TRANSFORMING
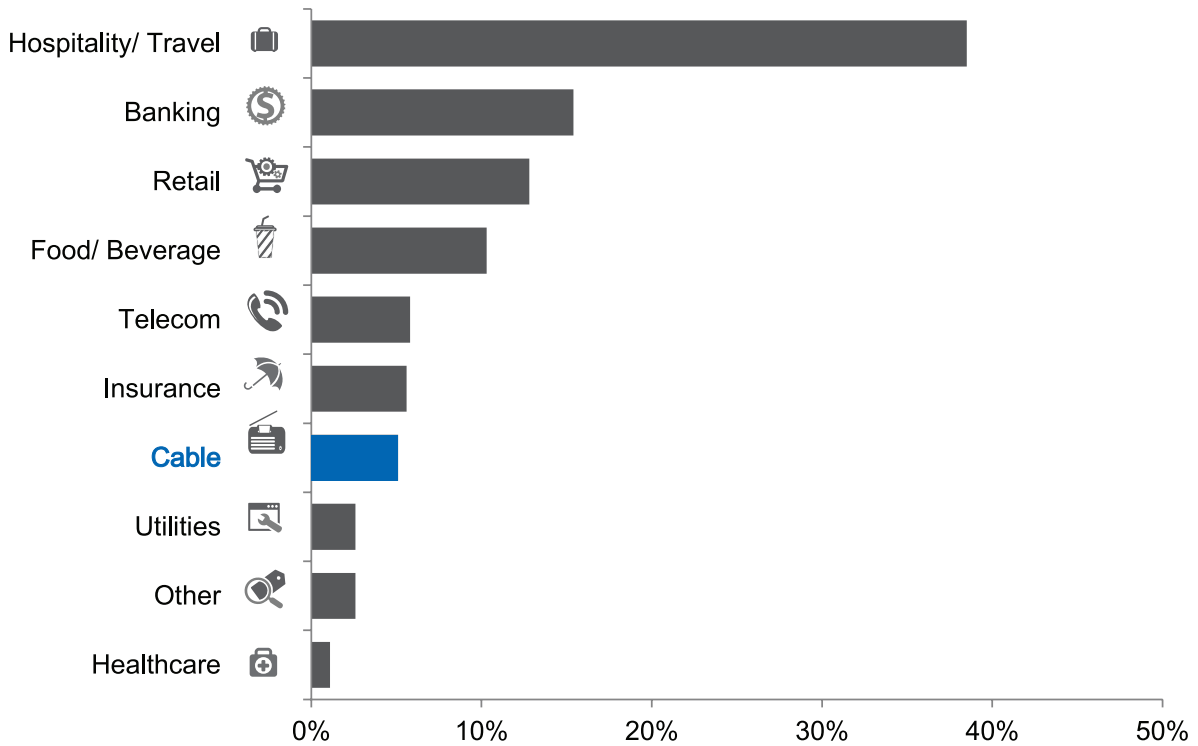## CUSTOMER EXPERIENCE
HOW CAN IMPROVED CUSTOMER SERVICE
SAVE THE CABLE PROVIDER INDUSTRY?

CUSTOMER EXPERIENCE
COMPARISON INDUSTRY WISE

*Source: Customer service best practice survey result*

EXECUTIVE SUMMARY

Customer journey has never been so dynamic in today's world. The digital experience has transformed the customer psyche and the definition of key to success has flipped upside down. The advent of social media and real-time interactive feedback allows every customer to build and maintain relationship with the organizations today. However, the businesses are failing in capturing the pulse of the customer due to priority mismatch. The companies are focusing on increasing social care teams, consolidating with peripheral businesses to upscale the offerings to acquire more customers etc. However, to retain these customers it is equally essential for the business to address the most important issue at hand- customer experience.

Through this paper, we examine the customer experience in the cable industry. Cable industry has seen mass consolidation and is subjected to a few dominant players. Now the technology is changing the status quo. To survive in the long run, the cable companies need to do two major changes- adapt to technological advances and provide great customer experiences. Through these measures they can achieve multifold long term benefits namely- revenue, profits, customer trust, loyalty and improved NPS and CSAT scores.

