

Customer Service Trends and Their Effect on Fintech Businesses



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2017 has proven to be a year of fast changes in the customer service realm. So fast, that companies themselves are finding it hard to keep up.

These changes are brought about by a multitude of trends that have exploded this year. Often conflicting, these trends show that people of all demographics are embracing technological advances when it comes to customer service, but, when it comes to certain industries such as banking, they are still distrustful of technology. Understanding these trends and their implications is key for Fintech businesses, empowering them to offer their customers the service they've come to expect, and in doing so, staying ahead of the pack.

High Expectations

In 2017, consumers, including those in the 50+ demographic (the so called "Baby boomers" and "Generation X") expect fast, personalized, and convenient customer support. Consumers have also exhibited an increased interest in self-service options, beginning to appreciate the efficiency and confidence gained from solving an issue by themselves. Social media support and chatbots are also emerging as efficient methods of customer interaction with their service providers.

These trends compel businesses to focus their efforts on the quality and availability of their customer service, and put less of an emphasis on reducing costs, as customers have recently rated buying experience a priority over price. In fact, last year, companies lost a reported \$62* billion due to bad customer service.

* Source: New VoiceMedia, the \$62 billion customer service scared away, May 2016

Businesses have begun to take note of these changes and are already implementing creative digital customer service solutions. Yet, although only one-third of customer service interactions today require human interaction, in reality, live customer service agents are still as busy as ever. To examine this phenomenon, we conducted a cross-generational survey across the U.S. on retail banks' customer service to examine customers' actual behaviors when it comes to using existing digital support services.

Survey Results

People are still calling customer support. A lot!

The survey's results show that despite all technological advances in customer care, people surprisingly still use the most traditional of options: calling. In fact, results show that overall, calls, along with web and branch visits, are the most popular channels, easily trumping advanced digital solutions like mobile apps and chatbots. So, while banks have developed digital tools to power their clients with self-service capabilities for a host of simple transactions - the majority of calls still focus on these exact tasks, including checking account balances, transferring money, and paying bills. Thus, while self-service technologies to resolve relatively simple issues exist, we are finding that customers are overwhelmingly not using them. This is depicted in Figure 1 below.

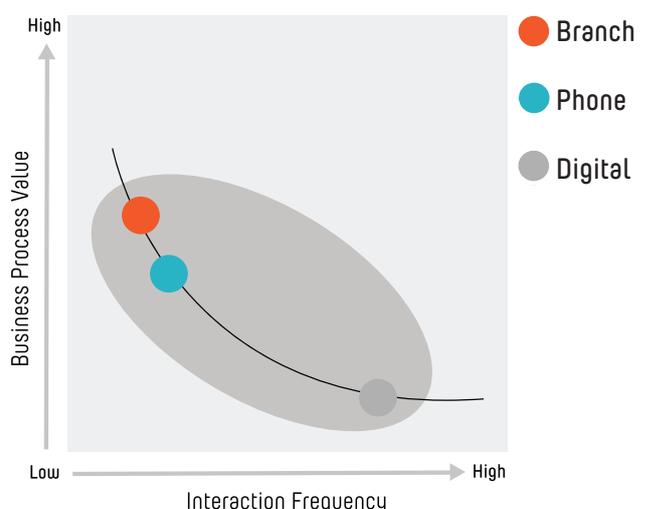


Figure 1: Current status: simple, low value interactions often consume valuable contact-center resources

There is a significant financial downside to this phenomenon. Phone and face-to-face service are expensive, requiring human resources, physical space, and substantial time. Therefore, they should be reserved exclusively for high-value services, approximately 30% of what digital doesn't cover. Instead, people are using these services for low-value tasks such as checking account balances and transferring money- tasks that are easily automated.

The "Human Touch"

Our survey highlights this problematic reality- in which low-value interactions take up disproportionate- and expensive- resources. This begs the question: why? And what can be done to reverse this trend?

