How service leaders improve the customer service experience while reducing live contact volume
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Constant Pressure
Customer service leaders feel distinct pressures: Meet customers’ expectations for digital service channels, keep pace with competitors’ service offerings and ensure leadership that the service center isn’t just a cost center. As a result, service leaders have spent a disproportionate amount of time adding or integrating channels.

“There’s been a constant drumbeat across service organizations: If you want to keep up, keep adding,” says Devin Poole, Senior Director, Advisory, Gartner. “Leaders are looking to digital channels — like chat, text, twitter and mobile apps — to create a better customer service experience.”

We often hear that leaders feel the need to add channels to meet customers’ channel preferences. Customers may have a preferred channel, but lack of a preferred channel isn’t having as big of an impact as you may think.

“**There’s been a constant drumbeat across service organizations: If you want to keep up, keep adding.**”

Devin Poole  
Senior Director, Advisory
Gartner research shows that customers’ effort levels do not statistically differ between channels. In other words, customer effort is relatively the same regardless of which channel is used. The same holds true for customer satisfaction. Even better, customer loyalty is not affected by use or availability of a preferred channel.

Yet, many service organizations continue to add more and more channels even though access to these channels does not produce the customer experience benefits expected. Instead, adding channels leads to more complexity and requires you to divide your resources in more ways, which makes it hard to deliver a low-effort, high-quality service experience. The addition of digital channels often results in varying levels of maturity and an inconsistent experience. Worse still, live call volume and associated costs for issue resolution aren’t decreasing.

“The reality is, the more channels your company provides in order to give customers what they ‘want’ has unintentionally made things worse for customers,” says Richard DeLisi, VP, Advisory, and Gartner Fellow. “This approach of ‘more and better channels’ rarely reduces live call volume as so many companies have been promised, and inadvertently leads to more complex and costly customer interactions to manage.”
CHAPTER 2

More Choices Hurt the Bottom Line
Gartner research finds that the more channels a company operates, the more contacts customers make to the service center. Despite the intention of simplifying service, more channel offerings create complex customer resolution journeys. Customers switch easily and frequently between channels.

“The good news is that channel switching does not appear to be hurting customer loyalty as much as it did in the past,” says Poole. “The bad news is that it is definitely hurting organizations and their costs.”

“More offerings, more use”

Comparisons of channels offered and customer contacts during resolution journey

“The good news is that channel switching does not appear to be hurting customer loyalty as much as it did in the past. The bad news is that it is definitely hurting organizations and their costs.”

Devin Poole
Senior Director, Advisory
Customers go where you let them — everywhere

Customer journey starting and ending channels

- Phone
- Web
- Email
- SMS
- Forum
- Chat
- App
- Search
- Social
- Other

n = 8,398 customers
Source: 2019 Gartner Customer Service Behavior and Expectations Survey
Channel switching drives up costs, especially when some channels are more costly to operate than others.

Web-based self-service tools grew in use about a decade ago, and many service leaders hoped that these tools would improve the customer service experience at a lower cost than live contacts. The 2019 Gartner Customer Service and Support Leader Poll identified that live channels such as phone, live chat and email cost an average of $8.01 per contact, while self-service channels such as company-run websites and mobile apps cost about $0.10 per contact.

Unfortunately, from more than 8,000 customer journeys, Gartner found 70% of customers are using self-service channels during their resolution journey. The problem is, only 9% are wholly contained in self-service.

The 9% of customers who resolve issues on their own accomplish what they need without having to initiate a time-consuming live interaction. This is a win-win for the customer and for the company. On the flip side, customers who have to switch to even one live channel incur a cost that is 80 to 100 times more. While this is necessary in some instances, a majority of service leaders indicate that nearly 20% to 40% of today’s live volume could be resolved in self-service channels.
Given the varying costs associated with each channel and customers’ willingness to use any channels available to them, service organizations must rethink their overall service strategy — not just self-service channels — to move toward a more self-service dominant approach.
CHAPTER 3

Create a Self-Service Dominant Function
The key to improving customer experience and reducing live call volume lies not in adding or updating channels, but rather in the distinct shift in service strategy.

Your strategy should be to focus live-service interactions to high-value, urgent and complex contacts. “While there will always be live service, that type of service should be treated like a precious resource and reserved for opportunities that significantly move the dial on outcomes the customers and the company care most about,” says Poole.

