE DRIVERS

■ Improve customer experience when applying for a loan

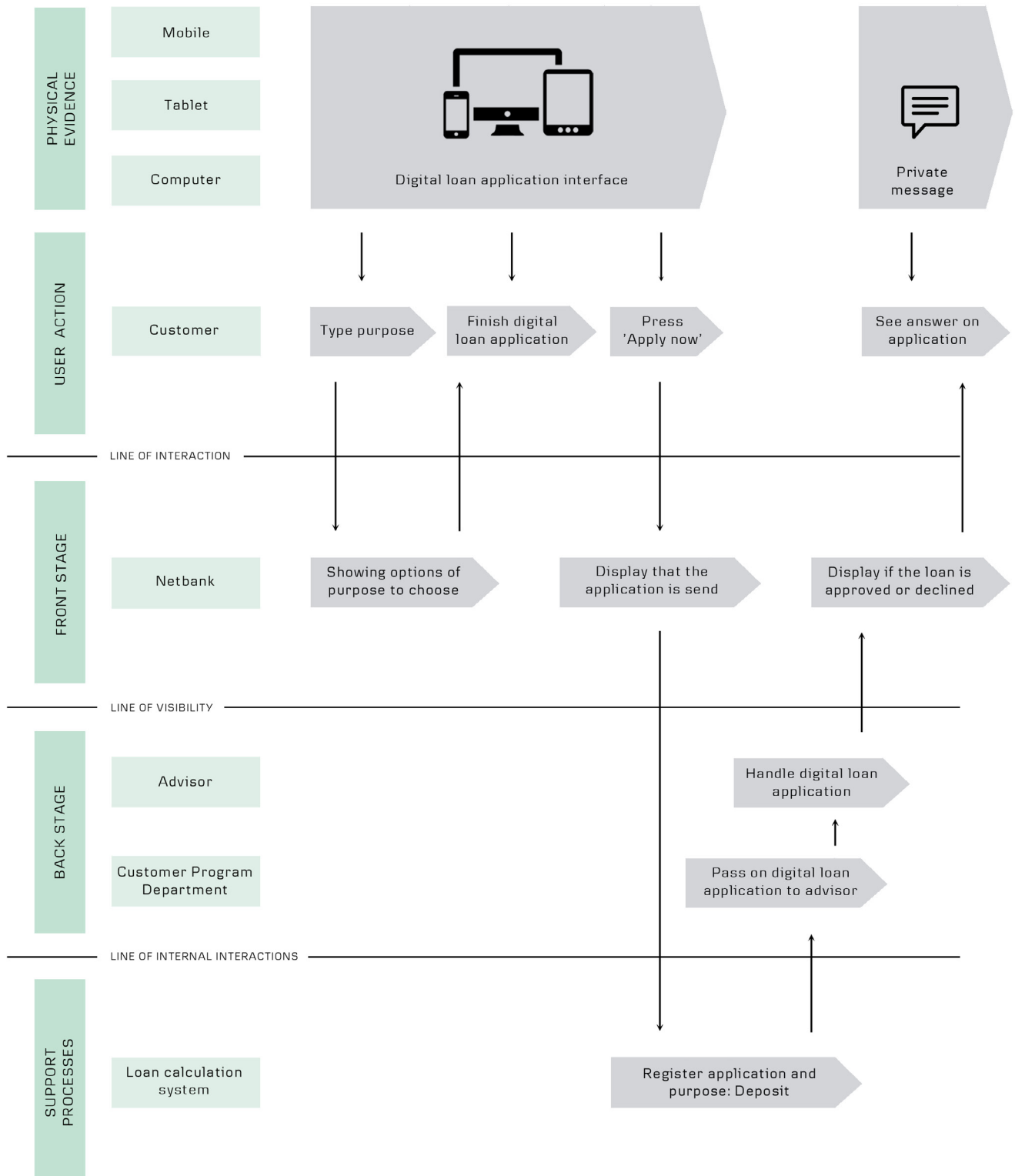■ Increase customer loyalty

■ Brand value

PHYSICAL EVIDENCE

Mobile

Tablet

Computer

Digital loan application interface

Private message

USER ACTION

Customer

Type purpose

Finish digital loan application

Press 'Apply now'

See answer on application

LINE OF INTERACTION

FRONT STAGE

Netbank

Showing options of purpose to choose

Display that the application is send

Display if the loan is approved or declined

LINE OF VISIBILITY

BACK STAGE

Advisor

Customer Program Department

Handle digital loan application

Pass on digital loan application to advisor

LINE OF INTERNAL INTERACTIONS

SUPPORT PROCESSES

Loan calculation system

Register application and purpose: Deposit

Figure 17: Blueprint showing 'human touch'

BECOME AN INTEGRATED PART OF THE APARTMENT SEARCH

SITUATION
I am searching through different rental housing platforms after an apartment to rent, and the competition is very high.