The cable providers are experiencing substantial loss in basic video subscribers (churn) as their customer service channels are underutilized. The major cable providers have secured the lowest CSAT scores for three consecutive years now. These companies must dedicate themselves to a customer centric approach so that the customer base is happy and sees no reason to switch.
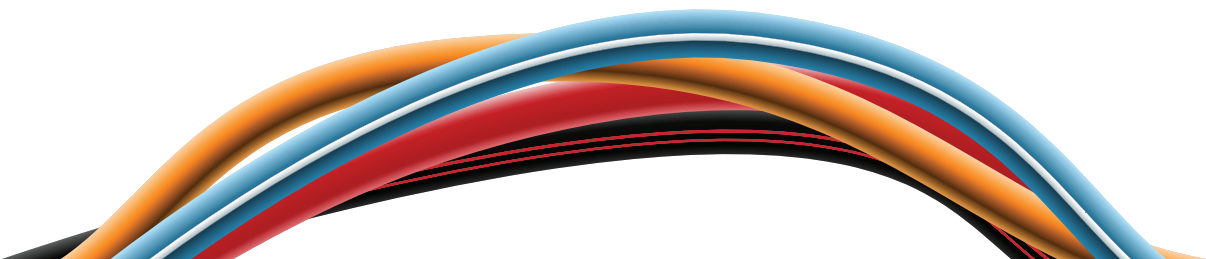
FOR A SUBSCRIBER, THINGS SHOULD JUST WORK REGARDLESS OF THE TYPE OF DEVICE THEY ARE USING OR WHETHER THE SUBSCRIBER IS AT HOME OR ROAMING

CUSTOMER CHURN IN
CSP INDUSTRY

GROWING EXPECTATIONS

RETENTION

68% have stopped doing business with a brand due to a poor customer service experience.

EXPECTATIONS

56% have higher expectations for customer service now than they had an year before.

IMPROVEMENT

62% feel that overall customer service is getting better rather than worse

IMPORTANCE OF SERVICE

Reducing the number of customer departures has become a high priority for most cable service providers today as the competition intensifies. Why do such high levels of churn persist?

The cable provider industry is evolving from being traditional cable network providers to becoming the quad play providers. The industry is converging and consolidating. However the CSPs are still operating in the same mode today rather than changing with the today's customer psyche. Instead of transforming customer service, pursuing loyalty programs, they focus on new installations, new customer acquisitions, and spending more on advertising or marketing activities. Hence not much progress has been made to curb the churn with churn levels which are as high as 2-2.5% per month. For a major Telco the rate of customer defections rose to 1.22% in Jan 2015 over the previous year due to unsatisfactory customer service.
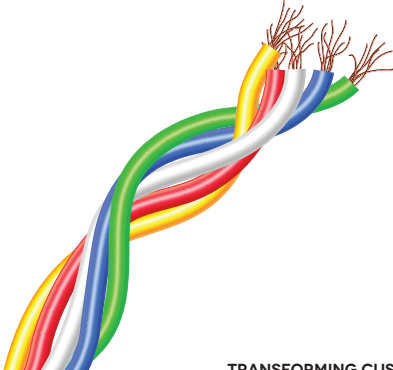
IT COSTS HUNDREDS OF DOLLARS TO ACQUIRE A NEW CUSTOMER IN MOST CABLE INDUSTRIES. WHEN A CUSTOMER LEAVES, THE CSP LOSES NOT ONLY THE FUTURE REVENUE FROM THIS CUSTOMER BUT ALSO THE RESOURCES SPENT TO ACQUIRE THE CUSTOMER IN THE FIRST PLACE.

HOW TO IMPROVE NPS AND CSAT? CUSTOMER EXPERIENCE HOLDS THE KEY

According to the ACSI Telecommunications and Information Report 2015 the biggest players have fared the lowest scores. The trend has been continual with cable service providers CSAT and NPS scores plummeting each year.

