An SMS customer cruise.

A look at how travel brands can serve their customers through SMS chat.



It's a short-messaging world.

Most conversations have been condensed down to abbreviated bits of dialogue in the form of SMS, or texting on mobile devices, as this has become the communication method of choice. In fact, 85% of mobile users think that text-based messages are more convenient than voicemails.¹ and 98% of SMS messages are opened, compared to 22% for emails.² Brands have seen how effective SMS messaging can be for increasing sales - about 50% of US customers make direct purchases after receiving a text message from the brand.³ However, not only do brands increase revenue, they lower cost per customer contact because customer agents can handle more than one text conversation at a time. Furthermore, brands are 24% more likely to improve current customer satisfaction scores⁴ because 81% of consumers agree that it is frustrating to be tied to a phone or computer to wait for customer service help.⁵



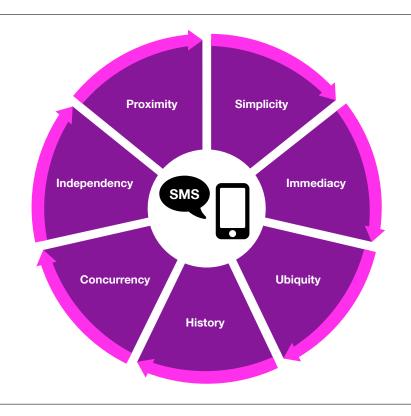
98 percent of text messages are opened.



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- 1 http://www.nuance.com/ucmct/groups/ corporate/@web-enus/documents/collateral/ nc_031596.jpg – Feb 2014
- 2 https://gigaom.com/2015/01/18/why-sms-isthe-new-channel-for-customer-support/ – Jan 2015
- 3 https://www.marketo.com/ebooks/strategicmobile-marketing-with-sms-and-mms/ – 2015
- 4 http://www.ciosummits.com/Online_Asset OpenMarket_IDC_Financial_Services_ InfoBrief.pdf – June 2015
- 5 Aberdeen <u>http://www.cmimagazine.it/</u> wp-content/uploads/2015/09/Aberdeen-<u>Research.pdf</u> – May 2015

Customers and brands alike are drawn to SMS conversations for several reasons.



In this white paper you will:

- Learn the different ways brands of any industry can use SMS for effective customer service.
- Learn how the Travel and Hospitality industry uses SMS customer service.
- Follow a traveling consumer along their customer journey of using the most convenient device they have to interact with the different brands on their trip.
- Learn about Nuance SMS chat and its advantages for brands over other forms of customer engagement.

Simplicity

Anybody can text, regardless of their background or tech savviness.

Immediacy

Real-time communication is the key for today's always-on consumer. 90% of all text messages are read within three minutes of receipt.⁶

Ubiquity

SMS is on every mobile phone; customers don't need the latest smartphone or the strongest signal quality to use it.

History

It keeps interaction history, allowing either party, consumer or brand, to easily re-ignite a conversation.

Concurrency

The ability to have several conversations that can be paused any time offers both convenience for the user and cost-savings for the brand.

Independency

Brands don't need to depend on 3rd party apps, such as messaging apps with their own agenda.

Proximity

Conversations are native to the mobile device, making the brand more "accessible" without needing a browser or an app.

It's easy to see why SMS is now considered the most reliable form of customer engagement.

SMS - anytime, anywhere

One industry that has reaped the benefits of SMS customer engagement is the Travel and Hospitality industry. 89% of travel/hospitality brands consider mobile messaging to have a huge impact on customer service.⁷ Text messaging aligns well with the traveler's need for contacting brands whenever and wherever they are; it also serves the brand with contextual information on the customer's history. The immediacy of SMS allows the brand to give the traveler urgent information, such as a sudden change in flight number. Hotels use mobile messaging for automated check-out – no slipping the bill under the door, no calling down to the front desk to settle the bill. And restaurants use SMS to remind customers of their reservations. Perhaps the biggest benefit that SMS offers travelers is that it is cheaper and more convenient than phone calls or web browsing when on the road, in the air, or on the water.

But not all SMS customer engagements are alike.

One-way texting

The majority of travel/hospitality companies only utilize one-way texting. For example, an airline may text a passenger a link to their boarding pass as soon as they've checked in via mobile. Uber uses SMS to send a text to the passenger when their request has been accepted and when the driver has arrived.⁸ One-way texting from businesses has existed since the early 2000's, so customers are familiar with receiving texts from their favorite brands regarding the latest special, a coupon offer, a new premier item, a thank-you for business, or a link to an online survey. This form of marketing is very effective in that it has a captive audience (remember that 90% immediate open rate stat?).

