DELIVERING OMNICHANNEL NOW

FROM THINKING TO DOING
Accenture UK’s Customer and Channels practice helps businesses deliver an intelligent and seamless omnichannel customer experience by applying a “10:5” approach. Organisations that pursue this journey accelerate their ability to provide relevant, insight-led interactions with decisioning at the core of the omnichannel experience. They achieve this by focusing on 10 core KPIs and working with an ecosystem of five partners – thus realising improved upsell/cross-sell performance that helps to drive a 12% to 15% increase* in average revenue per user (ARPU).

*Based on global examples using decisioning
The combination of digital, social and mobile technologies has transformed how customers educate themselves, evaluate a purchase and interact with businesses. The result is that customers now are omnichannel, and looking for services customised to their personal needs.

Customers are better informed than ever, engaging with organisations through a range of different means, and increasingly starting their journeys in digital channels. As a result, today’s ‘always-on’ consumers are likely to undertake a myriad of interactions across more than one channel.

Accenture Strategy’s Global Consumer Pulse Research found that 88% of customers use digital channels at some point in their shopping journey¹. And nearly half of consumers – 48% – typically cross back-and-forth between digital and physical interactions with companies, even within a single interaction².

Put simply, consumers are now non-stop. So, how can organisations capitalise on the radical shifts in consumer behaviour to drive higher satisfaction and revenues? The first step is to understand what today’s customers expect from the businesses they buy from.

88% of customers use digital channels at some point in their shopping journey

48% of customers cross back and forth between digital & physical interactions with companies

Accenture Research 2016
Increasingly, customers expect not only a seamless buying journey, but also an intelligent and immersive experience. Their expectations have been boosted by the simplicity of convergent technologies like Apple, and intuitive, convenient services from internet companies such as Amazon, Airbnb and UBER. Beyond this, customer expectations are now being further heightened by a new generation of services in which the thinking involved in undertaking an activity is dramatically reduced.

Digital start-up businesses have led the way in delivering this type of experience. Think of players like The Chapar, which provides intelligent personal styling recommendations for men based on lifestyle preferences. Or Life Box, which offers monthly deliveries of nutritional products on subscription to meet personal fitness goals.

Across all these services, one thing is clear. If an experience is executed exceptionally well, customers are prepared to pay a premium for it or part with greater personal data and accept greater personalisation of marketing messages – as they do with the Google Chrome browser.

Businesses that recognise these shifts and really deliver the ‘omnichannel experience’ – the seamless and effort-reducing journey within and between channels – secure loyal ‘fans’ and add growth to the bottom line. According to global Accenture Strategy research, retail businesses’ omnichannel customers deliver 3.2 times the sales and 2.6 times the margin of store-only customer.

But while the omnichannel experience presents tremendous opportunities, the proliferation of channels can be a double-edged sword. It’s not enough to be simply present in a channel – and too many brands have added a presence in new channels without thinking through the linkages between them, or really understanding how customers will use the services provided.

Since customers are using more channels in their decision making, a failure to get these elements right can lead to more effort involved in interacting with a business, resulting in a worse customer experience than a single channel would have provided. So the question is how to create an omnichannel environment that transforms the customer experience for the better.
WHY IS THERE SO MUCH OMNICHANNEL TALKING – AND SO LITTLE OMNICHANNEL DOING?

For companies to be relevant, engaging and successful with the modern consumer, they must ensure their interactions across all touchpoints are seamless and consistent. Information must also be readily available for comparison, purchasing journeys must be simple, and customer experience must be underpinned by strong customer-centric leadership. This much is well known – and probably has been for the past few years.

So, why have companies in the communications and media sector made so little progress in getting ahead of customers’ omnichannel expectations? For two main reasons.

First, legacy. While digital-first retailers and platforms can deploy and test new experiences quickly, and learn from their mistakes, it’s not so easy for businesses that carry significant technology and organisational legacy. Most large telecoms and quad-play providers aspire to be more like Google, Facebook and Apple: witness how the “West Coast study tour” has become a regular occurrence.

