

# The Untapped Benefits Of Proactive Customer Communication

An Omnichannel Engagement Focus  
Is Critical To Success

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**Project Director:** Rudy Hernandez, Market Impact Consultant  
**Contributing Research:** Forrester's Application Development and Delivery research group

## Executive Summary

Consumers are more empowered and armed with more information than any time in history. They have pulled power traditionally held by brands away and now demand that they get what they want, when, where, and how they want it. Welcome to the age of the customer.<sup>1</sup> In this new paradigm, organizations will live and die according to their ability to deliver superior customer experiences and service. This means two things: 1) anticipating customer wants and needs and 2) delivering on those wants and needs over the channels of customers' choosing in a seamless manner to create a memorable customer experience.

In August 2016, Genesys commissioned Forrester Consulting to evaluate the shift toward proactive customer communication within a new omnichannel environment. To explore this trend, Forrester developed a hypothesis asserting that proactively communicating with customers is a critical element of omnichannel engagement and key to delivering a low-effort customer experience. Further, proactive customer communication is a strategic component of an omnichannel solution, helps to shape planned customer journeys, and results in improved customer experiences while affecting bottom-line profitability and customer loyalty. Sending outbound communications to customers is not new, and as organizations embrace omnichannel engagement, those organizations that are mature in leveraging proactive customer communication to create contextual, relevant, and timely experiences for customers see greater impact to customer loyalty and the bottom line.

**This study identified the top benefits of proactive customer communication: Higher customer satisfaction, increased overall revenue, and increased cost savings.**

In conducting an in-depth survey with 305 IT and business professionals responsible for customer experience, contact centers, and proactive customer communication, Forrester found that companies that apply mature omnichannel engagement practices to proactive customer communication experience greater benefits in the form of increased revenue, higher customer satisfaction, enhanced efficiency, and increased customer conversion rates.

## KEY FINDINGS

Forrester's study yielded three key findings:

- › **Proactive customer communication as part of omnichannel engagement addresses rising customer expectations.** Sixty-eight percent of respondents prioritize improving the cross-channel experience when enhancing the customer experience. And 36% use proactive customer communication to streamline customer journeys and lower customer effort.
- › **Increased revenue, efficiency, and overall customer satisfaction are all key benefits of proactive customer communication.** Proactive communication empowers customers to define when they want, how they want, and where they want to be contacted with notifications during the customer journey. Shifting control to the customer creates key business benefits.
- › **Applying omnichannel engagement to proactive customer communication creates business advantage.** Proactively sending outbound communications over the channel of choice for customers delivers value directly to the customer and back to the business. Received benefits are commensurate with the maturity of omnichannel engagement.

## Proactive Customer Communication Is A Key Part Of Omnichannel Engagement In The Age Of The Customer

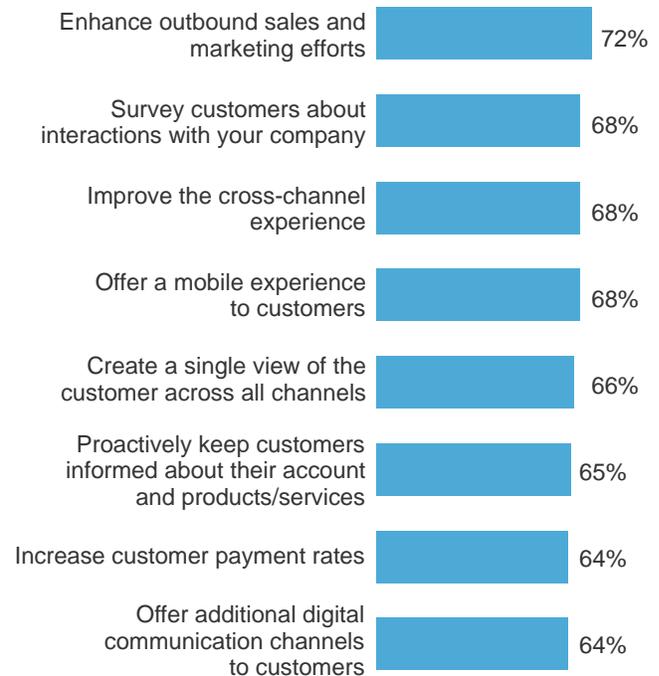
Omnichannel engagement — sharing information and context across all customer interactions in an effort to deliver a seamless and holistic experience for customers — coupled with proactive customer communication can benefit organizations that wish to succeed in the age of the customer. Organizations appear to recognize the need for increased and personalized customer engagement and are prioritizing initiatives accordingly. Decision-makers recognize the need for:

- › **Omnichannel initiatives.** Organizations elevate initiatives that span across channels in response to customer demand. Sixty-eight percent of respondents reported improving the cross-channel experience as a high or critical priority toward enhancing the customer experience. Further, the majority of decision-makers prioritize a single view of customers across all channels (66%), mobile interactions for customers, (68%) and additional digital channels for customers (64%) (see Figure 1).
- › **Proactivity.** Sixty-five percent of organizations intend to proactively keep customers informed about their account and products/services (see Figure 1).

**FIGURE 1**

### Organizations Consciously Prioritize A Proactive Omnichannel Experience

**“How much of a priority are each of the following for your organization over the next 12 months with the goal of enhancing customer experience?”**  
(Showing those selecting “high” or “critical” priority)



Base: 305 decision-makers in North America, the UK, Ireland, Australia, and New Zealand responsible for customer experience, contact centers, and/or proactive customer communication at their organization

Source: A commissioned study conducted by Forrester Consulting on behalf of Genesys, August 2016

## THE PROMISE OF PROACTIVE CUSTOMER COMMUNICATION

Through proactive engagement, firms can assume a helpful role in empowering customers to control their time. Many organizations specifically employ proactive customer communication. This includes either outbound dialer calls (e.g., predictive or preview dialed calls for conversations with an agent) or automated notifications (e.g., automated calls, text messages, email, or push notifications) proactively sent to customers through various channels. These forms of communication provide a deeper level of engagement and deliver on a number of initiatives that improve profitability. According to our study's findings, these initiatives include:

› **Customer satisfaction.** Forty-five percent of respondents using proactive customer communication do so explicitly to improve customer satisfaction, and 36% use proactive customer communication to streamline customer journeys for the benefit of making information easy for customers to find (see Figure 2).

› **Revenue.** Proactive customer communication can create efficiencies that ultimately lead to overall revenue growth, as respondents seek to maximize the effectiveness of sales and marketing campaigns (41%) and enhance payment and collection efficiencies (36%) (see Figure 2).

