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A Virtual Think Tank Executive Summary

The Many Benefits that Digital Transformation Brings to Customer Service

Frost & Sullivan, a leader in growth, innovation and leadership for over 50 years, recently assembled a select group of Customer Experience executives from diverse organizations to participate in a forum on creating a state-of-the-art partner ecosystem for maximum customer value.

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INTRODUCTION

Recently, a diverse group of industry executives assembled to discuss *"The Many Benefits that Digital Transformation Brings to Customer Service,"* the latest in a series of Virtual Think Tanks produced by Frost & Sullivan, a growth partnership company focused on helping clients achieve transformational growth in an era of accelerating change and disruption.

The discussion was moderated by Michael DeSalles, Principal Analyst with Frost & Sullivan. DeSalles opened the Think Tank by sharing the chart below illustrating the top disruptive technologies Frost & Sullivan has identified through 2025:

Current and Future Top Disruptive Technologies

Timeframe				
2025	Brain-computer Interface (BCI)	Digestible Computing / Nanobots	Quantum Computing	4D Printing
	Neuromorphic Computing	Nano Solar Cell Coating	Smart Fabrics	Cyber Security Fraud Hunters
	Quantum Dot Charging	Powered Exoskeletons	Pervasive Connectivity	Customer Centric Analytics
2020	Li-Fi Networks	Unmanned Ground Vehicles (UGVs)	Wireless Energy Transfer	Graphene & Carbon Nanotubes (CNTs)
	General-purpose Autonomous Robotics	The Blockchain	Virtual Reality (VR)	Energy Harvesting
	Cryptocurrencies	Holography	3D Printing	Flexible Electronic Devices
	Biometrics	Drones	The Internet of Things (IoT)	Artificial Intelligence (AI)
2015	Big Data Analytics	Cloud Platform	Context-aware Mobile Devices	Augmented Reality (AR)

Source: Frost & Sullivan

As daunting as the disruptive technologies in the chart above appear to be, equally daunting is the concept of digital transformation itself, encompassing phenomenon such as IoT, Big Data, Machine to Machine communications, the Industrial Internet and more. Digital transformation presents both challenges and opportunities for organizations today. New and nimble competitors, enabled by ever-evolving technologies, face low barriers to entry while many established organizations must quickly and effectively implement emerging technologies to better serve current customers and compete with the newcomers. These mature organizations must avoid miscalculations and failure by intelligently leveraging all the advantages that digital transformation brings.

Amid an array of digital transformation possibilities, this Virtual Think Tank focused on digital transformation as it applies to the customer experience. Moderator DeSalles explained that he sees organizations grappling with the 3 issues outlined below as they assess how to move forward on their customer experience digital transformation journeys:

1. Connectivity—more than just a connection to the internet, it's a matter of how organizations connect with customers and potentially acquire and keep more customers
2. Personalization—getting to know your customers better, and meeting their needs through the use of sophisticated data analytics
3. Seamless CX—creating a seamless, frictionless, customer experience and providing it on a consistent basis, while leaving channel choice and other options up to the customer's preference

Customer Transformation Examples

Manufacturing: Intelligent interconnectivity across the enterprise for enhanced control, speed and efficiency

☐ **Connectivity**

☐ **Personalization**

☐ **Seamless CX**

Banking and Finance: Seamless customer experience across banking channels

Retail: Highly personalized customer experience across channels and devices

Healthcare: Integrated and smart patient care systems and processes

Automotive: V2V and V2I communication

DeSalles opened the discussion by asking the first of a series of questions:

How has digital transformation affected your company's business initiatives?

Greg Williamson, *Vice President, Global Business Services*, UPS, explained that digital transformation had significantly affected his organization. He noted that UPS was leveraging new technologies such as Virtual Assistants (VA's) to provide better data and information, resulting in fewer chats and generally resulting in more informed customers and fewer calls.

In addition, his organization is analyzing how best to measure productivity as it relates to service, specifically the ability of their customers to self-serve. This type of intelligent analysis will no doubt become important to many organizations as they seek to leverage the latest digital capabilities. Williamson's comment underscores the importance of using analytics to understand and intelligently apply business process change.

