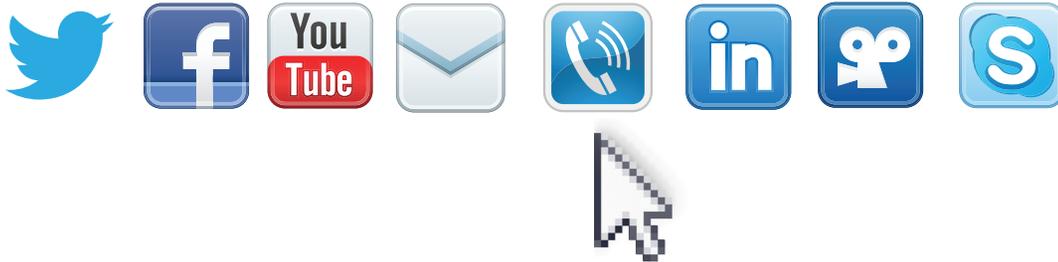


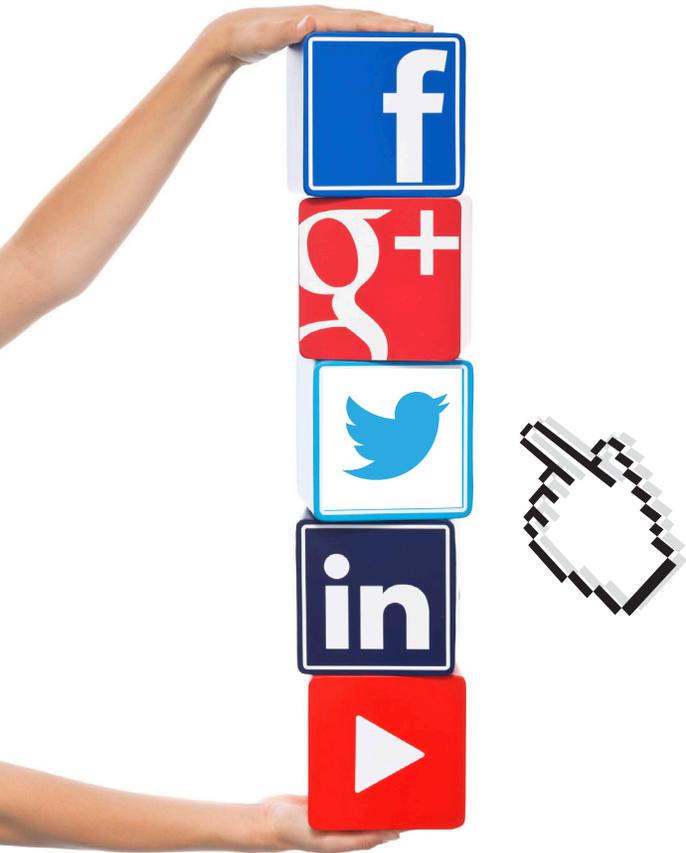


A new e-book from
TeleTech for **sales**,
marketing, and
customer care leaders.



Connecting the Dots on the Omnichannel Customer Journey

Everybody's talking about **"omnichannel"** these days.



But what is omnichannel exactly and how is it different from multichannel?

"Multichannel" signifies the digital and physical channels that customers use in their path to purchase or when seeking support for a product or service. Omnichannel represents the cross-channel path that customers take for product research, support, and purchasing.

Omnichannel characterizes how customers prefer to interact with companies through their use of multiple touchpoints, including video, voice, mobile, social, email, etc.

Customers don't think of themselves as "omnichannel." They simply expect effortless experiences as they move from one channel to the next throughout the course of their journeys.

Executive Overview

The omnichannel customer journey is non-linear, as consumers often circle back to different touchpoints in their research about brands and products and don't necessarily take a sequential path to purchase or resolve a product or service issue.

It's critical for sales, marketing, and customer care leaders to gain a deep understanding of the cross-channel customer journey and to develop frictionless omnichannel experiences that meet consumers' expectations.

"Companies have designed customer experiences using a technology-first, customer-second approach and it should be the other way around," said Don Peppers, founding partner at Peppers & Rogers Group, a TeleTech Company.

"Understanding the customer's omnichannel experience from the customer's point of view is the most effective way to identify the points of friction that should be removed."

We offer five recommendations for sales, marketing, and customer care leaders to help make the omnichannel customer experience effortless.

Sixty-one percent of consumers who began their shopping journey using a smartphone continued on a PC.

