

Optimizing Multi-Channel Communications in Customer-centric Organizations



Genesys Customer Service Strategy Guides are intended for business and operational decision makers interested in maximizing the strategic business value of their customer interactions across all channels, both inside and beyond the contact center.

This Guide explores why optimizing multi-channel communications is of critical importance to your business, and offers proven strategies for achieving this goal.

Introduction

“Cross-channel visibility of customers should be at the core of a contact center strategy.”

— Merchants Dimension Data Contact Centre Survey 2007

Businesses are accelerating their implementations of new communication channels – including e-mail, SMS text messaging, Web-chat and video – in response to changing consumer habits and the rise of tech-savvy Generation Y. This move to multi-channel customer care is presenting consumer-centric organizations with both opportunities and challenges.

For example, newer communications channels provide powerful opportunities to not only reduce costs, cross-sell and up-sell, improve service quality and increase revenues, but also to differentiate the brand by delivering a superior customer experience. On the other hand, organizations are challenged to provide consistent service across these multiple channels. Customers expect effective service via their communications channel of choice, and they expect the organization to speak with a single voice.

While getting one channel right is a good start, it's simply not sufficient, because when a customer has a great experience via one channel, their expectations are raised to enjoy that same great experience via all the others. Therefore, if customer service across channels fails to meet the bar that has been set, the result will be customer frustration, customer defection and missed revenue opportunities.

In this paper, Genesys identifies ways to optimize multi-channel customer service and sales, such that the Web and wireless channels enable businesses to reach their goals.

E-mail and other Web-based channels are growing rapidly

The expansion of the e-mail channel

While newer channels show no sign of making telephone communications obsolete, their impact on customer satisfaction cannot be underestimated. For example, e-mail is now the second most commonly used customer service channel, ranking only behind the telephone, and a recent survey conducted by Dimension Data found that 47% of organizations offer the e-mail channel and an additional 26% plan to install it. As e-mail usage grows, expectations for service quality also increase apace. When these expectations are not met, however, the enterprise loses opportunities to enhance customer loyalty and profitability.

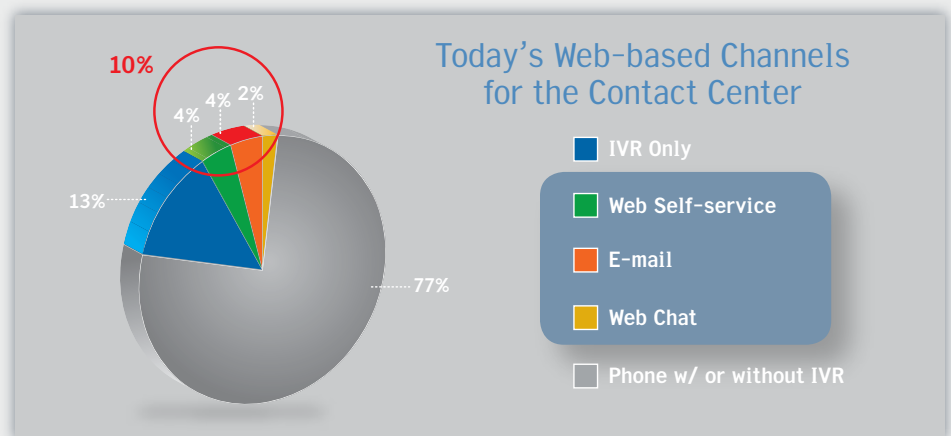
Genesys conducted a global consumer survey that found that 17% expect a response to their e-mail within four hours, and a further 21% expect a response within one hour. By contrast, when the same survey was conducted in 2003, only 6% expected a response within those timeframes. The recent survey also found that slightly more than 30% of consumers who had sent e-mail queries said their inquiry was either not ever satisfactorily resolved, or it was eventually resolved, but not via e-mail. Having to repeatedly contact a company to try to get answers to the same query is clearly not conducive to fostering customer loyalty or increasing profits per customer.

A second worldwide survey conducted by Dimension Data confirms this lackluster performance in the e-mail channel. The annual study found that from

2005 to 2006 the average e-mail response time has worsened in all regions and countries except the USA. In North America the average e-mail response time is 11.4 hours, while in the Asia Pacific region the average is 27 and in EMEA 24 hours.

