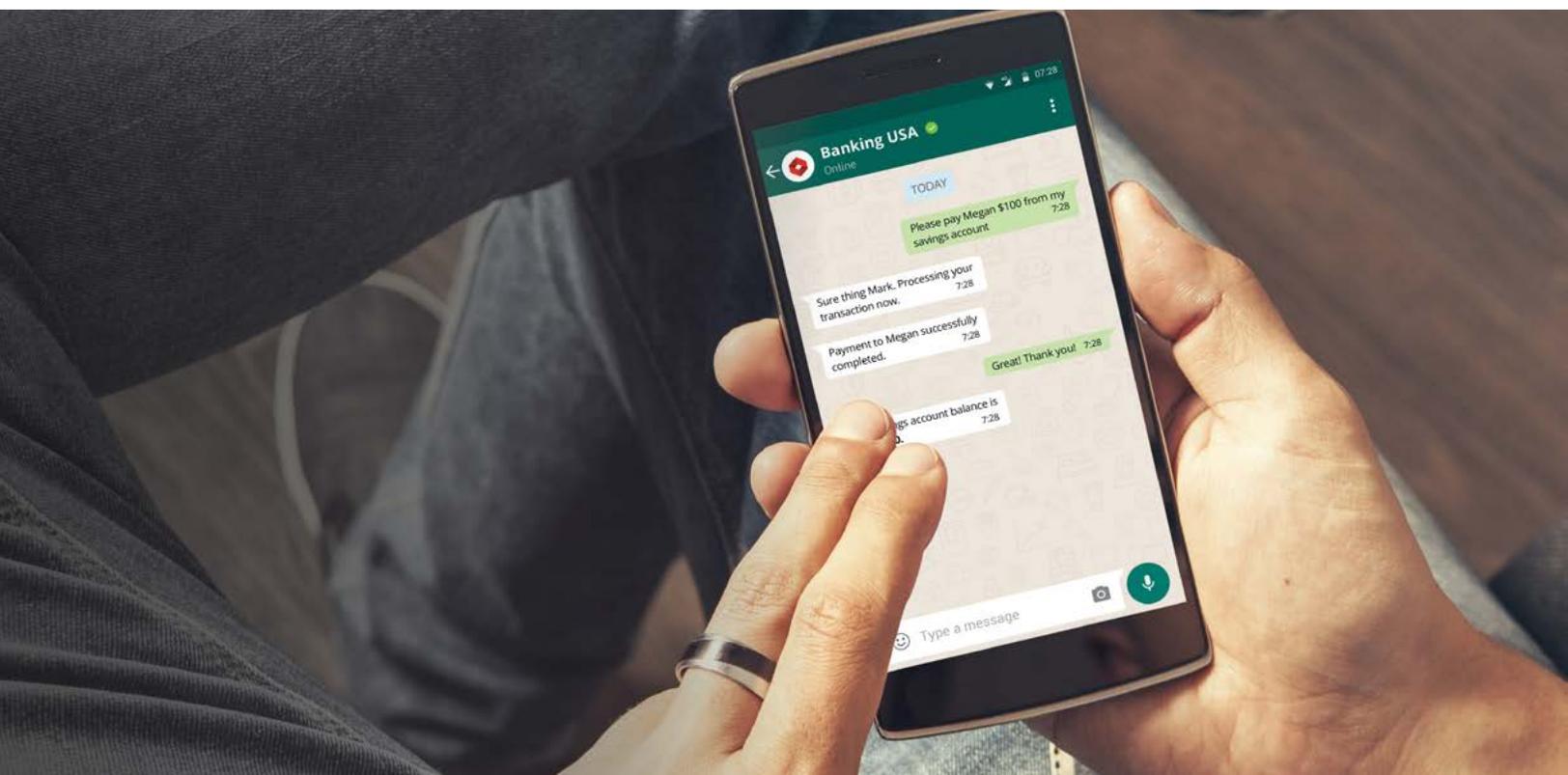


# CHAT BANKING SET TO SWEEP RETAIL BANKING



By Nirmal Nair



**W**hat's the fastest way to check your bank balance or pay a bill? A branded bank app or bank website? Think again. Millions of people globally turn to banking within chat apps such as WhatsApp and WeChat to complete everyday transactions in seconds. Soon you will too.

Part of the emerging chat economy, chat banking lets people turn to their favorite chat apps to bank. You already see chat transforming the way people conduct transactions in China, India and Brazil, with nearly a billion people using chat-app based payments every day. At Clickatell, we predict that within the next few years, chat will be the preferred way to conduct routine banking globally. Why? Chat is the way people increasingly want to engage.

## Lower cost way to deliver better service

Chat provides the perfect channel for banking: it's fast and simple and secure. Everyday banking consists of routine tasks, like transferring funds and checking balances. These are activities that can be completed with clarity using very few words. Based on self-service and automation technologies, chat banking shouldn't be confused with chatbots, though conversational bots can complement chat banking.

Chat banking offers a number of advantages for banks, too. Its significantly lower cost to operate relative to branches, contact centers or branded apps. It opens access to every customer with smart phone. Chat banking also opens up a valuable new channel to offer partner products, introducing new revenue streams and matching new products to existing customers.

