

Transforming the Contact Center For A New Era Of Customer Experience Management

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INTRODUCTION

Enterprise customer service operations are going through a transition in response to changing demographics and new technologies for communication and interaction. Companies can benefit from this transformation—extending and enhancing their level of customer engagement—by implementing end-to-end customer experience management solutions: context-aware service strategies in the contact center, the enterprise and across the growing array of social networks. Failure to adapt poses significant, short-term and long-term risks. In this white paper, we provide an overview of how Avaya views customer experience management and a brief look at some of the key steps enterprises can take to begin implementing an end-to-end experience management strategy today.

Table of Contents

Section 1: Introduction.....	1
Section 2: The Customer Service Gap	2
Section 3: The Changing Customer Service Paradigm: Demographics And Technology	3
Section 4: The New Era Of Experience Management	4
Section 5: Implementing Customer Experience Management	6
Section 6: Conclusion.....	10
Section 7: About Avaya Aura™ Contact Center.....	11

THE CUSTOMER SERVICE GAP

The importance of customer service has long been recognized—its value in driving sales through competitive differentiation, customer retention and overall brand advocacy has clearly been established. Given the near universal acknowledgement of its importance, many might be surprised to discover that instead of growing smaller and less significant, the gap between customers' service expectations and the ability of companies to fulfill them is currently widening:

- While 80% of companies believe they deliver a good or superior customer experience, only 20% of their customers agree.¹
- Phone-based customer service remains the most valued by customers. But, on a scale of 1–5, less than half of the callers who use it report a satisfaction level of four or five.²

The website of Customer Service Scoreboard states the matter bluntly: “Most people believe they receive inadequate customer service from most companies today.”³

Given that the vast majority of consumers report that their experience with the contact center is either “important” or “very important” in shaping their opinion about a company’s image, companies cannot afford this disconnect.

With all of the resources devoted to customer service, this situation may seem paradoxical. In reality, it is decidedly familiar: customer service is a dynamic business function; like the nature of business itself, it continually evolves. In fact, we believe that enterprises must now recognize and adapt to a major paradigm shift in customer service brought about by changing demographics, new technologies and new forms of communication and interaction—including the powerful impact of social media.

¹ 2010 Contact Center survey conducted by Webtorials, sponsored by Avaya

² “How Consumers Research, Buy and Get Service,” Forrester, March 2008

³ <http://www.customerservicescoreboard.com/>

THE CHANGING CUSTOMER SERVICE PARADIGM: DEMOGRAPHICS AND TECHNOLOGY

As the historic, post-World War II “Baby Boom” generation moves into retirement, its demographic followers—often referred to in the media as Generations X and Y⁴—are becoming the major forces in the economy. Much has and will continue to be written about this generational shift. For the purposes of understanding the impact on communication behaviors and service expectations, several aspects stand out:

- **High expectations:** The post-Baby Boom generations grew up surrounded by media-oriented technology while enjoying relentless improvements in computing functionality and performance. Given this experience, they expect instantaneous service and are puzzled when it is not available anywhere, anytime through any medium.
- **Going viral:** Not only is their tolerance for failure limited (73% of Generation Y will leave after one bad experience), they have no hesitation to go public with their dissatisfaction: 85% will tell others about their poor experience⁵—including posting messages, photos, videos and more online—an experience that many major brands have experienced first-hand, not always to their liking. You only need perform an Internet search on “poor customer service” to find the evidence.
- **Preferred modes of interaction—none:** They are media agnostic, using the phone, e-mail, Web chat, IM and social media interchangeably. A recent survey by Nielsen Online showed that social networks and blogs are now the fourth most popular online activity, ahead of personal e-mail.⁶
- This makes them far less dependent on traditional phone communication compared to Baby Boomers.
 - Having grown up (especially younger members of these generations) with the Internet, e-mail, IM, gaming, Facebook, etc., they are comfortable, and may even prefer, collaborating online versus face-to-face.
 - A growing percentage doesn’t even consider contacting a call center, but reaches out to peers via social media.

Learn more about social media: For more information on benefiting from the reach and pervasiveness of social media, please click here [Social Media and the Contact Center for Dummies](#)

⁴ For this white paper, generations are defined as Baby Boom (born 1943 to 1960), Generation X (born 1961 to 1981) and Generation Y or Millennials (born after 1981).

