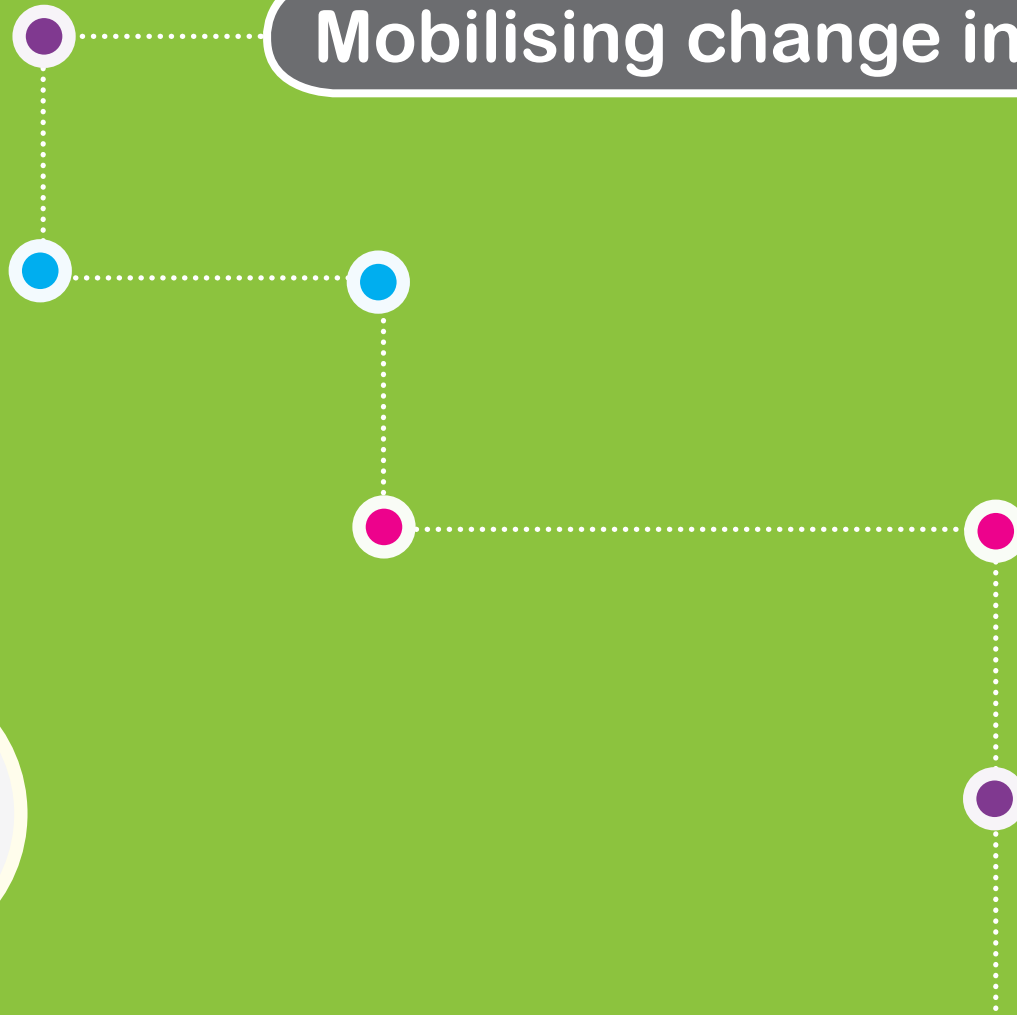


# Mobilising change in customer experience



# An industry in flux

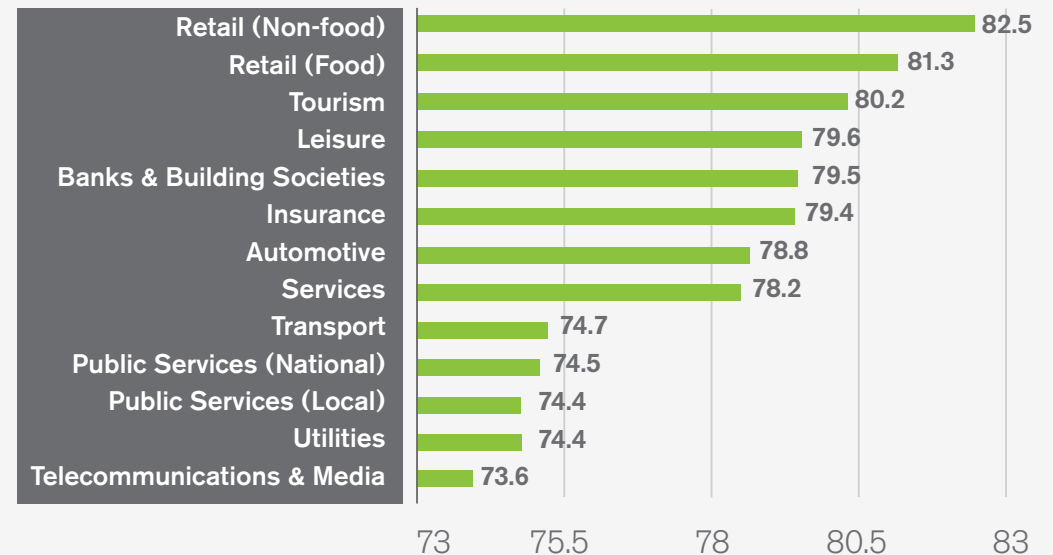
## The Case for Customer Experience

The consumer buying journey is changing as new channels emerge, customer expectations increase and the shift of power moves towards the customer. This is especially relevant in the Mobile industry that has been plagued by negative customer perceptions and high-profile regulator fines.

**20%** OF CUSTOMERS EXPERIENCED PROBLEMS

In fact, of the 13 sectors featured in the January 2017 UKCSI, Telecoms was ranked with the lowest score of just 73.6. Further damning statistics from the UKCSI, show that Telecoms continue to generate the highest number of complaints, with 20% of customers having experienced a problem<sup>1</sup>, a stark difference to the UK average of 12.5%.

## Sectors compared by UKCSI score



Source: The Institute of Customer Service (January 2017 UK Customer Satisfaction Index: the state of customer satisfaction in the UK)

<sup>1</sup> UK Customer Satisfaction Index, 'Customer satisfaction in telecoms is on the up, but remains the lowest ranked sector', July 2016

# Industry challenges

## Industry under Ofcom spotlight

Poor consumer satisfaction and trust in the Mobile sector has meant industry regulator Ofcom has taken a proactive approach to drive improvements in customer journeys, resulting in considerable fines being levied against established brands for mis-selling, inaccurate billing and poor handling of complaints.



Added pressure is also coming from the regulator in the form of proposals to make it easier for consumers to switch suppliers.

