



Humanize your Digital Customer Service

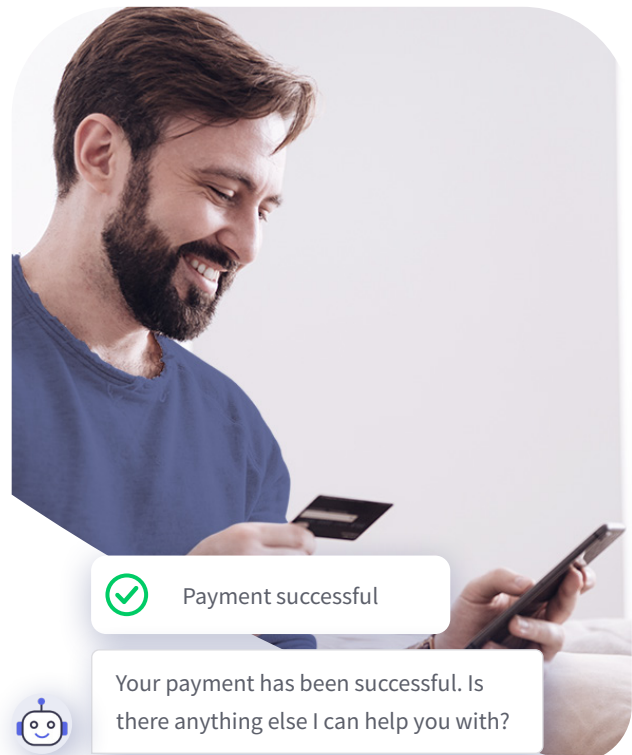
Improving customer experience in the financial industry

unblu

Introduction

As the world becomes increasingly connected, more and more of life is taking place online, including taking care of financial matters. And while this technological progress undoubtedly brings greater convenience and efficiency, are we in danger of losing the important human element of empathy? While many finance firms claim to be customer-centric, in fact, most organizations have yet to prioritize meaningful interactions with their customers, limiting their ability to create a customer experience that builds trust and loyalty.

In this paper, we will investigate how technological progress has transformed the customer experience and how new competitors are emerging to take advantage of these advances. We will discover how traditional players can adjust their strategies and value propositions in order to adapt to this new landscape and see why establishing trust and loyalty is just as important as attracting new customers. Discovering what true customer-centricity looks like, we will learn how Unblu can empower financial providers to offer a more flexible, efficient, and—most importantly—more human customer service.



Technological progress and customer experience

Technological progress has brought endless benefits to both consumer and provider yet it also poses challenges for financial organizations—challenges only highlighted by the effects of the COVID-19 pandemic and the resulting acceleration towards digital.

How best to offer a remote banking service when a face-to-face meeting is impossible? How to meet the demands of a generation of Millennial consumers and their demands for greater speed and efficiency? And how to continue to provide a service that builds trust with customers?

“User experience encompasses all aspects of the end-user’s interaction with the company, its services, and its products.”

— Nielsen

User experience is all about interactions. The ongoing interactions between a financial institution and its users build and reinforce a customer’s perception of it. So what happens when these interactions cease to be physical? How can financial providers optimize the online customer experience?

Pandemic impact

With COVID-19 came a rush to emulate face-to-face engagements digitally, but without truly thinking about the needs of the customer. With in-person meetings no longer possible, companies were under pressure to offer a positive online customer experience to compete with businesses with advanced digital solutions.

But frequently organizations were using these tools simply to boost efficiency, saving themselves money and time, rather than focusing on offering true value to the customer.

These digital solutions should rather be used to boost the human element of customer service, enhancing the customer-agent relationship and making it more personal.

