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Service provider differentiation through customer experience

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Introduction

The landscape for technology services is evolving, more rapidly than ever before. External environmental factors, including the COVID crisis, have accelerated the evolution of enterprise technology requirements and in turn transformed demand for innovative and differentiated solutions from service providers.

New developments in various areas of technology promise to further disrupt the traditional status quo, including the emerging development and availability of new connectivity standards, and an overall move to cloud applications.

As the technology landscape and enterprise demands have changed, so too has the market for technology service provision. The convergence of different technology areas:

software, information technology, and communications has bought new competitors into the traditional domain of the communications service provider. This increased competition – coupled with external factors such as changing demand, advancing technology, and transitioning working models – places greater emphasis on communication service providers to stand out and offer unique differentiated solutions to remain relevant.

Customer experience

The totality of a customer's perception when interacting with brand or organisation throughout all aspects of their engagement – whether purchasing a product or service – from pre-sales through to purchasing and post-sale.

One critical area for service provider consideration is customer experience, engagement, and management. For years customer experience has been a peripheral tool in the service provider portfolio. Now, as other traditional areas of success become more complex and competitive – traditional telco services, networking, and software – customer experience provision may provide one area for service providers to invest, excel, and remain relevant for enterprise customers in a rapidly evolving world.

Another key facet of an organisation that has direct correlation to customer experience is employee experience. Ultimately customer experience is a direct result of employee experience. Happy employees generally provide better customer service and organisations with more engaged employees tend to provide better customer experiences. Creating a culture that engages employees and improves customer experience can be achieved by helping employees to feel integral, valued, and rewarded. This isn't just managed by process but also by installation of systems and technology solutions that alleviate issues and reduce risks in terms of compliance.

Employee experience

The totality of a person's perception during their tenure as an employee in organisation throughout all aspects of their experience – through hiring, employment, and exit.

Customer experience now plays an even more vital role in an era of increased compliance where the demand for continuous compliance and customer knowledge is persistent in nearly every organisation. Regulatory standards globally are rising, meaning that enterprises are being held to higher standards of data management. Any viable solution must ensure data visibility and management to ensure that end customers are protected from associated risks.

This whitepaper will cite research to explain how and why enterprise competition has increased and examine how customer experience, coupled with data compliance and analytics, could provide a critical aspect of the future service provider portfolio. While it is clear that end customers need to stand out from competitors, it is also clear that service providers must embrace new experience models or risk being made obsolete in a changing world.

Globalisation changing the competitive enterprise

Enterprises are now looking for their customer experience and compliance solutions to act as critical competitive differentiation. Globalisation – along with the impact of IP-based technology solutions and the cloud reducing borders – is increasing competition in nearly all vertical markets, as new international competitors are able to enter regions that were previously inaccessible to them. As product and pricing diminish as differentiating factors, organisations are forced to explore alternative strategic initiatives that enable

them to stand out from competitors. It is here where exceptional and innovative customer experience provides a competitive edge, and a clear opportunity for service providers to enhance and enable this. Intrinsically linked, customer experience and compliance must go hand in hand. Without compliance – regardless of the effectiveness of a customer experience solution – service providers and their end customers are vulnerable to a realm of possible risks, from litigation to financial.

