

Introduction

CX Trend #1: More Customers are Starting Their Journeys with a Digital Interaction

CX Trend #2: Customers Expect Instant Gratification

CX Trend #3: The Experience is More Than the Sum of Its Parts

CX Trend #4: Agent Experience Now Mirrors the Customer Experience

Conclusion

Delivering Frictionless Customer Experience

Key trends, tips and tools you can put to use this year to deliver great customer experiences amid significant change.

Our relationships with brands naturally change over time, and the radical, accelerated digital evolution of consumer behavior and expectations over the past two years only serves to underscore the need for instant gratification.

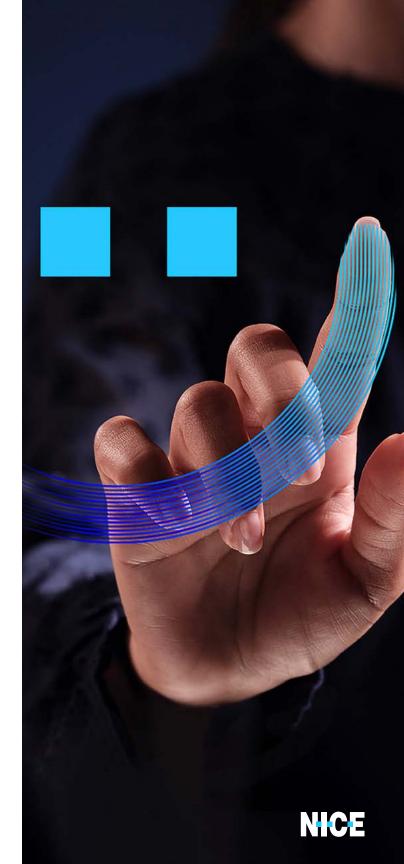
Not long ago, CX professionals focused in large part on behavioral differences between generations—Millennial or Gen Z versus Boomer. But today's CX behaviors and the challenges associated with them transcend generations. The pandemic has transformed most of us into digital natives.



"We're all kind of turning into Millennials," says Max Ball, principal analyst at Forrester.

Extended hold times and the widespread closures of brick-and-mortar locations in the early days of the pandemic combined to shape consumer behaviors across demographics, accelerating adoption of digital channels so that all consumers, in essence, now behave as though they are digital natives. As they do, four key trends are driving change in how companies deliver great, frictionless customer experiences. Some of the trends are just emerging; with others, it's the tools or approaches companies are taking to address them that are new.

Here's what you need to know and do to thrive in this changing environment...



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CX TREND #1:

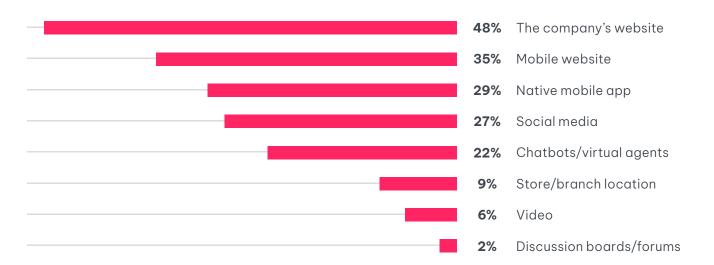
More Customers are Starting Their Journeys with Digital Interactions



The customer journey is less likely to begin with the contact center.

For decades, the focus in customer service was on optimizing the flow for a customer who is most likely to pick up the phone to connect with an agent. Today, however, less than 20% of customer service requests begin with this traditional inbound flow; instead, the first interaction for more than 8 in 10 customers is digital.

This shift in consumer behavior makes it more important for contact centers to look at common entry points for opportunities to improve the customer experience. Companies surveyed recently by Forrester¹ say their customers primarily use the following channels before interacting with the contact center:





1 <u>Forrester Analytics Business</u> <u>Technographics Networks and</u> Telecoms Survey, May 2021.



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CX TREND #1, CONTINUED:

In this environment, a traditional approach to customer service—even in companies that use basic self-service tools like IVRs and simple bots to help route the customer to the right agent—often fails to meet customer needs. Customers want self-service that actually works, but self-service tools frequently create friction and frustration instead.



