



2020 Omnichannel Engagement Insights •



LIVEVOX

Introduction

It's a new decade. And a new era in customer service. 2019 saw stocks rise for brands that invested heavily in the experience economy, and 2020 is continuing that trend. To thrive in today's CX environment is to be continually adapting to a world of growing complexity. Consumers are more willing to give information for the promise of superior service and organizations are increasingly reliant upon the technological and strategic prowess of Big data to deliver on ever-lofty expectations.

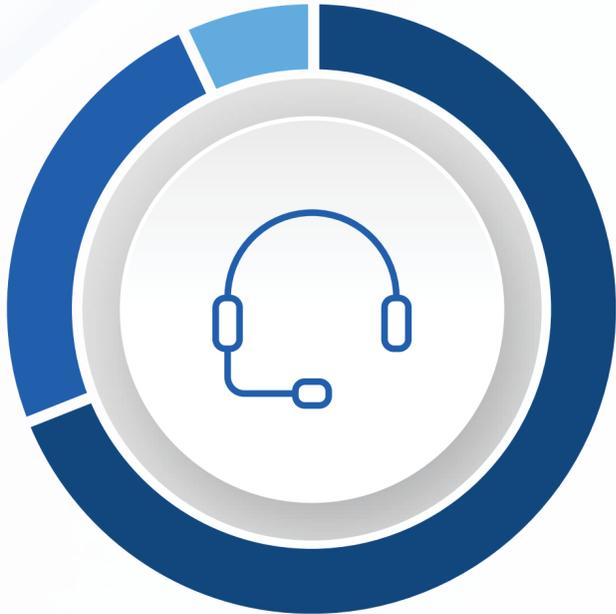
The new year brings with it a range of challenges and responsibilities for the contact center leader to navigate. In this report, we collected insight from hundreds of financial services professionals from top brands to gauge where their organizations are in reporting on the past, managing the present, and creating the future of customer service.

LiveVox's 2020 Customer Care Insights Report explores emerging trends in customer care and experience. We believe these findings will empower contact center professionals to better evaluate and manage their data, build engaging, digital-first communications strategies, and scale to meet the demands of a new day.



Brands are empowered to serve; Some still need help on the digital front

How are your contact center agents currently deployed?



- 69%** — All agents are in-house employees
- 24%** — Combination of both in-house and outsourced contact center
- 7%** — All agents via outsourced contact center partners

Beyond the many unquantifiable costs of bad service—from customer retention to agent morale—the direct financial implications of poor customer experience are significant.

It is no surprise, then, that 69% of brands choose to control 100% of their operations in-house as this affords the highest levels of control over their service experience and brand perception.

24% of brands look to partner contact centers for support in areas such as digital channel communications, low-risk customer transactions and inquiries, and resource challenges such as staffing or spatial needs.

A small but no less significant 7% of brands choose to outsource all of their contact center operations so they can focus on their core business and allow contact center professionals to provide best-in-class service to their customers.

These numbers tell us that as CX continues to be a leading factor for growth contact centers have a newfound role as transformation epicenters. Contact center professionals are now in the position of evaluating cutting-edge software, breaking down internal silos, and driving strategic planning for the entire organization.

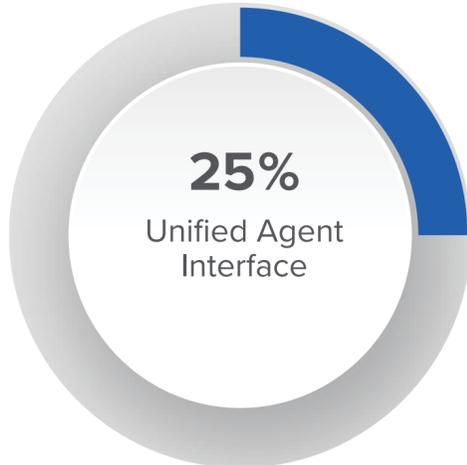
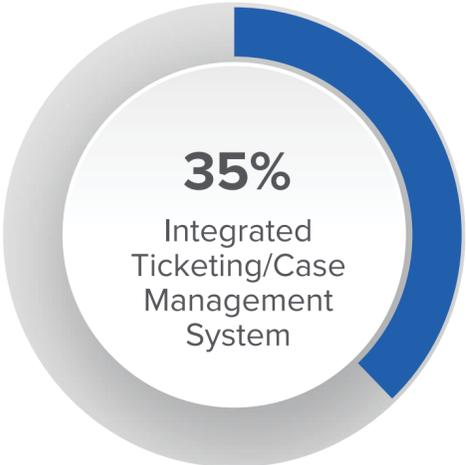
That’s a powerful position to be in.

What contact center/customer service functions do you find most challenging to manage/leverage?