International expansion

Cavell Group's research shows that enterprise organisations in the US and EU are growing their international presence exponentially. International bodies monitor the value of global trade and in all areas – over a fuller time period – show sustained growth. World Trade Organisation (WTO) statistics show that the volume of world merchandise trade has increased and is forecast to increase further.
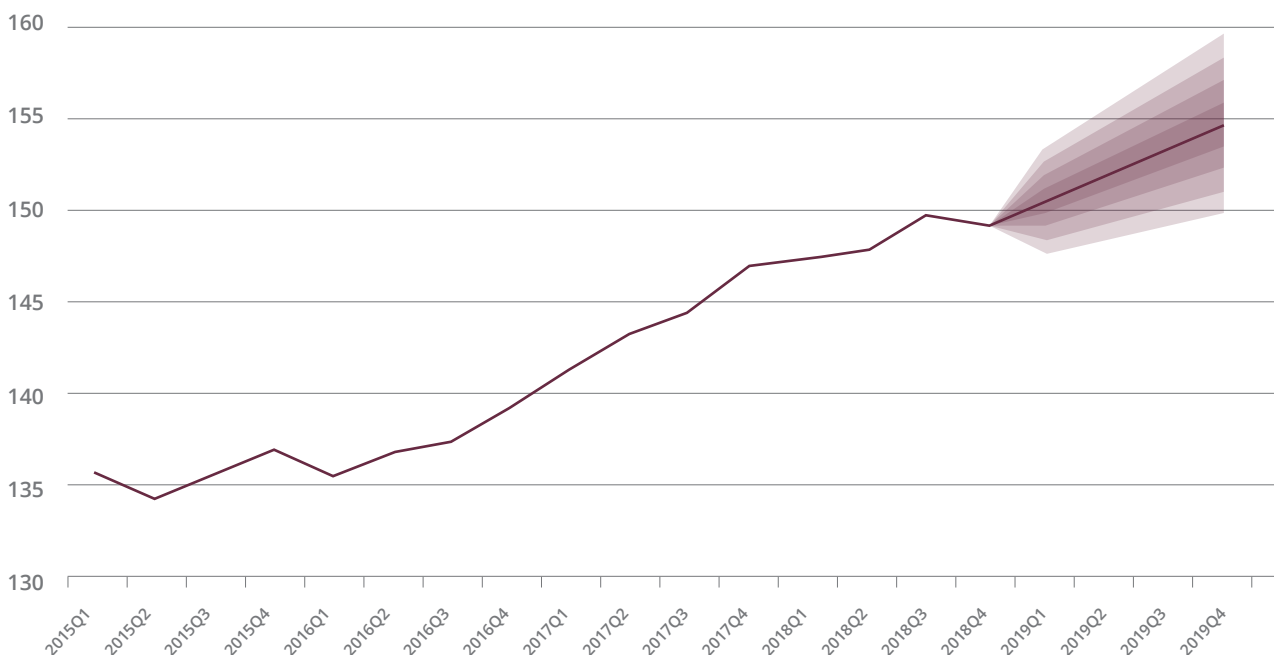

Figure 1. Volume of world merchandise trade 2015 Q1 to 2019 Q4 - WTO and UNCTAD

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As globalisation impacts competition and product and service prices are consolidated, businesses in different verticals need more ways to differentiate. This is where greater focus is placed on branding; go-to-market, including distribution and supply chain; and customer experience strategy.

Branding is one area with more nuanced considerations. Meeting regulatory and compliance requirements is becoming an area of increasing focus for enterprises and also service providers. Constantly evolving legislation means that this area can create a minefield of potential fines and penalties. It's not only regulatory ramifications at stake, but those in terms of brand. A data breach, poor management, or other issue can dramatically impact a brand's reputation. Service providers need to meet customer regulatory requirements with solutions that ensure compliance and general peace of mind.

Changing customer communication requirements

As customer experience becomes more important for the enterprise as a strategic differentiation tool, enterprise customer communication requirements are changing to reflect this transition.

What % of companies have custom-built smartphone application?
US/EU Enterprise Insights Report 2020 (Cavell Group)

Legend: 2019, 2020, 2021
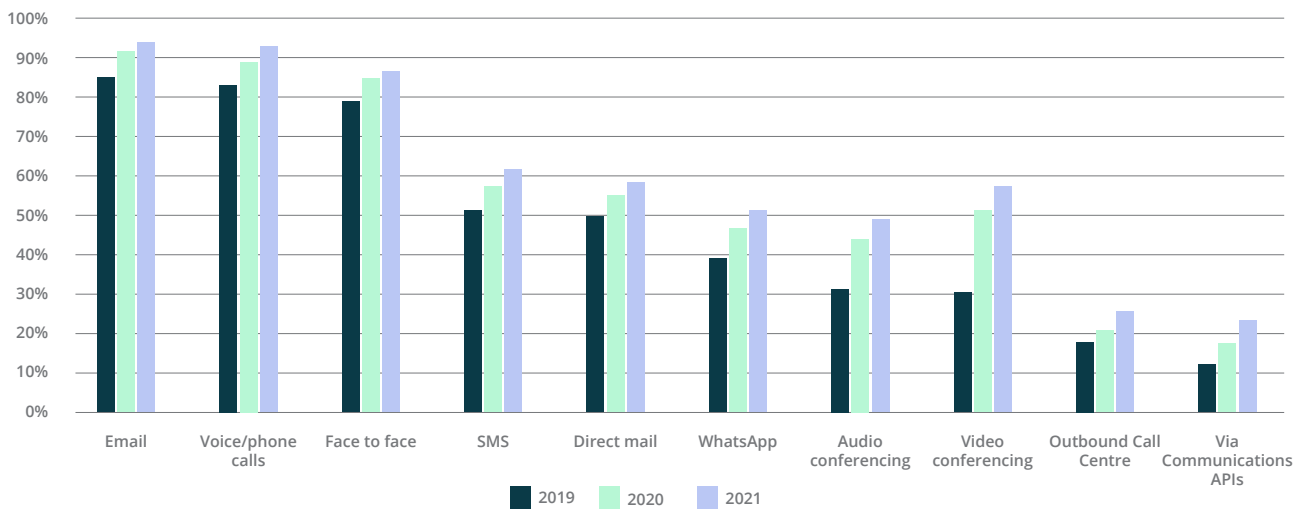
Enterprise organisations now utilise a huge range of communication tools to engage with their customers. Traditional contact methods – such as email, face-to-face, and direct mail – are still relevant but are now increasingly integrated with a variety of other more modern communication channels including social media, video conferencing, and SMS.

