# Customer Experience

## For **dummies**®

A Wiley Brand

Evaluate your existing strategy

—

Provide an optimal customer experience (CX)

—

Avoid the pitfalls of an outdated approach

**Sheila McGee-Smith**

**2nd Mitel Special Edition**

# Customer Experience

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by Sheila McGee-Smith

for
dummies®

A Wiley Brand

# Customer Experience For Dummies®, 2nd Mitel Special Edition

## Publisher's Acknowledgments

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# Introduction

Organizations of all shapes and sizes know that the costs you incur to produce, market, and support your product, as well as the quality of the product you sell and how satisfied your customers are with their buying experience, affect your success. In fact, customer satisfaction has become a game-changer in the digital technology age . . . more than any other factor influencing profitability.

The way people communicate with each other has evolved, but what about the way that your business communicates with your customers? Today's consumers carry with them technologies like smartphones that enable them to connect with your organization in seconds and communicate with hundreds of their closest friends instantly. Because of these technologies, customer satisfaction can make or break your business.

To survive and profit, today's businesses need to focus on their customers. Businesses need to know and understand the customers they serve, address the methods of communication their customers prefer to use, and evaluate their businesses based on the quality of customer experience (CX) they deliver.

Are you up to the challenge?

## About This Book

If you aren't striving to listen to your customers, meet their demands, exceed their expectations, and deliver consistent, low-effort CX, you risk losing your loyal customers, your potential customers, your profits, your reputation, your employees, and even, ultimately, your business.

This book is aimed at decision makers and influencers who can drive the way your organization chooses to meet the demands of today's sophisticated customer. It's also aimed at those people who must support the decisions made about the methods you choose to offer your customers a superior experience when they interact with you.

Use the information in this book to help you understand how customer expectations have changed and how to meet the challenge presented by this evolving trend. Identify the customers who buy from you most often and examine the methods they use to communicate. Take a look at the ways you currently interact with your customers and the potential factors that prevent you from providing an outstanding CX. Finally, consider the ways that offering an outstanding CX can pay off and examine techniques you can employ to ensure success with your customers.

# Icons Used in This Book

Throughout this book, I occasionally use special icons to call attention to important information. You won't see any smiley faces winking at you, but you'll definitely want to take note! Here's what you can expect.

**REMEMBER**

This icon points out juicy tidbits that are likely to be repeatedly useful to you — so don't forget them.

**TIP**

Think of these icons as the fodder of advice columns. They offer (hopefully) wise advice or a bit more information about a topic under discussion.

**WARNING**

Danger, Will Robinson, danger! Well, okay, the information isn't really life-threatening. In this book, you see this icon when I'm trying to help you avoid mistakes that can cost money.

**TECHNICAL STUFF**

This icon explains the jargon beneath the jargon and is the stuff legends — well, nerds — are made of.

Chapter **1**

# Recognizing the Evolving Customer Experience

With the advent of the digital communication age, customers have new ways to communicate and shop that didn't exist 30 years ago. Effectively, for the customer — and therefore for your business — the world has become a much smaller place.

## Taking a Walk down Memory Lane

To understand just how things have changed with the onset of digital technology, this section examines the marketplace 25 years ago and compares it to the marketplace today.

**REMEMBER**

You could go back more than 25 years ago, but that isn't necessary to demonstrate just how much the buying and customer care experience has changed for today's consumer.

### From dialing an 800 number

Can it be just 25 years ago that catalog shopping and customer service involved finding an 800 number, picking up the phone, and connecting to a live agent? It's likely difficult for many of

today's consumers to fathom, but it was only in the 1960s that touch-tone came to telephones and another 20 or 30 years before interactive voice response systems became mainstream.

Reminiscent of the introductory sequence to the popular television show *The Big Bang Theory,* it's hard to believe that customer care's progress from the simple phone call to today's omni-channel world has happened in a single generation.

For example, the banking experience was completely different 25 years ago. Take a look at the 25-year-old telephone banking experience. If a customer wanted to know if a check had cleared, he first found and then called the bank's 800 number. The call would be answered by an interactive voice response (IVR) system, which allowed a human to interact with a computer using the tones produced by a touch-tone telephone.

The next step was to navigate through a series of menus. A typical sequence might go like this: Press 1 for consumer banking, press 2 for business banking. The next step might be to specify the state where your branch was located — press 1 for New York, press 2 for New Jersey, or press 3 for Connecticut.

Then, the IVR asked for an account number, which might be up to 20 digits long. Often mistakes were made during the sequence — the proverbial fat finger error — and the IVR instructed the customer to begin again.

Next would be a series of authentication questions: enter your personal identification number (PIN) and likely at least one other identifier as well, such as your telephone number or zip code.

This process of getting the bank's computer to understand who you were, what your account number was, and that you were who you said you were typically took up to two minutes . . . and perhaps as many as 50 taps on the telephone keypad!

Now to answering the question that the consumer has, did a specific check clear? Often the IVR system was programmed at this point to deliver a set of information based on what you *might* want to know. It might then proceed to spend a minute or two having a computer voice read your current balance, your available balance, the amounts of the last five checks that had cleared, and so on. But what if the check you were looking for wasn't one of those listed?

At this point, often the only recourse was to speak to a live person. You attempt to find your way back to the "root" menu and try listening for the choice to speak to someone. But often there was no such option because banks were using the IVR to avoid calls having to be answered by live agents.

So, consumers had to learn ways to circumvent the IVR to talk to a human when calling a business. In fact, there were articles written about it that can still be found on the Internet. Dial "0" is usually the first piece of advice. When that doesn't work, other options include dialing "*" or "#" four or more times, pressing nothing at all and waiting for a live agent, or choosing an option for "cancel my account."

After performing these steps and tricks, you finally find yourself talking to a live person at the bank. What is the first question the bank employee asks? "What is your account number?" Followed by questions to authenticate you as a bank customer — information that you've already input into the bank's IVR.

Talking to a live person, authenticated as a bank customer, the nightmare still might not have been over. If you wanted to ask a second question, perhaps about a credit card transaction, often you would be told to call a different 800 number and start the process all over again.

Before the digital age, customer experience involved a lot of time invested both by businesses and by customers, creating a lot of points in the buying and customer service experience where things could go wrong. And, the customer's experience was disconnected. And if a customer had a bad experience — like getting stuck in a loop of IVR trees — she might tell three or four people or, at most, five or six people.

My, how things have changed.

## . . . into the digital age

With the advent of the digital age, today's customers shop online. They check their healthcare test results online. They text, tweet, or use a browser to make reservations at hotels, airlines, and car rental agencies, and to purchase tickets to sporting or cultural events. They check into hotel rooms and airline flights online. They even text emojis to purchase pizza.

