



*Perfecting the Art of  
Mobile Engagement*

March 2015



## Engagement Models: Go Digital or Die

The phrase “Go Digital or Die” is borrowed from the February 2015 [Global Contact Centre Benchmarking Report](#). Dimension Data started publishing this report in 1997. With an idea toward being able to compare data over time, some questions in the research have remained the same, giving an unparalleled source for examining the significance of customer care trends across specific timeframes.

One of the key findings in this year’s report is that 42% of respondents say they expect the number of voice interactions into contact centers to decrease, while 87% expect non-voice interactions to rise. The most thought-provoking prediction from that result - forecasting based on ten years of historical data - is that digital interactions will overtake agent-assisted ones by the end of 2016.

For the last decade, the general sense of contact center management has been that the increase in the number of channels available for customers to engage with a contact center has not significantly impacted voice traffic. Dimension Data believes that is no longer true, and that in fact, the tipping point is near.

## Learning from the Best

The fact that so many companies are now offering a wide range of interaction channels is more than encouraging. It means that companies are both watching customer behavior and listening to the call for more engagement options. But the deployment and use of Internet and mobile-device related channels, such as web chat, SMS, social media and video chat, is not without its challenges for businesses small and large.

Some companies have led the way with innovative and exciting programs designed to not only answer questions and solve problems, but to truly engage with customers. One such company is American Express. By 2010, just three years after the iPhone launch, the company had seven different applications in the Apple iTunes App Store tailored for the needs of different market needs and segments.

In August 2011, Dan Shulman, former group president of enterprise growth for American Express, articulated the company’s [digital commerce vision](#) as follows:

- Redefine the commerce experience for buyers and sellers,
- Personalize the shopping experience,
- Transform the power of marketing.

Three years later, in 2014, American Express took a significant step in its multi-year journey to fulfil the promise of that digital commerce vision. Working with a leading New York-based online customer engagement software company that is considered at the forefront of WebRTC innovation, American Express added a live video chat feature to its iPad application. Several months later, the company began trialing another mobile engagement service, Virtual Concierge. Based on interviews with executives at American Express, along with secondary research and evaluations, the next few sections will explore the reasons American Express had for delivering these new features, the results they have seen, and a glimpse into what lies ahead as the company seeks to continually enhance the mobile engagement experience for its card members.

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**AMERICAN EXPRESS**

## The New Challenge: Peer to Peer Connectivity

Customers are going mobile—but they don't always want to interact only with a machine. Sometimes, they still want to interact with people. They may have open-ended needs that aren't necessarily met in a pure digital experience.

American Express describes the problem as this: businesses are trying to substitute half of a peer-to-peer relationship with a corporation. The problem is that a corporation doesn't innately have continuity. A customer isn't dealing with 'Fred,' they are dealing with American Express. And when 'Fred' goes home, or isn't scheduled to work the next day, that doesn't work for either the member or the business. Consumers have been trained by the consumer mobile communications applications available today to interact on a peer-to-peer level, and they want to have similar types of interactions with businesses. The problem that needs to be solved is how, as a corporation, to create that kind of peer-to-peer relationship with a consumer.

Both of the applications discussed here go beyond mere connectivity of customer and agent. American Express designed the applications, in conjunction with their technology partners, to provide a continuous conversation and enable a continuous experience.

## Mobile Video Chat

What business factors led American Express to consider expanding the capabilities it would offer to customers on mobile devices to include video interactions? One American Express executive explained that the company has been exploring the various uses of video to interact with card members for several years. The current deployment is the latest in a series of projects the company has undertaken. "What we found out is that there is a deeper level of engagement with card members when we have face-to-face interactions," she said.

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One initial video solution used point-to-point kiosks. American Express explained that a desire to explore the mobile video use case grew out of an understanding that its card members are on the go; their demands and their lifestyles are changing. They don't necessarily want to go to a kiosk location to have an interaction. But the executive was clear: the initial roll-out of mobile video chat was to a limited set of card members; it was a test to see how consumers would react.