Data interpretation presents a challenge

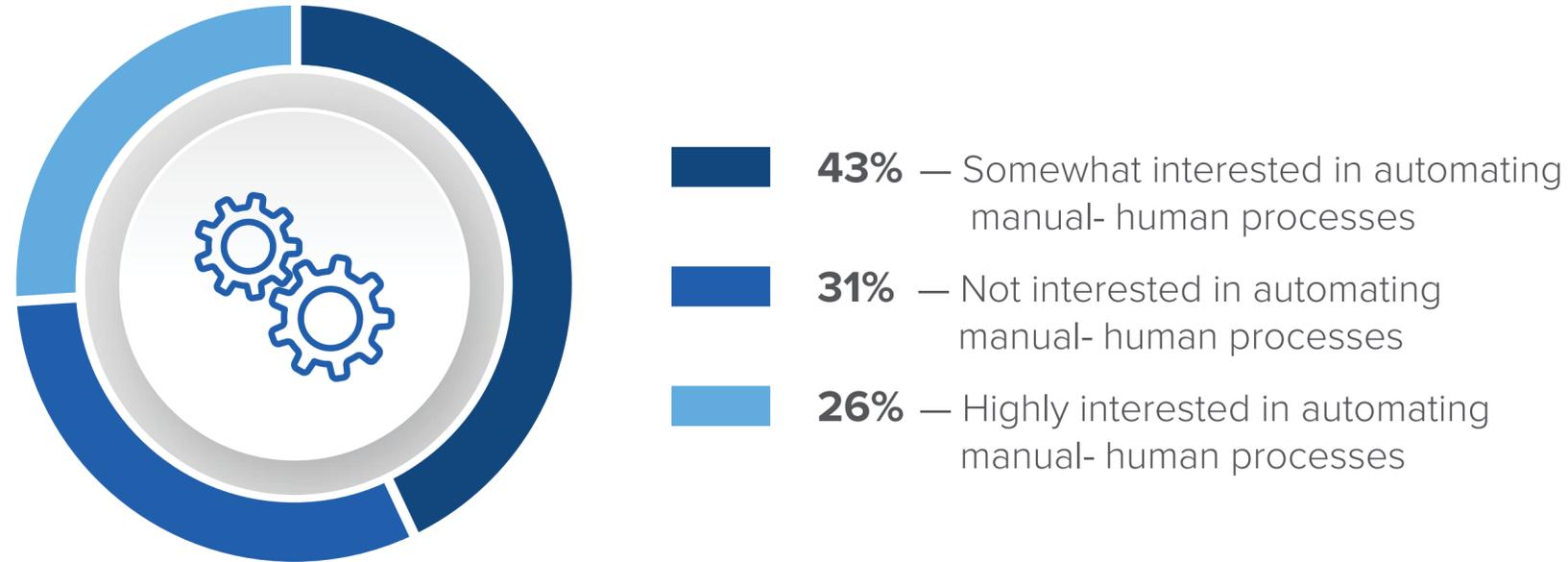
The trends observed in 2019 continue to ring true in early 2020. Notably, brands continue to struggle with analytics and reporting across channels. Ticketing and siloed communication channels are the most significant areas of concern as brands continue to struggle with attribution and true root cause analysis.

Brands continue to work toward integrating channels and systems to provide a true omnichannel experience and optimize their contact center operations. Accordingly, nearly 40% of brands report data analysis and reporting as the biggest challenge facing their operation. And with almost half of that same cohort identifying improved CX as a critical component to their organization's long-term success, contact center leader's reliance on data and the proper interpretation thereof will continue to grow.



AI and RPA are Still the Cool Kids on Campus

As it relates to AI and Robotic Process Automation, what best describes your organization's shift from manual-human processes to automation over the next two years?



This wouldn't be a trend report without mentioning AI and Robotic Process Automation. Both have been all the rage over the last few years and brands are keeping up with the hype. As many brands are continuing to think of ways to reduce expenses and increase customer satisfaction, RPA and AI continue to be a focus where 69% of brands are looking to automate some parts of the contact center.

As mentioned earlier, 69% of the brands surveyed for this report have stated a major to moderate increase in their focus on customer experience. Robotic automation reduces the margin of human error and minimizes mundane, rote work, leaving the more sophisticated tasks to live agents. The combination of both has been shown to improve customer interactions. As in the case of chatbots, AI is commonly utilized as a front line defense. No, the robots aren't taking our jobs. Rather, the goal of AI and robotics has been greater efficiency, complemented by the human touch and common sense to make decisions and manage the experience from end-to-end.

But what about the other 31% that are not interested in moving in this direction? Despite mainstream adoption, there are still those folks who remain skeptical. Look out for another article in Q1 of 2020 where we will share findings uncovered during interviews with leaders from some of these brands.

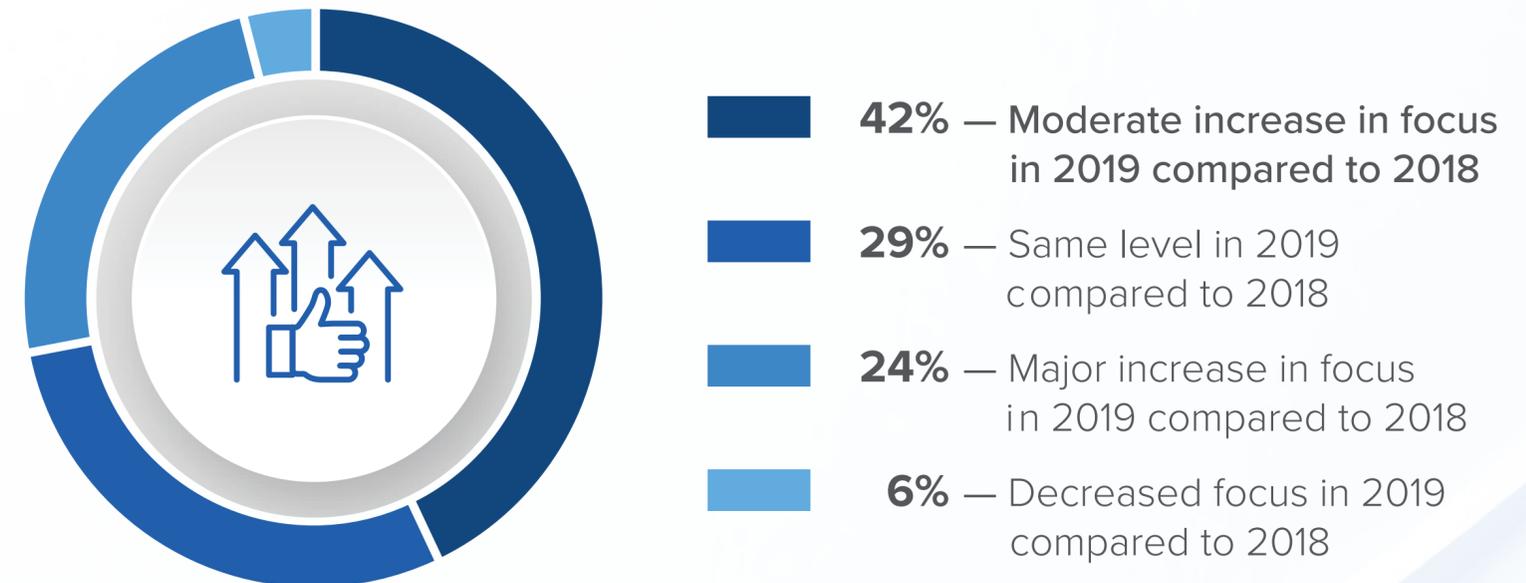
Data helps deliver stand out experiences

