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Analyst Insight

Mobile Customer Care: It's More than Hype

The mobile revolution is rapidly reshaping the business landscape. Use of mobile devices provides customers with numerous opportunities, such as using social media portals to share recent brand experiences with friends, family, colleagues, and the general public ([see related blog post](#)). Changes brought by mobility also benefit the communication needs of businesses by bringing much-needed data to remote workers, for example by providing a field technician at a customer site with access to product information needed to solve an issue. Trends such as “internet of things” and wearable smart devices (e.g., Google Glass and Samsung Smartwatch) are further fueling this rapid change.

The customer / company relationships stand in the midst of the mobile revolution. The growing consumer adoption and use of mobile devices means that customers are increasingly incorporating mobile as part of their interactions with businesses. In fact, a recent study done in conjunction with Google Shopper Marketing Agency Council and M/A/R/C [research](#) shows that one out of three consumers use mobile devices to find information, instead of asking store employees. However, are businesses ready for this change in customer behavior? Aberdeen's October 2013 [Omni-Channel Customer Care: Empowered Customers Demand a Seamless Experience](#) research shows that one out of two organizations currently have a mobile customer care (see sidebar for definition) program in place. Data from this [study](#) indicates that businesses anticipate adoption of mobile customer programs to rise to 69% by mid-2014. This report will illustrate the business value of deploying a mobile customer care program and will highlight several activities that help Best-in-Class firms maximize their results through the effective use of mobile customer care.

Why Invest in a Mobile Customer Care Program?

Prior to adopting a new channel, companies need to carefully assess how that channel would impact their performance results. Figure 1 below illustrates the year-over-year performance gains mobile customer care users enjoy, compared to those without it.

Aberdeen's Insights provide the analyst's perspective on the research as drawn from an aggregated view of research surveys, interviews, and data analysis.

Definition: Mobile Customer Care

Mobility has different meanings and applications within contact center activities. For the purposes of this research, we define mobile as a unique channel through which customers can engage companies to address their needs. The modalities that can be used within mobile customer care interactions include mobile websites, mobile applications, mobile virtual assistants, and SMS.

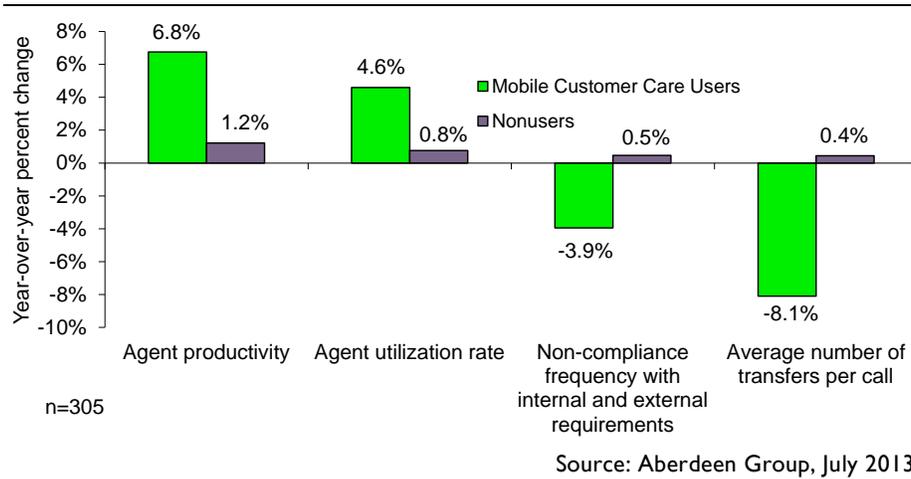
Aberdeen Methodology

The Aberdeen maturity class is comprised of three groups of survey respondents. Classified by their self-reported performance across several key metrics, each respondent falls into one of three categories:

- √ **Best-in-Class:** Top 20% of respondents based on performance
- √ **Industry Average:** Middle 50% of respondents based on performance
- √ **Laggard:** Bottom 30% of respondents based on performance

Sometimes we refer to a fourth category, **All Others**, which is Industry Average and Laggard combined.

Figure I: Year-over-Year Performance Results



Findings from Aberdeen’s July 2013 [Contact Center Optimization: Use Data to Deliver Superior Customer Care](#) study shows that improving customer experience, streamlining contact center operations, and increasing agent productivity and performance are the top three objectives driving the customer care executive’s agenda. As illustrated in the above figure, mobile customer care users outperform their peers in executing contact center operations. This is signaled by better service-level agreement compliance and transfers per call — both of which ultimately enhance the customer experience. They also enjoy far superior annual improvements in utilizing agent time effectively.

