Broadridge®

The 5 Cs of Customer Communications

Support every interaction of the customer lifecycle

Ready for Next

THE BAR HAS BEEN RAISED

Customer Experience is the competitive battleground of this decade. The competition to engage customers through utility, simplicity, and value is changing markets, impacting companies, and defining—even redefining—customer expectations. Companies that set goals for achieving exceptional customer service based on today's norms will be left behind as innovators and customers raise the bar ever higher.

WHY DO SO MANY COMPANIES FAIL AT CUSTOMER EXPERIENCE?

Adam Richardson, the author of "Innovation X: Why a Company's Toughest Problems are its Greatest Advantage", defines customer experience as "the sum-totality of how customers engage with your company and brand, not just in a snapshot in time, but throughout the entire arc of being a customer." This includes the products and services that a company or brand offers, as well as every interaction during the customer lifecycle, whether initiated by the customer or the company.

The focus of this white paper is on customer communications—those interactions that occur after the purchase has occurred and the relationship has been established. In the context of the overall customer experience, these ongoing interactions are more critical than those leading up to customer acquisition, yet they are rarely maintained at the level of pre-acquisition marketing efforts.

Customer communications may include transactional communications, including statements, bills and invoices, letters, and policy documents, plus compliance communications, such as prospectuses and proxy notices. They may also include onboarding documents like welcome kits and educational, promotional, and cross-sell communications.

In the U.S., 54 percent of consumers switched providers because of poor experiences and 18 percent reported their brand loyalty expectations changed.[1]

Ongoing customer communications are one of the most critical ways that companies can make doing business with them easier. Yet, many companies focus on acquisition marketing at the expense of retention, which can result in extremely high customer churn rates.
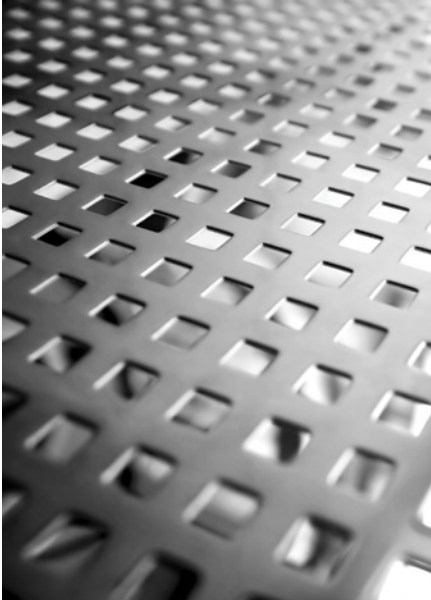
Customers are often wooed with sophisticated print and online campaigns only to be faced with barely readable statements, bills, and notices once they become a customer. They may be further insulted by direct mail and emails offering lower prices to new customers on the products and services they already have. When reaching out to the company with a problem, they are greeted by an automated agent, sent through multiple levels of screening, and required to enter information on a key pad – only to be asked again why they are calling when a human being is finally reached.

In many companies, pre-acquisition communications are handled by marketing and post-acquisition communications are handled by operations. Communication management may be further fragmented by channel. A fragmented organization leads to fragmented communications, which in turn leads to low satisfaction and customer churn. However, companies who invest in an engaging multichannel customer communications strategy enjoy higher satisfaction scores.

Consumers are frustrated with companies that don't live up to the expectations they set during the marketing and sales process. 79 percent find it frustrating or extremely frustrating when companies promise one thing and deliver another, more so than any other issue.[2]

THE 5 CS OF CUSTOMER COMMUNICATIONS

| 1. Consistency | 2. Continuity | 3. Context | 4. Content-Rich | 5. Creative |

BREAKING THE CYCLE OF CUSTOMER DISAPPOINTMENT
To break the cycle of customer disappointment, companies must unify their customer communications under a single umbrella that enables customer experiences that are consistent, continuous, contextual, content-rich, and creative. These "5 Cs" of customer communications ensure that the pre-acquisition promises implied by marketing can continue to be met throughout the customer lifecycle.

1. CONSISTENCY
Presenting a consistent brand image is one of the fundamentals of a good customer experience, but many companies fail to deliver consistently across direct mail, collateral, websites, and customer communications. It can be challenging to manage color, visual quality, and levels of personalization across different types of print—let alone maintaining consistency across print, digital, and voice communications. However, recent advances in inkjet printing and color management have closed the customer experience gap between offset print and digital print. They have also enabled some of the visual flexibility of digital channels.

Personalization potential inherent in online environments can now be reflected in high-quality full-color inkjet print output while encoding solutions (e.g., QR Codes, Personalized URLs and Augmented Reality) form a bridge between print communications and a continued experience on digital devices.

> **TIP**
>
> **Conduct an audit of your main customer communications. Are you using color consistently across channels? Are typestyles, language, and imagery consistent? If you compared these documents to your marketing collateral and direct mail offers, would they look like they came from the same company? If you answered "No" to any of these questions, you may have a consistency problem that warrants some level of redesign.**

2. CONTINUITY

Channel continuity is the cornerstone of the next generation of digital customer experience. According to research by Google and Ipsos, 90 percent of consumers start a task on one device and finish it on another.[3] Consumers may also use multiple devices to complete one task, either sequentially or simultaneously. That means companies must be able to store the state of a transaction on multiple devices so that the consumer's activity can be resumed seamlessly from one device to another. This sense of continuity impacts the print world as well. Customers expect links or phone numbers referenced on their documents to take them exactly where they need to go rather than to a generic home page or a company's main support line. If they decide to call customer service, they expect the representative to be able to see what they see and know what actions they have already taken online.

