How Conversational Banking is Reimagining Customer Engagement

How Conversational AI and automation are enabling banks to meet rising customer expectations and providing intelligent analytics and real-time insights for data-driven decision-making.

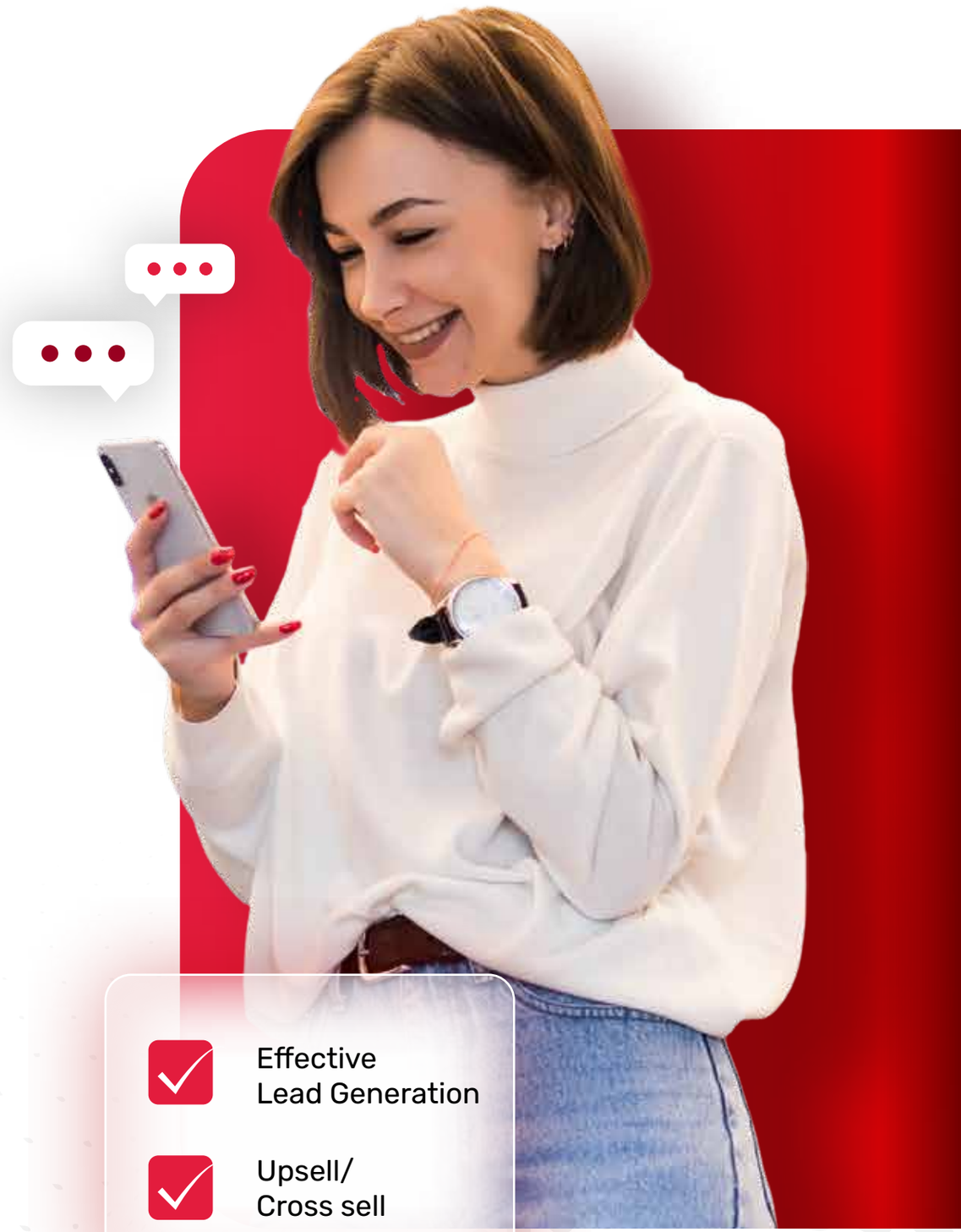


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Chapter 1

Conversational Banking for a Better Customer Journey



Conversational banking is a form of banking that allows customers to interact with a financial institution through natural language conversations, typically via a chatbot or virtual assistant. This approach can provide a more convenient and personalised experience for customers, as they can access information and perform transactions at their own pace and schedule. Additionally, conversational banking can help financial institutions reduce costs and improve efficiency by automating certain processes and reducing the need for human customer service representatives. Overall, conversational banking can improve customer journey and relationship with the bank.

