Everest Group
RESEARCH

From Multi-Channel to Omni-Channel Customer Experience

A Checklist for Assessing Readiness to Make the Jump

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Introduction

In this era of digital innovation, consumers can reach out to organizations using any one of the many channels at their disposal. While this proliferation of communication and support channels provides companies the opportunity to engage with their customers and build deeper relationships, it does raise several challenges, including wasted effort among both agents and customers and missed opportunities to share data across multiple channels to create a more seamless experience.

Indeed, while the market is abuzz with plenty of talk around omni-channel, and despite many years of effort, it is still a challenge for most organizations to achieve a true omni-channel customer experience.

This viewpoint is the first of a two-part study on omni-channel contact centers and is focused on answering some basic questions such as:

- What is the definition of an omni-channel contact center? How is it different from or similar to a multi-channel contact center?
- What is the value proposition of pursuing omni-channel?
- What does an omni-channel strategy look like? What are the key technology and human capital considerations?
- What are the necessary first steps to building an effective omni-channel program?

Most importantly, we offer a checklist for organizations looking to pursue an omni-channel strategy to help them assess organizational readiness.

Defining Omni-Channel Contact Centers

An omni-channel experience strives to mimic human interactions by using memory of past interactions, and therefore, delivering a more natural engagement

Two contact industry buzzwords that get a lot of play in today's environment are "omni-channel contact centers" and "multi-channel contact centers". We have seen these terms used interchangeably, but there are pronounced differences between them.

In a digital age, multi-channel contact centers fulfill customers' preference to engage with a company's support operation through the channel of their choice, which may change from time to time. Where the channels largely remain siloed in a multi-channel environment, omni-channel contact centers differentiate themselves with the ability to seamlessly and consistently deliver a unified experience across all channels.

Everest Group defines multi-channel customer experience as *having the ability to engage customers through various contact points – voice, email, chat, social media, and self-service.*

On the other hand, omni-channel customer experience is defined as *the ability to engage customers across multiple contact channels, while ensuring intelligent and seamless integration of information across those channels and, more importantly, delivering consistent customer experience regardless of the number and choice of channels.*

EXHIBIT 1

Solution characteristics of multi-vs. omni-channel

Source: Everest Group

Where multi-channel contact centers take a more company-focused, inside-out approach, omni-channel contact centers strive for an outside-in approach, with a focus on customer requirements

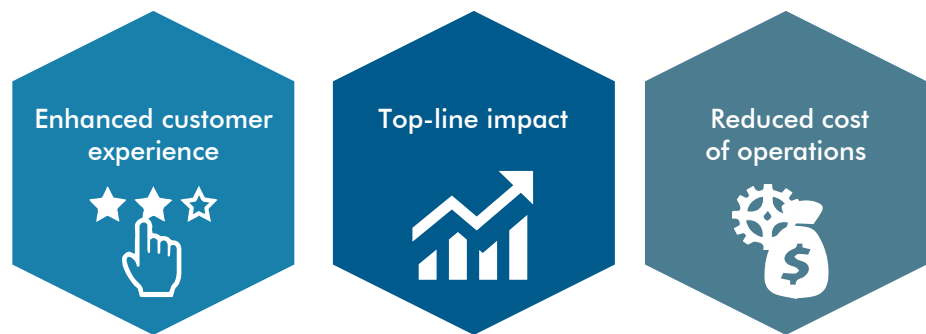| Solution characteristics	Multi-channel	Omni-channel
Goals/incentives	Each channel has its own goals and incentives to maximize its performance	Incentives designed to drive collaborations across channels
Consumer information/data	Stored and managed separately for each channel	An integrated view of customer-related information
Analytics	Tends to be channel-specific	A 360-degree view of all customer touchpoints
Agent alignment	Tends to be channel-specific	Able to support multiple channels, either directly or in collaboration with other agents

Value Proposition for Omni-Channel

The value proposition for an omni-channel contact center can be explained through the three key benefit categories:

Enhanced customer experience

Top-line impact

Reduced cost of operations

Each customer touchpoint seems more like a natural progression in an ongoing "conversation or case," as opposed to separate, unrelated interactions

1. **Enhanced customer experience:** Beyond customer service, the primary and foremost value proposition of an omni-channel contact center is an enhanced customer experience. With a more case-driven approach, each interaction that the customer has with the organization feels like part of an ongoing conversation and relationship

Consistently positive customer relationships can lead to higher customer loyalty and increased brand advocacy

2. **Top-line impact:** By providing an enhanced customer experience, contact centers can transform from cost centers to revenue drivers. Omni-channel provides a more personalized and natural customer experience, which becomes a unique and valued offering for the consumer. Further, in today's hypercompetitive world, consumers often believe it is easy to switch their allegiance from one company or brand to another. With omni-channel, that perception can be changed, as consumers feel they may not receive the same personalized experience with a competitor. With consumers deciding to remain loyal, revenues increase

A well-executed omni-channel approach ensures that data loss across channels is minimal and complex issues are resolved in an efficient and effective manner, leading to lower overall cost of operations

