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Modern Customer Care
In a Multi-Channel World

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Executive Overview

The 'Connected Customer' has forever changed the way your customers interact with your company. Over the last several years, it has become a reality that you must provide support on the customers 'channel-of-choice' or risk losing them to a competitor. Industry leading companies who recognize this shift in customer behavior have evolved with the connected customer and provide superior customer care (sales & service) across multiple channels to increase customer acquisition, retention and loyalty.

Connected Customers are more informed, more demanding and have higher service expectations.

- Connected Customers expect companies to **"Help Me"**;
  Assist me with navigating the available services, provide services on multiple communication channels so that I can conduct business in my channel of choice and make recommendations that are relevant to my journey
- Connected Customers expect companies to **"Know Me"**;
  Know my preferences, understand where I have interacted before, anticipate my needs and focus on how to help me achieve my journey on multiple channels.
- Connected Customers expect companies to **"Value Me"**;
  Recognize and reward my tenure, treat me like a valued customer, value my time with easy-to-use support, value the relationship with relevant offers and promotions and communicate in clear, simple terms.

Companies that recognize and develop strategies and business processes that address the demands of the multi-channel Connected Customer have achieved significantly higher business performance because their customers stay with them and spend more than they do with competitors.

The Modern Customer Journey

The Connected Customer is no longer confined to a single channel to conduct business with your company. Customers and prospects will connect with you on *their* channel of choice and they expect a superior, consistent experience regardless of the channel they choose. The following example (Figure 1) illustrates the concept of a multi-channel customer journey. In this example a customer works with an insurance agent to obtain consultative advice and then uses multiple channels to research information, seek advice from friends on social networks, purchase a product, submit a claim, manage his account and ultimately refer a friend if he receives a superior experience on all communication channels.

Figure 1
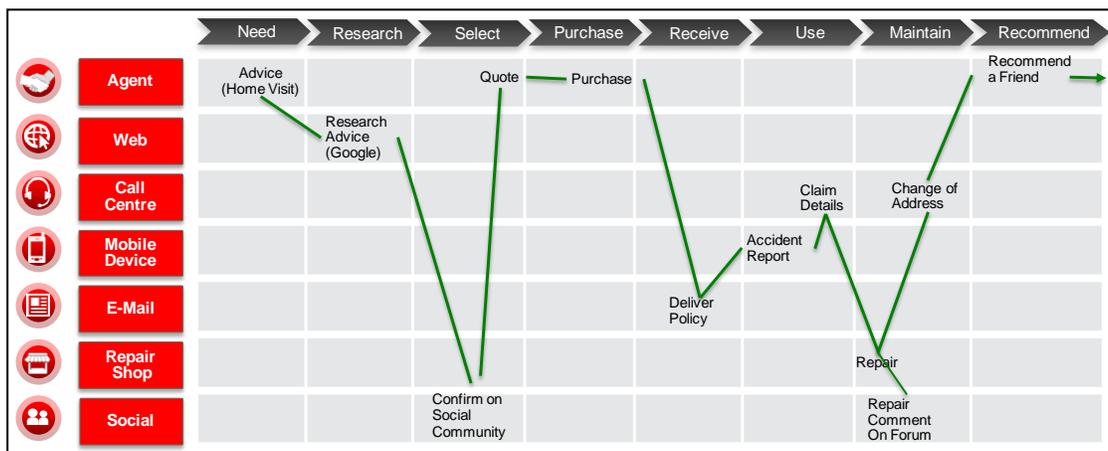
Customers understand the capabilities (and limitations) of the channels available to them and will use multiple channels to access knowledge, or connect with support resources depending on the complexity of the task they are attempting to complete. If customers are looking for a narrow set of data that can be presented simply, they may choose an IVR or mobile device to instantly access the information. If they are looking for a large set of information like the details of various insurance policies, they will research online where they can see large amounts of data. If they are looking for consultative guidance, they will use face-to-face communication with a consultant or talk with a call center representative.

The Connected (Multi-Channel) Customer

The demand for multi-channel support continues to grow as customers become increasingly aware of the benefits and capabilities available on multiple communication channels. Customers have grown to expect that companies "Help Me" by providing customer service on their channel-of-choice. If the customer is online, they expect to find contextually relevant knowledge and links to interactive support like chat or co-browse to help them with their task. If they are in an IVR and are unable to find the information they require, they expect to press '0' and get routed to a knowledgeable service representative that can assist them in obtaining the information they need.

Customer demographics also play a role in determining why companies must provide multi-channel care. Tech savvy 'millennials' expect to find information in self-service and online communities and are confident with using mobile and online support. 'Baby Boomers' will use the same technologies to access information and conduct transactions, but they expect personal guidance to assure them they are making the right decision and have completed their transaction correctly. Research has shown that 44% of online customers expect to have live customer service available and will cross channels when necessary to obtain personal assistance to complete their online purchase or customer journey.

