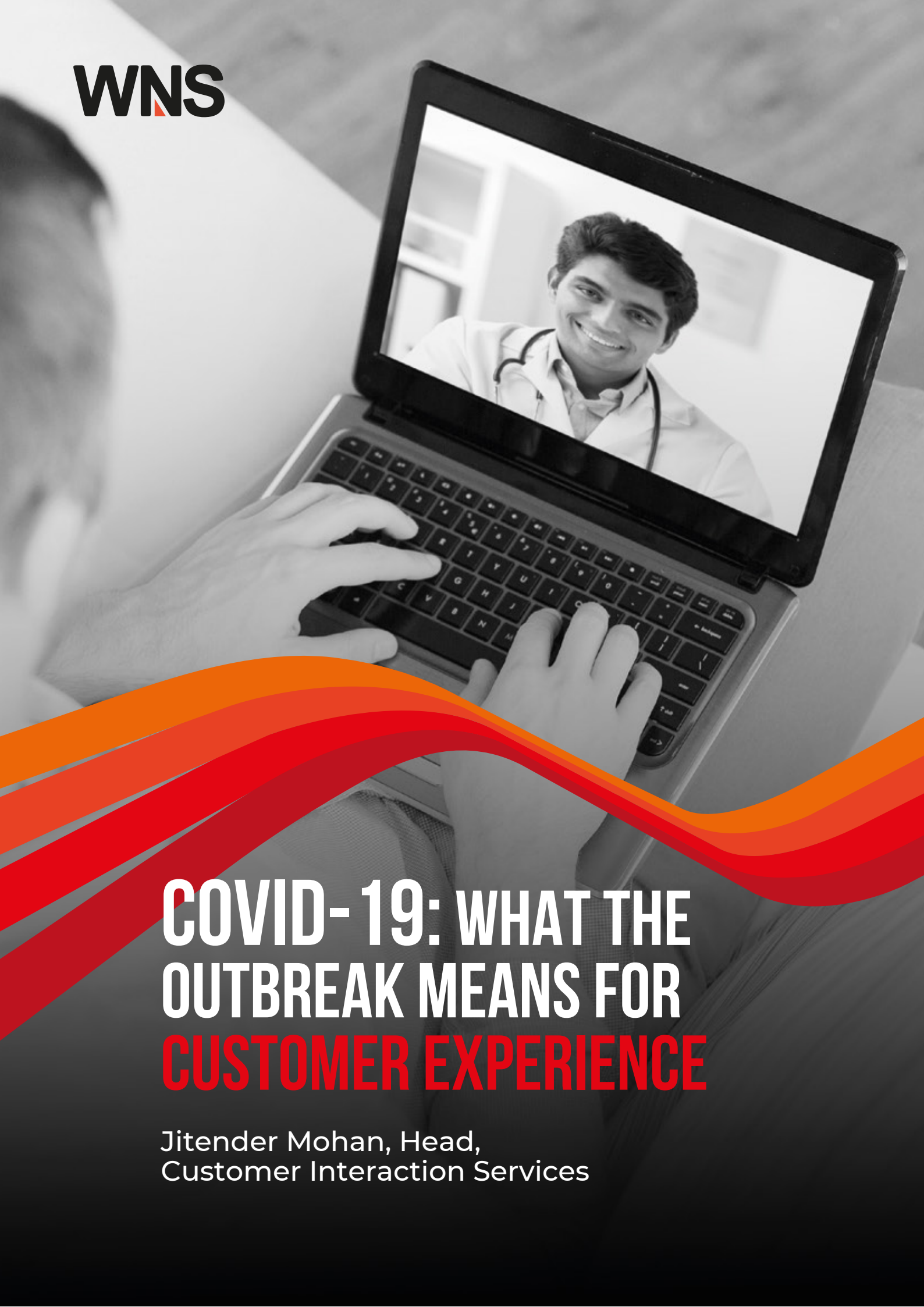


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COVID-19: WHAT THE OUTBREAK MEANS FOR **CUSTOMER EXPERIENCE**

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The COVID-19 outbreak has sent industries such as travel, traditional retail and manufacturing into a tailspin, while opening new doors for e-commerce, healthcare, food delivery services and online gaming. However, the global lock-downs have put severe pressure on supply chains, causing product shortages. As consumer confidence nose-dives, companies need to find innovative ways to stay afloat and cater to changing customer expectations.

Customer Experience (CX) is the bridge between a company's efforts and customer expectations. Both ends of this bridge face an uncertain future depending on the speed of recovery from COVID-19. Such crises alter consumer behavior. The contact-less nature of this pandemic brings to the fore the importance of digital, and the digital maturity achieved by some companies. For instance, banking and financial services, telecommunications and online retailers are pushing self-service and digital channels, while their contact centers operate at low occupancy.

FOCUSING ON KEY AREAS

Given the current scenario, companies should focus on two key areas, within the value chain:

1. Customer engagement

2. Customer retention and loyalty

Along with relevant customer communication, companies should focus on understanding and identifying the new pain areas and work towards their resolution. A company's opportunity to excel (or fail) is greatest in instances when customer sentiment and needs are running high as opposed to regular periods when everything is going as expected. Preparedness, communication, priorities and actions will be the key differentiators for organizations during this time.