Large players have reported a loss in video subscribers, as more and more people opt to view video online using services such as Netflix, Hulu (News - Alert), and Boxee. The subscribers today expect issues to be resolved at the first point of contact. These newer players give the customer an integrated customer experience through their digitalized customer service not leaving a single stone unturned. Thus churn of subscribers from CSP is bound to increase.

It is important to provide a superior customer experience because it helps in earning loyalty among the customers. The customers tend to buy more and become promoters, they stay longer with the cable provider and most likely also recommend it to friends. E.g. Apple is especially good at understanding customer emotions and recently came out on top in the American Customer Satisfaction Index and JD Power's smartphone customer satisfaction survey1. Thus customer experience is bound to be the key priority of the businesses in order to curb churn. The first step in mitigating the churn problem is improved customer understanding and kinds of issues faced.
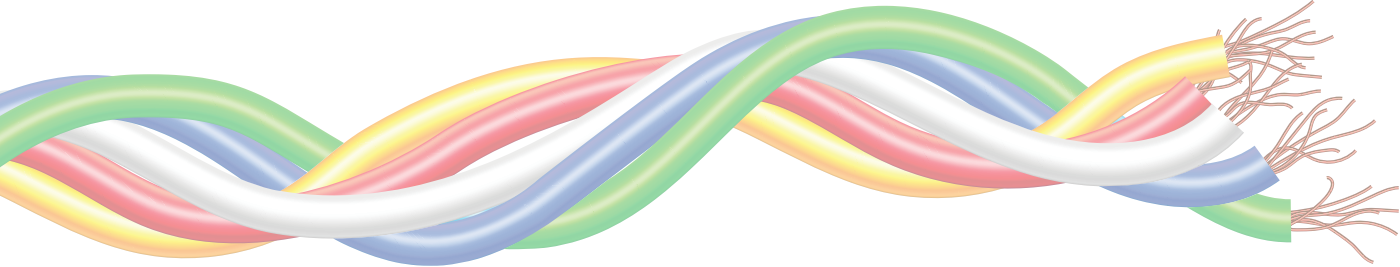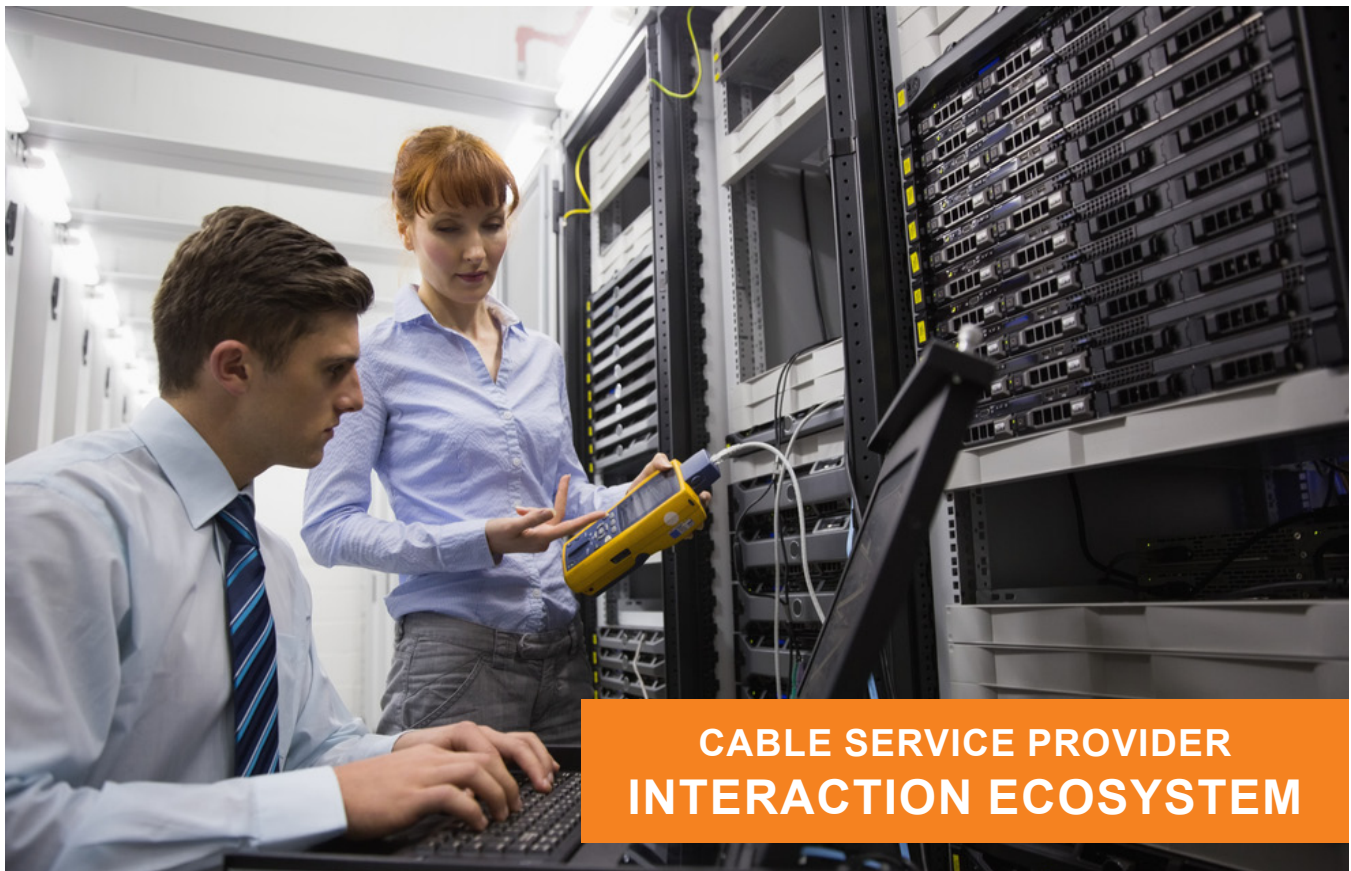
CABLE SERVICE PROVIDER
INTERACTION ECOSYSTEM

