CONVERGYS

CX Insights

What Customers Say About Effort and Omnichannel

(And Where Your Strategy Needs to Go)

As communication channels expand and customer inquiries become more frequent and complex, customer care leaders are facing a tough question:

How do we deliver the best customer experiences to a market that wants to self-serve in digital channels, but still needs agent assistance in crucial moments?

Today, big customer experience (CX) performance gains don't happen with off-the-shelf technologies or the efforts of tactical project teams. CX has gone strategic. It's tricky stuff, requiring careful planning and savvy investment to stimulate growth while controlling costs. To figure it out, you need a reliable read on customer behavior and preferences. And that's what you're getting right here in this report, exclusively from Convergys.

Read it and gain key insights from our interviews with more than 6,000 US consumers, covering which channels they prefer, how they approach support interactions, how issue complexity impacts their decisions, and more.

Key Findings:

2016 Convergys CX Metrics & Omnichannel Trends Research

Following are the top five key findings from our research, along with recommendations on how to apply them to your customer care strategy for big gains in CX performance.

1 Satisfaction Continues to Rise

Customer satisfaction is up to 76 percent from 74 percent in 2014. Not all industries improved to the same degree, but the variance among industries is beginning to even out, as industries that lagged in these performance scores have been successful in closing the gap. Everywhere you look, the standard for customer service is being raised, meaning companies need to maintain or increase investment just to keep pace with the quality of experiences customers are getting elsewhere.

Satisfaction with Most Recent Interaction

	Bank	Retail	Credit Card	Technology	Mobile	Healthcare	Cable/Sat	ISP
CSAT	74%	74%	74%	74%	74%	74%	74%	74%
% Change*	+2%	+6%	-2%	+2%	+10%	+4%	+15%	+11%

*Numbers represent percentage point gain/loss since 2014.

KEY TAKEAWAY:
Keeping up with rising customer expectations is harder than ever, and is now a strategic issue.

What to Do About It:

- The first step in building your strategic plan for CX is to assemble baseline knowledge on your customer's experience by examining all touchpoints. Commit to a voice of the customer (VOC) program to capture sentiment across all channels of communication. Programmatically gathering feedback via IVR and email surveys, characterizing responses, and implementing real-time issue alerts creates a powerful CX culture.