There are a large number of customers who fall into the category of 'Cautionaries.' Cautionaries are customers who are able to use modern technology; however, they are cautious about their use of technology and are dependent upon having a support channel available to confirm that they are using technology appropriately to complete their tasks.

Multi-channel support options create confident users even when they are not used. In many cases, the fact that alternate support channels are available creates sufficient confidence that the user will complete their self-service session knowing that there is support available if they need it. An independent survey on ecommerce site usage identified the following demand for multi-channel support:
- 57% of online consumers would abandon their online purchase if they could not find a quick answer to their questions
- 44% felt that having their questions answered by a live person while they were in the process of online shopping was one of the most important features of a website
- 27% stated that they liked having an instant messaging / online chat box appear to ask if they needed help with their online research or purchase.

Figure 2

Channel Mix

- Web Self-Service — 27%
- Phone — 35%
- Email — 20%
- Chat — 8%
- IVR Self-Service — 10%
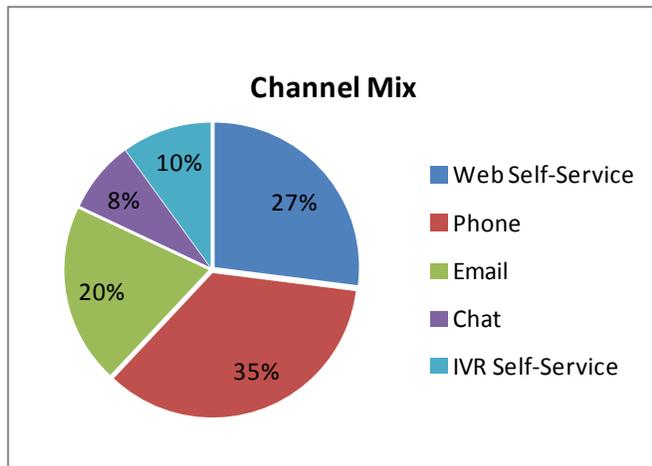
The graphic on the left, shows the percentage of customer support traffic by channel for a large North American insurance provider. The graphic shows a relatively even mix of interactions across all communication channels. The graphic illustrates that when companies offer support on multiple channels, customers will use those channels to access information and services on the most convenient channel. The company had a significant shift of phone traffic to online services when they made knowledge and online services available. The end result of providing multi-channel support is efficiency for the customers as they choose the channel most appropriate for each step in their journey, and for the company, by minimizing the cost to support each step in the customer journey. The multi-channel support strategy and distributed interaction volumes enabled the insurance provider to achieve a 'best-in-class' performance in both customer retention (89%) and revenue growth (11%).

Several 'best practices' are required to deliver a superior multi-channel experience:

1. Companies must clearly communicate the multi-channel options available and use proactive communications to increase awareness and usage of multi-channel support. Proactive support includes the use of real-time web monitoring to identify online customer behavior that indicates customers or prospects would benefit from an interactive offer for support. The use of proactive support has proven to increase customer engagement and reduce page and online service abandons.
2. Companies must have quality assurance programs to monitor the experience provided on all communication channels to ensure they provide a consistent experience. This includes monitoring website navigation as well as capturing customer feedback across all channels to meet customer expectations in a multi-channel support environment.
3. Companies must provide consistent knowledge across all communication channels and optimize the knowledge and support options available on the customer's device of choice.
4. Companies must maintain multi-channel interaction records in chronological order to provide support representatives access to a history of interactions that occur across all communication channels. This multi-channel view of customer interactions significantly improves the representative's ability to understand the customer's situation and to take appropriate action based on the interaction history. The multi-channel view of the customer interactions should also include a record of all outbound communications, including unsolicited outbound communications such as announcements, promotions, product offers and other marketing communications. The combination of inbound customer interactions and outbound communications create a 360° view of the customer.
5. Companies must provide customers a secure customer portal that provides the ability to see a history of their multi-channel interactions. The customer portal should allow customers to create new service requests and see all prior interactions as well as the status of open support requests.

Optimizing Multi-Channel to Create a Seamless Cross-Channel Experience

The evolution to modern customer care requires companies to evolve from providing support on multiple channels to creating a cross-channel experience where companies can address the second requirement of the connected customer; "Know ME". The connected customer expects companies to create an efficient

customer journey where information provided in one channel is used when customers cross channels to complete their task. This cross-channel capability creates a 'journey centric' experience rather than a channel-centric experience. For example, when an online customer completes a form or provides information online and then transitions to an alternate channel for support, they expect that information provided in a previous channel has been captured and will be leveraged in a subsequent channel to simplify their journey. The use of information as customers traverse channels simplifies the experience for the customer and for the service representative by eliminating the effort to repeat information provided in a previous channel. Formal case studies have proven that eliminating customer effort has a strong impact and direct correlation to increased customer loyalty.