— Google



Best Practices for Enabling an Exceptional Omnichannel Customer Experience

The omnichannel experience touches most every aspect of your organization. To help you navigate this new, challenging environment, we gathered insights from our team of technologists, strategists, process experts and operations leaders to develop this list of best practices to ensure success.



BEST PRACTICE #1

Develop a deep understanding of the omnichannel customer experience by developing a customer journey map.

Customers are incredibly cross-channel in their interactions with companies and it's not just GenXers and Millennials. According to PwC's Annual Global Total Retail Consumer Survey, 36 percent of consumers shop at least once a week in a store while 20 percent shop online using a PC, with a smartphone (11 percent), and using a tablet (10 percent).

By developing personas for customer groups, organizational leaders can also create customer journey maps that can be used to track the behaviors of different customer types across various channels. Customer journey maps can then be updated to reflect changes in customer behaviors and used by decision-makers to ensure that touchpoints

in the customer journey are hassle-free to help strengthen loyalty, satisfaction, and customer lifetime value. By gaining a strong understanding about its customers' online and offline behaviors, retailer John Lewis has been able to develop a successful omnichannel customer strategy.

"This is where brands can truly differentiate themselves by placing the customer first," says Keith Nyhouse, vice president and general manager of digital marketing at Revana, a TeleTech Company. "When a brand puts the consumer at the forefront, they can begin driving deeper connections that will make them a preferred player in the marketplace."

"When a brand puts the consumer at the forefront, they can begin driving deeper connections that will make them a preferred player in the marketplace." — Keith Nyhouse, Revana

Case Study: John Lewis (retail)

Challenge: Sixty percent of the retailer's customers buy both online and in stores. The company wanted to make it completely seamless for customers to move from one channel to the other.

Solution: The company opened its first "omnichannel" store in Exeter, U.K. in October 2012, offering the full set of John Lewis products in a smaller store through the use of online technologies. John Lewis has also grown its Click-and-Collect service, launched in 2009, which allows shoppers to purchase products online and collect them from John Lewis and Waitrose branches.

Results: Revenue grew 6.6 percent in 2014, thanks in part to the company's omnichannel strategy.



BEST PRACTICE #2

Break through the organizational and technology silos that prevent a seamless omnichannel customer experience.

In order to deliver seamless customer experiences across channels, organizational leaders must take steps to break down the walls that exist between customer-facing departments such as the contact center and marketing and non-customer-facing areas such as accounts receivables and billing.

As BBVA Compass has been able to accomplish for its retail banking customers, it's also about creating seamless gateways between physical and digital channels to provide customers with seamless omnichannel experiences.

Meanwhile, rigid premise-based systems that are poorly integrated with technologies in other parts of the organization such as CRM and ERP systems and customer databases make it difficult for customer-facing employees to access all of the data necessary to provide customers with fluid omnichannel experiences.

"Ultimately, it's about listening to, and responding to, customers' needs," says Peppers. This includes identifying process snags and other obstacles that hamper the customer experience.

Seventy-seven percent of best-in-class companies (top 20 percent) retain customer contact data across all channels compared to 48 percent of other companies.

— Aberdeen Group

Case Study: BBVA Compass (retail banking)

Challenge: Sought to use digital tools to help make branches physical extensions of its online banking services.

Solution: Created the "Virtual Banker", a collaboration tool that provides videoconferencing services between customers in branches and remote advisors who specialize in areas such as investing and mortgages without having to make an appointment. The system also provides for interactive sharing of documents, printing, scanning, remote payments, and co-browsing.

Results: Virtual Banker is simple for customers to use and requires no training. Specialists are always available, allowing customers to accomplish more with each branch visit. The bank benefits from using a cost-effective tool to deliver more complete services.



BEST PRACTICE #3

Leverage technology to remove friction from the cross-channel customer journey.

It's not just organizational and technology silos that hamper the omnichannel customer experience. Other points of friction can disrupt the customer experience and increase dissatisfaction and churn. Analytics and other technologies should be able to identify these pain points and help companies address them.

Ally Bank, a TeleTech client, has helped remove friction from its customers' cross-channel experiences by displaying its toll-free number on every page of its website as well as the anticipated wait time to speak with an associate.

