



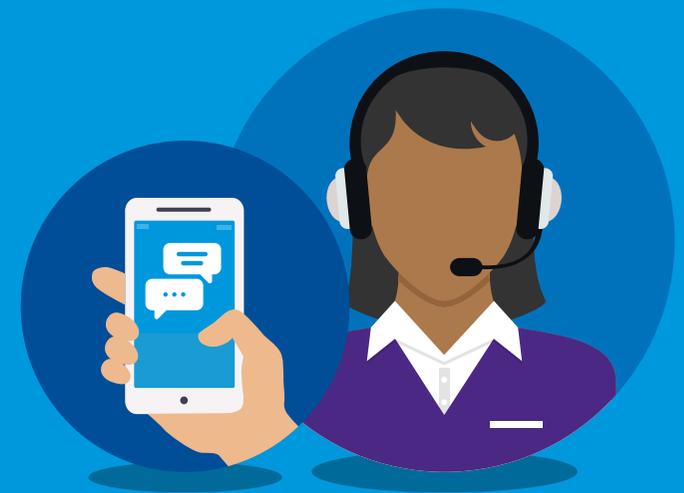
# From Contact Centre to Orchestrated Experience Centre

**How customer experience orchestration will  
transform the contact centre of the future**

October 2020

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# Introduction

**COVID-19 has accelerated many macro trends that were already in evidence and has sped up progress to the future. Nowhere is this truer than in the contact centre. Remote working, digital self-service, messenger bots and machine learning (AI) have all been accelerated during recent months.**

Meanwhile, customers are still expecting an emotionally and psychologically satisfying experience, ready answers to their increasingly complex queries and first-time resolution of their problems as they arise.

The use of digital technologies is driving proactive personalised experiences. Customers expect to be able to move easily between channels and be able to start in one and pick up in another, delivering error free, frictionless interactions. New channels are rapidly becoming the norm. Technology enabled channels - SMS, social media, messaging apps, video calls and webchat - allow interactions to be orchestrated across all channels and the entire customer journey.

In short, it is no longer about effectively managing telephone contacts at the lowest cost. It is about delivering end-to-end experiences, fusing the advantages of technology and people to inspire advocacy and loyalty. The mindset around the role of the contact centre is changing and its fast becoming the epicentre of customer experience:

- By 2023, customers will prefer to use speech interfaces to initiate 70% of self-service customer interactions, rising from 40% in 2019.<sup>1</sup>
- By 2025, customer service organisations that embed AI in their multichannel customer engagement platform will elevate operational efficiency by 25%.<sup>1</sup>
- By 2025, superior customer service is expected to be trusted, effortless and personalised while translating directly into better ROI and business outcomes.<sup>1</sup>
- By 2025, personalisation will go beyond tailoring offers, products and services, it will include the staff, who will become known and trusted individuals rather than scripted agents. It will also let agents change the way they provide service based on context rather than on a rigid set of rules.<sup>2</sup>

The next gen experience centre will play a critical role and become a key differentiator for any business to cultivate customer loyalty, increase customer base and improve the CX quotient of the company.

