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ABSTRACT

Companies seeking to optimize corporate revenues and drive operating performance are looking to an integrated cross-channel communications approach to deliver these results. Cross-channel communications is about delivering customer-focused messages across all available communications channels on a unified platform. The platform enables integrated messaging using real-time and non-real-time tools such as e-mail, direct mail, social media, texting, bill messages and other media.

Smart organizations are adjusting their communications tactics in pursuit of stronger customer-centric messaging. Companies know that the key to long-term business success is to focus on the customer. Promoting a print or electronic message across multiple integrated channels is vital as the traditional marketing model is challenged by mobile and online technologies. In fact, one study from the National Retail Federation has noted this shift and identified that online channels will eclipse brick-and-mortar advertising for the first time. For companies in the financial services, telecom or utility industries, this trend is headed their way. This change in the technology of communications and the need for message consistency across end-user devices, Web and print, is moving companies to transform their messaging activities and adopt a cross-channel approach.

THE NEED FOR UNIFICATION AND INTEGRATION

Cross-channel communications, to be effective, require the implementation of a unified messaging platform to deliver integrated messages and maximize customer reach at least cost.

The Unified Messaging Platform

The messaging platform needs to be unified, meaning capable of delivering messages to all employed channels. A single computerized system to deliver e-mail, texts or update a bill message to a billing system is required. This unified messaging approach avoids the complication of having individual systems for e-mail, texting and bill messaging. Many organizations, either through acquisitions or unguided growth, have acquired multiple platforms for message delivery. The systems in use for each messaging function also require personnel and budgets to support their operations. A single unified messaging platform removes the need for separate systems, thus generating operational and cost savings over a multi-system environment.

One example of the benefits of cross-channel is the case of a financial services organization. The company acquired multiple communications platforms over years of corporate acquisitions. The company sought out a unified platform to improve its customer messaging and the brand experience enjoyed by customers. The results for this firm were to see a lift of 500 percent in its marketing campaigns. The outcome of the efforts was the product of taking a detailed approach to reaching customers on the channel of their choice.
**Message Integration**

Cross-channel is also about the integration of messages. Message integration means that the message format is tailored to the type of device or print output to which it is sent. For instance, a message sent to a mobile phone should contain the same information as the information updated to a website or that which appears on a bill statement; there should be no message fragmentation between channels. The consistent message experience is a priority. In a 2011 Frost & Sullivan survey of contact centers, fully two-thirds of the centers noted the consistent experience across channels as a priority. Message integration also means that the campaign or messaging tactics are integrated. All channels, be they print or electronic, are integrated in that they are being monitored, results tallied and feedback provided. The e-mail, bill message or tweet all need to be tracked to identify campaign success and identify the effective reach of the messaging effort.

A second example of the benefits of cross-channel is the case of a U.S. mobile communications provider. Company growth in the highly competitive mobile market depended on greater customer contact. The company implemented a cross-channel solution to address marketing, up-selling and cross-selling initiatives in an integrated manner. The result of the cross-channel implementation was to see an increase in campaign volumes by 250 percent with improved conversion rates by running waves of integrated campaign messages.

**CHALLENGES AND IMPERATIVES OF CROSS-CHANNEL COMMUNICATIONS**

The growth of mobile communications, text messaging and social media has challenged the traditional marketing and billing model for companies. Smartphones, tablets and apps all mean that customers are able and wanting to interact with companies in multiple ways. Companies should also want to interact with customers on multiple channels to remain competitive and provide best-in-class service. Companies thus are transforming their operations in light of these technological advances to improve their customer contact efforts, driven by the imperatives of optimizing revenue and improving operating performance.

The business challenge for companies is that the old marketing and messaging methods do not recognize the realities of the new technology platforms. Companies have traditionally interacted with customers in a linear fashion; they send out one bill statement per month with a marketing, regulatory or customer information message and await a response. The challenge and opportunity for companies today is to take advantage of new technologies. With mobile and social technologies, companies can interact in real time with customers. If a customer has a particular preference for e-mail or texting as a method of communication, you increase your opportunity to improve customer satisfaction by personalizing the communication channel to the customer’s preference.

Secondly, we must also recognize the challenges posed by the multi-device environment. Many customers have one, two or more devices (tablet, smartphone or personal computer [PC]) that they use to interact with their service providers. The personal computer is still the preferred means for a consumer to interact with a company’s website or receive electronic messages. Tablets for online engagement, however, are growing at 10 times the rate of smartphones.
Also, many customers still prefer to receive their paper statement with messages from their utility or telecom provider and never interact via e-mail or a website with that provider.

In light of the technological changes in communication methods, companies are further challenged because the customers themselves have also changed. Customers are saying to companies, “know me.” Customers already provide their address, phone number, purchase history and buying preferences to companies. In return, customers expect that companies will respond by connecting with them on the channel of their choice with customized offers and promotions. This personalization of messages creates a consistent and positive experience and is vital to customer loyalty and continued company growth.

A further challenge is to ensure your organization is ready to implement cross-channel. Is there appropriate support from the chief executive officer (CEO), the chief marketing officer (CMO) and the customer service leadership? Without this support and a clear strategic goal, it may be very difficult to implement cross-channel.

In the context of the new technologies and an environment where old methods of messaging are giving way to new approaches, the imperatives for today’s financial services, utility and telecom providers is to focus heavily on revenue and performance. Cross-channel communications is the tactic many firms are using to accomplish these tasks. To optimize revenue for marketing or billing means driving customer loyalty and optimizing print or electronic messaging. To drive performance means reducing contact center touch and document suppression—turning off the paper bill.

