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OMNI-CHANNEL CUSTOMER CARE: HOW TO DELIGHT YOUR EMPOWERED CUSTOMERS

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This report outlines the changes in channel adoption for contact centers and the reasons driving it. It also highlights how Best-in-Class companies build and nurture successful omni-channel programs.

State of Omni-Channel in the Contact Center

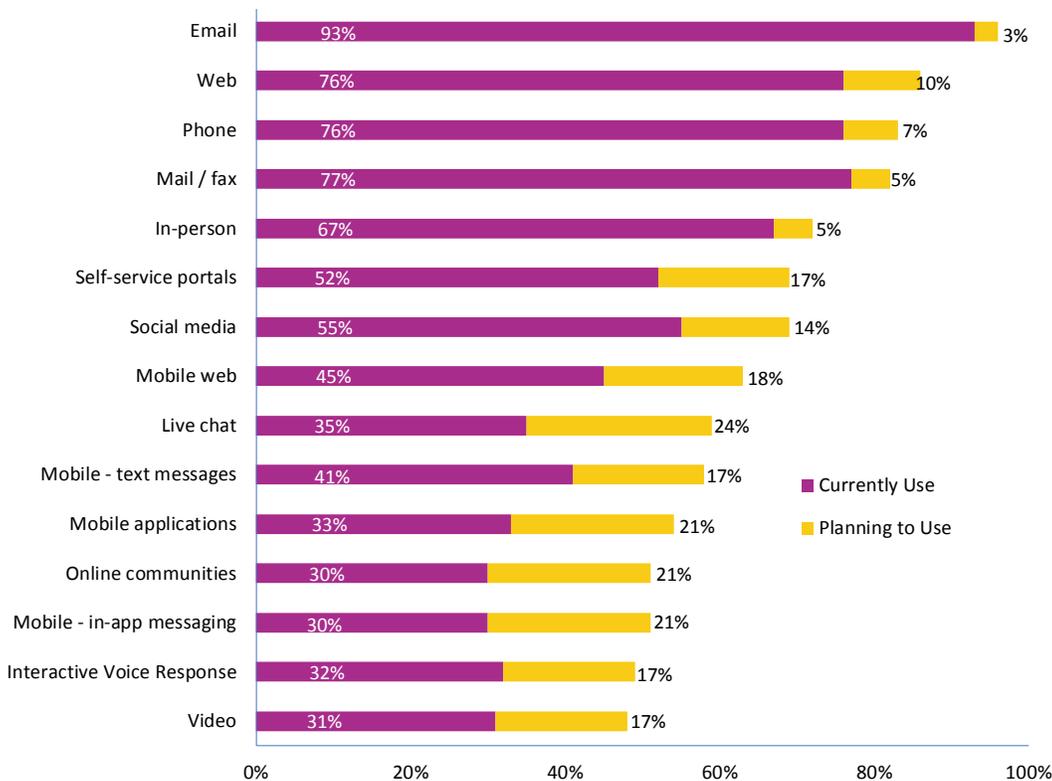
Between February and April of 2018, Aberdeen surveyed 445 contact centers across the globe regarding the key trends and best practices influencing their activities. This survey included contact centers of all sizes — small to large — and shed light on one of the most common questions customer care leaders across businesses seek to answer: how to best use a variety of channels to address customer expectations.

The first step companies must take to answer this question is determining which channels they currently use, and if they align with customers' channel preferences. Figure 1 highlights the current and planned adoption rates shared by survey respondents.

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 1: Current and Planned Omni-Channel Adoption Rates



Percent of respondents, n=445

Source: Aberdeen Group, September 2018

As observed in Figure 1, contact centers have a rich set of channels they can use to interact with current and prospective customers. Overall, data shows that 55% of contact centers — almost one out of two businesses — currently use seven different channels within their customer experience (CX) channel mix. While traditional channels such as phone and web have high adoption rates, data shows that relatively newer channels such as social media and text messaging are also adopted by almost half of the survey respondents.

A trend analysis between Aberdeen's November 2012 *Multi-Channel Contact Center: Delight Customers Where They Live* study and this 2018 survey's findings reveals a rather surprising insight on channel adoption rates. The previous study found that in 2012, 55% of contact centers were using at least six channels within their CX programs. Surprisingly, the same percentage of firms (55%) use at least seven channels in 2018. Assuming that the channels used by one out of two contact centers accurately represents industry averages, this means that contact centers increased the average number of channels they use by only one between 2012 and 2018.

