



OLIVE REPORT: HOW DID UK BANKS RESPOND TO COVID-19?

**TRANSFORMING BRITAIN'S BANKS: REACTIVITY IN
THE FACE OF A PUBLIC HEALTH CRISIS**

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ABOUT OUR RESEARCH

Olive's UK study – “Online Banking for Gen Z” was conducted in February 2020 on 2,000 Generation Z (aged 18 – 22) consumers who bank, and 500 Heads of Customer Service and Customer Service Directors at UK banks.

As a reaction to COVID-19, a second study, “The Future of Online Banking” was conducted in May 2020 on 2,000 UK bank customers from 18+ years, and 500 UK Heads of Call Centres, Heads of Customer Service & Customer Service directors at UK banks.

ABOUT OLIVE

Olive Communications is one of the UK's fastest growing and most progressive Managed Cloud Communications Providers that provides business critical solutions for transformational growth. Its proposition is one of simplicity, removing complexity and duplication whilst helping businesses optimise cost and deliver world-class customer service.

Olive has the proven capability to help navigate the changing technology landscape, particularly in a post-pandemic economy, supported by partnerships with market-leading names including Vodafone, Mitel, Google Cloud and Microsoft. It provides scalable and agile cloud communications that seamlessly bridge cloud, data, and mobility services through a single platform.

Olive also operates Safetybank, the powerful health & safety management tool trusted by thousands – helping organisations of all sizes implement, monitor, and report on health and safety protocols, including support staying compliant with new COVID-19 government guidelines.

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EXECUTIVE SUMMARY

Olive's report follows recent news on the temporary failings of the online banking systems of major banks, which left thousands of customers unable to access banking services and customer call centres during lockdown, revealing that many customers felt let down by their banks' lack of online services and support, with **58% unable to access the help or online banking facilities they need from home, at a time they need them the most.**

The recent change in the global landscape due to Covid-19 has forced the financial services industry into a state of widespread change, with many traditional high street banks struggling to quickly implement digital services allowing them to service their customers throughout the period of lockdown.

This report aims to explore the lengths that banks went to in order to improve their digital and online customer service technology through COVID-19, and the perceived quality of customer experience from the viewpoint of both customers, and the bank's employees, throughout the pandemic.



› BANKS' IMMEDIATE RESPONSE

As the reported coronavirus epidemic grew to pandemic status, UK banks began to quickly initiate business continuity plans in an attempt to continue to operate effectively without the need of physical offices, and significantly reduced both the number of open high street branches and in-branch staff.

Olive's research into how banks responded to the pandemic revealed that, **83% of banks invested money in improving their digital and online customer service offering to meet customer demand during COVID-19.**

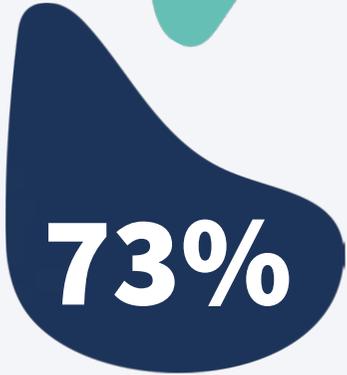
Whilst this sounds impressive in principal, stop-gap services can lead to bigger problems like user adoption and unforeseen integration challenges.

The impact of COVID-19 has fast-tracked plans to digitally transform services; with **73% of banks polled by Olive since the pandemic spending £50,000 or more in improving their digital and online customer services; whilst one in three have invested between £500,000 and £2 million.** As a result, **58% of banks believe they have successfully met the heightened demand in customers' online banking needs since COVID-19** – a stark contrast to Olive's consumer findings.

A teal, irregularly shaped graphic containing the percentage 83% in white text.

83%

of banks invested money in improving their digital and online customer service offering to meet customer demand during COVID-19

A dark blue, irregularly shaped graphic containing the percentage 73% in white text.

73%

of banks polled have spent £50,000+ in improving their digital and online customer services since the start of the pandemic

A teal, irregularly shaped graphic containing the percentage 58% in white text.

58%

of banks believe they have successfully met the heightened demand in customers' online banking needs since COVID-19



› **BANKS' IMMEDIATE RESPONSE**

Communications technologies like web and mobile chatbots, Unified Communications, and remote working tools have been key areas of growth during the pandemic. A large number of banks surveyed felt that they did not initially have the right technology in place to remain operationally agile.

