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Keeping the customer at the center of customer service



Increasingly, consumers visiting retail websites find a list of items they are likely to purchase. That list is based on their past purchases from either that site or the retailer’s brick-and-mortar stores. And when customers visit a store and identify themselves, they can now get product suggestions from sales reps based on what they looked at online.

If retailers can give customers that kind of personalized service, why can’t banks and credit unions? When a customer calls a service center with a question about their checking account, why can’t the representative

ask them if they have found a mortgage yet, based on their recent mortgage rate search?

“Customers expect this type of service from their banks and credit unions because they can get it elsewhere,” says [Stewart Watterson](#), strategic analyst for consulting firm [Aite-Novarica Group](#).

“Customer needs and demands have been totally transformed,” says [Rohit Jayachandran](#), senior vice president and head of strategic accounts at [Mphasis](#). Factors that contributed to this transformation



STEWART WATTERSON
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include loss of brand to digital experience, loss of volume from financial institutions to fintechs, and companies such as Netflix, which are driving a need for hyper-personalization.

Younger people, in particular, are even more likely to expect hyper-personalized service from their bank due to their everyday experiences with other industries, says [Keith Parris](#), vice president of customer contact and operations at [BCU credit union](#).

Indeed, many financial institutions are moving to make this happen. They want to transform their service centers—which handle basic transactions and solve problems—into customer experience centers, where representatives know who the customers are and talk to them about their financial needs.

To do this, banks need to make sure that their call centers, branches and digital channels are communicating the right information and providing an omnichannel experience. Jayachandran notes that this trend has led banks to work with (instead of compete against) fintechs to utilize new sources of contextual and transient data to better predict customer demands.

THE ADVANTAGES OF A CUSTOMER EXPERIENCE CENTER

Among financial institutions doing just that is BCU, based in suburban Chicago. It is developing a system that will take extensive financial information about customers and make it available to its call center representatives. “Then, for example, if someone calls in to tell us they are traveling out of the country, we can look at their profile and also see that other financial conversations may be in order,” says Parris.

There are advantages to having customer experience centers. Not only do consumers feel their financial institution cares about and knows them, but banks can benefit as well. “We can offer the most efficient and best quality of service,” says Parris. “And we can also drive revenue growth from our contact centers by talking about products consumers are likely to be interested in.”

It sounds like a great idea, so why aren’t most banks doing it?

“What this is all about is data. The necessary data still exists within siloed locations that prevent the ability to gather all the information about an individual and analyze it to get a good picture of what customers want,” Watterson says.

“Too often customers will call up with a question about their credit card, and then while they have someone on the line, they want information about their deposit



ROHIT JAYACHANDRAN
MPHASIS

account balances. Then they have to be transferred, even when dealing with the same bank.”

Watterson explains that big banks, in particular, have made great strides in utilizing technology to break down silos and provide appropriate analysis, and more mid-sized institutions are in the process of doing this. At the same time, fintech companies are developing migration tools to help them. But more work needs to be done, he says.

One tool that Jayachandran believes will help in this process is generative AI. “In the longer term, we will be seeing a proliferation of generative AI in understanding, predicting and preempting customer needs.



KEITH PARRIS
BCU CREDIT UNION

This will influence and bolster both digital and non-digital channels.”

Another system that BCU is working on to improve the customer experience is an analytics tool that will analyze how its customer contact staff responds to customers calls. The system will determine, for example, if specific customer service reps are falling behind in discussing customer financial goals. Then, the credit union can work with those representatives to improve their responsiveness.

And the system will also determine if all or most of its reps are failing in having a specific type of conversation—for example, discussing with customers their



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auto loan needs. Then, BCU can address the need for training across the board.

EDUCATING THE CUSTOMER ON DIGITAL TOOLS

In addition to having conversations about financial needs, customer experience centers are increasingly working to educate customers about their digital options. Although consumer use of digital services expanded significantly during the pandemic, there is still a sizable population that routinely calls into

service centers or visits branches with simple questions or transactions that could more efficiently be handled digitally.

While Parris says BCU wants to accommodate customers in the channel they choose, he believes there are some customers who may be using call centers because they don’t know about the ease of use in digital channels. “If you have customers who are routinely calling in every month for the same tasks, you can explain how a self-service channel might be more convenient for them. Then, you can provide them with a digital message or an email with a link to show them how to perform the task,” Parris says.

One problem that can plague customers in their quest for a financial institution that really knows them is customer authentication. The codes required to identify customers often vary by channel. As concerns about fraud increase, the steps required for customer identity verification may become more cumbersome.

But Watterson says many banks are finding ways to add additional authentication without burdening customers. Many are identifying the phone number the customer calls in on as additional authentication. Also, tools that use voice identification or even knowledge about how customers type or use their mouse can improve identification without requiring them to remember a lot of answers to questions or enter codes. ➡

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