



The Future State of Omni-channel Customer Communications

Exploring the future state of CCM in 2022-2025

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INTRODUCTION

In Section 1, we will discuss the state of the CCM market from 2022 to 2025. Then in Section 2, we will examine the organizational changes enterprises must adopt to deliver better customer experience.

Over the last 18 months, organizations across the globe have taken unprecedented steps to expand their digital interactions with consumers. This historic acceleration has been driven both by the necessity to accommodate the realities of a remote workforce and by a desire to meet evolving customer demand for personalized, interactive communications that transcend channel. While customer acquisition through marketing remains an important factor, top management at four out of every five businesses we surveyed reported that their top communications priority is to boost customer retention by crafting superior interactions that improve customer experience (CX), enhance engagement, and ultimately boost customer lifetime value.

As an industry analyst and strategic consulting firm, Aspire provides thought leadership that can help guide enterprises, service providers, and technology vendors toward their digital future. We have been commissioned by OpenText to create two whitepapers and a set of accompanying videos designed to help businesses improve CX by modernizing their customer communications interactions. In Section 1, we will define omni-channel communications in greater detail and outline a transformative vision for enterprises to follow between 2022 and 2025. Then in Section 2, we will review the best practices organizations can rely on to successfully create, manage, and produce omni-channel communications at scale. We will also explain why businesses must construct a Center of Excellence (CoE) so that they can craft a cohesive communications strategy, achieve a single view of customer, develop a unified voice, and centrally manage operational, marketing, and service communications from one point of control.



RECOMMENDATIONS FOR SECTION 1

- **Let your COVID-19 response jumpstart an omni-channel modernization strategy.** Businesses who want to accelerate digital transformation and improve CX must rethink both customer communications management and production. Two-thirds of the enterprises we surveyed in 2020 have invested or plan to invest in new (omni-channel) technology to meet the evolving needs of their customers (and their staff). These technological investments must be matched by the organizational changes we will discuss in Section 2.
- **Consider bringing together marketing, service, and transactional communications for a true omni-channel offering.** Aspire's research shows that organizations that can successfully provide communications experiences that are consistently relevant to the consumer's place along the customer lifecycle grow revenues at a speed that is 41% than those with less sophisticated offerings. Cutting edge developments in omni-channel communications — underpinned by cloud technology, artificial intelligence, machine learning, and data analytics — can enable organizations to manage different type of communications all within a single stack.
- **Think from the outside in.** Creating greater relevance is an essential omni-channel objective and it is vital to a better customer experience. Instead of letting your capabilities dictate the way you communicate, let your customers' needs determine the capabilities you pursue.



Omni-channel Communications in 2025

The term “omni-channel” has been in the industry’s lexicon for many years now. Over time, it has developed different connotations depending on the individual market and the specific use case. In our online glossary, Aspire defines omni-channel messaging as “**unified, coordinated customer communications that enable seamless conversations across multiple channels**”. If multiple channels themselves are a given then there are two important elements that differentiate a multi-channel communication from an omni-channel interaction.

The first is that an omni-channel message is the product of a cohesive customer communications strategy. While a single business unit can send even the most advanced multi-channel message without consulting its counterparts, a true omni-channel communication requires coordination and data sharing between silos. Only after it has established a single view of customer can an organization ensure that it has the ability to send a relevant message on any channel at any point along the customer journey. Secondly, there should be enough coherence in technological strategy and enough consistency and depth in data sharing that the customer can carry on a seamless and cohesive conversation with the provider while switching from one channel to another. In short, the conversational nature of an omni-channel interaction implies that it is bi-directional, data-driven, and always relevant while its content and messaging are optimized both for the individual consumer’s place along the customer lifecycle as well as the channel used to access the communication.

