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Operations Practice

Beyond contactless operations: Human-centered customer experience

As we look forward to the next normal, consumers are already demonstrating a preference for companies that deliver great service while reducing risks all along the customer journey.

by Melissa Dalrymple and Kevin Dolan

As the global fight against COVID-19 continues and much of normal daily life remains on hold, organizations are trying to navigate a rapidly evolving landscape. Many have moved beyond initial actions to protect the lives and livelihoods of their people and are working to tackle the concerns of the estimated millions of consumers who expect the effects of COVID-19 to be long lasting—customers who are making decisions about whether or not to engage with a company based on its actions to address safety concerns and the way it communicates changes. Beyond addressing safety concerns, organizations that find ways to rebuild the human experiences that existed before COVID-19—among everyone from suppliers to employees and customers—within a contactless world will differentiate themselves and gain customer loyalty.

Companies are moving quickly to institute new policies and processes that will allow them to reopen—or in some cases, remain open. Many are investigating opportunities to shift toward contactless service and operations, allowing the cores of their businesses to continue operating while assuring both employees and customers of their safety. Companies that develop a long-term strategy now to mitigate risks while delivering distinctive and human-centric experiences

will emerge from the pandemic with stronger operational resilience, more agile organizations, and sustainable competitive advantage that can better respond to a changing economic context and any future shocks.

It will be important that companies work across silos to provide solutions that deliver effective, end-to-end employee and customer experiences, maintaining the value of their brands through the operational adjustments they make. A new, data-driven perspective, summarized as IDEA (*identify* interactions, *diagnose* and prioritize risks, develop and *execute* solutions, and *adapt* and sustain), can provide crucial structure and rigor in helping an organization see risks, assess their intensity, and create solutions to address them iteratively as the external environment evolves.

Leaders can then develop interventions and redesign critical customer and employee journeys, enabling their organizations to reopen or sustain operations while also building trust with both customers and employees, such as redesigning the way hotel guests check in by developing a completely digital experience without a check-in counter. Over time, IDEA can flex to include more human elements while keeping safety and security at its core.

Exhibit 1

Four steps help businesses enable contactless operations from risk identification to solution execution.

Identify interactions

Identify types of in-person interactions in your value chain within these three buckets:
- employee to employee
- employee to customer
- customer to customer

Diagnose and prioritize risks

Define risks associated with each interaction type, then prioritize risks based on factors such as intensity and frequency

Develop and execute solutions

Understand which types of interventions will be most effective for your business and begin executing solutions

Adapt and sustain

Work across the organization to continually adjust solutions to meet the needs of the evolving global situation

Source: McKinsey analysis

IDEA for managing risks

Across all industries, levels of consumer concern for personal safety when interacting with a company are increasing. Across a wide range of countries, consumers have dramatically increased their use of low-touch service options, ranging from restaurant and grocery delivery to online fitness and telemedicine. And even once stay-at-home orders are lifted, customers are expected to continue to make careful selections about which businesses to engage with—even those that had long been central to their lives and livelihoods.

At the same time, although reassuring customers of safety will remain a baseline for customer retention, the impact will likely diminish as more businesses minimize personal contact in their operations. As the pandemic evolves, companies will likely be able to differentiate themselves further by finding ways to make contactless operations retain a sense of human connection. For example, one retailer is using augmented reality to let customers shop in a store, browsing products while interacting with store clerks.

Internally, organizations that take steps to protect their workforce and implement policies to limit and redesign in-person interactions—both employee to employee and employee to customer—can build crucial employee trust. Yet it's still possible to retain a human touch, often at little cost: a large restaurant chain's contactless delivery process can simply ask the delivery person dropping off the food to wait for the customer to collect it before leaving. The employee and customer have an in-person interaction and the reassurance that both are safe.

Identify interactions
The first step in applying IDEA is to identify the interactions among employees and customers across the value chain that pose a risk. While in-person interactions were a central part of the day-to-day operations of many organizations, even minimal connections now pose a potential risk to the health of employees and customers. In Europe alone, some 54.8 million workers fall into high-risk occupations that require them both to work in close proximity to others and to have significant exposure

to the general public; they include roles in industries such as retail, leisure, and food services.

