In today’s fast-moving digital world the race is on for companies to present a cohesive service to their customers. Bill Payne draws from IBM’s latest CMO study to outline why delivering a unified customer experience is critical to gaining significant competitive advantage.

The challenge of succeeding in today’s complex consumer environment is most acute for those leaders with direct responsibility for delivering the customer experience. In the course of interacting with hundreds of top customer-facing executives via IBM’s 2011 CMO study, we found that most had a passionate interest in customer insight, evolving views of channels and voiced the need for a strong refocus on the customer.

We also found that customer facing executives take different approaches to tackling social networking, transforming how analytics bolsters innovation and insight, and prioritising integrated customer experiences. They are consistently focused on building and maintaining the right brand experience in a transparent and multi-channel world.

These leaders are excited about embracing and discussing the future. However, they also clearly value many of the successes of the past, including the importance of high quality person-to-person contact, managing costs smartly, and being pragmatic in how they develop customer advocacy, satisfaction, and loyalty. Successful companies differentiate themselves from the competition through their customer experiences: they develop customer intimacy in a manner that improves share of wallet and address operational disparities that have limited customer loyalty in the past.

However, many companies still haven’t come to grips with the pace of change in digital customer transparency, nor have they laid out the strategy, organisational or execution plans that will serve them in the coming years. These companies, or indeed their customers, are highly vulnerable to those competitors that have a customer experience strategy which is aligned with what we, as individuals, now expect in a service environment.

We have identified the ‘top 10’ issues that we believe define today’s discussions around customer experience. Listed here, in no particular order, we believe they provide a candid reflection of what leaders around the world consider to be the challenges ahead for delivering a unified customer experience...
1. **Channels and brand experience are vital.** Leaders agree that channel profusion is here to stay, but managing consistent brand experiences across multiple channels is a major challenge. Companies must not merely manage the channels, but also focus efforts on managing the brand experience through and across them. Customers will accept different service levels in each channel, but they will demand and expect a consistent brand value proposition. Is your brand view integrated across all channels?

2. **Single view of the customer is back on the agenda.** Managing the customer experience through a single view – that includes unified channel communications -- is being perceived with renewed importance. A key and difficult enabler could be creating this single view of the customer across interactions, channels, products and time. Beyond being able to obtain a single view, deemed so vital for creating a common language that can help get all areas of a business ‘on the same page’, acting on this view is critical to achieving a positive experience. Likewise, delivering unified, coordinated communications is vital.

Many organisations see this as a difficult area requiring huge investment in a new customer platform. It doesn’t have to be. Have you looked at some of the niche technologies that are now mature to integrate customer data without the need for a huge replatforming initiative?

3. **Integrated channel experiences continue to be the goal.** An integrated channel experience is highly desired by almost all leading companies, but very few are currently able to deliver it. Despite the technology-centric nature of many new channels (eg internet, SMS, social media, device, chat) several still find technology itself to be a barrier. Nearly all are hampered by organisational and process obstacles, particularly ‘fiefdoms’ within the enterprise. Legacy customer processes and organisation are no longer fit-for-purpose in the changing world we live in. Leaders agree that the challenge is to capture and optimise the customers’ time, knowing that an increasingly time-taxed and impatient customer base is demanding easy and compelling channel experiences. Have you looked at customer processes in the new multi-channel world, and tools to integrate, measure, monitor and action them?

4. **Social media is hot (and sometimes too hot to touch).** Almost all customer facing leaders are excited, intrigued, and scared – and some have been scarred – by the hot, hot social media phenomenon. Many are interested in using social media as a channel, but apprehensive of using it as a means of open communication to reach their market proactively. In general, social media is open to the masses and largely uncontrollable. Your brand is out there all the same. It is a place likely to create communication confusion and misfires as much as it is a directed and positive dialogue - if it is not managed proactively and carefully as a channel. Have you identified ‘social media’ as an integrated channel in your multi-channel strategic plan? Are your company’s social media tools operational? Are they supported by newly-skilled social media agents taking a proactive approach to marketing to your customer base?

5. **IVR realignment – return of the humans.** Many leaders feel that interactive voice response (IVR) is currently overused and that consumers are growing increasingly weary of its use. Many leaders are switching back to simple options, sometimes choosing appropriate channel deflection (especially given the desirability of new channels), and even a return to more classic voice-to-voice interaction. Is ‘Human to Human’ the new way forward? Have you reviewed your deflection strategy? Are you measuring lost up-sell potential by closing out a value conversation? Have you reviewed your IVR strategy in the new multi channel world?

6. **Computers that listen - speech tools and analytics only on the cusp.** Customer speech analytics and its potential is currently drawing a mixed review from those excited about it and those who are less so. Many in the technology marketplace see unstructured analytics and speech analytics providing exciting future opportunities. Many did, though, find it to be a useful application in agent selection, pairing the right person and skills, and in results with specific customer situations. The technology of text and speech analytics is now fairly robust. It is usable. However it will not be successful unless its part of your integrated customer execution plan.

