

The Future of Customer Experience

4 Key Imperatives for Success

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A Frost & Sullivan Analyst Perspective

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Customer Experience Today

Recent analysis and conversations with a diverse range of business leaders in B2B and B2C enterprises have provided valuable insights on a variety of customer experience issues. Digital transformation has resulted in a wide range of technologies creating tangible impacts, ranging from investing in interactive voice response (IVR) for the first time to implementing chatbots.

While some contact centers have not implemented an IVR system, it is clear that chat will be a significant investment over the next few years. We have all been stuck in IVR jail—many companies mistakenly use it to deflect calls from agents. Some fear chatbots will be used in the same way. Thought leaders and attendees at a recent Frost & Sullivan Customer Contact MindXchange agreed it is not an appropriate use of chatbots. As soon as customers feel the slightest stress from dealing with automation, they should be connected with the next available agent.

Analytics is often cited as a key requirement in contact centers across industries. From analyzing customer interactions to contact center processes and employee training, analytics will play an increasingly important role in the future of contact centers. This insight focuses on speech analytics.

Many customer experience executives try to find the right balance between proactively investing in technologies and reactively buying solutions. A major concern is spending too much money on technologies that agents

or customers are not ready for and will not use. In a session at our 14th Annual Customer Contact East, Terry Blankenship, Associate Vice President, Contact Center Solutions, The General auto insurer, said, “Never be afraid of change; embrace change! Fear of change can make you stand still.”

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Terry Blankenship, AVP Business Process Excellence at The General, part of American Family Insurance

However, it is important to take stock of your company’s channel strengths; ensure that this channel will not be negatively impacted by new investments or process changes. If you proactively look at your strengths and invest in areas that need to improve, rather than react to the fear of missing out on the latest technologies, you are likely to find the right balance and optimize your contact center operations.

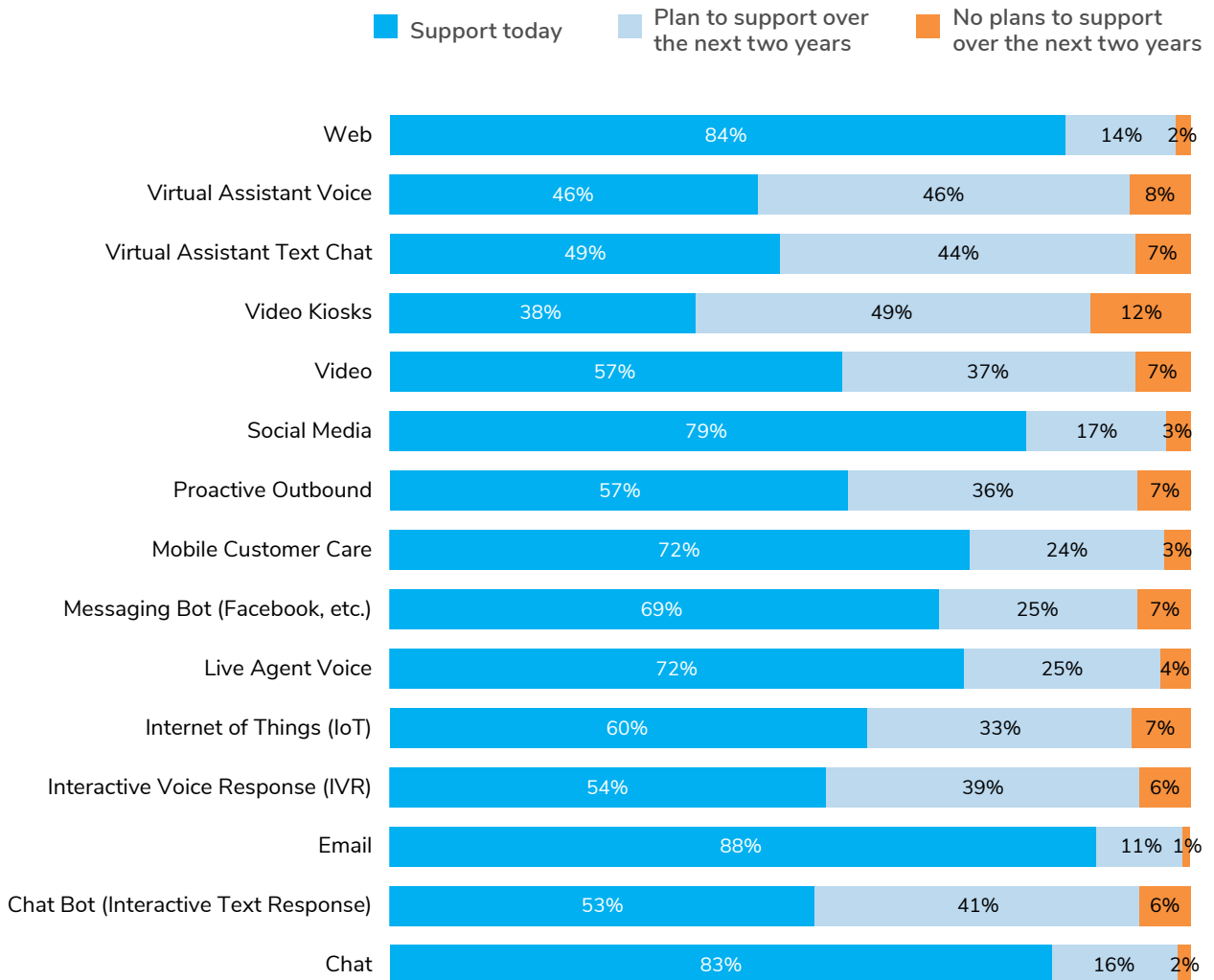
Following are keys to success from customer experience executives as well as technology investment trends gathered from our research and analysis.

