



Acting on Insights

# 3 Ways CX Data Helps Customer-Centric Banks Drive Loyalty

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**A**t the intersection of the COVID-19 pandemic and the height of digital-banking adoption among consumers, banking and financial services institutions are under a lot of pressure. Consumers from all demographics are shifting banking behaviors online and trying out new technologies, which means a bank's customer experience has never been more important — or harder to plan out. After all, delivering the best customer experience demands turning data into action, but so many sources of data can make it hard to find a signal in the noise.

But there's a silver lining amid the stormy clouds, at least when it comes to digital transformation in banking and financial services: The accelerated adoption of mobile and digital technologies gives financial institutions the opportunity to complete the phase of digital adoption with digital engagement.

Rather than simply moving customers from the physical branch into a mobile app, customers become truly engaged and fully immersed in all that a financial institution has to offer — a phenomenon some experts have dubbed "the biggest growth opportunity to come along in decades."



**30% increase in use of mobile banking worldwide during COVID-19**



**80% of organizations expect to compete mainly based on CX**



**74% of customer-experience leaders expect budgets to rise**



**“More so than ever, expectations of customers are being influenced by great experiences outside of banking — customers expect sophistication.”**

**BOB NEUHAUS**, Executive Managing Director  
Financial Services, J.D. Power

“The conversation banks need to have now is moving from digital adoption, where a customer might just download and use a mobile app, to digital engagement, where a customer is invested in using features and functionality that lead them to be much more satisfied with your financial brand,” said Bob Neuhaus, executive managing director financial services at J.D. Power.

“But digital engagement is more than a seamless experience,” Neuhaus noted. “If you just focus on being easy to do business with and taking the friction out, you become invisible to the consumer. Banks need to go deeper than removing problems to think about connecting at a more emotional level with their customers to build trust.”

Connecting with consumers on an emotional level — and at scale — is no simple feat. But with the right resources, banks can capture and operationalize CX data in real time, turning insights into action and ultimately driving more engagement and loyalty. Here’s how:



# 1. Supporting optimal human touchpoints with technology and automation

With the advancement and availability of new banking technologies, one of the most pressing challenges banks must first consider is identifying the optimal balance between automation and technology with humanization. Experts note that one is not necessarily better than the other and that each has an important role to play in maximizing CX — but every financial institution must find that balance for itself.

“Complete digital containment or forcing consumers into a digital CX against their will is not a good policy,” Neuhaus said. “Digital CX works extremely well in certain situations and can even be the preferred way to do things. But banks drive the highest satisfaction and loyalty when they find the right balance between the technology component and the human component.”

Banks can identify the best CX touchpoints to deploy automated support or human support by staying close to customer sentiment. Neuhaus suggests asking customers their preferences and getting direct feedback so you know where customers stand. And while the best mix will be unique to each bank or financial institution, common CX touchpoints are supported by both a technology component and a human component as outlined at right.

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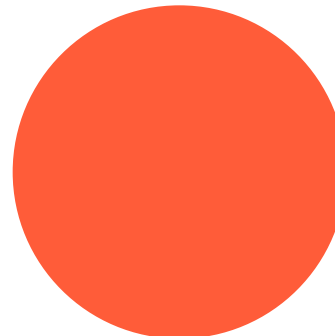
## Technology Component

- Account and bank data pulls
- Predictable, low-complexity requests

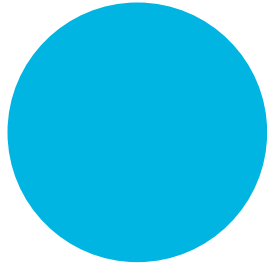


## Human Component

- Disruptions or problems
- Complex tasks that might inspire follow-up questions
- Situations that require education or understanding about product terms







**About 45% of call time is “dead air” while the representative searches for information, while the caller is on hold or while the caller waits to be transferred.**

But for all that, some touchpoints might be better automated and some might be better with live support. Darshan Dave, executive banking leader in customer experience and innovation, noted that humans actually can't do some parts of the process.

“A single person, or even a team of data scientists, can't process terabytes of data and discern helpful patterns,” Dave said. “For example, if you have a lot of customer call data, it's impossible for you to go through those recordings and interactions and identify what is and is not working well. There are some sources of feedback that only AI and technology can help you figure out.”