The three points of contact—employee to employee, as in handoffs of paper files or warehoused materials; employee to customer, as in a medical office or an in-home service visit; or customer to customer, as in a checkout line or boarding queue—all require detailed review. The physical environment, including the space allotted for the activity and the surfaces that people touch, also enter into the analysis. Even for the relatively short and self-contained customer journey involved in checking in at a hotel, the analysis reveals at least 15 potential interactions among customers and employees, from greeting at the front door to taking a pen to sign a credit-card charge to using the same buttons in an elevator.

Diagnose and prioritize risks
Moving to the next normal and restarting operations will require adaptations to ensure that both employees and customers feel safe and reassured. Careful mapping of customer and employee journeys can help diagnose risks across all of the in-person interactions. Within the three in-person interactions, three types of transfers typically pose a risk: goods transfer, service provision, and internal tasks and processes (Exhibit 2).

The hotel example illustrates how organizations must understand risks from multiple journey perspectives. For the customer, handing over a credit card and receiving it back poses only a single risk; for the employee, who may handle dozens of credit cards over the course of a busy evening, the level of risk can look quite different. Once those risks have been diagnosed, managers can prioritize them according to business and regulatory context, as well as by effect on customer and employee experiences. That process will allow organizations to effectively allocate resources to the highest-priority risks and journeys, rating them according to intensity of exposure, duration of exposure, and frequency of contact.

Develop and execute solutions
As the global economy moves through and beyond

Exhibit 2

Mapping the customer and employee journeys helps identify the risks across interactions.

Interface scenarios	Example risks in each interaction type		
	Goods transfer	**Services**	**Internal tasks/processes**
Employee to employee	In a distribution center, goods may be transferred from person to person (eg, from order picking to packing) and may involve close proximity and touching the same goods	2 field-service technicians may ride in the same truck to a customer site, which may involve touching the same surfaces and breathing the same air	An employee may go to the IT-support desk for help with a computer malfunction, and the 2 employees may stand in close proximity and touch the same devices
Employee to customer	Purchasing a garden hose in a hardware store may involve a customer and an employee in close proximity and touching the same bags and cash	A field-service technician servicing a piece of equipment (eg, gas turbine, airplane) may come into contact with the customer to understand the problem and may share tools with other employees	A package-delivery employee may need to get a delivery-confirmation signature, requiring both employee and customer to touch the same scanner or tablet
Customer to customer	2 customers may meet in person for a consumer-marketplace purchase, which may lead to close proximity and touching the same products	Multiple patients may share the waiting room of a doctor's office, which may lead to close proximity and touching of communal objects (eg, furniture, door handles, magazines)	Customers may use the same working surface to complete forms in a bank or to ship packages, which may lead to close proximity and touching the same surfaces and pens

Source: McKinsey analysis

the current crisis, companies can think iteratively about solutions to develop contactless operations. Success will rest on developing a through-line perspective across both customer and employee experience—how much, and what kind, of contact the customer wants to have and that the employee can safely give. The exercise is likely to bring together teams that are unused to collaborating with each other. It will require leaders to use a hands-on approach to facilitate and encourage collaboration between, say, a delivery-management team used to prioritizing speed and accuracy and a marketing-insights team focused on understanding customers' qualitative experiences. There will be little room for traditional siloed thinking in which each functional group focuses only on its own role; instead, the real value will come from better understanding how the functions affect one another and can change to support better end-to-end processes, such as

freeing up just enough time on delivery so that the customer and delivery person can acknowledge each other.

The risk assessment developed in IDEA's diagnose phase can help companies prioritize actions, balancing customer, employee, and business needs. Those risks that are identified as mission-critical can be addressed first, redesigning journeys and implementing people-, process-, and technology-based solutions in two main phases

— *Return:* creating safe experiences to reopen and address immediate needs. These are the must-haves to restart a business and reassure customers and employees that leaders are addressing the most serious risks through temporary or permanent actions that comply with regulatory or governmental

requirements. They will involve the redesign of both the customer experience and its supporting processes and will be communicated to both consumer and employee stakeholders to build confidence. For example, a grocery store limiting the maximum number of customers in its building will lower both frequency of contact and intensity of exposure for employees and customers. Similarly, telecom engineers confirming service through text messaging rather than in-person signatures will demonstrate how technology solutions can have the same effect as traditional practices while reducing (or even eliminating) the need for employee–customer contact.