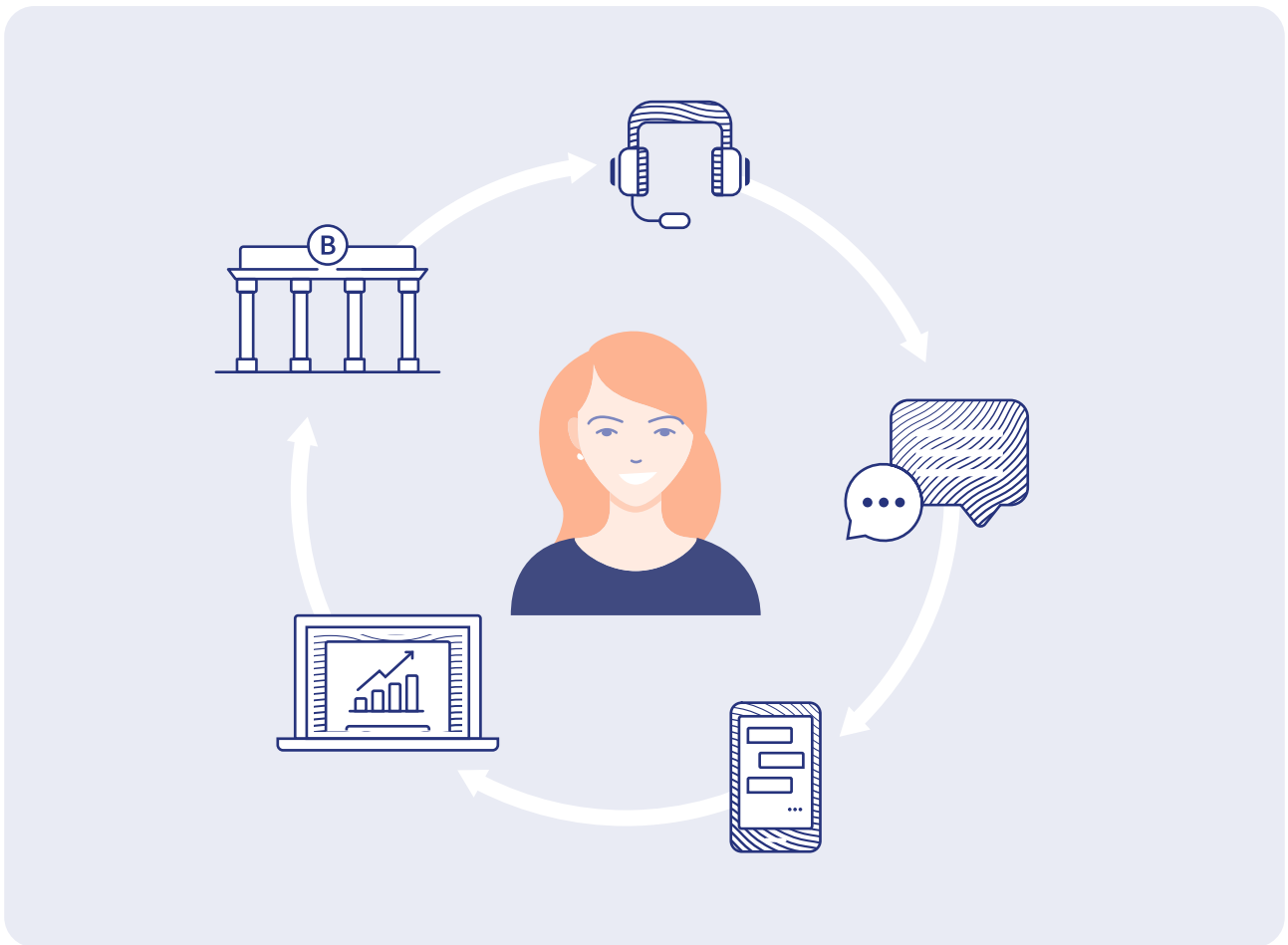
The rise of online interactions

Advances in tech have transformed the way we relate to each other and the environment.

There was a time when families would all watch certain television programs because they were the only ones available. People consumed information chosen by a third party. Today, however, we expect more personal freedom and flexibility around how we use technology. We want a choice over how our online interactions take place.

