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# Reinventing Customer Experience

Vodafone's journey to a people-based Digital Care Model using messaging services and automation



# Vodafone, Facebook and Accenture partner to reinvent customer experience

About this report: this paper is jointly published by Accenture, Vodafone and Whatsapp (via Facebook). It explores how Vodafone is using Whatsapp as a messaging app for their customer service. Accenture helped Vodafone roll out the services and setup for messaging by defining use cases and key performance indicators.



# How Vodafone is using messaging apps to improve customer service

**Decades ago, companies came up with technological innovations and presented them to the market to see if consumers would embrace them. Think of the touch-tone phone. There was no huge demand from the market for it to replace rotary-dial telephones in homes and offices. But when it was introduced, consumers saw its advantages and began to use the touch-tone more often.**

Today, this dynamic has been flipped on its head. Monolithic, top-down technology adoption has been

replaced. Consumers now demand companies give them the seamless, hyper-relevant, zero-friction experiences they have become accustomed to elsewhere, such as in private life. This customer attention and expectation for a better experience has now zeroed-in on messaging apps.

WhatsApp, Facebook Messenger, WeChat and other online platform messaging apps have been widely used by consumers in private interactions for over a decade. In [2013](#), platform messaging volume surpassed that of SMS (short

message service). Many young people have rarely experienced another type of electronic communication and strongly prefer messaging over email or calls, perhaps due to lack of exposure. In 2020, **the number of messaging users worldwide had reached 2.7 billion. The most popular app worldwide is WhatsApp, which is used by more than 2 billion people to send more than 100 billion messages every day.**

# Customer experience

**By 2022, the number of messaging users is expected to be 3 billion, according to eMarketer. The use of digital communications has risen, and companies started to take note. The first ones began to offer customer service via opt-in messaging apps around 2015. Customer service messaging got a further boost in the aftermath of COVID-19.**

The companies that have taken the leap into customer service messaging are reporting all sorts of benefits: greater customer satisfaction, more efficient customer service, higher sales and more customer loyalty (e.g. higher net

promoter scores (NPS)). Given the benefits, the number of companies that will use messaging apps to communicate with customers is expected to skyrocket.

Customers are more satisfied interacting with brands via messaging apps because the apps give them the ability to keep and easily view their chat history. It does not disappear, as happens in live chats. In addition, they can engage with a company around the clock and communicate with text or multimedia (such as audio or video). As of 2020, 85% of people around the world want the option to message with brands, up from 65% in 2019, according to [LivePerson, Inc.](#)



# 85%

of people around the world want  
the option to message with brands.  
LivePerson Inc.



# Communication on your own terms

**Vodafone Group was one of the first telecommunications providers to use WhatsApp globally for customer service. In 2018, it began using Apple Business Chat and WhatsApp Business to allow its customers to text, share documents, send images, video or audio messages, and handle all their communication with the operator. Germany was among the first of 15 countries in the Vodafone Group to use messaging for customer service by the end of 2020.**

One of the reasons that Vodafone's customers say they like messaging apps is also a reason that makes those apps part of a compelling efficiency use case for telecommunications companies: Messages can be consumed when the recipient is ready to do so. They do not have to be opened immediately - even if messages are instant.

Because of this feature, messaging apps are considered asynchronous communication. Unlike telephone calls or live chats, messages can be opened on each party's own time.

As a result, service representatives can work within multiple conversations at the same time, just as they may switch between simultaneous chats with their partner and colleague. Or they may decide to focus on other work and review all messages later.

” We wanted to reduce the friction of customers working with our service department and cut our service operating expenses

**Jörg Knoop**

Lead - Technology Digital Incubator  
Vodafone Germany



# Convenience is king

The ability to stay connected while also controlling your own inflow of messages is not to be underestimated. For many people, **the ability to get things done and stay connected**, but to unplug when desired, **represents quality of life**. When users decide when to receive messages, they retain their sense of personal agency and autonomy. They say when they are reachable and are not left waiting for long periods and then expected to immediately react when a representative responds.

One could argue that this experience is an important part of the promise many companies are trying to make to their customers – **a promise of purposeful change through technology**. They aim to make a promise that is not just stated, but a promise that is also felt. It also underlines how customers are the ones driving change, and the flexibility companies need to respond to evolving customer demands for a **seamless customer experience**.