How is Conversational AI Helping Banking and Financial Services?

AI can help banks improve their operations, reduce costs, and improve customer service, leading to increased customer satisfaction and loyalty.

Fraud detection

AI can analyse large amounts of data to identify patterns and anomalies that may indicate fraudulent activity. This can help banks to detect and prevent fraud more effectively.

Risk management

AI can help banks to identify and manage risks by analyzing financial data and providing insights into potential issues.

24*7 Customer service

AI-powered chatbots and virtual assistants can provide customer service and support around the clock, allowing banks to improve their customer service and reduce costs.

Personalised marketing

AI can analyse customer data to identify patterns and preferences, which can be used to personalise marketing campaigns and improve customer engagement.

Automation

AI can automate repetitive tasks such as data entry, document processing, and account management, which can improve efficiency and reduce costs.

Predictive analysis

AI can be used to analyse historical data and make predictions about future customer behaviour, which can be used to make better business decisions and improve customer experience.

Quick response

AI can fasten the process of query resolution. It can provide a quick real-time response. The machine learning algorithms are trained with many queries in advance to provide a suitable and fast reply to customers.

Increase efficiency of customer service agents

AI can solve easy to complex queries independently. It will only transfer the queries that are very complicated and need human intervention to agents. This will save time and increase the efficiency of service agents.

Chapter 2

Current Challenges in the Banking Industry

The banking industry is taking advantage of artificial technology. With AI, banks can improve their efficiency by providing quick real-time resolutions to their consumers around the clock.



1 Ability to resolve queries after non-working hours

It is possible to train AI models to handle queries outside of regular working hours by providing them with a large amount of relevant data and continuously fine-tuning their performance. This can be done using various techniques, such as natural language processing (NLP) and machine learning (ML). These AI systems can be integrated with customer service platforms to provide 24/7 assistance to users.



2 Omnichannel engagement through different mediums

Omnichannel engagement refers to using multiple channels, such as Whatsapp, email, live chat, and SMS, to communicate with customers. These many communication channels may be combined into a single platform to enable a seamless connection with customers and allow companies to reach out to them in multiple ways.

3 Quick and faster resolution without the need to visit banks

Artificial intelligence (AI) can automate many banking industry processes, such as customer service, fraud detection, and loan underwriting. This can lead to faster resolution of customer issues and reduce the need for in-person visits to banks. Additionally, AI-powered chatbots and virtual assistants can provide 24/7 customer service, allowing customers to access banking services anytime.

4 Personalised financial products suggestions to its customers

AI can analyse customer data and provide personalised financial product suggestions. For example, AI algorithms can analyse a

customer's economic history, spending habits, purchase history, browsing history, and income to suggest products and services that may benefit them, such as credit cards, loans, or savings accounts. Additionally, AI can monitor market conditions and provide recommendations for investments, such as stocks, bonds, or mutual funds. This can help banks and financial institutions to improve customer satisfaction, increase product sales, and reduce customer churn.



5 Increased workload due to the high volume of inbound calls

AI can reduce the workload of customer service representatives in banks by automating routine tasks and handling a high volume of inbound calls. For example, AI-powered chatbots and virtual assistants can handle simple customer inquiries, such as balance inquiries, account information, and transactions. This allows customer service representatives to focus on more complex issues. Additionally, AI can analyse customer interactions and provide real-time guidance to representatives, such as recommended responses to customer inquiries or red flags for potential fraud. This can help banks to improve customer service, reduce wait times, and increase productivity. When the queries are very complex, AI can route them to the customer service agents with relevant information about the customer to fasten the resolution process.

Chapter 3

Key business metrics impacted by Conversational Banking

1 Higher efficiency

Reduced cost of acquisition, lower cost to serve, lower risk

The conversational AI in banking can increase efficiency and reduce costs by automating routine customer interactions, increasing the accuracy and consistency of customer service, and reducing risk.

85%+
Automated Interactions (Including voice)

70%+
Reduction In Resolution Time

30%+
Improvement In Operational Efficiency

87%+
Increase in the QA Efficiency



Reduced acquisition cost

By using conversational AI to automate customer interactions, banks can reduce the cost of acquiring new customers. This can be achieved by providing a self-service option for opening new accounts, answering common customer questions, providing account information, and processing transactions. It can save the bank the cost of hiring additional staff.

