

# OMNICHANNEL COMMUNICATIONS:

HOW TECHNOLOGY IS CHANGING THE FACE  
OF CUSTOMER ENGAGEMENT

**NTN**

National Technology News

In association with

**opentext™**



# INTRODUCTION & METHODOLOGY

## Introduction

In an age of digital commerce and digitised lifestyles, there have never been so many ways for organisations to communicate in real time with customers and service users - from mobile, online, and text, to chatbots and email - as well as physical interactions.

The emergence of 'micro-moment' driven consumers and stakeholders, whose attention is shared between competing channels on multiple devices, means that businesses need to provide a seamless experience in order to win hard-earned customer trust.

Not only this, end users are demanding that businesses go one step further than engagement by offering personalised communications, all the while maintaining high standards of data privacy and security.

Omnichannel communication brings messaging channels and data together to provide a unified approach to customer and stakeholder engagement, ensuring that organisations can reach the individual where they are - be that in a physical location or an online customer service chatbot.

This survey, conducted by National Technology News and OpenText, explores the ways in which businesses are leveraging data and technology to build omnichannel customer experiences, improve cycle times and optimise customer acquisition and retention.

## Methodology

National Technology News and OpenText surveyed 100 senior leaders, including chief information officers, chief technology officers, digital directors and marketing directors from a range of the UK's leading companies and organisations. Industries represented include manufacturing, retail, pharmaceuticals, technology, outsourcing, public sector, utilities, telecoms and financial services.

The responses provide a representative snapshot of these organisations' approaches to omnichannel customer communications and the technologies they are employing in their efforts to better engage with customers and key stakeholders.



## EXECUTIVE SUMMARY

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The report found that brands are engaged with customers across a diverse range of touch points, with each one impacting rates of customer engagement, conversion and loyalty.

The survey highlights a definite shift to digital customer engagement channels, including company websites (98 per cent) mobile (37 per cent) and social media (72 per cent).

However, more traditional channels still make up a significant part of the overall customer journey, including physical stores (13 per cent), catalogue and print mail (67 per cent) and human interaction via contact centres (47 per cent), suggesting the urgent need for companies to offer a genuinely omnichannel customer experience.

This can be achieved through use of innovative technology and systems integration to build a fully connected, seamless and personalised data architecture around the customer's needs and preferred engagement channels. However, just three per cent of those surveyed said they have a fully seamless omnichannel experience, with 49 per cent admitting their existing strategy needs work.

The report shows that brands are aware of the need to harness omnichannel interactions, but significant barriers are frustrating their route to implementing solutions, including legacy technology (35 per cent), budget constraints (36 per cent), understanding of customer journeys (29 per cent) and board buy-in (45 per cent).

In addition, the report shows that companies are already exploring the potential of leveraging AI (54 per cent), implementing digital transformation strategies (35 per cent) and digital usability (32 per cent) to improve their customer service offering and ensure the speed and seamlessness that customers have come to expect, but many are unsure as to the solutions available to help them achieve this.

One way for brands to deliver successful omnichannel engagement is through a digital experience platform. These combine powerful use of AI engines and automation to process customer data from multiple sources in a single platform, thus enabling brands to build a 360 degree view of the customer and their interactions and ensure the right experiences are delivered to the right audience. This innovative use of real-time data drives further personalisation and customer satisfaction, which in turn secures their loyalty and ongoing engagement with the brand long after their first visit to a website or a store.

