CONTACTBABEL

AI in US Contact Center Verticals
Financial Services

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AI in US Contact Center Verticals: Financial Services

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The power of empathy in every experience

A full-featured, AI-powered experience platform creates a bold new way for personalised CX

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AI IN US CONTACT CENTER VERTICALS: FINANCIAL SERVICES

Each business sector has its own specific commercial and operational issues that affect its contact centers.

The "**AI in Contact Center Verticals**" series of reports quantifies the main pressures and issues most affecting major business sectors and their contact centers, and identifies the AI-enabled solutions that can best address them.

Through detailed analysis of surveys with hundreds of US contact centers, ContactBabel has identified five significant concerns and issues which are found in many financial services customer contact operations:

- Excessive call lengths impact cost and service

- The need to comply with industry regulations

- Improving customer personalization

- Managing fraud risks while maintaining customer experience

- Reducing unnecessary calls through superior self-service and digital interactions.

The report shows how and why these issues arise, and looks at ways in which AI-enabled solutions can alleviate them, improving performance and customer experience while helping profitability.

BUSINESS ISSUE #1: EXCESSIVE CALL LENGTHS

Average inbound call length has traditionally been a metric which most contact centers have tracked, as it is directly related to cost and is also easy to quantify.

Some years ago, enlightened operations began to regard this metric with wariness, as a call which is cut short too quickly can often mean a worse experience for the customer (with lower revenues over time), lower first-call resolution rates (which increase costs in the long-term) and fewer cross-selling or upselling attempts being made.

However, increased call lengths mean increased costs and reduced agent availability, and businesses that keep a control on call duration also manage other metrics important to their customers, such as queue times and call abandonment rates.

As the chart shows, average call duration across the industry has risen steadily, mostly due to easier and shorter calls being handled by self-service. However, despite finance calls being generally lower than the industry as a whole for many years, the finance sector's call durations have risen substantially in recent years and are now close to parity.

Figure 1: Average service call duration, Finance vs industry average, 2010-2024

Average service call duration, Finance vs industry average, 2010-2024
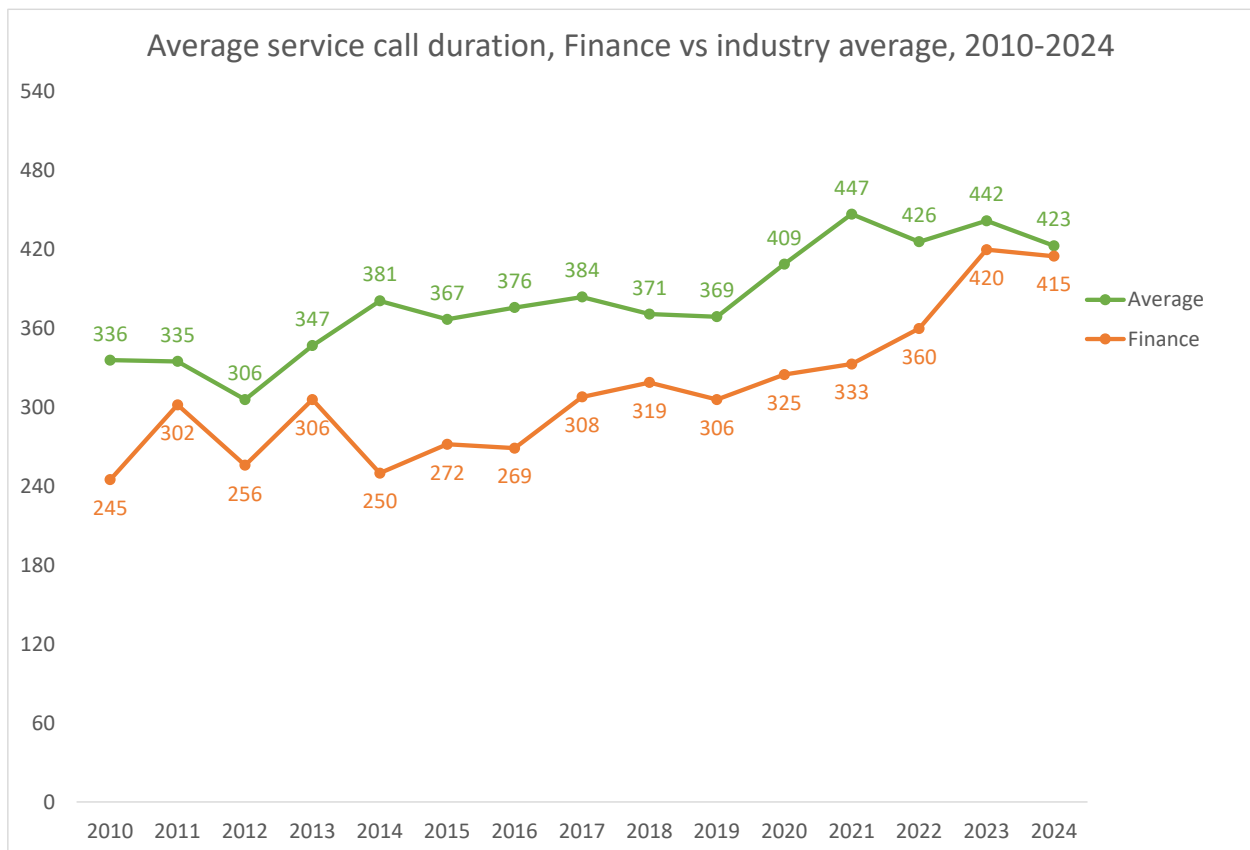
As shown next, this directly and negatively impacts upon customer experience.

Agents that are on calls obviously cannot also be answering new calls: therefore, queue times rise as call durations increase.

Speed to answer plays a vital part in improving the customer experience, and also feeds into other performance measures such as call abandonment rate: obviously, the longer the queue, the more people will abandon the call.

The following chart shows historical figures for average speed to answer and call abandonment rate.

