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Messaging in an omnichannel world

Enabling contact centers to support asynchronous channels

Dynamic shifts in customer expectations are causing companies to rethink the way they connect with customers. Rising demand for personalized service and convenience is driving brands to meet in customers' preferred channels. With the right approach, messaging applications offer an opportunity to establish a more intimate connection.

Today's companies are increasingly focused on enhancing the human experience by working to improve customer service and building more personalized relationships. Written communications remain an essential way for businesses and consumers to connect and stay in touch. In the current omnichannel landscape, customers are ready to shift from communicating through traditional channels, such as email or web portal, to the native messaging apps on their devices.

Messaging has recently grown in popularity for personal and commercial use, and many organizations are eager to meet customers in their preferred channels. Messaging is asynchronous, allowing customers to pick up earlier conversations without needing to repeat themselves. This convenience may be one reason 68% of consumers prefer this way of communicating with businesses.¹ For businesses, messaging is seen as the lowest cost per channel for a single interaction, so there is the potential of cost savings.

However, before opening a new channel to engage customers, companies should consider their overall service delivery strategy and internal capabilities before making investments in new technology, processes, and people. Companies have an opportunity to conduct a right channeling exercise to be customer-centric while steering customers to the most effective resolution channel. Messaging is most effective for one-on-one communications, transactions, or support inquiries that are not time sensitive or complicated.

Messaging falls within the spectrum of digital written communications that includes chat, email, and short message service (SMS). Messaging apps fall within three main categories:

Social-oriented peer-to-peer messaging, such as WeChat

Business-focused apps, such as Apple Business Chat

Apps that span both use cases, such as Facebook Messenger, WhatsApp, and Twitter Direct Message. Many other messaging applications are in use internationally.



Customers like messaging. They do not want to wait in a queue. Customers want to communicate at their own speed.

Companies like messaging. They hope that messaging will be a more cost effective channel.

However, messaging adds operational complexity. Messaging adds complexity to almost all aspects of the service operating model, making efficiency gains and high quality customer service challenging to achieve.

Messaging in today's customer service landscape

In early 2020, Deloitte reviewed the customer service landscape to understand how companies are utilizing messaging. We saw a wide variety of implementations ranging from companies that have deployed messaging with a great deal of upfront automation to companies who are relying strictly on live agent responses, similar to a chat channel. Additionally, we observed a wide variance in terms of the hours of support, with some companies providing support during all hours, and others providing support only during their main business hours.

Companies who are realizing the full capability of messaging integrate the channel into their overall routing strategy. Chatbots and automation used with messaging help customers self-serve by quickly and efficiently handling simple inquiries, authenticating customers, and routing to the appropriate human agent when necessary. Based on our review, financial services firms and retailers who handle high contact volume and are mature in terms of automation lead the way in the use of messaging. They leverage automation and messaging to provide a complete end-to-end service experience and enable customers to connect with live agents within minutes.

The companies who struggle to provide a great customer experience allow long delays before engaging agents or deliver a mixed channel user experience, perhaps initially responding via messaging but then immediately forcing the customer to a live agent or a proprietary messaging center.

So, why are companies choosing to adopt messaging as part of an omnichannel communications strategy, and how can they implement the channel effectively? Let's explore the advantages of messaging from a customer and a business perspective, plus limitations of the technology.

Advantages from a customer perspective

Messaging continues to gain popularity as a form of digital communication for consumers. Globally, messaging apps provide an inexpensive, convenient way

for customers to communicate, especially in locations where calls and texts are expensive. They prefer to use existing applications instead of downloading a new app or searching to find a chat feature on a company's website.

For companies who want to make elevating the human experience a priority, messaging can help make customers—especially younger consumers—feel more connected to their brands. Over 50% of app users are more likely to interact with a business if they can message it.² Consumers log into messaging apps such as WhatsApp, WeChat, and Facebook Messenger up to ten times a day to connect with their social network. Through messaging, brands can interact with their customers in their preferred channel. Among consumers in the 18-34 age group, messaging is the preferred customer service channel at the moment.³ As usage rates increase with messaging applications, expectations for response time and quality will exponentially increase as more brands connect with customers in this channel. However, self-service options and automated service channels like messaging are most effective for simple tasks; complex interactions are still best suited to live agents.