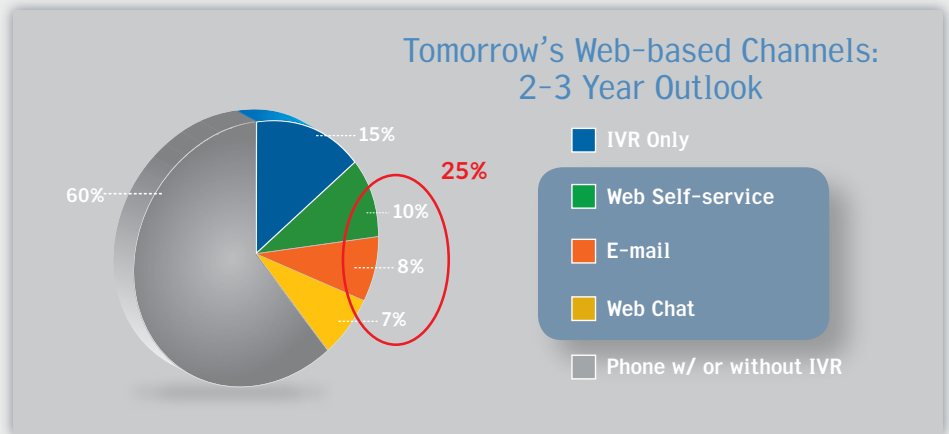
Adoption of Web-based service channels

Interactions through e-mail, Web-chat (instant messaging), and Web self-service continue to grow, representing a greater overall proportion of all customer interactions with each year.



As these figures from the Yankee Group illustrate, getting service through Web-based channels should be at the center of every contact center's strategy. The Yankee Group data also confirm strong demand for Web-chat, fueled by increased consumer access to broadband, as well as the entrance of the tech-savvy Generation Y into the workforce. In addition, according to the Genesys global consumer survey, 24% of consumers report that they would like the option of using Web-chat to communicate with companies instead of talking over the phone.

Finally, massive adoption of wireless devices has changed consumer interaction habits, along with expectations for customer service. The Dimension Data survey found that SMS text messaging is the next most popular customer channel after e-mail, with 31% of organizations reporting that they communicate with customers via this method, and the Genesys global consumer survey uncovered a similar trend. When asked about their desire to interact via SMS, 21% of consumers stated that they would like to receive information about products and services via this channel.



Source: Yankee Group, 2007

Implementing winning strategies

For business objectives to be met, customer expectations must be satisfied across all channels. For example, if a consumer browsing on the Web has difficulty reaching live support when they need it, the company's ability to close sales will be compromised. And if the consumer learns the contact center lacks visibility into the full spectrum of Web-based customer interactions, trust in the organization will decrease.

Similarly, the customer who receives an ineffective response to an e-mail inquiry and is forced to call into the contact center to start the transaction all over again is much less likely to spend additional money with the company, and more likely to defect. On the positive side, new channels provide enhanced opportunities to reach new prospects, close more sales and differentiate the brand based upon service.

The Winning Strategies

In this paper, Genesys has identified best practices for implementing multi-channel customer service and sales, and recommends adopting the following seven strategies:

- Deliver Consistent Service across Channels via a Universal Queue
- Meet E-mail Response Expectations
- Set E-mail Response Times in Accordance with Customer Segment
- Deploy Chat for Targeted Business Goals
- Reduce Costs by Conducting Simultaneous Chat Sessions
- Provide Pre-Sales Support via Multiple Channels
- Increase Productivity by Using Cross-Channel Agent Skills

Strategy 1: Deliver Consistent Service across Channels via a Universal Queue

Allowing agents to view customer interaction history across channels improves efficiency and effectiveness.

Over the past several years, contact centers have added channels such as e-mail and Web-chat, which have often been managed as separate channels. This siloed approach results in the inability to track customer history, a lack of visibility across channels and a lack of reporting — which results in an inconsistent standard of service, and a sure recipe for customer frustration.

Genesys recommends that customer-centric organizations optimize business goals and reduce customer frustration by tying channels together into a Computer Telephony Integration (CTI)-based universal queue. This allows multiple channels to be managed as a single interaction stream, providing a 360 degree view of the customer. Using this approach, our clients have improved operational efficiencies, increased customer satisfaction and reduced churn. Tracking a single inquiry across communications channels ensures that customers do not need to repeat information or become frustrated, and agents do not need to redo inquiries in one channel that have been initiated in another channel.

This integrated channel approach is recommended by a range of industry consultants. Dimension Data, for example, advises that “cross-channel visibility of customers should be at the core of a contact center strategy.” In the initial stages of Web-based service, many organizations lacked the requisite technical and organizational capabilities to effectively tie together various channels. However, as contact centers adopt IP infrastructures and contact routing moves to software-based platforms, implementing a universal queue has become more easily achievable. Dimension Data reports that universal queues have been implemented in 28% of contact centers with a further 15% planning to install.

