

COLUMNS

When millennials' interest is high and satisfaction is low

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Marketers of communications services face a paradox: while a big chunk of millennials place a high value on their phone, pay television and home Internet, an even bigger chunk is thumbs-down on the services.

A hefty 43 percent of millennials identify high-speed Internet as the service offered by communication service providers (CSP) that is most important to their daily lives, according to a recent survey. But only slightly more than half 51 percent are satisfied with it.

On the other hand, CSPs' digital rivals over-the-top (OTT) services such as Netflix and Google Play score enviably high in satisfaction among millennials, with 73 percent declaring themselves satisfied, yet a scant 9 percent put the streaming video services at the top in terms of importance.

How can CSPs take advantage of that stark contrast and market successfully to a customer base that dislikes them? Very carefully.

While millennials are a ready and waiting audience for CSP products, providers' mobile marketing has to convey quality, relevant pricing and digital technology in the right combinations.

Here are three ways CSP marketers can more effectively woo and retain millennials.

Make quality a priority. Quality is a no-brainer, right? Wrong.

In the drive to go digital and to adopt new services and processes, quality of customer experience is often inadvertently sacrificed. Billing glitches occur. Online experiences dead-end with a screen message to dial an 800 number.

What is more, given that popular digital video platforms excel at addressing service quality issues, millennials' expectations for quality can be much higher.

For example, Amazon Prime proactively issues credits to subscribers when buffering glitches occur.

Mobile marketing initiatives that can help you connect with millennials: Even the best marketing campaigns will fail when pitched to unhappy customers.

Millennials prize communication, and it is an important factor in their satisfaction with OTT services. Be similarly proactive in your communications with them to get in front of quality issues.

Disruptions do not happen often, but when they do, push out email and text alerts to subscribers regarding service status updates and predicted time to resolution.

Let them know you are aware of the problem and when they can expect service to return to normal.

Recognize that digital has its limits. It is a nearly universal strategy among service providers to drive down call center volume and boost customer use of apps and self-service channels.

Yet, while consumers' use of CSPs' low-cost digital support channels grows, they still limit their activities to basic browsing and information gathering.

Even tech-minded millennials prefer to dial up call centers for ordering services and other complex transactions. In many cases, they have to: among millennials, 17 percent reported encountering an error using a digital channel, and 21 percent were directed to call the CSP via the digital channel.

Mobile marketing initiatives that can help you connect with millennials: Support for call centers remains essential until CSP digital technologies and analytics work flawlessly.

Yet, given the high levels of automation at born-digital businesses such as Netflix and Google, CSPs' sophisticated contact centers can serve as competitive differentiators. Call it the high-touch advantage.

CSP call centers have the infrastructure, procedures and management to not only answer questions and address issues, but also serve as marketing outlets for cross-sell and upsell opportunities.

In addition, consider expanding cost-effective digital options.

For example, some companies are extending the digital tools used by call agents to customers, allowing them to run simple diagnostics and triggers automated fixes.

Be transparent about pricing. Like all consumers, millennials want their money's worth: more than one out of four (26 percent) identified price as the number-one influence on their satisfaction.

While it is true that Internet and mobile are as essential as water to millennials' daily lives, it is equally true they want value.

Even more important to CSP's marketing efforts is the fact that one-third of millennials say they are unhappy that they do not have pay TV. Such a large target audience is a huge opportunity for marketers.

Mobile marketing initiatives that can help you connect with millennials: Reaching millennials means altering traditional pricing models and delivering customized messages.

It is no secret that millennials eschew CSPs' triple-play packages, and more providers are responding with so-called skinny service bundles that offer a la carte packaging of channels and services.

But unbundling services and ditching contracts for subscription plans is only a start for marketers.

Interestingly, survey findings revealed that millennials identify missed shows and content as the main reason they returned to pay TV. The meaning for marketers?

Armed with the details generated by analytics, customer acquisition and retention strategies for millennials should include targeted offers for specific streaming and linear TV services across devices, including gaming consoles, which are one of the most popular channels for younger consumers.

CSPs ARE IN the enviable position of offering services that millennials crave.

With targeted mobile marketing that resonates with young consumers, they can convert high levels of interest into lifetime customers.



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