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YOUR BEST OPTIONS IN MOTION



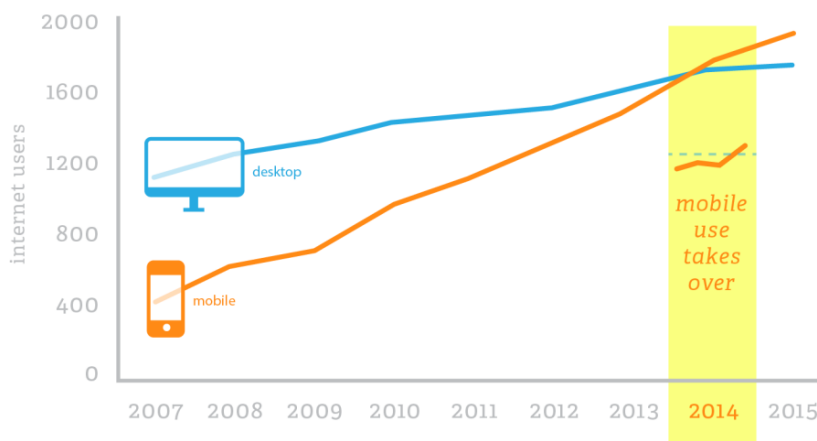
Redefining Customer Experience with Mobile

Understanding the Mobile Phenomena

2014 is considered by many analysts as the year of the revolution. Well, not the political kind but at least between the mobile device and desktop. It is the year that access to the internet via mobile devices will exceed the desktop. According to ComScore mobile will overtake the desktop in 2014:

2014: YEAR OF THE Mobile Revolution

MOBILE INTERNET USE WILL OVERTAKE DESKTOPS THIS YEAR.



Source: ComScore

According to a research report by Statista, the four countries topping this list for smartphone penetration were: United Arab Emirates, South Korea, Saudi Arabia, and Singapore – all are from the Middle East or Asia. The U.S. ranked 13th in smartphone penetration. According to BI Intelligence there are 6.2 Billion mobile connections globally of which 1.2 billion are using mobile web. This is estimated to grow to 2 billion by 2015.

The phenomena of mobile usage is closely linked to its unique attributes and the value it offers customers both in its usage and how it is distributed.

Why is Mobile Different?

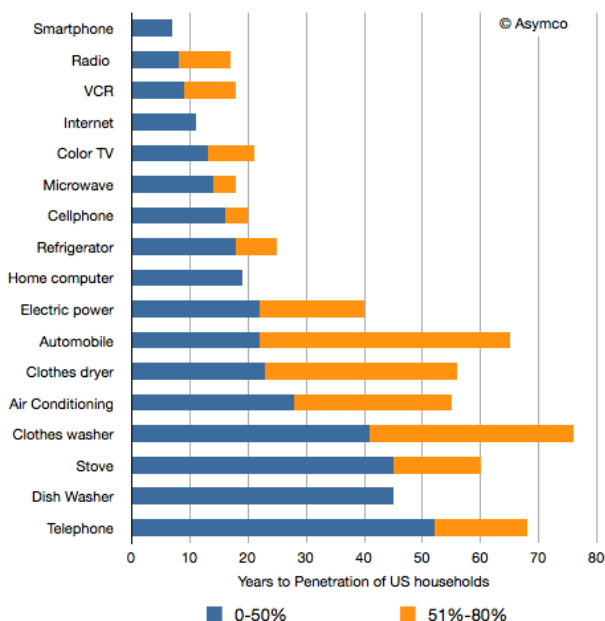
The questions we need to understand are:

- Why mobile is dominating the marketplace?
- What makes mobile different to other technologies that has led to this phenomena in global uptake of the devices?

Smart mobile devices have penetrated the global marketplace at rates unseen before. Their adoption rate has surpassed most technologies over the past 50 years, taking less time to penetrate households than most technologies.

