eBook

5 Digital Journeys Every Retail Bank Should Optimize

Quick Links

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Introduction

In a digital-first world with anywhere access and hyper-personalized experiences, traditional businesses like banks are under the gun to play catch up. With online and mobile banking users to exceed 3.6 billion by 2024,[1] the pressure is on for the banking industry to step up its game in the digital era—and to meet new customer expectations.

Historically, digital transformation in the financial industry has lagged, but the competitive landscape is pushing online and mobile app optimization to the top of the priority list. Retail banks, credit unions, credit card issuers and consumer lenders are all scrambling to keep (and grow) their share of the market.

Neobanks, fintechs and other digital-only banking services have a clear advantage over conventional retail banks. They cater to younger consumers, steeped in digital life, who want and expect anytime access to mobile and online services, personalized experiences and offers and transactions that work as expected - every time (and easy ways to fix it when they don't).

The rising popularity of digital banking has spread to more diverse demographics during the pandemic as in-person bank access was shuttered during lockdowns. According to a recent US survey, 63% of respondents said they were more inclined to try a new digital banking app than before the pandemic.[2] In another study, 61% said they were using mobile apps more often, and 88% anticipated increasing current usage levels when the pandemic is over.[3]

The message is clear: there is an open field to capture a growing market and fuel success—if banks focus on creating great experiences for the moments that matter.

Here are the five critical digital journeys that matter most to banking customers. Measuring and optimizing these experiences can make the difference between a delighted, loyal customer and losing business to the competition.

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#1: Account opening

Digital onboarding is the first and most crucial stage of "closing the deal" with a customer. But often, the bank's desire to attract and sign up new accounts doesn't match the reality of what it takes to attract new customers.

One of the most prevalent reasons banks lose the business before they even get it is form abandonment. A whopping 19% of would-be customers who start the process of opening an account leave the form altogether when encountering difficulties.[4] The longer the time required to complete an application, the higher the drop-off rate.

For instance, banks experienced a surge of European consumers applying for online accounts from 38% in 2019 to 63% in 2020. But nearly two-thirds of those potential customers deserted the application before they finished the process.[5]

Account opening case study

Challenge
In 2019, a top European bank managing over €1.2 trillion in assets went through a major restructuring to support its digital transformation and introduced self-service digital accounts. However, the online account registration process was underperforming. Their Web analytics tools showed that desertion happens in the last step of the funnel, but without insight into why it was happening. After three months of unsuccessful investigation and a loss of €400K, the bank deployed Glassbox.

Solution
The Glassbox Augmented Journey Map™ immediately showed abandonments at the last step of the journey were caused by a bad API call. Notably, 90% of those sessions originated in Spain. With only a few replay sessions, it was revealed that a form validator was not able to recognize unique Spanish alphabet characters (e.g. ñ, á, é, ü) used by those customers to fill in their personal details, and was the cause of the failure.

Results
- Increased online registration rate with an **estimated annual gain of €1.6M.**
- With ongoing use of Glassbox, the bank cut the cost of identifying and **fixing customer struggles by 92%.**

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#2: Reporting a lost or stolen card

The panic of losing - whether by theft or your own error - your entire wallet or an individual credit or debit card is palpable. Most banks have free, dedicated numbers and 24/7 service for this issue. Consumers want to act fast and talk to a real human to ensure there is no liability for charges not authorized. In other words, time is of the essence.

The headache continues with placing a fraud alert on the account or accounts. Along with that, monitoring credit reports to catch any suspicious accounts or purchases you didn't make so that you can report it.

Best practices for a lost or stolen card experience

- Enable customers to report a lost or stolen card via any channel - online or offline.
- Before disabling the card, share that information and have the customer confirm.
- Clearly communicate what to expect next, including timelines.
- If you offer expedited service, provide that option on web and mobile apps as well.
- Set expectations for upcoming communications and meet them.

Want to stand out?

Provide a checklist of actions customers should take in this scenario (i.e. cancel or pause automatic payments, update payment method on subscription services, etc.).

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#3: Fraud identification and communication

In a 2021 Glassbox survey, 40% of respondents reported that security is the most important factor in their online banking experience. Unfortunately, their concerns are entirely justified, especially on mobile banking apps, where fraud is more prevalent and becoming more sophisticated all the time. The top three fraud tactics cybercriminals use today are: account takeover (42%); new account fraud (23%); and impersonation.

So what can be done to minimize damage to the consumer and maintain their trust in the bank?

Proactive, continuous sessions to monitor for fraud in real-time and stop identity theft. Make it easy to report suspicious transactions. The crucial step is to head off fraudulent activity before it impacts the customer's identity, the bank's bottom line and their brand reputation.

Fraud detection case study

Challenge
A national retail bank serving 5 million customers was experiencing a spike in phishing attacks to steal usernames and passwords of its account holders. The attackers sought to open new accounts and secure the new account bonus of up to $600. These fraudsters infiltrated customers' accounts and set up linked accounts. Since the real customers could not see this scheme, hackers were given the real account holder's identity and credit and approved for the new accounts—and walked away with the bonus.