American Express designed the initial mobile video chat application for Apple iPad users. That choice was based on the demographics of card members, specifically what devices members were using to contact the company. There

was an existing American Express iPad application with solid usage, and it was determined that the iPad screen size and video quality made it a great place to start.

Note that American Express has chosen not to actively advertise the capability (unlike, for example, Amazon with its video chat capability, Mayday). A company spokesperson explained that this is a business strategy, not a technical one. One of the questions the initial rollout was designed to answer was, "Does video technology work and can it be put into full scale production." From American Express' perspective, "The jury is in. You can do this." The question that remains, that is at the heart of mobile engagement, is what are the proper use cases? "Answering the right business question is far more important than answering the technical question," he continued.

Initially launched in February 2014, given customer adoption and satisfaction with the service, American Express has moved from pilot to full deployment. While exact usage statistics are deemed proprietary for competitive reasons, American Express did report in May 2014 that its iPad application had been downloaded 190,000 times within a week after the video chat launch.

As of March 2015, American Express makes its iPad video chat available to a broad set of card holders Monday through Friday, from 1 PM to 9:30 PM. Why that specific window? The company reports that analytics determines what hours to offer this service - predictive consumer demand based on when interactions are being requested. Over time, American Express can envision expanding the application to large smart phones, sometimes known as phablets, as the screen sizes there would also support a quality video experience. If the program were ever to be internationalized, operating systems other than Apple's iOS would also be considered to match local usage patterns.

## Virtual Concierge

For many years, American Express has offered concierge staff to its Platinum members as a personal resource for many different aspects of life. Whether to select a restaurant and arrange the details of an upcoming special event, or to select the right gift, the service can coordinate and take care of requests, big and small.

Based on the technology put in place to support iPad video chat - along with the integration to existing American Express databases and capabilities that provides the customer experience continuity - the company has added another mobile engagement service, Virtual Concierge. (American Express estimates that 85% of the technology from the previous deployment was re-used.) This variant of the existing concierge service allows card members to make the same kinds of requests, but instead of calling and talking to an agent they can communicate over an American Express mobile application using messaging.

One can think of it as a type of "Amex WhatsApp" application. A card member starts an interaction, e.g., "I want flowers for my wife." After a few clarifying interactions, the concierge agent works on the back end, fulfills the request, and sends the card member a confirmation.

Putting a slightly technical spin on the service, American Express says that Virtual Concierge is designed for asynchronous requests. Many concierge requests fall into that category; a customer asks for theatre tickets and the concierge agent comes back - usually within minutes - with the various options. The card member makes the choice, messages the agent, and the transaction can be completed.

Starting with Platinum members who have already been exposed to concierge service via telephone services meant the target audience was already accustomed to this type of offering from American Express - they were pre-educated. To the earlier point about the customer use case being more important than the technology, it was hard to judge whether customers would want to engage in asynchronous messaging to complete a task. As the company perceptively points out, there is no historical database for understanding how people will use mobile applications. As an industry, we know how they react on the telephone - we have 40 years of data on that. We don't know yet how they will react in a digital environment.

Yet, there seems no doubt that customers are quickly adapting to the new service; many now complete their entire interaction using the messaging application. Over time, American Express envisions taking similar technology to a broader set of card members and for this kind of messaging to become a mainstream application. But they won't roll out the service to millions of card holders until they know what the results will be - something they learn more and more about day by day.

## Impact on Consumer and Agent Experience

Asked if there were specific types of customers, specific groups, that tend to use the mobile engagement applications more than others, American Express reports that no demographic indicators have emerged. “There are old people and young people, high income and low income users,” shared a company spokesperson familiar with the deployment.

What American Express has seen is that card members are more likely to choose iPad video chat when they have no phone connectivity or when they want to be able to show something to an agent. For example, a customer who has a problem with a bill will take the iPad and show the agent the bill and say, “I don’t understand line 26.” For the agents involved in the program, selection was a career advancement opportunity based on their successful tenure as more traditional agents. The participants that were handpicked for inclusion in the initial rollout of mobile video chat had demonstrated a wide range of knowledge across the American Express product lines and the ability to service them.

