

# Creating a Great Customer Experience

loyalty. BEYOND



Genesys Customer Service Strategy Guides are intended for customer-facing business and operational decision makers interested in exploring actionable strategies for maximizing the strategic business value of their customer interactions across all channels, both inside and beyond the contact center.

The Nine Winning Strategies For A Great Customer Experience explores the critical importance of a superior customer experience to your business and offers nine proven strategies for achieving this goal.



**“Across a wide range of industries... a 5% improvement in customer retention rates will yield a 25-100% increase in profits.”**

Frederick Reichheld  
‘The Loyalty Effect’

In his groundbreaking book, *The Loyalty Effect*, Frederick Reichheld revisited his famous business research on customer retention which originally found that “It costs five times more to acquire a new customer than to retain an existing one.” His more recent work stresses the direct impact of customer retention on increased profits, finding that “Across a wide range of industries, a 5% improvement in customer retention rates will yield a 25-100% increase in profits.” In short, a small change in customer retention rates can have a dramatic effect on company profitability.

The need to retain customers is reinforced by the fact that it is getting even harder to find new customers. As media channels proliferate and consumers spend more time online, audiences have become fragmented and more difficult to reach. According to ANA Research, 78% of major advertisers feel that television commercials are declining in effectiveness. The trend is clear; winning new customers is getting tougher, it is more important than ever to retain the customers you have.

The most effective way to improve customer retention is to build loyalty, which is achieved by delivering outstanding customer service. Research conducted by Genesys found that over 71% of customers would go back to a company based on a positive contact center experience, even if the product purchased did not meet their full expectations!

In today’s highly competitive environment, customer service is a critical differentiator that improves customer retention and builds loyalty. At the point of service, an organization has the customer’s full attention. It is an outstanding opportunity to demonstrate how much individual customers are valued, deepen relationships and ensure customer retention.

In this paper we present nine winning strategies to create an outstanding customer experience that will drive new revenues and greater profitability.

## From satisfaction to loyalty

Many companies report high customer satisfaction ratings and assume loyalty is guaranteed. But in reality, many 'satisfied' consumers have left companies, and taken their business elsewhere. For example, a major Telecom company found that 85% of their defecting customers actually rated themselves as "satisfied" but still left. If one looks closer at the reasons why this happens, it becomes clear that the gap between satisfaction and loyalty needs to be identified and bridged. According to Bain & Company, customer satisfaction is built by three drivers:

- A product meets the needs of the consumer
- A product works as expected
- Problems are resolved as expected

To reach true customer loyalty however, enterprises need to master two other elements as well:

- Ordinary services are delivered exceptionally well
- Exceptional services are delivered well

The key to this formula is all about the expectations of the customer. Meeting a customer's expectations will lead to satisfaction, exceeding them will lead to loyalty.

Other critical elements are consistency and timing. Even loyal customers can be tempted to move to another company or vendor. Each interaction with the company must meet their previous experience and expectation of professionalism. A single misstep at the wrong moment may cause a customer to investigate other options. Specifically in an on-line business, the competition is just a few clicks away. Using customer life cycle information can help to influence the customers' perception of your company at the time it matters most.

Basically, it is all about doing the right things right, at the right time. And the contact center plays a central role in your winning strategy.

Let's look at what makes a great customer experience.

### The Ultimate Question – The Net Promoter Score

Frederick Reichheld's Net Promoter Score (NPS) is considered by leading experts to be the single most crucial metric in predicting sustainable business growth. One simple question - **Would you recommend us to a friend or colleague?** - allows companies to track promoters and detractors and produces a clear measure of an organization's performance through its customers' eyes.

This seemingly simple metric provides an incredibly strong business health and sustainable growth indicator. Not surprisingly, growth leaders such as Apple, eBay, Federal Express, Southwest Airlines, and American Express are NPS leaders and practitioners.

Promoters are not simply satisfied customers. In fact, Reichheld's research shows that 60-80% of defectors previously rated themselves as 'satisfied' or 'very satisfied'. Promoters not only provide positive referrals, they have a higher retention rate and annual spend, are less price sensitive, and require lower carrying costs.