Voice data has recently been increasingly overlooked as more modern communication channels have entered into customer experience. Social media, although valuable, is nowhere near as prevalent as voice communication and customer voice enquiries are still the most common form of interaction.

Despite the clear importance of voice, few service providers have built a competitive and differentiated capability in voice communications and data. This is an area ripe for focus and investment.

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Voice data gives service providers the edge

The position of voice interactions in the communication portfolio is still vital. As the second most prevalent form of customer communication, behind email, voice provides the richest medium in terms of data. Voice communication offers significantly richer data than more basic textual communications – with more possibilities in terms of tone and sentiment analysis – and service providers can leverage its importance to provide key insights to enterprises.

Competitors are realising the value of voice.

The cloud hyperscale giants have invested heavily in their own initiatives to try and manage voice networks. We have seen both Microsoft and Amazon – alongside Google and IBM – launch cloud-based networking focuses designed specifically to attract enterprises to move their voice workloads into their respective clouds. Why? Voice data is highly valuable. The cloud giants need data for their supplementary intelligence services – i.e. IBM Watson & Azure Cognitive – to be effective. These overlay services will raise huge additional revenue streams and cloud providers are looking to add rich voice data to enhance the overall data repository at their disposal.

Cloud communication service providers need to be wary of this. Although they currently hold the key position in managing customer voice data networks, a lot of this data has the potential to be lost. Enterprises looking to maximise their provision of customer experience want to be able to utilise all available data. Service providers need to ensure they can track, store, and manage all of this data on behalf of their customers. Once the data is visible and accessible, service providers can then offer additional intelligence and optimisation services to their end customers. The opportunity in this area is huge and service providers need to act swiftly to ensure that their position as technology partner is maintained.

Unified call recording solutions offer service providers one area where they can really add value. By uniting voice data from an organisation's potentially disparate systems, a service provider can ensure that an end customer organisation can leverage maximum value from its data and drive enhancements and optimisation.

The key is to ensure that voice communication data is visible. Ensuring call recordings can be accessed easily, via the cloud, transcribed, and analysed – to ensure that any customer behaviour or trends can be properly monitored – is critical to the success of a customer service providing organisation, and any organisation looking to address compliance mandates.

As customer experience strategies change the relevance of more integrated solutions and systems – to both streamline processes and manage and analyse data – are also required. This has led to increased adoption of integrated communication tools, where a communication avenue can be incorporated into an existing business workflow tool, CRM system, or other line of business (LOB) application. Many service providers now integrate their cloud communications solutions with key CRM solutions and increasingly with other tools as well – Natterbox, Aircall, and CloudCall all focus their businesses on relationship and integration with CRM.

We are also seeing messaging services being much more widely utilised and integrated into other business systems to enable better customer contact processes. As well as incorporating new communication tools into existing customer experience platforms, such as websites, enterprises are now also looking to create entirely new platforms and areas to engage with customers.

The rise and proliferation of smartphones, coupled with simplified application development frameworks, has encouraged greater numbers of businesses to develop their own smart phone applications.

