# The Inner Circle Guide to Omnichannel

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The Inner Circle Guide to Omnichannel (UK) – 3rd edition

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# Speak your customer's language.

## 3 critical steps to digital fluency
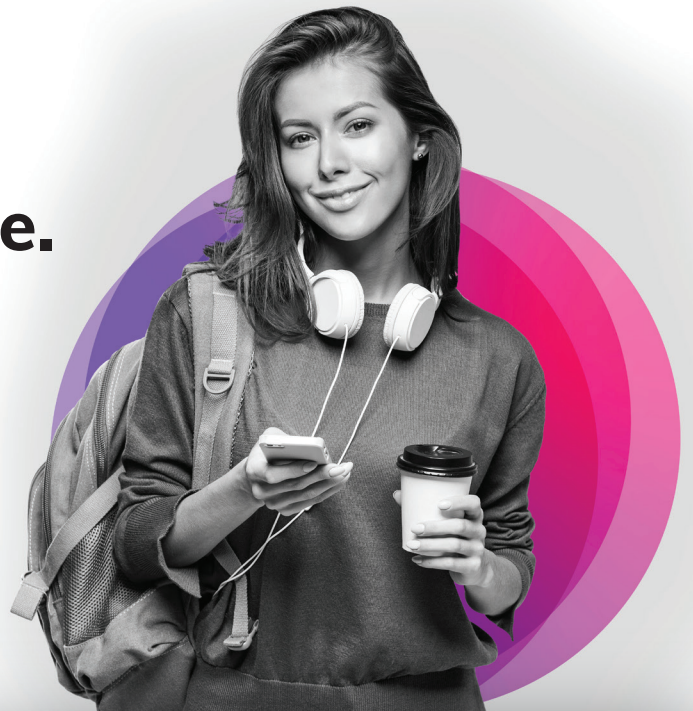
Does your system drive seamless omnichannel experiences customers expect? These digital fluent customers have high expectations and are the least loyal of all groups. They move on quickly unless you do these **three** things:

### one
**Get personal.**

Customers expect you to know them after one interaction—or at least know where they are in their journeys. If they have to repeat themselves, you lose their trust.

### two
**Go faster.**

Not getting fast, convenient service is a top reason next-gen customers go to a competitor. Your speedy, efficient service sets you apart from your competition.

### three
**Be seamless.**

Every customer interaction, whether it's through the IVR, chatbot online, social channel, or app, better be smooth all the time. You don't always get a second chance to prove yourself.

Great CX is the key to retaining digital-fluent customers who leave the moment their expectations aren't met.

## Get NICE CXone: the next-gen cloud platform that's proven, reliable, and scalable.

**Ready to deliver exceptional digital and voice experiences?**

Watch the CXone demo.

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**Put the experience first. Build relationships to last**

NICE CXone is the leading cloud customer experience platform. Only CXone unifies Customer Analytics, Omnichannel Routing, Workforce Engagement Management, and Automation & Artificial Intelligence – providing a seamless customer and agent experience – as part of one enterprise-grade, cloud native platform. With its Open Cloud Foundation, CXone powers rapid innovation via open APIs, leading scalability and reliability (guaranteed 99.99 percent uptime), and carrier-grade connectivity (guaranteed voice quality).

**About NICE CXone**

NICE CXone works with organisations of all sizes to create extraordinary and trustworthy customer experiences that create deeper brand loyalty and relationships that last. With NICE CXone™, the industry's most complete cloud customer experience platform, we combine best-in-class Customer Analytics, Omnichannel Routing, Workforce Engagement, Automation and Artificial Intelligence, all on an Open Cloud Foundation to help any company transform every single customer interaction. See how our customer-centric expert services, innovative software, extensive ecosystem of valuable partnerships, and over a decade of global experience can help you transform every experience and customer relationship for lasting results. NICE CXone is recognised as a market leader by the leading industry analyst firms.

Visit: uk.niceincontact.com

"The Inner Circle Guide to Omnichannel (3rd edition)" is one of the Inner Circle series of ContactBabel reports.

Other subjects include:

- AI, Chatbots & Machine Learning
- Cloud-based Contact Centres
- Customer Engagement & Personalisation
- Customer Interaction Analytics
- First-Contact Resolution
- Fraud Reduction and PCI DSS Compliance
- Outbound & Call Blending
- Remote Working
- Self-Service
- Video & Next-Generation Customer Contact
- Voice of the Customer
- Workforce Optimisation.

They can be downloaded free of charge from here.

The Inner Circle Guides are a series of analyst reports investigating key customer contact solutions and business issues. The Guides aim to give a detailed and definitive view of the reality of the implementing and using technologies, how best to address these issues, and a view on what the future holds.

As well as explaining these solutions to the readers, we have also asked the potential users of these solutions whether they have any questions or comments, and we have selected several of the most popular to ask to the report's sponsor. The answers to these are distributed throughout the report and give interesting insight into real-life issues.

Statistics within this report refer to the UK industry, unless stated otherwise. There is a version of this report available for download from www.contactbabel.com with equivalent US statistics.

"Small" contact centres are defined in the report as having 50 or fewer agent positions; "Medium" 51-200 agent positions; and "Large" 200+ agent positions.

## CHANNEL USAGE: PAST, PRESENT AND FUTURE

The following chart shows the proportion of inbound interactions by channel since 2006, with predictions shown until the end of 2024. The most obvious thing to note is that telephony has declined from 90% to around 65%, and that email has risen considerably, followed in recent years by web chat and to a lesser extent, social media.

Non-telephony communication accounts for over one third of inbound interactions in UK contact centres, showing that the capability to handle both voice and non-voice communication effectively is vital for the industry: hence, omnichannel.

**Figure 1: Contact centre inbound interactions by channel, 2006-2024**
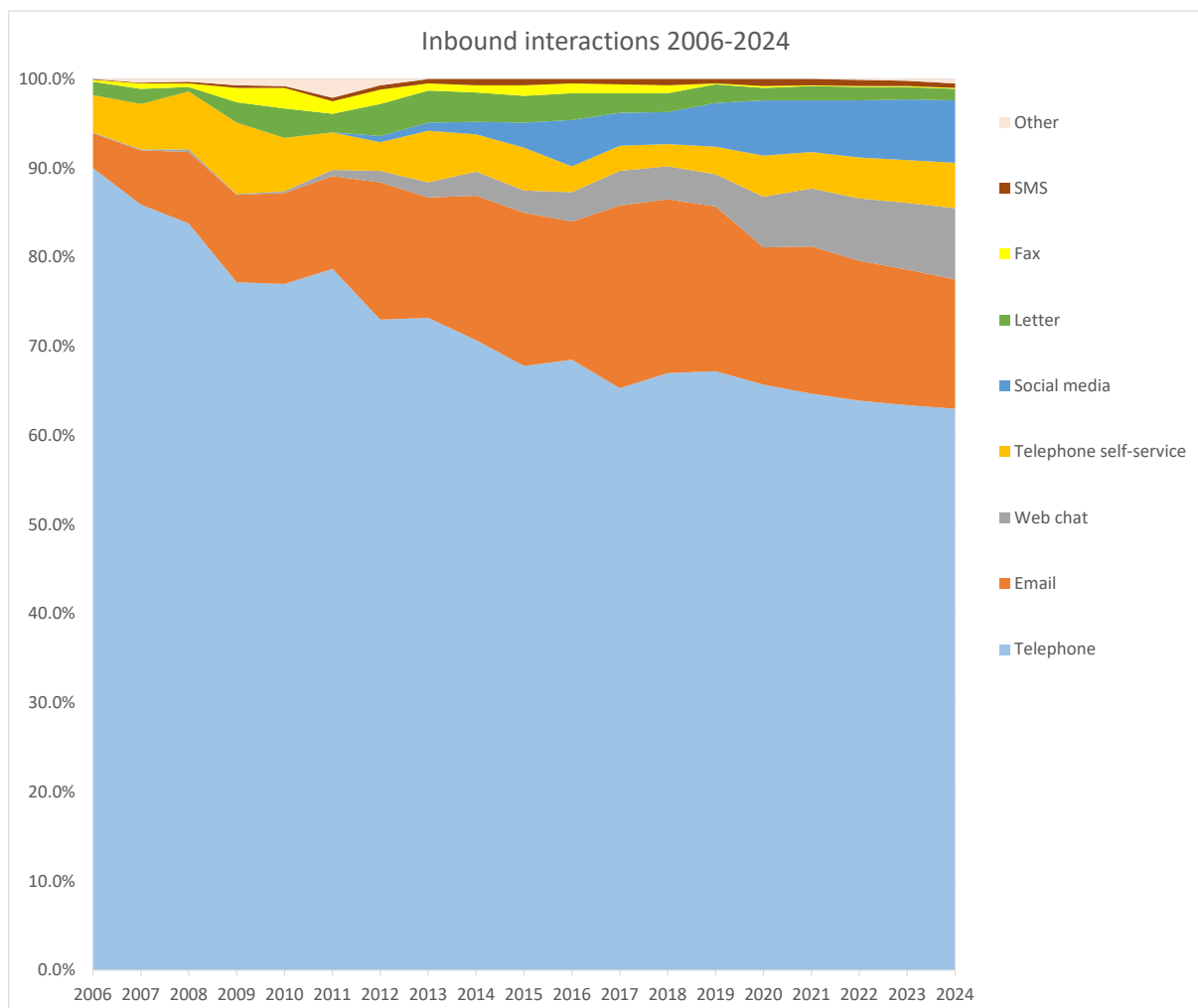
| Year-end | Telephone | Email | Web chat | Social media | Self-service | Letter | Fax | SMS | Other |
|---|---|---|---|---|---|---|---|---|---|
| 2006 | 90.0% | 3.9% | 0.1% | 0.0% | 4.2% | 1.5% | 0.2% | 0.1% | 0.0% |
| 2007 | 85.9% | 6.1% | 0.1% | 0.0% | 5.1% | 1.7% | 0.6% | 0.1% | 0.4% |
| 2008 | 83.8% | 8.0% | 0.3% | 0.0% | 6.5% | 0.5% | 0.4% | 0.2% | 0.3% |
| 2009 | 77.2% | 9.8% | 0.1% | 0.0% | 8.0% | 2.3% | 1.6% | 0.3% | 0.7% |
| 2010 | 77.0% | 10.2% | 0.2% | 0.0% | 6.0% | 3.3% | 2.3% | 0.2% | 0.8% |
| 2011 | 78.7% | 10.4% | 0.7% | 0.0% | 4.2% | 2.1% | 1.4% | 0.4% | 2.1% |
| 2012 | 73.0% | 15.4% | 1.3% | 0.7% | 3.2% | 3.6% | 1.6% | 0.5% | 0.7% |
| 2013 | 73.2% | 13.5% | 1.7% | 0.9% | 5.8% | 3.6% | 0.8% | 0.5% | - |
| 2014 | 70.7% | 16.2% | 2.7% | 1.4% | 4.2% | 3.3% | 0.8% | 0.7% | - |
| 2015 | 67.8% | 17.2% | 2.5% | 2.8% | 4.8% | 3.0% | 1.2% | 0.7% | - |
| 2016 | 68.5% | 15.5% | 3.3% | 2.9% | 5.2% | 3.0% | 1.1% | 0.5% | - |
| 2017 | 65.3% | 20.5% | 3.9% | 2.8% | 3.7% | 2.2% | 1.0% | 0.6% | - |
| 2018 | 67.0% | 19.5% | 3.7% | 2.5% | 3.6% | 2.1% | 0.9% | 0.7% | - |
| 2019 | 67.2% | 18.5% | 3.6% | 3.1% | 4.9% | 2.1% | 0.1% | 0.5% | - |
| 2020 | 65.7% | 15.4% | 5.7% | 4.6% | 6.2% | 1.4% | 0.2% | 0.8% | - |
| *2021* | *64.7%* | *16.5%* | *6.5%* | *4.1%* | *5.8%* | *1.6%* | *0.1%* | *0.7%* | - |
| *2022* | *63.9%* | *15.7%* | *7.0%* | *4.6%* | *6.4%* | *1.5%* | *0.1%* | *0.7%* | *0.1%* |
| *2023* | *63.4%* | *15.2%* | *7.5%* | *4.8%* | *6.8%* | *1.4%* | *0.1%* | *0.6%* | *0.2%* |
| *2024* | *63.0%* | *14.5%* | *8.0%* | *5.1%* | *7.0%* | *1.3%* | *0.1%* | *0.5%* | *0.5%* |

*NB: figures in italics are forecasts*

Voice interactions are forecast to decline slightly until 2024, although there is little expected change in the overall number of interactions. It is interesting to see that email is also expected to decline: while it fulfils some purposes, particularly for complex matters or complaints, it lacks the immediacy of telephony or web chat, and messaging could take over some tasks that email is currently used for.

The expected decline in voice traffic over the next four years will mainly be driven by simpler interactions continuing to move off the live voice channel. The assumption was made that average call duration will decline from the historically very high 6.33 minutes in 2020 to a forecasted 6.18 minutes in 2024.

Easier, more transactional contacts will be increasingly handled mainly through web self-service (whether desktop or mobile phone) or web chat/messaging, meaning the average voice interaction will be a more complex process, which should require longer to handle successfully. Against this effect, AI-enabled assistants will help agents within the call which will help to reduce some call times.

The rise in social media and web chat interactions (and probably messaging too) means that the overall number of interactions will remain steady, the combination of long call durations, the widespread use of self-service and an expected increase in service automation investment in the digital channels meaning that overall live interactions are forecasted to grow very marginally despite a reduction in the number of phone calls.

**Figure 2: Relative changes in inbound channels, 2020-2024**

| Inbound channel | Compound annual growth rate (CAGR), 2020-24 |
|---|---|
| Inbound voice (minutes) | -1.6% |
| Inbound voice (number of calls) | -0.9% |
| Average call duration | -0.6% |
| Email volume | -1.4% |
| Self-service (telephone) volume | 3.2% |
| Web chat volume | 9.0% |
| Social media volume | 2.7% |
| | |
| Inbound agent positions | -0.9% |
| Overall inbound interactions | 0.1% |

A question was asked to survey respondents from over 200 UK businesses about how each inbound channel will change, allowing us to judge if any alterations in the use of channels is due to real changes at a contact centre-level, or is more of a statistical blip caused by a different set of respondents providing data each year.

**Figure 3: How do you think inbound channels will change in your contact centre in the next 12 months?**
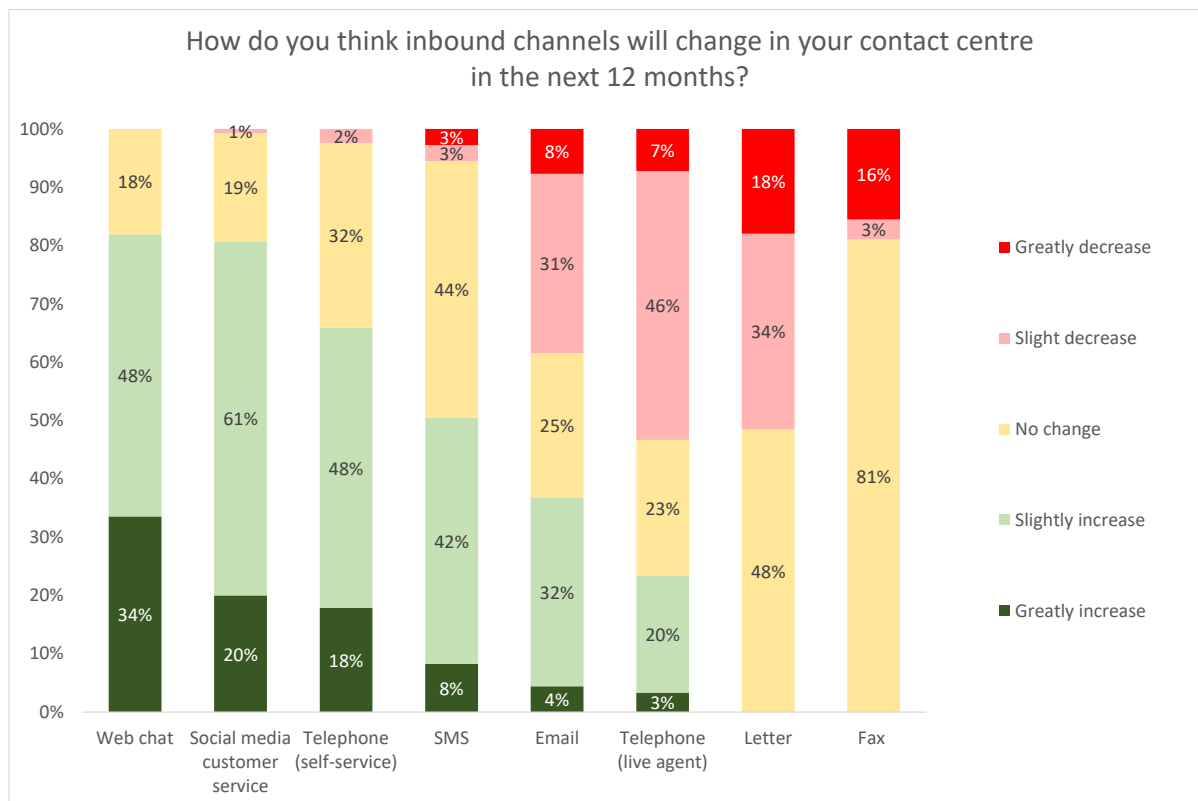


The traditional media of letters and fax will have a net decline in our respondents' eyes: letters still have their place in the likes of the insurance, medical and manufacturing industries, but fax is very much a channel of the past for most organisations and customers. More respondents believed the live telephony channel volumes would drop (53%) than thought they would rise (23%), a finding that has grown for some years.

Strong growth is once again expected in web chat and social media customer service interactions (and SMS, from a very low base), with email volumes now predicted to decline slightly. Telephony self-service is expected to grow once again this year, with its twin benefits of customer convenience and low cost still very much relevant. New approaches, such as visual IVR, are likely to encourage further use of self-service. Although not shown on this chart, around half of respondents offer an app or mobile service option for customer service.

The rise of non-telephony channels suggests that these are becoming increasingly popular with customers. However, individual channels may work well in isolation, but to provide consistently good customer experience, they must be seamlessly linked as part of an omnichannel strategy.

## DRIVERS FOR OMNICHANNEL

There are two main factors that influence contact centres within any vertical market: the need to provide profitable (or at least, cost-managed) service, and customers' requirements and preferences for contacting organisations.

It is not only the nature of the specific business that needs to be considered. The urgency, complexity and emotional importance of the interaction is perhaps at least as important as the nature of the organisation that is being contacted: for a customer calling a bank, a simple balance request and an urgent call about the progress of a mortgage application are very different types of call, and should be treated as such.

### CUSTOMER DRIVERS FOR OMNICHANNEL

#### THE CHANNEL OF CHOICE

The Customer Interaction Cube (below) is a structure developed to categorise the different types of customer interactions that businesses have to handle, considering the urgency, complexity and emotional input of the interaction from the customer's perspective. Businesses could use this to analyse their volumes of each type of interaction, cross-referencing it with other variables such as the time of day these types of interaction are received, and the customer demographic preferences seen elsewhere in this report in order to support the relevant channels through the promotion of alternatives to live calls, and the correct levels of resourcing. Doing this will not only improve the customer experience, but also reduce the cost of service through anticipating the likely resourcing required and even proactively engaging with the customer on lower cost channels first.

## The Customer Interaction Cube
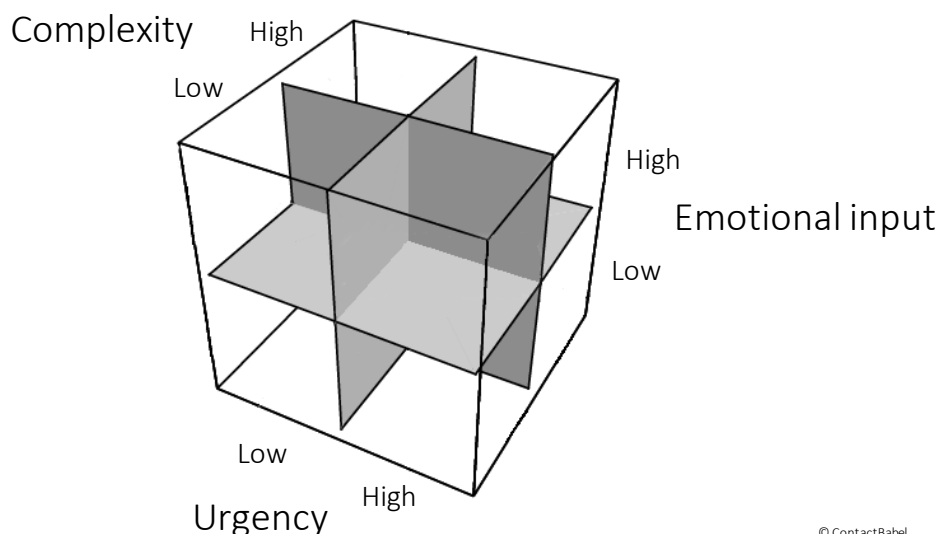


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Using this 2x2x2 cube as a structure, there are eight types of interaction: combinations of either low or high urgency, complexity and emotional input. Our hypothesis is that each of these eight interaction types may best be suited to specific channels, and that both business and customer could benefit from matching channel with interaction type.

The examples shown below of various scenarios and the channels most suitable for these are suggestions, and will differ between customer types, businesses and vertical markets, but may offer a tentative framework for readers to build their own scenarios. It should be noted that the results of the customer survey that follow this section suggest that different age groups and socioeconomic segments have their own views on how they prefer to contact a business in each of these cases. Primary and secondary channels are suggested, but will differ between organisations and customer types.

Figure 4: The Customer Interaction Cube and suggested associated channels

| Emotional importance | Urgency | Complexity | Examples of interaction | Primary channel | Secondary channel |
|---|---|---|---|---|---|
| Low | Low | Low | Meter reading; casual product research | Self-service | Web chat |
| Low | Low | High | Instructions on how to program a TV remote; find out about proposed planning / house building | Self-service | Email |
| Low | High | Low | Top up mobile credit; check payment has been made | Self-service | Phone |
| Low | High | High | Details of how to make an insurance claim; understand mobile roaming charges before imminent trip abroad | Web chat / self-service | Phone |
| High | Low | Low | Book train tickets for important engagement | Self-service | Phone |
| High | Low | High | Complaint about incorrect billing | Phone | Email |
| High | High | Low | Simple question about imminent desired purchase (e.g. delivery, personalisation, return policy) | Web chat | Phone / social |
| High | High | High | Household emergency advice; 999 | Phone | Web chat |

There are many other variables that could be considered alongside these that will impact upon the suitability of channels:

- Demographics

- Ownership of smartphone / broadband impacts upon channel availability

- Time of day (i.e. is this an out-of-hours enquiry? Is the customer at home, at work, or travelling?)

- Whether the request is specific to an account, or a generic issue (i.e. is it necessary to pass through security first?).

While the 2x2x2 cube can help businesses to estimate the current and potential volumes and resourcing required to serve the customer base, it is important to remember that similar types of customer interaction may require very different handling depending on circumstances. For example, a query about product delivery may be a small part of a wide-ranging research process carried out by a particularly thorough prospective customer, or may be asked by a customer who has just realised they've forgotten about an important birthday and needs immediate, accurate information.

McKinsey talks about the 'moment of truth' in customer interactions[1], often occurring when the customer has an unexpected problem or has a high emotional stake, when long-term loyalty and customer advocacy can be won or lost depending on the outcome and the way in which it is handled. Businesses and their representatives should be aware that these relatively rare occurrences offer great opportunities. Recognising and handling these moments of truth appropriately – moments which are defined as such by the customer, not the business – will have a far greater long-term impact on customer satisfaction and loyalty than the dozens of competently-handled, forgettable interactions that may have happened previously.

Although the 2x2x2 cube gives some indication of the types of interaction that are more likely to be 'moments of truth', which businesses may choose to be handled by their more experienced and empathetic agents, they are by their nature difficult to predict. Current real-time speech analytics solutions can indicate a measure of stress in the customer's voice through sentiment analysis, flagging this up to the agent within the call. In any case, if the customer has already tried two or three other channels without success, it might be thought that even the most competent and empathetic agent will find it difficult to turn the moment of truth around positively. However, the 'peak-end' rule, a psychological finding where we recall a memory based upon how we felt at a peak (or trough) moment as well as how we felt at the end of the situation biases the memory of the overall experience, and gives live agents a chance to rescue even particularly poor customer experiences.

For more information on this and other customer engagement methods, please download "The Inner Circle Guide to Customer Engagement & Personalisation", free from www.contactbabel.com.

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[1] http://www.mckinsey.com/business-functions/organization/our-insights/the-moment-of-truth-in-customer-service

A true omnichannel approach is vital which offers the same high level of service and knowledge through each channel. Equally important is the freedom for agents to act in way appropriate to the situation: for example, if a 'high-emotion' interaction happens on social media, which can't be handled on that channel (e.g. it needs to go through security, or is too complex and lengthy for a non-voice channel), the agent should be given the license to place an outbound call to that customer in real-time, rather than advise them to call the contact centre. While this will impact upon the social media channel's service levels while the agent is away from it, the moment of truth offers the opportunity to lock-in that customer's loyalty. For contact centre operations traditionally run on a structured command-and-control basis, this may sound chaotic, but businesses have to decide if the occasional relaxation of their own procedures is an acceptable trade-off for providing the customer with something that they truly value. Agents need to be given carte blanche to deliver in moments of truth, and the training, technology and support to recognise when this is happening.

This is not to say that moments of truth necessarily have to be handled by a live agent. The popularity of self-service runs deep in the customer base, and the only reason that many customers abandon self-service at the point of crisis in order to ring the contact centre is because self-service cannot deliver what they need. If companies focused their efforts on providing more sophisticated and reliable self-service applications, there is no reason why these could not deliver at least as much customer benefit at these key points in the customer journey.

For example, if a passenger misses their plane, they are then likely to engage in a long and complicated discussion with a live agent (either at the airport or in a contact centre), involving alternatives, connections and payments. If, on missing the last call for the plane, the customer were immediately provided with an SMS or email detailing the various options available to them, which they could then select and rebook at once, this would be more convenient for the customer and significantly reduce the cost of service to the business. Perhaps more importantly, the customer would feel that the airline is looking out for them, creating long-term loyalty out of the negative experience of missing a plane.

Our recent survey of 1,000 UK consumers attempts to understand which the channels of preference would be in cases of high emotion, urgency and complexity through presenting survey respondents with three hypothetical scenarios:

**High emotion**: for example, a complaint or having to return an incorrect item they were looking forward to receiving.

**High urgency**: for example, checking the arrival time of a plane or train from which they were meeting someone.

**High complexity**: for example, difficulties completing a tax return or mortgage application form.

## HIGH EMOTION INTERACTIONS

Consumers taking the survey were asked to imagine an interaction that would provoke a high levels of emotion in them (an example was suggested about a product they had ordered from a company had arrived but was incorrect). In this circumstance, they were asked which would be their preferred method for contacting the company to notify them that this was the case.

The most popular option was to email the organisation, with 33% of respondents choosing this method. The second most popular, at 24%, was phoning the contact centre, and web chat also made a strong appearance, with more than 1 in 7 respondents choosing this as their preference.

There was a strong pattern based on the age of the survey respondent and their preferred channel: the older demographics were more likely to pick up the phone, although email was also popular with these age groups. Web chat was a popular option with all except the oldest demographics, and social media also had its supporters in the youngest demographics.

**Figure 5: Preferred method for contacting a company (high emotion interaction), by age range**



Preferred method for contacting a company (high emotion interaction), by age range
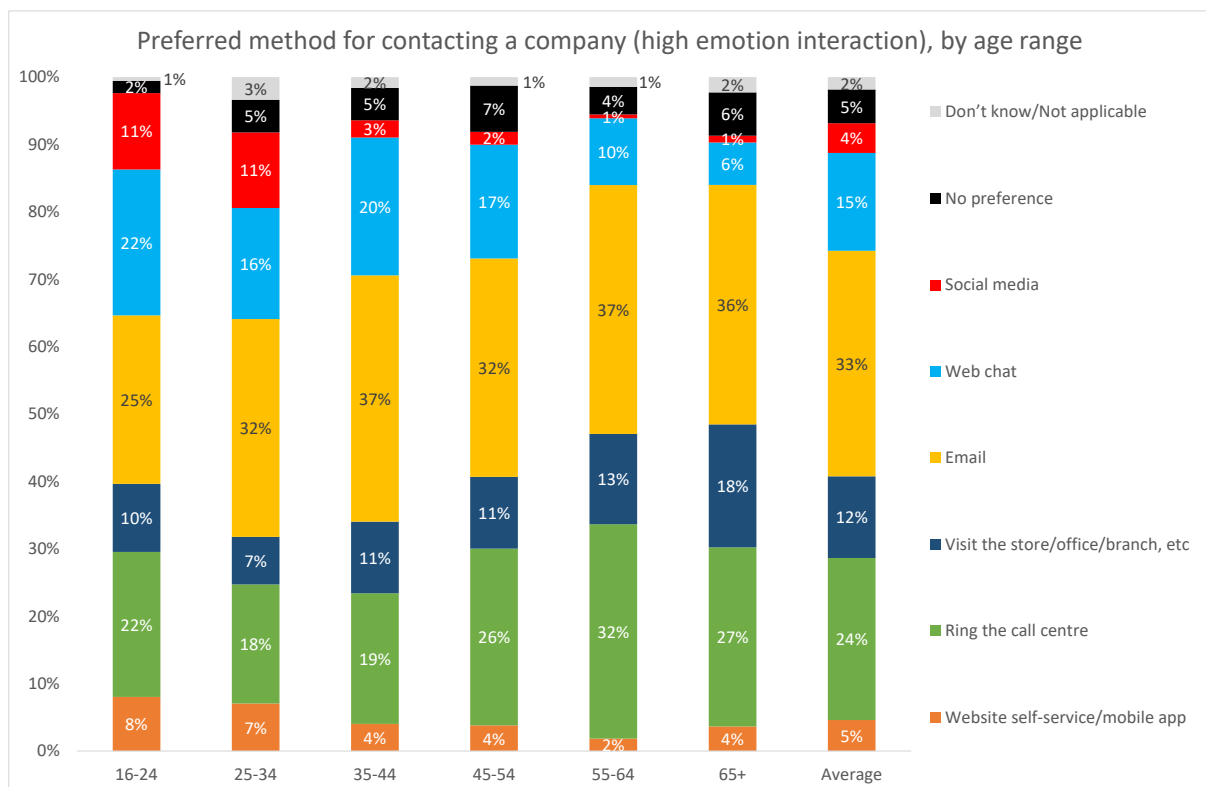
## HIGH URGENCY INTERACTIONS

Survey respondents were asked which would be their preferred channel of choice in an urgent situation. An example was provided where they were meeting somebody from a plane or train, and needed to confirm the time at which it was arriving.

While web self-service/mobile app was a popular choice across the board, live telephony was placed in no.1 position by every age group this year.

The immediacy offered by web chat means that a fairly high proportion of 25-44 year-old respondents stated that this would be their preferred method of interaction in high urgency cases.