Here are three major shifts expected in the short and long-term that will impact CX.

1. Increased Push for Digital-only CX:

- Companies with a strong digital footprint will stand differentiated in the market with their digital readiness. Others are expected to partner with key players in the short run and invest in capabilities such as automation, digital tools, technologies and platforms for the long-term
- Demand for innovative technologies such as drone deliveries and autonomous cars will go up
- Digital self-serve channels and chatbots leveraging analytics as a key component will see an uptick
- Cloud-based solutions will gain traction to aid multiple aspects of customer interactions as well as allow systems to keep functioning off the premises

2. A New Normal Way of Working:




- As work-from-home becomes a widely adopted phenomenon, aided by video conferencing and other remote working technologies, digital transformation in employee experience and CX will be a key driver for growth
- Happy employees keep customers happy. Remote working leads to increased Employee Satisfaction (E-SAT) that translates into overall improved Customer Satisfaction (C-SAT)
- A remote workforce offers an organization the flexibility to hire the best global talent, leading to global and localized customer experiences
- Organizations looking to keep their CX scope onshore / near-shore could benefit from the right-shored work-at-home model as opposed to an offshore only model

3. Disruption Through AR / VR:

- Increased push for learning and development supported by Augmented Reality (AR) / Virtual Reality (VR) for remote demonstrations and trainings for both employees as well as customers
- Augmented visual resolution and AR / VR-led remote troubleshooting for retail, telecom, energy and utilities' industries will lead to improved CX, along with reduced cost and time-to-serve
- Increase in virtual on-demand tours / excursions due to travel restrictions / bans

The table below offers a comprehensive view on the impact of COVID-19 on CX across sectors.





ONE DISRUPTOR, DIVERSE INFLUENCE

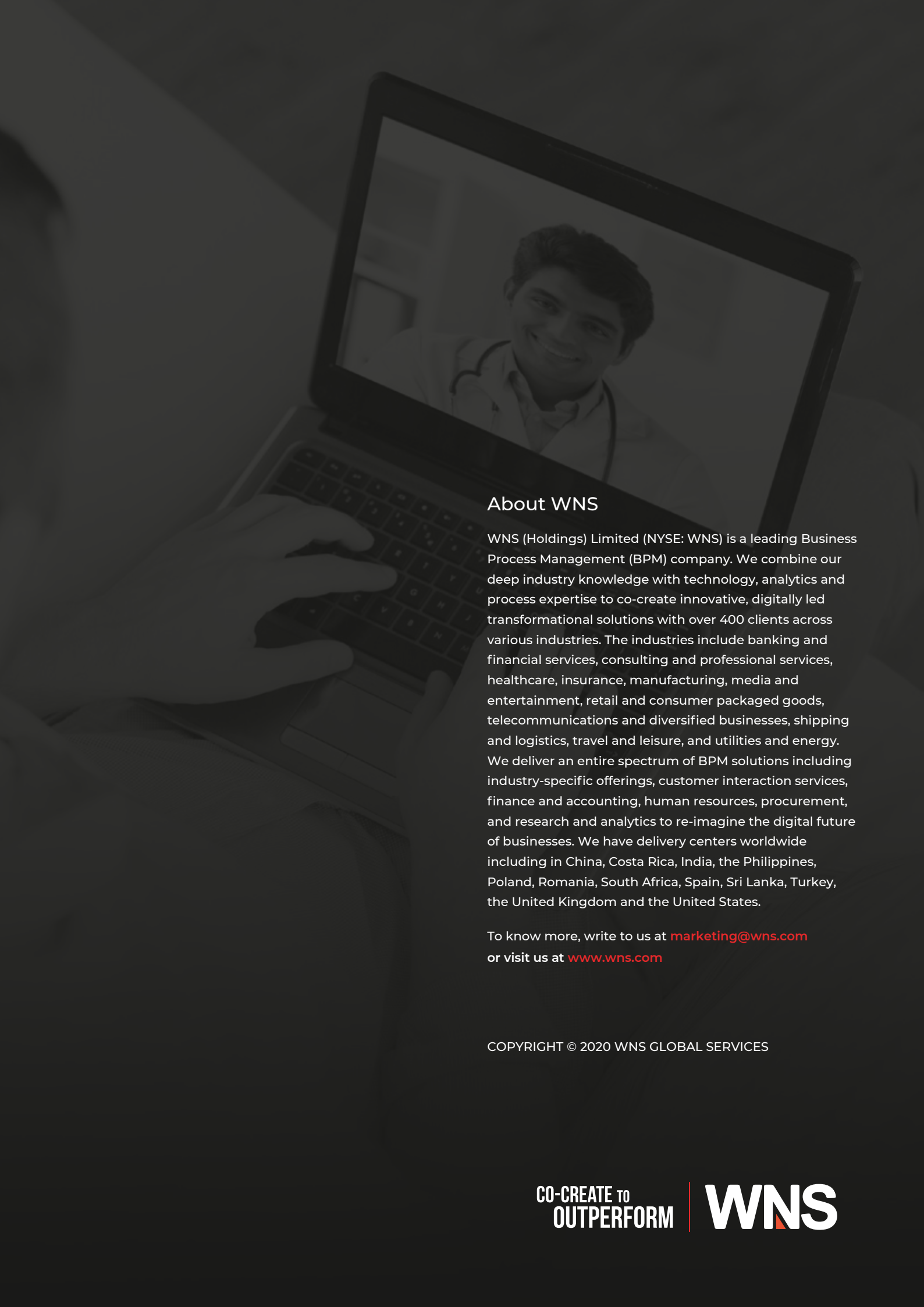
Industry	Problem Areas & Resolution	Impact on CX
 <p>Travel & Hospitality</p>	<ul style="list-style-type: none"> ■ The International Air Transport Association predicts that COVID-19 could cost global air carriers between USD 63 Billion and USD 113 Billion in revenue¹ ■ The hotel industry is dealing with mass cancellations, especially as a number of marquee business, sports and entertainment events are being cancelled <p><i>Travel companies need to continue their engagement with audiences, using digital channels to spread positive news and enable virtual sight-seeing as people remain locked inside their homes.</i></p>	<p>High</p>
 <p>Banking, Financial Services & Insurance</p>	<ul style="list-style-type: none"> ■ Increase in non-performing assets as lock-down of businesses will lead to poorer performance in the quarters ahead ■ Fitch has warned that life insurance companies will be hit by a combination of falling stock markets and increasing mortality that will result in higher payout² <p><i>Online banking transactions, and policy inquiries regarding taxes and insurance are expected to remain key drivers for CX</i></p>	<p>Medium</p>
 <p>Healthcare</p>	<ul style="list-style-type: none"> ■ The U.S. Food and Drug Administration states that the first drug shortage caused by COVID-19 is impacting the Active Pharmaceutical Ingredient (API) manufacturing sector³ ■ The outbreak may disrupt research and prevent patients from traveling to clinical trial sites, thereby reducing the resources available for research and development <p><i>The industry therefore needs to work towards a shift from labor-intensive, in-person meetings in clinics / hospitals and substitute them with digital encounters that are possibly automated – thereby eliminating geographical constraints</i></p>	<p>High</p>