The phenomenon is due, perhaps, to people's need for a reliable "human touch" when it comes to customer service. Our survey shows that the number of customers who call or visit their branch after failing to solve their issue in their first digital channel of choice was 46% and 34%, respectively.



Figure 2: Where customers turn if they can't solve an issue in a digital channel at first try.

The task then, is to provide customer support of equal reliability across all channels and considerably reduce the need to call or visit the branch in order to receive quality service.

Web: on opportunity waiting to be realized

We also found that 70% of respondents call their banks after searching for the number online. This result highlights a promising opportunity for banks:

to guide their customers directly from the web to digital self-service, thus eliminating the need to call.

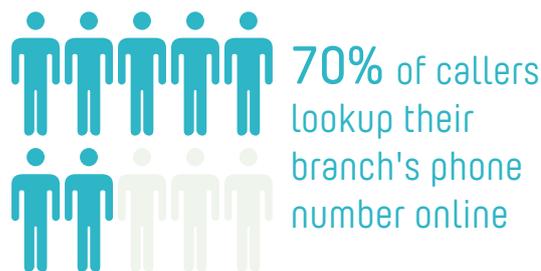


Figure 3: Website is primary source for looking up the bank's phone number.

Co-browsing and collaboration have huge potential

Survey results showed that two thirds of survey respondents said they'd replace emailing, faxing or visiting their branch if they could sign and share documents via co-browsing. Electronic signatures, interactive screens, and the ability to share files instantly eliminate the need to be physically present at a branch to sign documents. This upgrade can make all the difference when it comes to customer satisfaction.

Visual IVR improves customer satisfaction

Finally, survey results show that touch-tone automated phone menus (IVR) and speech IVR success rate is about 50%. However, 80% of respondents indicated they would use visual IVR, which is significantly more successful than traditional IVR solutions.

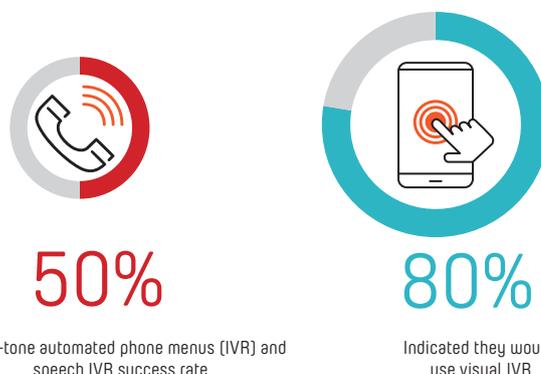


Figure 4: Customers are lukewarm about IVR but are positive towards visual IVR

Conclusion

In 2017, it cannot be denied that customer experience is crucial for a company’s continued success. Businesses that thrive in the coming years will be those that pay attention to consumer trends and invest in innovative customer service solutions. That said, it is not enough to simply invest in hi-tech solutions; examining and responding to the ways that customers interact with these solutions is key to their ultimate success. CallVU’s survey results outlined above highlight an

interesting and counterintuitive phenomenon: while digital self-service solutions exist, customers tend to be distrustful of them, and continue to use traditional methods of contact, such as calls and branch visits. Banks and other service providers must take note of this tendency, and pursue creative paths to migrate their customers to existing digital self-service. In doing so, they will further their own digital transformation, and vastly improve their customers’ digital experience, as well.