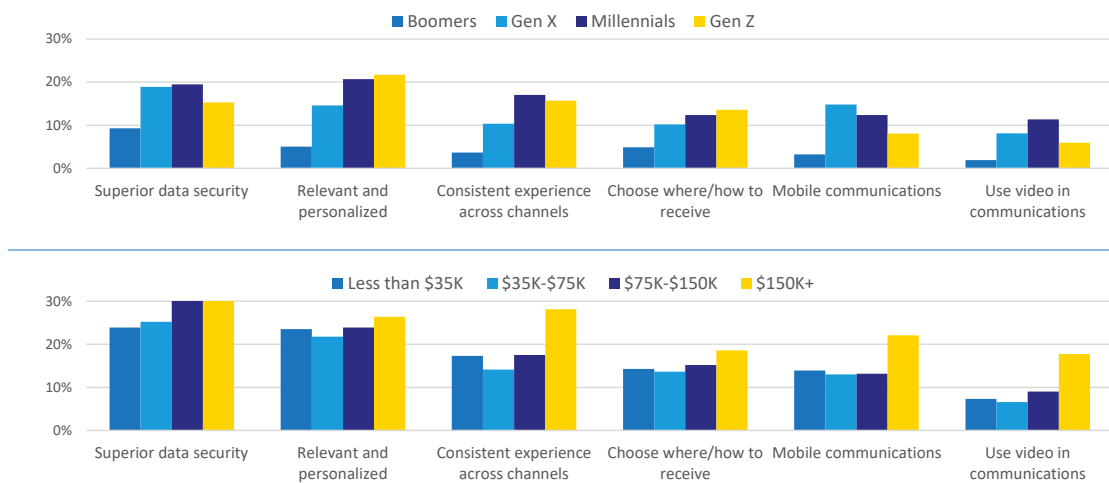


Why Omni-channel?

Aspire’s latest research, conducted after the first wave of social distancing lockdowns in 2020, found that **15% of North American consumers were willing to switch providers if the communication experience did not match their expectations**. This impulse was closely aligned with youth and higher income levels. Millennials and Gen Z (consumers between the ages of 18 and 40) and those living in households earning at least \$150,000 annually were the most likely to break ties if they felt the provider’s communications were subpar. They were also more likely to report that they are willing to pay a premium for better interactions.

Figure 1: Aspects of superior communications recipients are willing to pay more to receive

Which aspects of a positive communications experience would you be willing to pay more for to receive?



N = 2,000 consumers in the U.S. and Canada

Source: Aspire, *Understanding the New Digital Reality*, 2020

As Figure 1 demonstrates, these consumers prize relevant, personalized communications and a consistent experience across their chosen channels. This demand for a cohesive and consistently relevant interaction across multiple mediums can only be met through omni-channel communications. To ensure each interaction fits a consumer’s place in the customer journey,



“Customers make no distinction between operational, marketing, or service communications. **Enterprises shouldn't either.**”

*Source: Kaspar Roos,
Founder & CEO of Aspire*

businesses must map out every touchpoint — from awareness to onboarding, service, billing, and finally renewal — and address any issues that negatively impact customer experience along the way. Such a coordinated strategy cannot be undertaken while individual business units are separated by silo walls, failing to share customer data across the organization and, worse still, carrying on independent customer engagement without regard to the interactions of the others.