Over the last few years, brands have moved away from a “shift to thrift” mindset when it comes to pricing and are more concerned with differentiating themselves via quality customer experiences instead.

As mentioned earlier, 69% of the brands surveyed for this report have stated an express focus on customer experience as a key initiative for their organization in 2020. However, in order to fully maximize their brand’s potential, leadership needs to be able to identify the areas where they can improve. The push to unify data and inventory customer interactions in order to recognize patterns is the first step toward establishing a full customer journey.

Currently, brands lack the resources and infrastructure to access the right information at the right time and with precision. This makes it difficult to identify where to start making improvements, both internally and externally, because of the challenges in reporting and analytics that persist.

Describe your company’s focus on improving your customer experience through digital channels in 2019 compared to 2018.



Channel preferences are evolving with the generations

When it comes to channels, most brands offer at least two ways to connect when you need assistance. For most, voice and email remain the old standby. Phone and email are the stalwart channels for obvious reasons; they've stood the test of time, are convenient, and are the easiest to set up first.

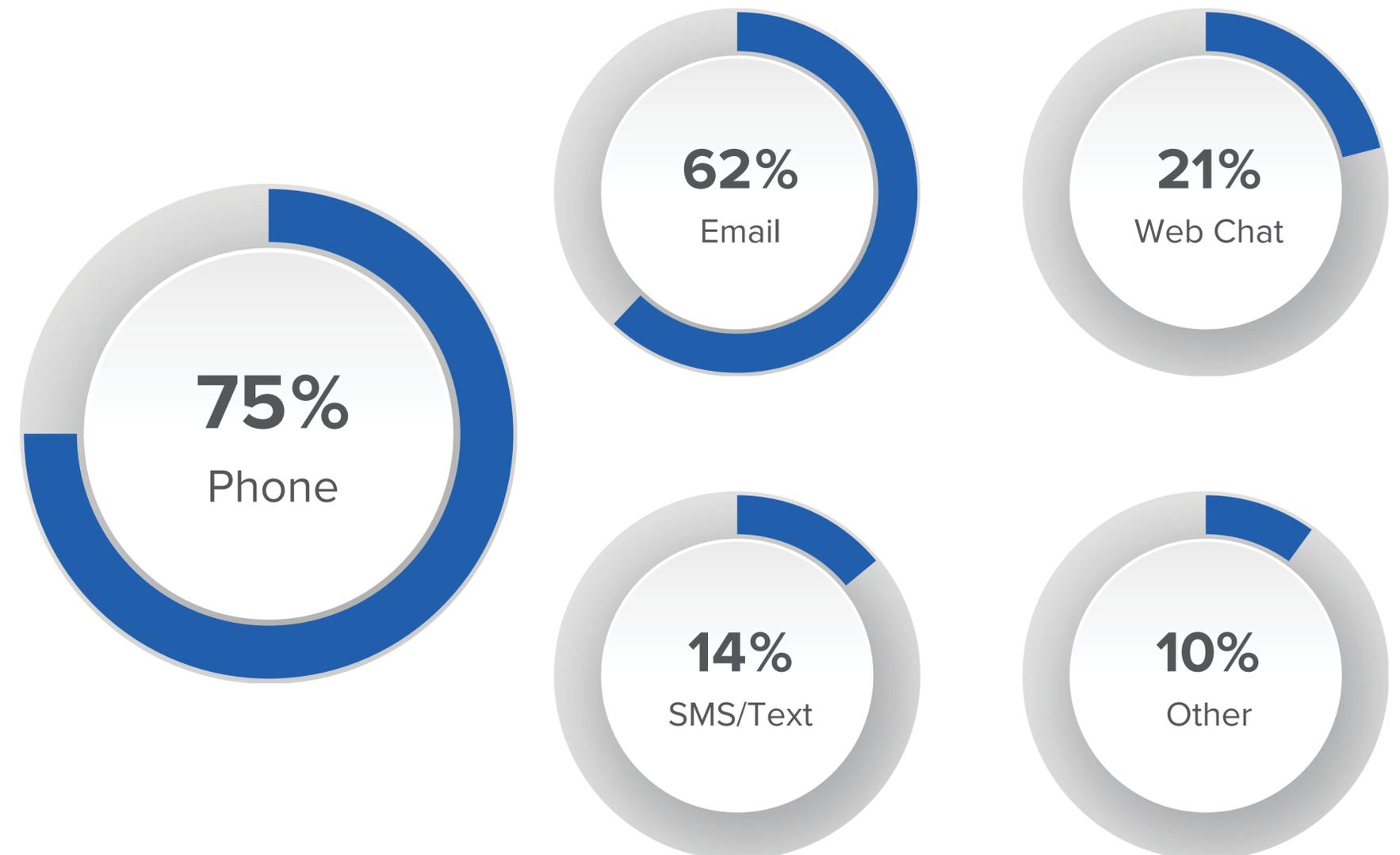
Despite consumer engagement across the digital spectrum, only 21% of brands have moved to a webchat offering and even fewer (14%) have begun to support SMS or mobile messaging within their customer service suite. This is at odds with consumer behavior as SMS and web-based messaging are widely regarded as the preferred channels across generations and demographics for both personal and business communication.