Retail giant Amazon stands at the top of 100 globally-known brands across seven major industries for best customer experience. How do they do it best?

Putting customer first: All employees have to work the customer service lines for two days every two years – even Jeff Bezos – to make sure that no employee loses sight of who's the most important person in the company: the customer.

Amazon is an early adopter: of using big and small data for personalization. Probably the most common example is Amazon's use of a customer's real-time browsing and overall buying history to recommend products.

Online customer experience: Nine times out of ten, a customer can complete his or her transaction without ever having to interact with a live person. Empowerment through time, availability, self-service, search, knowledge (product reviews), and even frustration-free packaging, makes being an Amazon customer easily satisfying.

When a brand as big as Amazon reaches out to an individual customer to save them money, well, all customers can say is wow.

Collectively, it lends to a high level of trust and loyalty for the brand. And Bezos has said he is even glad to forego additional profits for these two things.

A typical CSP customer service team interacts with the customer on three touch points.

1) **Online channels:** The customer tries to troubleshoot by looking at remedies online through search engines, communities, FAQs, social media etc.

2) **Customer care:** Customer lodges a complaint with the customer care and is taken through preliminary steps to troubleshoot the issue.

3) **Technician visit:** If none of the above methods work, a technician visit is scheduled to look into the problem and fix it.

At each of these interaction touch-points the customer faces bottlenecks which dilute brand loyalty and encourage churn. To eliminate these, the challenges need to be identified.

CUSTOMER TOUCH-POINTS

CUSTOMER

Online/ IT systems related
- No self help online
- Non availability of remote support
- Issues with complaint management systems
- Scheduler does not provide probabilistic time
- Overbooking / under booking
- Poor Asset management

Call with customer representative
- Untrained staff
- Untrained onsite Tech Support

Technician visit related
- Unskilled technician

Infrastructure/ device related
- Heterogeneous networks
- Defective devices
- Device compatibility issues

The Cable companies need be able to prioritize the following:

- The handful actions which will generate immediate and most impact with the customers

- Using the customer feedback (NPS and CSAT) for continuous improvement

- Creating a compelling vision of the brand in front of the customer

Right interventions at each of the touchpoint are instrumental in inculcating a customer centric culture and becoming a customer experience leader.

