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Customer Experience Drives Changes in the Technical Support Paradigm

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Customer experience has the potential to be a major differentiator for companies as communications channels continue to proliferate with the use of mobile devices and social networks. This trend is impacting the way technical support organizations approach customer interactions, prompting companies to view customer experience from a more holistic perspective throughout the entire customer life cycle. Internally, organizations are also interested in ensuring better employee experiences and encouraging both best practices and information sharing to create a culture that reflects the brand and resonates with customers. In this context, companies are looking to outsourcing providers to lead them toward their business goals by taking on the role of strategic partner. Outsourcing relationships are no longer just about reducing cost and creating efficiency. They are also about having a measurable impact on the overall success of the business.

The following questions were posed by CGS to Melissa O'Brien, research analyst for IDC's Worldwide Customer Care BPO program, on behalf of CGS' customers.

Q. **What major trends are driving change in technical support organizations?**

A.   The biggest trends driving change for technical support organizations involve the roles of both customer experience and shifting customer expectations. Now, more than ever, as many products and services have become commoditized, the experience that the customer has with a brand is increasingly important. Customer experience has the potential to be a huge differentiator for companies. Technical support, as an important touch point for customer interaction, plays a big role in developing that customer experience. Customers now have many more ways to communicate with companies, including the use of mobile devices and social networks.

These trends put pressure on technical support organizations to communicate using the channels that customers prefer. Mobile devices have generated demand for "anytime and anywhere" support, and technology advancements such as Kindle Mayday have raised the bar for on-demand support. Consider also the impact of demographic changes, including a growing consumer base of younger consumers who are tech-savvy and have a strong propensity for using mobile and social channels to communicate. In addition, the bring-your-own-device (BYOD) trend is putting pressure on IT departments to support a greater volume and variety of devices. All of these elements are impacting the way that technical support organizations approach their customer interactions.

Q.   How are organizations changing in response to those trends?

A.   It's important for organizations to implement multichannel capabilities and study customer preferences to ensure they can communicate with customers through their preferred channel. Companies are now looking at customer experience from a more holistic perspective throughout the entire customer life cycle. This is driving the need for greater collaboration between internal departments and with partners and increased flexibility to ensure that changes can be made quickly. For example, marketing, sales, and support must be aligned to ensure seamless interactions and consistent customer experiences.

These changes are also driving investment in training and "upskilling" of customer-facing representatives, including reviewing and updating hiring profiles to meet rising customer expectations for dealing with interactions that have taken place through various channels. Now, more than ever, people are expecting a personalized experience, and they have grown weary of scripted answers and canned responses. Ensuring that representatives have the ability to meet these expectations is a key to customer satisfaction. Training for customer interactions must be tailored to ensure consistency and efficiency while still providing a personal and pleasant experience. Organizations are also interested in generating better employee experiences and encouraging best practices and information sharing to create a culture that reflects the brand and resonates with customers.

Q.   Is self-help becoming a larger component of help desk service?

A.   IDC data shows that self-help is growing as a share of overall interactions, while traditional channels like agent-assisted phone calls are decreasing in share and email remains flat. This shift in channel usage is pushing companies to look at interactions differently, especially in the way they measure metrics such as customer satisfaction. For example, first-call resolution is no longer a straightforward satisfaction metric as customers have often tried to use self-help options or jumped other hurdles before picking up the phone or starting a chat. Changing customer demographics point to customers preferring to use self-help or social communities to answer questions rather than making a phone call.

These trends are driving the need to understand and analyze information from various disparate sources of data such as feedback from social media. Knowing the common issues people are calling about can help improve self-service and potentially generate proactive and automated messages that deflect phone calls. It's a win-win when companies can implement effective self-help solutions that save money by deflecting costly agent-assisted interactions. In addition, customers who prefer to use self-help are able to use their channel of choice.

Q.   Why is more focus being placed on business value and customer experience?

A.   IDC research shows that customer experience is either a significant strategic initiative or, at a minimum, a key matter for discussion for the majority of companies. Senior management is now focused on aligning individual business units with overall strategic goals, and help desk is no exception. This is pushing help desk organizations not only to ensure alignment with company goals but also to find ways to drive business value.

According to IDC data, 38% of U.S. companies said they are implementing customer experience as a major strategic effort, while 46% said customer experience is being discussed but not formally implemented. Companies that have a formal customer experience strategy in place are 29% more likely to list the ability to attract and hire top-performing employees as a key corporate imperative, suggesting the link between employee focus and a focus on customer experience. Customer and employee experience go hand in hand; poor customer experience has a negative impact on employees. For example, help desk

representatives who need to handle repetitive issues that could be solved through self-help likely share the customer's frustration in dealing with those very same issues, potentially leading to turnover. When considering that both employee and customer satisfaction and churn are at stake, having the right strategies in place along with good foundational support for internal and external customers is not just a cost but also a key business driver.

Q. **How is the relationship between companies and their outsourcing service providers changing as a result of these trends?**

A.   IDC research shows that companies are expecting a more strategic relationship with their outsourcing vendors going forward. We are seeing this trend in action today. Companies are looking to outsourcing providers to lead them toward their business goals — not just as a service provider but also as a strategic partner. Outsourcing relationships are no longer just about reducing cost and creating efficiency. They are also about providing greater value and being a partner that can have a measurable impact on business direction. A big part of the greater value for customer experience is using data to understand the customer's journey, such as what communication channels the customer has used and what the customer's preferences are. Addressing the customer in a way that acknowledges its previous touch points often defuses some of the frustration of whatever issue the customer may be in contact about and will often keep the customer more satisfied and loyal. This continuous loop of engaging with and understanding customers has the potential to improve self-help, assisted interactions, and the customer experience as a whole.

Service providers can achieve all of these positive outcomes by sharing insight and analysis drawn from data gathered in the process of understanding the customer journey. Outsourcing relationships are moving toward having the kind of strategic partnership that fosters sharing and analyzing information and making data-driven decisions collaboratively. Both sides of the partnership can share the insights necessary to make good business decisions, including decisions about infrastructure upgrades and training, thereby having a deeper impact on the overall business. This evolution represents an exciting opportunity for service providers to go above and beyond traditional service delivery to help clients transform their businesses.

A B O U T   T H I S   A N A L Y S T

Melissa O'Brien is research analyst for IDC's Worldwide Customer Care BPO Services and part of the Outsourcing and Offshore Services team. Ms. O'Brien's research covers customer care BPO, including hosted contact center services and home-based agent services.