A unique characteristic of messaging platforms is that they provide the ability to communicate asynchronously in a way similar to email or text messaging. Response times between an agent and the customer vary based on when the customer decides to respond and may—or may not—be real-time, similar to phone, chat, or live in-person conversations. Customers who regularly communicate through social media and messaging apps have established expectations for the experiences that messaging can provide and may be more accepting of delayed agent responses.

As customer channel preferences fluctuate and evolve, and new channels are introduced, businesses must continuously evaluate messaging against the overall organizational goals and service strategy.

The complexities of customer service messaging

Customer service messaging presents new operational and servicing complications over some traditional channels (phone, online chat, email). For more complicated customer service requests, the current limitations of customer service messaging may outweigh its benefits.

Understanding the best applications for messaging and getting to the desired outcome is complex, and we often see the following limitations:

Messaging apps are regional. Apps tend to support specific markets with local/regionalized capabilities. Apps include Facebook Messenger in the United States, Line in Japan, WeChat in China, and WhatsApp. Even within a specific region, there is no clear winner, and organizations that want to offer messaging capabilities must support multiple messaging platforms, all with varying capabilities like reporting and bot capabilities.

Messaging creates operational complexity. Basic contact center operational processes are affected by the implementation of messaging, adding another communications channel to be managed.

- **Workforce management.** While workforce management leaders have had years to understand the algorithms needed to forecast call and chat volumes, these forecasts are not yet optimized for messaging.
- **Performance management.** Accountability in an asynchronous world can be hard. Companies struggle to adapt programs such as quality assurance and allocate customer satisfaction scores to agents who might have written only a sentence or two to a customer in an interaction that spanned days.
- **Routing intelligence.** For over a decade, rule-based chat has been the channel of choice for most companies because it provides customer metadata to match the right agent to the right customer. With messaging, you lose much of the metadata because the customer is coming from a third party channel. While it is easier to link their social profiles in many cases, it can make it more difficult to see what the customer has already tried on your website or mobile app.

Messaging is not yet efficient. In many cases, messaging apps have opened more channels for communicating with customers, resulting in a higher volume of communications, rather than diverting traditional interactions. This always-on, queue-free channel has made it easy for customers to make inquiries that they likely would not have waited on hold to ask. In the future, cognitive agents may remove human agents from most interactions; however, for now, the technology is still emerging. Until messaging is improved by the addition of AI and chatbot capabilities, companies need to assess which customer needs are best handled by this channel. Meanwhile, there are many simple tasks and requests for which companies can begin using messaging to improve the customer experience and lower operational costs.

Messaging adds servicing complexity. Messaging requires agents to multi-task, and they will often need to have multiple screens open to support several customers at once. CRM systems should be integrated across multiple messaging applications so that agents have information about the customer's product and service history at their fingertips. These systems should also be able to remind agents of the contextual relevancy of a message that might take place over several days.

Messaging complicates security. Identity authentication through messaging creates inconvenience and complexity, but it is necessary. Agents need to have a higher awareness of security since the duration of authentication (security validation question) needs to expire after a period of time to account for vulnerabilities, such as a phone being stolen. Unlike most chat platforms that allow companies to run their own security procedures, with third party messaging platforms, they have to trust that the phone number has not been ghosted or the account hacked. In addition, an increased number of platforms expands the third party security reviews that could be required such as PCI or HIPAA.

Answer these operational questions before implementing messaging:

1

How many customer contacts do I anticipate?

2

What hours do I want to support messaging?

3

Does my CRM support messaging?

4

Do I want to use inhouse or outsourced agents to support the channel?

5

Which apps do I want to support (peer-to-peer vs. business-focused apps)?

6

Which contact types are best supported by messaging (product questions vs. questions about accounts or past transactions)?

7

How will this affect KPIs?