As the size and influence of the Millennial cohort have grown, they have proven themselves to be a generation of tech-savvy and trendsetting individuals, ushering in pervasive habits of social networking and mobile connectivity that has been widely adopted across age groups and business sectors.

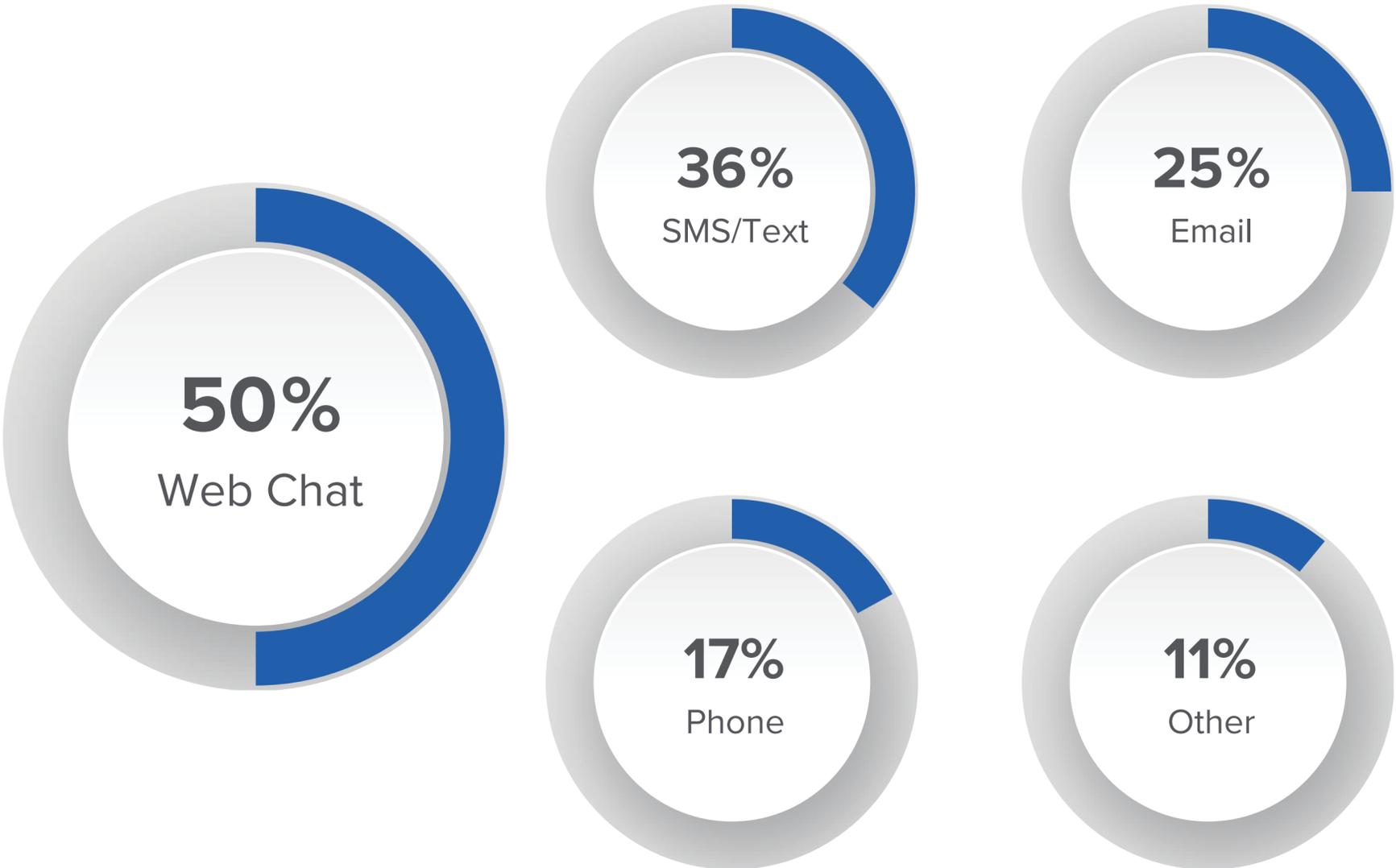
In 2019, Millennials unseated Baby Boomers as the largest segment of the U.S. population. As the oldest Millennial turns 40 this year their purchasing power and persuasion will approach an apex. But it doesn't stop with Millennials; their Gen Z counterparts are trailing close behind, and as the first truly digital natives, having never lived in a world without the internet or mobile phones, the digital-first consumer moves closer to the mainstream in 2020.

