



THE FUTURE OF CUSTOMER SERVICE

FROM COST TO GROWTH DRIVER



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The path to customers' hearts lies in service they get from you

In terms of its importance as a driver of growth, customer service is often given lower priority than other functions. However, no other business unit is capable of achieving as clear a picture of what customers are thinking.

Customer service is contacted whenever further information, help or maintenance are needed, or a claim is presented. It is in the front line in receiving contacts about customers' concerns and worries, hopes and expectations. This places customer service in a key position when you want to increase sales, or develop products or services.

Despite this, customer service is often viewed as just a cost. It would make more sense to raise it to the position it deserves alongside other critical functions, enabling it to share its expertise and knowledge with the entire company.

No company can afford to provide poor customer service; effective customer service is ultimately a competitive edge. The success stories of the future will use new technologies and integrate customer service with every customer encounter.

Our report combines perspectives, based on research findings and experience, on the future of customer service and the related expectations. Through this guidebook, we want to give you tips, ideas and directions on developing customer service.

Hopefully, this will provide you with new information, ideas and inspiration, based on which your company's customer service can focus more strongly on treating people as people – openly, humanely and respecting their feelings. And act as a growth driver for your company.'



Matti Heikkonen
CEO
Benemen

What is expected from customer

It is a shame that nowhere near every company's customer service meets the expectations of modern customers. Instead of a uniform customer experience through all channels, with short problem-solving times and providing all possible data on the customer's history and actions, many customer service operations still function as separate units with insufficient data and no overview of the customer's data and history.

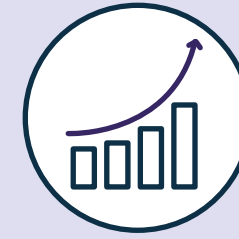
No wonder that they are unable to provide a personalised and high-quality customer experience.

Despite this, a range of things are expected from customer service.

THE KEY EXPECTATIONS ARE:



Cost-effectiveness and operational efficiency



Automation



Additional sales

But what do these demands mean in practice; what must companies do to fulfil them?

Cost-effectiveness and operational efficiency

Customer service is often viewed as a major cost, and its importance to corporate image is not fully understood. In general, its priority is to function efficiently, which usually means being able to resolve as many issues as possible as soon as possible, in the shortest possible time, and with the fewest possible resources.

When pursuing efficiency, it is the resources that are crucial. If you can use and allocate resources correctly, you can do things efficiently – i.e. quickly but well. This minimises the costs associated with getting results, while maximising the customer experience – a true win-win situation.

In practice, wise use of resources consists of handling simple, routine tasks with the shortest possible delay –generally through automation and by extending self-service wherever this streamlines and rationalises the customer experience.

When simple issues are handled with minimum resources, we kill three birds with one stone:

1

More investment can be made in human contacts, creating a better customer experience.

2

Costs are minimised when less human input is needed for routine customer service tasks.

3

Revenue is maximised when customer service staff enable additional sales, as well as providing advice and gathering feedback.

Automation

Automation is a buzzword in almost all business activities, including customer service. Of course, the idea is to seek efficiency by having routine tasks handled by machines and artificial intelligence. Customer service staff can focus on key business activities if they no longer need to spend time on repetitive and simple tasks.

Automation does not just mean automating individual tasks. With the right kind of automation and deeper acquaintance with customers, you can direct them straight to the right person, who best understands the customer and the issues involved, rather than to a queue and complex sequence of choices. This is known as smart routing.

Automation is also advisable because customer service based solely on personal contacts – where basic information is held by a designated employee rather than a system – cannot be considered resource-efficient. It often leads to slow and inflexible service, even if the aim is to provide an exceptionally good customer experience. In the worst-case scenario, the customer has to go through the same issues with different people, leading to a long, complex and, above all, frustrating service process.

The better you know your customers, the better you will be at automating the right processes and targeting your efforts in a way that suits your clients. People generally want to get tasks that only take a short time to complete out of the way quickly, which is best done through selfservice without contacting customer service. However, when problems occur, customers want to talk to another person as soon as possible.