Lower risk

Conversational AI can reduce risk by providing accurate and consistent responses to customer inquiries and transactions. This can help to prevent errors and fraud and ensure compliance with regulations. Additionally, conversational AI can detect and prevent financial crimes such as money laundering and fraud.

2 Higher customer lifetime value

Stronger activation and usage of products, higher engagement, satisfaction and reduced churn, higher cross-sell of new products

The conversational AI in banking can increase customer lifetime value by providing personalised and convenient assistance, increasing engagement satisfaction, reducing churn, and promoting cross-selling of new products.

More robust activation and usage of products

Banks can increase customer activation and use of products through conversational AI. This can be achieved by providing personalised recommendations and assistance with products and services, such as online banking or mobile banking.

Higher engagement

Conversational AI can increase engagement by providing a convenient and personalised way for customers to interact with their bank. This can be achieved by providing 24/7 availability, quick response times, and personalised assistance.

Increased satisfaction

Conversational AI can increase customer satisfaction by providing quick and accurate responses to customer inquiries and transactions.

Reduced churn

Conversation AI can reduce churn by increasing satisfaction and engagement. This can be achieved by providing personalised assistance to resolve customer issues and concerns.

Higher cross-selling of new products

Using natural language processing and machine learning, conversational AI can provide personalised recommendations for products and services, increasing the likelihood of cross-selling and upselling.

3 Higher number of reach-outs

Access to newer untapped customer segment

The conversational AI in banking can increase reach-outs by providing access to new and untapped customer segments, improving accessibility and increasing convenience, as well as targeted marketing.



Access to new and untapped customer segments

By providing a convenient and accessible way to interact with a bank, conversational AI can make it easier for banks to reach and acquire new customers. The conversational AI can provide financial education and guidance to new and underbanked customers.



Improved accessibility

Conversational AI can improve accessibility by providing a way for customers to interact with their bank using natural language, regardless of their dialect, location, or device. This can be achieved by giving a chatbot bank's online platforms.



Increased convenience

By providing 24/7 availability, quick response times, and personalised assistance, conversational AI can increase convenience for customers.

Targeted marketing

By using natural language processing and machine learning, conversational AI can analyse the browsing and purchasing history of the consumer. AI can target the right customer based on this analysis and inculcate targeted marketing.

4 Higher sales conversion

Higher no. of acquired customers

The conversational AI in banking can increase sales conversion by increasing customer acquisition through personalised customer service, improved customer experience, and increased cross-selling and upselling.

Increased customer acquisition

Banks can improve customer acquisition by providing a simple and convenient way for customers to open accounts and access services through conversational AI.

