CONTACTBABEL

The Inner Circle Guide to the Voice of the Customer

Sponsored by

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"The Inner Circle Guide to the Voice of the Customer – 2nd edition (US version)

Your customers are telling you what they want.

AI helps you listen.

Customers interact with your business in many ways on digital channels, and they're telling you a lot. NICE CXone offers holistic solutions with AI built to cut through the noise. That way, you can listen and understand where your customers' experiences succeed or miss the mark.

Here are a few tips that can help you deliver excellent CX the way your customers want it.

ANALYZE EVERY INTERACTION TO IMPROVE EVERY CUSTOMER EXPERIENCE

AI-powered interaction analytics help you understand what is happening across your digital and voice channels to identify positive and negative trends. This allows you to systematically target business KPI improvements across all channels and measure your success.

INCREASE YOUR CUSTOMERS' ADVOCACY OF YOUR ORGANIZATION

Use Feedback Management to get a holistic view of direct and indirect feedback and operational data to uncover blind spots across your customers' journeys. This way, you can turn feedback into action with targeted analytics and real-time automated actions. Close the loop with your customers and ensure that you continue to drive loyalty and advocacy.

DRIVE FASTER TIME TO ACTION WITH ADVANCED REPORTING AND BI DASHBOARDS

Use your data to your advantage and find what you need to know to connect the dots across your customers' journeys quickly. Leverage pre-built, customizable reports and role-based dashboards across secure data streams to provide detailed information for making informed business decisions every time.

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Learn more about CXone contact center software and Voice of the Customer. Visit **www.nice.com**.

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About NICE

With NICE, it's never been easier for organizations of all sizes around the globe to create extraordinary customer experiences while meeting key business metrics.

Featuring the world's #1 cloud-native customer experience platform, CXone, NICE is a worldwide leader in AI-powered self-service and agent-assisted CX software for the contact center – and beyond.

Over 25,000 organizations in more than 150 countries, including over 85 of the Fortune 100 companies, partner with NICE to transform—and elevate—every customer interaction.

About CXone

NICE CXone is a worldwide leader in AI-powered self-service and agent-assisted CX software for the contact center – and beyond.

Imagine the possibilities when your customers are effortlessly guided to quickly resolve their needs directly on your digital properties or matched with a well-prepared agent—every time and on every channel.

Plus, with predictive analytics and embedded artificial intelligence (AI), your team can resolve issues faster, personalize each experience – and forge deeper loyalty with each customer.

Contact:

w: www.nice.com

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The Inner Circle Guides are a series of analyst reports investigating key customer contact solutions. The Guides aim to give a detailed and definitive view of the reality of the implementing and using these technologies, an appraisal of the vendors and products available and a view on what the future holds.

The Inner Circle Guides are free of charge to readers. Research and analysis costs are borne by sponsors – solution providers in the specific area of study – whose advertisements, case studies and thought leadership pieces are included within these Guides.

Other subjects include The Inner Circle Guides to:

- Agent Engagement & Empowerment
- AI, Chatbots & Machine Learning
- AI-Enabled Self-Service
- Cloud-based Contact Center Solutions
- Customer Engagement & Personalization
- Customer Interaction Analytics
- First-Contact Resolution
- Fraud Reduction & PCI DSS Compliance
- Omnichannel
- Omnichannel Workforce Optimization
- Outbound & Call Blending
- Remote & Hybrid Working Contact Center Solutions
- Video & Next-Generation Technology.

These can be downloaded free of charge from www.contactbabel.com.

Solutions providers have **not** had influence over editorial content or analyst opinion, and readers can be assured of objectivity throughout. Any vendor views are clearly marked as such within the report.

As well as explaining these solutions to the readers, we have also asked the potential users of these solutions whether they have any questions or comments to put directly to the report's sponsors, and we have selected some of the most popular to ask. These branded Q&A elements are distributed throughout the report and give interesting insight into real-life issues.

Please note that statistics within this report refer to the US industry, unless stated otherwise. There is a version of this report available for download from www.contactbabel.com with equivalent UK statistics and findings.

Voice of the customer (VoC) is a research method that tries to quantify customer needs and requirements. It is driven by the capture and analysis of data provided by customers – both structured and unstructured, through surveys and interactions – and is used for improving and developing products and services, improving the customer experience, identifying training needs and fixing suboptimal processes within the business.

