



# Empathy in the Age of AI

A CX and mobile  
messaging strategy guide  
for finance brands





# Preface

Here's a home truth you're already well aware of. Finance today looks little like finance five years ago. Comprehensive product portfolios, a service with a smile, and legacies of trust are no longer enough.

The tide has turned and digital customer experience is where you're going to sink or swim. Today's customers expect frictionless interactions that meet their needs in an instant – on the channels they prefer. Securing these interactions and their data is table stakes.

If you let them down? They vote with their feet. If you win their hearts, they vote with their wallets. The multi-million dollar question is: What are you going to do about it?

That's where this strategy guide comes in.



## The who, what and why

We're OpenMarket – we help businesses use mobile messaging to connect with the people who matter most, in the moments that matter most. Seven of the world's ten biggest brands rely on us to interact with their global audiences. The world of mobile messaging and CX is changing fast. So we commissioned an independent research report to help businesses like yours better understand how to help customers.

Our guide to the research is [here](#). The findings suggest financial brands need to embrace AI and automation more wholeheartedly to power deeper, empathy-based customer relationships. This strategy guide digs deeper. It shines a light on the finance sector's unique customer experience challenges and maps specific actions to help you start delivering more empathetic interactions.

### **Where loyalties lie**

Spoiler alert. We're a mobile messaging solutions provider so many of the strategies we recommend center around this channel.

But we're big advocates of face-to-face conversations, phone chats, apps and emails when circumstances demand. That's where this research adds value.

## Preface

It sheds some light on what consumers actually want and expect from their financial services providers in different contexts. And it unveils invaluable best-practice insights from CX leaders in the finance sector across the US and UK.

All in all, the findings should help you build an empathetic CX strategy that reaches your customers on their terms. This is your chance to strengthen relationships, deepen loyalty, increase cross-sales and boost customer retention. And a new messaging platform to get you there.



**Empathy in the Age of AI – a strategy guide**  
How CX and mobile messaging can help you connect with your customers



[Read our CX research guide](#)

## Research overview

The data cited in this strategy paper is gathered from interviews with 4082 consumers (50% from the UK, and 50% from the US). We also cross-questioned 611 business respondents (again, with a 50-50 UK-US split).

The business respondents were senior professionals in large companies split across five different verticals. Finance was one. Retail, travel, media and hi-tech were others. All respondents had responsibility for how technology is used to enhance and support customer interactions. In other words, they were customer experience leaders.

### Seniority of business respondents



- VP / Director level
- Senior Manager level
- C-level

## The business areas they work in



- Operations
- Marketing
- Sales
- Customer Experience
- Strategy
- Customer Support

## The size of their companies



- 1000 – 4999 employees
- 500 – 999 employees
- 5000+ employees

# Contents

<b>Introduction</b>	<b>8</b>
Good news	
<b>Section one</b>	<b>10</b>
Empathy: What's at stake?	
<b>Section two</b>	<b>12</b>
What do consumers want?	
<b>Section three</b>	<b>16</b>
Finance's empathy efforts are falling short	
<b>Section four</b>	<b>20</b>
Building a smart channel strategy	
<b>Section five</b>	<b>33</b>
AI, sentiment analysis and NLP	
<b>Section six</b>	<b>37</b>
Integrating technology	



## Good news

Let's kick off with two bits of good news. First, you're not as far behind with CX as you might imagine. Our teams speak to global finance businesses on a day-to-day basis. Almost all know they need to overhaul the experience they deliver customers. And almost all have little or no idea where to start.

Similarly, our research finds that finance brands know their CX needs to evolve – fast. More than three-quarters (76%) of CX leaders in the finance sector want to overhaul their customer interactions within the next two years. And 87% want to do it within three years.

Feel better? You should. You're in the same boat as almost everyone else. And it's still early enough to capitalize on early wins.

Here's the second bit of good news. 'Overhaul' might be a less scary word than your instincts suggest. In reality, you don't need to totally restructure departments and transform processes. You don't need to rewrite philosophies, reimagine your value proposition and lead dramatic cultural change.

Our research paints a clear picture of how brands in the finance sector can deliver the exceptional empathy-led experiences customers expect. And it turns out, you can transform your CX, simplify processes *and* cut back your CX budget in one fell swoop.

Sound too good to be true? It isn't. Read on.



# Empathy

## What's at stake?

In today's commoditized world of finance, product is rarely a significant enough differentiator. Experience is. That's why 86% of CX leaders in the finance industry believe CX matters more today than 18 months ago.