But taking the vision back home and implementing it is a whole different matter. Why? Because of the fragmentation of data across numerous legacy systems in different channels. Think about it. Retail stores are based on a standalone Point-of-Sale solution. Contact centres are based on CRM, CTI and an IVR that is hard to change. Add numerous other digital and social channels/apps built on different content management tools, and the challenges multiply. What’s more, all these front-end systems interact in different ways with legacy billing, provisioning, order management and fulfilment back-ends, often with no interaction between them whatsoever. And as businesses have converged to broaden their offerings – such as TV businesses launching mobile to offer quad-play – the problems of legacy have got worse, not better.

Second, siloed organisational structures that are no longer fit for purpose. The transformation of customer journeys into myriad interwoven interactions in person, online and across social media means the traditional linear marketing funnel is obsolete. Yet businesses still operate in traditional siloes, making it even more difficult to support for the real-time nature of their interactions with customers across channel and life stage. For example, quad-play providers still think about their customers and product holders first, and individuals second, creating a dysfunctional marketing overlap between broadband, TV, and mobile.

It’s even arguable that the very division of organisations into discrete Marketing, Sales and Customer Service teams – often with further embedded siloes within each channel – is making the omnichannel nut even harder to crack. However, it’s a brave CEO who embarks on a radical reorganisation of their entire customer-facing organisation, particularly in the absence of a proven new model.

None of this is new news. But the net effect is that the creation of true omnichannel experiences is seen as “too difficult” – and organisations end up dabbling at doing omnichannel in pockets without an overarching framework. The result is they often achieve only limited progress and give up too quickly. So, can we break out of this impasse? The answer’s yes.
HOW TO “ACTIVATE THE DOING” — BY LEVERAGING THREE CORE CHARACTERISTICS

We see many organisations looking to optimise the customer experience by designing customer journey maps and processes across omnichannel. And while identifying customers’ “moments of truth/points of pain” and setting out to resolve them is good starting point, delivering a truly seamless omnichannel experience requires a greater ambition.

Organisations that exhibit this higher ambition see the customer experience as the only differentiator in saturated markets, where price comparability is expected and no longer the route to market leadership. And our experience shows that organisations that deliver omnichannel effectively and at pace exhibit three core characteristics that – in combination – create positive outcomes for the business and customer, without becoming bogged down in multi-year IT programmes or endless organisational change. The three characteristics are:

#1 Secure the numbers and establish senior sponsorship
#2 Focus on bitesize chunks
#3 Use an ecosystem of partners
DELIVERING OMNICHANNEL NOW
FROM THINKING TO DOING

1. **SECURE THE NUMBERS AND ESTABLISH SENIOR SPONSORSHIP**

Competitive and economic pressures and the pace of change in business environments mean that aspiring initiatives rarely get the right level of focus unless sponsored from CEO top-down. This sponsorship can only be secured by proving value quickly, with some organisations targeting pay-back within a year. A core determinant is being able to pilot/test and prove value before making the full investment in technology implementation.

Organisations that secure sustained investment in the omnichannel experience do so by focussing on the most valuable points in the customer lifecycle. The priority of start-points varies by organisation and industry: cross-geography benchmarks in telecoms show an average decrease of 8% to 10% discount spend through focusing on the point at which customers want to leave. In contrast, other organisations start by concentrating on driving positive net revenue through higher cross-sell, achieving ARPU rises of around 12% to 15% on average.

2. **FOCUS ON BITESIZE CHUNKS**

Organisations looking to optimise the omnichannel experience need to focus on events and communications within journeys and channels, to be able to accelerate delivery and prove impact quickly. The growing availability of agile technologies enabled by APIs and the rise of platforms mean this is becoming ever more possible.