"Your best bet, in theory, is selfservice with a digital entry point that provides the answer right away without having to talk to someone, whether it be chat or voice. Of course, that's in theory. In practice, most of the time, selfservice causes friction, whether it's intentional or not."

- Max Ball, principal analyst at Forrester

"Smart self-service removes that friction by infusing AI," says Omer Minkara, vice president and principal analyst at Aberdeen. "With smart self-service, you're really kicking it up a notch. It's using AI algorithms to improve issue resolution and find automation opportunities with minimal need for agent oversight. It's truly about becoming more customer friendly, more technology driven."

With smarter self-service, agents are freed up to handle more complex customer issues as brands move away from traditional KPIs focused on inbound flow and consider how customers are actually interacting with the organization. By leveraging key digital touchpoints, such as search and mobile apps, intelligent self-service can deliver an experience that flows more seamlessly with smarter bots, useful knowledge bases and proactive outbound communication.



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CX TREND #2:

Customers Expect Instant Gratification

Today's customers expect to have their needs met and issues resolved instantly. For many people, that boils down to three things along the customer journey:



Make it Easy

Ease, as defined by Forrester, is when customer service meets the following criteria:²

- Access to customer service is convenient (e.g., by phone, mobile app or chat).
- Customers can easily reach a live person when needed.
- Agents have the authority to solve problems without having to ask a supervisor.



Make it Frictionless

"Reducing the amount of friction a customer experiences to resolve an issue is a higher indicator of customer loyalty than delight,"
Ball says. "In fact, researchers have found that Customer Effort Score outperforms the Net Promoter Score and customer satisfaction measures in predicting behavior."



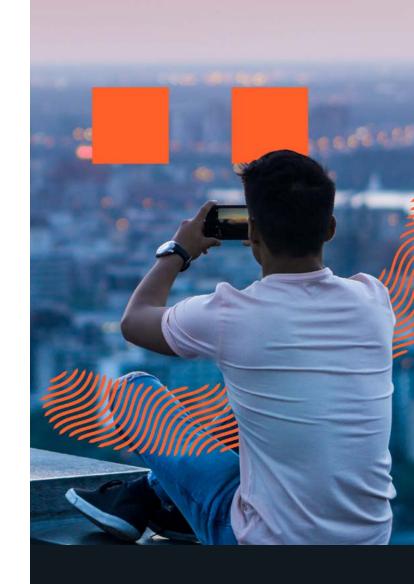
Make it Fast

Customers are also looking for a fast resolution, and a well-prepared agent can be the key to speed.

Consider, for example, a company that is able save one minute per call. In a 100-agent call center serving 2,500 calls per day with an average handle time of 5 minutes and loaded costs of \$40,000 per year per agent, a savings of one minute per call translates into an annual savings of \$350,000.

"You can build such wonderful virtuous cycles here, with customers getting a better experience and companies saving a lot of money at the same time," Ball says.

Self-service is a common way companies try to improve the customer effort score and become easier to do business with, more quickly, but automating your interaction data is essential. Making the most of your data depends on harnessing real-time interaction data through the power of artificial intelligence (AI). This rich data can yield insights that allow you to fast-track solutions, improve self-service continuously and design flows without the inefficiencies and delays associated with guesswork and manual processes.



² <u>"Elevate Your Customer</u> <u>Experience With End-To-End</u> <u>Customer Service." Forrester,</u> Jan. 27, 2017.



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CX TREND #3:

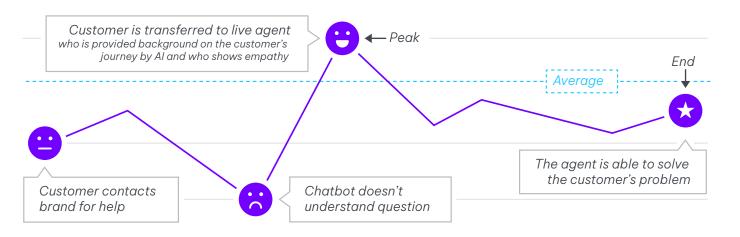
The Experience is More Than the Sum of Its Parts

"Experiences are a series of moments in time, and when threaded together, these "micro-moments" form the basis of a relationship. While the idea of micro-moments has existed for a while, the companies who have done well and really raised the bar have raised the expectation of what a moment contains."

