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Structured Client Communications: The Key to Manage Risk in a Business Relationship

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Abstract:

Purpose: *The key objectives of this paper are to provide a reivew of the current context within a regulated sector such as financial services which call for structured communications as an integral part of overall corporate governance and to provide a practical perspective to the implementation of sytems technologies which can be used to improve risk management in this sector.*
Design/Approach/Methodology: *The study was designed around a qualitative approach of data collection based on the author's experience as the founder and director of a boutique software development firm. The data used as the basis for this paper is related primarily to the development and implementation of such solutions within the financial services sector. This data was supplemented with research into current best practices in communications management in a regulated environment.*
Findings: *The design, development and implementation of a communications management strategy is an essential foundation to the development of an ICT systems infrastructure and the related processes and procedures required to mitigate risk of poor communications with clients and other key stakeholders. Technolgy must be seen as the driver of innovation to meet the changing requirements of the varied client groups which demand increased convenenience through multi-channel services and support.*
Practical Implications: *Practical experience often supplants academic qualifications when nominating and appointing directors. Moreover, female representation on the Boards of MLCs is still lacking. Notwithstanding the fact that the importance of having separate chairperson/CEO roles is acknowledged, there is likely to be strong resistance to any law rendering this mandatory.*
Originality/Value: *Studies relating to the importance of communications management are often lost in marketing and communications operations and do not get the attention of the Board of Directors which needs to make communications management a key element of the corporate governance framework within the organisation. This paper provides information that is of interest to members of the Board as well as senior exectuives within the operational deparments of organisations operating in the financial services sector.*

Keywords: *CG, communications management, relationship marketing, risk management.*

JEL code: *O32.*

Paper type: *Research study.*

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[1]*This paper is based on a presentation delivered by the author at the European Congress of Qualitative Inquiry, 4th International Conference, held in Malta between the 5-7 February 2020. AllSecure Ltd, sda@aea.academy*

1. Introduction

The sustainability of the financial sector, both at international and at national level, is a matter of concern to any review of developments in the sector. The practical collapse of the international financial sector in the 2008 crisis has been analysed and studied at length. The media, financial analysts and economists seem to agree that the financial crises of 2008 was the worst economic downturn since the Great Depression of 1929. The tremendous financial instability created by the crisis, occurred as a result of lax monetary policy and poor governance of regulated entities, in their use of excessive leverage and suspect re-packaging and wholesale retail of the re-packaged debts. The crisis exposed the rapacious greed and lack of governance within the sector which allowed individuals and organisations to exploit the sophisticated investment vehicles available. This coupled with the obscure and sometimes fraudulent market information provided, allowed them to take actions which would artificially inflate balance sheet values. The lax controls enabled many of them to carry out massive off-balance sheet transactions to hide unsustainable investment positions. These actions demonstrated that the effective corporate governance was absent and that clear communications between the stakeholders to allow informed decision making was also not effected.

The catastrophic financial crisis of 2008 did not come as a complete surprise. Many corporate governance experts had repeatedly raised the alarm that all was not well in the financial services sector in the 2000s.

Dawkins (2004) argued that an ever-increasing number of companies recognise the reputational risks and opportunities that corporate responsibility brings. These organisations place as an ongoing business priority, their alignment of corporate behaviour with stakeholder expectations. She contends that communication, often remains the missing link in the practice of corporate responsibility. Dawkins asserts that the information requirements of a range of opinion leader and mass stakeholder audiences are not currently being satisfied by many companies. Since they are not communicating effectively with these important target audiences, many aspects of their responsible corporate behaviour are not known to these audiences. This lack of knowledge impacts their perception of the organisations and their activity.

Dawkins identifies specific challenges in communicating corporate responsibility in an environment which has become increasingly sceptic of such initiatives. Many corporate responsibility messages receive hostile reactions from the media, campaign groups and others audiences. The diverse information requirements of different stakeholder groups presents particular communication challenges. Dawkins reviews these different segments and their requirements. First, she addresses the communication with opinion leader audiences (such as legislators, business press, investors and non-governmental organisations). Secondly, the communication of corporate responsibility to the general public and the need to trigger wider consumer engagement in this topic. Lastly, the communication opportunity presented by companies' own employees and the internal communication challenges surrounding corporate responsibility.