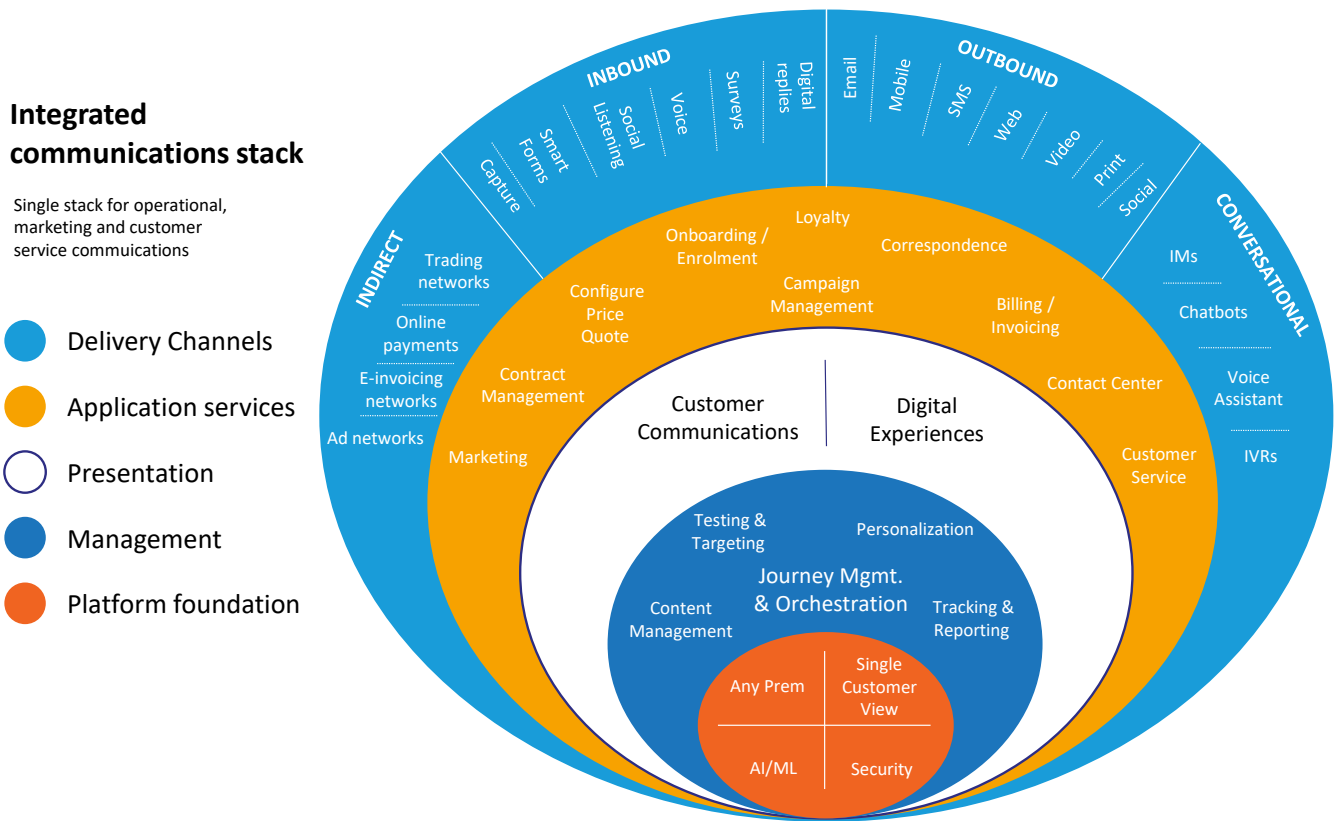
In addition to consumer demand for omni-channel communications, enterprises also face growing competitive pressures from other businesses. Between 2019 and 2020, the reported priority of omni-channel communications and improving customer experience increased by roughly 20% while digital transformation's priority climbed nearly 40%. Customer retention, improving customer experience, and executing digital transformation are in fact the top three customer communications priorities resulting from the pandemic. Businesses who ignore this accelerated evolution do so at their peril.

Omni-channel Explained

In order to send omni-channel communications from a centralized platform, an enterprise must have access to a very specific mix of integrated technologies.



Figure 2: Omni-channel Communications Technology Stack



Source: Aspire, 2021

The stack is built on a foundation that disseminates a single customer view throughout the organization, ensuring customer data is not rendered useless behind silo walls. Beyond securing this data, artificial intelligence and machine learning technologies within this layer also work to interpret and apply it so that the ongoing interaction with an individual consumer remains relevant to their unique circumstances, preferences, and place along the customer journey. Finally, “Any Prem” functionality allows business users to manage customer communications even when working remotely.

The layer immediately outside the foundation is dominated by journey management and orchestration. This technology lets enterprises test and target specific audiences and ensure a consistent quality of content as well as an appropriate tone of



voice all while simultaneously enabling message personalization. Once a communication has been sent out, journey management technology allows users to track the message and issue a report detailing its effectiveness.

The foundational and management technologies work together to enable business users to create both customer communications (those messages typically presented in a more static format such as PDF or HTML) and digital experiences (typically more dynamic engagements through web pages or mobile messages). These interactions can be made to fit any application along the customer lifecycle, including marketing, onboarding, correspondence, loyalty programs, and customer service. In turn, those applications support the outmost layer, with delivery channels divided into four omni-channel use cases: indirect, inbound, outbound, and conversational. No message or interaction delivered through these channels can be the product of a cohesive omni-channel strategy unless it is infused with the right mix of technologies beneath it.