Figure 2: Average speed to answer & call abandonment rate, 2013 - 2024 (Finance)

Average speed to answer & call abandonment rate, 2013 - 2024 (Finance)
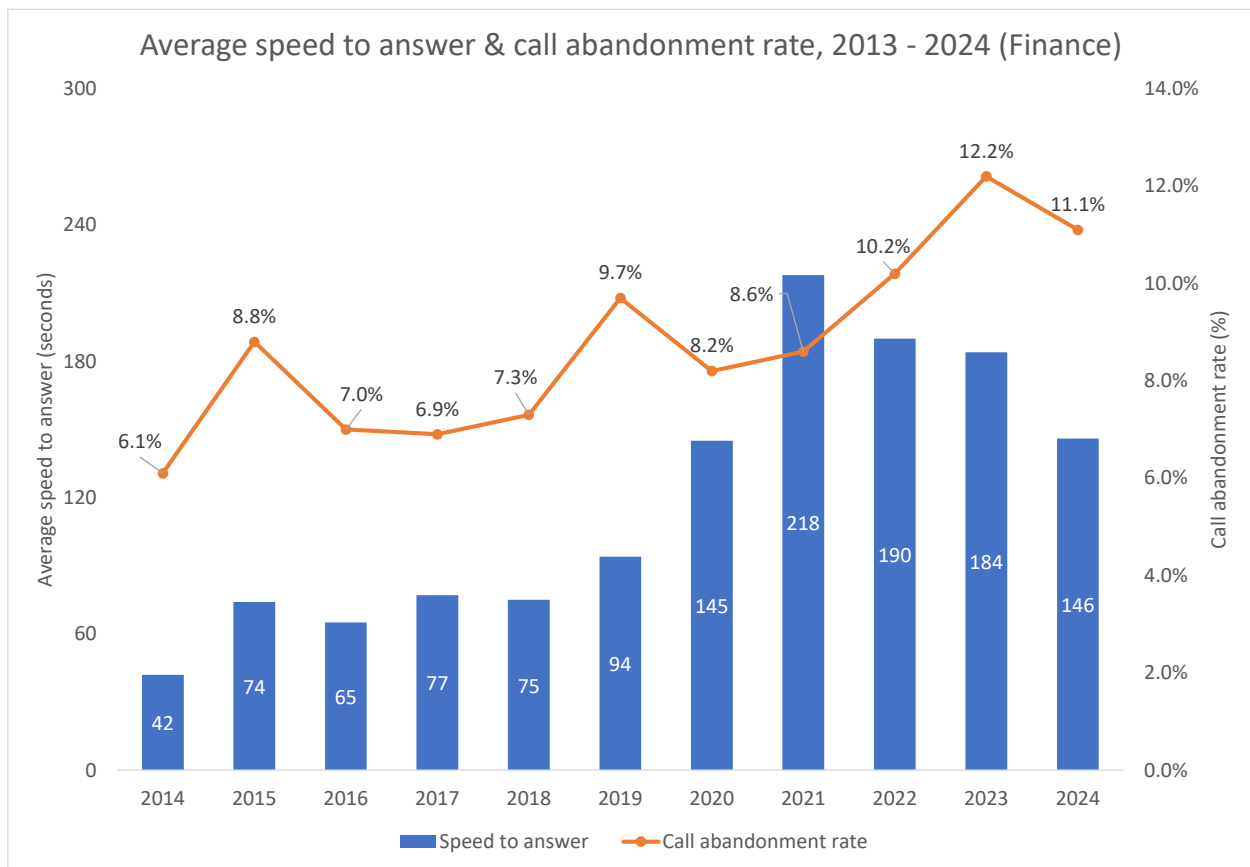
While – in line with the overall contact center industry – there was a huge uptick in 2020 and 2021 caused by pandemic-related working practices, despite a return to some sort of normality speed to answer remains high compared to the historical average.

Call abandonment rate – already high compared to the industry as a whole – has tracked further upwards recently, driven by speed to answer.

It should be noted that as sample sizes at a vertical market level are necessarily smaller than industry averages, there may be wider movements from year to year, especially as different companies take part in the surveys.

However, these figures show a strong definite movement towards longer call durations, longer queues and higher call abandonment rates in financial services contact centers.

Quite apart from the additional costs being borne by companies with longer calls, the effect on customer experience is pronounced: our annual surveys with thousands of US customers consistently report that the key drivers for positive customer experience are short queue times and high first-contact resolution rates.

As an aside, it is also worth noting that customers' **perceptions** of how long they have been queueing are far higher than reality: past ContactBabel research asked customers to estimate their typical wait time, which was reported to be 23 times higher than the actual industry average.

This further shows that the effect of queue times on customer experience is exceptional: even a reasonable queue time is a burden to most customers. When the queue time is actually long in reality, it makes a major difference to how those customers then feel about the business they are contacting.

HOW CAN AI REDUCE CALL LENGTHS?

AI-enabled solutions can be applied not only to reduce any wasted or low-value time within the call, but also to provide richer content to customers and assist agents to do their job more efficiently.

There are numerous reasons why a call can be long, and businesses should consider which parts of a call are necessary and which are not. The following elements of a typical call will be considered:

- Call routing

- Customer identification and authentication

- Talk time

- Post-call wrap-up.

Driving cost efficiencies at a top three global bank

Leading Global Bank

Faced with managing the performance of over 30,000 customer care agents supporting its consumer banking division, the top three bank sought to transform their approach to performance management.

The goal? Boost agent engagement with metrics to drive productivity, while making the process fun and rewarding.

The Challenge

The company struggled to engage agents with their performance because scorecard information was often stale and not visually engaging. Agents and their supervisors had difficulty identifying areas for improvement.

Agents also expressed dissatisfaction with lengthy and unengaging training, leading to poor knowledge retention and overall performance. A lack of recognition and the burden of absorbing customer stress decreased job satisfaction.

The Solution

The company introduced gamification and personalized goals to help agents track progress and encourage friendly competition. Leveraging AI, the platform delivered targeted training to address each agent's knowledge and performance gaps, driving continuous skill enhancement. AI-powered insights enabled team leaders to recognize achievements and deliver immediate, personalized feedback, ensuring every interaction contributed to individual and team success.