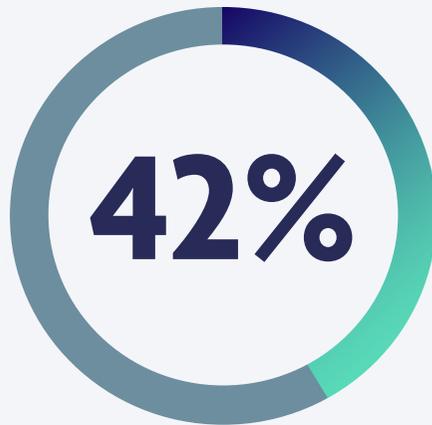
39% of Head of Customer Services and Customer Service Directors estimated their bank spent over £500,000 improving their digital and online customer service offering during COVID-19.

Research by the **Office for National Statistics (ONS)** supports findings, suggesting that they found a surge of adoption of technologies that are 'commonplace and integral to routine business functions'. A significant portion of this adoption is likely to be basic remote working applications such as Microsoft Teams, or Zoom meetings. It's likely we'll see a number of organisations making further investment in technologies to extend the use of collaboration tools, incorporating additional functionality such as that offered in Olive's **'Connect4Teams'** portfolio.

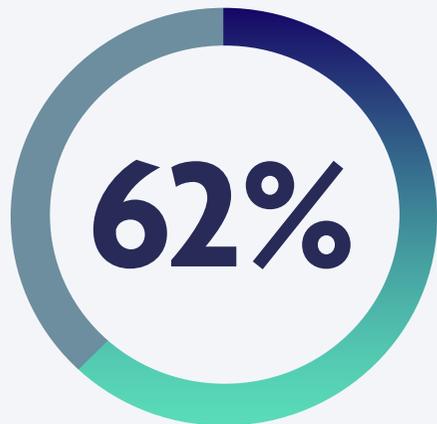


of consumers felt their online banking service did not meet their needs during COVID-19 lockdown.

of consumers have left a business due to a poor customer experience.



of of the generation Z demographic felt that their online banking service did not meet their needs effectively.



› CONSUMERS WANT A BETTER SERVICE

Olive found that customers' frustrations with their bank's digital services were heightened further by fragmented online banking services and support channels, with a quarter complaining of customer service channels not being joined up.

Research bought to light that **58% of consumers felt their online banking service did not meet their needs during COVID-19 lockdown. In the Gen Z and Millennial categories, this figure increased to 62% and 61% accordingly.**

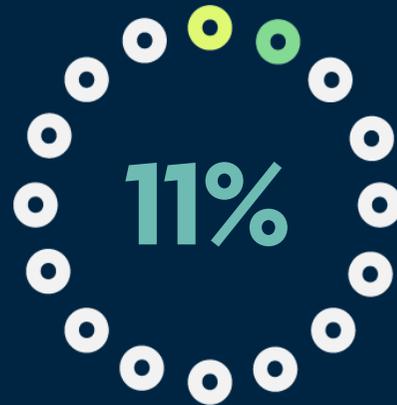
Despite the financial investment undergone by many banking institutions, it's clear that customers, in the majority of cases, still felt like the service wasn't up to the standard expected. **42% of consumers have left a business due to a poor customer experience**, evidencing the likelihood that many of the less digitally enabled banks will continue to lose customer loyalty, and revenue, due to ineffective systems in place.

This feeling was strongest in younger generations. Olive's research found that **over 62% of the generation Z demographic felt that their online banking service did not meet their needs effectively**. Younger generations continue to gain a reputation for being **'serial switchers'** - changing providers following a poor experience, with reduced feelings of brand loyalty in comparison to older generations. It has never been more important for banks to create resilient systems and processes that help drive customer satisfaction and support the growing demands of the workplace.



60 % admitted back in February, before Covid-19 struck the UK, that their online banking services were not up to standard for the next generation of digital natives such as Generation Z's.

11% requested a better handover from virtual (VA) to human assistance when dealing with their enquiries.



69% of banks said they were planning to improve their online banking facilities and customer service in 2020.