# Telecommunications & messaging

**For telecommunications companies in particular, implementing messaging-based customer service can help increase customer loyalty. This is key during a time when their business models are undergoing massive change and it is still unclear how things will shake out in the industry.**

The business of telecommunications operators is based on legacy systems which, in comparison to younger tech companies, is holding them back. In general, they need to transform their operating systems and business services to compete.

One could even say most telecommunications providers are being “dragged” into a new age for their industry by fierce, technology-driven competitive forces and the demands of tech-savvy customers.

One scenario for the future is operators finding **new ways to grow** by combining different technology elements in their ecosystems for competitive advantage and becoming orchestrators of the network. To do this, they will need to be much nimbler and build trust with their customers.

Introducing customer service via messaging, and doing it as part of a wider digital transformation for the telecommunications company, can support both goals. The messaging apps allow companies to take a very personal approach with individuals, sending e-receipts and transaction alerts or simply responding quickly to a question, for instance about a new phone purchase or usage fees. No more holding on the line and waiting for the agent to find an answer on a live chat. Such **positive experiences can build trust.**





# Messaging: a fixed part of customer-related processes

Accenture recommends companies begin offering customer service via messaging in a first step - regardless of how far along they are in focusing on a customer-centric digital transformation. This will differentiate the company with competitors and improve customer satisfaction.

**According to Accenture's Wireless Purchase Study from September 2020, 74% of customers of communication service providers (CSPs) value digital interactions over in-store, phone or home interactions.**

And, according to Facebook, consumers around the world are embracing messaging for brand interaction. Already in 2018, two out of three people surveyed globally had messaged a business during the holiday season.

In a second step, CSPs have the opportunity to integrate messaging deeper into company and customer-related processes. This will require a change to technology stacks and the IT infrastructure in general, as well as a change in mindset.

According to Facebook, consumers around the world are embracing messaging for brand interaction: Already in 2018, two out of three people surveyed globally had messaged a business during the holiday season.

# 74%

of customers CSPs value digital interactions over in-store, phone or home interactions. - Accenture's Wireless Purchase Study September 2020



# Vodafone's Journey

**Vodafone has more than 300 million mobile customers throughout the world and is one of the leading telecommunications providers in Germany. Making use of a messaging platform was a natural choice for Vodafone Germany, since so many Germans are chat users already.**

It began with a rollout of both Apple Business Chat and WhatsApp. WhatsApp caught on quickly: in Germany, approximately 78% of the population are regular users - a number that spans all age groups.

As part of its ongoing collaboration with Vodafone, Accenture helped Vodafone set up agile teams and define use cases to enable messaging services. On this journey with Vodafone, Accenture supported Vodafone with best practices learned from similar projects.

Vodafone wanted to improve customer service when it rolled out WhatsApp, and it also sought to increase the efficiency of call centers. Traditionally, call centers have been at the core of customer service, but sometimes they were not customer-friendly in every dimension. Vodafone has now given customers the chance to choose to avoid call centers if they wish.

”  
We're proud to have helped Vodafone reinvent its customer service

**Alfonso G. Imbroda**  
Global Industry Lead for Comms and Media  
Accenture Interactive

# No more call centers or live chats

**Now, if a customer is using a messaging app to communicate with Vodafone, they can completely bypass the call center, and therefore the hassle, too. Instead, they can start a chat. They can be hands-free, get an instant and relevant response from a chatbot, and perhaps most valuable of all, they can save the chat history. Customers can also start a chat anywhere, at anytime.**

Customers now overwhelmingly prefer digital services. In fact, they prefer them even to in-store or in-the-home interactions. In a recent study (LivePerson, Inc. 2019 Global Study), nearly half of respondents reported that they were more likely to do business with a company if they could text the firm rather than call it. It's not difficult to see why, especially when it comes to call centers. Vodafone was able to recognize this trend and do something about it.



# Introducing TOBi

**Soon after Vodafone began using WhatsApp, TOBi, Vodafone's artificial intelligence (AI) bot that supports the service, was already solving half of the standard requests that came in.**

TOBi, powered by IBM Watson, is the starting point of any chat initiated by the customer. It is self-learning — it can now recognize more than **250 intents** - and only switches over to a human employee when there are questions it cannot answer itself.

