

# Future of Service

How Organizations Are Transforming to Improve and Enhance the Customer Experience

*Presented by: Tim McDougal and Dorsey McGlone*

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# Agenda

01



02



03



04

***CURRENT TRENDS***

Current trends include high customer expectations, a competitive talent landscape and risk / compliance management

***WHAT IS THE FUTURE OF SERVICE?***

Transparent Service Optionality and cognitive enablement of servicing capabilities are keys to the future of service

***HOW WILL ORGANIZATIONS NEED TO EVOLVE?***

Organizations will need to align on a servicing strategy, unify the servicing ecosystem, center around cognitive capabilities and focus on the quality and structure of talent

***NEXT STEPS / ADVICE***

Concrete next steps companies can consider in the short term to evolve with the future of service



# Deloitte's 2023 Global Contact Center Survey

Deloitte Digital **surveyed global contact center executives between November 2022 and February 2023** regarding the current state of their businesses and what they perceive their business will be doing in the next two years.

Respondents represent **nine industries** (*Consumer and Industrial products, Energy and Resources, Automobile, Travel and Hospitality, Federal, Financial Services, Life Sciences and Health Care, Public Sector, Services*) and service varying customer bases touching both B2C and B2B and internal customers such as IT or HR help desks.

## The following three themes surfaced:

### 1. TALENT INITIATIVES



Contact centers report staffing shortages due to an increasingly shallow talent pool

Many organizations instituted work from home programs during the pandemic that are here to stay

### 2. COGNITIVE ENABLED TECHNOLOGY



Technologies are shifting to cloud-based solutions

Voice and text analytics provide leaders improved insights into contact quality through mass call monitoring

### 3. CHANNEL ORCHESTRATION



Low complexity contacts are being driven to self-service channels

Contact centers are using right channeling strategies to meet the customer in the channel best suited to them

# Four Trends Causing Changes in the Future of Service

Customer Expectations, Servicing Capabilities, Talent Models, and Cost Pressures are converging to force servicing changes across industries

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**Customer Expectations** are evolving, demanding streamlined service, enhanced transparency, self-service options, and access to data and insights

**Servicing Capability** advancements such as AI, enterprise cloud adoption, system interoperability enable faster issue resolution with cognitive support across the servicing spectrum

**Talent** is more scarce, competitive, and expensive. As AI matures to solve low-med. value interactions, Talent Retention, Career Progression, and Work at Home are high priorities

**Cost Control** through retiring legacy tech debt can enable more advanced capabilities, greater scalability and superior customer experiences at a reduced cost for organizations

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**86%**

consider 'elevating the customer experience as their top priority

**80%**

actively engaging in some stage of AI deployment

**63%**

currently facing a staffing shortage

**#2**

top contact center strategic priorities (behind Customer Experience)<sup>1</sup>

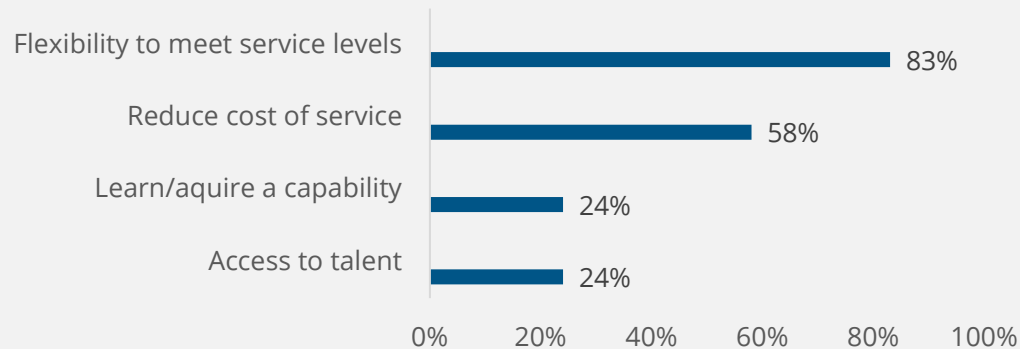
# Theme 1: Embracing Dynamic Talent Models

