HOW DOES AI IMPACT BANKERS' TRUST BUILDING EFFORTS: TOWARDS AN ANALYTICAL FRAMEWORK

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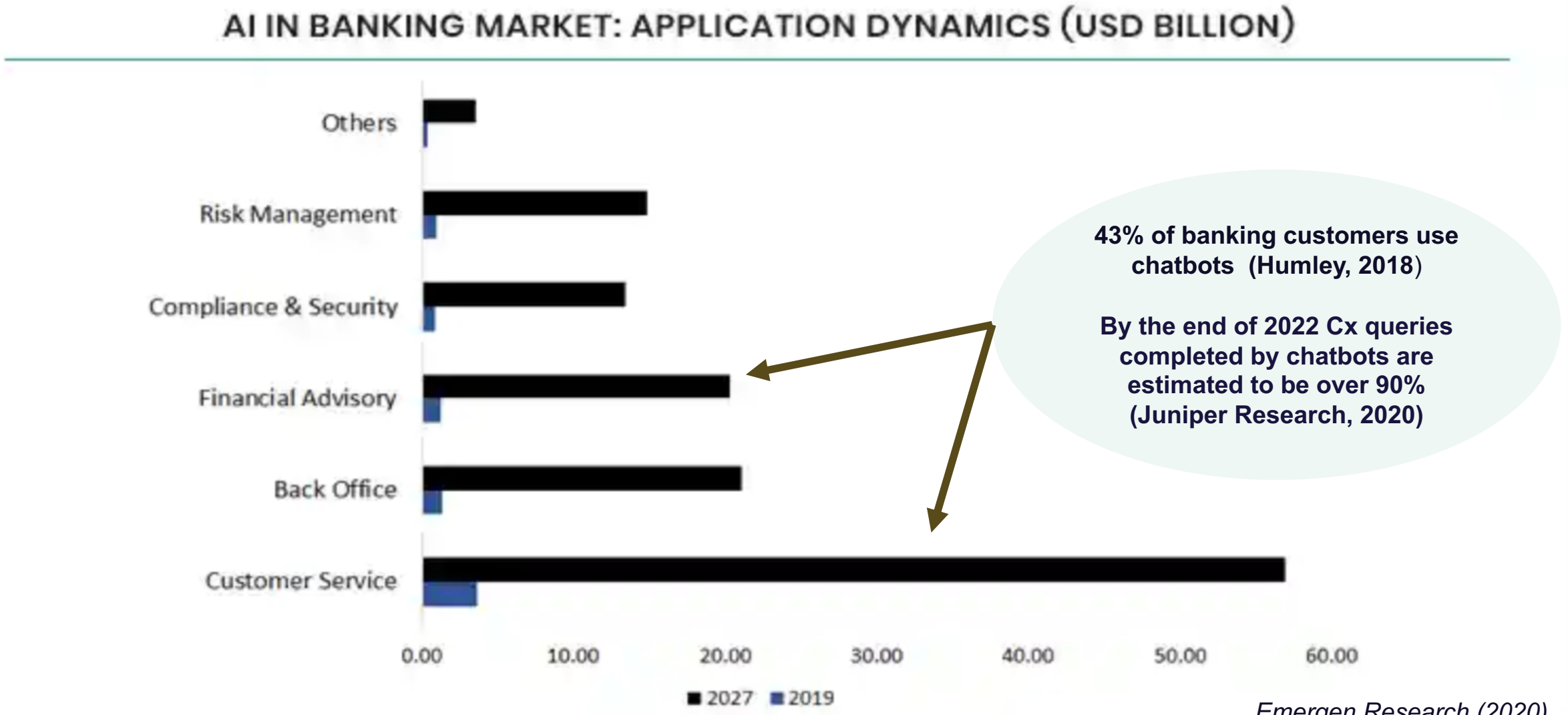
CONTEXT: AI & BANKING



43% of banking customers use chatbots (Humley, 2018)

By the end of 2022 Cx queries completed by chatbots are estimated to be over 90% (Juniper Research, 2020)

Emergen Research (2020)

MOTIVATION FOR THE PAPER

- Establishing and maintaining trust in buyer-seller dyads is challenged by chatbots, due to their ability to emulate human behaviour (Waarden et al., 2020)