⁵ <http://convergys.com/insights/research/index.php> (Convergys, 2008)

⁶ http://en-us.nielsen.com/main/news/news_releases/2010/april/nielsen_fourth_screen

THE NEW ERA OF EXPERIENCE MANAGEMENT

The changing demographics, new technologies and new forms of communication and interaction—not the least of which are the still nascent social media networks—all require a significant shift in customer service strategies.

Companies need to plan for changes in interaction behavior and evolve to offer a consistent and satisfying experience across various communication channels. This is what is meant by customer experience management.

Customer experience management redefines the customer engagement model through the delivery of coherent, contextual and comprehensive service across all communication channels.

Customer experience management integrates what were once discrete, channel-specific processes to orchestrate the customer engagement across the enterprise over time and touch points, making it possible to:

- Recognize and respond to customers in a way that is meaningful to them.
- Understand their needs in the context of their interactions with your organization.
- Integrate and calibrate what is required during each step of an interaction—creating warm handoffs from every channel, resource and level of escalation: from self-service to agent to expert.
- Eliminate the continual re-authentication and repetition of key information—repeatedly cited by callers as a major source of dissatisfaction.

Adopting a Customer Experience Management Strategy

Innovations in contact center and communications technologies have made the new era of customer experience management possible, providing enhanced capability for improving access, managing interactions, adapting work flows, creating and preserving context, expanding the scope of performance evaluations, etc. Ultimately, the successful implementation of customer experience management will be a multi-pronged effort that requires careful adaptation to market needs, societal/generational trends, infrastructure and cost considerations.

For example, although voice may not be the first choice of everyone who needs customer service—and remains the most expensive interaction channel—it is still the medium that rates highest for customer satisfaction. While interaction methods such as self-service create the opportunity to reduce the cost of transactions, surveys show that many people still want costly live-agent support.

The challenge is to determine and deploy the right combination of automated and assisted experience management capabilities to achieve exemplary customer service while optimizing capital and operational expenses.

Short-term and Long-term Benefits

Implemented correctly and thoughtfully, end-to-end customer experience management has the potential to generate a wide range of short-term and long-term benefits:

- More effective use and allocation of customer support resources, potentially leading to lower support costs.
- Higher rates of first-contact resolution—critical for customer satisfaction and lowering costs.
- Effectively empowering agents to cross-sell and up-sell products and services.
- More flexibility and scalability for adapting to changing market conditions.
- Business-differentiating customer service that leads to more satisfied and loyal customers who buy more and provide effective word of mouth—including advocating on social media sites.

CORE COMPONENTS OF CUSTOMER EXPERIENCE MANAGEMENT

To be successfully implemented, customer experience management requires focus on these core components:

- **Connected/open enterprise:** Easily and cost-effectively integrating communications, information, and processes inside the contact center and across the entire enterprise.
- **Application integration:** Integration of real-time communications with enterprise applications, information and processes.
- **Orchestrated experience:** Meet customers on their terms; proactively manage all interactions across all media and modes, agent-assisted and self-service, including warm handoffs.
- **Bring full context to every session:** Collecting, growing and leveraging information about customers and their environment to improve the quality of every interaction and transaction.
- **Immerse the agent in the experience:** Providing a unified and contextual desktop to empower agents and experts outside the contact center with real-time information to address customer needs.
- **Manage, learn, apply:** Delivering a closed loop process for leveraging historic and real-time insights to manage operations and continuously adapt.

IMPLEMENTING CUSTOMER EXPERIENCE MANAGEMENT

When approached strategically, customer experience management is an ongoing source of differentiation, and in most cases a growth engine for companies and organizations alike. Every enterprise will have different requirements, but in our experience here are some of the key steps most enterprises will need to follow:

Integrating Multimedia Capabilities

Many contact centers are still just call centers: voice-only systems designed for an era when the only real option for the customer seeking service was to pick up the phone.

Adding non-voice capabilities is critical—new generations of customers expect it. In addition to increasing access, multimedia leads to improvements in contact center productivity by making it easier for agents to switch to online service when call volume drops.

However, having multiple channels in and of itself is not effective as a strategy. When not backed up by streamlined processes and careful attention to channel integration, it can actually frustrate customers by providing service that is discontinuous and inconsistent with what a live agent typically can provide by voice alone.

Managing Customer Experience Across Multiple Media Types

In a 2010 survey,⁷ contact center professionals reported that they expect the next two years to bring strong growth in non-voice interactions:

- The greatest increases are expected to occur in Web self-service, Web chat and social media.
- One-third of contact centers are expected to have a majority of their agents handling both voice and multi-media interactions.

