

# OMNI-CHANNEL CUSTOMER CARE: HOW TO DELIVER CONTEXT-DRIVEN EXPERIENCES

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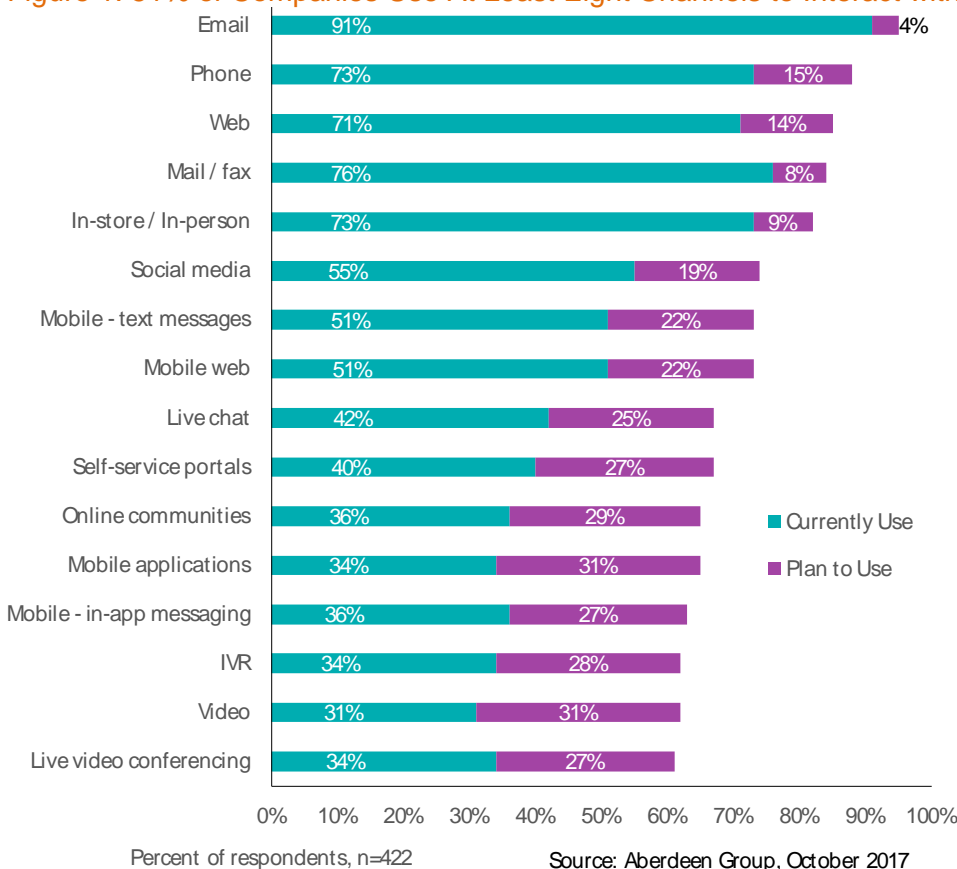
Using more channels is no longer enough for companies to differentiate themselves. Savvy firms outpace others by optimizing how they use numerous channels to manage customer conversations. This is where omni-channel comes in.

### Changes in the Marketplace Necessitate Omni-Channel

Terms such as multichannel, cross-channel and omni-channel are heavily used by customer experience practitioners. This is for a good reason: companies have been regularly increasing the number of channels they incorporate within their customer interaction channel mix.

To this point, Aberdeen’s April 2012 study, *Customer Experience Management: Using the Power of Analytics to Optimize Customer Delight*, showed that 58% of companies were using at least four channels in 2012. Between March and May of 2017, Aberdeen surveyed 422 businesses regarding the key trends and best practices in managing customer care programs. Findings reveal that 51% of companies today use at least eight channels to interact with customers — Figure 1.