## Amid widespread staffing shortages...

63% of responding companies face staffing shortages, and many plan to mitigate these effects through more **competitive compensation**, defined **career paths**, and by **re-directing volume away from live agent channels** and towards digital options

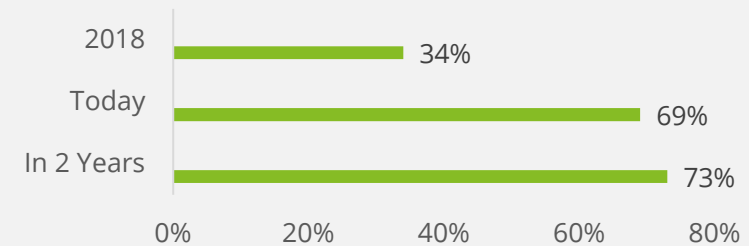


As a response to competitive markets and staffing shortages, more companies than ever are turning to **BPO relationships**

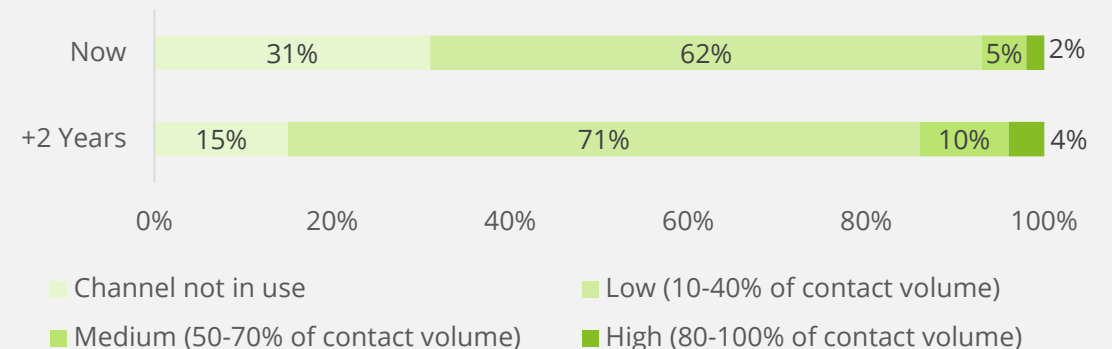


## ...work-from-home is here to stay

Many companies implemented work-from-home programs during the pandemic, and more are planning to institute similar programs by 2025



