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What Will Customer Service Look Like in 20 Years?

A ClickSoftware Business Paper

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Companies creating a memorable customer service experience today have a competitive edge. By 2035, what is now considered 'above and beyond' customer service will be table stakes.

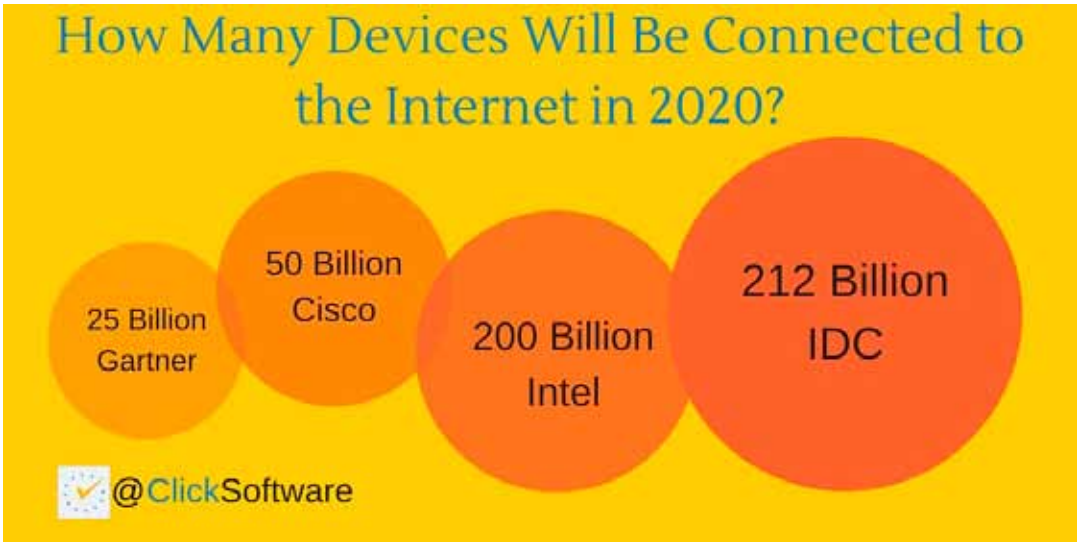
Even today, the nature of customer service is changing as technology is re-orienting people's expectations of what constitutes quality customer service. In the near term, companies are trying to figure out how to align omni-channel customer service access into a smooth, unifying experience.

But omni-channel access still leaves the burden of customer service on the customer reaching out. The greatest change inFuture of Service in 20 Years with Connected Devices customer service over the next twenty years will be the shifting of that responsibility onto the company. By 2035, companies will have to use a collection of the advancing technologies, all flowing through the Internet of Things (IoT), to provide a predictive and pro-active customer service experience.

In the future, customer service will inhere in the product. Not in a SaaS-way. Instead, physical products will have the 'always-on' technology built into them, making the customer service opportunities that the technology provides a fundamental source of added value to that product. Customer service metrics won't revolve around response time. Avoidance metrics, of pain and inconvenience, of downtime – these will be key customer service metrics in 2035.

How the IoT Will Change the Customer Service Relationship

At my last check of GSMA Intelligence's live mobile statistics site, there are 7.5 billion mobile devices in the world. That's an increase of 6.1% over this time last year. Mobile phones, tablets are ubiquitous today. Smartwatches and phablets are moving up. Even smart bracelets, while focusing today primarily on sharing health data, aren't considered unusual. These are the first round of our 'always-on/always-connected' lives. A preview to life within the IoT.



As more products become "smart," the number of devices connecting to the Internet is set to explode. In fact, when projecting the number of things connected to the Internet, experts aren't even including our contemporary devices like phones, tablets, and computers.

The number of 'things' expected to be nodes on the IoT are just that – the devices all around us. The experts can't agree on what the exact number is, but they all agree it's going to be a lot.

chart for how many devices will be connected to the internet in 2020

**Data sources listed below.*

Of course, behind these billions of nodes on the IoT, there will be a systems and software infrastructure making sense of them all. Here's some of the new technology we can expect by 2035 that will make the IoT a boon for the customer service experience:

