

The State of Omnichannel in UK Contact Centres: A Dream or a Reality?

A UKCCF white paper in partnership with RingCentral, featuring the UKCCF 2018 digital survey

October 2018



Introduction

We are living in the age of digital consumers, individuals equipped with the latest gadgets, regularly on the go, always on their smartphones, full of expectations, and ready to churn to competitors if we fail to meet their growing standards. Today’s digital consumers often demand the ability to make contact with their product and service providers "anytime, anywhere, and anyhow," using whatever device and whatever communication channel is most convenient to them at the time.

Meeting these omnichannel needs is a huge challenge facing the customer contact industry. Not just by supporting the various communications channels that customers have at their disposal, but by delivering joined-up customer journeys. Journeys that may start with a website search or a store visit will now frequently end up involving multiple live advisors and self-service interactions

as consumers progress their journeys through purchasing, onboarding, service issue, upgrading, renewal, and other stages of the customer lifecycle.

Addressing these needs calls for a new mindset, not just in people management and business processes but in technology.

In this paper, we look at the state of omnichannel in today’s UK contact centres and address the following question: “Is omnichannel a reality or still a pipe dream?”

In support of this white paper, and to address the question above, the UK Contact Centre Forum (UKCCF) and RingCentral conducted original research amongst 100 UK contact centres in the form of a digital market survey.

From call to contact centre

The rise of mobile and digital has completely changed the way consumers interact with businesses. As a consequence, businesses need to adapt to these new habits and expectations if they want to stay in the race. One of the biggest changes is happening in the contact centre. Whilst for years the key customer communication channel in what we called call centres was voice, businesses have now started a transition to contact centres that include additional channels such as email, chat, social media, and video.

The move to contact centres and to serving the more complex requirements of digital consumers is not just about adding new contact channels. It’s also about extending the functionality of today’s contact centres.

In the past, many single-channel call centres only managed general customer service functions. Today, they are highly likely to act across multiple business areas, such as sales or customer retention.

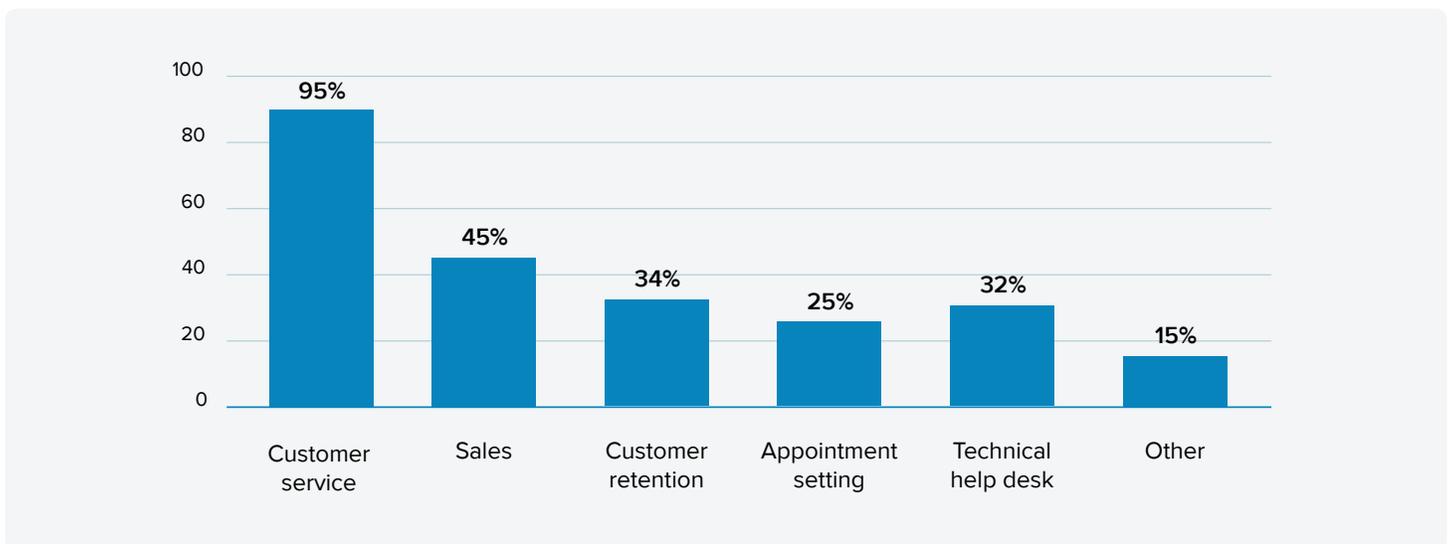


Chart 1: What type of customer interaction does your contact centre handle?

This marks a significant change in the way customer relations are managed. In the past, call centres typically supported a single channel (voice) and operated during typical office opening

hours. Now, with many organisations adopting a “follow the sun” approach, all contact channels can increasingly be supported 24/7.

The challenge for organisations is how to deliver omnichannel service in a coordinated fashion. In other words, an organisation will need to recognise that a customer that calls one day with a customer service query is the same customer that emailed the day before with the same problem or that the customer who sent a

renewal query by SMS one day is the same frustrated person who has an unresolved technical query.

A company’s ability to deliver high-quality omnichannel service is increasingly a key strategic differentiator and a major factor in generating revenue growth through customer loyalty.

Creating seamless customer communications

Whilst voice is still by far the most common communications channel supported within customer contact centres today, the move towards digital channels is unrelenting.

Our digital survey showed that 96% of centres currently support

live voice, 93.6% email, and 60% web chat—and that 25.3% are now looking to introduce automated voice, 32.3% web chat, and nearly 23% Twitter within the next five years to meet the growing demand for omnichannel choice.