While the original VoC projects focused upon developing new products and improving those already in existence (often asking for the opinions of non-customers or ex-customers), recent years have mainly focused upon the interactions and opinions of existing customers particularly around the experience of the service that they are receiving and their attitude towards the brand.

Customer surveys have been an integral part of most businesses for many years. Recently, there has been a great increase in the number of organizations using large-scale analysis of call recordings as well as using formal surveys of customer experience to offer the customer a chance to feed-back, and the business to learn.

VoC programs strive to capture customer feedback across multiple channels of engagement (IVR, live agent, email, etc.), while enabling closed-loop strategies to support customer retention, employee development and omnichannel experience optimization. VoC programs typically trigger alerts with role-based delivery via the use of text and speech analytics, offer statistical modelling services to pinpoint root causes, and digitally track progress and results with case management.

The definition of what a VoC program can be very wide, from simply sending alerts based on key words derived from a survey, to more complete solutions that directly contribute to contact center optimization and overall CX improvement.

As a rule, VoC is an ongoing, iterative process involving:

- Capture: gather customer feedback and associated data

- Analyze: develop insights into trends and themes, and understand root cause

- Act: close the loop by addressing negative issues at an individual and process level

- Measure: check to see that any actions taken have had the required effect.

The following section looks at why VoC has become so important in many companies, as the factors upon which many businesses now choose to compete can only be optimized through a full understanding of customer requirements and their experience interacting with the organization.

HOW DO ORGANIZATIONS COMPETE?

The fundamental purpose of a commercial organization is to maximize profit for its shareholders. There are typically two main ways in which this is achieved: through increasing revenue and reducing cost.

In the past, the majority of business focus was upon the variables over which there could be a large measure of control, such as managing the internal cost of production and service provision, employee salaries, price setting and sales resource allocation. More recently, the increasing use of technology in almost every part of an organization has created an unprecedented amount of data that may be analyzed. At the same time, large-scale advertising and widespread use of the Internet has made customers more aware of alternative products and services, meaning greater price competition and the need for companies to differentiate in ways that don't damage their bottom-line.

The main ways in which organizations have competed to win business is either through a low-cost product or service, or through selling goods or services of a higher quality (whether the quality is real or perceived) which allows greater flexibility in pricing. More recently, as the customer is increasingly held at physical arm's length to the business (through the use of online shopping, contact centers or websites), the overall customer experience has become a battleground upon which to win customer favor.

Figure 1: Importance of the factors on which your organization competes (ranked) - B2B