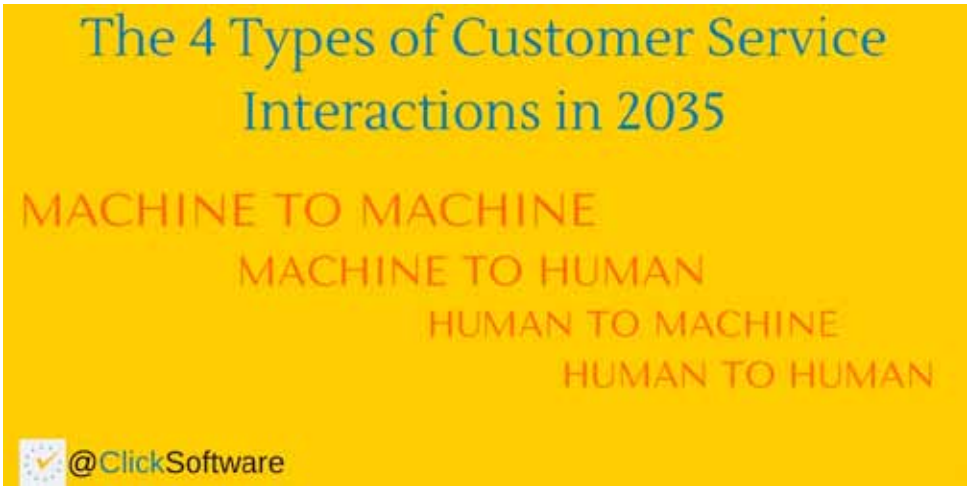
- vast increase in scope of wearables, such as clothes that charge our devices, contacts that monitor our blood glucose or let us browse the Internet, and rings that hold our financial information so we use them to make purchases
- even larger increase in scope of consumer and business products with sensors that become smart and connected, including furniture, appliances, toys, and infrastructure
- improved interface mechanisms, such as voice interactions and eye tracking
- technologies that enhance the value of the data collected, including better organizing, tagging, search, retrieval, relevance, and analytical technologies to provide predictive support

The back-end technologies will not only be assimilating and analyzing the data coming in from connected devices, but from all our direct online and other trackable activity. Our social media posts, email, purchase and search histories, our past customer service history. All this information being filtered through advanced analysis will give companies a dynamic, real time view of our interests, pains, preferences, and moods.

The task then is for the companies to implement both the technologies and business processes that transform all this information into an actionable, predictive customer service relationship with their buyers.

The 4 Future Types of Customer Service Interactions

By 2035, customer service interactions can be categorized into four different types, which are characterized by the parties communicating in the interaction. They're not mutually exclusive. An interaction can start in one type and get escalated or resolved by moving to another.



1. Machine to Machine: Devices will record their own maintenance data. In some instances, the machine will be able to self-correct. In other cases, the device will push its maintenance data out to the seller or manufacturer's system, which can respond automatically with the fix. Think of software that currently pushes out and installs its upgrades.

2. Machine to Human: In some cases, the maintenance issue, or just the increased likelihood of it predicted by the maintenance data received, will be require human intervention. The back-end system will determine which skills and equipment are necessary, and schedule the appropriate field technician. If implementing the solution requires access to the consumer's home or business, the system will also have arranged scheduling the appointment. Based on user history, the back-end technology knows what times are convenient for the field tech to come by.

3. Human to Machine: This will encompass consumers interacting directly with the device, or perhaps through an app that connects the device to the company, to make requests or find information. Relevancy technology will help the user find what they need. It also encompasses company personnel in the field updating the back-end systems with critical information: what the specific issue was, how and when the issue was resolved, when they're available to make another customer service visit. The back-end system will add all this new data into its analytics to further advance its predictive and responsive capabilities.

4. Human to Human: Direct human to human customer service interaction will be rare. And it won't be the "push 1 to explain your problem for the 7th time" circles of agony we experience today. On the contrary. Most issues will be predicted and addressed by the device's interaction with the back-end systems. When a human does call or show up, like a field tech or supply vendor, it will usually be with the solution already in hand. Only the most complex customer service issues will require human to human discussion to sort out the proper solution. Here is where the omni-channel approaches being built today will hold their purpose.

How This All Changes the Contact Center Role

In twenty years, we won't experience the IVRs or contact agent scripted torture of today. In some cases, it will be because the contact center agent or system is making the first communication with the customer through that customer's preferred channel of contact. And by then, much of the work is done. Logistics, planning, and scheduling software has already determined what type of equipment and field tech skills are needed; as well as the availability of both those resources and of the customer.

When the customer is the one initiating contact, back-end contact routing systems will analyze that person's context in real time to most accurately direct their communication. Using the phone number, social media profile, or email – whatever identifier from the contact channel used by the customer – the routing system will know what they've purchased, what their service history is, and make judgements about what's happening right now. And if a second call is required, the consumer won't have to repeat themselves.

