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DIGITALISATION IN CUSTOMER EXPERIENCE

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# OFFERING THE DIGITAL CHOICE

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## **Deutsche Telekom** has embarked on a digital journey to transform its customer service offering, from introducing new smart services to adopting agile working methods internally

t is difficult to think of a job that is being transformed more by digitisation than a customer service agent.

The days of the traditional call centre are numbered. In its place, multichannel contact centres that deal with enquires not only by phone, but also email, web chat, text and social media across numerous devices.

Deutsche Telekom (DT) is one organisation embracing this new world of digital customer service.

One of the world's largest telecoms operators with 156 million mobile customers and 225,000 employees spread across 50 countries, provision of support to customers is no mean task. In Germany, some 68,000 people are dedicated to ensuring its consumer base remains happy.

However, in order to remain happy in the future, customers are demanding a choice of different ways of being served. Almost 85 percent of under 30s expect access to services around the clock, while one in four euros will be spent online by 2020. Digitisation is coming, and DT has already started to make its move.

#### Step-by-step

Indeed, the company's progress towards digital customer service can be grouped into four major parts: new digital services, working mode and culture, communication and education, and robotics and Al.

At the forefront of the transformation is Gero Niemeyer (Managing Director Customer Service,
Telekom Deutschland GmbH),
Franz Weisenburger (SVP Customer Experience Management) and
Dominik Bauersch (SVP Customer Service/New products & Services).

Asked how far the company has travelled already, Weisenburger points out that there are, technically,



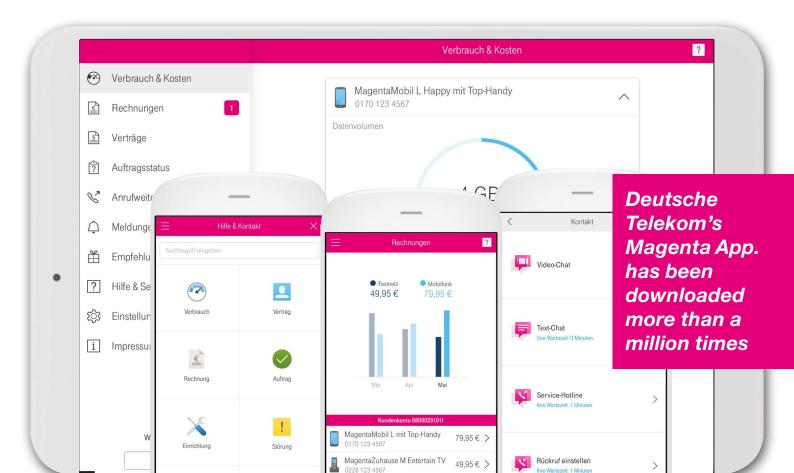
another three years of the five-year programme to go. However, as Bauersch adds, it is more complicated than running across a timeline.

"It is difficult to answer exactly how far we've come to date," he says. "It is not a result of a disruptive move, more of a step-by-step approach. We always start small, run pilots, carry out trials, ask for feedback and find out if things work. If they do work we start to let them grow. For example, our webchats started on a tiny base for one to two years, then we decided to go for it."

Despite the complex nature of the transition, some tangible markers have been laid down. Already DT is seeing 5.6 million visits a month to customer

service websites, while solution rates have risen from 32 to 42 percent, helping online customer satisfaction reach 120PP, versus 80 for call. It is also being proven from an economic standpoint, the company predicting the period 2015-2019 will deliver about €350 million in cost reductions.

While the benefits of digitisation appear overwhelming, Bauersch is quick to emphasise that this is about offering a quality choice of services. "I think an important point to make is that this is not a digital-only plan for customer service," he explains. "We believe in offering customers the choice between digital and a personal service like a call back."





"We don't believe in discriminating channels - that's the reason we don't hide phone numbers on our website"

Franz Weisenburger, SVP CustomerExperience Management

And Weisenburger adds: "We don't believe in discriminating channels - that's the reason we don't hide phone numbers on our website."