Customer demands are evolving, including this desire for greater personalization. While Boomers and Generation Xers are often willing to accept some inconvenience or inefficiency as inevitable, Millennial customers are quickly frustrated by pain points in the customer journey. They are put off by overly complicated processes or unnecessary hassle. They demand quick responses, fast resolution of problems, useful and relevant information, a streamlined customer journey—and all at a time and place that suits them.





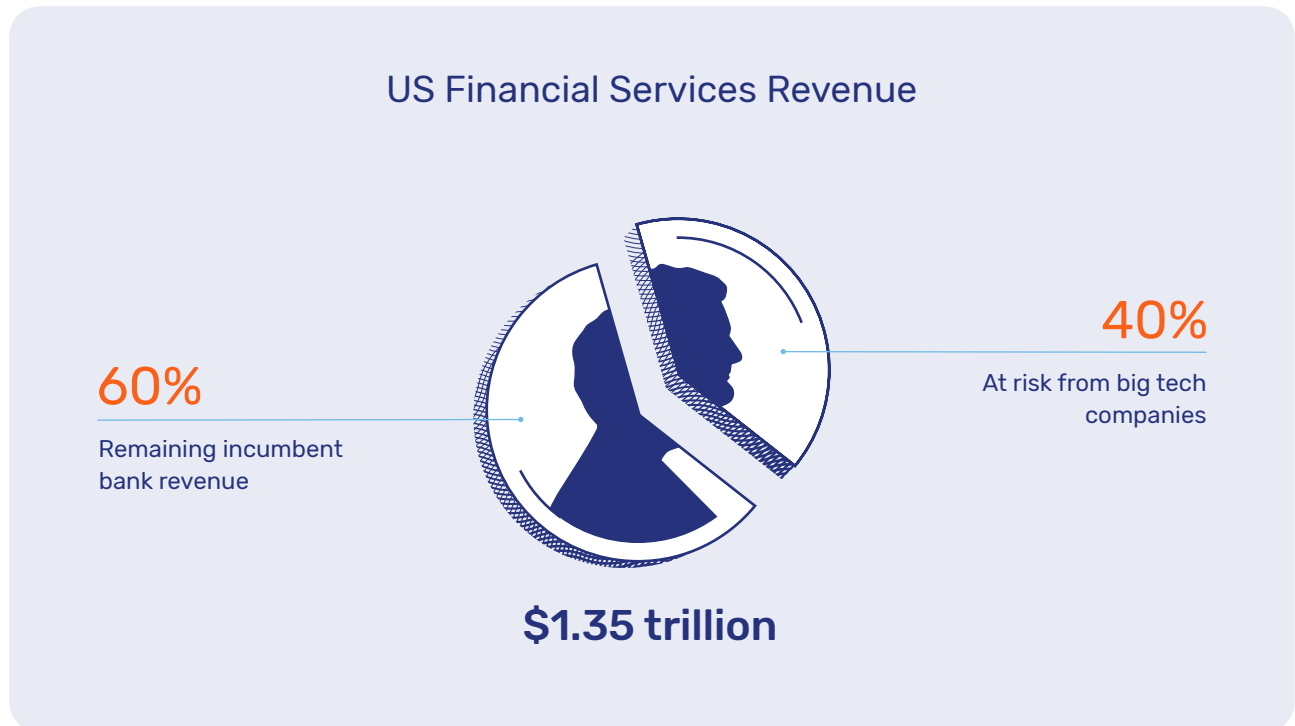
Omnichannel banking paradigm

Increased connectivity and the ubiquity of mobile devices has put the power back in the hands of the consumer. Today's customer no longer has to communicate with their bank on terms decided by the provider. They can decide how and when the interaction will take place, and they want a choice between self-service and in-person experiences.

More than 50% of consumers desire an omnichannel banking journey, with the ability to switch seamlessly between physical and digital communication channels.

A new competitive landscape

Customer demands have evolved and those providers who listen to and understand their customer's new expectations and needs are best placed to win in this changing landscape.