**Figure 6: Preferred method for contacting a company (high urgency interaction), by age range**



Preferred method for contacting a company (high urgency interaction), by age range
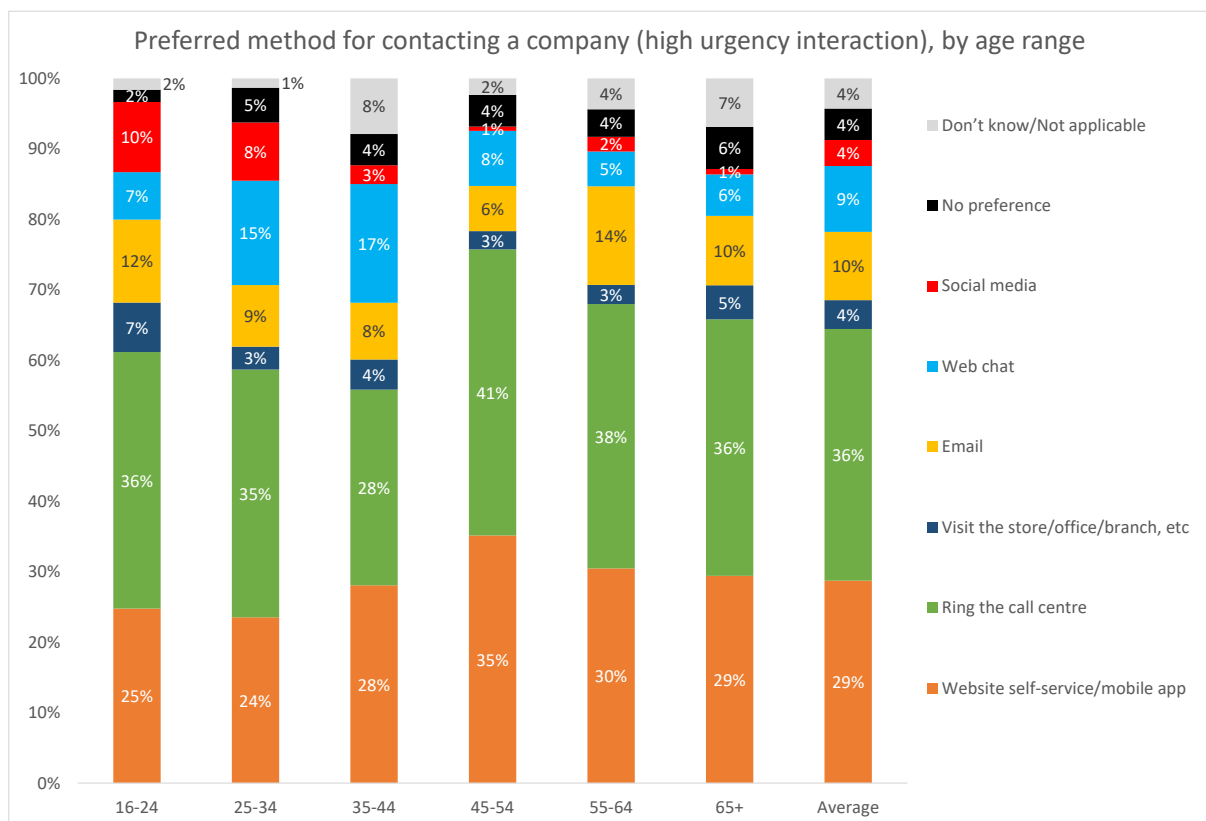
## HIGH COMPLEXITY INTERACTIONS

For highly complex interactions, such as getting expert guidance with a tax form or mortgage application, the most popular contact choice has historically been a physical visit to an office or branch, which was much more popular with the older demographic (37% in 2019, compared to 24% in 2021). The pandemic looks to have reduced this figure very considerably, with live telephony rising from 16% to 31% in the same timescale.

It is noticeable that web self-service was a very much less popular option for complex interactions than it had been for urgent enquiries.

Web chat was also seen as an appropriate primary channel for complex interactions by a significant minority of most age groups, whereas email is generally much less popular than it had been for high emotion interactions, possibly due to the probable requirement for back-and-forth communication.

**Figure 7: Preferred method for contacting a company (high complexity interaction), by age range**



Preferred method for contacting a company (high complexity interaction), by age range
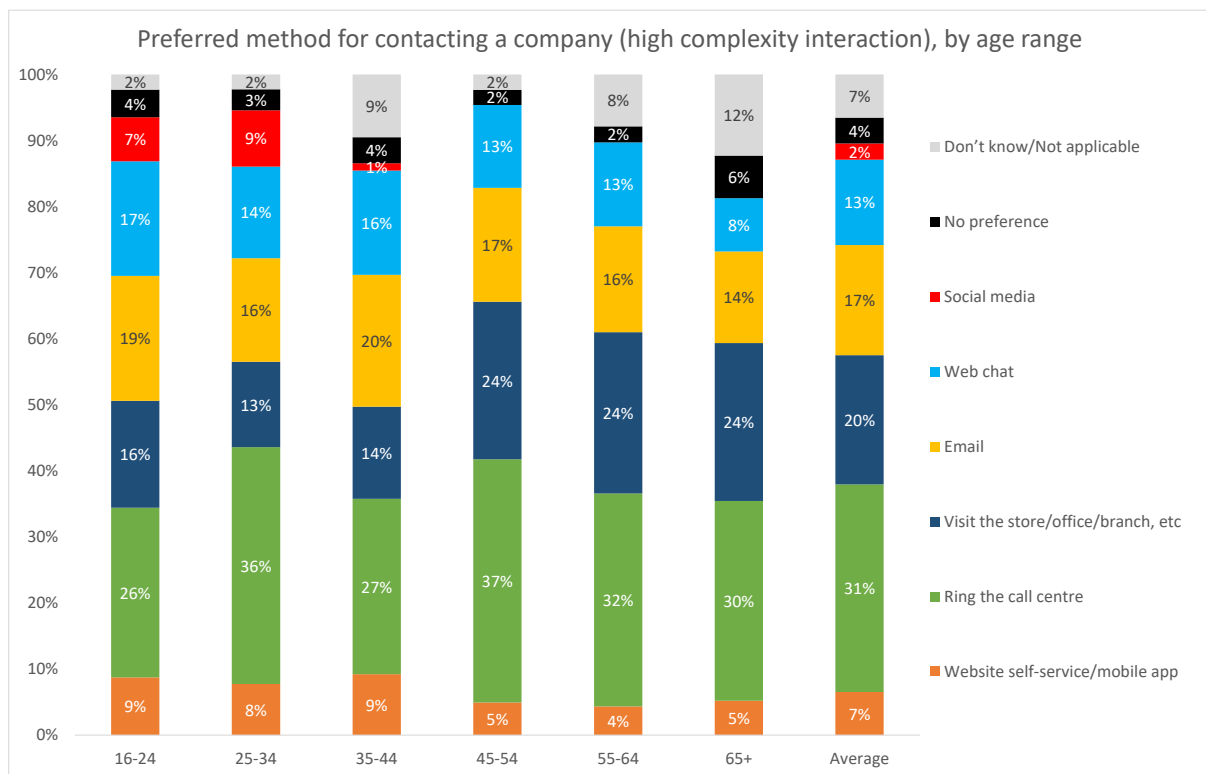
The general fact remains that customers don't usually want to pick up the phone in the first instance. And yet they do. The challenge for businesses is being able to understand not only how their customers want to engage with them, but also why and when.

ContactBabel commissioned the research firm Aurora Market Research to carry out a survey of 1,000 UK consumers. One of the purposes was to identify what were the most important customer experience factors when contacting an organisation.

Figures below are expressed as the percentage of each age group that expressed an opinion.

**Figure 8: What are the top 3 most important factors to you when contacting an organisation by phone or digital channel? (by age range)**



What are the top 3 most important factors to you when contacting an organisation by phone or digital channel? (by age range)
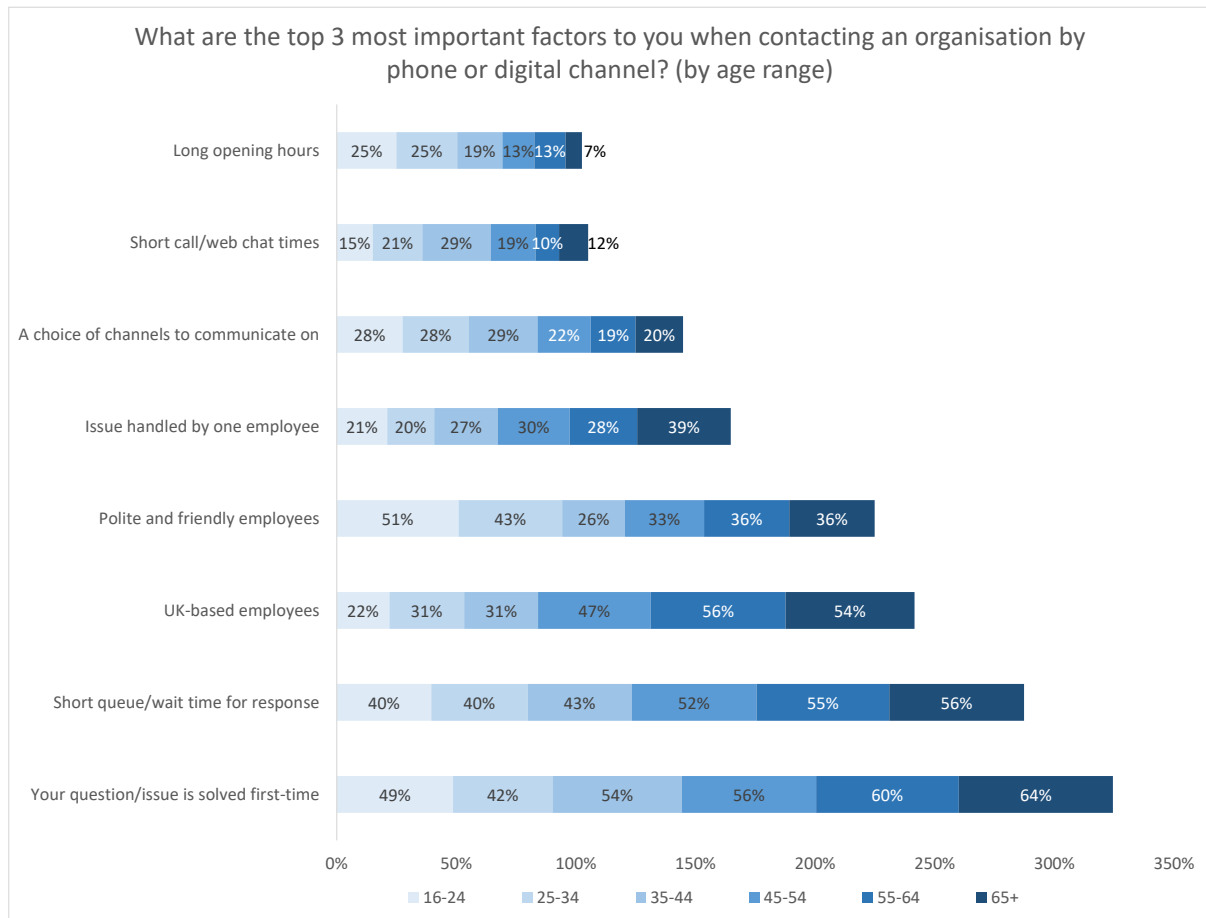
The chart above shows the importance of various customer experience factors as an aggregated bar chart, segmented by age so as to show the factors that were of most importance to customers in each age range. Aggregating the results allows an understanding of which factors were placed in the top three overall, while also providing insight on age-related opinion.

For example, 49% of the youngest age group (16 to 24 years old) stated that first contact resolution was one of their top three most important factors, whereas 64% of the oldest age group (over 65 years old) placed this in their top three.

This consumer research has some interesting findings when comparing consumer attitudes to a survey which asked businesses about what they considered customers valued the most:

- both businesses and consumers agree that first contact resolution is the most important single factor impacting upon customer experience when contacting a business

- a short queue/wait time for response is also seen as being an important part of the customer experience

- having UK-based employees is seen as far more important to customers than businesses believe, especially for older demographics.

When considering these findings from the perspective of the various age ranges, the importance of first contact resolution is considerably higher in the older age ranges, as is having UK-based employees. There is also a pattern that older age-groups are less likely to be happy with being passed between agents.

Younger customers place very significant importance on longer opening hours, and are also more likely to value having a choice of ways to communicate with the organisation. Further evidence for this age group's valuing of its time can be seen in relatively high importance being placed upon short call/web chat duration. However, the youngest age group are not willing to sacrifice courteous service for time saved, as they are also the group that most frequently places 'polite and friendly employees' in the top three factors.

At first glance, omnichannel / multichannel does not seem to place particularly highly – 'having a choice of ways to communicate' is only placed in the top 3 CX factors by around 25% of consumers (although it is more important than it was in 2018 when the first of these surveys was done). However, omnichannel is vital to the most important factor of all – having the issue resolved first-time – as true omnichannel provides a single view of the customer across channels, allowing seamless movement between channels without changing agents, losing context or making the customer repeat themselves.

Some might think that omnichannel is only a step along the way to the real end-goal: full AI-enabled automated service. However, even if this were possible today or in the near future, the customer base does not view this as their ideal outcome.

In order to gauge the level of acceptance and expectation around fully-automated customer contact, 1,000 UK consumers were asked "If you have to contact a business to solve an issue, would you prefer to speak to a person or to use self-service, if the length and outcome of the interaction were **identical** in either case?" Bearing in mind the rapid advance and uptake in digital self-service, the findings were quite surprising.

Looking at the age group of the customer base, older demographics feel more strongly about human contact, with 80% of the oldest customers preferring to speak to a person.

Younger customers still preferred to talk to a person, but the youngest age group were four times more likely than the 65+ age group to prefer self-service. This fits in with the previous findings that this section of the customer base places more value on their time, whereas the older demographic prefers to have their issue resolved first-time by a single employee.

Remembering that this question emphasised that the outcome and customer effort/time **would be identical** in each case, the results show that the customer base at present is not yet at a stage where automation is generally seen as being even on equal terms with human contact, let alone the preferred method of contact with a business.

As such, an omnichannel strategy rather than a pure automation strategy would seem to be preferred by the majority of customers.

Figure 9: Preference to speak with an agent or use self-service, if the outcome and time were identical? (by age range)



Preference to speak with an agent or use self-service, if the outcome and time were identical? (by age range)
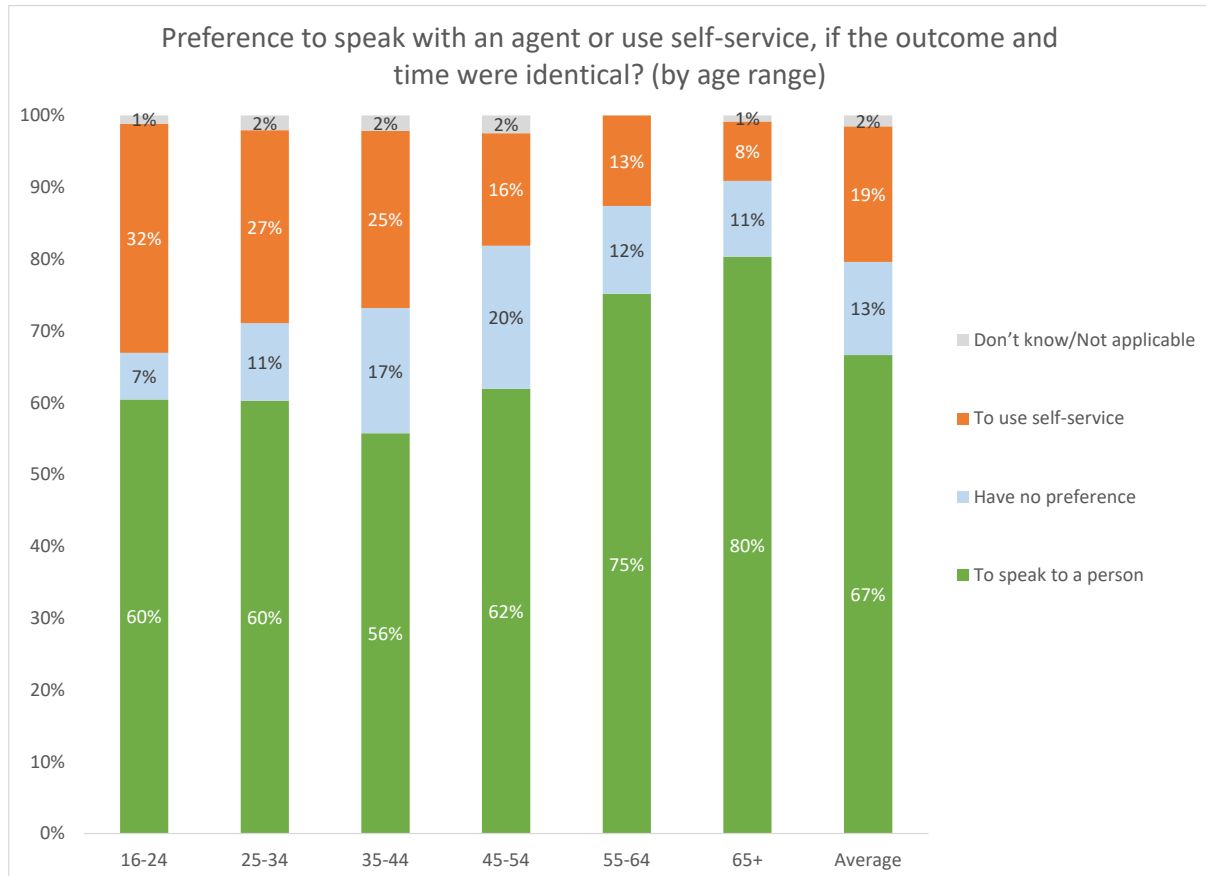
## CHEAPER COST OF SERVICE?

Businesses want to balance quality with cost. Profitability is always at the forefront of any decision for commercial organisations, and the uptake of automation and digital channels promised high-quality service at a fraction of the cost of a phone call.

While digital channels have a reported cost advantage over telephony, the differential is not as large as it could be. Based on the findings in the "UK Contact Centre Decision-Makers' Guide", relatively low levels of automation are being used to answer either emails or web chat, and this is a significant opportunity for businesses and solution providers.

**Figure 10: Cost per inbound interaction (phone, social media, email & web chat – end-2020)**

| Channel | Mean | 1st quartile | Median | 3rd quartile |
|---|---|---|---|---|
| Phone | £4.55 | £4.50 | £3.49 | £2.89 |
| Email | £4.10 | £4.30 | £2.89 | £1.70 |
| Web chat | £2.56 | £3.12 | £2.00 | £1.10 |
| Social media | £2.37 | £3.80 | £2.40 | £1.20 |

It is interesting to note that social media and especially web chat costs have begun to dip over the past two years, whereas more established channels such as telephony and email – which tend to require more live input from agents and be more complex – have continued to increase in expense. It is also worth noting that emails are very rarely fully automated.

For web chat, this may be to do with the increase in chatbot usage which brings down cost per chat considerably. For social media, it would be right to be wary about making any assumptions yet: the data pool for this channel is quite shallow as many survey respondents do not have much idea about how much a social media interaction costs them.

**Figure 11: Cost per inbound interaction, by channel (2015-2020)**



Cost per inbound interaction, by channel (2014-2020)
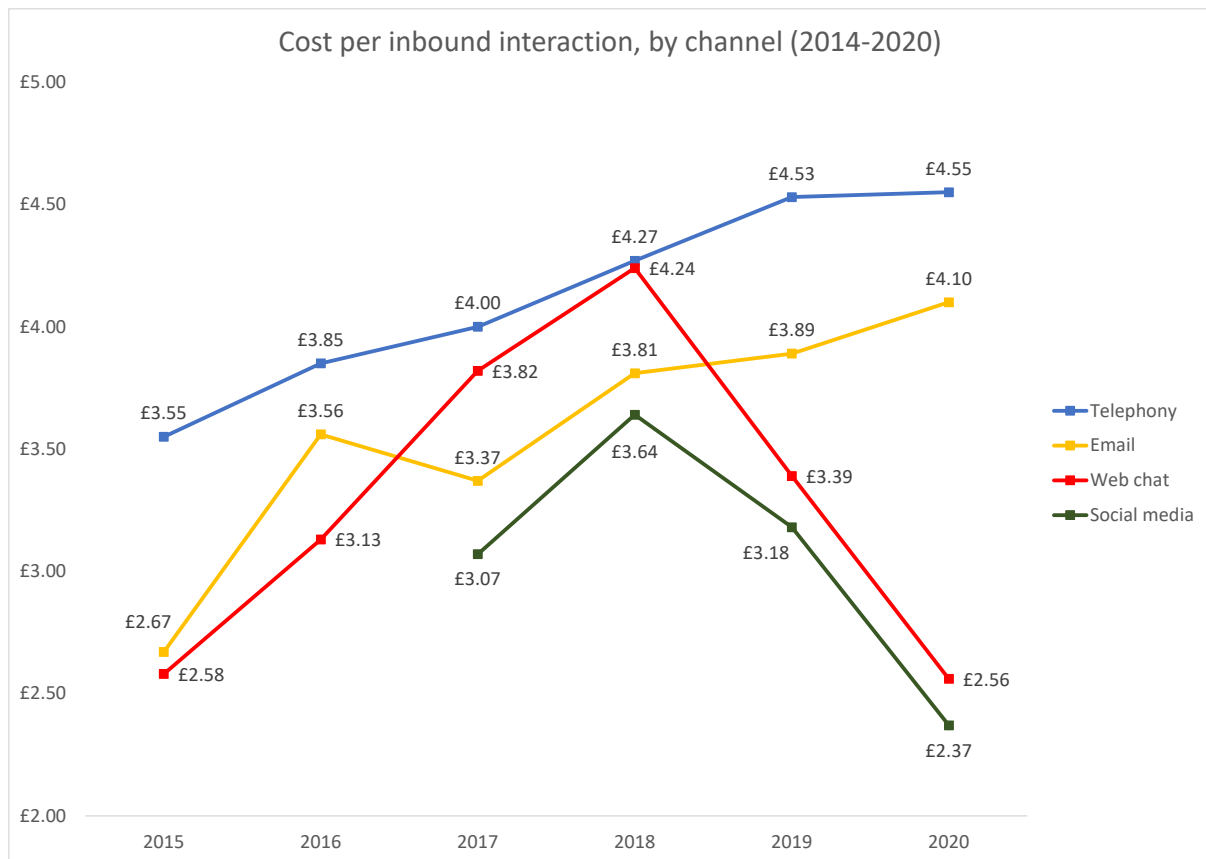
# 3 next-gen omnichannel CX benefits

Customer experience is a critical business differentiator. With the right technology, your contact centre acts as the CX hub that generates lasting relationships and larger business outcomes than ever before.

## 80%

of customers say the experience is as important as product or services (Salesforce)

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## What is a next-gen omnichannel experience?

**First-gen omnichannel** platforms are incapable of keeping pace with customer's expectations for an effortless, seamless, quick, and hyper-personalised experience. They offer limited channels, generic, disjointed, and inconsistent customer experiences.

Designed to anticipate customer expectations, **next-gen omnichannel** platforms are powered by an intelligent core that seamlessly integrates any channel and enables companies to understand and respond to customer preferences at scale. Next-gen omnichannel technology has lasting benefits:

### Engages and empowers agile workforce.

Empower work-from-anywhere agents with the tools and technology capable of supporting hyper-personalised, proactive, and increasingly complex customer journeys:

- ✓ **Smart AI-powered agent assistant** cues real-time changes, provides customer context and knowledge to achieve better outcomes.

- ✓ **Automates routine tasks and interactions,** to engage agents in productive and meaningful work.

- ✓ **Personalises QM, coaching, and performance metrics** to inspire agent's commitment and motivation to exceed business goals.

- ✓ **Unified easy-to-use, on-the-go technology** that understands and supports employees' unique preferences.

### Smarter, digital-first customer journey.

Integrate digital-first customer preferences across self-service and agent-assisted channels for a seamless and consistent experience. Get smarter with every interaction and gain new insights on customer behaviors to continually transform experience.

### Realigns operations for service excellence.

A unified technical structure enables businesses to respond quickly to customer and business changes. A secure, flexible, easy-to-manage platform speeds up processes and helps businesses understand and respond to end-to-end customer journey insights.

## NICE · CXone

Instead of managing interactions, manage the end-to-end customer journey with NICE CXone—the only next-gen omnichannel platform.

**Explore how CXone can help transform your customer experience.**

Watch demo

## PROVIDING A BETTER CUSTOMER EXPERIENCE ACROSS CHANNELS

The importance of having an integrated omnichannel solution can be seen in the chart below, which shows the importance that customers place upon not having to re-explain issues or re-enter information if they have to move between channels to complete an interaction with a business.

A question was asked about which were the top 3 factors that impacted most upon customer experience and satisfaction, with a long list of factors presented. Although first-contact resolution is consistently seen as the no.1 issue, not having to re-explain issues when moving between channels has risen from relative unimportance in 2015, to being seen as a top 3 customer experience issue by 53% of respondents in 2020.

**Figure 12: How important to customers is not having to explain issues across channels? (2015-20)**



How important to customers is not having to explain issues across channels? (2015-20)

| Year | 1st | 2nd | 3rd |
|------|-----|-----|-----|
| 2015 | 2% | 12% | 12% |
| 2016 | 13% | | 18% |
| 2017 | 7% | 14% | 21% |
| 2018 | 10% | 14% | 25% |
| 2019 | 11% | 13% | 28% |
| 2020 | 14% | 13% | 26% |
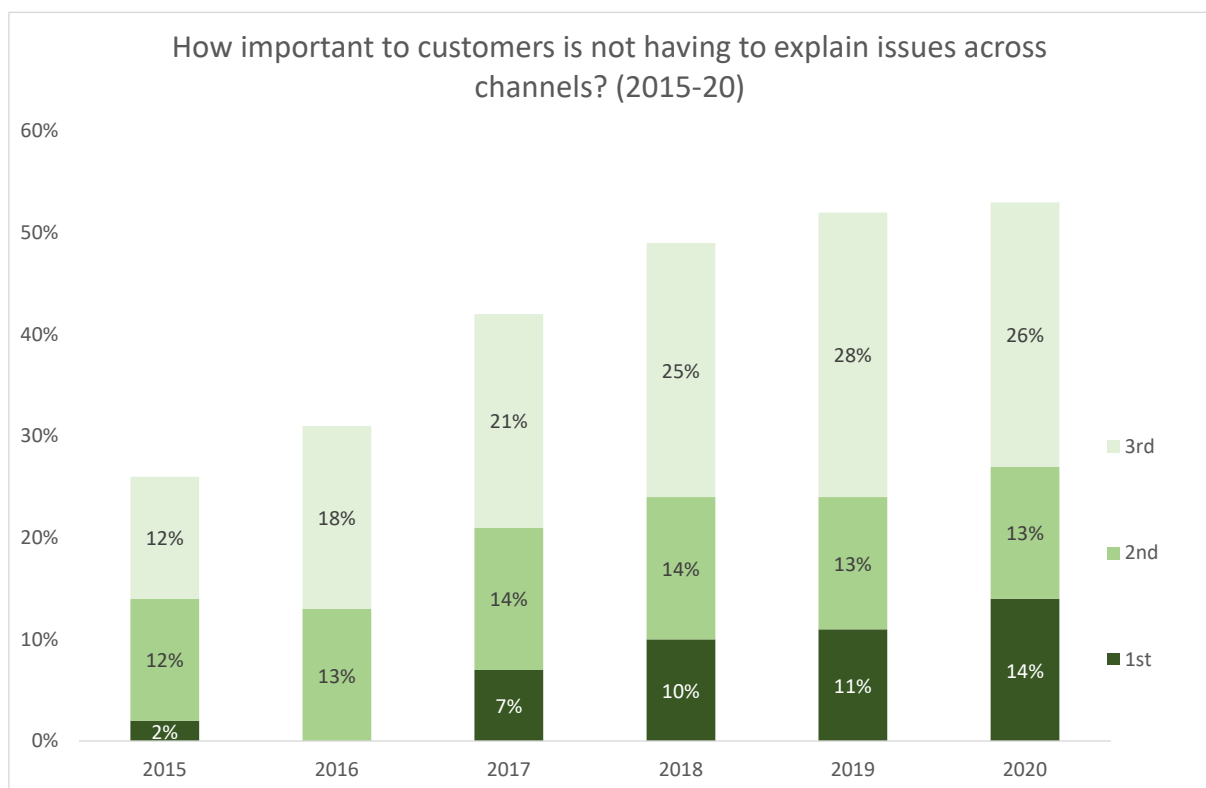
Having identified a seamless transition between channels as being of growing importance to the customer experience, the chart below shows that using multiple channels is still a common requirement for many customers and interactions.

58% of respondents state that web chat can be handled over that specific channel more than 90% of the time, with 45% of respondents stating that email requests can be handled entirely by that channel more than 90% of the time. This figure is only 34% for social media.

23% of respondents state that more than half of their social media requests have to use another channel to resolve them effectively, highlighting the previous finding that customer satisfaction is increasingly affected by whether the customer has to repeat issues across different channels. Omnichannel aims to provide a seamless transition between channels, and is ever more necessary to provide a superior customer experience.

**Figure 13: Email, web chat and social media customer contacts that require the use of another channel to be answered fully**



Email, web chat and social media customer contacts that require the use of another channel to be answered fully
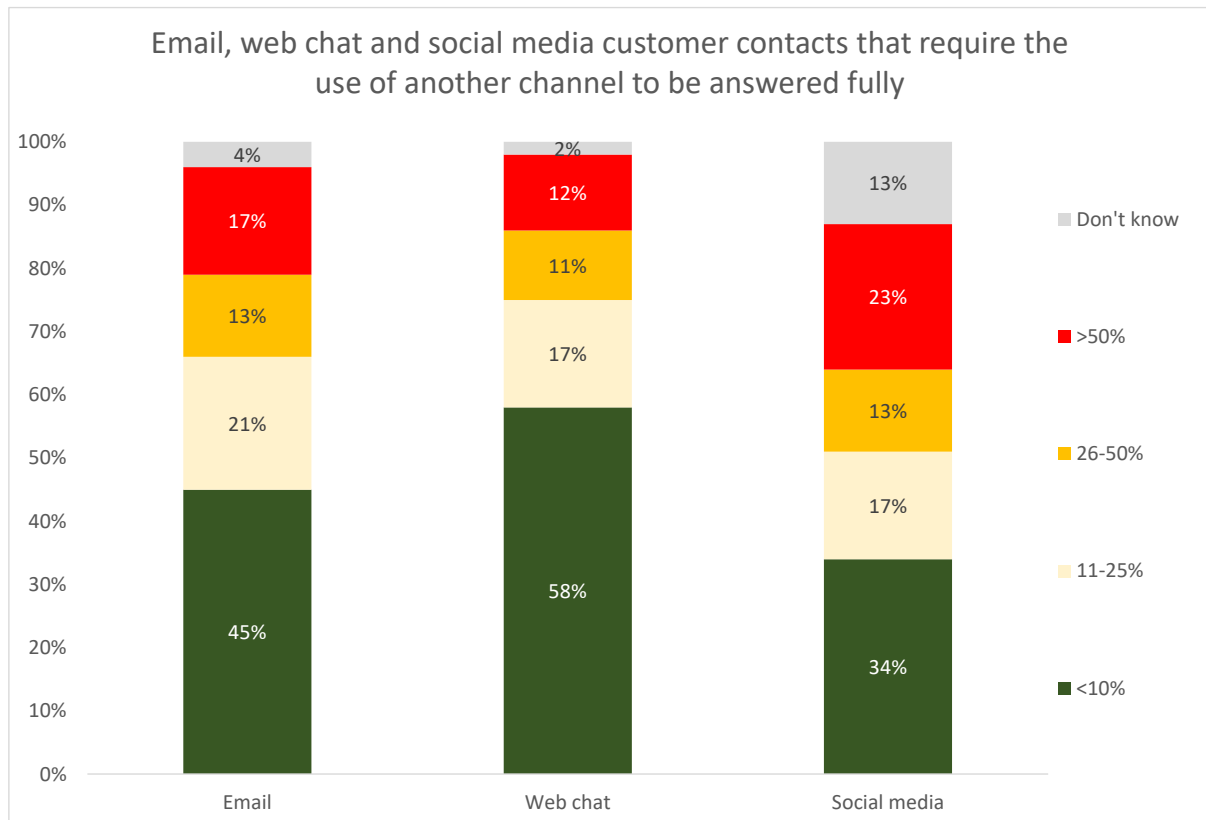
A follow-up question was asked about the reasons for using another channel. While this question specified the email channel, it is likely to apply to other digital channels as well as they face many of the same challenges.