Additional sale



Like other business activities, customer service should broaden its perspective and identify new growth potential in its field of activity. In most cases, this involves raising the number of additional sales, which is easier for customer service than many other business activities – customer service staff hold daily discussions with existing customers about the latter's needs and wishes.

This does not mean that customer service staff should suddenly turn into salespeople. Most customer service contacts are fast and focus on solving a certain problem, leaving no time or opportunity for making additional sales. It is often sufficient to recognise opportunities for additional sales and notify salespeople and/or staff developing service and product ranges.

The right kinds of tools are needed. The importance of well-functioning tools should not be underestimated, since they are a key motivator: you cannot expect great things from poorly functioning tools that do not enable the creation of added value. On the other hand, good tools which support variable tasks make work of all kinds more motivating for customer service staff.

It should be borne in mind that all customer encounters constitute customer service – no matter whether a phone is answered by an installation engineer in the field, or a CEO. Everyone who interacts with customers, no matter where, is responsible for enabling additional sales.

At best, additional sales leave customers feeling that they have been taken care of and their needs have been attended to. This feels like customer care rather than push sales. Creating positive feelings in this way is also more likely to generate additional sales going forward.

What does customer service of the future look like?

When considering customer services of the future, the same themes are highlighted as in discussions of what is expected of customer service.

ROBOTICS AND AI ARE TRANSFORMING CUSTOMER SERVICE

Technological development is playing a major role in customer service. Robotics and AI are having a particularly large impact on the lives of customer service staff. Many companies are pursuing three goals through automation: cost-effectiveness, better service and a higher-quality customer experience.

It is easy to affect these with the help of robots and AI. Automation of tasks enables cost control and the gathering of data in one place, where it serves business activities in a number of ways.

McKinsey forecasts that robots will be handling 30–50% of contacts within a few years. This is a very realistic prediction – as long as robotisation is enabled by other technologies. Even more importantly, when technology enables more information on customers to be gathered, companies can serve them properly while creating additional sales.

CUSTOMER SERVICE STAFF FOCUS ON TASK REQUIRING EMOTIONAL INTELLIGENCE

Customers always appreciate service being made smoother by technology. However, robots and AI bring challenges of their own and cannot even come close to solving every problem.

In addition, they cannot react to feelings. That is why, in emergencies, people still seek personal contacts with customer service, to ensure that their issue is dealt with. In other words, the human touch is needed whenever a situation requires emotional intelligence.

When easy, routine jobs are handled by automation, customer service staff can focus on interaction with customers through empathic and personal service, for example. This is how unforgettable customer experiences are formed: well-trained customer service staff with strong interactive skills can pacify even the angriest customer, and leave them with a positive image of the entire company.

Fortunately, in customer service there is no need to choose between investing in people or machines. The best results are achieved by introducing the most desirable aspects of both. Technology gives customer service staff more time to smile and listen.

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MULTI-CHANNEL APPROACH ENABLES PRIORITISATION OF USE CASES

In the future, customers will expect to be served at the time and via the channel of their choosing, regardless of the device they use. McKinsey predicts that up to 75% of customers will use more than one channel to contact firms. Companies must be able to provide a unified customer experience across all channels and devices. Conversely, without technology that gathers customer data, companies will soon become lost in a jungle of customer contacts.

In addition to using the appropriate technology, companies must intelligently prioritise in which cases it is used. In other words, when customers make contact via a certain channel, they must be redirected correctly. As a rule of thumb, if a customer contacts a company by phone, an urgent situation has already developed. Such cases must be handled immediately and treated as seriously as they deserve.

Prioritisation helps to provide everyone with an equal customer experience: urgent matters are handled quickly, after which there is time to focus on less urgent service requests.

APPRECIATION INCREASES COMMITMENT TO WORK AND IMPROVES THE CUSTOMER EXPERIENCE

In general, customer service is not appreciated as much as it should be, which can have a negative effect on the motivation of customer-service staff. This always has an impact on the customer experience – poor motivation tends to

result in poor customer satisfaction. Customer service employees' sense of being appreciated has a major impact on two key issues: their commitment to their work, and the quality of the customer experience.

