



Beyond the Contact Center

A Vision for Managed Enterprise Communications

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The information in this document contains general descriptions of the technical options available, which do not always have to be present in individual cases.

The Challenge

“I’ll have to get back to you on that.”

Whether we are trying to understand a particular product, buy the right upgrade or add-on, or deal with a service issue, as consumers we have all experienced the vagaries of the “I’ll get back to you” intention. Too often follow up just doesn’t happen, or at least, not on a timely basis.

Despite the influx of technology to help contact center agents become more efficient and effective in their work, first call or first contact resolution of customer issues and opportunities remains an elusive goal for almost all companies. Why? Quite often, it’s because the agent lacks the knowledge, expertise, authority or insight to close a customer interaction on first contact.



The Problem

The business impact of this performance gap is lost customers. Service dissatisfaction is the leading factor in 68% of customer defections, a much greater factor than product (16%) and pricing (9%) issues. Despite this, the same customer service issue remains, with the inability to access the right person with the right information being tied to 60% of service dissatisfaction (Purdue University Center for Customer Driven Quality).

Meanwhile, customers who experience problems that are dealt with quickly and easily have a repurchase intention of 89%, compared to 76% for customers who had no problem at all. Obviously, there is a compelling case to look at how customer issues can be addressed as *quickly as possible by bringing the right people and information to the discussion on the first contact.*

Muddling through the organization to find the right person to handle a situation and executing follow up callbacks is an expensive, inconvenient and unreliable approach for both the company and the customer. No wonder overall caller satisfaction scores are down by 10% (according to Purdue University’s recent benchmarking study on Call Centers). The speed of the Internet has caused customers to demand immediate response to more questions on top of greater access and more self-service options. The situation is becoming more urgent as service expectations escalate at an exponential pace.

A related challenge is the consolidation of customer data, or the *customer file*. To avoid an island of information residing only in the contact center, companies need to rethink how the contact center solution fits into the broader enterprise customer interaction environment.

Rethinking the Contact Center Model

Customers evaluate a company's service quality based on their total experience with the organization. For example, within an insurance provider, a customer may not distinguish between the service received from an insurance sales rep, the claims department and field adjusters. Companies are recognizing that processes and job roles spanning the enterprise will impact or support the customer in some way. In addition, the largest percentage of knowledge, experience and problem solving capability resides in areas of the enterprise outside the contact center.

However, customer interaction is often limited to the contact center with little or no structure for managing customer interactions beyond its confines. Companies face a number of challenges in optimizing interaction management across the enterprise.

Need to access the right individual to resolve critical or complex customer issues

According to pioneering customer contact researcher Dr. Jon Anton of Purdue University, your customers don't necessarily want to be limited to dealing with "nice people who don't know anything." This is especially critical at a moment of truth, when you are dealing with critical issues related to your customer relationship. Is the current model of the "confined" contact center a practical reality to support customer satisfaction and retention?

Most contact centers face clear limitations for closure in customer situations that involve:

- **Escalating service issues**—requiring management judgment and authority
- **Handling exceptions**—demanding creativity and insight to address situations
- **Solving in-depth problems**—involving complex or technical issues
- **Consulting with subject matter experts**—leveraging the accumulated knowledge of the organization beyond the contact center

Mergers, acquisitions and business combinations often extend customer issues beyond the scope and capability of existing agent personnel, bringing further challenges for the contact center to provide quick resolution.

With more routine customer interactions conducted through automated IVR and Web self-service channels, the remaining more complex live contacts often involve critical or complex issues and opportunities that can either contribute to or erode the *equity* in that customer relationship. Escalations and consultations are often required on the most important customer interactions. Remember that in addition to service issues, sales opportunities may also require access to key personnel with specialized knowledge to close a transaction rather than lose the opportunity.

A truly customer centric organization extends beyond the confines of the contact center, recognizing that a significant percentage of customer interactions need the support and interaction of *experts* outside the contact center.

Need to ensure effective management and control of extended customer interactions

While accessing the right individual to resolve a customer issue is critical, at the same time, we need mechanisms to screen and filter only "high value" customer interactions into the workflow—those associated with high profitability customers, critical revenue opportunities, potential customer defections or situations that have gone beyond management control thresholds.

