Intelligent & Proactive Customer Care Outlook 2015

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INTRODUCTION

I t is argued that, today, the quality of experience customers receive from a service provider is the most important differentiating factor in determining if subscribers are loyal and spend their money on services from the service provider. Operators are no longer in the driving seat when it comes to locking in customers. Having a fast network or unlimited data is not enough for operators to retain or gain subscribers as LTE and 4G services are widely available from multiple service providers.

Data services are a key revenue driver for an operator, as 4G post-paid customer base continues to grow rapidly and is a highly lucrative market segment. Figures unveiled by Ofcom suggest that, in the UK, 4G mobile subscriptions rose from 2.7 million at the start of 2014 to 23.6 million a year later, with analyst firm Ovum predicting 33.6 million 4G users in the UK.

Operators are being faced with the dual pressures of declining ARPU and the threat of churn – every customer lost requires marketing costs and resources to replace them. The ball is therefore in the court of the operators to up their focus on customer experience in a bid to retain and attract new subscribers.

Responses received from almost 200 survey participants to a questionnaire run by Telecoms.com Intelligence indicate a lack of pre-emptive customer care analytics tools within the operator community. This paper will investigate operator attitudes towards existing approaches to customer care and experience; while also assessing the desire for proactive and holistic customer service management – including network, handset and contact centre experiences. By deploying intelligent and proactive analytics capabilities across all elements of the customer experience, operators can retain current customers, attract new ones, and generate new revenues by using actionable insight.
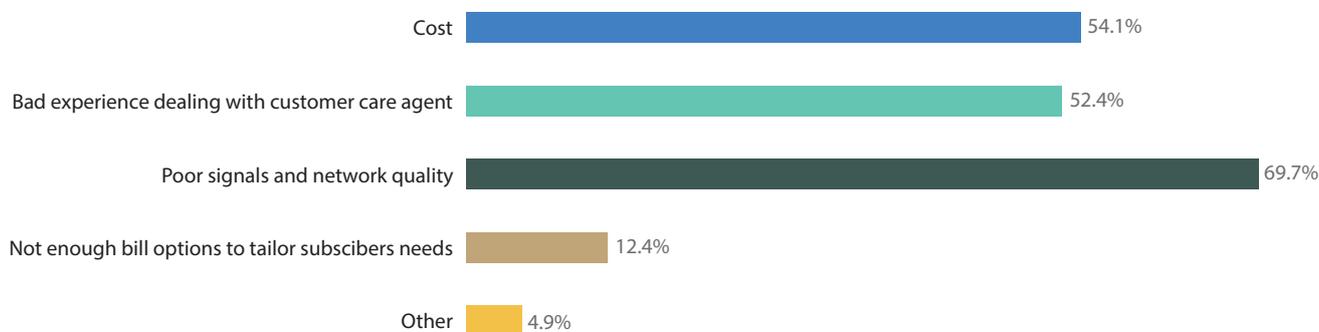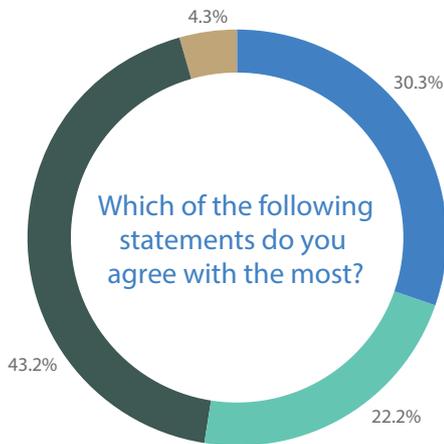
YEARN FOR LESS CHURN

I n a survey conducted by Telecoms.com Intelligence, we polled almost 200 industry professionals on some of the most important customer experience challenges operators face today. In order to determine the current mind set of the industry, we asked respondents to identify the main reasons why they think subscribers change service provider. It would appear that the majority of the audience see network quality and signal (69.7%) as a more important determining factor for churn than either price (54.1%) or poor experiences with customer service representatives (52.4%). In other words, churn as a consequence of poor network quality and signal is 15% higher than churn as a result of cost and 17% higher than customer service; all of which illustrates a definite need for high-quality analytics in order to monitor service delivery on the network and maintain quality of service at all times.