There's a lot to take away from this trend analysis. For one, **using multiple channels has truly become table stakes**. The average number of channels contact centers use will continue to increase over the next several years, but this increase will be driven by the need to serve customers where they prefer to engage the company — instead of adopting channels due to market buzz or just because competitors started using them.

The above trend analysis also shows that companies must now master orchestrating customer conversations across multiple channels to adapt to the dynamics of today's marketplace. This is where omni-channel programs (see sidebar on Page 2) come in. Interestingly, data from the 2018 survey shows that **only 24% of contact centers currently have formal strategy designed to deliver omni-channel programs**.

Firms without an omni-channel program are missing out. Specifically, **they risk delivering inconsistent interactions across multiple channels — confusing and frustrating customers**. They also risk worsening agent productivity due to inefficiency in orchestrating customer interactions across various channels. See the sidebar to observe the performance gap between Best-in-Class contact centers that establish and maintain a savvy omni-channel program, and All Others (those without it).

The ROI of Omni-Channel Programs

While many firms might aim to deliver omni-channel interactions, only those that establish the right building blocks achieve success.

Aberdeen analyzed self-reported performance data from 445 survey respondents across various key performance indicators (KPIs) that align with organizational ability to deliver consistent and personalized interactions.

This analysis was done by grouping the top 20% of respondents based on their performance on those KPIs in the Best-in-Class category, and the remainder in All Others category.

Below is a list of the five KPIs used to gauge company performance, and comparative performance of the Best-in-Class against All Others:

Customer retention rate:
Best-in-Class: 85% vs. All Others: 62%

Year-over-year improvement in customer satisfaction:
Best-in-Class: 19.0% vs. All Others: 1.9%

Year-over-year improvement in first-contact resolution rate:
Best-in-Class: 17.8% vs. All Others: 1.3%

Year-over-year improvement in agent utilization rate:
Best-in-Class: 12.9% vs. All Others: -0.4%

Year-over-year improvement (decrease) in average handle time:
Best-in-Class: 9.8% vs. All Others: -2.2%

To orchestrate customer interactions across all channels, companies must have plans for handling traffic across each individual channel. Table 1 shows how contact center leaders responded to a survey question on anticipated traffic change across all channels between April 2018 and April 2019.

Table 1: Companies Expect Greatest Increase in Traffic through Self-Service & Mobile-Related Channels

Anticipated Change in Channel Traffic (n=445)	% of Companies Anticipating Increase in Traffic	% of Companies Anticipating Decrease in Traffic
Mobile: in-app messaging	52%	4%
Mobile: text messages	52%	0%
Self-service portals	52%	3%
Mobile web	51%	1%
Live chat	48%	2%
Mobile applications	48%	1%
Email	42%	5%
Social media	39%	1%
IVR	39%	7%
Online communities	36%	1%
Phone	27%	11%
Video	27%	4%
Mail / fax	16%	16%

Source: Aberdeen Group, September 2018

As depicted in the second column of the above table, the channels that companies anticipate the greatest traffic increase on are those that customers can access through mobile devices (e.g., smart phones, tablets, and wearables). This signals that companies understand how mobile devices change customer behavior, and plan to adapt their activities to address related traffic.

Self-service is also at the top of the list of channels with the greatest anticipated traffic increase. This isn't surprising — customers increasingly opt to address simple issues themselves rather than navigating a complex interactive voice response (IVR) menu, explaining their issue, and waiting for agent help for resolution. That said, it's important to note that those buyers also expect businesses to efficiently handle more complex issues — typically through agent-assisted channels such as phone, live chat, and email. As such, the changes in Table 1 reflect how **contact centers increasingly blend multiple channels to deliver truly personalized and consistent customer interactions — with minimal effort on their clientele.**

How Were the KPIs Determined?

The KPIs (see sidebar on Page 3) used to evaluate company success in delivering omni-channel programs were selected based on key indicators of a company delivering personalized and consistent interactions. For example, firms with this capability are more likely to improve customer satisfaction rates and retain clientele, compared to those without it. Hence, companies that excel across these KPIs can be considered to have implemented successful omni-channel programs.

Let's take a closer look at the building blocks Best-in-Class firms use to outpace competitors.