Personalised and Improved customer service

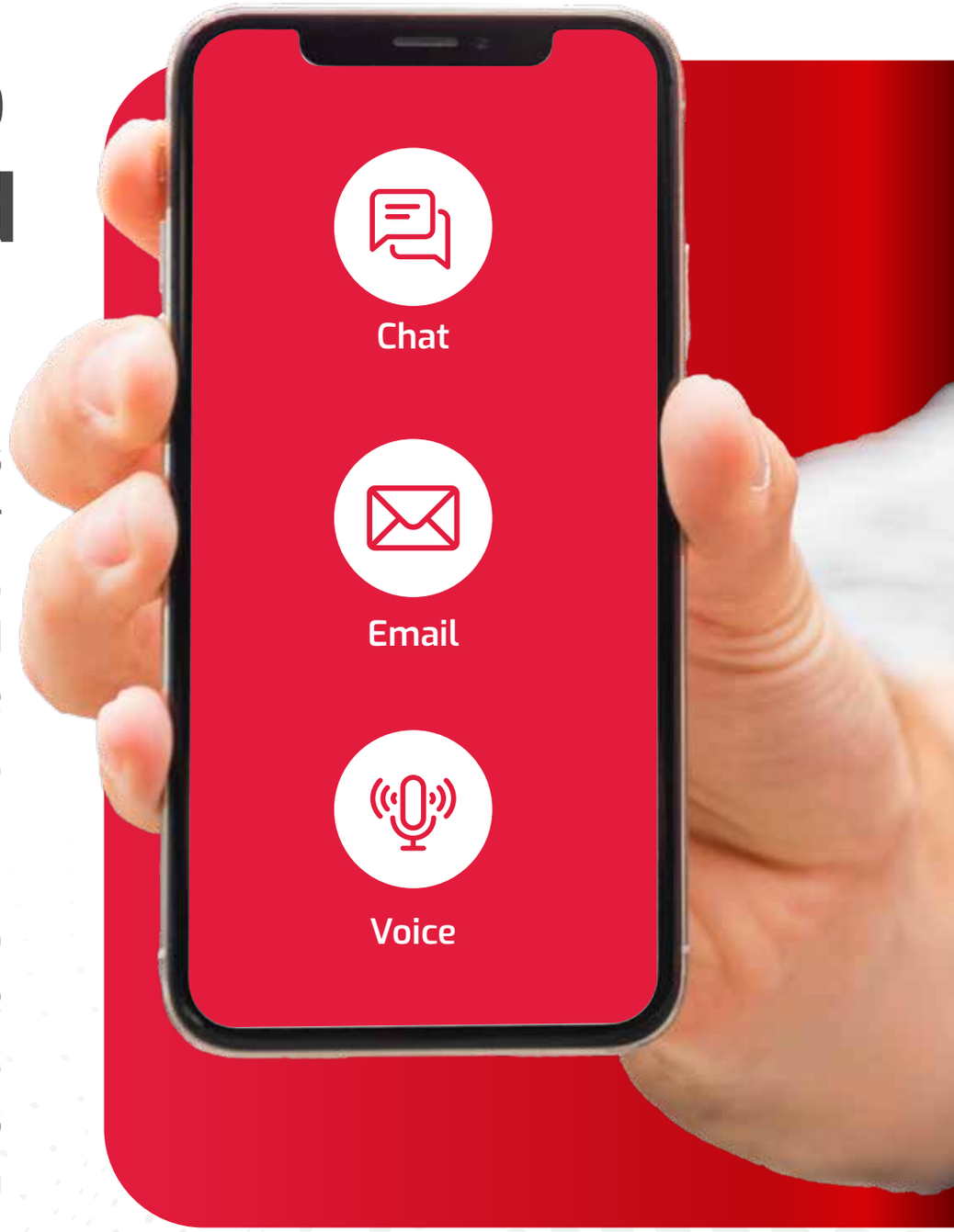
Using natural language processing and machine learning algorithms, conversational AI can provide personalised assistance to customers, increasing the likelihood of customer acquisition.

Chapter 4

Leveraging Omnichannel Rezo Bots for smart and automated engagement with clients

Rezo is an AI-based CX automation platform that allows businesses to automate customer interactions and improve customer experience. The platform of Rezo can make omnichannel bots, which can be further leveraged to provide smart and automated engagement with clients by allowing them to interact with the business through various channels such as messaging apps, whatsapp, and websites.

Rezo bots use natural language processing and machine learning to understand and respond to customer inquiries, automate repetitive tasks, and provide personalized recommendations and offers. Omnichannel bots can also integrate with other systems, such as CRM and e-commerce platforms, to provide customers with a seamless and efficient experience.



Faster query resolution by Automating responses for general queries

- Businesses can improve customer service and increase efficiency by leveraging Omnichannel Rezo Bots. This can reduce the workload of customer service teams and improve the overall customer experience by providing quick information.

- Rezo bots can also help improve responses' accuracy by analyzing customer data and preferences. AI can recognize specific keywords and patterns in customer inquiries and provide the appropriate response. This can be useful for handling frequently asked questions or common queries.

24*7 availability

Rezo AI bots can be programmed to be available 24 hours a day, seven days a week, to assist customers with various tasks such as answering questions, providing customer support, and completing transactions. This allows for increased convenience and availability for the customer.

- Customers can access the AI bots anytime, which can be particularly useful for those who may not be able to contact a business during regular working hours.

- Rezo bots can handle multiple customer interactions simultaneously, reducing customer wait times and enhancing efficiency.

- AI bots of Rezo can handle a large volume of customer interactions, which can help reduce the need for human customer service representatives and help lower operating costs for businesses.

Agent handover only in cases of complex queries

The AI bots of Rezo are smart and packed with the latest technology of Machine learning and NLP. It can interpret and respond to easy and difficult queries. Not only that, but bots can also understand when they will need help to properly handle the customer's request due to its complexity or obligatory need for human intervention. Rezo bots transfer those queries to human agents with relevant information about the customer to ensure that the customer's needs are more effectively addressed and their concerns can be resolved more efficiently.

Conversation analytics enabling personalised experience

The conversational bots of Rezo use artificial intelligence (AI) and natural language processing (NLP) to analyze customer conversations and use them to understand their sentiments, intents, and interests.

Rezo creates a centralised database with all the information. This enables a personalized experience by analyzing user interactions and using the data to understand their preferences and needs. This information is then used to tailor the conversational experience to each user, providing more relevant and personalized responses and recommendations.