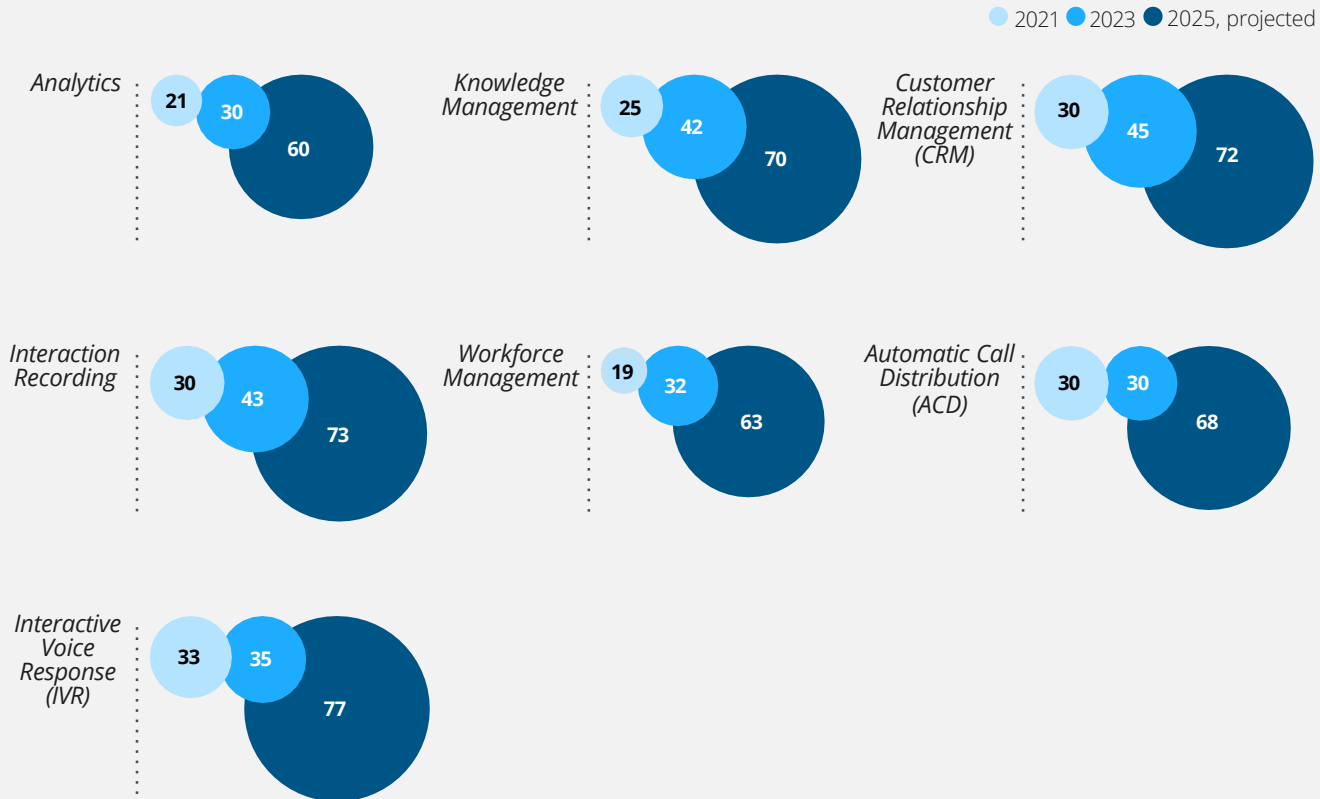
As a result of this investment, the percentage of contact volume handled by self service contacts is expected to rise



# Theme 2: Transforming Operations Through Technology

## Cloud Migration

For every core contact center technology, a majority of surveyed leaders reported they either have already adopted or plan to adopt cloud-based solutions by 2025, as shown by the percentages below



## Voice & Text Analytics

Voice & text analytics capabilities are a key enabler for remote work, providing quality analysts with the ability to screen large call volumes without manual effort



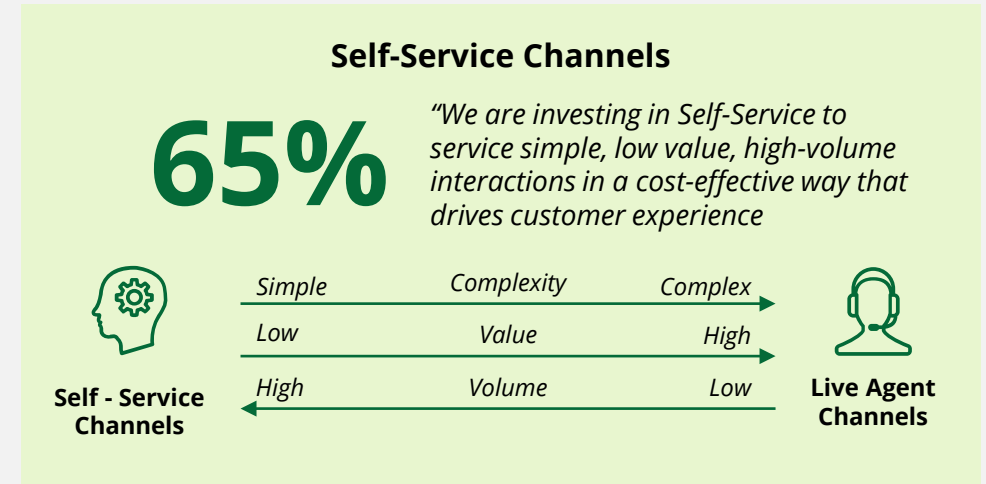
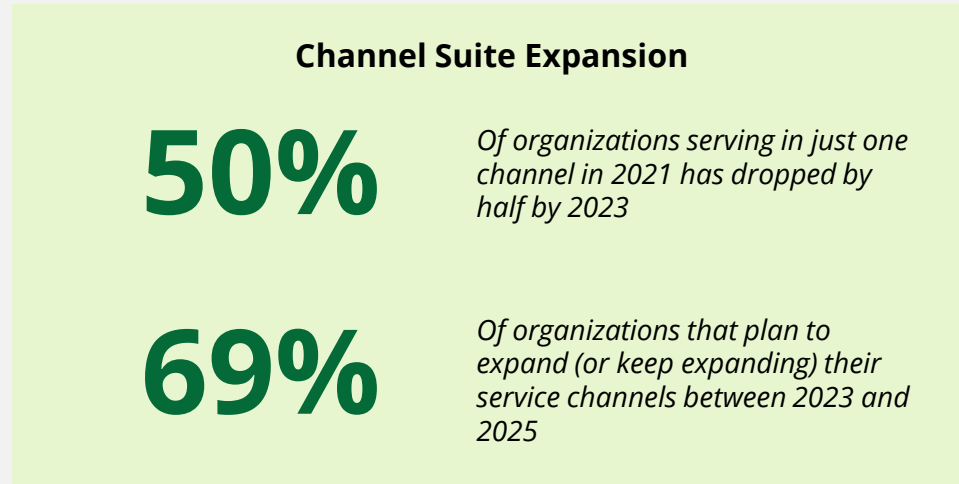
81% of surveyed companies use voice/text analytics in the contact center to improve service



