

Editorial Perspective:
Portal Paradox



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This article first appeared at *CreditUnions.com* on October 9, 2012
and is reprinted in its entirety here.

The latest innovation in customer service has the potential to impact a credit union's bottom line and brand. When implemented correctly, the popular technology known as live chat can provide better interaction, higher level conversions, and happier members. However, if chat functionality isn't rooted in a solid deployment strategy and a foundation of best practices, it could end up the digital paradigm of Murphy's law — at winged speeds and on an enormous scale.

Whether a credit union is looking to launch live chat functionality for the first time or modify an existing channel, there are some key factors it must take into account before green-lighting this method of support.

The Nature of Chat

Although both live chats and inbound calls have agents engage directly with a member, a chat session differs from an inbound call in several ways. First and foremost, live chat engagements are not brief. Average chat sessions with a member will take nine to 11 minutes, compared to three to five minutes with an inbound phone call. With chat, it is the member that controls the length of interaction, and everything from slow typing to crying children can have an effect. On the phone, those same variables would serve to shorten the interaction. This means chat can be a costly commitment for credit unions. Also, call expenses average \$3-\$6 per call, while chat can range from \$6-\$18 per engagement. Factor in the lost opportunity with agents sitting idle while the member replies and costs can climb even higher.

Manage the Member's Great Expectations

Credit unions also must strategically manage the member's service expectation. Members will anticipate an immediate response from agents, though they may not exercise the same standard of speediness in their replies. Agents must remain focused on the chat session without becoming too involved in other tasks or the member's service perception will falter.

On a similar note, chat will move agents from delayed scheduling tactics to immediate ones. Unlike email, agents must respond to chat inquiries as they arrive, and while this can reduce the credit union's total volume of email — especially within a home banking application — it will invariably double the amount of agents needed to field chat inquiries on any given day.

Finally, chat doesn't always decrease call volumes. Members calling in might not migrate to chat, and chatters may never call in. It's best to expect that every chat will be a new, real-time engagement with resulting increased cost.

The usual counterpoint to these issues is that chat allows agents to engage in concurrent sessions with multiple members, making them ultra-productive and bringing engagement costs in line with inbound calls. However for the average financial institution, chat is a low-volume channel that precludes concurrent sessions. Typically, chat volume averages 1% to 2% of total inbound call volume for financial institutions. For a contact center receiving 25,000 inbound calls monthly, this translates to between 250 to 500 chats. If the center is open for nine hours daily and four hours on Saturday, the chat volume would average a little more than one to three interactions per open hour.

With these impacts recognized, it may still be sensible to move forward with chat. It can be a great channel, especially if a credit union has overseas members, a younger demographic, or members that are technologically astute. But a solid deployment strategy and plan for best practices is necessary.

Deployment Strategy

By following a few simple rules, credit unions can ensure the chat channel delivers a functionality that both members and the credit union find beneficial.

- **Placement Is Everything**
Display the chat icon deeper in the website, not directly on the homepage. Allowing access on the homepage creates unnecessary expense as both members and non-members take shortcuts to searching and inquire about basic services that can be more quickly answered via a phone call. Additionally, by placing the chat icon deep within the website, credit unions are giving more exposure to their products and services.
- **Leverage Relevancy**
Tie chat access around products that make or save the credit union money. Having chat accessible on loan application pages is a perfect example of strategic deployment. The user is interested and invested in the institution. Because the member is attempting to apply for a loan and might need assistance, credit unions would want to engage them at this point.
- **Support Your Support**
If a credit union wants to offer chat, it must first make sure it can support the service. There's nothing worse than offering a new, digital feature, then taking it offline frequently due to staffing shortages. If the icon is on the site, members need to be able to use it.
- **Divide and Conquer**
If feasible, designate chat agents who do not have to answer calls. By segregating chat from inbound call dependencies, the contact center's service metrics won't be affected by the longer engagement times.

- ***Test for the Best***
Regardless of where a credit union handles chat, excellent spelling and grammar are mandatory. Anyone applying to be a chat agent should be tested on writing comprehension, ability, and speed. Every piece of communication reaching the member is a direct reflection on your institution, making it paramount to have the right agents in these positions.
- ***Limit Canned Goods***
Don't overdo canned responses. It's natural to think that selecting from an inventory of pre-typed responses would be quicker than manual reply. However, canned replies may lack accuracy and it can sometimes take agents longer to find the appropriate reply than to type it.
- ***Watch the Clock***
Monitor each agent's performance against the group and take appropriate steps to help improve lower performing agents. As with talk times, chat times can vary among agents. And with overall engagement times longer, the spread can be significantly wider.

Put Chat into Action

Regardless of individual consumer preferences, live chat has inundated the Web and has given customer service something of a facelift. Most retail or tech-oriented merchants now have some form of chat capability, while financial institutions and specifically, credit unions, have been slow adopters. Chat has a place in today's contact center strategy, but it's absolutely critical that implementation of its functionality be well thought out. This includes a detailed strategy and understanding of how much time, effort, and expense is necessary to support the feature.

Chat must be a benefit to members, and not a poorly-sourced offering that is inefficient and frustrating to use. As the importance of member service continues to grow, it is no longer just enough to have newer technologies in place. The key measure will be the extent to which this service leaves a lasting impression and encourages members to become ongoing promoters of cooperative products and services.

For More Information

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