PAIN TO SOLVE
It is difficult to see online if an apartment fits within my budget, and my desperate thoughts bend what is actually possible within my budget.

EXPERIENCE
I quickly typed in information on my current financial situation, and with one click it compared my budget with the apartment that I was looking at. It helped me through the jungle of apartments and taught me how I stay within my budget, potentially gain a loan and consider the future disposable amount.

We see an opportunity for the Danske Bank to enter a partnership with one or more rental housing platforms which will allow them to become a more integrated part of the apartment search. To influence the consumer into making wiser financial decisions the Danske Bank could be present at the rental housing platforms. We suggest a partnership with a rental housing platform in creating a new integrated function within the digital apartment search.

Integrated function

A collaboration with the rental housing platforms could be looked at as an opportunity to innovate the traditional functions and improve the experience. This could benefit both the platform and the Danske Bank in a competitive way. We suggest the concept 'Budget & Bolig'. In this concept, you will find an intelligent system where a few information given by the user are calculated upon - thereby generating information to the user if this specific apartment is a good or a bad match for their economy, and how their future budget will look like.

The system should be visible through an integrated tap in the lower right corner that pops-up the first time a specific apartment is looked at. In the pop-up box the users can type a few information about their current financial situation, and when this is done the calculator saves the data in the browser. In this way and everytime a new apartment is looked at on the platform the system calculates how the consumer's future economy would look like with this specific apartment, and how a possible loan could look like.

VALUE DRIVERS

- Expand the customer experience when searching for an apartment
- New service offering
- Brand value
- New customers

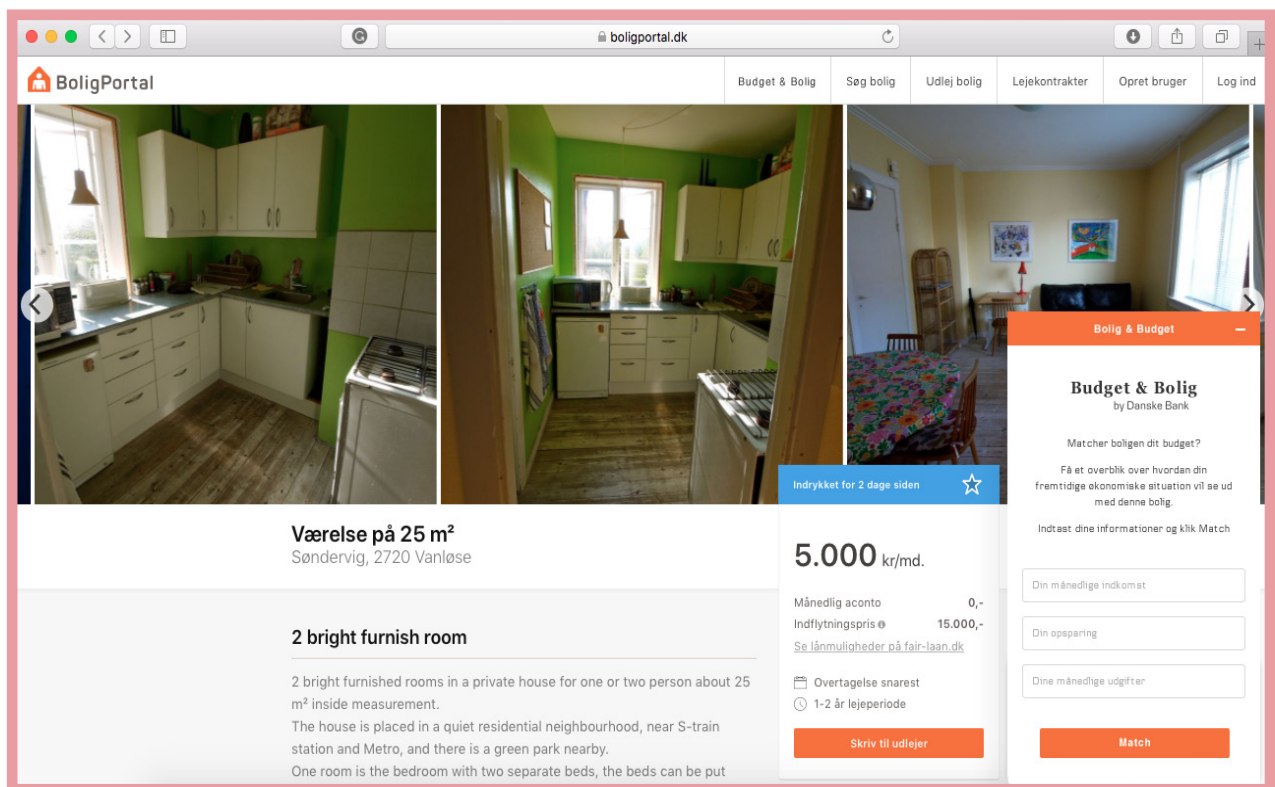*Figure 18: Boligportal subpage explaining the concept of the pop-up box*