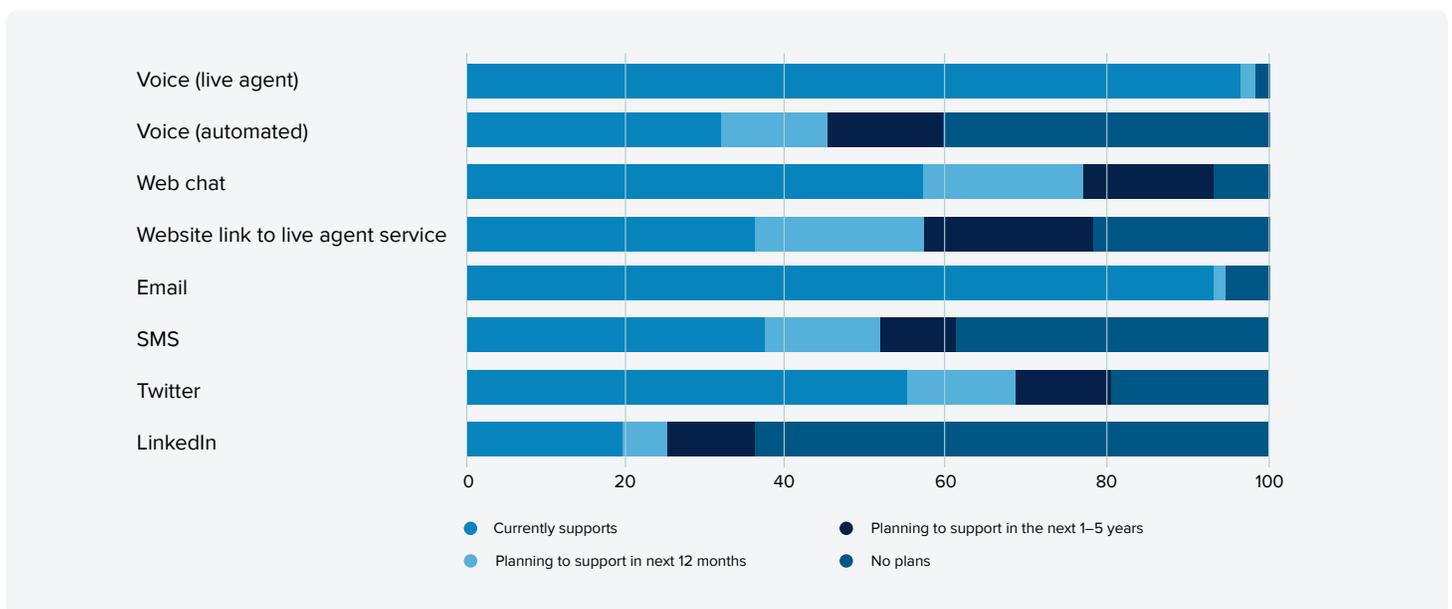


Chart 2: What customer communications channels does your contact centre support?

The channel mix

A lot has been said about the channel mix and the emergence of new media channels. In the UKCCF opinion, within five years, new media channels such as web chat, video, and social media will be regarded as just another channel option. However, each will have its own place, perhaps:

- Email for queries that are less time-sensitive.
- Web chat for customers who are multitasking (including surfing the web).
- The phone for complex interactions where a personal touch is required and for higher value interactions.
- Screen sharing for problems where visual assistance may help.

- Video where problem resolution can be enhanced by sharing medical, technical, or other imagery or where customer experiences can be enhanced by visually displaying empathy.
- Mobile apps where less complex answers are required and where time is often critical.
- Online forums and social media for less personal issues and where answers may be helpful to a broader community.

How successfully organisations are able to adapt to customers’ channel-hopping will be key to their success. This will be particularly true for the Millennial generation who frequently switch from laptop to mobile to tablet within a very short space of time.

UKCCF comment

By 2025, the average organisation's service channel mix will be very different to what it is today. Usage of new media channels will significantly increase as more consumers own devices that support these capabilities and feature software apps with built-in service options. Managing these channels will also be more complex with customers frequently changing their channel preferences, making it even more difficult for companies to deliver.

Successfully integrating new media channels: some considerations

Web chat

Like email, web chat and instant messaging has been around for many years. However, it has only recently been used extensively within customer contact operations, notably as a "point of crisis" for handling online shoppers. Managing web chat is typically cheaper for organisations than managing email because web chat advisors are usually asked to handle multiple interactions at the same time (sometimes up to four at the same time).

To use web chat effectively, however, organisations need a clear vision of the role it is to play. Is it a method of call avoidance? An option for premium customers only? A way to avoid abandoned online shopping baskets? Only by understanding its role will organisations be able to measure its success effectively, whether that be in terms of sales conversion rates, average handle time, Net Promoter Score (NPS), customer satisfaction scores, etc.

Social media

Because of the popularity of social media, such as Facebook and Twitter, many businesses feel obliged to support it as a customer contact channel. But care needs to be taken to integrate social channels effectively. For example, issues can spiral out of control if customers are encouraged to complain about problems on social media, alerting a much broader community of other users. It can also lead to a two-tier service problem if customers find out that they can get their issues prioritised by making complaints on a social platform. The benefits of successfully managing customer contacts via social media, however, can far outweigh the negatives, especially when one bears in mind the often quoted statistic that "80% of customers trust recommendations from other customers."

When constructing a social media plan, ensure that you:

- Have a plan for covering all popular social products, not just Twitter and Facebook.