Two-way texting

Yet even more effective is giving the customer the ability to text back, opening up that customer-brand relationship. There's a story in the New York Times where a businessman unpacking his suitcase in the hotel room realized that he forgot his socks. He simply texted the front desk to ask for a pair of socks. The next thing he knew, he received a text saying he would have a new pair waiting for him in the lobby⁹ – a matter of proximity, as texting is second nature to many travelers.

This SMS conversation between the guest and concierge works beautifully to establish a relationship that continues throughout his stay. The guest is able to pick up where he left off, knowing that he doesn't have to reintroduce himself, and the concierge is able to keep a record of the guest's experience, making sure that his needs are met. The record is also a great way of keeping track of which service goes to whom when things get busy at the front desk. Fortunately, it works well for individual establishments managing service to only their customers. A personal, one-to-one relationship is easy to manage between the front desk clerks and guests as they come and go.

Two-way texting within a chat environment

But what about managing two-way SMS conversations for the whole enterprise? This would require an additional employment of SMS-only customer service agents to monitor each conversation text-by-text. The solution is to implement SMS chat, where the SMS conversation seamlessly happens within a native mobile environment that is serviced by existing chat agents within the brand's contact center. No extra staff are needed as chat agents can handle more than one chat at a time. Another great advantage to linking



of travel/hospitality brands consider mobile messaging to have a huge impact on customer service.

- 7 IDC Exploring the Impact of Mobile Messaging in the Travel & Hospitality Industry – <u>http://www.idc.com/</u> - June 2015
- 8 http://thenextweb.com/future-ofcommunications/2015/03/02/what-typesof-companies-are-using-sms/#gref – March 2015
- 9 http://www.nytimes.com/2015/06/30/ business/no-need-to-call-the-front-desk-justsend-a-text.html?ref=topics& r=1 - June 2015

the SMS conversation to a chat agent is that the agent would ideally have an omni-channel interface, in which the history of the customer's whole journey across all channels is available to the agent.

The wide-spread usage of mobile messaging has changed the way a traveler's customer journey looks. It goes beyond sharing vacation pictures taken with the phone. It involves actual communication between the traveler and the brands they encounter throughout their trip, from pre-planning discovery to post-voyage-dreaming of the next trip.

To see how SMS affects every touchpoint of a traveler's path, let's go on a journey with Sherry as she embarks on a Mediterranean cruise.

Beginning of journey: discovery and booking

Sherry sees a TV ad about a Mediterranean cruise with Marina Cruises. The commercial is so enticing she wants to find out more. The cruise brand was smart to display a number to text for more details, with the keyword "Cruising". So Sherry does just that, giving Marina Cruises the opportunity to capture her phone number, which becomes her ID for the entire customer journey with the brand. She then receives a welcome message from a chat agent and is now able to text with an expert directly on her phone. After getting all questions answered, Sherry is very interested in booking a Mediterranean cruise with Marina Cruises.



Further questions

As her excitement builds, Sherry decides to check out the Marina Cruises Twitter page, on which she sees that a follower tweeted something about special accommodations for a gluten-free diet. This reminds her to check with the brand to make sure that she could request diabetic attention to her menu. The Marina Cruises Twitter page invites consumers to chat via SMS; Sherry isn't much for having a personal conversation in such a public forum, so she gives the SMS a try again. After she texts the keyword provided on the Twitter page to continue her SMS conversation, she is pleasantly surprised to find that the chat agent knows about her previous SMS conversation (thanks to her unique ID) and already knows to which cruise she is referring.

Book it!

Impressed with this kind of personal attention, she's ready to book her cruise vacation, so the chat agent gives her a link (with her unique ID) to the website, where she can book using self-serve. Sherry spends some time deciding on the reservation details, so a proactive chat window invites her to engage for help. The chat agent has the contextual information from her SMS chat ID and is able to pick up the conversation that already existed. Through a co-browse session the agent is able to walk her through the reservation process, and even books her flight from the US to Italy.

When Sherry completes the booking process, she receives a text confirmation on her phone - handy information to have on a mobile device for easy reference. With that confirmation, a link is included to continue the conversation later should she have any questions.

Beginning of journey - planning

As Sherry begins researching the different ports that the cruise will visit, she finds out about a special tour of ancient city ruins near the third port stop. She didn't see this tour listed on the Marina Cruise website, so she picks up her phone and clicks on the link provided in her confirmation. A proactive chat window opens on her mobile browser; the chat agent has the contextual information and is aware of Sherry's cruise destination. He explains that they are able to reserve a tour for her, but since it wasn't part of the cruise package, she would have to pay an additional charge for it – but at a discounted price!

Time to shop

While out shopping for cruising attire, Sherry wonders if a heavy jacket would be necessary to pack. She picks up the previous conversation through SMS and asks about the typical weather at the time of the cruise. The chat agent explains that the ocean breeze while at sea can get a bit chilly, so a light wind breaker or sweater would be perfect. However, it can get pretty warm that time of year in port, so light clothing would be best to pack. Here's the best part about SMS chat: because of the unique ID, the agent sees that Sherry had previously booked a tour at the ancient city ruins, so he informed her to pack good, sturdy boots for walking through the rubble. Now, that's customer-centricity!