What % of companies have custom-built smartphone application?
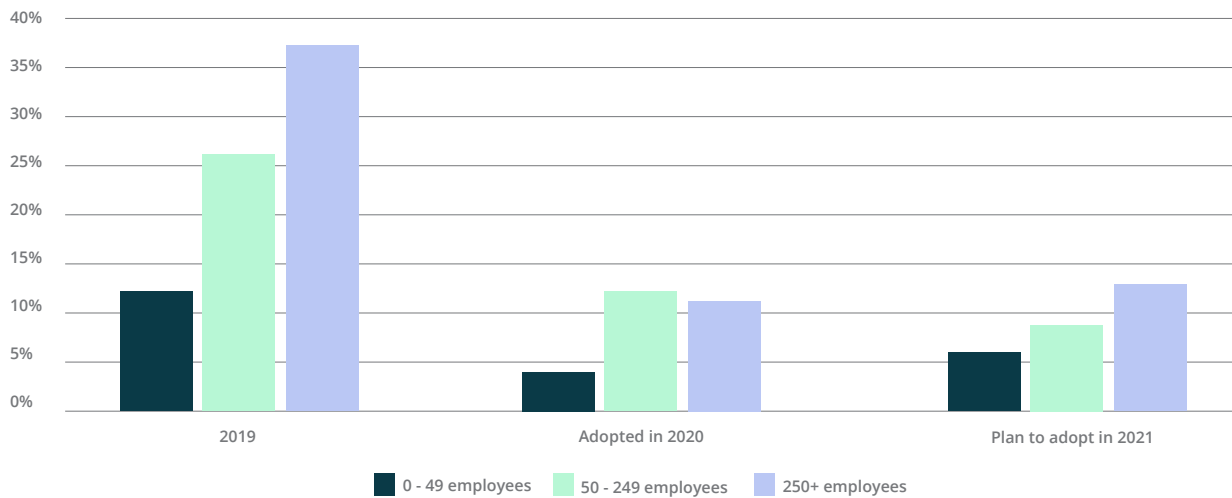US/EU Enterprise Insights Report 2020 (Cavell Group)

Figure 7. Cavell Enterprise Insight Report 2020

Having a custom-built smart phone application allows an organisation to interact with customers in an entirely new sphere, which caters for customer demand in terms of ease of access and simplicity.

Enterprise adoption of new customer communication methods – such as messaging and social media – combined with increased uptake of integrated customer communication channels, in websites and smartphone applications, creates a new realm of opportunities for service providers.

Enterprise organisations are now using a huge range of communication tools, across multiple platforms and applications, to communicate with their end customers. This surge in communication methods creates a huge amount of customer interaction data. This data boom and the subsequent demand for supplementary related services should be an area of interest for cloud communications service providers.

What is customer interaction data?

Customer interaction data is the sum of all the "digital footprints" a customer leaves behind as they complete a communication transaction with a business.

- Digital footprints can take many forms accross different communication methods
- What time did the customer interact?
- What device did they communicate from?
- Where did they comminicate from?
- What sort of tone did they communicate in?
- Was their query resolved or does it require follow-up?

All of these data points can be used to better understand customer behaviour, enhance internal process and improve customer service.

"A single interaction can create hundreds or thousands of useful data points"

A business might struggle to manage, consolidate, and analyse this burgeoning amount of data. That is where a service provider can add real value by offering oversight of these sporadic systems – providing data management, overlaid analytics and offering insight to help improve efficiency and productivity. Unified call recording solutions could be critical in this area to ensure that an organisation has overall visibility of a customer's interaction pathway.

COVID, changing communications, and the cloud

2020 radically accelerated several enterprise business trends. Enforced remote working – caused by the global COVID pandemic – removed many traditional scenarios in enterprise workflows. Face-to-face meetings and informal chats round the water cooler were no longer possible, requiring enterprises to embrace new virtual communication tools as an alternative.

Cloud solutions vital in the 'new world of work'

With enterprise users globally unable to commute into the office or travel to customer meetings in person, the need for easily accessible communication solutions to replicate these interactions was crucial. The traditional deployment model for communication solutions, in terms of on-premise systems and infrastructure, also became much less viable. On-premise solutions worked well when the entire workforce was in the local office, but as all users tried to access on-premise systems from different remote locations access, usage problems were prevalent.