The lynchpin of better experience is empathy.

### **What is empathy in a brand context?**

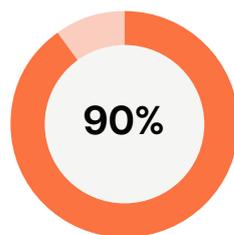
The action of understanding, being aware of, and acting on the feelings, experience and needs of your customers and prospects.

A near-unanimous 99% of finance sector CX leaders say empathy is a vital ingredient of customer interactions. A similarly convincing 87% of consumers agree. And 80% of them call on brands to offer a more empathetic and efficient experience.

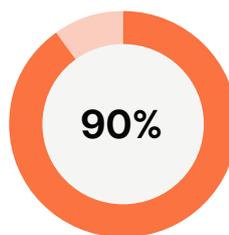
The stakes are high. But high stakes mean huge potential gains. Look at the the effects empathetic CX has on consumers (below). All these business benefits are why we're seeing CX-focused finance challengers make big waves, while cumbersome incumbents paddle furiously to stay afloat.

### **Empathetic experience**

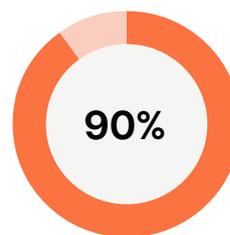
Consumers receiving an empathetic experience are more likely to:



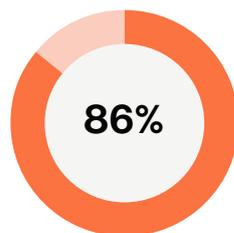
Feel they're receiving value



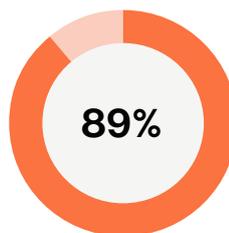
Continue using brand over others



Recommend a brand



Spend more with a brand



Trust a brand

## What do consumers want?

Embedding empathy into your CX means consistently delivering experiences that meet customers' needs. No friction. No frustration. In our study, we asked consumers exactly what that means. Here's a reminder of our findings:

### What brands should focus on to be more empathetic



## Section two



It's interesting to cross reference these findings with what consumers are looking for in their technology solutions from FinTech operators<sup>1</sup>.



• Range of functionality and features **66%**

• 24/7 availability **55%**

• Easy to set-up, configure, use **53%**



• Rates and fees **39%**

• Compatibility with daily operations **38%**

• Trust in the providers' team and reputation **31%**

The findings from both pieces of research are clear. Friction-filled customer service, payments and security processes aren't good enough. Consumers expect financial service providers to accommodate their needs, on their terms. They want speed, flow and convenience.

Let's dig deeper into these expectations.

1. Source: E&Y's Global FinTech Adoption Index 2019

## Section two



Usefulness, seamlessness, speed and the other CX qualities consumers call for are broad brushstrokes of an empathetic customer experience. But we asked our consumers to zoom in further to the specific actions businesses can take to create an empathetic experience.

Here are their top five:

1. Deliver the right amount of communication (enough to help me, but not to waste my time)
2. Understand channels I want to use in different situations
3. Be more proactive in communications, anticipate my problems and offer support
4. Use technology to make my experience simple, engaging and interactive
5. Ensure my experience is integrated across channels

## Section two

Now compare these findings to the top five concerns that finance CX leaders have about their current interactions:

1. Communications are too generic / not personalized
2. The complexity of customer experience
3. Low levels of engagement and low open rates
4. Not knowing which channels to use and when
5. We get in contact too often

A picture begins to emerge about the type of customer experience finance brands should be offering. And it clearly requires good data collection and analysis, personalization, automation and multi-channel technology.

