Hello, i am a chat bot. How can i help you?

CHATBOTS
Your Personal Finance Relationship Manager

Financial institutions are increasingly using chatbots to improve customer experience

By **Anagh Pal**

Interestingly, the history of chatbots goes back decades ago. In 1966 Joseph Weizenbaum, a German computer scientist and Professor at Massachusetts Institute of Technology (MIT) developed a program called ELIZA whose purpose was to trick users into believing that they were conversing with a real human being.

Chatbot is a computer program that simulates conversation with a human, usually over the Internet. Fast forward 2018, chatbots have come a long way and the financial services industry is keen on adopting it.

Analysts at consultancy firm Juniper Research predicted in 2017 that by 2022, banks could automate up to 90 per cent of their interactions with chatbots. A report in the same year published by HubSpot said that 40 per cent of consumers do not care whether a chatbot or a real human helps them, as long as they are getting the help they need.

Adoption of chatbots

No wonder, the financial services industry is keen to use chatbots. "A chatbot is an answer for offering customer assistance in the most convenient way. This intelligent chatty friend makes customer conversations easier and faster thus earning customer delight" says

CHATTING BOT
Marketing Automation

I want to switch off my debit card

Yes. It is XXXXXXXXXX

Pankaj Razdan, MD and CEO, Aditya Birla Sun Life Insurance and Deputy CE, Aditya Birla Capital. Chatbots also help financial institutions boost profits by optimally using their resources.

According to Arun Chaudhry, head—online business and product development, Motilal Oswal Securities, "Chatbots are increasingly becoming popular in Banking, Financial, Services and Insurance (BFSI) space as they provide a clear edge in enhancing customer satisfaction".

Customers are pressed for time and do not want to wait for calls to get a resolution to their query. "Using Artificial Intelligence (AI) and machine learning , chatbots understand the context and intelligently respond instantly to customer requests ensuring uninterrupted 24×7 support to a majority customer queries and requests," says Sourabh Chatterjee, President and Head, Technology, Direct Sales and Travel, Bajaj Allianz General Insurance.

Banks leading the way

Banks have been among the first to adopt chatbots. Initially they used to answer queries of customers who were pressed for time. But the second wave of chatbots are more action oriented. "At Axis bank we wanted to go beyond answering queries. For example when one wants to block a card you do not want to be educated on the many ways you can do so. You want someone to do it there and then," says Praveen Bhatt, Head, Digital Banking and Customer Experience, Axis Bank. Axis Aha!, the Axis Bank chatbot, has already answered about 27 lakh queries and received over 15,000 queries per hour.

YES ROBOT, Yes Bank's chatbot is adept at conversing with customers by processing natural language powered with cognitive messaging abilities and acts as a trusted advisor who is available to answer queries. "YES ROBOT has already addressed over 10 lakh customer queries without any manual intervention. The bot employs conversational AI with extensive financial knowledge to engage with customers on the Yes Bank website and Facebook Messenger," says Ritesh Pai, Chief Digital Officer at Yes Bank.

Insurance companies, brokerages and mutual fund houses have followed suit. IDFC AMC's 'Ask Bugs' is amongst the first in the mutual fund industry to leverage chatbot technology for improving customer experience. "Investors can get information on schemes, cut-off timings, scheme performance and fund managers, among other benefits. On the transactional side, an investor can make additional purchases, redemptions and switch between schemes in his existing folio in IDFC AMC," says Vishal Kapoor, CEO, IDFC AMC. Aditya Birla Life Sunlife Insurance (ABSLI) has launched a chatbot called DISHA (Dynamic, Instant, Secure, Hassle-free and Available 24×7), while Bajaj

