Leveraging AI Chatbots, as part of the customer’s online journey...

Insights from Informa Financial Intelligence and AI-enabled platform provider, Vee24.

Introduction

The commercialization of AI has already begun - providers are leveraging AI to better engage and service their customers in ways the financial world hasn’t seen before. Informa Financial Intelligence tracks and reports on developments in AI servicing and innovation, across financial markets.

We sat with Vee24’s CEO, Priya Iyer, to discuss what they believe to be chatbot building best practice from a platform provider’s perspective and compared this with what we’re seeing in the market.

Using AI to meet both the needs and intent of customers

There’s an increasing number of features on digital banking channels to meet customer demand and lower servicing costs. Customers want to be able to access a full range of services when it’s convenient for them. A growing trend driven by customer convenience is the number of financial providers offering support outside of standard business hours. One mechanism of achieving this is an AI chatbot, which can deliver efficient and timely customer service.

There are often misconceptions surrounding AI chatbots - one being the role of the machine learning behind the chatbot, most people believe it’s understanding a customer’s question, to provide a relevant answer. According to Vee24, the reality of machine learning’s purpose isn’t just understanding the question; it’s about understanding the customer’s intent and fulfilling the needs behind the intent.

“Understanding customer intent means understanding expectations - is the customer expecting self-service to find out holiday banking hours, for example, or is she expecting purposefully designed engagement that knows a lot about her already, that protects her privacy, and wows her with a personalized experience?” says Iyer.

At Informa Financial Intelligence, we see that the leading chatbots of today know if the customer expects a quick answer, wants to be left alone, or is a high value prospect shopping for a financial product and ready to move forward.
AI Applications for Retail Banking: Chatbots

AI doesn’t stand alone

Chatbots are not simply plug and play - building a chatbot to handle common customer journeys for example requires the leveraging of customer journey analytics and knowledge, to determine the right time to reach out.

There are a number of foundational components that need to be considered before implementation:

• Customer journey data & analytics
• Integrating the chatbot with knowledge repositories
• Giving the chatbot incremental capabilities, such as co-browsing
• Enabling seamless transfers between the chatbot and agent

Through pulling customer data from CRM systems and core banking applications, chatbots can distinguish an active buyer from a casual browser. Adding capabilities such as co-browsing, the chatbot can ‘show and tell’ when engaging the customer.

Another vital component in chatbot design is knowing when to bring in a human agent and offer a seamless transfer.

Iyer notes that financial institutions will often use three different types of chatbot to improve the customer experience:

• Customer AssistBOTs
• Agent AssistBOTs
• Pro-active NudgeBOTs

These bots will differ in the division of labour between AI and agent resources.
Customer AssistBOTs: The use-case bot

We at Informa Financial Intelligence see this chatbot as one of the more commonly implemented bots from providers across the globe, commonly referred to as the FAQ bot, but more accurately described as the Customer AssistBOT.

These chatbots handle frequently asked questions to free-up agents and help with after-hours visitors. Financial institutions often use these bots to handle holiday schedule, banking hours, and branch location questions and to address card retention questions as well as PIN change requests.

Vee24 notes that Customer AssistBOTs come in many shapes and sizes. A simple but well-designed FAQ bot delivers the right information quickly at the right time. Covering a wide range of scenarios these bots have knowledge that may be ‘1 inch deep and 1 mile wide’.

According to Iyer, these bots can increase resource efficiency by around 15%, by accessing knowledge readily available within the financial institution, and recommends the following when designing this bot:

- Compile FAQs and filter out questions that require complex action or need human intervention
- Identify the keywords, terms and tags that can bridge questions to answers

FAQ bots may solve 80% of a company's servicing questions, but typically these questions only take up 20% of the company's servicing resources: The Pareto Principle remains relevant in a digital servicing age.

USAA's chatbot provides query options based on FAQs
Leveraging Customer AssistBOTs for more complex use-cases

To leverage bots for more complex, higher value use-cases, Vee24 recommends building Customer AssistBOTs as follows:

1. Start by mapping a lower-commitment journey and providing basic tools such as Text Chat.

2. Having demonstrated value, then add capabilities such as co-browsing (for example showing various rate options to a mortgage prospect).

3. Map out a single high value, more complex journey such as mortgage lending (rate enquiries, form filling, appointment scheduling) step-by-step rather than attempting multiple use-cases at once.

4. Reshape the process to remove unnecessary agent involvement while ensuring the customer receives a smooth transfer to an agent when appropriate.

5. Work with a provider to replace the current process with this ‘AI-enhanced’ journey.

Customer feedback, user research, agent knowledge and contact centre and branch logs all feed into the mapping process. Creating a seamless handover from bot to agent is vital to avoid frustrated customers and missed sales opportunities.
Agent AssistBOTs

Agent AssistBOTs which equip busy agents with vital customer knowledge are key members of the chatbot family. This falls under the category of Search Optimization Chatbots which we covered in a previous AI insights piece. The employee-facing chatbot that helps reduce overall transaction times, but still drives the human interaction that customers typically crave.

Agent AssistBOTs help agents succeed by providing unified customer information and quick access to offline content. Iyer added, “The Agent AssistBOT can be very helpful for ensuring compliance, prompting agents to ask pertinent follow-up questions, and help solve seasonal staffing challenges.”

Proactive NudgeBOTs: The initiate bot

A well-designed NudgeBOT delivers the right messages at the right time, to ‘Greet’, ‘Meet’, or ‘Complete’ a process. Using deep knowledge of customer journey analytics, these bots help to give customers the best experience possible when they use public sites. Providers typically use these bots to:

1. Qualify customers to generate valuable sales leads for agents
2. Provide information nuggets to educate those prospective customers in research mode about brand and products, to move them into higher value journeys
3. Help customers make a decision when confused by multiple product choices
4. Reduce risk for customers, especially for higher value products
5. Prevent abandonment in the late stage of a sales cycle

Vee24 has observed that these NudgeBOTs can double sales conversion while reducing the sales cycle time by over 30%.
The future of customer-centric bots

Currently, Informa Financial Intelligence’s chatbot research show that the majority of bots are built from the company’s perspective, keeping the journeys within its own channels. We believe that moving forward, bots will become more customer-centric.

In the near future, customers could have their own personal bot, that interfaces with company bots to help them on their digital journeys. With bot assistants already appearing in banking aggregator platforms, customers are already a step closer to this reality. Allowing a live engagement solution to bring the in-branch experience to the digital presence coupled with chatbots, can help complete the vision for a fully supported customer experience while maintaining costs.

When it comes to the question of AI chatbots replacing agent job functions, Vee24 is seeing financial providers leverage technology and functionality using the bot, thereby making support teams more efficient, driving greater agent satisfaction scores and boosting agent onboarding and training processes. Iyer says, “More importantly, it’s about delivering differentiated customer experiences to build better brand loyalty.”

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Informa Financial Intelligence tracks digital banking innovation via real accounts, producing behind the login insights to improve customer onboarding rates, drive customer sentiment and cross-sell additional solutions. For more info, visit: pages.financialintelligence.informa.com/digitaltrackers

Want more help building a chatbot?

Vee24 is trusted by the world’s leading customer-facing brands to develop online sales and customer support platforms that leverage chatbots, voice chat, video chat, text chat, co-browsing and screen sharing to provide a full omni-challen experience. For more info, visit: www.vee24.com/platform