# Theme 3: Elevating Experiences Through Channels

Companies are investing in the live channel suite expansion...

...and in the self-service capabilities available to customers



But our latest data shows that as channels proliferate, challenges often pile up

Only **7%** of the contact centers that offer multiple channels to their customers are **seamlessly transitioning between channels** by providing data, history and context to the next agent. **40%** of contact centers **do not provide any context** on prior interactions to their agents.

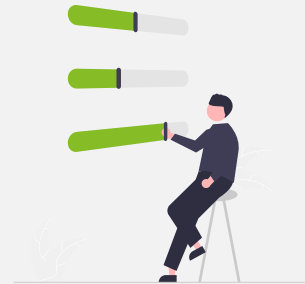


# What is the Future of Service?

The Future of Service will involve companies consciously selecting levels of Transparent Service Optionality (TSO) and doubling down on Cognitive Enablement across the servicing spectrum

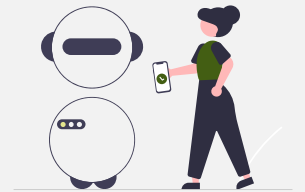
## Transparent Service Optionality

Enterprises will **eliminate mediocre service experiences** and acknowledge that **excellent service is a differentiator** and should be paid for or minimized otherwise



## Cognitive Enablement across the Servicing Spectrum

Cognitive capabilities **will bridge the lifecycle** of customer experience allowing for **complete containment to enhancing the servicing experience**



# Transparent Service Optionality

Customers will expect clear servicing options with trade-offs clearly presented to them; in exchange, customers will be willing to pay more for a differentiated experience and will anticipate it being received

- Companies will provide **transparent servicing options** to customers  
 Example: Depending on the nature of the problem, customers will receive recommendations for suitable channels and guidance on the most effective choice for their specific issue
- Clear **trade-offs** will be presented to let the customer decide based on their preferences and needs  
 Example: Opting for a low-touch option will involve a 5-step resolution process, while selecting a high-touch experience with a live agent may result in a 10-minute wait time
- **Service** will be **embedded into products**, and will be commensurate to the price paid by the customer