Managing customer experience across multiple media types requires integrating not just the media itself but an array of contact flows, self-service dialogs and resource selection/work assignment algorithms and making them customer-, context- and media-aware. This means, for example:

- Recognizing that a customer interacting with your business through a smartphone wants to *hear* a self-service application's options AND see the choices displayed on the smartphone's screen.
- Callers who decide to move from a self-service session to agent-assisted service want a warm handoff that includes a full history of their self-service interactions.

⁷ 2010 Contact Center survey conducted by Webtorials, sponsored by Avaya

Creating Full Context for Every Interaction

A well integrated, multimedia capability not only recognizes the customer, but also understands the context and intelligently selects the resources required to address the customer's issue. By context, we mean all relevant information about a customer including his/her profile, demographics, presence, preferences, immediate activity, behavior and past interactions. Such information often resides in databases, business applications and processes outside the reach of the contact center. When agents do not have immediate access to information—for instance, the information to recognize that a customer call is actually a follow up to an e-mail—it impedes an agent's ability to serve customers. Customer satisfaction plummets.

A contact center application that preserves all of this contextual information across all media and has it available for all agents, as well as experts or supervisors who may be added to the interaction, not only increases customer satisfaction, but saves time and expense by reducing the time needed to serve the customer. In addition, past context is provided when the customer subsequently contacts the enterprise again—minutes, hours, days or months later.

Making Experts Accessible

There are always times when an agent needs help resolving a customer's request. Too often in today's contact centers, the agent's choices are limited to shouting over the cubicle wall, calling in a favor from a colleague or asking for more time—necessitating a callback or subsequent correspondence, further reducing customer satisfaction and increasing costs. In a state-of-the-art contact center, experts are pre-identified by skill sets and their presence. Work-assignment algorithms can factor this information, as well as other data—the business value of the engagement, past history and other data specific to the customer—to match an agent's escalation to an appropriately skilled and available expert, who can accept or decline the request to provide assistance. Context-sensitive agent desktops, with the ability to identify keywords in text or speech recognition software, can also be used to identify experts available to solve customer issues. A capability that assesses contact and work items across multiple variables and matches them with the best resource available can also assure equitable distribution of work such that no single expert is consulted excessively. And a unified reporting system tracks the work done and the time invested by each expert, making management aware of the experts' contributions. Customers are happy because their needs are fully addressed the first time they contact the enterprise.

Adapting Workflows and Business Processes

The commitment to customer experience management needs to permeate the enterprise and not be confined to just the contact center. That's why it is vital to tie the contact center into your business workflow and processes—to be able to queue not just contacts but also work items. For example, a common step in a workflow is the need for a manager's approval. Today's workflow systems may send an e-mail to a manager's mailbox requesting the needed approval, but have no knowledge of when (if ever) a response might be expected. But what if you could use your contact center's sophisticated work assignment algorithms to find the best qualified manager to grant the fastest approval? Further, instead of sending the manager an e-mail, as today's workflow tools do, you could also leverage presence and outbound notification capabilities to automatically locate and contact the expert. Finally, imagine the possibilities of using the same work assignment engine to distribute not just customer interactions (calls, e-mail, etc.) to your agents, but also other work items (for instance: check the accuracy of customer claim form.) And, when distributing work, to take into consideration not just traditional parameters such as agent call volume or skill sets, but business value metrics such as close rates, average dollar volume of sale, etc.

Assessing Agent Performance, Motivation and Training Requirements

The new realities of customer experience management require a new approach to managing agent performance. Managing agents' "seat time" or the number of calls handled during a shift is only one small component of the more important objectives of profitability and customer satisfaction.

State-of-the-art contact center systems not only assign work across media, but they track agent performance and customer experience across those disparate media as well. They provide comprehensive reporting tools to identify agent performance shortfalls, and pinpoint whether those shortfalls are unique to certain media or if they are instead tied to a lack of training or knowledge. These systems also consistently track customer interactions across media, giving contact center managers a clear, integrated view of the overall operation of the contact center, together with specific insight on areas where immediate attention is required.

Exploiting the Strength and Reach of Social Media

In the early 1990s, an often quoted statistic was that one unhappy customer would tell an average of eight to ten people about a bad experience, and one-fifth of them would tell 20 more.⁸ Now, we can only dream of the good old days when those numbers were so low. Today, a dissatisfied customer can instantaneously notify hundreds or even thousands of people about a problem with a single “tweet,” blog or posting. Welcome to social media—or as some have taken to calling it, the social Web, encompassing everything from blogs and websites to Facebook, Twitter, Linked-in and more.