So What Will All This Look Like in the B2C and B2B Spheres

Here are just a few predictions of what all this will look like on a practical level.

B2C: Adding Value Before and After the Point of Sale

While e-commerce continues to boom, it still remains a small percentage of overall consumption at just 7.2 percent of total retail sales. Contemporary technology has the point of sale covered. We can easily order online purchases. The opportunities for growth here are for customer service to improve the pre- and post-sales experience. Pre-sales, this means:

- greater personalized recommendations
- measurement-precise renderings of how a specific article of clothing will look on you

Any customer service approach that refines the consumer's selection process and reduces the volume of returns, a huge company cost, will be a priority to implement.

For post-sales customer service, regardless of how the purchase was made, we're looking at:

- faster delivery, sometimes within hours – no the drones won't be delivering your Amazon order; but the drones will move inventory faster between warehouses, shortening the time between order placement and fulfillment, with the benefit flowing to the consumer; planning and logistics systems will predict what inventory is needed where and when
- getting alerts suggesting two alternate service windows (and not the 4 hour kind) asking when a field tech can install the appliance or replace a part in your home security system because sensors have detected it's close to failure
- a smart refrigerator that senses when the milk shelf is getting light and keeps a running grocery list for you based on your usage; you can then use the interface in the refrigerator door to place your order – or just set a trigger threshold that tells the refrigerator when it can place the online order itself

In 2035, customer service means companies fixing problems before the consumer even knows one is heading their way. It will also mean providing convenience the consumer didn't know she wanted.

B2B: Keeping Everybody's Business Running Smoothly

The constant flow of real time data from inventory warehouses, manufacturing lines, and machines and personnel in the field will provide unprecedented capabilities for businesses to better calibrate their logistics and capacity planning.

Certainly all buyers, B2C or B2B, benefit when reduced costs are passed to them in lower pricing. B2B buyers will also have the same expectations of self-correcting machinery and pro-active servicing of the equipment they buy as do consumers for their household goods.

However, B2B buyers will also expect their vendors to provide personalized, on-going business intelligence that helps them maximize the value of what they've purchased and the vendor relationship. For example

- a medical spa purchasing high tech skin resurfacing equipment will expect alerts if the machine is being stored under conditions that will accelerate its deterioration, say in a room with too high a temperature or because it's not being properly powered down
- tracking local weather and local road accident statistics under predicted conditions, car parts manufacturers provide just-in-time inventory suggestions to their repair shop customer base so the mechanics can more efficiently repair and return the banged up cars about to come in

Customer Service Becomes on On-going Relationship

By 2035, customer service won't be for the commitment-phobes. The relationship between a company and its customers will consist of multiple, real time touch points, whether machine to machine or human to human. A purchase will be only one step in the middle of a long term relationship.

Buyers continue to make their experience with a company a key criterion in their purchase selection process. Technology continues to increase their expectations of what kind of customer service they should expect. Indeed, services and products that won't be able to provide a proactive, predictive holistic customer service experience will fall out of the marketplace.

In 2035, service is the product, even when there is a product.

To prepare, companies should stop seeing customer service as a cost center. Instead the focus today should be on identifying where their customer service can add value and then drive to that. By 2035, your customer service unit should be a profit center, not a cost center; if not, you're not doing it right.

Are your products and services on the way to being proactive and predictive?

*Data sources for connected devices graphic: http://www.gartner.com/newsroom/id/2970017, http://www.emc.com/leadership/digital-universe/2014iview/internet-of-things.htm, http://www.intel.com/content/www/us/en/internet-of-things/infographics/guide-to-iot.html , http://iot-analytics.com/iot-market-forecasts-overview/

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ClickSoftware (NasdaqGS: CKSW) is the leading provider of automated mobile workforce management and service optimization solutions for the enterprise, both for mobile and in-house resources. As pioneers of the “service chain optimization” concept, our solutions provide organizations with end-to-end visibility and control of the entire service management chain by optimizing forecasting, planning, shift and task scheduling, mobility, and real-time management of resource and customer communication.

Available via the cloud or on-premise, our products incorporate best business practices and advanced decision-making algorithms to manage service operations more efficiently, in a scalable, integrated manner. Our solutions have become the backbone for many leading organizations worldwide by addressing the fundamental question of job fulfillment: Who does What, for Whom, With what, Where and When.

ClickSoftware is the essential choice for delivering superb business performance to service sector organizations of all sizes. The company is headquartered in the United States and Israel, with offices across Europe, and Asia Pacific. For more information, please visit www.clicksoftware.com. Follow us on Twitter.

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