While many industries have adapted to this new digital paradigm, others have failed to do so and have witnessed the entry of new and disruptive players. The finance industry is in danger of being one such industry, with the possibility that big tech companies such as Apple and Amazon could take up to 40% of the \$1.35 trillion in US financial services revenue from incumbent banks, according to an InsiderIntelligence¹ report.

1: <https://www.businessinsider.com/financial-services-industry?IR=T>



Internet 'democratization'

Only a few years ago, traditional banks had a monopoly on the market. Customers relied on them alone to manage everything about their finances. These banks had built up trust and credibility over decades and their solid reputations meant there was never any threat of competition. Today, however, alternative advertising channels have opened the door to new and smaller players who are able to attract customers with more affordable prices, leading to a democratization of financial services.



Tech giants in finance

In other industries, we have already seen disruption from new tech companies, from Airbnb's transformation of the hotel sector to Uber's revolution in transport. Companies including Amazon and Alibaba now control a large part of world trade and are starting to encroach on the domain of traditional financial establishments too, with initiatives such as Alipay or Amazon Pay. Customers are drawn to the innovative solutions offered by these players, and their focus on customer convenience. They're unafraid to move away from the status quo in return for services that better meet their needs.



Fintech collaboration

However, finance is a little different from these other disrupted industries. The vast majority of financial providers are looking to take a different approach to new players, choosing to collaborate rather than compete. According to Capgemini², 91% of banks and 75% of Fintech expect to work together. But this collaboration isn't totally straightforward. Providers need to try to integrate all these new services into a single seamless omnichannel customer experience.

Trust and loyalty, the final stop of a successful customer experience strategy

The traditional business values of trust and loyalty continue to be essential even as technological advances transform the financial landscape. People need to trust their provider if they are going to allow them to manage their finances. By establishing this trust, continuing to meet customer needs, and delivering on promises, financial organizations can secure consumer loyalty, which is as, if not more, important, than attracting new customers.

Benefits of an empathy-driven organization

Companies typically invest most of their resources in attracting and capturing customers. Yet acquisition is not as valuable as retention. Traditionally, loyal customers are 67% more profitable than new customers, yet banks invest 5 to 10 times more in acquiring new customers³ than in keeping current ones. These existing customers have the potential to bring more revenue to the bank than new customers yet companies consistently neglect them.

But securing customer loyalty is not as simple as it once was. Companies used to be able to retain customers with campaigns or traditional loyalty programs. But today's customer no longer sticks with one brand for life. If they have a bad experience, they'll happily shop around, seeking alternatives.

Generating loyalty, therefore, depends on an empathetic approach to customer experience, delivering the convenient solution that customers are looking for in the timeframe they expect. Securing this loyalty can give customers a major competitive edge.

3: <https://blog.unblu.com/en/live-chat-for-sales-tips-to-improve-sales-in-financial-services>

Grow loyalty and avoid churn by staying relevant and convenient

To secure trust, providers need to improve the overall customer experience. This means optimizing every interaction to ensure that it's as convenient and as valuable to customers as possible. Each exchange should be approached with a customer-centric mindset, meeting the customer on their terms. Providers can then leverage each interaction, or "moment of truth", to create a positive impression, reducing churn rate and increasing the lifetime value of customers.

A large part of a retail bank's profitability comes from add-on financial services such as mortgages, insurance, loans, and other investment products. In this context, it is easy to see why a strategy focused on generating a greater level of loyalty through a more convenient service directly impacts a bank's profitability.

The following table shows that a minor change in churn rate and an increase in the volume of customers that identify as loyal creates significant value:

Metric	Scenario A	Scenario B
Customer base	1,000,000	1,000,000
Churn rate %	12%	11%
Loyalty rate %	20%	21%
Avg. revenue per customer*	\$1,000	\$1,000
Avg. revenue per loyal customer*	\$1,670	\$1,670
Revenue	ca. \$998M	ca. \$1015M