Today, customers handle financial transactions totally different. There's rarely any need to physically go to the bank. You can make a deposit to any bank account — checking or savings — by using your smartphone and your bank's mobile app. The app prompts you to select the account in which to deposit the money and supply the amount of the deposit. You then take photos of the front and back of each check you intend to deposit — no more deposit tickets — and you tap Send. The app connects with your bank and, in a few seconds, you see a message on your smartphone indicating that you've made a deposit. And, that message is, essentially, your receipt.

Customers can still write checks today to pay for goods or services they purchase, but most don't because of the hassles associated with providing identification. Most customers find it much easier to simply use debit cards to make a payment directly from a checking account. Or, they use credit cards to postpone payment until they receive a bill from the company.

**REMEMBER**

Even the way customers use debit and credit cards is changing; they don't need to swipe a card, sign, or enter a PIN anymore. They just tap on the machine or use their phones to charge their cards.

To pay bills from the electric company or the gas company, customers can write checks, but again, most find it simpler and easier — and cheaper, since there's no postage involved — to visit their bank's website and use the bank's online bill payment tool. Online bill payment tools enable the customer to set up vendors just once and then pay them whenever bills come due.

For the most part, banking has become self-service. When customers need cash, they can go to the bank, but they no longer need to go inside. They can, instead, use the bank's automated teller machine (ATM) to withdraw money from any account. Fewer people are involved in the transaction, and customers spend less time in line, not to mention that they also do their banking on their own schedules.

**TIP**

Customers can also make deposits at ATMs, but, why bother when using a smartphone is so much easier?

Customers can check the balances of all bank accounts by logging in to their bank's website either via a browser or using their

smartphone's mobile app. The way customers handle financial transactions has essentially eliminated the need for savings passbooks, checkbook registers, and, in most cases, even writing checks.

# The Smartphone Changes Everything

Effectively, a customer's interaction with a business today rarely occurs in person. Most contact happens through electronic means. Thirty years ago, businesses drove technological advances. But today, *consumers* are driving technological advances. They are demanding the ability to interact with your business in the way that is most convenient for them.

Further, today's consumer choices have broadened; they aren't limited to visiting the local mall to shop. Instead, using digital technology, they can shop anyplace in the world. Just think about the holiday shopping season — because of expanding mobile commerce, customers can get their shopping done at the busiest time of year without setting foot in a store or post office.

Not long ago most of us limited the use of our mobile devices to finding basic information. We reserved conducting highly personal interactions, like shopping for goods or making financial transactions, to a more "secure" location, like the local store or bank. We didn't yet trust that our devices were secure enough to enable us to safely make purchases or pay bills.

Today, many of us are confident that these issues have been resolved. We're more willing to complete the transaction on a mobile device. And, because so many of us are willing to use mobile devices to shop or bank, we're in a position to make and execute purchase decisions 24 hours a day, 7 days a week, and 365 days a year.

That kind of demand from customers puts today's businesses in the hot seat. You've always had to meet your customers' needs; now, you have to do so at an increased pace, during new hours, using new methods. While voice-based communication with customers still plays a strong role, consumers are increasingly looking to digital communication methods and demanding the

flexibility to interact with companies through the customer's preferred media.

And, because customers are no longer limited to making purchases locally or by speaking to an agent, you have to make certain that providing a positive customer experience (CX) moves up in the hierarchy of your business's priorities. In this way, your business goals will reflect the importance of customer satisfaction and help you keep existing customers and gain new ones. Because if your CX isn't keeping customers happy, you can bet they'll move to a competitor that makes it a priority.

To compete and grow your revenue, you've always had to understand who your customer is, but today, that understanding is even more important. Without sound knowledge about your customer, you can't expect to deliver an outstanding CX.

Chapter **2**

# Examining Today's Digital Customer

ecause customers' interactions with businesses have changed and evolved with the introduction of digital devices, traditional customer service measures are no longer adequate. As a result of these rapidly evolving trends, an outstanding customer experience (CX) is (or should be) top of mind for C-level executives.

Although you've always needed to know who your customers are to succeed in business, today, knowing your customers and how they want to interact is more important than ever. In addition to knowing how long a customer has been purchasing your products, you need to take a look at the countless buying methods and patterns used by today's consumers. That is, you must understand who is out there buying your goods and services and the means they tend to use to make purchases. And let's face it; today's digital economy has redefined customer service. Your customer's expectations of customer service are higher than they've ever been before. Knowing who your customers are will help you determine the best ways to communicate with them and offer outstanding service along with goods.

# How Digital Are Customers?

Today's consumer spans a variety of generations, ranging from the post-war era to today's teens (and even younger, because digital capabilities provide the means to buy without having to drive to a store). And each of these consumers prefers a different way to communicate. Because all of them are your customers, you're now facing new challenges in the ways you interact with them.

With the number of digital channels increasing every year, it is important to keep current on how communications patterns are shifting year by year. What we assume is happening may not be up to date with how people are actually choosing to communicate.

An excellent source of in-depth data on communication method usage was recently published by Ofcom, the communications regulator in the UK. A quantitative diary is used to examine communications behavior of both adults and children across a typical week, on a minute-by-minute basis. Figure 2-1 is based on data from the study, Digital Day 2016.
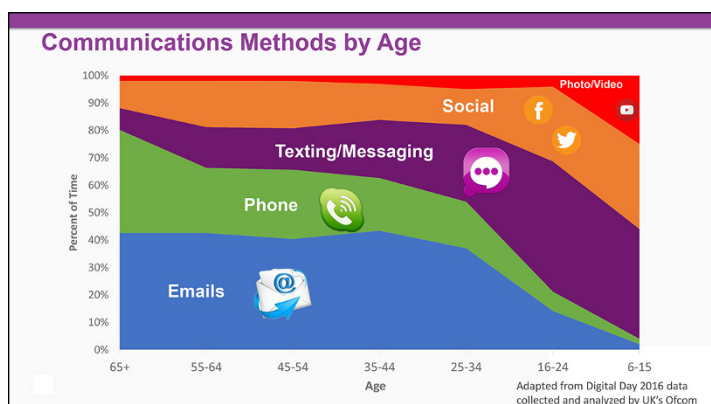


**FIGURE 2-1:** Communications method usage.

The decline in the usage of the phone by younger age groups isn't surprising. People ages 16 to 24 report using the phone for just 7 percent of their communications. The data also states that for no age group is a voice phone call the primary communication method. For those over 25 years old, email is the most-often used

communications method, and for those under 25 years old, texting and messaging are number one.