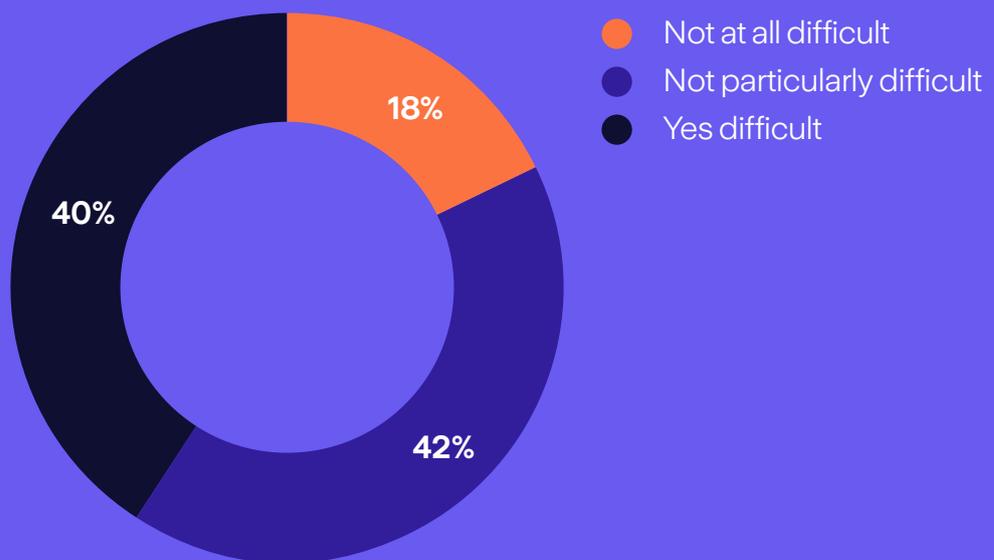
And let's not forget the need for secure, global, always-on communication networks – to power those reliable 24-7 conversations. It takes a special kind of messaging platform to provide all this. (We call it indigo. But more on that in a few pages.)



## Finance's empathy efforts are falling short

Here's an interesting finding from the research report. A majority (60%) of CX leaders from the finance sector claim that designing empathetic interactions is not a difficult prospect.

### How difficult is designing empathetic interactions?



## Section three

But drill down and we discover that, in reality, designing good, empathetic CX might be more difficult than they let on. Nearly all (98%) finance CX leaders have concerns about their current customer interactions. Now look at this graph on the right, which compares where these CX leaders think they should be with their CX, versus where they believe they are.

### What finance CX leaders believe is empathetic service – and how theirs matches up

Seamless

98%

51%

Usefulness

92%

47%

Timeliness

84%

40%

Empowering

81%

40%

Personalized

85%

37%

Speedy

97%

49%

Engaging

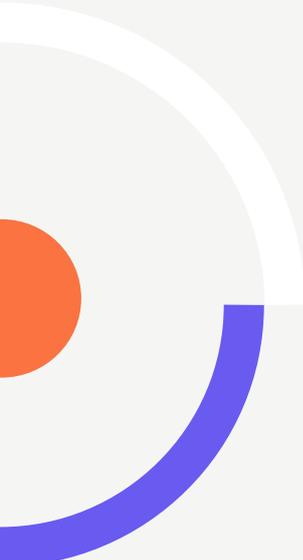
84%

46%

- What CX leaders believe is important
- The percentage of CX leaders that believe they're doing it well

## Section three

It seems that most finance businesses aren't delivering interactions that are as empathetic as they'd like. Let's look at the challenges that might explain why. We asked finance CX leaders to list out their biggest challenges in delivering excellent customer experience. They said:

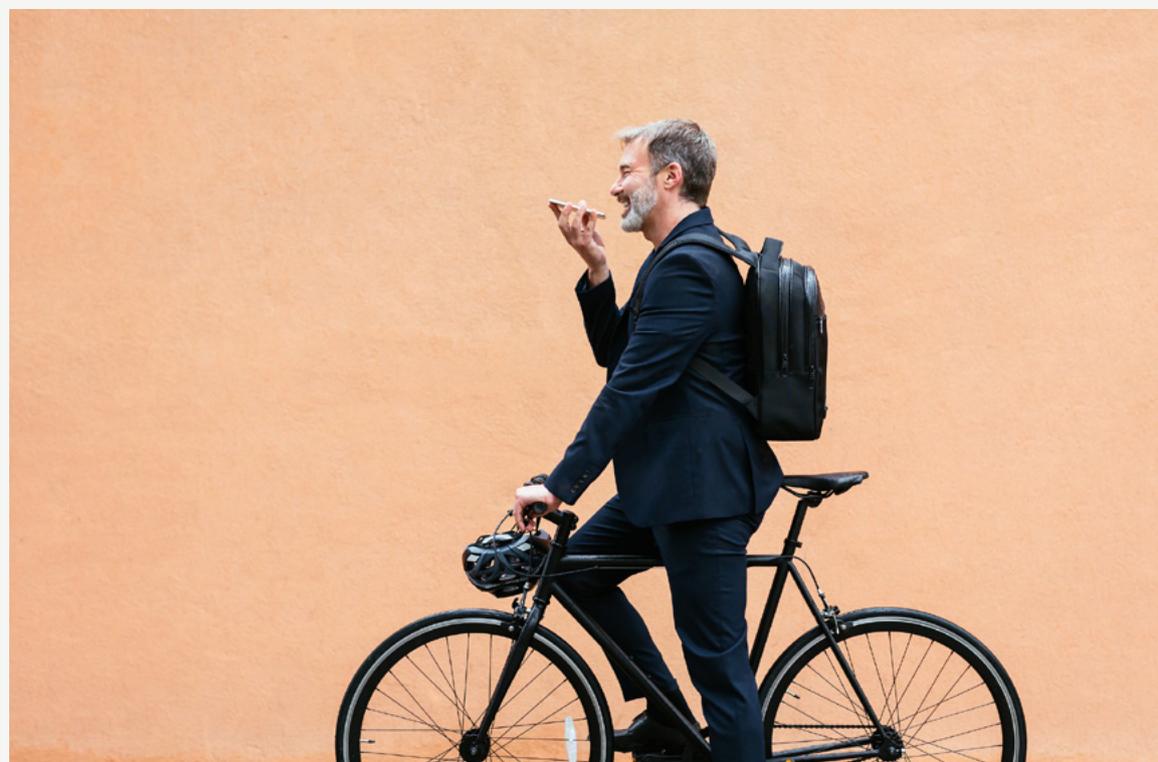
- 
1. CX is fragmented and siloed across channels **48%**
  2. Security and privacy issues **42%**
  3. Time/other priorities **31%**
  4. Legacy systems and a lack of new technology **27%**
  5. The channels customers want to interact with us on change too quickly **23%**
  6. We lack the customer insight and data required **20%**
  7. No consistent strategy / CX initiatives vary by department **19%**
  8. Lack of buy-in/ownership over CX strategy **18%**