SERVICE OPTIONS	⇓	COST	CUSTOMER EFFORT	EXAMPLE USE CASE
A Self-Service		<div style="width: 10%;"><i>very low</i></div>	<div style="width: 90%;"><i>high</i></div>	Customers can use the knowledge articles, product FAQs and community forums to get resolution
B Service Embedded in Product		<div style="width: 30%;"><i>med</i></div>	<div style="width: 70%;"><i>low</i></div>	Car leasing can bundle services like insurance and maintenance, saving customers the hassle of separate purchases. The customer pays the additional cost for the added convenience
C Low Touch – e.g., In-App, Chatbot		<div style="width: 30%;"><i>med</i></div>	<div style="width: 70%;"><i>low</i></div>	Customers can use a “smart” shopping cart for a fee at the grocery store that automatically rings up their groceries and allows them to pay to avoid the line
D Service as an Experience – e.g., Priority Pass		<div style="width: 90%;"><i>high</i></div>	<div style="width: 10%;"><i>very low</i></div>	Customers can buy an extra pass to save time by skipping lines at an amusement park
E High Touch – e.g., white glove service		<div style="width: 90%;"><i>high</i></div>	<div style="width: 10%;"><i>very low</i></div>	Customers can purchase airline tickets with premium customer support to cut the queues and priority re-booking in the event of a problem

# Cognitive Enablement Across the Servicing Spectrum

Embracing cognitive capabilities and integrating AI across all points in the servicing spectrum will become the norm for leading organizations



# How Will Leading Organizations Evolve?

The building blocks towards the Future of Service include Servicing Strategy, Holistic Servicing Ecosystem, Centralized Cognitive Execution, and Talent Investments & Structuring



01



Servicing Strategy

02



Holistic Servicing Ecosystem

03



Centralized Cognitive Execution

04



Talent Investments and Structuring

# Servicing Strategy

Successful organizations will have an intentional servicing design strategy with transparent well-designed options that **balance intimacy, efficiency, and cost**

## Guided Omni-Channel Strategy



*Customers get to resolution via the most effective channel for a given issue*

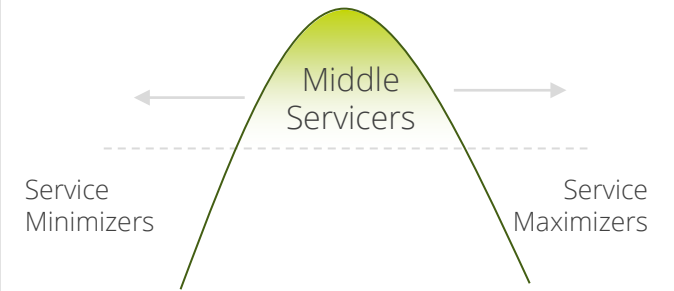
**Consistent experience** for customers moving across channels, with journeys optimized to **guide channel choice (right channeling)** so that customer outcomes are balanced with business outcomes

## Unified Cognitive Strategy

Create joint roadmaps across the cognitive enabled servicing spectrum (digital, physical, and virtual sales & service) with a unified vision of customer experience

## Transparency & Trust

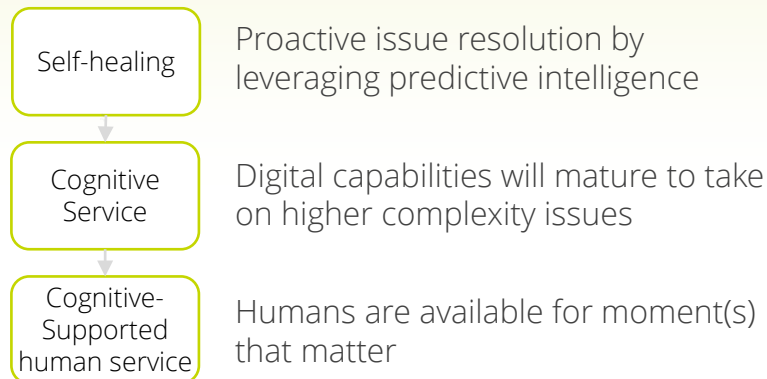
Decide whether to focus on **minimizing or maximizing** services and invest accordingly.



**Talk openly** about your service goals and how customers will perceive your strategy.

Provide customers with **clear visibility into available service options**, enabling them to choose the best one for their needs.

## Excel across the Servicing Spectrum



# Holistic Servicing Ecosystem

Strategically investments in unifying and consolidating the servicing ecosystem will enable complete view of the customer while optimizing operational efficiencies, leading to an enhanced customer and agent experience

## Single Master Customer Record



A single customer master record is critical (as much as data privacy allows) for advanced personalization, right channeling, interaction routing, predictive suggestions, etc.