Social media is another category with implications for CX. Not surprisingly, those 24 years old and under are heavy users of social media (almost 30 percent of communications). But older age groups are also using social media for a fair amount of their communication. Even those over 65 years old report that 10 percent of their communications is via social channels.

If you wonder what's on the horizon for digital communications, take a look at the behavior of the youngest group (6- to 15-year-olds) in the Ofcom data. For them, photo and video mobile applications (think Snapchat and Facetime) account for a full 25 percent of their communications behavior.

# How Digital Do Customers Want CX to Be?

You can examine communication usage patterns and whether they're duplicated in how people choose to contact companies for customer service.

For 20 years, global systems integrator Dimension Data has published its "Global Customer Experience Benchmarking Report." The 2017 report is based on interviews with 1,300+ contact center executives. Figure 2-2 shows the results of the following survey question: "Which contact channel is most popular with the following age groups?"

The strongest conclusion drawn by Dimension Data was that the use of mobile applications has grown to become a top three choice for everyone under the age of 55.

Figure 2-2 also shows that using social media for customer care is the number one preferred channel by those under 25 years old. Social media is ranked at best as the fourth, most preferred channel by all the other age groups. For those who work in contact centers, it is also perhaps heartening to note that for those over 35 years old, the telephone remains the most preferred communications channel for support.
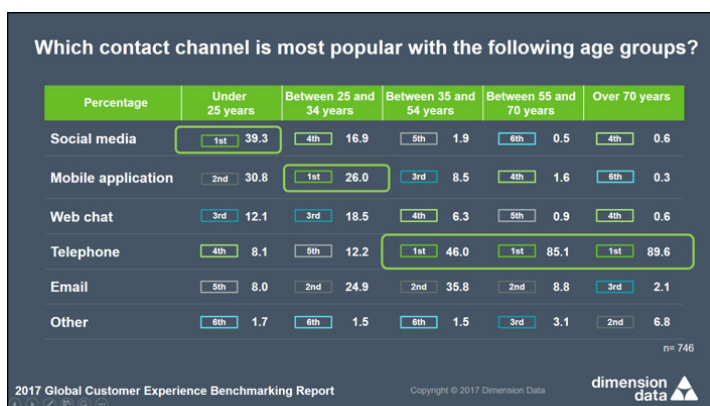
**FIGURE 2-2:** The most popular contact channels.

For companies that have customers in just one or two age groups, the following data is enlightening:

» For those targeting the young, it's past time to make sure your social and mobile customer care processes are in place and prominently marketed.

» For companies who mainly sell and service customers over 55 years old, make sure that adequate resources remain dedicated to live, telephone-based service.

» For those whose customer base includes people of all ages, making a wide variety of channels available is key to making sure that customers are able to choose the methods that they prefer.

**REMEMBER** Age isn't the only predictor of how a customer will use digital communications channels. In your sales and marketing materials, include messages and visual depictions of consumers of all ages. A tech-savvy Baby Boomer is more likely to take advantage of mobile applications than a low-tech millennial.

**TIP** Don't forget about business-to-business (B2B) transactions. To provide an outstanding CX to the people with whom you do business, determine which generations are typically the decision makers in the businesses to which you sell goods and services, and identify and provide the interaction channels with which they're most comfortable making purchases.

# The Big Disconnect

Customers have moved on and want more digital options. The big disconnect in providing the ultimate CX consumers are looking for is that companies are working with systems that don't allow them to deliver what customers want. People are using the phone less and less when they communicate with other people. Even those older age groups that still make a lot of voice calls are also using text, messaging, and social media to communicate as well. For those people under 24 years old, the use of the phone has declined to under 10 percent of all communications.

Data shows that customers want digital choices when they contact companies. The younger they are, the more they want great self-service channels, such as social media customer care and customer care tightly integrated into mobile applications. While live agents are still important to have as a "backup," customers often prefer to use self-service channels. When they do need to engage a live person, however, they want to be able to move easily from self-service to agent-assisted service by passing all the context from their attempt to self-serve to the agent.

And yet most companies don't offer the kind of digitally enabled service their customers are looking for. A study by Dimension Data provides some additional insight into the big disconnect. Contact center managers and executives were asked, "What are the main challenges affecting your CX technology systems?" The challenges identified in the study are shown in Figure 2-3.



**What are the main challenges affecting your CX technology systems?**

| Challenge | Value |
|---|---|
| Legacy systems inhibit flexibility/progress | 54.7 |
| Integrating multiple technology systems | 51.6 |
| Securing budget/costs | 51.0 |
| Resource constraints (too many competing priorities) | 41.3 |
| Ability to customize | 32.8 |
| No common strategy | 23.4 |
| Poor implementation | 15.1 |
| Speed of systems | 13.1 |
| Resilience of systems | 12.5 |
| Need more vendor support | 10.8 |
| Can't keep up with requirements | 10.5 |
| Other | 9.5 |

n= 835

2017 Global Customer Experience Benchmarking Report    Copyright © 2017 Dimension Data    dimension data

**FIGURE 2-3:** The challenges that affect CX technology systems.

The biggest reason mentioned was that legacy systems aren't allowing those in charge of CX to create the kind of flexible solutions they know customers demand. Mentioned by over half of the respondents was the fact that they're faced with challenges when attempting to integrate multiple technology systems.

Companies often think that it is okay to have systems that are "good enough." If there's some system in place that allows customers to contact them to make purchases or get support, then there is no reason to make changes.

## Why Does It Matter?

Today's consumer is intelligent and will shop where he can get the best service, the best product, probably at the best price — essentially, the best CX. Why do you think companies like Amazon and Zappos are consistently growing while traditional retailers are shrinking? In a nutshell, they changed the CX playing field.

In today's digital world, customer loyalty is difficult but not impossible to achieve. Because customers have so much information at their fingertips, they can compare you to your competitors in seconds. Offering an outstanding CX can differentiate you from your competition even more than a lower price point.

Businesses must understand mobile consumer behaviors to ensure that they're positioned for success and can guarantee that customers get the service they expect. Clearly, though, the responsibility for delivering a satisfying CX has never been more complex. Businesses must support customers using multiple channels of communication (sometimes during the same interaction). In addition, with digital devices increasing the speed with which commerce is happening, customers have come to expect instant responses. Today's organization must adapt to provide a convenient, satisfying, and consistent CX at all times.

And what happens when you don't?

Well, mobile consumers have more than just access to the information they want at the tips of their fingers and the ability to execute a transaction at their convenience. They also have the ability to share that experience in real time with their closest friends, who are your customers and prospects. According

to Pew Research Center (`www.pewinternet.org`), 79 percent of online adults use Facebook, and comScore data shows that nearly 80 percent of all social media time is spent on a mobile device. In other words, these customers can share their satisfaction or dissatisfaction with countless people in the blink of an eye. Remember that a negative customer service story on social media can go viral with the click of a mouse or a tap of a finger.