### Section three

Interestingly, fragmented customer experience scored higher for finance than any other vertical. This attests to the complexity and siloed structures and legacy IT systems of traditional business models. On the upside, finance CX leaders saw lack of time as a lesser issue than CX leaders in any other sector (31% compared to 37% average). And only 18% of finance CX leaders cite lack of buy-in as a challenge. This compares with a 24% average across all sectors.

This greater preparedness in the sector to address CX makes sense. Most CX leaders we surveyed in every vertical believe empathy is important. But the percentage of finance CX leaders that rated empathy as 'extremely important' (77%) was higher than in any other sector.

This brings us to the multi-million-dollar question. How can finance brands start overcoming their CX challenges to create exceptional empathy-led customer experiences?



## Building a smart channel strategy

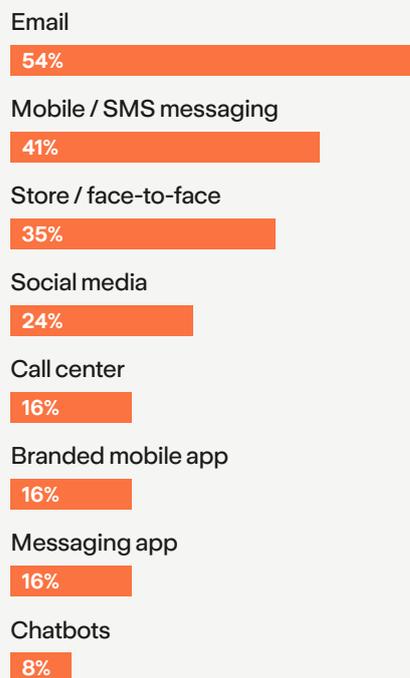
More than nine out of ten (91%) CX leaders in the finance sector want to understand consumer channel preferences. So we asked consumers which channels they prefer for business interactions. Meanwhile, we asked the finance CX leaders which channels they believe are the most empathetic.



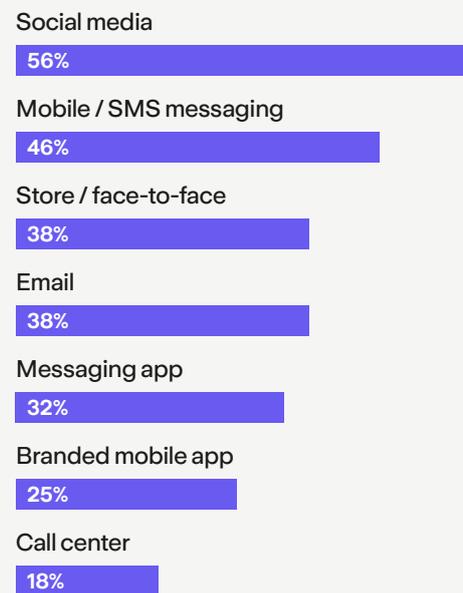
## Section four

You can see mobile messaging scores highly among both consumers and CX leaders. But check out the data on pages 25 to 30 too. It sets out why consumers might favor mobile messaging even more than they indicate.