- Use social channels proactively by keeping Twitter and Facebook pages up to date and notifying people of on-going issues (like service outages and bad weather) that may impact services.
- Blend social and other channels, for example, by responding to social posts on a one-to-one channel rather than in the public domain (such as an outbound call from an advisor) in order to give a more detailed response.

Mobile

Another fast-emerging customer contact channel is mobile. Ninety-three percent of the UK population had personal use of or own a mobile phone according to 2017 Ofcom figures, and the latest ContactBabel figures show that mobile phones now account for over half of customer calls in 49% of organisations.

With the number of smartphone users, volume of apps downloaded, and value of mobile transactions all growing rapidly, it's a trend that's likely to continue. Every customer-experience strategy should now consider the opportunities and challenges posed by mobile phone users. This includes the opportunity to deliver value-add services such as video and visual IVR, and the opportunity to deliver mobile apps with built-in service.

With service functions embedded within mobile apps, mobile users will no longer need to log in to websites and raise support tickets (or similar), scroll through complex FAQs, or enter complicated details about devices, operating systems, app versions, etc. into service systems. In-app service will ensure that service queries can be handled more quickly, more accurately, and with a higher proportion resolved using self-service than ever before.

Key statistic

The average call costs £4.00 to handle, compared to £3.37 for an email and £3.82 for a web chat.

ContactBabel, "UK Decision-Makers' Guide 2017-18"

Cost-to-serve and channel-shifting

Cost-to-serve

Organisations may be increasing the number of contact channels they support in response to customer demand, but they are not prepared to do so at any cost.

Of the respondents surveyed, 52% say they calculate the cost to serve via different channels, which is not surprising given the

diversity in cost-to-serve between different channels. Does that mean pushing customers towards channels where contacts are cheaper to handle, and which may result in inferior customer experiences and/or lower first contact resolution? While organisations would never admit to that outcome, it is always a possibility.

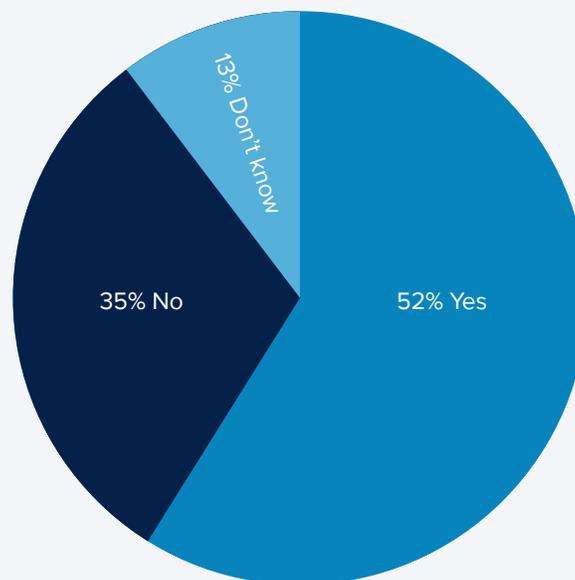


Chart 3: Have you calculated the cost to serve customers via different communications channels?

Channel shift

Many organisations are now adopting formal channel-shift programmes. In our survey, 54% of organisations admitted to having a formal channel shift programme to move customers from live agent to self-service and 58% for traditional to digital channels.

The UK public sector's e-government policy is a good example of channel shift. Most UK central and local government organisations now encourage citizens to find solutions to their queries via digital

web contact and self-service channels rather than contact a live person. The gov.uk website is an amalgamation of 25 government departments and various public bodies, enabling customer questions about transport, tax, or housing to be answered through central or local government organisations. Its success is reflected in the government's aim of having 25 million users by 2020.

Despite this success, though, the e-government initiative is still not delivering joined-up customer experiences.