Hence a framework is required which will take the CSP through a stepby step journey of transformation and help reap benefits and customer loyalty from the word 'go'.

Take a cue from Apple when it comes to comes to creating the ultimate customer experience. The tech giant has extensively analyzed what consumers like—and hate—about shopping and has taken steps to address those issues. For example, customers can schedule appointments with a "Genius" at the Genius Bar in Apple retail stores so they don't have to wait around for the next available clerk. The company has also greatly streamlined its checkout process by emailing customers their receipts rather than having them wait for the receipts to print out at a checkout counter.

Facebook online support and communities are the best examples of self -healing products. One never needs a technician to visit the customer premises to fix the issue. Most of the time the help feature or the FAQs solve the problem. Else live chat, email, or the toll free numbers can be reached for trouble shoot. The customer service function is tightly integrated with rest of the functions here and the service personnel have an integrated view of the customer. Facebook is a fore runner when it comes to implementing the latest technologies to stay ahead and deliver the ultimate customer experience.

TRANSFORMING CUSTOMER EXPERIENCE:
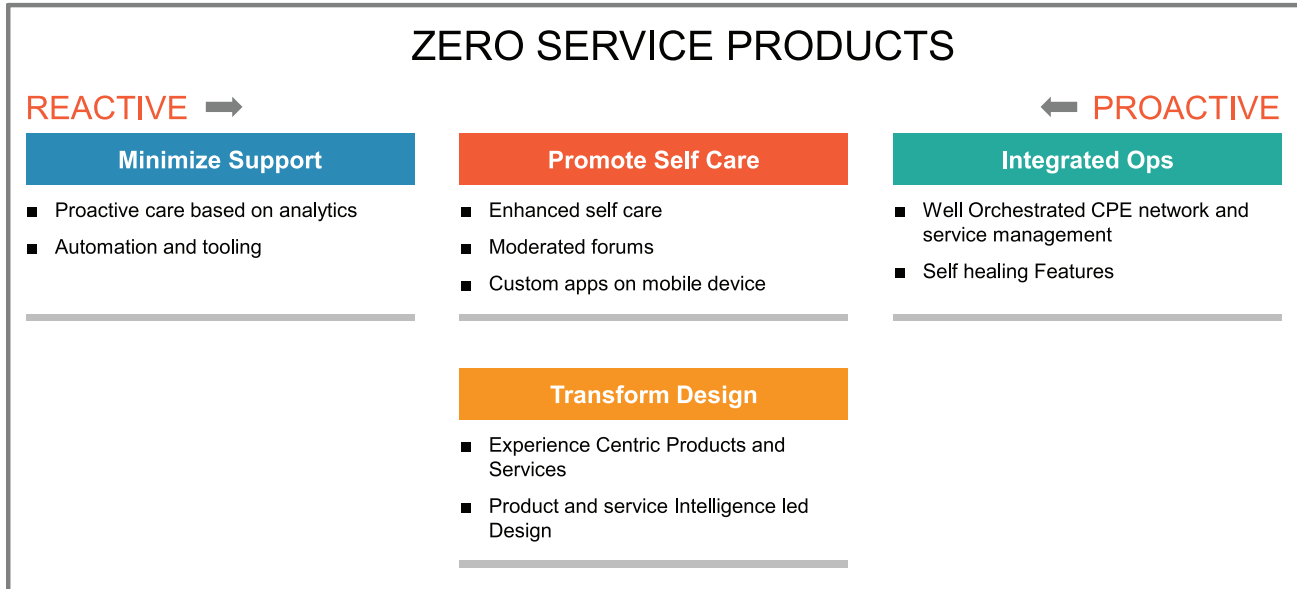## THE HCL FRAMEWORK

At HCL we believe that the transformation of customer experience model can be brought about by executing a judicious mix of short term and long term strategies and solutions. Through Short Term Solutions, the CSP should engage Customer through increased digital interaction, while through long Term solutions they should focus on becoming seamless and integrated, with better engineered experience centric products and services.