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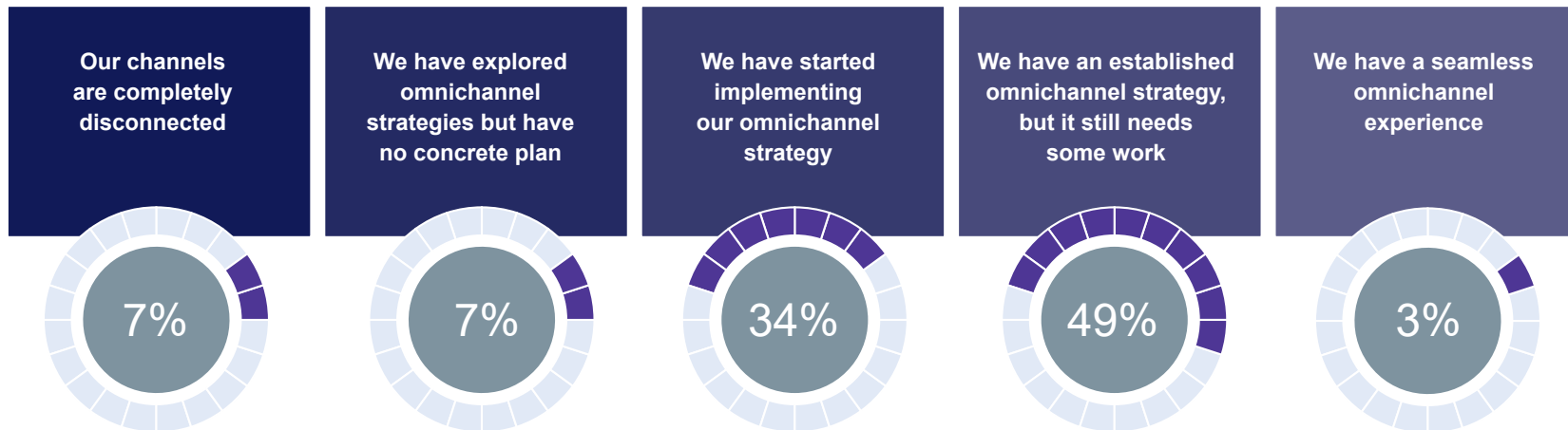
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# 1. HOW SEAMLESS IS YOUR CURRENT OMNICHANNEL EXPERIENCE?

(SELECT ONE)



The results showed that the companies surveyed were at different stages on their journey towards providing customers and business partners with fully omnichannel communications.

Nearly half (49 per cent) of respondents said they had established an omnichannel customer communications strategy, but admitted that their approach 'still needed some work'. Just over a third (34 per cent) said they had started implementing a strategy, but that it was still in its infancy.

Meanwhile, seven per cent said that their customer communications channels were 'completely disconnected' and lacking in omnichannel capabilities. The same amount confirmed they had 'explored' the potential for deploying omnichannel but had yet to formulate a concrete plan for getting there. Just three per cent reported that they had achieved a fully seamless omnichannel experience and had no need to improve data sharing or integration between channels.

For the most part the organisations reported that they were at the early or intermediate stages of rolling out an omnichannel strategy, with nearly half saying their strategy required further work. This suggests that many organisations are aware of friction in their communications, frequently due to multiple vendors supplying the technology to support each of the channels, thus making data transfer and content delivery less seamless than a unified system.

## 2. IN A SINGLE “TYPICAL” CUSTOMER JOURNEY, HOW MANY OF THE FOLLOWING CHANNELS ARE UTILISED?

(SELECT ALL THAT APPLY)

The survey confirmed that the trend towards digital engagement with customers is overtaking more traditional channels. Nearly all (98 per cent) of those surveyed said that a typical customer journey involved a visit to their website, while interaction with the brand’s presence on social media platforms such as Facebook and Twitter was a common feature of the customer journey for nearly three quarters (72 per cent).

Other digital channels, such as proprietary apps or mobile sites (37 per cent) or third-party sites like Amazon or a price comparison site (39 per cent), also featured heavily in the customer journey, while the more direct communication of chat or SMS accounted for just two per cent.

While digital channels clearly supply the majority of routes to customer engagement, more traditional and direct points of contact such as catalogue, print or mail (67 per cent) remain key to communications strategies, as do physical store presences (13 per cent) and the ability for customers to talk directly to the business via a contact centre (67 per cent).

