

Customer Experience 3.A

The path to convert customers into brand evangelists



How CX has become the key differentiator?

"This is the experience era and customer expectations have never been higher. Businesses who don't step up will be left behind." These words were said by Ann Lewnes, Executive Vice-President and Chief Marketing Officer, Adobe and the importance of this is increasing in every waking moment.

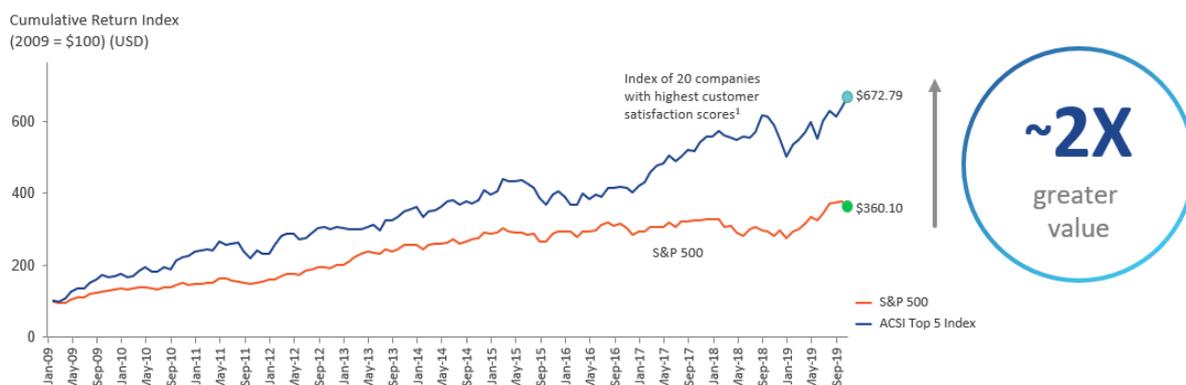
Customer expectations in the current and upcoming generations have changed drastically, with a major shift from a product focus to a full "product + experience" focus. What do we mean by that - if we travel back a few years into history, companies that were providing quality products had loyal customers with high CLV; fast forward to today and customers are not happy with just good products rather they are looking for a best-in-class, customized service across channels and across their purchase journey.

Apple has been mastering this technique for years now, where their customers pay a premium not just for the quality products but also for the customer delight that they create.

This shift is what has made customer experience the key differentiator in today's world. Consistently high CX scores can help companies achieve higher growth and lower costs by not only creating an ability to charge a premium but by also by improving overall loyalty and advocacy which in turn results in a lower churn rate and lower cost of acquisition.

And, in turn these companies deliver greater value to the shareholders over a longer period of time. Based on a recent study by BCG of the 'Top rated customer satisfaction companies' based on top 20 public companies in the ACSI Benchmark in 2019 - Companies with highest customer satisfaction scores returned ~2x greater shareholder value over 10 years (Refer to the illustration below)

Companies with highest customer satisfaction scores returned ~2x greater shareholder value over 10 years



1. "Top rated customer satisfaction companies" is a custom index created based on top 20 public companies in ACSI Benchmark in 2019 - Toyota Motor Corporation, The Procter & Gamble Company, PepsiCo, The Hershey Company, Anheuser-Busch InBev, Texas Roadhouse, Apple Inc, Dole Food, Daimler AG, Adidas, Cracker Barrel Old Country Store, Colgate-Palmolive, LG Corp., Nissan Motor Co, Bayerische Motoren Werke Aktiengesellschaft, The Clorox Co, Subaru Co, Honda Motor Co, AB Volvo, Volkswagen AG; Source: BCG Value Science Center, S&P Capital IQ

This just cements the fact that delivering superior CX is no more optional, as not doing it means falling behind competition and potentially exiting the market.



Understanding the evolving CX landscape

As the importance of CX grew multifold in the last few years so did the complexity of managing customer interactions. Let's have a look at the evolving picture of the CX landscape in the last decade or so.

Starting somewhere in 2007, IVR was the key route companies had to master to deliver superior CX through detailed analysis of conversations between customers & the contact center staff. Between 2008-2010, industry observed a spike in the number of interactions as more customer channels like web and mobile gained traction. The next big disruptor was social media which introduced another level of complexity to the omni-channel experience post 2010. Since then players across industries have observed seismic growth in interactions.

This current generation of customers is what we can define as 'empowered customers.' Enabled with digital innovations customers are literally 'One click away' from information and have access to real time transparency available from

online comparison of prices, product features and customer experiences.

These empowered customers represent tremendous opportunities for companies but also create high risk of falling behind competitors.

Doug Warner, former chairman of board of J.P. Morgan & Co, recently said "In the world of internet customer service, it's important to remember your competitor is only one mouse click away".

As the world is moving towards digital and omnichannel experience is the key to success, what is important to understand is that though digital interaction guarantees a faster and more seamless customer experience than human interaction alone; the importance of the human element has not decreased across the customer journey. According to the same BCG survey, majority of respondents expect a stable or increasing human interaction share in customer experience in 5-10 years (Refer to the illustration below)

% of respondents considering a stable or increasing human interaction share by 5-10 years



Source: BCG Survey, 2017

The key differentiator will be that human interaction will be increasingly focused on cases requiring **Expertise** e.g. negotiation, advice on complex products and services; **Listening** e.g. empathy, complaint management etc. and lastly **higher value services** e.g. VIP customers. Whereas, actions deemed as simple and easily automatable or can be catered by through self-service will be taken up by RPA and intelligent chatbots.