Centrical's Impact

4%
AHT Reduction
(within 3 months)

$2M
Cost Efficiencies
at Scale

"Centrical is a **game-changer** for our specialists and team leads. We are seeing positive **impacts to performance** within just a few months after launching the platform. Our team can't keep up with all the different groups who want to get their hands on the platform. **Ten out of ten!**"

**C-Level Executive,
Consumer Banking**

Ⓞ centrical™

INTELLIGENT CALL ROUTING

While screen popping is useful for cutting time from the early part of a call, the insight that this functionality provides is often limited.

AI enables an instantaneous gathering and assessment of data from multiple sources to occur even before the call has been routed, which allows accurate prioritization and delivery of the call, helping agents by matching skills and requirements, and providing them with information before the call.

For example, an AI working in an airline contact center may judge a call to be urgent if the caller:

- Has booked a flight for this day

- Rarely calls the contact center, preferring to use self-service

- Is a frequent flier

- Is calling from a mobile phone rather than a landline

- Shares a similar profile with customers who only call for very urgent reasons.

In such a case, the AI may consider that there is a likelihood that the call is directly related to the flight that is happening today (e.g. there's a danger of missing the flight and the customer may need to rebook), and is able to move the call to the front of the queue and route it to an agent experienced in changing flights, and whose communication style suits the situation and customer profile.

Taking this a step further, the AI is able to augment the conversation with suggestions based upon what the agent is doing on the screen and also, through listening to the details of the conversation, is able to provide relevant information without the need for the agent to search for it, such as the next flight to the customer's proposed destination or the refund / transfer options. At the end of the call, the AI can then email or text the agreed solution to the customer without the agent having to do this manually.

Finance contact centers will have their own views on the types of customer and scenario where priority routing is of importance to them.

AUTOMATED CUSTOMER AUTHENTICATION

Until a few years ago many businesses relied on trust that the caller was who they claimed to be, asking only for a name and address.

Today, identity verification processes are now seen as critically important and most calls that are not initial enquiries will need to verify a caller's claimed identity by asking for additional information that only the real customer should know (knowledge-based authentication, or KBA).

However, fraudsters have often gained access to personal information such as mother's maiden name and date of birth, along with payment card details that have been stolen from websites, and research has shown that knowledge-based questions are answered correctly by fraudsters the large majority of the time.

Automated customer authentication not only reduces the threat from fraud, but also frees up significant time within a call which can be used to decrease call queues.

AI's role in this is discussed later in this report, in "**Business Issue #4: Reduce fraud and maintain customer experience".**

OPTIMIZING TALK TIME

AI offers great opportunities for a reduction in talk time, without negatively impacting customer experience or outcomes.

Within calls, time can be wasted by:

- searching for the right information

- accessing multiple applications and screens

- repetition due to mishearing

- pauses for agents to type

- reading long terms and conditions to customers.

AI offers an opportunity to provide timely and effective support to every agent as necessary, actually within the call.

Finding the right information: AI can provide the agent with suggestions about next best action, pull up relevant information from the knowledge base, make suggestions based on customer history and sentiment about optimal cross-selling and upselling opportunities, and even the style of conversation that this customer may prefer.

This has a positive impact on first-contact resolution as well as customer experience, and is of particular use to less experienced agents and for unfamiliar subject areas.

AI monitors the real-time desktop and voice data, triggering processes such as information provision and back-office processes.

It can also provide coaching or alerts if there's a lengthy pause in the conversation or anything has been done wrong. Agents can also use specific phrases, such as "I'll just look that up for you", triggering the AI assistant to take action and putting the information on a single agent desktop application.

AI can work alongside agents to provide relevant knowledge that may be otherwise take a long time to find, and update the knowledge bases available to humans and AI self-service systems using an automated feedback loop that is constantly improving based on actual outcomes.

Accessing a single screen: Many of today's contact centers use complicated, multiple applications, often only loosely linked, which require skilled and experienced agents to navigate, let alone to manage interaction with customers successfully at the same time.

In most cases where complex, multiple applications are used, they are necessary for the agents to do their job, so the question is not "How can we reduce the number of applications?", but rather "How can we improve how the agent uses the applications?".

At the moment, due to complexity, expense and the sheer weight of constant change, applications are either integrated very loosely, or not at all. Agents are trained (or more likely, learn on the job) to switch rapidly between applications, relying on their experience to make sure they don't forget to do what's required

Many contact centers in the finance sector still rely on information held in legacy systems, and finance agents use an average of 4.8 applications within a call, and 3.2 post-call, which leads to considerable amounts of time being spent – especially by inexperienced agents – trying to find the right information or input data on the correct screen.

There are significant issues around not asking or forgetting to key in information, failing to initiate the correct follow-on processes or type in consistent data. The use of multiple applications will have a negative effect on training times and accuracy rates for new agents as well.

AI-enabled desktop automation solutions can remove the need for agents to log into multiple applications, assist them with the navigation between applications within the call, and make sure that customer data is gathered from the correct places and written back to any relevant databases without the need to navigate through multiple systems.

Within the call, AI-enabled agent assistance can help the agent to provide the right information at the right time, seamlessly linking with multiple back-office applications and databases, providing only what is relevant onto the agent's screen.

Depending on the experience or profile of the agent, what the customer is trying to do and any regulatory inhibitors, on-screen buttons can be enabled or disabled, or access to fields limited according to business rules.

Furthermore, adherence to business processes can be assured by making the agent complete all of the required steps in the transaction (for example, adding call notes, reading disclaimers, etc.).

Reducing repetition due to mishearing: In our survey of 1,000 US customers, 53% reported that they "very or fairly often" had problems hearing the agent, or that the agent asked them to repeat something. This is not just an issue for older customers, as 56% of the youngest cohort reported experiencing this either "very often" or "fairly often".

Lack of audio clarity is not restricted to the contact center's side of the conversation, where high-quality noise-cancelling headsets can improve matters for the agent in terms of removing background noise at their workplace. With more people than ever using mobile telephony to speak with organizations, both agents and customers have to concentrate very hard on the conversation, with the attendant stress and frustration that this can cause, particularly for the agent who may handle 80-100 calls each day.