<sup>1</sup> Gartner 2019, The Future of the Contact Centre

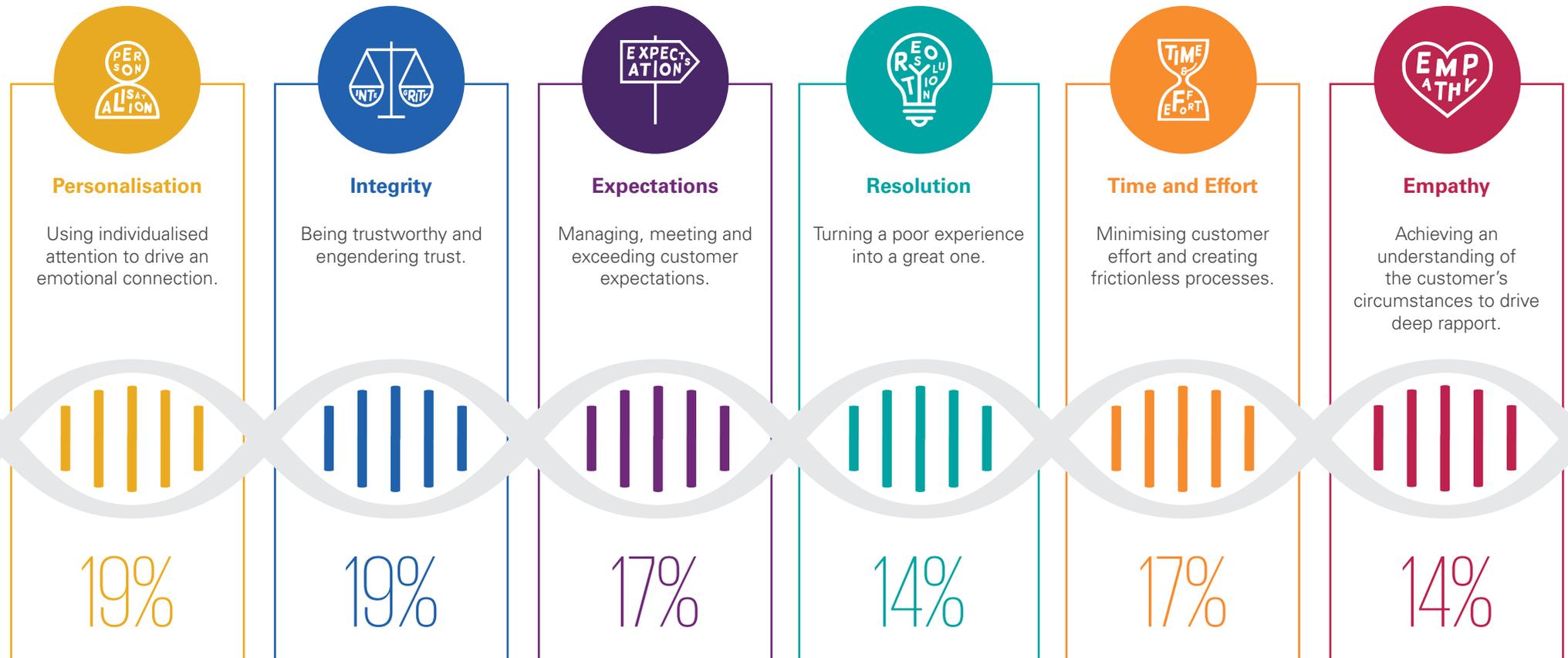
<sup>2</sup> NICE and Telesperience, Contact Centre 2025: Trends, Opportunities and Strategies



# The DNA of best practice

Whether human or digital, experiences can be designed to connect emotionally with customers. Our research shows that outstanding experiences comprise of six dimensions. We call them The Six Pillars of Experience and leading global businesses are masters of all six. With 4 million customer evaluations of 3,500 brands across 34 countries, The Six Pillars have been validated as the embodiment of global best practice and the DNA of world class experiences.

Outstanding global contact centre-based organisations such as first direct and USAA are masters not only of the integrated delivery of digital and telephone experiences but also world leading exponents of The Six Pillars of Experience.



Percentages reference the importance in driving NPS and Loyalty (2020). Data taken from **KPMG Nunwood UK Customer Experience Excellence report 2020**.

# Emotional design

Every interaction - human and/or digital - can be broken down into its constituent parts across the front, middle and back office and by using The Six Pillars can be optimised to deliver emotionally connective experiences. These can play out over a complex call or a simple 90 second enquiry.

 <p><b>Priming</b></p> <ul style="list-style-type: none"> <li>— Key emotions</li> <li>— Up front cues</li> <li>— Customer circumstances</li> <li>— Barriers</li> </ul> 	 <p><b>Welcome</b></p> <ul style="list-style-type: none"> <li>— Smile (in the voice)</li> <li>— 4 second rule</li> <li>— Voice performance (pitch, pace, inflection, vocabulary)</li> <li>— Personal greeting</li> <li>— Establishing credibility</li> <li>— Use of names</li> </ul> 	 <p><b>Engage</b></p> <ul style="list-style-type: none"> <li>— Subtle discovery purposeful small talk</li> <li>— Active listening</li> <li>— Questioning techniques</li> <li>— Key needs identification</li> <li>— Empathy statements</li> <li>— Personal storytelling</li> </ul> 	 <p><b>Respond</b></p> <ul style="list-style-type: none"> <li>— Summarising desired actions</li> <li>— Expectation setting</li> <li>— Handling difficult responses</li> <li>— Time-line</li> </ul> 	 <p><b>Solve</b></p> <ul style="list-style-type: none"> <li>— Positive language</li> <li>— Reciprocity</li> <li>— One additional thing</li> <li>— Confirming questions</li> <li>— Product, process knowledge</li> </ul> 	 <p><b>Close</b></p> <ul style="list-style-type: none"> <li>— Strong summary</li> <li>— Next step commitment/ education</li> <li>— Next issue avoidance</li> <li>— Time estimate</li> <li>— Thank by name</li> <li>— Personal link</li> <li>— Invitation to return</li> </ul> 	 <p><b>Follow up</b></p> <ul style="list-style-type: none"> <li>— Written confirmation</li> <li>— Check in 24-48hrs</li> <li>— Customer care call</li> <li>— Additional needs surfacing</li> </ul> 
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# The orchestrated customer experience

