

ORACLE
Customer Experience

The Path to CX Excellence for Service

4 Stages to Thrive in the
Experience Economy



Welcome to the Experience Economy

You probably know it well. That moment you realize you need to contact customer service.

It's the point where you've already exhausted all of the solutions you can try at home. When you've gone online and found nothing to help you there. You have no choice but to reach out—but you already know exactly what to expect. Minutes pressing buttons to direct you to the right person. More time on hold. Until you finally get a person on the line—only to be told they need to forward you on to someone else instead.

Anyone who's had reason to call customer service probably recognizes the experience. And it turns out people aren't putting up with it anymore.

In fact, according to research by **PwC**, 73% of consumers say a good experience is key to influencing their brand loyalties. In an **Oracle** survey, 77% of respondents said bad customer experiences diminish their quality of life. And an **American Express** survey showed 33% of respondents would consider switching companies after just one incident of poor service.

Welcome to the Experience Economy—the new reality that drives all facets of the relationship between brands and consumers today. In the Experience Economy, the customer is the innovator, not the brand, and those customers expect personalized experiences at every step, as well as quick reaction times that don't keep them waiting. They want instant gratification and the ability to choose the channels they use to engage.

66%

of buyers cite time as
a top factor for a good
customer experience.

– Forrester

If they don't get what they expect, those same customers will go online to complain publicly and loudly—then switch brands if they find something else.

And customer service organizations are taking note. But those organizations also need to maintain a close eye on service KPIs and protect revenue. So they need to find a balance that allows them to meet the needs of their business, their customers, and their service teams—all while maintaining the human touch that customers today still look for.

That starts with drawing on data at every customer touchpoint. The new customer journey is unpredictable and anything but linear—and customer service organizations have to be ready to respond in real time at any point. And while customers are willing to share personal data in exchange for a better experience, that exchange comes with increasing expectations.

With that in mind, leaders in the Experience Economy consider service along four main paths:

- 1 Employee Experience:** The quality of their employee interactions.
- 2 Customer Touchpoints:** The number of channels customers can employ, and the quality of their interactions on each.
- 3 Self-Service:** How to offer a human approach while embracing automation.
- 4 Service Operations:** How to use customer service to enhance business impact.

87%

of firms using voice assistant and chatbot technology will realize significant business value within one year of deployment.

– ESG Report (2019)

To achieve excellence, brands are evolving their efforts on all of these fronts. The four stages that follow help them do so.

Stage 1:

Inbound Service



Inbound Service is where the path to CX excellence begins. It's also what most customers have become used to when it comes to customer service.

At this point, service departments are still siloed from the rest of the operation, and are likely focused on a single channel—delivering and resolving service requests through phone, an FAQ portal, or a contact center. But having just the one channel available to them and no self-service options can frustrate customers.

All the while, customer service operations are scrambling to keep up, and are concentrating on just one thing: putting out fires. Contact center agents are trained to react to and resolve inbound inquiries as quickly as possible, often relying on outdated measurement and management practices as they do. They don't have a view into other customer touchpoints and aren't focused on moving business forward. Unfortunately for the customer, that often means dealing with multiple service reps and repeating the same information to each of them—something that only frustrates them further.

Ready for the Next Stage?

Any service organization that wants to reach CX excellence has to first master the Inbound Service stage. Once they do, though, they may start to put more thought into where else they want to encounter their customer, and consider introducing new ways for those customers to reach them. They'll also start to think about how to better balance speed, effort, and cost at every step.

And as they do, they'll likely begin to consider automation and limited self-service capabilities to help them answer basic questions at scale. In doing so, they'll begin to move toward the next stage: Foundational Service.

Key Capabilities of Inbound Service

- A single-channel approach
- High customer effort
- Pro-Excel

In a survey of CX leaders, Gartner found that

90%

agreed that if they didn't improve their customer experience, they would lose business to their more customer-centered competition.

— Gartner

Stage 2:

Foundational Service

Once service teams reach the Foundational Service stage, they're starting to drive efficiency in the contact center and expand their efforts to new channels—including email, chat, and web. They're finding new ways to drive costs down, increase agent experience, and shorten response times. And they're beginning to establish a single source of truth, to make knowledge available to both customers and employees so that answers are consistent across touchpoints, both in person and digitally.

At this point, there may be a knowledge base or customer portal with feedback management in place. Contact center agents are able to manage all interactions within a single desktop app, adding new answers in minutes. And organizations are also taking their first steps toward delivering an integrated CX stack and creating touchpoints across service teams, connecting data, and establishing a fuller understanding of their customer.