**THE CROSS-CHANNEL SOLUTION**

The cross-channel communication solution many companies turn to is provided by CSG International (CSG). CSG’s Output Solutions provides the unification of components needed to address the cross-channel challenges. CSG integrates customer profiles with event management and interaction tracking. Customer profiling capability allows companies to apply analytical assessments against the customer base and determine the best channel fit. Event management automates the messaging function to each channel and device in perfect order. The interaction tracking modules provide detailed information on all interactions with every customer on every channel, be it text, e-mail or print media.

CSG’s suite of integrated services spans the breadth of customer communications. The ability of CSG to integrate print and electronic messaging along with document archiving is unique. The combination of these assets means that CSG’s cross-channel capabilities can ultimately help firms increase revenues, manage costs and improve customer satisfaction.

**THE BENEFITS OF CROSS-CHANNEL COMMUNICATIONS**

The benefits of cross-channel communications are realized by meeting the imperatives of optimizing revenue and driving performance. These imperatives are pursued with the understanding that communications strategy and tactics can drive revenue and performance.
Optimize Revenue

Optimizing revenue refers to the ability of a company to maximize revenue growth while creating value for its customers. In the context of financial services, utility or telecom billing and the marketing environment, optimizing revenue refers to increasing customer loyalty to drive increased revenues in one respect and optimizing print activities in the other.

Customer loyalty is important for long-term financial success. Many companies and their executives suffer from the focus on short-term financial success rather than looking toward long-term success. Loyalty is built by customers continually perceiving value in the products and services consumed from their vendor of choice at a price they deem fair. Therefore, it follows that a consistent messaging platform that improves the overall customer experience will help generate customer loyalty. vii It is common business knowledge that it is less costly to keep a customer than to win them back. Keeping the customer should be the goal. Companies that can generate just five percent more loyal customers can increase their profit per customer between 25 percent and 100 percent. vii

Print is unlikely to ever go away, but many individuals and businesses hunger after a reduction in paper as a means to generate cost savings. Leveraging and optimizing their print and electronic channels can help achieve this goal. For organizations with complex variable printing requirements, this can often best be achieved by outsourcing the print function. Where a company lacks the in-house skills for copy development, layout and graphics or translation to software formats for mobile or PC delivery, outsourcing print for the company is a viable option. Companies that look at optimizing printing by outsourcing can generate savings of about 30 percent. viii

Drive Performance

Driving performance in a utility organization or large financial institution necessarily involves examining two sources of performance improvement: 1) a reduction in contact center touch and 2) document suppression through e-billing.

The contact center environment is driven by concerns over cost. Among the many cost concerns is the price of serving customers and associated costs of human and technology resources. In a cross-channel capable contact center, the costs of connecting with customers for messaging purposes, or automated electronic interactions via chat or e-mail, can reduce the touch and cost of those contacts compared to speaking with a customer on the phone. This is the effort to deflect calls normally inbound to a contact center to one or another communications channel. A cross-channel environment with message auto-reply capabilities can reduce costs associated with the contact center. The typical cost of an inbound or outbound voice call is between $4 and $6; this compares with the average $1 to $3 cost of employing an e-mail channel. ix The costs savings are apparent.

Document suppression refers to turning off paper bill statement delivery so the customer only receives an electronic statement. The performance improvements to the corporate bottom line are immediate; turning off the reception of a paper bill can save a company anywhere from $0.44 to $0.55 per statement. x The immediate savings are in the cost of paper and
postage and any labor time associated with paper bill delivery. Additional benefits can be seen in promoting a “green” benefit through public relations efforts with the reduction in paper usage. Also, companies look to document suppression to improve operating cash flows. In utility or telecom organizations that are used to a flood of payments at the end of the month, e-billing can help expedite cash receipts by implementing automatic payment withdrawals from customer accounts in conjunction with the e-statement.

THE IMPORTANCE OF CROSS-CHANNEL COMMUNICATIONS

The importance of cross-channel communications is its ability to efficiently and cost-effectively expand the reach of a company’s marketing and communications practices in pursuit of the imperatives. It is this reach and the delivery of messages tailored to customers’ communications channel(s) of choice that help optimize revenues and drive performance.

Delivering an integrated message, though, requires the company to adopt a unified platform to best leverage the benefits of each channel. Leading companies in the financial services, telecom and utility industries are recognizing this trend and are transforming their communications approach to adopt a cross-channel method. Cross-channel also helps to improve the consistency of the brand experience for the customer by ensuring that messages are not fragmented, regardless of electronic or print format. And we see, too, that cross-channel can help companies optimize revenues through loyalty efforts and print optimization. Cross-channel can help drive performance by reducing contact center touch and promoting document suppression to improve costs savings.

It is important to remember, though, that through all the talk about electronic messaging and mobile devices, it is easy to lose sight that paper and print are still important for billing and marketing. The printed document channel is a vital aspect of a successful multi-channel communication approach. The majority of consumers still prefer to receive bills and statements in printed form, despite the growing popularity of e-bill and electronic communications. The necessity of print in consumer communications also provides the continuing opportunity to optimize print functions as part of the cross-channel method.

The first step in implementing cross-channel is to contact CSG International; cross-channel communications is here and ready, and so are they. Cross-channel is the direction that companies seeking to optimize revenue and drive performance are headed. The changes in communications technologies, services and competition have required companies to transform their messaging operations. The cautious but curious company should note that it’s okay to start small, by adding one channel then another, and watch your returns and performance grow. Companies looking to improve their revenue position and operating performance need to examine cross-channel communications benefits and the CSG solution.
REFERENCES


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