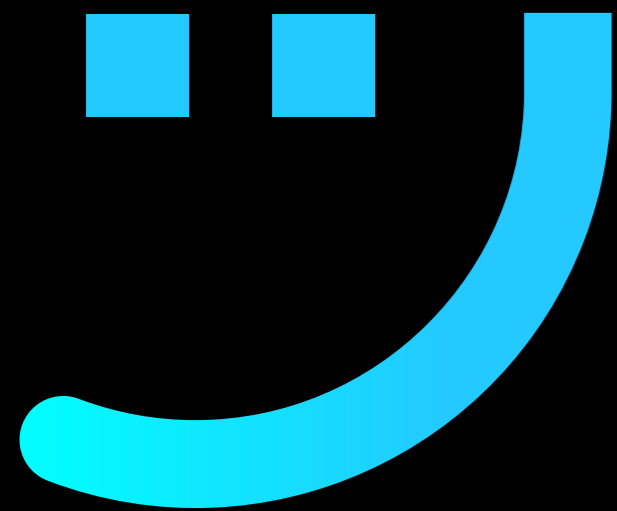




NICE

Duty of Care: Treating Vulnerable Customers Fairly with AI

Call Centre Helper – 25 May

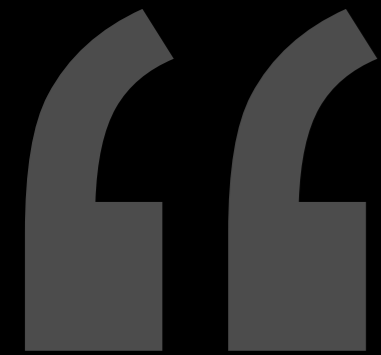


Agenda

- Who are Vulnerable Customers?
- A Rise in Vulnerability
- What is Consumer Duty?
- Expectations for Firms
- Challenges of Managing Today's Vulnerable Customers
- How Analytics Can Help
- Case Study Example
- NICE's Advantage

Who Are Vulnerable Customers?

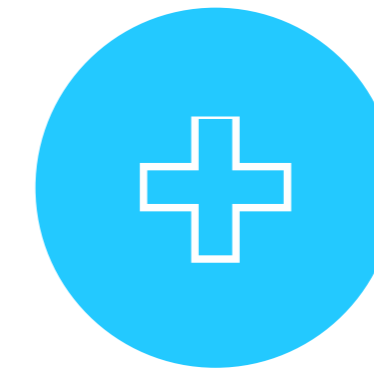
PER THE FINANCIAL CONDUCT AUTHORITY:



A vulnerable customer is someone who, due to their personal circumstances, is especially susceptible to harm – particularly when a firm is not acting with appropriate levels of care



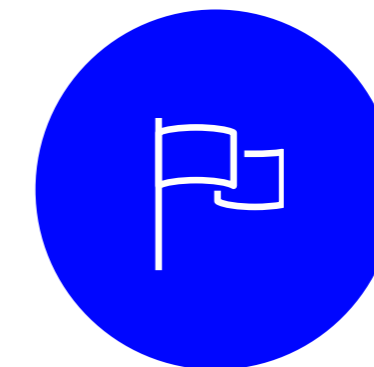
The FCA Drivers of Vulnerability



Health



Resilience




Life Events



Capability

Vulnerability can affect consumers across all financial products and services

A Rise in Vulnerable Customers



47%
of UK adults
showed
1 or more
characteristics
of
vulnerability*

Macroeconomic factors

- Cost of living increases
- 12.9 million adults with “low financial resilience”
- 60% of all UK adults (or 31.9 million) have trouble keeping up with their bills, up from 50%*
- 1 in 2 UK adults, or 28.4 million people, were more anxious or stressed due to the rising cost of living*

*per FCA data

What is Consumer Duty?

- Refers to the FCA's "consumer principle," which requires regulated firms to "act to deliver good outcomes for retail customers."
- Firms must meet the needs of those classified as "vulnerable customers."



