SMART
COMMUNICATIONS™

Your Customers are Trying to Tell you Something

Evolving from Customer Communications to SMARTER Conversations

"

The art of conversation lies in listening.
- **Malcolm Forbes**

"

The art of conversation is the art of hearing as well as of being heard. - **William Hazlitt**

"

To listen closely and reply well is the highest perfection we are able to attain in the art of conversation.- **Francois de La Rochefoucauld**

Many famous quotes about the art of conversation focus on the response versus the initiation. This shouldn't come as a surprise. To have a conversation is to exchange ideas between two parties. It requires give and take. Simply bombarding another person with the information you want to share is something quite different. This may seem obvious when it comes to personal relationships, but has been more difficult to replicate into the relationships companies have with their customers.

This difficulty is troubling. Loyal customers are key to a company's success. This has always been the case but is more important now than ever. Welcome to the age of Amazon! Digital disruption has changed the game for all industries. Consumers can now gather information and make decisions and purchases quicker and easier than ever before and with little to no assistance from the companies they select to do business with.

Furthermore, companies have come to expect this level of ease and speed, and they can share information (both good and bad) incredibly quickly with other prospective customers who are contemplating decisions as well. Customer loyalty is key to corporate success, and the role effective communications plays in an overall positive customer experience can't be overstated.

62% of consumers say

they are likely to switch vendors if their communications expectations aren't met[1]. But what do they expect? They have been trying to tell us that they don't really want to receive communications at all. They want to have conversations – and they expect these conversations to be digital-focused, interactive, relevant and timely.

It is critical for enterprises to begin to deliver **SMARTER** conversations. By doing so, they can deepen customer relationships by and build trust in a way that can only be achieved by engaging in two-way conversations that go beyond distributing required documents and instead deliver exceptional experiences.

It's Time for the Next Generation of Customer Communications Management

In the past, Customer Communications Management (CCM) was mainly focused on generating documents that were largely designed to meet regulatory compliance and were typically distributed via print. In fact, many CCM providers were built with pre-Internet technology specifically to serve this need.

How times have changed! While these types of communications are still critically important, companies need to offer much more than this if they want to create rewarding relationships with their customers that result in loyalty and retention.

In a recent report, The State of CCM to CXM Transformation [2], analyst firm Aspire outlined the evolution of CCM as having three phases — documents (phase I) to communications (phase I) and now interactions (phase III).

In the first phase companies are more reactive and focused more on regulatory compliance as the center of their communications efforts. As they mature to phase two, they begin to take a more strategic approach to how they communicate with customers and, as such, it becomes more important for business users to have more control. At this stage, however, the approach is probably still siloed internally.

In the most mature phase, what companies should be focused on are interactions, and on growing their business by improving the customer experience.

This third phase really represents the next generation of CCM, an important shift that recognizes the key role meaningful conversations play in the overall customer experience. It is time for companies to understand the differences between the communications of yesterday and the SMARTER conversations that are so important today and will continue to be in the future.

A Critical Shift

Communications

Static

One-way communication

Disconnected

Single channel

Print-centric

Siloed

SMARTER Conversations

Real-time

Two-way dialogue

Highly scalable

Connected

Omni-channel

Artificial intelligence

Digital-first

Contextual

Cloud-centric

Customer-driven

The 2019 Forrester Now Tech report indicated that one important improvement that CCM solutions can influence is the shift away from paper delivery. Modern customer communications management tools can "help the transition to digital through easy-to-use tools to create interactive statements, correspondence, and welcome kits, which will convince even reluctant customers to move away from getting paper." [3] They can also give transactional documents a "customer experience lift," by allowing for information sorting, embedded workflow tasks, call center discussion initiatives, embedded multimedia, and mobile-ready HTML5 output. A specific example Forrester highlighted was the ability to add video to traditional output, in order to visually tell a story and provide a more interactive component to welcome kit or a statement.

While this is an important evolution, it's even more important to remember that success is not achieved through delivery method alone. What matters most is that the next generation of CCM treats each customer as an individual, delivering highly relevant, timely and personalized communications via the channels **they** prefer. It provides a consistent experience throughout the entire customer lifecycle. It allows customers to initiate conversations with companies via multiple channels (chat, phone, app, etc.); for companies to quickly and easily respond; and for each interaction to inform subsequent messages, even allowing a conversation to start in one channel and continue on another.

What happens at the end of these conversations is important too. Often follow-up is needed, either from the company or from the consumer. It's important that these next steps and related timing is made very clear and that promises are delivered on—further extending the conversation.