Figure 1: 51% of Companies Use At Least Eight Channels to Interact with Customers



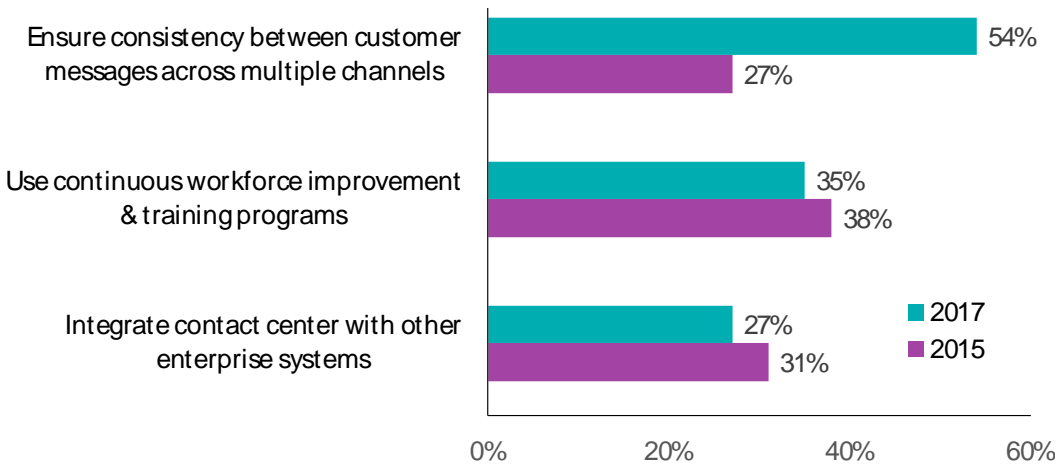
The above findings show that companies have doubled the number of channels they use to interact with customers between 2012 and 2017. Observing the “Plan to Use” category in Figure 1, this trend is expected to continue in the future. It’s important to note that adding more channels into the CX channel mix is not enough for customer experience leaders to differentiate themselves; companies must provide buyers with their preferred channels to interact with the business. But to **truly ensure customer satisfaction and loyalty, companies must orchestrate activities across all customer interaction channels.**

Figure 2 shows a trend analysis between the top strategies cited in Aberdeen’s 2015 and 2017 surveys on top contact center trends and best practices. Data in the figure shows that the percentage of firms citing delivering omni-channel interactions (see callout) as a top contact center priority has doubled between 2015 and 2017. This shows that companies have become more aware of the importance of omni-channel programs, and they now increasingly incorporate it within their overall strategy.

**Definition: Omni-Channel**

For the purposes of this research, Aberdeen defines “omni-channel” as a capability that enables organizations to deliver consistent and personalized customer messages across multiple channels.

**Figure 2: Omni-Channel is Taking Its Place as a Top Strategy**



Percent of respondents, n=422 Source: Aberdeen Group, October 2017

One of the top reasons why companies struggle to deliver omni-channel interactions is a lack of a single view of customer insights. For example, a firm might capture web visitation data through web analytics and store that information in a marketing automation system. The same firm might also use social listening tools and store the insights gained from them in a separate system. The sales conversations might be stored in the CRM system, and contact center agents might store their notes in yet another system (e.g., agent desktop). When these systems are disconnected, employees throughout the business risk not being aware of the interactions customers have had across all channels. As a result, this increases the risk of delivering inconsistent and impersonalized messages.

To mitigate these risks, companies must integrate their disparate systems and [build a single view of customer insights](#). This will then enable employees with the right information they need to deliver omni-channel interactions.

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### Aberdeen Maturity Framework

The Aberdeen maturity class framework places companies in one of three categories based on their self-reported performance across key metrics:

**Best-in-Class:** Top 20% of respondents based on performance

**Industry Average:** Middle 50% of respondents

**Laggard:** Bottom 30% of respondents

Sometimes we refer to a fourth category, All Others, which combines Industry Average and Laggard organizations.

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### The Returns on Getting Omni-Channel Right

While many firms aim to deliver consistent and personalized interactions, not all are able to accomplish this goal. Best-in-Class firms use the right strategies to implement and manage omni-channel programs, and enjoy superior results across various metrics, including improving customer experiences and driving operational efficiency. — Table 1.