— *Reimagine:* reorchestrating and accelerating initiatives to prepare for the long term and build distinctiveness. Reviewing operations through a COVID-19 lens will help prioritize ongoing and new initiatives. This focus can help companies consider which broader initiatives now underway they should accelerate and shape to match new requirements and which new initiatives they should begin.

Consider digitization efforts that can be accelerated to enhance safety efforts toward reduced contact by enabling omnichannel interactions. For example, a consumer bank is accelerating the consolidation of its physical-branch network to reallocate resources and serve customers more effectively through digital channels. That also has the effect of reducing in-person contact and potential exposure—but reduces the bank's opportunity to connect with customers on a human level.

As companies shift to less risky operational models, they can seek out ways to engage their customers as people and maintain a high bar for customer experience. New initiatives may include broader process or policy redesign, or a redefinition of strategies and associated business-case development. Going beyond contactless, hotels are creating virtualized in-room experiences that allow guests to experience a property's amenities and the surrounding areas—taking note of customers' preferences to create customized welcome gifts so

that once travel resumes, hotel staff will be able to welcome and interact with guests in a more tailored way throughout their stays.

As postcrisis norms and regulations emerge, there will be new opportunities to build brand loyalty and create innovative customer and employee experiences. This effort will likely start with a reexamination of a company's brand and corporate values against the emerging context, using that analysis to develop distinctive positioning that redefines loyalty programs or creates new custom offers. Companies can consider new collaboration models, policies, and protocols with ecosystem partners, adapting the examples from major airlines and hotels that have extended loyalty status and launched additional perks lasting beyond the current crisis.

As companies work through opportunities to develop and execute new solutions, a cocreation process involving all stakeholders can help reduce concern among employees and customers while improving the likelihood of success. The process can bring together cross-functional teams and stakeholders to review journeys and create solutions that minimize or remove risks. By doing so—and by bringing together central players, such as vendors, customers, and industry experts— organizations can synthesize the redesigned employee and customer journeys, ensuring that new solutions both address the risk and reassure all parties.

Adapt and sustain
In the current fluid environment, employees across an organization can continually work to improve processes to ensure that their teams and customers are safe. In practice, doing so will translate to tangible actions across a few areas:

— *Learning and adjustment.* Companies will need to test and adjust solutions continually to the changing environment. To guide the adjustments, key performance indicators will need regular reassessment to ensure that the most important ones are being tracked—perhaps deemphasizing transaction speed in favor of new

metrics to reinforce physical distancing. Equally important, companies can measure the impact of changes that they make, learn from them, and adjust accordingly.

— *Management systems.* Improved management systems help ensure that a new operating model is sustainable. More frequent touchpoints— often digital to minimize burdens on managers— throughout an organization help leaders check progress, while the institution of cross-functional teams supports more effective root-cause problem solving and innovation.

— *Team accountability.* It is vital for everyone across the entire organization to share responsibility for continuous improvement and be expected to contribute. In the current environment, a part of that improvement is instilling a culture of well-being so that people feel secure as they adjust to new ways of living and working.

— *Contactless but human.* As operations shift to contactless to reduce risks to employees and customers, companies can reorchestrate the customer journey to maintain a sense of human contact in their interactions with customers. Companies that can not only ensure that their operations are safe but also give customers a sense of greater connection will differentiate themselves in the next normal.

— *Employee engagement.* An operating model in which employees can ask questions and help improve on redesigned journeys can strengthen engagement—an especially critical task when they are also making many changes to the way they work. Transparent, frequent communication of efforts and adjustments with customers, vendors, and employees alike helps reinforce the message that employees are valued.

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Companies that can move toward human-centered service operations that reduce risks and improve safety—without compromising on their employee and customer experiences—will have the opportunity to emerge stronger and with justified loyalty as we reimagine the world around us in the next normal.

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