Many of the largest organisations begin by measuring the “voice of the customer” using net promoter scores (NPS) to quickly identify unresolved pain points that are impacting a large number of their customers. Then these organisations can use agile analytics to differentiate between types of events, and optimise the ones with the greatest customer and economic impact.

3. **USE AN ECOSYSTEM OF PARTNERS**

Businesses that succeed in driving omnichannel at scale overcome the limitations of legacy systems. Today, no single CRM vendor can possibly meet all the current and future needs of any business. So rather than limiting themselves to one CRM provider and restricting their ability to keep pace with changing requirements, forward-thinking organisations overlay an ecosystem of technologies to achieve best-of-breed solutions.

This means moving away from time-consuming and costly implementations, and instead embracing hybrid technologies that can ingest and normalise data quickly from a wide range of sources. As these changes gain pace and momentum, trialling of new technology is increasingly being driven by business functions such as marketing, sales and customer service rather than IT, as these teams seek to do more across the omnichannel experience.
As a core technology, decisioning sits at the heart of omnichannel enablement. It acts as a single marketing ‘brain’ or decision engine orchestrating the entire customer journey and experience across channels. To play this pivotal role, decisioning engines combine data, real-time triggers, business and channel rules and propensity models to recommend the next best action or product/offer to a customer.

Decisioning can combine a multitude of data sources such as customer data, service interactions, usage, network, products, pricing, billing data, propensity data and business rules. It can use all this data to drive recommendations and interactions across many touch points such as retail, call centre, digital, email and SMS, as well as ingesting information across various systems – including CRM, network and billing platforms.

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Accenture UK’s Customer and Channels practice sees five pioneering technologies leading the way in agile omnichannel enablement within Communications and Media clients. They are:

- Decisioning
- Personalisation
- Customer experience measurement
- Omnichannel guided selling
- IVR enablement

FIVE KEY OMNICHANNEL TECHNOLOGY ENABLERS WITH DECISIONING AT THE CORE

OMNICHANNEL DELIVERY CASE STUDY:
Helping a communications and media provider deliver a true service-led experience using Pega

This leading communications and media provider wanted to enhance its customers’ experience by enabling agents to address service queries proactively, driving sales through service and reducing technology cycle time to market. Accenture worked with the client to implement Pega Next Best Action module in less than 20 weeks as part of a wider delivery programme, enhancing the customer’s service experience by presenting targeted customer treatments across the customer lifecycle based on a blend of 30+ actions/offers.

The results delivered:

- Pega integrated into agents’ user desktop
- Creation of a customer analytic record consolidating 100+ attributes (demographic, billing, network etc) influenced by Accenture’s Unique Service Analytic Record (USAR®)
- Prompts to increase agent resolve rate on all high priority service actions
- Reduction in campaign cycle time
- Implementation of agent tracking and executive-level dashboards using Qlikview Visualisation to support decision-making.
Most importantly, the best decisioning systems focus not only on traditional sales/revenue use cases, but also seek to understand service triggers and include service treatments in decisions. In this way, decisioning and customer experience start to blend into one way of thinking, powered by analytics, enabling the identification and delivery of the single best message to put in front of each customer at any given point in time.

As well as decisioning tools such as Pega, other technologies are also vital in enabling specific channels. Examples include Adobe (Online), Honeybee (Retail) and Genesys (IVR), while solutions such as Medallia sit at the core of the omnichannel experience tracking real-time customer advocacy and sentiment.
Organisations looking to build their omnichannel capabilities should focus on a two-speed IT journey that enables them to test first and learn to fail fast, thus unlocking value quickly. This requires the creation of a focused programme delivery team, enabling the business to invest in building longer-term capabilities such as technology, governance and process.

Accenture’s experience shows that the quickest way to realise value is often to mobilise two dedicated work streams. Not all technologies will lend themselves to starting an implementation using agile teaming. So, to help companies leverage a two-speed IT journey, the table on the next page outlines the different stages at which different delivery models can be leveraged, and specifies some best-in-class ecosystem delivery partners for each capability.

