



The digital imperative in customer services

How technology is transforming customer and employee experience to drive business growth



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“ The future has arrived, it’s just not evenly distributed yet.”

William Gibson

Advanced and continuously evolving technologies – artificial intelligence (AI), machine learning (ML), the internet of things (IoT) and more – give you a deep understanding of your customers and allow you to personalize services, tailor support and provide more value. And in return, you get more value from customers.

Ninety-three percent of customers are likely to make repeat purchases with companies that offer excellent customer service.¹

To become a customer-first organization, you must unleash innovation and transform using the next generation of customer services technologies, backed by a modern, cloud-based data infrastructure. This is hard to achieve, but for those that do, the spoils are rich.

Technology has changed how customers interact with businesses and transformed what’s possible. With depth of insight and omnichannel support, brought together via AI-powered CRM dashboards, you can recommend individual customers services and products based on who they are, to give them what they need, when they need it.

Eighty percent of consumers say they would switch to do business with a competitor after more than one bad experience.²

Customer experience is arguably the most important thing in your business; helpful, easy and consistent experience builds trust. And in today’s world of empowered customers, competitive advantage comes through building trust.

In this guide, we’ll look at how today’s customer services innovations benefit customer experience (CX), employee experience (EX) and business growth. These three things have a symbiotic relationship; what’s good for one tends to be good for the others.

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The key to turning transformation failure into success relies on the ability of organizations to completely rethink and redesign transformations with humans at the center.

Errol Gardner, EY Global Vice Chair, Consulting³

Employee experience has vastly improved due to innovations in customer services. Connected, AI-driven technology gives agents quick access to customer insights so they can provide a better service. The efficiency that issues can be dealt with, coupled with self-service tools, makes it easier for your employees to learn, upskill, collaborate and become more engaged with their work and your business.

“A transformation’s success or failure is rooted in human emotions. EY report⁴

While customer and employee experience are priorities, **the underlying imperative is to drive business growth.** This comes with commercial pressures for customer service leaders, and invites challenging questions around mode of operation. Can we do more with what we have? Are operations bloated?

Digital tools can make your department leaner, faster, more efficient and more intelligent. The data these integrations generate are powerful for marketing, product development and operations – so your digital leaders can help drive greater value for the entire organization.



Advantages of excellent customer service

- ▶ Gaining early awareness of customer dissatisfaction
- ▶ Equipping staff with detailed, accurate customer information
- ▶ Providing intuitive self-service options
- ▶ Delivering consistent, omnichannel communications
- ▶ Meeting customer expectations, demands and timeframes

Proactive customer services

Seventy percent of global consumers have a more favourable view of brands that offer or contact you with proactive customer service notifications.⁵

Proactive customer support is a gamechanger. It's the outcome of new technologies aligning so that organizations can start to resolve issues before they become problems – sometimes before the customer has even noticed.

This is made possible by IoT sensors which generate data from machinery, buildings and vehicles. Combined with predictive analytics, this data is relayed to customer support agents who can then

determine the scale of the issue and the correct resolution, before proactively reaching out to the customer. Some connected devices can be fixed remotely with no on-site intervention at all. The perfect situation is that a customer's first notification says an issue was detected and it's already been fixed.

What this means for ...

Customer experience

Sometimes improvements and innovations are so seamless they're only noticeable in their absence. Not so with proactive customer services. You can help eliminate operational downtime and unplanned maintenance. Saving the customer a lot of money and making their life a lot easier.

Employee experience

For agents, proactive support means anticipating customer queries rather than reacting to them. And that's a totally different conversation, which would you choose: waiting for 20 stressful minutes to get through to an agent in the midst of a crisis, or receiving a call to let you know you need to take action to keep operations moving.

Low code/no code application development lets non-technical employees build solutions for customers, without having to wait for the DevOps pipeline to clear. Tools like Microsoft Power Apps drive employee engagement and customers access app launches and updates faster.

Business growth

Proactive customer services increase customer satisfaction, while simultaneously maximizing utilization of products and services. This in turn creates trusted, long-lasting relationships. And, because IoT sensors give you more data than just whether something is about to break – they also tell you how a product is used, when it's used, what are common uses or failures – it's useful for product development and marketing as well as your customer services teams.

