AMERICAN BANKER

Banks try new tools to learn what doesn't click in digital

By **Nathan DiCamillo**

February 20 2019, 9:00pm EST

In trying to create an entirely digital experience, many banks have trouble pinpointing the moments that so frustrate customers they quit doing what they were trying to do.

"The digital customer journey is a black box for a lot of banks," said Ron Shevlin, director of research at Cornerstone Advisors. "You can track stuff from a branch interaction and contact center interaction; it is voice-driven and human-interaction-driven. But for the digital channel, you put it out there, and all you know is how many hits you got and if you made sales."

This is where companies that offer session replay technology and digital experience analytics make their pitch to banks.

Software offered by European firms such as Glassbox and ContentSquare attempt to track customer engagement, creating an audit trail of interaction that

banks can follow. In the simplest terms, the software allows banks to see what clicked with consumers and what did not.

Plugged in

Most consumers are using digital channels at least twice each month, according to a survey of 13,912 bank customers

● Never ● Less than once ● 2 to 5 x ● 6 to 9 x ○ 10 x or more

Online

| 18% | 19% | 30% | 14% | 22% |

Mobile

| 29% | 18% | 21% | 12% | 22% |

0%   20%   40%   60%   80%   100%
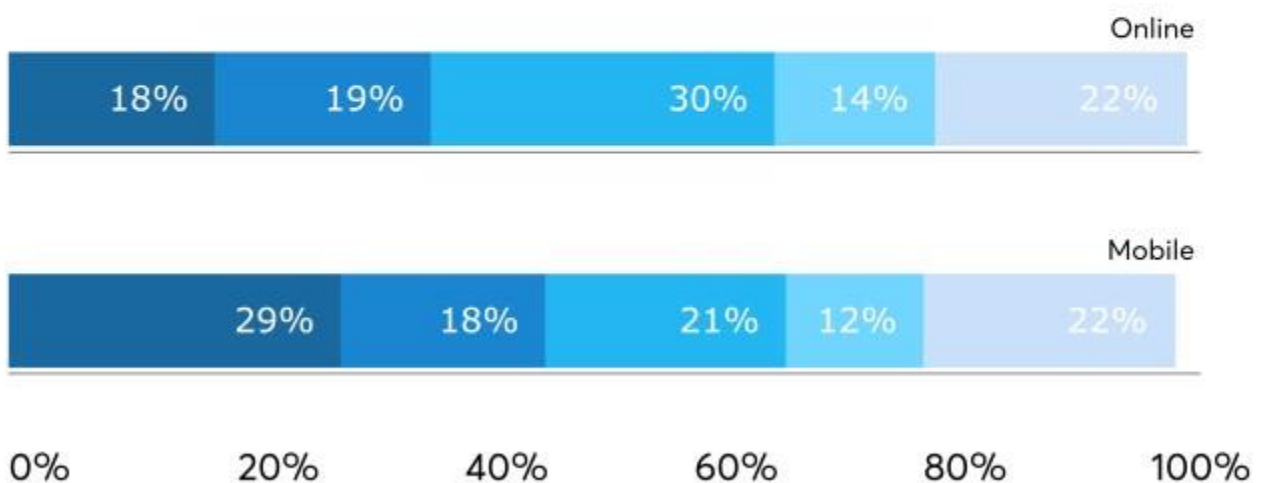
Source: Deloitte (Totals exceed 100% due to rounding.)

"Sometimes it's the complexity of the language or how many questions you put in one page," said Efrat Ravid, ContentSquare's chief marketing and strategy officer. "It can even be the way that you structure the page."

When Ravid is speaking with clients, she most often gets questions related to lead generation. Bankers want to know why potential customers are not sticking around and why existing customers do not complete loan applications.

"Publicly they'll say it's about customer engagement," Shevlin said. "But they are looking for triggers and treatments — the patterns in consumer behavior to see

where are people falling off or where people are going. You can't get that from surveys."

Adoption of this technology is low but will increase as bankers figure out how to use the information it provides, said Emmett Higdon, director of digital banking at Javelin Strategy & Research.

Bankers can also use it to prove that other investments in [technology](#) are getting a strong return, Shevlin said.

"If you use these tools to analyze where customers are falling out of the system and in response are redesigning the app or website, then you see an increase in sales as a result," he said. "They will attribute that increase in sales to the technology they use."

ContentSquare, based in Paris, said its banking clients most often use its technology to simplify applications. The firm works with Bank of America, PNB Paribas and Goldman Sachs, and it raised $60 million in Series C funding last month in a round led by Eurazeo and joined by three previous investors: Canaan Partners, Highland Europe and H14.

And last month, Glassbox announced that it was working with the four largest U.S. banks: JPMorgan Chase, Bank of America, Citigroup and Wells Fargo. USAA and Banco Santander are also customers.

Glassbox, based in London, said its banking clients are using the software not only for improving the customer experience but also for digital compliance, dispute management and IT support.

Several large and midtier banks declined to comment for this story.

But last year Santander turned to Glassbox for help with the launch of its robo-adviser for first-time investors. "You want to make sure the algorithm is working, asking the right questions and providing the right advice," said Audelia Boker, Glassbox's global vice president of marketing.

In addition to satisfying customers and regulators, digital-experience analytics can also lower a bank's operational costs.

One way it can do this is by reducing call center volume. At one bank, Glassbox reported reducing average call center time from five minutes to a minute and a half since the customer no longer had to repeat what she or he was seeing on the screen.

The technology also helps a bank's IT department prioritize work, Boker said. "You want to be able to understand as an IT person, do I need to fix that immediately or can it wait until tomorrow?"

While key performance indicators vary from bank to bank, each executive seeks to cultivate more trust with customers in the digital world, she said.

"With news about social media platforms and data breaches, they are looking for ways to protect both their customers and themselves," Boker said. "It's a philosophical discussion about how they are trying to sink through what will establish digital trust and respect between customers and financial institutions."