**OMNICHANNEL DELIVERY CASE STUDY:**

Revolutionising the experience of buying connected devices at Dixon’s Carphone through a Programme Delivery approach

Dixons Carphone, a leading UK electronics retailer, wanted to revolutionise its customers’ experience of buying connected devices and transform its staff into expert sales advisors across the huge range of propositions it offers. In just 12 weeks, Accenture helped deliver a guided selling and analytics platform called Honeybee, to optimise the customer retail store and online experience, and enable tracking and analysis of customer journeys in real time.

The results delivered:

- Live in 1,000+ retail stores
- Reduced time to buy a handset by 65%
- 36% increase in sales conversion
- 25% increase in customer satisfaction
<table>
<thead>
<tr>
<th>Technology Vendors</th>
<th>Capability</th>
<th>Description of Capability</th>
<th>How to Leverage a Two-Speed IT Journey</th>
<th>Gear 2: Programme</th>
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<tbody>
<tr>
<td>1</td>
<td>Pega</td>
<td>Decisioning</td>
<td>In Life: Pilot &amp; test actions/offers &amp; determine which tests to scale</td>
<td>Set-Up &amp; Implement: Establish technical architecture and set-up infrastructure (e.g. servers/hardware)</td>
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<td></td>
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<td>Centralised marketing brain to enable a personalised action/offers treatments and a seamless omnichannel customer experience based on customer value and lifestage</td>
<td>Optimise decisioning framework designed to prioritise treatments based on business imperatives</td>
<td>Build Industrialised/automated refresh to customer and billing data</td>
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<td>Technology overlay to integrate business rules and real-time data and insight from disparate legacy systems (CRM, Billing, IVR etc.) and real-time service (network bandwidth, channel viewing).</td>
<td>Pilot/different treatments by segment</td>
<td>Integration to real-time feeds (e.g. networks information)</td>
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<td></td>
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<td>Respond to competitor offers</td>
<td>Reporting reconciliation with backend e.g. Billing</td>
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<td>Once technology foundations have been laid across Next Best Action/Offer and Bundle Negotiator</td>
<td>Build decisioning framework</td>
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<td></td>
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<td>Build Customer Lifetime Value and investment algorithms</td>
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<td>2</td>
<td>Adobe</td>
<td>Online Personalisation</td>
<td>In Life: Pilot &amp; test across propositions, landing pages, customer journey, social proofing and checkout</td>
<td>Programme approach less applicable</td>
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<td>Capability to set-up and run online A/B multivariate testing to determine the best offers, messaging and content based on customer engagement and conversion</td>
<td>Set-up and implement: Small ring fenced team across business and technology</td>
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<td>Automated personalisation to push targeted content to individual customers with self-learning algorithm</td>
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<td>3</td>
<td>Medallia</td>
<td>Customer Experience</td>
<td>In Life: Pilot &amp; test across propositions, landing pages, customer journey, social proofing and checkout</td>
<td>Data Integration: Industrialised/automated integration of NPS data into data lake or CAR/USAR</td>
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<td>Measurement</td>
<td>Set-up and implement: Ability to deliver across agile sprints, using a combined business and technology team</td>
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<td>Capability to measure and report customer sentiment and advocacy of the brand experience &amp; link to customer lifetime value</td>
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<td>4</td>
<td>HoneyBee</td>
<td>Omnichannel Guided Selling</td>
<td>In Life: Enables consistency across channels using drag and drop/config</td>
<td>Set-Up &amp; Implement: Set-up architecture/infrastructure</td>
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<td>Experience</td>
<td>Ability to launch new propositions across channels</td>
<td>Integrate tool into product catalogue/pricing &amp; bundling &amp; customer data</td>
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<td>Guided selling and sales analytics platform to optimise the customer retail store and online experience by tracking and analysis of customer journeys in real-time</td>
<td>Ability to make journey changes across all channels simultaneously</td>
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<td>Integration of core propositions/products</td>
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<td>Non-verbal indicator cues based on value</td>
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<td>5</td>
<td>Genesys</td>
<td>Web integration and enablement</td>
<td>Visual analytics used to profile routing rules and model the effect of routing changes on Available time and Transfer rates (through misdirected interactions)</td>
<td>Design, build and end-to-end programme management of intelligent omnichannel routing solutions</td>
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<td>Smart omnichannel routing, with end-to-end integration across voice routing, chat, e-services, and workforce management</td>
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<td>Intelligent desktop to sales and service personnel, helping the helpers understand the customer's issue and how to fix it</td>
<td>Deployment of critical enabling technologies from the Genesys suite e.g. Orchestration Server (captured omnichannel routing rules), Conversation Manager (allows intelligent transfer of customer interaction information from one channel to another, enabling greater routing precision), Proficiency Management (enables target expansion in routing, creating greater flexibility in the network, reducing Available time (planned and actual) and improving Service Levels)</td>
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Organisations looking to build their Omnichannel capabilities at pace will find it useful to develop and follow a 100-day sprint plan.