On the basis of her detailed analysis of communications in these different segments Dawkins concludes that "*effective communication of corporate responsibility depends on a clear strategy which evaluates both the opportunities and the risks to the brand, and which tailors messages to different stakeholder groups*". She maintains that this calls for a coordinated approach, which ideally embeds corporate responsibility messages into mainstream communications. Her research shows internal communication as an under-utilised and potentially powerful channel for both internal and external communications. The impact of effective internal communications can greatly influence the preparedness of staff for a given situation. Being better informed and more knowledgeable staff can act more appropriately and their actions will enhancing the company's reputation for responsibility among its key stakeholders who they are in contact with.

Bégin *et al.* (2019) developed a portfolio credit risk module that recognises the interconnectedness of the roles of leverage, losses and linkages. Their multi-variate credit-risk model accounts for firm-specific financial health and the framework *"embeds oft-cited stylised facts such as leverage volatility, recovery rates negatively related to default probabilities and pairwise regime-dependent correlations".* Their model provides a framework that reacts quickly to new information and is well adapted to measure firm-specific credit risk, even during financial turmoil. Their results show an increase in correlation during the high-volatility regime in comparison to the stable regime suggesting the existence of a strong linkage among many financial institutions under study during the crisis. Their study found supportive evidence of increased systemic risk within the financial services sector during the last global crisis.

Lauren (2018) carried out an analysis of major banks including JPMorgan Chase, Bank of America and Wells Fargo tracking their attempts to rebuild stakeholder and shareholder trust in the American financial system following the 2008 financial crisis. The study concludes that financial communication remains important in the field of communication and finance as the conveyance of financial information which can and will affect organisational performance and the subsequently the economy. She questions the manner, in which financial service organisation frame their fiscal performance in a specific way to influence target audience on their stocks or performance. The impact of such framing of financial information may, provide a more transparent and comparable data sets which would contribute to a better understanding of financial disclosure reports. These should be objective measures of how corporations are performing, but Berkshire Hearit argues that each financial institution communicates using certain *"valances and with certain objectives"* to frame issues within their corporate financial communication. This repeated and consistent framing re-establishes or maintains their credibility and legitimacy. This study underscores the importance of careful communication in managing shareholder and stakeholder concerns to rebuild public trust in financial service organisations.

2. Best Practice within the Current Regulatory Environment

The financial and financial technology (FinTech) environments are today characterised by strict regulatory supervision at all levels of operations. As traditional print media has been supplemented by the digital space, organisations have had to learn ways of managing client and stakeholder communications on different platforms and channels. Organisations have been compelled to invest in Customer Communications Management Systems to better manage the manner in which they communicate with their clients in conformity with the new duties and responsibilities imposed by the various regulatory bodies.

Gartner[2] defines customer communications management (CCM) as "*the strategy to improve the creation, delivery, storage and retrieval of outbound communications, including those for marketing, new product introductions, renewal notifications, claims correspondence and documentation, and bill and payment notifications. These interactions can happen through a widespread range of media and output, including documents, email, Short Message Service (SMS) and Web pages. CCM solutions support these objectives, providing companies with an application to improve outbound communications with their distributors, partners, regulatory bodies and customers*".

As regulators impose greater obligations of transparency and reporting on financial service operators, and as customers demand broader perspectives and context to investment decisions, financial service providers are challenged to integrate more non-financial information into their client communications. Financial service providers need to recognise that clients today expect to have more updated contextualised information all the time. This needs to be met within the new regulatory frameworks of higher controls on Anti Money Laundering and Financing of Terrorism (AML/FT) activities and greater focus on source of funds provenance and documentation. To address these issues and to better address the legitimate client expectations while also staying competitive, many firms have chosen to invest in customer communications management.

This paper focuses on the general principles of financial communication set out in the "Financial Communication: Framework and Practices" 2018 Edition prepared by Bredan Prat, Cliff Investor Relations & PWC. This guide was designed principally as an informative tool for senior management and those in charge of financial communication within listed companies. It sought to define the level of information

[2] https://www.gartner.com/en/information-technology/glossary/customer-communications-management-ccm

that may reasonably be communicated to meet market expectations, while at the same time limiting the exposure of the issuer and its executive management to any risk of liability. The primary objective of the guide was therefore to help the senior management of listed companies to make fully-informed decisions with regard to financial communication. The obligations on listed companies provide a good benchmark for regulated entities within the financial services sector which also needs to provide better quality information and manage the risks of providing such rich information.

1. The Principle of Information Categories:

1.1 Periodic information – this includes disclosure of annual, half-yearly, quarterly financial reports, required by the relevant regulator and includes filing of the relevant reports, forms and returns.