While the consumer benefits are tremendous, the next generation of CCM also affords enterprises vast improvements in efficiency. It allows companies to easily integrate all their CX-focused technologies, reducing internal silos and providing a more complete view of the customer to all relevant business units.

In IDC's recent report, Worldwide Customer Communications Management Software Forecast, 2019–2023 [4], integrations and partnerships was one of three key criteria highlighted as being key areas of focus for the future success of CCM. The report pointed out that in order to give CCM a more strategic role in the end-to-end customer journey, it will be important to partner and integrate with other widely used team communication tools, marketing cloud, and digital experience technologies. IDC also indicated that closely aligning CCM tools with capabilities that automate document-driven business processes, such as BPM (or workflow), forms, e-signature, and capture solutions will be similarly important to future success.

Conversation Cloud Framework

The Smart Communications Conversation Cloud framework helps enterprises easily integrate customer communications management tools with other key pieces of their technology ecosystem. These tight integrations reduce internal silos and lead to more complete customer views. The Conversation Cloud Marketplace, a first in the CCM industry, offers a selection of pre-built adaptors and plug-ins to other market-leading CX technologies and applications.

Connect to 3rd Party Systems

Marketplace

Validated Plug-Ins

APIs

Open and Flexible

Conversation History

Removing Friction is Key to an Exceptional Customer Experience

In order to deliver on the promise of two-way conversations, it's not enough to simply deliver communications that are highly relevant and personalized. As organizations look to become more digital-first and to engage in dynamic conversations, they must identify how to most effectively pull needed information from a customer, and then use that information to respond appropriately, quickly and via preferred channels.

The biggest scarcity for today's consumers is time; helping them to interact through relevant, seamless, easy-to understand, and timely communications improves customer satisfaction and experience.

-Aspire, The State of CCM to-CXM Transformation, 2019 [2]

The process of collecting information from existing customers must be fast, seamless and mobile friendly given that today's consumers are more comfortable than ever conducting business digitally, and in many cases now prefer and expect digital interactions. If interactions are not mobile accessible and iintuitive or, even worse, still paper-based and static, enterprises risk creating a significant gap between what customers expect and what is being delivered. This starts from the very beginning of the customer relationship and remains critical throughout every stage of the lifecycle.

Think about the forms you ask potential or current customers to complete for processes – such as new account opening, onboarding or service requests:

Are all of your forms online (and preferably mobile-friendly!), or are you still requiring paper or scanned PDFs you then have to extract?

Can you be sure customers are using the most recent version of the form?

Are the fields pre-populated with what you already know, so the individual only needs to confirm data rather than rekey it in?

Do you know your NIGO (Not In Good Order) rates of incomplete or inaccurate submissions?

Are you asking only relevant questions? (For example, do you ask single customers to enter information about their spouse? Do you ask people in different states the same compliance questions?)

How much time does it take your internal IT team to launch new forms or make changes to existing ones?

Do you allow for users to start in one device and finish on another, even allowing that to take place offline?

What happens when you receive a returned form? Is manual work required to rekey information introducing the risk of human error and taking time away from valuable employees?

Your answers to these questions might reveal that your processes are tedious, time-consuming, outdated and not customer-centric. Not only is this forcing high-value employees to spend unnecessary time on process (and not on the customer experience), but asking today's digital-focused consumers to complete paper forms and scan, fax or email them back is unacceptable and simply providing a fillable PDF is not much better. Ideally, customers should be able to easily submit information, track their progress and quickly pick up where they left off. Furthermore companies must also understand that at some point in the process the customer will likely be using a mobile device and the experience must reflect that and be able to adapt accordingly.

Consumers have become accustomed to instant gratification. They are less likely than they used to be to wait for forms to be processed manually, thus delaying responses. In the financial services industry, for example, sources say 60 to 70 percent of customers will abandon a form before seeing it through to completion[5]. In life insurance, MunichRe estimated "Not in Good Order" (NIGO) rates at 45 percent or more – and says 30 percent of applications are abandoned by customers during the processing stage [6]. If this is still the approach you are taking, customer loyalty and retention is at stake. Now is the time to transform processes and shift to more adaptive interview-like processes. Perhaps the "form" of the future isn't a form at all.

Forms transformation needs to be a key element in a company's digital transformation efforts. Companies should be focused on adaptive interviews, which are really just digital conversations. They turn forms into intuitive, guided journeys that are contextually aware based on the customer's personal preference, device and location. In an adaptive interview, you ask intelligent questions based on known data and new responses. This eliminates unnecessary fields and the need to enter and re-enter information into a static form. Customers are guided to either confirm known information or provide necessary details via the shortest route possible. All of this improves customer experience and speeds up the business process.