A TYPICAL 100-DAY SPRINT PLAN

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<table>
<thead>
<tr>
<th>100 Day Plan</th>
<th>30 Days</th>
<th>40 Days</th>
<th>30 Days</th>
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<tbody>
<tr>
<td>✔ Form Incubation team</td>
<td>✔ Test &amp; Learn Approach</td>
<td>✔ Industrialise and Scale*</td>
<td></td>
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<tr>
<td>✔ Define benefits case</td>
<td>✔ Prove command Centre</td>
<td>✔ Test integration**</td>
<td></td>
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<tr>
<td>✔ Define key KPIs</td>
<td>✔ Define requirements using joint business and technology workshops**</td>
<td>✔ Begin business Testing**</td>
<td></td>
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<tr>
<td>✔ Define Customer Rule Book</td>
<td>✔ Finalise model build**</td>
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**Gear 1**: Pilot Test & Learn

- Form Hypothesis
- Mobilise Incubate Team

**Prove & Scale**

- Personalisation Example

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**Gear 1**: Pilot Test & Learn

- Form Hypothesis
- Data Analysis
- Track Results

**Prove & Scale**

- Personalisation Example

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**Gear 2**: Programme Delivery

- Scope
- Define Cust. Rule Book

**Decisioning Example**

- Def. Benefits Case
- Define Data Variables (USAR)
- Build USAR & Analytic Models
- Define Action / Offer Catalogue & Business Rules
- Define User Stories & Non Functional Requirements
- Mock-Up UI
- Config Decisioning Tool & Presentation Layer
- Test
GEAR 1
PILOT AND TEST

Given that tools such as Adobe Test and Target provide an overlay to existing web infrastructure, they lend themselves nicely to implementation through agile and test sprints. Typically, tests are devised based on hypotheses and proven across a number of sprints – an approach that’s especially appropriate in cases where the omnichannel experience provides multiple options.

INCUBATION PODS: BREAKING DOWN SILOES

Developing liquid teams – test and learn ‘Incubation Pods’ – enables the traditional and functional siloes of Sales, Service & Marketing to be broken down without re-architecting the operating model. Teams should be cross-functional – spanning marketing/commercial trading teams, customer service and analytics – and focus on trialling analytics and actions or offers that may result in broader changes in people, process analytics and technology upstream.

A cross-functional taskforce enables the business to respond to the omnichannel customer by life-stage journey and events while also allowing it to develop a culture of test and learn. Typically this team should be entrepreneurial with a mind-set of innovation and failing fast. Organisations that use this way of working successfully tend to:

- Empower Incubation Pods to make decisions autonomously
- Maintain focus by protecting the team’s capacity from operational day-to-day delivery
- Measure the team’s success by its ability to execute and optimise volume tests
- Deliver tests through agile sprints based on hypothesis and rapid data analysis
- If required, provide dedicated technology support to enable pilot/test cycles

In responding to clients’ need to accelerate ways of addressing business problems, Accenture Labs collaborate with clients to rapidly prototype, test, refine and scale concepts.