Chapter 5

Outcomes achieved for enterprises using Conversational AI



Conversational AI can help with the number of tasks and increase efficiency and accuracy. Following are the outcomes achieved for enterprises using Conversational AI.

1 Frictionless customer onboarding

Using AI-based techniques, the customer onboarding process can be made more efficient, secure, and personalised, which leads to a better customer experience and increases customer satisfaction. Some ways in which AI is used for this purpose include

Automated form filling and document processing

AI pre-fill forms with information from the customer's previous interactions or documents provided by them, reducing the amount of time and effort required for completing the form and document processing.

Identity verification

AI is used to verify a customer's identity by analyzing their ID documents, facial recognition, or other biometrics, reducing the need for manual verification.

Personalised onboarding

AI uses data collected from a customer to provide a personalised onboarding experience, such as recommending products or services based on their past interactions. Further, AI-powered chatbots assist customers by answering questions and providing guidance during the onboarding process.



- Time Taking Customer Onboarding
- Tedious Verification Process
- Less Knowledge
- Inappropriate Activity in Account
- Automated Form Filling
- Automated Profiling
- Personalised Recommendations
- Fraud Detection

2 Automated EMI Reminders resulting in timely payment collection

- AI assists in automated EMI (Equated Monthly Installment) reminders through machine learning algorithms. These algorithms analyze borrowers' payment history and other financial data to predict when they are likely to miss an EMI payment. Based on this prediction, the AI system automatically sends reminders to borrowers via email or SMS, reminding them of the upcoming payment and providing them with the necessary details, such as the due date and amount.

- By automating the EMI reminder process, AI helps lenders improve their collection rates and reduce the number of delinquencies. This can help borrowers stay on top of their payments, avoid late fees and penalties, and maintain a good credit score.



Advance Reminders



Timely EMI Payment



Collection Efficiency Increases



Stable Repayment Cycle of The Customer

3 Revenue Boosting through Outbound Sales Outreach

By automating many of the repetitive and time-consuming tasks involved in the sales process, AI can help companies reach more leads, close more deals, and ultimately boost revenue. For example, AI can be used to

Identify and prioritize the most promising leads

AI models analyze large amounts of data, such as customer demographics, purchase history, and online behavior, to identify the leads that are most likely to convert into customers.

Personalize sales messaging

AI analyzes leads' past interactions with the company and uses that information to create personalized sales messages that are more likely to resonate with them.

Schedule and make sales calls

AI automates the scheduling of sales calls and makes the calls on behalf of the sales team, freeing up their time for more high-value activities.

Analyze and optimize sales performance

AI analyzes data from past sales efforts, such as call transcripts and email correspondence, to identify patterns and optimize the sales process for better results.

4 eNACH mandate registration for auto-debits

eNACH mandate registration is a process where a customer authorizes a company or organization to debit or credit their bank account for a specific purpose, such as paying bills or making recurring payments. AI speeds up the eNACH mandate registration process and makes it more convenient and efficient for customers. It also improves the accuracy and reduces the errors in the registration process, which in turn reduce the rejected mandates. AI assists in eNACH mandate registration by automating specific operations such as

Data validation

AI validates the customer's bank account information, such as the account number and IFSC code, to ensure that it is correct and belongs to the customer.

Document and signature verification

AI uses facial and signature recognition techniques and OCR to verify the customer's identity and ensure that the documents they have provided are genuine.

Form filling

AI automatically populates the E-NACH mandate form with the customer's information, reducing the risk of errors and typos.

5 Customer analytics and agent analytics

By analyzing customer and agent data, AI helps companies improve their customer service and sales efforts by providing insights that can help them understand their customers better, identify areas for improvement, and make data-driven decisions.

For customer analytics, AI is used to

- Analyze customer data, such as purchase history, online behavior, and customer feedback, to identify patterns and trends that can help companies understand their customers better.
- Use this information to segment customers into different groups based on their behavior, preferences, or demographics.
- Identify customers who are at risk of churning and take action to retain them.
- Analyze customer interactions with the company, such as email and chat conversations, to understand customer sentiment and identify pain points or common issues.

For agent analytics, AI can be used to

- Analyze data from interactions between agents and customers, such as call transcripts and chat logs, to identify patterns, issues, and trends in agent behavior.
- Identify agents who are performing well and those who are not meeting expectations.
- Provide real-time coaching to agents during customer interactions to help them improve their performance.