As the points of customer contact continue to proliferate — spanning not only Web-based channels but also mobile text messages and video requests — the advantages of a universal queue correspondingly grow apace. Industry analysts recommend that contact centers implement a universal queue, and that they use a single applications suite to blend channels. According to industry analyst Forrester Research, “Integration between components and transference of information between channels is best accomplished on a unified platform with a single rules and workflow engine and a unified customer model.” This allows customer-centric organizations to put in place consolidated reporting, which leads to an understanding of agent utilization across channels.

Genesys also recommends that customer-centric organizations make the most of their universal queue by using CTI to provide agents with better visibility into information collected via multiple channels. Imagine a customer who has sent an e-mail, or several e-mails, to a company and then calls into the contact center to follow up, only to receive an inappropriate response or even discover that the agent has no record of the e-mail(s). The customer would then be compelled to start the transaction over, which is a sure recipe for customer frustration, and a lost opportunity to build customer intimacy.

Specifically, we recommend that the enterprise build into the CRM system a single set of identifiers for a customer account number across multiple channels. This will avoid a scenario where, for example, if a customer sends six e-mails they could possibly be sent to six different agents.

Enabling an agent to view an e-mail series as a single thread allows for personalized service and an improved customer experience.

Strategy 2: Meet E-mail Response Expectations

59% of consumers have contacted a company via e-mail in the past year.

— *Genesys Worldwide Consumer Survey 2007*

For many consumers, sending an e-mail is the most convenient way to communicate with a company, and as the public spends an increasing amount of time working and interacting online, the popularity of the channel has increased. The medium offers the precision of written communications, and can potentially be more efficient than the telephone. For certain types of customer inquiries, such as arranging delivery dates or making financial transactions, the ability to retain a written record is highly beneficial. In the Genesys 2006 Global Consumer Survey, when consumers were asked by what channel they had communicated with a company in the past year, 59% of respondents affirmed they had used e-mail.

Consumer surveys show that expectations for e-mail response times are often not met, thereby creating a liability for the organization. When a customer fails to receive an adequate response to an e-mail, is forced to wait more than 24 hours for a reply, or receives no response at all, more likely than not he or she will react by making a telephone call into the contact center. If the company is not using a universal queue to bind together e-mail and phone-based systems, the agent will lack a record for the e-mail and start the transaction over. Later, the customer may receive an e-mail response to the query that was already resolved via the telephone. This scenario represents a compounding problem for the company in that, at the same time that interaction handling costs increase, customer satisfaction decreases.

What can customer-centric organizations do to ensure that e-mail contact is a business advantage? While auto-response features can handle a certain percentage of e-mails, agent intervention is still required for many. Genesys recommends using a library of suggested responses for agents to draw from and setting auto-response accuracy thresholds at between 60 and 80%. In order to do this, e-mail responses must be integrated with business rules and workflows — which necessitates attention to the business requirements, such as response time expected. Further, a suite of integrated customer service applications capable of tying e-mail service objectives to overall customer service objectives should be used.

Strategy 3: Set E-mail Response Times in Accordance with Customer Segment

Design e-mail response strategies to support business objectives.

For many organizations, e-mail is part of a call deflection and cost reduction strategy. However, a focus on cost cutting at the expense of customer satisfaction is short-sighted. In the absence of a consistent customer segmentation strategy across channels, frustrating a high-value customer via the e-mail channel has the same adverse consequences as disappointing that customer via the telephone. The 2006 Genesys Global Consumer Survey found that slightly more than 30% of consumers who had sent e-mails said their inquiry was either not at all resolved satisfactorily, or was resolved, but not via e-mail.

In order to improve e-mail response satisfaction rates, segmentation by customer value should be used for both telephone and e-mail-based transactions. The e-mail routing engine should be programmed to choose a path appropriate to the customer segment. This path will, in turn, determine the level of accuracy for the e-mail to be responded to via auto-response — as opposed to an agent-assisted e-mail response — as well as the time window for response.

For example, if an e-mail is received from a gold customer, an estimated certainty factor of 80% would be required for it to pass through the auto-response engine. E-mails receiving a certainty factor of less than 80% would be responded to by agents. On the other hand, for bronze customers, the certainty factor for e-mail auto-response can be set at 60%, and a higher percentage will pass. Similarly, the response time parameters will vary by customer segment, with gold customers receiving a quicker auto-response time than bronze customers. Our clients have used this strategy to support a variety of business scenarios, including business-to-business support where high value e-mails must be identified in order to retain profitable relationships. The result has been a dramatic decrease in costs, coupled with improved service quality and increased revenues per customer.