While these findings validate the value of deploying a mobile customer care program, it’s important to note that the process of adding a new customer interaction channel should take place in lock-step with client demands. Specifically, if the customers are not using mobile (mobile websites, mobile applications or SMS) as a way to interact with the business, then investing in this channel wouldn’t be a good use of organizational resources. However, consumers are using websites as a crucial source of information about brands, products, and services. According to [data by StatCounter](#), 20% of all website visits originate through mobile devices as of 2013. Thus, adopting a mobile customer care strategy is a necessary endeavor for many businesses. This is not only due to consumer preferences of accessing websites through mobile devices but also due to changes in customer behavior, where mobile applications and wearable technologies are increasingly projected to become a part of our day-to-day lives.

As noted above, one out of two contact centers currently have a mobile customer care program in place (see sidebar for the top-five reasons driving these investments). Solely adopting a mobile strategy is unfortunately not adequate to accomplish the goals outlined in the sidebar. Businesses need to implement Best-in-Class practices in order achieve desired results from mobile customer care. Table I shows the results top-performing companies

Mobile Modalities

Research shows the overall adoption of mobile modalities by companies using mobile customer care programs as follows:

- ✓ Mobile website: 70%
- ✓ SMS (short message service): 59%
- ✓ Mobile applications (HTML 5): 32%
- ✓ Click-to-chat: 25%
- ✓ Click-to-call: 18%
- ✓ Mobile applications (Native): 18%
- ✓ Co-browsing: 13%
- ✓ Mobile virtual assistant: 7%

Top Five Goals Driving Companies with Mobile Customer Care Programs

When asked about the top goals driving their customer care programs, organizations that currently incorporate mobile within their client engagement channel-mix cite the following as top five:

- ✓ Improve customer experience results: 96%
- ✓ Streamline contact center operational activities: 78%
- ✓ Improve brand loyalty: 74%
- ✓ Improve annual company revenue: 73%
- ✓ Increase agent performance and productivity: 71%

enjoy through successful use of mobility as part of the customer interaction channel-mix.

Table 1: Best-in-Class Enjoy Superior Results

Performance Findings (n=305)	Best-in-Class	All Others
Current customer retention rate	91%	32%
Current agent utilization rate	87%	29%
Year-over-year change in customer satisfaction rates	12.8%	1.3%
Year-over-year change in agent productivity	10.8%	4.7%

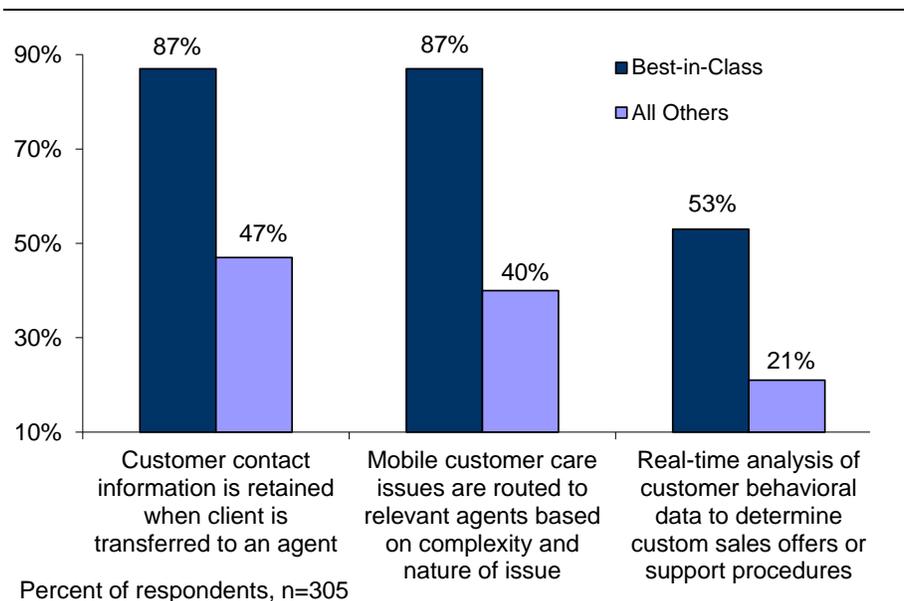
Source: Aberdeen Group, July 2013

Best-in-Class firms enjoy drastically better results across a number of key performance indicators (KPIs), compared to All Others (see Page 1 sidebar for description). These positive results span across measures indicative of customer delight as well as effective use of available agent resources. Now let's observe the foundational elements that help top performers outpace their competition.

Secrets to Maximize Mobile Customer Care Results

The differentiating factors that provide the competitive edge for the Best-in-Class will be observed in two categories; 1. Processes involved in managing mobile interactions, and 2. Performance management. Figure 2 below demonstrates the key process management capabilities.