**The orchestrated customer experience in the contact centre and the back office aligns technology with carefully designed human to human interactions.**

The challenge therefore facing customer service leaders will be how to harness and orchestrate technology and people skills in a way that delivers a competitively superior customer experience.

It requires connected thinking across the entire customer service suite and experience designs that incorporate both digital technology and customer service excellence in a way that delivers the company's brand promise.

Our global research suggests that there are two alternative routes to a fully orchestrated customer experience dependant upon the organisation's start point and business emphasis:



## Route 1

**Creating customer experiences that are led by advanced technology to disrupt the market.**

Often these brands will take a digital-only or digital-first approach with their contact centre being a point of escalation. However, this can also be delivered through traditional voice or chat services. Characteristics of these brands are often SaaS-based centres which form part of a cloud-based application ecosystem with AI often at the core. This helps to promote innovation through adopting a test and learn approach to enhancing the service.

Several fintech brands follow this approach, where the technology is enabling them to drive an improved customer experience and disrupt traditional players, which is often an attraction to their target market. For example, Lemonade in the USA has disrupted the insurance market with a combination of AI and Behavioural Economics. Lemonade takes a "human-oriented technology" approach to maximise customer satisfaction. Lemonade's innovative, customer and technology focused transparency model has resulted in rapid growth. In its first two years in business, Lemonade has grown from 96 customers to 250,000. And these customers are happy: 98 percent would recommend Lemonade to a friend. The technology defines the experience, governance model, organisational structures and people development.

Similarly, Bulb and Ocado in the UK have aligned their contact centre behind an orchestrated digital offering, ensuring customers interact primarily digitally, but ultimately have recourse to a human, whether through digital channels like chat or through traditional voice.



## Route 2

**Creating customer experiences that provide differentiated service, led by the quality of the human interface, whether that be through voice or even face to face in the store or out in the field.**

Typical characteristics of these brands will be to design and define the customer experience and journeys first, then look to what technology can enhance that experience for both staff and customers.

first direct, number 1 in our 2020 UK Customer Experience Excellence, top 100 companies, is a good example of a service led company. Their brand is based on empathy and delivering outstanding customer experiences through their people to meet exacting emotionally connective standards.

For these type of organisations, technologies are deployed in a way that transfers the warmth of the person to person experience online. Sephora, for example, is exemplary in replicating offline experiences online. Their app acts in just the same way as one of their advisers would in store or out in the field. But, at the click of a button, you can connect with one of their consultants.



**There is no right or wrong way to approach your contact centre transformation. However, what is important is that technology and human interaction come together to optimise the experience for customers. This requires orchestrating journeys to get them to their destination in a frictionless way.**

Whichever route you decide to take first will depend on the best way to deploy your brand vision and purpose, leveraging your core competences to deliver optimum experiences for your customers. This requires deep knowledge about your customers and how they wish to interact with you. And, what technology will therefore be needed to realise these demands.

To decide the best path to take, you need to take a step back to assess the type of business you want to be, post COVID-19.

Canadian ice hockey player, Wayne Gretzky, in describing his outstanding success observed that **“A good hockey player plays where the puck is. A great hockey player plays where the puck is going to be”**.

And so it is with companies planning their COVID-19 recovery. Type A businesses plan for where the customer is going to be post crisis, Type B businesses plan for where the customer was pre crisis.