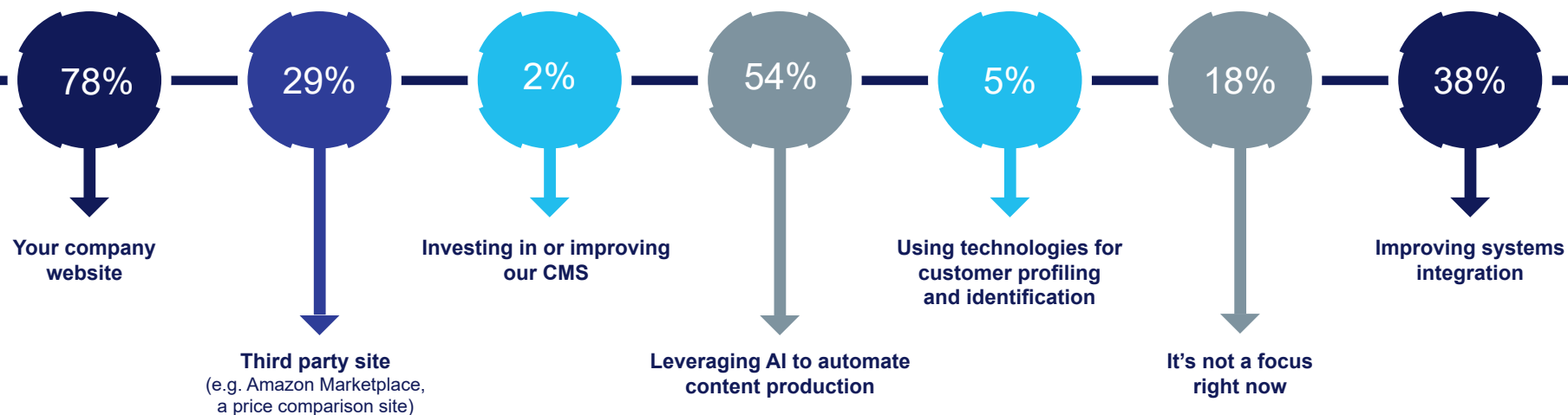
As many businesses scale back their physical presence, it is clear from the results that digital channels are key to achieving a seamless and relevant customer journey, with consumers spending increasing amounts of time online researching and browsing for goods and services.

Although a company website serves as the most frequently used interface with the customer, the survey reveals that catalogue, print and direct mail are still valuable routes to sale for many businesses, far outstripping the use of chat bots or SMS contact with potential customers, which remains largely restricted to order confirmations and delivery updates.



### 3. WHICH AREAS ARE YOU FOCUSING ON TO IMPROVE SPEED IN DELIVERING OMNICHANNEL EXPERIENCES TO CUSTOMERS

(SELECT ALL THAT APPLY)



Further emphasising the centrality of the company website as the first point of contact with customers on the journey to sale, 78 per cent of organisations said they were focused on website optimisation as the central pillar of an overarching omnichannel experience.

This was followed by 54 per cent who said they were focused on using AI to automate content production and 38 per cent who were looking to improve systems integration as a way of improving the efficiency and speed of their customer engagement process.

Nearly a third (29 per cent) said that third party sites such as Amazon could play a role in speedier delivery of omnichannel experiences while five per cent singled out leveraging data-driven

technologies to optimise customer profiling and identification.

A total of 18 per cent said that improving the speed of delivery of omnichannel experience for customers was not a focus for their business at the current time and just two per cent said that investing in a content management system was currently a focus for those tasked with improving the speed of delivery of omnichannel strategies.

Top choices for those tasked with delivering omnichannel strategies are processes such as website optimisation, systems integration, artificial intelligence and automated processes, all of which are reliant on quality data sets and modernised systems.

