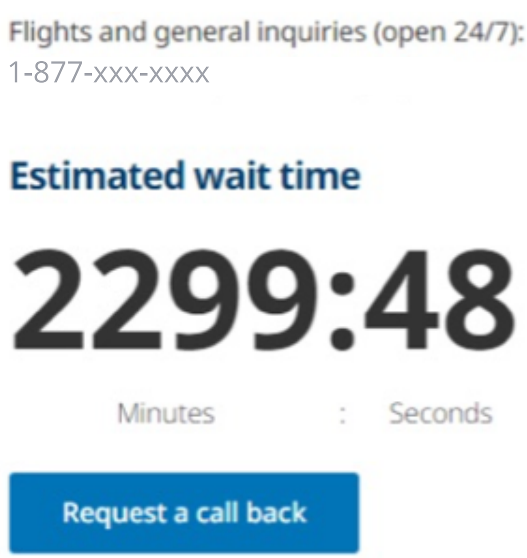
Resetting your customer service strategy in a time of disruption

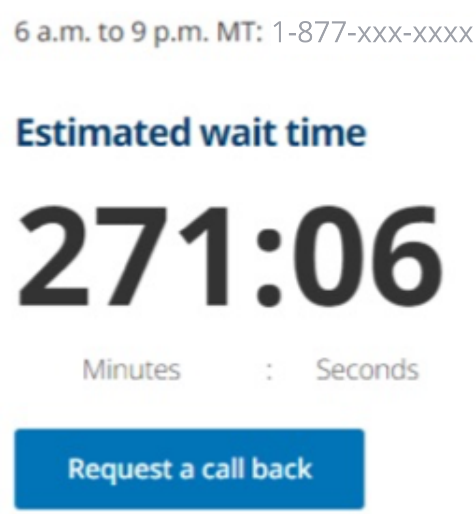
How to respond to immediate pressures while transforming your service strategy for the future

Introduction

During this unprecedented time of crisis, your customer service teams have become highly distributed and are doing their best to work remotely. Many business' contact volumes have risen dramatically. Meanwhile, the value from your customer interactions may be declining due to cancellations, cost cutting, and overall lower revenue. As a result, nearly every business needs to find ways to quickly pivot, reduce the cost-to-serve, sustain employee engagement, and maintain high levels of customer satisfaction.

Right now may be the greatest make-or-break moment your business has faced across your customer relationships. Even before the COVID-19 crisis, more than 80% of customers already thought that service took too long.[1] And now, customers are experiencing incredibly long wait times as they attempt to reach out and resolve their service issues. In the example below, a major airline is advising a customer that the current wait time is over 2,299 minutes (38+ hours) long.





[1]"The good, the bad, and the ugly: 2019 global customer service insights." Pega. <https://www.pega.com/insights/resources/good-bad-and-ugly-2019-global-customer-service-insights>

Transition vs. transformation: It's not a choice

You need to pivot quickly. The key to long-term success will be to avoid throwaway efforts and "patchwork" practices that may hinder your greater digital transformation goals. Businesses will need to establish a clear prioritization and succession of quick-wins that alleviate immediate pressures, while putting in place a longer-term strategy that can serve as the bedrock for your future transformation.

Service strategy leaders should consider the following five steps to success, as they prioritize their near-term service initiatives:

1 Triage increased volume (while driving down the cost-to-serve)

The first priority for most businesses will be to address the dramatic backlog of customer service inquiries. Adding to the challenge, this should be done without adding to the headcount. To do this, service leaders are looking at strategies to get through volumes faster, while transitioning customers to lower-cost channels. The top strategies for making a rapid impact include:

a) Up-level your self-service capabilities for 24/7 support

Your customers need you to be there whenever they need you – but not all require live agents. Many of your current agent interactions are driven by very straightforward questions related to their customer journey: What is my current balance? Was my payment received? Where does my claim stand? Meanwhile, few businesses today can accommodate a 24/7 agent base.