MUST BE IN COMPLIANCE BY:

- 31 July, 2023
New and existing products or services open to sale or renewal
- 31 July, 2024
Closed products or services



FAILURE TO COMPLY COULD RESULT IN:

- Fines
- Penalties
- Loss of Reputation

FCA Expectations of Firms



Put customers at the heart of your business for good outcomes



Provide services and products that meet customers' needs



Don't exploit customers



Embed the interests of your customers throughout your firm's culture



Monitor and review outcomes; take action to address risks

Challenges of Managing Customer Vulnerability



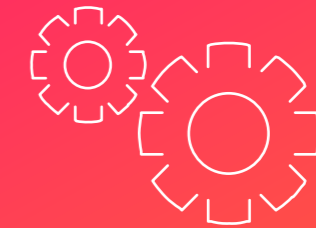
INCONSISTENT IDENTIFICATION

- Not all vulnerabilities are visible/clear
- Customers are unaware or unwilling to share information
- Subtle clues are easily missed



UNRELIABLE TRACKING, REPORTING AND FOLLOW-UP

- Subjective, manual samples by humans
- Expensive, doesn't scale



REACTIVE PROGRAM

- Inadequate agent feedback
- Misaligned processes and regulatory compliance

How Analytics Can Help



Identify

- Consistently and accurately identify, classify, and report on vulnerability risk for every interaction based on the FCA drivers.

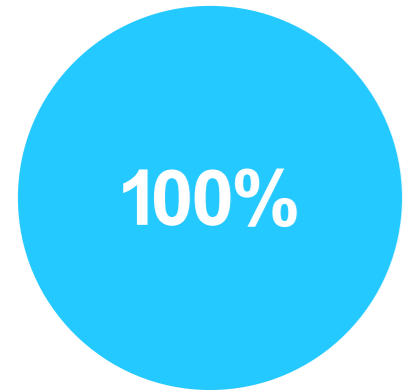
Remediate

- Automate remediation workflows by vulnerability type and track resolution.

Prevent

- Reduce future mishandling of vulnerabilities by upskilling frontline staff with automated quality and performance metrics and deliver targeted coaching.
- Diagnose process issues that pose violation risks