Within a company, the simplest way of increasing appreciation of customer service is to recognise its importance to the business both implicitly and explicitly. Various figures and indicators can assist with this. For example, a good measure of customer service's importance can be obtained by comparing customer satisfaction to sales figures: good customer service can affect customer satisfaction, which tends to correlate directly with positive sales figures. A satisfied customer buys more, and vice versa.

Good tools are another source of employee motivation. No one, whether a painter or customer service employee, wants to work with poor tools. Having the right kinds of tools enables staff to succeed in their work, which has a motivating effect.

A third way of showing appreciation is to reward success. It is indeed important to recognise performances of the kind desired, and to celebrate success. And there is nothing wrong with personal rewards for good work. Rewards will only work well if everyone understands the general goals, and the indicators used in performance evaluation.

Customer service always suffers if a company fails to invest in processes, tools and leadership. Motivated staff feel that their work is important, and customers can see and hear that staff are flourishing.

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What is omnichannel customer experience and why it matters

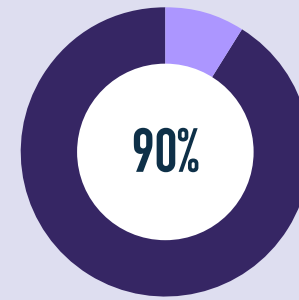
Let's look at some powerful statistics that show how important it is for companies to improve their omnichannel customer experience:

9 out of 10 consumers want an omnichannel experience with seamless service between communication methods. After interacting with 3 or more channels, customers purchased 287% more frequently than those who interacted with only one channel.

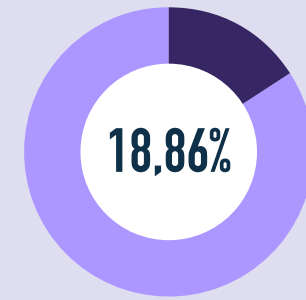
So how can you identify what the right omni-channel strategy looks like for your unique situation?

The first step is to evaluate what elements are needed most and determine which channels your customers are frequently using. The goal is to break down silos and integrate internal communication channels.

To make your omnichannel strategy work, you need the right tools to put your data to work, reach your customers at the right time, and help them convert.



Higher customer retention



Higher customer engagement

Companies who employ omnichannel marketing enjoy 90% higher customer retention rates and 18.86% higher customer engagement rates.



The transformation into a modern customer service environment with the help of Benemen and Salesforce has been a huge step towards our strategic goal of standing out as a human-size insurance company.

In addition, we have been able to create joint, goal-driven operative model and achieved major business benefits through the co-operation. Our staff is highly committed to our new normal.

Best of all, our customers can reach us in seconds.”

RIITTA YLIVIIKARI

Business Director
Pohjantähti



1. MEET YOUR CUSTOMERS WHERE THEY ARE

What is omnichannel customer experience? Omnichannel experience is a cross-channel approach to marketing, selling and serving customers in a way that puts the customer, not your product, at the core.

Customers can engage with your brand wherever they are — rather than treating channels as independent silos. An omnichannel marketing strategy uses channels that respond to and update customer data as they interact with your brand during their journey.

In essence, a good omnichannel strategy removes the boundaries between different sales and marketing channels to create a unified, integrated customer experience no matter how or where the customer reaches out.

2. MAKE THE CUSTOMER EXPERIENCE REALLY MATTER

In its 2020 Digital Trends report, Adobe noted that a customer-focused approach that emphasized a strong customer experience is the single greatest advantage that companies have in the digital landscape.

One-third of customers reported that they would consider switching to another company after just one bad customer experience. This shows just how important good customer experience is and how it builds on the customer journey.

Providing an excellent customer experience starts with listening. Listen to your customers' feedback and be responsive to their needs. Turn every channel into a support channel: add contact buttons to product pages and allow replies to promotional emails.