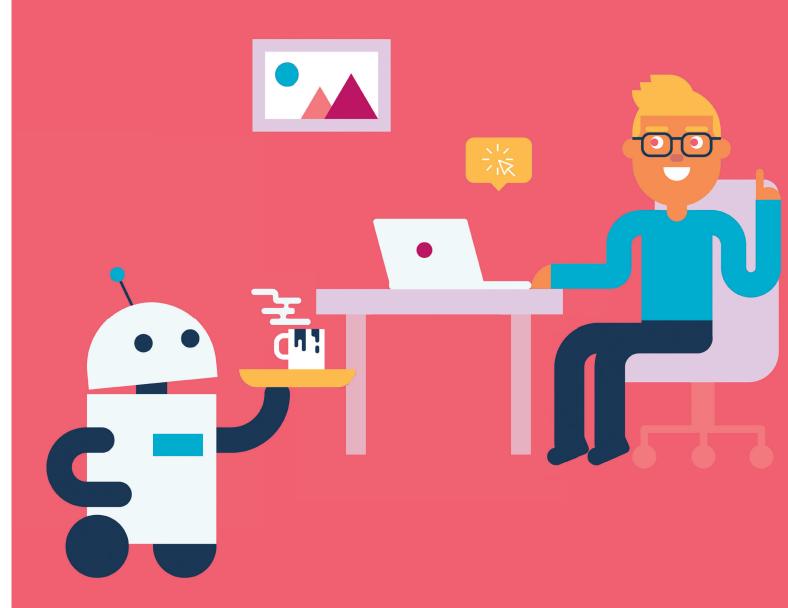
#### **New digital arrivals**

Deutsche Telekom's most significant new digital service comprises the reinvention of the Magenta App. Downloaded more than a million times in the space of seven months, customers are taking to the new features, which include bill details for fixes or mobile contracts, actual data volume, video-chat and easy contact options, along with options for customers to manage contracts and receive push notifications. It is one app for all service and sales functions.

"Fifteen months ago we had an app which was rated at 1.5 stars," says Weisenburger. "We had to change nearly everything, from the team to the way we work, in order to become more agile. There are a lot of new features which have stabilised the app and now we have a rating of 4.5 stars and 4.5 million users. It has come a long way in a short time. We have just won an award for the best telco app in Germany."

For Niemeyer, who heads up the customer service team containing Weisenburger and Bauersch, a shift in focus has been the key to recent progress. "We took a very clear decision to adopt a mobile-first approach, whereas before it was rather about websites, keeping them up to date and doing the back-end integration. We relocated a lot of

## ALMATO-Robots at your Service.







"We are thrilled to be the company chosen by Deutsche Telekom, as it shows that we, as a German RPA company, could convince through our expertise as well as local proximity. It confirms once again that we have taken the right path early on: the automation of previously manual processes leads to a considerable increase in efficiency and a significant competitive advantage for our customers."

> **Peter Gissmann** ALMATO

#### **Deutsche Telekom Implements Robotic Process Automation Project** with ALMATO

obots have already conquered factory floors. Now, robots are entering more and more offices. Since March of 2015, Deutsche Telekom has implemented almost 400 software robots with ALMATO, one of the pioneers in Robotic Process Automation (RPA).

#### **Higher efficiency through** automation

RPA's digital robots automatically handle a wide range of different business processes, e.g. chargebacks or contract changes. Within less than two years, ALMATO has automated more than 40 different processes, including complex ones with handling times of more than 10 minutes. With RPA, Deutsche Telekom was also able to implement new, innovative processes that would have been too costly without automation.

Using digital robots, employees are freed from mundane work so they can concentrate on more challenging tasks. The fully automated handling of processes enables higher efficiency compared to manual work and leads to time and cost savings as well as more satisfied customers through an increase in service quality.

#### Over 300.000 automated business transactions each month

Overall, the robots currently work with over 30 different applications (e.g. e-mail management, SAP, Siebel CRM, routing and ticketing systems) and successfully complete 320.000 business transactions each month. The project is still evolving, with new processes continuously identified and added to the automation roadmap.

#### Seamless integration and significant cost reductions

"RPA integrated seamlessly with our complex system environment. By automating key processes with high volume we were able to achieve significant cost and time reductions after just a short time."

#### **Christoph Bill**

Head of Infrastructure and Workflowmanagement, Deutsche Telekom

"We created our own center of excellence to speed up the adoption of automation. Throughout all project phases, whether analysis, robot creation or operation, the collaboration with ALMATO is very professional."

#### **Sebastian Zeiss**

VP Automation, Deutsche Telekom

#### **ALMATO GmbH**

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design capabilities and budget into mobile, and now the app and mobile is the most important area we focus on. It has proven to be a very good decision – we are a lot more agile in our development."

Whether wanting to call, receive a call-back or use webchat, customers can now choose the best option for them via a magic button on the app and in the future on DT websites. By selecting the appropriate service issue, they will be able to see waiting times for available experts and make a choice on which channel is best to proceed with their enquiry. Customer data is then transferred to the agent with the most appropriate expertise to deal with the question at hand.

Even traditional call methods of customer service have been brought into the digital age thanks to SMS and IVR call-backs. "Our call-back function is grounded in smart data," says Weisenburger, "so if you're using our Magenta App for moving houses then the call back will connect you with someone who specialises in moving houses. We try to deliver a seamless experience, even when you

decide to switch between channels."

