

# Contact center modernization: how to make customer loyalty and cost reductions add up

## Calling customer support is painful — Ask anyone

For financial services firms trying to figure out how to emerge from the pandemic stronger, the contact center offers an attractive option. Since March, more and more consumers have been relying on contact centers, with many banks noting unprecedented increases in call volume.<sup>1</sup>

As consumers look for different ways to find support, it's not just account balances that they're interested in. Questions about payment deferrals, loan applications and financial advice have been flooding contact centers. According to a [PwC consumer survey](#), half of consumers are concerned about their financial well-being – this is at a time when the pandemic is reinforcing their tendency to reach for online or mobile devices for help.

This shift in call volume and call type should be a wake-up call. Financial institutions often have trouble moving beyond solving customer problems to selling to them online. Yet with the contact center now a primary communications channel there's an opportunity for banks to explore new avenues for growth.

There are challenges involved. While automation has started to take over the contact center, addressing more complex financial needs often requires intensive personal effort. The key to making decisions on the appropriate balance of technology versus human touch comes down to understanding the motivational drivers of different types of customers and their needs. For some, solving a problem fast – even if it's fully automated – is a great experience. For others, personalized service is the key.



---

<sup>1</sup> Discover Financial Services, 1Q20 earnings call, April 23, 2020

## Five core elements to upgrade your contact center

Element	Example	NPS	Cost reduction	Revenue benefit
Aligning business priorities, product complexity and service	<ul style="list-style-type: none"> <li>• Prioritize contact center capabilities to growth objectives by customer segments (e.g., mass affluent, high net worth) and product value (e.g., margin contribution, market share).</li> </ul>	✓	✓	✓
Enhancing the customer journey and IVR experience	<ul style="list-style-type: none"> <li>• Implement NLP-based software for caller intent and routing priorities.</li> <li>• Identify proper service delivery channels for demand management and to confirm IVR containment.</li> <li>• Potential enhancement from on-premise to cloud services.</li> </ul>	✓	✓	
Improving productivity	<ul style="list-style-type: none"> <li>• Adopt workforce analytics to schedule agents according to availability and skillset, and leverage dynamic scheduling to reallocate outbound specialized sales calls.</li> <li>• Introduce concepts such as gamification to motivate agents and increase retention.</li> </ul>		✓	
Accelerating digitization	<ul style="list-style-type: none"> <li>• Integrate business and contact center systems to present a single view to the agent.</li> <li>• Leverage automation and AI to simplify pre-call and reduce after-call work.</li> <li>• Deploy “on-demand” automated capabilities to reduce AHT and training.</li> </ul>	✓	✓	
Streamlining the operating model	<ul style="list-style-type: none"> <li>• Redefine generalist and specialist roles: generalists to focus on simple servicing needs across product lines; specialists to focus on advice delivery such as wealth, loan needs, disputes or fraud.</li> <li>• Deploy COEs that apply best practices for remote work, training across regions and in/outsourced centers in a consistent way.</li> </ul>	✓	✓	

## Need to get it right from an experience perspective

Why are so many consumers disappointed with customer service? Often, it's a singular focus on reducing average handle time without the necessary investment in customer experience.

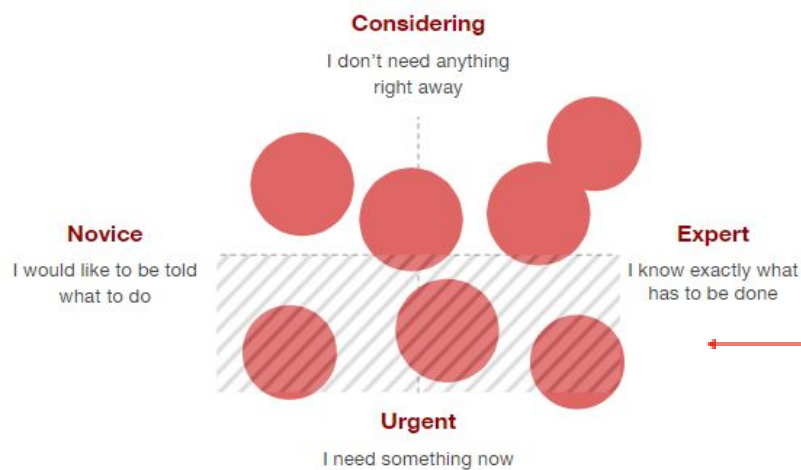
Speed, convenience, helpful employees and friendly service matter to consumers, according to [PwC's Future of Customer Experience](#) survey. Customers come to you with vastly different demands, each with different service delivery needs, so creating a positive experience involves matching these inbound demands with the right service approach.

The formula to getting this right depends on knowing which customers to focus on and how to respond. This requires understanding the customer's motivating drivers and then segmenting them into tiers based on need, sales potential and attributes. Do customers want help or do they prefer to do it by themselves? Focusing on this up-front work can allow you to flex the experience to specific customers for different phases of the support or sales cycle.

This is particularly important in banking, where three out of four customers indicate a positive experience is influential in their purchase decisioning. Fully one-third of all customers tell us they would stop doing business with a brand they liked after one bad experience.<sup>2</sup>

75%

of customers suggest their experience influences whether they purchase a banking product



When your contact center engages customers in a "browsing" experience (upper left), you'll have time to engage them in a conversation about products and services – even ask how their day is going.