Benefits of having a unified view of the customer are faster issue resolution, up-/cross-selling opportunities, increase in customer lifetime value (CLTV), minimize repeat calls/transfers, and reduction in overall customer effort

## Unified Interaction Routing

Leverage a singular cloud-based enterprise platform for predictive routing of interactions.

Route interactions based on a variety of parameters such as agent skills, availability, waiting time, customer sentiment, customer relationship with the company, etc.

## Technology Platforms

Strategic investments in technology across customer touchpoints

Technology platforms can share common data, logic and work together based on real-time data

Cloud-based enterprise technology suites over point solutions

## Cloud Integration



Having prioritized migrating to the cloud until now, companies must now integrate the different cloud platforms to combine data across them for an optimal customer experience.

Standardize CCaaS platforms at scale, tailoring the CAI, CCaaS and CRM Enterprise Tech stack to decrease IT costs, create new integrated capabilities, and improve operational efficiency

# Centralized Cognitive Execution

A consistent and connected cognitive experience leveraging data from all customer touchpoints will enable organizations achieve new levels of efficiency

## Navigating the Cognitive Evolution

Start your cognitive journey today, but don't rush to release.

Customer experience, brand and regulatory risks need to be managed carefully.

**Generative AI** and other Large Language Model tools are **evolving fast** with a huge number of offerings. It is **likely too soon** to pick a winner for the **long run**. Employee expertise offered by conversational designers and linguists will help optimize the investment to match your brand and personalize experiences

## Filter Data using Cognitive



Leverage cognitive tools to shift from 360 view to a relevant 3.6 view that helps serving portals display the most relevant customer information for the task at hand

## Consistent Cognitive Experience

Cognitive tools that are customer or service agent facing should be coordinated across channels to have a **common look, feel, voice, and experience** and share data/models whenever possible

## Generative Agent Assist

Generative Agent Assistant tools including summarization, next best action and scripts will have the greatest impact in the near term



# Talent Investments and Structuring

Increasingly complex interactions are raising demand on service professionals, necessitating cognitive tools to lighten workloads, while diversifying talent pools, providing career growth, and competitive compensation are key

## Evolving Talent Landscape

With most of the low to medium complexity interaction automated by cognitive technologies, the demand on customer service professionals is going to increase as they are left with **more complex interactions**, higher complexity technology, and troves of customer data.

Leverage **new talent models** such as hybrid / work from home to **address talent scarcity**

## Cognitive Assistance

Leverage cognitive tools to help reduce the workload on customer service professionals, help **improve decisioning and automate processes** that need not be done manually.

Examples of Cognitive Assistance include call transcription, sentiment analysis, skill-based predictive routing, knowledge article surfacing, auto-suggestions for interaction wrap-up, summary, etc.

## New Operating Models

Redesign service delivery model and use workforce management tools to structure talent in the most optimal and efficient way

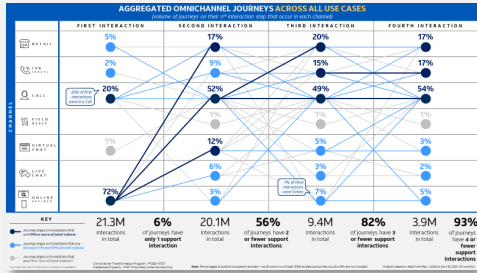
## Talent Engagement

Engage talent by offering them **career pathing** and creating a professional environment with **corresponding pay for the value of their work**.

Incentivize talent to build trust and relationship with the customers



# Omnichannel Orchestration for a Global Telecommunications Company's Contact Center



## Client Challenge

Despite strong financial performance relative to competitors and sustained positioning as a market leader, The client had significant opportunities to **improve their omnichannel customer experience**, evident by the fact that **NPS scores dropped by nearly 50%** when customers used more than one channel for support.

Given access to **customer transactional data**, we were able to **map customer experiences across channels** for specific Use Cases to **uncover the key points of friction and recommend product innovations**.