AI-enabled voice isolation can intelligently remove background noise from both sides of the conversation, both in real-time to assist the smooth and accurate flow of the conversation, and also in recordings to improve post-call analytics and voice-to-text transcription. Businesses have to spend much less on upgrading and replacing top-of-the-line headsets.

Reducing the number of times an agent or customer has to repeat themselves can make a huge difference to cost, with the attendant positive effect of reducing call times (and thus queue lengths) and improving customer experience.

Reducing time taken for agents to type: AI can be integrated with CRM systems to populate forms with relevant customer information retrieved from databases or previous interactions, reducing the need for manual entry by the agent.

AI can also listen to the conversation between the agent and the customer using natural language processing to identify key information and automatically enter this data into the correct fields.

Furthermore, if a customer calls about a common issue, AI can predict and pre-fill the form, offering contextual assistance such as automatically populating the relevant fields in the form for reporting a lost payment card.

AI can also draw from a customer's history and preferences to personalize the form completion process. It can pre-populate fields with known preferences or previous selections, making the process quicker and more personalized.

AI can also detect errors in real-time as the form is being filled out, such as incorrect formatting or mismatched data (e.g., an invalid address), suggesting corrections or automatically adjusting the information.

Using AI to read terms and conditions: Many financial services organizations have long terms and conditions that they have to read to customers within the call, in order to remain compliant with regulatory requirements.

If the customer is made aware and agrees that an AI is reading out these statements, and that they have the right to speak to a human at any time, businesses may wish to consider using AI to do this.

The agent can then carry out an extra work connected to the call while the terms are being read out, which could save time overall.

Focus on What Matters to Financial Services Customers

DELIVER EXCEPTIONAL CUSTOMER EXPERIENCE (CX) BY UNDERSTANDING THE CUSTOMER'S PERSPECTIVE

Their Perception is Your Reality

Most organizations presume what customers need, want, and expect, only to realize at some point "We don't know what we don't know!". While customers are actually very specific about what they engage with your organization, at every step along the customer journey.

The Customer Will Tell You What Works, and What Doesn't

An omni-channel contact center, that offers the choice of voice, chat, email, social media, and video channels, provides the best approach for gathering the intelligence you need to deliver the customer experience your customers expect. **The Upside?** The richness of the data you gather grows every day.

Just Listen

But, this data is only useful if analyzed the right way - objectively. Insight comes from looking at every touchpoint along the customer journey. By aggregating and assessing all interactions, your organization can develop a more complete view of what your customers think.

Leverage Actionable Insights Extracted Using AI

By analyzing customer verbatims, and their context, along with intonation and inferences, insights can be extracted that will clearly tell you how best to engage with your customers, helping you to exceed your customer's expectations.

Click Here to Learn how to use AI to Deliver the Financial Services Experience YOUR customers expect

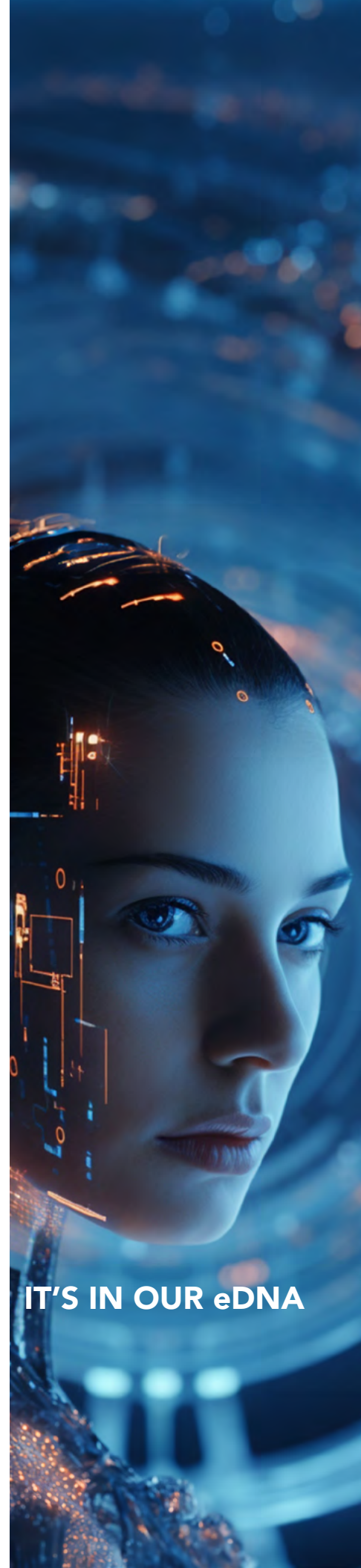## SOLUTIONS THAT DELIVER EXCEPTIONAL CUSTOMER EXPERIENCES

THAT'S WHAT WE DO   IT'S IN OUR eDNA

Enghouse Interactive

EnghouseAI

REDUCING POST-CALL WRAP-UP

On average, 14% of financial service agents' time is spent on post-call work, which is higher than the US contact center industry as a whole.

The post-call wrap-up stage wastes a lot of time and effort through sub-optimal manual processing of data. For example, a change of address request could take many minutes in a non-unified environment, with several separate databases having to be altered, which is itself a process prone to error, risking at least one extra unnecessary future phone call from the customer trying to put things right.

Reducing wrap-up time through AI-enabling the agent desktop is not simply a matter of writing consistently to the correct databases, although this is a key element.

The contact center also initiates a number of processes elsewhere in the enterprise: it is the prime mover for sending out documents and items, arranging deliveries, taking payment and many other key elements to a successful customer-business transaction. Automation solutions (including robotic process automation - RPA) can handle these processes in a consistent, accurate and rapid manner.

AI can also make a major difference to post-call efficiency through helping with call summaries and dispositions. Many agents spend a significant amount of time making notes within calls, and then writing them up afterwards, meaning not only that the agent is not available to take other calls, but also that they are perhaps not giving the customer their full attention during the call.

Using natural language processing and generative AI, call summaries detailing all of the relevant information can be created in real-time which can then be checked and amended by the agent. Individual agents will have varying writing and summarizing capabilities, so this ensures consistency of quality. The next agent to speak with that customer will benefit from having a concise and accurate note of what has been discussed previously, meaning that it is not only the original call which is shortened.