Our findings show that the savviest brands are adopting messaging as younger consumer cohorts gain momentum.

What channel of communication do your customers primarily use today to communicate with your organization if an issue arises?



What channel of communication would you predict to be the fastest growing channel for your organization in the next twelve months?



Channel integration remains an issue

Brands are aware of and understand how their customers want to communicate. So what's the hold up with a digital-first approach? In a word: integration. Many brands still struggle to implement integrated channels into their workflow (are we recognizing a pattern here? Internal silos are holding us back, y'all).

All jokes aside, the good news is that 50% of brands now want to implement a webchat system (emphasis on want because wanting to do something is much different than knowing you should be doing something).

Even more, at 36% a greater number of brands have voiced a growing interest in adopting SMS and mobile messaging strategies in 2020 than were interested in 2019. The number of brands interested in cultivating a digital-first experience will continue to rise. In response, contact center leaders will invest more resources into tools and initiatives that tie all channels and data into a single interface.

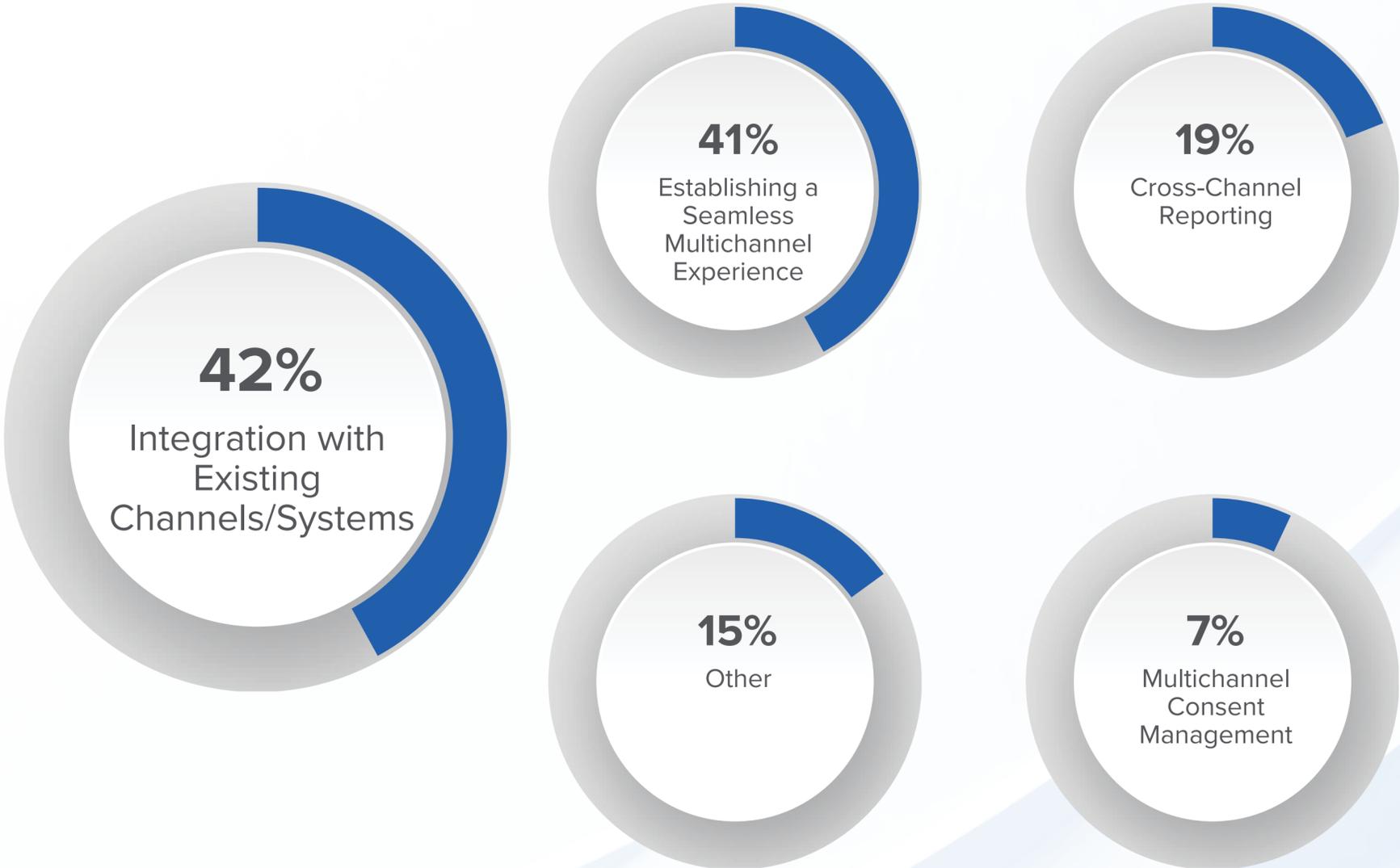
Mobile messaging has never played a bigger role in how we live and work. Since 2010, mobile data usage is up to 73 times higher than what it was back then. In the span of a year, from 2018 to 2019, the total number of text messages transmitted by US mobile carriers grew by 15%. Our findings show no decrease in this uptick of mobile use. In fact, we project it will be the highest-growth channel for customer engagement this year. This means SMS and mobile messaging will be the most common, and arguably the most beneficial area to invest resources this year.

What has been the biggest challenge to multichannel adoption in your organization?