Keys to a successful messaging implementation

To help improve the successful outcome of your deployment strategy, we recommend that organizations consider the following:

- 1. Select the channels where most of your customers are today, rather than doing a scatter-shot implementation of too many channels.** Target the messaging applications your customers are already using, and focus your implementation efforts on their preferred app. The popularity of messaging apps varies widely depending on geography and your target demographic, so your choice may depend on where you do business, or the typical profile of your customer. Be selective about the channel you choose, then get to know the ins-and-outs of how the application works so you can use it as efficiently and effectively as possible.
- 2. Don't implement messaging simply based on the promise of cost savings; do it for improved customer experience.** Over time, transactional costs of messaging can be less expensive than other channels, but there are inherent, rarely discussed costs. Aligning resources to meet customer expectations is critically important and will likely contribute to higher expenses. Leveraging agents that are already staffed to adopt this skill is critical to maintaining economies of scale until channel volume can be adequately forecasted and staffed. Ensuring security protocols are in place to secure information will also add cost, as some conversations will need to be taken off channel to support identification and authentication.
- 3. Simplify and improve containment using CRM.** Integrating messaging within your CRM platform along with your other channels will provide a more customer-centric view and provide better continuity of transactions across channels. This integration will allow for tracking workload and a consolidated multiple channels process, if omnichannel routing supports it. Integrating with your CRM enables agents to see the metadata available from the messaging applications and aids with streamlining the complexity of maintaining communication flow, especially with asynchronous messaging.

4. Develop a right channeling strategy. The ultimate goal of messaging is to replace expensive voice calls and to provide a channel that customers prefer. As with any right channeling strategy, you need to inventory the customer interaction reasons and determine what interactions will be most effective in which channel and determine how to steer the customer to the desired channel. Messaging can have so few barriers that customers might increase their interactions for things they used to self-service.

5. Don't bet on bots yet! AI and the use of bots provides a compelling channel enhancement that companies may want to consider. However, carefully factor in how to best deploy this technology in order to be successful in meeting both customer and business expectations. Companies will need to weigh the cost of leveraging this technology with the expected outcomes to understand whether or not it will ultimately deliver value.

6. Align sales, marketing, and service. Recognize that customers will want to use the messaging channel for multiple types of conversations, including sales, marketing, and service—and they will want agents to have access to their complete sales history and the results of any customer service conversations they have had previously. Companies who expect their most frequent messaging contacts will involve transaction-specific information or status may want to encourage their customers to access alternative channels—such as the website, interactive voice response (IVR), or voice—rather than trying to support these queries through messaging. Otherwise, this channel may drive poor customer experience and potentially loss of confidence, and ultimately, business.

7. Anticipate multiple servicing environments. As with more traditional chat channels, agents gain efficiency only if they can service multiple interactions at once. If a company's core servicing systems only allow agents to view one order or account at a time, asynchronous messaging can become much less efficient when customers come and go from the conversation for hours in-between responses. While it is possible for messaging applications to time the agent out of the conversation and put the customer's inquiry back in the queue, they will be more efficient if they can keep the record open while they service other customers without starting over.

Understanding how new channels will benefit and impact your customer support team and sales agents is just as critical as how it impacts your customers. Effective planning on both ends is essential to a successful deployment.



The path forward- what is our prediction?

The popularity of messaging is expected to continue to grow and may become the primary channel for low- to medium-complexity customer interactions. Messaging platforms will evolve to provide better standardization and integration with leading CRM providers and become more cost-effective solutions, ready for companies to incorporate into their ecosystems. These same leading-edge messaging app developers will also establish standard APIs to provide authentication tools and integrate with

leading contact center workforce management and reporting platforms. We anticipate a more symbiotic relationship with customer journey tracking to evolve, as well as more meaningful ways to connect the customer experience to quality assurance and survey program data. As messaging volume increases, it will be important for applications to assimilate with a company's enterprise bot protocols and reduce the effort required for specialized programming for each messaging channel they support.

1 Travis Montaque, "Here's how messaging is positioned to dominate in 2019," Adweek, January 3, 2019. <https://www.adweek.com/digital/heres-how-messaging-is-positioned-to-dominate-in-2019/>

2 Facebook Messaging Survey by Nielson, Facebook IQ: The message heard round the world. https://fbinsights.files.wordpress.com/2016/08/facebookiq_messenger_booklet1.pdf

3 Among consumers in the 18-34 age demographic, messaging is the preferred customer service channel at the moment. Nuance - **2018 Customer Service Messaging Trends Report**

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Leverage Deloitte's understanding of the customer journey, contact center operations, global messaging apps, and related technologies to help you meet customer expectations and elevate the human experience. For more information, contact our team.

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