If appropriate, the call summary can also be emailed to the customer, which shows them that the business has understood their query and is acting upon it. Having an accurate call record at hand could also remind the customer of key points and action items, preventing some unnecessary repeat calls.

This use case should be seriously considered for implementation, as it has the benefit of being internally focused (thus reducing risk) and can also be applied to almost every call received. Post-call notes do not have a particularly high profile outside the contact center as they are a hidden part of the interaction, but this use case has huge potential for spectacular ROI, especially in finance contact centers where post-call work is significant.

Get more from your AI investment
— and faster results

How to build your business case for AI

It's no longer a question of whether to add artificial intelligence (AI) to your technology mix, but when and where. As customer experience (CX) takes center stage, stakeholders are increasingly open to AI apps and appreciate the potential value. And executives might be actively pushing your teams to incorporate AI because they're hearing how other businesses are implementing AI and winning at CX.

What makes AI different than other business cases

The power of AI is how it enables genuine transformation of workflows, processes and organizational structure. These can fuel many long-term benefits, such as improved employee satisfaction and retention, skills acquisition, brand enhancement and a higher valuation of the company.

Developing a business case for AI is a journey of discovery that requires a mindset of continual optimization. The more you and your teams work with AI technology, the more innovative uses you'll find for it. And laying the groundwork for long-term success in a business case is the first milestone.

There's no single roadmap for AI because there are many ways to harness its transformative power. Start with the results you and other stakeholders want to achieve and tell that story. Make sure that you fully understand — and can substantiate — the metrics that support the story of your business case.

As a champion for AI, you'll be challenged to visualize innovation — and validate results — in a way you might not be prepared for.

See our methodology for an AI business case and where to focus your efforts.

Put your focus on how AI will deliver results and what your organization needs to do to make those results possible.

Four steps to construct a business case for AI

1. Strategy: Build consensus and alignment among stakeholders

2. Prioritization: Determine which use cases make sense now and which to save for later

3. Impact: Use metrics to show how changes will impact people, processes and workflows

4. Value: Quantify the business value and tell a compelling story

Get your guide

GENESYS™

Financial services organizations must comply with multiple regulatory requirements, and prove that they are doing so.

The importance that they place on this can be seen in the chart below, which shows the relative importance of various factors affecting contact center strategy.

Businesses from all sectors were presented with 10 factors, and asked the question: "How important are these drivers for strategic contact center change, where 0 is very unimportant, and 100 is vitally important?".

To show the factors that particularly stand out for each sector, the finance vertical market's score was compared to the contact center industry as a whole, and the chart below shows the areas which differ most from the average.

Clearly, the finance sector places far more importance on complying with regulatory issues than the contact center industry as a whole, as well as customer personalization.

Figure 3: Importance of contact center strategy factors – Financial Services vs overall industry

Importance of contact center strategy factors – Financial Services vs overall industry

- Regulatory issues
- Greater personalization
- New technologies
- Reducing service costs
- Customer satisfaction score
- Agent attrition
- Sales/growth levels
- Changing customer age profile
- Our competitors
- Changing channel preferences

Key:

- 25%+ more important
- 10-25% more important
- <10% more / less important
- 10-25% less important
- 25%+ less important
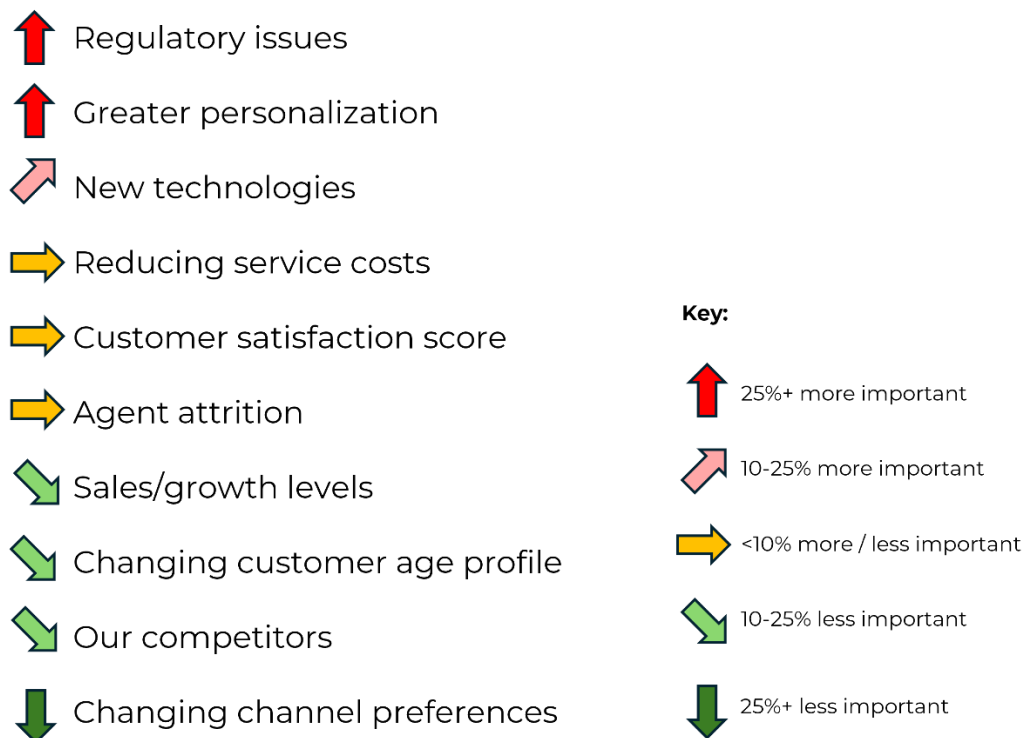
Through real-time monitoring of calls, AI can analyze conversations to detect non-compliant language or actions, such as making unauthorized promises or discussing prohibited topics.

When AI detects potential compliance violations, it can instantly notify supervisors or trigger automated actions, such as ending a call or redirecting it to a compliance officer, or prompt the agent within the call to comply with regulations.