The answer to these questions lies primarily in what mobile has offered the customer. Smartphones and tablets, unlike the desktop, have provided customers with unique value propositions:

Fastest Growing Consumer Technologies



- A dramatically more personal experience
- A unique individual personal space that can be customised any way
- A service enabler
- A fully portable medium that is accessible anywhere and anytime

This high value proposition offered by mobile devices is accelerated by the declining price point of these devices and the ease of distribution. Device manufacturers and telecom companies have helped the adoption rate of these devices by reducing the barrier of upfront costs and amortising it over the term of a contract for voice and data services. The convergence of easy

distribution, low upfront cost, and high value offering has delivered a compelling buying proposition for consumers.

The low barriers to purchase, and high value propositions of these devices has led to the exponential adoption by consumers. Consumer behaviour and expectations are evolving because these devices have given consumers a new way to access information and control their outside world. The portable aspect of these devices plus the plethora of applications in the marketplace has further empowered the consumer to control their world unlike anything experienced before.

Furthermore, mobile presents another key unique characteristic that has significant current and future potential. **Unlike the desktop, mobile enables the convergence of time, place and content. This by itself makes mobile a powerful and game-changing piece of technology.** Smartphones using telecom carrier smart networks and GPS can geo-locate the user at any given point in time and potentially offer content that is relevant to the user at that given moment and place. **The contextualisation aspect of mobile makes it a highly personalised experience for the user.**



Mobile devices are unique for all the reasons mentioned so far. They have given the consumer a new way to interact with their world and have changed the way consumers behave and their expectations for sales and service from companies. It has created a new ecosystem for how companies interact with their customers. Companies that understand the new ecosystem and deploy services that meet the expectations of consumers operating in this new ecosystem will flourish. Others unable to adapt will decline over time as their market share erodes due to their inability to retain customers. More agile and innovative competitors, able to capture the interest of consumers, are likely to win in this new ecosystem. The adoption rate and consumer usage of these devices has opened up a range of opportunities and threats for companies.

How has Mobile Changed Consumer Behaviour?

It's not difficult to understand how mobile has changed consumer behaviour. Just look around and you will see the number of people staring into their little devices whilst walking, in restaurants, at the malls, and just about anywhere you can think off. I recently visited China and even in the most unlikely areas I found young and old peering into their little screens. In Hong Kong "mobile accidents" must be common place as I heard repetitive announcements in the subway warning people not to walk and look into their mobile devices. Yes, it's a dangerous combination!

The obsession with mobile devices is everywhere. No country seems to be immune from the obsession. The degree of obsession is more closely aligned with a person's age and sex. For example, we know that Millennials¹ are more frequent users of mobile devices and females of that generation would be on the higher end of usage due to their attraction to social media. Each generation has a group of applications that are used more frequently than others and defines the primary usage of mobile devices. A thorough analysis of each generation would enable a company to better understand the "how", "what" and "why" of a particular generational segment in their country.

An example may be as follows:

1. **Female Millennials in Australia:** Snapchat, YouTube, Tumblr, Instagram, WhatsApp. Primary purpose is to share experiences with others, socialise and learn how to do things not taught at school or home.
2. **Male Generation X in the UAE:** Banking apps, LinkedIn, Google Maps, CNN, Twitter, Evernote. Primary purpose is to reduce the time to locate things or transact, and to remain abreast of breaking news.

¹ The Millennial generation defines the first generation to have grown up with the Internet. It is normally associated with those born from 1982 to 2005

Whilst each generation has a slightly different focus for mobile there are some common behavioural changes across all consumer types:

1. **Attention spans have shortened:** According to the National Centre for Biotechnology Information, the average attention span dropped 33 percent in the last decade from 12 seconds in 2000 to 8 seconds in 2013.
2. **On-boarding of applications has to be a single click:** customers no longer have the patience for entering their personal details multiple times. Customers are drawn to single Facebook or Twitter registrations.
3. **Visual based:** the rich visual displays of mobile lends itself to creating attractive pictures and graphics that appeal to our visual cortex. Consumers are drawn to applications offering more visuals than text, and are easier to navigate.
4. **Richer & quicker control over my world:** the portable aspect of mobile has enabled developers to offer a diverse range of applications enabling consumers to have a richer and quicker means to control their environment. **This has enabled self-service to become the new preferred method for consumers to receive goods and services.**
5. **Mobile is my personal space:** mobile users have a unique relationship with their devices: it's personal and private. Sending mass marketing through mobile is a sure way to lose customers. If you are sending content through mobile make sure it's highly personalised.