## Type A businesses

-  Type A businesses focus on competing for a New Customer.
-  The working assumption is that things will never be the same again and this is an opportunity to reconceive and reinvent the business. Everything is on the table. M&S, for example, has launched its “Never the same again” transformation programme (Source: M&S press release, 20th May 2020).
-  Leaders of Type A businesses are seeking to balance saving the ship, with what is needed for a new and better one.
-  It starts with what needs to be, rather than what is. There has been a discontinuous shift in the economic world, therefore there also needs to be a discontinuous shift in how the organisation acts and shapes its response to the new reality.
-  In a purpose-driven world, firms are revisiting and refining their organisational purpose in the context of their societal and environmental impact.
-  The organisation design is based on deep insight into the problems customers face and how they respond rapidly to solve them. It champions a spirit of iteration, experimentation and optimises around tactics that work.
-  It uses the burning platform created by the crisis as a springboard to moving hearts and minds to a New Customer oriented operating model.
-  The focus is on designing costs out through the new optimised model rather than just cutting them. This promotes the twin objectives of highest quality experience and lowest cost.
-  There is rapid adoption of AI, digital and technology in key processes to provide resilience and speed to market.
-  Type A businesses start an internal cultural revolution, aimed at empowerment, enablement and engagement, with the customer as the beating heart.

## Type B businesses

-  Type B businesses focus on protecting an existing model.
-  They allow fixation on reacting to the crisis to cloud their foresight. Their entire focus is on saving the ship.
-  The working assumption is that the world will revert to where it was. This belief shapes the mental model of the leadership team.
-  It starts with what we have, and focuses on cost cutting, investment delay, liquidity and solvency, to the exclusion of the New Customer.
-  There is a focus on frantic revenue generation activity and an acceptance of suboptimal customer experiences as a consequence.
-  There is continued adherence to the previous operating model and loyalty to previously successful behaviours, failing to test if those behaviours will be successful in the new reality.
-  Customer knowledge is rooted in the pre-crisis understanding and modified through the crisis, leading to a refinement of an existing model, not the reinvention of a new and more relevant one.
-  There is a failure to challenge the orthodoxies of the past and get to grips with the new reality.

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In a KPMG poll of the UK business market in July 2020, **65%** of respondents were Type A businesses.

If you are a Type A business then looking at how your contact centre can perform in this new reality to drive customer loyalty, acquisition and retention will become a key differentiator for the brand experience it creates.

For more information on Type A and Type B Businesses please view our latest [2020 Customer Experience Excellence Report](#).

# Customer experience implementation

**The goal of the orchestrated customer experience centre is to deliver the right service to customers as they move between channels that reflects their context to provide an appropriate level of emotional connection.**

This requires aligning technology with The Six Pillar best practice interaction design across customer journeys.

Applying appropriate business rules and intent-driven analytics to determine the relevant next best action, information or process will then emotionally engage customers and help fulfil their emotional, psychological and physical needs.

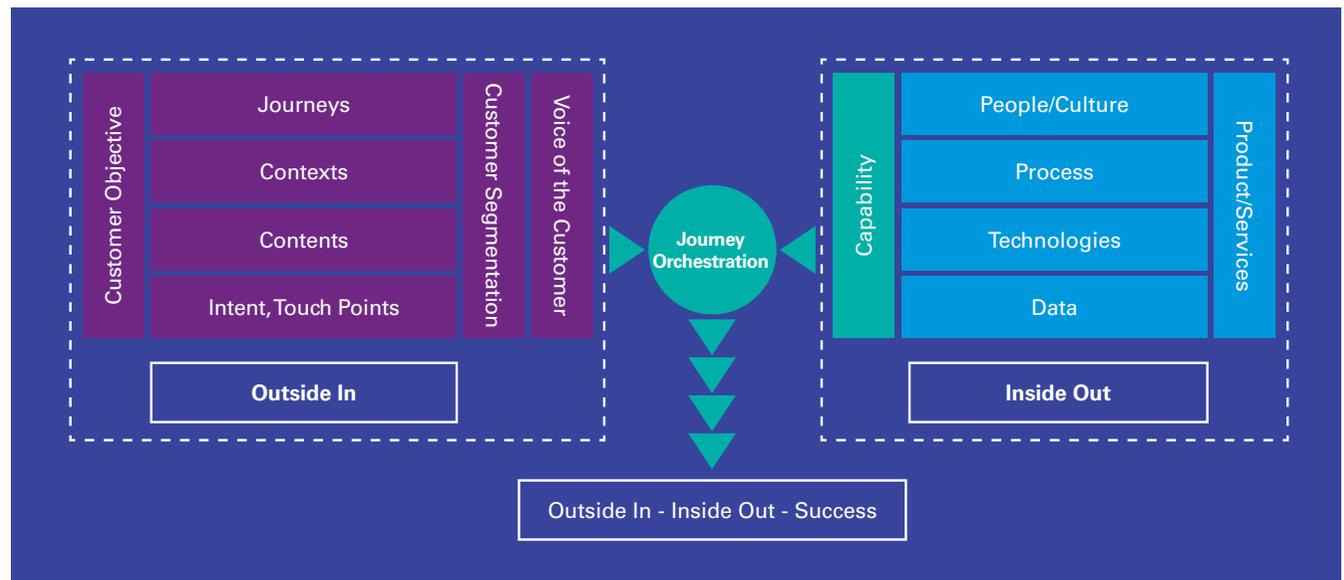
Establishing change of this nature is difficult and complex and can often be hard to gain buy-in across the organisation. But, by taking a customer-centric approach as to why this transition is necessary by communicating the clear benefits can make this easier.