And, it's becoming increasingly clear that customers are powerful word-of-mouth marketers. According to Harris Interactive, a positive CX can result in 69 percent of customers recommending a company to others. On the flip side, 79 percent of customers will readily share any negative experience.

CX has a multiplicative effect, both positively and negatively (see Figure 2-4).
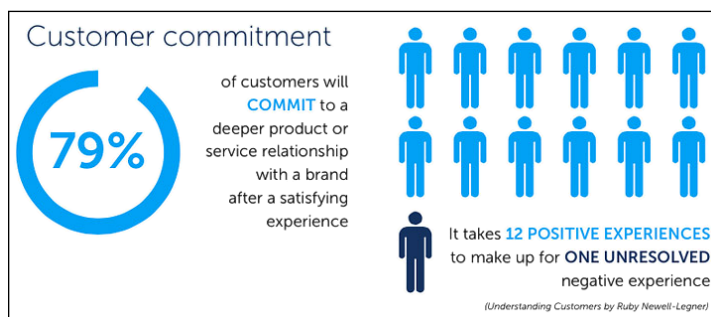


**FIGURE 2-4:** The impact of CX.

There isn't a company in the world that is immune to the impact of delivering poor CX. With customer advocacy being a crucial competitive differentiator, it's critical to understand your customer. Figure 2-5 illustrates the high priority that customers place on CX and the high risk and high cost a business faces if it delivers a poor CX.

Today's customers want and expect the following:

>> Personalized and proactive experiences

>> To be able to reach you on their preferred channel/device

>> Relevant and timely information

>> Quick response times

| High Priority | High Risk | High Cost |
|---|---|---|
| 82% of consumers say the number one factor that leads to a great customer service experience is having their issues resolved quickly!<br><br>(LivePerson) | With a major customer experience failure, 64% of customers will defect and go to a competitor<br><br>(SDL 2015) | For every customer experience failure, brands lose an average of 65% of the revenue they would have earned from the affected customer during the following year<br><br>(SDL) |

FIGURE 2-5: A poor CX is risky and costly.

Chapter **3**

# Customer Experience in the Context of Digital Transformation

The changes in how customers interact with businesses and what they expect when they do is happening in a context of similar, broader changes in companies — digital transformation. In this century, technology dominates lifestyle. This chapter explores how changes in customer experience (CX) are both the cause and the result of changes happening in companies as they attempt to compete in a digital world.

## The Digital Economy Is Changing Every Business

The last few years have seen Uber disrupt the taxi and rental car industries, AirBnB take on the hotels, and alternatives like Netflix become the entertainment provider of choice for an escalating

proportion of viewers. Companies are under pressure to find ways to compete with emerging — usually digital — competitors. This competition is redefining the expectations around CX and relies heavily on modern, digital tools in order to deliver better and faster service than ever before.

In 2017, the converging dynamics of consumers demanding better services and companies recognizing the limitations of ad hoc, patchwork CX solutions has resulted in the term *digital transformation* being elevated to the top of to-do lists of both Chief Information Officers (CIOs) and Chief Marketing Officers (CMOs) worldwide.

From a CIO perspective, modernizing IT infrastructure and improving operational agility typically top the list of objectives. The ability to support product and service innovation with increased speed is an associated goal.

CMOs expect that resources invested in digital transformation will allow them to understand the behavior of their customers better, personalize the CX, and engage with customers to build lifelong relationships. The goals haven't changed in the past decade or so, but the tools required by CMOs to meet these goals have. Marketing automation, web personalization, and customer lifetime journey management have taken on new meaning in the digital age.

# Digital Transformation Involves Every Department

Those of you who work in contact centers and other customer care departments have probably already seen the impact of digital interaction channels like social media and text messaging. Customers have constantly changing expectations about what makes a "good" experience.

Meeting these ever-changing expectations requires changes not only in the contact center but also throughout the company. Those delivering customer service need to be in tune with and help influence the digital efforts taking place simultaneously across the business.

# Digital product management

Traditionally, the IT department was isolated somewhere behind a locked door. Application managers were in charge of individual projects. For example, there may be one developer who knew a customized reporting or e-commerce platform better than anyone else. This meant a lot of important decisions being made by an employee who wasn't incented to improve CX.

In a company that embraces digital product management, teams are held accountable for understanding customer needs and improving products or experiences to fit those needs. Product management teams focus on creating minimum viable products quickly and then iterating repeatedly until full release.

For a bank, a digital product could be a mobile banking app, a deposit machine in branch, the website homepage, and so on. End-users are involved early in the testing phase, providing feedback on product usefulness.

# Digital marketing

Marketing has always been about connecting with your audience in the right place and at the right time. Today, that means that you need to meet customers where they are already spending time: on the Internet.

*Digital marketing* is an umbrella term for all of a company's online marketing efforts. Businesses leverage digital channels, such as Google search, social media, messaging, and their websites, to connect with their current and prospective customers.

*Marketing automation* refers to the software that exists with the goal of automating marketing actions. Many marketing departments have automated repetitive tasks such as emails, social media, and other website actions. What marketing automation often means is more traffic coming to the company's website and potentially the contact center.

# Digital selling

*Digital selling* is the process of engaging with business and social networks online, as well as utilizing all the digital sales tools at your disposal, to drive and close more sales opportunities. Companies that embrace digital selling typically deploy sales automation

software, make use of online presentations, save all prospect and customer information in a CRM system, and more.

More important than individual software systems, however, is a change in thinking. Digital selling will only prosper when Sales and Marketing combine their data, knowledge, and insights . . . and make sure all these things are shared with those responsible for customer care.

**REMEMBER** The magic ingredient in building a path to success in the digital future is establishment of a digital plan. Transforming CX is a company-wide responsibility, not just a contact center function.

# Digital CX: Building on the Basics

Think of phase one of creating digital CX as making omni-channel interactions seamless for your customers. A consumer can easily escalate a frustrating mobile app experience to a live chat with an agent in the contact center. A salesperson planning to call the contact at an account can quickly review resolution of a recent outage via integrated CRM and sales automation software to discuss with the customer before bridging to an upgrade conversation. After a company has begun having success with digital business efforts, more sophisticated projects become possible.

Developing machines capable of exhibiting humanlike intelligence has been the goal of artificial intelligence (AI) research since its inception in the mid-1950s. Flash-forward 75 years or so and interacting with software at a human level has become almost mainstream. Digital assistants like Google Home, Amazon Alexa, and Apple Siri have gotten people used to talking to devices and expecting answers.