It stands to reason that half of respondents believe customer service directly correlates with churn, so we then asked respondents to pick one of a number of statements relating to customer care they most strongly agree with. While 43.2% of respondents said the ability to pre-empt potential issues before they occur is the best way to improve customer experience, a significant percentage of respondents, 30.3%, said that they believe poor customer care is a major cause of churn. Meanwhile, 22.2% of respondents most commonly agreed with the view point that faster resolution of customer care issues would represent a significant cost saving. It appeared to be relatively conclusive that just 4.3% of all respondents claimed to be content with the customer care tools already at their disposal.

Each response in this case corroborates with the earlier assertion that churn is a major cause of financial concern within the operator community, stemming from an inability to resolve a customer's concerns before they become a risk to revenue.

What do you think are the main reasons subscribers change service provider?

Cost	54.1%
Bad experience dealing with customer care agent	52.4%
Poor signals and network quality	69.7%
Not enough bill options to tailor subscibers needs	12.4%
Other	4.9%

Which of the following statements do you agree with the most?

- 4.3%
- 30.3%
- 22.2%
- 43.2%

■ Poor customer care is one of the major causes of churn

■ Faster resolution of customer care issues would represent a significant cost saving

■ The best way to improve customer care is to acticipate problems before they arise

■ I am happy with the customer care tools I currently have at my disposal

70.2%
of all respondents identified subscriber behaviour as one of the areas in which they would deploy more advanced analytics.

PRE-EMPTING PROBLEMS

Our next section of the survey pertained to understanding potential areas of concern for customers, and whether utilising analytics tools may help in appropriately identifying problems before the subscriber is affected. In this section, the main challenge we observed facing customer care teams was a lack of visibility on subscriber related information, such as behaviour, location, apps and devices – voted for by 49.1% of the audience. This was shortly followed by visibility of networking conditions, thus ensuring optimal and continuous service delivery – which pulled in 45.6% of responses. That being said, there remain a number of elements of the subscriber experience where operators are unable to gain thorough clarity or provide pro-active care.

It is interesting to note that just under half of respondents believe pre-empting potential causes for concern is the optimal means of improving customer care, and so we then looked to ascertain which particular areas relating to customer experience could benefit by implementing analytics-based solutions. Providing more in-depth insight into subscriber behaviour could afford operators the ability not only to tailor future services and open up new sales opportunities, but could also help foresee potential issues arising before they do so. 70.2% of all respondents identified this – subscriber behaviour – as one of the areas in which they would look to deploy more advanced analytics.
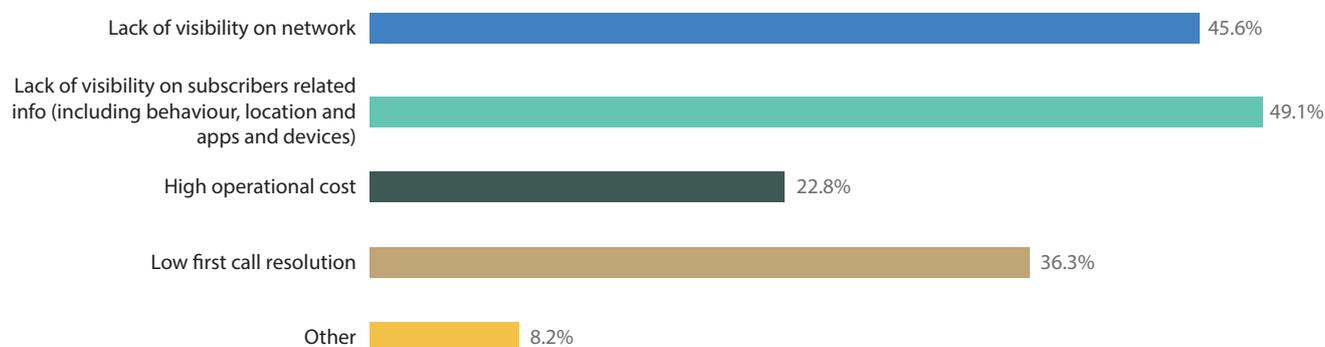
Network performance has already been identified as one of the potential causes for subscriber churn, and so it is unsurprising to see 60.2% of respondents also choose this as an area requiring more insight via analytics. Further down the list, we also saw 43.3% of respondents say it would be helpful to understand details and performance of subscriber devices through analytics in order to pre-empt potential malfunctions and other problems.