Two interlinked responses came out clearly ahead: that the multiple, back-and-forth nature of the queries are quicker to answer on a call; and that complex issues are better handled with a phone call rather than an email.

The ability to take customer through security checks more easily in a different channel was also considered important (i.e. given a top 3 place) by 62% of respondents, and 28% considered that email agents do not always have access to the sources of information that they need to answer the question fully, an issue that omnichannel implementation should resolve.

**Figure 14: Reasons for using another channel to answer emails fully**



Reasons for using another channel to answer emails fully

| | 1st | 2nd | 3rd |
|---|---|---|---|
| Sensitive / confidential information which needs a letter to be sent | 1% | 4% | 14% |
| Regulations or legislation | 2% | 4% | 6% |
| Need access to information unavailable to email agents | 2% | 10% | 16% |
| Need customer security checks before query can be answered | 25% | 18% | 19% |
| Back-and-forth queries, which are quicker to answer on a call | 32% | 30% | 24% |
| Complex response which requires a phone call | 38% | 34% | 21% |

## THE OUTBOUND OPPORTUNITY

It is important to note that omnichannel isn't simply about managing inbound interactions. Identifying opportunities for proactive outbound customer contact allows businesses to avoid unnecessary inbound calls while improving the customer experience, in that they are presented with useful information without having to make any effort.

Survey respondents were asked what proportion of inbound calls could be avoided by engaging the customer before they felt the need to call the business.

36% of contact centres reported that more than a quarter of their inbound calls could be avoided if more proactivity was used, which would make a huge difference to costs (especially through automated outbound communication), as well as having a positive effect on customer experience.

Businesses should analyse the type of interactions that they receive into their contact centre, and to see if there is a cost-effective way of proactively handling these. The opportunity is certainly there for the industry as a whole to manage the inbound demand more effectively than is being done so at the moment. If only 20% of unnecessary inbound calls could be avoided through proactive outbound customer contact, the UK contact centre industry would save £5.6bn each year.

**Figure 15: Proportion of calls that could be avoided by proactive customer engagement**



Proportion of calls that could be avoided by proactive customer engagement, by contact centre size
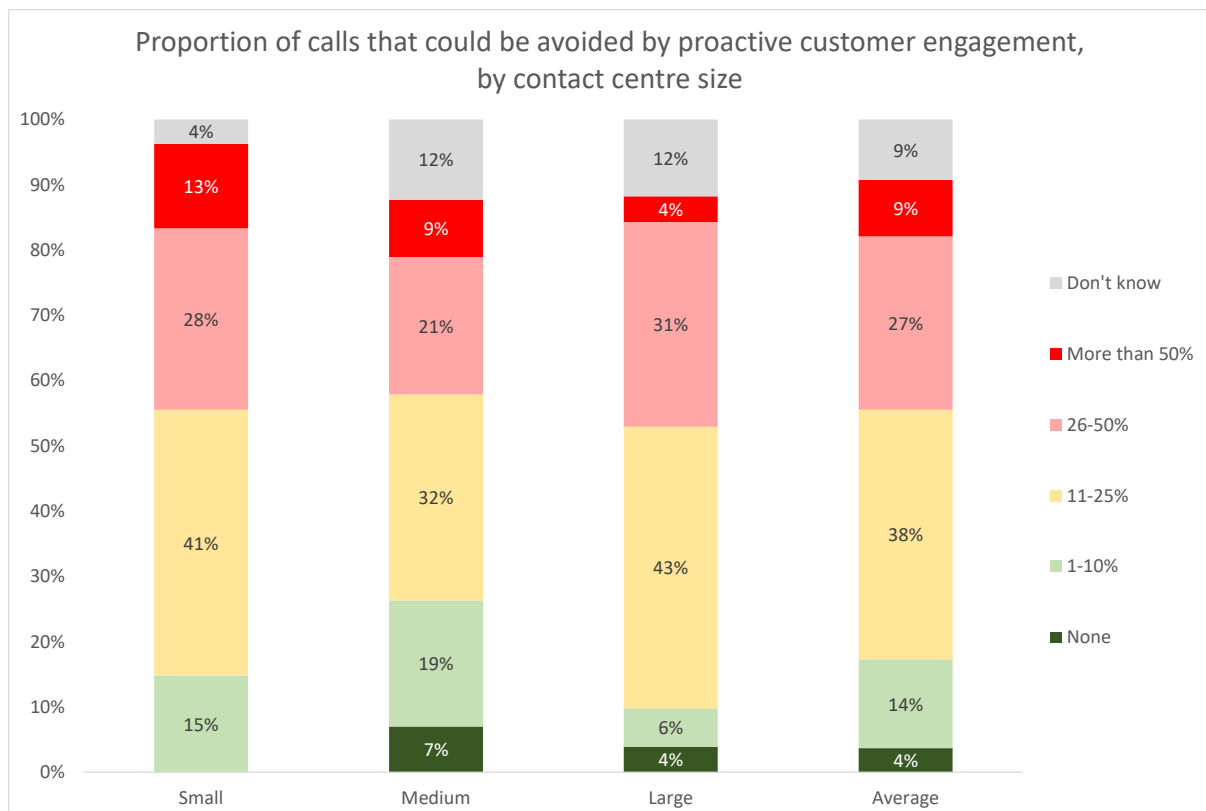
Businesses were asked about the effect that the technology that they used had on their customers' experience.

Generally, they are seen as providing a positive experience for customers, although IVR and speech recognition have a somewhat more polarising view, with a significant proportion of respondents being neutral about these technologies' impact on CX. (Only survey respondents that actually used these technologies were included in this analysis).

68% of respondents felt that having an omnichannel approach had a positive effect on the customer experience, with the greatest enthusiasm being for web chat and web self-service.

**Figure 16: What effect does technology have on your customers' experience?**



| What effect does technology have on your customers' experience? | Strongly positive | Somewhat positive | Neutral | Somewhat negative | Strongly negative |
|---|---|---|---|---|---|
| Touchtone / DTMF IVR | 16% | 41% | 36% | 6% | 1% |
| Speech recognition | 16% | 33% | 49% | 2% | |
| Interaction analytics | 23% | 54% | 20% | 3% | |
| Unified agent desktop | 29% | 42% | 29% | | |
| Omnichannel / customer interaction hub | 30% | 38% | 29% | 3% | |
| Web self-service | 46% | 32% | 19% | 1% | 1% |
| Web chat | 46% | 39% | 13% | 2% | |

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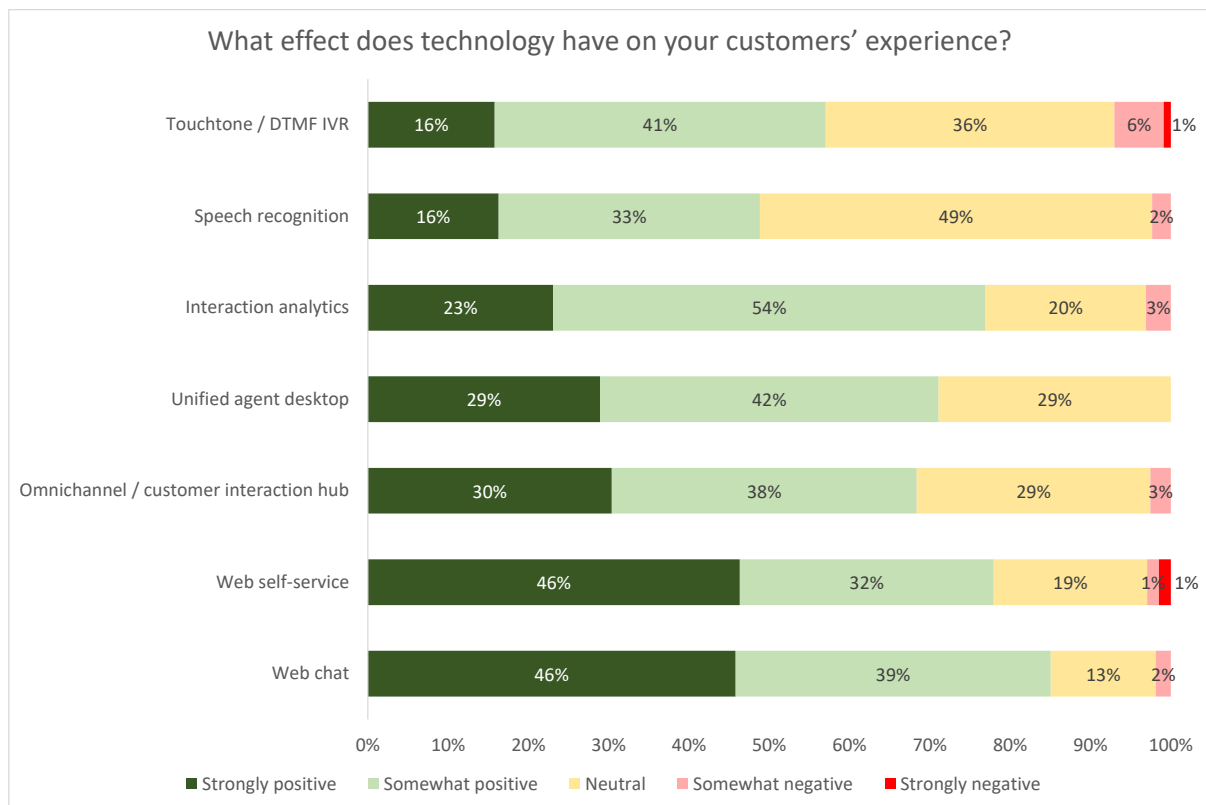
Almost half of survey respondents also state that not having a single view of the customer across channels or enough IT resource or budget are major problems for them, with those in larger operations were more likely to feel this.

Not being able to view the customer across channels means that the full benefit of omnichannel contact cannot be achieved, and that unnecessary time and effort are being spent by the customer, with sub-optimal results for all concerned.

**Figure 17: To what extent is the lack of a single view of the customer across channels holding back customer experience? (by contact centre size)**



To what extent is the lack of a single view of the customer across channels holding back customer experience? (by contact centre size)
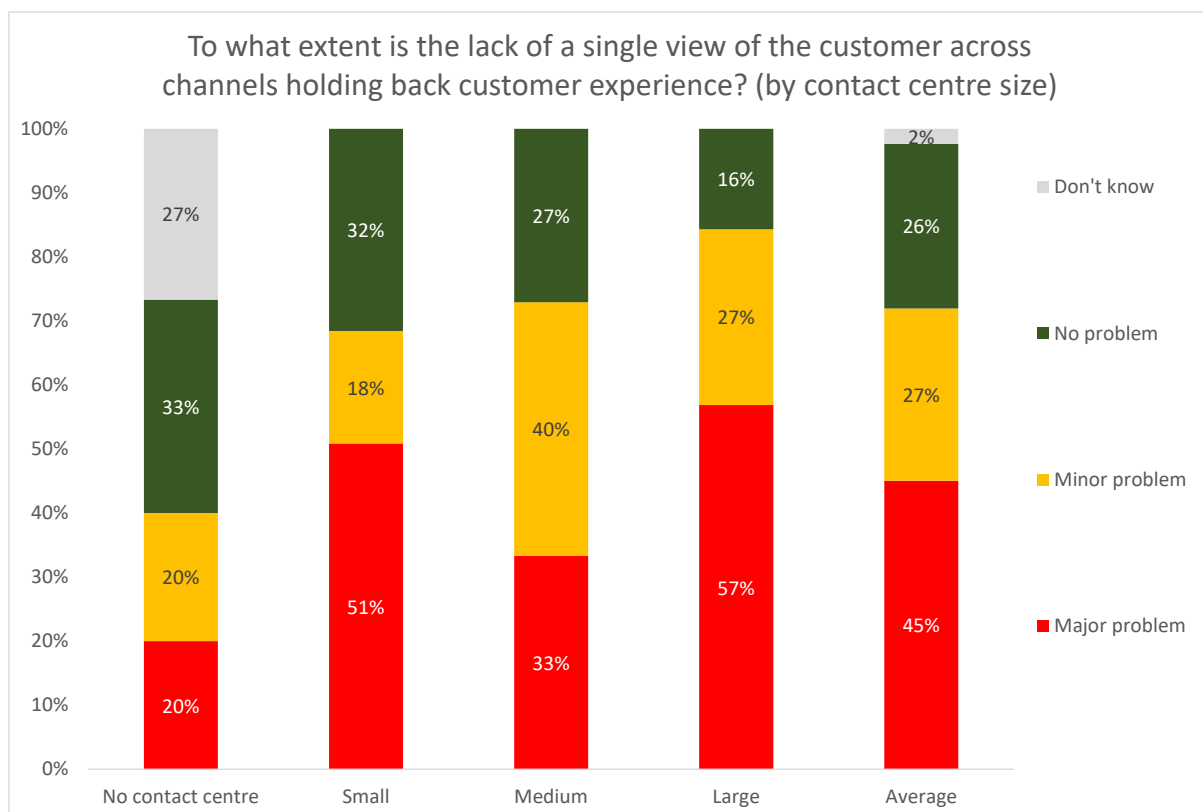
Looking at CX-related technology challenges from the perspective of company revenue and number of customers, it is the organisations with the most customers that are most likely to be having trouble gaining a single view of the customer, and these operations are also most likely to be restricted by their existing legacy systems. 86% of respondents with more than 10m customers stated that the single view of the customer was a major problem, compared to 10% of respondents with fewer than 10,000 customers.

The lesson that can be learned from these findings is that while individual channels (such as web chat) are seen to work well for customers, making them work together and having a single view of the customer across channels is still a major problem for many businesses.

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The following chart shows the solutions that are being used to support digital channels, with at least half of respondents using automation or agent-supporting solutions for each of web chat, email and social media.

Interest in these solutions from those not already using them remains strong, especially for web chat.

**Figure 18: Current use of digital customer service channel solutions**
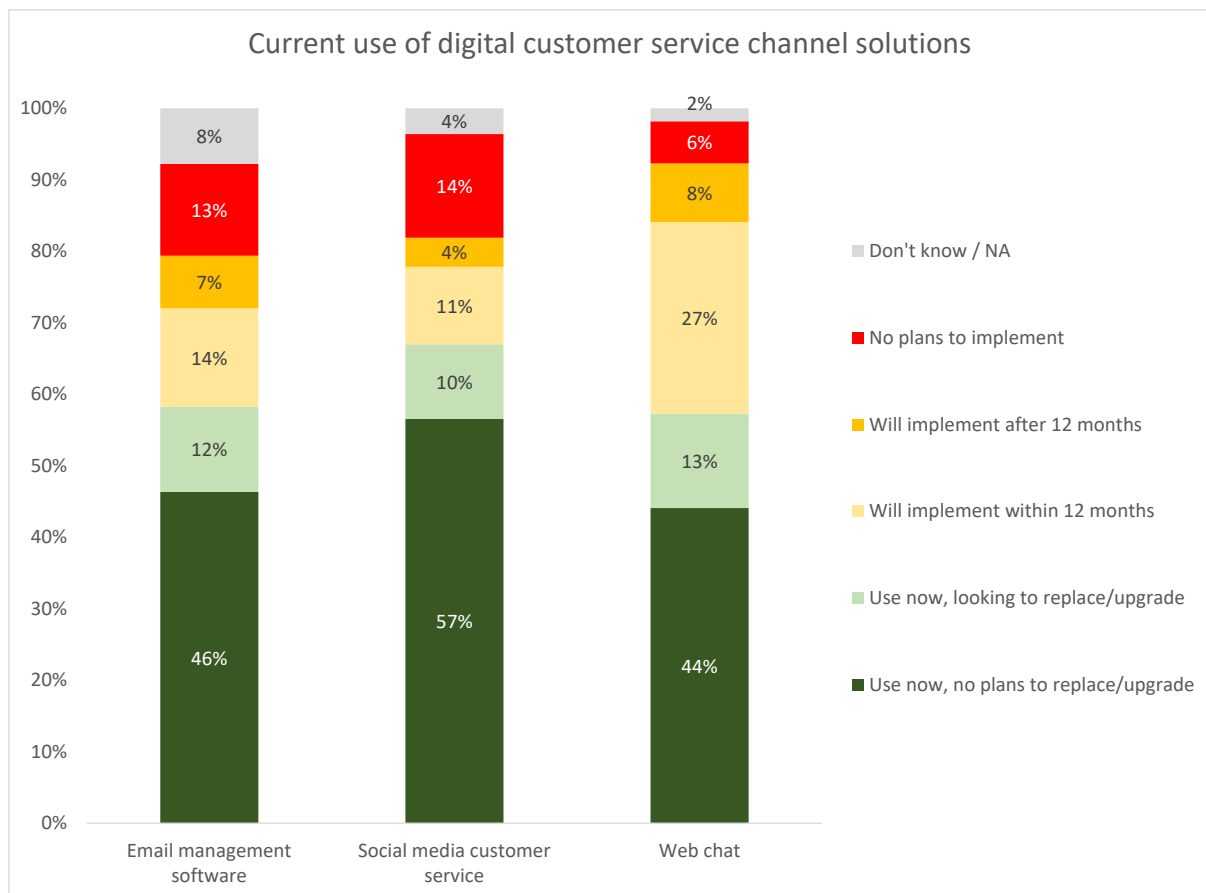


The next sections of this report look in depth at the use of various digital channels, including:

- Email
- Web chat
- Social media
- Messaging
- Video
- Co-browse / web collaboration.

## EMAIL

Email was the first of the digital channels to be used, and is still by far the most well-used, having been mainstream for well over 10 years.

Email should stand as a salutary lesson that it is not businesses that make new channels a success, but customers. Email, in its first incarnation, failed almost entirely. Too many businesses rushed to push customers to this new channel – commonly supposed to be cheaper than voice – without having the processes, solutions or staff to manage this properly. What happened next can be understood as a 'herd inoculation': enough customers had enough bad experiences from enough organisations that the entire channel was discredited, even for those businesses which were providing a reasonable service through email or just keeping a watching brief.

The reason for this rejection was the unacceptable level of service provided by many of the early multimedia businesses. With response times stretching into many days, if not weeks, the companies failed to understand that any communication with the business has a degree of urgency to it, else why would they be trying to speak with the business at all? Of course, even when a response was eventually provided, the issue might have gone away, or been dealt with by calling the contact centre, meaning that customers' existing confidence in the voice channel was further reinforced at the expense of the email channel. It is also the case that email does not fit the type of enquiries that people make in some cases, such as the need for quick, simple and confidential information (such as an account balance), and the increasing requirements for identity checking places a cap on the usefulness of email as a channel for some types of business.

It took many years, much investment and the coaxing of customers to try new channels again for email to emerge as being credible. Of course, businesses and customers now both realise that email is more suitable for some interaction types than others (the rise of web self-service, web chat and social media has meant email is no longer the only online communication method available), and complex issues such as complaints, or other enquiries requiring a formal paper trail are well-suited to email. In fact, much of the demise in the letter and fax as channels can be traced to a direct replacement by email.

Email is also an excellent outbound channel, providing reassurance, great levels of detail and attachments, and is able to link to other specific areas of information via hyperlinks. As an inbound channel, it has inherent weaknesses: an inability to carry out customer authentication and to carry out a real-time 2-way conversation being amongst them, as well as the lengthy wait to get a response. However, it does have the advantage over virtually every channel that there is no queue time at all – the customer writes the email and presses 'Send' immediately – a 'fire and forget' asynchronous interaction.

Retail respondents often report the greatest proportion of inbound traffic as email, with the B2B manufacturing and services sectors also receiving high levels.

The insurance sector again shows high levels of email after many years of very little activity, and this may be due to a change in working practices which allows customers and intermediaries to send through documents via email rather than by the more traditional fax and letter. Only finance respondents reported less than 10% of interactions as email.

**Figure 19: Inbound interactions that are email, by vertical market**

| Vertical market | % of inbound interactions that are email |
|---|---|
| Manufacturing | 24% |
| Retail & Distribution | 22% |
| Insurance | 22% |
| Services | 19% |
| Housing | 19% |
| Utilities | 16% |
| Transport & Travel | 16% |
| Outsourcing & Telemarketing | 12% |
| Public Sector | 11% |
| TMT | 10% |
| Finance | 7% |
| **Average** | **15.4%** |

As with previous years, emails are proportionally less important for large contact centres, although this gap has shrunk considerably over recent years.

**Figure 20: Inbound interactions that are email, by contact centre size**

| Contact centre size | % of inbound interactions that are email |
|---|---|
| Small | 20.1% |
| Medium | 14.2% |
| Large | 11.3% |
| **Average** | **15.4%** |

The cost of email is a little lower than live telephony (which has a mean of £4.55 this year), but it is still considerably more expensive than a self-service session.

In a similar way to live phone calls, emails are getting longer and more complex as the easier work is handled through self-service or web chat, which is keeping their average cost up despite a move towards using more automation to answer them.

**Figure 21: Estimated cost per email**

|  | Email cost |
| --- | --- |
| Mean | £4.10 |
| 1st quartile | £4.30 |
| Median | £2.89 |
| 3rd quartile | £1.70 |

While it is not suggested that businesses should aim to answer an email in the same amount of time that it takes to complete a phone call, it is desirable to manage all interactions closely to consistent business rules and to act quickly if service levels slip. Too often it seems, contact centres have become so used to managing the telephony queue that they neglect multimedia interactions. The result is that digital channels' response times (mostly email) have historically been sacrificed to meet telephony service levels, and although there had been steady improvements in response rates in recent years, these seem to have tailed off somewhat in the past two years, with 38% of email interactions requiring more than a day to answer completely, compared to 22% in 2013.

Taking longer than one day to answer an email runs the risk of the customer losing patience, and going elsewhere or phoning the contact centre, placing a greater cost burden on the business than if they had just called in the first place. Clearly the pressure placed on businesses as a whole and the phone channel in particular in 2020 does not help, but this chart shows that email response rates have shown little improvement for many years. This may well be a factor of easier requests being handled by self-service or web chat.

**Figure 22: What proportion of emails are answered successfully and completely within these timescales? (2009-20)**
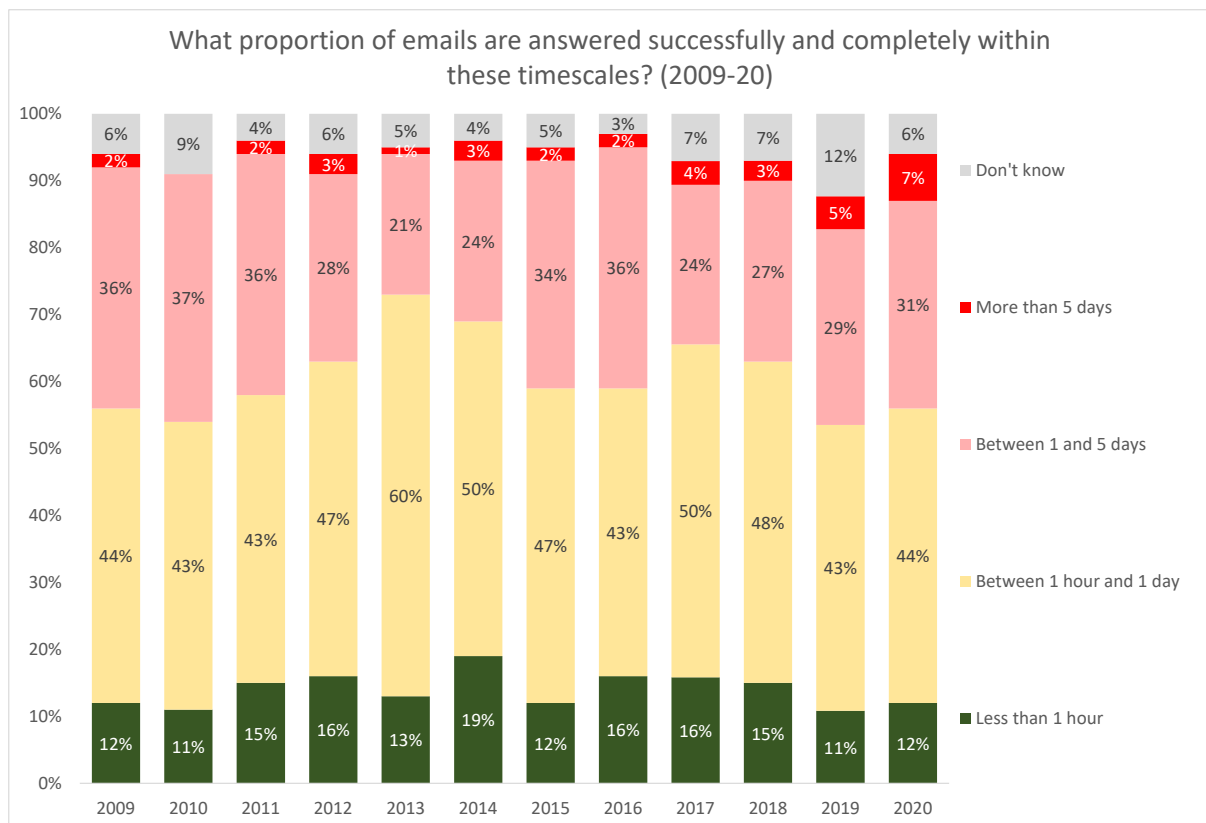
The most popular methods of answering inbound email are to use live agents, rather than rely on automation. Around half of emails are answered by agents who start with templatised, editable responses and change them accordingly, thus not having to compose every email in its entirety and being able to draw from a common pool of knowledge. Starting with a blank email and letting agents complete it themselves is not only likely to take longer, but also leads to an increased risk of poor grammar, spelling and punctuation, as well as a less consistent response.

Only 4% of emails have automated responses, (these statistics do not include simple automated acknowledgements), and of those, half are checked by agents before sending.

**Figure 23: Level of automation used in email management (2015-2020)**
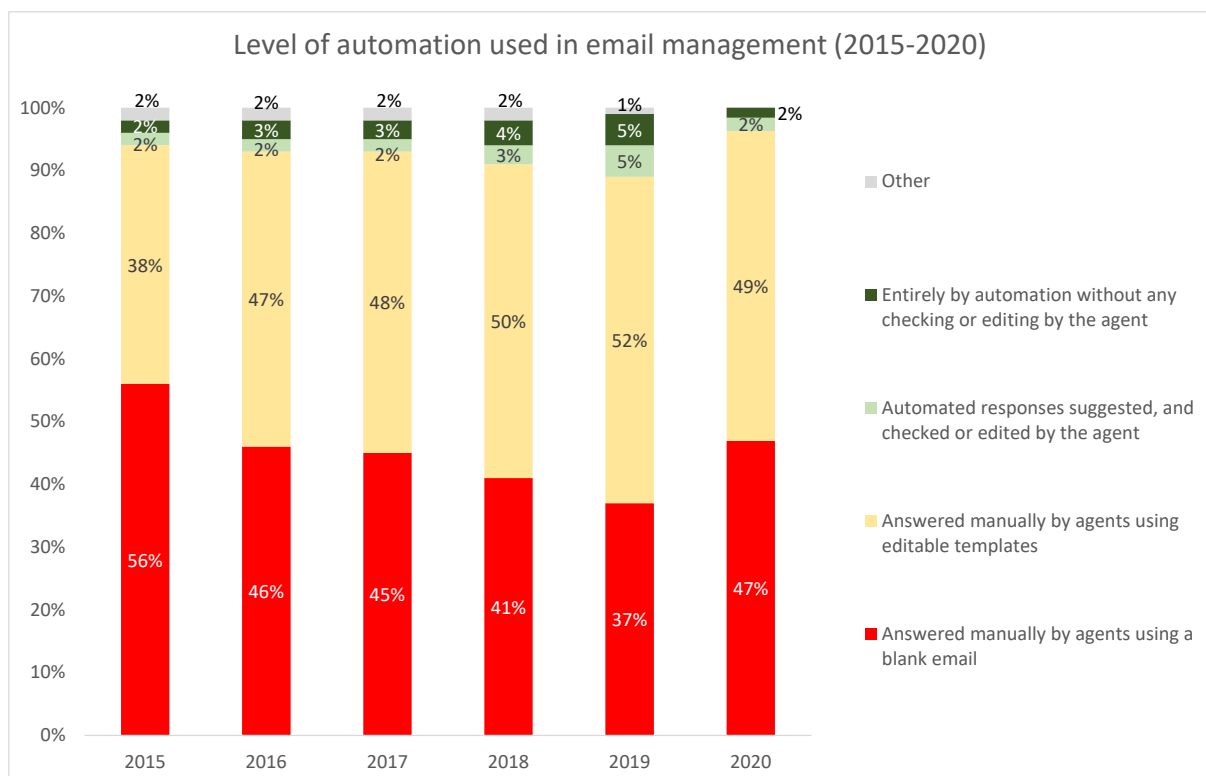


Respondents state that around half of their inbound emails are queries about products or services that have already been bought, with only 1 in 6 being from prospective new customers, who have queries about products or services which they are considering buying.

Complaints represent around 15% of inbound email traffic for our respondents, compared to the telephony figure which is usually below 10%.

Respondents were asked to estimate the proportion of emails that required the use of another channel to be answered fully. 45% of respondents stated that fewer than 10% of their emails needed recourse to alternative channels – an improvement on past years' results – with 17% stating that more than half of their emails needed supplementary channel assistance.

