

Know Your Customer

Knowledge@Wharton: So it will vary by country and region -- what customers actually want. But it sounds like the important thing is to segment your customers so that you understand what their needs really are, and then try to deliver some combination of a personal touch or a technological touch, in order to give them what they're asking for. Is that correct?

Pierre Pilorge: That's exactly the part about segmenting and the difficulty that, in the old segments, we were concerned mainly about age, family situation and revenues. But today, segmentation must include behaviors. And behavior can be different according to type of products. That's why technology can help maybe to manage this complexity.

You have another example in the emerging countries as you mentioned professor before. We have also the mobile payment topic. This is innovation with technology and it's very suited for, once again, [developing] countries that are [have less of a physical banking] structure. It's good also for [developed] countries, by the way, but so these innovations will really change the way you are interacting with your money.

Franklin Allen: To follow up on this point about the advice and the personal connection, I think one of the things that the crisis has done is changed [the way] people think about money. So it used to be there was a fairly standard view, you put so much in equity, so much in bonds and everything's fine. And it was a relatively simple kind of advice. And I think there are two kinds of people out there at the moment roughly speaking. There are people who are worried the crisis is going to come back and what should they do to protect themselves against that kind of event. And then there are other people who are more like the old world who want to just do the equities and the bonds. And I think a lot of this discussion between people that the survey shows up, is that the people are worried, they want to have some discussion and have some understanding exactly what the risks are. And that this is a big issue in what the survey's showing.