Importance of the factors on which your organization competes (ranked) - B2B

	Quality of product / service	Price	Customer experience
3rd	17%	64%	19%
2nd	25%	19%	56%
1st	58%	17%	25%
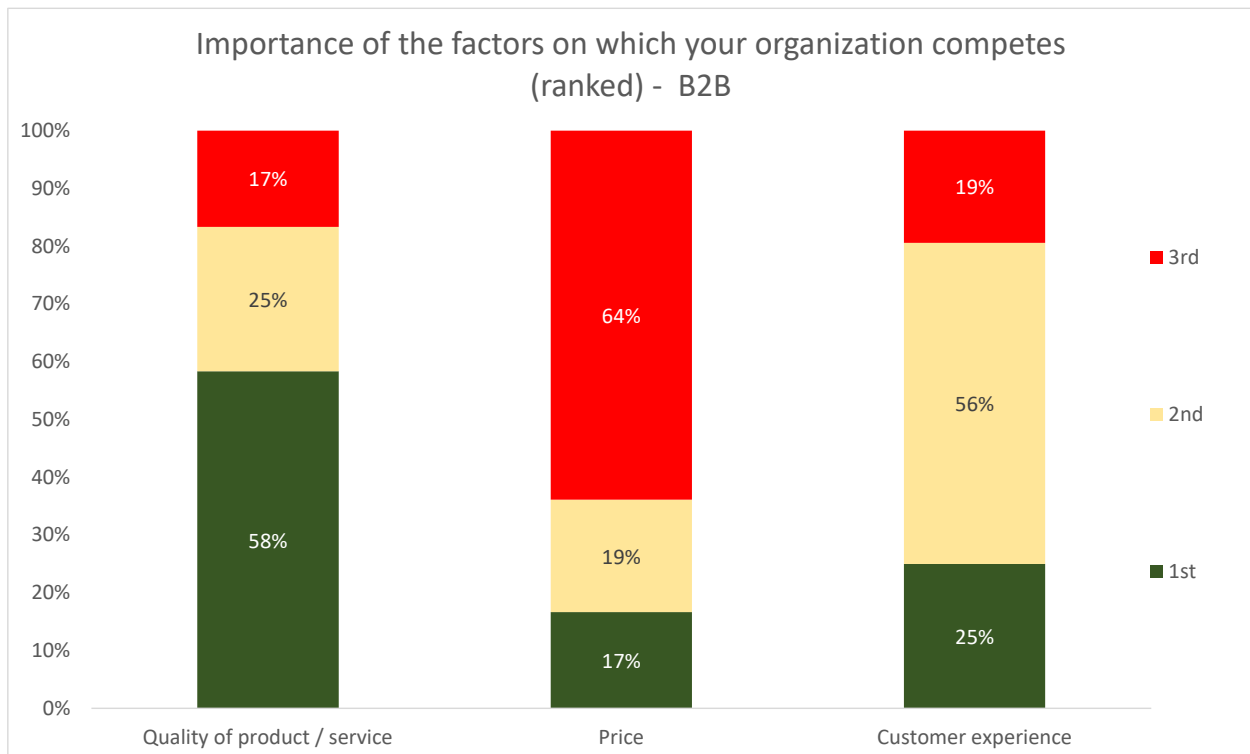
Survey respondents were asked how their organization competed, ranking three factors in order of importance: quality, price and customer experience.

58% of B2B organizations, and 53% of B2C respondents stated that their primary competitive factor was quality.

As competition on price tends to mean lower profit margins for all of the companies in that sector, it is usually the case in this survey that price is rarely the key factor any business wishes to compete upon especially in the B2B sector.

After a lukewarm feeling last year that CX was the major differentiator (only 20% of B2C companies placed it first), 38% of these companies now say that customer experience is what they wish to compete upon primarily. The CX figure for B2B businesses is still quite low.

If many businesses are indeed moving their focus away from CX, this gives an opportunity for others to double-down on their customer experience strategy and lock in loyal customers for years to come, benefiting by the contrast between themselves and those organizations who have lost their CX concentration.

Figure 2: Importance of the factors on which your organization competes (ranked) - B2C

Importance of the factors on which your organization competes (ranked) - B2C
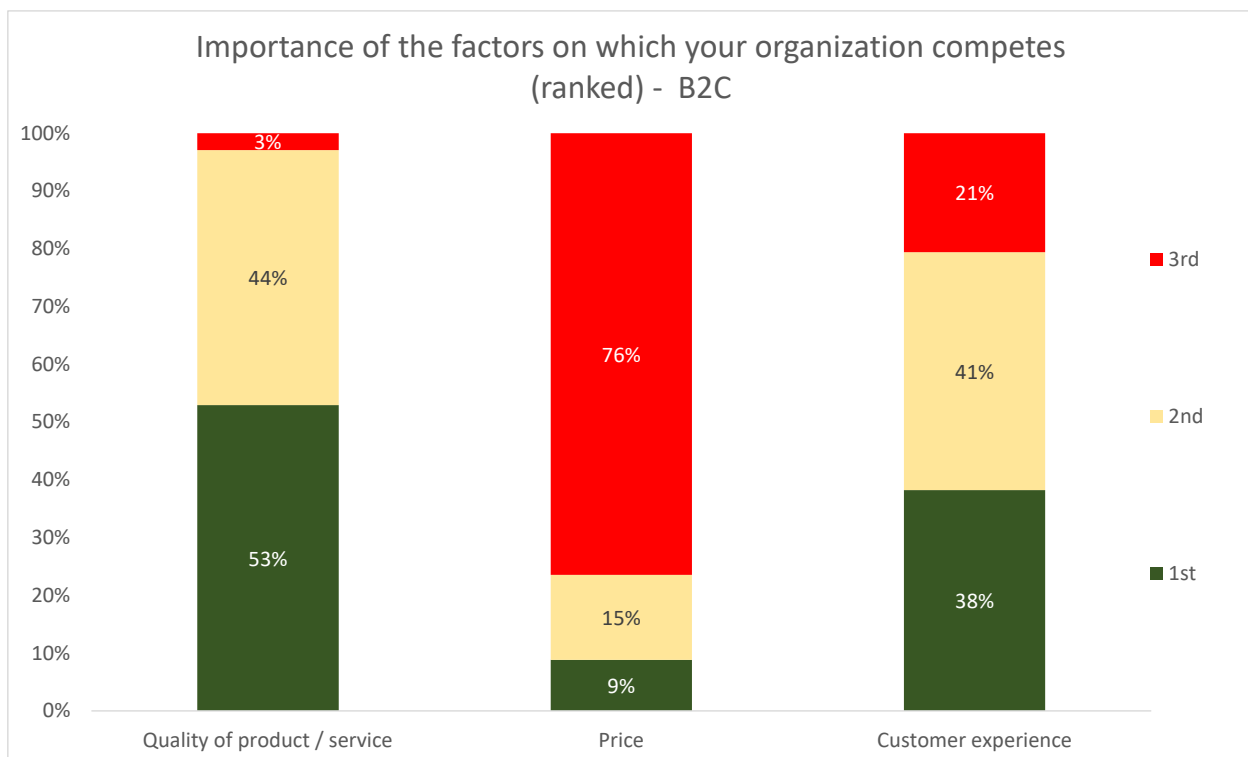
Having shown that some companies place a great deal of importance on customer experience, it is clear that VoC programs can act as a way to improve this competitive edge.