"One third of respondents highlighted that they did not have access to the right applications or systems"

– Cavell Group Enterprise Insight Survey 2020

Enterprises needed to find new solutions that offered rapid remote deployment, easy access anywhere, and the innovative functions and features their users needed to thrive in a remote world. That is where the cloud came in. Cloud applications and systems have been growing in popularity over previous decades but 2020 accelerated their adoption for various reasons. Cloud-based communication and collaboration solutions provided enterprises with the flexibility, scalability, and rapid deployment options they needed to ensure that they could keep their workforce productive and effective as the pandemic swept the globe – increased uptake reflected that.

Enterprises moving all applications to the cloud

Number of cloud applications used within businesses
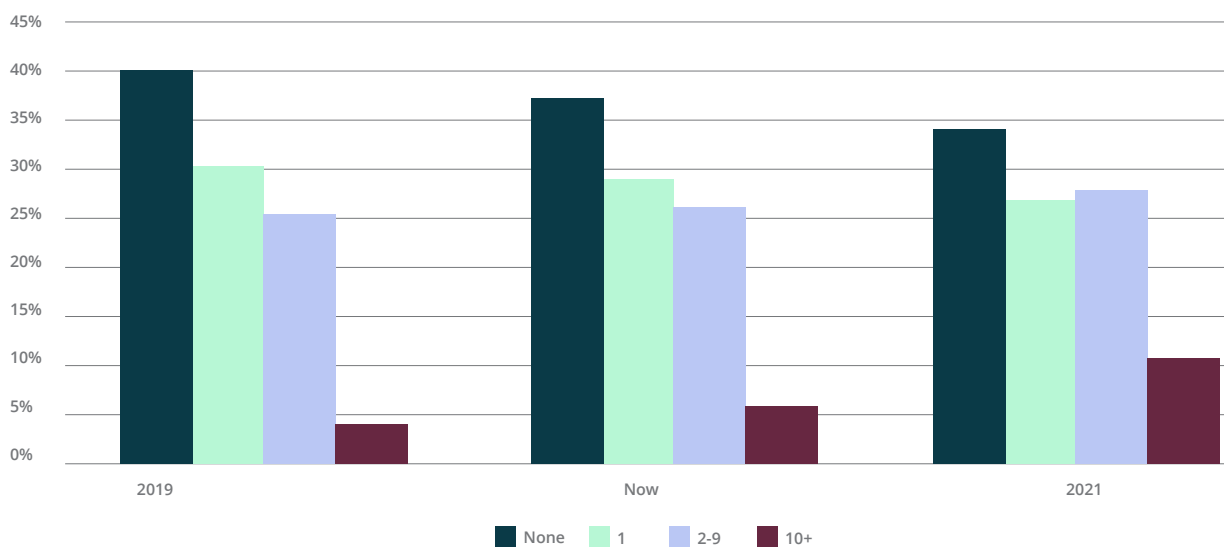## US/EU Enterprise Insights Report 2020 (Cavell Group)

Figure 8. Enterprise cloud application adoption - Cavell Group Enterprise Insight Report 2020

"55% of large businesses, those with over 1000 employees, used more than 5 cloud applications internally in 2019 – this will increase to 71% in 12 months."

– Cavell Group Enterprise Insight Survey 2020

Overcoming 'new world' issues

As businesses frantically sought out and implemented new solutions so that they could remain viable in a new world – with the vast majority of users working remotely – several issues created additional hurdles.

Security and compliance related obstacles were the most common occurrence. Issues such as ensuring secure systems access, enabling remote customer contact agents to process data or payments, or maintaining data privacy added additional headaches to already complex business procedures.

"45% of all companies of all sizes across all vertical markets struggled with security issues during COVID"

– Cavell Group Enterprise Insight Survey 2020

Companies looked to their technology service providers to ensure that they could access secure and compliant solutions that still provided users with the tools they needed. Solutions deployed needed to comply with the various industry standards required such as HIPAA, SOC, and ISO.

At the start of the pandemic the news was littered with examples of establishments who were suffering legal or financial ramifications as a result of not implementing adequate systems and solutions in this area. Communication service providers who were already equipped with the tools – compliance and security-focused solutions – were able to capitalise on this requirement as demand grew.