1

AUGMENT WITH TECHNOLOGIES

Frost & Sullivan’s recent global study, [End User Priorities for Customer Care](#), provided intriguing insight into what companies across sectors will be investing in over the next few years. Video kiosks stood out in our research when survey respondents were asked about supporting interaction channels. They have also come up in many conversations as an option in specific industries where video adds value to the customer’s experience. However, survey results and our interactions show chatbots, along with virtual assistant voice and text chat, are top choices for technology investment over the next few years.

Interaction Channels—Current and Future Plans



Artificial Intelligence

There are many questions about artificial intelligence (AI): **How can it be implemented? When should it be deployed? Where will it help drive revenue or reduce costs? Why is it important to think about a strategy now?** Chatbots and virtual assistant are fitting applications for artificial intelligence.

Artificial intelligence's ability to continually learn from new data and re-analyze outcomes is crucial. This is what sets it apart from existing analytics solutions. The fact that it can recognize patterns, compare and contrast information, and predict future outcomes is beneficial for companies that want to provide tailored customer service. Consumers and businesses have high expectations of the purchases they make; they want a customized experience. When they are not happy, they will quickly get the message out in social media, which can be detrimental.

Some fear that AI will take over the world or at least replace the job force. History has

shown that with every automation revolution, more jobs are created. It is likely that history will repeat itself; the change will be in how people work, not if they will work. Nicola Millard, Head of Customer Insight & Futures, BT Global Services Innovation Team, ran a session, Botman vs Super Agents—Rise of the Future of CC, at our 14th Annual Customer Contact East. She said, “Artificial intelligence should be renamed augmented intelligence.” She asserts that robots do not have the dexterity of humans and artificial intelligence cannot read emotions or understand sarcasm. Factors such as recognizing emotion or understanding colloquialisms can also make them dysfunctional. In time, AI technologies will learn these differences.

AI will be used to augment our knowledge — we will be able to assess issues more quickly and better predict future outcomes. Humans cannot process vast amounts of data quickly, but they can understand the nuances of the analytics they receive.

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Nicola Millard, Head of Customer Insight & Futures, BT Global Services Innovation Team