3. **Reduced cost of operations:** By bringing together information across multiple channels on a single platform, omni-channel contact centers can more effectively and efficiently manage customer queries and their associated costs through the following outcomes:
   - **Increased use of non-voice channels:** Lower-cost channels become more effective when paired with richer consumer intelligence, and adoption levels go up
   - **Improved call avoidance rates:** With more effective customer handling, FCR (first contact resolution) can increase, driving down overall interaction volume
   - **Stronger knowledge management systems:** By bringing together information across multiple channels on a single platform, omni-channel contact centers can more effectively apply analytics to "learn" and address common or likely consumer issues

## Devising an Omni-Channel Strategy: Key Elements for Success

Having defined omni-channel and its value proposition, implementation quickly takes center stage. Based on multiple buyer and service provider interviews, we know that enterprises must assess their own omni-channel readiness in order to effectively embark on this approach.

To create and implement a clear strategy, it is important to understand both the key challenges and requirements needed for effective enablement, which can be split across two categories – human capital and technology. Despite common misconceptions to the contrary, we argue that human capital takes precedence (at least in terms of C-level support and IT talent), since many technology considerations rely on strategic decisions best made by experienced IT staff with executive buy-in.

EXHIBIT 3

Omni-channel adoption readiness challenges

Source: 2017 Global Customer Experience Benchmarking Report, Dimension Data
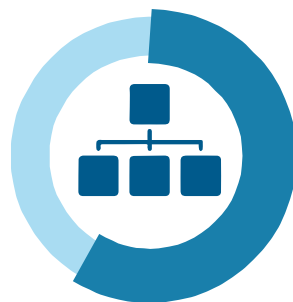
58.5%
of channels are managed in silos

36.2%
have no consistency in how channels are configured

44.3%
think it's all too difficult

Assessment of human capital readiness

Common challenges

- Organizations lack strategic support from the C-level to successfully implement an omni-channel approach
- The IT team lacks associated skills to address the necessary integration of tools, channels, and datasets
- Contact center managers require upskilling on new technologies and more sophisticated processes to manage an effective omni-channel contact center
- Agents supporting individual channels have limited ability or training to support customers across other channels
- Lack of investment in feedback mechanisms to learn and improve omni-channel experience on an ongoing basis
- Organizations lacks sophisticated customer journey mapping skills to redesign engagement flow and design new customer experience scenarios

Omni-channel readiness: human capital checklist

◯	We have identified omni-channel customer service as a strategic priority across the organization supported by all levels of executive management
◯	We have planned or created an internal transition team that develops and leads change management
◯	We have identified the most critical skill sets required for omni-channel delivery and hired new IT staff where needed
◯	We have assessed management experience and skills and mapped to their ability to manage an omni-channel contact center
◯	We have identified feedback mechanisms, including VOC champions, to capture all omni-channel learnings to further improve customer brand experiences
◯	We have mapped existing agent skills and talent portfolio to omni-channel requirements
◯	We have conducted a gap analysis of possible new hiring or training requirements for agents and management
◯	We have redeveloped recruitment processes to better target desired talent pools, critical skills, and compensation models

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Assessment of Technology Readiness

Typical challenges faced

- Lack of clarity around business and operational needs including identification of best-fit tools (cloud-based and on-premise) to support cross-channel requirements

- Management of disparate CRM, voice, and other technology systems operating across different channels that hinder integration

- Lack of compatibility with legacy systems, especially CRM systems and voice technologies

- Inconsistency in data capture, structure, and format due to the historically siloed nature of various channels

- Lack of formal systems and processes to share information across channels

Omni-channel readiness: technology enablement checklist

◯	We have begun the process of identifying an appropriate mix of tools to support our cross-channel operational needs
◯	We have a plan for integration of tools and solutions supporting individual channels, as well as existing technology stack (CRM and communication technology)
◯	We understand the implications of standardization and integration of various consumer datasets across channels, and we have a plan to combine consumer data across multiple channels
◯	We have identified opportunities for integration across analytics tools focused on individual channels (speech analytics, text analytics and social media analytics)
◯	We have worked closely with IT staff to support technology migrations and ongoing support

Conclusion

Omni-channel and multi-channel are hot topics today. However over time, contact centers will no longer talk about voice, chat, digital, and email support in isolation. Instead, a blend of multiple channels supporting integrated customer interactions will be an established consumer expectation. Providing differentiated customer experience across all touchpoints will be a "must" for enterprises to win over digitally savvy consumers.

Within this context, the path ahead for contact center stakeholders is clear. However, as companies add more support channels, there is no wrong or right place to be with omni-channel. It is an evolutionary path along a continuum. Omni-channel solutions have moved beyond the implementation of technology platforms; it is now a blend of people, process and technology. The key is to understand where your company stands today in its omni-channel readiness – and where it wants to go.

The checklists will help – as will the next paper in this series focused on assessing the effectiveness of omni-channel implementation.

About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empowers clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at www.everestgrp.com.

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