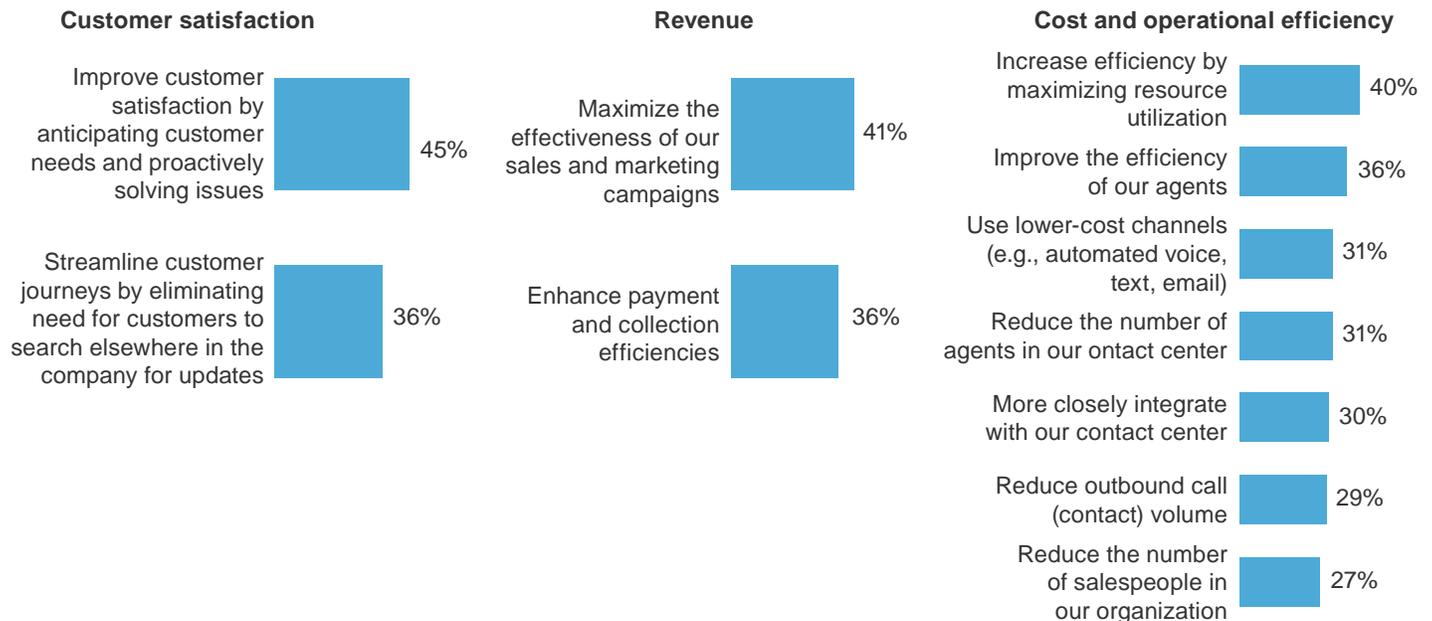
› **Cost and operational efficiency.** Respondents recognize the potential of proactive customer communication to maximize resource utilization (40%) and improve agent efficiency (36%), while also capitalizing on a number of other cost reductions and efficiency gains (see Figure 2).

**FIGURE 2**

### Customer Service And Efficiency Drive Usage Of Proactive Customer Communication

**“What are the main reasons your organization uses proactive customer communication?”**

(Select all that apply)



Base: 299 decision-makers in North America, the UK, Ireland, Australia, and New Zealand responsible for customer experience, contact centers, and/or proactive customer communication at their organization

Source: A commissioned study conducted by Forrester Consulting on behalf of Genesys, August 2016

## Proactive Communication Empowers Customers, Benefiting The Business

Through proactive customer communication, organizations can empower customers to customize the information they receive — and define when, where, and how they receive it. By anticipating customers' needs in this manner, avoidable and low-value inbound interactions are eliminated, and the number of both support requests and opportunities for mishandling customer information is reduced.<sup>2</sup> This value exchange results in a win-win situation: Customers' loyalty increases because they feel the company is looking out for their best interests, and companies are able to maximize savings on carrier costs, agent costs, and reduced infrastructure.

Our study illustrates how organizations prompt users to opt in to proactive customer communication throughout the customer journey. And according to study results, opt-ins are:

- › **Rarely forced on customers.** Importantly, a vast majority of organizations that use proactive customer communication let the customer opt in. Only 5% of respondents claimed they send notifications to customers without opt-in permission, and 3% fail to give any communications choice (see Figure 3).
- › **Often offered as part of another action.** Forty-one percent offer customers the chance to opt in after completing an online form or application; 40% offer it after completing a survey; and 38% offer it after completing a call with a service agent (see Figure 3). Opt-ins are not a hindrance or interruption when they are effectively integrated throughout the customer journey and offer customers means to increased value.
- › **Customizable.** Over half of organizations using proactive customer communication give customers the ability to specify their channel preferences for communications (56%) and select what types of notifications they will receive (53%), as well as the frequency (50%) and time of day (40%) that they will be contacted (see Figure 3).