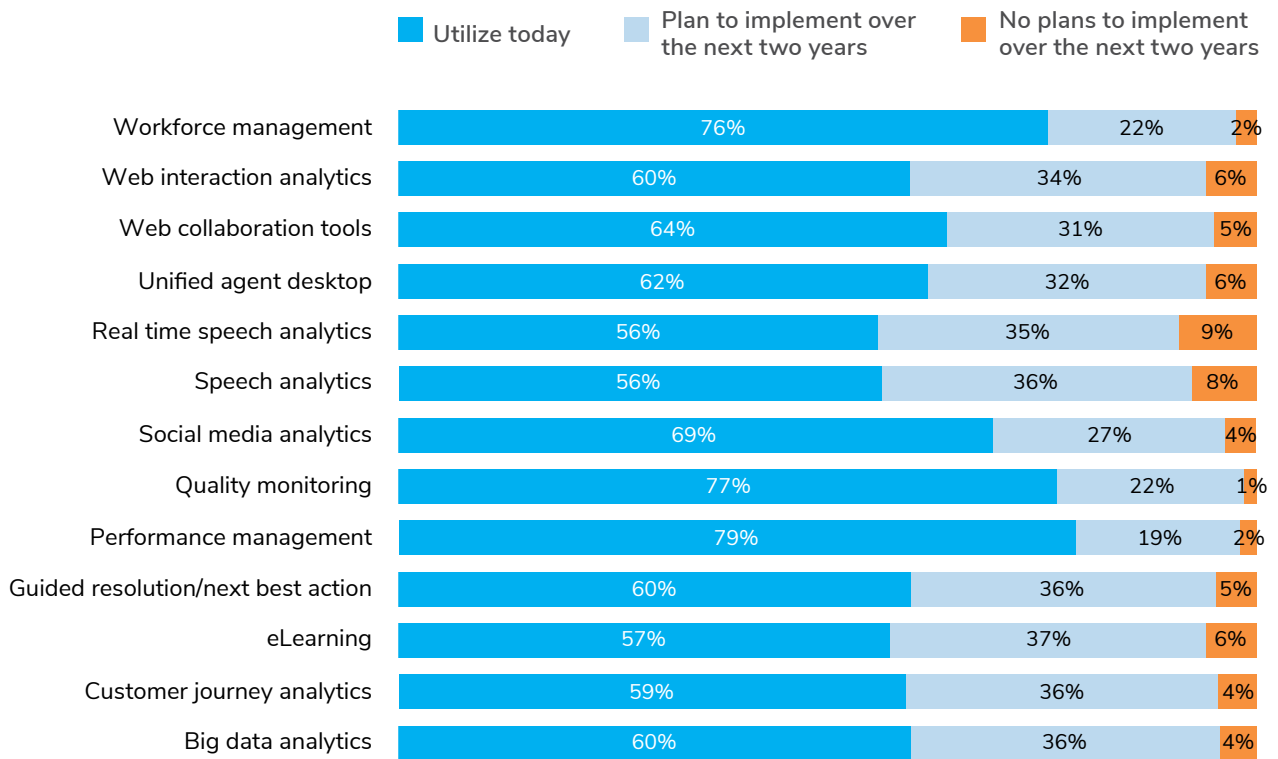
Speech Analytics

Frost & Sullivan research finds that contact centers are investing in a wide variety of analytics tools.

In a Customer Contact East breakout session, Jon Fischer, Strategic Director, WFO at Aspect, covered speech analytics extensively. Speech analytics benefits include its ability to check against compliance, decrease onboarding costs, reduce silent time with customers and ease agent stress. However, the positive customer feedback that can be mined from the vast amount of customer

data can be valuable in multiple ways. Most customer feedback is usually negative; customers generally do not spend time relaying positive experiences to the companies from which they buy. This solution allows companies to extract affirmative data. They can then share what “they’re doing right” with customer contact employees (and possibly reward them) as well as with Sales, R&D and Product Management departments to impact their pipelines.

Contact Centers and Applications Usage



Chatbot

A chatbot is an automated person who handles the easier parts of a question or collects information. The next level of sophistication in chatbots is machine learning sentiment detector and knowledge management.

Chatbots can provide an effortless and augmented customer experience with much more advanced self-service and can help companies manage hypergrowth. They can also create upselling and cross-selling opportunities using data about the customer; for example, if they looked at a product four times, the level of interest could be incorporated in the customer profile. Research that Fischer cited indicated that most people are satisfied with chatbot interactions and most interactions will be via chatbots by 2020.

There are several effective uses for chatbots:

- They can eliminate language barriers.
- They can find where an order is in the distribution process (WIZMO—Where is my order?).
- They can provide information from the FAQ (frequently asked questions) page.

If properly implemented, customer service effort can be minimized and agent production improved. The key is to create and monitor thresholds that are feasible for the company and help meet corporate goals.

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2 HAPPY AGENTS = HAPPY CUSTOMERS

Creating an environment where agents feel empowered, enthusiastic, and engaged is crucial. All three are important elements in sustaining an effective workforce.

The Safelite Group, an industry leader in auto glass replacement, is seeking to transform its business by acting like a start-up business. Safelite is focused on improving its customers' experience through an "obsessive focus on talented and engaged people who deliver extraordinary results," said Renee Cacchillo, Senior Vice President, Customer, Brand and Technology at Safelite.