▌ TIP

When you look at individual communications, consider what each communication should do to optimize the customer's journey. Eliminate barriers between channels and help customers navigate logically from paper to mobile to website and back. Consider tools like voice search, click-to-call, click-to-chat, and links to explanatory videos. Make the channels reinforce each other and lead the customer to the next-best action. Even if each communication appears pleasing on its own, if it is not optimized as part of an integrated chain of interactions, chances are good that customer experience is suffering.

3. CONTEXT

Communications can be much more valuable when placed in the context of the customer's past interactions, current situation, and the emotions associated with both. This type of data-driven engagement requires the ability to understand what customers are trying to do, what they need in order to accomplish the desired action, and any potential stressors on the interaction. In short, you must know about all segments of your customers, their behaviors and needs, and then layer that onto data about individual customers. At the individual level, you should try to learn where the customer is at the time of the interaction. The security of the environment in which the customer is interacting (e.g., home, work, public space) should influence the information you display or prompt a warning to the customer. If the customer's actual GPS location can be assessed, recommendations on nearby resources can be made, such as stores and branches, to help the customer complete their mission.

The tone of customer communications should reflect the context of each interaction. For example, a person filing a claim for a wrecked car is in a very different emotional state than a person applying for a car loan. A claim interaction would be a very poor time to consider cross-selling; however, a new car loan interaction is a perfect time to recommend complementary services.

Customers have an appetite for personalized communication, especially from service providers. In fact, 80% of consumers are more likely to make a purchase when brands offer personalized experiences.[4]

4. CONTENT-RICH

Once companies make the commitment to deliver a personalized and engaging customer experience, their customer communications can no longer rely on boiler plate content. Content, such as messaging and imagery, must be tailored to the customer's persona to reduce or eliminate irrelevant information that wastes their time. Since the content will be served up on multiple devices, it should be optimized for each delivery channel further increasing the permutations of content to manage. In addition, customers are expecting more types of content such as video, messaging (e.g., Facebook messenger, Snapchat, WhatsApp), and gamification. Content is expected to be delivered through mobile apps and the apps themselves are viewed as content to be consumed.

5. CREATIVE

Bringing together the 5 Cs in your customer communications and communications frameworks starts with creative design. The role of the designer has increased in complexity from graphic design to information design to a culture of design thinking. Designs must offer different layouts to accommodate different screen sizes automatically (otherwise known as Responsive Design), adapt for variable content that may flow in different ways, and plan for interactivity with the customer and continuity between channels. Designers must be able to think three steps ahead on every project and consider the intersections of communications, campaigns, channels, and creative choices. The barriers to creativity are only limited by the designers' understanding of the media and the clarity of customer communications goals.

▮ TIP

If your in-house or agency-based creative team is not looking at your customer communications in a holistic manner, chances are good that they are not delivering experiences that are consistent, continuous, or contextual. Ensure there is a clearly articulated strategy for customer communications and consider design education for creatives and management that will update cross-channel skills. Inform them about breakthroughs in printing, such as full color production inkjet, and opportunities to normalize customer experience across multiple touchpoints. Provide resource management tools that will ensure design resources are compatible across channels to simplify tasks for designers.

When all of these communication factors come together, the results are a 6th C – compelling – for both consumers and the organizations that make the investment to incorporate the "5 Cs" into their customer interactions.

In fact, JD Power cites customer communications as a top driver of satisfaction in several industries. For example, satisfaction with big banks has risen for six consecutive years driven by a combination of improved digital offerings, more engaged personal interactions, and stronger connections with growth segments of the population.[5] Overall satisfaction among electric utility business customers increased by 4 percent between 2015 and 2016 driven by a sharp rise in satisfaction with communications (+55 points).[6] Satisfaction increases by nearly 10 percent when providers send an alert when a bill is due or overdue and jumps by nearly 13 percent when they send customers a confirmation that their payment was received. Customer engagement is the definitive predictor of business growth. In the retail banking industry, customers who are fully engaged bring 37 percent more annual revenue to their primary bank than customers who are actively disengaged. In the insurance industry, fully engaged policy owners purchase 22% more types of insurance products than actively disengaged policy owners.[7]

When consumers receive utility, simplicity, and value from their customer communications, their positive customer experience impacts their view of the company as a whole, pushing it to top of mind for preferred products and services.

[1] Accenture, "Seeing Beyond the Loyalty Illusion," 2017
[2] Ibid.
[3] Google and Ipsos, "The New Multi-screen World: Understanding Cross-platform Consumer Behavior," 2012
[4] Epsilon, "The power of me: The Impact of personalization on marketing performance," January 2018
[5] J.D. Power U.S. Retail Banking Satisfaction Study[SM], fielded quarterly
[6] J.D. Power 2016 Electric Utility Business Customer Satisfaction Study[SM], fielded from March through June 2015 and July through November 2015
[7] Gallup, "Why Customer Engagement Matters So Much Now," July 2012

CONTACT US

For additional information, please contact us at
+1 (800) 353-0103 or at broadridge.com.

**ABOUT BROADRIDGE
CUSTOMER COMMUNICATIONS SOLUTIONS**

Our customer communications solutions transform how organizations communicate with their customers by creating an optimal, integrated digital and print experience. By seamlessly connecting customers with relevant content across the existing and emerging channels they prefer, your transactional, marketing and regulatory communications can drive greater efficiency, engagement and results.

Broadridge, a global fintech leader with $4 billion in revenue, provides communications, technology, data and analytics solutions. We help drive business transformation for our clients with solutions for enriching client engagement, navigating risk, optimizing efficiency and generating revenue growth.

broadridge.com

Ready for Next

Communications
Technology
Data and Analytics

CC_00013_WP_18

Broadridge®