**FIGURE 3**

### Customers Receive Personalized Proactive Communication As They Proceed Along Their Journeys

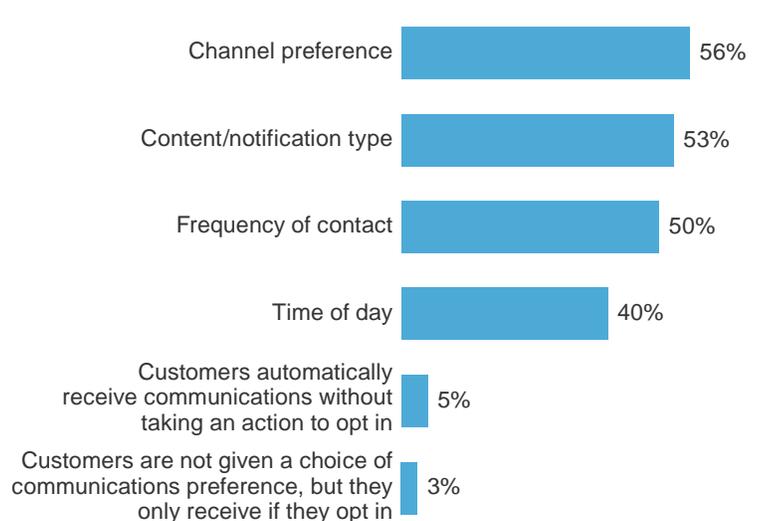
**“In which of the following situations do you ask customers to opt in to receive proactive customer communication from your company?”**

(Select all that apply)



**“Which of the following communications preferences do you offer to customers for proactive customer communication?”**

(Select all that apply)



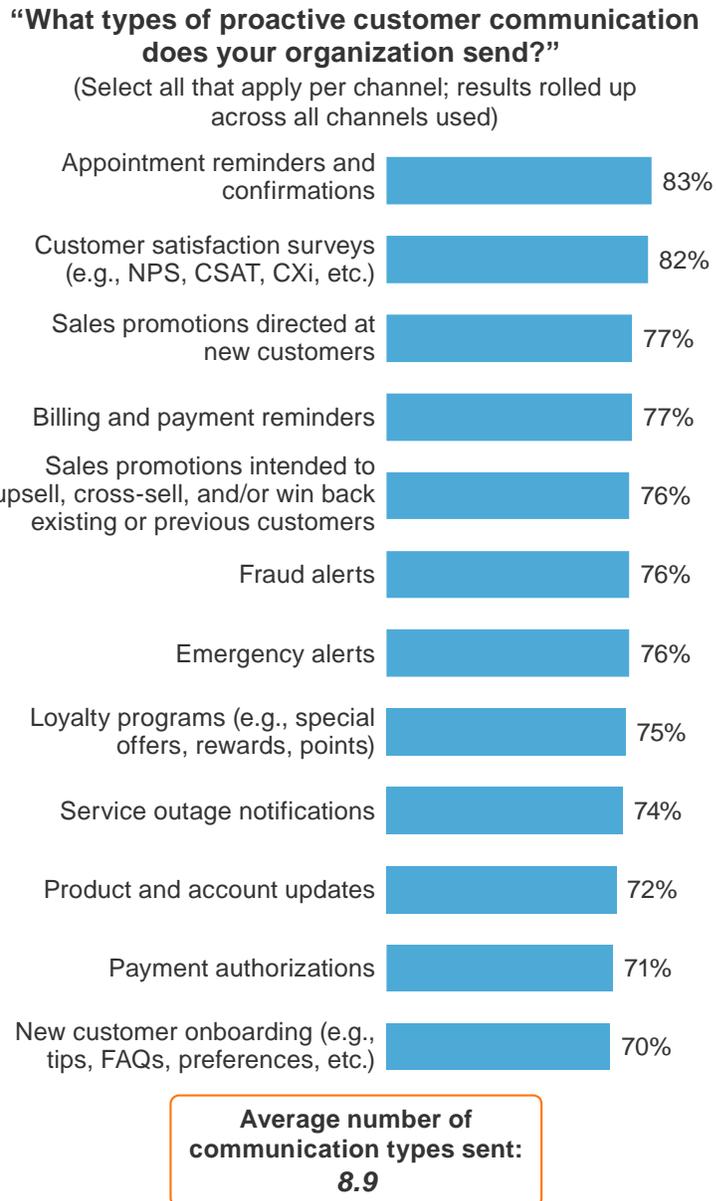
Base: 299 decision-makers in North America, the UK, Ireland, Australia, and New Zealand responsible for customer experience, contact centers, and/or proactive customer communication at their organization

