

The Five Must-Have Capabilities for Unbeatable Customer Care

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COMMUNICATIONS



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ABSTRACT

COMPETITION, NETWORK COMPLEXITY AND MORE CHALLENGING MARKET CONDITIONS HAVE RAISED THE STAKES ON CUSTOMER CARE IN THE COMMUNICATIONS INDUSTRY. IN THE MONTHS AHEAD, FIRMS MUST MAKE CRITICAL DECISIONS REGARDING WHICH SERVICE-ORIENTED INITIATIVES CAN HELP THEM BEST INCREASE SATISFACTION AND PROFITS.

THIS PITNEY BOWES BUSINESS INSIGHT WHITE PAPER EXAMINES THESE CHALLENGES, PROVIDING A DETAILED ASSESSMENT ON FIVE PRACTICAL, COST-EFFECTIVE OPPORTUNITIES WHERE FIRMS CAN STEP UP TO MARKET DEMANDS AND ACHIEVE AN IMPRESSIVE RETURN ON INVESTMENT. WITH THE RIGHT TECHNOLOGY, WORKFLOW PROCESS AND APPROACH TO CUSTOMER DATA, COMPANIES CAN BUILD ROBUST, CUSTOMER-FOCUSED CAPABILITIES TO:

- INSTANTLY ASSESS WHEN AND WHERE SERVICE IS AVAILABLE FOR A GROWING NUMBER OF WIRELESS AND LAND-LINE NETWORKS
- PROVIDE CONSISTENT INFORMATION TO CUSTOMERS USING THEIR PREFERRED CHANNEL
- REDUCE THE NUMBER OF INQUIRES RELATING TO BILLING, AND TRANSFORM INVOICES INTO CLEAR, EASY-TO-READ, REVENUE-GENERATING DOCUMENTS
- GIVE YOUR PHONE REPS VISIBILITY TO THE SAME DOCUMENTS AND COMMUNICATIONS THAT CUSTOMERS RECEIVE
- CREATE A POWERFUL, USER-FRIENDLY ONLINE EXPERIENCE THAT WORKS TO REDUCE COST AND INCREASE SATISFACTION
- LEARN HOW MARKET LEADERS LEVERAGE DATA, LOCATION INTELLIGENCE AND MULTI-CHANNEL COMMUNICATION STREAMS TO STREAMLINE OPERATIONS, RETAIN CUSTOMERS AND DRIVE SIGNIFICANT BUSINESS REVENUE.

WHEN IT COMES TO PRIORITIZING NEW INITIATIVES AND ALTERNATIVE TECHNOLOGIES, CUSTOMER-CENTRIC ORGANIZATIONS WILL KEEP CUSTOMER NEEDS TOP OF MIND.

New Challenges Raise the Stakes on Quality Customer Care

While firms in the communications industry have always understood the importance of customer service, today's market conditions make it easier to correlate the cost of poor service in terms of attrition, lost revenue and missed opportunities. Simply put, customers have more options at a time when they are less willing to settle for anything short of excellence.

Lack of new subscribers. Subscriber growth, which took a turn for the worse in late 2008, continued to slow in the first half of 2009, and now stands at just over 3%.¹ The combination of market saturation and a lackluster economy has shifted the focus from new users to retention, cross-sell and the replacement market.

Dependence on wireless. The growth of 3G networks and reliable wireless service has led to higher expectations. Nearly one out of every five American homes, for example, no longer has land line phones—triple the number of just five years ago.² These consumers rely entirely on wireless technology to communicate, increasing the importance of accurate, timely customer service.

Intense competition. Rapid advances in Internet and wireless technologies have created an environment where traditional phone companies, wireless carriers and cable companies are competing—often with a similar bundle of products and services. While this heightens the role of customer service for all companies in the communications sector, it also means that customer care personnel and systems must be set up to respond to customer inquires covering a broader range of services and technologies such as local and long distance, wireless, Internet access, DSL, high-definition TV, fiber optics and satellite service.

Budget pressures. Like in most industries, operations heads must improve customer service, while finding new ways to reduce talk time and lower handling costs. The \$10-per-inquiry cost to handle a customer transaction adds up fast when call volumes are high and reps do not have the information on hand to provide first-call resolution.