**REMEMBER** As companies proceed down the path of digital transformation, they're also building a framework to incorporate emerging technologies into the experience they offer to their customers.

## Chat bots

A *chat bot* ("bot" being short for "robot") is a program that mimics conversations with people using AI techniques such as natural language processing, image and video processing, and audio analysis. Chat bots learn from their past interactions, improving

their responses over time to more accurately accomplish their tasks.

One might think that a chat bot is no more than a text version of integrated voice response technology that has been in use since the 1990s. But chat bots are using several exciting innovations:

>> All of a company's data is available to provide the raw information to power these programs.

>> Machine learning algorithms such as natural language processing are mature enough to provide the tools and techniques to convert big data into actions.

>> Cloud computing and the availability of cheap hardware is providing access to the physical infrastructure required to run these information-hungry programs.

>> The mobile revolution is bringing all the above advances into the hands of everyone, everywhere.

The role that chat bots can play — no, *must* play — in CX was summarized by Mark Zuckerberg, CEO of Facebook, during the company's developer conference in 2016. Zuckerberg said that people should be able to message businesses in the same way that you message friends — and you should get a quick response without having to give your full attention like a phone call. You also shouldn't have to install a new app.

## Next best action

An agent working in customer support at a mobile carrier takes a call. The typical scenario involves two to three minutes of the agent asking questions about the customer's account number, authentication questions, and current device. Only then does the agent begin the part of the call important to the customer — solving his problem.

What if instead the contact center software at the mobile carrier analyzed all the known information about that customer, including the type of plan he's on, the customer's lifetime value, his support history, the most recent interactions the company has had with that customer, and other information that prompts the software to generate a "next best action" to take with that customer?

An example of next best action could be an agent receiving a call (or chat) from a customer who recently received a new iPhone but has yet to connect it to the network. Using analytics based on what has happened in the past when a customer with that profile has called, the agent can be prompted with a script to guide the customer through the registration process for that specific iPhone model.

The new technology being applied in this example is called *predictive analytics.* Predictive analytics is the application of math and statistics to data mining to predict what will happen in the future. With predictive analytics, gone will be the days when calls are routed to unqualified personnel whose only job is to document the problem and reroute you. The future of customer service will be measured in the number of calls eliminated by predictive diagnostics and made shorter and more successful by presenting a next best action to the agent.

# The Growing Role of the Internet of Things in CX

People in technology have been talking about the Internet of Things (IoT) for about five years. In the past year or so, that discussion has moved beyond theory and proof of concepts to actual projects. There is every reason to believe that the IoT will find much of its early success improving CX. To help you understand why, this section looks at what the IoT is and the kind of projects innovative early adopters have begun deploying.

## What is the IoT?

The IoT is a giant network of connected "things." The relationships between things can be people-people, people-things, or things-things. The IoT concept describes connecting any device with an on and off switch to the Internet. This includes everything from mobile phones, coffee makers, washing machines, headphones, lamps, and wearable devices to almost anything else you can think of.

Beyond these consumer uses, there are also commercial applications of IoT. Components of machines (for example, a jet engine of an airplane or the drill of an oil rig) can be connected to the Internet.

# How the IoT improves CX and profits

You may wonder how the IoT can improve your profits. By using the right technology, customer-centric organizations can look at behavioral patterns and market trends. The right strategy and approach can ensure that you completely understand your customer. With this understanding, you can anticipate your customers' needs, proactively (instead of reactively) engage with them, and continually provide an outstanding CX.

The rise of the IoT has fast-tracked the way businesses interact with customers. How? By increasing your business's ability to monitor, measure, and manage the CX and the way customers use your products. Getting the information you need and putting it in the proper hands to satisfy today's customers helps you keep existing customers and gain new ones, too.

The combination of the IoT and CX is ultimately about improving both self- and assisted service. Customers increasingly want to self-serve, and IoT increases the ability of companies (and governments) to provide improved, personalized self-service. When customers do need to speak to a live person, IoT data allows service to be based on fuller context.

IN THIS CHAPTER

» **Seeing how customer behavior dictates agent change**

» **Creating super agents for customers and companies**

» **Understanding new challenges and the tools needed to face them**

» **Recognizing the entire organization's role in customer experience**

» **Building inclusive omni-channel processes**

Chapter **4**

# Looking at the Company Roles in CX

F or years, perhaps even decades, there has been a sense that everyone in an organization should consider him- or herself to be part of the contact center. This doesn't mean that everyone will wear a headset and answer calls all day, but it does mean that the jobs of selling and customer care should be shared by everyone in the company.

Today's urgent need for companies to digitally transform customer experience (CX) has created a perfect storm. We have both the necessary technology and the right motivation to truly extend CX responsibility to everyone.

# Changes in Customer Behavior Dictate Changes for Agents

For years, experts have predicted the end of contact centers full of live agents answering inbound telephone calls. In the early 1990s, it was forecasted that voice would be replaced by email. Everyone would send and receive emails instead of making calls to a company.

At the beginning of the 21st century, it was predicted that web chat would replace the contact center call. People who wanted to contact a company would go to the website and click on a link to open a chat window to ask their question or solve their problem.

In this decade, there is often talk about social media or mobile applications completely replacing the contact center agent. And it's certainly true that you can tweet to many companies, organizations, and government entities and sometimes get a quick response.

In the past couple of years, it has become possible to interact with companies over video. For example, American Express allows customers using its mobile application on an iPad to request a live video chat with a customer service representative.

However, no single digital channel has completely replaced the need for companies to have live agents answering calls in a contact center. Instead, a combination of digital channels (like web chat and social media) is replacing an increasing proportion of voice calls. Customers are using combinations of channels to make purchases and solve customer care issues.

**WARNING** As consumers use multiple digital channels, the support they receive from customer service agents they speak to is often suboptimal. While customer behavior has changed to encompass multiple touch points, the scheduling, evaluation, and training of agents hasn't always kept pace.

**REMEMBER** The availability of digital alternatives has changed both the types and difficulty of questions being asked by customers when they call a contact center and speak to an agent.

# The Need for Super Agents

Gone are the days when customers called a bank to find out if a check cleared or called a retailer to order a pair of shoes. Companies offer and customers embrace self-service options — primarily on the web or from a mobile device.

When customers *do* pick up the phone or open a chat with an agent, it's generally because self-service hasn't worked. It's because the issue is out of the ordinary and/or too complex to get an easy, self-service answer.

Customers who request the assistance of a live agent via a phone call or chat have typically taken three to five steps prior to engaging with an agent. As seen in Figure 4-1, before customers make that call, they take many steps:

>> Performed a Google search.

