



Customer Service

Closing the Loop On Client Feedback

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By Michael Sisk

Collecting customer feedback, responding to complaints, identifying trends and translating all that data to front-line employees for better customer service has long been a particular challenge for banks. A bank's ability to respond is all strained by the number of physical branches a customer might walk into, the number of employees at each branch who might speak with that customer, plus the emergence of online channels the customer might use.

Take the experience of Denver, CO-based Vectra Bank, which by its own admission had an "archaic" system for gathering customer feedback. The \$2.6 billion institution printed brochures that customers could pick up in one of the bank's 40 branches, fill them out, and mail them in. After those brochures were received and read, they had to be routed to the right person in the organization for a response. "You can imagine the lag time," says Erica McIntire, a svp and director of marketing communications at the bank. Weeks or months might pass.

Given the high expense of customer acquisition, and thus the serious costs of losing a customer, Vectra and more banks are turning to enterprise feedback management (EFM) to better coordinate and respond to customers—and help build loyalty. Zachary McGeary, an associate analyst at Jupiter Research, says banks must be discerning when looking at EFM, since many vendors that claim to be in the EFM space often only conduct online surveys, which are fairly blunt instruments. They can give a high-level read of satisfaction or dissatisfaction, but they often can't drill down to explain what the bank is doing right and wrong—and to extract actionable information for the bank.

Indeed, the ease of issuing online surveys can be a detriment. Often, different bank departments will design their own customer surveys. A big bank could easily have a dozen uncoordinated surveys circulating at one time, says McGeary. This is problematic for a numbers of reasons. First, it's terribly inefficient for the institutions by wasting time and money; second, useful information may not be shared and analyzed among departments, and so enterprise-wide trends can't be spotted; and third, customers are likely to suffer from survey fatigue, which drives down responses.

The key to EFM is having a coordinated approach to surveying customers across the enterprise and having a central repository for all that data where it can be analyzed with a uniform set of rules. That way the bank can close the loop on individual complaints

quickly and spot macro trends, McGearly says. Companies such as Allegiance, ForeSee, NetReflector, SAP, Vovici (formerly Perseus and Websurveyer) are in the EFM space.

At Vectra, executives turned to the EFM product at Allegiance, says McIntire. The bank uses CustomerVoice, part of Allegiance Engage, to gather and manage feedback. CustomerVoice is a Web-based service that integrates with Vectra Bank's existing Website and allows customers to choose anonymity. The system uses a case-management approach to monitor feedback, so customer compliments, concerns and questions are tracked until a satisfactory response has been achieved. Response times have dropped to 24 hours from two weeks and problem resolution has been cut to five days from 31 days.

We have "the ability to not only respond quickly, but measure how quickly, what the resolution is, and whether or not the customer is satisfied with the resolution," says McIntire. "We can then use those measurements to pinpoint areas for improvement." By not manually handling feedback, the bank saves several hundred thousand dollars per year.

Besides improving response times, the EFM platform gives Vectra a way to create trend data. "Just being able to have all the information in one central depository makes it an amazing tool," says McIntire. "...The big challenge is: How do you take all that information, identify and respond to patterns?" Vectra is one of eight subsidiaries of Zions Bancorp, and its success with Allegiance's EFM product has led Zions to adopt it across its footprint.

Besides CustomerVoice, Vectra has also just started to use Allegiance Pulse, a Web-based survey product designed to gauge customer and employee "engagement" on a monthly or quarterly basis. Chris Cottle, vp of corporate marketing at Allegiance, says the survey aims to reveal key drivers that affect customer engagement—not just determine if customers are happy—and can be grouped by demographics, branch, department and more.

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