A new generation of contextual self-service options is helping businesses rise to the challenge – all while achieving significantly greater containment of inbound inquiries. We're not talking about one-size-fits-all self-service pages. We're talking about understanding each customer's unique journey – in complete context. Natural language processing (NLP) chatbots and intelligent virtual assistants (IVAs) have the power to understand where each customer stands in their journey, summon rich knowledge content, and even access case information – all without involving agents.

Pega has observed its contextual IVAs to contain greater than 60% of customer inquiries, saving businesses millions of dollars annually in agent productivity.

b) Expand support for more cost-effective, digital messaging channels

Your customers are seeking your help on your Facebook page and other digital channels. They're not looking to talk on the phone. Maximizing the use of digital messaging channels such as Facebook, Twitter, Apple Chat, WhatsApp, and even SMS isn't just better for customers – it can also reduce costs, allowing agents to accommodate a greater number of concurrent contacts (often 3 times more than over the phone). Additionally some of these messaging channels are asynchronous, giving your agents a little more breathing room for less urgent requests.

Pega can help empower your agents with new unified messaging capabilities in as little as seven days, providing your agents with a single user interface to handle all of these concurrent digital messaging channels, without requiring skill specialization.

c) Accelerate email response times and drive down email backlog

Dealing with high volumes of customer emails is challenging for many businesses, even during good times. Now, the stakes are even higher to provide a rapid response. Businesses can convert their manual processes to an automated process using an email bot powered by NLP. Email bots automatically open each email, understand the context, classify the entities, and assign work to cases.

With over 40% observed success rates in completely automating email processing, these email bots are incredibly fast to set up (often in a matter of days or weeks) and can quickly drive costs out of the business – all while accelerating resolution for customers.

2 Improve service levels: Get it right the first time

Maintaining agent engagement and driving productivity has always been a perennial contact center challenge. And it just got harder. Your agents are the backbone of your service structure – delivering rapid resolutions to your customers. And now, your customers are asking different types of questions. Your remote agents will need to rely on three key capabilities in order to maintain their current service levels. Here are some of the key ways that customer service leaders can demonstrate support for their agents' new reality:

a) Boost collaboration

In their new highly-distributed, remote roles, collaboration is more important than ever. The trickiest customer service issues often require more than one employee to achieve a resolution. Since many interactions are now time sensitive, the need for quick collaboration among remote employees may be increasingly important.

Pega Customer Service™ features Pulse collaboration, which enables employees to stream questions to a broad audience among groups, or individually tag subject matter experts within the business who can assist with solutions. Messages and alerts, which can be linked to key knowledge articles, are also effective for broadcasting information to the whole contact center group or to specific parts of the team. Consider giving your most experienced employees the ability to create internal knowledge articles to expedite the dissemination of critical information within your networked contact center.

b) Support agents with guided interactions

Just because your agents are on their own, doesn't mean they should have to go it alone. In order to maintain high service levels, including first call resolution (FCR), additional levels of support and guidance may be required. This may include knowledge content, assistance with specific steps in their service delivery, and even individualized coaching strategies.

With Pega, managers can build coaching tips and attach them to service tasks, or even send role-specific alerts and notifications to CSRs – and provide guidance just in time.

Managers are also able to monitor chat and messaging interactions, receive alerts when service levels aren't being met, and even participate in messaging interactions. Additionally, intent-led guidance may be built into every service action, guiding CSRs on service delivery from what to say, type, or share with the customer.

c) Facilitate contextual channel-switching to avoid repeat interactions

High abandonment rate is one of the drawbacks to digital messaging support. Customers may start an interaction with an agent on web chat, only to be drawn away to other priorities. And let's face it, there is a lot going on right now. The interaction is abandoned and has to start all over again. This means two times the frustration for the customer – and often two times the cost for your business.

Today's customers can't be tethered to their computer. By facilitating channel-switching, customers have the ability to take these conversations with them, seamlessly continuing the conversation right where they left off. This allows your customers to see the issue straight through to resolution, while driving expenses out of the business by shortening the overall resource cost involved.