Progressive organisations use Incubation teams across the lifecycle – acquisition, in-life and retention – starting with one life-stage. The most advanced go further, creating a liquid workforce that utilises global talent by teaming employees with seasoned experts and external expertise.

FORMING HYPOTHESES: DEFINE AND PRIORITISE

In launching any pilot, the trick is to define a range of hypotheses as a starting point, and then prioritise based on insight. Hypotheses need to be customer-led using insight from customer-facing teams, and prioritised through data analysis based addressable volume and value of customers. In order to isolate changes and make the greatest impact, it’s vital to keep the hypotheses focused on a single life stage/event and channel, as well as ensuring a representative control cell.
Telefónica and Accenture – a digital partnership achieving omnichannel excellence through an “agile sprint”

O2 UK, the commercial brand of Telefonica UK, has the highest customer satisfaction of any UK mobile provider according to OFCOM. The company needed to optimise its shopping experience and increase uptake of online journeys for upsell/cross-sell and upgrades. Accenture deployed a small value-based team to industrialise onsite optimisation on the O2 shop and checkout pages using O2’s Test and Target platform.

As tests are successfully executed, they should be industrialised and scaled. In decisioning, this might mean enhancing insight models to accept treatments more readily based on campaign results. For personalisation, it could mean implementing tweaks to an online journey proven by a representative sample of customers.

Industrialisation is key: no matter how high performing an online offer may be, if it is driving inbound calls the root cause needs to be identified and fixed before scaling.

The results delivered:

- Successful embedding of a “customer first” listening culture, where different options are put in front of customers and the most successful selected based on customer interest and uptake
- Rapid and streamlined approach for pilot and test, with 50+ tests executed in a year – launch tests every 1-2 weeks, and the results evaluated every 2 weeks
- 32% increase in web acquisition across tests executed
- £4m incremental revenue per year
- £ The benefits delivered a full return on investment.
GEAR 2
PROGRAMME DELIVERY

Programme delivery lays down the foundations on which test and pilot will continue to operate and evolve over time. Accenture can help ensure the maximum progress is achieved in the minimum time through capabilities like our liquid studios, which build innovative solutions with speed and agility. In the early stages of programme delivery – such as decisioning – success is as much about setting up the right technology architecture as establishing sustainable ways of working. Examples include ensuring that customers that are in complaint aren’t offered an upsell/cross-sell. Three core enablers are at the heart of any successful omnichannel delivery: a customer rule book, an analytical record, and the right KPIs.

CUSTOMER RULE BOOK: THE GUIDING PRINCIPLES

A set of grounding principles and prioritisation based on value levers should guide customer interactions across the various technologies. The principles will balance the functional priorities of customer service with the commercial trading priorities, helping to reconcile the competing priorities around service experience (NPS) and commercial targets.

High-level financial analysis is recommended to quantify the impact of decisions. Not all service queries warrant a suppression of offers: a complaint on brand marketing isn’t as severe as a recurring technical issue with set-top boxes. Striking the right balance of serving, ‘doing nothing’ and selling is critical for driving revenue. Clearly data is core in enabling the customer rule book – which is why Accenture UK’s Customer and Channels practice often works with organisations to assess and improve their ‘data-centric’ maturity.

A JOINED-UP CUSTOMER VIEW: RECOGNISING AND PRIORITISING THE KEY DATA

A long-accepted principle in serving the omnichannel customer effectively is to develop a “customer analytical record” – a centralised set of data attributes across all customers. The wealth of data now available often makes it difficult to prioritise the integration of key data.