Such information appears to be lacking from customer care teams, and it seems somewhat surprising that nearly half of respondents, 49.1%, believe a lack of visibility on subscriber-related information to be one of the biggest challenges; while 45.6% also identified network visibility such as performance and traffic flows as another one of the biggest challenges facing customer care teams. One of the additional challenges regularly cited by the audience was a low first call resolution, identified by 36.3% of respondents, so clearly more advanced analytical capabilities are desired in order to more adequately serve customer queries in the contact centre and resolve cases at the first point of communication.

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What are the biggest challenges faced by your customer care team?

Lack of visibility on network	45.6%
Lack of visibility on subscribers related info (including behaviour, location and apps and devices)	49.1%
High operational cost	22.8%
Low first call resolution	36.3%
Other	8.2%

COMMUNICATING INTELLIGENCE

Front-line customer care intelligence is something of a recurrent trend among the responses received from this survey. The next question we pitched to readers asked them to identify what operators need most in order to maximise customer care, and an overwhelming 62.9% of respondents said first-line customer care agents need to be empowered with more insights and training to handle technical questions coming in from subscribers. This could indicate that traditional customer service skills no longer suffice when it comes to maximising customer experience; and that contact centre agents need to have more advanced technical training to fully understand and assist with finding solutions to problems being faced by customers – that point is particularly relevant when considering how customers today are significantly more technically knowledgeable and more educated about the products they are consuming than those of 10 years ago.

Elsewhere, 20.6% of respondents believe more investment in customer care APIs is required in order to more appropriately deal with subscriber complaints and/or requests for assistance. Finally, 14.7% of the audience believes customer expectations need to be tempered by more effective and tailored marketing communications campaigns, thus simplifying customer care. As previously alluded to, customer expectations have been growing substantially in recent years as users become more knowledgeable, and as regulatory bodies shift more power and control into consumer hands. Marketing campaigns may well assist in managing expectations, though there still appears to be an intrinsic requirement for more intelligence and analytics-driven insight when it comes to providing a fulfilling customer experience.

We asked our respondents to indicate their level of agreement with a number of statements regarding the state of current customer care capabilities. Further compounding the previous message was a 70.3% level of agreement or strong agreement with the following statement: "I am looking to improve my call centre KPIs, such as average call handling time or first time to resolution". This is of particular interest when, in another question, 55.7% considered existing call waiting times to be good or very good, with 71.9% thinking the same of contact centre agents' willingness to help.

62.9%
of respondents said first-line customer care agents need more insights and training to handle technical questions from subscribers.

The most commonly agreed upon statement, however, was a common consensus that operators are always looking for ways to improve customer experience and campaign effectiveness, something that is congruent with many of the results flagged up by the survey. Worthy of consideration is the least agreed with statement from this question, in which 29.8% of respondents disagreed or strongly with agreed with the statement: "I am able to identify key customer, segment and individuals' behaviours and quality of services across my entire customer base within a single application", suggesting there remains room to integrate analytics, insight and customer information across a central CRM API. Considering the level of disagreement with this statement by the audience, it would be reasonable to conclude that there is significant demand for a single application which is capable of providing all of the required levels of insight, as well as being fully integrated and available across multiple departments and staff, straight out of the box.