3. CONNECT CONVERSATIONS ACROSS ALL CHANNELS

Omnichannel customer service is the key to a successful customer experience because it enables the customer to choose their preferred channel to communicate. Make sure your company can handle customer support on multiple channels such as calls, emails, social media messaging and live chats. An omnichannel support solution collects all customer information in one place, even if a customer jumps from one channel to another.

For example if a customer already reached out via email but then decides to call for more immediate help, it helps if the customer service representative can already see comprehensive information about the customer and their previous interaction even before they answer the call. It makes the customer feel seen and valued.

Capturing context-rich customer data gives your support and sales teams a 360-degree view of customers, who they are and every single angle of their relationship with your company.

4. IMPROVE YOUR MOBILE SERVICES GAME

The mobile phone is the actual omnichannel device because it is the one thing that consumers carry with them no matter where they are. In 2020, there are 3.5 billion smartphone users around the world, so almost every third person worldwide owns a smartphone.

Mobile services provide an opportunity for your customers to reach out and communicate with you on the go. Mobile PBX services use smartphones and cellular networks to give your staff an office phone in their pocket.

This means that even if your customer service team is spread out around the country it can benefit from the features of an office phone system as if they were all sitting centrally in the main office.

5. INVEST IN SMART CX TECHNOLOGY

According to a study by Gartner, 75% of customer experience leaders surveyed said they expect CX budgets to increase in 2020. They understand that improving customer satisfaction drives business results and the case for investing in CX technology is expansive.

Implementing effective CX technology can help:

- **Reduce total cost through automation and efficiency**
- **Improve business and IT collaboration to deliver a great customer experience**
- **Increase business agility and reduce data silos**
- **McKinsey reports that optimizing the customer experience typically achieves revenue growth of 5 to 10% and cost reduction of 15 to 25% within just two or three years.**

Despite this, customer service is often viewed as just a cost, rather than the growth driver it can actually be. Spending money on customer experience technology can seem like an extraneous expense if you don't know what return on investment you can expect. One key item that can determine ROI is the reduction of operational cost.

Automation with the right tools helps call centers and agents be more efficient, leading to cost savings and increased profits for your business. It is possible to both reduce costs and provide better customer experience as long as you have the right strategy and tools in place.

6. IMPLEMENT AN INTELLIGENT VOICE CLOUD SOLUTION

If you want to improve your omnichannel customer experience it is important to make the phone call experience as pleasant and productive as possible for your customers. One way to do this is by implementing a voice cloud solution that eliminates long wait times and connects customers to the right people to talk to.

A voice cloud solution that offers voice recognition and routing enables you to go beyond “your call is important to us, please hold” and connects the caller quickly to the right live agents that responds with empathy. You can offer a faster resolution and a more personalised response and achieve more customer delight and build brand loyalty. An intelligent cloud phone system also offers a self service option for the customer if they prefer.

You can integrate a cloud phone system to all CRM environments where it's needed: for example Salesforce or Dynamics 365. It's so much easier to deliver great customer service when your agents have all the customer's information right in front of them.

So, regardless of who has answered to the customer earlier (customer service, sales person or expert) they can see what calls and conversations have taken place earlier resulting in a pleasant customer experience and also giving room for cross and upsell.

7. PREPARE FOR CUSTOMER EXPERIENCE DURING A CRISIS

In case of an emergency people most often reach for their phones to call customer service for immediate help. In today's digital environment the first contact could also be an email, online chat or your company's social media account and customer service agents should be prepared to answer requests immediately across channels. Especially if it's an occasion when things don't go as planned and not just a routine request.

Develop a plan for emergency situations so that your customer service agents are well-trained and prepared for most scenarios. The ideal agents are compassionate, confident, knowledgeable and know how to show empathy. Beyond that they also need the right tools to handle requests properly and immediately.

Putting it all together: Your omnichannel customer experience action plan

To successfully implement your omnichannel strategy it is crucial that all pieces, parts and processes of your strategy work together seamlessly. Make sure that resources are aligned with your strategy, you have solid and transparent communication in place and technology to keep you organized.