**Figure 24: Emails that require the use of another channel to be answered fully (2015-2020)**



Emails that require the use of another channel to be answered fully (2015-2020)

| Year | Less than 10% | 11-25% | 26-50% | More than 50% | Don't know |
|------|---------------|--------|--------|---------------|------------|
| 2015 | 39% | 27% | 13% | 16% | 5% |
| 2016 | 40% | 25% | 19% | 14% | 2% |
| 2017 | 38% | 27% | 15% | 10% | 10% |
| 2018 | 33% | 32% | 14% | 12% | 9% |
| 2019 | 35% | 33% | 10% | 16% | 6% |
| 2020 | 45% | 21% | 13% | 17% | 4% |
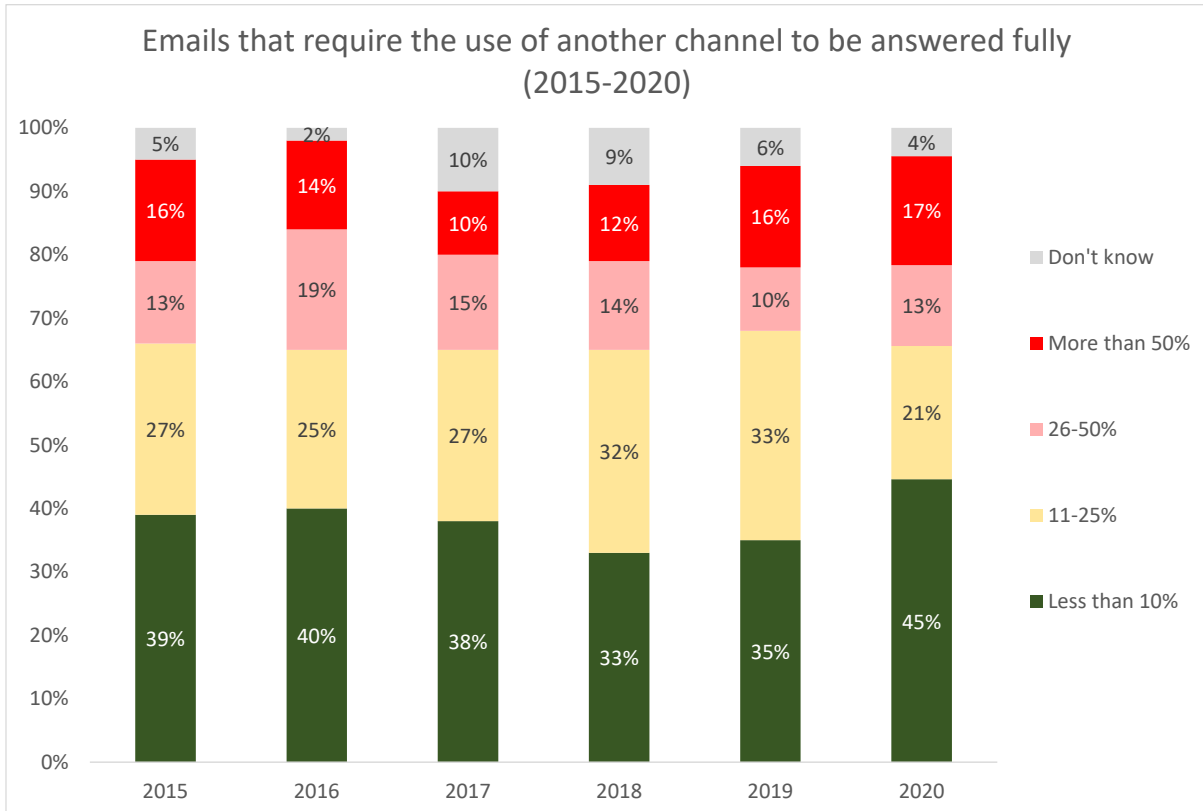
## WEB CHAT

Live web chat offers an organisation a chance to cut costs through running more than one chat session at a time with customers, using the time that a customer spends reading and replying to an agent's response to deal with other customers concurrently. Some solution providers have stated that an agent can deal with 4 or more web chat sessions at the same time, but whether this is a sustainable model for the agent or provides an acceptable quality of service for the customer is quite another question. Agents can respond to frequently-asked questions by using 'hot-keys', which provide templatised answers and can escalate queries if required.

Web chat is often used as a 'point of crisis' channel, for example, to convert an online shopping basket into a sale by providing timely service, or if a browser is paused on a webpage too long, perhaps as they can't find what they are looking for. In such cases, there are two main benefits to the business in providing web chat: revenue maximisation, and the avoidance of unnecessary calls.

Web chat can also act as a safety net for the customer if an online self-service attempt fails. An analogy can be made with voice self-service, where a failed session is often ended with the customer 'zeroing-out' - pressing zero to get in touch with an agent. Failed web self-service sessions may end with a phone call being made, but web chat can avoid a number of these, which is a cost saving for the business, and better for the customer as well.

## VIRTUAL AGENTS / CHATBOTS

One form of value-added web chat functionality is a Virtual Agent or chatbot, which may appear to a browsing website visitor to be a human agent, offering web chat. However, it is an automated piece of software which, depending on the sophistication of the chatbot, looks at keywords or natural language and attempts to answer the customer's request based on these, including sending relevant links, directing them to the correct part of the website or accessing the correct part of the knowledge base. If the virtual agent cannot answer the request successfully, it may then seamlessly route the interaction to a live web chat agent who will take over.

Virtual agents that encourage the visitor to engage with them using natural language, rather than keywords will parse, analyse and search for the answer which is deemed to be most suitable, returning this to the customer instantly. Many virtual agent applications will allow customers to give all sorts of information in any order, and either work with what it has been given, or ask the user for more detail about what they actually meant. Having been unconsciously trained over the years to provide their queries in a way which standard search functionality is more likely to be able to handle (for example, a couple of quite specific keywords), customers must be encouraged and educated to use natural language queries in order for virtual agents to be able to deliver to their full potential.

This type of virtual agent application is different from standard search functionality, ignoring bad punctuation or grammar, and using longer phrases rather than just searching on keywords. Sophisticated applications attempt to look for the actual intent behind the customer's question, trying to deliver a single correct answer (or at least a relatively small number of possible answers), rather than a list of dozens of potential answers contained in documents which may happen to contain some of the keywords that the customer has used. The virtual agent application may also try

to exceed its brief by providing a list of related questions and answers to the original question, as it is well known that one question can lead to another. Solution providers and users train the system to pattern-match the right words or association of words with the correct result: the application, unlike older forms of web search techniques, does not simply guess what the customer wants, or how they will express themselves. Through 'listening' to what the customers actually say – perhaps through a mixture of large quantities of audio and text – the initial set-up configuration can achieve a good accuracy rate, which benefits over time as a positive feedback loop is established. Solutions that gather and differentiate customer requests and results from multiple channels, noting the difference between them, have an even better success rate.

Virtual agent functionality 'understands' the context of what the customer is asking, with the result being more akin to that of an empathetic human who also has had access to what the customer has been trying to do. For example, if asked "When can I expect my delivery?", the context and the required answer will be different depending on whether the customer has placed an order and is enquiring about its status, or has only a hypothetical interest in turnaround times in case they decide to place an order.

When the virtual agent application has low confidence that it has returned the correct result, it is able to escalate the customers query seamlessly to a live chat agent, who then has access to the chatbot and possibly self-service session history, enabling a greater chance of a successful resolution without repetition. The eventual correct response can be fed back to the automated virtual agent (and the knowledge base underlying it), which will make it more likely that future similar requests can be handled successfully through automated agents.

As an aside, some contact centres report that those experienced in playing online games are particularly suited to the fast-paced, text-oriented nature of web chat, and some businesses are actively recruiting such people to work as web chat agents. It is also worth commenting that although offshore customer contact has received a mixed press, many of the negative issues surrounding offshore are not applicable to the multimedia channel, such as the possible mutual incomprehensibility of accents.

Web chat is experiencing strong growth in its availability in the UK, and although volumes on average are still only around 5% of all customer/business interactions, there has been significant recent growth as the pandemic meant that voice channels were severely reduced for many organisations.

There is no reason why the user uptake of web chat will not continue: it works well for customers as providing an immediate response, and with multiple concurrent chat sessions per agent, it can be a lower cost channel than voice for the business to support, and cost differentials between phone and web chat are increasing. As more web chat work is carried out by chatbots, this will increase further. Solution providers report that web chat is currently being trialled by numerous businesses, often at a limited, or departmental level so they can assess the suitability of the channel for a company-wide rollout, and understand what needs to be done to ensure full implementation is a success.

More information about chatbots can be found in ContactBabel's "The Inner Circle Guide to AI, Chatbots & Machine Learning", available free of charge from www.contactbabel.com.

The mean average cost of a web chat was stated at the end of 2020 to be somewhat less than a phone call (£4.55) and also an email (£4.10), and we are starting to see a greater differential from a channel that can be at least partially automated and which offers the opportunity for multiple concurrent sessions.

**Figure 25: Estimated cost per web chat**

|  | Web chat cost |
|---|---|
| Mean | £2.56 |
| 1st quartile | £3.12 |
| Median | £2.00 |
| 3rd quartile | £1.10 |

40% of organisations using web chat offer the option immediately to all website visitors, with 60% only doing so at some specifically-triggered point in the interaction.

Of these 60%, the most frequently used trigger for web chat was a visitor going to a specific page, with other triggers being when a customer was on a page for a certain amount of time, and at the point of sale, although these latter options are much less frequent.

When considering how live web chats are handled, respondents from larger contact centres are more likely have dedicated chat-only agents, rather than taking phone agents out of the queue to handle web chats on an ad-hoc basis, probably because chat volumes are more predictable in high-volume businesses. Multichannel text agents (e.g. handling social media or email too) are popular in small and medium respondents' contact centres. Small operations are more likely to be using a single multichannel queue that also includes handling calls.

One of web chat's traditional strengths is seen as the ability to have agents handle multiple chats concurrently (of course, it only seems this way to a customer, as the web chat agent uses the time that the customer is typing their response to handle other chats). Some vendors have stated in the past that agents could run five or six concurrent chat sessions: the reality seems to be that two sessions is a reasonably consistent average, with a peak of three or even four if required, but which is not possible on a long-term basis.

Most respondents indicated that web chats are mainly carried out with existing customers, which fits in with previous findings that sales operations are less likely to be using web chat. This finding is further supported by the nature of most web chat: around half of respondents state that their web chats are very much focused on servicing existing products and services, with only 1 in 6 respondents stating that web chat is used far more for sales queries than service requests. The remainder of respondents have a roughly similar mixture of both sales and service.

As the cost of web chat is not dissimilar to other channels such as email, voice and social media, there is still considerable room for increasing efficiencies and lowering costs.

Whereas only 5% of web chats had any automation involved in 2015, this has grown to 24% in 2019, mainly as a result of initial handling by automated chatbots which may then hand off to live agents where appropriate. This figure dropped slightly to 22% in 2020, but the proportion of chats being handled entirely by AI / chatbots rose from 4% to 7% in that time, meaning substantially lower costs.

**Figure 26: Level of automation used in web chat, 2015-20**



Level of automation used in web chat, 2015-20

| Year | By a human in all instances | Initially by a virtual agent, but then by a human agent | Entirely by automation (i.e. chatbots / virtual agents) |
|------|------|------|------|
| 2015 | 95% | 3% | 2% |
| 2016 | 88% | 11% | 1% |
| 2017 | 88% | 9% | 3% |
| 2018 | 81% | 14% | 5% |
| 2019 | 76% | 20% | 4% |
| 2020 | 78% | 15% | 7% |
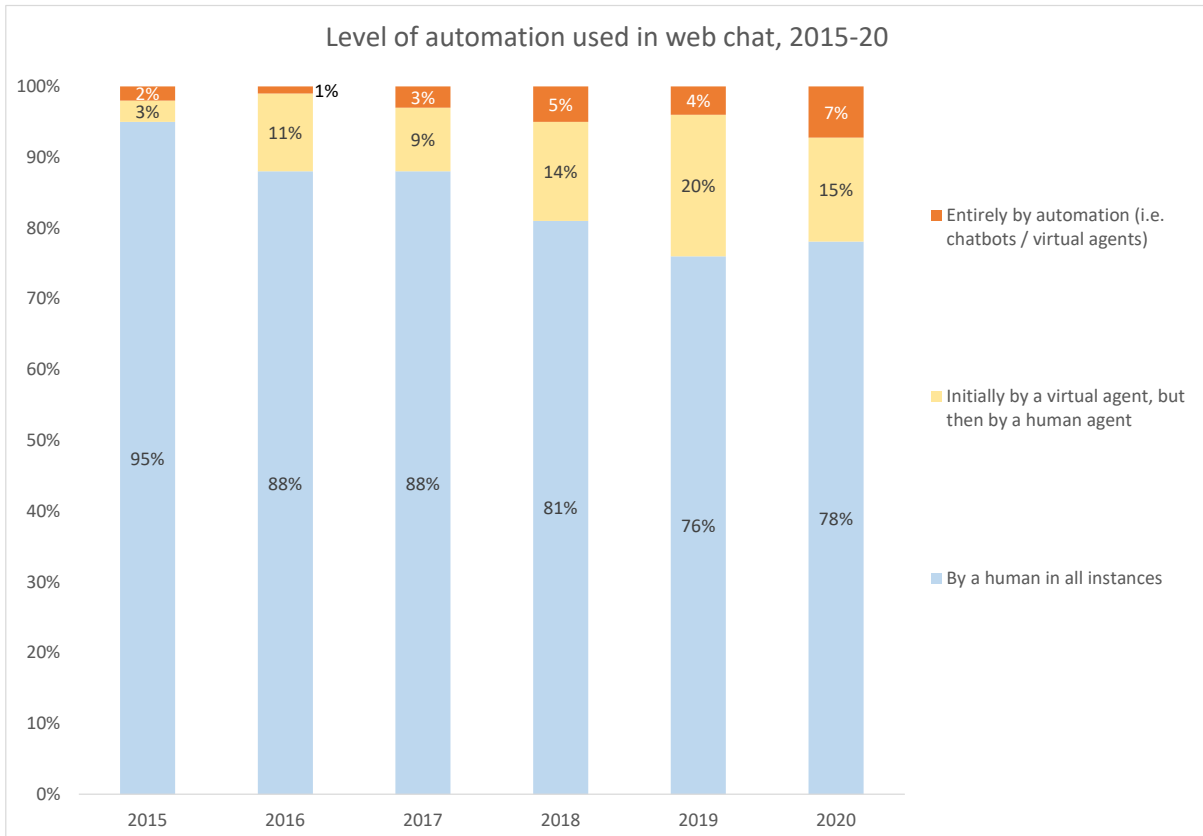
Respondents indicate that the typical wait for a web chat session is usually a little less than that of a phone call.

21% of respondents have an average wait time for web chat of lower than 10 seconds, with a further 31% stating that the average wait time is 10-20 seconds. Maintaining this level of accessibility for customers will reinforce their positive experiences of web chat, and will encourage customers to keep using the channel, not only when contacting a specific business, but also in general.

Little research has yet been carried out into the expectations of customers around web chat service levels, but it is reasonable to expect a channel being presented as an alternative to phone to have similar service level expectations and reality. If only 13% of web chats take longer than 1 minute to initiate, then we can expect customers to flock to this channel enthusiastically, as these service levels are generally superior to that of voice. It is worth noting that our research has consistently shown that customers care far more about the amount of queue time rather than the actual length of the interaction, so initiating a web chat quickly although the resource may be a little stretched is likely to have a positive effect on customer experience.

Figure 27: Average wait time to interact with web chat agent vs average speed to answer phone call
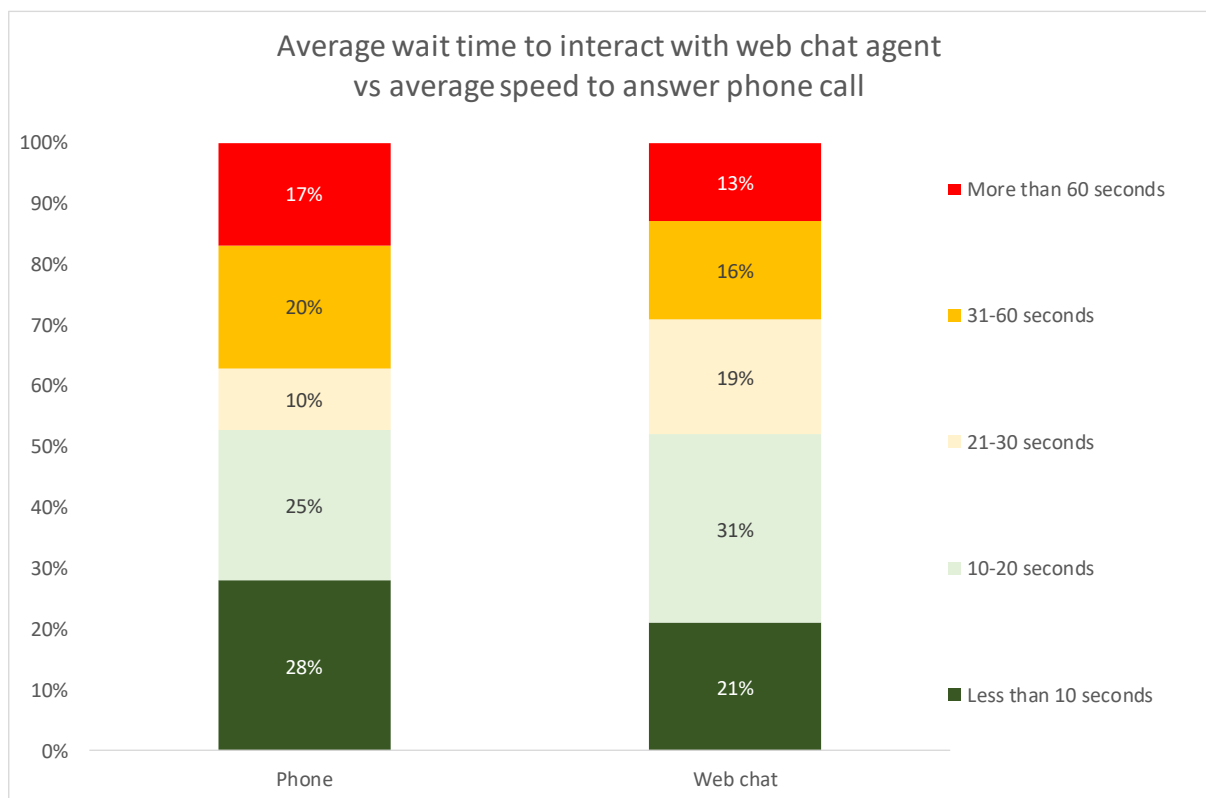
Further comparing the experience of web chats with telephone calls, the survey finds that 41% of web chats take longer than 5 minutes to complete fully, compared to 65% of phone calls. While agent multi-tasking and the time taken to type differs from the experience of handling a phone call, web chat is still often a shorter experience for many customers.

Apart from the rise in the use of chatbots, this may well be because the subjects of web chats will tend to be simple, whereas telephony is increasingly being used for more complex and multiple queries.

**Figure 28: Web chat and inbound call lengths – a comparison**



Web chat and inbound call lengths – a comparison

Web chat: Don't know 5%, More than 10 minutes 14%, 5-10 minutes 27%, 3-5 minutes 30%, 1-3 minutes 16%, Less than 1 minute 8%

Phone: More than 10 minutes 12%, 5-10 minutes 53%, 3-5 minutes 26%, 1-3 minutes 8%, Less than 1 minute 1%

Legend:
- Don't know
- More than 10 minutes
- 5-10 minutes
- 3-5 minutes
- 1-3 minutes
- Less than 1 minute
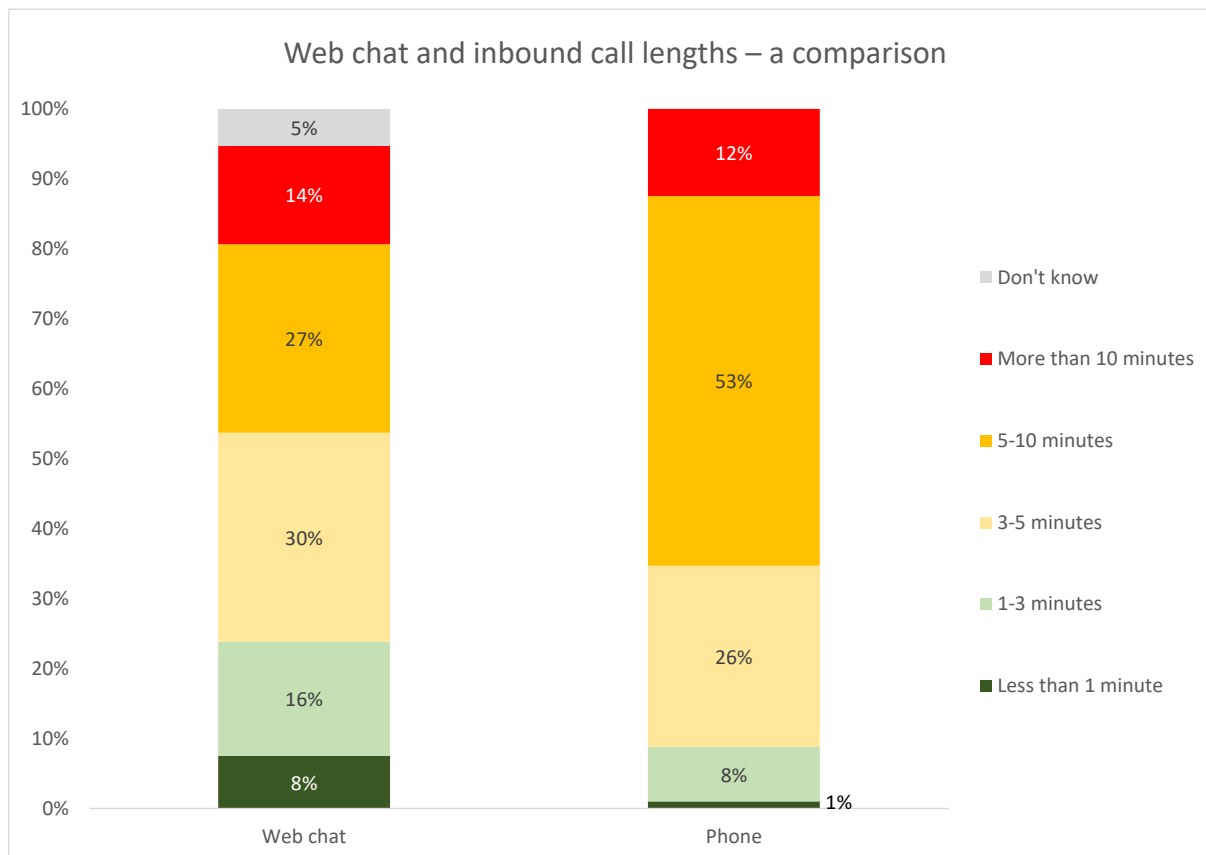
57% of respondents report that fewer than 10% of web chats require another channel to answer the query fully, with only 12% stating that more than half of web chats require movement to another channel.

This supports the suggestion that web chats are being used for simpler interaction types, as well as that they are being handled more effectively than in the past.

**Figure 29: Web chats that require the use of another channel to be answered fully (2017-2020)**



Web chats that require the use of another channel to be answered fully (2017-2020)
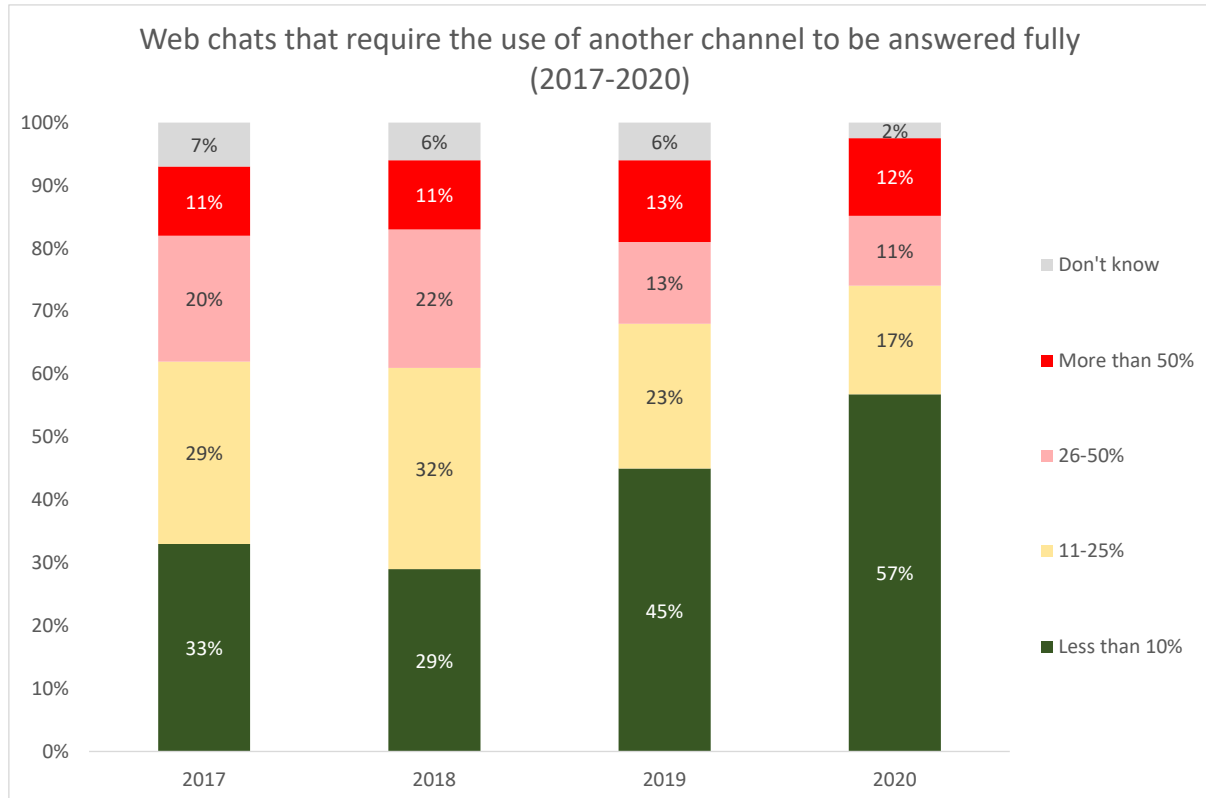
**Tips for using chat and cobrowsing successfully**

Understand the role that you want web chat to have within the customer contact mix. Do you see it as a replacement for email? Or is it more of a call avoidance strategy? Or is it perhaps a way to close the sale? Without understanding this, it'll be difficult to measure its success. Some businesses will offer web chat and cobrowsing only to their premium customers, or to those who are in the final stages of purchasing but who have stalled.

Choose the most suitable metrics for what you're trying to achieve. If web chat is about revenue, then perhaps focus on sales conversion rates, rather than average handle time, in order to encourage agents to make the most of cross-selling and up-selling opportunities.

Some customers may use web chat as an initial method to ask tentatively about products and services. The solution should provide the option to continue the conversation via a phone, or to send relevant documents and videos.

Work with the solution provider to determine what a reasonable and realistic number of concurrent web chat sessions might be. While it is theoretically possible for an agent to cope with four or more conversations at once, the reality is that this is unsustainable over long periods or with complex issues. It is far more realistic to expect a well-trained agent to deal with perhaps two or three conversations concurrently, and this should be fed into your workforce planning system. However, it may be that agents who deal with both telephony and web chat find it too difficult to deal with multiple chat sessions as well, and will deal with only one chat at a time.

As with any real-time interaction channel, monitoring traffic is vital to success. Plans need to be made to handle web chat spikes and providing estimated wait times to those in a web chat queue will allow them to choose a self-service, phone or email option instead.

Plan how web chat will integrate with existing customer service channels. It is possible to run web chat as an entirely separate, siloed channel, but customers expect to be able to move between channels seamlessly. Being able to treat web chat interactions in the same way as other communication channels means that resources can be spread across channels as and when needed.

Sophisticated web chat solutions allow for 3-way chat, so that an agent can bring subject experts into the conversation as required.

Consider using a trial, in a discrete department, product or service area. This will allow you to understand what works and what doesn't, in a relatively low-risk environment. Changing a small number of variables will also provide a more accurate understanding of how web chat affects customer service levels, customer satisfaction and revenue. It will also provide information about the types of customer and queries that web chat is likely to be used by and for.

Make customers aware that you're offering web chat, by promoting it through existing, higher-cost channels such as within the telephone queue's recorded announcement.

The rise of social media as a customer service channel has often been *de facto*, in that customers have actively sought out the company's Facebook page or Twitter account to communicate with it, even if the company originally had a social media presence only to disseminate information.

Despite the relatively low levels of customer interactions via social media, the high-profile nature of this channel and the possible magnifying effects of negative comments means that social media has been viewed as being far more important than baseline interaction statistics would suggest. Some savvy customers, knowing that their public complaint or issue will be dealt with quickly, prefer to go straight to a social media channel rather than wait in a telephone queue. Others might choose the social channel after they've had a bad experience on another channel, such as waiting on hold for a phone agent.

Uniquely, social media has taken off as a customer service channel as a result of customer demand, rather than businesses' enthusiasm for promoting a cheaper service channel. For some customers, social media can provide a very positive experience with a very low pain point, and at virtually no cost of time or money: the customer complains, loudly and in public, so the business reacts quickly and effectively. For the customer, this is great: it is the business for whom the popular methods of social media handling are not optimal: not only do they have to carry out their business in public, reacting quickly and without being able to authenticate the customer's identity, but they often cannot handle the query without resorting to another channel such as phone or email, which provide more privacy and functionality. In such cases, they are not even seen by the outside world to be reacting quickly and effectively, or to have solved the problem.

Recently, customer service on public social media has been quietly moving to private messaging services, often through the same provider (e.g. through Facebook Messenger rather than through Facebook's public pages). Messaging has the potential to become a mainstream communication channel, especially amongst younger customers, and has some very positive capabilities discussed later in this section that can elevate it above other channels in some circumstances

## PUBLIC SOCIAL MEDIA

Looking first at public social media, the propensity for customers to complain is actually seen by many businesses to be helpful: 69% of respondents that offer social media as a customer service channel consider it to be extremely useful for acting directly on negative comments and complaints picked up from customers.

In previous years, there were very mixed opinions on whether social media is actually providing customers with a fully-supported customer service channel. However, 46% now feel strongly that they are doing so, whereas only 13% feel that they are not.

Social media is not felt to be supporting the business to learn more about its competitors: it may be that businesses are focusing their efforts upon learning what their customers are saying about their own products and services, rather than worrying too much about the competition.

**Figure 30: Usefulness of social media for business activities**



Usefulness of social media for business activities

| | Very useful | Somewhat useful | Not useful | Don't use social media for this activity |
|---|---|---|---|---|
| Monitoring what is being said about the company, products and marketing campaigns | 71% | 22% | 4% | 2% |
| Acting directly upon negative comments and complaints about the company | 69% | 27% | | 4% |
| Delivering marketing and product information to the customer | 54% | 31% | 6% | 8% |
| Offering customers a fully-supported customer service channel | 46% | 29% | 13% | 13% |
| Learning more about our competition | 17% | 47% | 21% | 15% |

There is some debate about the best way to handle social media inquiries. While it is possible for requests via social media to be analysed (often by keyword spotting), prioritised and then routed to the agent team most capable of dealing with these specific inquiries, it is not just the same as a phone call or web chat. An individual's use of their own social media may well drive the expectation for a quick response, with the attendant pressure that such a service level places upon the organisation, but social media does not exist within the same one-to-one paradigm as other customer service channels.

Target response times for handling a social media customer service request are somewhere between a phone call / web chat on the one hand (i.e. a maximum of a few minutes), and an email on the other (i.e. the same working day).

38% of respondents try to answer within the hour, but 45% state that they will probably take longer than an hour but less than a day. 16% of 2020's survey respondents do not have a service level target at all.