The most effective channel-switching capability will include not just the ability to move to other digital channels where both parties must be communicating at the same time, but also to other more asynchronous channels such as Facebook Messenger, Twitter, Apple Business Chat, or SMS, that provide more breathing room for an agent's response.

3 Boost productivity: Improve agent efficiency

Your agents need to spend time on what matters most. And while managing average handle time (AHT) has always been a priority, your agents are now dealing with a whole new set of challenges. In their new work from home (WFH) world, their desktops may have a whole new set of disconnected applications, resulting in manual copying and pasting – or perhaps worse, relying on pen and paper. They may be coping with capability gaps by putting some tasks off until the end of the interaction, or routing work to other employees for completion. Here are some of the steps that can be taken to drive efficiency with this new reality:

a) Apply case management to go beyond the ticket

A typical customer service system merely creates tickets to route work throughout the organization. Service leaders must look beyond routing work by applying dynamic case management – along with lights-out API integrations – to automate the very work itself. Pega's cases are, by design, focused on the customers' microjourneys™ and the outcomes they seek, rather than the agent desktop alone. They are channel-less: able to cut across the full enterprise's channels and data infrastructure, and across interactions.

By leveraging channel-less case continuity as the foundation of your service processes, businesses can benefit from the institutional memory of each customer, effectively driving down AHT. As customers start interactions through digital touchpoints, such as web self-service, chatbots, or IVAs, they can initiate the service process themselves, even opening and progressing their own cases. And if the interaction escalates to an agent, they are not forced to repeat themselves. Your agents can simply pick up right where the customer left off.

The use of Pega case management is how brands like CISCO have been able to boost efficiency by as much as 93% across its prior service processes.

b) Apply RPA to clear the way

Many contact center desktops now rely on attended robotic process automation (RPA) to assist with the completion of work – reducing average handle time (AHT) and allowing for more valuable customer interactions.

Transitioning your agents to remote workspaces combined with using a hybrid RPA approach (attended and unattended) creates a leaner desktop that helps drive down agent training times, reduces rate of error, and improves customer satisfaction (CSAT) scores.

By harnessing the power of RPA, businesses can deliver predictable and accurate results, at scale. Your new workflows are quickly and efficiently mapped out using a visual interface and can be easily modified as your business evolves.

c) Apply Workforce intelligence analytics to augment empathy and boost productivity

Your agents may be suffering from significant productivity lags as they deal with new, unfamiliar customer services processes and a highly-distributed workforce. Disconnected applications, manual data entry, and band-aid procedures may temporarily fill one gap while creating several others. And figuring out what problem to fix first is often the hardest part.

Workforce intelligence analytics can be implemented in just days and provide insight into which agent activities are driving or draining productivity. Workforce intelligence can also identify which actions would be best to be partially or fully automated using RPA. The result is evidence for making informed decisions on the actual circumstances your agents are facing. Managers will also be able to analyze the behaviors of high performers versus those needing more coaching and support, to help your managers understand where they are needed most.

4 Optimize customer value

In this time of economic uncertainty, businesses need to think proactively about how they can retain as much business as possible. In fact, the worst thing that a business can do is treat these times as "business as usual." Instead they should be putting in place new strategies to make the most out of every interaction across the enterprise to maximize customer lifetime value (CLV). Some of the top strategies include:

a) Avoid revenue breakage

With unemployment rates rising, many businesses are beginning to encounter a high volume of customers who are unable to keep up with their payments. The first step is to treat these moments with empathy. Rather than sending the issue into collections, many businesses are looking to establish a process for pausing payments, or negotiating payment plans over time.

Consider using a rules engine to put in place processes that will identify collection risks, and support your agents with case management that will guide them through these conversations from end-to-end. Agents should possess the ability to take full and partial payments. This can comply with your team's strictly-defined business logic. Decisions won't be made by intuition, which may differ from agent to agent, but through intelligent guidance across the full agent base.

b) Make compelling offers for retention and renewals

Many subscription businesses are seeing a spike in volume from customers looking to cancel their service. From telecommunications, to insurance, to publications and beyond, this pain is being felt broadly. Meanwhile, your agents are struggling to understand which customers are the most important to retain and what might be the right incentive for that customer, in the moment of interaction.

