

# Omnichannel

The Future of Business  
Communications

TRANSFORM WITH TECHNOLOGY



Telecommunications is changing. After two decades of unprecedented technological innovation, the way we communicate with one another and the choices we have for doing so look very different to what they once were.

Thanks to the internet, mobile technology, smartphones, convenient applications, the cloud and more, it is now possible for people to communicate from virtually anywhere in the world in real time via voice, text, livestream video, social media and an ever-increasing range of other possibilities.

In our role as consumers, these developments have been liberating. We now have access to what in previous eras would have been an unfathomable multiverse of information at our fingertips, with unprecedented power to carry out day to day tasks and actions at a time and in a place and manner of our choosing. We can now shop as we work, touch base with friends and family as we commute, do our personal admin as we eat breakfast.

All of which is highly empowering. But on the flipside, for businesses, these have often been challenging and sometimes disorientating developments. The cultural shift towards an 'always connected' society has created enormous pressure on companies to provide 24/7 services and moreover make them available via channels of the customer's choosing.

Once upon a time, sales and service were delivered either face to face or over the telephone, with easy segregation between the two. Businesses were in control. Now, in the age of ecommerce, social media, IM, video and toll-free web-based calling, the balance has shifted. Consumers can choose exactly how and when to initiate contact with a business on their own terms and expect the best levels of service in all cases. If they don't get it, they can easily find a competitor who will meet their expectations.

That is why businesses, as well as grappling with the complexity of multichannel communications, are also starting to take a strategic view of how they can all best work in harmony to deliver the best customer experience possible - and therefore the best business outcomes. This is known as the omnichannel approach.

In this paper, we will first of all trace the evolution of telecommunications to date, and then define omnichannel in that context. We will set out why nurturing positive customer experiences through communications is so important in the present market context, and then look at the technologies that can help realise the aim, focusing on the cloud. Finally, we will take a look forward to where we might be heading with omnichannel communications, setting out some of the likely characteristics of the comms strategies of the future.

## Beyond Voice: The Evolution of Communications

As little as thirty years ago, the options for remote communication were restricted to making a telephone call, sending a fax or mailing a letter. Nowadays, people don't think twice about making a video call on their mobile as they walk down the street or carry out text conversations as they multitask doing other things.

The story of modern telecommunications begins with the humble telephone. Alexander Graham Bell secured the first patent for a telephone in 1876, but it would be many years before it became the vehicle for mass communication we think of today. Although a few thousand telephone services were sold in the first year, price put telephony well out of the reach of most people.

By the 1940s, telephone usage had indeed reached critical mass, and most businesses, if not most homes, had a handset for talking with suppliers and taking calls from customers. However, the days of the modern contact centre were still a long way off, as telephone networks relied on external switchboards employing hundreds of thousands of people to manually route and connect calls. This did not change until the 1960s, when the first premises-based private branch exchange (PBX) systems arrived - as did the fax machine.

With efficient and cost effective private exchanges now available, the influence of the telephone on business grew. The era of telesales and call centre-based customer service operations arrived, assisted by developments in computing technology and, in the 1990s, the arrival of the internet.

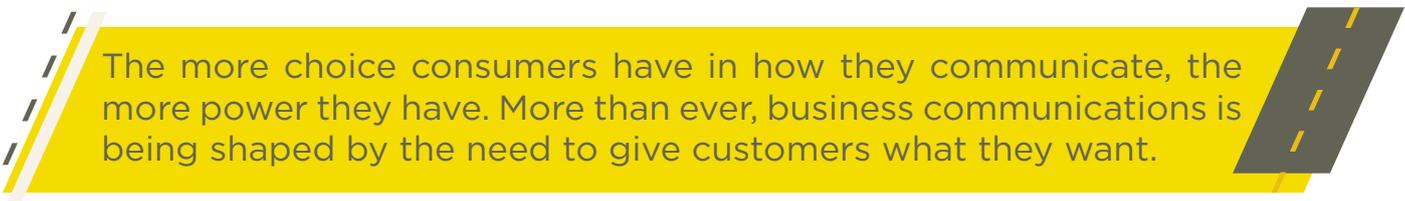
This is where the evolutionary story of telecoms really starts to speed up and diversify away from the telephone. With the internet came email, a digital, paper-free and instant alternative to the fax machine and snail mail. Then we saw the first forays into social media, with instant messaging platforms like MSN and AOL introducing 'chat' to the comms vernacular. And, of course, we also saw the first mobile telephones, bringing with them the SMS text messaging revolution.