There are two main streams of strategy in how you design for new products or services for your customers.

- 1: "Outside-In" approach that is guided by the belief that customer value creation is key to success.
- 2: "Inside-Out" approach that is guided by the belief that the inner strengths and capabilities of the organisation will produce a sustainable future.

**Key things you should consider:**





## 1) Understand your customer

To deliver the best contact centre experiences you need insight to guide your decisions. This requires soliciting and understanding deep insights about your customer that can predict and personalise their experiences end-to-end.

Analysing customer contact data and looking at historic records can help provide a holistic picture of your customer, identifying what matters most to them and how they want that service delivered to them.

To do this, businesses will need to use intelligent and advanced analytics embedded as predictive and prescriptive actions for both customers and employees. This will create dual benefits. It will help towards creating proactive solutions for the customer with the desired outcomes and will help empower employees with data for effective decision making.

Already we are seeing a trend towards this with simple transactions and business as usual enquiries being handled effectively and with speed using virtual call agents or cognitive bots. As well as the increase of chat and having face to face contact when it matters to customers.

Organisations will need to establish a right mix of human, self-serve and virtual channels to engage with the customer with their specific needs. It should adopt channels which are already being used by the customer in their day to day life while at the same time preserving the human connection. An omni digital channel approach will reduce the customer effort and offer more flexibility to resolve customers' issues efficiently.

Having the right insights at your fingertips to guide how you deploy the right technology and when is key. To do this you will need to:

- A)** Plan the journeys that meet the needs of your customers and develop tools and workflows to ensure customer journeys and processes are joined-up to simplify how insights plug into CX improvement efforts.
- B)** Continuously analyse the voice of the customer to identify "Moments of Truth," converting them into outcomes and linking these outcomes to operational success measures (both physical as well as emotional) will improve customer experience.

## 2) Understand the orchestration

Having gained a clear picture and understanding of who your customers are, you can use this knowledge to your competitive advantage to create a unique brand experience that is based on an individual customer need. This is orchestration in action.

True orchestration goes beyond marketing to incorporate sales, service and ecommerce solutions. Unifying your capability and overcoming organisational silos allows you to learn, understand and align customer conversations and journeys more effectively across every interaction to create a deeper connection with your customer.

This greater connectivity puts the customer at the heart of your day to day operations and can help you to adapt and change the way your business operates. From connecting KPIs across departments with measures focussing on the short, medium and long term to supporting business growth and value creation to improving the end-to-end experience for every customer.

Orchestration can enable the symbiotic relationship between happier, more loyal customers and can also make a positive difference across your organisation. From increased customer acquisition rates, to more easily identifiable cross-sell and up-sell opportunities, to reducing the cost to serve and retain existing customers.

All of this is achievable by having a closer understanding of the intent behind the customer interaction and responding in real time with always the relevant next best action, decision, offer or communications that are aligned to your customer needs and wants.



### 3) Understand your organisation:

To create the right experiences for your customers you need to make everything in your organisation resilient, flexible, agile and scalable.