Key Capabilities of Foundational Service

- **A single desktop application**
- **Multiple channels**
- **Self-service empowerment**
- **Visibility into reports**

Notes From the Field: Panasonic

When Panasonic mastered the Foundational Service stage, they increased their self-service rate 13x over, from 5.9% to 77.8%.

With that base in place, Foundational Service organizations are more empowered to deal with complicated requests and a higher volume of queries, and can begin to scale their efforts while still ensuring the same service levels. In doing so, agents—no longer spending so much time moving between apps—become happier, improving agent turnover. And customers themselves are less frustrated too.

Notes From the Field: Gamesys

By introducing Foundational Service capabilities and adding proactive chat and branded FAQs in multiple languages, the Gamesys Group—an online software development and gaming business—halved the number of customers reaching out to them through email or telephone, from a rate of 25% to 12%.

The company also created a substantial knowledge base for both agents and customers—with 4,000 FAQs for every site accessed by agents and 1,500 FAQs for every site available to customers. This helped ensure answers were available at every step.

Ready for the Next Stage?

Organizations at the Foundational Service stage are evolving: instead of simply putting out fires, they're beginning to use technology to resolve customer inquiries in the most efficient of ways. While phone and email are still their primary channels, they may have started offering live chat support a few hours a day and have a self-service portal on their website, with call volumes diminishing as a result.

And with less effort spent answering calls, service organizations can begin to optimize their reporting and look for other ways to improve. They may begin to use surveys to provide useful insights, or consider a broader scope of channels and a wider knowledge focus—empowering agents and increasing efficiency, average resolution time, and their self-service rate.

In other words, they're ready to enter the next stage: Advanced Service.

Notes From the Field: Barcelo Hotels

The Barcelo Hotels chain introduced Foundational Service techniques across seven languages and seven contact centers, for a 150% increase in ROI. Now, 12% of live chat sessions convert into bookings, each one worth an average of \$2,500.

Stage 3:

Advanced Service

Customer service organizations at the Advanced Service stage are no longer scrambling to set up a foundation, but instead are beginning to connect all of their customer data into their service strategy. But while they've become more efficient at responding to customers, they know that's not enough. They need to respond on the right channel and line up the right response with the right customer.

That means leveraging interactions for insight and focusing more on strategy. It means automating further, introducing analytics, and connecting new channels. And it means adding value at every touchpoint.

As they start to introduce those changes, and leverage all of the available data and insight available, Advanced Service teams become an important source of insight for peers in other departments—but more than that, they now have a 360-degree understanding of each customer, meaning they can truly make a business impact. With the power to personalize every customer interaction, they can fully resolve each customer's issue, while identifying opportunities to enhance the customer experience. Agent desktops, intelligent advice, social channels, conversational interfaces, smart assistants, experience routing, and business intelligence may be up for consideration as a wide range of channel support is introduced, managed using a single agent desktop.

It's no surprise, then, that this is the stage where the service organization begins to transform from a cost center into a revenue center.

Key Capabilities of Advanced Service

- Service organizations as agents for impact
- Deeply integrated channels
- A conversational interface for personalization
- Service organizations as 360-degree view champions

Notes From the Field: Zumtobel

The Austrian lighting technology company Zumtobel Group implemented Advanced Service capabilities, expanding their channels and handling customer requests 50% faster.



Notes From the Field: Groupe PSA

Groupe PSA—a French multinational manufacturer of automobiles and motorcycles—introduced Advanced Service capabilities, to:

- Reduce their average support handling time by 50%
- Increase support productivity by 75%
- Shorten the sales cycle
- Improve dealer relationships and communications
- Enhance brand reputation
- Increase their Customer Satisfaction (CSAT) score

Notes From the Field: University of Adelaide

Australia's University of Adelaide used Advanced Service techniques to reduce the burden on their contact center by 40%, thanks to the implementation of intelligent chatbots to provide an engaging, interactive experience for students during the admissions process.

Ready for the Next Stage?

Service organizations at this stage are starting to connect a number of processes and sources to their customer service operations, and are championing a true 360-degree view of the customer throughout the business. They have strong insight into customer behavior and how to provide those customers with a higher level of value.

But many Advanced Service teams want to continue to maximize the value of every interaction, provide more instant gratification, and drive opportunities for increased share of wallet and lifetime value. That's why they move to the next stage: Beyond Service.