Source: A commissioned study conducted by Forrester Consulting on behalf of Genesys, August 2016

The types of communications that organizations can send are numerous and can be applied across the customer journey; organizations using proactive customer communication send an average of nine different types to their customers. And a closer look at these communications indicates that some channels are better suited for specific communications over others. Communication types include (see Figure 4):

- › **Sales and marketing promotions.** Seventy-seven percent send promotions directed at new customers, and 76% send promotions upselling, cross-selling, or winning back existing or lapsed customers. Organizations turn to agent calls to facilitate sales promotions aimed at new customers and incorporate automated channels such as text messaging, outbound interactive voice response (IVR), email, and push notifications for promotions directed at existing or lapsed customers.
- › **Notifications to foster customer engagement.** Appointment reminders are the most sent type of proactive customer communication (83%), and a large number of organizations also send payment reminders (77%) and fraud/emergency alerts (76%). Further, text messaging and email are the top channels used for reminders and confirmations.
- › **Surveys and loyalty programs.** Many organizations close the loop after a purchase or support interaction by sending customer satisfaction surveys (82%) and loyalty program notifications (75%), with top channels including outbound IVR, email, and text messaging.

**FIGURE 4**  
**Top Types Of Proactive Customer Communication**



Base: 299 decision-makers in North America, the UK, Ireland, Australia, and New Zealand responsible for customer experience, contact centers, and/or proactive customer communication at their organization

Source: A commissioned study conducted by Forrester Consulting on behalf of Genesys, August 2016

## PROACTIVE CUSTOMER COMMUNICATION BENEFITS THE BUSINESS

Delivering proactive service engenders trust and increased satisfaction with customers, increasing loyalty. Meanwhile, handling potential issues proactively reduces the need for calls to service agents, which reduces operational costs. Additionally, the use of proactive customer communication by outbound sales and marketing teams can contribute to increases in overall revenue. Organizations using proactive customer communication experience:

- **Increased customer satisfaction and loyalty.** Forty percent of respondents saw higher customer satisfaction as a result of using proactive customer communication — the No. 1 benefit received overall — and 22% noted that they have seen a higher Net Promoter Score (NPS) (see Figure 5).<sup>3</sup> Sixty-two percent of respondents also noted that using proactive customer communication has either a

**FIGURE 5**

### Key Benefits Of Proactive Customer Communication Include Higher Customer Satisfaction And Increased Efficiency

“Which of the following benefits has your company received as a result of implementing proactive customer communication?” (Select all that apply)



Base: 299 decision-makers in North America, the UK, Ireland, Australia, and New Zealand responsible for customer experience, contact centers, and/or proactive customer communication at their organization

Source: A commissioned study conducted by Forrester Consulting on behalf of Genesys, August 2016

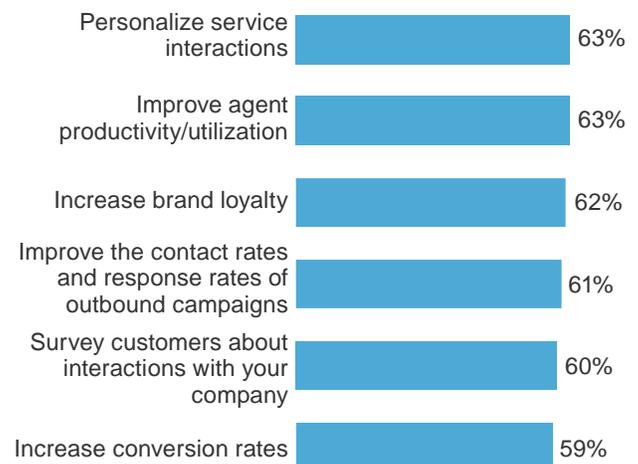
high or crucial impact on their ability to increase brand loyalty, and 60% indicated that proactive customer communication has had a high or crucial impact on their ability to survey their customers (see Figure 6).

