

## MARKET COMMENTARY

# 8 Ways to Improve Account Holder Service

Providing exceptional service in your bank or credit union helps attract and retain customers or members. As technology becomes more robust and consumer buying habits shift, financial institutions must constantly be looking for areas of innovation and ways to meet the demands of a 21st-century consumer.

# 30%+

of key "go-to" staffs' daily time is spent supporting frontline staff questions. This inefficient system leaves customers or members waiting on hold and employees scrambling for information.

### 1. Empower Your Employees

Your account holder service employees are your frontline. As such, they need to have the right resources to provide exceptional account holder service. But many times, they don't. Far too many banks and credit unions are falling behind when it comes to providing their employees the tools they need to most effectively do their job. The result? Not only does account holder service quality suffer, but employee morale as well.

Inefficient and disorganized knowledge base solutions result in confusion for your frontline staff. They can't find the information they need which impacts their confidence and the confidence of customers or members. In order to change this, banks and credit unions need to ensure that every employee has:

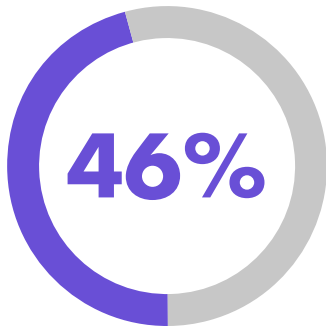
- Accurate, up-to-date and consistent information
- Immediate answers to their questions
- An easy way to search for information

All too often the critical information employees need to effectively answer account holder questions is buried in long policy documentation or only available by asking the "key go-to people" i.e. lending and managers. In a recent SilverCloud poll, a majority of banks and credit unions reported that 30% or more of key "go-to" staffs daily time is spent supporting frontline staff questions. This inefficient system leaves customers or members waiting on hold and employees scrambling for information.

Empowering employees with fast access to information and streamlined processes is the first step to improving employee productivity and employee satisfaction.

### 2. Allow Consumers to Self-Service

Today's consumers are increasingly more and more self-reliant. We've been conditioned by digital services like Netflix, Amazon, and Google to find what we want, whenever we want — so much so that we yearn for and expect it. Be it searching for a product or service, or changing the settings on our own account or service plan — the ability to do-it-ourselves is not only convenient and efficient, it's empowering.



**46%**  
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Google

In addition to product information and the ability to execute transactions, consumers want easy access to support related questions, like what is my routing number or how do I transfer money. Providing self-service support content across bank and credit union web, mobile, and online banking platforms improves consumer satisfaction levels, improves account holder retention, and increases conversion – particularly when account holder service departments are offline.

### **3. Stay Consistent Across all Touch Points**

According to an Ernst & Young Consumer Banking Survey, omni-channel experience was listed as one of the key areas for improvement among banks. The survey stated, “To stay competitive, banks and credit unions need to continue building out channel capabilities to provide 24/7 real-time access to banking, seamlessly, across channels.”

Providing consistent and accurate information across channels is a constant challenge for banks and credit unions. Yet, in today’s technological world, with consumers banking online, on their mobile devices and on tablets in addition to at branch locations, providing consistent information is becoming more and more crucial for institutions hoping to provide the best in banking account holder service. According to a Banking Technology article, “Research from Google has shown that 46% of people managing their finances online switch between devices before completing the activity. Often consumers will start research on a smartphone before migrating to a PC or tablet to dig deeper into the information they need.”

### **4. Educate Your Account Holders on Financial Literacy**

The concept of educating potential and current account holders on financial literacy is not necessarily new. What is new is how banks and credit unions are choosing to do it today, and whom they’re now targeting.

While financial literacy programs such as Operation HOPE and Junior Achievement, have existed outside of banks for many years, targeting low income and youth populations, it is only recently that banks have recognized the value in bringing educational initiatives in-house. In fact, Operation HOPE’s new model does just that, bringing its financial literacy program into bank branches. And these types of financial literacy programs are targeted to a wide range of consumers across the socio-economic spectrum.

Bank of America has partnered with the educational site Khan Academy to offer its customers financial literacy video tutorials. And Capital One offers its customers and non-profit organizations free multilingual financial education through its partnership with MoneyWise.

When it comes to financial education, the benefits for banks are huge and the avenues to deliver that education are many. As a special report put out by the Federal Reserve Bank of San Francisco stated, “At a time when competition in retail banking is fierce, targeted financial education programs can open new roads into untapped populations, such as the immigrant and underbanked markets. In addition, financial education programs can also create goodwill at the community level and strengthen relationships with local consumers and community partners. In some cases, banks can also receive Community Reinvestment Act credit for providing financial education to low- and moderate-income individuals.”



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### 5. Embrace Financial Technology

Staying in compliance with strict regulations and meeting consumer demand for immediate, on-the-go service are issues banks and credit unions are constantly struggling. Yet, as banks and the financial sector as a whole catch up with advances in technology, they are finding great opportunities to improve their bottom line and increase account holder satisfaction.

Some of the ways innovators in the banking sector are using financial technologies to improve their businesses are through:

- Exploring advances in mobile payment options
- Using biometrics, such as voice identification and eye scanning, to increase security
- Integrating systems and converting old data to new formats
- Installing drive-through video teller devices
- Taking advantage of consumer data and social media (that banks have but are not using to its full potential) to enhance bank marketing and geographically targeted offers

These are just some of the many opportunities that financial technology is making available to banks. Due to a large number of start-up fintech (financial technology) companies, there has been increasing innovation in the field. By looking to these startup companies for inspiration and finding platforms that support innovation and collaboration, banks and credit unions can gain an immense amount of knowledge and integrate systems and strategies that work best for their consumer base.