## 4. WHICH OF THE FOLLOWING ARE YOU FOCUSING ON TO IMPROVE YOUR OVERALL OMNICHANNEL EXPERIENCES?

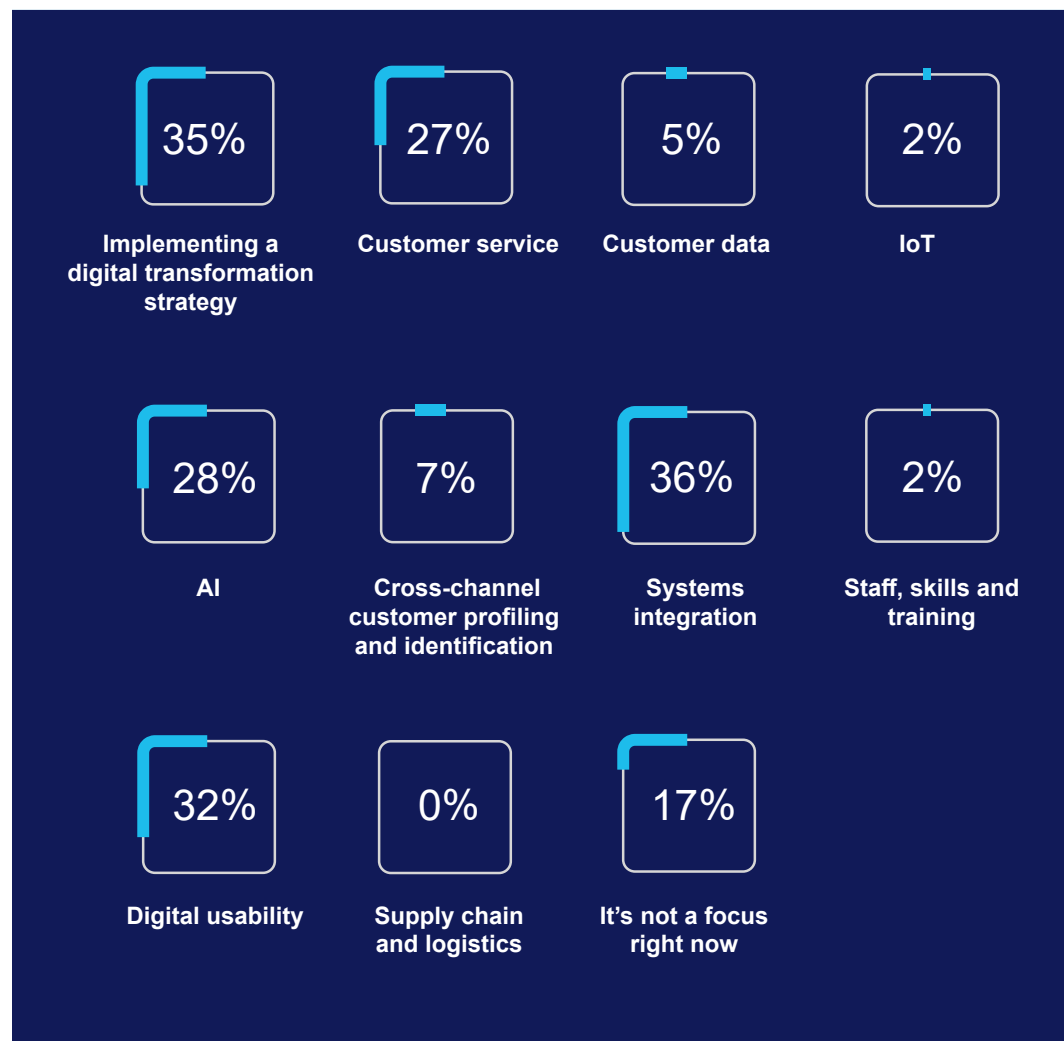
(SELECT ALL THAT APPLY)

Over a third of organisations said that they were working on data infrastructure projects such as optimising systems integration (36 per cent) and digital transformation strategies (35 per cent) as a means to improving omnichannel experiences for customers, suggesting that a shift away from legacy systems remains the focus for companies looking to free up data from silos and leverage their information to provide more relevant and seamless experiences.

More than a quarter (27 per cent) of businesses said that optimising customer service channels underlies their efforts to deliver richer, more relevant omnichannel experiences.

Linked to this focus on improving engagement with the customer are digital usability (32 per cent) such as mobile site optimisation and user experience (UX), along with cross channel customer profiling (seven per cent), use of customer data (five per cent) and AI (28 per cent) to improve features such as personalised communications.