To be successful, operations heads must uncover ways to prioritize where they can improve service delivery for a lower cost—identifying the capabilities and technologies that can make an immediate impact on overall satisfaction, retention and cross-sell.

Keying in on Customer Preferences

As customer service becomes a key factor in a company's brand image and reputation, it's not surprising that the strategies of a successful customer care group will sound similar to those of a marketing organization: deliver the right message to the right customer at the right time through their preferred channel.

For many companies, the ability to deliver a consistent customer experience across all channels and modes of communication can be difficult. Some organizations, for example, can effectively manage structured communications, such as invoices or notices, but fall short when it comes to on-demand and interactive touchpoints. Others can deliver precise information quickly in some channels, but lack the necessary real-time data in others.

When it comes to prioritizing new initiatives and alternative technologies, customer-centric organizations will keep customer needs top of mind.

The Life of a Customer Inquiry: Five Must-Have Capabilities to Deliver Unbeatable Customer Care

As quality customer care becomes an even more important factor in overall profitability, communications companies will need to identify where they can make the biggest impact in both the near and long-term horizon. Making progress in today's economic climate also means that any new technology must deliver an impressive return on investment—with payback defined in terms of months, not years.

Fortunately, five practical, cost-effective opportunities exist—opportunities that focus on customer needs and the challenges organizations face in today's competitive marketplace.

1. COVERAGE, COVERAGE, COVERAGE

There was a time when a company's "coverage area" was communicated by pre-printed maps on the back of sales brochures. Given consumers' increased dependence on reliable service, those broad-based generalities no longer suffice.

Today, carriers and communications firms must be able to respond to three key questions related to coverage areas with speed and precision:

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1. Am I eligible for service?

For a company that offers wireless phone service, DSL Internet access and HDTV, for example, the answer may depend on the type of service requested. Having precise information about the customer's location and distance to key network assets can help set expectations and avoid costly installation visits to homes that do not fall into your company's coverage area.

2. Why don't I have service?

As consumers become increasingly reliant on instant two-way communication, their level of frustration increases when it comes to poor or spotty coverage. To ensure cost-effective service, customer care representatives must quickly assess whether an issue is handset or network related. Does the customer reside in a known trouble areas? Can we pass an accurate location onto the Network Operations group?

3. When will my service be up again?

While no one can assure uninterrupted service, carriers can take steps to eliminate uncertainty by setting realistic expectations once a problem has been identified.

The cost of inaccurate or incomplete coverage-related information is impossible to ignore.

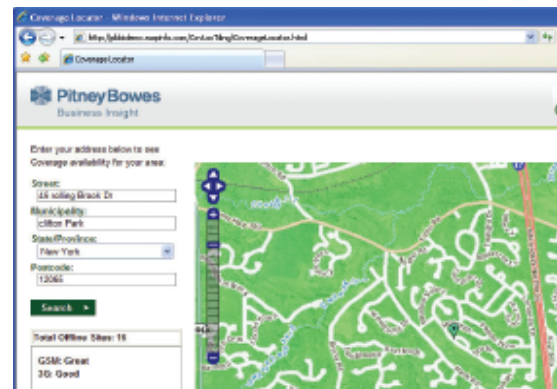
While 90% of coverage-related calls are handled and closed by Tier I representatives, as many as 30 to 40% of these customers end up calling back as the underlying problem persists. Lacking any precise real-time information or an ability to visualize outages and areas of poor service, representatives have a difficult time advising customers and setting proper expectations.

10% of calls result in the creation of trouble tickets and are escalated to Tier II. While Tier II inquires take more time to resolve, a great many require follow-up calls to ascertain the exact location of the problem in question.

Nearly 50% of all Tier II tickets are later escalated to Tier III, where customers will wait, on average, from six to 12 days for a resolution and call back.

Studies show that the primary reason for the majority of escalated, returned and re-opened calls comes down to insufficient location information—including precise data about the customer's location, distance to key network assets and trouble spots. While the costs in labor and time can be significant, the cost of customer dissatisfaction may be even greater—especially in an age when unhappy customers can express themselves on public forums and other Internet-based communities.

Fortunately, companies can instill the capabilities necessary to respond to common customer inquires—and gain a critical competitive advantage. Leading organizations, for example, already provide a common, enterprise-wide source of accurate, up-to-date maps. These applications connect service reps and customers directly to a Web-based, accurate depiction of coverage incorporating feeds directly from the RF Engineering team (coverage maps) and the Network Operations Center (outage maps).