The rise of the virtual agent

Ninety percent of customers feel comfortable handling an issue without a human agent.⁶

Virtual agents (also known as chatbots) are experiencing a boom, with the new generation of AI- and ML-powered tools offering capabilities light years away from being simple website indexes. Today, they're capable of providing specific, up-to-date and personalized information, in response to questions written in colloquial language or using interactive voice response (IVR) technology. And they do it instantly, a big factor in their popularity with customers.

The power of your virtual agent is related to the inter-connectedness of your organization. If data is relayed effectively, AI can improve itself and remain relevant. A human element is always required to manage the software, but AI, ML and automation do a lot of the heavy lifting.

What this means for ...

Customer experience

For customers, virtual agents offer speed (no waiting for a free agent while being told 'your call is important to us'), ease (they're sitting and waiting in the corner of your screen) and convenience (they work 24 hours a day).

Employee experience

Thanks to the efficiency and intelligence of virtual agents, customer services professionals should notice a reduction in inbound calls. And if they need to respond to a customer about an issue escalated through the virtual agent, they can see what is been discussed, saving time for both the customer and agent.

Business growth

Not only can virtual agents save call time for your staff, they act as a filter for the more problematic issues which need to be handled by your trained staff. Virtual agents also allow you to cost-effectively scale your support services and enter new markets in new languages.

Data analytics

The industrial analytics market is expected to reach \$55.3 billion by 2029.⁷

Data analytics has gone from being a nice to have to a can't compete without. The power of your data analytics is directly related to how connected your organization is. Is your data in the right place, ready to be analyzed? Does it move freely across your business? Is your analytics software giving you valuable insights? Do your teams have the experience to action them?

Today, AI can sort and use unstructured data, IoT pulls in data from more sources and blockchains can share data in real time with a network of distributed parties. For customer services, this level of analytics provides in-depth understanding of your customers and their challenges, so they can prepare for conversations with relevant content and valuable answers.

What this means for ...

Customer experience

Data platforms, such as Microsoft Power Platform, help customers get issues resolved faster, with a more personalized service. The improvements may be almost imperceptible, but your customer will experience them in every area, to the point that case resolution becomes straightforward with a company that knows them well.

Employee experience

More information means agents can make better decisions. For example, with insight from sales, agents can see open sales opportunities that can be nurtured.

Data also allows the gamification of customer services. By tracking case data, such as how many have been completed, how fast, etc., you can incentivize good work. The results show who needs to be rewarded, who needs to be nurtured and who needs basic training.

Business growth

Data analytics is hindered if data isn't shared across the organization. When you break down data silos, allowing customer services to become part of a data-driven ecosystem, you will create value everywhere. The insights that will generate future value are hidden in your data.

Omnichannel

Sixty-five percent of companies want to add tools that allow agents to work across multiple channels.⁸

Omnichannel engagement is expected. Customers might turn to Facebook or Twitter for a quick, informal answer. Or they'll reach out via your contact center for a serious issue. They might order a replacement part through a reseller and expect you to help with delivery and returns.

At present, this isn't the seamless experience it could be. Tools such as Microsoft Digital Contact Center Platform (DCCP) bring all your communications channels, including voice, social and virtual agents, to one centralized application – helping to streamline and simplify omnichannel engagement.

What this means for ...

Customer experience

The ideal is that the experience is seamless. Conversation can move from one platform to another without losing any detail. And customers should enjoy a consistent, familiar user experience on your channels compared to their favourite social media platforms.

Employee experience

Employees benefit from Data Contact Center (DCCP) as it simplifies the management of multiple channels, bringing them all into one place. And with Microsoft Teams integration fueling cross-team collaboration, it means cases can be resolved faster using omnichannel insight.

Business growth

Keeping up with the technologies, platforms and social channels your customers are using limits missed sales opportunities. But a successful omnichannel strategy requires you to know your audience. There isn't much heavy-duty manufacturing content on TikTok. Is that an opportunity for you? Probably not.

Personalization

Organizations that focus on personalized messaging around helping consumers can expect sixteen percent improvement on commercial outcomes than those that don't.⁹

Personalization of services creates customers interactions that don't feel transactional, but useful and empathetic. AI, coupled with data analytics and omnichannel, draws customer data together from disparate sources to give a holistic, unique view of that individual. Technology identifies the customer and their pain points through previous interactions and then recommends an experience best suited to that personality. These insights can also be shared to create highly focused, relevant and effective marketing campaigns.