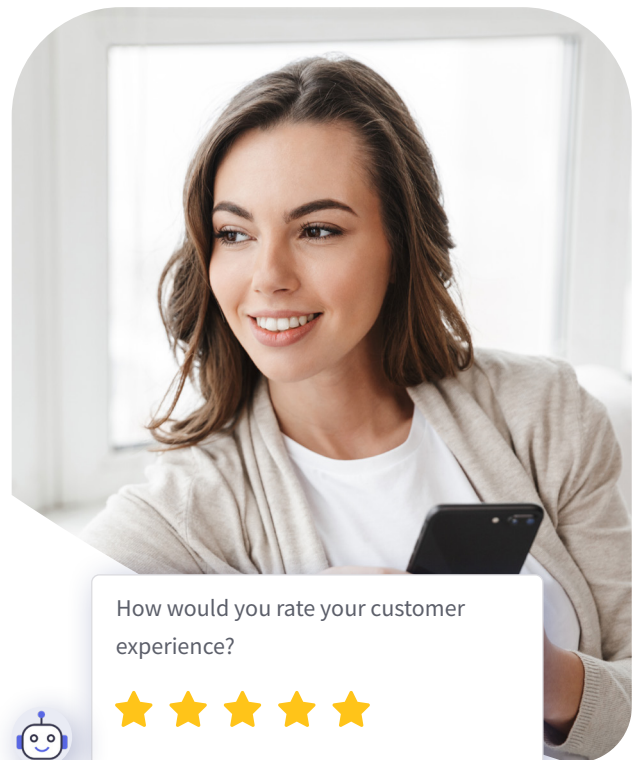
*example value provided—use your own known figures.

Coming back to the 67% increase in profitability for loyal customers in comparison to new ones—as discussed earlier—we see in scenario B how a swing of just 1% can create a \$17M difference in revenue with the same customer base (1,000,000).

Customer centricity, a new path forward

Unblu offers a way for financial providers to commit to customer-centricity, prioritizing the customer's needs by developing a digital strategy where every aspect has been optimized to create a positive customer experience. By empowering organizations to focus on the end-user, Unblu's platform of products create opportunities for meaningful conversations, offering a seamless and omnichannel experience where customers can connect with their provider in the way that best suits them at that particular time, building trust at every touchpoint.

Many companies claim to be customer-centric, but what does that actually mean? You can't measure your commitment to customer-centricity unless you trade company-centric metrics for metrics that measure those outcomes that are important to your customer—aka Customer Performance Indicators (CPIs). In the majority of cases, the better your CPIs, the better your business KPIs. For example, the CPI First Time Resolution tracks how frequently a customer's problem is resolved during their first inquiry, which will impact both customer retention and lifetime value KPIs.





Meaningful conversations

Digital solutions such as those offered by Unblu bring a more personal touch to communications between providers and customers. These digital tools create more opportunities for exchanges that are, on the one hand, convenient and efficient, but also meaningful, maintaining the human element that is vital to building trust. Each exchange becomes a chance to leverage the “moment of truth”, as providers step in at just the moment they are needed with help that provides lasting value to the customer.

Omnichannel experience

These digital tools are integrated into the customer experience, allowing customers to choose between online and offline channels. The human and the high-tech are equally valuable at different times. Being able to choose between e-banking and the in-branch experience, or between self-service or person-to-person conversation, gives customers the flexibility to connect with their bank in the way that suits them at that moment. This omnichannel experience builds bridges between innovative self-service solutions and traditional communication methods.

Seamless journey

An omnichannel experience isn't enough by itself. All these different channels—digital and human—need to be seamlessly integrated to ensure the customer journey is smooth and uninterrupted from start to finish. A customer might start their journey by talking with a chatbot and then go on to chat via video call with an advisor, taking advantage of co-browsing to further personalize the experience. The best digital tools ensure that they can transition seamlessly from one touchpoint to another.

Emphasis on trust

With a seamless customer journey and omnichannel service along with a commitment to putting the customer's needs first—providing personal and relevant guidance in the way that best suits the customer and according to their unique schedule—banks are able to build trusting and productive relationships. And not only are their customers happy, but greater levels of satisfaction mean a boost for brand loyalty as well as improved conversion rates and sales. Customer-centricity reaps rewards for both bank and customer.