The contact center is recognized for the strength and structure of its managed communications capabilities, namely:

- Disciplined, managed, closed loop communication processes
- Automated categorization, routing and queuing of customer interactions
- Concise management reporting on performance levels and exception reporting

The opportunity becomes—how can these contact routing and management capabilities be extended to the enterprise (including partners and suppliers). The benefit is more effective and efficient closure of the escalations, exceptions, complex or collaborative situations on the first customer contact.

Need to provide single, consistent view of customer

While optimizing customer interaction management is critical, another challenge is the ability to provide a single view of the customer across multiple functional areas in the organization. However, an integrated customer view does not typically exist since CRM solutions are often deployed to address a specific operational need (e.g. contact center for product support) and are not coordinated with other areas across the extended enterprise (eg. back-office, fulfillment, field personnel, branch locations).

An opportunity exists to alleviate the information barriers between customer-facing departments through increased sharing of customer data among the various enterprise applications. A single view of the customer will help coordinate sales, service and marketing and focus these functions around serving *high value* customers.

Evolving Beyond the Contact Center

1) Leverage the knowledge and expertise of the enterprise to service customers

Today's contact centers still carry a design legacy based on a telephony model of wired desktops and phones, mainframe or client server computer systems and a relatively static environment. Beyond a single point of entry to the organization, contact centers are seen as a "buffer zone" to insulate the vast majority of a company's employees from incoming customer interactions.

It is ironic that as companies adopt technology to become more customer centric, they systematically reduce the actual contact between customers and the company's employees. Increased use of Web-based customer self service and automated IVR systems can handle much of the routine requirements formerly handled by live agents.

Looking closer at live agents, over 33% of companies in North America use temporary labor in their contact center. The average tenure of a contact center agent is just 12 to 24 months. The average agent receives between 3 and 4 weeks training before going on the job.

Given these facts and statistics, senior management should be concerned that only their lowest paid, least skilled and least experienced personnel interact with a company's customers most often. Clearly, cost efficiency is one motivation, but when performance and service gaps lead to lack of closure with customers, the contact center can become a corporate liability.

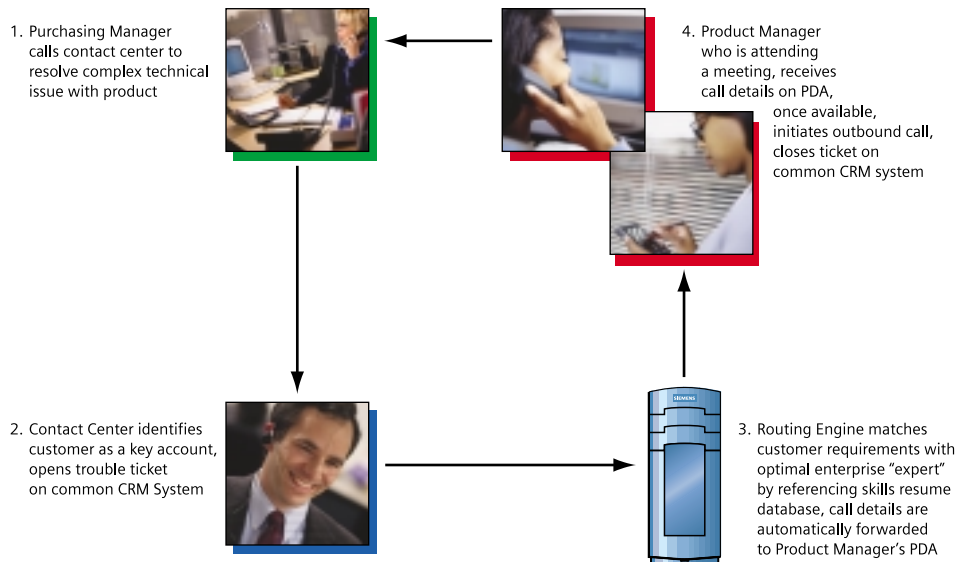
If each knowledge worker in the organization is identified by a skills resume linked to centralized communications routing in the enterprise, the process of matching the requirements of an incoming customer contact with the right person and information is eased dramatically.