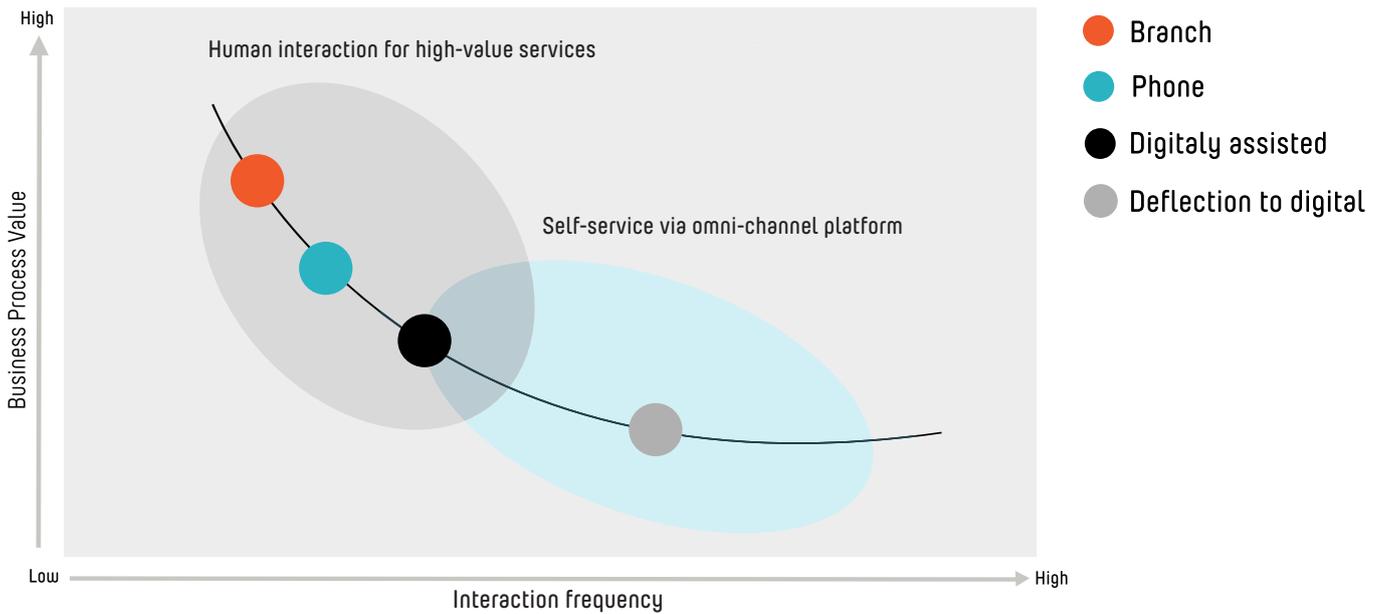


Figure 5: Omni-channel customer engagement decouples low- value interactions from high-value interactions and deflects them to digital channels

About CallVU

CallVU’s innovative Omni-Channel platform allows organizations to engage customers in their channel of choice, matching the right channel to intent, carrying context between channels and integrating digital and voice interactions. CallVU is the only company to combine Visual IVR, Service BOT and enhanced Collaboration capabilities in a single, unified platform that supports any channel - voice, video, text, image sharing & more, and any device - mobile phones, tablet, PC, fix-line and more. The company’s customer base includes leading financial institutions, global telecom carriers and managed services providers. CallVU is a recognized Gartner Cool Vendor in CRM Customer Service and Support, 2016.

To learn more visit www.callvu.com

Glossary

Omni-channel	A seamless and consistent interaction between customers and businesses across multiple channels-online from a desktop or mobile device, by telephone or in a bricks and mortar store.
Co-browsing	Short for collaboration browsing. The joint online navigation by two or more people accessing the same web page at the same time.
IVR	Interactive Voice Response (IVR) an automated telephony system that interacts with callers, gathers information and routes calls to the appropriate recipient.
Visual IVR	The visual form of IVR- guiding inbound callers to a web-based touch experience, and personalizing the support journey for customers
Service BOTs	Computer programs designed to automate a host of customer service tasks and can serve to simulate human conversation (mainly text interaction).
Collaboration	The ability of customers and agents to exchange rich media, web pages, co-fill digital forms, co-browse the enterprise website to guide customers through various processes etc. Also see “co-browsing”.
Digital transformation	The integration of digital technology into all areas of a business, resulting in fundamental changes to how businesses operate and how they deliver value to customers.