The mobile device is a very intimate piece of technology. The small screen of the device makes it private and a very personal piece of technology. A recent survey found that 90% of users keep their phones next to their bedside table. It's the last thing used at night and the first thing in the morning!

Redefining Customer Experience to Succeed in Mobile?

There are common drivers motivating consumers to adopt mobile as the preferred technology to access, control and connect with their world. Understanding these drivers will help companies succeed in the mobile space and ultimately ensure they remain relevant for their future and existing customers.

Modern day consumers are motivated by common desires. They can be summarised as follows:

- **Time is critical:** the faster the better. Consumers no longer want to wait or have the patience to do so. It's a characteristic of the times.
- **Effort needs to be minimal:** consumers are always looking for the easiest way to get something done. The more effort that is required the less attractive it is.
- **Access needs to be ubiquitous:** consumers want to have access anytime and anywhere to their world. They want to control their world and the portable nature of mobile gives them that power.
- **Personal emotional gratification:** psychologically consumers are always looking for ways to feel good about themselves. Through social and gamification² mobile applications are providing an instant form of gratification for consumers.
- **Authenticity is important:** consumers live in a world full of advertising, manufactured content and artificial personas. They crave to interact with undisguised authentic people and companies. Revealing weakness and vulnerability is considered a display of authenticity.

Companies need to understand these consumer drivers and translate them into rewarding

solving problems. It is primarily used to engage and entertain in mobile contexts.

² Gamification is the use of game thinking and game mechanics in non-game contexts to engage users in

experiences for their mobile customers. Companies should provide experiences that are:

- Personal
- Intimate
- Rich
- Informative
- Ubiquitous & In-Control (anytime, anywhere, when I choose)
- Social
- Frictionless
- Effortless

Companies need to redefine how they currently interact with their future and current customers in the mobile ecosystem. The paradigm shift brought on by mobile is that consumers are now in control and any experience that detracts from their ability to control their world is not going to deliver a better experience for customers.

It's important to think of your current channel strategies and see how they measure to the new requirements of mobile. **The call centre is one of the channels likely to require a major makeover.** The best place to start is to act as a customer and call your company call centre to see what the experience is like. How many questions were you asked by the Interactive Voice Response (IVR) before you got to a live agent? How was it when you finally got to the live agent? Did they give you the right information? Answering these simple questions will quickly help you determine how aligned or misaligned your company is to delivering the sort of customer experience expected from the mobile savvy consumer. **Redefinition of what constitutes a great customer experience is required to align with current consumer expectations.**

The mobile consumer will only call the call centre as a last resort. As outlined, they prefer the self-service platform, but does your company have a self-service platform able to deliver the type of experience expected from the mobile consumer?



To succeed in the mobile ecosystem companies need the following key components:

1. An application controlled by the consumer
2. An in-depth understanding of your customer through segmentation and behavioural analytics
3. The ability to collect and use internally sourced customer data and "big data"
4. Intelligent contextual content or offers that are permission based
5. Development and understanding of customer journeys

The mobile ecosystem is an exciting and interesting space. **The unique attributes of mobile have created the ideal platform for disruption to occur in many industries.** We are currently witnessing this disruption in numerous industries especially ones such as banking and retail. It is expected that we will see further disruption and challenges to market share as a result of what mobile has to offer.

Where to Next?

Kinetic BPO is committed to accelerating customer experiences for organisations. We provide a range of services from consultancy through to full operational outsourcing of front or back office functions. Feel free to contact us to learn how we can assist your company.

If you would like to know more about how we can help you improve your customer experiences, contact us at:

Email: joe.tawfik@kineticbpo.com

Phone: Australia: 1 300 780 556

Phone: Middle East: +971 4455 8410

Web: www.kineticbpo.com

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