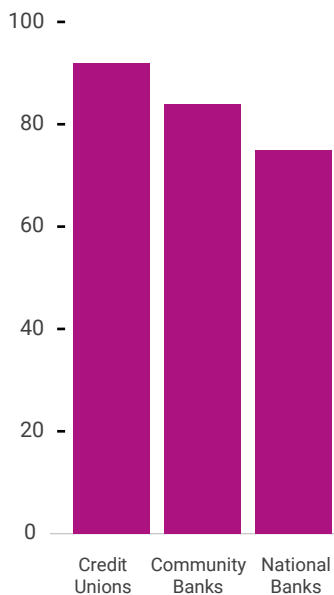
### 6. Become an Advisor, not Just a Lender, for Small Businesses

Small businesses, post-recession, are looking for more than just a lender. They are looking for a business partner. For community banks and credit unions, this client need has created a unique opportunity. Yet, many banks and credit unions have not figured out quite how to move beyond the traditional lender role they have played for so long.

Synopsizing a recent study by McKinsey & Co., American Banker said, “Serving small-business customers more holistically is a goal that many community banks aspire to. But few are truly making a transition from the lender role to an adviser one, and there is a lot of revenue upside for those who do.”

By acting as an advisor to small business clients, banks gain an additional revenue stream through fee-based services. For example, Lead Bank in Garden City, MO has begun offering services such as strategic planning, capital raising and bookkeeping to supplement their traditional loan and deposit offerings. First Financial Bank in Cincinnati offers a minimal cash management service to its customers, which moves cash to a higher return investment once the account hits a certain level.

“In the Netherlands, SNS Bank has reorganized its branches into a network of advisory-focused, cashless banking shops that serve as a physical extension of the Web. Branches are store-like outlets, have open spaces, tablets that customers can use, and extended opening Hours,” according to McKinsey and Company. “The original function of a bank branch — depositing and withdrawing cash — has disappeared. Instead, the focus is on a “consultant-style” mobile sales force specialized in selling complex products from both the bank itself and other providers.”



**Account Holder Satisfaction by Financial Institution**

Offering additional services beyond traditional lending benefits the bank through additional revenue and the small business client who gains a trusted financial partner.

### **7. Segment Your Client Base and Create Personalized Account Holder Experiences**

With so much competition in the retail banking and credit union space, customers and members have choices. What's more, consumer trust fell after the recession began in 2008. For institutions that wish to stay competitive and build account holder trust, personalization and segmentation of both messaging and services is crucial.

According to an Ernst & Young Survey and a Forrester Inc. research report, Financial Service Brands Fail to Earn True Consumer Trust, "Financial service brands have long suffered from a lack of consumer trust, but the 2008 financial collapse undermined the brand relationship. Difficult as the road is, financial service brands must strive to secure brand trust to build their brand. One of the key drivers of earning back trust is through superior personalized product offerings. High quality products that meet consumer needs are a key driver of trust in financial services."

And with the massive amounts of consumer data banks and credit unions have in their possession, the untapped opportunities for personalization are almost endless.

Credit unions have been on to this idea for years. Member relationships and community are the foundation of these institutions. So, it might not come as a surprise that member satisfaction is higher among credit unions than banks.

According to a study by First Data, "Even though credit unions are less widely used than national and local banks, they have the highest account holder satisfaction: 92 percent of credit union members are highly satisfied, compared to 84 percent for regional/local banks and 75 percent for national banks. The more personalized nature of the credit union membership experience may account for this higher satisfaction." But that doesn't mean there isn't more that credit unions can do to improve their personalization strategies.

By personalizing messaging and services, account holders are more likely to feel valued and their engagement with your bank or credit union is likely to increase. Today, there are a multitude of personalization technologies available to banks and credit unions that allow for:

- Marketing automation that includes CRMs, lead scoring, robust email marketing capabilities and ROI reporting
- Prioritization of high touch customers and members
- Individualized interactions based on account holder communication preferences
- Information delivered specifically to a customer or member based on prior behavior and recent transactions

Through personalization technology, consumers are also able to access the information they need immediately, without having to call the account holder service line. And financial institutions are able to proactively view and manage account holder journeys to better target each customer on an individual level with products and services they need and want at that moment in time.



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## 8. Test and Then Test Again

Just like no two consumers are exactly alike, no two banks or credit unions are the same. What works for one bank and one account holder segment may not work for another. The only way to know for sure what works in your bank or credit union is to test. And then test again. Testing things such as frequency, messaging and channel of communications; target markets for certain products; and special offers are just some of the very many areas possible for testing and honing.

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At SilverCloud we help banks and credit unions offer the best in customer service and experience. Through a Consumer Support solution that centralizes, manages, and deploys support answers and product content across existing web, mobile, and online banking platforms, SilverCloud provides a consistent and intelligent buying experience for the customer. Learn more about the solutions that are helping banks and credit unions provide exceptional customer service that translates into revenue, loan and deposit growth.

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Finastra unlocks the potential of people and businesses in finance, creating a platform for open innovation. Formed in 2017 by the combination of Misys and D+H, we provide the broadest portfolio of financial services software in the world today—spanning retail banking, transaction banking, lending, and treasury and capital markets. Our solutions enable customers to deploy mission critical technology on premises or in the cloud. Our scale and geographical reach means that we can serve customers effectively, regardless of their size or geographic location—from global financial institutions, to community banks and credit unions.

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