Case study: Vodafone Portugal is improving the customer experience with unified and easy-to-use online channels

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- Vodafone Portugal has launched an integrated customer-care platform to make online channels more attractive and consequently reduce the number of interactions with the operator’s customer service representatives.
- The operator is making an effort to educate its users so that they can find the information they want more easily through different actions, such as contextualizing the information. It is including information from several third parties and an avatar that takes the customer to the right information.
- Customer care via mobile browsing is one interesting alternative that Vodafone Portugal is offering to deal with the low Internet penetration in the country.

Overview
Vodafone Portugal is implementing a strategy to provide a better customer experience through online channels. The operator has identified that its customers’ satisfaction levels were higher with self-care channels than with traditional ones and so it has launched the Askonline project in order to build the online user experience and improve its own efficiency.

This new project focuses on offering an integrated online customer care center that is able to provide the best and most relevant information and solution for each different customer profile or segment. It is normally a challenge to migrate customers from the traditional (and expensive) contact center channels to digital ones, as customers normally believe that it is more difficult to access digital channels to find information than it is with the traditional channel. Vodafone Portugal aims to overcome this barrier and motivate its customers to adopt digital channels through its Askonline project.

Strategic goals
Vodafone Portugal launched Askonline with the main objective of stimulating the usage of digital customer care channels. The operator is also aiming to use the project to:

- Offer an integrated online experience for all segments in a way that will motivate a preference for online interaction.
- Enhance the customer experience through digital channels.
- Differentiate itself from its competitors by offering integrated online customer management.
- Contribute to an overall reduction in costs.

The operator was able to integrate all its information sources into an online portal that can be accessed via the Internet, mobile browsing or SMS. There are two main reasons for this:

- The customer can choose the preferred channel when interacting with the operator.
- It provides an alternative way to offer digital channels to customers that don’t have access to the Internet, bearing in mind that Portugal’s Internet penetration is relatively low (48%).

Making the digital channels easier to use in order to find relevant information is one of the key ways of avoiding a large number of customers contacting the call center. Furthermore, the volume of e-mails received through the Internet portal also generates a significant cost as customer service representatives are needed to address all these requests. Consequently, Vodafone Portugal needed a customer channel that would not only make all relevant information available but also help customers to find the right information they need.
Business model

The Askonline e-care project was intended to be a solution that provided a better online customer experience, leading to an increasing customer preference for using online, at a lower cost and giving the operator an additional platform for interacting with its customers. Although it was based on previous projects developed by Vodafone in the UK and Netherlands, Askonline was the first to be an integrated online tool for the customers and other subsidiaries in the Vodafone Group are starting to adopt the project.

The objectives of the Askonline project include:

- Support and content information segmented by consumers and enterprises.
- Contextualize and provide all information on a single platform.
- Provide self-care capabilities for online transactions.
- Optimize knowledge management using the same tool for contact centers and other channels (intranet, e-mail, chat, handsets, etc.).
- Improve workflows and escalation.
- Reduce the traffic of call center calls, e-mails and online chats.

Vodafone Portugal created a knowledge hub that is able to provide the same information and level of segmentation for both the customer and the customer service representative. The different customer support channels are integrated in a single portal (see fig. 1) that can be accessed via both the Internet and a mobile application. The operator was also able to integrate help from third parties (handset manufacturers) into its knowledge center to provide a one-stop shop in terms of customer care.

Fig. 1: Vodafone Portugal online customer support channels

The Askonline project contextualizes the FAQs, information and troubleshooting based on the topic the customer is looking for. As an example, if a customer is looking for a new mobile broadband package, he will also find, in the same screen, all the available plans in addition to the FAQs and troubleshooting related to mobile broadband services (see fig. 2). Contextualizing the information is an important feature to make the relevant information easy to find and consequently reduces the chance of a customer call the call centre after the first tentative to find information.
The Askonline project was based on an eGain solution that integrated all Vodafone’s knowledge base and added its trouble-shooting capabilities to the implementations of other operators and countries; integrating information was a key element of this project. In addition, Askonline has the flexibility to offer a corporate licensing solution instead of using a hosting one, offering a savings of 10% on the operator’s customer operations budget.