**Figure 31: Target response times for handling a customer service request via social media, 2015-20**
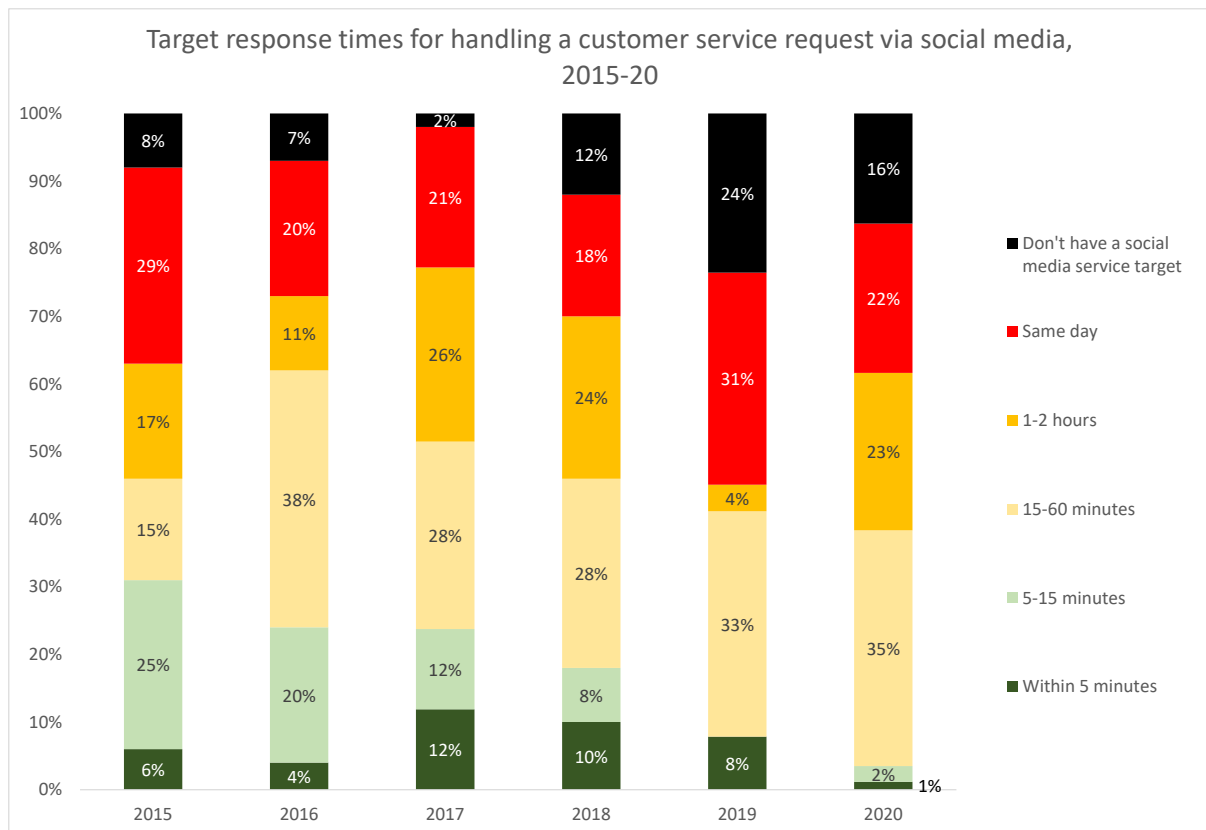
## MESSAGING

With well over 1bn active users of Facebook Messenger and WhatsApp, organisations should be actively considering their messaging strategy where customer contact is concerned. Add Twitter, Apple Business Chat, Line (Japan), Telegram and WeChat (China) to the mix, and the vast majority of your customers will be using at least one of these applications, regardless of where they are based.

The process of messaging has the benefit of familiarity with customers, and businesses may wish to investigate including these types of interaction within their agents' web chat screen. As many users live their lives permanently logged into these applications, there is an ease-of-use and ubiquity associated with them.

The applications allow historic records of interactions to be kept (which is not the case with all users of web chat), and messages are private which not only allows customer identity verification, but also will reduce the damage to a business through the public negative messages often seen on social media.

Messaging has a simplicity which is of great interest to customers for whom time is precious. They can fire-and-forget their request, leaving it up to the company to respond appropriately without the customer having to concern themselves about holding for a response, or learning how to navigate a company's website to use self-service.

**Figure 32: Use of social media / mobile app for customer contact**
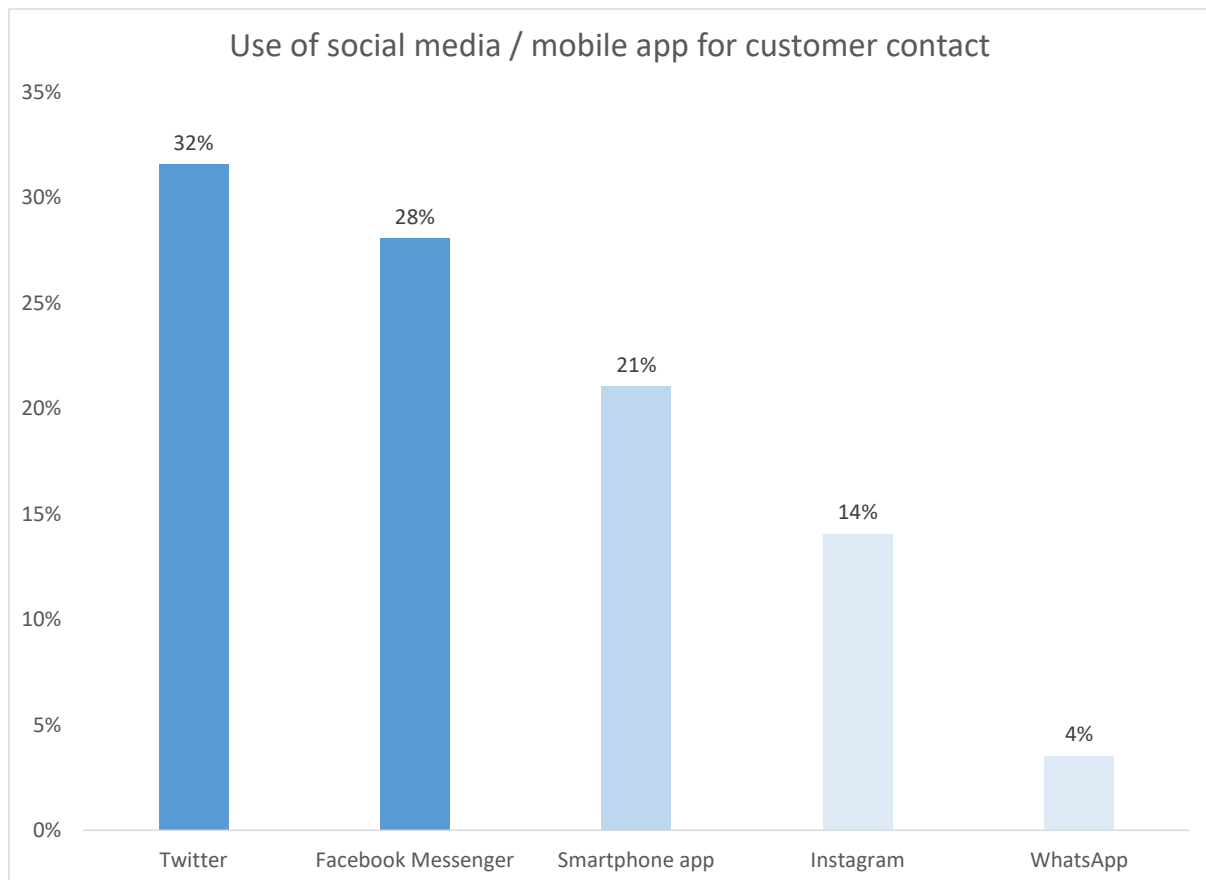
The familiarity of messaging applications will work well for agents as well as customers, which will reduce training time and cost. Businesses will also need to consider what is an acceptable service level for these channels: web chat is perhaps closest to the telephony channel's service level target, whereas social media is more akin to email. While the asynchronous nature of messaging suggests at face value that customer expectations will be aligned with social media (i.e. hours, rather than minutes), the usual messaging experience of many customers is a rapid, multiple back-and-forth conversation with their personal contacts. This is likely to prove difficult for businesses to match, and expectations of service levels need to be set.

WhatsApp, especially, is often used as a closed, group-based application, and there may be some pushback from segments of the customer community that do not currently associate the use of these applications with business communication. The challenge to businesses will be to persuade customers that letting them into their perceived social circle is worth the effort. This is being made easier by Google and Apple promoting "message" buttons on their online business directories and searches.

Regardless of the familiarity that customers and agents have with new communication tools, channel hopping and the need for these various channels to work together (not siloed) in a unified omnichannel experience will continue to remain a large concern. Organisations must be aware of the customer's intent and journey as more channels continue to become available.

To find out more about using messaging in the contact centre, please download ContactBabel's "The Inner Circle Guide to Video and Next-Generation Customer Contact" from www.contactbabel.com.

**Tips on providing customer service via social media**

- Despite the pressure that social media puts onto a business, younger generations are the most likely to express a preference for communicating with businesses in this way. They are also more likely to complain about problems on social media, so supporting a social media customer care plan is vital to winning and keeping this section of your customer base.

- Social media does not have to refer only to the likes of Twitter and Facebook. Customers are growing increasingly more sophisticated at seeking out help themselves, with many preferring to attempt to find their own solution via customer communities before contacting a business, although this can be a very hit-or-miss approach.

- Be aware that age has a particularly strong role in the choice of customer communication channels. Generally speaking, older generations are more likely to choose the phone as their primary channel, whereas younger customers will look at digital channels. See the section on customer channel preferences earlier in this report for more detail.

- 80% of customers trust recommendations from other customers. The downside to this, of course, is that customers will also take a negative criticism of a product or company very seriously.

- By keeping a Twitter feed or Facebook page up-to-date, an organisation can reduce inbound call traffic at a time when a particular issue is causing a spike of calls, for example, if bad weather threatens to close schools.

- Blending social media with other forms of customer communication can mean that agents get a more well-rounded view of what customers are actually thinking. Knowledge sharing between agents, especially where new information is put in a timely fashion into the knowledge base, will assist both agents and self-service customers.

- Just because the customer has initiated a social media interaction does not mean that a business has to stay on that channel to resolve it successfully. Customers may like to receive an outbound call from the agent, as this may provide the opportunity to go into further detail, and to resolve the issue entirely.

## VIDEO AGENTS

Video agents are a step towards more personalised, high-quality customer contact, and the pandemic has encouraged many individuals who have rarely or never used video to use it to keep in touch with family, colleagues or customers.

Video allows customers to see to whom they are talking through a computer or mobile device, assuming the broadband requirements are met. The imminent widespread rollout of 5G will make the smartphone an even more powerful device, and we can expect that the high bandwidth available will encourage businesses to offer both real-time and recorded video as part of their customer communication mix.

Allowing customers to start a video or voice call from the web browser or app (which may be via a desktop computer or more often a smartphone or tablet, perhaps as an escalation from an existing web chat session), means the organisation's website can then offer video or voice contact centre functionality in a seamless manner. Customers are able to request live communication with the business without the need to download specific software or seek out the phone number and break off from what they are doing on the website.

Two-way video communication is likely to be of particular relevance to mobile users, as their smartphone device already comes enabled with a camera and microphone, unlike many desktop computers which may not have this functionality as standard or whose users have it disabled.

Companies implementing video should have a strategy about what exactly they want it to do. On the face of it this seems self-evident, but video sits squarely in the middle of two other channels: phone calls and face-to-face interactions. Will video be seen by customers as a value-add phone call or as a way of keeping customers at arms' length? While we believe the former to be more likely, our research in this area showed that some customers saw video as just being a way for businesses to cut costs so they didn't have to offer "proper" (i.e. face-to-face) service. Customers whose main recent experience of video has been a virtual medical appointment rather than one in a surgery may see video as being a downgrade, but we believe that those who are open to using video will see it as an upgrade on a telephone call.

## USE CASES FOR VIDEO

While video is probably not needed for many of the everyday interactions between businesses and customers, there are times when its capabilities can add value to the customer experience and the outcome of the interaction.

It's important to understand that offering live video to customers is not appropriate for every business. As the result of our customer survey shows later in this report, different demographics have varying views on video. Not every customer segment will agree that there is a benefit to seeing agents, and many interactions would be better off suited to another channel, such as web chat or self-service. However, for interactions where trust and empathy are important, and where the issue may be complex, video can provide a level of service that telephony cannot match.

Live video use cases include:

**Sales**: For an retailer selling high-value items on a website, the option to have a video call looks to be a very good idea. With cart abandonment rates reportedly averaging around 70%[2], having a relatively high cost channel such as click-to-video available at the point of sale could in theory prove highly profitable.

Some retailers choose to offer video to potential purchasers rather than for after-sales service (for which they may offer web chat), which allows the demonstration of products as well as the chance to cross-sell, upsell and offer insurance. This also allows businesses to consider a reduction in the number of physical stores that they have, as the website / contact centre can then act as a virtual store. The Alibaba Group are taking this a step further by announcing their Buy+ virtual reality store which allows consumers to browse in a virtual environment. There is more information on virtual and augmented reality in a later section of this report.

**Healthcare**: The coronavirus pandemic has hugely accelerated a gradual move towards offering remote medical services. In some part, these have been restricted to telephone-based consultations which by their nature do not allow for visual examination and rely upon the patient's own description of symptoms. Video consultations provide a significant upgrade on this, providing more accurate information for triage and offering a way forward for primary healthcare providers as well as advice lines such as NHS 111 in the UK.

The few studies of the effectiveness of video health consultations in outpatient environment suggest high patient and clinician satisfaction, and similar levels of disease progression in chronic cases[3]. Primary care findings also showed little difference between face-to-face, telephone and video outcomes, although evidence was weak, technical issues were often experienced and doctors' attitudes were mixed.

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[2] https://baymard.com/lists/cart-abandonment-rate
[3] https://www.bmj.com/content/371/bmj.m3945

While video consultations are a significant step up on telephony-only appointments, they currently appear unlikely to replace face-to-face consultations for acute conditions, for those which require physical examinations, or for certain types of patient (for example, those unable to use technology effectively, or those which do not possess it).

**Financial services**: Various businesses – usually banks – are already using video kiosks to offer virtual branch banking services in areas where physical branches have closed. Skilled mortgage advisors, legal advisors and financial consultants who may otherwise have made a home visit can be put in front of potential customers immediately, saving their time. Many customers may welcome this, rather than feeling that they have to welcome a stranger into their home. Offering remote video consultations can also make appointments out-of-hours more palatable to all concerned.

**Insurance**: Many insurance companies are already asking customers who are making claims to upload photographic evidence of damage, and video can take this one step further by providing a clearer and more complete picture of the reason for the claim, increasing accuracy and reducing fraudulent claims. This reduces the need for the insurer to send out an assessor, which is beneficial for the customer as well as the business. Agents can also be trained to identify tell-tale visual signs of dishonesty.

**Technical support**: One of the most high-profile examples of video technical support was Amazon's Mayday service, offered on the Fire tablets from 2013. Despite its popularity with customers, it was quietly dropped in 2018. It may have been that it was a victim of its own success, becoming the most popular way to access technical support which would have impacted costs considerably (particularly as Amazon's Alexa virtual assistant has become ubiquitous).

Businesses looking to consider video agents may wish to consider what the likely demand will be, and possibly offer it only in certain circumstances and to specific customers. If the choice is between a phone call and a video call, then the interaction length (and therefore cost) is likely to be similar. However, if self-service could carry out a high proportion of initial requests, then video may best be left as a 2nd- or 3rd-line support option.

**Product support demonstrations**: if the agent has the product to hand, it is far easier to show the customer how to use it, rather than try to explain it (which may often involve jargon which is frustrating for the customer).

**Complaints**: While there are not many businesses using video agents to handle complaints, it can be theorised that demonstrating empathy is easier in a video call than in a phone call, and that the customer is likely to get less frustrated and angry if they can see who they're talking to, rather than just another "faceless employee". Video is seen by customers as a premium channel, and this may also show that the company is taking their issue seriously. This may also apply to renewals or where the customer has said that they wish to cancel a subscription.

## CURRENT AND EXPECTED USAGE OF VIDEO

A recent ContactBabel survey of UK companies found that while only a small minority of respondents were using video in their contact centres today, a further 15% plan to do so within two years.

Only around 1 in 5 had made a definite decision not to do so.

**Figure 33: Use of video agents in the contact centre**



Use of video agents in the contact centre

- We use them now 4%
- Don't know / NA 9%
- We plan to use them within 2 years 15%
- We will not use video agents 21%
- No firm plans either way 51%
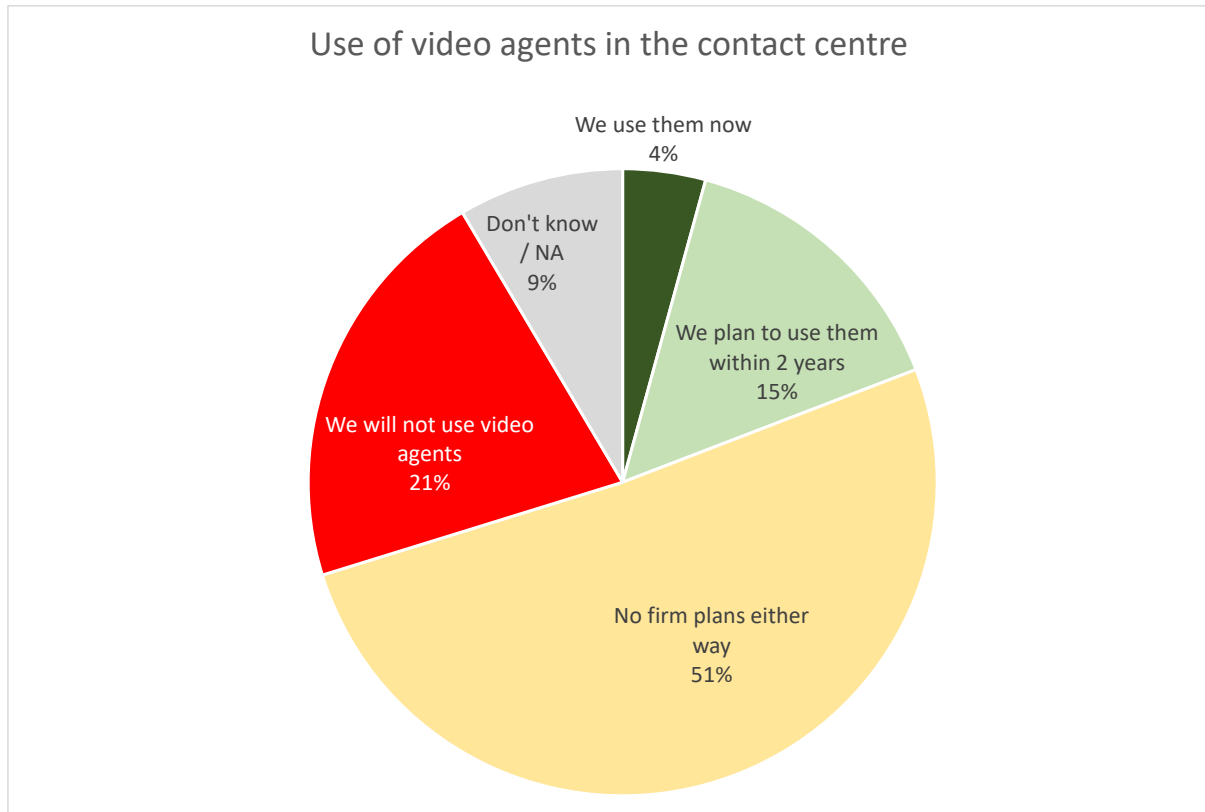
## CUSTOMER ATTITUDES TO VIDEO IN THE CONTACT CENTRE

A recent ContactBabel survey of 1,000 UK consumers looked at whether the widespread use of video calls during lockdown had changed people's perceptions of this channel.

27% of respondents have always been happy to use video, with 19% stating that lockdown has made them comfortable with doing so now. 6% used to be happy to use video, but have changed their minds, and 31% have never liked doing so. 18% had no opinion or had never used video calling.

The really interesting findings come when looking at the split by gender, age and socioeconomic group.

**Figure 34: How, if at all, has lockdown changed how comfortable you are using video to talk to people? (by gender)**
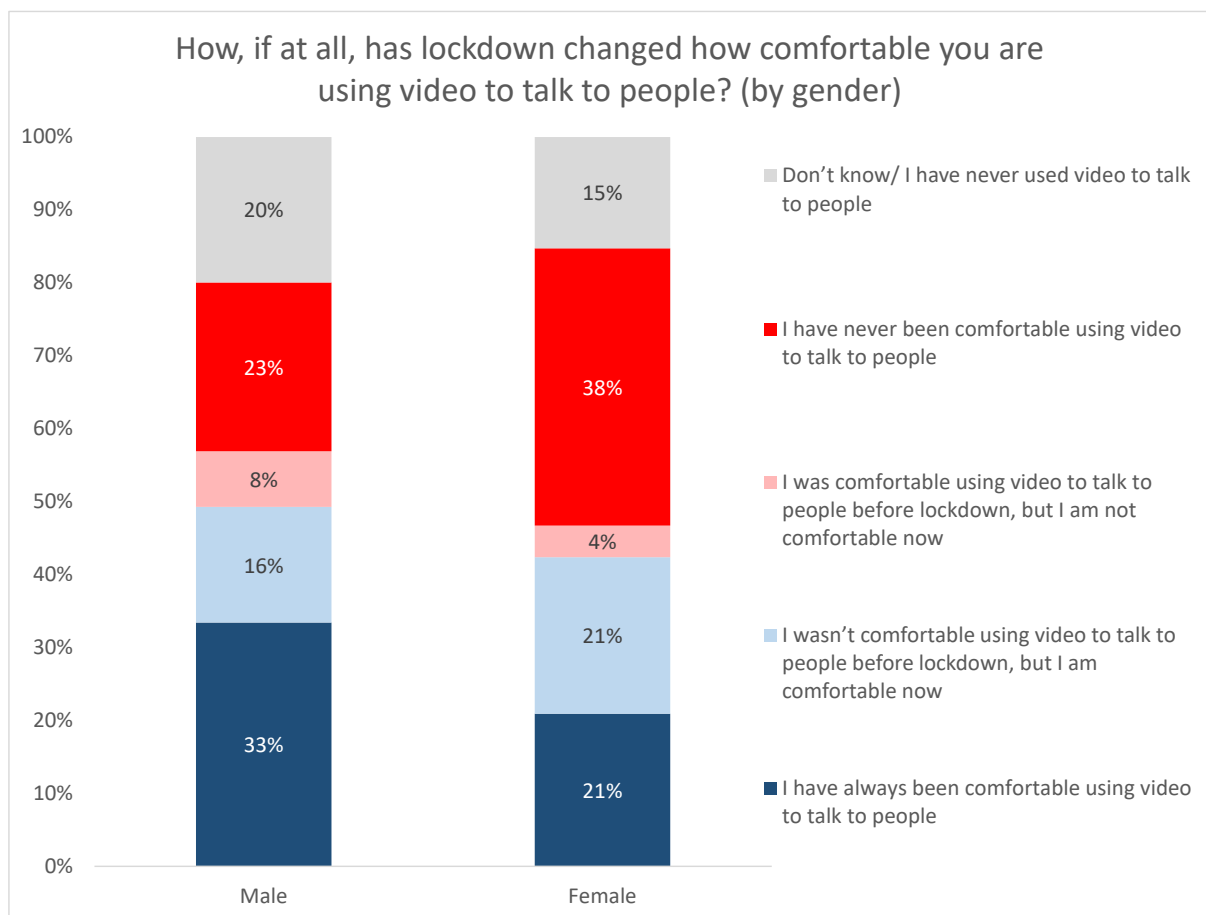


There is something of a difference between how comfortable people are using video depending on their gender. Men are far more confident than women with using video, although a higher proportion of women have become comfortable using video due to lockdown restrictions. However, 38% state that they did not like it before, and they don't like it now.

To find out more about using video in the contact centre, please download ContactBabel's "The Inner Circle Guide to Video and Next-Generation Customer Contact" from www.contactbabel.com.

## CO-BROWSE / WEB COLLABORATION

**Co-browsing (or web collaboration)**, which sometimes includes form-filling and page-pushing as a sub-set of functionality, is a very intensive, one-to-one channel, formerly used for high-value customers or in those cases where it is quicker and more effective for an agent to take over the reins than to talk the customer through the process. While it has been useful for certain businesses, processes and customers, it is difficult to make a case for it on a cost-saving basis alone, although it will encourage the completion rate of sales, and as such, improve profitability.

Co-browsing may be used to help customers fill out forms, or to complete online transactions, and may be done in conjunction with a concurrent telephone call or web chat. Unlike page-pushing – which is a one-way movement of information from agent to customer – and screen sharing – where the agent takes control of the customer's desktop – co-browsing is a true two-way collaboration tool. Either the agent or the customer can control the cursor or enter data into fields, and business rules can be set up so that the agent does not see or enter sensitive information.

While it is not a cheap option, cobrowsing, particularly in association with a telephone call or web chat, can be an effective way of closing a high-value sale. It is, however, currently used in relatively few UK organisations.

Recent years have seen the word 'omnichannel' introduced as describing the goal of customers being able to contact (and be contacted) through any channel - switching between them during the interaction as appropriate, while taking any relevant data and history along with them – with a single, unified view of the customer's journey being available to the agent.

For the purposes of describing how far along the omnichannel process our survey respondents are, those who offer multiple communication channels to customers were asked to place themselves into one of three categories:

- Multichannel: "We offer a choice of channels to customers (i.e. several of voice, email, social media, web chat), from which they can use one in a single interaction. If they change channel, the context and history is lost"

- Multimodal: "We offer a choice of channels, and customers can use more than one in the same interaction (e.g. an agent can send an email or SMS to a customer while they are talking on the phone)"

- Omnichannel: "We offer a choice of channels, and can use more than one over multiple interactions, while retaining the history and context of the original enquiry. Relevant information follows the customer across channels and interactions".

Figure 35: Multichannel, multimodal or omnichannel? (by contact centre size)



Figure 35: Multichannel, multimodal or omnichannel? (by contact centre size)
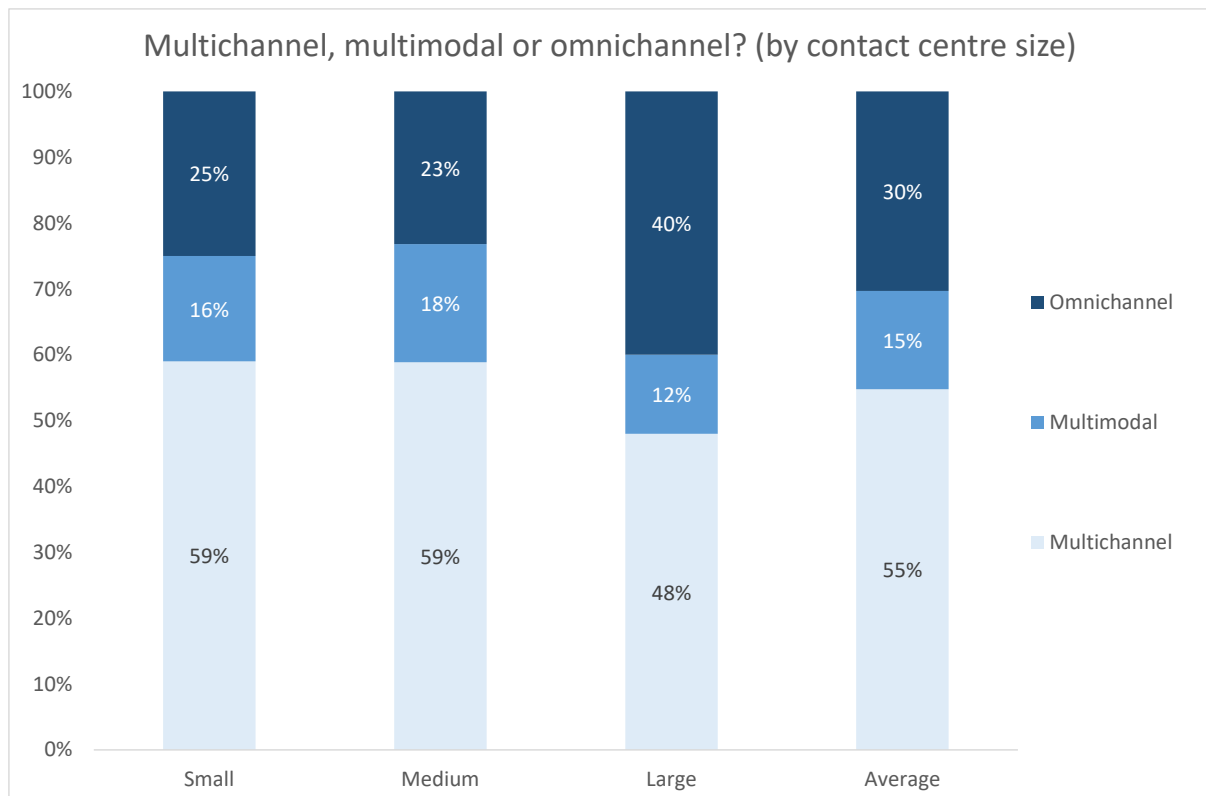
30% of respondents described themselves in 2020 as omnichannel, with 15% assessing themselves as multimodal and 55% multichannel.

A factor based on contact centre size seems to be emerging: smaller, sub-50 seat operations were more likely to identify as either multichannel or multimodal than larger operations, as the investment and process optimisation involved in moving to a true omnichannel environment is significant, with the platform, infrastructure, applications and resources available to identify, route and switch interactions between agents and channels seamlessly while keeping all relevant data gathered in the course of the interaction requiring major effort and investment.

At a vertical market level, retail, outsourcing and services respondents were most likely to describe their operations as omnichannel.

Manufacturing and transport & travel respondents are least likely to describe themselves as omnichannel.

**Figure 36: Multichannel, multimodal or omnichannel? (by vertical market)**



Multichannel, multimodal or omnichannel? (by vertical market)

| Vertical | Multichannel | Multimodal | Omnichannel |
|---|---|---|---|
| Manufacturing | 92% | | 8% |
| Transport & Travel | 80% | 10% | 10% |
| Public Sector | 70% | 18% | 12% |
| TMT | 55% | 30% | 15% |
| Housing | 70% | 15% | 15% |
| Insurance | 54% | 27% | 19% |
| Finance | 62% | 16% | 22% |
| Utilities | 65% | 10% | 25% |
| Services | 50% | 10% | 40% |
| Retail & Distribution | 32% | 6% | 62% |
| Outsourcing | 25% | 8% | 67% |
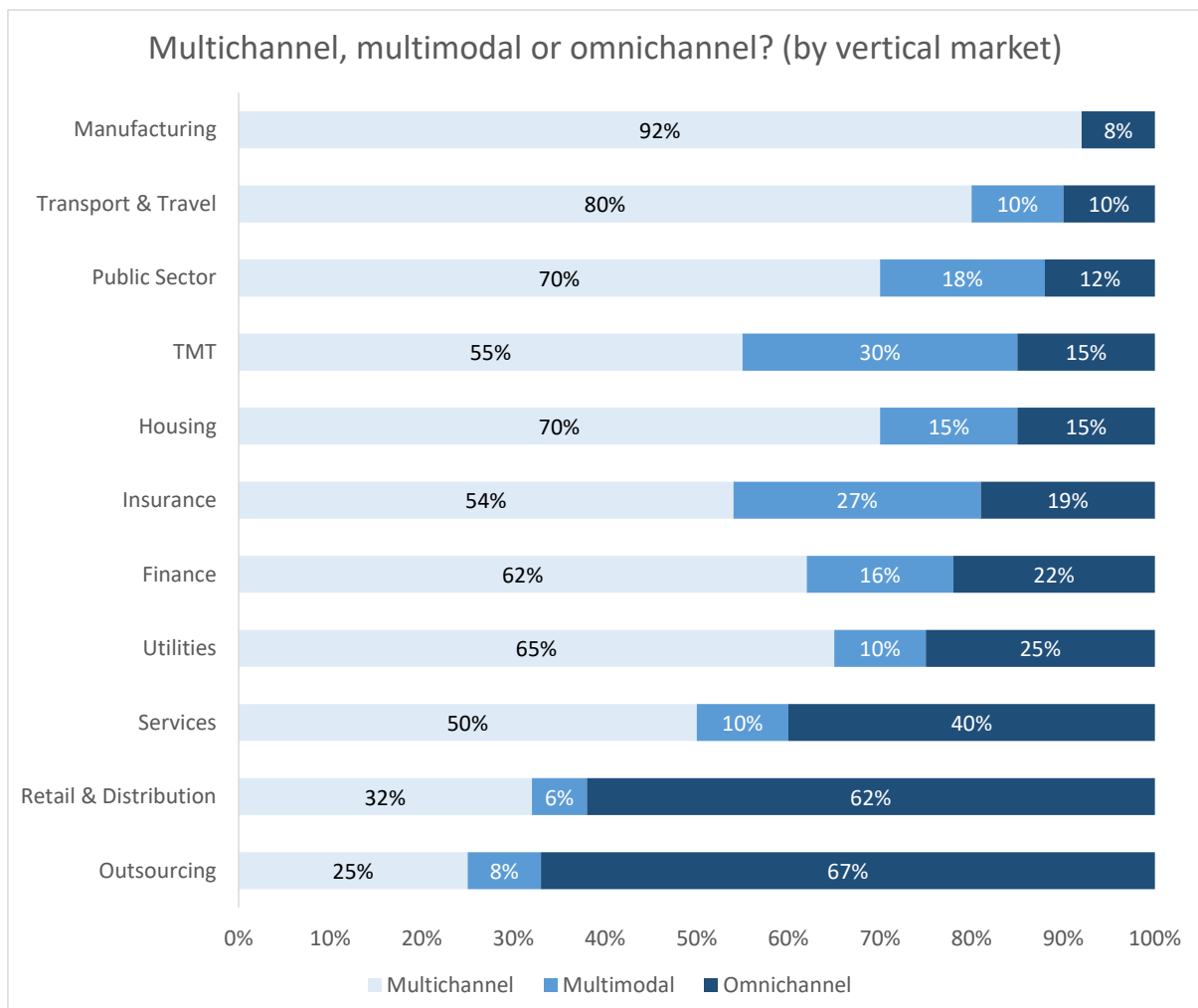
Looking at historical data, it seems as though there has been a certain stalling in the move to omnichannel amongst survey respondents since 2018, although the move from multichannel to multimodal suggests that the impetus has not been entirely lost.