Change management is difficult, and changes are often not sustainable. Thus, Safelite has created a culture of increased urgency to enable short-term wins. When employees see wins, they are more likely to embrace change.

In 2016, the company designed an innovation lab to build curiosity and an environment where employees can feel comfortable trying new approaches. This gave employees a sense of excitement and purpose, and more ownership of projects.

DHL, a global leader in logistics, is creating a culture of innovation and empowerment, executing on lessons learned, and making employees happy to ensure they are forming a positive connection with customers. Digital transformation must:

- Have a shared vision to ensure that everyone has the same goals.
- Motivate employees to embrace new solutions.

- Be supported and managed to assure acceptance and usage.

Becky Ayotte, Head of Solution Consulting, Tender Management and Project Coordination Americas at DHL, said, "Employees are often forgotten when making changes to technology." Engaging employees throughout the process, ensuring that technologies will actually improve performance and results, and supporting them through the transformation and long after are all critical for a successful digital transformation.

Chris Cheng, Head of Customer Success—Caviar, Square's restaurant delivery app, said, "The key qualities to look for when hiring are diversity of people." The future of innovation depends on diversity in the workforce as well as the board. The faces of executive management must change for new ideas to emerge. Also important is the fact that buyers across many industries are diverse. For innovative ideas to be executed, the executive staff must learn to be more receptive to different ideas.

How can a contact center optimize automation, customer care, and employee happiness? Satisfying everyone is a challenging task.

Automation can be crucial to a company's survival. But how much does your company want to contain in self-service using chatbots? Creating an algorithm that can read sentiments and forward them to agents immediately when customers begin to show dissatisfaction can be one measure to prevent leaving customers in chatbot jail.

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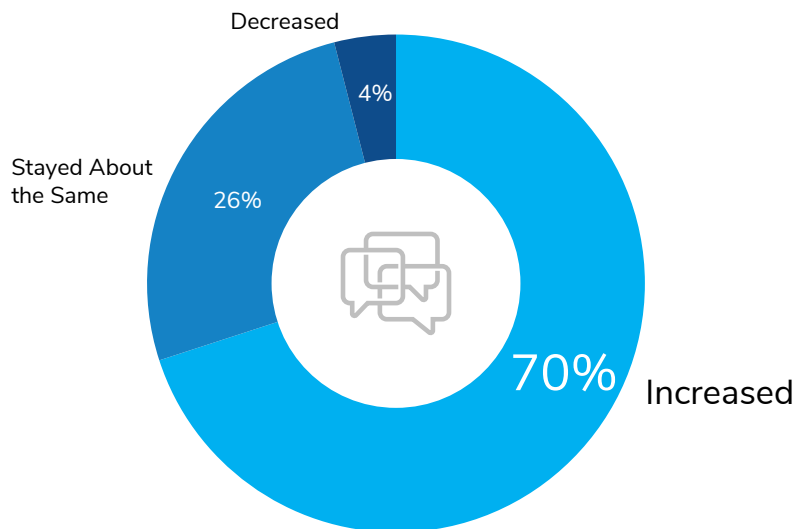
The two charts below show that the number of calls handled and average call times are increasing not decreasing.

The calls that reach agents are likely to be more complex and interesting for agents to handle. However, do agents really want all the easy questions to be answered through automation so that they are only left with the difficult ones—for eight long hours? Constantly handling complex calls can be exhausting and lead to agent unhappiness.

Depending on the industry, or company culture, it is important to consider a way to deliver a variety of calls to agents.

Speech analytics can be much more effective in understanding how well an agent is performing since the solution provides 100% of the information rather than just from a few randomly selected calls. In other words, an agent that normally performs exceedingly well on 99.9% of calls may be incorrectly perceived

Voice Calls



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Chris Cheng, Head of Customer Success—Caviar, Square