In addition to traditional call back. Deutsche Telekom has developed and launched a personal call back service which allows you to reconnect with the agent you have recently spoken to. "That's one of the most annoying things for customers – calling several times and explaining the while story again from the beginning," adds Weisenburger, who also points out how this has impacted the role and mindset of the service agent. "This is a benefit for the customer but also impacts the culture and way our agents work. There is added accountability. If I don't deliver excellent customer service then any complaint will come straight back to me. The customer has my name and number and I am in charge of making sure they are happy."

#### **Community collaboration**

Sometimes the best placed person to answer a question is a fellow Deutsche Telekom subscriber. Telekom-Hilft is an award-winning digital feedback platform with more than two million unique visitors a month, a platform to discuss all things telecoms from a





B2C and B2B perspective. Now fully functional on mobile, it is a hive of discussion and debate for DT users.

"Managing this platform is somewhat different to managing a contact centre, as customers are not looking for an answer from a Telekom service agent," explains Bauersch. "A big proportion of these customers want to exchange with other customers, though some use it to share complaints, so

we have to be prepared for both uses."

If a customer has a request which definitely requires input from a service rep, then DT will respond within two hours, whereas general questions into the community will be left for 24 hours before an intervention providing another customer has not already answered appropriately.

"Often we just give a like to a response on a community discussion, to confirm that the answer from the user is good advice," adds Weisenburger, who describes the close collaboration between the customer community and web development teams.

"Every year we invite the 30 top community engagers, who answer more than 1,000 customer queries or conversations a year, making it quite a time intensive hobby for them. We discuss the Community IT improvements roadmap and ask them what they need to improve

the service they deliver

to their peers in the community. This is not just about technology – it is about dialogue and feedback management,"

Bauersch explains.

teamwork and a common spirit between IT, Website and Customer Care teams."

"You need great

Annual revenue of Deutsche Telekom

### Education: bringing digital to the masses

For customers who may not be as digitally savvy as those in the nucleus of Telekom-Hilft, service agents are playing an active role in communicating the benefits of going digital.

For example, if a customer is calling up to ask about a bill, a more convenient alternative to a phone conversation may lie in one of many self-service options such as the app or website. Having answered the query on the phone, a customer service agent will then explain the other options for future reference, sending a personal email explaining the digital solutions.

"We are finding that satisfaction

rates are higher when we do this," says Bauersch. "We were not sure how customers would react to the self-service offer because we do not want to make it seem as if the customer is not welcome in our service centre. The usage of self service has increased, so the approach is working."

Click through rates on links and services sent in these emails is above 30 percent, much higher than

"This is not just about technology – it is about dialogue and feedback management"

Dominik Bauersch, SVP
 Customer Service/New
 Products & Services





most B2C emails which often are sent out in automated campaigns. "It is very different from a CRM-based email campaign," adds Niemeyer. "The email is part of the personal one-to-one conversation and also part of the solution to the customer's question in itself."

#### **Agility**

Much of the digitalisation work to date has been facilitated by an internal

shift to more agile working practices. It is something which Niemeyer and his management have worked hard to instil from the top, a culture which has trickled down the whole customer service organisation.

"It is always a bit tricky to say how we do this, and how to make sure it sticks," Niemeyer says. "It is a lot about leadership and top management leading by example and using these different approaches,



not just making their teams do it.

"We also found it works better to use different methods on concrete things, what I would describe as 'normal business'. Often you see workshops on 'how do we become agile', which is a thing in itself. Instead, we did workshops on specific things that can make us more efficient — things that are, on the face of it, boring things like scanning documents and document fraud. We are trying to apply

agile, different methods to normal things we deal with every day."

The Magenta App development is a prime example of this agile culture and cross-collaboration in practice. In a short space of time, 23 different versions were created and delivered to customers, with 371 completed stories and 1,018 bugs identified and fixed.

Alongside the bigger projects, an UX squad approach involves interdisciplinary teams (internet, customer service reps, ux designer, programmer and texter) working together to improve minor elements of the customer journey on a daily basis. By analysing customer behaviours, the team fix one (sometimes tiny) issue every day in what is a continual process largely left alone by management. The team has defined its own success KPI: happy website visitors.

of critical importance, and this has come from the top. Bauersch adds: "We launched a team day initiative several years ago,

Communication has been

go and talk about trends in the industry and

where teams can

at Deutsche Telekom, and last year we focussed on digital culture, digitisation. There was a video message from us and discussions around how we can use new tools to improve customer service and why we start to sell our self services like products. As Gero mentioned, it starts at the top and it was important that we led those discussions."

#### Al enhancement

**225**k

The number of

staff at Deutsche

**Telekom** 

The fourth and final major element of DT's customer service digitisation involves the use of robotics and artificial intelligence to enhance processes.