AI can transcribe calls accurately, providing a verifiable record of conversations. This is crucial for auditing and demonstrating compliance with regulations, as well as identifying agents who have the greatest difficulties in remaining compliant who can then receive personalized training.

AI can also analyze all call recordings, not only for compliance purposes but also to improve overall quality. Basing QA and coaching decisions on the analysis of 100% of calls rather than a small sample means outcomes are far more accurate and fair.

AI can make QA professionals aware of any outliers – either very good or very bad customer communications – providing great opportunities for the propagation of best practice or identifying urgent training needs.

BUSINESS ISSUE #3: INCREASE CUSTOMER PERSONALIZATION

As the previous diagram shows, financial services contact centers also place a great deal of strategic emphasis on being able to personalize their offerings and customer interactions.

However, it is impossible to deliver traditional one-to-one personalization to thousands or millions of customers, as there is no way every agent can know every customer.

This is where customer segmentation is useful, allowing businesses to organize customers into groups based on shared characteristics, behaviors, or preferences, so as to deliver more relevant experiences.

Through AI-enabled interaction analytics, it is possible to hypothesize what customers' preferences are for receiving customer service, for example preferred channel, valuing empathy over speed, how they prefer to be addressed and communication style.

AI can be used to pinpoint the exact words that customers used to describe their issues and to use sentiment analysis to see the processes and actions which are making them frustrated or happy, allowing a better idea of the typical customer journey for each segment.

There are three key processes which have AI-enabled solutions and techniques to make it easier and more effective for the organization to engage and deliver personalized interactions at scale while managing costs:

- **Identify the customer**: using voicebots, speech recognition and customer authentication techniques, provide agents and systems with knowledge about specific individuals before the conversation starts. Provide a single view of the customer across channels so that they have a seamless customer experience.

- **Know what that customer wants**: interaction analytics, in tandem with artificial intelligence, can provide insight into the customer's likely requirements, allowing a quick and effective interaction to take place regardless of channel.

- **Engage the customer and deliver personalized service beyond their expectations**: AI-enabled AI assistance provides the right information at the right time, advising the agent how to achieve the best outcome while managing call times.

  Self-service is supported through intelligent chatbots which can understand natural language and the context of the enquiry. Agent empathy and active listening reassures customers that their issues are being heard and understood, while proactive outbound service can help customers before they even know they have an issue.

Fore more information about improving customer personalization, please download "The Inner Circle Guide to Customer Engagement & Personalization".

BUSINESS ISSUE #4: REDUCE FRAUD AND MAINTAIN CUSTOMER EXPERIENCE

Customer security processes are about two factors: are you who you say you are, and are you allowed to do what you are trying to do?

A mean average of 80% of inbound calls to US financial services contact centers require caller identity verification. This takes an average of 45 seconds per call, which is almost 11% of a typical call's length.

79% of financial services calls are authenticated by agents, with 28% carried out by touchtone IVR, 2% through speech recognition and 2% by voice biometrics (the total is greater than 100% as some interactions require more than one method to be used).

The cost to the industry runs into hundreds of millions of dollars each year, and adds nothing to the customer experience. It also impacts negatively on agent engagement: an agent may spend half an hour or more of their shift doing the mundane and repetitive task of taking customers through security.

Dedicated authentication solutions such as voice biometrics and call signaling analysis are increasingly being used in the finance industry, but these are often expensive and may not be suitable for all sizes of business.

Having a voicebot rather than an agent take customers through security will reduce costs while providing a similar level of customer identification to live agent authentication, and has real potential to cut costs and improve agent morale.

The security process remains the same as if it were a live agent taking these details, with the voicebot simply taking their place. If the voicebot detects undue levels of stress or anxiety, it can flag the call to the agent as potentially fraudulent and further security checks can then take place.

AI can improve knowledge-based authentication by learning from previous interactions and dynamically generating questions that are harder for fraudsters to predict or research, but easier for the real customer to answer. For example, instead of static questions, AI generates real-time questions based on recent transactions or interactions that only the legitimate customer would know.

AI systems can also analyze large datasets of customer behavior to detect unusual patterns that might indicate fraud, such as calling from a new location or device.

For more information about customer authentication solutions, please download "The Inner Circle Guide to Fraud Reduction and PCI Compliance".

On average, 29% of calls received to US financial services contact centers are from customers who have tried and failed to solve their issues online through self-service, a figure higher than the contact center industry average of 21%.

Not only is web self-service underperforming, but the finance industry has one of the highest levels of telephony usage, with the channel accounting for 87% of finance's inbound customer interactions (this figure includes live agents and voice self-service).