This selective contact escalation also provides a good feedback channel for more senior organization members who otherwise would rarely be exposed to important customer situations. Universal interaction routing and queuing across the extended enterprise, driven by business rules and tracked with the same closed-loop discipline of the contact center is the foundation to enable this process.

IP-convergence has progressively supported data, email, Web and voice interactions. Today's world is more mobile and untethered through wireless communications. It is faster, more dynamic and responsive to change. Individuals can be reached more easily through messaging, presence management and handheld devices—a single point of entry for contacting any individual regardless of location, device or media being used.

Instant Messaging and chat applications allow agents to easily consult with extended enterprise employees in a more accessible, business-friendly manner.

IP-convergence enables skills-based routing across multiple, distributed locations—whether a remote agent, mobile supervisor, home office worker, temporary or mobile agent. User profiles allow high-value knowledge workers to determine how, when and by whom they can be reached.



Business Impact

- Faster closure of customer issues and complaints
- Increase agent productivity finding appropriate contact
- Lower cost of rerouting misdirected calls
- Higher agent satisfaction due to increased customer resolution success

Customer Scenario: Priority Interaction routed to optimal enterprise "expert"

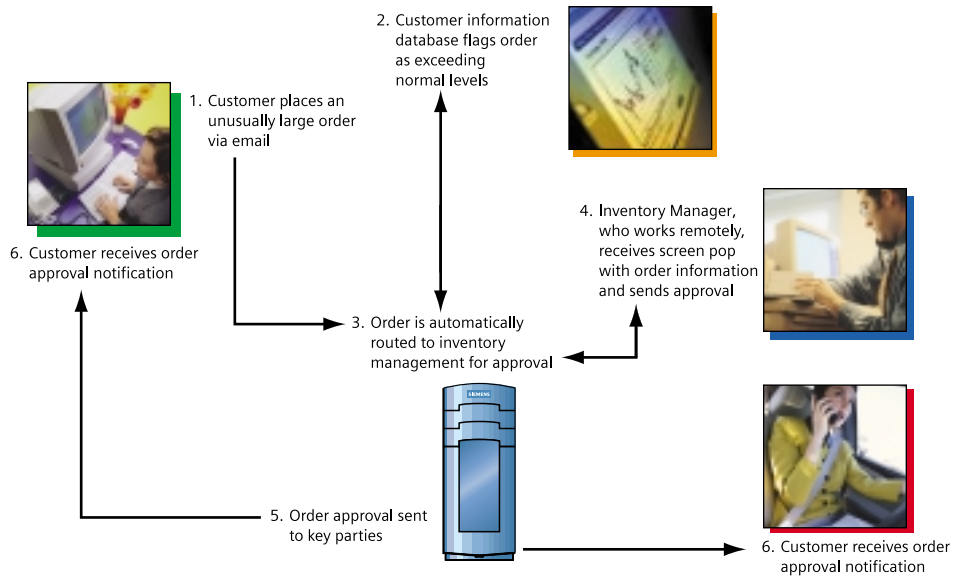
2) Create and manage structured and automated communication throughout the enterprise, driving more efficient and effective customer interactions

With individuals becoming easier to access, it is critical to apply controls around contact routing to contain interaction management costs. The knowledge worker's skills resume determines the specific expertise, knowledge or authority an employee may have in resolving a particular customer situation. These roles dictate the individual's accessibility and privileges to view and update customer information.

Business rules govern if, where and when contact is made in a given situation. Real-time customer analytics can play a key role in determining the most sensible way to handle a given customer interaction situation. Predictive models can be used to influence escalation rules or special handling by quickly determining the likelihood of customer defection, potential lifetime value or customer profitability on a contact by contact basis.

IP-convergence enables companies to apply the same routing and communication processes to all users, independent of location or media. Soft clients provide remote agents with the same full, contact center functionality as on-site agents. Managers can administer all agents, regardless of location, with consistent business rules, closed-loop tracking and reporting capabilities.

The combination of analytics, business rules and skills resumes will determine when, where and how a particular communication is directed through the enterprise and to remote workers, greatly extending the interaction routing framework established for the contact center.