1.2 Ongoing information – the disclosure of this information is in compliance with the requirement imposed on the service providers to inform the public without delay of all information likely, should it be made public, to have a material impact on the business or the interests of the stakeholders. Ongoing information compliments periodic information communicated giving a more complete picture of developments.

1.3 Regulatory information - Documents and information disseminated with respect to periodic and ongoing information make up "regulatory information" for which dissemination to the public is subject to specific provisions of the relevant regulator.

1.4 Transaction-related information – this relates to market information prior to carrying out any transaction. Such information needs to be published as per provisions of the regulator and could include content such as the publication of a prospectus when an issuer's securities are traded on a regulated market etc.

2. The Principle of Equal access to information:

Issuers are to ensure perfectly equal access to information for key stakeholders and to avoid creating an unfair distribution of information. When communicating insider information to a third party who is not bound by a confidentiality undertaking, the issuer must assure effective and complete dissemination to key stakeholders who may be impacted. This can be done either simultaneously, in the case of intentional communication, or as quickly as possible, in the case of unintentional communication. Issuers are also recommended to disclose financial information outside of market trading hours in order to permit all investors to assimilate the information before the beginning of trading to avoid turbulent changes in the issuer's share price.

3. The Principle of Consistency:

The communication of information must be considered by the issuer in light of prior communication practices in order to avoid misleading investors. Specifically, the issuer must maintain the same treatment regarding the communication of information likely to impact the markets. The issuer must also ensure the coherence of all information disseminated, regardless of the date, format or recipient of the information, be it communicated through traditional or digital channels.

4. The Principle of dissemination of accurate, true and fair information:
Information provided to the public by the issuers must be accurate, true and fair. These requirements apply as much to regulatory disclosures as to information disclosed on a voluntary basis. The information must be accurate, true and fair at the date of its dissemination. Information provided to the public by the issuer must be accurate, (i.e. without errors), but also true and fair (i.e. communicated in a way that leaves no room for ambiguity, and includes all of the details related to the event being communicated to ensure that the market can evaluate the impact of the event). This requirement is linked to the requirement that information be complete: Information provided by the issuer must be fair including both the positive and negative components related to the information under consideration.

5. The Principle of the Requirement for Market disclosure of “Insider Information” concerning the issuer:
For periodic information or for specific circumstances within which regulations require disclosure, the driver of the disclosure requirement is based upon one or several objective criteria which require no judgement on the part of the issuer. For ongoing information, discretion is required as it is the responsibility of the issuer to determine whether or not this information should be disclosed to the public in accordance with the provisions of the relevant Regulator.

Issuers should devise internal procedures to assess whether or not a given piece of information constitutes insider information. This is defined as information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more issuers or to one or more financial instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments. Information shall be deemed to be of a precise nature if it indicates a set of circumstances which exists or which may reasonably be expected to come into existence, or an event which has occurred or which may reasonably be expected to occur, where it is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event on the prices of the financial instruments or the related derivative financial instruments, the related spot commodity contracts, or the auctioned products based on the emission allowances. These circumstances or events may be of a financial, strategic, technical, organisational or legal nature.

6. The Principle of Complete and Effective Dissemination of Regulatory Information:

   The issuer must ensure the complete and effective dissemination of all relevant regulatory information, with the exception of disclosures related to information handled directly by the relevant Regulator. Regulatory information must be disseminated using electronic means to as wide a public as possible, within as short a timeframe as possible and using methods which ensure the integrity of the information. In order to achieve this, issuers may, at their own discretion, choose to disseminate regulatory information themselves. Alternatively, if available, they may use the services of one of the primary information providers approved by the relevant regulator, in which case it is assumed that they have met their effective and complete dissemination obligation.

   To ensure easier access to information, issuers should indicate on social networks that their financial statements can be found on their website under a specific section visible from the homepage or on a "Finance" or "Investors" page. The issuer's statutory financial statements and its subsidiaries' financial statements should be clearly identified as such.

   The issuer may issue financial communication in the written press when appropriate, reusing all or part of the regulatory information that has already been disseminated electronically. Such general press releases typically include less detail and the issuer should therefore inform readers that further comprehensive financial performance information is available on its website. Preventing the Dissemination of False Information calls for issuers to:

   - send all press releases submitted to press agencies to primary information providers at the same time;
   - release financial communications as much as possible outside of quotation periods without excluding financial communications during the trading session that it may be necessary to disclose under the provisions of the relevant Regulator;
   - implement reliable communication procedures that guarantee that information is sent and accessible via a secure channel, in particular by using a primary information provider;
   - make information sent electronically more secure. This applies to issuers who want to maintain an additional dissemination channel for certain players, including analysts, investors, media outlets and journalists.