- Use VOC results for statistical linkages to quantify the impact of multiple factors for trade-offs and decision-making. Develop and implement a closed-loop system to ensure customers are satisfied, especially with more difficult interactions. Closing the loop means making process changes and/or technology investments to ease effort when a CX negative trend, or even individual customer event, triggers an alert.
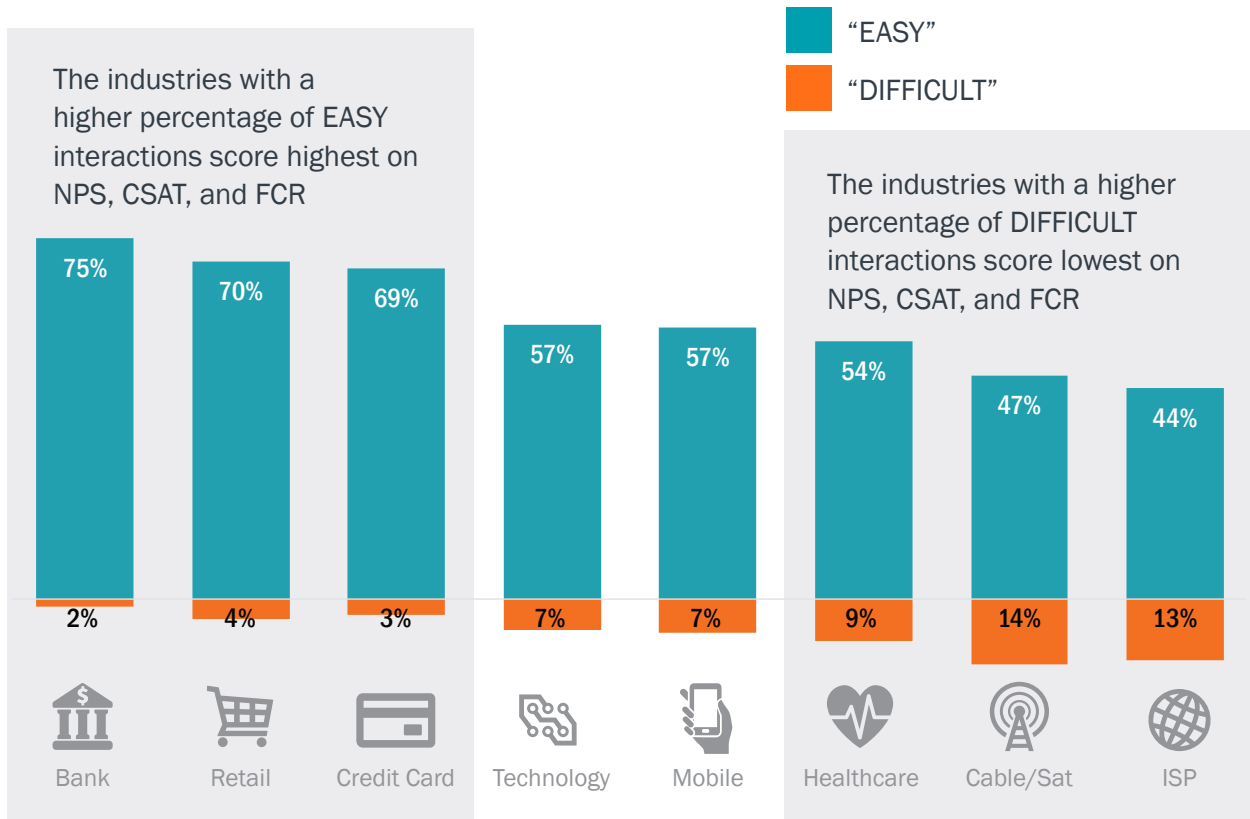
Customer interactions can be grouped into categories of "easy" and "difficult" in terms of how much effort customers have to expend in order to reach their solution. Here is how the terms can be defined:

Easy interactions – Questions of low complexity, where the answer is simple and available in one step. For example, a banking customer might log on to a mobile banking app and check an account balance.

Difficult interactions – These are questions of higher complexity where it's simply harder to resolve the issue. For example, a customer of an ISP might call their service provider to report an issue with Internet connectivity, and might be led through a process of technical steps in order to get back online. An interaction may be "difficult" due to the nature of the interaction type itself, or due to internal processes that are inefficient and cause additional customer effort.

When we correlated customer-stated perceptions of "easy" and "difficult" interactions with Net Promoter Score® (NPS®) and satisfaction scores, some helpful insight into effort emerged. The clear implication is that high effort interactions taint the customer's perception of the experience, resulting in lower scores:

Customer Stated Effort

- ■ "EASY"
- ■ "DIFFICULT"

The industries with a higher percentage of EASY interactions score highest on NPS, CSAT, and FCR

The industries with a higher percentage of DIFFICULT interactions score lowest on NPS, CSAT, and FCR

	Bank	Retail	Credit Card	Technology	Mobile	Healthcare	Cable/Sat	ISP
EASY	75%	70%	69%	57%	57%	54%	47%	44%
DIFFICULT	2%	4%	3%	7%	7%	9%	14%	13%

The important takeaway here is the customer's perception of effort tends to influence performance scores, with performance scores declining as customers have to expend more effort.

We also discovered that 50 percent of customers who experienced difficult contact types either churned or wanted to churn, but were forced to stay because of contract terms. This shows that difficult interactions will result in unsatisfied customers and loss of market share. What's more, festering ill will among customers who are forced to stay is simply delayed churn, which weakens brand perception and introduces a greater risk of social media damage.