**Figure 37: Multichannel, multimodal or omnichannel? (2015-2020)**
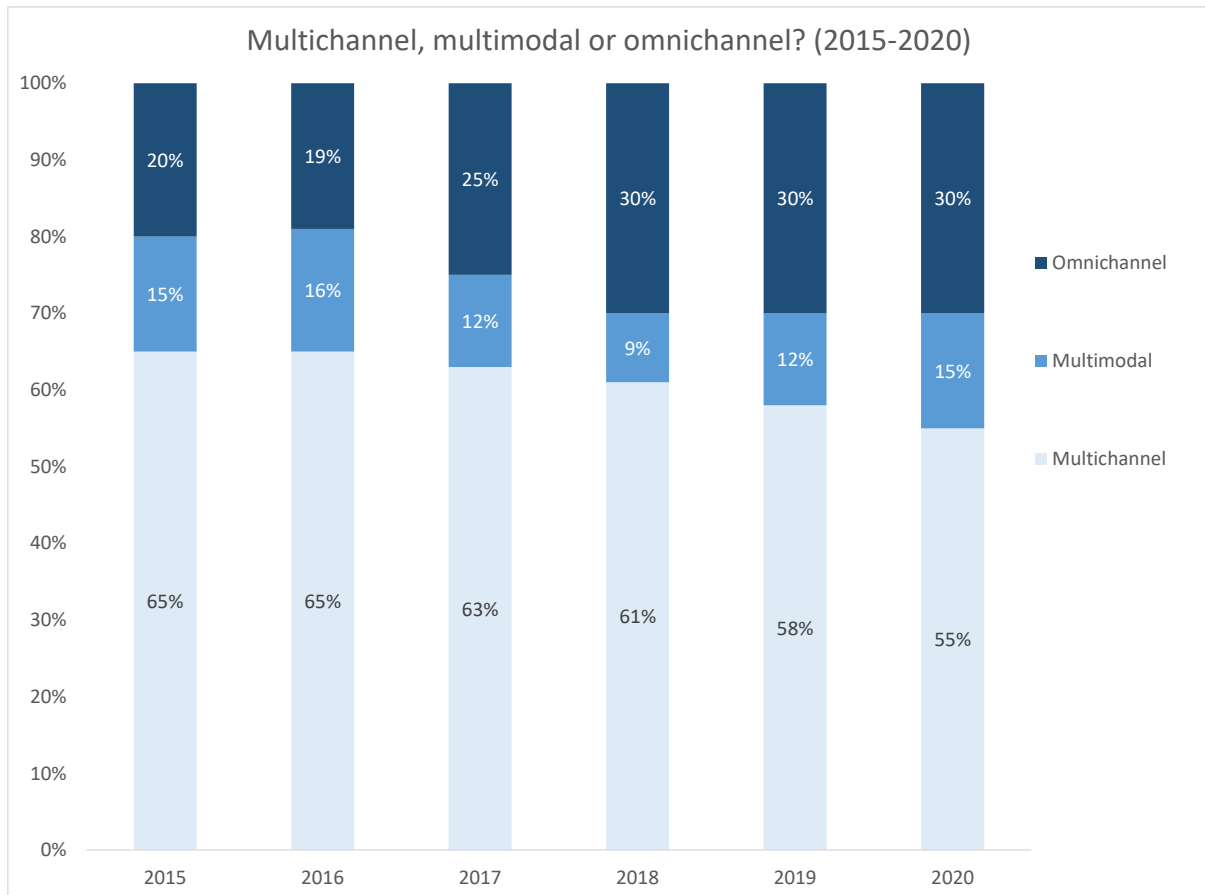
Respondents believe that there are two main barriers to omnichannel:

- the technology platform does not support a single view of the customer

- business processes are siloed and separate.

While these inhibitors to omnichannel are certainly formidable, they are not insurmountable. From a technical viewpoint, the starting point is to have a single integrated platform that is capable of identifying a customer regardless of the channel which they choose to use. This will mean evolving from the siloed, channel-focused point solutions that were put in place to handle a specific need, and using a services architecture that is extendable to different channels in the future. It is also important to have a master dataset for product and customer data which is a 'single source of truth' that can be drawn upon by any customer or agent through any channel.

A key aim of omnichannel is to provide a consistency of customer experience, and this requires access not only to the same master dataset, but also the same knowledge bases and business logic must be applied equally. There must be real-time data flow and updates between channels and databases, as without this, consistency is impossible.

**Figure 38: Top 3 barriers to omnichannel**
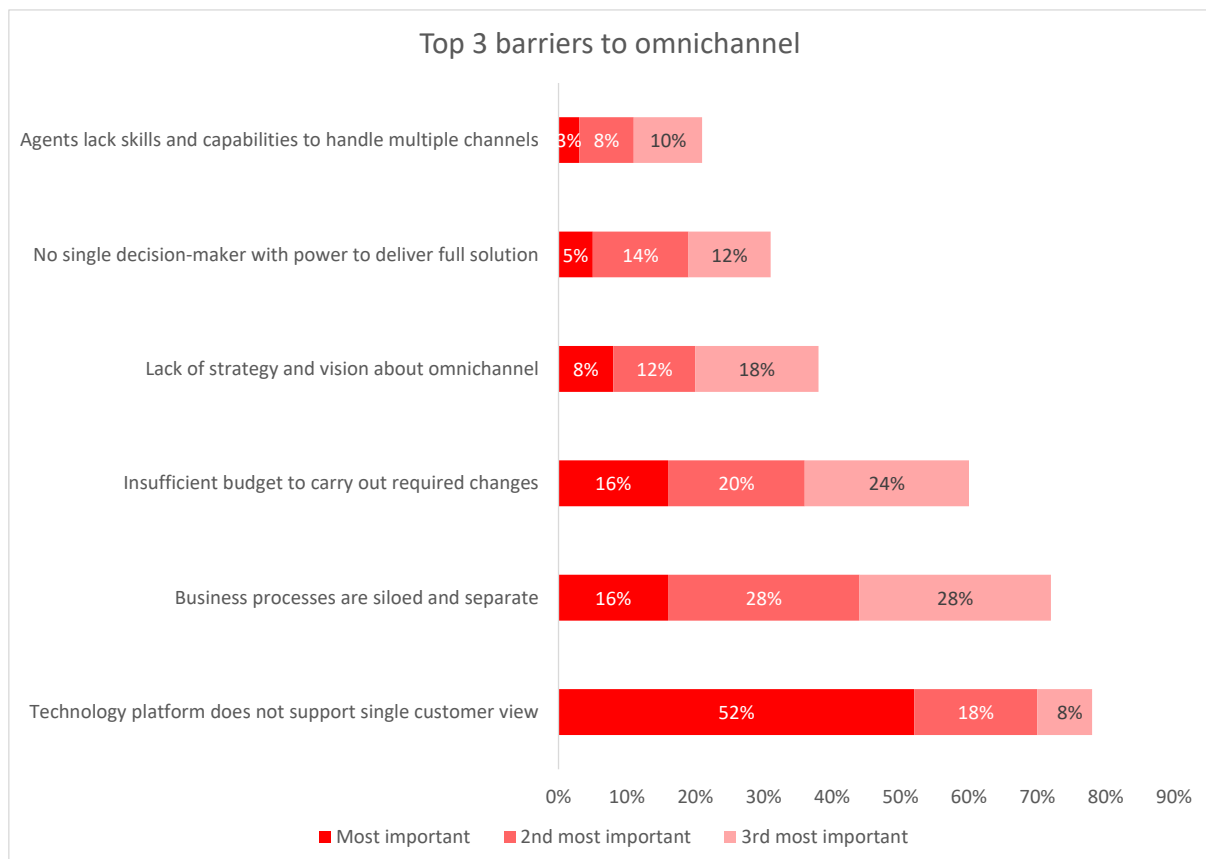
The following chart shows how respondents' views on the barriers to omnichannel have changed since 2015, by calculating the proportion of respondents that rated each inhibitor in their top 3.

There has been little change in the ranking – the technology platform and business processes have been seen to be the major problems throughout this time period – and it is also notable that the overall scores have also changed very little, suggesting that no single area has been addressed to a greater extent than the others. Having said that, there seems to have been a rise in concerns over budget in the past two years, and it will be interesting to see if this continues next year as many businesses will face pressures to cut costs in response to any economic downturn created by the pandemic.

**Figure 39: Barriers to omnichannel, 2015-20**
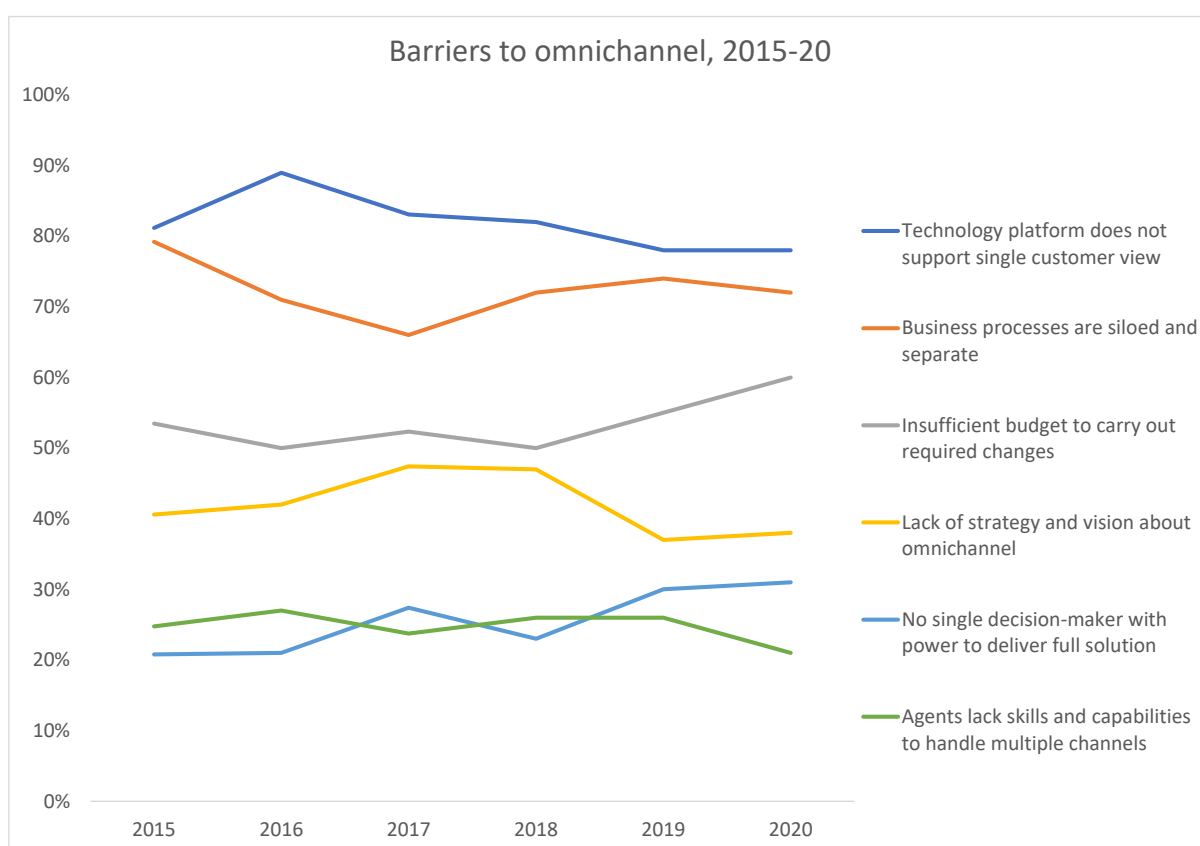


Concern that agents lack the skills and capabilities to handle multiple channels is not seen as one of the major inhibitors, as the majority of respondents do not feel that this holds them back from offering customers a full omnichannel experience.

The absence of a technology platform that supports a single view of the customer can be further seen in the following chart.

Respondents were asked how well their organisation currently supported their customer experience programmes. In the main, the results were not particularly positive, with 43% of organisations stating that their CX technology was either poor or average, and 45% being lukewarm about the number of dedicated CX employees available.

On the positive side, more than half of respondents stated that the organisational culture was moving towards customer-centricity and 60% commended their executives' commitment, so it appears as though it is the execution of CX improvement rather than the acceptance of the concept itself which needs to be improved.

Having said that, the widespread finding that there were not always enough time and resource for CX improvement shows that having a customer-centric culture does not easily or necessarily translate into actual action to improve CX.

**Figure 40: How well does your organisation currently support your CX programmes?**



*How well does your organisation currently support your CX programmes?*

| | Excellent | Good | Fair | Average | Poor |
|---|---|---|---|---|---|
| Amount of time available for CX improvement | 7% | 22% | 31% | 20% | 20% |
| Available resources / budget | 7% | 33% | 33% | 13% | 14% |
| CX technology | 8% | 15% | 34% | 27% | 16% |
| Organisational readiness for change | 9% | 32% | 29% | 20% | 11% |
| Number of dedicated CX employees | 9% | 21% | 24% | 24% | 21% |
| Building customer-centric culture | 16% | 36% | 30% | 13% | 6% |
| Board level support/executive commitment for CX | 18% | 42% | 25% | 11% | 4% |
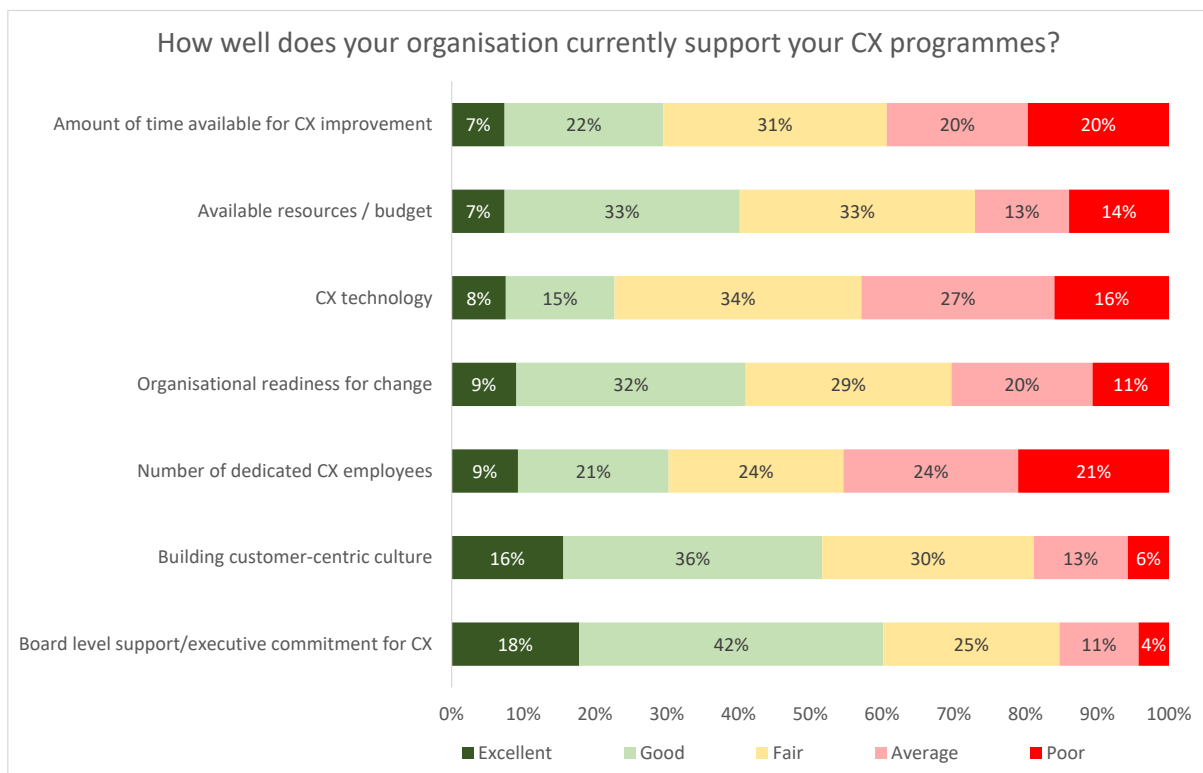
## FROM MULTICHANNEL TO OMNICHANNEL

Without a single platform or customer interaction hub, the complexity of handling multiple channels increases greatly each time a new channel, device or medium is added to the customer service mix. The only constant is that – regardless of the method they choose to communicate with the business – customers want accurate, timely information delivered in a form with which they are happy.

The challenges for the business are to provide a high quality of service which is consistent across the channels and to do so in a cost-effective manner. To do this, and break down the boundaries between contact channels that has been stifling the potential of non-telephony contact, a platform is required which automatically captures, processes, routes and reports on customer interactions and related activities based on a company's specific business criteria, providing a view of each and every customer interaction. Customer interactions through channels such as voice, email, web chat, instant messaging and activities such as work items must be handled according to business-defined processes and strategies, avoiding the problem of rogue interactions that are left outside normal workflows, or favouring one channel (often, voice) to the detriment of others.

The universal queue approach – which has been around for many years – can set priority levels to incoming calls, e-mails and chats, and offers the functionality to blend inbound and outbound calls into a single queue to allow agents to move between media as required. This approach also facilitates a single view of the customer across all channels, which is one of the key ways to improve the quality of service offered, as well as improving the agent's confidence and morale.

Such is the theory. The reality for most businesses is that the requirements of their customer base, along with the opportunity to cut service costs have thrust numerous new channels into the customer service mix, leaving them with the headache of deciding how to implement and integrate new technology, recruit and train agents appropriately, and forecast and schedule the right staff to handle these new types of interaction. The easiest and quickest option has been to treat each channel separately, having agent silos and treating each interaction as being independent rather than part of a wider customer journey. If the customer changes channel, or contacts the business later about the same issue, they tend to have to start again from the beginning.

The "omni" element to omnichannel (meaning "all") can be understood as reflecting the customer's experience of interacting with the business: to them, an organisation's separate internal workflow and siloed systems are not just irrelevant, they are unseen.  Omnichannel requires the breaking down of boundaries, not only between channels but also the ownership and management of the various relevant business processes and departments affected by customer interactions. This is why successful omnichannel implementations will require a senior management sponsor, with the authority and remit to make changes in any and all appropriate business units.

It's important to realise that omnichannel is not simply about implementing the right technology. While omnichannel obviously involves supporting multiple channels consistently along the customer journey, it is vital to understand and create the business process workflows that occur within each interaction type, not simply across customer service channels, but also reaching into the back office, financial and order management systems, the distribution process and any other business activity that is affected by the initial customer contact.

Consistency is a concept that should be at the forefront of any discussion of omnichannel, as it is perhaps the key to a successful customer interaction, and applies to many of the elements within this strategy:

- Look-and-feel / branding across channels

- Unified knowledge base, both for the self-service and live agent environment

- Consistent pricing and stock levels available across all channels

- Single customer history, including the current customer journey and context of where they have been, updated across channels in real-time. This is particularly important at the boundary between self-service and live agent interaction: currently, the context and experience of the customer is usually lost once the move into the live agent environment: breaking down this boundary is vital to a successful omnichannel experience

- Functionality offered should be consistent where possible: for example, while it is not suitable to fill in a loan application on public social media, it is possible to carry out a web chat about a specific question on the loan application form while on the website.

END-USER QUESTION #1:

WHAT ARE THE STEPS WE NEED TO TAKE TO TURN OUR MULTICHANNEL CONTACT CENTRE INTO AN OMNICHANNEL CONTACT CENTRE?

**NICE · CXone**  Your technology decisions should centre on the customer and/or business outcomes. As a first step, map your current or ideal customer journey with these goals in mind. Technology decisions should be aligned with desired outcomes. There're a few foundational customer expectations to consider as you evaluate which solution is best:

- **Effortless and consistent quality no matter where they engage**. 96% customers expect companies will make it easy without their having to repeat information (NICE CXone). This means every interaction should be able to elevate to an agent who can access integrated contextual customer information and history across channels.

- **Frictionless experience and proactive personalisation**. Integrated AI-powered real-time, end-to-end customer journey analytics are necessary for supporting proactive personalisation, which 87% of customers expect (Deloitte). Siloed data aggregated from multiple systems is what 89% of IT leaders say slow/hinder their company's ability to digitally transform (Salesforce), and only 15% of companies have a unified view that can make use of customer insights (Harvard Business Review). Partner with IT in your decision and look for AI-powered insights that make it easier to digest, predict and turn insights into action; pre-built and customisable reports that meet your configuration and compliance needs; and for solutions that capture performance metrics and 100% of cross-channel interactions in one place. This is a critical lens for resolving customer questions/concerns and to support omnichannel forecasting and scheduling.

- **Prioritise digital channels.** 76% of customers expect consistent interactions wherever they engage (Salesforce), so look for one consolidated solution that supports every touchpoint, including web search and self service, which 68% of customers prefer to use (Salesforce). Your platform should support today and tomorrow's customer needs, especially digital channels increasing in popularity like online chat, messenger apps, video support, social media, online forms, and knowledge bases. Look for platforms that support a breadth of channel offerings. Channels should be easy to add, require little to no additional training for agents and managers, and additional cost for extra channels is low, or not applicable at all.

## OMNICHANNEL AND CUSTOMER EXPERIENCE INVESTMENT

Although the availability of budget and resource is often stated by contact centres as being the main reason for sub-optimal systems and processes, digital channels are receiving considerably more investment than the traditional telephony channel, so this concern should less affect those implementing omnichannel.

The chart below shows that many smaller businesses are embracing the digital channel as a way to give themselves a level playing field when competing against much larger organisations. Respondents with less than £10m in revenue state that at least 70% of their CX investment is going into digital channels.

It is also noticeable that non-commercial organisations are spending proportionally more on their telephony than other respondents, perhaps as many are behind the technology curve.

**Figure 41: Investment in CX channel, by revenue**



Figure 41: Investment in CX channel, by revenue
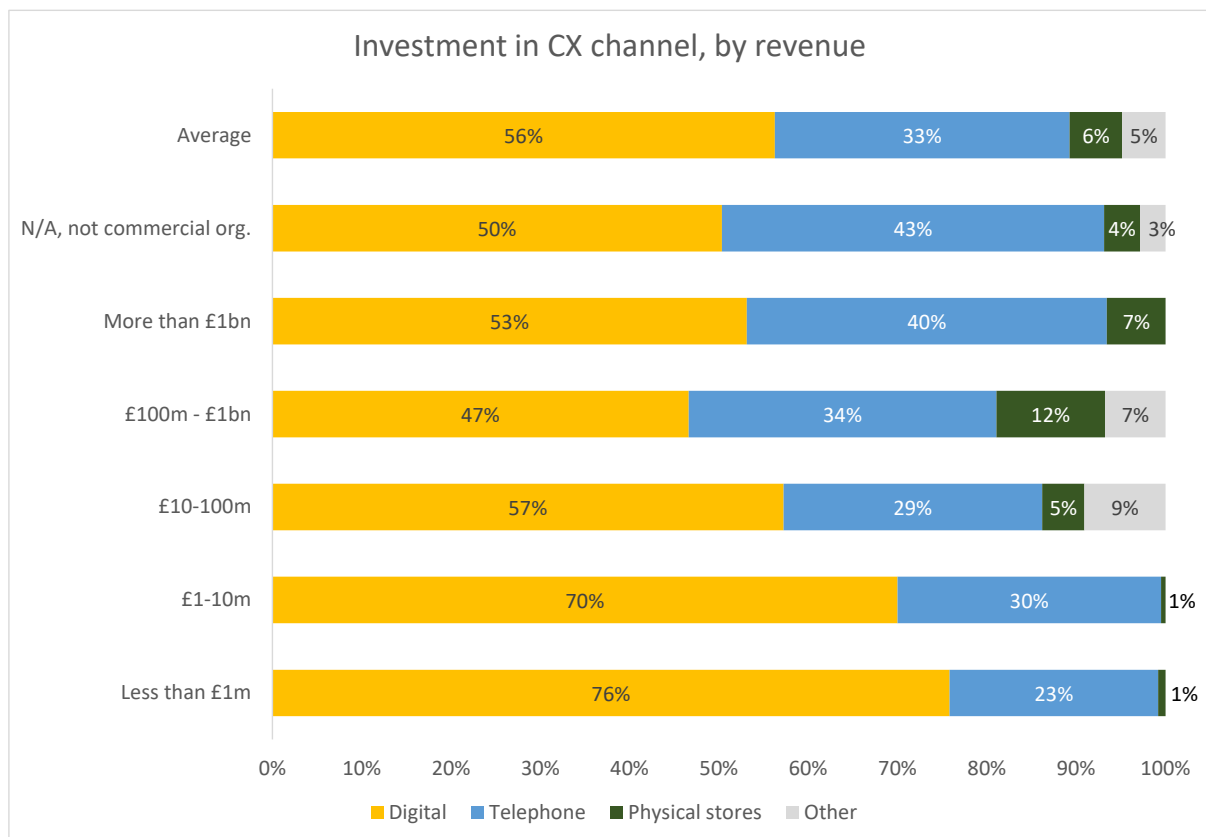
For the majority of vertical markets, digital channels such as email, web chat, website and social media receive far more attention and investment than the traditional telephony channel, despite the former accounting for around 25% of inbound interactions (excluding web self-service), compared to over 70% coming through telephony (whether live or self-service).

**Figure 42: Investment in CX channel, by vertical market**
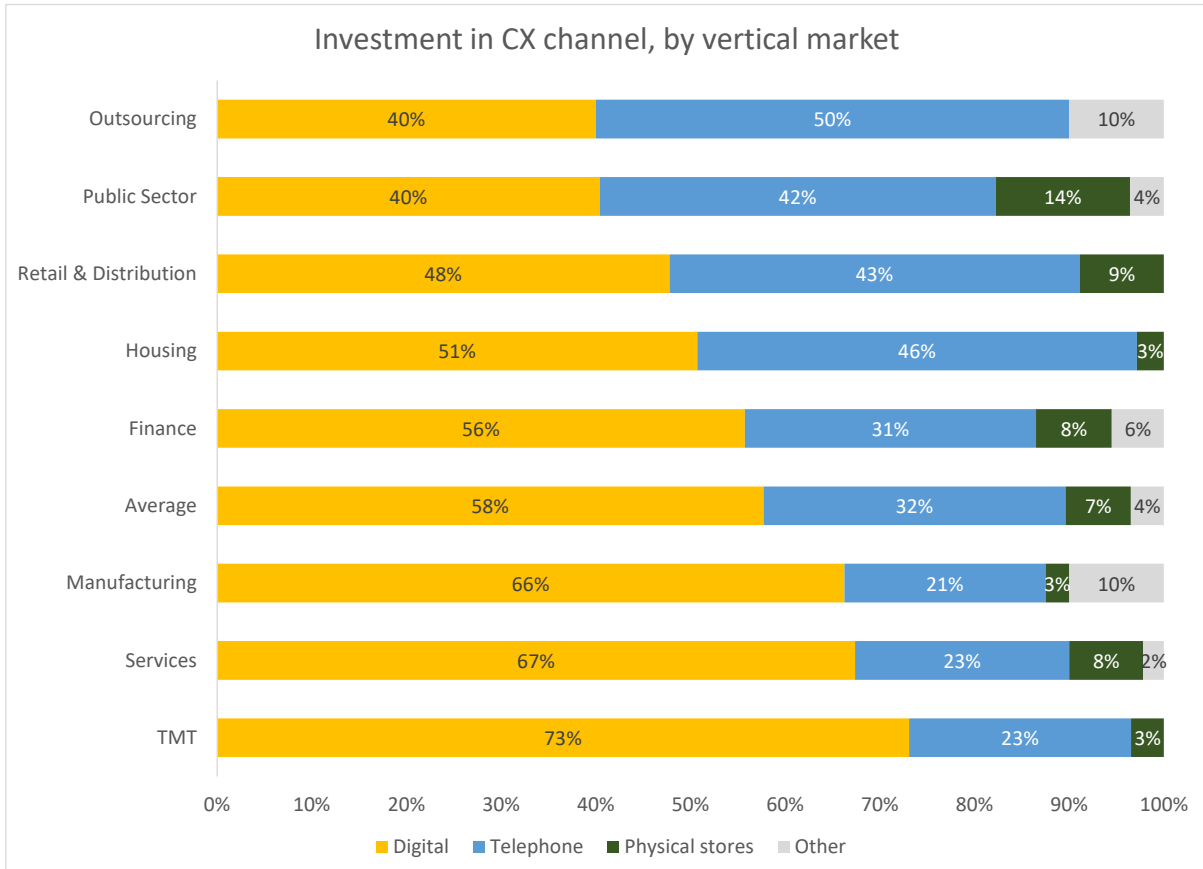


While these findings can be seen as being generally positive for the future of omnichannel, businesses should remember that telephony accounts for around two-thirds of inbound interactions, and should not be neglected.

The following table gives a close analysis of UK contact centres' IT investment priorities over the past five years. The percentages in the table are based on the proportion of respondents placing the specific solution within their top 5. By using this historical data, patterns start to emerge, showing the solutions that are gaining the most interest over the years, and those which are losing their appeal.

