

Predictive Analytics in Unified Communications & Contact Center

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- Imagine a world, where you get what you want even before you ask for it! Even better, imagine a world, where you are offered something even before you decide that is what you want! Well, these times are not light years away from where we live. These times are where we live! Customer Interaction, which was limited to certain communication channels such as walk-in, postal mail, email, IVR, etc. has expanded to social media, video, interactive websites and many more. Customer service, which was looked at as a separate department/function has given way to a model where every interaction a customer has with an organization is treated as an opportunity to provide superlative customer experience. The brick wall that was between a contact center and other parts of the organization has given way to a seamless space where customers can interact with any part of the organization through multiple channels; sometimes through more than one channel at a given time! And finally, organizations have understood that by opening up different medium of communication channels and enabling employees to handle interactions across them, helps them understand what their customers want and how they can help themselves to be one step ahead of others.
- Data is the key While there is a lot of data generated (IBM says that 90 percent of the data in the world today has been created in the last two years alone), unless they are analyzed properly and tagged to business positioning and outcomes, they just remain what it is – data! The last few years have seen many industries use these data for different purposes a)Understanding what happened, seeing trends in data, performing segmentation and profiling on data, etc. falls under what we call “Descriptive Analytics” b)Taking this a step further, businesses try to predict customer behavior and outcomes using statistical models and machine learning algorithms. This falls under “Predictive Analytics”, where the data of the past are transformed into powerful insights leading to future predictions about when, where, why and how interactions may happen between customers and organizations Using these techniques, organizations can build their business models and strategies to equip themselves to provide an elated customer experience.
- Evolution of Analytics The following illustration depicts how data which was presented as standard reports has evolved to multiple types of analytics. Standard reports just tell us what has happened in the past. Some Business Intelligence products and solutions provide us with information on what and why something happened. Descriptive analytics is about looking at data from various dimensions and metrics and again providing information on what and why something happened. In addition to that, it also helps in figuring out any trends and patterns, profiling/segmentation, etc. When we enter the

world of predictive analytics, we look at past information and use statistical models and machine learning to understand them and try to figure out what will happen in future. In other words, predictive analytics help us by telling what, when and why something could happen. The last in the category is Prescriptive analytics, which is an extension to predictive analytics in some sense. It provides what actions are required in order to meet the predicted outcomes and what could be the effects of these actions.

- Role of Analytics If you take any business, there are several functions who have different metrics to drive and measure. Analytics plays a very important role in helping them achieve these results. Let us take an example of a retail bank as a business. There would be several functions or departments in that bank such as Customer Acquisition, Risk Management, Marketing, CRM, Fraud control, IT Services, etc. Each of them carry a set of metrics. The higher their insights in terms of data, the better they stand achieving those metrics. For example, some of the key metrics that a Marketing function would look at could be
 - For the dollars spent on marketing several products, which product is giving the highest return in terms of revenue earned
 - Which channel of marketing has generated the highest number of leads.
- What is the relationship between dollars spent and revenue earned and how does this look across marketing channels and products
- Based on the trend so far, would I meet my targets? If not, can I know where should I focus more this year to meet them? For example, if email channel is generating more leads, but the conversion of leads to closure is low, should I focus on that conversion or should I focus on a channel that has a higher conversion ratio. In other words, given current performance, where should I invest more to maximize my revenue?
- If I have to meet a revenue target of “X” million dollars across different products, what would be the optimized marketing spend across channels be?
- If I have a marketing budget of “X” dollars, where should I spent that money to maximize my revenue?
- Improvement on Customer Interaction through Analytics Several predictive models and algorithms help churn vast amounts of data about customer interactions across channels and help predict why they are interacting with enterprises. It is therefore possible to figure out why a customer is calling or walking into a store for? For example, if a customer uses his credit card to purchase something, but the authorization fails and he calls in the next 15 minutes, it is likely that he is calling for this reason! This one is an easy prediction. A propensity model would let the business know which customers are likely to need what kind of products. This will help an agent or a service engineer propose the right information about that product during the interaction. For example, in the case of a Telco business, the operations team has information about the customer such as the handset that she is using, her data usage pattern, call usage pattern, etc. and figure out which scheme would be optimal for her. Having this information, the

customer can either be proactively contacted or handled appropriately when she calls the next time.

- Efficient usage of Analytics Data, when used appropriately to provide the right information can be a real differentiator for business and customers. The examples given above are simple ones. Many organizations are using analytics to identify customer behavior patterns, building leads based on propensity to buy, creating special offers to customers based on propensity to churn, etc. When used in the right way, data insight provides immense opportunities for businesses to improve their product and service offerings and in turn, helps generate huge satisfaction levels to customers. Organizations must engage with the right partner, companies to not just deploy tools and products around analytics, but work with them in a consultative way in order to correlate the analysis to service impacting recommendations.
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