- **Lower costs and more efficient contact center operations.** Thirty-six percent of firms see a reduction in repeat calls, 31% experience savings on agent costs, 29% note cost savings due to automation, and 29% note an increase in first-contact resolutions (see Figure 5). These benefits help explain why 63% of respondents reported that proactive customer communication has improved agent productivity and utilization (see Figure 6).
- **Increased revenue.** Thirty-seven percent reported increased overall revenue as a result of proactive customer communication (see Figure 5), which helps explain why 61% are seeing an increase in contact rates and response rates of their outbound campaigns (see Figure 6).

**FIGURE 6**

### Proactive Customer Communication Affects Firms' Overall Ability To Reach Business Goals

“What impact has implementing proactive customer communication had so far on your organization's ability to address the following priorities?” (Showing those selecting “crucial” or “high” impact)



Base: variable decision-makers in North America, the UK, Ireland, Australia, and New Zealand responsible for customer experience, contact centers, and/or proactive customer communication at their organization

Source: A commissioned study conducted by Forrester Consulting on behalf of Genesys, August 2016

## Mature Your Proactive Customer Communication By Applying An Omnichannel Engagement Approach

Proactive customer communication is most effective when sent to the customer's device of choice. Customers' needs, however, do not exist in a vacuum — customers frequently move across channels, and they prefer different channels for different issues. For example, a customer may receive an automated notification that it's time to refill a drug prescription, but have a question that necessitates a call to the pharmacy. An organization that can understand the context of the entire customer journey will be able to more effectively address the customer's needs and increase satisfaction. To this end, omnichannel engagement — sharing information and context across all customer interactions in an effort to deliver a seamless and holistic experience for customers — can greatly increase the effectiveness of proactive customer communication in the age of the customer.

To evaluate the effect of omnichannel engagement on proactive customer communication, we grouped respondents into four stages of omnichannel engagement maturity. To qualify for the maturity model, we required that organizations were currently using proactive customer communication for two or more channels. The group with the highest level of omnichannel engagement maturity stated that they effectively share information and context in order to provide a seamless customer experience across channels. As each segment decreases in maturity, the integration of customer information and context shared across channels also decreases (see Figure 7).

Comparing uses of proactive customer communication across these four maturity model groups yielded interesting differences in:

**FIGURE 7**  
Proactive Customer Communication Maturity Model



Level	Key indicators of omnichannel maturity
<b>Mature (20%)</b>	We merge contextual data about the customer with customer information to create a single, shared, and real-time view of the customer to provide similar experiences across all channels.
<b>Moderate (33%)</b>	We integrate customer information across channels with the intent of delivering personalized experiences, but do not take into account customer context.
<b>Ad hoc (28%)</b>	We make an effort to utilize customer information across channels with the intent of delivering personalized experiences, but gaps exist in channel integration, which curbs our efforts.
<b>Absent (19%)</b>	We utilize customer information strictly on individual, discrete channels.

Base: 240 decision-makers in North America, the UK, Ireland, Australia, and New Zealand responsible for customer experience, contact centers, and/or proactive customer communication at their organization

Source: A commissioned study conducted by Forrester Consulting on behalf of Genesys, August 2016

› **Number of types of communications sent.**

Respondents from more mature organizations, on average, send a greater number of types of proactive customer communication than those that are less mature (see Figure 8).

› **Number of touchpoints where customers are offered the opportunity to opt in.** More mature organizations give customers the opportunity to opt in to proactive customer communication in more situations than less mature organizations (see Figure 8).