HCL addresses the problem of their customers with a three pronged approach:

Improved Brand Loyalty
Increasing NPS and CSAT
Improved customer Experience

Minimize support	Engagement and Advocacy	Recommend
Promote Self care		Empower Support
Integrated Ops	Active and Insightful care	Personalize
	Active Monitoring and social listening	
Preventive QA	Provisioning and fulfillment	Segment
Transform Design	Engineer Right	

Proactive support	Call elimination
Self healing	
Self Service	Call Deflection
Assisted Service	Improve Efficiency

Decrease in time invested
Decrease in churn
Decrease in cost

HCL Framework for unified customer experience

1) ZERO SERVICE PRODUCTS

ZERO SERVICE PRODUCTS

REACTIVE ➡   ⬅ PROACTIVE

Minimize Support	Promote Self Care	Integrated Ops
■ Proactive care based on analytics ■ Automation and tooling	■ Enhanced self care ■ Moderated forums ■ Custom apps on mobile device	■ Well Orchestrated CPE network and service management ■ Self healing Features

Transform Design

■ Experience Centric Products and Services
■ Product and service Intelligence led Design

The products are engineered and tested provisioned to be able to avoid trivial issues.

- **Minimize Support:** Through predictive analytics elimination of many issues before the device or product reaches the customer can be brought about. Through right automation and tooling, the product is tested for network, wifi, interoperability; network level diagnostics are conducted to diagnose the problem proactively before it reaches the customer.

- **Promote Self-Care:** These ensure that the customer traffic reduces in call center. Through crowdsourced communities and forums a substantial percentage of customer complaints can be solved effectively. Gamification can be used to engage customers while providing them solutions interactively. Many standardized operations like installation, some aspects of self service, upgrade/ downgrade of the package can be managed through mobile apps. For example: A South Korean Multinational conglomerate creates user-generated content by rewarding users for getting engaged with the community, participating in Q&A discussions with other users, watching videos, reviewing products, and other activities. In exchange for their participation, users are awarded with badges and progress through levels of achievement. This has almost doubled the number of visitors to their website and social pages.

- **Integrated Operations:** Through workflows to manage and orchestrate virtual CPE services on self-care portals, self-healing features, a major traffic of customer calls to customer center can be deflected.

- **Promote product Intelligence:** Pre-validated designs are the need of the hour. On the basis of analysis and on field triage, the quality should be ensured.

The leading American aircraft manufacturer used the Flight test system for conducting flight tests for certification and functional testing over a mainframe platform. The tool had become old and costs were escalating and knowledge pool was decreasing due to incremental evolution of product without sufficient documentation. HCL re-hosted the application on client server architecture. This was crucial for the success of the airplane development program since the new airplane would not have any alternate system for testing and certification. In phase 1, the existing system was re-hosted on a J2EE platform with the existing functionality. In phase 2, the functionality of the system was enhanced to include those features that were specific to the 787 program. Apart from this HCL developed the Test Planning Tool, Filenet based solution that helps automate the generation of Test sequences and TIP sheets. This led to reduction of the flight testing duration from 11 months to 6.5 months.

2) ZERO MOMENT EXPERIENCE

In order to attain benefits of long term sustainable advantage it is necessary to invest in digital technologies to give the customer a unified and seamless experience.
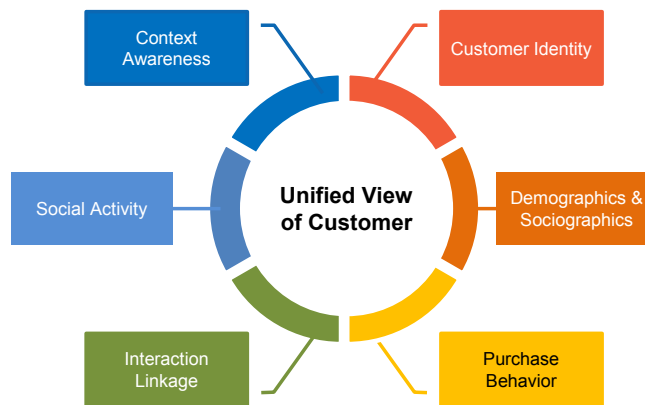
Realizing the unifie view of customer

