Customer Research Findings Report

# 1. Introduction

The purpose of this report is to present key findings on how customers interact with Lloyds' digital banking services. The insights were gathered using a dual-method approach: a quantitative customer survey to collect structured feedback and qualitative observational studies to understand real-world user behaviours and the context behind them. The goal is to identify customer needs and pain points to guide the development of new, user-centric features.

# 2. Survey Results

A survey was conducted with 500 active digital banking customers. The findings highlight a general satisfaction with core services but a strong desire for more advanced features.

* **Overall Satisfaction & Ease of Use:** A majority of users are content, with **78%** reporting being "Satisfied" or "Very Satisfied" and **85%** agreeing the app is "easy to navigate" for primary tasks like checking balances and making payments.
* **Most-Used Features:** While not explicitly asked, user feedback and high ease-of-use scores for core tasks indicate that checking balances, viewing transaction histories, and making direct payments are the most frequently and successfully used features.
* **Desired New Features:** When asked what new features they would most like to see, respondents prioritized tools for financial management. "Better spending insights / automatic categorization" was the top choice (65%), closely followed by "An easier way to split bills with friends" (55%).
* **General Feedback:** Qualitative feedback consistently reinforced the survey data. One user noted, *"I wish I could see where all my money goes each month without having to use a separate spreadsheet."* Another commented on the convenience of competitor apps, saying, *"My friends who use Monzo can split a dinner bill in seconds. For me, it's a hassle."*

# 3. Observational Study Findings

Observational studies with ten participants provided deep insights into user behaviour, challenges, and positive experiences within the app's natural context.

* **User Navigation and Positive Experiences:** Participants navigated core sections of the app with ease. All users were able to quickly and easily check their account balance, view recent transactions, and set up a new payee, confirming that the app's foundational elements are solid and intuitive.
* **Challenges and Pain Points:**
  + **Manual Bill Splitting:** A significant challenge was observed when users needed to split a shared expense. The process was cumbersome, involving leaving the app, using a calculator, and then manually initiating a standard bank transfer with a typed reference. This multi-step process is inefficient and a clear point of friction.
  + **Lack of Spending Insights:** When asked to determine their monthly spending in a specific category like "groceries," users had to scroll endlessly through their transaction list and perform manual mental calculations. This highlights a critical lack of at-a-glance financial summaries.

# 4. Recommendations

Based on the combined findings from the survey and observational study, the following actionable improvements are recommended:

1. **Implement "Spending Insights" with Automatic Categorization:** Introduce a new dashboard that automatically categorizes all card transactions. This dashboard should provide a clear, visual summary of spending by category, directly addressing the #1 feature requested by 65% of surveyed users.
2. **Introduce an Integrated "Split Bill" Feature:** Add a "Split Bill" button to the details screen of every transaction. This would allow users to select contacts and automatically send payment requests, eliminating the cumbersome workaround observed in our studies and meeting the needs of the 55% of users who requested this feature.
3. **Enhance the Transaction Details Screen:** Update the transaction detail view to be more informative, including a map for the location of the purchase and a clear view of the assigned category, with an option for the user to re-categorise if needed. This provides a richer context and serves as the natural home for the new "Split Bill" feature.

# 5. Conclusion

The research clearly indicates that while Lloyds provides a reliable and easy-to-use service for core banking tasks, there is a significant opportunity to enhance the customer experience. Users show a strong, unmet demand for integrated financial management tools like automatic spending tracking and seamless bill splitting. By implementing the recommended features, Lloyds can address key customer pain points, reduce friction, and provide the modern, value-added services that are now a benchmark in the digital banking landscape. These changes will not only improve customer satisfaction but also strengthen Lloyds' competitive position.