Figure 19: Boligportal with a pop-up box

Potential collaborating partners

The market for digital rental housing platforms includes a large number of companies/platforms. To identify what companies and platforms are present at the Danish market further desk research was required. A selection of rental housing platforms is presented in the stakeholder map (Fig. 22).

The inner circle shows platforms that were primarily focusing on the rental housing market, and where several of the platforms were mentioned during the consumer interviews. The platforms within the second circle were more aiming to reach a broader audience where buying and selling is also an option.

Figure 20: Potential stakeholders for collaboration

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Competitive overview

Through the desk research of what platforms were on the market a discovery was made on the website of Boligportal. dk (n.d.). The website has a collaboration with the platform: "Fair Lån" that presents an overview of quick loan providers. When a user looks at an apartment several links appear with the text *"Do you need a loan?"* linking directly to "Fair Lån" where the users get encouraged to take a quick loan (Fig. 21).

It is a website where no banks are represented, and the interest rate among the quick loan providers goes all the way up to 706.4%. It is disturbing that an interest rate of 706.4% could potentially make an interest rate of 29.17% or 55% seem small for a person without a basic understanding of a loan, while it is still unreasonably high (Fair Lån, n.d.).

Figure 21: BoligPortal.dk showing how Fair Lån is leading user toward a quick loan

Business Model Canvas

To create a shared understanding of the concept, and show how the service will contribute to the customer experience and the Danske Bank, a Business Model Canvas (Fig. 22) was created. According to Alexander Osterwalder & Pigneur (2013) it is a tool that can describe how an organization creates, delivers and captures value in a specific context.

Key Partners	Key Activities	Value Propositions	Customer Relationships	Customer Segments
• Company owning the rental housing platform	• Concept and tool Development • Tool Maintenance • Advertisement • Collaboration	• Customization by calculating on personal information • Financially guiding the rental apartment search • Educating the user on personal finances and loan options • Accesibility • Convenience • Easy use	• Personal financial guidance • Self-Service	• Existing and potential new customers of the Danske Bank • Consumers who are searching for a new apartment to rent • Consumers who needs financial guidance • Consumers who need a loan
	Key Resources • Human resources • Technology (structure / infrastructure) • Rental Housing Platform		**Channels** • **Awareness:** Rental housing website, DB website, social media, digital articles, word-of-mouth • **Use:** Rental housing platform on desktop, phone and tablet	

Cost Structure	Revenue Streams
• Salaries • Marketing • IT implementation and maintainence	Leads to the Danske Bank • Apply for consumer loans • Purchase on other service offers

Figure 22: Business Model Canvas

HELP THE CONSUMER TO HELP THEMSELVES

SITUATION
I am finding myself in the competitive rental housing market with very little knowledge of my options or what to consider financially.

PAIN TO SOLVE
The combination of being desperate for finding a new apartment to rent and having very little financial knowledge makes me take bad financial decisions in the choice of apartment and possible loan.