The Contact Center is critical to your company's NPS initiative. Because it is a primary source of customer contact it can provide not only continuous and cost-effective NPS measurement, your contact center provides the optimal opportunity to deliver the value and build the relationships that will turn your customers into promoters.

## What makes a great contact center experience?

A great contact center experience is about finding the right balance among three key drivers – “stopping customer frustration”, “driving contact center efficiency” and “accelerating business innovation”. At Genesys, we describe a great contact center experience using four criteria:

### Competent

The contact center works. Customers are assisted quickly, by a skilled agent who has access to their account history. When wait times are long, convenient call back options are offered.

The contact center offers innovative service to distinguish the enterprise from its competitors. For example, an advanced Voice Platform recognizes natural speech and routes customer calls to exactly the right agent.

### Convenient

The contact center is accessible at times convenient to the customer. All promises made to the customer are honored in a timely manner.

The contact center is accessible via multiple channels – telephone, fax, e-mail, Web chat. Every channel option delivers a consistent, high quality service experience.

### Personalized

Service is personalized. When possible, customers are routed to the same agent they’ve interacted with in the past. Or at a minimum, an agent with the same skill set with complete access to all relevant history and customer information.

Promotional offers reflect a genuine understanding of the customer’s needs and preferences. Offers must be tailored to the customers’ situation, level or importance.

### Proactive

The contact center takes the initiative to contact customers in order to notify them of important issues or provide additional assistance.

By using customer life cycle information obtained from customer databases, the contact center applies a specific strategy for each specific customer segment or customer life cycle stage. A combination of agent availability information and customer status may activate business rules that promote a caller from a self service application to a live agent to drive better service or revenue results.

Now that we know what it takes to build a great customer experience, let’s look at nine strategies that will help you build ‘brand champions’.

## Strategy 1: Perform real-time call satisfaction surveys

“48% of consumers say that customer service has the greatest impact on their loyalty to a company.”

– Genesys Global Consumer Survey 2007

Competent

In order to increase customer satisfaction and loyalty ask them about their service experience.

By asking customers to participate in a satisfaction survey before they speak to an agent, you can prepare customers for the survey. You can ask them if they wish to participate now or offer the possibility to schedule a call back for a later time.

After the agent has ended the conversation the customer is transferred to the satisfaction survey application automatically. The customer answers a number of questions (by speech recognition or digit input) and a ‘score’ for each question is obtained.

Convenient

The score per question is then stored and available for real-time and historical reports. Unlike traditional surveys this solution enables immediate action. You can actually see what the current satisfaction level is, compare it with historical trends and perform a root cause analysis.

By collecting this information in real time, you can now act in real time. If satisfaction scores are low for ‘average wait time’ for example, a supervisor can analyze the situation directly and find the cause. Results are stored on an agent by agent basis, providing valuable information for performance review interviews.

Personalized

All information about each individual survey is stored and can be combined with CRM or ERP database information on a customer profile. If an important customer gives low ratings in the satisfaction survey, a mechanism can be triggered to include the customer in a call back campaign handled by a ‘rescue desk’. This group of agents is trained and empowered to make decisions to fix the customers issue and restore the relationship.

Proactive

## Strategy 2: Offer an inviting “customer front door”

“70% of consumers worldwide are frustrated by IVRs with too many or incorrect options.”

– Genesys Global Consumer Survey 2007

Competent

What is the Customer Front Door, and why is it important? We all know that first impressions are lasting ones. For most customers that impression is formed when they come through the front door of your business – and in today’s world that door is most often your IVR.

Customers “visit” with a specific need or intent. At the first contact, the caller’s requirement is gathered and fulfilled using the most optimal resource. For example: a routine request such as address change will be resolved using self-service, while more complex calls are routed to the right agent with the right skill. Besides the obvious benefits of a satisfied customer, effective call handling can lead to cost management, brand reinforcement and revenue generation.