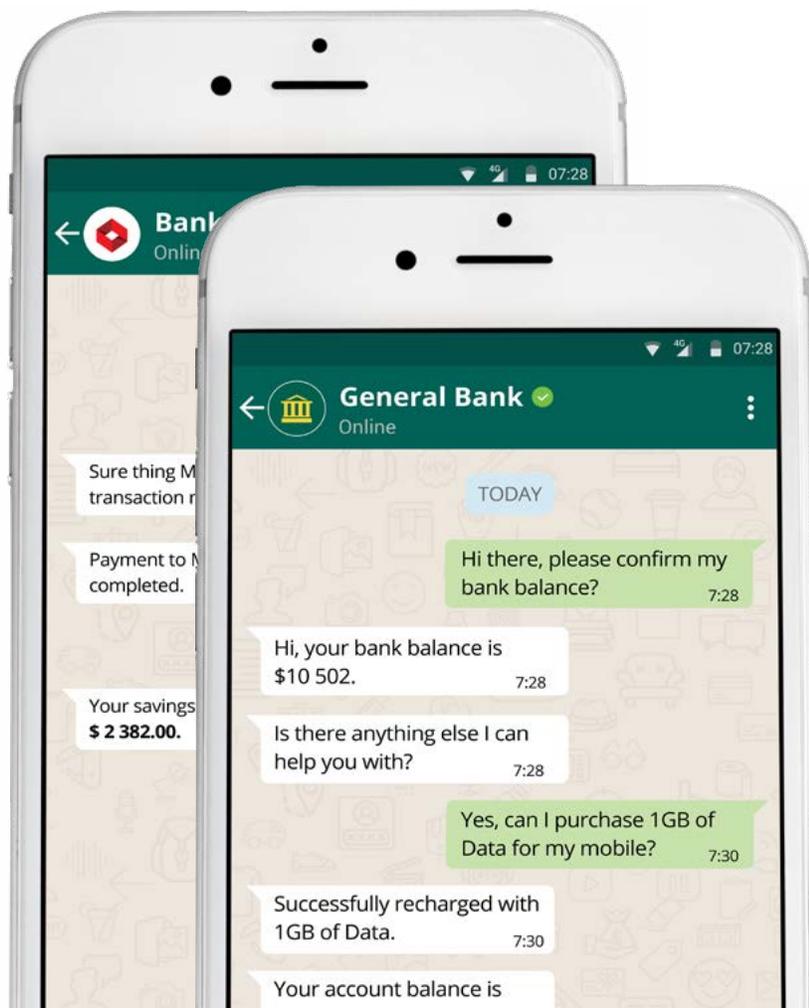
Contacting business through chat is not a fad anymore. Per Facebook, 61% of US Messenger users have contacted a business on chat. (Sources: 1. Facebook data, global, Sep 2018. 2. "Motivations, Mindsets and Emotional Experiences in Messaging (vs. Feed)" by Sentient Decision Science (Facebook-commissioned survey of 8,156 people in BR, GB, IN and the US), Jun 2018.)

## Coming soon to your mobile device

It's common for banks in the United States to send notifications through chat and SMS. Chat banking evolves these static messages to powerful, interactive two-way engagement and self-service experiences. US banks are seeking new means to rapidly and efficiently serve their customers, particularly younger populations who are digital natives. Banks and credit unions in North America are just starting to explore chat banking.

At Clickatell, we've helped a number of banks in Africa successfully turn chat into a banking channel. Their customers aren't just mobile first—many are mobile always. In an effort to serve these customers better, banks in Africa took to chat, and their customers have responded with enthusiasm.

A bank customer in Africa can check a bank balance in less time than it takes to open a brand-specific app. She starts a chat with her bank in her favorite chat app and simply asks for her checking or savings balance and receives an instant response.



Clickatell's chat banking solution powers user actions such as:

- Pay bills
- Set up recurring payments
- Buy digital goods
- Transfer funds to peers or businesses
- View a mini or full account statement
- Report a missing or stolen card
- Report a fraudulent transaction
- Find a nearby branch or ATM

With chat banking, banks can swiftly experiment and deliver a personalized experience for each of its customer. Having a bank as a chat contact is the really important differentiator here. Messaging with business is no longer a disjointed experience; rather it becomes an ongoing conversation between the business and the consumer.

## Will chat banking be trusted and secure?

This is an important question that comes up constantly and top of mind for us. Business Insider's 2019 edge report on mobile banking listed the #1 desired security use case to have the ability to turn a payment card on/off. With chat banking that could be literally a 10 second process. No need to download the app, or deal with an IVR at the moment of panic. We strongly believe that chat banking is comparably secure to a mobile banking app. And mobile banking is quite sticky and popular, especially with the millennial and Gen Z generations. According to Business Insider Intelligence's Mobile Banking Competitive Edge Study, 89% of survey respondents said they use mobile banking. Further, a massive 97% of millennials indicated that they use mobile banking.

## Learn more about the chat commerce revolution

Chat banking is one manifestation of chat commerce, a multi-trillion-dollar trend currently sweeping the globe. With chat commerce, you bypass branded apps, websites, IVRs and physical locations to complete transactions with businesses. You start and finish routine tasks and purchases with just a few actions within your favorite chat app. It's like your trusted businesses are right there, in your contacts list, waiting to respond. Just a chat away. Like your friends and family.

[Read my recent article on Medium](#) to learn why chat is so transformative. You'll also get a peek into the industries with the most compelling use cases for chat commerce.