

Solving the cost to serve in financial services.

Everywhere, every time access to banking specialists

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In this paper, I explore an opportunity to solve one of the biggest challenges facing services companies today. How do you provide customers with access to the right specialist at the right time in a way that is cost effective for the organisation and delivers a great customer experience?

Having delivered large transformation programs that have sought to solve this problem I believe I have some useful insights. Let's first explore the problems to be solved.

Limited availability of specialist bankers to have face to face conversations with Customers

In segments like small business and mass affluent one of the biggest business challenges is "cost to serve". Relationship segments have a limited number of good people and very large portfolios to manage. Customers are time poor and banking specialists are similarly challenged if having to meet customers at their preferred location. Allowing for appointment preparation, travel and post appointment activity, more than 4 appointments per day is very challenging.

Customers have no visibility of who is available, when.

Customers and specialists waste a significant amount of time "playing phone and email tag" to try and find a mutually beneficial time to meet. This "failure demand" results in a significant amount of wasted productivity in Branches, Contact Centres and relationship businesses.

Specialist bankers losing “control” of their calendars

Having worked with specialist financial planners, consumer lenders and business bankers over a number of years I know one of the greatest frustrations is having unqualified appointments booked on their behalf that can sometimes result in poor customer qualification, appointment preparation and ultimately a poor customer experience.

Poorly timed interactions

Companies spend a significant amount of precious investment on outbound activity to connect with customers to have conversations that are not specific to a customer’s stated and unstated needs and at times that are inconvenient.

So how do we ensure we are having the right conversations at the right time and provide our customers with access to specialist bankers in a way that is cost effective? Let’s understand some emerging trends that can really help us.

Video and bandwidth

Over the last 5 years bandwidth speed has increased exponentially making high quality video accessible to all. Companies like Cisco can replicate a face to face appointment through video and within seconds customers can feel like they are sitting across the table.

Mobility

Most customers now have access to Smart Phones, making Skype, Face time and other video conference applications very easy to access. Location services also allow us to understand where a customer is and when.

Big Data and Improved Customer Insights

There is so much talk about Big Data. Simply put Big Data allows us to use computer processing power to connect our data to any disparate data source to make links and create insights. This then allows us to have targeted conversations with customers about things that are relevant to them. Companies are even making credit decisions now based on insights gained from LinkedIn and Facebook!

Appointment Management Capability

Companies like TimeTrade and Bookerlooker provide a service that allows customers to view availability and location and make an appointment at a time that suits them. These services have automated reminders through SMS and email that can significantly reduce “no-shows” improving customer experience and increasing productivity. The key for large organisations is to find a solution that can easily integrate with internal mail and calendar platforms like Outlook.

Let's bring this to life with a customer use case

John is a Sydney based small business customer who recently left his corporate role and has set up his own business designing, manufacturing and distributing surf wear throughout the Asia Pacific. Like many customers his business bank was the last thing on his mind in the early stages of research and set up. He started with the help of his accountant by establishing his company structure, his ABN (Australian Business Number) and working with a web designer to build a website. First opportunity lost by the bank regarding an e commerce payment gateway.

Armed with his new Company details he attempts to open an account online. Finding this too hard he visits his local branch. John now has a business bank account and online banking.

After several weeks and months of hard work business is accelerating for John. Initially his focus was on the Australian and New Zealand market. He is now thinking about expanding to other markets in the Asia Pacific. He is not sure how to go about this and what he needs from his bank to trade offshore and what

products and advice the bank can offer to support him. After researching online, he calls the bank call centre and is advised that he would be best to visit a Branch and speak to a business specialist. The call centre transfer the call to the local Branch, at which point the Business Banker is unavailable and he leaves a voice message. John and the business banker lock in a time after some phone tag over a couple of days and agree a time to meet. During the appointment, John will also need the advice of a transactional banker to discuss trade finance solutions. The banker is located at another site and is not available for 4-5 days at which point John will be on a business trip to Vietnam and China for 10 days. Eventually a time is agreed after John returns from overseas.

What if John's experience had been more like;

- At first interaction John is supported in the establishment of his business. He opens his banking solution online with minimum fuss
- Through understanding transactional data and online behaviour it is obvious to the bank that John is entering the next phase of his business and needs help and advice
- Live Chat is used to proactively prompt John when he is doing his mobile banking whether he needs some support to "Go Global"
- John books his own appointment at a time that best suits him. John explains the purpose of the meeting and what he needs from the bank. In this scenario, the appointment would be supported by a banking team of specialists. A business banker and a trade specialist
- John is provided the option to conduct the appointment via video using the device of his choice at the place of his choosing. g. Home or office
- Subsequent interactions are seamless across John's channel of choice

So, is this a pipe dream? Can an organisation bring this sort of experience to life?

Absolutely! In fact, some deliver many of these elements today. However, I am not aware of any organisation anywhere in the world that delivers a beautiful customer experience and seamlessly creates this end to end experience.

Having delivered a program that has brought to life many of these components here are some insights based on real experience.

- **Appointment management** is often the capability that is left to last or not delivered at all. An organisation able to provide customers with a real-time view of availability allowing specialist bankers to “push out” their availability and maintain control, that integrates with mail and calendar, and provide this to a customer via their channel or device of choice will realise huge productivity gains
- **Video based appointments** can be optimised by delivering a very high quality experience in branch. Providing the option of any device access for PC at home, tablet and smart phone provides even more flexibility.
- **Combining** the 2 capabilities above can transform that nature of your sales force and improve reach and at the same significantly reduce cost. Imagine a sales force of 500 specialists that could be realigned to physical versus virtual or both.
- **Big Data and Improved Customer Insights** can significantly enhance the customer experience further by ensuring we interact with customers when they are thinking about banking, at a time that suits them and anticipate their needs.
- *Conversion of on-line interaction to appointment increased by >50%*
- *Appointment no shows reduced by >50%*
- *Virtual Banker productivity doubled and overall cost base reduced by >20%.*

Compelling enough?