Used effectively, social networking sites can enable virtually anyone in your organization—marketing professionals, salespeople, customer service agents—to deepen their engagement with customers and prospects. On the other hand, social media has a life of its own—it is likely that conversations impacting your business are taking place online right now:

- While your customers are interacting with you they can be having simultaneous, public conversations with friends, family, other customers, etc.
- They can post their own reports on social media sites.
- They can post the content of their interactions.

Contact center workflows need to be adapted to the new reality of social media: scanning for specific references that involve your company, weeding out irrelevant entries (e.g., spam), gauging emotion, identifying what requires immediate attention, delivering only the pertinent entries over open queues to be routed to the appropriate resource, etc. Contact center reporting and back office systems can also be used to identify who the customer is, based on their e-mail address, Twitter handle, or other information that your enterprise may have in your records. Past history with this customer can also be delivered to the agent as part of the contextual information for the agent to analyze.

Social media is having a clear impact on customer experience management. So is the ability to engage customers virtually, through virtual world solutions based on applications such as web.alive blog from Avaya. They are both dramatic examples of the way in which traditional customer service models will continue to be stretched by the technology that’s available, affording new opportunities for enterprises to assert and build their brand. Companies should at a minimum ensure that their brands are not compromised on social media. They should go a step further and utilize the power and pervasiveness of social media to assert their identity and build their brand.

⁸ <http://www.bizjournals.com/austin/stories/1999/03/22/smallb3.html> (“One Unhappy Customer Can Multiply to Many,” Austin Business Journal, March 19, 1999)

CONCLUSION

A huge shift in customer service is underway, brought about by changing demographics, new technologies and new forms of communication and interaction—not the least of which are the still nascent social media networks.

While technologies and specific networks may wax and wane in importance, there is no disputing the overall trend. To meet customer expectations and mitigate customer satisfaction risks, companies need to focus on how to evolve their customer service infrastructure and manage customer satisfaction expectations, offering interactions across various channels while delivering a consistent experience to manage customer satisfaction expectations. Multimedia, the integration of real-time communications with enterprise applications, proactively managing all interactions (including on social media and in virtual environments)—all of this is part of the mix, along with more effective work assignment and performance evaluations.

Ultimately, customer experience management crosses the boundary from contact center to enterprisewide customer care, and provides a new way for companies and organizations to differentiate and grow. Those that effectively shift their focus to address the new realities of customer experience management will be able to ride the wave of the generational shift and lead their market.

About Avaya Aura™ Contact Center

Avaya Aura Contact Center is a standards-based, software-only solution that enables agents and knowledge workers to efficiently and effectively collaborate with customers and partners across multiple media types.

A central component of the Avaya Aura Contact Center Suite, Avaya Aura Contact Center provides a robust set of tools for managing the customer experience, delivering exemplary service, generating profitable revenues, asserting the brand identity and establishing a level of experience management that supports competitive differentiation.

Avaya Aura Contact Center utilizes Session Initiation Protocol (SIP) capabilities to improve connectivity and establish seamless, persistent, collaborative, multimedia interaction sessions. Open web services allow companies to integrate contact center workflows with databases and business applications, providing agents with real-time and historical contextual information that can improve the effectiveness of interactions and the rates of first-call resolution. A sophisticated resource selection and work assignment capability evaluates contact requests and work items across multiple variables, and selects and assigns them to the most appropriate resource over an open universal queue, significantly expanding the scope, capability and value of the contact center to the enterprise. Comprehensive reporting capabilities can be used to evaluate performance and obtain the early insights that help companies adapt to changing conditions.

The Avaya Aura Contact Center Suite delivers on our commitment to Protect, Extend and Grow existing customer investments.

For more information on experience management and Avaya Contact Center solutions, please see: <http://www.avaya.com/usa/topics/contact-center/>

About Avaya

Avaya is a global leader in enterprise communications systems. The company provides unified communications, contact centers, and related services directly and through its channel partners to leading businesses and organizations around the world. Enterprises of all sizes depend on Avaya for state-of-the-art communications that improve efficiency, collaboration, customer service and competitiveness. For more information please visit www.avaya.com.

The Avaya logo consists of the word "AVAYA" in a bold, red, sans-serif font. The letters are closely spaced and have a slight shadow effect.

INTELLIGENT COMMUNICATIONS

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