Seamless service is the goal but few hit the mark

Much like their customers, brands want true omnichannel but they're stuck in the implementation phase. Either they have no IT resources to get started or are running into other blockers (ahem, internal silos, ahem).

42% of brands struggle with integrating their existing systems with new channels. We see the evidence of this often. Have you ever had to repeat yourself when escalating to a voice call from a digital channel? You're not alone, and it is no surprise that 41% of brands identify this exact scenario as a major pain point when envisioning how to establish a seamless multichannel experience.



Cloud is here to stay.

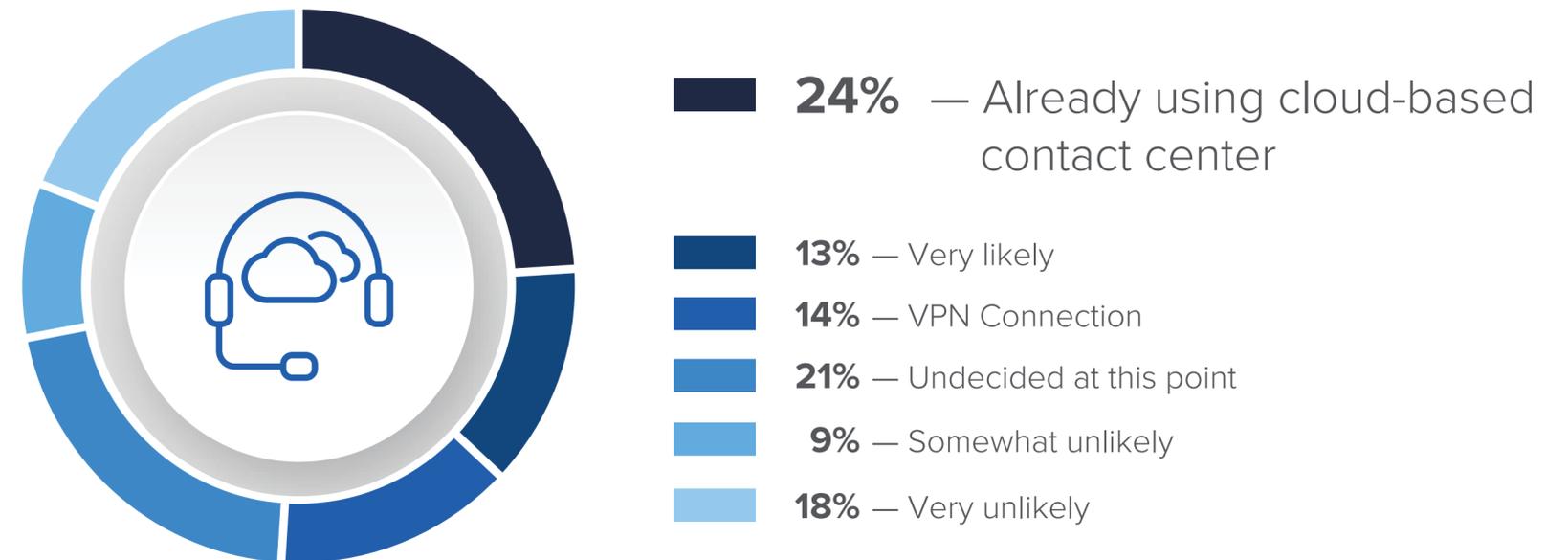
Cloud is here to stay and should for many reasons. These reasons run the gamut, from improved security posture (storing data in the cloud means it lives on redundant servers that automatically backup so your data is safe) to cost-savings (have you wondered what the monthly electric bill looks like when you operate an on-prem server? If you don't know, you should probably keep it that way). Cloud has changed the dynamics of the way we do business.

But 24% of brands are already using the cloud to get the job done and another 27% report that they're moving there soon.

There are a few outliers and stragglers, with 21% on the fence about moving to the cloud and another 27% stating they are unlikely to make a move to the digital stratosphere. There could be many reasons for this group's reluctance, not the least of which is the overall perception that digital is difficult.

Gaining insight and access to the vast amounts of data available via customer interactions is key to bigger profit margins and the ability to gain control over the customer journey. There is no better way to do that than unifying it into one accessible place. Cloud innovation continues to be the most effective way to achieve this and will no doubt grow in adoption.

