Case study

Business Messages helps India's Federal Bank increase CSAT by 25% while also achieving a 98% accuracy rate

About

Federal Bank Limited is a major Indian commercial bank with more than 1,300 branches and a customer base of more than 12 million across different states and is guided by the mantra 'Digital at the Fore, Human at the core'. As India's first bank to digitize all branches, Federal Bank has been a pioneer in leveraging technology to drive its business ever since it bought its first server back in the 1990s.

In 2020, Federal Bank partnered with Riafy Technologies, which specializes in conversational artificial intelligence (AI) technologies. Riafy's AI-driven solutions integrated with Google's Business Messages helped Federal Bank dramatically cut down handle times and improve customer satisfaction.

Summary

By June 2020, Federal Bank was determined to improve the banking experience for customers, particularly when it came to answering their banking-related questions.

The company partnered with Riafy Technologies to create an AI-powered virtual assistant that would quickly resolve customer questions and issues. A key part of the solution was Google's Business Messages, which enabled Federal Bank's customers to have conversations with the company directly from Google Search and Maps entry points.

Federal Bank's results have been remarkable, with an accuracy rate of 98% and a 25% increase in CSAT score.

> " The Bank's mantra is "Digital at the fore, human at the core" and the conversational BOT, Feddy, built in association with Riafy is truly representative of this philosophy. Using Artificial Intelligence and delivering the capability across multiple channels, we have enhanced customer delight."
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> **Ms. Shalini Warrier,** Executive Director, Federal Bank

80% increase in number of customer questions received after enabling multiple entry points

2x increase in customer traffic

25% increase in CSAT score; customer ratings show that Federal Bank's Business Messages experience is preferred over that of other banks

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The challenge

Federal Bank had tested over 30 conversational AI providers and was experiencing the same problems time and again: The available solutions were generally unable to understand the nuances of human interactions and would have trouble answering some customers' questions unless worded in a very specific way. For example, the virtual agent might be able to answer "What is my bank balance?", but then be stumped when asked, "How much money do I have?". These results did not align with Federal Bank's vision for intelligent customer interaction.
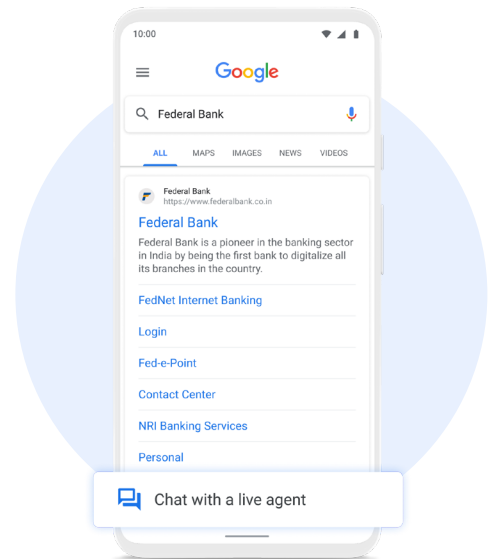
Additionally, the AI products available in the market at the time were generally off-the-shelf, cookie cutter solutions that left little room for a personalized customer experience. They were also incapable of auto-learning and required the company to provide a significant amount of ongoing manual training, which led to operational inefficiencies.

Federal Bank figured there had to be a better way to assist its customers.
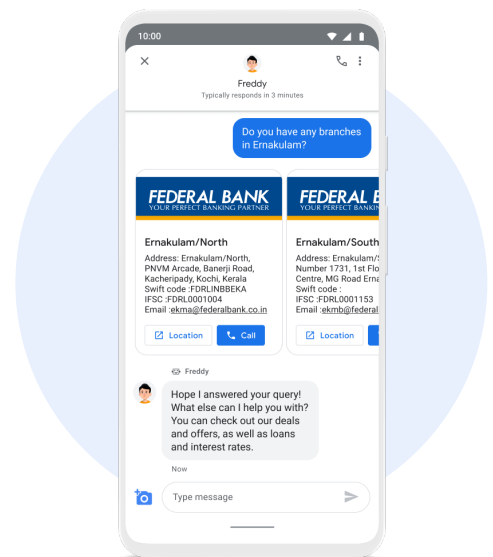

Customers chat with Federal Bank through the Google Search entry point

The approach

In June 2020, Federal Bank set out to dramatically improve customer satisfaction by **reimagining** the banking experience. The company partnered with Riafy Technologies, a leader in artificial intelligence technology whose solutions had been used by 36 million people in 27 languages and spanning 160 countries around the world. Riafy was entrusted to create an AI-powered virtual assistant that could handle complex banking transactions in a way that customers would find seamless and satisfying.

Riafy's customized solution was Feddy, a friendly AI assistant on Federal Bank's website that understood nuanced language and used Google's Dialogflow to accurately answer customers' banking-related questions.

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Feddy was capable of providing customers with their bank balance and account statements even if the questions were worded in different ways. Feddy could also tell them how to open a new account or even show off its personality by encouraging customers to ask it to tell a joke.

Riafy expanded the solution by incorporating Google's Business Messages, a messaging channel that enables personalized one-on-one conversations between consumers and businesses. This enabled Federal Bank to connect with customers in Google Search and Maps where they already had a clear intent to connect with the business and could be converted at a much higher rate than with other messaging options that rely on discovery. As a result, Federal Bank was able to significantly increase its conversion rate and incremental traffic. Additionally, Google's Business Messages quickly became the most popular channel for Federal Bank's customers other than the company's own website.

While the AI assistant resolved 80% of customers' questions, sentiment analysis was used during chat sessions to determine whether or not to route a customer to a human agent. The intelligent AI could sense distress based on the words typed by the customer and then quickly direct the conversation to the most appropriate department to remedy the situation.

The results

Federal Bank's results have been tremendous, including a dramatic reduction in average handle time from 5-7 minutes (through call center agents) down to 30-45 seconds with the AI assistant. They also saw 2 x increases in customer traffic and questions resolved. Additionally, the company saw a 25% increase in CSAT score with customers preferring to use Federal Bank's Google's Business Messages platform over that of other banks. On top of all that, Federal Bank's Google's Business Messages implementation was also recognized as runner-up in the Google's Business Messages 'International Build-an-Agent Contest'.

About Business Messages
Business Messages is a mobile conversational channel that combines entry points on Google Maps, Search, and brand-owned channels to create rich, asynchronous messaging experiences.

➔ Learn more about Business Messages at
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