! **KEY TAKEAWAY:**
Handling difficult contacts well is key to improving CX scores.

What to Do About It:

- Use insight from your VOC efforts to implement a frontline training and coaching initiative that specifically addresses high-volume, difficult interactions.

- Make sure agents know they will increasingly be called upon to handle more difficult interactions and prepare them to do so.

- Consider creating an effort index by labeling specific customer tasks with an easy to hard metric. Establishing this type of common ground provides the beginning of a CX framework to drill down and uncover trouble spots without relying on anecdotal evidence.

- Training and coaching will benefit by using "effort terminology" that is level set for your organization.
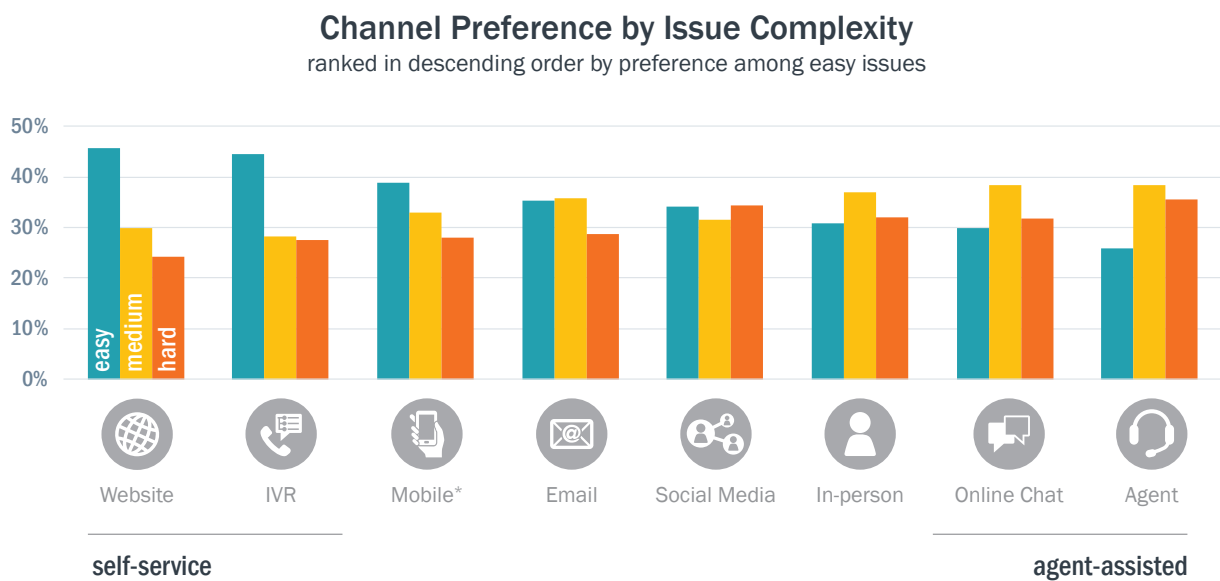
Effort is also an influencing factor when it comes to customer channel preference. Forty-four percent of customers said they would choose a self-service channel such as website, IVR, or mobile, if they perceived their issue to be easy to resolve.

If they perceived the issue to be difficult, however, only 27 percent of customers would choose self-service (preferring instead to use an agent-assisted channel such as voice, chat agent, or in-person assistance).

The chart below shows the distribution of preference by channel, for easy, medium, and hard interaction types.

Channel Preference by Issue Complexity
ranked in descending order by preference among easy issues

	Website	IVR	Mobile*	Email	Social Media	In-person	Online Chat	Agent

self-service — easy / medium / hard   agent-assisted

*Includes Mobile Web, Mobile App, Mobile Chat, and SMS

KEY TAKEAWAY:
Your self-service channels must deliver fast, easy resolutions.

What to Do About It:

- A resolution and next issue avoidance exercise can be used to map resolution by contact to determine drivers behind repeat contacts. Statistical results can be especially useful in zeroing in on self-service channels that are not performing to expectations.