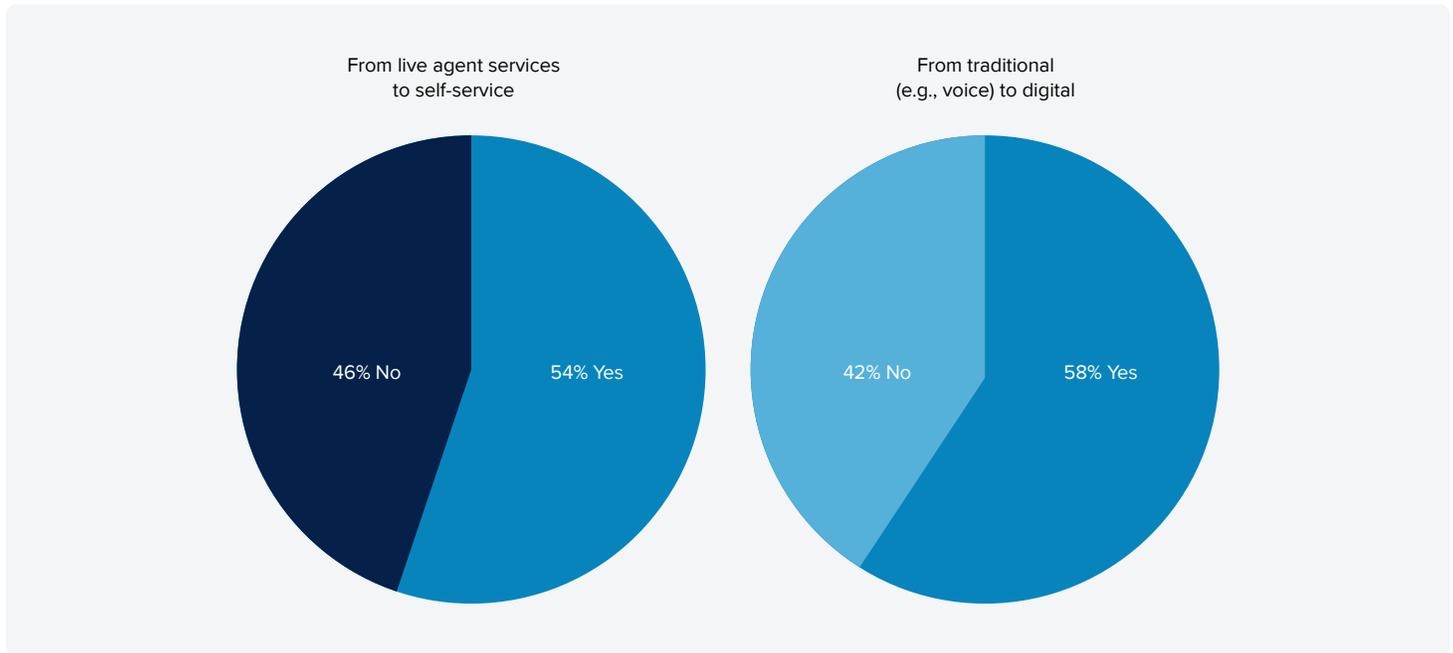


Chart 4: Do you have a channel shift programme to move customers?

Citizen data not only still resides in different branches of the public service, from local authorities to social services, but also within different parts of a single department, such as information within the National Health Services spread across hospitals and dental and doctor's offices. With records siloed, medical professionals often have to ask patients for information that already

exists in other parts of the health service; this lack of continuity occasionally leads to misdiagnosis when professionals are not aware of historical conditions. It can also have a negative impact on customer experience when customers have to repeat themselves, a known cause of customer frustration with call and contact centres.

Seventy-five percent of UK consumers hate repeating themselves when they have an issue with a brand. Seventy-three percent claim that the lack of a joined-up service experience was their second biggest bugbear.

UBM (the organisers of Contact Centre Expo, Europe), 2016 study

Cost versus quality

Is cost a good reason for failing to deliver multiple channel choices? Whilst cost will always be an issue, a more important objective of senior contact centre management in customer-centric organisations should always be “to deliver the best possible customer experience at an acceptable price.” This statement is not

born of a desire to do the best for the customer, it's one that has a hard commercial edge. The true cost of failing to deliver a positive experience could be customer frustration and ultimately losing that customer to the competition. Organisations considering limiting channel options should consider the old marketing adage that “it can cost five times more to attract a new customer than to keep an existing one.”

Key statistic

Seventy percent of advisors in a blended multimedia environment are allowed to do both email and voice work, a figure which has been growing steadily year on year.

ContactBabel, “UK Contact Centre Decision-Makers’ Guide 2017-18”

Advisor considerations

Moving to an omnichannel operation isn't just a technology consideration, it also hugely affects people working within contact centres.

Our survey reveals that in centres that support multiple channels, employees handle a single channel in just 18.5% of cases. In 28.5%, employees work across multiple channels, with the majority of multichannel centres operating a mixed system (i.e., where some

people are dedicated to a single channel and others work across multiple channels).

The decision on whether to train advisors to handle a single channel or “multi-skill” them to manage multiple channels is a huge one, impacting training, resource scheduling, intelligent routing systems, and more. We consider each of these issues in turn below.

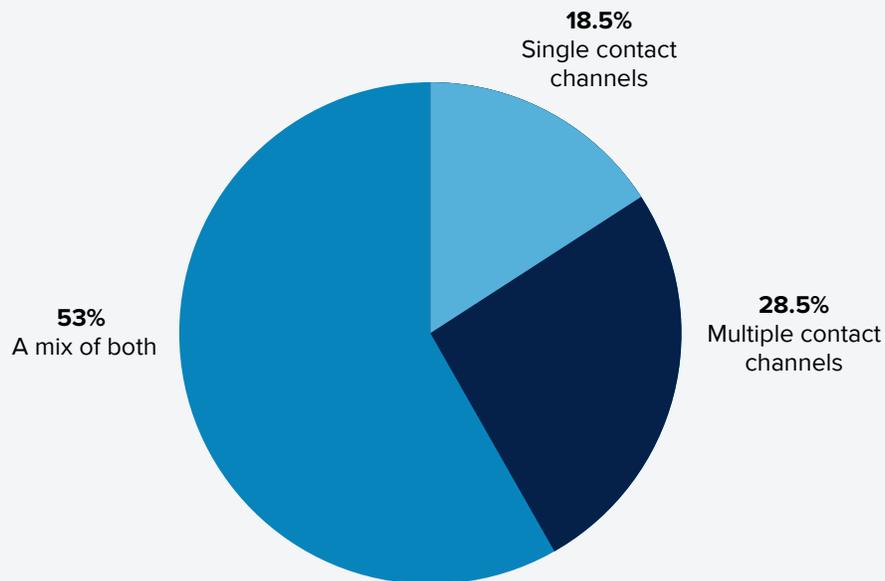


Chart 5: Do your contact centre advisors handle a single customer contact channel (e.g., voice, email or web chat) or do they work across multiple channels?

Training

A recent survey revealed that over a third of customer service advisors (34%) are not confident working in an omnichannel environment. This should come as no surprise. Voice and text responses require very different skill sets, making it difficult for advisors to switch between the two disciplines if asked to handle both within a single session. Not only can service quality fall but so too morale. While it's often argued that all advisors should be given the opportunity to train to be multi-skilled across all channels, in the UKCCF's opinion that strategy isn't always practical.