### Ideal channels for interactions



### The most empathetic channels



- According to consumers
- According to finance sector CX leaders

## **Email**

Consumers rank email as their most preferred channel for brand interactions. But finance CX leaders rank it fourth. Why? Perhaps they're more acutely aware of email's strengths and weaknesses.

Email is great when you're sending long documents a customer needs to save but doesn't need to read right now. Or when you're sending big content pieces like regulatory changes, terms and conditions, or product guarantees. But it doesn't enjoy the sky-high open rates of a medium like mobile messaging. More importantly, it doesn't offer the timeliness both CX leaders and consumers consider so important.

## **Human contact**

The CX leaders and consumers both rank human contact in third place, while the call center experience gets a low score from both. Arguably this isn't an indictment of customer service teams so much as an indication of the limited time and resources they have to help large audiences. (Customer service teams require huge investment. But the research shows 59% of finance CX leaders say CX demands are outpacing budgets.)

Perhaps human contact can also require an element of unwelcome emotional effort from some consumers. After all, 83% of consumers told us they liked communicating with brands via mobile messaging because it meant they didn't have to speak to anyone. This isn't to say brands should avoid human-to-human contact, though.

It will be needed for many years to come for more complex customer service interactions, and when a brand representative needs to react to a customer's responses in real time.

### **Social media**

Finance CX leaders see social media as the second most empathetic channel for consumer interaction but it's fourth on the consumer list – with 24% of consumers considering it an ideal channel.

Social media's ability to keep large audience numbers engaged and informed no doubt keeps it high on the list for finance brands. But it doesn't offer privacy for consumers (especially when handling sensitive matters like financial affairs).

### **Brand apps**

Brand apps are sixth on the list for consumers and CX leaders alike. Mobile apps are crucial for some brands but not for others. In general, consumers don't want to have to download an app when they only have a few interactions with a brand a year. That's one of the reasons why 51% of consumers have deleted more apps than they've downloaded this year.

**51%**

**Of consumers have deleted more apps  
than they've downloaded this year**

## **Chatbots**

Chatbots don't score well among consumers. But the AI behind them is improving fast. And remember, consumers have become used to stunted voice conversations with chatbots. Text conversations are a different ball game. Just think how natural it is to type questions into Google nowadays when you want to find out something.

We talk more about the exciting integration of AI-powered conversations and mobile messaging later in this guide.