- Aaron Rice, vice president, CXone Expert

But customers don't remember every moment of their experience with your brand. Instead, they form an opinion of the experience based on two portions of the experience: the peak and the end. Nobel laureate Daniel Kahneman describes it as the "Peak-End Rule," with the peak being the moment of strongest emotion (whether positive or negative) and the end being the last moment of the experience. The Peak-End rule holds true not just in the individual interaction (e.g., a chat session) but also across the entire service journey.

Consider, for example, a customer trying to submit a claim using a chatbot:



Note: This graphic is adapted from the "Bring Brand To Life With Customer Journeys" Forrester report.



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CX TREND #3, CONTINUED:

While there is a negative component to this interaction (not being able to solve through self-service), there are positive aspects as well (she is transferred to a knowledgeable agent who is able to solve her problem while demonstrating empathy).

This phenomenon holds an important lesson for contact centers.



"When you're thinking about your customer interactions, accentuate the positive."

- Max Ball, principal analyst at Forrester

If you can make the good peaks higher, people will remember them more. By identifying the peak moments in a customer's journey, then working to make them better, you can emphasize the positive parts of the experience and affect the customer's perception of interactions with your brand. Tools that measure sentiment and emotion can identify these peaks and the sentiment at the end of an interaction.

Consider these steps to accentuate the positive and create higher peaks and ends:

- Deliver the right content in the right context to your audience through knowledge management tools.
- Increase employee potential with personalized virtual attendants that provide guidance and process automation to enhance performance.
- Prompt agents with behavioral insights through Al to deliver real-time interaction guidance.



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CX TREND #4:

Agent Experience Now Mirrors the Customer Experience



The job of a contact center agent has always been hard, but it has gotten even harder as the calls they handle become more complex—particularly following the friction of frustrating common self-service experiences.

In many contact centers, agents start conversations cold, with no knowledge of why the customer is calling or what has happened in their journey already. They must navigate multiple applications to find information, and they're often not truly empowered to help the customer without getting a manager involved. Amid it all, they're handling multiple digital channels in a disjointed, remote workspace.

It's time to rethink how we prepare agents. A few key steps can help put agents in control and give them the confidence, the tools and that flexibility to do their jobs:

- Enable agents to manage their time: Being an employer of choice requires giving employees the flexibility to manage their schedules with things like schedule preferences, the ability to split shifts and automated approvals for shift changes.
- 2. Empower agents to work from anywhere:
 Work-from-home and hybrid working models
 aren't expected to go away anytime soon, so
 ensure that you're supporting and enabling
 agents to perform at their best regardless of
 where they're working.
- 3. Support agent growth: Meet agents' desire for continual learning and self-improvement with things like on-demand learning modules, self-assessments and personalized content that's tailored to their preferred learning methods.
- 4. Prepare agents to do their best: Real-time guidance, ready access to information and intuitive communication equip agents with the tools and insights needed to meet the demands of today's consumer. This enables agents to focus on solving customers' needs rather than on KPIs like average handle time.



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Consumers have shifted their focus, creating service gaps and silos that encumber the flow of digital-first experiences.

Providing great customer service across the customer journey requires more than optimizing the traditional inbound call flow.

With NICE, you can now take the next leap in customer experience to intelligently meet your customers wherever their journeys begin—and for most people, that's increasingly a search, mobile app, knowledge base or proactive outreach. You can enable resolution through frictionless, data—driven self—service and prepare agents to successfully resolve any needs event. In doing do, you can narrow—and even close—the widening gap between today's consumer expectations and your brand's CX realities.



Delivering Frictionless Customer Experience

About NICE

With NICE (Nasdaq: NICE), it's never been easier for organizations of all sizes around the globe to create extraordinary customer experiences while meeting key business metrics. Featuring the world's #1 cloud-native customer experience platform, CXone, NICE is a worldwide leader in Al-powered contact center software. Over 25,000 organizations in more than 150 countries, including over 85 of the Fortune 100 companies, partner with NICE to transform - and elevate - every customer interaction.

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