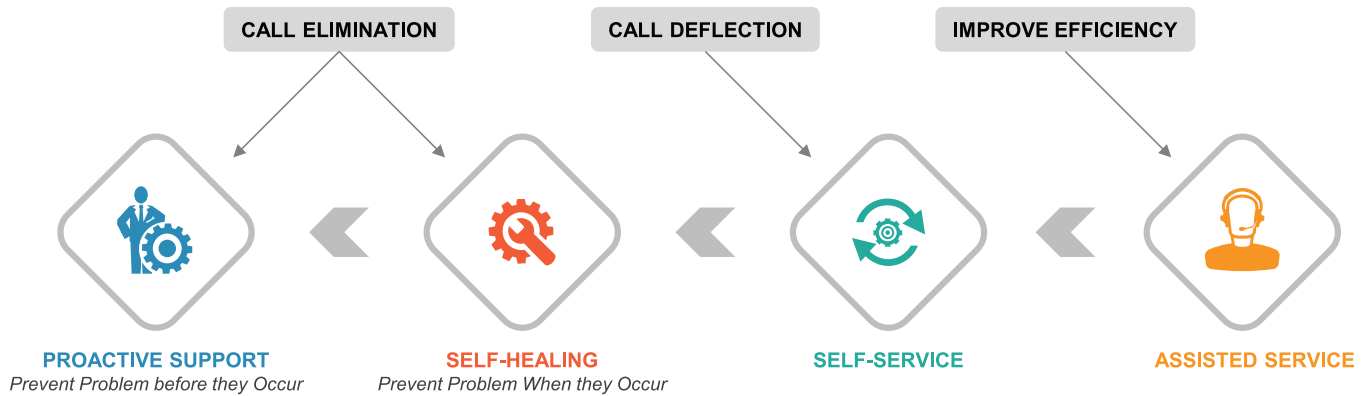**Social Analytics – Omni channel access to external and internal Data**

Socialytics is an HCL IP through which user influence can be studied on social media (Facebook, Twitter, Instagram, Pinterest etc.). A highly influential and vocal user threatening to defect can be pinpointed and accordingly rectification can be done. Through analytics this data can be represented to give meaningful information and can be used for prioritizing customer care.Through use of HCL listening and analytics capabilities, customer can:

- **Proactively listen & identify the major area of concerns**

- **Stop customer poaching by competitors.**

- **Manage churn & Incentivize happy users to turn brand advocate**

- **Identify new customer opportunities**

- **Engagement and Advocacy:** Engagement of customer through the right channel at the right time captures his attention. By providing immediate resolution through these channels will win brand loyalty and make customer a promoter.

- **Active and Insightful care:** Engaging the customer across channels through digitization curbs the lapse of time and effort wasted due to inconsistency and also enhances the customer experience. A psychographic profile of the customer can be created using digitization i.e. linking the various digital channels where customer has left footprint and analyzing them to understand the customer preferences and deliver the best customer experience.

- **Active Monitoring and social listening:** Keeping eyes and ears open to the various media where customer is vocal is necessary and helps the social care team to be proactive and pin point issues bogging down the customers. Also through social analytics, customer perception about the brand, customer sentiments, challenges faced can be studied and appropriate steps taken.

- **Provisioning and fulfillment:** Through implementation of digitized customer service ecosystem, ideal segmentation can be done and targeted provisioning and fulfillment is possible.

HCL helped in increasing product penetration for a US major financial company by identifying and targeting highly profitable members. HCL profiled and segmented the products active and non-active users, gave insights to member segments & their key differentiators. Hence through analytics HCL team helped Customer to utilize maximum possible information spread across enterprise to derive insightful member segments. It was a 4 weeks post campaign; the acquisition rate was 10X better than control group.

