2018 PREDICTIONS FOR THE SERVICE LEADER

We surveyed a number of customer service/experience leaders in our community to get their predictions for 2018. Here were their thoughts.

CUSTOMER EXPECTATIONS

- The customer will continue to demand higher levels of personalization and integration across multiple brands and devices.

- Customers demanding a higher level of experience and service from companies; what was "good enough" before is no longer good enough.

- Customer expectations will continue to rise across all industries (B2B/B2C) in the area of integration of their communications and data. Creating a larger push for seamless channel shift experience. Requirements will be needed for the operational teams in the areas of training, knowledge management and performance management. (With multi-channel support, more complex KPI's are needed.)

- Customers increasingly want to self-serve but self-serve must have a smooth transition to assisted service for more complex inquiries. Technologies like chatbots cannot be deployed in siloes.

- Addressing differences in demographics will become increasingly important, as different groups will prefer different types of engagement. What works for millennials may not work for boomers.

- Consumer expectations for personalized service continue to grow. They expect that if they do business with a company, that they have some history or record of that. That if they have a conversation over the phone, that agents can recall that conversation the next time they email or chat.

CHANNELS

- The continued shift to "social channels" and the need to be adept at serving customers who reach out for help in social media.
- A key word is "predictive service". Next era CX - what AI will enable?
- C-Suite will begin to see the potential for revenue generation on the service side of the house with new channels and old channel improvement.
- Companies must be more agile in testing and deploying new solutions and channels due to increasing competition from new market forces (e.g. Amazon).
- Businesses who do not embrace omni-channel digital transformation will lose customer loyalty, their share of wallet and overall market share, to those that do.
- The volume of calls will continue to grow even with the continued introduction of alternative channels of support.
- Amazon will disrupt the ACD market.
- IoT pervasiveness will increase call volume.
- Phone channel continues to be the dominant channel for "complex" client care issues.
- Many companies focusing on "demand management" initiatives to help clients self-serve, improve CSAT and reduce call volume.
- Mobile Messaging/SMS and MMS. More interesting and efficient use cases for text will emerge. Companies realizing that leveraging instant photos or videos sent can help reduce conversation time.
- Companies look for more true omnichannel platforms and adoption for these grow. Not just a single platform that can hook into all kinds of other technologies, but a single platform that can tie all of the conversations together, no matter what channel.
- Phone channel continues to be dominant for overall customer resolution.
- Companies will continue to add more channels and favor "cheaper" asynchronous (can respond at the same time) channels, like chat and text, in exchange for "more expensive ones", like phone and email. Volumes of total communication will stay the same, but allow for brands to save money.
- Two way SMS continues to lag with some brands testing specific use cases.

OPERATIONS

- Further advancements in the area of personalization of the experience. The ability to leverage "big data" sources to create a more personalized experience. Driving demand for analytic platforms, as well as analytic resources (both offshore and onshore).
- Expansion of the work at home (work anywhere) models for care support for cost savings. Advancements of tools and technology to support this.
- 'Employee engagement' truly changing culture.
- Customer service must be able to show ROI to adopt messaging channels and chatbots for customer interactions.
- Companies will begin to focus more on the entire customer lifecycle from acquisition, to sales, to service/support. The lines will blur between organizational siloes that focus on acquisition and those that focus on customer care, as businesses embrace a more holistic approach.

- Business leaders will get better at overcoming common, but large, digital transformation challenges (e.g., data silos, governance, systems integration, executive buy-in, acquisitions, technologies, security, etc). This will enable them to develop better customer insights that are actionable, to improve the customer experience, as well as optimize business operations.

- Businesses will drastically adopt and improve how they apply predictive analytics across the enterprise.

- Businesses will further embrace outsource service providers as strategic partners vs. traditional labor arbitrage.

- The usage of behavior profiles will go mainstream in marketing and customer service.

- Companies realizing that they need to center operations, technologies and practices around people and customers, not case numbers and ticketing systems. Leveraging modern technology to replace legacy systems will take time, but brands realize they need to start now to execute on their 3-5 year vision.

TECHNOLOGY

- AI will begin to automate tasks for the agent and the customer – however AI will take longer to mature than previously thought, due to data infrastructure not mature enough to fully leverage.

- Companies will begin to shift from handling transaction to personalizing service.