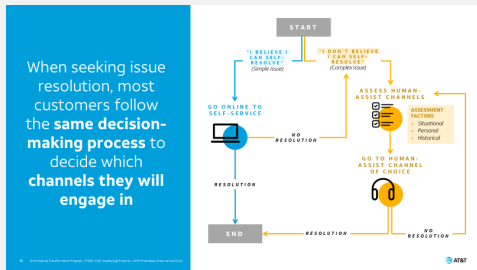
## Key Activities

**To generate omnichannel insights, we:**

- ✓ Analyzed 37M customer data journeys across 17 use cases and 6 channels
- ✓ Fielded an omnichannel survey to current customers
- ✓ Interviewed 32 customers and 8 call center employees

**To action insights, we:**

- ✓ Visualized customer journey data
- ✓ Prototyped & tested solutions and developed product requirements documentation
- ✓ Recommended omnichannel governance construct & processes to align the organization on improvement opportunities



**1. Opening bill**

**Narrative:** Mark views his bill online but notices that his bill is higher than expected. AT&T provides convenient contact options across channels with visibility into wait times so he can further investigate the issue.

**Customer Feedback:**

- Customer agreed that the bill was clearly laid out, the site is graphical and called out key differences.
- Customer liked having the contact options displayed clearly to eliminate the need to search for contact options.
- Customer valued knowing that each contact option would connect you with a live agent and provided realistic waiting times.
- Customer thought the call back option was great because it allowed them to schedule call backs on their own terms and around their schedule.

**HELP CUSTOMERS WHERE THEY ARE**

*"When you go to AT&T.com it's hard to find the chat option and that's how I prefer to contact. This makes it easy to find the different communication choices and to see the various wait times" - F, 37*

Omnichannel customers had on average **2.7 support interactions**. If the client **reduces that number to 2** it would result in:

**15M** fewer annual support interactions

# A Transformation Towards Becoming a Specialty Chemicals Solution Provider

## Background and Situation

- A large, global producer of chemicals and advanced materials embarked on a multi-year transformation journey towards reconfiguring to more effectively and efficiently operate as a specialty solution provider
- The ability to engage and serve customers with differentiated offers at a segment level is fundamental to their strategy
- However, business operations were configured to operate against manufacturing assets and created challenges when the business tried to pivot to a more customer-centric, led model
- Furthermore, select capabilities needed to be reconfigured or built to better execute in the marketplace

## Approach

- Deloitte partnered with this company to help accelerate this transformation and position it for long-term success
  - **Commercial Strategy Development** to develop behavioral-based customer segmentations and segment strategies for 16 business units
  - **Reconfigure business and commercial** operating models across the enterprise
  - **Design and build of critical capabilities** that will ensure its sustainability going forward

## Impact

- Developed strategies to improve margin by \$200 - \$300M across the enterprise through:
  - **Revenue lift**
  - **Margin growth**
  - **Improved efficiencies in operations**
- Supported initial phases of work to begin the transition to the new operating model
- Supported various capability building and digital enablement efforts