Table 1: Best-in-Class Firms Maximize Customer Satisfaction and Optimize Efficiency

Company Performance (n=422)	Best-in-Class	All Others
Customer retention rate	83%	53%
Year-over-year improvement in customer satisfaction rate	29.8%	1.3%
Year-over-year improvement in first-contact resolution rates	19.1%	1.2%
Year-over-year improvement (decrease) in average handle time	16.5%	-6.0%
Year-over-year improvement in agent utilization rate	13.2%	-1.2%

Source: Aberdeen Group, October 2017

Best-in-Class firms can be considered as a group of organizations that lead the way in delivering omni-channel programs. They differentiate themselves from others by retaining 57% more of their clientele (83% vs. 53%) and improving customer satisfaction rates by 22.9 times more (29.8% vs. 1.3%) than All Others.

The tactics used by these firms are not just helping them improve customer experience outcomes. They also help them maximize operational efficiency measures. For example, top performers improve (*decrease*) average handle times in the contact center by 16.5%, compared to 6.0% worsening (*increase*) by others. Similarly, they increase agent utilization rates by 13.2% year-over-year, compared to 1.2% decrease by All Others. The latter metric

has a direct impact on labor costs; increasing agent utilization rates means that agents can individually handle more tasks, reducing cost of service and improving company profitability.

Let's now look at the building blocks Best-in-Class firms use to deliver omni-channel customer interactions.

### Key Capabilities

There are three sets of activities top-performing businesses incorporate into their strategy that helps them drive superior results:

#### 1. Deliver Added Value to the Customer

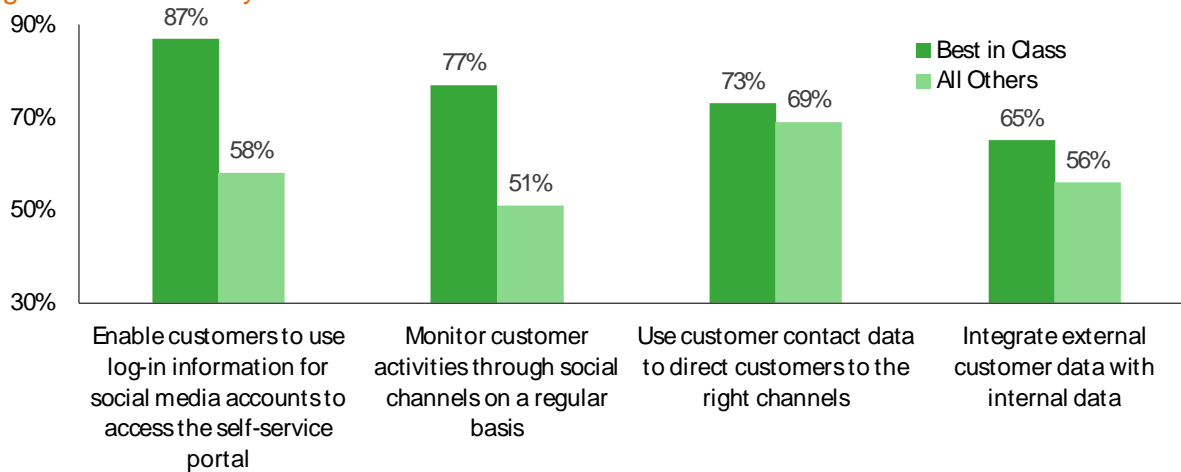
Companies often add new channels (or eliminate them) because others do so. While benchmarking against peers and the overall industry is a healthy exercise, the channels companies use must be aligned with the preferences of their current and prospective customers. That said, there are certain channels that are almost ubiquitously used by buyers across certain industries. Social media is one of them, particularly for businesses selling to consumers. As consumers use a variety of social media portals, ranging from Facebook to Twitter, Snapchat, and Instagram, social media provides companies with a wealth of insights that are readily available to use. Best-in-Class firms understand the benefit of these insights, and are 51% more likely to monitor customer activities through social channels on a regular basis (77% vs. 51%) — Figure 3.