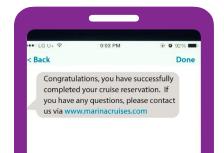
Smooth sailing - during the trip

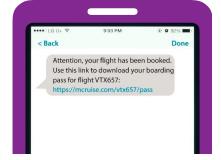
A few days before departure, the airline texts Sherry a link to her boarding pass. Now she has a readily-available link to an airline chat agent, should she have any issues arise. Likewise, Marina Cruises texts her a link to the ship's boarding pass. When she goes through on-boarding for both the flight and the cruise, she opens the links and shows each attendant her boarding pass on her phone. No danger of throwing away a paper boarding pass!

Ship departs

The ship sets sail, and Sherry is having a blast. She's enjoying the bright sun and beautiful scenery when she realizes she's lost her sunglasses. She remembers that her reservation confirmation text had an information link that she could use while on the cruise. So she looks in the Marina Cruises SMS feed and finds the info link, which she promptly taps. She is linked to an on-board concierge who chats with her and helps her find the ship's gift shop, where she can buy another pair of sunglasses.







Gift shop

While in the gift shop, she sees a sign with an SMS keyword to text to enter for a daily give-away from the shop. She texts the number and enters the keyword. The cruise line already has her unique ID because of her phone number, so she's automatically entered into the drawing. She crosses her fingers, hoping to win a T-shirt...

Dinner

At dinner that night, she receives a text alert: she won the T-shirt!

Third port

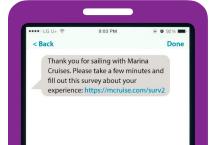
A few days later, as they draw closer to the third port, Sherry calls the tour company of the ancient ruins to find out how long the tour lasts. She is placed in an IVR, but is offered an SMS code number to text in order to get immediate assistance (after all, out-of-country calls are expensive!). She presses "5" and receives an automated SMS starting the chat, in which her question is easily answered (without trying to understand an accent over the phone!).

After the trip

After a lovely vacation on the Mediterranean, Sherry returns home only to discover that, yet again, she has lost her sunglasses. She picks up her SMS conversation with Marina Cruises to ask about their Lost and Found. Her ID links her to the ship she was on where a crew member checks the Lost and Found and finds the sunglasses, which had been tagged with her room number in which they had been discovered. Because of the easily accessible history of Sherry's SMS conversations, Marina Cruises is able to make the connection of Sherry's losing her first pair of glasses and buying another pair onboard the ship. Inspired by this knowledge, the company ships her the sunglasses, free of charge!

Post-trip survey

A few days later, a text message is sent to her to complete a survey of her experience with Marina Cruises. She taps the link and is taken to an online survey. After the stellar customer service she has received throughout the whole journey, Sherry gives them a glowing review. At the end of the survey, she agrees to receive text messages on future cruises and special package deals. She can't wait to plan her next adventure with Marina Cruises and has already invited her friends to come with her!



Wrapping up the customer journey

The possibilities are endless when considering the many ways in which SMS customer service can be used along any customer journey. When an enterprise endeavors to implement this popular way of communicating into their customer experience programs, they may be at a loss as to where to begin or how to manage SMS with their already-existing programs. That's why Nuance has developed SMS chat, an innovative chat tool that leverages mobile text messaging capabilities to engage consumers for timely and personalized assistance.



SMS chat from Nuance

- Enables brands to offer a live native conversation with the customer anywhere, at any time.
- Addresses customer needs for personalized mobile interaction and receiving assistance "on the go."
- Reduces the amount of repeat inquiries while increasing customer satisfaction and reducing churn.
- Increases agent efficiency and reduces training efforts by integrating into the Nuance Agent Interface.

Nuance customers appreciate the improvements that SMS chat enables in different situations:

- Inviting their consumers from an offline/offsite medium to a conversation
- Having a conversation "on the go"
- Forwarding to more powerful engagement tools if needed (e.g. SMS to web chat)
- Exchanging private information in a one-to-one conversation
- Having flexible conversations with tracking options through keywords
- Sending status updates/notifications and offering direct conversations
- Interacting with traveling customers who are mindful of expensive out-ofcountry calls

All of these offerings are incorporated into an omni-channel agent interface, in which the agent can follow the customer's journey across all touchpoints, and all channels.



About Nuance Communications, Inc.

Nuance Communications is reinventing the relationship between people and technology. Through its voice and language offerings, the company is creating a more human conversation with the many systems, devices, electronics, apps and services around us. Every day, millions of people and thousands of businesses experience Nuance through intelligent systems that can listen, understand, learn and adapt to your life and your work. For more information, please visit nuance.com.



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