Some people are more natural voice communicators, others more natural text communicators. Businesses also need to consider whether it's practical or sensible to train older personnel to be social media advisors compared with training younger advisors who have grown up as “digital natives.” Training people to perform

tasks outside their comfort zones can also be demotivating from a performance point of view. For high-performing voice advisors to suddenly be considered average omnichannel advisors can have a marked impact on their self-esteem.

Resource scheduling

Switching from single channel to omnichannel working can also have a significant impact on the discipline of forecasting future contact volumes and ensuring sufficient self-service resources and advisors with the required skills sets are available to manage that volume to required service levels. The contact centre scheduling process is difficult enough in a complex telephone environment but when some advisors are multi-skilled to manage calls, emails, web chat, social media, and other contacts within a single session, that task gets considerably more complex, especially when web chat advisors may be handling multiple chats at the same time!

So consider an overall workforce optimisation strategy that analyses tasks and customer use patterns for each media. Plan staffing levels around these needs and allow for proactive real-time management to cope with an unexpected demand. Where appropriate, use analytics and real-time marketing techniques to guide advisors towards the best solutions from the customer and for the organisation. And track all advisor activities, even when they are performing non-call work so that you can continually measure and improve.

Smart routing

Once advisors have been skilled to handle multichannel contacts, and organisations have the right resources in the right place at the right time to meet expected volumes, it's important that they can efficiently deliver customer contacts to those resources. This too may require a new mindset.

Traditionally, call centres have relied on large advisor pools that provide economies of scale to lower costs and reduce time to answer. Unfortunately, this was often at the expense of personalised service, as callers were, more often than not, routed to an advisor randomly. In an omnichannel world, where advisors often have unique skill sets and organisations are focused on using customer insight to improve individual customer experiences and first-time fixes, the large advisor pool approach simply won't work.

Organisations must therefore look to use their interactive voice response, contact screening, and customer insight technologies more intelligently to collect information on a customer prior to them reaching the contact centre. By getting information on if the customer is a new, existing, or high-value customer and their purchase and service history, organisations will be able to direct that customer to the best agent.

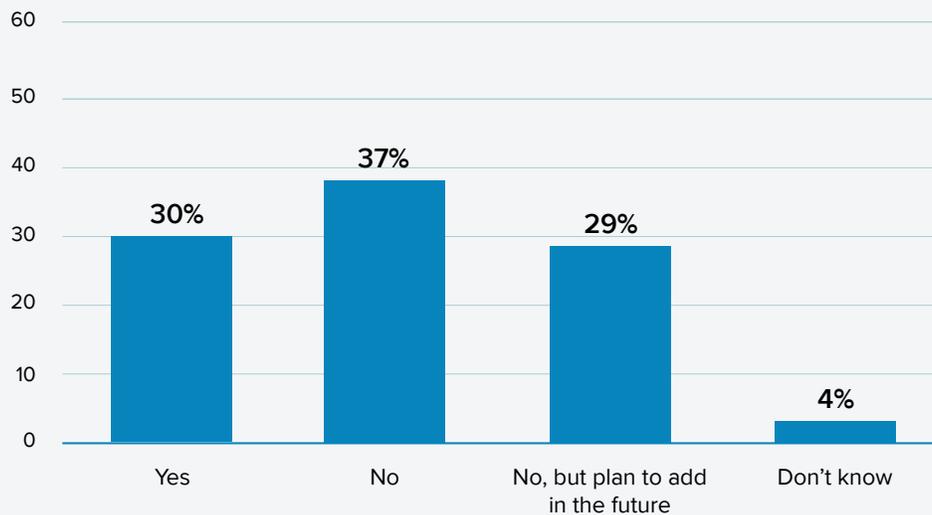


Chart 6: Are you able to automatically identify who is contacting your contact centre and intelligently direct them to a preferred or specialist advisor or to an advisor who the customer dealt with previously?

Our digital survey revealed that few contact centres currently have this advanced capability. Just 30% said they are able to automatically identify who is making contact and intelligently direct them to a preferred or specialist resource, although 29% said that they plan to invest in this capability in the future.

The UKCCF believes that smart routing technology will play a critical role in the future of omnichannel centres. As single integrated technology platforms become more commonplace and big data is used more extensively to deliver customer insight, we believe the technology will evolve to:

- Listen to and interpret customer questions
- Access historical and real-time data about customers (and their requirements)

- Carry out complex match-making calculations to connect customers with appropriate resources

This process could involve managing direct customer enquiries (e.g., when a customer calls or emails into a contact centre) as well as automatically interpreting big data from social media to assess when a proactive intervention is required. For customers, this process will ensure the right expert resource is always at hand, regardless of whether that person or self-service resource is inside or outside the contact centre. In fact, organisations may even publish advisors' availability online, enabling customers to identify the right advisor and contact them directly.

Customer success

“RingCentral’s integration features and capabilities really impressed us and highlighted the ability to customise the solution to our needs but also the potential for the future.”

Paul Strinati, Founding Partner and IT Director at Optimum Credit

Barriers to omnichannel

Adding new media to a single channel call centre will deliver a multichannel capability. But if those channels are not joined up, the customer experience can be poor. By contrast, when channels are integrated, organisations can enhance the customer experience by:

- Automatically identifying customers regardless of the channel they use
- Routing inbound customers to the right resource based on their known channel preferences
- Empowering advisors by providing them with details of previous customer interactions (regardless of channel) relating to a single query and a single 360-degree view of the customer
- Enabling contact centre advisors to seamlessly manage an entire omnichannel customer conversation that may have involved multiple interactions, channels, and participants

So why do so many organisations struggle to successfully deliver integrated multichannel (or omnichannel) experiences?