EXPERIENCE
When investigating the rental housing market the Danske Bank 'knowledge tool' compares my budget with the apartment information that I type in. I can quickly see if there is a match between my economy and the apartment. It educates me on budget and loan options and warns me if a particular apartment is a bad match for my economy.

The Danske Bank could develop a knowledge tool (calculating module) which should be used by users when searching for an apartment and function as a support/guidance tool during the process. The idea contains similar elements from the 'Budget & Bolig' concept, including the aim of making sure that the users are searching for an apartment that suits their budget.

The idea is that it should act as a digital calculator, guiding, and teaching the user about their financial situation and how the loan will affect their future budget – positively as well as negatively. While doing so also showing the user visually and in an understandable way why a specific apartment does or does not suit their budget. Ideally, the tool should be used searching for an apartment and ensure that the financial considerations appear early in the process.

It is suggested that the user should be able to type in personal financial information together with the information and numbers for a potential rental apartment. The tool will then calculate and, as an outcome, inform the user if it suits the budget or not, and what loan is possible. Besides, the tool should

also be able to recommend the user to search for an apartment within a specific amount both regarding the amount of the deposit and monthly rent.

The 'knowledge' tool can be implemented in two ways: First, as a simple calculation version on the Danske Banks' website under the life event subpage: Renting an apartment (Lejebolig). Secondly, a higher-level version could be developed as an app where users can log in and save data about their current financial situation (budget) and compare different apartments: price-wise to see how it could affect their future budget.
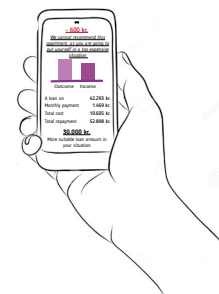
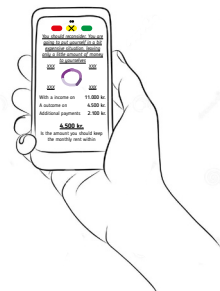*User are searching for an apartment on any given rental housing website*
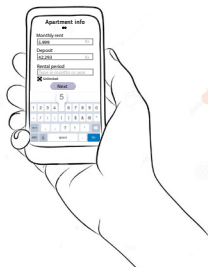
User opens the calculation app and type in information about the apartment, such as the monthly rent, deposit payment and rental period.

User types in if a loan is needed to pay the entire deposit, part of the amount or nothing is needed. The app can be used both cases.

User can see how this apartment affect their financial situation, with total income, outcome and disposable amount, as well as cost of loan and repayment – negative as positive. And the user will be recommended a more suitable loan amount.

User can see how the monthly payment will affect their budget – also without the need of a loan form the bank.

Figure 23: Storyboard showing the use of the app, and how a potential apartment could affect the budget

<div style="border:1px solid">

VALUE DRIVERS

■ Expand the customer experience when searching for an apartment

■ New service offering

■ Brand value

■ New customers

</div>

Competitive overview

The fundamental basis of the idea is built upon the existing service Sunday: *"Find your dream home and see what it will cost you"* provided by the Danske Bank - which is a platform that only supports those who are buying and cannot be used for the segment who are looking to rent. The Danish market is full of rental housing platforms based on a search engine concept. These platforms do not focus on guiding the user financially, but merely showing what is available on the market which the app by BoligPortal (n.d.) is an example of. This initial research is not able to identify any significant and direct competition towards a similar 'knowledge tool'.

POTENTIAL OF THE IDEAS

Seven ideas have been presented, and a final comparison of the different ideas is visualised. The matrix shows two axes: Impact on the Customer Experience versus the Difficulty to build (Fig. 26). Here the ideas were placed to indicate if the level of difficulty to build can be justified by the level of impact the idea has on the customer experience. With the matrix we rated the ideas as having low, medium or high potential for the Danske Bank. 'High' is when the impact on the customer experience is higher than the difficulty to build. 'Medium' is when each scale stands as equal. 'Low' is when the difficulty to build is higher than the impact it will have on the customer experience.