**“There is something that gets lost in communication when you're trying to complete a complex task and you can't interact with a real person or have the ability to ask a clarifying question.”**

**BOB NEUHAUS**, Executive Managing Director  
Financial Services, J.D. Power

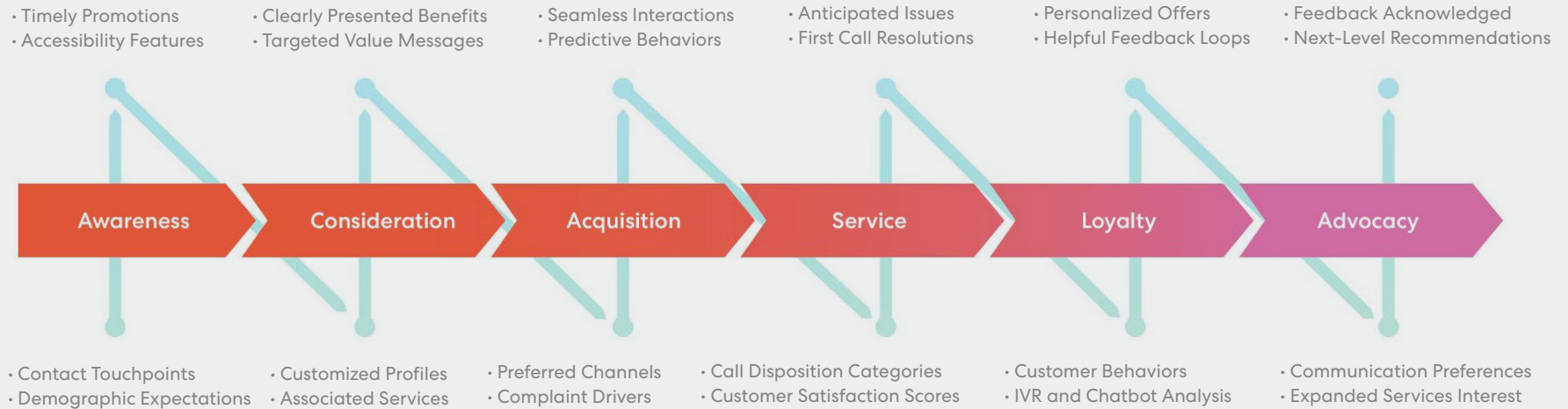
## 2. Using data to create personalized customer life cycles

As customers step out of the branch and onto the internet via mobile and desktop devices, banks and financial institutions also get more insight into their virtual footprints. That is, the customer journey or journey map an individual customer takes when navigating a bank's website, app or user experience.

Customers want to feel listened to. Surveys, CSAT scores, and NPS scores are important aspects of managing customer experiences today—but those all occur “after the fact,” so to speak. To deliver truly transformative experiences, CX data such as customer communication preferences, call disposition categories, and channel resolution efficiencies must be integrated into every aspect of the organization. Only then can you effectively leverage the entire customer journey to drive product design, features, UX adaptations, and marketing strategy responsiveness that speak to customers' needs.



## Customer Experiences



## Data Analysis Insights

Understanding this flow of activity at scale can give banks great insight into what customers need to have a positive CX, as well as how the bank can be proactive and anticipate future needs and interests — a key element of forging a powerful and necessary emotional connection with banking consumers.

## Notable personalization in Fintech



Ally Bank offers AI-based Smart Savings tools that help customers become better savers through open banking, account aggregation, goals and automated money movement.



DBS's Digibanking mobile application includes more than 100 automatic personalized insights that apply its proprietary AI-driven predictive analytics engine to the customer experience.

Bank of America



Bank of America's Life Plan services program uses personal data to help clients prioritize their financial goals.



GoDaddy Payments uses its CRM tool to identify previously unknown call drivers and resolve specific issues related to their most frequent call types, matching "right call to right agent" for much faster resolutions.



Chime's timely, granular data as well as collaboration on emerging fraud threats helped the challenger bank identify fraud ring activity and recover \$2.3 million in just four months.



Oxygen's robust CX infrastructure support includes data collection from live voice and chat, which fuels ongoing personalization process enhancements.





**“There’s a great opportunity in being more predictive about consumers and their finances, and being able to be more targeted with recommendations based on that data. I don’t think financial services institutions have reached their full potential in that area at this time.”**

**BOB NEUHAUS**, Executive Managing Director  
Financial Services, J.D. Power



Personalization within the customer journey is expected and preferred by the average banking customer today. But Dave noted that banks must carefully navigate the line between being helpful and creepy. In fact, one Forrester survey of 107 banking executives from North America found that fear and confusion are the leading causes that prevent most banks from using data to deliver the experiences their customers want.

“There’s a delicate balance between the access a financial institution has to consumer data and the appropriate ways they can use that insight,” Dave said. “For example, if I have an investment account and you preemptively give me ideas or products for my investments, that might feel like you’re looking out for me as a consumer. But if a third party reaches out to me with a promotion because they saw an opportunity to connect through my banking data, I’m going to have questions. I’m going to be suspicious about how they got so much information about me.”



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## State of personalization in banking



**72%** of customers rate personalization as “highly important” in today’s financial services landscape



**59%** of consumers said the pandemic increased their expectations of financial institutions’ digital capabilities



**20%** of bankers say they do a good job at personalization

Banks can begin navigating this careful balance by prioritizing high-reward, low-risk applications of CX data like the following:

- Rank call “dispositions”: What are most customers dissatisfied with?
- Compile Customer Satisfaction (CSAT) data: Where is it high or low?
- Analyze CSAT data: What are the pain points, why do they happen, how do you solve them?
- Overlay dispositions with CSAT: How do you allocate your CX resources the most cost-effectively to improve first-call resolution, boost CSAT, save CX agent time, and prevent unnecessary follow-ups?