Into the 2000s, the development of broadband meant that the internet for the first time became a serious alternative to the old PSTN telephony infrastructure as a major carrier for communications. With Skype demonstrating the possibilities of toll-free voice (and video) calling, business class VoIP services quickly emerged, dramatically reducing costs. The advantages of internet-based software services over existing hardware solutions meant a brand new concept, cloud computing, was soon being touted as the next big leap forward in business IT, and social media platforms like MySpace and Facebook arrived to change the way we think about interpersonal communication.

Then, in 2007, Apple released the first iPhone, quickly followed by a flood of Android-based alternatives. The arrival of the smartphone was a true watershed moment in the history of communications as it allowed all the recent trends that had driven its digital transformation - mobile, the Cloud, multiple channels - to be consolidated in a single device.

Now, as well as making phone calls and sending text messages, a mobile phone user could browse the internet, access social media and download any number of low cost (or free) apps which allowed them to IM, call, chat or livestream from the convenience of their handset. The app space has made sophisticated digital communications accessible and intuitive to use, with 'over-the-top' services posing significant disruption to traditional telecoms industry models of operation.

One major effect of this is that, instead of being driven by tech specialists, the biggest trends in digital communications over the past 10 years have been driven by consumers and what they do on their smartphones. As expectations and habits have changed, businesses have had to play catch up.



The more choice consumers have in how they communicate, the more power they have. More than ever, business communications is being shaped by the need to give customers what they want.

## What is Omnichannel?

As we have seen, the evolution of telecommunications in recent times has been characterised by a rapid diversification in available options. In some ways, the concept of omnichannel communications can be seen as working in the opposite direction - not by reducing the number of channels people can choose from, but rather by integrating them more closely to create a more seamless, intuitive, unified experience.

In other words, omnichannel seeks to break down the barriers between making a phone call, sending an email, using IM or joining in a video conference so there is little distinction in accessibility and the quality of the experience from one to another. From a business perspective, the driving motivations for this are to make things as simple, convenient and efficient as possible, both for customers and employees, and to have full visibility and control over how comms across multiple channels operates.

Omnichannel can be seen as the next stage in the evolution of [unified communications](#) or UC as it is known, has been around since email, IM and video first offered alternatives to telephony. Whereas the telecommunications industry has traditionally been dominated by telephone carriers, vendors such as Cisco, Microsoft, Mitel and Avaya have carved a significant niche providing all-in-one services to business that manage all communications channels in a single platform. This sector of the telecoms industry is [expected to grow to US \\$57bn globally by 2024](#).

UC platforms typically integrate all the main channels available for customers to contact a business, so telephone, IM, email, video and so on. But there has been a growing realisation that simply offering multiple channels does not necessarily get the best value out of them.

What really makes a difference is deploying channels in a strategic way so as to create the best possible experience for users, therefore helping to drive broader business objectives such as increasing repeat sales or improving customer feedback scores. That in a nutshell is what omnichannel is about.

Some key characteristics that define omnichannel as distinct from UC include:

- **Breaking down barriers between internal and external communications**

In many cases, businesses will run separate systems for customer-to-business comms and for colleague-to-colleague comms. You might, for example, see a comprehensive UC solution deployed in a contact centre, and something much more basic used to connect the workforce. In terms of creating high quality, seamless experiences, this makes little sense. What about cases where, for example, a query needs to be referred to back office? Customers dislike being put on hold to wait for an agent to get them an answer as much as they do waiting in queues. To ensure queries can be referred quickly and accurately, you need integrated systems where information can be shared in real time. Collaboration platforms like Microsoft Teams have been one of the hottest trends in UC over the past couple of years, even leading some analysts to refer to the sector as 'UC&C' with the extra C for collaboration. Now the direction of travel is to integrate these fully with external comms systems.