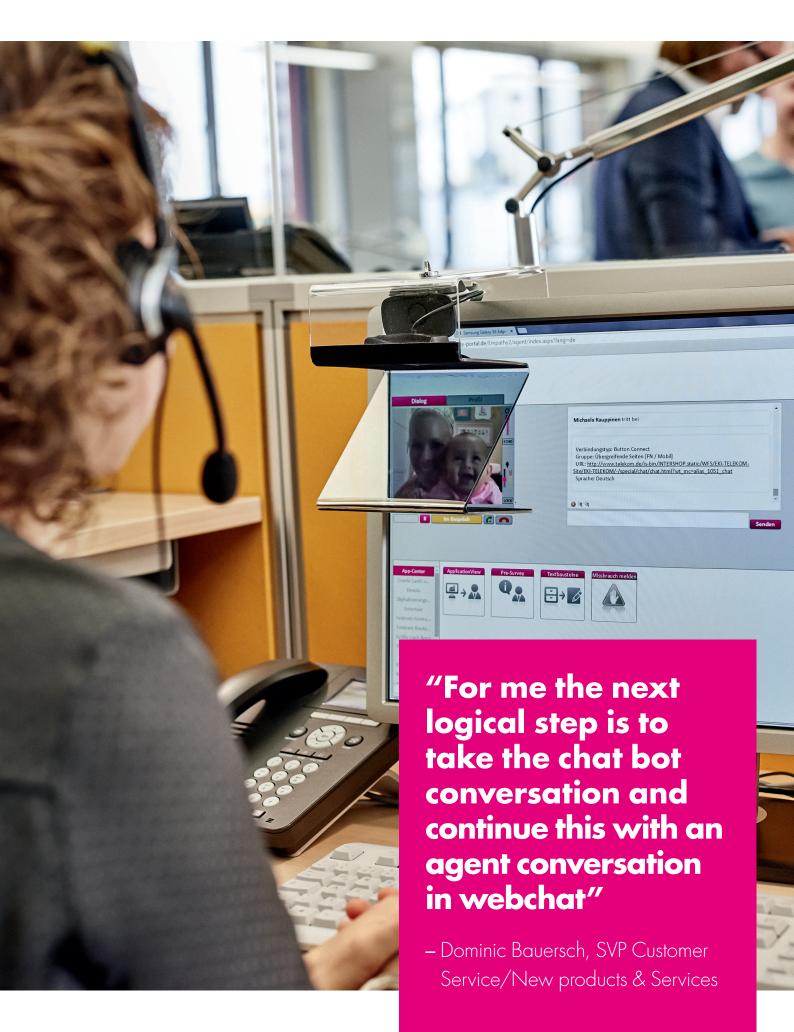
Costing just €6 an hour to run, the company already operates with 500 robots which have automated up to 90 percent of more than 20 internal processes, from screen navigation

and data entry to copy and paste activities.

At the customer facing end, DT's first digital assistant is carrying out about 5,000 dialogues a week, helping customers to resolve problems without having

to call a contact centre agent. The pilot chat bot has been successful so far, despite some initial caution from the likes of Weisenburger. "In the early days we were not sure if our customers would be willing to use this, but it has been received very well. It is solving problems quickly and clearly."

But what if the robot cannot get it right 100 percent of the time? Niemeyer



explains: "The chat bot follows the same decision tree as the tech guys in the service centre do, so what we have learned in the service centre regarding the best ways to respond we have programmed into the chat bot."

"If the bot cannot solve your problem, it will advise you to call the service centre, "Bauersch adds. "For me the next logical step is to take the chat bot conversation and continue this with an agent conversation in webchat. You don't have to switch the channel, the agent simply takes over from the bot."

#### Rise of the machines

We end our conversation discussing how much integration of AI can and should take place over the coming year. For Bauersch, a key target is the early stages of conversations between service agents and customers.

"For instance, the first minute of the conversation is always the same – how can I help you? Do you need help with mobile or fixed line? May I have your customer ID, address and date of birth? We believe this part of the conversation can be handled efficiently by a bot."

Another potential avenue for a

pilot bot to thrive, with Deutsche
Telekom about to trial on Facebook
and Twitter an automated feedback
process. If the customer reveals to
the robot after the dialogue that their
question was not answered, they
will be reconnected to the agent.

The level of success regarding implementation of AI is all about finding the appropriate balance, as Weisenburger states: "We don't believe that technology will replace agents completely within the next years, rather it will help them to give better responses." Indeed, Niemeyer adds that "technology is not yet advanced to a stage where you can replace whole processes. It is more about which part of the interaction can be supported by a bot."

Fast forward to 2020 and the end of Deutsche Telekom's five-year customer service transformation programme, and it will be fascinating to see what this balance looks like. ■





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