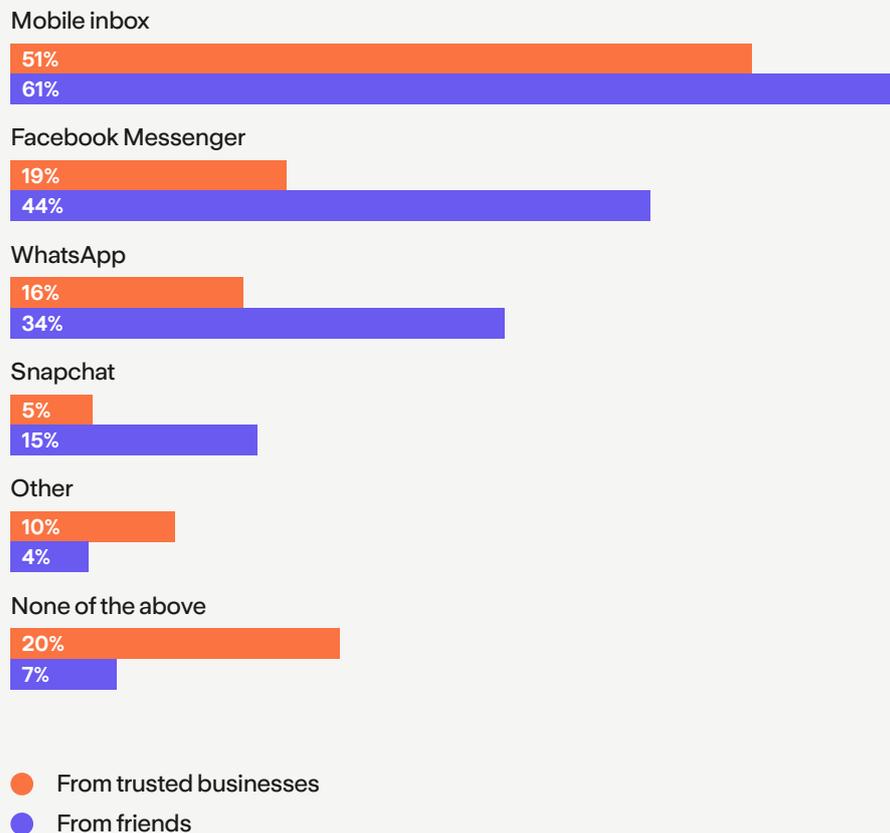
## **Mobile messaging**

Mobile messaging comes top of the finance CX leader list, and second in the consumer list. OpenMarket is a mobile messaging solutions provider. So we naturally think this channel should be central to any multi-channel interaction strategy. But, crucially, the research backs us up.

## OTT mobile messaging apps

It's interesting to note that mobile messaging ranks highly while OTT messaging apps (like WhatsApp and Facebook Messenger) are much less popular on both sides. So we dug deeper to find out which messaging channels consumers want to use when communicating with friends or brands.

### Consumers' preferred messaging platforms



## Section four

The findings suggest many consumers don't feel that OTT messaging apps (like WhatsApp or Facebook Messenger) are ideal channels to interact with brands on. The traditional messaging inbox – which receives SMS, MMS, RCS and Apple iMessage – is the clear winner.

But, remember, brand interactions are relatively new to OTT channels. So consumers' appetite for using them to communicate with brands could change fast.

It's time to prepare for an era in which brands use different mobile messaging and OTT channels for different customers – depending on their preferences and the situation in question.

### **Where can mobile messaging add most value?**

We wanted to know more about the potential of mobile messaging to create empathetic customer experiences. So we asked consumers which scenarios mobile messaging adds value in, and what they see as the biggest benefits of the channel.

## Section four

### Usefulness of mobile messaging in different situations

Notification & alerts / delivering critical information in real time

88%

Scheduling or appointment setting and confirming

87%

Billing and payments

83%

Authentication, security, passwords

83%

Customer service and support

80%

Customer feedback and surveys

74%

Marketing, special offers

74%

Sales, new business, customer acquisition

68%

### Benefits of mobile messaging to consumers

My mobile inbox is best channel for getting things done

74%

I interact with messages more quickly than other communications

83%

I don't have to speak to anyone / deal with a call center

83%

I don't have to download an app to communicate with a brand

85%

Messages are concise so save me time

86%

Messages are easier for me to find / track than emails

78%

I don't have to search for an app on my phone

82%

Don't need WiFi / to be online

79%

## Section four

A picture emerges of a channel that can handle crucial day-to-day interactions faster and more easily. A channel that cuts the waffle and drills to the heart of the matter, on consumers' own terms. Look how finance CX leaders rank the benefits of mobile messaging:

1. Easy-to-use and convenient
2. Opportunity for two-way conversations with customers
3. Conversational nature that customers like
4. Low cost
5. Opportunity to deliver personal interactions at scale



## Section four

For years now, brands have been harnessing SMS to help customers in precise moments and places. But now the messaging horizon is broadening way beyond text.

The OTT messaging apps we mentioned are a case in point. So is the MMS format (still rarely used outside the US) which allows images and video. Then there's RCS for Android, and Apple Business Chat for iOS. Both take messaging to the next level. They use the familiar default SMS inbox – but bring the power of video-rich, app-like interaction possibilities. Unsurprisingly, our research shows a big appetite for this richer messaging.

Nearly three-quarters (73%) of consumers say engaging, interactive communications are important for empathetic interactions. And nearly two-thirds (63%) say they are likely to use business mobile messaging more when they feature images, videos and app-like interactivity.

### **A multi-channel opportunity**

Call centers, social media and email will be important communication channels for most large finance brands in the coming years.

But the findings suggest that putting mobile messaging at the center of a multi-channel strategy can go a long way to closing the gap between CX expectations and the CX reality.

That's not to suggest that mobile messaging should be viewed as a CX panacea though. Your focus should be creating an ecosystem in which a variety of mobile messaging types can seamlessly operate alongside other channels. More on that in section six.



## Mobile messaging in action



Two factor authentication – offering an extra layer of security for payments and account access.



An alert at the exact moment you think a card might be being used fraudulently so a customer can instantly confirm if it's them.



A balance reminder when an account is nearing its limit, or a reminder when payment is due.