Our contact centre advisors aren't trained to support multiple communications channels	20%
We don't have the technologies to support multiple channels	35%
We support multiple channels but our technologies aren't integrated to deliver a unified customer experience	60%
My organisation doesn't currently have an omnichannel strategy	23%
Other	14%

Chart 7: Do you currently experience the following barriers to delivering omnichannel customer experiences?

As we have discussed earlier in this white paper, effective planning is essential if your service strategy is to be truly customer led. An omnichannel strategy should consider the customer journey, short and long-term goals, as well as people, process, and technology issues in order to deliver the optimal customer experience. The lack of such a strategy is a clear barrier to implementing successful omnichannel working.

However, the clearest barrier to omnichannel based in our findings is a lack of integrated technology. This is, more often than not,

caused by the limitations of traditional contact centre systems, forcing organisations into adding new contact channels one at a time. While this approach may eventually lead to an integrated multichannel solution, it can be painstaking and long-winded, especially when the new systems and services brought in are from different suppliers.

The power of integration

In the last section, we touched on the importance of big data in the context of gaining customer insight to personalise customer experience as well as customer relationship management (CRM) in the context of providing a single view of the customer.

An enormous amount of data exists about customers within customer systems and social media platforms. The challenge for organisations is how to harvest this data effectively, including digital footprints, and turn it into customer insight, which in turn can be used to deliver personalised experiences.

To delve deeper into the question of whether contact centres are using data effectively, we asked organisations whether customer interaction data from all sources was stored together. While the majority of organisations said that they aren't able to integrate customer contact channels (see Chart 7), and only 30% were able to smartly route customers to the right contact centre resource (see Chart 6), there's evidence that a high level of data integration does exist.

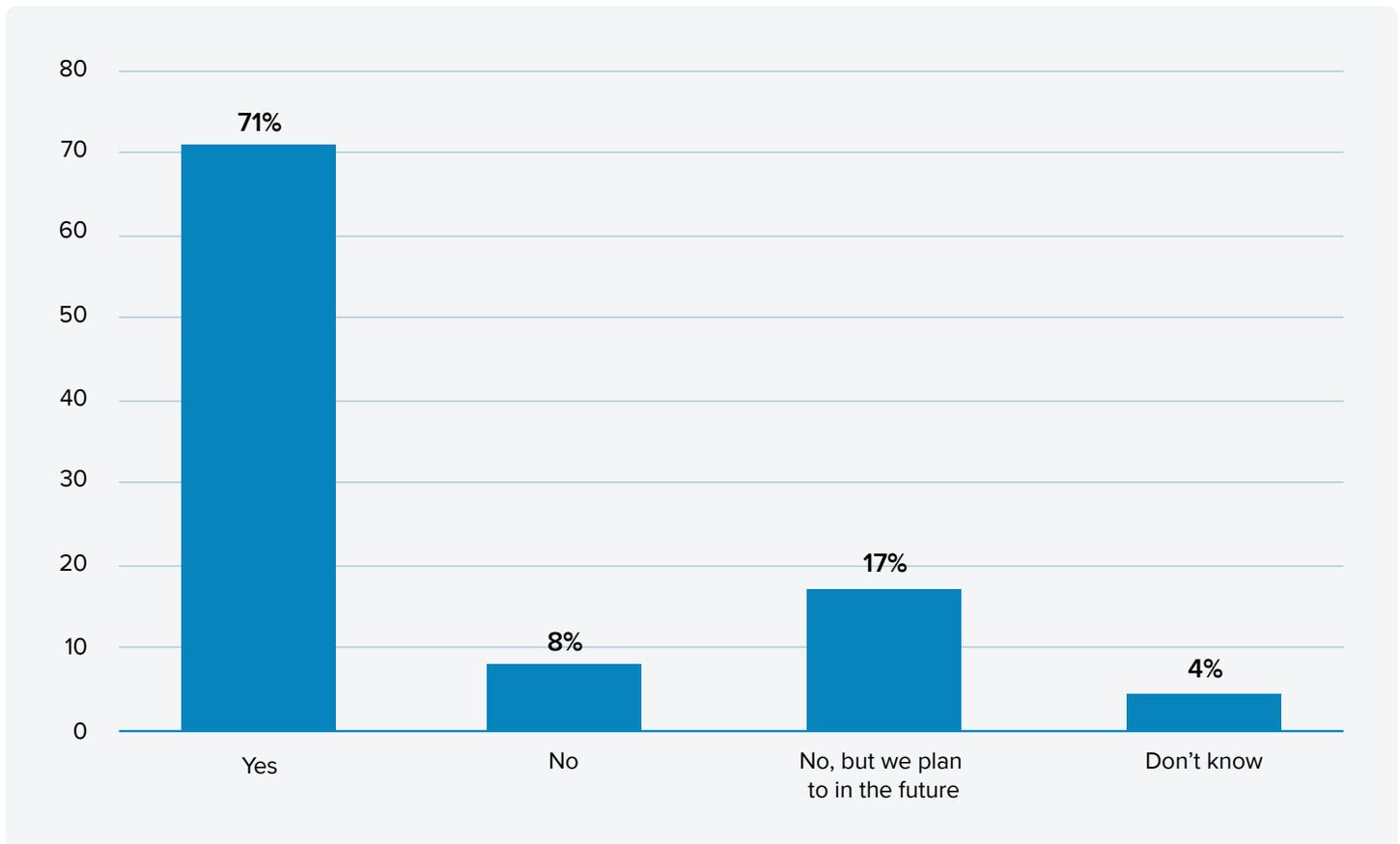


Chart 8: Do you enter digital customer contact information (i.e., from emails, web chats, social media) into your wider CRM system?