¹<https://www.iata.org/en/pressroom/pr/2020-03-05-01/>

²<https://www.insurancejournal.com/news/national/2020/03/18/561473.htm>

³<https://pharmaphorum.com/news/coronavirus-has-caused-drug-shortage-says-fda-chief/>

Industry	Problem Areas & Resolution	Impact on CX
 Manufacturing	<ul style="list-style-type: none"> ■ Leading manufacturers have suspended production due to the outbreak ■ Motorsport races and automobile shows are being postponed or cancelled <p><i>The reduction in sales volume of automobiles will bring down the volume in post-sales services such as maintenance and sale of spare parts</i></p>	High
 Food Delivery Services	<ul style="list-style-type: none"> ■ Food and grocery delivery apps have seen a record growth in daily downloads ■ Fast-food delivery services have launched 'contact-less' delivery services <p><i>There will be an increase in the volume of online food deliveries. In parallel, there will be an increase in the number of inquiries, feedback and suggestions that will impact overall CX</i></p>	Low
 Media & Entertainment	<ul style="list-style-type: none"> ■ Movie theaters / theme parks have been shut down across the globe ■ Increase in mobile Internet usage and Over-the-Top (OTT) platforms; there has been a hike in television viewership <p><i>As an increasing number of people are forced to stay indoors, entertainment consumption will increase exponentially. Subscription-based streaming services will gain ground; media and entertainment companies should focus on digital offerings to cater to this demand</i></p>	Medium
 E-commerce	<ul style="list-style-type: none"> ■ There is a noticeable traction in online purchases and the high demand is mostly for food and beverages, groceries, hygiene / medical products ■ However, online retailers are facing logistical challenges due to bottlenecks in supply chain <p><i>Even after lock-downs are eased, e-commerce companies will need to prepare for an increase in Internet time from their customers, leading to a higher demand for services. Supply chains will need to be re-imagined for a newer world order</i></p>	High



About WNS

WNS (Holdings) Limited (NYSE: WNS) is a leading Business Process Management (BPM) company. We combine our deep industry knowledge with technology, analytics and process expertise to co-create innovative, digitally led transformational solutions with over 400 clients across various industries. The industries include banking and financial services, consulting and professional services, healthcare, insurance, manufacturing, media and entertainment, retail and consumer packaged goods, telecommunications and diversified businesses, shipping and logistics, travel and leisure, and utilities and energy. We deliver an entire spectrum of BPM solutions including industry-specific offerings, customer interaction services, finance and accounting, human resources, procurement, and research and analytics to re-imagine the digital future of businesses. We have delivery centers worldwide including in China, Costa Rica, India, the Philippines, Poland, Romania, South Africa, Spain, Sri Lanka, Turkey, the United Kingdom and the United States.

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