- **Self-service**

Customers value their independence. In one recent survey of different channels UK consumers used to communicate with businesses, email and phone remained the most popular, used by just above and just below 70% of respondents respectively (Statista). But along with live chat, the only other channel to be used by more than half of people who took part in the survey was self-service portals. In other words, one of the most popular ways for consumers to engage with a company is not to have to speak to anyone at all, but rather to use resources provided, usually in the form of web page content, to answer a query for themselves. Similarly, around one in five said they use the 'online community' offered by forums etc, while a slightly smaller proportion said they used social media. This adds a whole new dimension to any communications strategy, requiring it to align closely with a company's content and digital marketing operations - another example of breaking down barriers.

- **Interoperability is key**

Businesses might be able to create their own fully integrated UC environments, but one thing they cannot control is the specific brand of app or platform customers use to get in touch with them. One of the big advantages of traditional telephony was that it was universal, whereas today the proliferation of apps has led to more silos - WhatsApp users can't speak directly to Facebook Live users, who can't directly call Skype users and so on. This is one reason why team collaboration platforms have grown in popularity, to stop so-called 'shadow IT' deployments where staff download their own apps to IM or make free video calls at work, but which ultimately leads to a tangle of complexity. But businesses also want to ensure choice of app or platform is no barrier to a customer contacting them. The desire for interoperability has led to the increased use of APIs and open architecture development, with vendors now prioritising the ability to plug in multiple channels, not least to future proof their solution as more and more options become available.

To paraphrase [Accenture's definition](#), omnichannel aims to present a single, consistent face across multiple channels, offering a seamless customer experience which, across every touchpoint, delivers a satisfactory outcome with minimal disruption. To think of it another way, we might say omnichannel is the holy grail of a perfect alignment of communication and service.

## Keeping up with Customer Expectations - Why Does it Matter?

So why exactly should we look at communications through the prism of service?

We have already touched on a key reason when we discussed the issue of interoperability. Customers are electing to use an increasingly diverse range of channels when it comes to communicating with businesses. What they don't expect is for this to impact on the quality of the experience they enjoy or the level of service they receive.

Imagine a scenario where a customer wants advice on upgrading a product - maybe a piece of home electronics, or a kitchen appliance, or an insurance policy or loan. They have specific requirements in mind, but when they look for information on the company's website, they struggle to find what they were looking for. However, a live chat assistant pops up, helps them find the information they need and tells them, as a returning customer, they are entitled to a special discount.

They think it over for a couple of days before deciding to go ahead with the purchase. Not knowing how to go about it, they send an email to the sales team, detailing the conversation they had with an agent via IM. They receive no reply. Slightly frustrated, they follow this up with a call a couple of days later. They are dismayed to be told by the agent they speak to this time that there is no record of either the email or the live chat conversation, and that there is currently no incentive scheme being offered for returning customers. Understandably disgruntled, the customer changes their mind.

This is a classic example of a business's use of multiple communications channels not living up to customer expectations and leading to a poor experience:

- The customer is in charge - they choose how and when to make contact with the company, not the other way round, so they are setting the agenda.
- The customer attempts to find the information they need first - in a world where Google has become its own verb, we all expect to be able to find what we need with the click of a button. [Gartner](#) has predicted that customers will manage 85% of interactions with companies without ever speaking to a person, underlining the importance of integrating content into communications strategies. [Half of all consumers choose self-service out of preference.](#)

- The customer service team running the live chat and the sales team who eventually take the call are not singing from the same hymn sheet and there is no single policy on incentives and discounts. There appears to be a lack of integration, standardisation and visibility across the use of multiple channels.
- The failure to reply to an email suggests uncertainty about who is responsible for what, while the lack of a workable system for recording and sharing information from one point of contact to the next leads to confusion, delay and ultimately obstructs accountability.