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**Related Research:**  
[Social Customer Care: Three Steps to Best-in-Class Results](#)


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Figure 3: Make Every Customer Interaction Effortless



Percent of respondents, n=422  
 Source: Aberdeen Group, October 2017

Monitoring customer-generated social media content doesn't need to be done manually — that would be extremely resource-intensive and error-prone. Instead, companies use social media listening tools to observe what current and potential customers say about the company's products and



services. Monitoring these conversations allows firms to detect when a customer shares a bad experience, and incorporate these insights with existing internal data — an activity deployed 16% more widely by the Best-in-Class, compared to All Others (65% vs. 56%). Using more comprehensive insights into customer sentiment and behavior, the company can then automatically open a support ticket and assign it to a live agent or [chat bot](#) to proactively reach out to the customer for issue resolution.

Another way companies use social media to achieve success in delivering omni-channel programs is enabling customers to use their social media accounts to log into the company self-service portal. This makes it more convenient for customers to interact with the business, decreasing the amount of effort required by the customer by synchronizing their social media activities with their self-service activities. Figure 3 shows that Best-in-Class firms are 50% more likely than All Others to have this capability (87% vs. 58%).

**Go beyond skills-based routing. Analyze how each channel works in resolving specific issues, then route customers to the ideal channels to address their needs.**

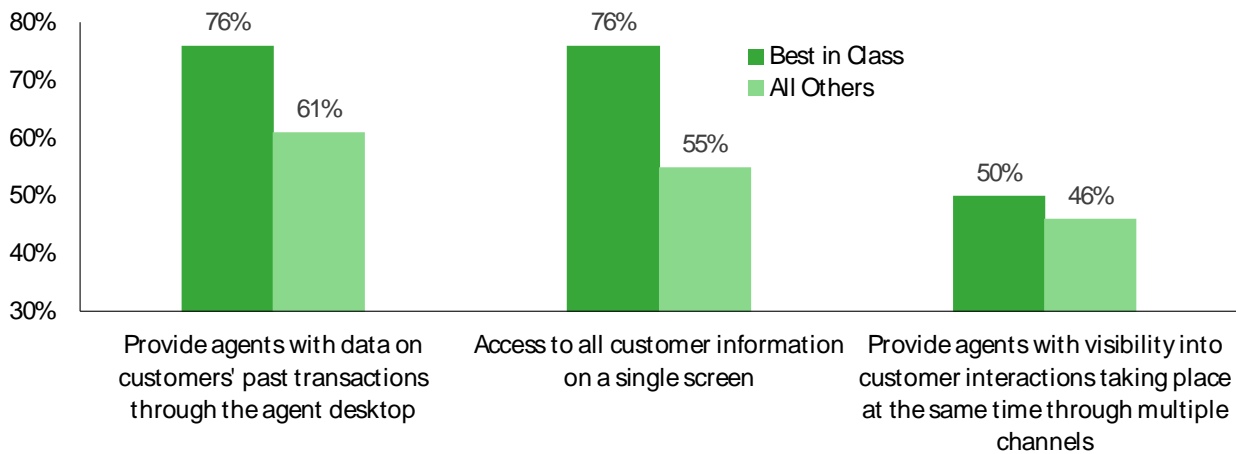
Activities designed to minimize customer effort are not reserved only for social media. Best-in-Class firms focus on delivering additional value to customers on interactions across all channels. Specifically, 73% of these firms have an existing process to use customer contact data to route customers to the most appropriate channel for issue resolution. A company with this capability can use automated call distribution (ACD) data to identify a caller, and use the inputs provided through the interactive voice response (IVR) system to determine the nature of the issue. These insights then allow the company to route the customer to the relevant agent through the ideal channel. Companies determine which channel is ideal for issue resolution by observing how metrics such as first-contact resolution and customer satisfaction vary by channel for each issue. This is done with the help of business intelligence tools. Once companies identify ideal channels for issue resolution, they can tailor proper workflows to optimize customer routing.

## 2. Empower Agents with Information

Connecting the right customer with the right agent through the right channel is only part of the success story of Best-in-Class firms. To meet (and exceed) customer expectations, these firms also empower agents with the right tools and information. This is important, as Aberdeen's September 2017 [Agent Desktop Optimization: Help Your Agents Help Customers](#) study shows that on average, agents spend 16% of their time seeking relevant content (e.g., knowledgebase articles). Let's assume that a contact center with 200 seats incurs \$50,000 in average fully loaded cost per agent. The

16% of agent time spent looking for content would equate to \$1.6 million in unnecessary labor costs each year (\$50,000 times 200 times 16%). Considering the customers the business risks losing due to inefficient service delivery, the financial impact of poor information management is far beyond \$1.6 million annually. To mitigate, Best-in-Class firms are 38% more likely to enable agents to access relevant customer insights through a single screen (76% vs. 55%).