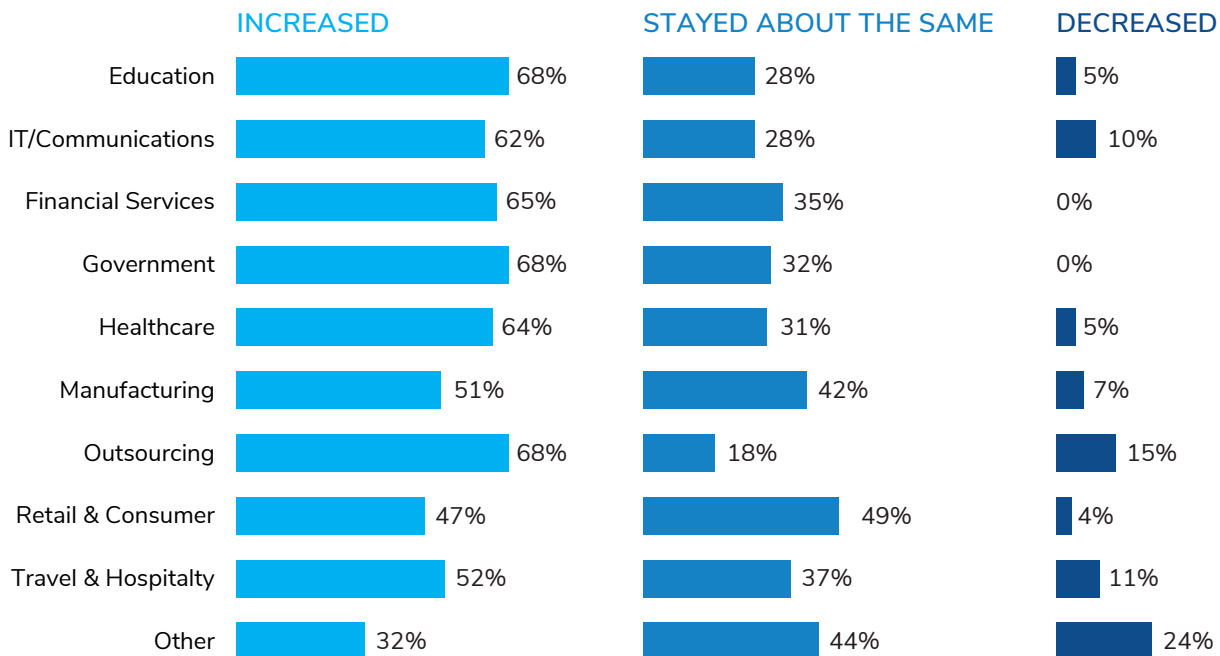
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as a poor agent if the one “bad” call was randomly selected.

What about improving customer satisfaction? As customers become more demanding and the myriad ways they can reach your company grows, a host of ever-changing challenges emerge. Omnichannel solutions will help solve many issues. What if you increase average call times to improve relationships? This could be a win-win for all. Augment with technology,

but allow for calls that reach agents to be used to **1) satisfy customers to retain them since acquiring new ones is costly, 2) upsell and cross-sell with the customized data now available, and 3) learn more about product improvements, customer behavior, and new trends.** Another option could be to assign more agents to outbound calls for proactive customer care.

Average Talk Time Trends by Industry



3 BUILD SOLUTIONS BASED ON CUSTOMER EXPERIENCE

Caacchillo says Safelite wants to achieve extraordinary results by looking at the business “in the eye of our customers and ensuring their experience is memorable.”

Ayotte says DHL is focusing on customer experience by “living a day in the life of a customer to gain a full perspective on their engagement with our company.”

As noted above, buyers come from all walks of life. They expect customized customer care. Some people like automation—get in and get out of the contact center as quickly as possible. Other people are only comfortable

speaking with a live person. In specific industries, like healthcare or insurance, videoconferencing is an effective means of communications.

Implementation depends on a variety of factors as well. Are your customers ready for change and will they be receptive to chatbots? Are your employees capable of handling multiple contacts at one time? Do you have the processes in place to handle a much larger volume of customers? Are you able to hire the talent needed to support new technologies? There are many questions that must be answered when making purchase decisions.

4 START SMALL!

We have often heard that as contact centers invest in new technologies, they should start small. But how do you achieve the return on investment (ROI) needed to convince stakeholders that further investment in this technology is necessary? The answer is to start with a small group or one department and select champions who have bought into the technology and will use it avidly.

Ensure that company leaders understand that implementing and succeeding with new technology and approaches is difficult

and some failures are inevitable on the path to success. Through trial and error, each company will find the right mix of technologies that supports their growth. Deploy positive economics of action—take a small step to embrace technology. “If it works, a door is opened that might positively impact your company. If it does not work, it’s a learning experience,” Blankenship said. Reduce the risk of failure by immersing yourself in critical thinking with others to avoid blind spots. Most importantly, pilots should be part of the business plan.

The Last Word

An environment where failing is okay is crucial when implementing a digital transformation strategy. Otherwise, your organization risks

losing to companies that have innovated with technology to offer a better experience to customers and employees.

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