The final question of the survey provided us with the most telling, and perhaps least surprising, statistic indicating that 92.4% want their customer care tools to be better at pre-empting potential problems before the consumer becomes affected or needs to get in touch with a contact centre.

92.4%

want their customer care tools to be better at pre-empting potential problems before the consumer becomes affected.

Please state your level of agreement with the following statements relating to customer care

| 7.0% | 29.8% | 33.3% | 27.4% | 2.3% |

I am able to identify key customer, segment and individuals' behaviours and quality of service across my entire customer base within a single application

| 8.1% | 30.9% | 35.0% | 22.8% | 2.9% |

I am able to see the quality of service metrics, do automatic root cause analysis and perform rapid problem resolution at the point of customer contact

| 24.5% | 45.6% | 27.4% | 2.3% | 0% |
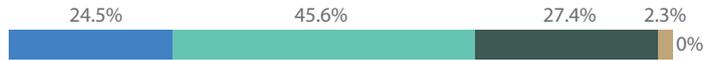
I am looking to improve my call center KPIs, such as average call handling time or first time to resolution

| 16.9% | 40.3% | 35.0% | 6.4% | 1.1% |

I am looking for ways to minimize no fault found device returns

| 29.8% | 40.3% | 25.7% | 4.0% | 0% |

I am looking to lower the cost of adding subscribers whilst maximising customer retention

| 35.0% | 46.7% | 16.9% | 1.1% | 0% |

I am looking for ways to improve customer experience/relevance and campaign effectiveness

| Strongly Agree | Agree | Neutral | Disagree | Strongly Disagree |

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CONCLUSION

The relationship between telco and customer is a complex one with a number of caveats and responsibilities: the quality of service across the network; the efficient delivery of software and services; potential faults with handsets; accurate and timely billing of services; and helpful, insightful and constructive customer service teams all represent just some of the many facets in the customer experience chain. With so many potential areas that could give rise to aggravation for the customer, it is increasingly important for telecoms operators to accurately and reliably manage the subscriber experience in general, and not just when they have been sufficiently motivated to attempt contact in order to find a resolution to an existing problem.

More than ever, consumers have the ability to take control in the relationship thanks to regulatory pressures on the telecoms industry, increasingly knowledgeable and technically aware consumers, declining ARPUs and the constant threat of revenue-draining churn.

So what have the results of this survey taught us?

Firstly, it would be fair to say that operators have made it clear they have an intrinsic need for more intelligent analysis and insight of consumer behaviour and quality of service, so that customer care agents in contact centres are afforded more insightful tools to manage the customer experience.

Secondly, an overwhelming percentage of the audience desire customer care tools which are better at pre-empting problems prior to the customer noticing service issues. We also saw that quality of network performance was identified as a more decisive factor than cost or customer service when it comes to customer loyalty and churn. It would stand to reason, therefore, that operators are craving performance and analytics tools which proactively monitor service conditions on the network.

It was also noted that more than one quarter of all respondents didn't have the ability to analyse the behaviour and service quality of their entire customer base in one app; meaning a significant portion of the market is lacking in apps which can proactively manage the full customer experience, and help pre-empt and resolve potential issues before the customer experience is affected.

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Telecoms.com Intelligence, the industry analysis arm of Telecoms.com, works closely with its partners to thoroughly research and create educational services for its readership. In 2014 alone we generated more than 25,000 leads for our clients across more than 50 campaigns.
A consultative and collaborative approach with our dedicated analysis team ensures the creation of truly unique content, highly regarded throughout the industry. Telecoms.com Intelligence services combine statistical analysis and broad industry knowledge
to effectively deliver insight and analysis through the use of webinars, bespoke surveys, white papers and more. All campaigns are supported with extensive marketing campaigns, to guarantee quantifiable business leads for our clients.
Since its launch in 2001, Telecoms.com attracts more than 86,000 unique visitors and 173,000 page views on a monthly basis. The recently redesigned website also provides a newer and easier-to-navigate resource directory from which to access Intelligence content.
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