Figure 4: Proportion of inbound interactions by channel, Finance vs overall
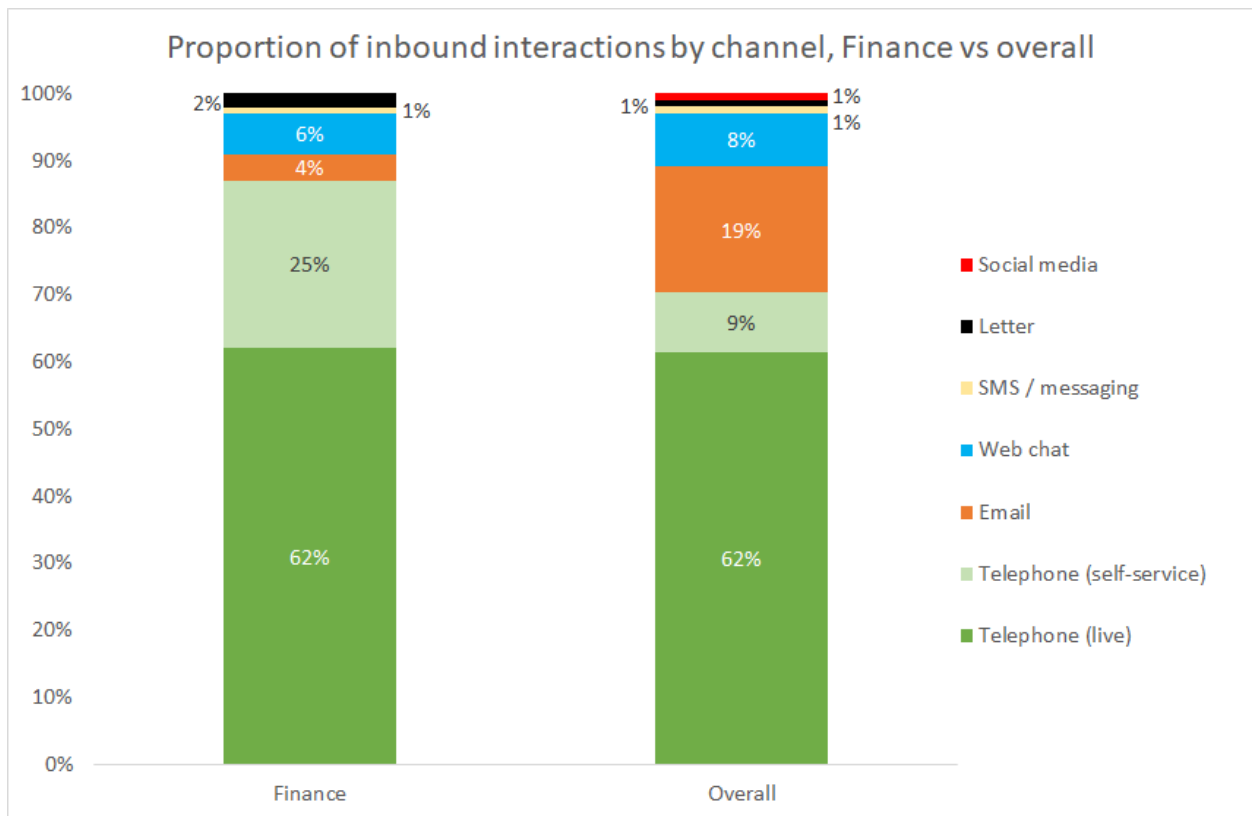
AI can analyze the types of issues that are commonly resolved first time, and suggest enhancements to self-service tools to empower customers to resolve similar issues without contacting an agent.

Based on analysis of past interactions, AI can direct customers to specific self-service resources that have successfully resolved similar issues, reducing the need for agent intervention.

It is not only self-service that is sub-optimal. Despite the growing efforts of many banks to engage customers through digital channels, the sector lags behind the contact center industry as a whole. Issues around security often come into play, especially where customers are trying to contact an organization outside a dedicated app or secure website.

Many customers also have a strong and growing preference for communicating by phone in cases of high emotion, urgency and complexity: circumstances which are common to many financial services interactions.

However, there are signs of success. The proportion of web chats handled by chatbots in the finance sector is higher than that of the average contact center: 34% are handled initially by chatbots and then handed to a live agent, while 16% are handled entirely by chatbots. Of course, this means that half of web chats are still handled entirely by live finance agents.

The next stage is to implement more sophisticated applications that can handle more difficult issues, as well as recognizing earlier in the interaction that it will require a live agent to reach a successful outcome.

It is not only chatbots which have their place in financial services contact centers.

1 in 4 interactions to financial services contact centers are through the voice self-service channel, meaning there are very significant opportunities for voicebots.

A voicebot is an application made up from AI and natural language understanding (NLU). Voicebots convert speech to text, analyze it and respond appropriately using text-to-speech. It is integrated with CRM or a knowledge base in order to provide a greater accuracy and depth of response. It should be noted that a common use of speech recognition, such as keyword spotting in order to route a call, is not the same as a voicebot.

The success or otherwise of voicebots is very affected by how callers are encouraged to use the service. The customer needs to have the confidence that the system will understand their natural language request and may otherwise provide very short, one-word answers in the same way that some inexperienced customers still use keywords when interacting with chatbots.

If nothing is given in the way of prompts or examples, callers may give too little or too much information as they are unsure of the sophistication or capabilities of the system, and this may be a reason for high self-service abandonment rates. Using prompts such as "describe in a few words why you are calling us, for example 'to start a new mortgage application'" can be extremely useful in setting ground rules for the successful use of a more sophisticated voicebot self-service application.

While a voicebot can deliver the same type of sophisticated AI-enabled functionality as chatbots, there are some extra elements to consider in implementation and usage:

Noise cancellation: the additional requirement of carrying out speech-to-text in order for the interaction to be analyzed is potentially more difficult because of background noise, but there are a number of software-based, AI-driven noise cancellation solutions available that can provide a clearer and more accurate delivery of the customer's voice. This is particularly important when capturing names, addresses, payment card details and account numbers that could then be passed onto the agent if required.

Resilience: the dependency on multiple systems – sometimes external ones – means that integration may not be entirely straightforward, with components such as speech-to-text, natural language processing and noise cancellation all having to work together seamlessly and quickly, which risks system breakdown.

System latency: users of even basic automated speech recognition have been aware for years that it is not close to the experience of speaking with a live agent, with pauses of several seconds typical as the system processes the speech before replying. Solution providers claim that it is now possible to achieve latency of around half a second with an ideal voicebot set-up, but latency is something that businesses have to consider seriously when implementing AI-enabled voice assistants.