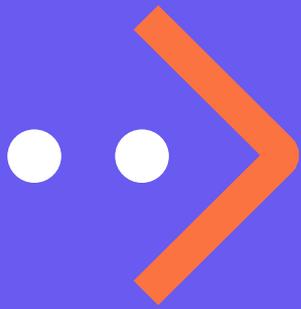
An MMS with a short congratulations video when a loan's approved.



A message asking for feedback, arriving the exact moment a customer service interaction ends.



An account registration confirmation.



## AI, sentiment analysis and NLP

As we saw on page nine, 24/7 availability is the second biggest reason consumers choose FinTech challengers over incumbent businesses. Consumers want useful, personalized, at-the-point-of-pain support. Whenever they need it, wherever they are. But how do you get there? Setting up enough call centers would be prohibitively expensive. As would having representatives on standby to answer every email or text.

That's why so many businesses in the finance industry work so hard to avoid unsolicited communications from customers. They hide contact numbers on websites. They point customers to help pages. Or they tell them to email and wait up to five days for a response.

### **Technology offers an answer**

According to the research, technology offers an answer. It reveals 63% of consumers believe tech, automation and AI can help businesses deliver more empathetic experiences. This figure rises to 74% amongst under-35s. Meanwhile, 67% believe good automated experiences are equally important as human interactions.

Asked the same question, only 34% of CX leaders in the finance sector agree that tech, automation and AI can help them become more empathetic. It could be time for them to sit up and take notice of what consumers are saying about empathetic interactions, and to consider the different technologies that can help.

### **What is NLP?**

NLP is a technique that uses AI and linguistics to help computers communicate with people using their own language. It works by extracting meaningful data from text or speech.

The combination of mobile messaging and NLP is an exciting new development in the world of CX. And it will be enjoyed by brands everywhere because NLP can be easily folded into existing messaging platforms and workflows.

### **Why change a winning SMS formula?**

Automated business-to-consumer messaging has always worked well without NLP. But relying solely on pre-programmed, automated messaging means customers have to stay within established conversation boundaries. They can't just get in touch with random questions.

That's when NLP delivers true value. When it's plugged into your messaging platform, you and your customers have far more freedom to communicate. Think about what the research has shown consumers want from interactions: to save time, to not have to speak to humans, to have speedy interactions, to be empowered, to have problems solved, to avoid complexity, to be dealt with in the fewest steps possible.

NLP is one of the interaction pillars finance brands will need in place to satisfy these customer desires.

## Section five

The exciting news for finance brands is not just the intelligence at the heart of NLP (which is becoming smarter and more intuitive at breakneck speed). It's the opportunity to insert this intelligence into everyday brand interactions – on the most important and accessible channel known to mankind.

What's more, consumers are totally ready for this. As alluded to earlier in this guide, talking with a bot can be a frustrating experience. But asking a bot quick questions on a keyboard – Google or Bing style? It's second nature.

The friction-free, always-there messaging inbox looks set to become the go-to place for anytime brand interactions. Now you have a chance to create a bot or Q&A service that serves as many of your customers' needs as possible – delivering empathetic interactions along the way. All you need is a good imagination, the right mobile messaging solutions platform, and a little advice from experts.

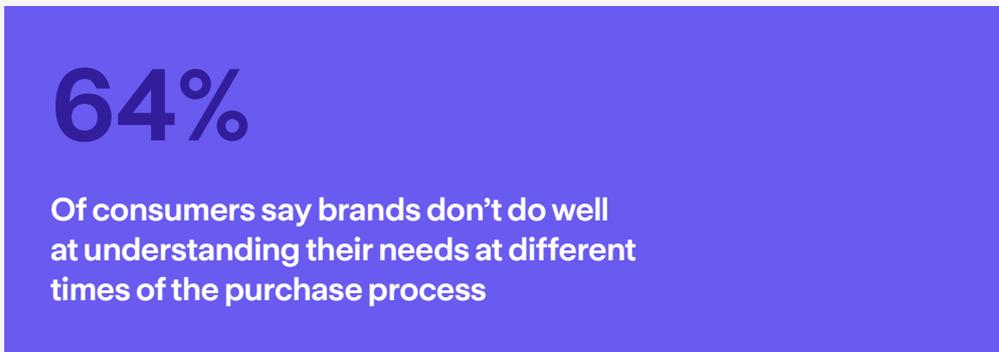
[Read our guide to AI-powered mobile messaging](#)

## **Sentiment analysis**

According to the research, 64% of consumers say brands don't do well at understanding their needs at different times of the purchase process. And 67% of consumers say brands don't do well at understanding when they need human assistance versus when they can complete things online.