Embed the Fair Treatment of Customers into Contact Center Operations



Analyse
100% of
Interactions



Pre-built
Dashboards



Closed-Loop
Remediation
Workflows



Quality and
Coaching Tools



Audit Trail &
Regulatory
Reporting



Integrated
Root Cause
Analysis

BENEFITS



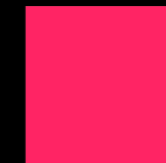
Achieve FCA
Compliance



Deliver exceptional
care in a time of need



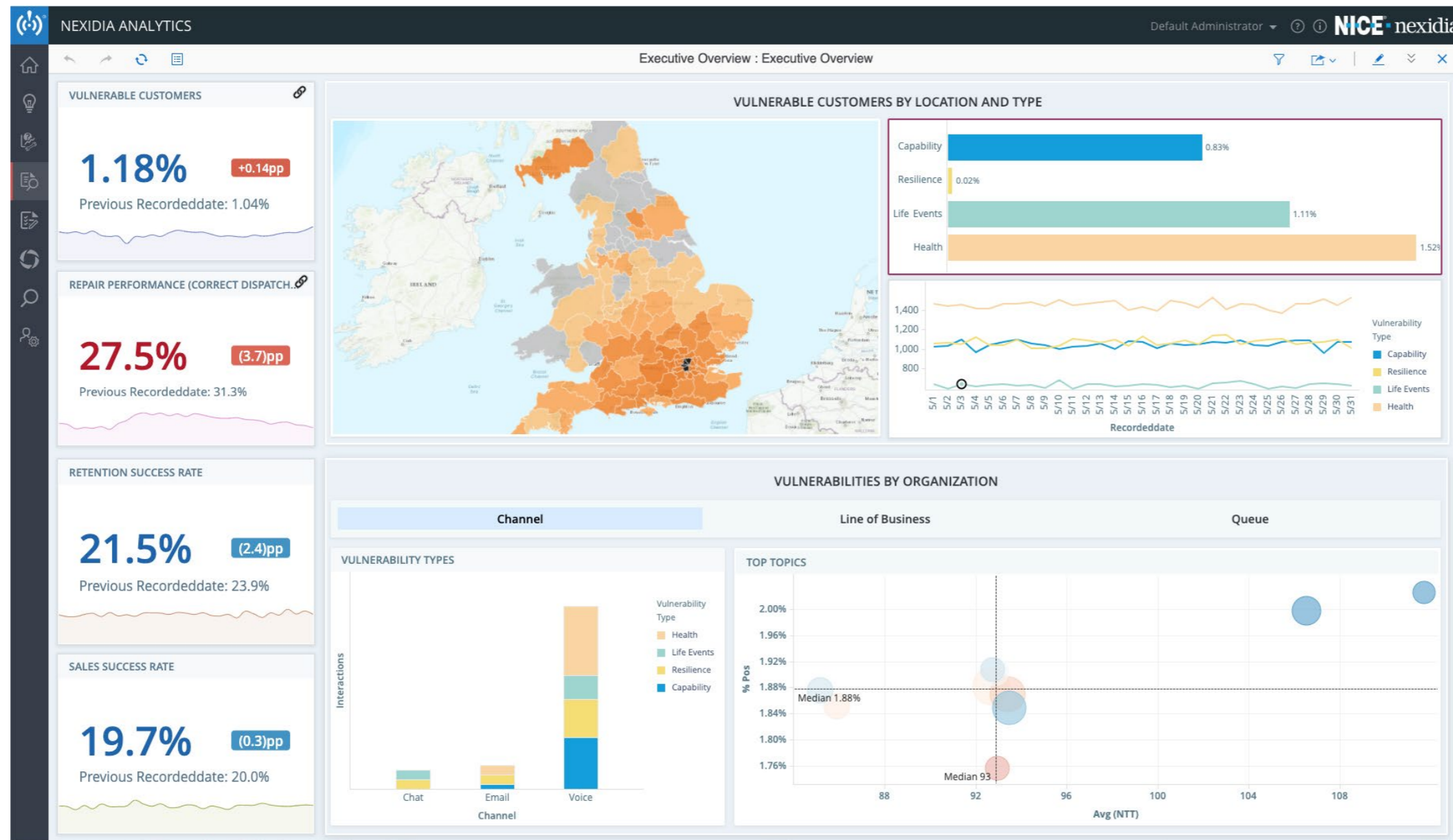
Engage & upskill
frontline staff



Identify Vulnerable Customers Accurately & Consistently

Eliminate manual & subjective analysis

- Automatically identify and classify across 100% of volume on all channels
- Classify by FCA drivers of vulnerability, escalations and sentiment to ascertain risk
- Out-of-the-box reporting & dashboards for regulators
- Monitor trends by volume, type, location, and more