Businesses face some considerable challenges responding to these issues:

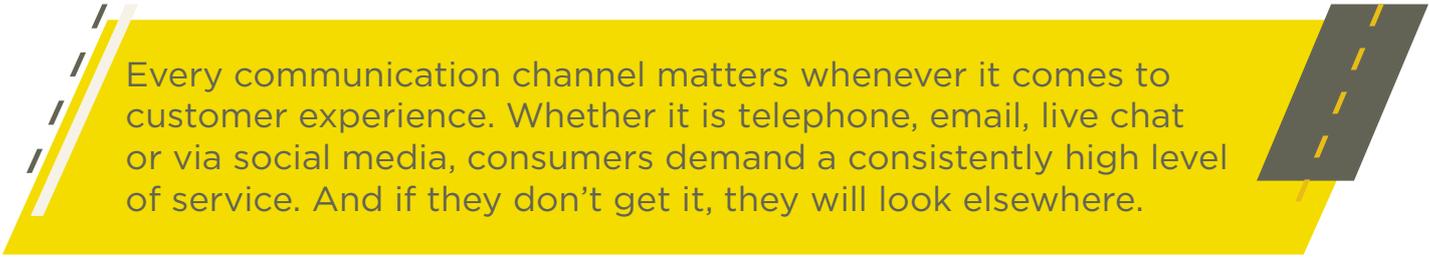
- The speed of change in communication technologies creates a huge pressure to keep up with the latest trends. There is a tendency for companies to adopt ad hoc, piecemeal solutions to ensure the latest channels are added to the mix, but this is done with little consideration for the impact on the whole.
- Staff training on how to use new channels often lags behind implementation, further adding to the inconsistency.
- New technologies are drawing a much wider section of the workforce into regular frontline communication with customers. Service engineers and delivery drivers are now expected to text customers to discuss arrival times, back office staff can be connected to calls to share their expertise in seconds, and it is relatively easy for customers to find the email address or social media account of any individual they choose. This all means there are roughly six times as many people operating in informal customer-facing roles as there are trained customer service agents working in UK call centres, some [4.5 to 5 million people](#). That makes training and monitoring a huge logistical exercise.
- The customer doesn't discriminate on who provides the service and via what channel. People don't, for example, expect queries they make via social media to be ignored, yet 55% of requests for service via social channels are not acknowledged. This suggests a lack of accountability for a major growth channel, and the end result is a bad impression of the brand. There is no room for complacency in prioritising the best possible customer experience across all these touchpoints, whether in or out of the contact

When it comes down to it, poor customer experience leads to churn - two thirds of consumers cite it as a reason for stopping doing business with a certain company. A similar proportion say they switch brands because of poor service. This is bad news for any business, as acquiring new customers is six or seven times more expensive than retaining existing ones. And even worse, most businesses never get to find out what they are doing wrong, because nine out of ten customers don't even bother complaining, they just leave.

The good news is that, just as a poor experience leads to churn, creating good experiences will encourage repeat business. That is what makes omnichannel comms strategies so appealing to businesses - if you can get all your cards in order so that the majority of customer queries are resolved first time, no matter how they choose to go about making contact, you will significantly increase your chances of retaining customers.

Moreover, if you do it well enough, almost three quarters of people will share a positive experience with six or more people, doing wonders for brand reputation. And as we move away from price being the single most important factor in purchasing decisions, 55% of people say they are prepared to pay slightly more for high quality service.

(Stats sourced from [Kolsky/thinkJar 2017](#))

A yellow banner with a road graphic on the right side. The text is in white and reads: "Every communication channel matters whenever it comes to customer experience. Whether it is telephone, email, live chat or via social media, consumers demand a consistently high level of service. And if they don't get it, they will look elsewhere."/>

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## The Role of Cloud Technology

Achieving an effective omnichannel approach to business communications which prioritises customer experience is not straight forward. We have already mentioned the problems posed by rapidly evolving technology and the growth in customer-facing roles across businesses.

Other issues include the technical and logistical challenges of sharing data across large, dispersed teams using multiple channels, and of routing queries and accessing information accurately and rapidly to provide fast, efficient service.