Companies can tackle this issue by using Accenture’s Unique Service Analytical Record © (USAR) asset, an accelerator for businesses looking to enhance the omnichannel experience. USAR includes the most correlative attributes for service issues or complaints, and provides a mechanism to track a customer journey from order submission throughout the end-to-end lifecycle. This enables organisations to identify customers whose journeys are likely to result in problems, and intervene early to reduce complaints. An example might be measuring broadband connection speeds proactively against those advertised, and – where appropriate – acting to increase them before customers complain.

Organisations seeking the next breakthrough omnichannel experience are starting to look at household as well as the holistic product holding and service experience. For example, media and communications companies offering bundled services can drive higher loyalty by bringing together a consolidated view of household products in mobile, broadband and TV, recognising the key decision-makers, bill payers and users.
RIGHT KPIs: MEASURING WHAT MATTERS

Setting the right KPIs is vital for making change stick within any organisation. All too often, businesses track additional KPIs to drive a change in behaviour, without removing less useful legacy KPIs or aligning KPIs to individuals’ pay and reward. Here are three key focus areas around KPIs:

Top-Down KPIs and Dashboards by Audience

Designing a customer centric customer experience requires change to be driven top-down, with KPIs cascading from senior management to customer-facing agents. The ability to track KPIs needs to be readily available across functions, with dashboards providing the level of visualisation and insight appropriate to the audience. At the highest level, KPIs must balance customer satisfaction (NPS) with subscribers and net revenue across acquisition, in-life and retention.

Connecting NPS and AMPR

While most organisations measure NPS, few unlock – or even understand – its full potential value. This is largely because they measure customer satisfaction (NPS) at the end of the interaction rather than during end-to-end transaction. In contrast, the most advanced organisations tie customer satisfaction back to effort, using the principle that each event that is ‘effort-intensive’ negatively impacts the customer experience. These organisations measure customer satisfaction along the journey, recognising that a reduction in Average Minutes Per Resolution (AMPR) will reduce customer effort and increase satisfaction and loyalty. Since not all events will yield the same benefits, AMPR needs to be benchmarked by event type.

Omnichannel KPIs

Alongside customer satisfaction and effort, several other factors impact effectiveness in serving the omnichannel customer. For example, a key measure in Decisioning is agent adoption, as the tool will shift agents’ conversations towards ones based on centrally-driven omnichannel insights and business rules. Therefore, during the evolutionary stages of implementing an omnichannel experience, the core metrics may include adoption.

OMNICHANNEL DELIVERY CASE STUDY:

Transforming a major UK telco’s omnichannel KPIs by implementing Accenture’s USAR

This major UK telco wanted to make an ambitious step-change in improving its customer experience, but was restricted by its legacy consumer support model. A key challenge was that it had no single view of key customer issues, or of the effort required to support and resolve them across all the consumer channels. Accenture used the Unified Service Analytic Record (USAR)© to examine 26.3m customer interactions over six months. The outputs were combined with interviews to identify the average number of interactions required across all channels for each customer query, the average time to resolve each query, and the key barriers hampering improvement in the customer experience. Accenture used the findings to define and agree process improvements and operating model principles that were trialled in a 16-week model office pilot.

The results delivered:

- Reduction in complaints
- A 15% reduction in overall effort and cancelled journeys.
## TEN KEY OMNICHANNEL KPIS