**Figure 43: Top 5 most important areas of contact centre IT expenditure in the next two years (proportion of contact centres placing solution in their top 5, 2015-20)**

| Technology solution | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|---|
| Omnichannel (i.e. getting channels to work together) | 42% | 50% | 55% | 41% | 56% | 51% |
| Artificial Intelligence | n/a | n/a | n/a | n/a | 43% | 42% |
| Web Self-Service | 12% | 18% | 19% | 32% | 36% | 36% |
| Web Chat | 38% | 31% | 29% | 28% | 33% | 33% |
| CRM / Agent Desktop Software | 48% | 56% | 53% | 63% | 43% | 32% |
| Performance & Quality Management | 26% | 25% | 25% | 14% | 29% | 29% |
| Homeworking | 14% | 9% | 11% | 26% | 16% | 28% |
| Workforce Management | 19% | 29% | 24% | 17% | 18% | 27% |
| Management Information Systems | 30% | 25% | 22% | 25% | 31% | 26% |
| Email Management | 41% | 37% | 31% | 27% | 23% | 25% |
| Back-Office Integration | 39% | 45% | 48% | 31% | 22% | 22% |
| Cloud | 18% | 17% | 16% | 25% | 22% | 18% |
| Telephony Self-Service (DTMF IVR, Automated Speech Recognition, Visual IVR) | 8% | 12% | 14% | 25% | 21% | 18% |
| Desktop Automation & Analytics | 19% | 25% | 27% | 22% | 13% | 18% |
| Interaction Analytics | 9% | 8% | 13% | 17% | 19% | 16% |
| Call Recording | 19% | 6% | 12% | 16% | 10% | 12% |
| Telephony Infrastructure (including IP) | 10% | 12% | 7% | 13% | 8% | 10% |
| Mobile Service | 15% | 13% | 19% | 13% | 9% | 8% |
| Hardware (including PCs & servers) | 19% | 13% | 12% | 14% | 5% | 8% |
| Gamification | 8% | 9% | 11% | 6% | 9% | 8% |
| Virtual Contact Centres | 7% | 10% | 8% | 2% | 3% | 7% |
| Social Media | 21% | 20% | 18% | 27% | 12% | 7% |
| Video/Web RTC | 0% | 4% | 2% | 0% | 0% | 5% |
| Interaction Routing | 17% | 14% | 14% | 3% | 3% | 5% |
| Headsets | 7% | 3% | 2% | 2% | 4% | 5% |
| Voice Biometrics | 4% | 3% | 3% | 6% | 7% | 3% |
| Outbound Automation | 6% | 5% | 5% | 6% | 4% | 1% |

Omnichannel – which has been defined within this part of the survey as getting the various channels to work together – is placed within the top 5 priorities by 51% of respondents in 2020. The various supporting applications, such as web chat and email management systems still have significant proportions of respondents placing them within the top 5. The interest in social media as a customer contact channel has dropped dramatically since 2018, whereas web self-service has grown strongly.

## PROVING ROI

While differing from business to business, moving from multichannel to omnichannel is likely to require significant investment in platforms and business process reorganisation. As with any investment or restructuring, the business has to be convinced by the financial improvements that will follow.

In order to quantify the business case for omnichannel, businesses should consider how the following potential improvements could affect them:

- analysing and forecasting how many of each interaction there are can provide a baseline for measuring ROI and cost

- increasing cross-selling and upselling rates by making sure that the customer does not abandon the interaction through frustration caused by channel switching, and by responding to queries in an informed and timely manner

- increasing customer satisfaction and potentially reducing the cost of service by personalisation and offering service through the customer's preferred channel

- increasing customer loyalty and lifetime value through providing superior and proactive service at the moment of truth

- if implementing a single unified agent desktop, significant decreases in call handling time can be expected as agents no longer have to toggle between multiple screens and applications to find what they're looking for. This is particularly the case for less experienced agents

- decreasing unnecessary calls by handling queries correctly early in the customer journey and using proactive outbound customer service to avoid unnecessary calls

- taking advantage of many customers' preference for self-service by offering a powerful and consistent experience across all channels which will reduce inbound call volumes

- cost reduction outside the contact centre through improved inventory throughput and decreased cart abandonment

- implementing a cross-channel knowledge base which will provide consistent information to customers and agents regardless of channel

- if using a single vendor, consider the reduction in the cost of managing multiple vendors, point solution maintenance and upgrades that a single unified solution can bring

- escalating an interaction from self-service to live service in an omnichannel environment offers the opportunity for customer identity authentication to take place before the agent is involved, reducing cost and call length and improving service levels

- having the context and customer history on the agent's screen will reduce call lengths and decrease customer frustration

- having a single workforce management solution that can handle multiskilled resourcing in an omnichannel environment will improve service levels across all channels, and reduce time spent on manual scheduling. Intraday changes based on actual volumes within each channel will further optimise resources

- if a one-off issue (for example, related to a specific marketing campaign) suddenly becomes a major topic of customer interactions, templatised and consistent answers can be shared quickly across channels

- automatically moving agents quickly between channels based upon real-time interaction volumes improve service levels, removes the time taken to assign resource manually and a unified omnichannel desktop environment means that agents do not have to log onto multiple applications manually

- a consistent and up-to-date knowledge base shared across channels means that it is more likely that a query will be successfully answered early in the customer journey, improving customer satisfaction and decreasing the duplication of effort and unnecessary cost as customers will no longer have to seek an answer through an alternate channel

- improving first contact resolution rates on non-voice channels will decrease inbound call volumes and improve the customer experience. This will lead to improvements in customer satisfaction, NPS and customer loyalty, which will feed the bottom-line

- costs are not solely restricted to the IT implementation (including hardware, software, ongoing services, integration and consultancy), but will also include the time and effort of project stakeholders and the training of agents on new systems and processes

Businesses may wish to quantify volume of interactions that they received by type, perhaps using the 2x2x2 cube matrix shown earlier in the report. This will allow the identification of the types and volumes of interaction that are suitable for self-service or non-voice interaction, which will allow them to focus on the areas of greatest potential.

The measurement of omnichannel success is likely to be significantly different from the typical efficiency metrics associated with the contact centre. There is likely to be increased focus upon customer-related metrics, such as NPS, customer effort and customer satisfaction, but it is vitally important to understand the more traditional measurements such as wait time, first contact resolution and interaction transfer rates also impact directly upon the customer experience, and consequently, customer satisfaction scores.

As time progresses, businesses are also more likely to include metrics such as number of channels used and % of calls deflected by self-service in order to appreciate and quantify the effect of the omnichannel experience upon the customer.

END-USER QUESTION #2:

HOW DO WE MEASURE THE ROI OF OMNICHANNEL? ARE THERE ANY QUICK WINS WE CAN USE TO SHOW OUR SENIOR MANAGEMENT?

There are quick wins. For example, staring your evolution to true omnichannel with web chat is a good option. Chatbots are relatively easy to define and deploy and present as a natural extension of what your customers would be used to doing in an IVR in a voice centric environment; web chat creates a natural path to digital. Customer acceptance for chat bots and the web chat channel has proven to be high for many contact centre deployments and introducing or expanding the channel resulted in considerable ROI. But don't take it from us, listen to customer advice on how to get started and what results they have seen. This presentation speaks to a retailer's success and results they experienced, and this case study showcases how a student loan servicer expanded and integrated their chat offerings, resulting in immediate returns.

To learn more about chatbot best practices and what the most fitting initial deployment might be for you, check out this Chatbot Starter's Guide.

## PULLING TOGETHER: THE POLITICS OF OMNICHANNEL

One of the major issues to overcome within most organisations that offer service across multiple channels and devices is this: who actually owns the space? Telephony is established as a contact centre function, and some other non-voice customer channels also fall under its auspices, but social media is often still owned by marketing (who may also lay claim to mobile strategy), and the wider self-service, AI and knowledge base functionality may be a remit of the IT function. This fragmented and inconsistent ownership of multiple customer contact functions means that maintaining the same high and reliable standard of information and service across channels has become an even more considerable challenge, and the path to true omnichannel even more fraught.

It may not be possible or even desirable for a single unified group to take charge of all such functions. However, because the customer neither knows nor cares about the internal structure of the organisation, a bridge between the channels must be created to ensure that a customer experience does not break down if the initial channel cannot handle all the customer's requirements effectively, and the growth in cross-functional customer experience teams is a response to this issue.

A question was asked to survey respondents about who in their organisation was responsible for customer experience. Governance shows how seriously CX is being taken, and how capable organisations will be of driving radical and successful CX programmes, including omnichannel, which are likely to impact on many existing fiefdoms.

The chart below shows clearly that small organisations are far less likely to have a dedicated customer experience professional working within them. Even in the very largest organisations surveyed, only 18% had a CX professional at board level, although there is often representation for CX at very senior management level.

**Figure 44: Level of highest CX professional in the organisation, by company revenue**
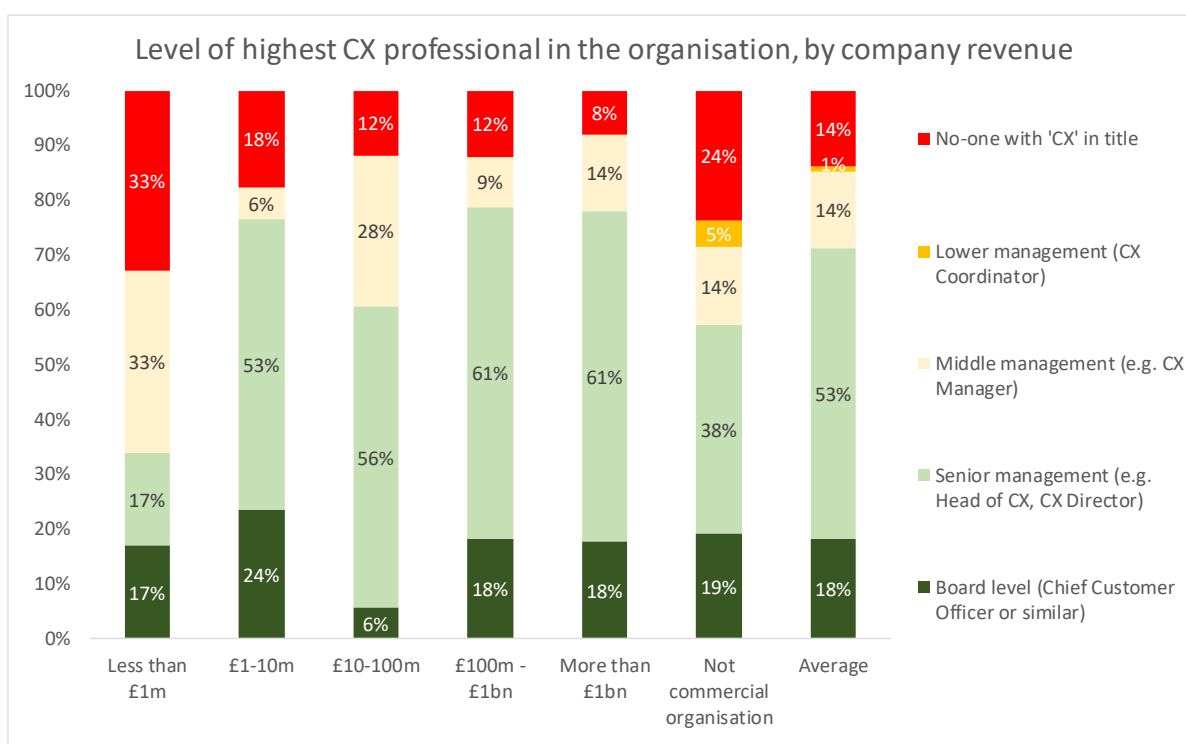
Survey respondents were asked their opinion on how important various customer experience developments would be to their organisation in the next two years.

Perhaps the most striking finding was that the most important factor determining the future success of the customer experience programme was not technology-related, but rather a requirement for the continuing and strengthening executive commitment to improving customer experience, without which the multi-departmental CX initiatives could not hope to succeed.

Successful omnichannel demands a high-level champion to make departments work together for the good of the company: without this, few omnichannel implementations will fully succeed.

**Figure 45: Importance of CX developments in the next 2 years**



Importance of CX developments in the next 2 years

| | Extremely important | Important | Of limited importance | Unimportant |
|---|---|---|---|---|
| Customer journey analytics | 34% | 43% | 22% | 2% |
| Analytics of customer interactions | 35% | 32% | 33% | |
| Predictive/proactive customer service | 35% | 37% | 25% | 3% |
| AI/self-service | 36% | 37% | 23% | 3% |
| Personalisation of customer experience | 37% | 35% | 26% | 2% |
| Voice of the Customer initiatives | 40% | 40% | 19% | 2% |
| Omnichannel/connected journeys | 41% | 32% | 22% | 5% |
| Executive commitment to CX | 54% | 32% | 12% | 2% |
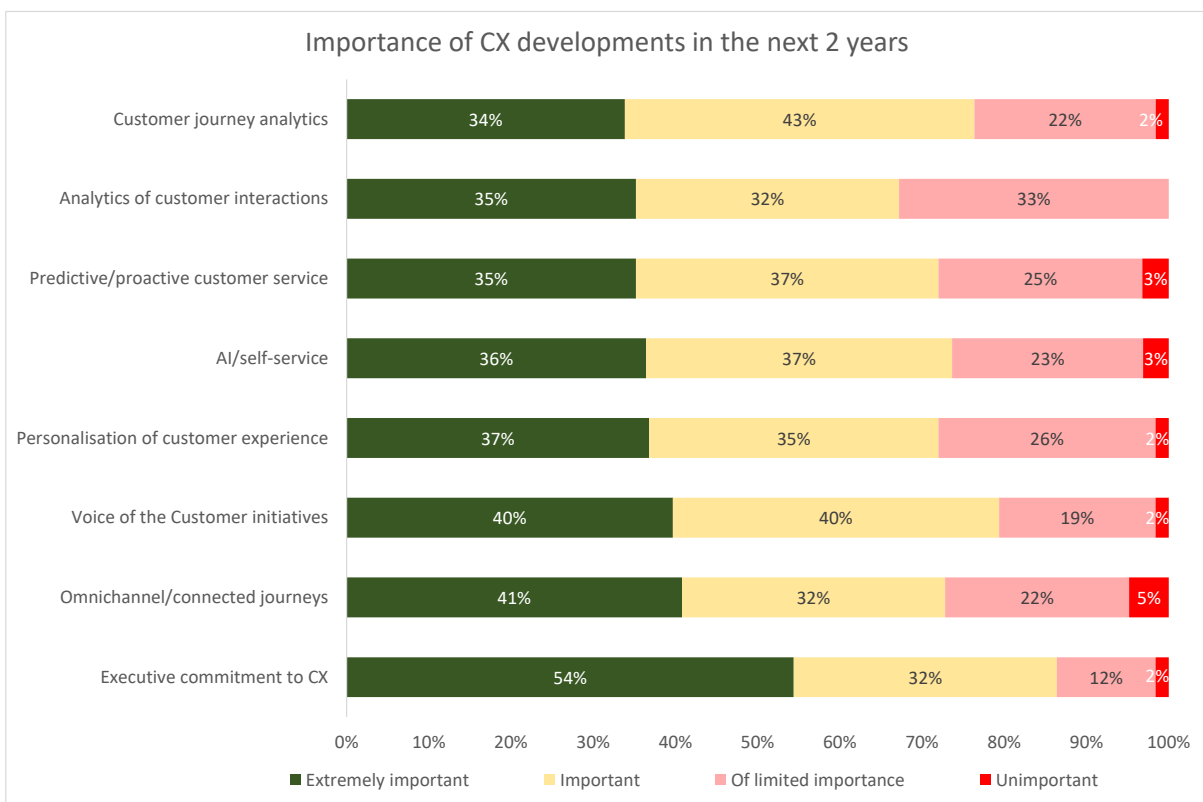
- Gather as much information as possible from customers, through analytics, customer surveys or preferably both: many businesses are doing this through a Voice of the Customer programme. The aim is to understand which business processes are working, which are suboptimal and perhaps most importantly, which are most valued by the customer. This should not just be restricted to contact centre processes, but also into the organisation's back office and fulfilment systems as well. Omnichannel is a journey, so focusing upon those areas which are most obviously broken will make sense, both from the customer's perspective and also in proving the concept to stakeholders within the business

- A single source of knowledge or 'truth' should be identified within your environment – for many companies, this is the CRM system – and make sure that other system components can integrate easily with this in order to access and amend customer records in real-time. A platform or hub will be required that allows every channel to access and update the customer's master record as and when required, with real-time synchronisation being of vital importance. Within each individual channel, consider the potential use of further automation: for many businesses, non-voice channels still rely upon manual input and there are considerable opportunities to reduce cost and improve data consistency

- While the vision and strategy should be distinct and all-encompassing, the implementation can be done in phases that immediately impact upon the customer experience and prove ROI

- Set measurable objectives, using metrics that are directly related to the desired outcome, particularly those are valued by customers rather than simply using internal metrics. For example, if one of the aims of the omnichannel project is to reduce customer effort, it would make sense to consider first contact resolution rates, rather than agent occupancy rates, for example. Metrics that are able to demonstrate ROI should be chosen wherever possible, in order to demonstrate to and reassure stakeholders elsewhere in the business that the project is achieving financial success. As elements of the omnichannel journey go live, behaviours and outcomes that support these metrics should be tangibly rewarded

- As with any large, cross-departmental project that may need to alter the culture of the organisation, omnichannel will require a project champion at a senior level, with the authority and vision to influence and create change wherever required, backed by and reporting to a sponsor at the highest level of the organisation. Create a cross-functional organisational overlay that represents the interests of each interested party, and emphasise that this is a business transformation project rather than another IT-led operation. The key stakeholders involved at various stages of the omnichannel project should be identified and the benefits of the project explained to them. Throughout the project, communicate why these changes are being made and what the benefits are to individuals, departments and the organisation as a whole

- Identify as many of the customer journeys as possible (and their business owners), tracking them across channel, into the back office, financial and distribution systems, and back out towards the customer. If some channels are owned by different departments (e.g. social media is often run by marketing), pitch the benefits of having the contact centre deal with customer interactions, allowing the marketing department to concentrate on their core job

- Using a tool such as the 2x2x2 cube matrix shown earlier, identify volumes and uses associated with each customer channel, segmented by variables such as customer demographics and intent if possible. Identify the potential moments of truth and the knowledge and data required at each stage in the journey to identify gaps

- Make a point of learning from the people who have actually been handling interactions over different channels, and have the contact centre agents work alongside them to understand what's different in these channels

- A single customer interaction interface on the agent's desktop will make it far easier for them to concurrently handle multiple interactions on different channels as they will not have to toggle between screens and applications, and means that the customer can stay engaged with the same agent throughout the process. The agent desktop should provide previous interaction details regardless of channel, current customer status, visibility of the channels the customer has used as part of this interaction, the customer's profile and even their persona/personality type

- Be careful not to automate a broken process: using customer journey analysis to identify those bottlenecks both within the contact centre and in the wider enterprise that are causing frustration, delay and increased costs

- Accept that omnichannel customer contact is an ongoing process, to be revisited and continually improved as the nature of business, customer preferences and new channels further evolve

- Agent training should not be overlooked: while some employees may be highly skilled at handling telephony enquiries, they may require training on handling email or web chat, and the use of any public social media platform such as Facebook or Twitter will require different training around tone, brand and communication techniques.

END-USER QUESTION #3:

DO WE NEED TO REPLACE OUR LEGACY TECHNOLOGY TO GET A SINGLE VIEW
OF THE CUSTOMER ACROSS ALL CHANNELS?

No, you do not need to replace your voice platform to add unified digital channels to your contact centre environment. Deploying digital channels in the cloud is an excellent option to get started. For example, with NICE CXone you can choose from over 30 digital channels from Apple Business Chat to WhatsApp and the platform comes with all the products you need to provide an excellent customer experience across all digital channels you need, including digital monitoring, screen recording, workforce and quality management. The bonus: with NICE CXone there is no per channels pricing – we believe that contact centres should not be financially penalised for providing customer service in all the digital channels their customers use. There is one digital license for an agent that enables them to handle as many digital channels as you want or need in one unified interface. That way, you can continue to use your voice platform as long as you need while unifying handling, routing, administration, workforce engagement management of all your digital channels on one platform. Up to you to decide if and when it might be time to add the voice channel, too.

There is no general agreement within the industry on how best to deal with digital channels, although there are genuine reasons to encourage digital/voice blending. On one side, there is a case made that letting agents answer non-voice interactions makes the job more interesting for them, lowering attrition and improving skills. The other side to this says that the skills required by digital agents are different from voice agents, and that it is difficult to find the agents to do both jobs. Both sides make sense logically, and historically, of those contact centres which use voice/digital blending, only around 1 in 5 have experienced problems finding the right staff for these types of role, a figure that decreased each year that it was surveyed.

Respondents were asked how they used agents to handle multiple channels. In medium and large contact centres, around 60% of agents handle only voice, with around 5-10% handling text only (including email, web chat and social media).

As has been found in previous years, smaller contact centres – which tend not to have the depth of resource available to operate a dedicated single channel teams – are more likely to have agents moving between voice and text interactions as required. This approach, whether ad hoc or through a more formal blended approach, has been proven many times in past years' data to be positively correlated with improved agent attrition. This is not to claim causality, but that a variety of work may impact positively upon agent engagement and attrition rates is a point to consider.

**Figure 46: Multichannel agent capabilities, by contact centre size**



Multichannel agent activities, by contact centre size
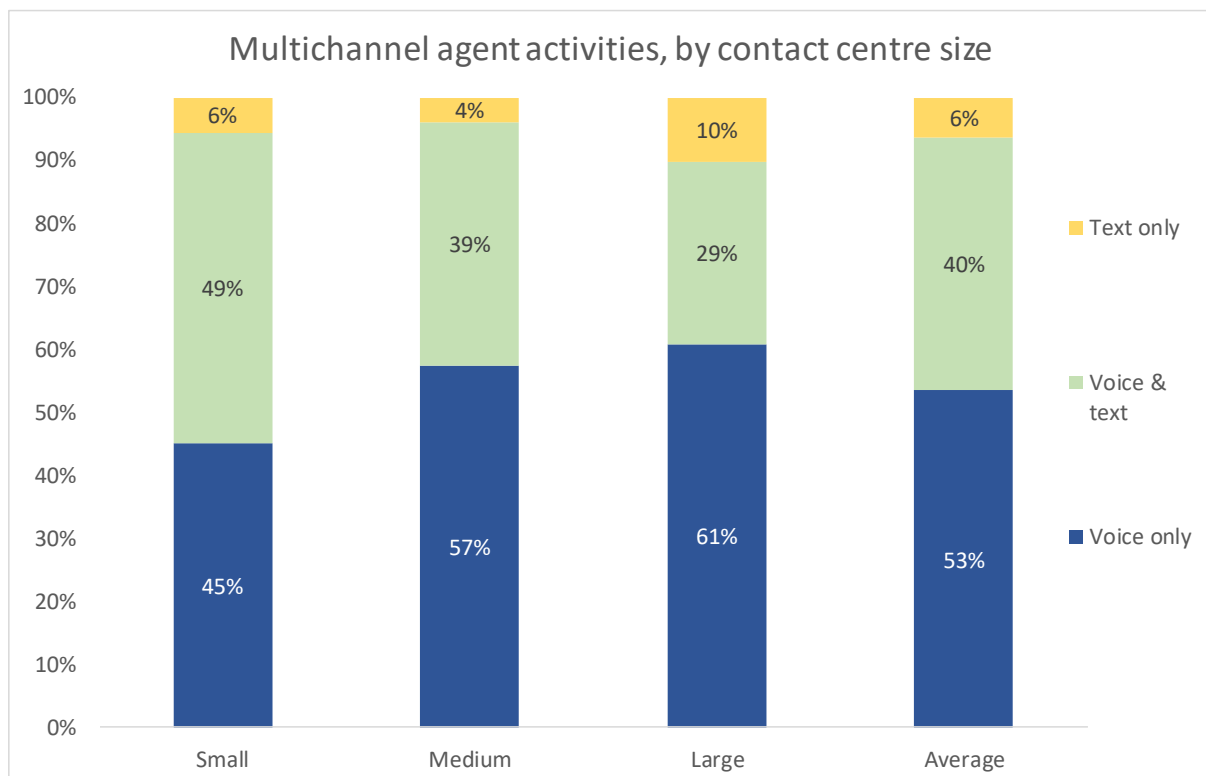
Simply because a contact centre uses the same agents for digital and voice does not mean that all operations use the same level of blending. For some operations, it is a strategic decision which has been invested in with the right levels of technology and training being provided. For others, it is a necessity, with agents encouraged to answer a few emails in slack call times. Small and medium operations – which in the past may not have had sufficient digital volumes or the investment available to formalise the blending by forming a universal queue to deal with all types of interaction – are now as likely to use a universal queue as the ad hoc method. Many larger contact centres prefer to use dedicated digital groups.

However, this preference of many larger contact centres to form specialised digital groups may not provide the same levels of service. Previous years' data indicated a formalised blending environment, such as a universal queue, has a beneficial effect on email response times. Respondents using a formal blended environment reported that twice as many emails were successfully handled within an hour, although the proportion being dealt with in the same working day were fairly similar, regardless of whether formal blending, ad-hoc distribution of work, or dedicated email teams were used.

Some operations find it successful to dedicate a number of agents to a single activity, and have others acting as a pool of blended agents that move quickly to the activity where they are needed. Workforce management systems can take into account the times of day when each channel is used most (for example, phone volumes are considerable on Monday mornings in most banks), and schedule resource accordingly.

Businesses should be aware that the cross-channel omnichannel model may require the agent to move between channels within a single interaction, so may desire that all agents should be able to use all channels to at least some level of competence.

The PCI DSS guidelines state: "As a starting point, consider whether the organisation should aim at excluding telephone-based card payment data entirely…for organisations committed to taking payments over the telephone, consideration should be given to techniques that minimize exposure of PAN and SAD to the telephone environment and balance that with user/customer experience requirements, with the object of significantly reducing the CDE (card data environment) or eliminating the CDE altogether".

Respondents were presented with a long list of solutions, approaches and business processes that aimed to reduce the risk of card fraud within the contact centre, and were asked to indicate which they used. It should be noted that many of these methods used do not in themselves render the operation fully PCI-compliant, although methods that do not allow the card data into the contact centre at any point (even encrypted) will take the operation out of the scope of PCI. Respondents used a mean average of 3.8 card fraud reduction methods.

Pause and resume recording, and improving processes and training were as usual the main methods used to reduce card fraud.

**Figure 47: Use of card fraud reduction methods**



Use of card fraud reduction methods

| Method | % |
| --- | --- |
| Take payment by IVR post-call | 4% |
| Send secure payment link by SMS or email | 5% |
| Specific internal teams take card payments | 9% |
| Tokenisation | 11% |
| Take payment by IVR mid-call | 18% |
| Screen recording application does not capture card details | 25% |
| Obscure data entered on agent screen | 31% |
| Detect and block DTMF tone (DTMF suppression) | 34% |
| Cloud-based / outsourced (no card details in contact centre) | 39% |
| Clean desks / rooms - pen, paper, mobile prohibited | 48% |
| Manual processes and training | 53% |
| Pause and resume recording | 68% |

The chart below shows the use of card fraud reduction methods over the past six years. Care should be taken when considering these data: a rise or fall from one year to the next may not necessarily mean that this is indicative of what is happening industry-wide, as many of the respondents taking part in the survey from one year to the next are different. The chart should be viewed as providing a view of card fraud reduction methods relative to each other, and as a longer-term trend.

Pause & resume voice recording and manual processes & training are consistently the two methods most used.

Cloud-based solutions show consistent growth, as does clean desk / room policies and DTMF suppression. Tokenisation has risen from a low base, and this is the first year that sending secure payment links by SMS or email has been tracked, which will become increasingly important in an omnichannel environment.

**Figure 48: Use of card fraud reduction methods, 2014-20**



Use of card fraud reduction methods, 2014-20

Legend:
- Pause and resume voice recording
- Manual processes and training
- Clean desks / rooms - where pen, paper and mobiles are prohibited
- Cloud-based solution (card information does not enter the contact centre)
- Detect and block the phone's DTMF tones
- Obscure the data entered on an agent's screen
- Screen recording application does not capture card details on-screen
- Take payment via automated IVR mid-call
- Tokenisation
- Specific internal team dedicated to taking card payments
- Send secure payment link by SMS or email
- Take payment via automated IVR at the end of the call

The following section discusses some of these more common card fraud reduction methods.

**Pause and Resume (68%)**

'Pause and resume' or 'stop-start' recording aims to prevent sensitive authentication data and other confidential information from entering the call recording environment. Pause and resume may be agent-initiated, act for a fixed time period (e.g. stopping recording for a minute), or be fully automated. The PCI DSS standard is interpreted as preferring automation over manual intervention to avoid human error. Automated pause and resume may use an API or desktop analytics to link the recording solution to the agent desktop or CRM application, being triggered when agent navigates to a payment screen, for example. The recording may then be paused, to be resumed at the time when the agent leaves the payment screen, which in theory should remove the period of time whereby the customer is reading out the card details. This method, consistently the most popular, has several obvious benefits, not least of which include a very low set-up cost and the speed of implementation. However, breaking a recording into two parts makes it difficult to analyse the entire interaction, and goes against some industry-specific regulations, e.g. any financial services regulations which require a record of the full conversation, so some contact centres prefer to mute the recording or play a continuous audio tone to the recording system while payment details are being collected, meaning that there is still a single call recording which can be used for QA and compliance purposes. This principle is similar to that applied to **screen recording** applications, where 25% of respondents stated that their application does not record card details from the agent's screen. 31% of respondents **obscure card details** on the agent's screen, to prevent copies being made.

It should be noted that the November 2018 PCI SSC information supplement "Protecting Telephone-Based Payment Card Data" put more emphasis on "spoken" account data, rather than just focusing on recorded data, which is what pause and resume is obviously aimed at managing. The paper states that "accepting spoken account data over the telephone puts personnel, the technology used, and the infrastructure to which that technology is connected into scope of PCI DSS" including VoIP, so businesses should be aware that pause and resume could only be part of PCI compliance.

**Improving Manual Processes and Agent Training (53%)**

The second most-widely used method was that of improving manual processes and agent training: the biggest risk in any organisation relating to data theft is its staff – not necessarily from fraudsters, but laxity in taking proper care of data – and the relatively low cost of training and education of the risks can go a long way in making staff vigilant to perils such as phishing emails and such like. Phishing emails can mean that staff innocently allow hackers to enter the system, and is a far bigger risk than a rogue staff member writing the odd card number down.

**Clean Desks / Rooms (48%) and Dedicated Payment Teams (9%)**

Some organisations set up dedicated payment teams, working away from other agents, often in a clean room environment with no pens, paper or mobile phones, so that customers can be passed through this team to make payment. As these agents have a single responsibility – handling card payments – sometimes they are underutilised, and at other times there can be a queue of people waiting to make payments. In terms of the customer experience, this latter scenario is suboptimal. A clean room is generally not seen as being a particularly pleasant working environment for agents, being spartan of necessity. Not being able to be in touch with the outside world, for example with children or schools, can be a significant problem for some agents. It has been estimated that it takes around £2,000 per agent per year to create and maintain a clean room environment. A clean desk environment is somewhat easier to establish and maintain, and can reduce the threat of card fraud to some extent.

**Third-Party Cloud-Based Payment Solution (39%)**

The increasing requirements and costs associated with more stringent payment technology, processes and training mean that many contact centres are choosing to use a third-party to handle card payments, rather than remove the payment option entirely. 39% of this year's respondents use third-party cloud-based payment solutions. Using a cloud-based solution to intercept card data at the network level means that no cardholder data is passed into the contact centre environment, whether infrastructure, agents or storage.

As such, this de-scopes the entire contact centre from PCI compliance. Like any cloud-based solution, it relies heavily upon the security processes and operational effectiveness of the service provider, although the PCI DSS attestation of compliance and external audits, along with regular penetration testing may well show superior levels of security over what is present in-house. Some cloud-based solutions may require greater levels of integration or configuration than their on-site equivalents, but are engineered so as to minimise changes to the contact centre systems, processes or agent activities. This option has become significantly more popular with businesses which wish to take card payments but not have to invest in technology or manage the processes that ensure PCI compliance.