Case Study: Ally Bank (retail banking)

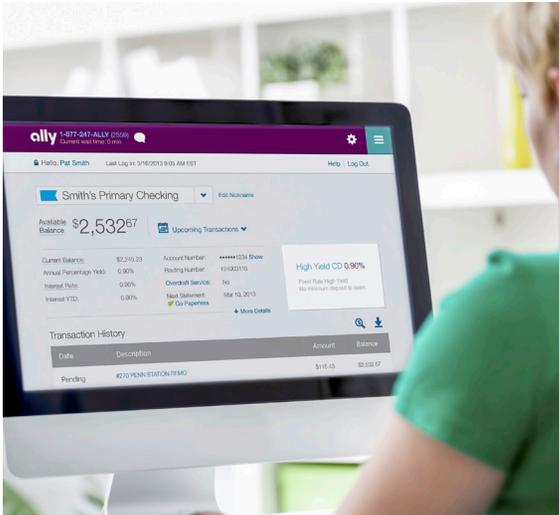
Challenge: Sought to improve its customers' cross-channel experiences by making these interactions more transparent and seamless.

Solution: The bank published its toll-free number on each page of its website to make it easier for companies when they need to reach out to a live associate for help. In addition, the bank also posts the estimated wait time to speak with an associate to help establish customer expectations.

Most important elements of the ideal customer experience: Simple purchasing processes: 47%.

— The Economist Intelligence Unit, September 2014

Results: The bank has removed friction from its customers' experiences, leading to higher customer satisfaction and other business performance improvements.



BEST PRACTICE #4

Recognize and acknowledge individual customers based on their purchase histories and most recent channel interactions.

There's a ton of data from customers' omnichannel interactions that companies can use to identify individual customers and have relevant conversations with them. This includes a customer's purchase history, social media sentiment that's shared, recent customer care interactions, etc.

Meredith Corp., a TeleTech client in the media industry, now evaluates its customers' digital behaviors and

preferences to provide personalized messaging and offers in the most appropriate channels.

"The collection of insights that can be gathered about individual customers can enable marketers to identify who they are and their interests to provide them with personalized and contextual messaging that recognizes their value to the company," says Peppers.

Case Study: Meredith Corporation (media and marketing company)

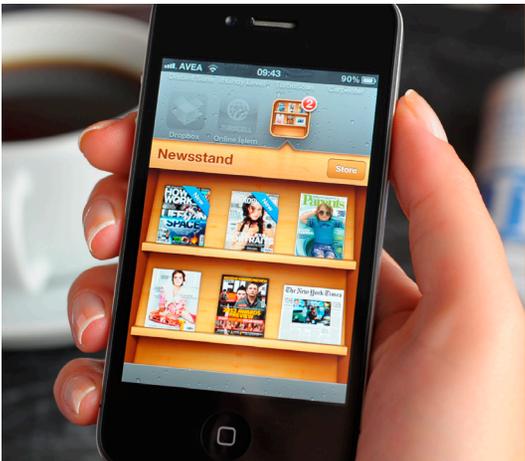
Challenge: A media company that once connected solely with customers on monthly subscriptions needed to develop an omnichannel approach that meant getting to know customers all over again.

Solution: By observing customer interactions and feedback and its use of analytics, Meredith can now determine customer channel preferences on an individual basis, allowing the company to send targeted messaging and offers.

Thirty-five percent of consumers approve of a company sharing their personal data with a third party if it results in a personalized customer experience.

— Cisco Customer Experience Research 2014.

Results: In the first half of 2014, Meredith saw a dramatic increase in digital traffic, with 58 million unique visitors and 2.5 million digital orders for print magazine subscriptions.



BEST PRACTICE #5

Keep Innovating: Recommendations for achieving the future state of omnichannel customer interactions.

The pace of technological change is the ultimate disruptor and customer behaviors will continue to evolve. Here are a few ways you can continue to stay ahead of customers' needs:

- Employ technology to interconnect all customer applications and better identify each customer across every touchpoint to provide them with the right experience and relevant messaging in the right channel.
- Use customer sentiment, feedback, and behaviors shared across a variety of channels to understand why

customers use different touchpoints and use these insights to tailor the optimal customer experience via real-time decisioning.

- Recognize the elements that constitute an engaging customer experience for target personas and invest in developing high quality convenient and consistent experiences.

Understand who I am and what my needs and preferences are. If you do, you'll serve me according to what I'm looking for.