To get them ready for their new role as video chat agents, American Express put the selected team through something akin to “acting classes.” They got training on how to respond to people, how to smile and inter-personal communications coaching. Why? Because American Express understood that it wasn’t just about what the agent knew but about how they interacted with people, how they engaged them with their eyes.

How have the agents reacted to doing video chats? “Agents love it,” says an American Express manager. “It’s different for them, it’s a definite change of pace.” Not surprisingly, the group hasn’t had much agent turnover. They enjoy interacting with people, and have been able to add some interesting insights to those managing the program.

Listening to American Express talk about how it trained agents for this program, it is not surprising that the company has spent 14 years on *Fortune’s 100 Best Companies to Work For*. As noted in a recent article, companies on this list often see their stocks perform admirably. American Express saw its [stock advance 22% in 2014](#).

*FOR AMERICAN EXPRESS, ONE OF THE KEYS TO SUCCESSFUL DEPLOYMENT WAS HIGH-LEVEL, STRATEGIC SPONSORSHIP.*

## IT and Organizational Considerations

Both from an organizational and an information technology perspective, the process of implementing mobile engagement solutions can seem daunting, regardless how big or small your customer care operation is. As American Express reports, “Anything done with contact management cuts across a lot of people.” In financial services firms this would typically include a mobile business unit, a customer service department unit, and various product management organizations.

Sometimes a high degree of complexity can mean a project gets bogged down, is begun but never finished. For American Express, one of the keys to successful deployment was high-level, strategic sponsorship. From executives at the very top of the company the message was “we are going to do this,” which minimized the organizational issues.

From an IT perspective, it is not just about building a mobile application. There are implications for the corporate network, to ensure that quality of service (QoS) standards are met. There are backend systems, where information about member accounts must be pulled and presented to the agent, thus also involving the organization that manages the look and feel of the agent desktop. How the interactions will be recorded must also be taken into consideration. The interactions must be queued, routed, and

reported upon with other contact center interactions. As one American Express executive recounts, “It doesn’t get much more complicated than this.”

For American Express, the resources were available in-house to pull off a project that cut across so many organizations. For the 99 percent of companies without these resources, there will likely also be far less complexity. The vendors or partners involved in offering the mobile engagement application will offer the required professional services to help with integration.

## Where to Begin

The American Express customer service philosophy is simple. When people call on the phone, the company wants to connect them to a representative who can assist, as well as deepen their relationship with American Express. The video chat and virtual concierge capabilities are necessary extensions of that philosophy for today’s customer, looking to create a peer-to-peer relationship with the company. Like American Express, most companies will want to identify potential uses for mobile engagement technology and then conduct a pilot to a subset of customers. As the title of this paper emphasizes, delivering mobile engagement is an art not a science; one that requires monitoring and management over time to perfect.

The interviews concluded by asking what advice an American Express executive had for companies considering implementation of a broader mobile engagement approach. His advice: “Don’t focus on the technology.” Often companies are too centered on the ‘how’, not the ‘why.’ The company’s mantra is to concentrate on the user experience and the agent experience. “If you get those right, the technology will become apparent.”

## About CaféX

There are perhaps larger firms that offer mobile engagement solutions, yet many of the world’s most sophisticated organizations choose CaféX to leverage advanced customer experience applications that can operate across multiple channels and mediums. Unlike some solutions that can provide only one option, premises-based or cloud, CaféX is able to support both deployment options.

CaféX technology can also tightly integrate with its contact center routing application, which, for example, could be from a leading vendor like Cisco, Avaya or similar technology provider. This interoperability makes deployment and system administration a much simpler and cost-efficient task.

## About the Author

Sheila McGee-Smith, the founder and principal analyst at McGee-Smith Analytics, is a leading communications industry analyst and strategic consultant with a proven track record in new product development, competitive assessment, market research, and sales strategies for customer care solutions and services. Her insight helps enterprises and solution providers develop strategies to meet the escalating demands of today’s consumer and business customers. Her views on the market can be found regularly on NoJitter.com and through her Twitter feed @mcgeesmith.