3) ZERO TOUCH OPERATIONS

Focusing on fine-tuning the internal processes at each level, right from a new connected digitized ecosystem will help in eliminating unnecessary calls, deflecting calls and improve efficiency.

| CALL ELIMINATION | | CALL DEFLECTION | IMPROVE EFFICIENCY |

PROACTIVE SUPPORT
Prevent Problem before they Occur

SELF-HEALING
Prevent Problem When they Occur

SELF-SERVICE

ASSISTED SERVICE

- **Proactive support:** Through predictive analytics, the cable providers can prevent the problem before they occur. The set up boxes can be built as one-box-wireless only device to reduce cable and hardware issues.

- **Self-healing product:** Developing self-diagnostic products will ensure that the problems are rectified when they occur. Socially convergent products which are integrated with Social media like Twitter also fall in this category.

- **Self-service and assisted service:** Empowering customer by making the product self-service enabled will reduce customer care call traffic as well as leave the customer satisfied rather than frustrated when he is dependent on the customer representative or technician to rectify the issue. Integrating Service platforms to make service requests and incident response is a more unified approach.

> **HCL enabled the Zero Touch Operations Solution for a leading British Telco player. The solution comprised of incident management, change management, problem management, weekly health check on devices, SLA/SLO reporting, Device Level Performance and Link utilization Reporting and Creating and updating process and technical documentation on Wiki and the Electronic Data Collection System. With the help of this solution, the numbers of incidents encountered were reduced by 22%.**

ABOUT
HCL M AND E PRACTICE

ABOUT HCL M AND E PRACTICE:

Media and Entertainment(M&E) Industry is going through a transformational phase and we at HCL understands and work together with the clients to help them in sustaining and innovating their offerings for their customers.

1. HCL Media and Entertainment practice is one of the fastest growing verticals within HCL, growing at a CAGR of 30%.

2. HCL M&E is micro-verticalized and sub-microverticalized to create a dedicated focus and deliver excellence to customers across M&E landscape.

550 Million	**7500+** Consultants/ Partners and SMEs	**35** solution accelerators
13+ years of focus	**6** Media specific labs	Industry **Partnerships**
45+ Strategic Customers	**60%** Transformation revenue	

3. HCL has 6+ Industry Specific Media Labs across the globe focusing on Research and Development activities. These labs are focus centers for innovation and next generation solutions

5. HCL M&E practice has been recognized by Gartner for facilitating innovation for customers.

Anupriya Succena is a Media and Entertainment Consultant with HCL Technologies with over 6 years of experience in the IT industry. She has expertise in understanding customer requirements, consulting, solutions across emerging technologies like mobility and digital technologies. She holds an MBA degree in General Management from NMIMS, Mumbai.

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ABOUT HCL

About HCL Technologies

HCL Technologies is a leading global IT services company working with clients in the areas that impact and redefine the core of their businesses. Since its emergence on the global landscape, and after its IPO in 1999, HCL has focused on 'transformational outsourcing', underlined by innovation and value creation, offering an integrated portfolio of services including software-led IT solutions, remote infrastructure management, engineering and R&D services and business services. HCL leverages its extensive global offshore infrastructure and network of offices in 31 countries to provide holistic, multi-service delivery in key industry verticals including Financial Services, Manufacturing, Consumer Services, Public Services and Healthcare & Life sciences. HCL takes pride in its philosophy of 'Employees First, Customers Second' which empowers its 106,107 transformers to create real value for customers. HCL Technologies, along with its subsidiaries, had consolidated revenues of US$ 6 billion, for the Financial Year ended as on 30th June 2015 (on LTM basis). For more information, please visit **www.hcltech.com**

About HCL Enterprise

HCL is a $6.9 billion leading global technology and IT enterprise comprising two companies listed in India – HCL Technologies and HCL Infosystems. Founded in 1976, HCL is one of India's original IT garage start-ups. A pioneer of modern computing, HCL is a global transformational enterprise today. Its range of offerings includes product engineering, custom & package applications, BPO, IT infrastructure services, IT hardware, systems integration, and distribution of information and communications technology (ICT) products across a wide range of focused industry verticals. The HCL team consists of over 110,000 professionals of diverse nationalities, who operate from 31 countries including over 505 points of presence in India. HCL has partnerships with several leading global 1000 firms, including leading IT and technology firms. For more information, please visit **www.hcl.com**

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Relationship
BEYOND THE CONTRACT

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