By keying in a customer address, service reps can instantly view a coverage map that provides near real-time details on service availability at the customer's exact location.

Such tools provide support reps and sales staff with the ability to find a caller's location on a map, ascertain which products and services are available, and instantly compare with any known trouble-areas. Instead of simple coverage maps that depict service availability at the county or town level, these advanced tools provide details at the street and home-level.

ORGANIZATIONS THAT HAVE INCORPORATED BEST PRACTICES IN STATEMENT DESIGN HAVE REALIZED SIGNIFICANT ADVANTAGES, INCLUDING FEWER CALLS, FASTER PAYMENTS AND REDUCED CYCLE TIME.

These capabilities can reduce talk time, improve first-call response and increase satisfaction with your call center. Plus, by incorporating these technologies on your customer service web site, you can eliminate calls altogether.

2. INFORMATION ANY TIME, ANY CHANNEL

While the ability to generate accurate coverage data is critical, imagine the level of confidence one could inspire by following up a phone call with an email that includes the same detailed visual representation.

The flexibility to deliver customized communications anytime, across any channel, is the second must-have capability for a leading-edge customer service center. Such functionality makes it easy for business units to create, manage and centrally control personalized messages in all forms of communication—transactional, interactive and on-demand.

This last element is critical. While many organizations have found ways to leverage operational and customer data in mass-produced printed communications and personalized web sites, today these capabilities must expand to include two-way email and SMS channels.

Demographic-driven. Clearly, the wireless customer base has adopted SMS—and in the case of teens and young adults, it is the new standard. At the same time, telecommunications firms must also serve seniors and other segments who may have difficulty reading smaller fonts. As such, firms must support out-bound and inbound e-communications in a variety of methods.

Compliance-driven. While corporate legal and marketing teams review most printed correspondence in advance, the same level of scrutiny rarely exists in interactive and on-demand channels, which adds an element of risk to every communication. The ability to centrally administer content helps ensure compliance, while providing for well-managed archiving and digital signature security.

Brand-driven. The same controls that support compliance objectives can also make it easy to create customized content that meets your company's brand guidelines. Such tools allow reps to interact with customers on a one-to-one basis without having to create (or recreate) communications from scratch.

Growth-driven. The ability to deliver consistent information across multiple channels of communication helps increase overall satisfaction. Likewise, accurate, personalized and well-designed e-communications help increase response to renewal offers and upsell efforts.

Clearly, when you can serve customers using their preferred channel, you can step up to their demands for choice, relevance, timeliness and personalized contact. In terms of business objectives, sharing customer data across channels can yield more complete customer profiles and greater operational efficiency.

3. CLEARER, MORE CUSTOMER-FRIENDLY BILLING

Despite the growth in interactive and on-demand communications, transactional documents such as bills and invoices continue to generate the highest number of calls and inquiries.

Consider this recent contact study conducted by Edgar, Dunn and Company:

Cable TV: 60% of calls involved billing questions

Wireless: 55% related to rate plans, account information, billing and payments

Large Telcos: 59% of contacts involved billing, balances and statement questions

Despite the millions spent each year generating, producing and mailing statements in both print and digital form, customers still find that they need to contact customer care to clarify information—contacts that may cost carriers up to \$15 or more. And as companies look to add-on services and bundle offers, the complexity and questions will only increase, unless they take steps to produce statements that are more clear, understandable and personalized.

Leading document design engines make it easy for companies to enhance, modify and manipulate print streams from multiple sources, including legacy systems, providing the means to redesign and customize statements from your desktop. Organizations that have incorporated best practices in statement design have realized significant advantages, including fewer calls, faster payments and reduced cycle time.

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More than 95% of transaction documents are opened and read each month—far more than any other type of direct response effort. With the right tools, companies can add informative, relevant and timely messages to turn these transaction documents into powerful marketing communications. As the cost of color print has come down significantly (and is virtually free in e-channels), marketers have even more flexibility when it comes to building brand loyalty. Of course, the same segmentation strategies and data-driven offers included in statements should be echoed across every touchpoint—including your call center.



The transpromo document. Companies able to incorporate customer data and personalized offers can easily add relevant promotional content to transaction documents.