- Sustaining customer loyalty via bank advisors' trust-building efforts with customers plays a crucial role in gaining a higher competitive advantage (Kruse, Wunderlich & Beck, 2019)

- Trust is the most important factor for customers when approaching banks for their financial needs (Schmid, 2020; Sekhon et al., 2014; Sekhon, 2007)

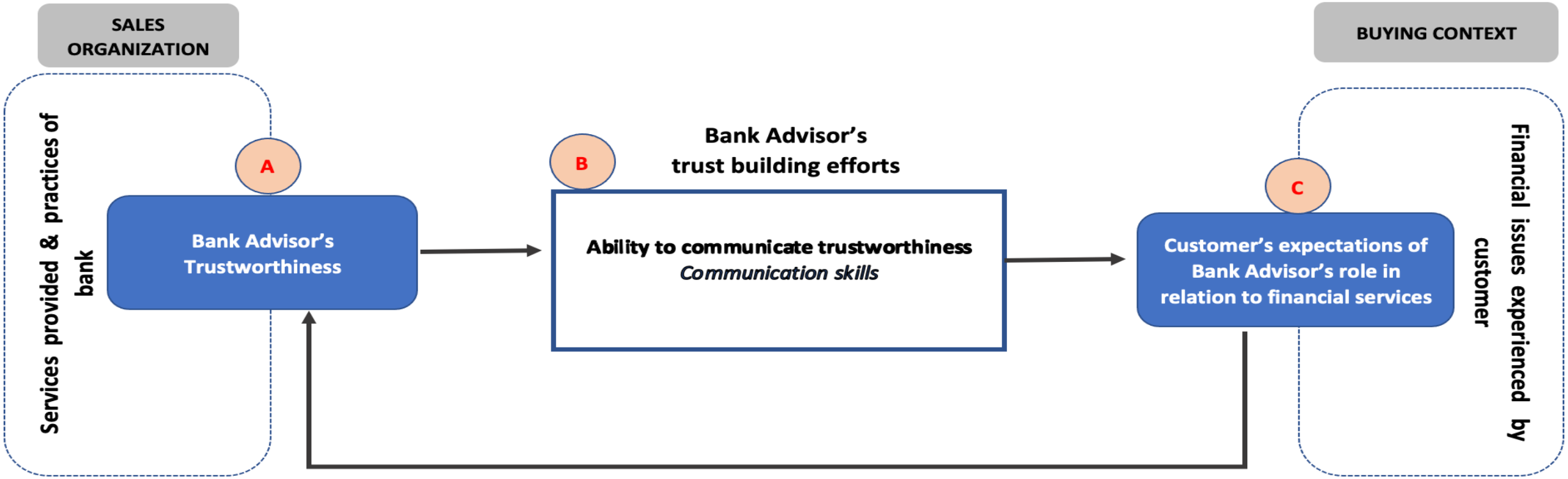
PURPOSE & RQ

- To provide a conceptual framework to explore the potential influence of chatbots on bank advisors' trust-building efforts with their customers

- To understand the potential challenges & opportunities of chatbots on bank advisors' job role

- **RQ**: ***How do bank advisors perceive potential challenges and opportunities of chatbots in their trust-building efforts with customers?***

CONCEPTUAL MODEL



A Impact of chatbots on bank advisor's trustworthiness

B Impact of chatbots on bank advisor's trust-building efforts

C Impact of chatbots on customer's expectations of bank advisor's role

WORKING PROPOSITIONS (P)

P1: *Chatbot's communicating style influences customer expectations of bank advisors in the minds of customers*

P2*: Chatbots support leveraging the perceived expertise of bank advisors by revealing hidden customer information about their economy and spending behaviours*

P3: *Customers tend to rely on human bank advisors for their complex financial requirements as chatbots are not yet developed enough to cater to the complex financial requirements of customers*

METHOD: INTERVIEWS

Semi-structured

- Bank advisors working in the Danish banking sector

Expert

- IT professionals who are working on AI projects in banking

PILOT STUDY

OVERVIEW OF THE INTERVIEWEES (I)

	I1	I2	I3	I4
BANK NAME	A	A	B	A
JOB TITLE	PERSONAL ADVISOR	PERSONAL ADVISOR & ONLINE AMBASSADOR	SENIOR ADVISOR	PERSONAL ADVISOR
TYPE OF CUSTOMERS HANDLING	B2C	B2C	B2B	B2C
EXPERIENCE	16 YRS	3 YRS	5 YRS	26 YRS