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<th>KPI</th>
<th>Definition</th>
<th>Formula</th>
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<tr>
<td>1</td>
<td>Average Net Revenue Movement by Journey</td>
<td>Start vs. Final Net Revenue by Journey</td>
<td>Final Net Revenue – Start Net Revenue</td>
</tr>
<tr>
<td>2</td>
<td>Average Net Promoter Score per Journey</td>
<td>Average Net Promoter Score per Journey</td>
<td>Net Promoter* = % of Detractors subtracted from the % of Promoters, where:</td>
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<td>Promoters (score 9-10) are loyal enthusiasts who will keep buying and refer others, fuelling growth.</td>
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<td>Passives (score 7-8) are satisfied but unenthusiastic customers who are vulnerable to competitive offerings.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Detractors (score 0-6) are unhappy customers who can damage your brand and impede growth through negative word-of-mouth.</td>
</tr>
<tr>
<td>3</td>
<td>Average Minutes Per Resolution (AMPR)</td>
<td>Average Minutes Per Resolution (AMPR)</td>
<td>Sum of Closed Event Type /Number of Closed event type</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>*An event could be a type of broadband network issue.</td>
</tr>
<tr>
<td>4</td>
<td>Average Journey Length</td>
<td>Average Journey Length</td>
<td>Journey length in days per Journey</td>
</tr>
<tr>
<td>5</td>
<td>Channels per Journey</td>
<td>Average # of channels per Journey</td>
<td>Sum of unique channels per Journey</td>
</tr>
<tr>
<td>6</td>
<td>Interactions per Journey</td>
<td>Average # of interactions</td>
<td>Sum of interactions per Journey / Journey type</td>
</tr>
<tr>
<td>7</td>
<td>30 Days - Post Interaction Churn</td>
<td>% of interactions handled resulting in a churn event within 30 days of the interaction</td>
<td># of interactions resulting in Customer Churn within 30 days of the interaction / Total # of interactions</td>
</tr>
<tr>
<td>8</td>
<td>Next Best Actions/Offer Acceptance Rate (By type)</td>
<td>% of accepted Next Best Actions/Offer (By Type)</td>
<td># of accepted Next Actions or Offers (By type) / Sum of Recommended Offers, Accepted, declined and deferred</td>
</tr>
<tr>
<td>9</td>
<td>Next Best Offer Acceptance Value (By type)</td>
<td>Value of Next Best Offers accepted</td>
<td># of accepted Next Best Offers x Value of Offers Accepted</td>
</tr>
<tr>
<td>10</td>
<td>Next Best Offer Missed Opportunity Value (By type)</td>
<td>Missed Value of Next Best Offers (not presented)</td>
<td># of Next Best Offers (not presented) x Value of Offers (based on average)</td>
</tr>
</tbody>
</table>
We have now seen enough providers get this right to be definitive about what works and what doesn’t – both in terms of technology enablers and ways of working. And the other piece of good news is that customers – while impatient for progress – recognise good omnichannel experiences when they encounter them, and are willing to reward providers for delivering even moderate reductions in effort and improvements in deployed customer intelligence and targeting.

So the size of the prize here is significant. To date, real, tangible, effort-reducing, omnichannel experiences that customers notice and value have been thin on the ground. But not only are the tools and capabilities now available to meet customers’ expectations, but using them is also becoming cheaper and easier. All in all, it’s time to start giving customers what they actually want.

EMBARKING ON THE OMNICHANNEL JOURNEY

For too long, technology and organisational barriers have prevented communications and media providers from harnessing the customer loyalty, cost-to-serve and revenue benefits that true omnichannel customers can bring. The impact has been flat-lining NPS and rising customer complaints, despite no lack of focus and financial investment in this area. The good news is that it doesn’t have to be this way.

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ABOUT ACCENTURE

Accenture (NYSE: ACN) is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations. Combining unmatched experience and specialised skills across more than 40 industries and all business functions – underpinned by the world’s largest delivery network – Accenture works at the intersection of business and technology to help clients improve their performance and create sustainable value for their stakeholders. With approximately 401,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives. Visit us at www.accenture.com.

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To learn more visit us at accenture.com/high-tech
Visit our webpage at: accenture.com/omnichannelnow

Inspired and challenged by digital native companies, Telecommunications and Media companies globally have been wrestling with the challenge of redesigning their product and service experiences around today’s hyper-connected, omnichannel consumer. Accenture Consulting recently released a comprehensive framework to designing omnichannel journeys, structured around the 7 Ps: Process, Presence, Personalization, Purpose, People, Persistence and Product. These are a great set of design principles.

Read more here: accenture.com/us-en/service-omni-channel

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