Collaboration provides key COVID combatant

This dramatic rise in remote working forced enterprise organisations globally to rethink their internal and external communication strategies – with almost immediate effect. Collaboration solutions provided one of the most popular options for enterprises. A collaboration solution consolidates various communication tools – such as messaging, video and audio conferencing, and file sharing – into one single application. The simplicity of use and deployment offered by collaboration solutions meant that awareness, demand, and usage within enterprises rose dramatically.

Change in aweness of collaboration solutions
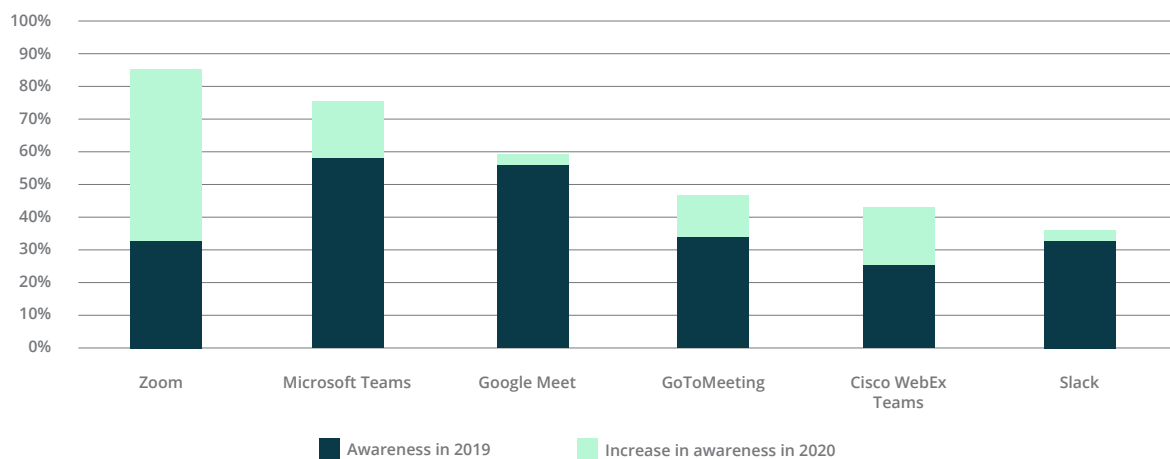## US/EU Enterprise Insights Report 2020 (Cavell Group)

Figure 9. Change in enterprise awareness of collaboration solutions - Cavell Group Enterprise Insight Report 2020

Collaboration tools can also add great value to employee experience. Colleagues want to be able to communicate seamlessly with their colleagues, regardless of location or job role. Asynchronous communication tools like messaging and chat – often include in collaboration apps – can allow colleagues to collaborate regardless of any time-zone differences, This kind of time management solution can dramatically improve employee experience and ultimately aid an organisation's provision of customer experience.

Multi-vendor portfolios

What products have been requested by your end customers?
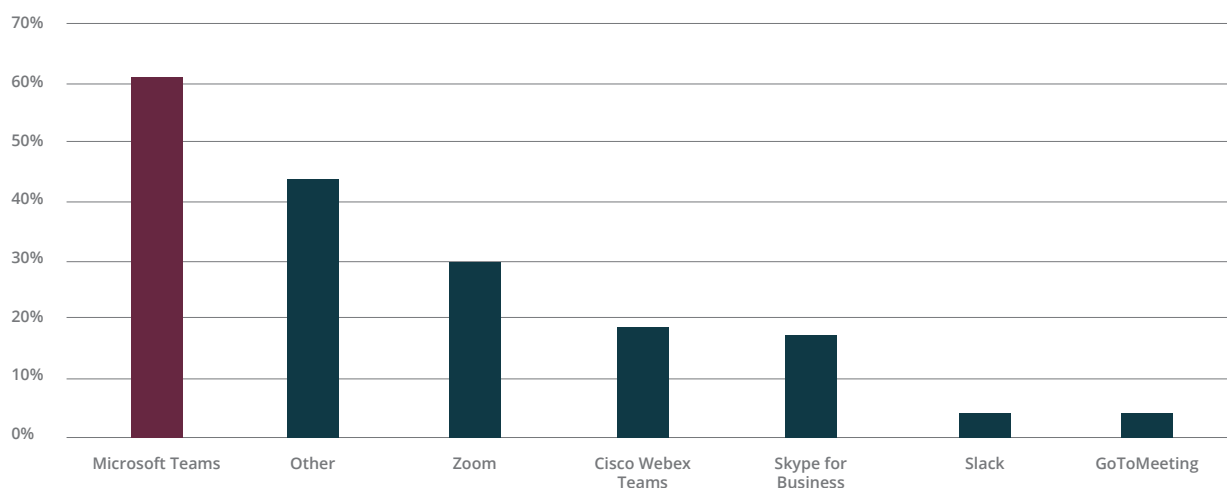COVID 19 survey - March 2020