Strategy 4:

Deploy Chat for Targeted Business Goals

Chat supports brand differentiation and boosts sales closure rates.

Given that 42% of customers research products online, offering Web-chat has the potential to dramatically increase sales closure rates, as well as to allow customer-centric organizations to differentiate their brand based on service. One U.S.-based national retailer known for superior customer service in its brick-and-mortar stores has been using this strategy for the past several years. Replicating the in-store experience online, the retailer offers customers the option of Web-chat with either a customer service representative or with a particular specialist (in beauty, fashion, etc.). In this strategy, Web-chat is not a replacement for telephone-based support, but a means of enhancing the customer experience and leading to increased sales closure rates.

Web-chat is also a highly effective tool in support of closing sales online, and this is particularly true for complex products such as insurance policies, investments and loans. For instance, in the first quarter of 2006, a major U.S.-based retail bank succeeded in increasing its online mortgage loan sales rate by 800% by offering prospects Web-chat. Use of Web-chat in the financial services industry is growing to encompass support for an ever wider variety of products.

For instance, one of our retail banking clients in Asia uses Web-chat as a tool to support all consumer products, with the Web-chat option prominently displayed on the company's homepage. Both of these banks are taking proactive steps to avoid falling on the wrong side of the 'customer frustration versus customer satisfaction' equation.

Strategy 5: Reduce Costs by Conducting Simultaneous Chat Sessions

Improve productivity metrics by targeting optimal number of sessions.

For many organizations, justifying the ROI for chat can be challenging since the length of Web-chat sessions can vary, making agent efficiency difficult to measure. One way of maximizing agent productivity is to train agents to conduct several Web-chat sessions at the same time. This technique has been successfully applied by our clients in several industries, including financial services, travel and technical support. In our experience, the optimal number of simultaneous Web-chat sessions is three to four per agent.

The advantages of conducting multiple Web-chat sessions simultaneously are particularly strong in the technical support area. For example, one of our clients — a provider of outsourced technical support — uses Web-chat to help customers and, as a result, has reaped a substantial payback, including increased agent productivity and reduced call hold times.

The client was initially faced with a challenge. Due to growing complexity and the number of products offered, as well as the ever-growing number of users, wait times had grown to the point where it was not unusual for callers to wait 20–40 minutes for a technical support agent to help them with a high technology consumer product problem. And once the call was answered, it was not uncommon for the resolution to take

another 20–40 minutes, during which time the agent was on the phone with the caller, walking them through the procedures to resolve the problem. In addition, there was dead time on the phone while the agent waited for the consumer to reboot his or her computer, during which time it was impossible to take another call.

By implementing Web-chat, however, this scenario has been turned around. Agents are now free to take another chat customer while the first customer is implementing the recommended fix. The agent can leave the Web-chat window open to respond to any questions the first customer might have, while simultaneously helping the second customer with their query. Simply put, the agent can now be “online” with multiple customers, and working to solve a variety of problems, all at once.

The client also leverages the benefits of text and graphical-based communications. Since end users typically call with a common set of technical issues, the client uses a combination of live chat and pre-written fixes sent by e-mail, or through the chat session itself.

The business results of this deployment have been impressive. The number of resolutions per agent has improved by as much as 300%, and customer satisfaction for chat- and Web-enabled customers has risen as well. When compared to phone-based support, the overall time to resolution per session has been reduced.

Strategy 6: Provide Pre-Sales Support via Multiple Channels

Transform browsers into buyers through live online support.

Since the onset of the Internet economy, businesses have been challenged to realize the potential of the Web channel to close sales. A company's Website has become the new 'customer front door' — the place where most consumers begin their shopping experience, browse around, compare prices, review product features, and so on — however, all too often, they do not complete the sales process. In fact, industry studies reveal that 60% of all online shopping carts are abandoned.

To turn browsers into buyers, customer service professionals must take control of the relationship by, for example, proactively offering the customer a chat session and then following-through via multiple channels to aid in closing the deal. This type of multi-channel strategy can be highly effective in securing a successful sale.

Industry analysts such as Gartner and Forrester recommend that organizations interested in such a strategy deploy proactive chat as part of a suite of multiple applications, thereby allowing customer information sharing across applications, and customer identity recognition across channels. For example, in order to offer a consumer a loan, the proactive chat application must be integrated with the telephony system so that the systems can do a database dip and see who the customer is.