A self-service dominant strategy requires a thoughtful approach to channel offerings. No longer can channels be “bolted on” after the fact. Instead, service leaders can steer their function by considering four critical imperatives.

1. Establish a self-service strategy that prioritizes resolution, not channel choice
2. Manage self-service capabilities like a product, not an IT project
3. Prevent self-service abandonment through confidence-building design
4. Evolve talent management practices for a self-service dominant strategy
Establish a self-service strategy that prioritizes resolution, not channel choice

Ensure that dedicated leadership capacity is allocated to self-service channels to oversee each channel’s purpose and performance. While service leaders report self-service is a high priority, they also indicate a significant majority of their resources are dedicated to live channels. Realigning those resources is a necessary step in advancing the role of self-service within the organization.

Manage self-service capabilities like a product, not an IT project

Self-service is a long-term product that should be continuously managed rather than handled as a series of discrete projects. Instead, service organizations should manage these channels and capabilities like products with measurable ROI goals. Such goals should be tied to volume reduction (e.g., utilization, containment) and the customer experience (e.g., resolution rate, CSAT, effort).

Prevent self-service abandonment through confidence-building design

Self-service channels must be designed to prevent fallout, or the defection from self-service to a live channel. Customers are most likely to be contained in self-service channels when companies take steps to mitigate their negative emotions. Service organizations can reduce negative emotions during the self-service journey by streamlining and guiding the customer’s experience. Channels that provide clear and actionable information, confirmation that resolution steps are underway, and indications that information is credible foster a sense of confidence in the customer. Such confidence empowers customers to continue with resolution in a self-service channel rather than reaching out to a live rep.

Evolve talent management practices for a self-service dominant strategy

When necessary, service organizations must deliver low-effort experiences via live channels. Service leaders should manage live talent as a precious resource, skewing focus to the retention of top talent. Service reps should be trained to take control of customer interactions.
What could a change in self-service strategy mean for your organization?

In one year, Beachbody, a multilevel marketing organization, was able to increase the number of customers using self-service from start to finish during issue resolution. The organization realized cost-savings that were reinvested in improved functionality, higher-quality talent and providing support to other functions in the organization.

All-in on self-service

Resolution channel composition

Over a 12-month period, Beachbody reduced live contact volume and increased self-service usage, saving $2.5 million.

Source: Adapted from Beachbody LLC
Delivering on the promise of digital self-service requires an active shift in how leaders think about the service function. In the past decade, Gartner has found companies fall into or between one of three eras.

These eras are best described as:

**Live-Service Dominant.** A large base of live agents are dedicated to providing low-effort service to customers, primarily via phone.

**Digital as “Bolt On.”** A variety of channels and functionalities are added and integrated in an attempt to meet customers in their preferred channel.

**Self-Service Dominant.** Customers are guided to the best-fit self-service offering while a limited number of highly skilled agents handle more complex issues. Few companies, only 2%, are truly self-service dominant; this means that most leaders have a huge opportunity to reset the strategic direction of the service organization.
# The eras of the service function

## Where are you?

<table>
<thead>
<tr>
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<tbody>
<tr>
<td><strong>Value to customer</strong></td>
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<tr>
<td>Provide a low-effort live experience with option to self-service, if desired.</td>
<td>Meet customer where they are in preferred channel.</td>
<td>Guide customer to the best-fit self-service offerings.</td>
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<tr>
<td><strong>Channel strategy</strong></td>
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<tr>
<td>Efficiently improve the quality of live channels.</td>
<td>Add and integrate a wide variety of service channels.</td>
<td>Rationalize channels to reduce cost while maintaining experience.</td>
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<tr>
<td><strong>Operational strategy</strong></td>
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<tr>
<td>• Maintain a large base of live reps.</td>
<td>• Reduce the number of reps; equip them to flex across live channels.</td>
<td>• Have a limited number of highly skilled reps.</td>
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<tr>
<td>• Influence self-service owners throughout the organization.</td>
<td>• Share self-service ownership with others outside of service.</td>
<td>• Create dedicated self-service leadership within service.</td>
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<tr>
<td><strong>Measurement strategy</strong></td>
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