Create an action plan to achieve the business objectives that are linked to your omnichannel strategy. Each objective should have a plan that details how it will be achieved. The goals you choose should also be measurable and include a time frame.

This action plan helps keep you and your employees accountable to achieving the goals and objectives you've set out in your strategic plan. It should continually evolve and change as time goes on. Reviewing and reiterating the plan regularly can help you prepare for the future and work more effectively toward your goals.

THE TAKEAWAY

Taking steps to improve omnichannel customer experience is your effective strategy for success and competitive advantage in an ever-changing global marketplace. Omnichannel innovation makes it possible for your business to engage directly with your customers—no matter where they are, what they're doing, or what device they're using.

RECAP:

7 ways to improve omnichannel customer experience

1. CREATE AN OMNICHANNEL STRATEGY
2. MAKE THE CUSTOMER EXPERIENCE MATTER
3. CONNECT CONVERSATIONS ACROSS ALL CHANNELS
4. OFFER FIRST CLASS MOBILE SERVICES
5. INVEST IN CX TECHNOLOGY
6. IMPLEMENT AN INTELLIGENT VOICE CLOUD SOLUTION
7. DEVELOP CX PLANS FOR EMERGENCIES

Help customer service to perform at its best

At least the following strategic goals should be set for customer service in the future:



Lower costs and higher efficiency



High-quality, multichannel customer service at all stages of the purchase path.



Development of better sales support based on customer service.

Unfortunately, although expectations are high, their fulfilment is not always realistic.

We have gathered five guidelines with which you can achieve your goals.



1. FREEDOM FROM ADMINISTRATIVE WORK VIA AUTOMATION

Do not turn your back on technology and development, but make them into your everyday partners. Adopting automation will not bring an end to all human labour. It just means providing staff with the opportunity to perform tasks that are more rational in business terms and focus on personal interaction with customers.



2. KNOW YOUR CUSTOMER AND FOSTER HUMAN CONTACT

Everyone is probably aware that the better you know your customer, the better you can serve them – and make additional sales. Customers are already used to communicating via several channels at once. They also want to be heard. Give customers what they want, and they will come back for more. Getting to know your customers better will enable you to interact with them more effectively and create a positive customer experience.



3. DATA-DRIVEN MANAGEMENT IN REAL TIME

Data-based management of the performance and efficiency of contact centres, and of individual customer service staff, is the modern approach. In the future, data will also reveal root causes – in both the elimination of problems and replication of success. Such data may show which customers take up a great deal of time and why, or why a certain customer service employee is more successful than others in service provision and making additional sales.



4. CHANGE ALONGSIDE THE CUSTOMER

Customer situations, needs and practices change, and you need to change at the same rate. Be flexible and serve customers in the right way at the right time. For example, in 2015, 30% of customer encounters occurred through digital channels, but almost 50% will probably do so in 2020 (source: McKinsey 2016).

Is your customer service ready for this?



5. GIVE YOUR EMPLOYEES THE BEST TOOLS

Without regularly updated tools and processes, even the best customer service staff will find it difficult to stay motivated. So give your staff functional tools with which they can perform at their best every day, providing a successful customer experience. Good work also affects the bottom line, because a satisfied customer buys more than a dissatisfied one.

In urgent matters the customer still prefers to call!

Customer service clearly has a huge effect on the customer experience. With customers continually raising the bar for companies, recruiting the best possible customer service staff is a major challenge.

A report by Forrester, 'The Three Customer Service Megatrends In 2019: As AI Eats Jobs, Agents Are More Valued', states that the role of customer service staff will radically change due to the introduction of new technology.

Above all, in the future employees will require the emotional intelligence and social skills required to surmount even the most challenging situations with ease.

When even the slowest players realise this, there will be fierce competition to secure the best talents. For this reason, wisely led companies are investing in the right capabilities now, in terms of both technology and labour force.

Voice as a channel still plays an essential part in omni-channel customer service.

Take care that whenever your customers call you, the feeling they have afterwards is that they are in good hands.

**So, is your company being managed wisely?
Contact us and let's talk what we could do for you.**



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