Via WhatsApp and TOBi, images and documents can be shared to meet customer requests. TOBi checks their content and classifies them for

further use. Later, TOBi may also get a voice to speak with customers and not just chat via text.

Vodafone was also one of the first to launch new WhatsApp capabilities like quick replies (buttons) which make the dialog more convenient for the customer and more robust for TOBi. Buttons summarize questions for the user and allow them to click "yes" or "no" buttons to give an answer.

Right out of the gate, Vodafone saw stark changes in the ways customers were interacting with their customer service team. On the first day, more than **1,000 customers** reached out

to Vodafone via the WhatsApp channel. After six months, **10 percent** of the volume had shifted from call centers to messaging, with a strong upward trend.

Currently, more than **200,000 Vodafone customers** are serviced each month via the WhatsApp channel, and **52 percent** of them get their problems solved there without having to go to a live chat or a hotline.

Every conversation is routed and stored through Vodafone's central customer contact platform (powered by Genesys). 360-degree history is available at every touchpoint.

” We believe that within three to five years, messaging as a contact channel may overtake the classical channels such as the call hotline and email.

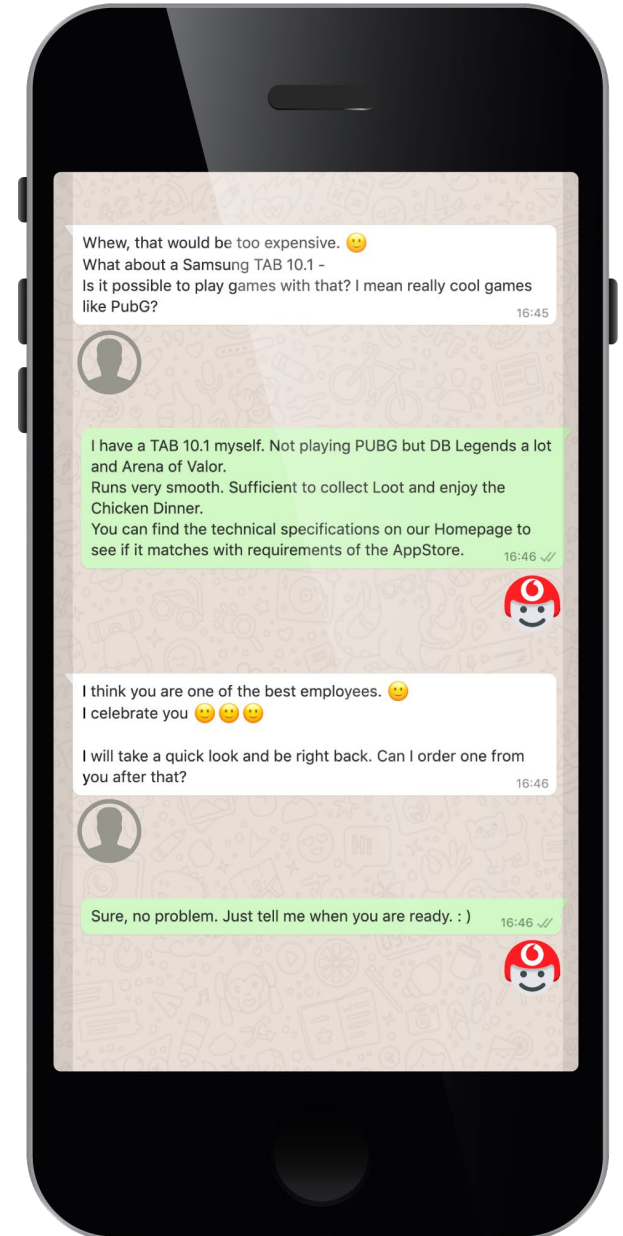
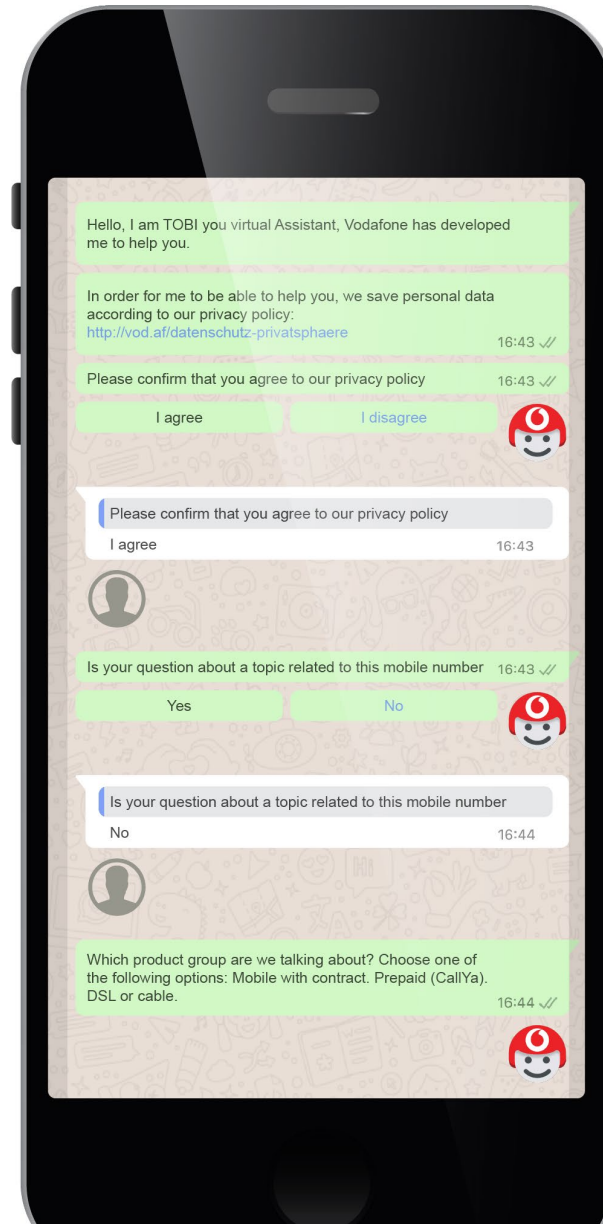
**Jörg Knoop**