CONCLUSIONS FOR SECTION 1

In summary, omni-channel communications must be backed by an organized and purposeful strategy, constantly aligned with the consumer's place on the customer journey, and coordinated enough to allow a continuing conversation across different mediums. Such a complicated arrangement can only be achieved by relying on an equally complex stack of specific, interconnected technologies that work together to securely distribute customer data throughout an enterprise while leveraging it to deliver a consistently relevant message through the most appropriate channel.

Our research shows that two-thirds of total enterprises are



making adjustments to their technology in an effort to provide better communications to their customers. At Aspire, we believe that the technology stack detailed in Figure 2 can serve as a roadmap for these businesses to follow as they modernize their approach between 2022 and 2025. Nevertheless, technology alone is not enough. In the same survey, nearly 60% of participating enterprises reported that they were also making organizational changes to accommodate consumer demand for better digital interaction. In Section 2, we will take a closer look at the structural changes businesses must adopt to properly facilitate omni-channel communications.

RECOMMENDATIONS FOR SECTION 2

- **Let your COVID-19 response jumpstart an omni-channel modernization strategy.** In the immediate aftermath of initial social distancing lockdowns, over one-third of enterprise respondents reported that they formed a “COVID response team” to help them align messaging and provide a consistent voice across their entire organization. These teams have already successfully standardized messaging on a smaller scale and have the necessary contacts and mechanisms to draw data from every business unit and establish a single view of customer. Over time, these teams could morph into a proper CoE.
- **Consider creating a Center of Excellence to unlock the benefits of omni-channel communications.** Aspire’s research shows that organizations that can successfully provide interactions that are relevant to and consistently aligned with a consumer’s place along the customer lifecycle grow revenues at a speed 41% faster than those



with less sophisticated offerings. To achieve true omni-channel status, organizations must invest in centralized management of customer communications and digital experiences.

- **Distilling a digital culture.** A center of excellence based on new agile ways of working defined by coaching (and not directing) can empower multi-disciplinary teams to create innovative solutions that meet evolving consumer demands.

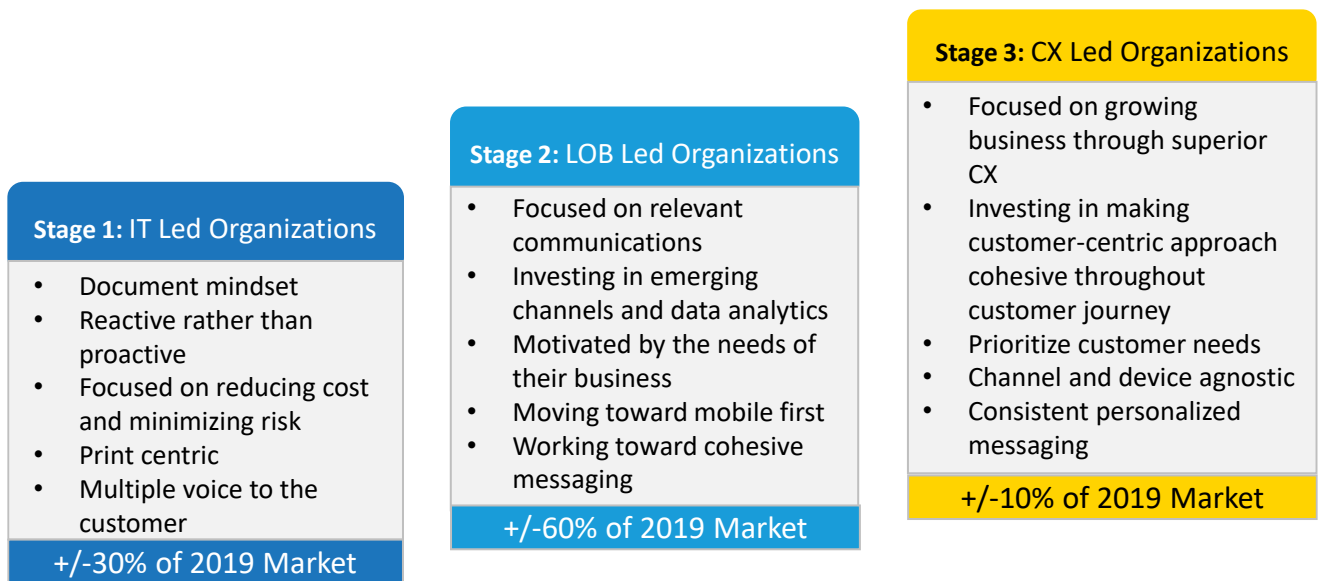
The Path to Communications Modernization