Why Unblu

Unblu's omnichannel customer engagement solutions allow banks to serve their customers in a more fluid and dynamic way. Whatever device the customer is using, whatever channel suits their needs, or whatever help they require at that moment, their bank is able to step up and meet their demands. They can support their customer in a more efficient and—most importantly—a more personal way. Banks that do this will stand out from the competition, boost loyalty, and increase overall engagement and sales.

Compliance

Unblu's conversational tools are built to be compliant with the necessary financial regulations. All data is protected and stored in a central repository and the configuration of production systems is designed so as to allow access to an audit trail. With co-browsing, all sensitive data can be masked, while encrypted archiving and geofencing ensure that video and audio communication is also compliant.

Security

The SecureFlow Manager controls the flow of protected and encrypted resources, ensuring even the most highly secured applications can be safely accessed. Similarly, co-browsing is restricted to the application; the bank never receives any data or output generated outside of the app. Furthermore, Unblu's technology can be integrated into existing security set-ups without the opening of any additional ports.

Technology

Unblu's solutions require no downloads, installations, or plug-ins. What's more, the embedded co-browsing technology has been designed to handle large and complicated pages. This means that there's no transfer of the session to a proxy server, allowing banks to side-step the complications of large data transfers. It also means clients don't need to log in again on the proxy server.

Usability

Banks can create a seamless customer journey combining multiple touchpoints. For example, combining live chat or video and voice call with a co-browsing session. Advisors and clients can switch smoothly between a range of solutions. Plus, Unblu's system is highly configurable.

Integration

Banks and financial services can choose between different architecture options. On-premise installation is available for those clients that want to run the application themselves. An alternative is the Unblu Financial Cloud infrastructure or a hybrid option whereby some components are hosted on-premise and others are run in the cloud. Banks can also integrate Unblu's technology into existing systems such as CRM or Call Center Infrastructure.

Efficiency

Unblu's proven implementation methodology allows customers to become fully operational within a month. Unblu's system is modular which creates additional flexibility as banks and financial services can license as many functions as they need at that time and for their particular use case. More functions can be activated at a later date without the need for further installation projects.

Trust

Unblu has been working for over ten years in the financial space. We have helped with over 150 banking and financial service implementations worldwide, including projects for UBS, Deutsche Bank, Intesa Sanpaolo, and Barclays. With a range of innovative conversational tools, Unblu is transforming how banks engage and collaborate with customers, helping them to build trusting and productive relationships.

Conclusion

It's clear that a truly customer-centric approach to customer service has the potential to transform the customer experience and improve a bank's ability to provide enduring value to customers. While many banks believe that they are customer-centric, it's evident that a service that really puts the customer first doesn't just prioritize speed and efficiency but also acknowledges the importance of the personal and human element of customer service.

By integrating digital and human capabilities into a seamless, customer-centric, and omnichannel experience, using productive and personal interactions to leverage "moments of truth", financial providers will be able to compete against new disruptive players in the financial landscape—or, indeed, collaborate with them.

They will be able to reduce resolution times and support costs thanks to greater efficiency, and they will enjoy improved customer engagement, satisfaction, and retention—witnessing their conversions and sales rocket as a result.

The key to creating a positive customer journey that leverages each moment of truth to gain customer trust is combining multiple touchpoints into an omnichannel customer experience—an experience that offers the customer both flexibility and convenience. Unblu can help you broaden your range of digital tools while ensuring that the focus is always on delivering a personal service that meets the customer's on their terms.

About Unblu

Unblu helps the world's leading banks deliver an in-person experience online. We provide highly secure collaboration software, empowering banks to enrich the digital experience of their clients.

The Unblu Conversational Platform increases revenue and efficiency while reducing costs and improving digital customer interaction. Our clients have been able to cut customer support calls in half, achieve four times as many client meetings as in branches, considerably increase customer satisfaction, and produce a 90% recommendation rate. Unblu is transforming the future of online banking.

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If you have any questions, please email us at sales@unblu.com