You can achieve this by integrating your Front, Middle and Back Office and shifting from traditional, siloed operating models to focus on the right customer outcomes and reduce customer effort. The following should be considered as part of this effort:

- A)** Set-up Multi-Disciplinary Teams (MDTs) to work together so the business uniformly understands customers' needs and works together across front and back office. This will help to design experiences that can efficiently and effectively meet those needs.
- B)** Identify synergies between front and back office so the customer gets a consistent experience and informed service from everyone they deal with, irrespective of the department, to reduce customer effort.

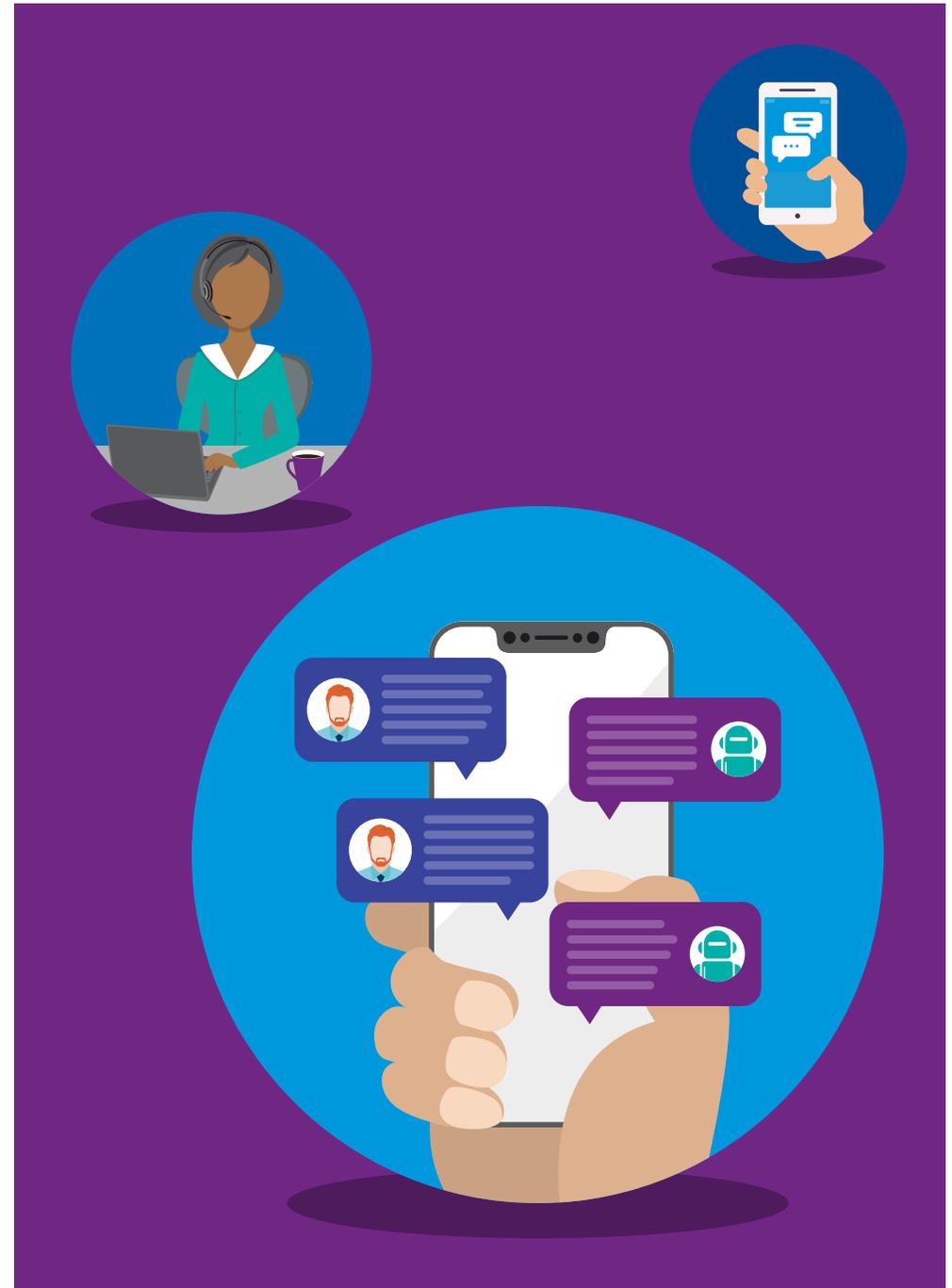
### 4) Understand your people:

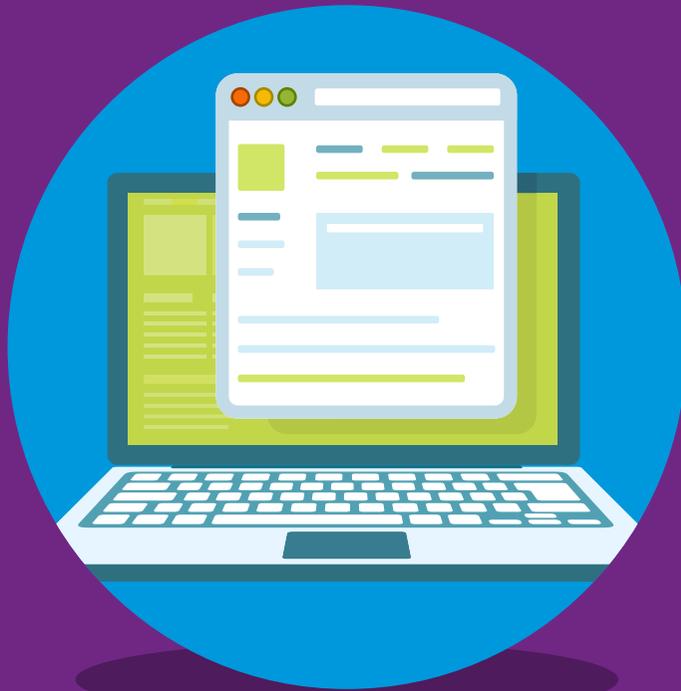
With the changing digital needs of the New Customer the usage of different channels will vary. This will require adopting new resource approaches to meet customer expectations.

For example, inbound front office teams may get smaller as customers engage more with self-serve channels. This may mean operating with a more flexible workforce. One of the solutions could be crowdsourcing customer service through the gig economy.

Staff are already breaking the mould of the traditional contact centre and as such are becoming inherently more engaged and empowered. They are doing this by:

- A)** Shifting the mindset from one-issue, one-associate to all-issues, one-associate philosophy. This would mean associates taking complete ownership on any issue pertinent to that customer account to create a positive customer experience.
- B)** Adjust your talent strategy in line with an examination of the new skills required to manage advanced customer engagement processes.
- C)** Change what you measure. Performance metrics for the next gen experience centre will need to become more customer centric and real-time. For example, from measuring volume and usage of digital channels, to number of customer queries resolved by cognitive interactions with IVR containment, chat bots and virtual assistants. To First-Call Resolution and NPS scores to measuring reduction in customer effort and response time.





### 5) Understand your technology:

To deliver optimum customer service solutions organisations will need to first look at the technologies that already exist within the organisation to assess how they are performing and what can be leveraged.

If the technology isn't suitable, organisations should look to capitalise on the "As a service model" to be able to respond quickly to these changing demands and to embed the right service solutions that can ensure agility and flexibility rather than building solutions from scratch.

Investigate how a cloud architecture framework enables you to experiment with a customer journey by connecting the traditional functions of marketing, sales and customer service. This addresses the growing need to orchestrate a continuous customer experience across channels, systems and departments. It is critical that you approach it with these in mind:

- A) Go for a channel-less/agnostic design, seamless integration and CX innovations. In addition,
- B) Use advanced analytics to create a segment of one, thus, considering customers as individuals with an array of preferences instead of simply as a ratepayer to build brand loyalty. This will also help empowerment of colleagues to provide unique resolutions to customers based on their personal needs.

### 6) Optimise the outsourced experience around journey economics not cost centres.

For many companies outsourcing has historically provided a more sustainable economic model where the focus is on servicing calls at the lowest cost.

However, in this new world, traditional outsourcing of contact centres is failing because they divide experiences into disconnected interactions. It fails to create an engine of financial growth by artificially separating customer experience, growth and cost management. It divides whole journeys across disconnected systems and outsourcing partners, delivering less value for the business and customer.

- A) Firms need to see the outsourced contact centre as an experience centre that contributes to the value of the entire customer journey, so that costs are optimised rather than minimised.
- B) These economics need to reflect the contact centre's integration with digital and customer revenue enhancement technologies.