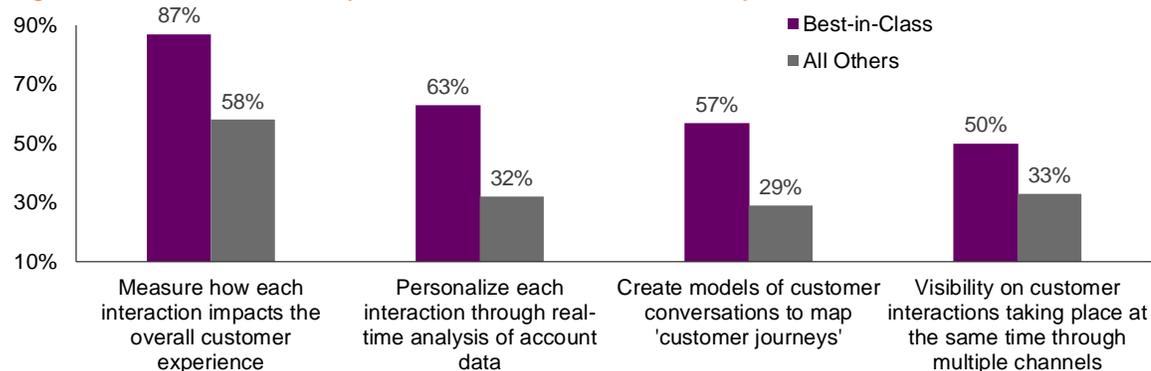
Building Blocks to Succeed in Omni-Channel

1. Establish Context into Customer Interactions

The first step every contact center leader must take when building and managing an omni-channel program is to **ensure that all employees have a single view of customer data**. This is important; earlier, we saw contact centers use multiple channels to interact with customers. Firms use various systems to capture structured and unstructured data across those channels. When these systems are not well integrated, employees have broken views into the customer interaction history. For example, when self-service isn't integrated with the CRM system, and when the CRM system isn't integrated with the agent desktop, agents risk not seeing customer activity through the self-service portal. As a result, they can't personalize the interaction based on customer's self-service history, which would have helped deliver an omni-channel experience.

Research shows that only 28% of contact centers currently have a program to integrate with other enterprise systems for a single view of customer insights. Best-in-Class firms understand the importance of this capability. They are 97% more likely to have such integration in place, compared to All Others (57% vs. 29%) — Figure 2.

Figure 2: Establish Visibility Into Your Customers' Journeys



Percent of respondents, n=445

Source: Aberdeen Group, September 2018

Top performers also provide agents with visibility into concurrent interactions with the same customer — conversations with the same customer across multiple channels (e.g., phone and live chat) at the same time. For example, if a customer uses live chat and then calls the firm, the contact center agent can observe the chat transcript for background on the customer issue, and better contextualize support

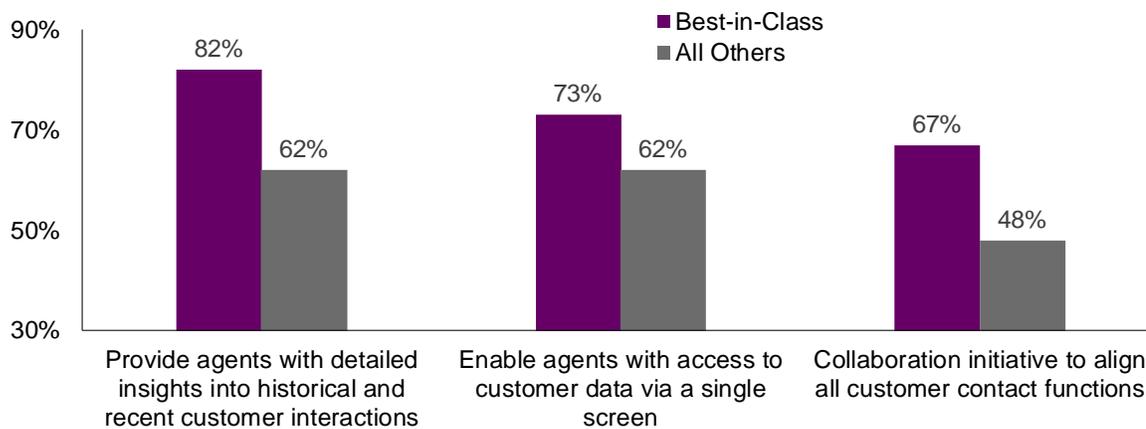
activities. In fact, Figure 2 shows that Best-in-Class firms that establish a single view of customer insights across all channels are 97% more likely to personalize interactions, compared to All Others (63% vs. 32%).

To ensure their activities support personalized and consistent interactions, data shows that the Best-in-Class also regularly measure how each interaction impacts overall customer experiences. Through the use of root-cause analysis, Best-in-Class companies analyze how unique interactions across various stages of the customer journey influence buyer sentiment (e.g., satisfaction) and behavior (e.g., churn). As a result, contact center leaders can maintain those activities that help them achieve desired results and revise those that deliver sub-par results. (See Aberdeen's May 2018 *Customer Analytics: Connect Data to Insight to Results* study for more insights on this activity.)