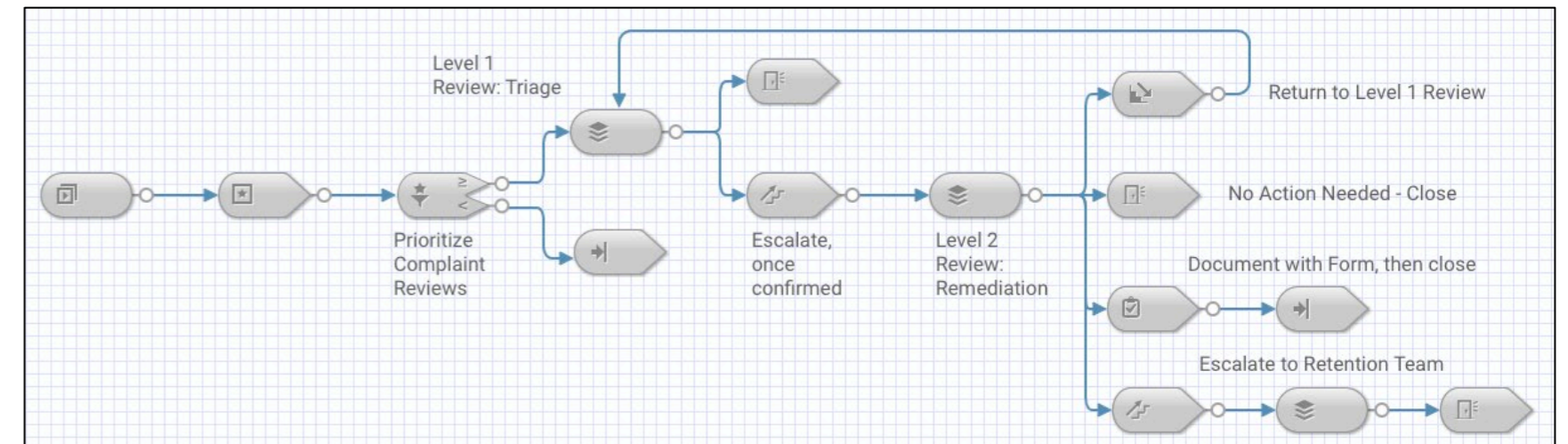


Automate Remediation with Workflows & Dashboards

Immediately address high-risk, and/or sensitive interactions

- Prioritise high risk interactions with intra-day handling
- Purpose-built, out-of-the-box workflows with drag and drop interface
- Integrated review documentation and automated escalations
- Track and report on resolution closure with case management
- Auto-assign reviews and provide access via personalised dashboards

Automated Workflow



Personalized Reviewer Dashboard

COMPLIANCE PLANS	QUEUE	TOTAL	ASSIGNED TO ME	MAX AGE	AGES (DAYS)					UNASSIGI	MAX AGE	AGES (DAYS)						
					1	2	3	4	5	6+			1	2	3	4	5	6+
Negative Sentiment	Evaluator	20	1	10	■						11	15						
Life Event	Claim Au...	30	4	16							13	16						
Health	Analyst	61	4	14	■						40	12	■					

Upskill Frontline Staff to Prevent Future Violations

Deliver Exceptional Service and Turn Customers into Lifelong Advocates

- Objectively identify agent skills that are impacting compliance with out-of-the-box dashboards
- Deliver focused coaching or best practices

AGENT : AGENT DETAIL

AGENT OVERVIEW | AGENT DETAIL

GREAT EXAMPLES

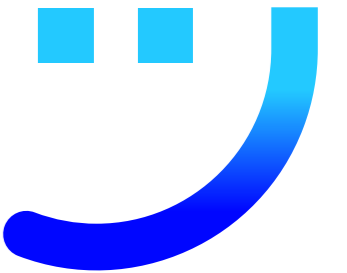
	AGENT	DURATION	SENTIMENT	MENTAL HEALTH	PHYSICAL HEALTH	LIFE EVENT	RESILIENCE	CAPABILITY	BE EMPATHETIC	BUILD RAPPORT	LISTEN ACTIVELY	QUESTION EFFECTIVELY
Play Call	Agent 30	1	10.00	0.33	0.61	0.92	-0.25	0.72	0.63	1.10	-2.20	-0.42
Play Call	Agent 6	3	10.00	2.34	1.71	2.35	0.95	2.18	1.57	-0.09	-0.66	-0.10
Play Call	Agent 28	0	10.00	0.00	1.48	0.78	-0.56	1.34	1.00	0.64	-0.80	0.50
Play Call	Agent 21	1	10.00	-0.16	2.26	1.20	-0.60	2.41	2.56	-0.09	0.11	1.80
Play Call	Agent 24	3	10.00	-0.32	0.73	-0.51	-0.86	0.24	0.12	0.34	-1.15	-0.78
Play Call	Agent 14	3	10.00	-0.43	0.68	0.74	0.76	1.32	1.78	-0.23	-1.52	-0.91
Play Call	Agent 13	2	10.00	-0.49	2.54	1.66	0.19	2.04	3.63	1.10	-1.39	-1.13
Play Call	Agent 12	3	10.00	-0.50	1.25	2.30	2.44	1.68	2.72	-0.06	-2.16	1.89
Play Call	Agent 27	2	10.00	-0.83	5.49	3.01	1.91	5.08	4.18	1.75	0.08	1.65
Play Call	Agent 24	2	10.00	-0.85	3.94	2.97	-0.79	3.73	5.51	1.30	-0.50	3.17
Play Call	Agent 11	1	10.00	0.87	0.44	1.33	0.07	0.53	0.38	0.12	0.55	0.33