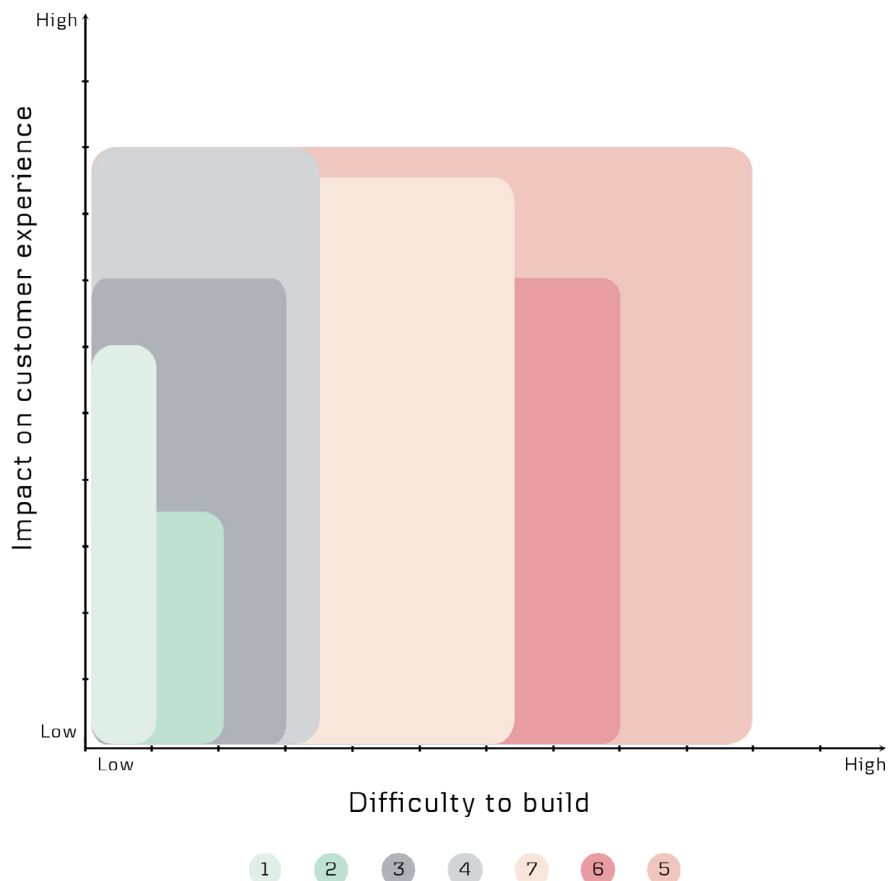| 1. | Create a Knowledge Base | **High** |
2.	Be Present on the Rental Housing Websites	**High**
3.	Personalize the Digital Loan Process	**High**
4.	Prevent Getting a 'No' Late in the Journey	**High**
5.	Purpose Based Calculation	**Medium**
6.	Become an Integrated Part of the Apartment Search	**Medium**
7.	Help the Consumer to Help Themselves	**High**

Figure 26: Matrix comparing impact on UX towards difficulty to build

COLLABORATION TRIBUTE

Through this thesis we have gained practical experiences and knowledge in a professional environment making us grow significantly as service designers. We would like to thank the Danske Bank and the department of Group Process Development and Customer Journey & Process Center of Excellence for the collaboration on this thesis. Thanks to our first contact person in the Danske Bank, Aurelija Rupsyte who helped us set a direction for the thesis. lso a special thanks to our second contact person in the Danske Bank, Tiina Pauliina Järvenpää.

She became a fantastic collaborating partner with whom we had regular meetings, and with whom we shared knowledge. She provided guidance and gave feedback throughout the process and had a great belief in us and the project for which we cannot show enough gratitude. Further, we want to thank the employees within the Danske Bank who contributed to our project with time, thoughts, and valuable insights.

NEXT STEPS

In this project we have been focusing on consumers needing a loan to pay the deposit/first payment when renting an apartment. We have used an explorative approach to research and analyze the consumers' needs and pain points to end up with recommendations to improve the customer experience. We explored a "new area" where little previous research had been done, so the problem was unclear and had not been clearly defined yet within the specific life event. Our process, findings, and recommendations should be seen as the initial groundwork which requires further research and development by the Danske Bank.

We suggest a critic session with consumers to validate on the ideas and involve other relevant experts to bring their expertise on the technical aspect and business perspective. This product report is the final hand-over to the Danske Bank and will be accompanied by an oral presentation to the Danske Bank. The presentation will include a short sum-up of the process but mainly focus on the findings, considerations and our set of recommendations. The presentation will be held at the Danske Bank's office in Ejby.

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