- Digital will continue to experience strong growth, powered by mobile usage.

- Messaging channels will continue to grow social volumes.

- More conversations around the "social ethics" of AI deployment.

- Continued push on technology - moving infrastructure to the cloud.

- Deep/machine learning will play a role in 2018 for brands to meet customers where they are. I think brands are starting to get on board with the concept of machine learning and using data to predict behavior. But deep learning can extend beyond things like chatbots. If a brand can predict what a customer might be looking for, it can tailor content to the customer that allows the customer to self-service, send push notifications, etc.

- Thinking about AI secondarily to the types of use cases and outcomes desired that require it.

- Companies will have to address AI and ML in their strategies for customer acquisition and engagement. 2017 may be seen as a year of hype as lots of new vendors emerge on the scene. Expect consolidation and actual AI/ML deployments to increase in 2018.

- Interest in – and deployment of – customer journey analytics tools will increase, as companies try to identify and solve problems upstream before they occur.

- Strategic enterprise automation (front to back office) will help businesses begin to improve the customer experience, while optimizing back office operations, leading to stronger sales and a better bottom line. Examples include automated machine learning/AI, self help, chatbots/avatars, to RPA and beyond.

- People continue to overestimate innovation in the short term and underestimate it in the long term.

- We will see the first practical examples of AI in the areas of contact center routing, compliance and quality, with practical use cases.

- Some brands are testing AI for knowledge management (ie. agent support tool powered by AI vs. a traditional knowledge management tool). A lower risk approach to testing AI vs. directly with clients.

- Over the next 3 to 5 years, I believe that the majority of inquiries that come into the contact center will no longer be voice or email, but some form of messaging. SMS is only one form of messaging: it encompasses a broad swath of methods including iMessage, Facebook Messenger, Kik, WhatsApp, and more. Many people are following WeChat, which is now one of the largest standalone messaging apps with over 963 million monthly active users. Part of the reason it has been so successful is that you can do more than just send messages. Apple is moving down the path with the announcement of its Business Chat messaging solution which is an extension of iMessage and will include some ApplePay capabilities. The convergence of these technologies will be what ultimately tips the scale to shift consumers and businesses away from phone and email to messaging.

- Maturity issue with emerging virtual assistance technologies (chatbots, AI capabilities, etc.), continues to lag – requirements for specific user case studies at an all-time high.

- Buzz and hype are high, but adoption is low. Brands realize they need more data in order to leverage these technologies to be accurate.

- I'm not convinced that brands have the capacity/talent/full understanding of what precisely goes into machine learning and true AI (beyond chatbots). I think we're going to see a wave of failed adoption on that front.

- Technology – Proliferate of technology out there – from measuring CX, to 'omnichannel', to speech analytics.

USE CASE STUDIES/DATA

- The need for user case studies (the how to) will be paramount – what roadmaps and examples are being implemented – Who are the leaders in this area.

- Knowledge on how/where to start OR if they should – where do you start, what are the technologies, etc. what is AI and what is it NOT? It is NOT automating simple tasks (self-service).

- Measure the customer experience –What are the right metrics, how to measure unassisted channels, etc.

- The one other topic is the ROI of customer service – what linkage have companies made with data, tying NPS/CSAT to revenue, or a customer service touch to future behaviors (engagement, purchases, advocacy), or the type of service recovery (refund, no future to future behaviors, etc).

- Surveys: We will see more of a change from asking to predicting.

SECURITY/RISK

- Fraud Prevention: I think that what we're going to start to see is a recognition that the "customer experience vs. security" is a false dichotomy, because it focuses on criminals rather than customers.

- Brands will realize that authentication and identity early adopters will invest heavily in real-time authentication solutions across all channels - but primarily phone and digital. The key concept will be real-time or near real-time - brands will be looking for something that happens "seamlessly" behind the scenes.

- Phone fraud has been growing exponentially over the last few years as a result of the EMV chip migration on credit cards, disproportionate security investments into other digital channels, and the simple fact that human beings answer telephones.

- We're seeing not just banks affected by it, but even retailers like Dunkin' Donuts. Anyone with a loyalty program is vulnerable. I think we will see a fundamental tension between customer experience and fraud mitigation arise in 2018 - that is, brands struggling to do away with their fraud while not interrogating their customers.

4