- Areas of breakdown may not just be on the customer-facing parts of the journey, but also the internal business processes that drive your customers online and IVR interactions. A root cause analysis effort works to identify call flows, policies, procedures, curriculum gaps, and hiring profile misses that are having a negative impact on CX and driving inefficiency.

4 Channel Hopping Hurts the Customer Experience

Our survey helped to quantify the damaging effect of channel hopping to the customer experience, for every major performance metric, as shown:

12pts INTERACTION SATISFACTION	**19**pts NET PROMOTER SCORE	**10**pts ISSUE RESOLUTION	**18**pts LOW EFFORT

Channel hopping induces effort, intensifies frustrations, and precipitates painful experiences that cause churn, and the tarnishing of brand reputation. It can also set the wrong tone for customers who escalate to agents. When customers try unsuccessfully to self-serve, 53 percent of them will hop to an agent, and more than half of these channel-hoppers say their failed experience in a previous channel has an impact on their agent interaction.

Contact center leaders, therefore, need to prepare agents for more difficult interactions as well as for attitudes colored by effort turbulence that is beyond their control. Providing agents with training that also includes tools and techniques that help them understand what a customer has already been through can go a long way toward making the difficult at least seem easy for customers.

! KEY TAKEAWAY:
Channel hopping needs to be reduced or eliminated wherever you can.

What to Do About It:

- Provide customers with multiple channels to contact you in the way they prefer. Optimize each channel (and the frontline agents on the other end) so that channel hopping is not required for resolution.

- Guide customers to the most effective channel based on their reason for contact, in an attempt to shift preferences if a certain channel is not offered.

- Do not offer a channel on a customer journey if the issue cannot be resolved in that channel.

- Implement technology and processes that inform agents of a previous customer interaction in another channel. This will allow agents to convey empathy along with effective service, by reducing customers having to repeat information when they reach an agent.

- Ensure processes and systems are in place so that agents can successfully deal with unhappy customers who have failed to resolve their issue in another channel.

5   Customers Will Reward You for Making It Easier

Providing easier interactions not only keeps customers from churning, but customers who experience low-effort interaction will reward companies with a stronger intent of future spend.

Our survey respondents indicated that an impressive 24 percent of customers plan to increase spend in the next year in industries where interactions are easiest (these include retail, technology, and credit card). Conversely, in industries such as cable/satellite, ISP, and mobile, where interactions are generally more difficult, 14 percent of customers are likely to decrease spend.

! **KEY TAKEAWAY:**
Making interactions easier is a key to driving growth.

What to Do About It:

- A VOC program will offer an ongoing resource for capturing customer sentiment, identifying CX insight, and driving action for improvement to reduce effort.

- A digital process offload effort can be used as a point solution to optimize use of self-service channels for easier interactions, enabling agents to focus more effectively on simplifying challenging engagements.

- Familiarize yourself with the business case benefits of reducing effort.

For more insight on reducing effort, check out these other resources from Convergys:

White Paper: *Customer Effort: Less Work, More Loyal*

Effort Blog: *Making Customers Work Is Bad Business*

Webinar: *Your Customers Are Working Too Hard: Four Steps to Low-Effort Success*

Conclusion

There is a clear trend toward a higher concentration of more difficult issues being handled by agents, as increasing volumes of customers choose to self-serve easier issues. Channel diversity, types of issues specific to industry segments, and how customers behave as they channel hop are all now factors in the customer experience equation.

The common thread of our findings is that the name of the game is reducing customer effort across all channels, requiring a strategic approach. A VOC exercise is the most effective way of accumulating the baseline data about your customers and using this insight to develop your strategy for improving CX in every channel.

Turn this insight into results!

Is your customer effort strategy in line with where customer care is going? Contact Convergys and let's talk about reducing customer effort across every channel in ways that your customers will love, and reward you for.

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