Convenient

Open call steering is emerging as a more flexible alternative to traditional self service menus. By asking what the customer wants and recognizing key words in natural speech, open call steering applications can identify the issue and the agent skills needed for the highest probability of first contact resolution. The key to open call steering is asking precise questions and predicting the possible answers. With care, impressive results can be achieved. An example:

IVR: “Welcome to Premier Financial Services, how can we be of help to you today?”

Customer:” Well...I would like to increase the spending limit on my credit card please.”

Personalized

The open call steering application will determine the key words out of the spoken sentence and based on this, execute a self service application or find an agent with the proper skill set. In this example the key words spotted by the Front Door are marked in red:

Customer:” Well...I would like to increase the spending limit on my credit card please.”

Proactive

For a technical helpdesk for example, a business rule can be implemented asking if the call relates to a specific problem ticket. The self service application can inform the customer of the status of the problem and arrange to send them regular update e-mails. If the customer wants to speak to an agent, the system can check whether the engineer assigned to the ticket is available and the customer can be routed to this person. This is particularly helpful if a problem requires multiple calls because the customer will then always speak to the relevant engineer, if he or she is available.

## Strategy 3: Improve first contact resolution

“The inability to reach the right person with the right information drives more than half of customer service dissatisfaction.”

– Yankee Group – Call Center Manager’s Forum

Competent

The second most frustrating experience for customers behind not getting through, is not getting through to the right person. Every time a customer is handed from one agent to another, every time a customer has to repeat details already given, the result is customer frustration and a waste of contact center resources.

Customers want to talk to knowledgeable agents, equipped to deal with their enquiries. The key is to match the customer’s need to the most appropriate available agent.

Convenient

Self-to-assisted service can quickly identify a customer based on the number they call from, a personal identification number or the e-mail address on a web form. Interrogating the CRM database will reveal recent purchases, complaints or contact which may indicate why the customer is calling. Alternatively, a simply IVR menu allows the customer to inform the contact center of the reason for the call.

By matching customer profile and information gathered in the self service application a better match between customers and agents can be achieved. Using a combination of skills that describe the competency level of each individual agent will result in higher effectiveness of your contact center.

Personalized

Customer centric routing is a powerful alternative to the conventional first-in-first out approach to routing. By aligning your routing rules with your corporate objectives, it is possible to offer the appropriate service level to individual customers or customer segments. Instead of focusing on generic performance metrics, such as overall waiting times, customer centric routing enables you to offer the best customer experience to your best customers.

Proactive



## Strategy 4: Implement a consistent multi-channel solution

Most customers appreciate having multiple channels to contact an organization.

Competent

The challenge for an enterprise that implements a multi-channel solution is to ensure all the channels are integrated. Customers want to be recognized and known no matter how they choose to contact an organization. They expect the service to be equally good and consistent across all channels, and to allow them to switch from one channel to another without needing to repeat themselves. Effective integration between channels is essential not only to avoid customer frustration but also internal confusion and duplicate or neglected tasks.

Convenient

For effective e-mail communication, performance management is critical. All too often organizations prioritize voice communications because of their immediacy, and relegate e-mail to the bottom of the list. While customers do not expect an instant e-mail reply, they want to be left in limbo. A prompt e-mail reply reassures them that they are valued and their concerns are being addressed.

Voice self service applications should be viewed as an independent alternative channel for customers to lodge enquiries, update details and make purchases. For common, straightforward requests, a self service application is an ideal solution as long as customers never feel 'trapped' within it.

Personalized

Offering 'self-to-assisted service' to a live agent is often all that is needed to relieve customer frustration with a self service application. If the customer chooses this route, the agent should be presented with all the information that the customer has entered in the self service application so that neither the customer's nor the agent's time is wasted. A simple courtesy such as this can make a tremendous impression on a customer.

Proactive

When all channels are fully integrated, agent tasks can be allocated on an enterprise-wide push basis. There will be times, for example, when responding to an e-mail or pending workflow-task is given a higher priority than reducing call waiting time by a few seconds. Business process routing allows enterprises to integrate workflow tasks in to a universal or global queue.