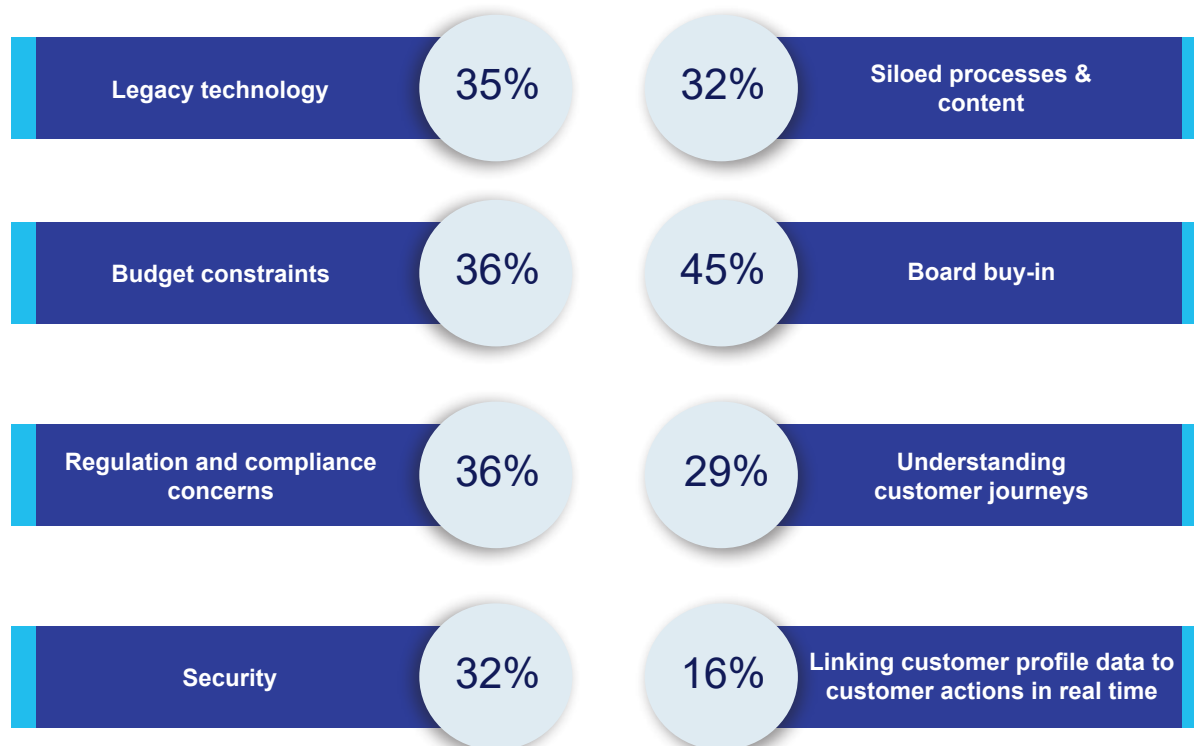
Internet of Things (IoT) technology (two per cent), supply chain and logistics (0 per cent) and staff skills and training (two per cent) were less prominent in current strategies for optimising overall omnichannel experience, while less than a fifth (17 per cent) said that they were not currently focused on making improvements to omnichannel experiences for their customers.





## 5. WHAT WOULD YOU IDENTIFY AS THE KEY BARRIERS TO SUCCESS FOR YOUR ORGANISATION WHEN IT COMES TO OMNICHANNEL CUSTOMER EXPERIENCE?

(SELECT TOP THREE)



Businesses were fairly evenly split on the major barriers to developing and implementing a fully omnichannel customer experience. A lack of support from senior leadership the most widely recognised block to progress, on 45 per cent, alongside the related issue of being held back by budget constraints (36 per cent).

Meanwhile 35 per cent identified legacy technology and IT infrastructure as holding back their omnichannel aspirations while regulation and compliance concerns (36 per cent), for instance over data privacy, were deemed equally challenging for organisations.