› SERVING GENERATION Z

In spite of Olive's consumer findings, banks have been striving to improve their online banking services for some time. Olive polled 500 banks both before and during the pandemic. **60% admitted back in February, before Covid-19 struck the UK, that their online banking services were not up to standard for the next generation of digital natives such as Generation Z's.**

A quarter of this generation, which accounts for £111 billion worth of spending power, said "having live chat operators 24/7" and "fingerprint technology" is most important to them. One in five said "calls to be answered quicker" is crucial, and **11% requested a better handover from virtual (VA) to human assistance when dealing with their enquiries.**

Over half of Gen Z's (61%) prefer to bank out of hours, before 8am or after 6pm, with a third (37%) wanting access to a branch or pop up branch.

69% of banks said they were planning to improve their online banking facilities and customer service in 2020.

› EMPLOYEES KNOW IT'S TIME FOR CHANGE

The research reveals that a significant portion of a bank's own employees surveyed feel that their employer is not doing enough to successfully meet the needs of its customers during COVID-19. 42% of employees surveyed agreed that this is the case.

Olive surveyed senior customer service executives from a selection of UK banks, showing that a surprising amount felt that their own company is not doing enough to effectively service their customers. The strong link between customer experience and employee experience has been covered in detail - [companies that lead in customer experience have 60% more 'engaged' employees.](#)

It's not difficult to imagine the reasons behind this. Having simple, effective technology and procedure for servicing customers not only helps to satisfy them through faster speed of resolution and reduce time on hold, but creates a more satisfying experience for the agent, who spends less time speaking with disgruntled customers, and doesn't have to waste time on technological complexities due to inefficient systems.

In very recent years we've seen the emergence of specialised tools to help improve the employee experience even further in the quest to delivery simply brilliant customer experiences, such as Olive's Contact Centre suite, powered by Mitel and Google AI, which uses AI assist functionality for more personalised, intuitive, and AI-driven customer service interactions.



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Companies that lead in customer experience have 60% more 'engaged' employees.

The top reasons for customer dissatisfaction with banks:

#1

"I can't get through when I want"

#2

"They don't respond to me in real time"

#3

"Disconnect between the channels of customer service"

› RESPONSE TIME IS THE DIFFERENTIATOR

Olive's research reveals that the most commonly reported reason consumers had for dissatisfaction with their bank, was being unable to get in contact with them when it's needed.

The two top listed reasons for dissatisfaction were 'I can't get through when I want' and 'They don't respond to me in real time'.

The next popular choice of answer was 'disconnect between the channels of customer service' - consumers felt that their bank was not delivering a consistent experience over multiple channels of communications such as phone, live chat, WhatsApp or social media. This feedback from consumers suggests that despite the investments many banks have made into their service over past months, there is still a way to go in improving the availability, efficiency, and agility of customer service operations.

Lockdown merely exposed this issue; lack of an appropriate cloud system resulted in staff being more difficult to reach over the phone, and [call holding queues becoming completely flooded](#) as they struggled to find a working solution.

66% of consumers use at least [three different communication channels to contact customer service](#), therefore using a system which centralises communication history with customers over multiple channels could be one of the most influential ways that banks could improve their customer service in the wake of the COVID-19 lockdown.

› CREATING A FUTURE-PROOF CUSTOMER SERVICE PLAN

The stats are clear - despite some investments, consumers on the whole, are not happy with their high street banks' service throughout COVID-19 lockdown. Until banks modernise their processes, it is likely we'll continue to see many 'alternative' banks, [such as Monzo](#), growing in customer base due to frustration with mainstream providers' inability to digitally transform and innovate at the same scale.

The positive news is that banks are beginning to plan for change off the back of COVID-19, with many planning additional investments to meet the growing demands of their customer base. Technologies such as omni-channel contact centres, cloud communications, and AI are allowing customers to get in contact quickly, on their platform of choice, whilst the bank enjoys greater operational agility and faster speed of resolution.

› EMBRACE THE NEW NORMAL

Life after lockdown has undoubtedly changed the landscape for financial services permanently. It has never been more important to proactively implement technologies to help support a remote working strategy that has customers at the centre of it all.

Interested in learning more about how Olive helps financial services companies revolutionise their communications? [See how we helped Yorkshire Building Society implement a resilient contact centre platform, ready to continue to deliver digitally enabled and simply brilliant customer experiences.](#)

**Hear how we helped
Yorkshire Building Society**