## Strategy 5: Maximize agent resources through virtualization

**“Long waiting times still have the greatest adverse impact on customer satisfaction.”**

– Merchants Contact Center Benchmarking Report 2007

Competent

Contact centers often measure average customer wait times to gauge service levels. However, this figure can be misleading since it does not measure individual customer satisfaction; it merely indicates whether the current agent capacity is sufficient to handle the volume of incoming interactions. It is quite possible that some calls are dealt with quickly while others sit in queue for a long time leading to customer dissatisfaction even though internal service levels are satisfactory.

The obvious way to reduce waiting time is to expand the pool of agents that answer calls. This can be achieved in several ways, often without increasing the total number of agents.

Convenient

When companies have more than one contact center, linking them together to create a single virtual contact center has a dramatic effect on agent utilization. For example, research shows that the time agents spend unproductively in sub-50 seat operations is over 50% higher than in 100+ seat contact centers. Incorporating home and remote agents into the contact center infrastructure is also a practical and effective way of increasing resources.

Personalized

One of the most exciting recent developments is to make the entire enterprise customer-facing. By combining both the front office (the traditional contact center) and the back office (fulfillment and execution) in a single contact center model, it is possible to route customers directly to the person dealing with their matter. This has the additional advantage of enabling business processes to be managed end-to-end which can dramatically increase productivity. The overall result is a great improvement in customer satisfaction and the most efficient use of an enterprise's total resources.

Proactive

## Strategy 6: Use outbound contact to drive customer satisfaction

**“88% of consumers would have a more positive opinion of a supplier after receiving a courtesy call just to thank them for their business or ask them how satisfied they are.”**

– Genesys Global Consumer Survey 2007

Competent

A large gift and flower delivery company in the US takes the initiative based on information it collects. When a customer orders flowers for someone’s birthday for example, the details are logged in its CRM database. The following year, an agent calls the customer two weeks in advance of the date, reminding the customer of the forthcoming birthday and suggesting an appropriate gift or flowers.

Convenient

With effective use of technology, these efforts do not require a great deal of manpower and generate a tremendous return in goodwill and increased sales. A popular customer service trend is to proactively call, e-mail, or text message customers with an informative message. Examples include medical appointments, utility power status notifications, and account status communications.

Personalized

The channel used should be matched to the customer. For example, recent Genesys research found that 85% of consumers under 35 years old regard text messaging as a good way to receive information from their service provider. Yet today only 5% of companies make use of it.

Proactive

## Strategy 7: Manage callbacks effectively

**“They promised to call me back but they never did!”**

Competent

Failing to call a customer back is breaking a personal promise to the customer. It creates the impression that the organization does not care and undermines the customer’s trust. Conversely, returning a call creates trust even before the customer’s issues have been addressed.

By implementing an automated call back process all the frustration can be eliminated. Call backs can be prioritized and scheduled in exactly the same way as any other task in the contact center.

Convenient

Where a matter requires investigation or action, integration with the CRM database creates an intelligent solution. The ‘problem’ or ‘incident’ is logged in the customer database. Once the investigation or action has been completed, the status is changed to ‘call customer’ and a call back is logged in the call back management system. When a qualified agent becomes available, the record is pushed to their desktop and the outbound call made.

The same approach can be used to handle abandoned calls. The customer can be identified in several ways – through caller line identification, customer number or postcode recognition – and a call back can be booked. In the event of a customer abandoning the queue, details of the customer profile and any relevant information can be forwarded to an agent to follow up.

Personalized

This process can be integrated with Enterprise Decision Management systems, which can determine whether the abandoned call should be ignored, assigned to a customer revival program or be called back by an agent directly. In some scenarios an alternative approach using SMS or a proactive notification call can be sufficient.

Proactive

## Strategy 8: Provide personalized services

**In a mass consumer society, organizations face a major challenge in making customers feel like valued individuals.**

Competent

One of the most effective ways of making customers feel valued is to understand as much about them as possible and respond to their needs, desires and patterns of behavior. This goes far beyond traditional segmentation; it is about a deep understanding of the individual customer.