Solution
The bank uncovered the fake logins and exposed a large-scale phishing attack through its Glassbox platform. The investigative team used session replays, along with funnel and custom reports, to see how this identity fraud was committed and identify the criminals.

Results
- AI-powered analytics continuously monitor and automatically detect irregular or unhuman behavior and block suspicious IP addresses.
- Cybercriminal data is provided to the FBI to seek the criminals for prosecution.

[6]Massive Mobile Banking Fraud Exposes Banks…, OneSpan
[7]Banking Fraud Up 159% as Transactions Hit Pre-Pandemic Volumes, InfoSecurity Magazine

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#4: Delivering value-added tools

One of the biggest reasons younger consumers flock to digital banking is the higher level of personalization—meeting them where they are in life's journey. When banks are able to gain a deeper understanding of their customers' account types, transactions and behaviors, smart recommendations can be delivered at the right time to the right customer.

Powered by AI, data tracking and insights, customers can be served up a retirement savings calculator, home loan application, household budgeting tool or other customized financial tools and products that open doors to additional business.

As digital experience analytics integrate with the rest of the bank's tech stack, all teams can collaborate from one view of the customer. Even better, new product offerings can be created based on customer data.

Value-added tools case study

Challenge
A state bank managing assets over $30 billion invested **heavily in** its self-service digital capabilities, including loan application forms. The marketing team launched an online, 30-day campaign for $7.5K-$20K personal loans, driving traffic to a dedicated page. Though the traffic was impressive, the abandonment rate during **from the** application **form** was not—35%.

Solution
Within hours of the campaign kick-off, the Glassbox Augmented Journey Map™ showed a significant abandonment rate on the loan application form with struggles due to rage clicks. The session replays showed customers clicking numerous times on the "arrow down" button next to one of the loan amounts, which appeared as "$10K" and not "$7.5K" as advertised.

Results
- By detecting the problem immediately, the bank **prevented a potential monthly loss of 2,700 new loans equating to $20M**.
- Identified a demand for smaller loans leading the bank to **offer a new segment for loans under $7,500**, followed by a successful campaign for $2,500-$7,500 microloans.
- Demonstrated that a marketing campaign can provide hard data on customer preferences and be used for future promotions.

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#5: Getting help from customer service

Data shows that consumers have a low tolerance for technical issues during their digital banking experience. In fact, in the Glassbox banking survey, 34% of respondents reported that they are likely to change banks if they encountered technical issues when banking online.

On the other side of the coin, when customers do come across glitches, more than 40% of the respondents want to talk to a human to resolve the issue—not a customer service bot or help page.

Translation? Banks must respond to the dual needs of consumers: provide an online banking experience that is secure and seamless, but also ensure easy access to human help. This means an omnichannel approach to CX, leveraging AI and real-time behavior analytics to flag customer struggles on your site or app and trigger a chat window or pop-up containing information on how to contact customer service. Additionally, ensure first-touch issue resolution by empowering contact center agents with rapid access to customer experience data and session replay.

Customer service case study

Challenge
A regional bank serving 4 million customers went through a major digital transformation and turned most of its services to self-service through its website and mobile app. Following this change, the bank also shut down 20% of its branches, forcing more customers to adopt the digital channels. Incoming support calls to the bank's contact center showed that customers were not getting the best service. Calls were taking too long and the customers had to provide a lot of information and evidence. Many of the cases were escalated to 2nd- and 3rd-tier support and eventually defined as non-reproducible. Tech support calls durations were too long and hurt average handling time (AHT).

Solution
Customer service agents were empowered with Glassbox real-time session replays, which allow them to see exactly what customer is experiencing on the website or app. These replays fast-track the conversation to problem-solving in just seconds, saving time and effort for both the customer and the agent.

Results
- **Reduced AHT of support calls by 70%** (from 5min to 1.5 min) and increased first call resolution (FCR) by 55%, saving the bank over $14M a year.
- Decreased contact center staffing levels and shortened new agents' training time.
- Improved Net Promoter Score **(NPS) by 11 points.**

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Take the next step

The benefits are clear...

- Secure a whole new market of banking consumers.
- Reduce the cost of customer acquisition.
- Proactively address fraud before it happens.
- Personalize relevant financial products to meet consumers where they are.
- Deliver better and faster customer service.
- Gain higher engagement and cross-sell and reduce customer churn.

Six out of the top 10 global banks trust Glassbox to drive frictionless digital journeys on their websites and mobile apps. Learn why Glassbox offers the most comprehensive and secure digital experience analytics platform for financial institutions by viewing a demo.

About Glassbox

Glassbox empowers organizations to create frictionless digital journeys for their customers. Our digital experience analytics platform works in real time across mobile apps and websites to accelerate loyalty and growth. Through AI-driven visualization and analytics tools, Glassbox helps teams to prioritize customer experience and digital product enhancements from a single collaborative system. Teams across the organization, from IT and product management to marketing and compliance, can understand user struggles, visualize the customer journey and optimize every step. Hundreds of enterprises across multiple industries choose Glassbox for easy, secure, cloud-based deployments.

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glassbox.com | info@glassbox.com | 🐦 | 💼