**IVR Payments – post-call (4%) and mid-call (18%)**

A minority of respondents, especially those with large contact centres, use an automated IVR process to take card details from the customer, cutting the agent risk out of the loop entirely. Mid-call IVR (or agent-assisted IVR) is seen as a more customer-friendly approach than post-call IVR: the caller may have additional questions or the requirement for reassurance and confirmation after the payment process, perhaps around delivery times or other queries not related to the payment process. However, the card data is still within the organisation's network, so although this approach takes the agent out of scope, it does not in itself ensure PCI compliance.

**Detect and Block the Phone's DTMF Tones (34%)**

34% of this year's respondents use DTMF suppression in order to assist with card fraud reduction. DTMF suppression describes the practice of capturing DTMF tones and altering them in such a way that cardholder details cannot be identified either by the agent, the recording environment or any unauthorised person listening in. DTMF suppression aims to take the agent out of scope as well as the storage environment, as card details on the agent's screen may be masked as well as the DTMF tones being neutralised (thus removing any – albeit theoretically small – danger of a handheld recorder being used).

At the point in the conversation where payment is to be taken, the agent directs the customer to type in their card details using the telephone keypad. The DTMF tones are altered so that they no longer represent the card number or sensitive authentication details. The caller inputs their card data via a touchtone keypad in a similar way to an IVR session, keeping them in touch with the agent at any point in the transaction in case of difficulty, clarification or confirmation.

**Tokenisation (11%)**

The practice of **tokenisation** is used in 11% of this year's respondents' operations. Tokenisation takes place in order to protect sensitive card information such as the PAN (primary account number or 'long card number') by replacing it with non-sensitive data which merely represents the initial data. The purpose of this is to devalue the data so that even if it is hacked or stolen, it is of no use to a criminal. One of the main benefits to tokenisation is that it requires little change to the existing environment or business processes, as apart from the addition of a decoding mechanism, the flow of data, its capture and processing works in the same way as if it were true card information coming into the contact centre environment.

A customer entering a 16-digit card number might have six digits within the middle of the card taken out and replaced by entirely different digits, before this information is passed as DTMF tones into the contact centre environment. This allows the contact centre to be outside PCI scope, as there is actually no **real cardholder data** entering the environment, as well as making it a less attractive target for data hacking and stealing. Tokenisation does not require special integration with existing payment processes, storage systems, telephony or IVR systems, nor does the agent desktop have to change as the same data format is coming into the desktop environment.

The first stage of tokenisation is to collect the actual cardholder data via DTMF tones. For each key press, the solution replaces the associated tone with a neutral or silent tone, and sends the actual number relating to the DTMF tone elsewhere within the solution in order to be tokenised. Card numbers and sensitive authentication data such as card validation codes are replaced as necessary, and the new tokenised DTMF tones are played down the line to the contact centre. The actual cardholder data is held temporarily within the hosted environment.

Within the contact centre environment, the tokenised DTMF goes to the same places that the existing payment process defines, being recorded as usual and going to the agent desktop just as if the card information was actually true, passing through a decoder (which may be hardware or software) which converts the tones to keystrokes that are entered in the payment screen. As the card data is only a tokenised representation, it cannot be said to be actual cardholder data and thus does not fall into the scope of PCI DSS compliance.

Once the agent submits the tokenised payment card details, the transaction is sent back to the hosted environment, where the tokenised data is matched and converted back into the actual cardholder information, which is passed on to the payment service provider, which returns the usual payment success/failure confirmation.

Of course, cardholder data is not the only DTMF-provided information coming into the contact centre environment, as other data such as IVR routing options and the entry of account numbers often requires capture of DTMF tones as well. Various configuration options exist within solutions, based upon the specifics of the business in order to circumvent confusion. Customers should check that any hosted tokenisation solution will not alter the performance of any required card number validation checks, including card length, range validation and 'Luhn' checks (to make sure a card number 'looks right' before presenting it to the payment services provider). The PCI SSC has published tokenisation product security guidelines[4].

**Send Secure Payment Link by SMS or Email (5%)**

Businesses that wish to take card payments, but not have any spoken or recorded card data in their telephony or agent environment have a number of choices of solution, including IVR and DTMF suppression/masking. (While pause/resume removes card data from the recorded environment, it still leaves the agent in scope).

Another of these methods is sending a secure payment link, which involves sending an SMS, email or WhatsApp link to a customer which then opens a secure form in which card details can be entered. Card data is kept outside the organisation, keeping it outside of scope and can also be linked with tokenisation to collect new information if existing data has expired. This method is secure and reduces agent time, allowing customers to pay at their own convenience.

This type of payment can potentially be treated as a 3D Secure ecommerce payment rather than a MOTO – mail order / telephone order – type of payment (which are likely to be treated as non-secure payments by card brands), attracting lower fees and protecting the merchant against fraud-related chargebacks.

While this method takes the voice channel out of scope, this may not work for customers who do not have access to a device that allows them to pay online, who are prevented from doing so by disability, or who see online payments as insecure and refuse to use this option. Alternative measures mentioned previously can be put in place to handle these payment exceptions, but we expect to see secure payment links growing strongly in the next few years.

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[4] https://www.pcisecuritystandards.org/pdfs/15_04_02%20PCI%20Tokenization%20Product%20Security%20Guidelines_Final%20Press%20Release.pdf

## TOWARDS PERSONALISED OMNICHANNEL SERVICE

An omnichannel strategy aims to support the customer throughout any and all interactions that they have with the company, reducing their effort, with the goal of providing a high level of customer experience that translates into a long-term, profitable relationship.

As part of this, technology and business processes can be combined to give the customer an experience that is tailored to their requirements, rather than offering the same interaction options each time, regardless of who the customer is, and what they are trying to do.

As seen earlier in the report, customers have different channel preferences depending on their requirements and the sort of people that they are. Yet personalisation does not stop there. This section describes some of the opportunities available for businesses which want to make their customers' experience truly personal, while optimising the cost and outcome for the business as well.

## ANALYSING CUSTOMER INTENT

Customer interaction analytics can provide a solid understanding of why customers are calling. Categorising types of calls, and then analysing them for the occurrence of similar types of words and phrases can give an insight into the reasons for customers' calls. For example, a category such as 'sales' might be analysed for patterns, and it is discovered that the words 'delivery' and 'website' are mentioned in a disproportionate number of them. Listening to some of these conversations, it may be found that the website does not highlight delivery times effectively enough, leading to unnecessary calls to the contact centre, rather than the customer purchasing on the website.

The automatic categorisation of calls, based on the types of words and phrases that typically get used within these types of calls, is a starting point. Analytics solutions can then add non-audio data, such as desktop activity or account status, and the tracking of word usage compared with its historical use (e.g. a 300% rise in the use of the phrase "can't log-on" after a software upgrade) can quickly indicate and identify issues that can be handed to the relevant department much more quickly than typical inter-department channels could usually manage. Regular references to competitors and their products can be captured, analysed and passed to the marketing or pricing teams to provide them with real-life, rapid and accurate information upon which to base decisions. This categorisation gives a starting point for analysis, meaning that businesses can listen to the right calls rather than getting them randomly or employing large numbers of people to get insight from customers' calls.

This information can be matched against customer profiles, or those which have recently carried out specific actions, in order to predict why they are calling, and either offer the correct self-service option, or proactively communicate the required solution before they even call.

## PREDICTIVE ANALYTICS

Predictive analytics is a branch of analysis that looks at the nature and characteristics of past interactions, either with a specific customer or more widely, in order to identify indicators about the nature of a current interaction so as to make recommendations in real-time about how to handle the customer. AI drives predictive analytics to enable an instantaneous gathering and assessment of data from multiple sources to occur even before the call has been routed, which allows accurate prioritisation and delivery of the call.

For example, an AI working in an airline contact centre may judge a call to be urgent if the caller:

- Has booked a flight for this day
- Rarely calls the contact centre, preferring to use self-service
- Is a frequent flier
- Is calling from a mobile phone rather than a landline
- Shares a similar profile with other customers who only tend to call for very urgent reasons.

In such a case, the AI may consider that there is a likelihood that the call is directly related to the flight that is happening today (e.g. there's a danger of missing the flight and the customer may need to rebook), and is able to move the call to the front of the queue and route it to an agent experienced in changing flights, and whose communication style suits the situation and customer profile.

Taking this a step further, the AI is able to augment the conversation with suggestions based upon what the agent is doing on the screen and also, through listening to the details of the conversation, is able to provide relevant information without the need for the agent to search for it, such as the next flight to the customer's proposed destination or the refund / transfer options. At the end of the call, the AI can then email or text the agreed solution to the customer without the agent having to do this manually.

Using predictive analytics, a business can retrospectively analyse interactions in order to identify where customers have defected from the company or not renewed their contract. Typical indicators may include use of the words "unhappy" or "dissatisfied"; customers may have a larger-than-usual volume of calls into the contact centre; use multiple channels in a very short space of time (if they grow impatient with one channel, customers may use another); and mention competitors' names. After analysing this, and applying it to the customer base, a "propensity to defect" score may be placed against each customer, identifying those customers most at risk. Specific routing and scripting strategies may be put in place so that when the customer next calls, the chances of a high-quality customer experience using a top agent are greater and effective retention strategies are applied.

A branch of predictive analytics – predictive behavioural routing – uses insights gathered from historical calls and the analysis of customer communication types in order to choose the agent whose skills and characteristics are most likely to achieve a positive response from the next caller in the queue.

Predictive behavioural routing uses millions of algorithms to decode the language used by agents and customers, in order to understand their state of mind, personality, communication style, engagement levels, empathy and transactional attributes (such as ability to overcome objections, willingness to sell, success rates, the number of times that supervisor assistance is required, etc.). Through analysing historical interactions, each customer can be matched against a specific personality style. When this customer calls again, they are identified through the IVR or the dialling number, and the call is then routed through to an agent whose performance when interacting with this specific personality type has been seen to be positive. This increase in empathy and the matching of communication styles has seen these matched agent-customer pairings get significantly higher sales closure rates and better customer satisfaction scores.

Predictive behavioural routing has its roots in communication-based psychological models for assessing personality type and identifying behavioural characteristics.  One vendor's solution, for instance, is based upon a personality model developed in the 1970's to assist NASA with astronaut selection; the premise of this model is that individual personality type can be derived from a person's use of language. By understanding the type of customer, calls can be routed to agents who are best at handling the caller. Agents who are skilled at handling many types of callers' personality styles can be saved for callers whose character type is unknown, perhaps as this is the first time that they have called.

By tracking agent performance across various personality types, information can be fed into the performance management process to help that agent improve, and agent capabilities are regularly reassessed to promote optimal routing.

Once the customer has been identified and the call has been routed to the agent, greater personalisation of the interaction becomes possible. Agents need relevant information about the customer and the issue they wish resolving to be available at a glance, without having to search manually for it, or keep the customer waiting while they try to understand the situation.

Integrated desktop solutions can remove the need for agents to log into multiple applications, assist them with the navigation between applications within the call, and make sure that customer data is gathered from the correct places and written consistently back to any relevant databases without the need to navigate through multiple systems. This not only increases speed and accuracy, but allows the agent to concentrate on the customer, and on any alerts or suggestions that the desktop application is making about where to take the conversation next.

**Figure 49: Personalised customer information available to the agent**



Surprisingly, only 47% of contact centres report that the agent even has a full view of the customer history, including any non-voice interactions, and few respondents state that their agents are provided with hints and tips on how the customer prefers to be addressed or their style of conversation, meaning at best that callers receive the same standard form of address.

## CUSTOMER JOURNEY ANALYTICS

Driven by the need to get beyond the siloed nature of multichannel interactions, customer journey analytics aims to gather together the various data sources, triggered processes, and customer touch points involved the customer interaction in order to optimise the overall customer journey. By fully understanding the customer experience, businesses can identify and rectify inefficiencies, helping to break down the boundaries between channels and between the front office and the back office.

Customer journey analytics goes beyond the measurement of individual interactions and touchpoints. Sophisticated analytics solutions use data inputs from multiple sources, both structured and unstructured, in association with journey maps, which are produced by employees in multiple roles within the organisation who document how various processes currently work and how they could be optimised.

In the past few years, a widespread realisation amongst businesses that the complexity of the customer journey has increased in line with the number of new devices and channels available to customers to communicate with the business has led to the initiation of customer journey projects, backed by new management positions coming under the wider 'Customer Experience' banner.

This is particularly the case in larger contact centre operations, where businesses are increasingly looking at the effectiveness of back office processes that can impact upon whether the customer has to contact the business multiple times.

Customer effort and engagement is very dependent upon effectiveness by which channels work together, as well as the level of first-time contact resolution. Proactively engaging the customer at the appropriate time within the customer journey has an opportunity to reduce the effort required for the customer to fulfil their interaction completely. As part of a wider omnichannel engagement, businesses must seek to understand how and why customers prefer to engage with them, optimising the flow of information throughout any connected processes and channels so that the organisation becomes easy to do business with.

Respondents using a customer journey project reported generally positive outcomes. 57% either disagreed or strongly disagreed that the contact centre does not have the influence to change the area that is causing the problems.

Although only 22% of respondents state that they do not fully understand where in the wider business things are breaking down, 41% find that they have difficulty in following and understanding the customer journey across departments, with 33% struggling to follow it across channels.

**Figure 50: Customer journey projects: an assessment**



Customer journey projects: an assessment

| | Strongly agree | Agree | Neutral | Disagree | Strongly disagree | Don't know / NA |
|---|---|---|---|---|---|---|
| The improvements we have identified would be very disruptive to current business practices | 2% | 12% | 20% | 53% | 8% | 6% |
| We do not fully understand where in the wider business things are breaking down | 4% | 18% | 8% | 45% | 22% | 4% |
| The contact centre does not have the influence to change the area that is causing the problems | 8% | 24% | 10% | 37% | 20% | 2% |
| We have difficulty in following & understanding the customer journey fully across contact channels | 8% | 25% | 14% | 39% | 10% | 4% |
| We have difficulty in following & understanding the customer journey end-to-end (i.e. across departments) | 12% | 29% | 14% | 24% | 18% | 4% |

For more information on customer personalisation and customer journey analytics, please see "The Inner Circle Guide to Customer Engagement & Personalisation" and "The Inner Circle Guide to the Voice of the Customer", available for free download from www.contactbabel.com.

## OMNICHANNEL ANALYTICS

There is an increasing requirement for omnichannel analytics, including email, text chat, IVR and web browsing sessions, to get the full picture of the customer's real journey in a single interaction, in order to identify and improve any channels that failed to fulfil their requirements. Improving self-service optimisation is often a quick win that can provide immediate economic benefit to businesses: in the UK, a mean average of 13% of calls that go into an IVR system are 'zeroed-out' – rejected by the customer in favour of an operator – and in the US, a staggering 23% fail the self-service test.

Businesses using customer interaction analytics to review these failed self-service sessions will be able to categorise many of them in order to improve the processes at a macro-level. Common findings from the analysis of these calls is that the IVR system was poorly worded, menu choices were not intuitive, or did not match current service choices. Other failures occur through mistakes in IVR routing, and there may also be problems with a lack of customer awareness that various activities can be carried out by self-service.

Integrating desktop data analytics into speech analytics allows businesses to tag valuable data automatically – such as account ID, product name and order value – from CRM, helpdesk and other servicing applications to recorded interactions. This additional desktop data can be used to enhance automated classification, which allows more targeted and efficient analysis centred on key business issues, such as customer churn, differences in call handling patterns between employees, frequency of holds/transfers associated with order cancellations and upselling and cross-selling success rates. The use of desktop data analytics also allows the business to view the agent's desktop activity (for example, are they spending too much time in particular applications, are they navigating the screens efficiently, etc.), and to understand how much time is being spent in each section of the call.

The next step is to get rid of the silos between channels, allowing the customer to be identified at the beginning of their journey, and for the business to be able to analyse the efficiency and effectiveness at each stage, whether mobile app, website, self-service application or live call. The end goal is for businesses to understand where customers make their choice, where they drop out, and where the profit is within the multiple processes along the customer journey.

Longer-term, future customer contact is likely to become along polarised lines: for everyday, mundane tasks, the customer will choose the website or mobile app for self-service, leaving the contact centre to deal with those interactions which are complex or emotive for the customer (as well as there being demographics for whom the contact centre will continue to be primary). With the website becoming the first port-of-call for many customers, the analysis and understanding of the success (or otherwise) of pre-call web activity is a valuable source of knowledge about how effective the main portal to the business is being, as well as being able to give businesses greater insight into why people are calling.

Manually analysing thousands of web sessions and linking them with specific customers and their phone calls is impossible, so there is a great potential for omnichannel analysis. Adding in relatively minor channels such as social media, web chat, SMS and email will make the mix more complex, and more potentially suitable for analysis. It is also certainly worth mentioning that some solutions also analyse the customer's pre-call use of self-service via IVR, providing the agent with a background on the caller's recent experience and offering the chance to improve self-service process failures.

Including social media, email and text chat into the analytics equation is increasingly important, and while many vendors have multichannel/omnichannel analytics within their overall customer contact analytics solution, this functionality is not yet used to anywhere near the same extent as speech analytics.

This lack of uptake may have many reasons:

- the social media channel is often the responsibility of the marketing function within a business, whereas customer contact analytics - being focused on speech at the moment - is usually under the remit of the customer contact operation, meaning that harmonious, integrated analysis across channels is that much more difficult

- for most businesses, interaction volumes for email, chat, social media and other non-voice channels are far lower than for speech, so consequently there has been less urgency in analysing these

- there may not be a single unified view of the customers' interactions across channels, as is the case in a siloed operation

- it can be more difficult to identify customer in non-voice channels such as text chat or casual web browsing, so the depth of insight available may be that much less.

Perhaps the most obvious potential contact centre use of AI-enabled text analytics is in handling digital enquiries, where web chats generally take far longer than phone calls (due to agent multitasking, and typing time) and some email response rates can still be measured in days. As the cost of web chat is broadly similar to other channels such as email, voice and social media, there is considerable room for increasing efficiencies and lowering costs. Real-time text analytics can be used to assist agents when answering emails or handling web chats, or to identify customers at risk based on feedback comments they have left, initiating an action aimed at alleviating their problem immediately.

Most large companies will have formal customer satisfaction and feedback programmes, and also will monitor third-parties such as TripAdvisor or Yelp, which provide structured data in the form of scores, and efforts should be made to identify the most important data sources. Text analytics helps to dig deeper into the actual unstructured comments left by customers, which are otherwise very difficult and time-consuming to categorise and act upon, especially where there are many thousands of comments. Industry-specific vocabularies can be used to identify and understand more of the relevant comments, and place them into the correct context. Solutions should also be more sophisticated than simply to identify key words or phrases: the sentiment of the whole comment should be considered (for example, "loud music" in a shop may be exciting to one customer, but irritating to another). Many comments are mixed-sentiment, and may also mix a 5-star review with some more critical comments, which the analytics solution will have to take into account: the comments are where the real value is found, with both positive and negative insights available to be understood.

There will come a time when all data generated within a business will be able to be cross-correlated to provide insights not only to the customer contact department but also to parties such as marketing, operations and finance, so they have greater insight about issues such as price elasticity and revenue maximisation. The ability to prove to senior management that the actions and insight held within the contact centre has a distinct and measurable impact on the entire company – and as such is not simply a cost centre - is likely to improve its visibility and credibility which should help to create a long-term holistic view and assist further investment.

The 'tell-me-why' and discovery modes of customer contact analytics will improve over time as better accuracy and more powerful processing provides richer and more joined-up data for analysis, and the inclusion of non-voice channels show the full picture of customer contact and its intent. There will also be major efforts to link analytics to proving profitability, including identifying "moments of truth" (points at which buying decisions are made, and long-term loyalty can be won or lost), and being able to predict and manage customer churn.

## PERSONALISING THE MOBILE CUSTOMER

A personalised approach can also leverage the information that mobile and especially smartphone devices can provide, assuming that privacy regulations allow. On moving from self-service to assisted service, mobile service applications should gather the browsing history, customer information and the context of the session in order to pass this to a live agent. Smartphones are enabled with GPS tracking, so businesses should look to use this capability to deliver better customer experiences where possible. In fact, the inherent capabilities of the mobile device offer businesses huge opportunities to impress their customers, including location-specific information, such as local broadband outages, or the ability to use photo-taking functionality on the phone to provide the agent with a clearer picture of the situation (which may be particularly useful for insurance claims, for example).

SMS and outbound calling also offer opportunities for businesses to deliver proactive customer service through the mobile channel, creating a positive attitude. Furthermore, location-specific device information also allows businesses to deliver timely service and relevant marketing messages which can be positives for the customer at that specific place and time.

Solution providers are keen to offer technology that ties in the mobile channel more tightly with the existing voice and data customer support channels, providing a single integrated user experience regardless of initial channel choice and any cross-channel movement by the customer. One of the key ways to do this is to offer live agent support more easily (for example, through clicking an icon within an app), which provides a context-relevant, geographically supported and personalised customer experience. The movement between self-service and live service is currently very difficult for many customers – it is certainly not seamless – and actually may involve abandoning the mobile channel entirely in order to start afresh with another channel. As the customer has chosen originally to use a mobile channel, even a successful outcome with another channel will risk leaving the customer dissatisfied with the company, and less likely to use the mobile channel in future. There is also the danger that because the organisation is unaware that a failed mobile session has been the root cause of a live contact, it will underestimate the reality of cross-channel interaction failures.

Contextual data provide a great opportunity for businesses to deliver timely personalised service in a cost-effective and profitable manner. The nature of mobile devices means that businesses potentially have the opportunity to know more about their customers and their specific requirements and preferences than ever before.

This includes:

- Customer identity: once the customer has identified themselves, such as by logging on, or through the mobile phone number, this allows the agent to access their existing customer history in the same way that would be done so on a phone call into the contact centre.

- Geographical information: smartphones are GPS-enabled, allowing agents to see where customers are, and to direct them to the nearest shop, for example.

- Historical activity: if the customer has been browsing a mobile website or app beforehand, the information that the customer browsed previously may be useful for the contact centre

agent to have to hand, in order to see and understand what the customer has already tried to do.

- Stored data: the mobile device may have data stored that identifies the customer, such as account number, that can speed up the interaction and make it more effective.

- Collected information: the mobile device may also be used to capture and share information with the business such as photographs or videos. It may be possible to automate a two-way interaction: for example, a customer may use their mobile phone to scan a QR (quick response) code on a product. Using the information on the code, as well as the customer's input into the app about what they are trying to do, the customer may be directed to the correct place within business's self-service function in order to solve the issue that they have. This can take the contact centre out of the equation altogether, resulting in reduced costs for the business and a quicker and more effective customer experience.

The imminent widespread rollout of 5G will make the smartphone an even more powerful device, and we can expect that the high bandwidth available will encourage businesses to offer both real-time and recorded video as part of their customer communication mix.

The future of mobile customer contact is also likely to include the use of micro-apps, which work by the customer clicking on a link that has been sent to them which opens up what looks like a company-branded app, but does not require the customer to visit an app store, search for the right app, download it, login and navigate to the right place. This will have a significant positive effect on customer effort and will also provide the business with opportunities for personalisation as they will be able to send the customer exactly what they need and what the business wants them to see. It will also not require the customer to clog up their phone with dozens or even hundreds of apps which are difficult to find and may be rarely used in any case.

- The overall omnichannel strategy should be clearly explained, and broken down into achievable aims and goals

- Anything that does not lead directly to implementing the strategy should be side-lined

- Align KPIs with what you want to achieve. If some traditional customer metrics don't support the strategy, don't be afraid to lose them

- The executive sponsor should have authority across departments, and have the ability to break down silos

- Talk to customers and understand what is broken, what works well and what they value most

- Customer journey analytics can identify processes that can be redesigned if they are wasteful, broken or inefficient. Remember to include back-office processes, fulfilment and third-parties if the customer journey uses these

- Have visibility and measurement along the customer journey, not just for individual channels

- Use analytics tools for text and desktop applications, as well as voice

- Identify the agent skills needed and those which are currently present: train and recruit accordingly

- Use an interaction platform capable of routing and handling multiple channels and cross-channel interactions with a single set of business and routing rules

- The platform should preserve context and history across channels, with no need for the customer to repeat their issue

- Connect the customer with the right agent: workforce management should be for all channels, not just voice, and have the capability to include knowledge workers and the back office if necessary

- Agents should have access to a single up-to-date knowledge base and a unified desktop application with all relevant applications and data

- Consistency across databases should happen automatically in real-time without the need for manual intervention or duplication

- Use closed-loop performance management – use regular assessments, measure process improvements, skills gaps etc.: omnichannel is an ongoing process.

END-USER QUESTION #4:

IS THERE ANYTHING THAT SUCCESSFUL OMNICHANNEL IMPLEMENTATIONS / PROJECTS HAVE IN COMMON? ANY PITFALLS TO AVOID?

**Pitfall 1: Not considering the customer needs and expectations.** Every successful omnichannel implementation we observed was based on the realisation that there was a customer need for the channel that was either openly communicated or latent but needed to be addressed. For example, detecting the keyword "text" in phone calls by using customer analytics helped a leading worldwide marketer and supplier of premium branded automotive lubricants and services discover that a switch from Email to the SMS channel would greatly benefit the coupon program in their contact centre. Ever since the change, the coupon program has been extremely successful. To be successful with your implementations, make sure you understand how your customers want to interact. Not all channels are created equal, and sometimes enabling agents to add or switch channels without losing context is much better than forcing an interaction into a channel that is not the best option for the customer's issue anymore. That being said, don't "hide" a new channel (or channels); rather, when applicable, direct consumers to them as the best option to resolve their issue. For example, one of our customers directed consumers to digital channels in their IVR, another one published average wait time for different channels on their website, enabling consumers to make an educated choice.

**Pitfall 2: Ignoring that CX impacts the full business.** The contact centre is the beating heart of CX, which has become a full business imperative and primary reason why 85% of CEOs accelerated digital transformation during 2020 ([Deloitte](#)). Where many companies fail is addressing technology without also transforming the people, processes and systems that touch it. Often, it is silos that cause breakdowns and moments of friction in the customer journey. That said, the solve for omnichannel friction starts with upfront cross-functional collaboration and careful change management planning.

**Pitfall 3: Not considering how implementing omnichannel could impact your existing people and processes.** The KPIs you measure for digital channels will likely vary from voice. For instance, first contact resolution becomes more important than time to resolve and evaluating customer satisfaction metrics like effort and sentiment can help you understand channel success. Incorporating new and/or automating digital and self-service channels can increase the complexity of interactions making agent interpersonal skills (like empathy, critical thinking and communication) more critical. It also means customers are no longer reaching out to agents for break-fix support issues, and agents become the key focal point for sales, marketing and even fulfilment efforts. Their role expands with larger impact on customer interactions and experience. When planning for omnichannel, consider the agent experience, tools and training—their experience should be as seamless and effortless as the customer experience.

**Pitfall 4: Hacking together technology.** Keep in mind, that it might seem less costly to try to fix technology in place. But this approach results in a more costly, disjointed and high-effort CX that won't return on investment.

Businesses' interactions with customers are becoming a highly polarised mixture of the automated and the personalised. Moving a large proportion of interactions onto self-service works for businesses, and is increasingly popular with a customer base that is becoming more sophisticated and demanding in what it expects from self-service.

A greater understanding of the customer journey and experience will lead organisations to appreciate the customer's perspective more fully. Making existing channels more user-friendly, for example through adding videos to websites or implementing visual IVR , will help to evolve the customer experience without making them retreat to more familiar forms of communication which may not be as cost-effective for the business.

Analysis and prediction of customer actions will support proactive outbound customer contact, answering a customer's query before they have even initiated an inbound interaction.

The future will likely see greater transparency of an organisation's systems, sharing information from a single knowledge base and master customer record with any relevant employee, and making much of this available to the customer as well. Some organisations may also share their customer interaction performance with customers, making the wait times per channel available and allowing customers to take control of how they communicate with the business.

In the longer-term, there's no doubt that AI will be used as a key part of handling customer interactions in most businesses, but the question is: how? The use of AI should be focused on use cases where the AI does a better job than a human, whether that's being quicker, more accurate, available 24/7 or able to see patterns in data that no person could see.

We can also expect to see personal technology applications seeking out the best deals on offer, or interacting with a business on behalf of customers without involving the customer at all. This leads to the conclusion that many customer-agent interactions will be exceptional, such as a complaint, an urgent or complex issue or a technical query that an FAQ or customer community couldn't solve. It is also likely that whole segments of the customer base who don't want automation at all will be handled directly by live agents in many cases.

Many self-service scenarios suggest a world in which customers speak directly to 'intelligent' systems, but an e2e world is becoming real, where systems talk directly to other systems without a human being involved at all. The customer will delegate many of their business interactions to an intelligent device, which will store information such as personal preferences, financial details and individuals' physical profiles. Customers will instruct the device to research the best deals for products and services, and to come back to the device's owner with the best selection. The personal AI would 'call' the relevant contact centre (which could in fact be either a AI or possibly a live agent in some cases) and even purchase the best deal without having to involve the owner in any way.

The same principle applies to customer service: using the 'Internet of things' means that, for example, utilities meters send their own readings to suppliers on request, and a manufacturer can detect when a part on an appliance is about to fail, and organise a replacement part and engineer visit with the customer's permission.

Having said all that, our consumer surveys show that there is still a preference for human contact, even if the effort and result with the same as using automation. As time progresses and confidence in self-service continues to increase, there is likely to be a movement towards accepting automation for a considerable proportion of interactions. In the meantime, businesses pursuing an omnichannel strategy should always remain aware that telephony is still the largest channel and is likely to remain so for the foreseeable future.

END-USER QUESTION #5:

HOW DO YOU BELIEVE CUSTOMERS WILL BE COMMUNICATING WITH BUSINESSES IN 5 YEARS' TIME?

**1. Digital-first** – Your company doesn't have one front door for customer experience—you have more than 30 primarily digital channels and counting. Digital channel growth will continue, however simply offering the channels is not enough. Within digital channels, there's a few trends emerging:

- Voice will not suddenly disappear entirely, but voice interactions will likely decrease since GenY and GenZ, even many GenXers consider it the "last resort" of communication channels.

- There's increasing popularity and focus on messaging services, like WhatsApp, Apple Business and WeChat.

- Social channels wax and wane faster than traditional channels; it is likely that some will be less popular than they are today, others may be more popular. Contact centres should prepare for the need to switch channels quickly and easily.

- Digital interactions will become richer; this may mean adding more visuals, images, video etc.

- **2. "Phygital experience"** – Customers are more digital, but don't see themselves as "digital customers." In the next five years, physical channels should be given the same attention as digital. "Phygital experience" refers to integrating offline and online characteristics into an elevated experience addressing desire for both instant gratification and human, personalised touch. For instance, buying online and picking up in the store or contactless pay.

- **3. Self-service** – The customer journey begins with self-service and search. Customers have been increasingly showing preference for self-service, and we predict this trend will continue. It is likely there will be more self-service with AI-powered bots and Virtual Assistants for live chat, messaging and mobile apps; at the same time, what is considered an interaction will expand to earlier in the customer experience, like with search. Contact centres can influence and control the search experience by optimising support content on their digital properties (e.g. websites, chatbots and mobile apps). An AI-powered, centralised, public-facing support article repository, or knowledge base, in concert with an intelligent virtual agent accessible 24/7 will address their preferences.

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