Figure 10. Enterprise solution requests - Cavell Group COVID Study 2020

In many cases this forced service providers to adopt new solutions and integrate some of the leading brands into their existing portfolios to cater for rising enterprise demand. Although having a multi-vendor, multi-platform portfolio has some benefits – a wide range of options to cater for varying customer demand – it also creates problems in terms of manageability and viability.

A service provider now needs to be able to oversee various different, potentially isolated, platforms and provide the usual levels of service and support expected by their customers. Service providers may have to rethink their own business models to ensure that they are able to abstract value from the various solutions and vendors now included within their portfolios.

This re-evaluation of a service provider's value proposition within a multi-service, multi-cloud, multi-vendor landscape could be critical to their future success. Service providers may need to explore solutions that offer insight and management features across these different sporadic systems so that their own solutions portfolio can remain consistent for end customers.

Helping customer experience providers to stand out

As the traditional service provider model transforms it is vital for providers to find new revenue streams, services, and solutions to offer to end customers.

The changing enterprise requirement for customer communication technology and the subsequent boom in data could create a new set of opportunities for cloud communications providers.

Data boom

As we have highlighted, expanding use of different customer communication tools are generating huge amounts of customer data for enterprises to manage, analyse, and optimise. This data evolution has transformed every customer into a data repository as each interaction, purchase, and search is tracked and analysed. The majority of this data is still in voice services and relatively untapped, however we are also seeing the emergence of new messaging and other tools.

This data can be put to good use and analysed to improve everything from interaction platforms, order and service efficiency, to churn reduction. However, many enterprises are not equipped to visualise and manage data from multiple sources. Businesses can measure the activities and intricacies of each customer's interactions in ways that were previously impossible – the scalability and accessibility of cloud-based data management systems makes this possible.

Traditional on-premise data systems siloed data and made it difficult to visualise and analyse without huge associated costs. Modern devices now add to this data overload. Mobile phones, cars, IoT devices (machinery and electronics) now also generate huge data streams covering every detail of their usage and activities – all of which can be used to better understand end customers.

Much of this information sits unused – across disparate systems – with enterprises unable to converge, connect, and correlate the findings to yield tangible actions and results. This is where service providers, the traditional purveyors of communication tools, can provide a new range of services. Firstly, to manage and track each form of communication, but then to store and log all of this data in an accessible location. If they can then provide services and solutions to consolidate, manage, and analyse other data streams their value to enterprises multiplies.

Network-centric solutions

Too often enhancement solutions in data analytics or compliance become siloed within individual aspects of a business's technology ecosystem. That's where more holistic network-centric solutions can provide the most value and ROI.

Application-specific solutions, which only work within one particular application or solution, effectively become redundant when communication moves outside of the application. An interaction monitoring solution that only works with an organisation's internal collaboration system misses all of the crucial customer data that could be gleaned when a customer gets in touch externally. Employees within the organisation might miss critical pieces of data which would improve customer experience. The same issue has occurred historically with on-premise systems. Any solution – whether it be call recording or analytics – in place was confined to the specific premises-based solution it was designed for. Any data transactions taking place outside of the system were effectively lost by the organisation in question.

This is where network-centric solutions come in. A network-centric approach to customer experience links all assets to each other and to decision makers via computer, radio and data networks, enhancing the way an organisation's objective is accomplished because of information visibility. Communications have sometimes been a weak link between the various moving parts of an organisation, whether between departments, different systems, or regional offices. However, this has been changing in recent years as organisations have begun utilising a network-centric approach.

Network-centric solutions, liked a unified call recording solution, can access disparate systems to ensure that data can be stored – for compliance purposes – and analysed for optimisation regardless of its location or system. Moving away from the application layer allows an organisation to utilise all of its data assets to improve both employee and customer experience.