Companies higher in the maturity model:

› **Report increased benefits from proactive customer communication, overall.** As organizations increased in omnichannel engagement maturity, they reported more benefits received from proactive customer communication. Mature organizations were notably more likely to cite a reduction in repeat calls, fewer total inbound interactions across all channels, increased overall revenue, and higher customer satisfaction (see Figure 9).

› **Attribute proactive customer communication with increasing conversion rates.** The further along organizations are on the maturity scale, the more likely they are to state that their use of proactive customer communication has a high or crucial impact on their ability to increase conversion rates (see Figure 9). Nearly three-quarters of mature firms saw a high or crucial impact on conversion rates.

**FIGURE 8**

**Use Of Proactive Customer Communication Across The Maturity Model**

Average number of:	Absent (N = 46)	Ad hoc (N = 68)	Moderate (N = 78)	Mature (N = 48)
Channels used for proactive customer communication	4.0	4.8	4.4	4.7
Types of proactive customer communication sent	8.7	8.8	9.4	10.0
Times customers are asked to opt in to receive proactive customer communication	2.5	3.3	3.4	3.5

Base: decision-makers in North America, the UK, Ireland, Australia, and New Zealand responsible for customer experience, contact centers, and/or proactive customer communication at their organization

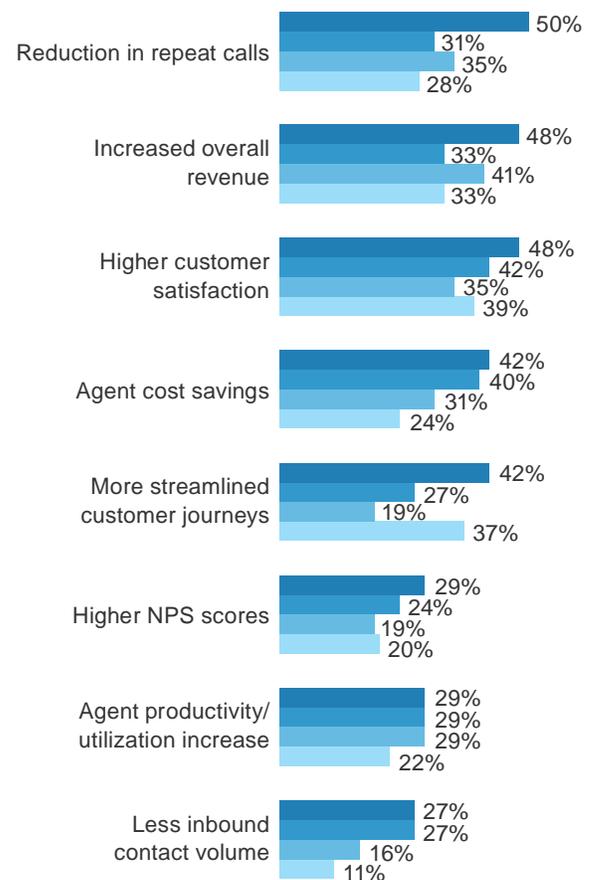
Source: A commissioned study conducted by Forrester Consulting on behalf of Genesys, August 2016

**FIGURE 9**

**Omnichannel Engagement Maturity To Proactive Customer Communication Increases Benefits**

“Which of the following benefits has your company received as a result of implementing proactive customer communication?” (Select all that apply)

- Mature: Fully applying omnichannel (N = 48)
- Moderate: Mostly applying omnichannel (N = 78)
- Ad hoc: Partially applying omnichannel (N = 68)
- Absent: Not applying omnichannel at all (N = 46)



“What impact has implementing proactive customer communication had so far on your organization’s ability to . . .?”