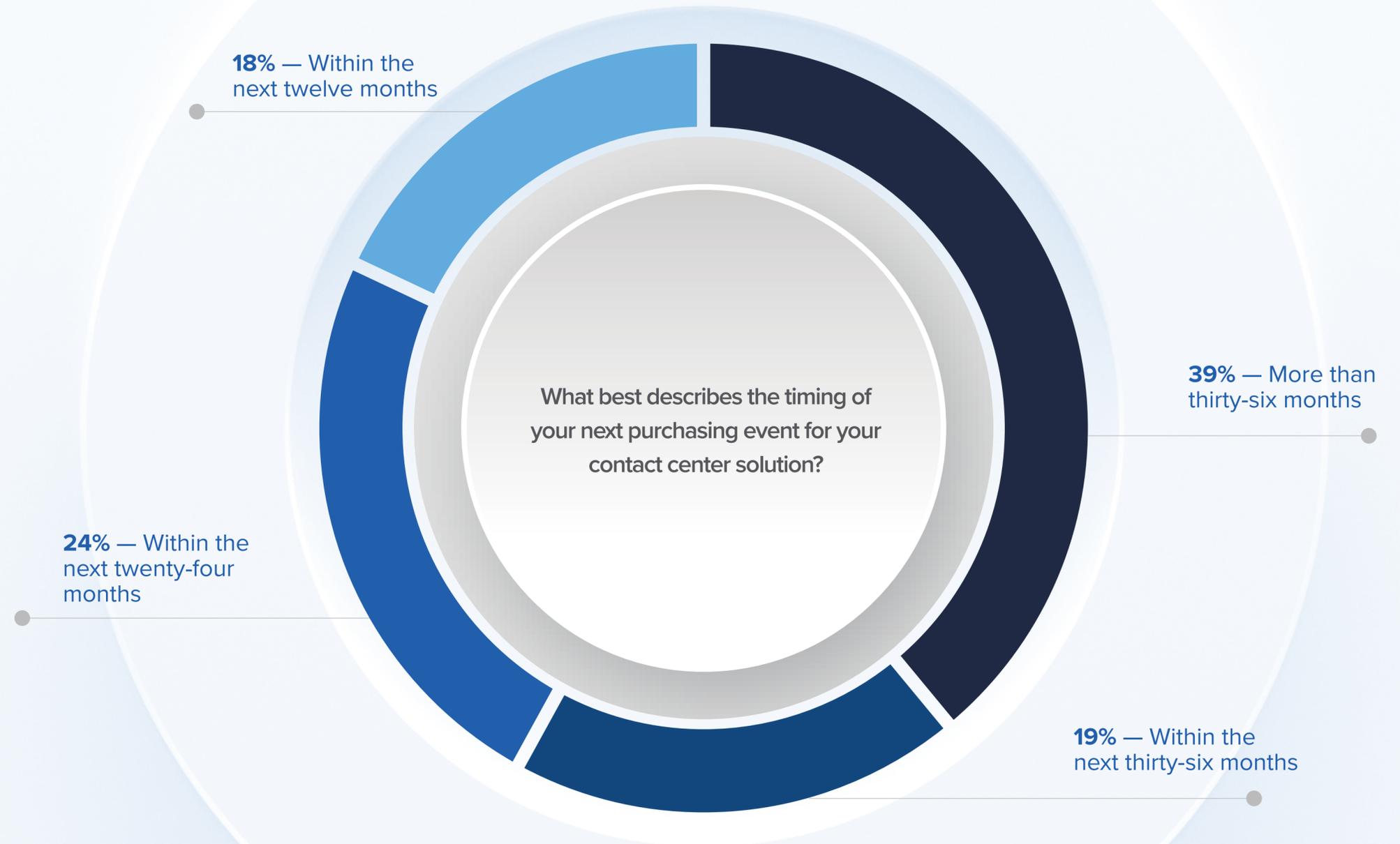
How likely is your company to move to a cloud-based contact center solution in the next two years?



Brands are looking to software to stay ahead of the game

42% of brands reported that they will be in the market for new contact center software within the next 24 months. This is undoubtedly due to the concerted interest in driving up customer satisfaction rates and exceeding expectations.

As the baseline for CX continues to climb, brands will increasingly rely on technology to deliver personalized experiences their customers demand to scale. By connecting data from across departments and breaking down internal silos, brands plan to not only improve communication with consumers but between business units, too. Many will seek out enhanced analytics capabilities with the ability to predict and respond more rapidly to trends, enabling greater agility.

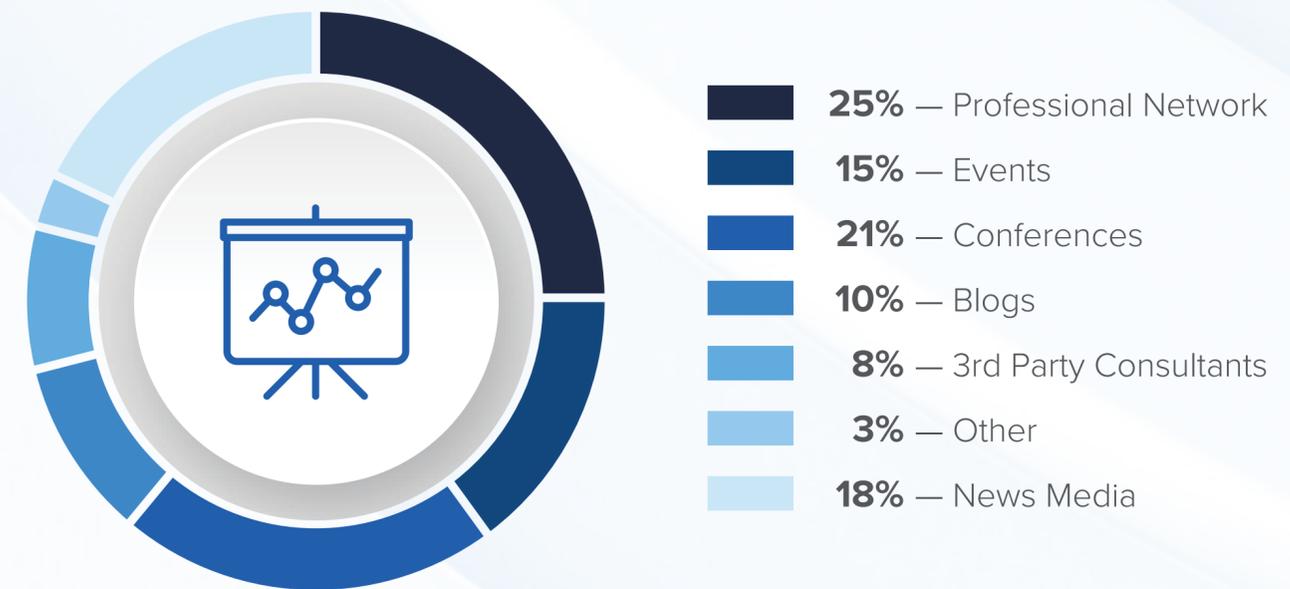


While people look to their networks for what's new & next

So where do all of the brand leaders look to understand the most pressing trends of the industry? Their professional networks, of course. Conferences and trade shows take the lead in this arena, with a quarter of the industry citing this

as their main source of continued professional education. As much as digital platforms have unlocked new resources of knowledge, like today's customer experience, human interaction remains the most compelling way we connect.