3. Implementation of the Framework

In addition, to the obligations imposed by the Regulator on a regulated entity, today's customers have high expectations for business communications and support. They demand personalised, relevant communications that are available in real-time and accessible through the channel of their choice. This demand for flexibility requires digital transformation within the service provider systems to ensure that information stored in complex legacy IT systems is made available in the required format and structure. It requires such information to be carefully categorised to ensure that it is shared only amongst those entitled to access and securely protected against access from all others. It must also allow for its management within the changing rules of data protection and specific regulatory provisions within a particular industry.

This calls for time stamping, logging access per user, logging each time document is accessed and indexing of the data to allow for time embargoes on sharing of data, or deletion of data after specific time periods etc. This conflicting demand for flexibility by end-users and controlled access and use of data by the regulator/s, puts service providers in a difficult position as a balance between the two must be made. The customers demand flexibility and convenience, and the regulator/s impose control and restrictions. This can best be achieved through the establishment of a centralised information hub or portal which includes various levels of pre-determined workflow processes which may be automated, but also allows for human interventions to ensure that the discretionary elements are safeguarded.

The Principles identified above serve well as a basic framework for regulated entities in their efforts to better manage their communications within these conflicting requirements. Each of these principles has direct implications on the systems specifications and functionality required to enable firms to adopt and implement such best practices:

1. The Principle of Information Categories:
   Today’s information hubs or portals must allow for the categorisation of information, and its subsequent treatment and processing. Ideally, they should include a client communications management functionality which allow for categorisation of periodic information, ongoing information and regulatory information. This calls for the ability to store the particular communication along with details of its dissemination including distribution logs. This would allow for follow-up as to who was sent and received what and when. In this way, periodic information can be distributed in a manner which is traceable and ensures conformity with the dissemination and scheduling obligations. Ongoing information requires disclosure in compliance with imposed criteria which need to be defined and a definition of material impact on the business or the interests of the stakeholders is set. Work-flow processes both online and on-site need to be set up to ensure that all relevant information is made public without delay through pre-determined dissemination channels. The Regulatory Documents and information disseminated with respect to periodic and ongoing information make up "regulatory information" for which dissemination to the public is subject to specific provisions of the relevant regulator and need to be tagged and tracked appropriately within the system.

Transaction-related information relating to market information prior to carrying out any transaction must be published as per provisions of the regulator and appropriate evidence needs to be retained to support such compliance.

2. The Principle of Equal access to information:
   The information hub or portal must ensure effective and complete dissemination of information. This is achieved by establishing pre-determined workflows with automated actions including disseminations to different user groups on the basis of different triggers. Triggers could be set for simultaneous dissemination to different user groups in the case of intentional communication. Alternatively, triggers could be set for fast as possible dissemination in the case of unintentional communication to different user groups which could be notified simultaneously or sequentially. Internal systems and processes must be set-up to allow for multi-channel dissemination, including both traditional and digital media. Since best practice is for issuers to disclose important information outside of market trading hours, the systems and procedures need to take into account different scenarios, including crisis communications which may be required at any time during the day or night.

3. The Principle of Consistency:
   The communication of information likely to impact the markets needs to be consistent and coherent, regardless of the date, format or recipient of the information. Again having a centralised information hub or portal ensures the implementation of a pre-dissemination control process information to be disseminated. This pre-dissemination control process would also manage information related to additional or supplementary information communicated in addition to the regulatory obligations and would again include automated triggers and human involvement to deal with the discretionary elements involved.

4. The Principle of dissemination of accurate, true and fair information:
   Information provided to the public by the issuers must be accurate, true and fair. These requirements apply as much to regulatory disclosures as to information disclosed on a voluntary basis. The information must be accurate, true and fair at the date of its dissemination. The centralised digital hub referred to earlier will facilitate the management and control of Information to ensure it is accurate, true and fair. This process involves the expert/s intervention to see that communication are clear and unambiguous and are complete, including both positive and negative data at hand.