Some of the actions that result from such understanding may appear trivial, for example using a customer's preferred name or title, yet the impact can be immense. Acknowledging that a customer has called twice before about the same issue or has had to wait a long time before getting through to an agent can dispel a lot of customer frustration. Little things really do make a big difference.

Convenient

Demographic matching is a way of matching the customer with an agent based on a shared demographic profile. It takes in to account 'soft' issues, for example, the customer's age, mother tongue or degree of technical competence, and matches the call to the most appropriate, available agent.

For example, a company in the Netherlands matches customers who call the contact center with agents who speak the same dialect and are likely to come from the same area. For this company, building good relationships with customers is paramount and it believes that a common bond between agents and callers is an excellent way to achieve this.

Personalized

Providing a more personalized experience results in customers that feel recognized and valued. Personalization is key in building the overall customer experience and certainly helps you in building loyalty among your customer base.

Proactive

## Strategy 9: Use innovative communication techniques

**Innovation is not an end in itself but a means to an end: it should make the customer's life easier or the interaction more enjoyable and valuable.**

Competent

By adopting innovative technologies, an organization demonstrates its commitment to investing in customer service and can differentiate itself from its competitors. It will provide an impetus for the word-of-mouth marketing that all companies covet.

Video-based customer interactions are an innovative way of offering tremendous added value. An Italian hospital, for example, provides medical advice to elderly patients living over a large rural area. Doctors examine patients over the video link, make diagnoses and send out prescriptions. In most cases, patients no longer need to come to the hospital which saves the doctors' time and makes the life of patients much easier.

Convenient

Automotive manufacturers are now integrating customer service systems within vehicles. Diagnostic information (such as oil temperature, tire pressure and battery level) is automatically passed to the contact center to help agents diagnose a potential problem. If the airbag has been deployed, the contact center can be alerted automatically so that help can be sent in an emergency. In the future, an agent might even call a customer to warn of a developing problem and provide details of the nearest dealer.

Personalized

A large financial institute is battling credit card fraud by offering customers a usage notification service. When a platinum member uses their credit card, an SMS is sent to their mobile to notify that there is a transaction ongoing. In case of possible fraud, the consumer can call the contact center and is routed directly to the proper department to investigate the situation.

Finally, with the increasing popularity of 3G mobile phones, agents will be able to send a video clip which can be viewed on the handset and which explains how to solve the specific problem which has been diagnosed or simply explain the key features of the new mobile phone the customer has received after subscribing.

Proactive

Many customers feel attracted to companies that have an innovative profile. It can create the famous 'me too' effect. Customers want to associate themselves with the level of quality and innovation you are providing.

## Conclusion

Creating an outstanding customer experience is crucial to building loyalty and retaining customers, making your investment in customer service a proven path to greater revenues and profitability. The strategies presented in this paper will allow you to create an experience that yields the most from your most valuable asset – your current customers.

Central to the strategies that we have discussed in this paper is an open, integrated contact center platform which enables an organization to define detailed business rules and manage every task, down to the individual call, e-mail message or pending workflow item in real time. Such a solution ensures that you can prioritize your activities, optimize your resources and, above all, delight your customers.

New and exciting strategic business expectations such as the customer experience impose new challenges to contact center business managers – How can these individual goals be achieved? How can their seemingly conflicting requirements be balanced? How can you optimize the outcome across all business and operational goals?



The Genesys Dynamic Contact Center solution is your answer to these challenges. It provides the key capabilities required to deliver strategic business value, and enables contact center managers to orchestrate these capabilities to optimize outcomes across cost, quality and revenue. To learn how the Dynamic Contact Center delivers a superior customer experience in an optimized and balanced business environment please visit [www.genesyslab.com](http://www.genesyslab.com).



For more information visit us at [www.genesyslab.com/customerexperience](http://www.genesyslab.com/customerexperience)

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