Another interesting innovation from Vodafone Portugal is RED, a beta version of an avatar (see fig. 3), that guides the customer through the operator’s website, helping to find the right information. This is an interesting mechanism that aims to help customers to find the relevant information online, dissuading them from using the call-center, e-mail or chat as their first options. The system is much more than a search engine and is capable of directing the customer to the right information even for very specific topics.

For the future, the operator envisages a better use of online communities, not as a way to promote its own communities but rather for monitoring discussion forums through different channels, such as Twitter and blogs. In this case, the aim is to identify when a customer talks about Vodafone in some of these forums and address a specific question. For Vodafone Portugal, these online communities are additional channels for customer support.

**Results**

Vodafone Portugal was able to significantly increase the share that the FAQ sessions of its Askonline project accounted for of total sessions from 16% in August 2009 to approximately 26% in July 2010 (sessions includes contact-center calls, IVR, on-line chats, e-mails and FAQs). The growth in the Askonline FAQs share was even more significant for the calls handled by a call-center agent; it grew from 39% in August 2009 to 66% in July 2010 (see fig. 4). These results show a clear trend of customers’ migration from traditional channels to digital self-services’ ones.
The FAQs were able to effectively reduce the number of contact-center calls by 6%, e-mail by 20% and chats by 73%. E-mails and online chat represent a high cost as a customer service representative is needed to interact with the subscriber through these channels, so any reduction there will have a significant impact on cost reduction. In a recent survey conducted by Vodafone, customers stated that they got 79% of their questions solved by visiting the operator’s website; migrating customers from the call center to digital channels is a great achievement as customers are normally very reluctant to change.

Strategic outlook

The Askonline project will allow Vodafone Portugal to provide a better customer experience through digital channels, going far beyond the traditional FAQs. This will create a better customer satisfaction level as information is easier and quicker to find than on traditional channels. The cost reduction in traditional channels is also expected to be significant as customers will only need to interact with a customer service representative in very specific cases.

The low Internet penetration in Portugal adds an additional barrier to online channel adoption as additional effort is required to educate customers to use a mobile application for customer care. It will be difficult to migrate some customers from the traditional channels as talking on the phone is perceived as the easiest way to access customer support.

Vodafone Portugal’s Askonline has developed tools to offer access to customer-care services via mobile browsing on advanced devices like smartphones. The number of smartphones being sold is now increasing rapidly and, once these mobile Internet devices are widely available, Vodafone Portugal (and all other subsidiaries that implement the Askonline project) will have an advantage, having implemented an integrated customer care solution based on the online channel.

Although Vodafone was able to achieve important results with its CEM strategy, it still needs to increase the awareness of its digital channels. If customers are not educated on a continuous basis to use the online channels, the calls at the call center could increase again, which could have an impact on the whole project structure.
Informa viewpoint

Vodafone has shown that customer experience management (CEM) is not only about offering online tools to the customers but also educating them and continuing to work on making the relevant information easy to find. The RED avatar and the information contextualization have shown to be important tools to take the customer to the right piece of information.

The integration of the call center in the online channels, through centralizing the information, offers a consolidated view of the customer care, which generates a better customer experience regardless of the channel that the customer uses. In addition, using the online channel is an effective way to filter customer requests, avoiding a significant number of interactions with customer service representatives.

Digital channels can provide an enhanced experience for the customer when they are accessing customer channels. To migrate these channels to mobile browsing generates an interest in an alternative to the traditional channels. However, it is important that online channels are not imposed on the customers simply to reduce call-center costs. They should be more attractive than traditional channels by making them easy to use, with a user-friendly interface and giving faster access to relevant information.