Pega Customer Decision Hub™ is a rapid-to-deploy AI brain that supports your agents with real-time, next-best-action recommendations, during each and every customer interaction. In the moment of interaction, it understands the context of each customer, their lifetime value to the business, and how much incentive may be appropriate to retain them. This reduces overspending on lower-value customers, while maximizing retention on those that offer the business the greatest CLV.

c) Introduce value-added solutions

There may be moments when your business will have the opportunity to offer meaningful and compelling offers for additional products that customers may not own. For example, a customer that may be trending toward overdrawing their account would truly benefit from a cross-sell offer for an overdraft protection plan. But will every agent get this sales opportunity right?

Pega Customer Decision Hub's next-best-action ability can support your business in arbitrating these kinds of compelling upsell and cross-sell offers across your entire agent base. The result is happier customers, greater support for your agents, and greater realized revenue across the business.

5 Contain before contact

All of these strategies should be a key component of both your near-term and long-term strategy. Chatbots, IVAs, contextual web self-service portals, and email bots enable your customers to initiate and resolve inquiries before ever reaching your agents.

However, there is more you can do to contain these inquiries before the customer reaches out. Forward-looking organizations will begin introducing proactive and preemptive strategies. These strategies allow organizations to digitally and automatically reach out to customers whenever certain service needs are detected, and point them to self-service for rapid resolution.

Pivot to proactive and preemptive strategies

Now, perhaps more than ever, your customers want to feel like someone's looking out for them. Proactive and preemptive strategies use changes in customer data to anticipate customer needs and reach out to customers before they have to lift a finger. This not only makes for happier customers, but also leads to containment of future agent interactions.

For example, a high-value customer has just overdrawn their account for the first time, triggering additional fees and penalties. Should the business wait for the inevitable angry phone call to demand that those funds be refunded? Definitely not. Instead, forward-thinking service leaders will automate a proactive outreach via SMS or mobile app to let the customer know the business has replaced the funds as a one-time favor and thanks them for being such a loyal customer. The result is both an averted agent interaction and a meaningful moment of empathy in the customer relationship.

The most advanced organizations will go a step further and implement preemptive strategies that sense the moment of need before the customer does. Consider a communications service provider that continuously analyzes its customer data and realizes that for the past two months, a customer has gone over on their data and are now trending in the same direction. The provider could get ahead of the event by offering an upgrade to a higher or unlimited data plan. For many businesses, a preemptive strategy like this could be a real game changer.