2. Give Your Agents the Gift of Knowledge

Building a single view of customer insights only helps when the right people can access them to do their jobs. This goes beyond providing agents the information they need to manage conversations across agent-assisted channels (e.g., phone, chat, and IVR). It includes feeding the most relevant data to AI-powered automated customer interaction tools such as chat bots used for customer self-service. As such, all the Best-in-Class capabilities highlighted in Figure 3 related to empowering agents refer to both the contact center agents and software-driven robots (more widely known as chat bots or bots) delivering self-service.

Figure 3: Make It Easy for Agents to Manage Customer Journeys



The average number of channels contact centers use will continue to increase over the next several years. This increase will be driven by the need to serve customers where they prefer to engage with the company — not market buzz or the mere pursuit of replicating competitor's activities.

Percent of respondents, n=445

Source: Aberdeen Group, September 2018

Figure 3 shows that Best-in-Class firms that master omni-channel programs are 32% more likely to provide agents with detailed views of account data (e.g., product purchases, membership level, last contact), compared to All Others (82% vs. 62%). This enables an agent or a bot to tailor the interaction based on this contextual insight.

For conversations managed by agents, the top performers maximize productivity by enabling agents with access to relevant insights through a single view of customer data. This is important, as the survey findings show that **on average, agents spend 13% of their time looking for information to do their job**. This time is spent navigating an average of three different applications (e.g., CRM, ERP, and order management) that store account data. Therefore, providing agents with those insights via a single screen within the agent desktop is essential for empowering agents with the insights they need on a timely basis, so they can deliver consistent and personalized interactions.

Omni-channel programs aren't confined to the contact center. To truly ensure consistency of customer interactions across all channels, firms must deliver consistent experiences across all departments that use various channels to interact with clients. Best-in-Class firms understand the need to bridge the divide between the contact center and the rest of the business. They are 40% more likely to have a formal collaboration initiative designed to enable regular and efficient communication and collaboration across all business departments (67% vs. 48%). Such programs are supported by the use of technologies such as unified communications and enterprise collaboration. For more insights on the topic, please read Aberdeen's April 2018 *Connect Employee Engagement & Customer Satisfaction: Unified Communications in the Contact Center* study.

3. Fuel Your Omni-Channel Strategy with Analytics

If asked, almost all contact center leaders would agree that they would like to deliver consistent and personalized interactions across all channels. However, many don't have visibility into their performance within this metric. Best-in-Class firms mitigate this by providing contact center leaders with the ability to generate tailored reports (Figure 4).

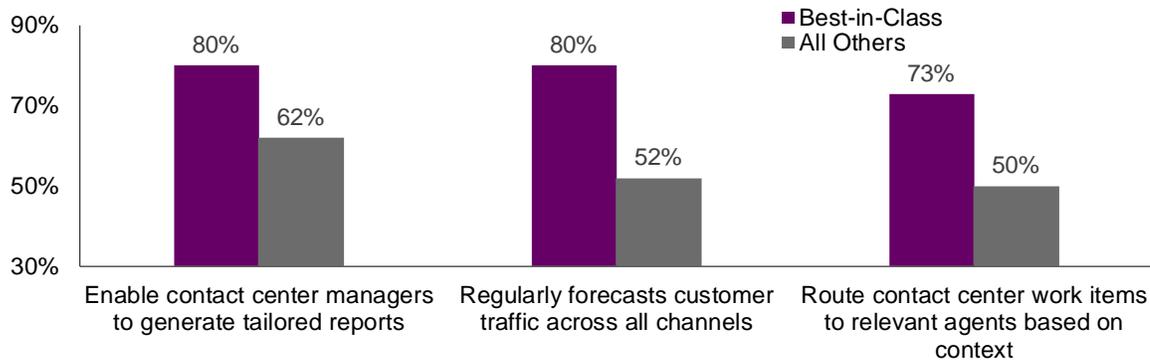
Tailored reports refer to analyzing contact center activity results through various perspectives such as by channel, contact center site, week, etc. Empowering contact center leaders with this capability allows them to uncover hidden insights and better manage emerging trends, identify strengths, and address weaknesses.

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Providing agents with relevant insights via a single screen within the agent desktop is essential for empowering agents with the insights they need on a timely basis.