Even before the transformative disruption in 2020, growing consumer expectations of instant access to relevant, personalized information had made customer experience an increasingly important metric in B2C communications. As a result, enterprise communication priorities began to shift from reducing cost and risk to increasing business value by improving customer experience. It is for this reason that Aspire believes Customer Communications Management (CCM) has effectively become part of Customer Experience Management (CXM), or the practice of managing all interactions that a business conducts with its customers with the express goal of improving the perception that customers have about that business.

While this transition is not immediate, market forces have made it inevitable. Aspire has identified three stages of maturity along the evolutionary path to CXM, each characterized by the business unit making communications decisions for their organization.



Figure 3: The Three Stages of CXM Maturity



Source: Aspire, 2021

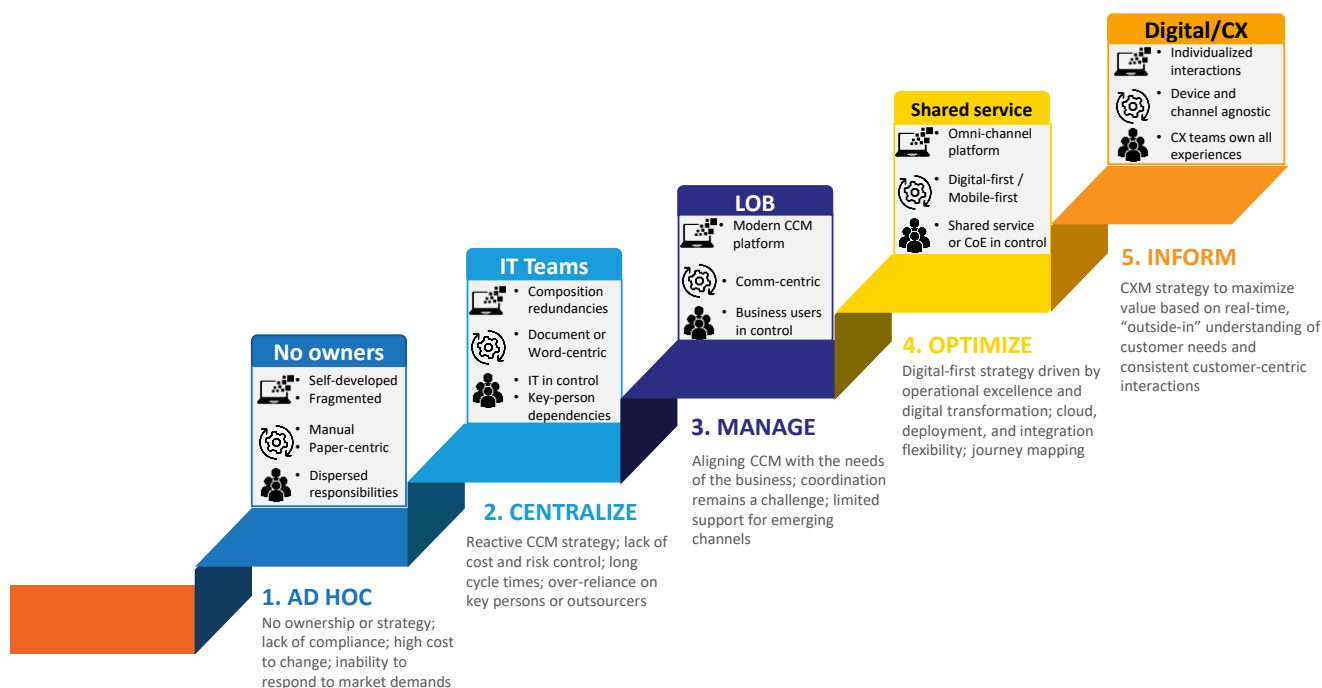
In 2019, our survey found that that roughly 30% of businesses worldwide were still in the first stage of development while only around 10% had achieved CXM maturity and 60% had customer communications strategies with a LOB or shared service responsibility in place. Nevertheless, over the last 18 months, a once-in-a-century pandemic, social distancing lockdowns, and the resulting surge in digital adoption have greatly accelerated the market's transformation and push many more organizations into the second and third tier. Our 2020 survey revealed that the reported priority of omni-channel communications and improving customer experience increased by roughly 20% from the previous year while digital transformation's priority climbed nearly 40%. Customer retention, improving customer experience, and executing digital transformation are in fact the top three customer communications priorities resulting from the pandemic. Many more enterprises are now trying to respond more rapidly to changes in the market while supporting emerging channels and providing more relevant communications to their customers.