How can we achieve these things?

One development that cannot be underestimated in the emergence of omnichannel communications is cloud technology. The cloud has arguably been the key enabler which has allowed organisations to think beyond the technical obstacles posed by the diversification of comms channels and take a more strategic view which prioritises service and customer experience.

Moreover, cloud communications remains a significant growth area, and we can anticipate that accelerated adoption of cloud-based solutions going forward will be accompanied by an increasing interest in omnichannel approaches. It is estimated that by 2022, there will be seven million users of cloud-based communications platforms in the UK, representing a doubling of the market in five years (The DACH Cloud Communications Report, Cavell Group, June 2017).

The cloud is a catch-all term for a number of different computing approaches which involve running programmes over an IP network. In short, instead of having to install a piece of software on a particular machine or add new hardware elements to a system, you can run services remotely from a data centre, accessing them via an internet connection. One major impact of cloud technology on telecommunications has been the emergence of Cloud PBX solutions as an alternative to CPE.

With a Cloud PBX, an exchange is run as a piece of software from a remote server. There is no need to buy or install any dedicated PBX hardware, you can configure new endpoints simply by plugging them into a standard ethernet connection and new features and services can be added much the same way you would add an app to your smartphone.

Similarly, we have also seen the development of Unified Communications-as-a-Service (UCaaS) as a distinct sub-sector of the UC industry, with providers offering over-the-top multichannel comms as subscription-based hosted services.

The key benefits of cloud-based telecommunications are as follows:

- **Reduces cost of connectivity**

The fact that cloud systems do not require hardware such as physical PBX or dedicated servers radically reduces the capital costs of deployment. Hosted UCaaS services also switch expenditure models from upfront CAPEX to ongoing OPEX, helping with cash flow management.

- **Supports increased complexity**

Configuring new channels and solutions on premises-based UC servers and PBX used to be a time consuming and often costly business. Now, all of that is taken care of by the cloud service provider. If you want to add seats to your hosted video conferencing platform or roll out new live chat bots, you simply extend your subscription.

- **Promotes agility**

Easier, simpler, quicker deployment of the latest communication technologies means that businesses are in a much better position to keep up with the latest trends. They can adapt in response to the changing needs of their customers and scale up their comms solutions as their business grows.

- **Greater mobility and reach**

Because cloud-based solutions are accessed online, they break the geographical shackles of old premises-based systems. Whether you are an SME wanting to support more staff in working from home or a global enterprise seeking to align comms operations in different countries, cloud communications platforms allow everyone to access the same platforms from anywhere there is an internet connection.

- **Suited to greater interoperability**

Cloud technologies are tailor made for a more open approach to platform interoperability. If the IT industry at large has learnt anything from the first rush of disruptive over-the-top applications and the open source innovations of Android and the like, it is that there is more value in producing solutions that play nicely with other systems than trying to protect your position in the market through proprietary development. Why? Because that is what consumers have come to expect, again largely thanks to recent experiences with smartphones. For businesses, too, this makes sense. The option to run a UC platform that easily plugs in, for example, to your CRM system or workflow management platform means you can share customer intelligence throughout an organisation to deliver more personalised, responsive service, and respond to demand in smarter, more efficient ways.

Given these benefits, it is no surprise that much of the early momentum in cloud comms adoption came from SMEs. A decade ago, SMEs felt excluded from premium UC solutions due to the high capital costs and product positioning which openly targeted the complexity of enterprise operations. The unspoken message was, if your business is only of a certain size, telephone and email will do.

Cloud communications has put enterprise performance within reach of all businesses. Reduced costs and simple deployment have meant an operation of any size can have a live chat option on its ecommerce site, or live stream customer events on social media. At these smaller scales, this is where the innovation in cloud deployments has taken place, including exploration of how to run multiple channels in sync to optimise the customer experience.

Now, with more bandwidth available than ever before and legacy CPE systems coming to end of life, we are starting to see enterprises turn to cloud and hybrid solutions, attracted by the cost savings, the agility and the opportunity to customise from the ground up.