>> Asked a friend or family member.

>> Searched your company website to try to get an answer to the question.

>> Downloaded and installed the company's mobile application and tried to get an answer that way.

>> Looked for a YouTube video.



**FIGURE 4-1:** CX is a multi-step journey.

**TIP** The steps your customers take from the time they start to complete some action until it's completed is known as a *customer journey.* Examples are all the steps a consumer might take to research, choose, purchase, and have a new product delivered or get a broken appliance repaired.

Whatever the previous steps may be, too often when the customer finally gets to an agent she's frustrated and wants fast answers. She's looking for a "super agent," someone who knows all the steps already taken, why she's frustrated, and how to get an answer in a reasonable amount of time — in a single contact.

# New Challenges Require New Tools

Only a small proportion of contact centers are taking advantage of the newest workforce optimization (WFO) applications to help create and support the super agent required by today's consumers. Most organizations are hindered by traditional — often manual — processes.

**TIP** WFO software is a suite of programs that helps companies manage agents. Companies can deploy one or many of the solutions in a suite, including workforce management, call recording, agent coaching and eLearning, surveys, knowledge bases, and more.

## Traditional contact center management

Some contact centers still perform scheduling by using Excel spreadsheets. Other companies use dated software that was only designed to create schedules for agents taking voice calls. These applications don't work when trying to schedule different kinds of interactions, like web chats, emails, and text messages.

Outdated tools are often still being used to monitor agent calls. You can still find supervisors going into a room to listen to live calls and taking notes on a scoring form to later discuss with an agent.

In only slightly more progressive centers, the monitoring process may have been formalized with Excel spreadsheets. In both scenarios, supervisors are typically evaluating calls randomly,

hoping that a "tough" or "problem" call occurs that will permit the kind of valuable coaching required to create super agents.

In too many contact centers, the scheduling and monitoring process remains cumbersome, complex, and time consuming. As a result, a contact center may not have the right number and skills of agents available to respond to customer calls. Also, monitoring and coaching is not done as regularly and consistently as required to create knowledgeable agents.

So what's the solution? Workforce management (WFM) solutions were designed to make sure that the right person with the right skills was available at the right place at the right time. But many companies still rely on systems that were built to support voice-only contact centers. Using a ten-year-old WFM system won't help a company have the right number of agents to handle text messages, email, or web chat.

REMEMBER

Scheduling and monitoring complexity is multiplied with the addition of email, web chat, text messages, and so on. It is no longer reasonable to expect a manager with a spreadsheet to do an adequate job juggling multi-skilled agents when a contact center is handling omni-channel interactions.

## Contact center tools transformed

Forward-thinking contact centers began installing quality monitoring solutions several years ago. In the centers where they're deployed, quality monitoring applications help a business to both formalize and automate the agent monitoring process. No longer must a supervisor "catch" a call that needs training or reward. Instead, the quality management system can select calls to review that meet certain criteria, such as ones that were transferred multiple times or were an unusual length — either too long or too short.

A recent technological development in quality monitoring is the simultaneous recording of not just the voice interaction but all the activity on the agent's screen. The need for screen recording has become even more important as the proportion of non-voice interactions has steadily increased. It allows the supervisor to truly understand the steps followed by the agent, in the precise order they were taken, in attempting to resolve the customer's issue.

Digital interactions bring new challenges that modern WFM solutions are designed to help companies handle. How many simultaneous chats does a company want an agent to handle? If inbound voice calls increase, should chat agents be shifted to voice? Are there service levels for email that require agents to be assigned to email even if voice traffic is spiking?

Current releases of WFM solutions allow contact centers to ensure that not only are customers being given access to the digital channels they want to use but also that there are a suitable number of skilled agents available to handle those interactions.

Beyond being able to handle omni-channel requirements, today's WFO suites increasingly include a knowledge management (KM) solution or allow agents to access KM that is available in other parts of the company. KM is the process of creating, sharing, using, and managing the knowledge and information of an organization.

Use of a KM system helps build the super agents you need. It gives agents access to the information they need while they're interacting with a customer — without having to call them back or contact them later.

# Reimagining Who Delivers Customer Care

Today's contact center agents are not only required to respond to communications from customers in a collection of new media (email, chat, text, social, video, and so on), but also the questions that they receive are more difficult than ever before.

One way to address this issue is by improving the scheduling, coaching, and tools available for agents — especially screen pops, customer journey information, and an up-to-date knowledge base. Another tool in a company's arsenal to make sure that a difficult customer issue is addressed as quickly as possible is to connect the contact center to subject matter experts and functional departments across the company.

Examples of experts who can help speed up resolution of customer issues are

» Tier 2 and higher technical support

» Accounting department personnel

» Product managers

» Engineers

In the past, having experts handle calls was a complex process. It usually involved having the expert install the contact center application so that calls could be transferred to them. Many experts were reluctant to "help out" the contact center in this way — they didn't want to be part of the contact center.

With modern communications methods, it's easier for an agent to use a digital channel to reach out to an expert to quickly answer a customer question. This kind of solution works best in companies where the unified communications system and the contact center solution are provided by the same vendor. That way, both agents and experts are using the same system.

# Build Inclusive Omni-Channel Processes

Much of the discussion about the workforce's ability to handle today's omni-channel contact center environment centers on millennials. It's said that they can easily manage multiple simultaneous interactions and juggle several different interaction channels.

While it's true the millennials are an important part of today's contact center workforce, Generation X and Baby Boomers still represent significant pieces of the workforce pie. One of the messages in Figure 4-2 is that companies need to find effective ways to train, engage, and incent agents of all ages.

**Labor Force Composition by Generation**

Gen X
34%

Millennial
34%

Baby Boomer
29%

Post-Millenials
1%

Silents
2%

Source: Pew Research Center, May 2015

McGee-Smith
Analytics
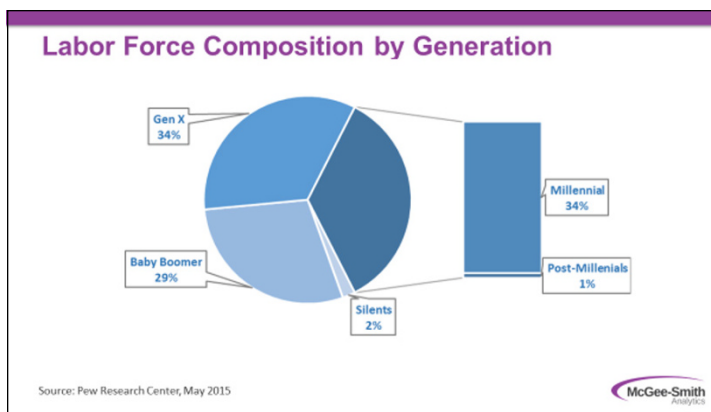
**FIGURE 4-2:** Millennials aren't the only important generation.