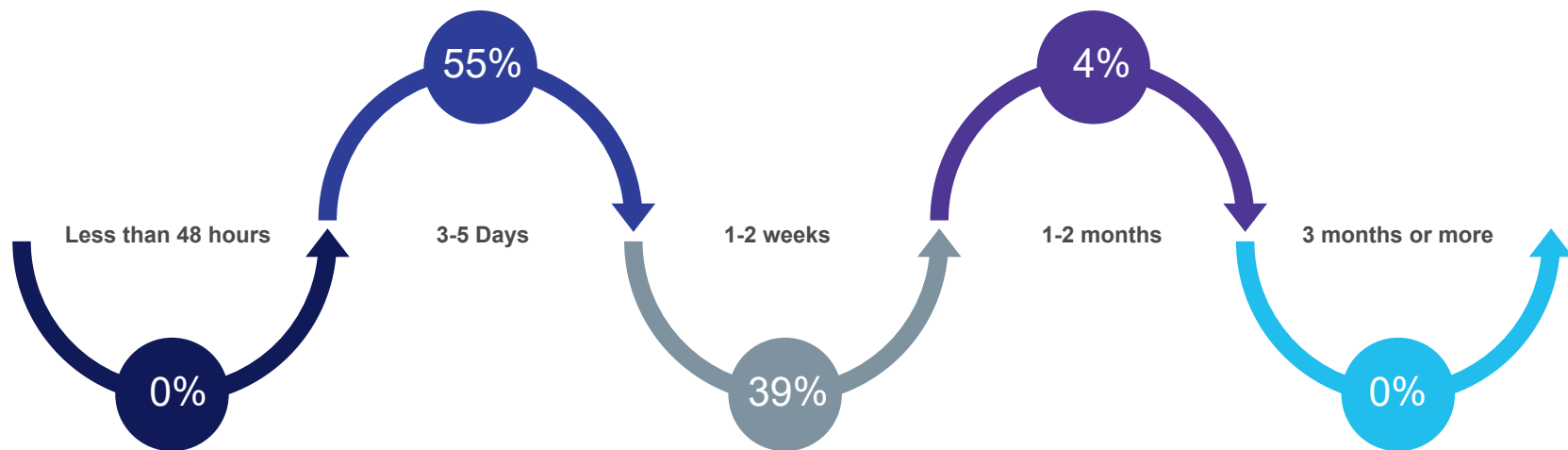
The related concerns of cyber and data security (32 per cent) were also singled out by nearly a third of respondents, while a lack of understanding and visibility of the customer's journey was a challenge for 29 per cent of those looking to use data to engage with customers in an omnichannel way. A total of 16 per cent indicated that their systems were not equipped to link customer profile data to customer actions in real-time, thus limiting the levels of personalised customer content they are able to offer.

## 6. WHAT IS YOUR TYPICAL TIME-TO-MARKET FOR NEW CUSTOMER-FACING CONTENT?

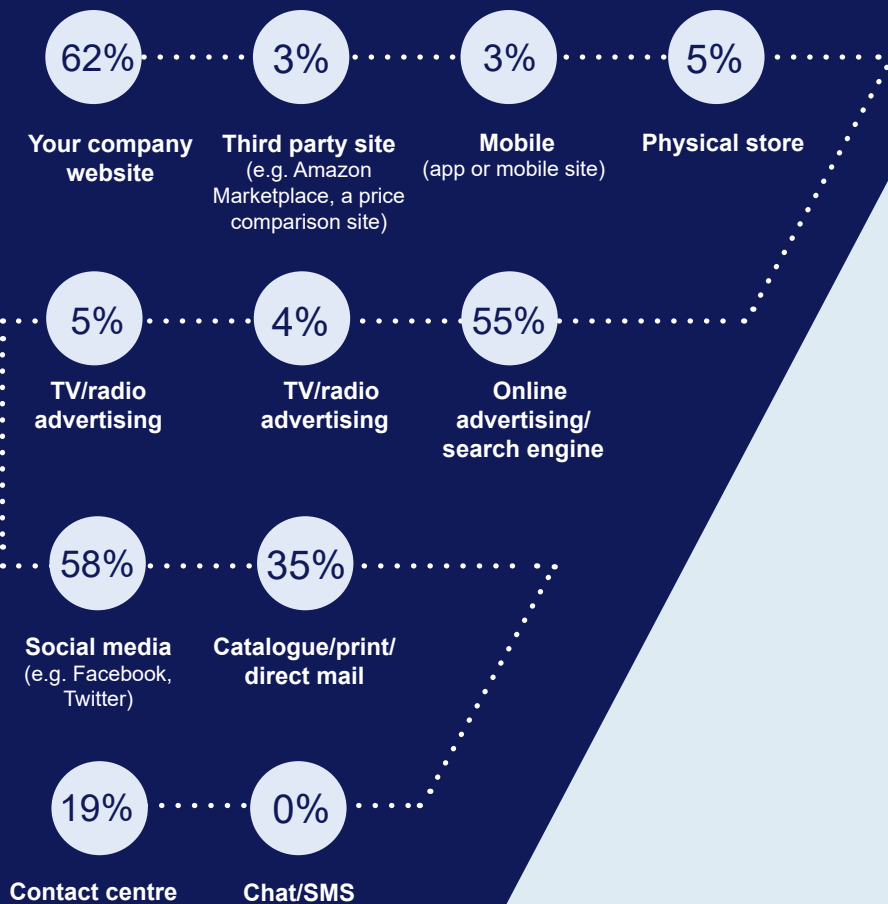
(TICK THE MOST APPLICABLE)

The survey highlighted that the majority (55 per cent) of organisations are currently stuck in the three to five day window for taking new customer-facing content to market across their range of channels, while for others a content or marketing campaign may take one to two weeks to work its way to market, with one to two months at the upper end of the timescale for four per cent.