Figure 4: Empower Agents to Deliver Seamless Interactions



Percent of respondents, n=422

Source: Aberdeen Group, October 2017

The reason why agents spend up to 16% of their time seeking relevant insights is because data on customer interactions might be stored across disparate systems, such as CRM, ERP, and order management. The previously mentioned activity of integrating disparate systems to build a single view of customer insights is therefore vital for companies to empower agents to do their jobs. To this point, Figure 4 shows that top performers provide agents with a comprehensive view of historical customer interactions — in other words, the [customer journeys](#). Such views can be provided through the agent desktop reflecting the customer’s journey visually or through text. What’s important is that providing agents with views into customer journeys helps ensure consistency of conversations across all channels, while also delivering more personalized experiences.

It’s also worthwhile to note that sometimes customers might use multiple channels concurrently. For example, a buyer might use live chat while using a separate internet browser for the company’s self-service portal and calling the contact center at the same time. It’s important that agents have visibility into such concurrent interactions through the agent desktop, as it allows the agent to acknowledge to the customer that the company is aware that they are seeking resolution across different channels, and deliver a more contextual experience. For example, the contact center agent can guide a customer over

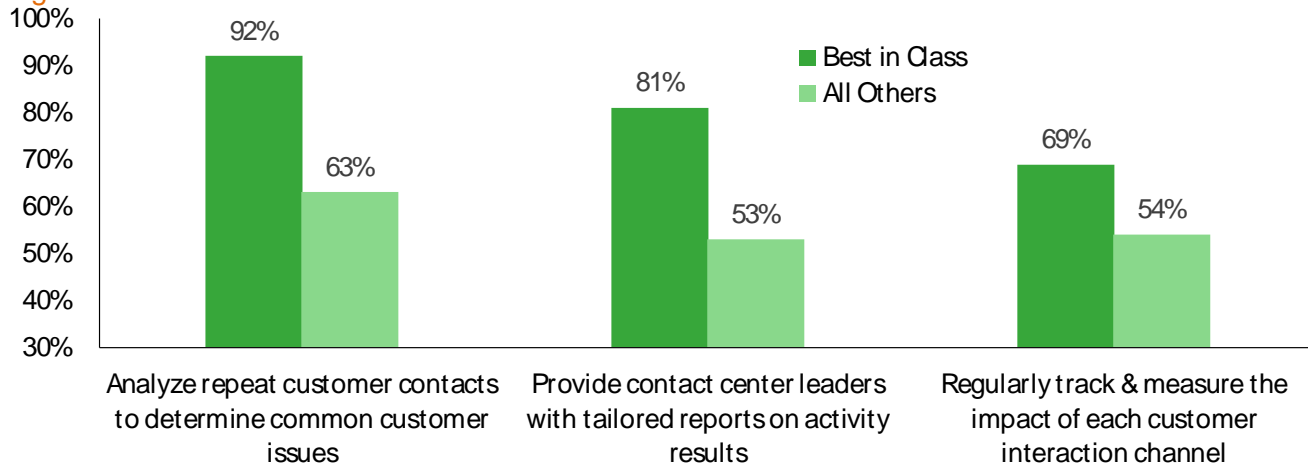
the phone on how to use the self-service portal to change account details or complete a certain transaction. One out of two Best-in-Class firms currently have this capability. It is recommended that all companies, including the top performers, increase their adoption of this capability to help agents deliver more contextual conversations across all channels.

### 3. Use Reporting and Analytics to Continuously Improve Your Performance

Once companies optimize customer interaction processes and empower agents with the right information, they must measure the impact of the aforementioned activities. This is important, as changes in performance results can help reveal activities that yield sub-par results. This information then enables customer experience leaders to make necessary adjustments to achieve company goals.