Industry leaders are using topic monitoring and advanced business rules to determine when to engage with the right assistance, at the right time, with the right resource to initiate a cross-channel experience.

Several 'best practices' are recommended to ensure that customers receive a superior cross-channel experience.

- First, companies must use technology that enables them to capture the context of the interaction on the current channel and pass it to a subsequent channel to simplify the transition across channels. An excellent example of this is in the use of CTI integration between an IVR application and an agent desktop, where all the information provided in the IVR is passed directly into the agent desktop to eliminate the effort (and frustration) of repeating the information that was entered into the IVR. Similarly, when an online customer is attempting a transaction, all of the data that has been entered into the online form must be passed to the online support (chat, email or co-browse) representative so they can continue the transaction without requiring the customer to repeat the information provided online. Capabilities like chat 'page peek' and co-browse sessions that allow the agent to see the data that has been entered online should be used to provide a seamless cross-channel experience.
- Second, companies must provide a seamless transition for customers on mobile devices who start a transaction on their mobile device and then click-to-call or chat with a support representative who can assist them in completing their journey.
- Third, companies must integrate all channels into their workforce management algorithms to improve cross-channel response time on all channels. Operational reporting must provide 'cradle-to-grave' reporting on the customer journey to allow the organization to see where customers cross channels so they can optimize the resources available on each channel to reduce the need for using multiple channels. Multi-channel workforce management should also be used to manage interactions over all channels as a blended queue rather than siloed work queues.
- Fourth, web tracking tags should be used on FAQ pages and knowledge base articles to provide an end-to-end view of the steps taken to acquire knowledge that is used to complete the customer journey.

Cross-Channel Case Study

Forrester Consulting (conducted a study on the impact of cross-channel support through the use of Chat and Click-to-Call to support online customers. The study, "The Total Economic Impact™ of Click-to-Call and Click-to-Chat," was conducted with companies who use cross-channel support techniques to assist online ecommerce customers. The study concluded the following:

- Customers who use cross-channel support (Click-to-Call and Click-to-Chat) for their online ecommerce transactions had an incremental, positive impact on sales, with an increase in both conversion rates and average order value for ecommerce transactions completed during cross-channel sessions, compared with customers who did not use cross-channel support.

- Companies saw conversion rates as high as 50% for Click-to-Call interactions and 30% for Click-to-Chat interactions. For all customers, proactive rules in multi-channel environments identified the customers most likely to abandon and proactive engagements resulted in the highest relative conversion rates.

For organizations that sell products and services online, shopping cart abandonment is a significant issue. In 2013, 74% of online shopping carts were abandoned by shoppers.[1] While there are many reasons why customers abandon their shopping carts, some are caused by online technical difficulties, which may be errors on the ecommerce site or simply customer errors in completing online forms. Allowing customers to cross channels when they experience a technical issue enables organizations to not only identify and mitigate the issue, but also reduce the number of abandoned transactions and recover a percentage of the lost revenue. Companies that capture the online session data and pass it to the support representative when the customer crosses channels, significantly reduce shopping cart abandon rates and reduce operating expense. Cross-channel support reduces the effort required by the customer to complete the transaction and reduces the effort the support representative must expend to provide assistance.

Optimizing Cross-Channel to Create an Omni-Channel Experience

Industry leaders have adopted the term 'omni-channel' to characterize the ultimate connected customer experience. Numerous companies have embraced the concept of Omni-channel and have achieved superior operating results. Macy's CEO, Terry Lundgren has committed his organization to an omni-channel experience and has stated publicly that it will allow Macy's to "develop deeper relationships with loyal customers who appreciate the convenience and flexibility of the shopping experience."[2]

Omni-Channel CARE:

Providing a personalized customer experience that recognizes the value of the customer in every interaction.

Omni-channel experiences provide a seamless customer journey that leverages multi-channel capabilities with contextually relevant customer data to create a personalized customer experience. The Omni-channel experience enables companies to meet the third criteria of the connected customer; "Value Me" by intelligently using customer interaction history and relevant customer data to create a personalized experience. The use of customer data, including profile, loyalty, location and other customer data creates a personalized experience regardless of the interaction channel. Omni-channel care creates personalized web pages, personalized mobile experiences and personalized customer service that is optimized for every interaction. Omni-channel care significantly improves the company's ability to understand the customer's situation and take actions or make offers that are optimized for each customer interaction.