Our survey found that 71% of organisations say they enter the data that arises from multichannel conversations into a single CRM system. This capability is hugely significant when building a single view of the customer.

Armed with a comprehensive view of what products and services a particular customer has purchased (or uses), their preferences, service histories, etc., advisors are often much better able to deliver personalised solutions and even upsell/cross-sell new services. A deep data integration is also essential if advisors are to effectively

manage an entire omnichannel conversation, one that might take place over a period of time, involve any number of participants, comprise multiple interactions, and occur over a single or multiple channels.

Hence we asked organisations whether, when dealing with a customer query in real time, their contact centre advisors could easily access records of previous interactions from that customer about the same query.

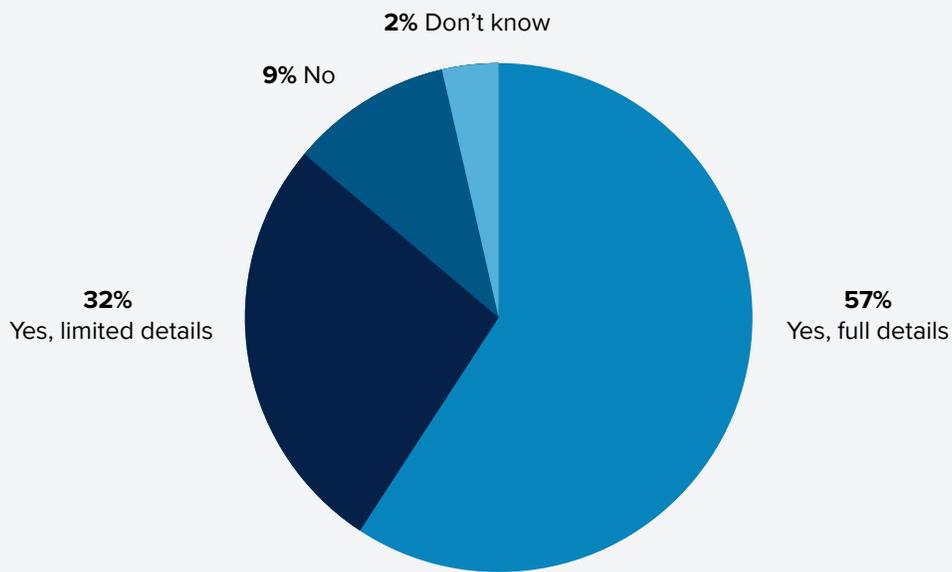


Chart 9: When dealing with a customer query, can your contact centre advisors easily access records of previous interactions from that same customer about that same query?

Our digital survey found that, when interacting with a customer live, advisors in 57% of organisations could access full details of previous interactions about the same query, while 32% said that their advisors had limited details.

This capability can have a massive impact on reducing customer frustration. With advisors able to view details of past conversations, there's much less chance of them having to ask customers for details that they have already given to another advisor, or entered into a self-service system. Being asked to repeat information can

make customers feel less valued and is a known cause of customer frustration.

These findings point to some of the key benefits of effective system and data integration in the context of delivering omnichannel service. In the age of the digital consumer, contact centre technology and operations can't exist in silos. As we have shown, contact handling systems need to be fully integrated with CRM, social media, customer and product databases, and a raft of other systems to get full visibility of customer activity, build a 360-degree view, and deliver high-quality, personalised service.

Conclusion

In the age of the digital consumer, and with organisations rapidly adopting a customer-centric approach to managing customer relationships, omnichannel is indeed a reality.

Consumers are demanding 24/7 service via any channel and device that is most convenient to them, and organisations know that failing to deliver that choice is going to impact the customer experience. And the cost of a poor customer experience can be extremely high:

- "Sixty-two percent of companies view customer experience delivered by contact centres as a competitive differentiator."
—Deloitte
- "Companies with the strongest omnichannel customer engagement strategies retain an average of 89% of their

customers, as compared to 33% for companies with weak omnichannel strategies."
—Aberdeen Group, Inc.

- "Eighty-nine percent of customers get frustrated because they need to repeat their issues to multiple representatives."
—Accenture

These are stats that provide a great deal of food for thought. They show that the vast majority of organisations understand the power of delivering positive customer experiences, and that a lack of joined-up technology and thinking can not only lead to customer frustration but also, and more seriously, lead to customer churn. In other words, businesses that don't adopt omnichannel will simply be left behind.

Digital transformation

Organisations are rapidly building their omnichannel capabilities. And what is perhaps a little surprising though is that UK organisations are not behind their US counterparts when it comes

to creating and using digital transformation strategies—they are actually ahead of them.