7. **Contact centres change their identity from cost centres to sales centres.** To many, contact centres are still too often thought of as cost centres within the enterprise – a necessary function that should be largely viewed in terms of expense and efficiency. But, what about the untapped potential of the contact centre for up-selling? What will the ‘contact centre’ be when it grows up? Will we allow it to be a ‘contact’ centre rather than a query centre? Increasingly, organisations are waking up to the potential for contact centres to be important facets of their brand sales efforts, customer experience, CRM strategies and execution plans. They have also found new opportunities in generating revenue from both inbound and outbound interactions. Frighteningly, we still find that more than 50 per cent of calls into contact centres could be avoided by ‘getting it right’ first time in all contact channels. So, a lack of contact channel
integration and single view kills you. With a cost spectrum across the channels ranging from more than $100 down to less than $0.1 per customer interaction, choosing the right channel is critical to commercial success. Have you explored using the contact centre as the mission control for your brand experience across all channels?

8. Onshore and @home. Where does my customer interface sit? With the adoption of off shoring slowing, many organisations find onshore strategies and especially @home programmes (ie remote agents working from their home offices) growing rapidly in the US. @home and hosted contact centres are a growth area within the customer contact industry, presenting a new and potentially powerful means to ramp up or down. They can also help you side-step investments in new infrastructure or technology, allowing you to take advantage of a huge experienced skill base that can work flexibly and on demand.

9. Contact centre metrics are evolving. Are our historical metrics right for the future? Average Handle Time (AHT), while an important metric for efficiencies, may not be an effective indicator of overall centre performance. Many leaders focus on First Call Resolution (FCR) and customer satisfaction, net promoter or customer effort as the most important metrics to understand performance within their organisations. However, is FCR really FCR when a frustrated client calls your contact centre due to bad experiences with your web or mobile options? And what if your scripting fails to recognise the transparent world your customer is living in. In finding the right metrics for overall customer experience – including channel centre performance – it’s essential to integrate channel experiences to avoid client frustration. Have you reviewed your metrics in the new multi-channel world of transparency?

10. Customer analytics. One of the biggest opportunities and most daunting challenges is high-quality, sophisticated, meaningful customer analytics. Most leaders wish to advance their capabilities in these areas, but very few feel that they are doing it well. Obstacles include not having the right skills to optimise analytics capabilities and a lack of focus or understanding amongst the C-suite of the value of analytics. Most leaders feel that analytics offers profound opportunities to drive revenue and loyalty if deployed correctly. Also, workforce analytics is considered an important topic as firms seek to optimise their agent workforces and matching capabilities. Has your enterprise a strategic initiative to understand customer dynamics and behaviours? If not, how can you deliver to the 90 per cent of CEOs who think ‘getting closer to the customer’ is top of their strategic business priorities?

Is ‘Human to Human’ the new way forward?

GETTING CLOSER TO CUSTOMERS
The IBM 2010 CEO Study, a survey of more than 1,500 executives across the globe, indicated that complexity is a CEO’s primary business challenge. Furthermore, “Getting closer to customers” was the top business strategy priority for 88 per cent of those surveyed. That’s nine-out-of-ten. Yet, are CEOs really driving the Customer Agenda in 2011?

In another survey of more than 1,700 marketing executives across the globe, the IBM 2011 CMO study revealed that, while the digital era has created a transformative shift in the way companies engage with their customers, most CMOs feel they aren’t ready or equipped to respond to the challenge. Only 26 per cent of CMOs are tracking blogs to help shape their marketing strategies; 42 per cent are tracking third-party reviews and 48 per cent are tracking consumer reviews. In 2010 CEOs wanted to get closer to customers; in 2011 it appears that their companies’ execution of this objective is failing.

These 10 subjects, their issues and opportunities, are at the height of customer-facing leaders’ minds, together with the day-to-day challenges of managing resources, costs, capacities, skills, and market changes at which all adept leaders must excel. However, too often, a company’s processes, incentive structures, and technologies do not support the overall vision or reinforce one another. Individual processes are optimised in silos, causing the end-to-end operation to be more complex and disjointed, and valuable data to be mismanaged.

This list lends valuable insight into what will likely be the agenda for the world’s customer experience leaders in the years to come.

BLURRING THE LINES OF RESPONSIBILITY
Perhaps one of the biggest blockers to rapid progress in Customer Experience is the organisational lines between marketing, sales and service. While these blur by necessity as customer interactions across multiple channels become more frequent, is ‘blur’ an optimum state? Why not cut through this fog and replace it with a mission control. Allow the contact centre of the future to become the main place where the consistency of multichannel customer experience is driven and understood.

To define this new operating model focused on customer experience, a company must make choices about investments by looking at all operational elements, including channels, holistically. An effective operating model aligns all components – process, sourcing, organisation, analytics, metrics, skills, technology, assets, channels, governance, and culture – around the objective of delivering a unified customer experience.

Embracing this holistic view will help organisations overcome their internal challenges and enjoy the rewards of improved customer advocacy, revenue and profitability. But none of this is relevant, or achievable, if you haven’t defined a strategy that places consistency of brand value at the heart of integrated customer experience.

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Bill’s current role encompasses the development of business strategy and service development for Global Process Services (GPS) CRM and Industry Vertical Services Globally. This portfolio covers all core CRM customer experience and industry vertical services which IBM delivers from over 50 centres globally with over 60,000 staff. Bill has over a decade’s experience spearheading the development and delivery of GPS services in procurement, finance and accounting, customer relationship management and human resources.

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