More information on the use and implementation of chatbots and voicebots can be found in "The Inner Circle Guide to Chatbots, Voicebots & Conversational AI".
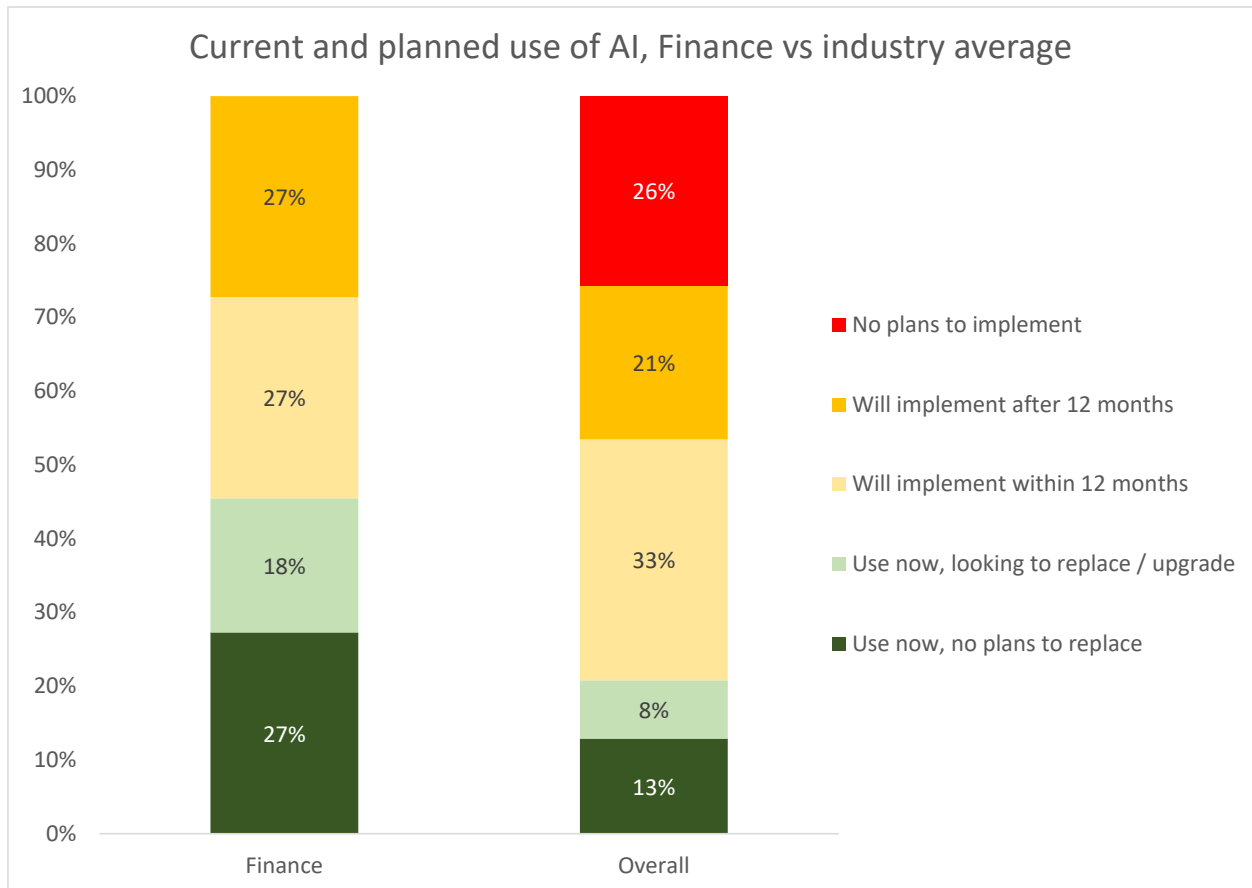
As a whole, contact centers serving the US financial services industry are experiencing severe and ongoing difficulties with their operational performance, driven in part by excessive and growing average call durations.

The level of digital contact is lower than would be expected from an industry that generally invests heavily in technology, and although customers have been encouraged to use web chat, the telephony channel is still used far more often than is the case in many other vertical markets. Telephony self-service is very high, and would benefit from the use of voicebots.

The use of telephony is in part caused by the need for security, as well as customers' strong preference for this channel in times of high emotion, urgency and complexity.

The chart below shows that the finance sector as a whole has been quite quick to implement AI-enabled solutions, such as chatbots and agent assistance, although they tend to be relatively unsophisticated and underused.

Figure 5: Current and planned use of AI, Finance vs industry average

Current and planned use of AI, Finance vs industry average

Legend:
- No plans to implement
- Will implement after 12 months
- Will implement within 12 months
- Use now, looking to replace / upgrade
- Use now, no plans to replace

Finance: 27% (Will implement after 12 months), 27% (Will implement within 12 months), 18% (Use now, looking to replace / upgrade), 27% (Use now, no plans to replace)

Overall: 26% (No plans to implement), 21% (Will implement after 12 months), 33% (Will implement within 12 months), 8% (Use now, looking to replace / upgrade), 13% (Use now, no plans to replace)

Many businesses in the finance sector would benefit by focusing efforts on reducing the parts of phone calls which are unnecessary to customer experience, and as the report has shown, there are great opportunities to do so without impacting security, regulatory compliance or effectiveness.

While the use of chatbots has risen, there are perhaps bigger short-term opportunities to improve voice self-service and improve routing through the use of intelligent voicebots.

Furthermore, widespread adoption of AI-enabled interaction analytics can identify sub-optimal business processes which are driving repeat calls, as well as offering opportunities for outbound proactive customer service which will decrease inbound call volumes.

The finance sector has the opportunity to use AI not only to rectify the significant operational issues identified in the report, but also to create greater value on each call for customers and also the businesses themselves.

SUPPLIER DIRECTORY

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ContactBabel is the contact center industry expert. If you have a question about how the industry works, or where it's heading, the chances are we have the answer.

We help US and UK contact centers compare themselves to their closest competitors so they can understand what they are doing well, what needs to improve and how they can do this.

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- The UK Contact Centre Decision-Makers' Guide
- The US Contact Center Decision-Makers' Guide
- The UK Customer Experience Decision-Makers' Guide
- The US Customer Experience Decision-Makers' Guide
- Exceeding UK Customer Expectations
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- UK Contact Centre Verticals: Communications; Finance; Insurance; Outsourcing; Retail & Distribution; Utilities
- US Contact Center Verticals: Finance; Insurance; Outsourcing; Retail & Distribution

- AI in UK Contact Centre Verticals: Finance, Healthcare, Insurance, Public Sector, Retail & Distribution, Utilities
- AI in US Contact Center Verticals: Finance, Healthcare, Insurance, Public Sector, Retail & Distribution.
- The AI Series: how can AI can help contact centers' operational and commercial issues? Research reports: First-Contact Resolution; Revenue Maximization; Workforce Engagement; Business Insights: Customer Insights; Agent Productivity; Digital Customer Contact; Contact Center Cost Reduction; Customer Satisfaction.