What this means for ...

Customer experience

Personalization may come across very subtly to the customer. After all, they would have to engage with you using many different identities if they wanted to see how their own experience is distinct from others. But personalization does mean a more seamless, relevant and empathetic brand experience, which should encourage loyalty, retention and increased spend.

Employee experience

With all relevant information at their fingertips, agents can offer solutions and services that will be well received by customers. But personalization can work internally too. Dashboards are set up to the agent's specifications, for example, showing them relevant training modules or social opportunities.

Business growth

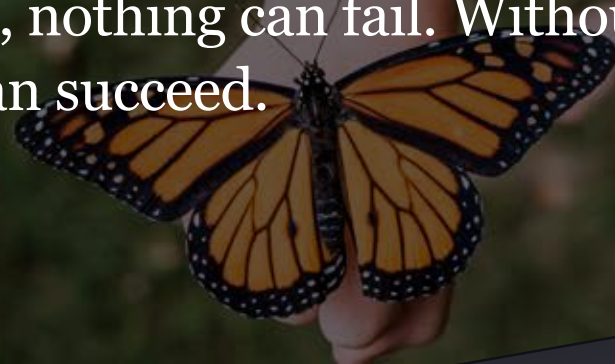
High levels of personalization show your customers that you are tuned in to their needs, which means loyalty, long-term value and advocacy.

Sentiment analysis

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Sentiment is everything. With public sentiment, nothing can fail. Without it, nothing can succeed.

Abraham Lincoln¹⁰



Sentiment analysis uses call transcription and natural language processing to assess the sentiment of any call, and whether it improves or deteriorates during that time. AI also pulls in historical data from other forms of correspondence, such as emails and chatbot conversations, to assess the overall mood of a customer in their interactions with your business. With this information, you can offer an experience more empathetic to the unique needs of that individual customer.

What this means for ...

Customer experience

Your customers will receive more empathetic support. If frustrated, the agent will change tactics to make sure the customer feels heard, rather than compounding the frustration. It means they aren't sold to when they're unhappy, but they won't miss opportunities when they're feeling positive.

Employee experience

Sentiment analysis gives agents real insight into the mood of the customer. This helps them know when to try and sell and when to back off. Team leaders and managers can also see which agents continuously create positive experiences for customers, in order to reward them and analyze their approaches.

Business growth

Happy customers will be long-term customers. And sentiment analysis helps you understand who's happy, who's not and why – so you can focus on nurturing the things that work and finding solutions for the things that don't.

Conclusion

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For the last 10 years, cloud, big data, analytics, social and mobile have challenged companies to rethink the customer experience. In the next 10 years and beyond, new technologies — Web 3.0, metaverse, quantum, edge technologies and technologies not yet conceived — will force CMOs to transform the customer experience over and over again.

from EY report: *How can you create a growth strategy where everyone wins?* ¹¹

Digital innovation continues to transform what's possible in customer services. That means today, with the right IT in place, you can give your customers a simple, seamless, enjoyable and genuinely valuable experience.

Harnessing the power of AI, ML, IoT and automation, Microsoft technologies work seamlessly together to offer a highly personalized and familiar end-to-end consumer experience; the sort you might receive as a daily visitor to your local bakery. Only it can be done at scale, in any place in the world, with speed and ease.

Which customer service technology you should invest in depends on your business' and your customers' needs. Taking a consultative approach is the best way to identify those needs and your ability to meet them. With the right partner, you can design a customer-centric customer services transformation strategy aligned to your own business objectives, that will work for you into the future.

An integrated collaboration: EY-Microsoft Alliance

EY and Microsoft design and deliver transformative cloud solutions to help clients resolve their toughest issues. We generate long-term value by **unlocking the power of data** and **combining business knowledge, industry expertise and intelligent technology**.

Together, we support organizations to create exceptional experiences that **help the world work better and achieve more**.

Learn more about the EY Microsoft Services Group, part of the EY-Microsoft Alliance: https://www.ey.com/en_gl/alliances/microsoft.

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