Using Best Practices to Realize Digital Maturity

In their most primitive form, customer communications are rudderless, produced through disjointed, inefficient processes that have no hope of adjusting to market changes or responding to customer demands. Figure 2 illustrates the five steps to digital maturity, from leaderless ad hoc communications to a device and channel agnostic CX-led approach that is informed by consumer needs and deliberately calibrated to maximize a customer’s lifetime value through superior interactions.

Figure 4: Steps to Digital Transformation



Source: Aspire, 2021

In order to move toward a centralized model, IT teams must take charge, decommission outdated legacy software, and rationalize templates in order to streamline messaging workflow while reducing print, postage, and archiving costs. At the same time, IT leadership should focus on reducing the organization’s exposure



to both compliance failures and SLA breaches.

Organizations can transition to the third step by moving away from IT leadership in favor of empowering business users to manage customer communications. They will realize operational savings by rationalizing disparate CCM platforms, intelligently reusing content, and focusing on opportunities to minimize change requests and cutting call center costs. Businesses in this middle stage should also institute policies and install technologies that will allow them to limit their dependence on key personnel so that they will not lose critical know-how to talent turnover.

At the fourth step, a COO or other executive agent of change can help their organization achieve true omni-channel communications by switching to digital/mobile-first cloud platforms focused on journey orchestration and business process automation. In order to reach the final stage, digital leaders and CX professionals shift the communications focus to customer-centric interactions underpinned by strong data analytics and business value modelling. By letting consumer needs shape investment, organizations at the zenith of their digital transformation can quickly innovate and adopt the necessary tools to help them improve customer experience, engender loyalty, and make the most of cross-sell/up-sell opportunities.

The Key to an Omni-channel Future: Building Your Center of Excellence

With the market in the midst of unprecedented and ongoing disruption, savvy businesses are endeavouring to maximize their agility so that they can quickly react to changing realities and evolving consumer demand. Many have created multi-functional teams made up of communication developers, UX designers, and



product managers all working together in end-to-end value streams. While a greater number of professionals can work faster than a smaller group bound by red tape, enterprises must adopt a centralized approach to guide and coach these teams on how to build the best and most consistent customer experience. Holistic CX management is not only imperative, it is an essential step along the path to digital maturity and an indispensable building block of omni-channel communications (which require messages to remain consistent throughout the customer journey while enabling customers to carry on a seamless conversation from one medium to another).