Cloud-based communications solutions provide the flexibility, the ease of deployment, the cost savings and the integration opportunities to drive an omnichannel approach. Your journey to omnichannel starts in the cloud.

## Where will Omnichannel Take Us?

We are still a way off seeing genuine omnichannel communications approaches become the default for the majority of businesses. At present, [less than 1% of organisations take what could be called a true omnichannel approach.](#)

But things are moving in the right direction. Just under a quarter (23%) of businesses are already tracking data across multiple channels, which means they have complete insight of the customer journey across all touchpoints and are perhaps sharing information across channels. 97% of businesses say they are investing in omnichannel approaches. (Sourced from [Kolsky/thinkJar 2017](#))

The goal of a seamless, frictionless approach to business comms is to have full integration of all channels, with pan-organisational visibility, shared data resources and information pools, instant accessibility and intelligence-led routing so you always get to the right person or resource, maximising the chances of a first-time resolution. More than that, such systems should be capable of adapting, so they can add new channels and so move with the times. But do we even have the technology in place to fulfil these lofty requirements?

We're getting there. Microsoft Teams is a good example of a platform that provides the building blocks to enable all of the above. Teams and similar platforms are starting to integrate data sources and communication channels with a variety of third party applications with relative ease using APIs.

The upshot is, into the traditional UC mix, we're seeing automated customer-facing bots enter the equation, real time natural language and sentiment analysis which is able to identify what a customer wants and provide a solution at enormous speed, comms tools embedded into other platforms which can automatically switch from one to the other depending on context. Comms is starting to be augmented and enhanced with a wide range of smart technologies that will make the customer experience more intuitive and pleasant.

Some things we might expect to see from omnichannel solutions in the future include:

- **Single pane of glass platforms**

The days of different teams handling phones, email, live chat, social and so on are coming to an end. But for true integration of operations to take place, businesses need platforms that consolidate everything into one. They need a solution that collects data on all customer contact across all points of contact, that makes information available to all staff as required, that routes queries not just to the right person but via the right channel. Furthermore, we can expect consolidation with collaboration platforms so that cooperation in pursuit of better service can always take place efficiently and effectively no matter how distributed the workforce is.

- **Complete customer visibility**

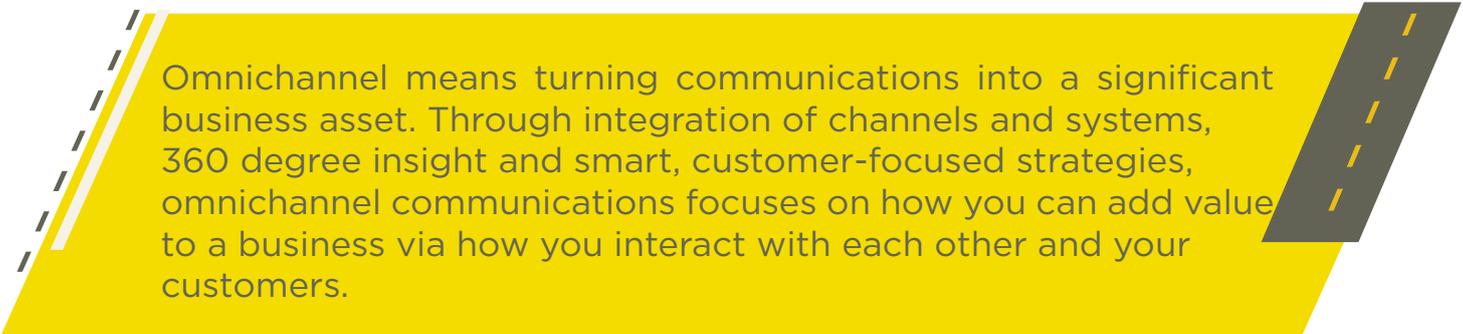
Long term, we are also likely to see full integration of comms and collaboration platforms with Customer Resource Management (CRM), sales and marketing and perhaps even Enterprise Resource Planning (ERP) and other IT solutions. And why not? This is sometimes referred to as contextual communications, the idea being that you integrate data from as wide a range of sources as possible to create the richest and most in-depth contextual information possible for every point of contact with customers. While knowing the key outcomes from a call last week can help agents to provide consistent and efficient service, having the benefit of insights from the entire history of a particular customer relationship can help deliver service at a much more personalised level. From knowing preferences for how and when a customer likes to be contacted to speeding up routing because, 9 times out of 10, customer X gets in touch to speak about topic Y, taking a more holistic approach to data in comms will allow for more intelligence-led management of the customer experience.