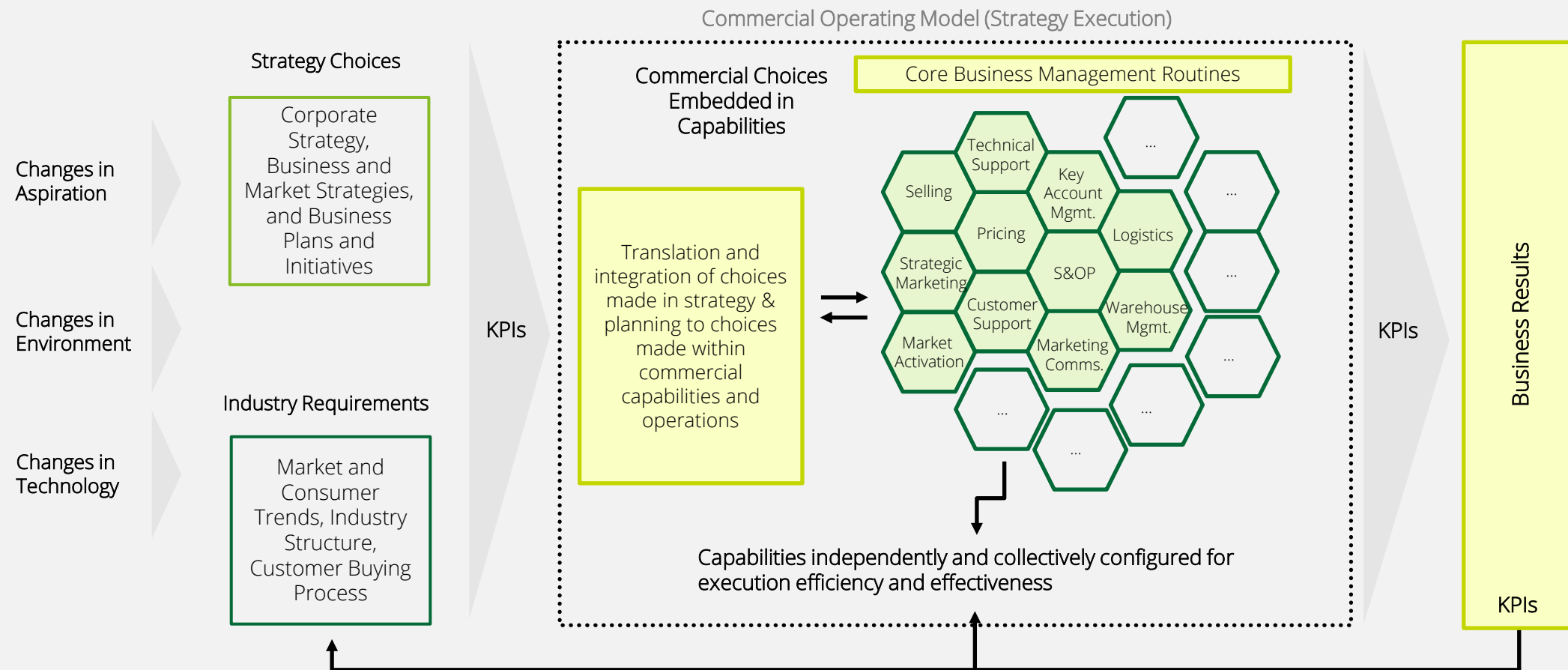
# The Effort Focused on Transforming How the Company Engages and Serves Its Customers



# Connecting Strategy with Business Operations Was Critical to Creating and Capturing Value in the Marketplace

The Commercial Operating Model work was focused on better linking strategy choices to choices made within the related, customer facing capabilities in daily operations

Illustrative



# What Can Organizations Do Now?

Organizations can get started on their journey to the Future of Service by building capabilities under each of the four building blocks

## 01

### Servicing Strategy

- Be intentional about your servicing strategy and investments
- Develop joint strategies and roadmaps with digital partners to deliver on the intended strategy
- Be pragmatic, address existing pain points and evolve over time

## 02

### Holistic Servicing Ecosystem

- Build a common customer record across the enterprise and move to a single routing platform for voice and digital interactions
- Move to a single routing platform that can route voice and digital interactions optimally across channels

## 03

### Centralized Cognitive Execution

- Develop an enterprise strategy for cognitive – Chatbots, IVA and service agent assistants should have a common voice and share common technology
- Test small, avoid “practicing” on customers

## 04

### Talent Investments and Structuring

- Focus on your people – If the technology hurdle is too high, go old-fashion and invest in your talent and empower them for success

## Get in Touch



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# Abstract

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## **Title**

Future of Service | How Organizations Are Transforming to Improve and Enhance the Customer Experience

## **Synopsis**

The typical customer service journey has been largely reshaped by tech-driven options that give customers the power to choose in the moment. In the typical B2B industry context, a customer is faced with limited customer service options often constrained to business hours with potentially long wait times or other challenges. Many customers wonder why it remains so difficult for organizations to adopt high-touch B2C customer service models within the B2B context. In fact, customers regardless of context expect consistent and efficient experiences across all channels and touchpoints, and many companies struggle to keep up. Brands and organizations that can satisfy high customer expectations by offering differentiated service options in a manner that enables customer choice can achieve distinct competitive advantage. In this session, we explore how organizations are transforming customer service to improve and enhance the customer experience using advanced technology and other techniques.