COACHING OPPORTUNITIES

	AGENT	DURATION	SENTIMENT	MENTAL HEALTH	PHYSICAL HEALTH	LIFE EVENT	RESILIENCE	CAPABILITY	BE EMPATHETIC	BUILD RAPPORT	LISTEN ACTIVELY	QUESTION EFFECTIVELY
Play Call	Agent 21	0	-5.00	0.32	1.99	1.20	-0.65	1.75	2.28	0.87	0.07	2.90
Play Call	Agent 19	1	-5.00	0.13	2.07	1.22	0.31	1.90	1.77	1.25	-0.32	0.46
Play Call	Agent 19	3	-5.00	-0.03	3.60	4.29	-0.77	3.27	3.54	1.97	-1.54	1.54
Play Call	Agent 24	3	-5.00	1.37	3.91	3.35	0.83	3.69	4.10	1.26	-1.61	-0.33
Play Call	Agent 17	2	-5.00	-1.04	0.85	0.69	0.04	0.51	0.31	0.28	-0.76	-0.59
Play Call	Agent 21	3	-5.00	-0.12	0.75	0.53	0.73	0.61	0.36	0.03	-0.52	-0.16
Play Call	Agent 14	3	-5.00	-1.25	2.32	2.66	0.44	1.69	2.03	1.00	-1.19	0.57
Play Call	Agent 22	4	-5.00	-1.79	1.24	1.34	-0.57	1.60	1.21	-0.17	0.11	1.05
Play Call	Agent 13	3	-5.00	-2.72	4.02	3.29	0.17	3.69	3.00	0.43	-1.39	-0.49
Play Call	Agent 18	3	-5.00	-1.12	0.81	0.55	0.78	0.77	1.27	0.77	-0.78	-1.64
Play Call	Agent 12	2	-5.00	-1.35	2.30	4.35	2.32	2.39	4.17	1.15	3.62	1.65

Uncover Process Issues to Prevent Violations

Understand Vulnerability Drivers that Negatively Impact the Business



Identify opportunities to strengthen CX

- Perform root cause analysis on centralized analytics datasets
- Identify broken processes and reduce employee variability

Safeguard your brand reputation with proactive analytics

- Auto-correlate drivers of vulnerability topics and trends across all channels
- Flag emerging or recurrent issues with early-warning systems

Objectives

- Accurately identify vulnerable customer conversations
- Obtain greater visibility of vulnerable customer calls beyond those flagged by agents
- Deliver effective coaching to agents

Solution

- Used AI-driven models to identify vulnerable customers
- Created vulnerability dashboard to measure call volume and highlight trends

Case Study

(motor finance company)

Results

- Identified calls with the highest probability of a vulnerable conversation
- Uncovered large percentage (23%) of resilience vulnerabilities, previously unknown.
- Measured positive correlation between agent behaviours and impact on vulnerable customers
- Discovered coaching improvement for agent behaviours, specifically: being empathetic and building rapport.
- Measured an increase in sentiment scores across all vulnerable calls



Artificial Intelligence for Operational Excellence



- ✓ Complete, objective, and automated analysis of every interaction
- ✓ Predictive and prescriptive insights
- ✓ Purpose-built, ready-made, customisable
- ✓ Accelerate actions with immediate results

Largest Interaction Dataset

20+ Years of Research & Development

Over 500+ Patents

Take Your Next Steps for Success

Enlighten AI for Vulnerable Customers



Test Drive at No Cost with a Proof-of-Concept

- Demonstrates an ROI
- Provides specific recommendation based on your goals



Rapid Time to Value

- Out-of-the-box, purpose-built solution
- Get a proactive partner that equips you with the right people, tools, and technology for your success



Proven Analytics Market Leadership

- Deeps analysis with quick insights
- DMG Consulting leadership for 10 years in a row with perfect scores across 24 categories

Thank You

NICE 😊

Make
experiences
flow