— Don Peppers, Founding Partner, Peppers & Rogers Group, a TeleTech Company

Take a look at **Next Steps** for **Marketing, Sales and Customer Care...**

Marketing

Marketing leaders face some pretty tough challenges. Creating and sustaining growth through customer acquisition and customer loyalty in a market where customers are calling the shots is at the top of the list. To help marketers succeed with their customer acquisition and retention efforts, we offer the following advice:

- Make communications and content clear, compelling, and consistent for customers and prospects across all channels. This will help to attract high-value prospects to your brand and to retain existing customers through clear messaging.
- Analyze the impact of messaging and offers delivered in one channel on conversion rates achieved in other channels (i.e., mobile to traditional web). Doing so can help marketing leaders determine cross-channel impact and guide future digital marketing strategies.
- Develop integrated marketing campaigns based on a multichannel behavior view of target customer segments.
- Craft channel engagement strategies based on response rates and interests among specific customer segments.

The Impact of Omnichannel



93%+
Omnichannel customers spend 93% more than customers who shop direct/online.



208%+
Omnichannel customers spend 208% more than customers who shop in-store only.

Source: *The Omnichannel Opportunity*, Deloitte, February 2014.

Customer Care

Customers reach out for support using whatever touchpoint is most convenient to them at that moment. This creates major challenges for customer care leaders who need to ensure that customers are receiving consistent and effective support across all channels while ensuring that customer support costs are held in check.

To help customer care leaders tackle these issues, we make these suggestions:

- Use speech and text analytics to identify the support needs and preferences of target customer groups. Evaluate how different customer personas use specific channels for support and determine what their channel experience expectations are for different types of interactions.
- Determine the operating costs for each channel and which touchpoints different customer segments prefer to use to track usage and average cost per customer per channel to help guide future investments.
- Match customers with the associates with the right skills and experience to meet individual needs (i.e., product knowledge, written vs. verbal proficiency). Also, be sure each associate has full access to a comprehensive customer profile to ensure that each customer receives personalized and relevant support.
- Don't overlook self-service offerings and how they can be simplified to improve the customer experience and deflect calls to the contact center. Be sure to offer options for customers to connect with a live associate by phone.

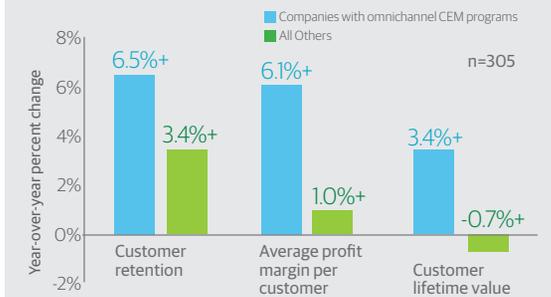
Sales

Sales leaders are focused on achieving several objectives: improving win rates, increasing deal sizes, capturing new accounts, and growing share-of-wallet with existing customers. To help sales leaders meet these goals in today's omnichannel market, we offer the following recommendations:

- Develop an understanding of how digital customer behaviors drive traffic to physical outlets and impact sales there.
- Identify opportunities to streamline cross-channel customer experiences, such as ordering online and picking up in-store and to simplify product returns using the customer's channel of choice.
- Evaluate and address compensation design for sales associates, including the role of the digital customer journey and how interactions with the sales associate and conversions should be properly weighted.
- Assess current sales associate recruitment and training techniques and changes that need to be addressed to close cross-channel sales more effectively.
- Craft channel engagement strategies based on response rates and interests among specific customer segments.



The Business Benefits of Omnichannel Customer Care



Source: *Omnichannel Customer Care*, Aberdeen Group, October 2013.

Looking Ahead

Omnichannel is here to stay and will only become more pervasive as new digital technologies and touchpoints continue to emerge.

Marketing, sales, and customer care leaders need to get out in front and develop full-fledged omnichannel customer experience strategies to ensure that customers are receiving the types of digital and cross-channel experiences they're looking for. Customers have little patience for tolerating poor experiences.

Omnichannel customer experience is the new competitive battleground for businesses. Will your organization be on the front lines charging ahead with a bold omnichannel customer experience strategy or scrambling to defend its business as other companies gain ground?



About TeleTech

TeleTech is a leading global provider of customer experience, engagement and growth solutions. Founded in 1982, the Company helps its clients acquire, retain and grow profitable customer relationships. Using customer-centric strategy, technology, processes and operations, TeleTech partners with business leadership across marketing, sales and customer care to design and deliver a simple,

more human customer experience across every interaction channel. Servicing over 80 countries, TeleTech's 44,000 employees live by a set of customer focused values that guide relationships with clients, their customers, and each other. To learn more about how TeleTech is bringing humanity to the customer experience visit TeleTech.com.

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