- **Targeted marketing and smarter loyalty schemes**

As noted earlier in this paper, keeping an existing customer is far more cost effective than acquiring new ones. Omnichannel approaches to communications can aid customer retention by identifying the right moment in the customer journey to offer discounts or other rewards. Rather than taking a scattergun approach, omnichannel systems can use behavioural cues from recent contact or predictive analysis of past habits to identify the right offer delivered via the right channel to achieve maximum impact for each individual customer. Prioritising mobile technology, this could also include things like real time push notifications triggered by a customer passing a store or even browsing a certain aisle.

- **Customer focused web design**

One intriguing possibility about omnichannel communications is that it might even help businesses design web pages and mobile apps with a clearer vision of customer experience in mind. We have seen that many people show a preference for self-serve options and considerable majority will look for information online before they contact a company with a query. Collecting data about instances where customers have not been able to find what they were looking for should help companies improve their web content. Ultimately this will drive down costs by minimising instances where staff have to get involved answering routine queries that most customers would prefer to find their own answer to anyway. In addition, technologies like WebRTC now make it possible to embed comms tools - voice, video and IM engines, for example - directly in a web browser, so you can make these available with one-click buttons within a site so customers can easily escalate their own research into a call if required.

A yellow callout box with a dashed white border on the left and a dashed yellow border on the right. The text inside is in a dark grey font.

Omnichannel means turning communications into a significant business asset. Through integration of channels and systems, 360 degree insight and smart, customer-focused strategies, omnichannel communications focuses on how you can add value to a business via how you interact with each other and your customers.

## In Summary

Planning for the future is part and parcel of running a business. In telecoms as in IT, future-proofing strategies have been dominated in recent times by the need to simply hold on to the coat tails of rapid technological advances, staying in touch with the latest developments and getting to grips with how they work.

But at some point, businesses need to be able to move beyond these purely operational imperatives. Adopting new technologies should not purely be a question of staying on trend. The latest innovations promise opportunities to rationalise and improve operations, to add value and help achieve broad objectives. But to do so, they need to be adopted carefully and as part of a comprehensive strategic vision.

Omnichannel communications is about viewing the changing landscape of telecoms from the perspective of what will best benefit your business. As channels and technologies diversify and become increasingly sophisticated, it is about exerting control and order, bending the tools of communication to the bigger picture. It is also about responding to changing consumer behaviours, taking the complexity out of having more communication choices than ever before to offer customers something more intuitive, seamless and user-friendly.

If you are asking questions such as how customer-initiated contact can be routed most efficiently to the right department, or how teams can collaborate more effectively to deliver the right customer experience, then you are already on the omnichannel path. It is unlikely that you have all the bases covered yet - hardly any businesses do - but the journey has to start somewhere. And for most businesses, the omnichannel journey starts by moving comms into the cloud.

If you had to summarise the omnichannel approach in one word, it would be convenience. The promise of having multiple channels all available at the touch of a button is that it empowers people to communicate how they want, when they want. This is what people expect in their personal communications, with all options available literally in the palm of their hand on their smartphone. It is these expectations that businesses are having to learn to meet.

There are challenges ahead for businesses setting out to achieve these aims. But the rewards are significant. There is already evidence to suggest that companies that offer close to full omnichannel communications experiences - rapid, intelligence-led routing across all channels, personalised service at all touchpoints, well thought-out automated and self-service options - are enjoying significant benefits in terms of customer retention. By prioritising your customers in your communications strategy, you can make them feel valued and more closely connected to your brand.

To find out how our  
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your business get in touch.

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