# THE BOTTOM LINE . . .

As companies embark on digital transformation to improve CX, much of the emphasis will be on implementing new interaction channels, like text messaging or Facebook Messenger. It's equally important to understand how talent fits into the equation. The agent workforce must be able to handle communication on varied channels that demand different styles, yet also offer consistency.

Chapter **5**

# Using the Internet of Things (IoT) to Enhance CX

I f you've been reading this book straight through, you may by now understand how innovations like the Internet of Things (IoT) give businesses new opportunities to use customer data. Leveraging this data with the right technology can create a positive, loyalty-building customer experience (CX) and proactively resolve potential issues before a negative impression is made.

But how exactly does that work? Or, better yet, how do you choose the right technology to truly utilize these innovations and create a CX that goes above and beyond? In this chapter, you look at the major factors to consider when evaluating your technological requirements for making that interaction work, including integration capabilities, omni-channel routing, extensibility, high availability, team collaboration, and support of a reputable vendor.

# How IoT and CX Play Together

The tie between IoT and CX can be summarized in three easy steps:

**1.  Listen.**

Collect data from IoT-connected devices in order to establish "events" that must result in action, such as specific customer behaviors or signals that a device is malfunctioning.

**2.  Route.**

Initiate the appropriate workflow to resolve the issue.

**3.  Engage.**

Proactively engage with customers to deliver service and support.

You can see how these steps tie together in Figure 5-1.
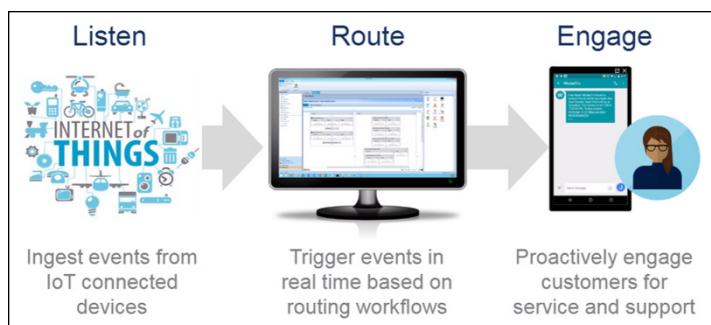


**FIGURE 5-1:** The IoT and CX tie together behind the scenes.

As I discuss in Chapter 4, everyone (and every*thing*) in the organization plays a role in shaping your customers' experiences. Consider an example where a customer's appliance is malfunctioning. Traditionally, a service request is initiated by the customer after she has discovered the problem. This service request is handled by a call center agent — the traditional face (or voice, rather) of the CX.

Through IoT, the appliance data can indicate an issue has occurred and trigger the appropriate workflow for service without the customer having to lift a finger. By integrating with your Customer

Relationship Management (CRM) system, the customer's location and nearest technician can be determined for quick support. The customer is notified — via convenient channels such as text message or email — that service is on the way, and the technician is dispatched. Technicians can leverage digital tools, such as instant messaging (IM) and video chat, to consult with experts, visually collaborate, and gather any relevant information they need to resolve the issue.

Ultimately, IoT has opened new doors for providing efficient and rapid resolution to customer problems — before the customer is even aware of the issue — for a CX that goes above and beyond.

# The Technology That Makes It Happen

The technology I lay out in the preceding section, "How IoT and CX Play Together," is artfully designed with CX in mind. When you begin your digital transformation, keep in mind the key things to look for in a solution that I cover in this section.

## Integration capabilities

Deeply integrated systems power adaptive, real-time solutions for instant, intelligent customer engagement — the key to delivering world-class CXs. Your CRM, workflow engines, and other platforms required for daily work should be engrained in your CX, not isolated.

**TIP**

If your business relies heavily on Microsoft applications such as Exchange or Skype for Business, for instance, a CX solution with integration capabilities into the Microsoft ecosystem can leverage your existing investment and even increase the value they bring to your business.

## Omni-channel routing

You know the importance of offering customers the flexibility to choose their method of communication, whether it's text messages, email, chat, voice, and so on. Behind the scenes, omni-channel routing gives your employees seamless navigation between channels, capturing the full context and history of the customer's journey, for intelligent, smooth, and consistent customer service with an increased likelihood of first contact resolution.

A truly omni-channel solution lets employees escalate interactions and seamlessly transition from one channel to another — all while retaining customer context.

## Extensibility

An application program interface (API) is a set of routines, protocols, and tools for building software applications, and it specifies how software components should interact with each other. A solution with open media and an API toolkit ultimately gives you the flexibility to incorporate a wide array of media types for a truly end-to-end CX.

This type of extensibility allows you to incorporate contact center capabilities into the applications your employees use every day, minimizing the number of applications they have to manage in order to do their jobs. Also, it allows for non-traditional third-party media, such as data from IoT-enabled devices, video, or instant messaging platforms (like WhatsApp), to be routed like any other interaction. A CX solution with native extensibility also greatly reduces the cost and complexity of working with third-party partners to build custom integrations.

The term API can encompass many different ways of interacting with a system, including C++ dynamic link libraries (DLLs), .NET DLLs, COM functions, TCP/IP protocols, and Web services (SOAP or REST). While DLL, COM and SOAP have been popular in the past, digital transformation has shifted today's preferred modern approach to use REST-based APIs and support for microservices.

## High availability

Today's customer expects instant connections and speedy resolutions. A solution with high availability allows you to maintain a consistent and dependable level of customer communication. In other words, it can minimize downtime that results in unhappy customers turning to social media to express their dissatisfaction with your service.

Today's applications can provide built-in monitoring and escalation paths that use email notifications and visual signals directly in the monitoring user interface (UI) to indicate any issues. Look for a solution designed to minimize the environmental and technical complexity of high availability so you can have true peace of mind and confidence in your business continuity.

# Team collaboration

At the end of the day, your customer doesn't care *who* is solving his problem — he simply wants it solved with minimal time invested and frustration on his end. Because everyone in your organization plays a role in CX, it's important to give the team the right tools to actually share knowledge and collaborate to serve your customers. Team collaboration tools that integrate directly with your contact center applications allow employees to communicate in real time with subject matter experts and other departments to gather the information they need and deliver informed, intelligent customer interactions.