Interestingly, while none of those companies surveyed reported a typical time to market of more than three months, none had yet normalised a time to market of less than 48 hours, suggesting room for improvement for those companies prepared to upgrade their systems to leverage automation and data for timely omnichannel communications.



## 7. WHAT CHANNELS ARE MOST IMPORTANT FOR NEW CUSTOMER ACQUISITION? (TICK ALL THAT APPLY)



The results suggest that acquisition of new customers is focused firmly on digital channels, with company websites (62 per cent), social media platforms such as Facebook and Twitter (58 per cent) and online advertising and search engine placement (55 per cent) the most popular routes to reaching new customers.

While more traditional channels such as TV and radio advertising (four per cent), physical stores (five per cent) and catalogue/print direct mail (35 per cent) still play a role in drawing in new customers via content such as marketing campaigns, it is clear that organisations are following the trend for investment in digital.

Contact centre (19 per cent), chat and SMS (0 per cent) and mobile (three per cent) communication play a less prominent role in this stage of the customer engagement lifecycle, perhaps due to a lack of customer specific data and falling popularity of direct marketing contact.

However, customer acquisition through third party sites such as Amazon or price comparison (three per cent) is a clear exception to this rule, with very few new customers generated through this channel, suggesting the value of an omnichannel approach focused on organic and inbound content with the company website sitting at the heart of the customer's interaction with the organisation.

8.

**WHICH OF THESE CHANNELS ARE MOST IMPORTANT FOR CUSTOMER RETENTION** (TICK ALL THAT APPLY)

When it comes to which channel is best for maintaining customer loyalty and encouraging repeat engagement, however, the picture shifts somewhat towards social media (64 per cent), which allows for more direct interaction with company, followed by company website (56 per cent) online advertising and search engines (52 per cent) and catalogue/print/direct mail (49 per cent).

Many of these channels are facilitated by the ability to leverage richer data sets about the preferences and contact details of the customer, as well as maintaining engagement with them through-out the customer lifecycle.

In such scenarios, third party websites (seven per cent), contact centres (11 per cent) TV or radio advertising (0 per cent) and physical stores (3 per cent) feature less prominently as the customer is already familiar with the company's offering and has an established relationship with them, thus making direct and personalised content through a range of channels a priority.



**Your company website**    **Third party site** (e.g. Amazon Marketplace, a price comparison site)    **Mobile** (app or mobile site)    **Physical store**    **TV/radio advertising**



**TV/radio advertising**    **Online advertising/search engine**    **Social media** (e.g. Facebook, Twitter)    **Catalogue/print/direct mail**    **Contact centre**    **Chat/SMS**

## CONCLUSION

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Overall, the report indicates that a wide cross section of UK industries have already embarked upon strategic planning or implementation of omnichannel communications as a means of better engaging with their customers and key stakeholders and shifting their operations to keep up with the digital expectations of the their market.

However, nearly half of respondents said that while they have an established omnichannel strategy, work remains to be done to ensure that their data is shared seamlessly across a number of channels to generate the best possible customer experience.

The survey confirmed that digital channels - from company websites to social media channels and third party sites - have now become the primary touchpoints in the customer journey,

with 98 per cent of organisations saying that their website is a point of engagement for all customers, followed by social media, marking a profound shift in firms' approach to marketing and customer engagement.

This points towards the future of omnichannel as a genuinely cross-channel approach to customer and stakeholder engagement, in which data and AI are leveraged to optimise both online and offline interactions and complement the role of more traditional methods.

Those companies that are able to unify data in real-time and demonstrate knowledge of the customer's wants and needs as well as an awareness of the importance of data privacy will ultimately forge lasting relationships with them and reap the rewards of early action.