Lead - Technology Digital Incubator  
Vodafone Germany

# TOBi: Vodafone's new digital assistant

**"Hello, I am TOBi, your virtual assistant. Vodafone built me to help you quickly and easily 😊,"- TOBi says.**

That's how TOBi answers if a customer starts a conversation via WhatsApp.



# More than just a helpline

**It's not just the call center dynamic that's being updated at Vodafone. WhatsApp chats are also set up for use in other service areas and for sales.**

This is a trend being witnessed in businesses throughout the globe. A recent report shows the number of website-generated customer leads jumped by more than a quarter when WhatsApp was the first point of contact for a customer (OMR 2020). Customer service agents benefit from the new processes, too. Since customer inquiries are prepared by TOBi, a history is created for each inquiry. Vodafone says this greatly reduces stress on its agents, who can familiarize themselves with the issue before reaching out to customers.

Of course, chatbots like TOBi were previously available via chat windows before those same bots delivered information via messaging apps.

So where does the savings come in when humans become involved with messaging apps?

First, since chat history is visible to the customer, the customer is more likely to ask relevant questions and less time is lost covering things that happened in the past. Second, because of routing, human agents can batch their work, thereby improving their responses and response time. They can manage multiple channels at once and can also use down time on slow-moving live chats to work on open asynchronous messages.

**Finally, the improved customer satisfaction from being able to choose the channel of communication and receive service on your own schedule reduces churn, thereby saving Vodafone money.**

## Digital Customer Care: digital operations in 6 dimensions

1

### QUALITY

Transform how we quantify and act on contacts

2

### ERADICATE

Eliminate unnecessary contacts

3

### PREDICT and STEER

Change customer behaviour using predictive models

4

### DIGITIZE

Re-position My Vodafone as the primary interaction channel

5

### AUTOMATE

Automate high volume, basic tasks with chatbot TOBi

6

### EXPERT

Expert care where we can add more value

# Takeaways

**The marriage of messenger services with customer service is a new one, but already the benefits of messaging integration are evident.**

**Increased customer satisfaction:** People are happier with a streamlined experience that translates into significantly shorter wait times, fewer dropped calls, more flexibility for sharing information and control of their chat histories.

