

A FROST & SULLIVAN EXECUTIVE SUMMARY

Dynamic Customer Needs: Winning Strategies for Next-Gen Care



in Collaboration with:

Microsoft[®]

Contact centers are engaged in a giant game of catch up today – not with advancing technology so much as with the changing demands of a customer base that is rapidly and permanently changing how it interacts with brands and with other customers.

The primary change has been a shift in the balance of power between customers and companies, and the following executive summary describes how customers are expecting – and sometimes forcing – customer service to adapt.

THE NEW CUSTOMER AND TODAY'S CONTACT CENTER RESPONSE

I. **Customers have access to countless new tools for learning about products, companies and other customers.**

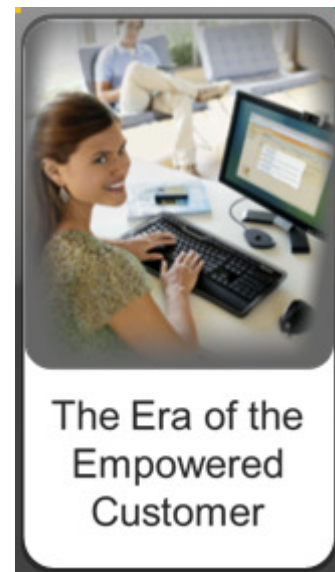
- a. The social media revolution has changed where they go for information, and what kinds of knowledge they bring to the table when they finally do talk to an agent.
- b. Customers gather together to pool their knowledge, and that affects everything from satisfaction scores to brand management.

II. **Contact centers (and call centers) have evolved, but not that much.**

- a. When you look inside the typical contact center, operational practices aren't so different than they were 20 years ago; the screens aren't green any more, but people are still overwhelmingly handling voice interactions, and even though they are changing, it's a very slow process.

III. **Today's centers are starting to explore more channels and options. But they remain siloed, fragmented, and have to adapt their technology infrastructures to new realities.**

- a. We're starting to see centers address the changing customer environment by taking on more kinds of interaction channels. It's slow at first, but with increasing confidence and agility.
- b. The problem is that the channel landscape expands faster than the center can absorb new ones.
- c. Centers have built up years of legacy fragmented silos of information and operations. Email data is separate from chat data, separate from call handling data, and all of that is separate from customer data in the CRM system. The lines do cross, but not without a lot of heartache.



SERVING THE NEW CUSTOMER WITH NEXT-GEN CARE

I. **Customer service needs to evolve to adapt to changing customer behaviors.**

These are characterized by the following:

- a. Customers are more empowered by the Web.
- b. Customers have a more amplified voice for word-of-mouth because of social networking.

II. **There's a new customer universe characterized by 3 C's.**

Understanding these three principles, can help you thrive in the new customer market, and put customers and service at the core of the value proposition.

The 3 C's are as defined as:

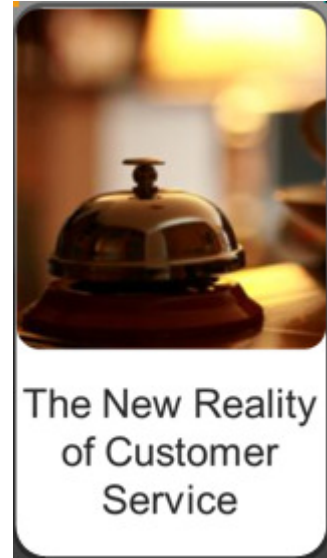
a. *Connectivity*:

- i. Customers have a multitude of devices that give them touchpoints to rich sources of information throughout the course of their day.
- ii. Social networks also provide windows into the thinking of friends and connections who are also online.
- iii. Customers are accustomed to choosing how, when, and what we want to connect to (based on device, service, type of information).

Takeaway: as companies we have to accommodate customers based on how they want to interact.

b. Customers expect *Context* in their experience

- i. Because we live in a world where information is current and synched, when customers interact with a company, they expect every interaction with the company to use the full context of the information available to the company.
- ii. Customers have access to information provided by "community experts" and data found on the Web. Be mindful of what information influences the customer.
- iii. Customers are sharing information about themselves publicly on Facebook and Twitter. Use the information that people are freely providing. What are you doing to be a fan of or following your customer?



- c. All of their conversations and interactions with a company are expected to be **Continuous**
- i. Touch points with customers are going to be more complicated and not necessarily solved at the first contact. How do you further and ensure that the next conversation builds on the previous one? The mindset of remembering or “picking up where we left off” is important for how we maintain the continuity of conversation.
 - ii. Knowing a customer’s past preference or indication, offering it as an option to continuously further the conversation.



III. Customer Care leaders must adapt to the new customer universe.

- a. On the business side, executives need to think from the eyes of their customers, and be customer-centric in their decision-making.

Key points to consider:

- Do you recognize the strategic role of customer service?
 - How can you re-orient your service model to be customer-centric?
 - Link the ideal customer experience to existing service models
 - Define success metrics
- b. On the technical side, executives need to think top-down in how they architect their customer-service platforms.

Key points to consider:

- Break out of the “upgrade” cycle of individual components
- Invest in platforms, not components
- Enable key scenarios over services
- Design platforms that will deliver the 3 C’s of the new customer universe

IN CONCLUSION

As customers change, and customer care changes with them, the fact that companies have such a wide variety of approaches to the problem means that we’ve got thousands of laboratories of innovation going on all over the industry. There are a lot of ways to deal with change – some ways are conservative and some are radical, but the key for anyone is to understand what’s happening out there in the customer world, and create a strategy for dealing with change that works with your own circumstances, culture and budget.

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