One participant answered the question from a different perspective when he observed that the concept of "digital transformation" sounds impressive but it is just as important to offer the right (digital) solution to the client. As he stated, "If you can resolve re-authentication issues on a mobile device digitally, that reduces cost to serve and pleases the customer. But just offering a specific digital option for the sake of doing so is not always the right answer for every customer. "

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The next question posed to the VTT participants was:

In what ways has digital transformation made it easier for consumers to interact with your brand?

Sam Martin, Sales Manager, Customer Experience Practice, Verizon, noted the importance of automation, specifically, automating on the customer's terms. He underscored the important goal of offering automated services 24 x 7 on the customer's channel of choice. This led to a discussion about what channels to begin automating. The following were identified and largely agreed upon by those in attendance:

1. Offer automated options online
2. Make customer service and support easier with mobile apps
3. Move towards Chat Bots with face recognition capabilities

All of the above are excellent tactics or strategies that can be leveraged to improve the customer experience with the brand, provided they are done well.

Another key insight about consumer brand interactions was provided by David Price of Bank of America. He observed that one of the most important aspects of digital transformation and all of the solutions it potentially provides is giving the customer their choice of channel. As he explained, this channel choice might be different for the same customer depending on the day. He reinforced the idea that an array of digital solutions should always be available to customers so that they are in control of their experience. This was arguably the most important insight to come out of this Virtual Think Tank.

Price explained that it was critical that the organization access only the useful and relevant information in a customer transaction, and not necessarily all customer data. For instance, it is not necessary to have a running list of every customer conversation or all customer data available when speaking with a customer. It is only necessary to have the critical information needed at that time. Digital transformation can imply an array of solutions but INTELLIGENT digital solutions will provide the right data at the right time to the right customer.

Taking the discussion a step further, Greg Williamson of UPS underscored the importance of synthesizing the customer's use of technology, which includes understanding the digital tools and communication channels that are most important to a given customer at a given time. He noted UPS's use of My Choice, a proactive notification of package delivery. He also discussed his company's increasing use of texting to communicate with their customers.

The next question posed was about metrics and measurement:

Given the level of digital transformation in your company, how do you measure success with customers?

Courtney Franklin, Call Center Director from Resort.com International commented that her (member-driven) organization has a committee dedicated to member feedback that actively analyzes the customer contact review process. She offered that they are always looking for process improvement opportunities. Like many other customer-focused organizations, her team seeks feedback from their customer service agents and has a formalized a process in-place.

UPS measures success through some of the following methods:

1. Surveys about customer experience
2. 1st call resolution analysis
3. Quality scores—before and after DT changes

Another question the participants addressed was:

What are the ways that your company influences the customer experience and guides the customer journey?

As Sam Martin summed up, his organization guides the customer journey in the following key ways:

1. Enhancing the user interface
2. Regular training and constant updates for customer service reps
3. Consistently following up with customers

The last and perhaps the most difficult question posed to the participants was:

Is a seamless customer experience even possible? How is your company able to accomplish this?

All the panelists agreed that this was a worthwhile goal. One participant expressed that acquisitions of companies with different systems multiplied the challenge of creating a seamless customer experience as they had to integrate and align these systems before they could offer a cohesive and seamless customer experience.

In closing, as David Price of Bank of America stated, perhaps a seamless customer experience is more about offering the customer a choice – digital or otherwise – than about any particular digital platform. In this sense, the ultimate objective is to know your customer so well that you can offer them the option to interact with your brand in the way they most prefer, and today that must include a first-rate digital experience too.

CONCLUSION

Improving customer service has become synonymous with improving the overall interaction experience, regardless of industry sector. Frost & Sullivan notes that sales and support agents are beginning to use a wider arsenal of communication tools – voice, video, e-mail, IVR, Web chat, collaboration and file sharing, and social media. The benefits are clear: a better experience for the customer, lower times to resolution, deeper relationships, stronger loyalty, and ultimately more sales opportunities and higher revenues. Omni-channel engagement is all about relationships. This phenomenon has changed the technology needs of the modern contact center.

Ultimately, customer engagement is a more nuanced concept than many assume. Every interaction that a customer has with a company is consequential. It contributes to that consumer's overall impression of and engagement with, the business. Valuable customer experiences will be the primary factor that differentiates brands that win, serve and retain customers. Indeed, a more engaged customer becomes a more satisfied customer, one who is more likely to spend, recommend to others and remain loyal to the brand.