



## Case Study

### Financial Services

Building the Bank Without the Bricks



9197 South Peoria Street  
Englewood, Colorado 80112 5833

303 397 8100 or +1 800 TeleTech

**www.teletech.com**  
Nasdaq:TTEC

## TeleTech Delivers Customer Care, Growth Capacity, Operational Savings to NetBank

Online banking, considered a novelty just a few years ago, is quickly winning converts thanks to its convenience, service, and value. NetBank, Inc., a diversified financial services company and parent company of NetBank, one of the Internet's banking pioneers, regularly hears from customers with comments like this:

- "I am nothing but pleased with NetBank and their services. It beats any bank that I can walk into for customer service and follow-up."
- "You have a staff that is knowledgeable, friendly, professional and courteous. Oh, and did I mention patient? Thank you for that."
- "I appreciate your help in making my banking the most pleasurable experience. Dorothy, the person who helped me, was the most patient customer service representative I have ever talked to. Thank you again."
- "I bank with NetBank because they provide the best value I can get on checking account interest rates and online bill payment fees. I also have had exceptional service over the last five years. I have not had any problems getting in touch with them by phone or email."

In addition to outstanding service, NetBank offers greater value, lower rates, and a wide selection of products and services. It's no wonder, then, that the company has seen its customer base grow. Today NetBank, Inc. serves more than 270,000 customers and has \$4.7 billion in assets. Headquartered in Atlanta, the company is publicly traded on NASDAQ under the symbol NTBK. NetBank was founded in 1996.

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TeleTech®  
The Science of Customer Management™

NetBank offers many of the same products found in traditional financial institutions. These include retail products like checking accounts, online bill pay and presentment, ATM and Visa check cards, direct deposit, and telephone banking. Savings options include money market accounts, certificates of deposit (CD) and individual retirement accounts (IRA). Lending products include mortgages, home equity loans, auto loans, and boat and RV loans. NetBank offers financial planning through a partnership with web-based AdviceAmerica and investment services through a partnership with UVEST Financial Services. NetBank serves both businesses and consumers.

### Financial Services Expertise

NetBank's ability to deliver an exceptional customer experience comes in large measure from its partnership with TeleTech, which began in 2000. TeleTech's reputation for fast, responsive launches and extensive experience with financial services companies were important decision-making factors for the bank in choosing a customer care partner.

The NetBank program was initially based in TeleTech's Uniontown, Pennsylvania, customer management center (CMC). As part of the program, TeleTech built a highly secure intranet for NetBank to communicate proprietary information between the bank and customer service representative (CSR) workstations. Today, the Uniontown CMC handles retail banking and mortgage customer care.

In the five years since TeleTech and NetBank began working together, the scope of the program has grown. The bank has quadrupled its asset base and added many new services. Today, TeleTech handles 80,000 interactions per month for the bank including retail banking (voice, email, and chat), mortgage, CD renewals, technical support, and back-office. TeleTech provides disaster recovery for NetBank from its Sudbury, Ontario, Canada CMC and now provides retail banking support from that center as well. A total of 110 FTEs serve NetBank's customers.

### More Sales, Operational Savings

A NetBank priority for 2005 is to increase the number of products per customer. To accomplish this, TeleTech and NetBank began a pilot project to cross-sell and up-sell additional services to bank customers, such as marketing auto insurance to someone who has applied for an auto loan. The outbound pilot was successful with TeleTech beating expectations by 15% for the first wave and 4% for the second wave.

TeleTech has delivered savings and operational enhancements along with outstanding customer care. By implementing best services routing, TeleTech saves the bank \$300,000 per year. Because both Uniontown and Sudbury are on TeleTech's Voice over Internet Protocol (VoIP) network, NetBank saves \$600,000 per year in telecommunications charges. The same VoIP network enables TeleTech's award-winning Intelligent Systems On Demand™ product suite of hosted applications and helps ensure calls are routed as needed to access specific agent skill sets or to avoid service disruptions.



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## Data Analytics Yield Answers

TeleTech's Disposition Manager™ data collection and analytics tool is yielding answers to help NetBank operate more effectively. Prior to its use, the bank had no way to determine what types of calls were coming in. Now the bank understands factors like call type (such as whether customers are purchasing CDs or requesting tech support), call length, customer demographics, and a host of other factors. Based on the Disposition Manager™ data, the bank has been able to revise its Interactive Voice Response (IVR) menu to reduce calls and save CSRs time. For example, callers who wanted to reach NetBank's hazard insurance provider had to first talk to a CSR. Now the IVR routes calls directly to the provider.

TeleTech's ability to provide tech support to NetBank customers has enhanced the online banking experience. Most calls are resolved within 48 hours, a big improvement from the 7 to 10 day turnaround needed when the bank handled these calls internally. While some support calls don't directly involve the bank -- such as questions about integrating Quicken Software with NetBank accounts—TeleTech fields them handily to help ensure customer satisfaction.

The TeleTech/NetBank relationship extends beyond metrics and budgets. There's an atmosphere of mutual respect and partnership. For example, TeleTech has been a major sponsor of NetBank's Habitat for Humanity benefit golf tournament, supporting both a client and a charitable organization that builds houses for low income individuals. Open communication between the two companies has been the key to this long-term relationship.

## Conclusion and Results

What differentiates NetBank is savings, product portfolio, and service, not marble columns and walnut paneled offices. That means NetBank's business depends on partnering with a company like TeleTech to provide a superior customer experience. TeleTech's CSRs continually deliver the kind of service that elicits complimentary letters and emails from customers. NetBank also needed a partner that would be able to meet its expanding needs. TeleTech responded by adding capacity in its Sudbury CMC to the existing NetBank program in Uniontown. And the pilot program designed to increase the amount of revenue per customer is showing promising results.

TeleTech offered NetBank operational and financial benefits as well. The use of the VoIP network decreased telecommunications expenses and enhanced call routing capabilities. The Disposition Manager™ tool provided much-needed customer and call data. Best services routing has also offered savings. Most importantly, the bank has gained an outstanding customer management operation without the expense of building and maintaining its own infrastructure. In summary, TeleTech gives NetBank the flexibility to deliver what it does best: banking.

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## Achievements Summary

- Handling 80,000 interactions per month
- Best services routing saves \$300,000 per year
- VoIP network saves \$600,000 per year
- Outbound cross-sell and upsell pilot beat expectations by 15%
- Disposition Manager™ data provides customer and call demographics

### NetBank Snapshot

<b>Company</b>	NetBank, Inc.
<b>Business description</b>	Online bank offering retail products (checking accounts, ATM, online bill pay), savings products (money market accounts, CD, IRA), mortgages, home equity loans, auto, boat, and RV loans
<b>Asset Size</b>	\$4.7 Billion
<b>Customers</b>	270,000
<b>Interactions</b>	80,000 per moth (voice, email, chat)
<b>Locations</b>	Uniontown, Pennsylvania Sudbury, Ontario, Canada
<b>Programs</b>	Retail banking Mortgage customer care Outbound sales (pilot) Tech support
<b>FTEs</b>	110

North America

Latin America

Europe

Asia-Pacific