Here are a few examples of where companies can increase ROI by transforming their forms process:

Customer Acquisition

Applications

Quotes

Proposals

Contracts and agreements

Loan origination

Customer Onboarding

Policy or other enrollment

New account opening

Know Your Customer (KYC) verification

Automated billing setup

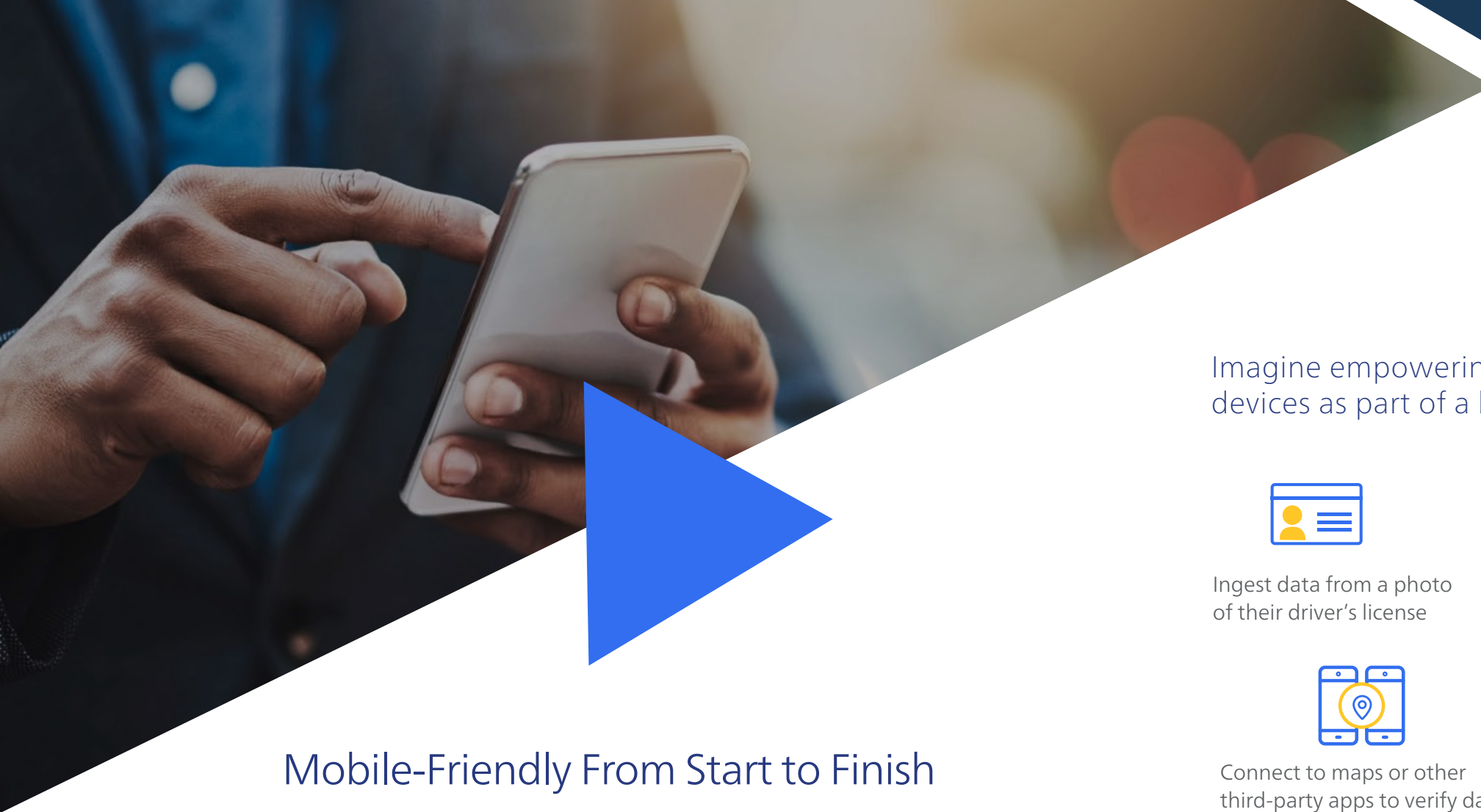Welcome kits

Customer Service

Insurance claims / first notice of loss (FNOL)

Self-service account updates

"Skip a payment" or payoff requests

Financial Statements of Advice (SOAs)

Information requests

Mobile-Friendly From Start to Finish

According to research from RescueTime, people generally spend about three hours and 15 minutes on their phones every day – and the most active 20 percent of smartphone users spend more than four and a half hours[7]. Despite this data, many organizations still aren't taking full advantage of the mobile tools now available to personalize communications and reduce friction in the interaction.