One leading U.S. bank wanted to track customer Web behavior to better engage with customers in a meaningful dialogue when their behavior indicated an interest in long-term financial products. The bank found that a significant number of customers started filling out a mortgage application form online, but then stopped before completing or submitting it. The bank implemented a program whereby follow-up outbound calls were made to customers who abandoned the online mortgage form, offering to assist them with any mortgage-related questions.

This approach netted the bank a 30% closure rate on the follow-up calls. The outbound call program is successful because it leverages Web analytics to identify and contact only those customers whose Web shopping behavior indicates that the offer is relevant and timely.

Strategy 7: Increase Productivity by Using Cross-Channel Agent Skills

Assign a subset of skilled agents to handle Web channels.

One advantage of a universal queue is having the ability to adjust agent assignments according to fluctuations in contact volume. For example, during times of low call volume, agents cross-trained in e-mail and voice can respond to e-mails, while during times of high call volume, agents can be placed into phone support. This dynamic strategy optimizes productivity and enables improved service levels. It also improves agent morale and provides a more attractive career path, as the ability to automate routine transactions frees agents from answering repetitive questions and allows them to focus on more complex interactions that require human involvement.

In the initial years of Web-based customer service, many organizations assumed that the optimal strategy involved deploying agents skilled in all interaction types. Genesys does not advise making all agents universal agents; rather, we suggest taking only a subset of adequately skilled agents and assigning them to text-based Web support.

By using skills-based routing that accounts for individual agent skills in conjunction with customer segmentation, the most highly-skilled agent in a given communications medium can be matched with the appropriate incoming interaction and caller. By employing this strategy, customer-centric organizations can realize the benefits of deploying a dynamic contact center, such as the ability to better control costs, improve quality and increase revenue.

The Dynamic Contact Center

Multi-channel integration is a key step in realizing the promise of the Dynamic Contact Center — the Genesys vision for the future of the customer contact center. Unlike traditional contact centers, the Dynamic Contact Center will adjust the volume and mix of available resources to meet changing conditions. For example, agents will shift between activities according to their particular skill set and availability to handle multiple interaction types (job blending), or to manage both telephone calls and e-mail. As a result, the pool of resources would instantly expand for one task and contract for another based on real-time analysis or contact center conditions.

Traffic management in the Dynamic Contact Center entails a fully flexible approach: changes in call volumes that result in rebalancing of voice, Web-chat and e-mail activities, as well as offline tasks, such as processing work items. This allows for each channel to be managed according to available skills with the highest regard for quality service and a superior customer experience. Optimizing traffic management in the Dynamic Contact Center also involves pre-empting, deflecting and postponing interactions for the purpose of driving revenues. For example, banking customers that tend to phone three days after submitting a loan application can be preemptively contacted with an outbound call, e-mail or SMS.

By dynamically balancing channels, resources and traffic in accordance with desired business outcomes, contact centers are able to take a key step toward transforming themselves into a strategic asset.

Conclusion

Effective channel integration is now within the reach of organizations of all sizes.

Several years into the Internet economy, organizations are realizing that an integrated channel approach is not only beneficial to the business' bottom line, but also attainable from a technical and process perspective. New protocols such as VXML and SIP — designed to more closely resemble http and SMTP — are bringing integration of voice and Internet applications within reach, allowing multiple channels to be managed from one location, rather than in silos.

New communications channels provide both powerful opportunities and significant challenges. Customer-centric organizations are striving to effectively blend channels, provide consistent service, proactively leverage the Web, meet response time expectations and gain a holistic view of the customer in order to reduce costs, reach new prospects and improve revenues.

Businesses that succeed in implementing best practices for optimal multi-channel customer service and sales will reap the benefits of improved agent effectiveness and productivity, decreased customer frustration, increased customer loyalty, enhanced operational efficiency and a sustainable competitive advantage.

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Additional Information

Genesys, an Alcatel-Lucent company, is the world's leading provider of contact center and customer service management software – with more than 4,000 customers in 80 countries. Genesys software directs more than 100 million interactions every day, dynamically connecting customers with the right resources – self-service or assisted-service – to fulfill customer requests, optimize customer care goals and efficiently use agent resources. Genesys helps organizations drive contact center efficiency, stop customer frustration and accelerate business innovation. For more information: visit us on the Web: www.genesyslab.com, or call +1 888 GENESYS (1-650-466-1100).