4. REAL-TIME VISIBILITY

Even with the best designed statement, some customers may still have questions—calls that can be resolved quickly on the first call if your CSRs can see bills and other communications just as they appear to the customer.

Organizations that rely on document vaults can provide CSRs with desktop access to any customer document, making it easy to explain where an invoice amount, offer code or specific charge appears. In practice, such capabilities have resulted in quicker call resolution and significantly lower costs.

5. MORE INTUITIVE SELF-SERVICE

The ultimate example of unbeatable customer service occurs when you can improve the customer experience, while dramatically lowering the cost of service. To be effective, your Web account management tools must be built using the same data streams that support your invoicing operation and customer care units.

With today's middleware technologies, companies can implement robust, well-branded, self-service functionality faster and more cost-effectively than ever before. More than simple statement repositories, these fully functional sites allow customers to:

- View and pay bills
- See updated balance information—such as available minutes—on a daily basis
- Sort and organize call detail and transactions
- Order new service or change existing service
- Determine whether service is available or check the status of an existing service
- Dispute and adjust charges online
- Analyze billing
- Create cost centers
- Consolidate invoices from multiple locations or business units

While self-service means cost savings, some firms augment these automated sites with live chat options to provide a more personal touch and opportunities for consultative selling.

Five Capabilities to Reduce Cost, Increase Revenue

Accurate real-time coverage maps, combined with intelligent communications, can work together to deliver significant savings. Built on proven technologies, these practical capabilities have already generated significant results for companies of all sizes, including regional carriers and large, global companies.

What's best about these capabilities, however, is that they address a broad range of issues and opportunities and make it easy for firms to deliver true customer-centric service.

THE ABILITY TO REDUCE CALL BACKS AND TROUBLE TICKETS BY 50% COULD LEAD TO ANNUAL SAVINGS OF OVER \$2.5 MILLION.

On the cost side, consider the operations of a large enterprise that averaged 20,700 call backs and 5,500 trouble tickets each month. The ability to reduce call backs and trouble tickets by 50% could lead to annual savings of over \$2.5 million.

On the revenue side, some organizations have used geographic-specific offers on their statements to increase upsell and cross-sell. Such targeted offers have helped boost response rates by 65% or more.³

Bringing Unbeatable Service to Life: Technologies That Make a Difference

Critical topics you may wish to explore with your technology partner include:

Self-Service. Customer satisfaction and cost-reduction are key, but also consider how an application can help you collect payments faster and more efficiently.

Visibility. While there are many ways to archive documents, leading-edge solutions provide the scalable environment necessary to access a high volume of documents with no degradation in performance or response time.

Transpromo Billing. Select print stream engineering tools that modify documents without disrupting underlying systems or operations.

Multi-channel Communications. Document composition tools should support transactional, on-demand and interactive communications from a single controlled environment. In its recent report on output technology, for example, industry analyst Gartner would not even consider an application as viable unless it supported all three types of communications.

Coverage-Area Mapping. In this arena, you will find the greatest advances in recent years. Web 2.0 technology, map tiling and rich Internet applications have come together to provide an unrivaled interface, more dynamic maps, an intuitive user experience and seamless integration with your existing IT infrastructure and applications. Providing CSRs and customers with precise, up-to-date service information is critical. Such leading systems also offer:

- Address-level geocoding with accurate, aesthetically appealing and fully customizable maps
- Ability to overlay multiple dimensions—detailing accurate coverage for all of your services and customized information for individual users
- Integration with trouble ticketing systems and network operations centers for near real-time network monitoring
- Desktop user experience over the Web
- Transaction logging to keep track of usage for network planning and marketing
- Multi-tiered distributed SOA architecture that can provide 99% up-time
- Deployment across multiple countries

Today, firms in the communications industry must relook at how they deliver customer service in order to streamline operations, retain customers and drive business revenue. The ability to leverage data, location intelligence and multi-channel communication streams has become a must-have capability.

While technology certainly plays a role, working with technology firms that understand the challenges and workflows critical to your business is equally important. That's one more reason why you should consider speaking with your Pitney Bowes Business Insight representative. We've worked closely with large telecommunications forms, wireless carriers, cable and satellite companies for more than 25 years—helping clients deal with the complexities of serving customers in both niche markets and global, multi-national arenas. To learn more, we invite you to call 1.800.327.8627 or visit www.pbinsight.com.

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