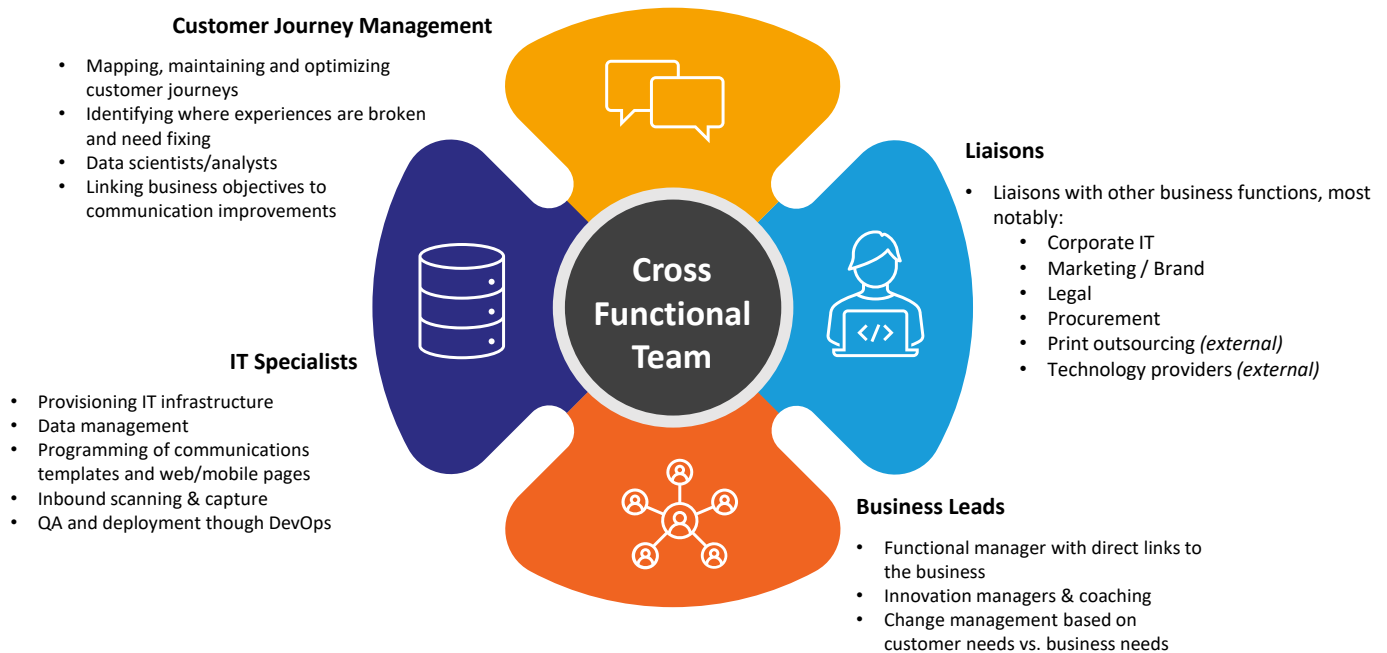
As we illustrated in Figure 1, for the majority of global organizations surveyed in 2019, the needs of the business had surpassed cost savings as the primary factor influencing CCM investment. As their evolution continues, these businesses should work to adopt a perspective that looks from the outside in, allowing actual consumer needs to shape their communications and placing control in the hands of centralized professionals who can direct a cohesive strategy reaching consumers at every point along their journey. In practice, this would entail shifting from an internal, functional/product approach toward a customer-obsessed way of working. Instead of viewing technology investments as an internal process improvement, they should put customers at the heart of communications and let their needs guide the capabilities they build out.

To extend this philosophy throughout the communications lifecycle, enterprises must chart their touchpoints and channels in a centralized customer journey map that incorporates data from every business unit. A central shared service team with the authority to fix broken links in the experience chain should manage content and business rules by leveraging artificial



intelligence and machine learning to streamline templates and workflow. Figure 3 lays out the units that should make up this cross-functional team and details some of their responsibilities.

Figure 5: Components of a Cross-Functional Center of Excellence



Source: Aspire, 2021

Many organizations – especially in regulated industries – are extremely siloed and often task separate teams (or even separate business units) with managing different parts of the customer journey. In these situations, a centralized team can provide clarity, helping to prioritize backlogged processes and training disparate units to develop communications and experiences that align with the efforts of others. The need for better coordination, standard best practices, and central orchestration to bring together compliance, service, and marketing communications is paramount, particularly within organizations that have digitally transformed and now work with agile teams empowered to own communications and digital experiences.



CONCLUSIONS FOR SECTION 2

In summary, omni-channel communications must be backed by an organized and purposeful strategy, constantly aligned with the consumer's place on the customer journey, and coordinated enough to allow a continuing conversation across different channels. In Section 1, we mapped out the complex stack of interconnected technologies needed to make omni-channel communications a reality, but this stack is only as effective as the team behind it. Nearly 60% of the businesses we surveyed in 2020 reported that they were also making organizational changes to accommodate consumer demand for better digital interaction. In Section 2, we have examined graphics that visualized the kinds of structural changes enterprises must undergo to achieve digital maturity and evolve from CCM to CXM and explored the best practices that will enable them to centralize their approach and better achieve their communications goals.



About OpenText



OpenText is a global provider of Information Management (IM) software, offering market-leading customer communications, digital experience, content management, and business automation solutions. The company is headquartered in Canada and has offices and customers in every major market in the world.

About Aspire

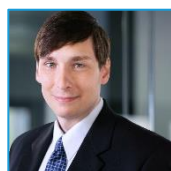


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