

Adding value with web calculators

BY SEAN MCINTYRE

Congratulations! You've just won a spot on television's newest reality show – *The E-Commerce Block* – using online tools to renovate your website. However, like other financial institutions ("contestants"), you soon realise that there's more to increasing traffic than a simple make-over.

Users want more than mere "window-dressing". They want clarity, not confusion. But are they getting it?

In terms of the customer experience, online users expect no less value from the online channel than they would from traditional service delivery channels. Institutions now look to provide tools of value, as opposed to mere brochure-ware, to stir user interest.

Why provide online tools?

Online tools have evolved from simple generic home loan borrowing calculators to those serving more complex wealth management needs like superannuation and life insurance.

Online tools at AMP Financial Services originally aimed to achieve "user stickiness" through education and interaction.

Franki Chamaki, head of web management at AMP, says the site has now evolved into a solutions-orientated environment.

Geoff Austin, Commonwealth Bank's executive general manager, mortgages and investments, recently launched the bank's Property Value Guide.

CBA says it is the first free online source of median property prices in Australia to make updated information available to consumers within a week of the start of each month.

CBA hopes the online tool will become "a key component in the toolbox of prospective property buyers".

In October last year Wizard Home Loans launched PriceWizard, a premium SMS service that returns current house or unit price values for residential properties in NSW, Victoria and Queensland.

It's a differentiated product via a unique service platform that provides a new revenue stream for Wizard.

Adir Shiffman, director at benchmarking firm Global Reviews, says all the companies he deals with develop their own in-house calculators.

The head of e-commerce at Wizard

Spotlight on online tools – banks

PRODUCT	GLOBAL REVIEWS SAYS...	TYPE	SPECIAL MENTION
HOME LOANS	Overall, a pretty mixed bag with different calculators on each site. Almost no consistency.	Present at most banks <ul style="list-style-type: none"> • borrowing capacity • repayments • borrowing costs and stamp duty (less common) 	RAMS Mortgage protection (insurance calculator) ANZ Its home loan scenario calculator and offset savings calculator
CREDIT CARDS	With credit cards there is typically one calculator to show the repayment benefits of shifting from a current card to the new card	Balance transfer calculator	CITIBANK Only provider to offer (and label) this type of calculator comprehensively on its website

Source: Global Reviews

Home Loans, Bryn Nicholson, feels smaller institutions are likely to prefer generic calculators available from providers such as Infochoice.

"They're of good quality and provide relief to smaller institutions that possibly lack the technical expertise to develop such tools in-house," he says.

However, he says generic calculators can inhibit the ability to demonstrate a unique brand or product offering.

The licence agreement of the provider often requires its branding to be stamped on the online tool. Users do notice this.

For AMP, calculators are updated as often as possible. The recent FSRA legislation necessitated a review of AMP's suite of 42 calculators.

During April, AMP's online calculators attracted 11,000 unique visitors averaging 6 minutes per day. Usage spikes tend to occur Monday to Wednesday between 1pm to 2pm and 5pm to 7pm.

Benchmarking

Just what does the finance consumer "feel" when they "touch" the online tool? What is an acceptable benchmark for online tools?

For Wizard's Bryn Nicholson, having quality online tools is important in capturing consumer attention.

"They're a key entry point to the Wizard site and a good way to engage the consumer," Nicholson says.

Global Reviews uses objective criteria as a benchmark to measure each part of the customer experience.

It's a unique methodology that enables it to guide clients such as ANZ, NAB, and ING Direct.

"The information is based on actual

measurement, not personal 'feelings'," Shiffman says.

"For that reason, it's possible to say that Company A's calculator produces better results than company B's – we actually evaluate each different part.

"However, of more importance is what it actually does," he says. "The part many people forget about is where it is located. If it's too hard to find, then it is like there is no calculator at all."

Underpinning everything is the buyer process.

"It's important to understand how consumers begin thinking of their desired home loan outcome and understand their objective," says Nicholson.

"Online tools need to complement the consumers' research process.

"The desire to 'crunch numbers' accounts for one third of Wizard site users. Therefore a poor suite of online tools is risking annoying that portion of traffic."

Chamaki agrees: AMP's online calculators serve to stimulate users. The aim is to augment the buying process for financial products by stirring a need to see a financial planner.

Unlike the producers of *The Block*, Australian financial institutions seem to have learnt that rehashing past winning strategies does not fool your audience.

In exchange for the privilege of users viewing your site, it's important to demonstrate that you value their time just as much as they do.

It's all about providing useful, user-friendly tools for time-poor consumers.

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