As an example, contact center leaders can use reporting tools to analyze historical traffic across all channels and use these insights — along with the help of predictive analytics — to forecast future traffic. This, in turn, gives insight into how many agents are needed to handle future traffic as well as ensure that the self-service activities scale based on varying customer demand. To this point, Figure 4 shows that the Best-in-Class are 54% more likely to have this capability, compared to All Others (80% vs. 52%).

Figure 4: Use Analytics to Continuously Refine Your Activities



Percent of respondents, n=445

Source: Aberdeen Group, September 2018

Contextual awareness is key for contact centers to optimize handling customer needs. For example, using text analytics to observe a customer’s activity within the search bar of the self-service portal would allow the firm to recommend the customer call the contact center if the issue is rather complex and the company has determined that it’s best resolved through agent-assisted service. This in turn helps minimize customer frustration from not being able to address the issue through self-service.

Another example that illustrates the importance of contextual awareness is related to repeat contacts. Determining that a customer used self-service and live chat before calling the contact center, for example, would allow the firm to route the customer to a higher-level support agent to solve the issue and alleviate the risk of further increasing customer effort or frustration.

There are many variations and examples of how contextual routing helps companies. Ultimately, however, contact centers optimize contextual routing programs by using a single view of customer insights, building journey maps based on these insights, analyzing this data with the help of machine learning and analytics, and using artificial intelligence (AI)-

enabled workflows. To this point, Figure 4 shows that the Best-in-Class are 46% more likely to have this capability in place, compared to All Others (73% vs. 50%).

What Technologies Do You Need to Optimize Your Omni-Channel Program Execution?

We noted that across each of the three building blocks discussed earlier, the Best-in-Class use certain technologies to implement and execute related activities. Table 2 lists several of those top technologies and their respective adoption by the Best-in-Class versus All Others.

Table 2: Enrich Your Technology Toolbox with Relevant Technologies

Technology Adoption (n=445)	Best-in-Class	All Others
Contact center and CRM integration	75%	48%
CRM	69%	54%
Single sign-on to multiple applications from agent desktop	64%	39%
Database management	62%	45%
Dashboards to view contact center activity	62%	43%
Business intelligence	60%	41%
Self-service analytics	55%	44%
Machine learning	35%	21%
Artificial intelligence	31%	15%

Source: Aberdeen Group, September 2018

Technologies such as CRM, contact center and CRM integration, and database management help firms capture customer data across multiple channels and establish a single view into those insights. Contact centers then use business intelligence, dashboards, machine learning, and self-service analytics to analyze vast volumes of customer and operational data to support their activities, including scheduling, forecasting and performance management.

Use of *AI capabilities* ultimately helps firms automate certain activities (e.g., self-service through chat bots) to deliver intelligent customer interactions designed to achieve specific goals such as issue resolution, increasing loyalty, etc. To determine which technologies your firm needs, we highly recommend observing the Best-in-Class activities highlighted across the three building blocks discussed earlier and determining which of those that you don't currently have. This will then help you determine



the related technologies that will help your firm establish and nurture these capabilities.

Recommendations

Omni-channel programs have come a long way over the past several years. Companies no longer focus on adding new channels to delight their customers. Rather, they're increasingly focused on orchestrating the use of multiple channels to address customer issues in a seamless (consistent and personalized) fashion.

However, as observed through the performance gap between the Best-in-Class and All Others, there are different maturity levels when it comes to successfully building and nurturing an omni-channel program. Best-in-Class firms have mastered certain related skills. As a result, they enjoy superior performance results across key measures such as customer satisfaction rates, first contact resolution rates, and agent utilization.

If your performance is behind that of the Best-in-Class, the good news is that the findings in our research revealed the three key building blocks — and the related technologies — those top performers use. These are:

- *Put the conversation in context*
- *Act on speech analytics insights*
- *Continuously refine your speech analytics utilization*

We highly recommend that you observe each activity within these three building blocks to determine the key capabilities you should incorporate into your activities. This will help align your activities with that of the Best-in-Class and pave the way for superior results for your business. If your performance already aligns with that of the Best-in-Class, we recommend that you observe each activity within the three building blocks above. If you're missing any of those activities, incorporating them into your business practices will help ensure you maintain your Best-in-Class results in omni-channel programs.

Related Research

Cloud Contact Center: Control Your Costs, Empower Your Agents & Create Happy Customers; July 2018

The Intelligent Contact Center: Use Data to Drive Efficiency & Maximize Customer Experiences; June 2018

State of Contact Center WFO 2018: Driving Customer Satisfaction Through Efficiency; May 2018

Agent Desktop Optimization: Help your Agents Help Customers; September 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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