# Conclusions



<sup>1</sup> The Three Customer Service Megatrends in 2019: As AI eats jobs, agents are more valued, Forrester

<sup>2</sup> Gartner predicts a virtual world of exponential change, Gartner

The contact centre is the epicentre of any service-oriented organisation and is used to connect both internal and external users and services provided by the organisation.

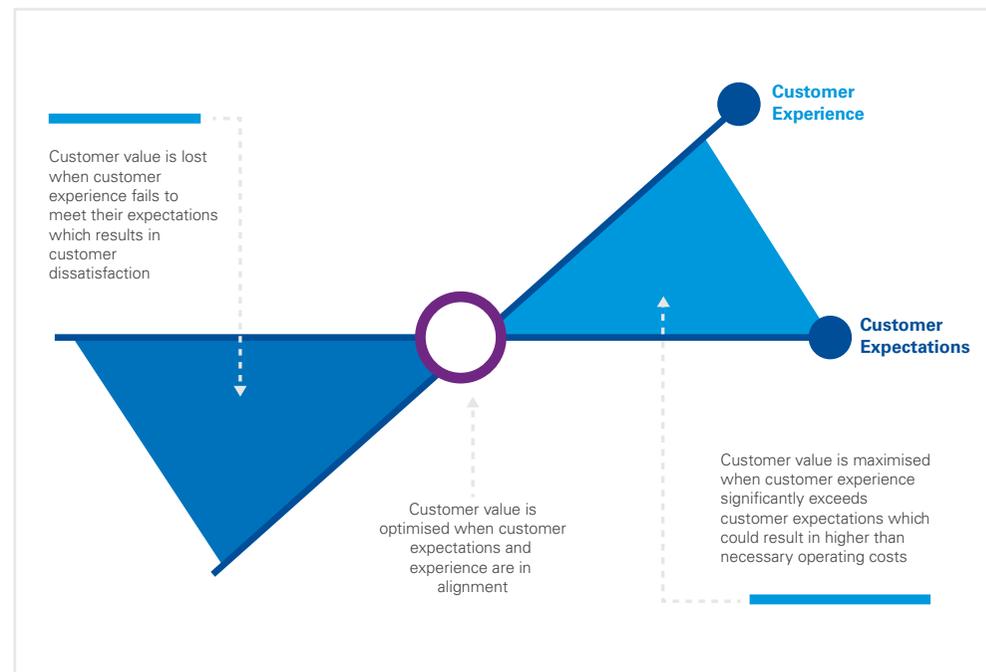
Along with the related infrastructure, a contact centre provides an explicit or implicit service agreement that provides customers a way to engage with the service provider for questions, problems, changes and any other issues that may arise. It is a key component of customer engagement, soliciting feedback and continuing the connection to the organisation.

Leading organisations look at total costs to serve and total revenue return. They are less focused on seeing the contact centre as a cost and more about seeing it as a centre of profitability. Our observations of leading firms illustrate the mindset shift that needs to take place:

From	To
Contact centre	Experience centre
Cost	Contribution to overall profitability
Calls per hour, average call length	Brand experience delivery
Failure demand	First time resolution
Receives change programme, head office outputs	Drives change programme, head office outputs
Telephone based	Digital and telephone hub
Command and control	Servant leadership
Scripts	Authenticity and empowerment
Low skill	High levels of competency and judgement
Speed	Quality
Customer response	Customer journey orchestration
Digital or human	Digital and human
Employees as answering machines	Employees as experience managers
Organised by product specialism	Organised around journeys and customer needs groups

At KPMG we believe the next generation of contact centres will leverage a fluid integration of technology, data management, analytics and organisational design. This will help to reduce failure demand, improve first-call resolution, enhance cognitive interactions and transform the role of associate from basic customer service representative to empowered customer advocate.

While difficult to quantify, customers' perceived value of the organisation as a whole has a direct impact on their bottom line. A bad experience can easily drive a customer to a competitor or can drive an employee to leave an organisation resulting in loss of talent and attrition costs.



For this reason, it is imperative that organisations do the following:

- Consider the impact of middle and back office decisions on the customer experience
- Understand what really brings value in the eyes of the customer
- Rigorously measure the ROI of customer experience initiatives

Organisations must build the organisational capabilities set out in the above section and roadmap how (Route 1: Digital-Led, Route 2: Service-Led) they will transition to becoming the orchestrated Customer Experience Centre.

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