Hence, companies are increasingly betting big on technological trends like automation and analytics

to not only support those easy transactions without human intervention but also to have a detailed understanding of the customer ecosystem and what they are looking for in terms of customer service. According to a survey done by BCG on customer relationship, representing 85 companies in more than 15 industries, 59% respondents expect artificial intelligence to have a strong impact on customer relationship in the coming years. We will shortly get into the details of what are these use cases of automation and analytics that we companies can look at for superior CX.

Path to success

The importance of time, emotion and value in the experience has become one of the most important ingredients of success, more so for segments of customers with high lifetime value.

So, there are really 3 key questions that companies need to answer while setting up their customer experience or contact center strategy:

How do you ensure minimal customer effort?

"I have shared the details of my complaint with multiple agents before this" or "I have followed up multiple times on this request" You may have been in a similar situation if you have had the luck to reach out to a contact center team which has not been wired with the right tools and processes to resolve customer issues at the earliest and with minimal customer effort.

What is the customer's definition of value?

In today's world where there is no limit to the data available on a customer, it has been seen that there is an increasing importance of personalization. According to a recent study, 82% consumers like it when brands send personalized product recommendations. Hence it is of utmost importance that companies personalize every touch-point that they have with the customer.

How do you satisfy the emotional needs?

There are multiple situations where more than the scripted process, it is quick thinking and human empathy that makes a difference. Imagine a situation where a traveler is facing issues accessing funds in a foreign nation for an urgent payment. In such a situation it is essential for the agent to understand the emotional mindspace of the consumer and prioritize the case accordingly.



1. Implementing customer 360 analytics for one of the largest APAC internet travel inc 2. Omni-channel contact center solutions for a leading Travel co. 3. Contact center operations for world's largest airlines



Companies that are successful in answering these 3 questions will be able to deliver long-term business value through growth, profitability and customer experience quality. IGT's CeX 3.A framework has been designed to answer these 3 questions through its three levers of:



Smart Agents

The concept revolves around enabling the agents in a way that they can fulfil the core need of emotional quotient for customers by ensuring human empathy is at the fore front of every interaction while being supported by the right tools and technologies to ensure the right service with minimal customer effort. There are two key pillars to ensure the same:

- **Hiring and Training:** This can be achieved by getting access to the right pool of people across locations through digital hiring and then training them not just on the functional and technical specifics but also on emotional quotient through modules like cultural training, customer journey deep dives etc.
- **Tools and Technologies:** Supporting the agents with an end-to-end CRM solution to provide seamless digital engagement and consistent customer experience is key to run an omni-channel contact center. It enables brands to leverage their "Single View of Customer" in a coordinated and strategic way where right object (Cases, chats, leads, and social posts) is sent to the right people at the right time with the right supporting information.



Smart Automation

Automation can act as a two-pronged enabler for success. Firstly, it can help ensure that agents perform at the highest operational efficiency by reducing transactional activities. Secondly, it can also help in reducing the call volumes by increasing the factor of self service for basic customer queries. Some of the key use cases being:

- **Process Automation:** Automate repetitive and operational tasks like accessing customer information during a call to reduce customer waiting time
- **Intelligent Chatbots:** AI enabled platforms using natural language processing to conduct smart conversations
- **iConverse:** Conversational enablement and automation to manage digital conversations where bot and agent interplay for an enhanced customer experience



Smart Analytics

Data is the new gold is highly applicable in the setup of contact center. With increasing amount of customer/ employee data being generated it becomes imperative for organizations to utilize the same not only to increase operating efficiency but also to deliver highly personalized services to customers. Some key opportunities for organizations are as follows:

- **Customer Analytics:** Focuses on analysing previous interactions and other associated information for the customer to help across the following areas:
 - Agents have access to customer history to ensure progress and consistency in response
 - Recognize key problem trends and insights to plan and size operations better
Understand the overall customer ecosystem to recognize key needs across the purchase journey
- **Agent and Process Analytics:** Agent productivity analytics and process analytics are key in recognizing levers to continuously improve CSAT levels and overall cost efficiency. Some key use cases being:
 - Continuous analysis of volume can help recognize key use cases for self-service such as password reset etc
 - Recognizing areas of improvement for agents and incorporating them in the training
- **Quality Analytics:** Ensure consistently superior quality through speech and text analytics, video surveillance analytics and root cause analytics to drive QC team's effort in identifying causes and problem areas to work on. analytics to track SLAs

IGT Solutions (IGT) is committed to simplify complex customer interactions while delivering a seamless experience. It provides integrated BPM, Technology and Digital Services & Solutions for clients across industries.

Established in 1998, with 100% focus on customer experience, IGT employs more than 13,500 customer experience and technology specialists providing services to 75 marquee customers globally. IGT's global footprint consists of 19 delivery centers in China, Philippines, Malaysia, India, UAE, Romania, Spain, Colombia and the USA.



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