# Support and expertise of a reputable vendor

As you embark on your digital transformation journey, you also want to look for a solution from a partner with the expertise and experience to support your CX from beginning to end. As a vendor, Mitel has a vision for CX that focuses on the people and technology inside your business to transform the customer journey into a seamless, loyalty-building engagement. In its CX solutions, Mitel offers

>> One touch to connect — regardless of channel or entry point

>> Continuous experiences encompassing self-service and live-assist across all media

>> Immersive services that incorporate a 360-degree view of customers

>> Instant deployment of the best-suited workforce to fulfill real-time customer demand

>> Flexible deployment options: on-premises, cloud, or hybrid

With CX solutions for premises-based, cloud, or hybrid deployment models, Mitel solutions are designed to grow with your business for a truly better path toward your digital transformation journey. Check out Figure 5-2 for Mitel's CX portfolio that features solutions and services to support your CX from beginning to end.
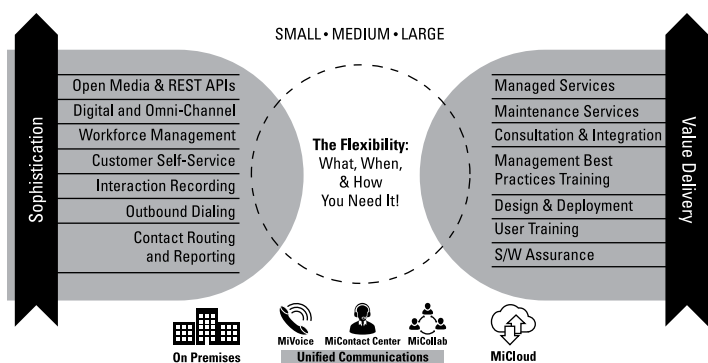
SMALL • MEDIUM • LARGE

**Sophistication**

Open Media & REST APIs
Digital and Omni-Channel
Workforce Management
Customer Self-Service
Interaction Recording
Outbound Dialing
Contact Routing
and Reporting

**The Flexibility:**
What, When,
& How
You Need It!

**Value Delivery**

Managed Services
Maintenance Services
Consultation & Integration
Management Best
Practices Training
Design & Deployment
User Training
S/W Assurance

MiVoice   MiContact Center   MiCollab
**Unified Communications**

On Premises

MiCloud

**FIGURE 5-2:** Mitel's CX portfolio.

## CASE STUDY: HUB ONE

A telecom operator and integrator of mobile and tracking solutions, Hub One serves 4,500 enterprises of different sectors in France, including shopping malls, campuses, and — its area of expertise — airports. Hub One's communications system keeps both employees and passengers connected every day — that includes 95 million passengers per year across three airports in France (Charles de Gaulle, Orly, and Le Bourget) and another 70 million passengers per year through Amsterdam Airport Schiphol.

Hub One partnered with Mitel to design its digital transformation with the ultimate goal of improving CX. First, to reduce response times for emergencies, Hub One is automating its systems using the IoT. For example, with security as a paramount concern in airports, Mitel is implementing a warning system that alerts Hub One when a door is left open too long or when a door is opened without authorization. The warning system connects door sensors with a Mitel intelligent notification system that sends desktop, prerecorded voice and text messaging alerts to key security personnel and even provides an IP camera feed to the location.

Keeping airport customers comfortable is a key part of Hub One's CX. In order to more rapidly respond to changes in airport temperatures, Hub One and Mitel have designed a seamless temperature alert system. Changes in airport temperature trigger text message, desktop, and voice alerts to maintenance staff when the temperature inside an airport goes outside preset limits, allowing Hub One to remedy the problem before customer complaints come in.

Real-time response to emergencies is a critical requirement for airports. For emergencies requiring the use of automated external defibrillators (AEDs), Hub One and Mitel are implementing a solution that triggers an alarm when an AED is removed from its housing unit. This alert provides emergency services and airport security desktop users the location of the AED, an IP camera feed and an audio link to a two-way speaker at the AED location. Airport security and emergency services will also receive text message and voice recording alerts directly to their devices.

"Without these solutions, I don't see how we'd be able to be as effective or productive," explains Patrice Bélie, CEO of Hub One. Truly, Hub One is redefining the airport CX while it makes CX a key part of its digital transformation strategy.

# Chapter **6**
# Ten Customer Experience Facts to Remember

The customer experience (CX) is changing, and the use of digital services is rising astronomically. As a result of this changing experience, businesses must position themselves to offer customers an outstanding CX or risk losing their businesses.

**REMEMBER**

To offer your customers the best experience, keep these points in mind:

» Increasingly, a customer's interaction with a business occurs via digital media. Text, web chat, and social media are the growing interaction channels.

» Social media usage is on the rise. Even people over 65 years old report that 10 percent of their communications is via social channels.

» Dimension Data's 2017 "Global Customer Experience Benchmarking" study reports that the use of mobile applications for CX has grown to become a top three choice for everyone under the age of 55.

- >> Even with digital channel use exploding, phone-based support remains crucial. Dimension Data reports for people over 35 years old, the phone remains the most preferred communications channel for support.

- >> Age isn't the only predictor of how a customer will use digital communications channels. Make sure that your sales and marketing materials and messages include visual depictions of consumers of all ages. A tech-savvy baby boomer is more likely to take advantage of mobile applications than a low-tech millennial.

- >> The magic ingredient in building a path to success in the digital future is establishment of a digital plan. Transforming CX is a company-wide responsibility, not just a contact center function.

- >> As companies proceed down the path of digital transformation, they're also building a framework to incorporate emerging technologies into the experience they offer to their customers.

- >> The availability of digital alternatives has changed both the types and the difficulty of questions being asked by customers when they call a contact center and speak to an agent. Agents and supervisors need to be equipped with even better tools than in the past.

- >> Scheduling and monitoring complexity is multiplied with the addition of email, web chat, text messaging, and so on. Managers with a spreadsheet can no longer be expected to do an adequate job juggling multi-skilled agents when a contact center is handling omni-channel interactions.

- >> The combination of the Internet of Things (IoT) and CX is ultimately about improving both self- and assisted service. Customers increasingly want to self-serve, and IoT increases the ability of companies to provide improved, personalized self-service.

# Notes

# Notes

# Focus on your customers

The way you communicate with your customers is evolving. Today's consumers carry with them technologies like smartphones that enable them to connect with your organization anytime and anywhere. These technologies put added pressure on your customer experience — to survive and profit, your customer experience strategy needs to be top of mind.

## Inside…

- Identify how your customers interact
- Assess and improve your current CX strategy
- Invest in your customer experience
- Discover the cost of a dated strategy
- Learn best practices to provide the optimal CX

**Mitel**®

**Sheila McGee-Smith** is a recognized contact center and customer experience industry thought leader. As President & Principal Analyst of McGee-Smith Analytics, she delivers perspective and technical insight to help companies understand their application and deployment architecture CX choices.

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