Conclusion

Key imperatives for service provider differentiation

A clear strategic imperative for service providers is the need for differentiation. There are certain critical realisations that service providers must accept in order to remain relevant for the future enterprise customer.

Provision of a range of solutions and vendor services – Gone are the days when a service provider could offer its end customers a limited range of solutions provided by a single vendor. With the proliferation of communication and collaboration solutions – coupled with increased enterprise awareness of technology platforms – enterprises now demand a suite of best-in-class solutions to meet the demands of their workforces and customers. Service providers need to accept that they must be able to manage a multi-vendor, multi-solution portfolio in order to cater for diverse customer demand. Inclusion of a selection of solutions is not enough either. Service providers need to be able to oversee, manage, and analyse the different platforms to provide their customers with optimised services, data visibility, and data intelligence.

Customer experience is a key area of opportunity – With margin and revenue opportunities diminishing in other areas, service providers need to embrace customer experience platform provision. Enterprises are looking for their customer service provision to act as their own

key differentiator and service providers can look to enable that by offering class-leading customer-focused solutions. Services that were once considered peripheral are now becoming critical. Ensuring that all customer communication data is captured and can then be accessed and analysed offers service providers a unique opportunity to become a critical partner to any enterprise looking to optimise its customer interaction.

Customers and compliance are intrinsically linked – Financial and legal penalties are not the only possible outcomes caused by disjointed risk and compliance management systems – the impact on customer experience provision is also substantial. If a service provider cannot provide enterprises with an integrated set of customer communication solutions that manage data and ensure compliance across platforms, often cumbersome, ineffective, and inefficient service is the result. Modern customers now expect to communicate with businesses, and access information, across a myriad of desired channels.

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Any fragmented or disjointed systems will impede a smooth customer journey. The adverse impact on brand reputation could be incredibly detrimental for an enterprise in an era of radically increased competition. Service providers must ensure that not only do they provide best-in-class communication solutions, but also can enable overarching compliance systems to ensure that customer data can be managed in accordance with an enterprise's requirements.

Service providers still hold voice as the key – Despite an influx of new communication channels, voice still takes the top spot as the most important. Not only is it one of the most popular methods used, but it also provides the richest data. Service providers, generally, still manage voice networks on behalf of their enterprise customers, and service providers must use this current position to maximise their value as a technology partner. The cloud hyperscale giants – Google, IBM, Amazon, and Microsoft – are investing heavily in this area as they have realised the value that the management of voice data can yield. Service providers need to ensure that they are maximising the voice resource at their disposal. Firstly, by ensuring the visibility of voice data – by using platforms that digitise and

manage the information customer voice interactions bring and secondly, by adding additional value for customers – leveraging platforms that can use intelligence to analyse and quantify the data.

Cloud economics make this possible – In traditional models, the costs associated with supplementary data services – such as call recording – were prohibitive. This meant that only the largest enterprises were able to invest to leverage the true power of customer voice data. Now, with cloud-based services radically reducing the direct and indirect – in terms of management and configuration – costs, accessibility is vastly increased. This means that service providers who embrace cloud-based supplementary services can now offer the potential benefits to a much wider range of businesses across all sizes and verticals. Service providers who adopt intelligent data visibility and usage platforms can increase their revenue and margin generation while increasing their customer's dependency on their services.

Service providers must accept that the traditional landscape is changing and the only way to remain relevant is to embrace a new age of data intelligence. Still holding a key position with customer voice networks gives service providers a key competitive advantage, if they can provide platforms which can visualise, manage, and optimise customer data so that their end customers can reap the rewards.

About Dubber

Dubber is unlocking the potential of voice data from any call or conversation.

Dubber is the world's most scalable Unified Call Recording service and Voice Intelligence Cloud adopted as core network infrastructure by multiple global leading telecommunications carriers in North America, Europe and Asia Pacific.

Dubber allows service providers to offer call recording for compliance, business intelligence, sentiment analysis, productivity and more from any endpoint. Dubber is a disruptive innovator in the multi-billion-dollar call recording industry, its Software as a Service offering removes the need for on premise hardware, ties to specific applications or costly and limited storage.

Dubber's fully compliant solution can be switched on with a click, and is infinitely scalable in the cloud – with no hardware requirements. Every conversation is captured automatically, stored securely in the cloud and available instantly to replay. Voice AI provides transcriptions, real-time search, sentiment analysis, alerts and more.