But we believe your customers could more frequently fall in the bottom half, those who need something immediately, whether it's a specific support issue or help with a general financial question.

In fact, long-term customer loyalty is correlated to solving an urgent customer need such as fraud. Customers who suspect false charges on their account don't have patience for long wait times or chatty agents. They have an urgent need, and we've found that providing immediate relief when there is fraud on an account increases loyalty by 26%.<sup>3</sup>

Consumers have become much more likely to use contact centers in the current environment, and that presents an opportunity to get the experience journey right and build upon the positive brand value that comes with it. Why? Because experience has a direct impact on retention, revenue and brand loyalty. It's good business.

<sup>2</sup> PwC, [Experience is everything: Here's how to get it right](#), 2018

<sup>3</sup> Data from PwC Customer Insights Platform, April 2020.

## Your workforce delivers the experience, and the revenue

Financial institutions of all sizes should have a flexible workforce model to help improve quality of service and do more with less. This may require new ways of working with training gamification strategies, agent upskilling that encourages social interaction and collaboration, and human-technology relationships that improve the workforce and enhance customer experience.

We've seen institutions transition a vast majority of their contact center agents to at-home work during the pandemic. Now it's important to lock in the benefits by taking a digital-first approach. Implementing virtual infrastructure tools such as workforce management analytics and routing software can help accurately forecast call volume and align the types of calls according to specific agent skill sets.

By understanding caller intent, institutions can bifurcate between a generalist and specialist model – and make it personal. We think part of contact center modernization lies in creating new engagement programs to not only solve problems but also deliver growth, and that this will likely involve tailoring work to the talents of individual employees.

## Applying an intelligent operating model and digital levers can drive the business case and help modernize your contact center

**5% to 15% net promoter score improvement**

by enhancing the customer experience through a tiered service delivery model

**15% to 30% cost reduction**

from tech-driven call demand reduction and a streamlined operating structure

Source: Based on client experience, PwC estimates

We recently worked with a Fortune 50 company to redesign its contact center. Performance metrics such as agent call volume and call resolution rates trailed benchmarks and contributed to below forecast transactional sales. A primary issue was that all inbound inquiries were assigned to agents based on sequence and capacity. In working with these agents, we found challenges in adequately solving issues while keeping the customer engaged, leading to low employee morale and poor call quality.

We helped the company implement a skill-based routing process that matched customer attributes to agents with appropriate expertise in making inbound call assignments. By aligning calls with the talents of individual agents, morale and quality of service improved. For example, transaction-oriented customers are more likely to have a better experience when matched with a like-minded agent that can provide accurate and quick resolution.

The project also resulted in a 40-second reduction in average handle time that not only improved cost efficiency but freed up agent time for sales activities. In this case, inbound sell-in rate – the percent of calls that result in a sale rather than just problem resolution – increased 25% above other department contact centers.

## Technology should enable the human-centered challenge

You can't modernize your contact center on technology alone, but you should need to use capabilities such as cloud services, voice authentication, natural language processing (NLP) and predicative behavior software to help enable stronger service delivery. Based on our experience, best in class contact centers can lower costs by 15% to 30% when leveraging these technologies to simplify business priorities while still focusing on their most important customers. There are many types of technologies that can help reduce manual aspects of work. Widespread adoption of voice authentication can improve call deflection and increase self-service.

Financial institutions can start by mapping the customer path to identify where in the journey to include automation. For example, implementing NLP-enabled interactive voice response software to capture caller intent can satisfy pre-approvals, prompt self-service or enable a specialist to step-in. Identifying caller intent can also improve the routing of calls to the right service channel, reducing overall transfer rates.

Based on client experience, we believe institutions can automate 60% to 80%-plus of tier 1 calls while seeing a 5% to 15% improvement in their NPS

Organizations can also redesign their back-end processes. While many banks use chatbots on mobile apps, online support and branch employees to handle support, the handoff between each is often dropped. Leading institutions capture session support details with a consolidated view of customer data. This also makes it possible to free agents from routine work and instead have them focus on customer satisfaction or upselling.

## Reimagine what your contact center can do for you

Modernizing your contact center isn't just about technology and reducing costs. It's a matter of enhancing the traditional single-channel customer experience. In times of crisis and normalcy, customers will remember – and share – their experience when they needed help. You have the opportunity to give your customers the support they need with convenience and speed. Getting it right can lead to the cost efficiencies, growth opportunities and loyalty that should be a normal part of your contact center





**For additional information, please contact:**

**Julien Courbe**

Financial Services Leader  
+1 917-859-1800  
julien.courbe@pwc.com

**Mohib Yousufani**

Principal, Financial Services  
+1 312-513-7619  
mohib.yousufani@pwc.com

**Varun Sharma**

Principal, Financial Services  
+1 919-744-6155  
varun.a.sharma@pwc.com

**John Jones**

Managing Director, PwC Experience Center  
+1 914-267-7958  
john.r.jones@pwc.com

**Contributing authors:** Surabhi Gandotra, Sarah Naqvi, Aaron Schwartz and Shai Zorea