**Increased profitability:** By reducing the workload for call center employees, companies that use messaging at scale for customer service can reap operational savings, particularly in developed countries, where call centers can be costly. In developing markets, they can use messaging apps for boosting sales with top-ups.





” As businesses reopen and reinvent themselves, they are looking for stronger ties to their customers and new sources of revenue. Messaging apps with integrated shops and payment functions certainly fit the bill. We see significant potential for companies like Vodafone to use them to boost sales and discover new ways of unlocking value for their customers.

**Michael Schmid**  
Communications Expert  
Accenture Strategy

# The future of WhatsApp and CSP's

**In May, Facebook launched “Shops,” wherein businesses showcase their products and services, and people can start a chat via WhatsApp.**

With this shopping channel available to Vodafone and other CSPs, the potential for increased revenue is significant. “We want to test messaging apps to drive sales during customer service conversations and in general. This is definitely interesting for us.” said Jörg Knoop, Technology Digital Incubator at Vodafone Germany said:

Messaging apps and sales through them have become even more important after the outbreak of COVID-19 and the temporary shutting of physical stores in many countries.

The loss of access to stores apparently gave consumers a reason to reconsider. **Some 60% of consumers report that they would feel no real sense of loss if retail stores closed.**

In November 2020, WhatsApp announced that people could send money through WhatsApp in India with the same ease with which they send a message. It is the first country to roll out the service and highlights what will be coming in more countries in the near future.

# The future is here

**The integration of pay functions into shops in messaging apps will significantly boost sales for companies using them.**

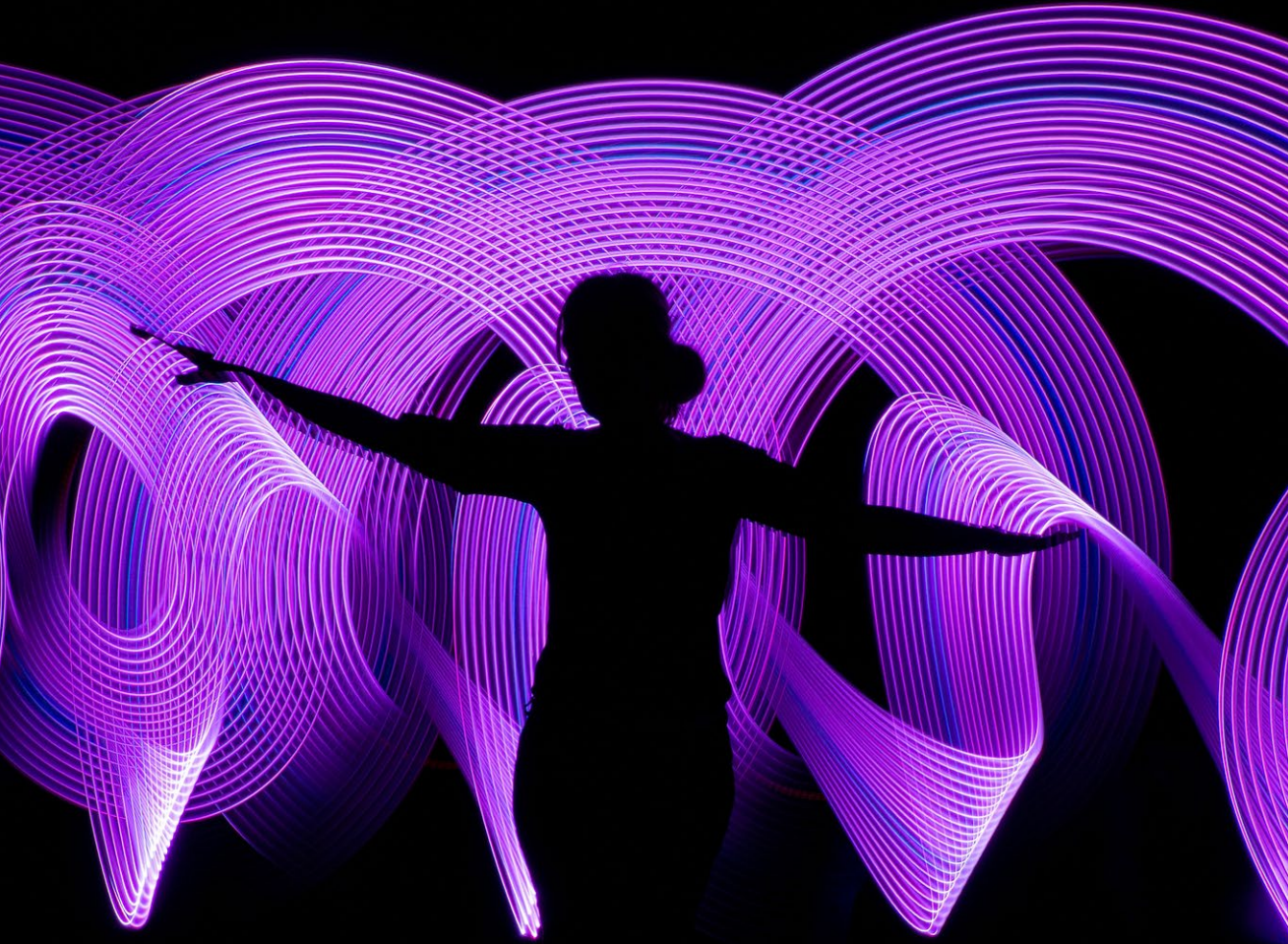
Louis Moynihan, Product Business Director at WhatsApp, said, “Businesses need to meet their customers where they are, and with more than 2 billion users across the world, that’s often on WhatsApp.”

