



SMBC Nikko Securities Inc.

One of Japan's highest-quality contact centers Automatic AI response is an additional strength

Service: Communication Engine COTOHA



Hideki Inada
Tokyo Contact Center Manager
SMBC Nikko Securities Inc.

"The AI chatbot responds to inquiries first and hands over the conversation to a human operator if a problem cannot be solved. Smooth role sharing is thus achieved."

Customer profile

Name: SMBC Nikko Securities, Inc.

Revenue: JPY 334.4 billion (as of March 31, 2017)

Business: A full-line securities company that develops and offers a broad range of financial products and services. Recently, in addition to upgrading the functions of the Nikko Easy Trade online trading service, the company has accelerated the Business Mix Model, aiming to link and merge online trading with face-to-face transactions at its outlets. It is also working to create new value using group synergies.

URL: www.smbcnikko.co.jp/

- Challenges**
 - Responding to increased calls at the contact center
 - Maintaining the highest standards of customer support
- Solutions**
 - Deploy AI chatbots to answer LINE chat inquiries
 - Use COTOHA for natural conversation and collaboration
- Benefits**
 - Easier inquiries via LINE chat
 - Improved resource utilization and reformed operator work style

Challenges

A significant increase in calls to the contact center
How to handle more inquiries without reducing quality

As a member of the Sumitomo Mitsui Financial Group, SMBC Nikko Securities Inc. provides support for individual asset formation, procurement of corporate financing and business strategy. With the brand slogan "Share the future," the company is expanding and improving the quality of its products and services ahead of its 100th anniversary in 2018.

One priority in this process is to increase the contact center's capacity to cope with inquiries. For example, one of the company's trading methods, called Direct Course, enables users to trade at their own pace using the contact center or online via PC or smartphone. According to SMBC Nikko Securities Hideki Inada, "Even customers who find it difficult to access a securities company like us can easily invest in the stock market."

However, no matter how easy it may be, support, such as resolving initial questions, is required in the course of opening a securities account and conducting transactions. In fact, as the number of Direct Course members increased, so did the number of calls to the contact center. How to manage calls relating to a wide range of financial issues became an important challenge for the company.

The company's contact center is one of the best in the business. For 11 consecutive years from 2006 onward, the company received a top 3-star ranking for quality customer support from HDI-Japan, the Japanese branch of the international support and service industry organization Help Desk Institute. In any strategy for boosting the contact center's capacity, maintaining this level of sterling quality was an absolute prerequisite.

Solutions

Deploy AI that understands natural Japanese and responds automatically

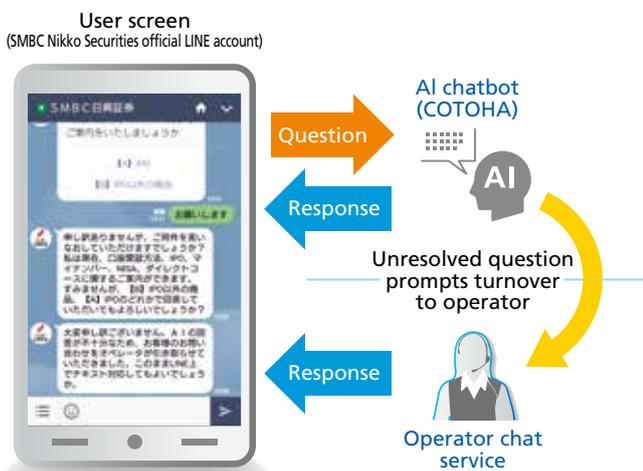
To resolve various challenges, the company focused on using Artificial Intelligence (AI)-driven chatbots. Customers access the contact center through multiple channels: telephone, email, web chat and LINE, a free messaging app. The idea was to add automatic response by AI in addition to providing human operator response via web chat and LINE.

According to Mr. Inada, "Operators often respond to the same inquiries many times per day. We prepared a list of FAQs and responses, but customers have to look for the web page themselves and only find standardized responses even if they have other related questions. On the other hand, if AI can automatically answer basic inquiries, customers can obtain the necessary information smoothly and operators can focus on responding to more sophisticated and complex inquiries."

The AI chatbot is driven by the Communication Engine COTOHA* from NTT Communications (NTT Com). COTOHA understands Japanese, one of the most challenging languages to analyze linguistically, and can conduct smooth, natural conversations. Depending on the content of the conversation, it can fully respond to inquiries and ask its own questions as well.

"We are particularly impressed that it is compatible with LINE and can send inquiries to a human operator," says Mr. Inada. When an inquiry cannot be resolved through automatic responses, the AI swiftly alerts an operator who enters the conversation naturally without interrupting the flow of contact with the customer. With this system in place, it is possible to complete the inquiry and avoid leaving the customer dissatisfied with an unresolved issue.

Figure: Image of COTOHA in use



When users express questions or doubts in natural language, the chatbot provides appropriate responses. If it is unable to answer, it immediately turns the dialogue over to the operator who continues the conversation.

The company also praises NTT Com's support capabilities. According to Mr. Inada, "When we told them we hoped to achieve convincingly human-like automatic response, they showed willingness to take on this challenge together. With this partnership, we feel a sense of security, as we are sure they will smoothly respond to our future requests for expanded functions."

Benefits

Accumulated expertise can easily be transferred The ability to link with future systems is expected

First, SMBC Nikko launched full-scale operation of COTOHA as an additional function of its LINE chat service.

Approximately 70 percent of users of the LINE chat service say they select an AI chatbot first instead of an operator. Mr. Inada says, "This data tells us that online chatting, for which casualness is an advantage, feels even more easily accessible when users converse with chatbots."

COTOHA's flexible interactive function makes it possible to smoothly set up response scenarios before operation. According to Mr. Inada, "By selecting slots – elements necessary for responses – in advance, it is very easy to set up decision trees so the system knows where to look for answers to specific inquiries. We were able to apply the contact center's customer service expertise thoroughly and effectively."

Moreover, it can identify variations in expressions using Japanese language processing technology based on NTT's 40 years of R&D. For example, even if customers use different phrases to express an intention such as "I want to open an account" or "I want to start investing in the stock market," the intent can clearly be recognized and appropriate responses can be given.

The system has also improved contact center work conditions. Mr. Inada explains, "Customers can make inquiries at any time, and some of the inquiries that operators have dealt with so far can be delegated to COTOHA instead. Since we can maintain a certain level of response quality even in the absence of operators, we have reduced operators' working hours and eliminated work on holidays. Improving the work-life balance can be expected to boost operators' motivation."

Moving forward, the company aims to verify user identities with data such as their securities account IDs, so they can make balance inquiries and buy and sell stocks through the AI chatbot as well. Mr. Inada underscores that "we are considering offering financial products that match customers' investment styles and offering services such as stock price forecasting by linking with other systems."

COTOHA has clearly strengthened the ability of SMBC Nikko Securities customer centers to respond via automated LINE chat. In the future, the company aims to fully exercise this ability while maintaining its No. 1 customer support status and reputation as Japan's No. 1 full-line securities company.

*COTOHA features NTT Group's corevo AI technology, which incorporates advanced Japanese-language processing technology from the NTT Media Intelligence Laboratory.