5. The Principle of the Requirement for Market disclosure of "Insider Information" concerning the issuer:

For periodic information or for specific circumstances within which regulations require disclosure, the centralised information hub or portal can be configured to facilitate automated dissemination of the relevant information to pre-selected audiences in pre-determined channels. For ongoing information, the central information hub or platform requires the expert to determine whether or a certain information should be disclosed to whom, how and when. This decision is not automatic, although pre-determined options can be established to deal with such opportunities. In this way information which is defined to be “Critical”, “Important” or “Interesting” can be treated in pre-determined manners. Once appropriately tagged, it will be automatically disseminated accordingly through the system. Expert interventions are critical to assess whether or not a given piece of information constitutes insider information and if so designated, the system can allow for a pre-determined handling of such information.

6. The Principle of Complete and Effective Dissemination of Regulatory Information:
The centralised information hub or portal would allow for complete and effective dissemination of all relevant regulatory information to as wide a public as possible, within as short a timeframe as possible. The system would include various methods of secure and authentication to ensure the integrity of the information. Websites, social media channels and traditional public relations materials should all point to the central hub or portal of authenticated information which may be available to different user categories in different formats with varied levels of detail and disclosure. In this way, the information hub or portal should be instrumental in preventing the Dissemination of False Information by allowing for:

- submission of all press releases to press agencies to primary information providers at the same time;
- release of communications as much as possible outside of quotation periods;
- implement reliable communication procedures that guarantee that information is sent and accessible via a secure channel;
- make information sent electronically more secure.

4. Integrating Communications and Relationship Marketing to Meet Industry Needs

Duica *et al.* (2019) contend that the whole concept of managing client communications must be put in the perspective of today’s realities. Firstly, we are living in the age of relationship marketing and relationships with customers are the central point of any business. On this basis, it is reasonable to assume that a business cannot survive without its customers. In their research the authors delved into the importance for organization and the use of new channels to maintain a long-term relationship. They investigated this relationship in the context of the effective use of digital multichannels. This include channels such as website, email, social media marketing channels or mobile apps. The researchers looked at the manner in which these channels were used to attract and satisfy the present and the potential customers’ needs. They identified the advantages and the new opportunities offered to customers as well as to the organisations adopting these new technologies. Their research was based on the use of international data from which they developed a model using IT and mathematical programs such as EViews, MATLAB, regression function, and Markov chains. Through this modelling they were able to observe the relationship between the analysed variables and the future trends of these multichannels used in online communication.

On the basis of their research Duica et al confirmed that consumers needs are more becoming more challenging and demand increased responsiveness from service providers. Their research confirms the trend by consumers in adopting social media and choosing to interact with their service providers in the channel which is most convenient to them and not that which is most convenient to the service provider. Duica et al research confirmed that in change performance organizations required new methods of communication which were more rapid, more efficient, and cheaper. These improved channels of communications also had to add value to the concsumer, they will rapidly leave the social media provider. More and more consumer use online activities: communication, finding a job, selling or buying online, banking, booking, and others; thus organizations are experiencing with new and expectations. To retain, attract and grow the number of e-customers, they must offer convenience, reduced costs, various products and services, good prices, good quality, good websites. Their offer must be at a click distance and think quicker than the competition. Thus, if the products are hard to see, or slow, they will lose the customers. For that they must implement new programs using IT and communication systems such as social media, mobile activities, and of course new simulation and modelling methods to see from time the trend of their future activities and the future risks.

The effective management of customer communications is a key element in the whole area of relationship marketing, which over recent years has had to deal with the growth of online channels and digital media. Thaichon *et al.* (2019) contend that online relationship marketing has evolved from customers being passive receivers of online information and services to active co-producers and value co-creators. Although many theories can be used to explain online relationship marketing, the authors specifically focused on six main theories that are fundamental principles and most relevant to the stages of the online relationship marketing evolution. Their research identifies six major areas of influence in online relationship marketing, namely:- relationship quality, relationship development, dynamic value creation and destruction, and, technologies in online relationship marketing.

Each of these areas to a greater or lesser extent is impacted by the manner in which customer communications are designed, developed implemented and managed. The authors' highlight the many new emerging technologies which facilitate online value creation and relationship development. Their integration calls for more research. These technologies include mixed reality, big data and artificial intelligence which have already impacted online relationship marketing. Other technologies such as blockchain promise more secure and controlled communications and transactions which also need to be research further as to best to integrate into the mix of technologies, infrastructure and related resources required for a smarter management of communications to improve overall relationship marketing efforts.