“Ofcom is today proposing a package of reforms to make it quicker and easier to switch from one mobile phone provider to another. Under the plans, people and businesses would simply send a free text message to the provider they wish to leave.

Ofcom’s proposals mean that mobile customers would no longer have to speak to the provider they wish to leave – which means that there is greater emphasis on providers to proactively engage with customers ahead of contract renewals.”

Ofcom, 19th May 2017

## Compliance burdens

The Mobile industry also faces pressure from substantial compliance burdens. In some cases, this has prevented the cross-selling of profitable insurance products, since providers have been unable to prove they can do so in a compliant way. As well as impacting on revenue, these regulations significantly impact customer journeys, particularly in telephony channels when agents are required to read lengthy compliance scripts. Mobile operators are therefore facing the challenge of streamlining customer journeys whilst fulfilling their compliance obligations.

## Problems with clarity

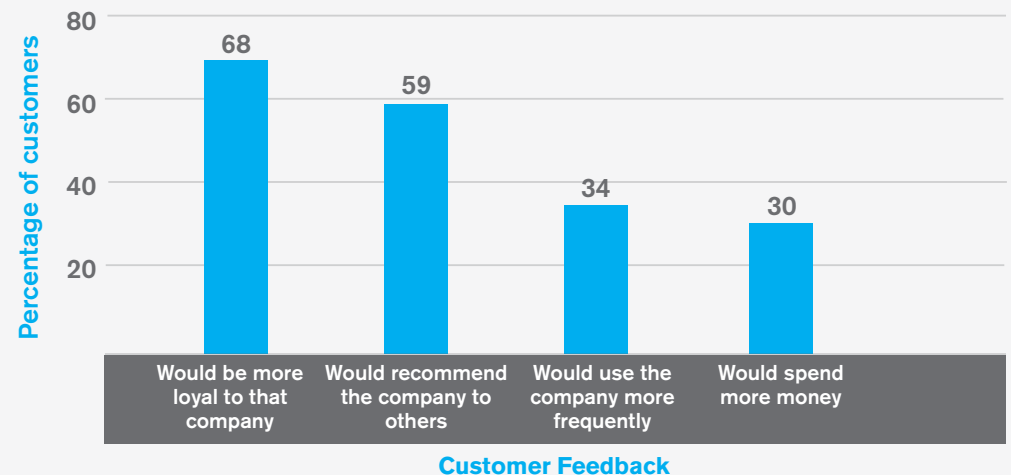
In a market plagued by poor customer perception and accusations of mis-selling and billing issues, the need for clarity in the customer journey is paramount. Operators need to find ways to ensure customers are clear about what they are purchasing and how they will be billed. Solving this problem will not only reduce the risk of Ofcom penalties, it will also improve the customer journey and reduce the high volume of costly customer service calls made by customers looking to get clarity and resolve these issues.