The way forward in the changing landscape will continue to be led by customers. Companies that want to stay relevant must become more flexible and adaptable to respond to their demands.

In an increasingly mobile world, it is no longer enough to master technology; businesses must master the art of the seamless customer experience.

” More than 175 million people already message a business account on WhatsApp every day, and as businesses rapidly shift their operations online during the pandemic, messaging is playing an increasingly important role. It is helping businesses provide sales and service use cases to Whatsapp users.

**Louis Moynihan**  
Product Business Director  
WhatsApp Inc.



”

This type of commerce platform is the next wave of the future for mobile commerce. It will open the floodgates.

It's not a question of whether telecommunications companies will use them to increase revenues. It's a question of who will be first.

**Jürgen Spanger**

Interactive Industry Lead for Comms & Media  
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## ABOUT ACCENTURE

Accenture is a leading global professional services company, providing a broad range of services in strategy and consulting, interactive, technology and operations, with digital capabilities across all of these services. We combine unmatched experience and specialized capabilities across more than 40 industries — powered by the world's largest network of Advanced Technology and Intelligent Operations centers. With 513,000 people serving clients in more than 120 countries, Accenture brings continuous innovation to help clients improve their performance and create lasting value across their enterprises.

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## ABOUT VODAFONE GERMANY | WHO WE ARE

Vodafone is one of the leading telecoms and technology service providers in Germany. Half of all citizens in Germany are Vodafone customers – using Vodafone technology to access the internet, make calls and watch TV; and for connectivity at offices, farms and factories.

The Düsseldorf-based company provides a comprehensive portfolio of internet, mobile, fixed and TV services. As digital transformation partner to German business and industry, Vodafone caters to enterprises of all sizes, from startups and SMEs to DAX-listed corporations. Vodafone is the #1 mobile network operator in Germany: No other market player connects more people and machines in Germany via its mobile network. It also has more gigabit fixed network connections and more TV customers in the country than any other German company.

As a gigabit company, Vodafone is a key contributor to the development of Germany's infrastructure. Its German cable footprint extends to almost 24 million households and it provides a gigabit service to over 21 million of those.

Vodafone Germany is the largest operating company of Vodafone Group, one of the world's largest telecommunications companies, contributing around 30% of its revenues. Vodafone Group has over 300 million mobile customers, more than 27 million fixed broadband customers and over 22 million TV customers worldwide.

More information: [www.vodafone-deutschland.de](http://www.vodafone-deutschland.de) or [www.vodafone.com](http://www.vodafone.com).

## ABOUT FACEBOOK

About Facebook Founded in 2004, Facebook's mission is to give people the power to build community and bring the world closer together. People use the apps and technologies of Facebook to connect with friends and family, to find communities and to grow businesses