To help make the right changes, Best-in-Class firms provide their executives with tailored reports on the results of these activities. These reports can be categorized by channel (e.g., web, email and phone), region, customer segments, and/or contact center locations. Flexibility in analyzing KPIs provides executives with different views into company performance, and reveals previously-hidden trends and correlations. Figure 5 shows that Best-in-Class firms are 53% more likely to have this capability, compared to All Others (81% vs. 53%).

Figure 5: Let Your Results Lead You to Success




Percent of respondents, n=422

Source: Aberdeen Group, October 2017

Among the results top performers are more likely to track are KPIs by customer interaction channel. For example, if the company sees a trend in decreasing customer satisfaction rates related to live chat interactions, this is an indicator that this channel is a source of dissatisfaction and the company must do more detailed analysis to determine root causes. The





results of this analysis might yield changes in processes and technology. It might even reveal that a lower percentage of customers prefer using this channel than before, and thus the company might eliminate it. Data in Figure 5 shows that Best-in-Class firms are 28% more likely than All Others to conduct such regular analyses of the benefits of each channel.


Another result tracked regularly by top-performing businesses is repeat customer contacts. This refers to customers contacting the business more than once to have their needs addressed. These needs might include learning the price of a product, help with resolving an issue, or making a change to the services they are receiving. If the customer needs to contact the business repeatedly, this will likely frustrate the buyer and increase the risk of the business losing that client to a competitor. Furthermore, companies also incur increased service costs as they need to handle multiple customer requests. In short, repeat customer contacts can be described as a “lose-lose” scenario where the only winners are competitors that are more likely to steer a disgruntled customer their way.

In the world of omni-channel, repeat contacts also means that customers use multiple channels to seek help in addressing their needs. For example, a customer seeking help through live chat and then calling to discuss the same issue over the phone means that the customer’s needs haven’t been resolved through multiple channels. It is therefore important that companies analyze repeat customer contacts *across all channels*, determine the common issues for which clients are repeatedly contacting the business, and find resolutions to address them. Companies can identify repeat contacts by analyzing customer behavioral data (such as ACD data) and observing if a customer called the business repeatedly in a short time span. If that’s the case, it’s highly likely that the client issue wasn’t resolved.

These insights can also be gleaned through using text analytics to analyze the nature of live chat and messaging conversations, or using [speech analytics](#) to analyze phone interactions. Figure 5 shows that while 92% of the Best-in-Class have this important capability, only 63% of All Others currently use it.

## Recommendations

There is a new normal in customer experience management. Simply adding more channels is not enough to create happy customers. With new channels emerging and companies increasingly incorporating them within their customer interaction channel, true differentiation for successful firms is achieved by orchestrating interactions across all channels. This is where the Best-in-Class excel; they are far more likely to master using multiple channels to deliver consistent and personalized interactions. In return, they enjoy superior results across KPIs such as customer satisfaction, average handle times and first-contact resolution rates.



Top performing businesses don't achieve these results simply by aiming to deliver omni-channel programs. Rather, they use several key activities that can be grouped into three main categories:

- ▶ [Deliver added value to the customer](#)
- ▶ [Empower agents with information](#)
- ▶ [Use reporting & analytics to continuously improve your performance](#)

We highly recommend you incorporate these three building blocks within your business activities if your firm is aiming to join the ranks of the Best-in-Class and achieve similar results.

## Related Research

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[The Intelligent Contact Center: Get Smarter to Drive Customer Satisfaction](#); June 2017

[Customer Engagement Analytics: Take the Right Step, Every Time](#); June 2017

[Social Customer Care: Three Steps to Best-in-Class Results](#); April 2017

[Customer Messaging Demystified: What Makes It Unique?](#); March 2017

### About Aberdeen Group

Since 1988, Aberdeen Group has published research that helps businesses worldwide to improve their performance. Our analysts derive fact-based, vendor-neutral insights from a proprietary analytical framework, which identifies Best-in-Class organizations from primary research conducted with industry practitioners. The resulting research content is used by hundreds of thousands of business professionals to drive smarter decision-making and improve business strategies. Aberdeen Group is headquartered in Waltham, Massachusetts, USA.

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