How do you keep up to date with customer care trends?



Afterward ●

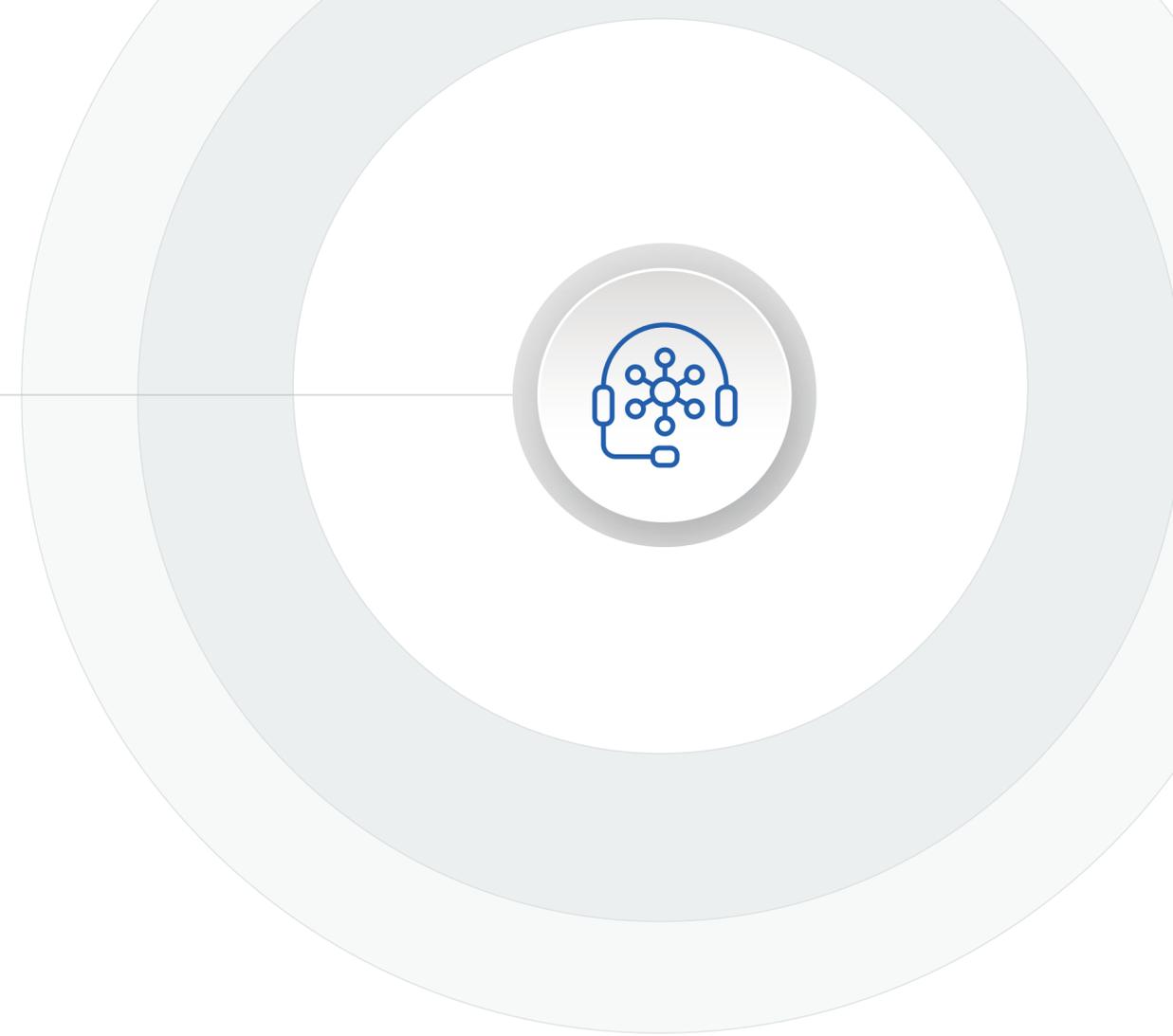
Today's contact center leaders are trying to leverage data in exciting new ways to transform their business models and keep up with an increasingly-digital first consumer.

As technology has developed faster than ever before, many contact center leaders struggle with understanding not just the innovation, but how to use it.

Consumers demand more from brands than we've ever seen before. Businesses have to be more responsive to new trends and deliver on the promise of seamless customer experiences.

We live in an age where the world is customized to our needs. We have voice assistants that turn our coffee pots and lights on, our cars can drive themselves, and every aspect of our lived experience can be tracked and quantified. All in the name of convenience. Brands that capitalize on our innate desire for speed and expedience will continue to win in the experience economy. But always on isn't always right, and many companies still grapple with how best to incorporate the asynchronous channels of now.

At LiveVox, we're helping our customers to manage continuously changing demands by developing tools that help them to better anticipate customer needs, be more agile with their data and workflows, and exceed expectations one interaction at a time.





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