Imagine empowering customers to use their mobile devices as part of a business process or transaction to:

Ingest data from a photo of their driver's license

Scan a barcode

Use current geolocation data in an auto accident

Connect to maps or other third-party apps to verify data

Sync other contact or payment information available via mobile apps

Forward-thinking organizations can take in all of this information to produce confirmations, notices or correspondence for both customers – as well as third parties, such as auto repair shops or intermediaries – to accelerate the process.

Pure Cloud Makes This Possible

In order to deliver **SMARTER** conversations that are customer-centric and digital-first, enterprises must embrace cloud-based platforms that allow for more seamless integrations, deeper customer insight and an overall better customer experience.

"

Don't be slow to move CCM to cloud ecosystems. **- Forrester Now Tech** [3]

Aspire's report found that companies with the highest CCM-to-CXM maturity are actively migrating their CCM applications to the cloud, and they do this for several reasons, including the following:

✓ CX technology is rapidly evolving; solutions require heavy integration and time to market is very important as well. The cloud offers many more benefits in terms of deployment, no updates / always current, scalability, integration, and much higher business agility than using large on-premise systems.

✓ The CX teams prefer to experiment, test, and scale up only after knowing the solution works. This suits SaaS models (subscriptions) much better than on-premise installations.

✓ CXM leaders are shifting compliance communications to the cloud as well.

At this point, it is safe to say that every company is officially on its cloud journey. Some have just started exploring, others are in the selection or implementation process, while the early adopters (and the most mature on the path to CXM) are already reaping the benefits. In fact, Gartner has reported that by 2023, over 75 percent of all customer communications management implementations will be cloud or hybrid solutions [8].

Regardless of where you are in the process, this new world must be navigated thoughtfully. Future-proof, next-generation customer communications platforms are purposefully built for cloud deployment, thus allowing for increases in speed, agility, efficiency and ROI in a way that isn't possible with legacy, on-premise or managed solutions. These instances are likely to fail to deliver on the true promise of cloud.

	Traditional CCM	Next Gen CCM
Cloud Approach	Managed service(s)	Multi-tenant SaaS
Extensibility	Limited APIs	Open, extensive APIs
Business User Control	Heavy IT burden	Agile, business-control
Cost Effective	Hidden + ongoing maintenance costs	Lower TCO, subscriptions
Speed	Long implementations, limited agility	Fast time to market, agility
Scalability	Fixed and limited	Scalable volume/throughput
Elasticity	Configuration continually required	Capacity added on demand and scaled back on demand

Be the Change

The customer experience encompasses so much and is so important that it might seem too daunting to try to significantly influence it with what may seem like repetitive and required tasks... but that is precisely the problem that can be solved! Remember that every communication you send has a recipient on the other end – a human being who has visited a doctor, purchased a home or suffered damage from a storm. These are people who need to have conversations with your company, and they want those conversations to be fast, frictionless and enabled 24/7 on any device.

When companies recognize the need to shift their focus from what they want to distribute toward instead meeting or exceeding customer expectations, and they adopt cloud-based tools to make that vision a reality, they become empowered to go one very important step further—to stop thinking about CCM as customer communications management altogether and to start thinking about a future centered around customer conversations. The benefits to the customer are tremendous and so too is the impact on the bottom line.

No one knows how to enable SMARTER conversations better than Smart Communications. Let us tell you more.

Visit us at **smartcommunications.com** and follow us on **LI** and **Twitter**

1) Are Customer Communications Getting SMARTer?, Smart Communications, 2019
2) The State of CCM to CXM Transformation, Aspire, 2019
3) Now Tech: Customer Communications Management, Q1 2019, Forrester Research, 2019
4) Worldwide Customer Communications Management Software Forecast, 2019-2023, IDC, 2019
5) Bank's Digital Sales Results Increase 36% With Improved Onboarding, The Financial Brand, 2018
6) Five New Business Dashboards Every Business Needs, MunichRe, 2018
7) Screen Time Stats 2019: Here's How Much You Use your Phone During the Workday, RescueTime, 2019
8) Market Guide for Customer Communications Management, Gartner, 2019