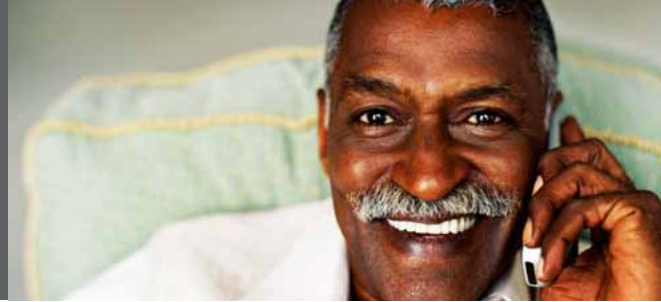


# Retail Banking Case Study



## Client



## Challenge

- Save a greater proportion of NSF revenue from charge-off without increasing the bank's overdraft call center team.

## Solution

**BOK Financial turned to Varolii to help them quickly inform customers who had overdrawn their accounts and encourage them to deposit sufficient funds to cover the deficit — all without impacting the bank's call center.**

## Results

- 62% cure rate improvement with low risk borrowers
- Over 9% improved cure rate with medium-risk borrowers
- Payments through Varolii nearly doubled after one year

## Overdraft Notifications Keep BOK Financial's Charge-offs and Customer Satisfaction in Check

Improving customer communication and revenue with Varolii's Interactive Customer Communications.

With 150 retail branch locations across the Southwest, BOK Financial Corporation (BOK) sought an efficient way to contact more overdraft customers. Its goals were twofold: interact with more customers faster – before fees snowballed and loyalty decreased – and reduce account closures and charge-offs by keeping a greater share of non-sufficient funds (NSF) income. But in order to accomplish this increase in customer outreach, BOK would need to more than double the size of its overdraft service team — not a cost-effective solution.

Instead of adding headcount, BOK turned to Varolii for automated customer outreach. After implementing Varolii, BOK not only increased its contact rate by 370%, it also was able to redeploy 75% of its overdraft service agents to other priority projects. Now BOK is contacting more customers sooner, fostering goodwill with its customers, and keeping charge-offs to a minimum.

### Striking a Balance: Risk, Revenue, and Customer Service

Notifying customers of an overdraft gives them the opportunity to transfer funds in order to adjust the balance and lower exposure to fees.

For BOK, NSF notifications strike a balance between protecting an important source of revenue and minimizing the risk of high balance accounts that may eventually have to be charged off. Prompt and straightforward communication with customers ensures a greater share of the fees levied are recovered and reinforces BOK's alignment with the customers best interests.

According to Forrester Research, "Of all the factors we tested, customer advocacy — doing what's right for the customer, and not just the firm's bottom line — is the most highly correlated with consumers' likelihood to consider their banks for future purchases."

And for BOK, providing customers with vital information early on allows them to avoid further charges and helps build and maintain more valuable relationships throughout the customer lifecycle.

“Each day we reach nearly four times as many overdrawn customers than before, at a fraction of the cost. Our customers appreciate the heads-up and we keep more of our NSF revenue.”

James Morris

Senior Vice President of Customer Service, BOK Financial Corporation

### Putting The Plan In Action

Working together with Varolii, BOK implemented a detailed customer communication strategy. Via an interactive call the customer is contacted the first day following an overdraft and is periodically called until the customer either makes an appropriate deposit to cover the deficit or until BOK freezes the account.

BOK delivers personalized communications daily during a time span based on the size of the overdraft balance and the number of days since the overdraft initially occurred.

These calls feature customized interaction options, including the ability for the customer to either indicate a promise to cover the amount of the overdraft (plus fees) within three days, or transfer to an agent to discuss other options.

To elicit the highest possible interaction rates, the tone and the content of the message dynamically changes based on the number of days since the overdraft occurred, becoming more urgent as the account gets closer to charge off.

### Expanding Across the Enterprise

BOK now uses Varolii across other business units as well, including mortgage collections, where they treat past due accounts with Varolii Interact.

James Morris, BOK's Senior Vice President of Customer Service, who is responsible for automating overdraft communication, summed up the operational benefits of Varolii:

“This type of automated, personalized communication has become imperative as we strive for more efficiency and effectiveness in our service operations. Other business units were watching carefully as results started pouring in from Varolii. Seeing the success we've quickly demonstrated makes it a slam dunk for them.”



#### About Varolii

Varolii provides on-demand communication software and services that enable organizations to more effectively reach and interact with their customers and employees, getting the best result from every interaction. [www.Varolii.com](http://www.Varolii.com)

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