

# Customer Service Preferences in Financial Services - UK - May 2021

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## This report looks at the following areas:

- The impact of COVID-19 on consumer behaviours related to customer service
- Market environment, including recent regulatory intervention
- Perceptions of the customer service offered by different financial services sectors and comparable industries
- Most important factors determining good customer service
- Channel preferences in customer service for serious vs routine issues
- Reactions to poor customer service
- Attitudes towards customer service, including developments seen during the pandemic

72% of customers believe that COVID-19 can no longer be used as an excuse for poor customer service and that opening hours should return to normal once the pandemic is over. This is not to say that the appeal of online channels hasn't increased, but an indication that people expect a return to normality in the availability of traditional channels of customer service.

Although part of a long-term trend, lockdowns have accelerated the shift to digital and online channels in customer service. This is likely to continue and expand into further areas of consumer finance, but the pandemic has also highlighted the importance of securing access to the most vulnerable in society.

However, financial services providers have by and large been hit financially by the crisis, and will eventually have to go through restructuring to adapt to the new normal. Unpopular decisions may be on the horizon, for example regarding the viability of running extensive branch networks while more customers are switching to online channels.

The long-term shift to online will see cost-effective ways of improving customer service, particularly when it comes to 24/7 assistance and speed of response. However, knowledgeable staff remains the main priority in customer service,



"The pandemic has accelerated the shift towards digital channels across the financial services sector. This offers cost-effective opportunities to expand the scope and reach of online customer service, but it also increases the relative value of human interactions."

– Irene Salazar, Senior Financial Services Analyst

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and consumers will turn to telephone and in-person services when a serious issue arises. A hybrid approach of prioritising the time and training of expert staff with automated solutions that can direct customers to the right channel for their needs will be key in meeting customers' expectations now and in the future.



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