### 3. Training customer service agents to deliver high-quality support

It's no secret that customer support is a make-or-break factor for banking and financial services institutions. While consumers are increasingly open to the role technology plays in their financial life, they still want to talk to a real person who can solve their problems when a problem comes up. But the current state of support is not meeting those needs — only 27% of customers surveyed said they felt the financial services industry provided great service and support, and the same amount (27%) said they felt the financial services industry was fully customer-centric.

Even as banking and financial institutions adopt more tech-centric methods of customer support, training and quality control over customer service agents will continue to be a guiding factor in delivering high-quality support.

“When it comes to supporting customers with technology, just because something can be done doesn't mean it's good to do it,” said Corey Besaw, president of banking operations at Ubiquity. “Banks need to be creating experiences where robotic interactions are quick and efficient, and human interactions feel human and not overly scripted. Otherwise, you end up with all the downsides of both approaches and none of the benefits to customer experience or cost reduction.”

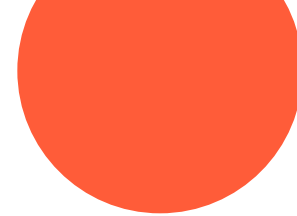
For example, real-time reporting of interactive voice response and call and agent performance data through Ubiquity's inTouch performance management platform helps BankMobile stay on top of call trends, customer survey responses and whether agents maintain high-quality support protocols. Ultimately, this combination of technology and real human support allows BankMobile to reduce the number of calls going to live agents while delivering a “wow” experience to their customers.



“Banks are grappling with how to connect with customers on topics of financial health while facing challenges with getting the right products in place and training employees to talk about financial-health issues. We’re in the early innings of supporting the financial health of consumers from a banking standpoint, and there’s still a lot of room for innovation.”

BOB NEUHAUS, Executive Managing Director Financial Services, J.D. Power

Live agents will always play a critical role in delivering superior customer experiences. Technology solutions such as IVR and chatbots make agents more efficient, but they can’t convey true empathy or defuse escalations quickly. In another case study with a [challenger banking operations provider](#), highly trained, empathetic agents helped cut customer complaints by more than half year-over-year during the same six-month period while also pushing the customer’s Net Promoter Score (NPS) over 65, exceptional for the banking industry.



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## P.A.C.E. approach to customer service



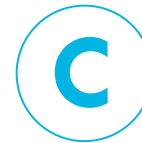
### Promises kept

Say what you do and do what you say. Credibility is a moral imperative when brand reputation is on the line.



### As soon as possible

Resolve all customer calls within 24 hours if at all possible and avoid follow-ups by anticipating customer needs.



### Correct information

Always give accurate information, offer pertinent additional guidance, and never say something if you’re not sure.



### Empathy and respect

Regardless of the size of any problem, remember that it might feel enormous to the person on the other end of the line.

## CX data is a portal of possibility for banking institutions

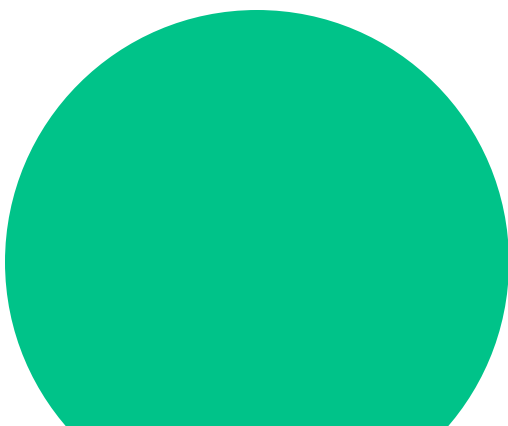

For all that banking and financial institutions are stepping up to embrace the digital transformation of their customers and their technologies, there's still a hidden opportunity in CX data that has yet to be fully applied. Customers increasingly expect banks to make good use of that data. But without the right tools and partner to apply the insights in the most helpful way for your customers and your institution, banks run the risk of being stuck in digital adoption without attaining true digital engagement.

Now is the time to work with a partner that takes a holistic perspective on the data and human elements of truly engaging CX. This perspective ultimately allows banks to implement a truly sticky ecosystem of digital engagement that creates loyal customers in the long term.

"If you only look at CX from one perspective, like from service or product design, you're missing an important part of the story and you won't see what's truly possible for your institution," Besaw said. "Bringing in a third party is one of the best ways to break that siloed approach and bring a data-rich, holistic perspective to your unique products, services and customers."







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Ubiquity's Relationship-based Outsourcing pioneers next-gen retail and ecommerce experiences for disruptive brands. Our agile methodology ensures a better Return on Outsourcing by driving customer satisfaction up, costs to serve down and increasing customer lifetime value. Ubiquity offers multichannel customer experience management services, returns processing and chargeback management as well as channel optimization strategy and consulting. Headquartered in New York City, the company has delivery locations on five continents.

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