Here To Help

Bank	Chatbot Name	Functions Performed
Axis Bank	Axis Aha	Balance enquiry, transaction history, fund transfer, credit card and utility bill payments, mobile recharge and blocking credit and debit cards
Yes Bank	mPower	Instant calculation of loan eligibility and offering in-principle loan approval in one minute, information on loans and callback from product specialist at the bank
Yes Bank	YES ROBOT	Users can apply for 50+ Yes Bank products and services, get on-the-go banking assistance and answers to frequently asked questions (FAQs)
SBI Card	ELA	Customers can explore products and services, generate account statement, make bill payments, block their cards among other things
Future Generali India Life Insurance	REVA	Assistance through policy buying and policy enquiry process. Solutions to queries in real time. Information on policy documents, policy status, premium due date etc
Aditya Birla Sun Life Insurance	DISHA	New customers can get information regarding various online plans and generate quotes quickly. Existing customers can get services related to their policies
Bajaj Allianz General Insurance	BOING	Getting policy soft copy, registering a claim (motor & extended warranty), 80D certificates on email, motor insurance renewals, checking policy and claim status
Motilal Oswal Securities	MO Genie	Users can ask questions about their accounts, review trade history and get help with financial literacy
IDFC AMC	Ask Bugs	Investors can get information on schemes, scheme performance and fund managers, etc. He can make additional purchases, redemptions and switch between schemes in his existing folio

Bots employ AI with financial knowledge to engage with customers

Allianz General Insurance was the first in the Indian general insurance industry to launch a customer service chatbot called BOING.

The technology behind it

While there is a lot of complex technology behind it, this is how a chatbot works. "The BOT engine is fed with a structured, relatively static database and is able to recognize specific keywords in queries based upon a comprehensive Knowledge Base (KB) in the backend", explains Kapoor. The chatbots are also equipped with machine learning which implies they have the ability to learn as it interacts just as a human being does. As more customers interact with a chatbot, it picks up more information which it can put to use to answer queries more accurately.
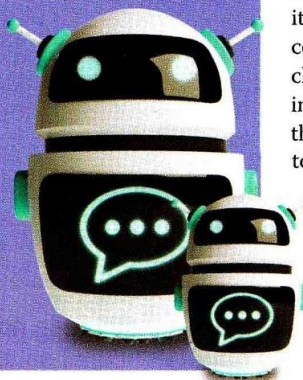
What all you can do

"Chatbots can provide a host of functions to customers—from answering questions to frequently

raised queries to reducing the time to process new applications. Chatbots can also provide policy details and can act as a handy 24×7 available tool to provide critical services like blocking cards in cases of emergency," says Beerud Sheth, CEO and Co-founder, Gupshup, a smart messaging platform that helps companies develop chatbots. Gupshup has worked on many chatbots in the financial sector. One of them is YES mPower through which customers can get information on loan products like personal loans, auto loans and gold loans, and which also connects agents with interested customers. Another bot they have built is for ICICI Lombard that helps customers review and renew their insurance policies. Bhatt explains how chatbots work with reference to Axis Aha! Suppose if a customer needs to pay ₹100 to someone (say Raj) already added as a payee, they simply need to type or speak : "Pay ₹100 to Raj" or "Send ₹100 to Raj" or "Transfer ₹100 to Raj", and the transaction will be done.

Enhanced user experience

Chatbots help customers get instant responses to their queries for which the earlier wait time was high if you considered the entire IVR process and the fact that calls were on queue. "Customers are now able to get the responses to a large number of their queries instantly thereby helping us create a far richer user experience. Having a bot in place also gives our telecallers lot of room to handle queries which require

Bots are equipped to provide critical assistance 24x7

human intervention; thereby helping us improve our service standards" says Chaudhry. Chatbots are also equipped to answer queries in a standardised and accurate manner which may not be always possible for a human being. "I wouldn't say bots will entirely replace phone calls and branch visits but that's the future and the aim will be to minimize as much query resolution time for the customer as possible and enhance his/her experience," says Pai.

Chatbots are available anytime, anywhere and instantly, hence it works better as a medium of communication than traditional channels. "A more personal interface, the Chatbot is much faster than any other traditional customer touch-point and is available 24×7 " says Razdan.

How to access

Financial institutions have made it possible for customers to access their chatbot through various mediums. YES ROBOT is available on the bank website and Facebook messenger and has successfully answered approximately 10 lakh queries (since its September '17 launch) and handled over 26 lakh interactions. Aditya Birla Group's DISHA is also available on its website and through Facebook messenger. Apart from being available through their app, website and Facebook messenger, BOING has also been integrated with Google Assistant and Alexa.

Keep in mind

However, a customer needs to understand that she is not conversing with a human being. Hence, she needs to be concise and clear regarding her query.

So what are you waiting for? Ditch those phone calls and trust your personal assistant to help you with your financial queries and transactions. ▣

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