Wiencierz and Rootger (2017) study focused on current research on the significance of big data in and for corporate communication. On the basis of an extensive and systematic literature review, the authors found strong evidence of the significant potential of big data for corporate communication. This was particularly relevant in the area of marketing communications. Their study also reveals a dramatic lack of research in the fields of public relations and internal communication with respect to big data applications. This led to the introduction of a framework which provides specific connecting points for future research. This paper provides a conceptual framework that describes four phases of strategic big data usage in corporate communication, namely:- Function of Big Data – dealing with communications problems and objectives; Big Data Generation – dealing with the variety, volume, velocity and veracity of data; Big Data Analytics – dealing with descriptive, diagnostic, predictive and prescriptive analysis; Evaluation – delivering added value and reliability of big data analysis. Their results show how big data is able to highlight stakeholders' insights so that more effective communication strategies can be created.

5. Getting the Best of People & Technology

It is the role of the systems managed by knowledgeable professionals which makes it possible for regulated entities to strike a balance between the customer demands for flexibility and convenience, and the regulators controls and restrictions.

The system requirements described above call for technical interventions in terms of well-structured databases, automated settings for communications distributions, searchable data, full communication logs showing time of despatch and access, management of centralised information systems to ensure integration of communications through traditional and digital channels, etc. These are all functionalities which by and large are available on any of the more sophisticated business systems.

The key element in the management of these systems remains the human element. The discretion needed to decipher what is critical, important or just interesting demands the intervention of seasoned professionals who are aware not only of the relevance of the information at hand, but its context and the requirements of the audiences receiving the information. As time goes by, there is a greater involvement of artificial intelligence in this process, but to date, it still depends primarily on the human discretionary elements. To get it right, this calls for on-going training and development of staff. It calls for the continued testing and fine-tuning of process and procedures which leverage the technology at hand to implement the seven client communications principles highlighted above.

The centralised information hub or portal managed and supported by suitably qualified and trained personnel thus allows for a better management of information. This ensures compliance with the relevant regulations and restrictions on client and market communications. Its effective operation not only reduces the risk of the organisation fouling foul of regulatory requirements. It contributes directly to improving the client communications flow, which should serve as the basis for increased customer loyalty and business development. The centralised information hub or portal needs to be managed and supported in a pro-active manner. This calls for a continued investment by the organisation in the on-going:

- Training and development of the team tasked with these responsibilities.
- Testing and piloting of onsite and online systems and procedures to ensure that they integrate seamlessly and
- Development and enhancement of the communications platform to ensure that it caters for the “exceptional situations” which invariably crop up in changing operational environments.

6. Concluding Remarks

This article sought to contextualise the current need for improved corporate communications, due to a considerable extent to the many corporate governance and communications failing so evident in the 2008 financial crisis. This crisis exposed many of the inadequacies of the control systems and processes in the international financial markets. As a result, improved corporate governance and corporate communications, both internal and external, has become a priority for most financial services providers. By reviewing a guideline framework developed for public companies in France as a basis for best practice. This was described briefly and its implementation in the context of non-public quoted, but regulated entities in the financial services sector, put forward as a relevant framework for improved communications. This was then linked to the need for its integration within the relationship marketing efforts so typical of the financial services sector, where long term client relationships are sought.

Tech giants like Amazon, Netflix, and Spotify to mention just a few are using algorithms and Artificial Intelligence (AI) to better discover customer preferences and habits and customise each of their services to meet with individual customer tastes and preferences. Customers are getting used to this kind of personal attention which make things more convenient for them as end-users.

Customers now expect to see growing customer-focus across many different services. They expect to have flexibility in our communications, be their phone, email, chats, forums, SMS and various social media platforms and apps. As a result, customers' expectations are rising and service providers, included regulated service providers, need to take note of their demands if they want to win and keep their business. Service providers must learn how to support customers through each of the channels which are more convenient to customers. Secondly, they must integrate the information collected about their customers from each point of contract. At each point of interaction, customers provide information about their likes and dislikes, preferences and demands. Service providers need to learn how to integrate all the data collected from the different channels to give them a holistic view of what customers want, when and where. Collecting and managing this information is an important part of their setting up and maintaining a centralised client communications hub or portal which will serve as a source of strategic competitive advantage as a framework within which to strengthen customer contact.

Systems and procedures in any organisation are not static and the area of client communications is no exception to this rule. Senior management must recognise its importance and dedicate the resources required for its on-going development and improvement. This must be seen as a critical part of on-going development of the relationship marketing efforts which are essential to retaining clients.

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