Business Impact

- Automated routing of customer interaction to appropriate stakeholder
- Reduced delays in order processing and approval
- Increased consistency in customer order and approval process

Customer Scenario: Large customer order requires inventory approval

3) Ubiquitous CRM software tools providing a single view of the customer

As we move toward leveraging the knowledge of the whole enterprise and managing customer communications in a broader framework, the third enabler is to provide access to relevant and timely customer information across the enterprise. Too often, the software tools needed to get a complete understanding of the customer (who they are, their relationship with you, their value, their current situation) are confined to a select group of employees, such as contact center agents or direct sales personnel.

Looking ahead, it is essential that every employee that impacts customer service and relationships is able to access customer information through a common set of tools used across the enterprise. Access

to real-time customer data will ultimately become as ubiquitous as word processing or spreadsheet application software, available on any manager's or knowledge worker's desktop or mobile environment.

The ability to present a complete view of a customer's multi-channel interaction history is enhanced by IP-convergence since it is easier to compile a unified activity thread (eg. voice, email and Web interaction data) with communications on a common media.

The HiPath ProCenter Suites Vision

To enable and structure customer interactions beyond the contact center, Siemens HiPath™ ProCenter® Suites link the various CRM tools on every desktop or mobile device into an enterprise-wide managed communications structure.

CRM tools today are typically confined to the contact center, but to enable the whole enterprise to serve the customer there must be pervasive CRM tools with a common view of the customer. These common processes and views need to be extended to suppliers, branch offices and business partners to improve consistency in customer service.

While the industry is very focused on adding multimedia channels, Siemens HiPath ProCenter Suites are delivering an integrated channel approach that supports intelligent enterprise-wide managed communications. Event triggered interaction routing, driven by business rules and skills resumes will be the lifeblood of interaction workflow automation, across all media types. Exhibit 1 illustrates a simplified model.

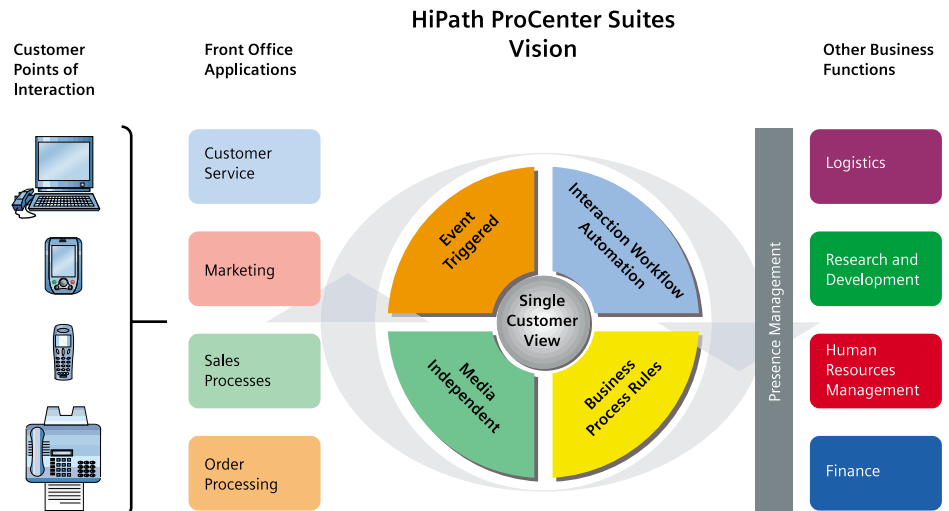


Exhibit 1: A model for enterprise wide managed communications

Tomorrow's Contact Center Model: Managed Enterprise Communications

The contact center has proven to play a strategic role in the organization, but we believe the evolution of the model must leverage the knowledge and expertise of the enterprise to service customers effectively and efficiently. As we mentioned earlier, connecting rapidly and easily with

the right person with the right information continues to be the number one customer service deficiency in the eyes of customers.

By creating a single view of the customer and applying common processes to route communications across the extended

enterprise, companies will have the opportunity to differentiate on customer service to achieve the elusive goal of first contact resolution.