FINDINGS

➢ Skills & personality traits as an enabler of bank advisor's trust-building efforts

- *Openness*
- *First impression*
- *Proactive thinking*
- *Transparency in communicating with the customer*
- *How to reject a customer's request without getting a negative response*

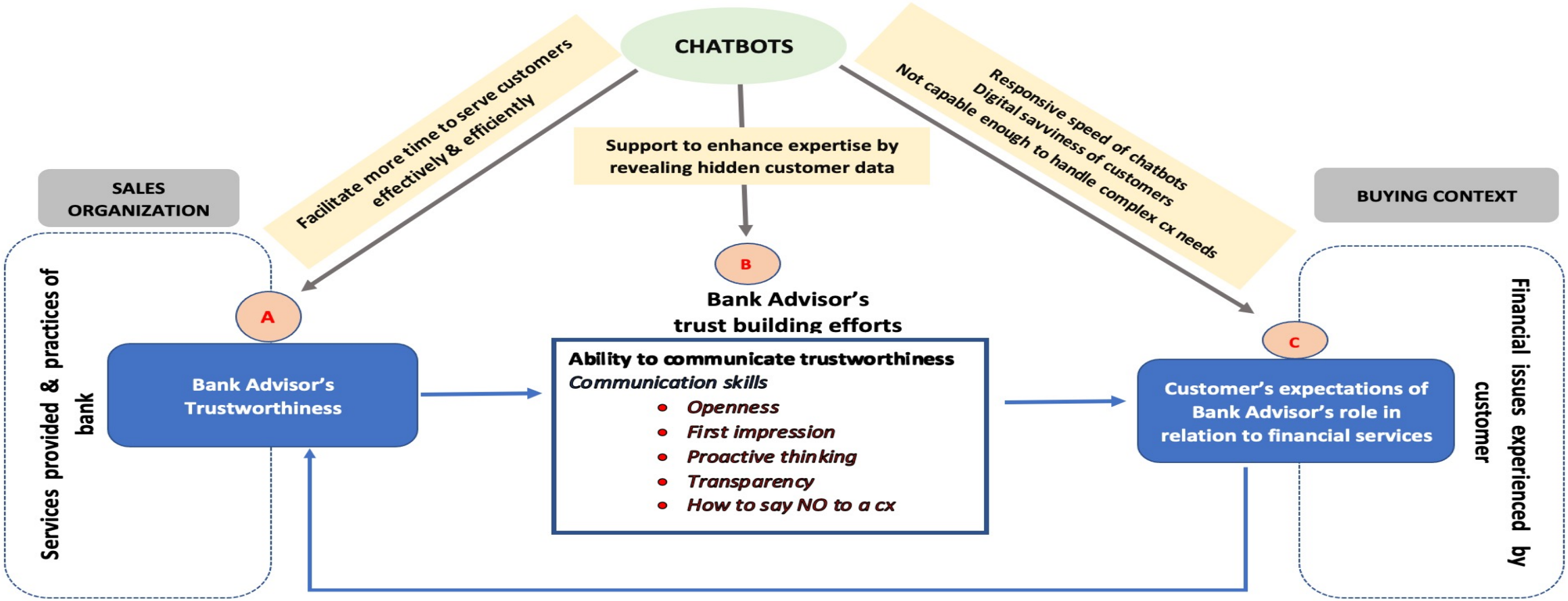
➢ Chatbots: An essential AI-based tool for workload management

- *Perceive task automation as a positive effect of chatbots: Allow advisors to dedicate their time efficiently to attend to customers' needs effectively*
- *Do not perceive chatbots as a threat to advisor's job role*

➢ Potential Customer Reactions to Chatbot Interactions

- Responsive speed of a chatbot influences the need for a human bank advisor in the minds of the customers
- Digital savviness of a customer to interact with a chatbot impacts their expectations of bank advisors

CORROBORATING THE USEFULNESS OF THE MODEL



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LIMITATIONS

- More data is required to illustrate the usefulness of the model

- Bank advisors lack experience in utilizing chatbots in their day to day work
  - *Finding bank advisors who have experience in utilizing chatbots is challenging*
  - *Perceptions expressed are to a certain extent speculative*

THANK YOU

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