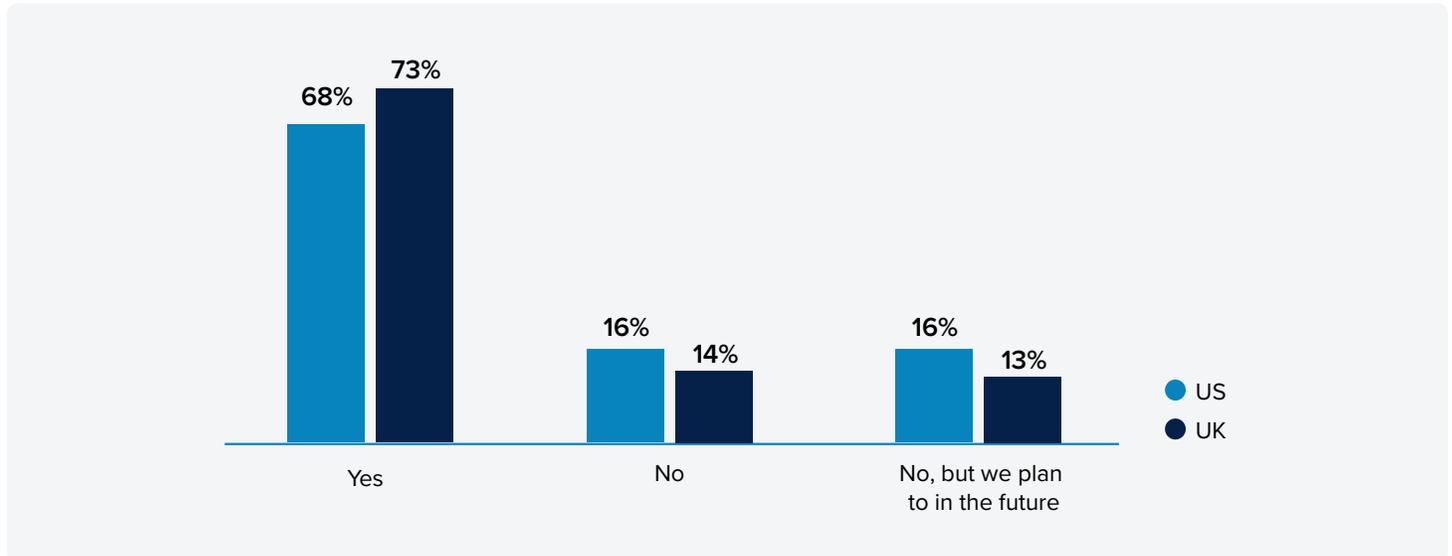


Chart 10: Use of digital transformation strategy by country.

The digital advantage

So, with UK business rapidly transforming their businesses to meet the needs of digital prospects and customers, how can companies gain a competitive edge? Here are some of the steps we've discussed in this white paper:

1. Create a digital transformation strategy with the move to omnichannel a central part of that strategy.
2. Get the whole organisation on board with your strategy. Omnichannel requires internal collaboration and having the right people in the right place at the right time. Determine which teams will be responsible for each touch point and how they will track and respond to customer behaviour and demands.
3. Select, purchase, and implement an appropriate omnichannel technology platform. Consider whether a cloud platform will better meet your needs than an on-premises equivalent.
4. Engage employees throughout the digital transformation process and ensure you have their buy-in. Encourage two-way communications and always act on employee feedback.
5. Train and ready your workforce for omnichannel working.
6. Adapt business processes for omnichannel operations as necessary, setting KPIs that ensure consumers receive a comparable level of service however they make contact.
7. Understand your customers: their individual preferences, behaviours, and the journeys that they are on.
8. Proactively manage your customer relationships at different stages of the customer lifecycle (purchase, onboarding, renewal, etc.). Don't just wait for something to go wrong, proactively introduce contact to ensure customer issues don't become problems.
9. Use data/speech analytics and big data to gain insight on customers throughout these journeys in order to deliver a more personalised service and make more informed business decisions.
10. Use smart routing to get customers through to the right resource every time.
11. Create a unified CRM system for all customer data, creating a single view of the customer.
12. Communicate your capabilities clearly to your customers. Ensure they are aware of all the customer contact options that are available to them.

“In the age of the digital consumer, the customer experience (CX) landscape is fiercely competitive. One bad experience, or a perception that their business is not valued, and people are more prepared than ever to move to a competitor. Those are the stakes. Delivering high-quality omnichannel service each and every time a customer raises a query will be an increasingly important part of the solution.”

Praful Shah, Chief Strategy Officer, RingCentral

Use digital CX as a key differentiator

There's no doubt that most UK organisations are struggling with omnichannel and that disjointed strategies, inconsistent management, and poor implementation are damaging customer experiences.

So grab the bull by the horns and make digital CX your business's key competitive differentiator.

Use outstanding digital CX as a means of building customer trust and delivering tangible benefits in the form of enhanced employee engagement and improved commercial performance.

That may well require you to invest in a new omnichannel cloud technology service. If so, ensure that this solution delivers a broad range of media support from voice to email, web chat, social media, and SMS, as well as state-of-the-art communications capabilities such as AI, co-browsing, and chatbots. Also ensure that it can deliver consistent quality service via all of these channels and

enable you to proactively contact customers intelligently at every stage of their journeys (where appropriate) to deliver the best possible customer experiences.

Mainly, however, it's a question of adopting a more customer-centric mindset. Being able to manage customer communications via any channel is one thing. Truly knowing your customers, understanding their preferences, behaviours, and how they prefer to interact is something else.

In the digital age, successful businesses will be those who extensively use analytics to monitor and interpret customer data and big data on social networks in order to optimise communications and create personalisation, even when dealing with millions of customers. It's about culture, change management, and changing mindsets. Digital CX can be the catalyst that will finally turn your customer contact centre from an operational cost centre into a profit centre.

Eighty-one percent of companies recognise CX as a competitive differentiator yet just 13% self-rate their CX delivery at 9/10 or better.

Dimension Data, 2017 Global Customer Experience Benchmarking Report

For more information, please contact a sales representative. Visit ringcentral.co.uk or call 0800 098 8136.

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