Several best practices are recommended to ensure that customers receive a superior cross-channel experience:
- Companies must maintain accurate customer data and interaction history that can be accessed in real-time and used to create a personalized experience online or in a customer service center.

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[1] Source: eCommerce data company: Barilliance
[2] Source: Macy's 2013 Annual report and form 10k

- Companies must use targeted, personalized communications over multiple channels to create a social connection between the customer and the brand to increase customer loyalty.
- Companies must use dynamic routing to connect the right customer with the right service representative, who has the appropriate knowledge and skill, to address the specific service request at hand
- Service representatives must have a unified agent desktop that dynamically provides the representative with a 360° view of the customer's situation so they can provide intuitive care for every interaction.
- Companies must provide their agents with work guides, scripts and sales playbooks that consistently maximize the value they provide to customers, which in turn, increases customer lifetime value.
- A program of continual improvement is paramount to the success of any omni-channel program. Companies must regularly capture data on the customer journey to assess how each step in the journey contributes to the customer relationship. By continually optimizing all customer interactions, companies can realize both higher customer loyalty and higher business performance.

Figure 3
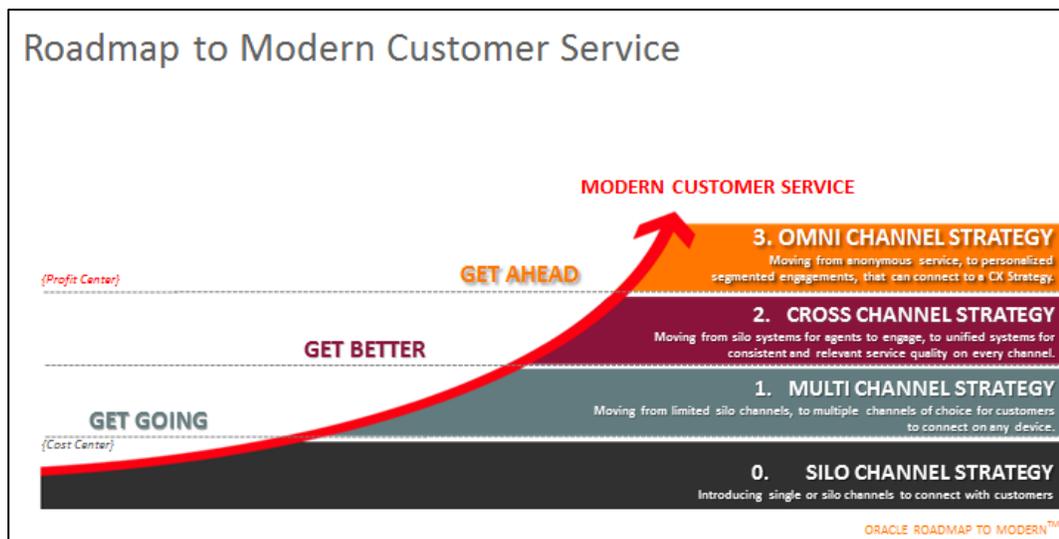
Delivering an omni-channel experience requires that companies address all of the capabilities of a modern customer experience:
- They offer multiple communication channels with a consistent customer experience on every channel to "Help Me" on my customer journey.
  - They inform me of multi-channel options and monitor the channels to identify behaviors that indicate where I may benefit from a proactive support offer.
  - They provide consistent knowledge across all channels and format the knowledge to support my channel of choice.
  - They have formal programs to monitor the experience on all communication channels and voice of the customer programs to capture my feedback.
  - They capture multi-channel interaction history to allow support representatives to see my interaction history and make appropriate recommendations.
- They "Know Me" as I navigate across channels and leverage information submitted on one channel to simplify my journey on any subsequent channel.
  - They provide a seamless transition across channels as I navigate through my journey.
  - They recognize the value of peer networks and communities to provide an independent source of information that is available for my reference.

- They "Value ME" and use knowledge about my preferences and my loyalty to offer a personalized experience that is optimized for each interaction.
  - Every interaction is personalized based on my preferences and knowledge of my past interaction history.
  - My contributions to the community are recognized and I am rewarded for my loyalty
  - Business processes are aligned with my value and my service requests are prioritized accordingly.
  - Relevant, real-time offers are tailored to my profile and dynamically offered on all communication channels.
  - Outbound communications are tailored to my preferences and my profile and are used proactively to ensure I am aware of relevant events and offers.

Conclusion

Industry leaders have embraced the multi-channel 'connected customer' and are distancing themselves from the competition by addressing the three components of a modern customer experience. They 'Help' their customers on their channel-of-choice, they 'Know' their customers as they cross channels and they 'Value' their customers by personalizing every interaction.

For more information on reducing customer effort and the impact it has on customer loyalty, please click on this Oracle case study, *Managing Customer Effort*.

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