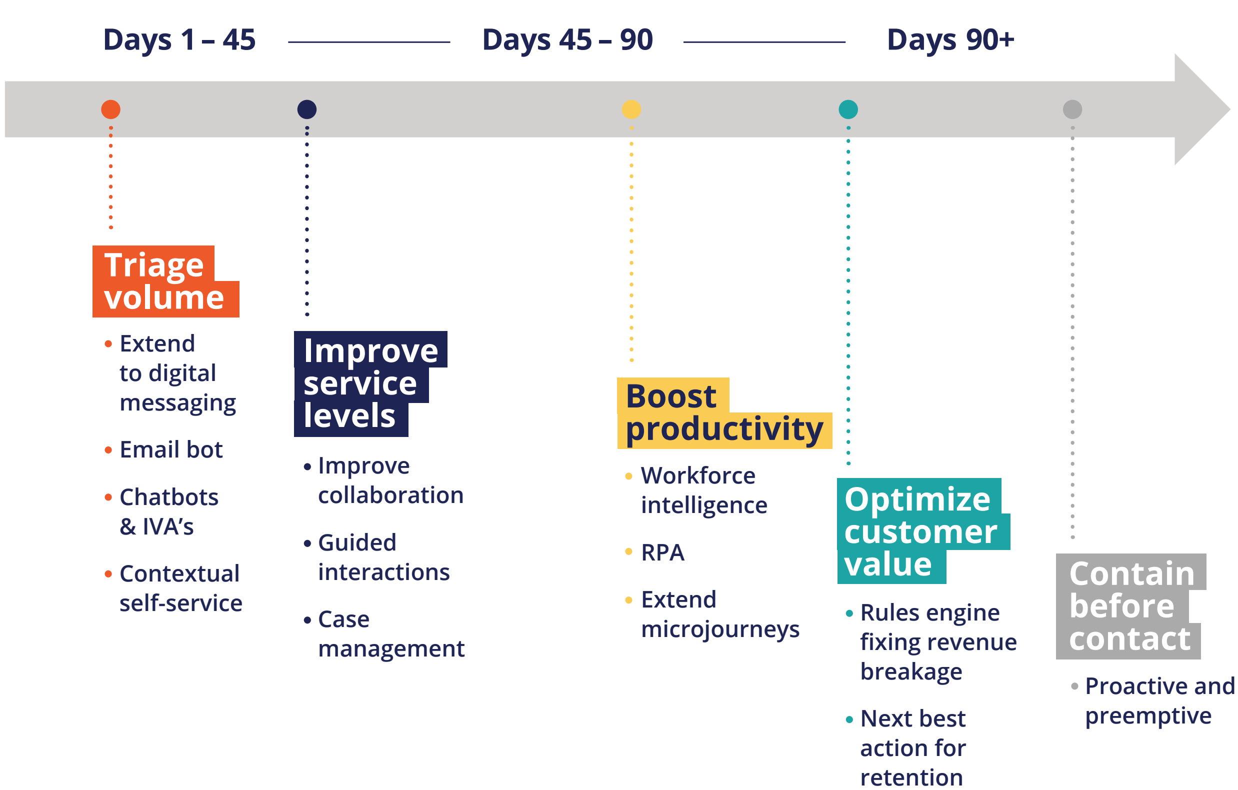
Proactive and preemptive strategies are the types of win/wins that businesses should be seeking to deploy as part of their long-term strategy. These strategies boost the level of service while driving down costs. This could be a great opportunity for your business to cement customer relationships by implementing focused strategies for reaching out to customers before they realize anything is wrong.

How to get started

As you plan your path forward, consider that your transformation will be a journey. The key is to take action, and do so quickly, by prioritizing your immediate, near-term strategies, while keeping in mind your longer-term strategies.

The following is a depiction of how to prioritize the strategies over time, moving progressively from your ability to (1) triage current volumes, (2) improve service levels, (3) boost agent productivity, (4) optimize customer value, and (5) proactively contain before the call.

Assembling your prioritized action plan



The power of Pega: Agility for today, future-proof for tomorrow

When it comes to executing your action plan, not all technology strategies will be equal. Approaches of the past attempted to patch up issues with solutions that quickly became obsolete. Pega believes in a different path.

We believe you should demand a path that is future-proof, with no throwaway actions. With Pega's journey-at-a-time approach, your solutions are not built by embedding logic into a channel or building short-lived, siloed systems. Instead, we build from the center out by focusing on the microjourney, or outcome, regardless of the channel or system. This logic may then be activated on one or more channels at will.

So, whether you begin with an email bot, IVA, self-service, or agent desktop, your case processes, NLP, and other journey logic are channel-less by design, allowing them to be instantly accessed via any other channel or touchpoint. By not having logic locked away *in* the channels, your business becomes future-proof. And ready for whatever comes next.

Pega's technology is here to support you. The approaches outlined here are ones that may be implemented in days or weeks for fast results and lasting outcomes.

We are Pegasystems, the leader in software for customer engagement and operational excellence. Our adaptive, cloud-architected software – built on the unified Pega Platform™ – empowers people to rapidly deploy and easily change applications to meet strategic business needs. Over our 35-year history, we've delivered award-winning capabilities in CRM and digital process automation (DPA), powered by advanced artificial intelligence and robotic automation, to help the world's leading brands achieve breakthrough business results.

For more information, please visit us at **www.pega.com**