Financial Services

Removing friction from your digital banking experience

fractal

A recent survey of over 3 million banking customer interactions by Fractal identified friction for 70% of abandoned digital journeys. Call volumes for retail banks increased by 400% to 600% during COVID-19, with in-person channels severely restricted. Customers who abandon their digital journeys drive additional pressure on other channels and may end their journey entirely.

Friction can be small as a misplaced call-to-action yet carry a disproportionate impact. To keep consumers returning, transacting, and happy, banks can significantly gain customer experience by reducing digital friction.

The new consumer journey in a post-COVID world

Large banks have agile design practices capable of quickly making improvements to products; however, they struggle to identify and prioritize these changes. This leaves the customer struggling, resulting in friction. The costs of such frictions are high.

A service journey resolved digitally can cost a bank $15-16 less than a customer reply on the contact center.

With thousands of customer transactions a day, this quickly adds up, especially as call centers and branches are stretched to the limit due to COVID restrictions. It becomes critical to get the 'why' behind the drop-offs. With COVID bringing whole new cohorts of customers with different expectations, it's now a necessity. Getting ahead of the break-fix solution leads to less reactive work, smoother customer experiences, and fewer support calls.

Accurately identifying friction in the digital journey can be particularly challenging as:

- 'Exits on a page' do not necessarily mean 'friction on that page.' Often a consumer will experience friction several steps before they finally exit a digital channel.
- Digital journeys are complex and meandering, with different customers interacting at different levels.
- The root cause of friction is hidden at the click level, not at the aggregates. This means digging down into large volumes of data to find the real cause, which is challenging.

Due to these problems, large banks lag in comparison to challenger banks with leaner digital footprints when it comes to customer satisfaction.

AIDE: The best suited digital solution for banks

AI can help by hunting for friction in the overwhelming volumes of data that customer journeys create. This allows journeys to be analyzed in real-time, identifying friction points within hours rather than weeks.

By introducing an automated friction detection and diagnosis, large banks can see up to 25% higher containment to digital channels which translates to savings of over $130M annually.

AIDE; Fractal's automated machine learning platform industrializes the process of identifying digital friction. It achieves this by combining a powerful ensemble of AI algorithms with design and engineering.

AIDE deploys AI to analyze millions of journeys using clickstream and voice of the customer data (e.g., chat, call, CRM data) to uncover hard-to-detect friction. Findings are curated to provide analysts with clear, actionable recommendations to improve their customer's digital experience.

The solution consists of the following:

- **Sensorization engine:** An automated AI/ML pipeline to derive meaningful indicators across customer journeys and get business insights. Data can be quickly ingested, creating 1000's of digital sensors to diagnose friction
- **Anomaly detection:** Anomalies across digital journeys are captured by applying pattern recognition algorithms to these virtual sensors. AIDE then intelligently identifies customer drop rates and loops in the journey.
- **Friction identification:** A suite of supervised and unsupervised machine learning algorithms to identify drivers of key customer journey outcomes (drop-off, clear cart, etc.) and measure relative impact at a page & click level on a customer's experience.
- **Root cause analysis:** Suite of machine learning algorithms such as sentiment analysis and entity extraction on the voice of customer data to identify the root cause of the friction and generate actionable insights.

Empowering banks to act on real-time visibility into the customer experience
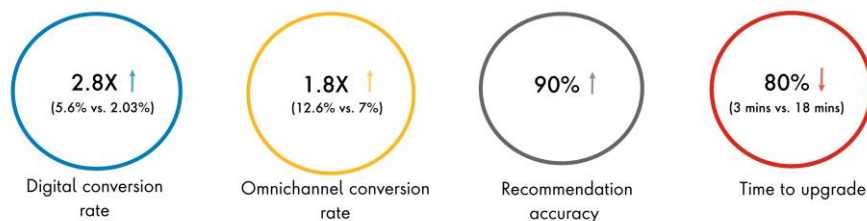
Consumers experience digital friction at multiple points, and it is hard to avoid it. Stepping in at the right time to rescue the moment turns the consumer in your favor.

AIDE empowers banks by making automation intelligent enough to evolve and innovate over time. It enables banks to drive operational and cost efficiencies and deliver personalized services. The key benefits of AIDE to large banks are:

- **Sophistication:** Automated AI engine to monitor customer digital journey across multiple channels and enable real-time identification of friction to drive data-based decisions to influence customer's experience.
- **Speed:** The platform can be deployed within the client's environment in 6 weeks as a proof of concept to prove business value and establish a blueprint and proof for scalability across markets, products, and journey types.
- **Scale:** The platform is engineered to be scalable across markets and products. Multiple data sources can be included to develop a holistic view of a customers' digital journey, reducing time to action and ensuring all customer segments are well served

Case Study

AIDE has been leveraged to drive high impact for a Fortune 50 telecom enterprise. Fractal re-designed customer journeys into a "one-click" checkout experience, resulting in $1Bn+ incremental revenue. Our automated solution allowed the client to identify friction in real-time and design interventions that resulted in:

2.8X ↑ (5.6% vs. 2.03%)	1.8X ↑ (12.6% vs. 7%)	90% ↑	80% ↓ (3 mins vs. 18 mins)
Digital conversion rate	Omnichannel conversion rate	Recommendation accuracy	Time to upgrade

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About Fractal

Fractal is one of the most prominent players in the Artificial Intelligence space. Fractal's mission is to power every human decision in the enterprise and uses the power of AI to help the world's most admired Fortune 100 companies.

Fractal's products include Qure.ai to assist radiologists make better diagnostic decisions, Cuddle.ai to assists CEOs and senior executives make better tactical and strategic decisions, Theremin.ai improve investment decisions and Eugenie.ai to find anomalies in high velocity data.

Fractal has consistently been rated as India's best companies to work for, by The Great Place to Work® Institute. Fractal has been featured as a leader in the Customer Analytics Service Providers Wave™ 2019 by Forrester Research, and recognized as an "Honorable Vendor" in 2020 magic quadrant for data & analytics by Gartner.

For more information, visit fractal.ai.
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