**Increase conversion rates**

(Showing those selecting “crucial” or “high” impact)



Base: decision-makers in North America, the UK, Ireland, Australia, and New Zealand responsible for customer experience, contact centers, and/or proactive customer communication at their organization

Source: A commissioned study conducted by Forrester Consulting on behalf of Genesys, August 2016

## Key Recommendations

The results of this research show proactive customer communication is clearly another proven tool in the customer experience toolbox. Customer experience professionals, contact center leaders, marketers, and other roles tasked with designing a differentiated and competitive customer experience should consider adding it into the mix. Inserting it at the right point in customer journeys can untap increases in efficiency, revenue, and customer satisfaction. Organizations wishing to take advantage of proactive customer communication need to:

- › **Secure leadership alignment and support for customer experience improvements.** Proactive customer communication cannot live in a vacuum or an organizational silo. Forrester Research has interacted with numerous clients who struggle with multiple organizations generating uncoordinated and sometimes duplicative communications to the same customers. Align all the right leadership for support and coordination of customer experience.<sup>4</sup>
- › **Develop detailed current-state customer journey maps with the associated analytical data.** Without a solid baseline on customer experience across all contact types and channels, there will be severe limitations in developing a solid business case for proactive customer communication and the ability to measure its impact. A best practice is to understand not only cost by contact and channel but also customer satisfaction.
- › **Design the future journey map and project the impact of proactive customer communication.** Future-state journey maps should pinpoint where to introduce proactive customer communication and estimate the impact on costs and revenue. Designing future-state journey maps often requires a workshop approach that engages all the key roles who have a hand in customer experience.
- › **Select a vendor that can support both current and future journeys.** Many solutions today are limited; for example, they only support certain channels or deployment models (e.g., cloud versus on-premises). Look for a provider that can map to your customer journeys, support outbound interactions across all channels, integrate to inbound, integrate to your data and campaign sources easily, and enable you to meet any regulatory and compliance standards for your industry.
- › **Selectively trial proactive customer communication, capturing the key metrics of success.** You do not have to start big and launch across all potential contact types and channels. In fact, the best practice is to be selective, isolate the trial to ensure you get solid results, and then move to the next contact type or channel. Ensure that you capture customer satisfaction and feedback, not just efficiency and revenue generation results.
- › **Maintain the gains and continually monitor for ongoing improvements.** Customer experience is an ongoing process. Customers, competitors, and markets shift over time, so the job of customer experience is a journey, not a destination. Adopting a continuous improvement strategy for proactive customer communication requires an ongoing commitment to stay close to how it is working and where additional potential exists. At the same time, it's important not to overdo communication and overwhelm customers, therefore ruining the effectiveness of the overall impact of proactive customer communication. Increased maturity does not simply mean a higher volume of communications. It means offering effective proactive customer communication that ultimately results in increased customer loyalty.

## Appendix A: Methodology

In this study, Forrester conducted an online survey of 305 decision-makers in North America, the UK, Ireland, Australia, and New Zealand. Respondents include IT and business management professionals from enterprises with 500 or more employees responsible for customer experience, contact centers, and/or proactive customer communication at their organization. The study was completed in August 2016.

## Appendix B: Supplemental Material

### RELATED FORRESTER RESEARCH

“Use Customer Journey Mapping To Make Your Culture Customer-Obsessed,” Forrester Research, Inc., August 11, 2016

“TechRadar™ For AD&D Pros: Contact Center Solutions For Customer Service, Q1 2015,” Forrester Research, Inc., February 20, 2015

“Want Great CX? Make Everyone Do Their Part,” Forrester Research, Inc., September 9, 2016

“Defining The Online Marketing Suite,” Forrester Research, Inc., October 17, 2007

## Appendix C: Endnotes

<sup>1</sup> Source: “Leadership In The Age Of The Customer,” Forrester Research, Inc., April 26, 2016.

<sup>2</sup> Source: “Update 2012: Proactive Outbound Notification Saves Money,” Forrester Research, Inc., February 7, 2012.

<sup>3</sup> Net Promoter and NPS are registered service marks, and Net Promoter Score is a service mark, of Bain & Company, Inc., Satmetrix Systems, Inc., and Fred Reichheld.

<sup>4</sup> Source: “Want Great CX? Make Everyone Do Their Part,” Forrester Research, Inc., September 9, 2016.