Add sentiment analysis into the mix with NLP and mobile messaging, and you have a chance to understand what customers want – then act. Like NLP, sentiment analysis is powered by AI. Models are trained to recognize different types of sentiment in customer conversations, then take action accordingly.

Imagine a customer is trying to resolve an unexplained fee via mobile messaging. Their replies get increasingly curt. Using sentiment analysis, you could flag their frustration and reroute them to a human via web chat or telephone. Sentiment analysis could also help you work out which types of interactions tend to raise frustration levels, and which don't.



**64%**

**Of consumers say brands don't do well  
at understanding their needs at different  
times of the purchase process**

## Integrating technologies

NLP and sentiment analysis go a long way to helping you say the right thing in the right way to customers. But there are many more pieces to the interaction puzzle.

### Learn from data

Data is arguably the most critical piece of this puzzle. We know raw data can be a headache-inducing turn-off. (That might be why 54% of CX leaders in the finance sector admit they're not maximizing the potential of their CRM systems and customer data.) But accessible reports and clever visualizations of CX insights can help you identify trends and patterns at a glance. The CX leaders say some of their biggest challenges in designing and delivering efficient and empathetic interactions include:

- Integrating with existing systems and processes **81%**
- Compliance and regulatory concerns **79%**
- Leveraging data to optimize interactions **78%**
- Lack of data sharing across the business **76%**

A good communications platform should help you easily combine your data with third-party information – like demographic details or data from marketing plugins. Every interaction should ultimately become useful data too. This can be fed back to inform and improve future interactions. A platform that helps you extract maximum value from data should make personalizing your customer experiences a joy – even for data novices. You should be able to simply watch, learn, test and optimize. At the same time, data must be secure and your processes must be compliant. We all know that data misuse comes with a high price in finance.

### **Intelligent routing**

As we alluded to on page 27, the gold standard for CX will become customer interactions that match each customer's individual preferences and situation. That sounds tricky in theory. But if you know your customers' preferences, and you have best-practice data at your disposal, AI-powered orchestration can help you route interactions appropriately. Millions at a time.

The right interaction platform should take your message, pick the most appropriate messaging channel to send it through, then auto-format accordingly. In other words, it should adapt the richness and content of messages to suit whichever channel is right for the customer. If they only have an SMS-compatible phone, the message will be text-based. If they have an RCS-capable phone, the message might contain images and be more interactive. All this should be done automatically – without you having to do any thinking or legwork.

### **Connecting technologies**

The biggest concern finance sector CX leaders have about designing and delivering empathetic, efficient experiences is integration with existing systems and processes. The right platform should manage the heavy lifting of multi-channel, empathetic communication – including service flow logic, interactions with your CRMs and tech stacks, and message personalization.

### **Interaction ease**

This all sounds simple in theory. But how simple can it really be? This is the million-dollar question. Finance CX leaders have told us they want a communications ecosystem that is usable by people who don't necessarily have tech knowledge:

**95%** call for ease of use, with only little training necessary

**94%** call for ease of integration into existing workflows

**90%** call for easy-to-use templated workflows

In recent years, it's been an unmeetable challenge for brands to connect communication channels such as messaging with every new channel or chat app. Development and IT teams can't keep up. Set-up should be so much easier than this. Teams should be able to develop customer journeys and workflows in minutes and hours, not weeks and months.

## Section six

A single, intuitive drag-and-drop workflow designer should be a piece of the puzzle. So should interaction ‘templates’ to help you create useful, personalized two-way customer interactions – from technology repair processes, to identity authentication, to deliveries. And you should be able to use these templates right out of the box. Or adapt them to suit your needs.

This all sounds simple in theory, right? But how simple can it really be? The answer is: *very*.

Let’s look at how the pieces come together with the help of indigo.





## indigo<sup>™</sup> by OpenMarket

indigo by OpenMarket is a new type of mobile messaging platform that empowers non-technical people to create best-practice automated customer interactions, across multiple channels.

indigo combines templated campaigns encoded with best-practice insights (gained from billions of messages delivered over 20 years), smart APIs, robust data analysis with the power of the world's best global messaging network. To make designing and delivering empathetic customer experiences effortless.

[Learn more](#)

# Multi-channel messaging

Discover how the indigo multi-channel messaging platform works.



[Download the eBook](#)

## We're OpenMarket

We help the biggest brands in the world use mobile messaging to connect with people in the moments that count. When they need to be helpful and responsive in real time. When customer experience isn't just a buzzword, it's an obsession. We'd love to do the same for you.

