

Messaging helps convert more enquiries into sales

Text messaging helped RBS increase the number of loan applications completed online



The RBS group is a large international banking and financial services company, with headquarters in Edinburgh and more than 2000 branches in the UK. It has around 33 million customers globally, of which 24 million are based in the UK.

In 2012 RBS offered more than £58 billion of loans and facilities to UK businesses. More than £30 billion was to SMEs. It also renewed £27 billion of overdrafts, including £8 billion for SMEs. The bank advanced £16 billion of UK home loans, including £3 billion to first time buyers. RBS accounted for 36% of all SME lending, compared with its overall customer market share of 24%.

RBS was the first UK clearing bank to offer house purchase loans, focussing on customers who were not well-served by the products already available from building societies, including older customers and people who were buying old or unusual houses. Today, RBS helps homebuyers by granting around 100,000 mortgage loans every year.

The challenge

Millions of customers visit the RBS website on a weekly basis. A significant number apply for products such as loans, mortgages, credit cards or savings accounts.

Across the banking industry, people often change their mind after beginning an application for a loan because they are put off by the cumbersome process.

Miles Hillier, Sales Fulfilment Lead for Digital Channels in RBS's Retail bank, says: "We did some work to understand the loans fulfilment process. We looked at customers who applied for loans but then needed to do something else before they could draw down the loan monies. We discovered we had a slow, paper-heavy process in place. Unsurprisingly, a lot of customers change their minds and do not go on to open a product."

The solution

RBS decided to look at a number of initiatives to make the loan process easier and more customer-friendly. Miles says: "We knew we needed to get in contact much sooner, while the customer is still prepared to go through the application process. Among other measures we decided to use messaging.



Results

- Customers served more quickly
- 10% increase in customers taking out loans
- More satisfied customers

"O₂ has created a messaging platform that enables us to deliver communications to customers from one central hub, in-house. We can also deliver bespoke marketing and service-related campaigns to customers.

"We set up a small team whose role it is to email and text customers who have started applications with an indication of what they need to do next. We made the process much more personal, with emails from a named contact giving specific instructions. If the customer has any questions, they know who to ask.

"It's easy to lose emails. We wanted to make the loans process more visible by integrating SMS – now when customers receive an email, they also receive a text from the applications team to remind them to look at their emails."

The result

This new process means that customers are more engaged sooner in the process. Appointment bookings have increased because customers can easily book an appointment by email at a specific time and know that they will be seen promptly, instead of having to wait for a letter to arrive to arrange an appointment.

Miles says: "As a result of introducing these changes, **we've seen over 10% uplift in loans that we're able to open for customers, solely down to the immediacy of communication from email and SMS reminders.**

"On the back of the success we've experienced in loans, we're using messaging across a number of products and we're looking to deploy a similar strategy for others. We've seen that if you get a message to your handset, you're much more likely to engage with it.

"We know that O₂ can turn stuff around quickly. We have a flexible front-end platform, and agents working in various locations with simple web-based access privileges can access the O₂ platform. It's extremely easy to set up and use.

"It's also been invaluable where we've had to reach a lot of customers quickly, for example during the Icelandic volcanic ash cloud incident. Quite a few customers were stranded abroad, but we got a message to them to say "If you're going to go overdrawn, we'll make sure you're OK." We've used messaging in a number of different contexts. It's very flexible and we can get things done at pace."

Messaging Services from O₂

Messaging Services from O₂ give businesses a fast and cost-effective way to keep in touch with customers and employees, individually or as a group, anywhere in the UK. They're easy to track and provide a simple method of data capture.

Using text and voice messages, businesses can effectively communicate offers and promotions, payment reminders, customer updates, delivery notifications and appointment reminders in a way that suits the customer. Fixed messages can be set to save time and messages scheduled in advance.

No technical set-up is required. It only requires an internet-enabled PC, an email address and a mobile phone on any UK network to run. And there's no set-up charge. Businesses only pay for what they use, and benefit from the ongoing cost savings of reduced printing and postage.

We'd love to hear from you. To find out more about how O₂ can help your business, just contact your Account Manager or call Matt Worth on 01235 433 507.

You can also visit o2.co.uk/business/products-and-services/mobile-and-tablets/messaging-services.

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**Miles Hillier,
Sales Fulfilment Lead, Digital Sales
at Royal Bank of Scotland**