Figure 2: Best-in-Class Process Capabilities



Source: Aberdeen Group, July 2013

According to Aberdeen's October 2013 [Omni-Channel Customer Care: Empowered Customers Demand a Seamless Experience](#) study, ensuring seamless flow and integration of data captured across multiple channels is a key factor helping companies maximize the benefits of an omni-channel program. To accomplish this goal, 87% of Best-in-Class organizations capture customer contact data across each touch-point and make it available to agents when the client is transferred to a live agent. Those organizations ultimately reduce the customer effort when a client transfer takes place from a mobile channel into a live conversation (e.g., phone, live chat, email, and social media) with an agent. This reduction in customer effort is facilitated by enabling agents with an overview of the interaction history, therefore reducing the likelihood of requesting information previously provided by the client.

Let's use an example to put these activities into further context. An organization with these activities in place would enable customers to use a mobile modality (e.g., mobile application) to address an issue. If the client isn't able to address the issue, click-to-call functionality (see sidebar for Best-in-Class technology enablers) can be used to dial into the contact center. The customer would be automatically routed to an agent with knowledge and expertise regarding the issue. Furthermore, the agent would be empowered with information regarding the customer profile and previous interaction history, including the use of the mobile application. This helps the agent gain further context into the client issue and personalizes the interaction.

Servicing the customer is not the only area where personalizing interactions with customer data proves useful. Tailored conversations, where clients are provided with targeted cross-sell and up-sell offers based on previous interaction history, also help firms generate additional revenue. Data shows that 53% of Best-in-Class firms utilize analytical tools to analyze customer data on a real-time basis for such targeted cross-sell and up-sell efforts. Businesses using this activity enjoy an approximately four-fold increase (8.8% vs. 2.8%) in annual company revenue growth, compared to those without it.

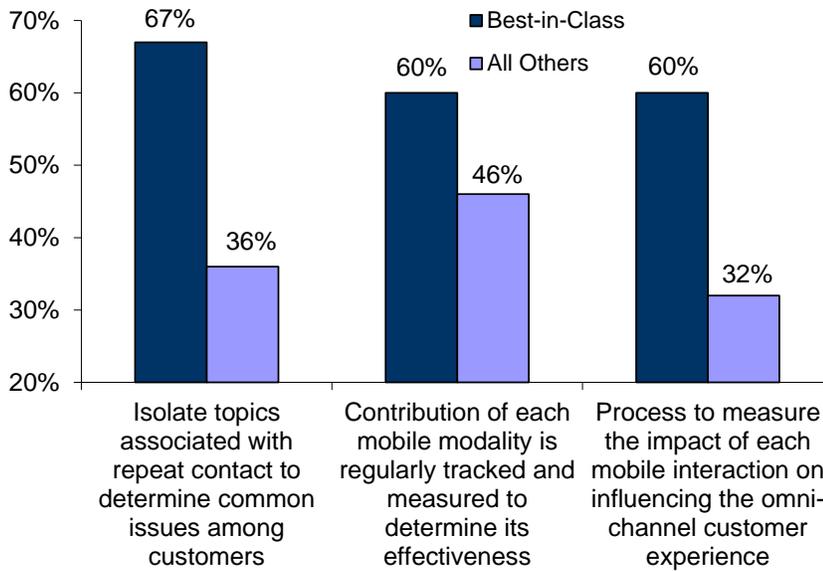
While the process management activities noted above help companies establish truly data-driven interactions, companies need to regularly monitor their performance to ensure achieving maximum results from their efforts. Figure 3 below shows the performance management activities Best-in-Class adopt to ensure the attaining of their customer care goals.

Supporting Technologies

Research shows that Best-in-Class firms are far more likely to utilize the below technology enablers, compared to All Others:

- √ **Knowledge management** – Best-in-Class: 77% vs. All Others: 49%
- √ **Business intelligence** – Best-in-Class: 74% vs. All Others: 53%
- √ **Contact center and CRM Integration** – Best-in-Class: 73% vs. All Others: 53%
- √ **Workflow management** – Best-in-Class: 72% vs. All Others: 49%
- √ **Single sign-on to multiple applications from the agent desktop** – Best-in-Class: 67% vs. All Others: 35%
- √ **Multi-channel customer queue** – Best-in-Class: 52% vs. All Others: 24%
- √ **Customer feedback management** – Best-in-Class: 69% vs. All Others: 42%
- √ **Unified agent desktop** – Best-in-Class: 68% vs. All Others: 40%
- √ **Mobile optimized company website** – Best-in-Class: 52% vs. All Others: 33%

Figure 3: Activities for Continuous Performance Improvement



Percent of respondents, n=305

Source: Aberdeen Group, July 2013

Before measuring the performance of any initiative, companies need to identify the KPIs that are indicative of their success or failure in meeting their objectives. For example, while average handle time can be a relevant KPI for certain businesses, others might find that different metrics, such as cross-sell and up-sell revenue, better indicate their ability to attain their goals. Therefore, the first step in managing the performance of mobile customer care programs should be to determine the KPIs that matter for the business. Then, companies need to regularly track and measure how each mobile modality (see Page 2 sidebar) contributes towards these metrics. Findings from this process are invaluable, as they help companies understand their strengths and weakness in order to fine-tune their mobile strategy. The Best-in-Class are 30% more likely (60% vs. 46%) to have this activity in place, compared to All Others.