# The benefits of improved CX

There is no doubt that the industry is facing challenging times with a multitude of pressures. However, customer experience does offer a lifeline to the industry, providing a way to address these challenges and not only improve industry perception but also drive up bottom line results in terms of increased retention and customer value. In fact, McKinsey estimate that companies offering exceptional customer experience can exceed the gross margins of their competitors by more than 26%, whilst making their employees happier and simplifying their end-to-end operations.<sup>2</sup>



## The connection between call centre experience and profitability<sup>3</sup>



As the graph shows, an increase in customer satisfaction can have a direct correlation with increased revenues through increased lifetime value, frequency of purchase and value of transaction.

What's clear from this and other similar studies is that customers will reward organisations for a positive customer experience.

<sup>2</sup> McKinsey, Customer Experience: Creating Value through Transforming Customer Journeys

<sup>3</sup> CallCentreHelper.com, 'The connection between call centre experience and profitability', April 2017

# Driving improved CX in Mobile Telecoms

**The case for CX is clear, but what are the critical success factors for mobile operators looking to transform CX?**

## ■ Mind the gaps

Every customer journey has a break, whether that's stopping the process to request documentation, consenting to terms and conditions or confusion about contracts and billing. To avoid these temporary stalling points becoming permanent breaks in the customer journey, organisations must examine journeys at a granular level to identify and understand pain points. Are products too complicated for customers to understand? Are bills causing confusion? By identifying these gaps or break points, organisations can start to find intuitive ways to eliminate these break points and deliver a streamlined customer journey.

## ■ Omni is the new multi

Omni-channel is here to stay. With the proliferation and fragmentation of channels, this is only set to increase the emphasis on creating frictionless customer journeys that work across channels. Gone are the days of channel

silos, individual channel metrics and internal processes dictating the customer journey. Mobile operators who want to transform their CX need to ensure they can move their customers seamlessly between channels and often between assisted and self-serve channels when the journey and customer demands it.

## ■ Leverage technology

Understanding a customer journey and identifying the breaks is a critical starting point for improving CX, however fixing and facilitating streamlined journeys is the obvious end game and this is where technology can really transform a customer experience. Having the right technology can be the difference between a bad or best-in-class CX whether it's using technology to analyse real-time customer data or to give the customer the ability to digitally share and sign documents or having technology that connects up different channels.

However, organisations need to beware of falling into the trap of tech for tech's sake or falling fowl to costly 'shiny tech' – this can be avoided by ensuring technology choices are driven by customer journeys and can improve the experience in measurable ways.

# Driving improved CX in Mobile Telecoms

## ■ Delivering transparency

Compliance is always a thorny issue and not one that will necessarily enhance the customer experience but is essential to building customer trust and protecting the organisation from regulator fines that have so badly affected the industry over recent years. Mobile operators therefore need to provide clarity for the customer and reduce risks for the business by providing a strong compliance process and audit trail.

In an industry that has frequently changing and often complex products, finding ways to illustrate and compare product features is essential in building customer trust and optimising conversion rates, as well as optimising cross-sell opportunities. Obviously this is more difficult in the telephony channel, however this traditionally analogue channel is increasingly becoming digital with the technology and tools available today.

## ■ Measuring CX to deliver the right outcomes

Measuring CX is essential for demonstrating ROI and is vital for delivering ongoing improvements. Successful CX measurement requires a clear view of the whole customer journey and a move away from siloed channel measurement.

For example, AHT, a commonly used metric can be counter-productive and even negatively impact on customer journeys. AHT measures time on a call and can lead to situations where two nine minute calls with a customer can be better than one 12 minute call where the agent resolves the customer query. By focusing on measuring outcomes and end-to-end customer journeys organisations can see the cumulative impact of their different channels on the customer journey and can encourage behaviour that drives the right results.



Measuring by averages can also hide a multitude of CX issues so it's important to measure end-to-end customer journeys on a granular level to see exactly where the friction and attribution points are. Only then can organisations start to drive improvements that have a significant impact on customer experience.

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## Conclusion

It's clear that Mobile Operators have an opportunity to transform CX whilst minimising threats from competition, compliance requirements and regulator activity. Creating a market leading CX strategy will not only create a point of differentiation in a saturated market, it will also deliver measurable results in terms of increased conversion, retention and reduced churn and costs.



White paper by Vizolution.

### About Vizolution

Vizolution is a CX Tech company focused on streamlining customer journeys. With a SaaS suite of digital products, Vizolution supports the omni-channel strategy of it's customers to eliminate the breaks in customer journeys.

To find out more about Vizolution visit [www.vizolution.com](http://www.vizolution.com)