Stage 4:

Beyond Service

Organizations at the Beyond Service stage aren't just meeting customer expectations—they're exceeding them. And their brand stands out against the competition as a result.

At this point, the whole customer journey is visible and every process is aimed at providing a coherent and personalized experience across all touchpoints. Organizations are powered by data and fueled by innovation and ingenuity. They're leveraging insights and connected devices, to deliver enhanced engagement assisted by augmented reality, Internet of Things, and real-time information.

This isn't a one-size-fits-all approach, though. Rather, it's about delivering the best service for the business and customer in question. Every interaction is unique and personalized, pulling from different data points and a comprehensive customer profile.

Key Capabilities of Beyond Service

- Service organizations as trusted advisors
- Industry-leading service innovation
- Proactive support
- Service at every touchpoint

88%

of companies agree that in five years, their company will know more about their customer habits from connected devices than other forms of first-party data.

– ESG Report (2019)





And at this stage, team members are more than just contact center agents—they're trusted advisors, instrumental in transforming the business around them. Self-service options are fully automated and include advanced capabilities like context sensitivity, and customer data is connected to provide a holistic customer view. Innovative technologies are used throughout the service operations: optimizing routing, providing the right answer, identifying relevant cases, ascertaining patterns and insights, and more.

In other words, everything is in place to continue pushing the envelope and ensuring excellence at every step.

86%

of CX leaders agree that five years from now, their company will leverage AI and machine learning to customize every product, service, or offer.

– ESG Report (2019)

Reaching Customer Experience Excellence with Oracle CX

Oracle Service—part of the Oracle CX platform—brings connected data, intelligence, and experiences together into a single solution, enabling organizations to deliver a customer experience that’s compelling and consistent across every device, platform, and interaction.

- **Connected Data:** Oracle’s data-first approach provides you with a robust understanding of your customer, no matter how or when those customers interact with your brand.
- **Connected Intelligence:** Oracle has AI capabilities embedded within each functional solution, helping to augment user skills and provide deeper and more personalized experiences for customers, at scale, in real time and for real use cases.
- **Connected Experiences:** Oracle helps you activate customer intelligence in each of the micro-moments your customers engage in, no matter where in the lifecycle they are.

Notes From the Field: Denon

With the help of Oracle Service, Japanese electronics company Denon was able to capture the data needed to establish a 360-degree view of their customer, while also reducing operational and maintenance costs. They achieved:

- A \$90,000/month saving thanks to the introduction of self-service
- A 10% drop in the number of long customer calls

“Oracle Service enables us to capture the data we need to create a 360-degree view of each customer, while also reducing operational and maintenance costs,” says Scott Strickland, Global CIO for Denon D+M Group.



“The greatest benefit we’ve achieved with Oracle is just our intimacy with the customer. We know them, we know who they are, we know what they do.”

[▶ Click to view video](#)

— Gary Harris,
Director of Customer Service,
Smiths Medical

Notes From the Field: Smiths Medical

As the manufacturer of medical device supplies, Smiths Medical produces more than 30,000 SKUs globally, with a broad customer base that runs the gamut from large corporations to individual patients and their families. That broad market—combined with the disparate list of 16 toolsets they were using to manage the customer service experience—made it difficult for agents to meet their customer needs, and contributed to a poor customer experience overall.

“We had a challenge getting intimate with our customers,” says Gary Harris, Director of Customer Service at Smiths Medical.

“We didn’t know why they were calling, what they were doing. We could not be proactive in any way. So it was difficult in the past.”

The company implemented Oracle CX globally to help meet that challenge, and were able to improve visibility into their customers, maximize efficiency, and increase their speed of resolution as a result. A customer portal with self-service options helped, with 17,600 customers visiting monthly and a 97% success rate. By partnering with Oracle, the company was also able to transition from a 30-hour turnaround time to one of just 10 hours.

Conclusion

Today, the Experience Economy drives every customer interaction, including customer service. It's up to organizations to keep up, or risk falling behind. That starts by putting the customer at the center of every experience and being ready to respond no matter where they are in the customer journey.

Achieving that level of engagement, and setting your customer service operations apart, requires proactive, predictive service functions that truly delight customers at every stage, establish customer service agents as trusted advisors, and provide value at every turn.

Oracle CX offers the tools to make that happen—connecting data, intelligence, and experiences to build a customer experience that stands out.

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