Furthermore, top performers are also 88% more likely (60% vs. 32%) to observe how each mobile interaction influences the overall omni-channel customer experience, compared to All Others. It is this focus on ensuring that each piece of the omni-channel strategy (including mobile) contributes the desired results that helps top performers enjoy the benefits of their omni-channel efforts. These benefits include the ability to deliver consistent messages across any touch-point without compromising from meeting the specific client needs.

Managing the omni-channel customer experience is no easy task. While measuring KPIs across the different client touch-points is a good starting point, companies need to go beyond and incorporate a voice of the customer (VoC) program within their mobile strategy. Capturing customer

feedback in the form of surveys is critical to help businesses understand if their mobile strategy is in-line with the needs of the customer. Such feedback can be captured through surveys within a mobile application, SMS surveys, and feedback forms available on mobile websites. Feedback captured through other channels (e.g., social media and email) should also be analyzed closely to seek insights on client sentiment and preferences regarding the use of mobility. As noted on Page 3, the Best-in-Class are 64% more likely (69% vs. 42%) than All Others to use customer feedback management technology tools to support this activity.

Key Takeaways

Customer / company relationships today are rarely confined to interactions through a single channel. In fact, Aberdeen's October 2013 [Omni-Channel Customer Care](#) study shows that one out of two businesses are using at least eight channels to engage their customers. Mobile is one of those channels and businesses report greater focus and anticipated adoption of mobile customer care programs during 2014. This comes as no surprise, as the mobile revolution is rapidly changing the dynamics of customer / company relationships by empowering today's buyers with seamless access to information influencing their purchase and loyalty decisions.

As trends such as "internet of things" merge with mobility, we'll see an increasing number of opportunities where businesses can differentiate themselves through a proactive and personalized customer engagement strategy. With changes in the marketplace, such as Google's acquisition of Nest, the days where our cable box will automatically alert the cable service provider about an issue and we'll get prompted with a mobile notification from the service provider don't seem too far away. Therefore it's crucial that companies realize the importance of mobile customer care and build a strategy that will position them for long-term success in the eyes of their customers.

This report demonstrates several key performance measures showing that companies adopting a mobile customer care program outpace all other firms. However, businesses need to adopt certain activities in order to truly accomplish the top goals driving investments in a mobile strategy. Those activities are a part of the [DNA](#) of Best-in-Class companies, where they help the top performers enjoy superior customer satisfaction, agent productivity and utilization rates. Below are a few recommendations that will help companies planning to establish a mobile customer care program, or those planning to nurture it, enjoy Best-in-Class results:

- **Establish seamless data flow and integration.** Omni-channel offers great opportunities to delight customers, as companies can now collect customer data across numerous touch-points. However, data collected through each touch-point needs to be standardized and integrated within a centralized repository. Contact center agents should have easy access to this system through the agent desktop in order to personalize each conversation. In other

words, your mobile strategy should be integrated with data captured through other systems and provide customers with a seamless experience by empowering agents with visibility into a customer's interaction history through the mobile channel. Partner with your IT team to successfully implement this activity.

- **Determine KPIs indicative of your ability to accomplish your top customer care objectives.** Every business is different; don't assume that metrics that work for your peers will work for your business. Once you determine the KPIs, measure how each mobile modality impacts your performance across these measures to determine your strengths and weaknesses in addressing client needs. Ensure that metrics indicative of the customer experience are included within those KPIs in order to establish a 'customer-friendly' mobile strategy.

For more information on this or other research topics, please visit www.aberdeen.com

Related Research	
<u>Big Data in the Contact Center: A Strategic Advantage</u> ; December 2013 <u>Contact Center and CRM Integration: A Data-Driven Approach to Delight Customers</u> ; December 2013 <u>Omni-Channel Customer Care: Empowered Customers Demand a Seamless Experience</u> ; October 2013 <u>Next-Generation Agent Desktop: Address the Empowered Customer Trends with Happy Agents</u> ; October 2013	<u>Speech Analytics: Making Effective Use of Voice in a Multi-Channel World</u> ; September 2013 <u>Contact Center Optimization: Use Data to Deliver Superior Customer Care</u> ; July 2013 <u>Next-Generation Customer Experience Management</u> ; March 2013 <u>Multi-Channel Contact Center: Establishing the Tie Between Mobile and the Customer Experience</u> ; March 2013
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