Successful VoC programs rely upon consistent, ongoing and accurate data from all points throughout the customer journey. Businesses should beware of assuming in advance that certain elements of the customer's experience are either optimal or leave room for improvement, instead gathering and analyzing actual data and acting upon the results, leaving preconception behind.

While VoC might be thought to focus upon improving customer experience, it goes much further than simply improving the quality of customer interactions, helping to:

- quickly identify and prioritize potential issues with the brand or product

- understand the gaps in functionality or performance for products and services, allowing the development division to prioritize and focus on improvements and developing winning solutions

- improve customer loyalty

- support a culture of continuous improvement within the business

- identify underperforming business processes in order to optimize them

- understand which attributes and behaviors drive revenue and profitability

- focus upon giving customers what they want in terms of experience as well as product/service

- understand how the customer base views the business compared to your competitors

- make business decisions that align with what customers truly value and are willing to pay for

- develop communication strategies based upon what customers most value, and personalize messages based on customer segments / personas to increase engagement

- identify gaps in employee skills and behavior, and improve these with training and coaching

- identify unhappy customers and those in danger of churn, giving your business a chance to win them back.

Acting on the findings of a VOC program can increase the engagement between the business and the customer: if customers feel that not only have they been asked their opinion but the business has then acted upon it, they are more likely to feel a true sense of collaboration, leading to them becoming advocates and ever more closely engaged with your brand. This ongoing and strengthening attachment means that customers will buy more products and services, for a longer period, are less likely to be price sensitive and may refer the business to family and friends. It is important to link VoC insights to business outcomes: for example, if customers complain about price, and yet their loyalty and conversion rate is still very high, reducing the price based on customer feedback may simply have the undesired effect of decreasing revenue.

Closing the Loop with a better Voice of the Customer program

Written by Heather Hughes

How do you improve customer experience (CX)? By making your customers the heart of every decision. Ask for feedback, listen, and incorporate it into your strategy.

That sounds easy enough, but many companies aren't seeing the results they expect. Ineffective surveys, unactionable data, and the inability to connect with or understand customer needs are roadblocks they face daily.

Customers deserve better than open-ended feedback programs. Expand beyond mere surveys. Create a holistic Voice of the Customer (VoC) strategy. VoC combines and analyzes omnichannel digital and voice data so that you can turn every customer into a lifetime advocate for your brand.

NICE CXone can help you develop an effective, personalized VoC program. Truly understanding customer needs and wants requires a mix of direct and indirect feedback to uncover blind spots across the customer journey. CXone helps collect this feedback and incorporate it as a data channel into interaction analytics.

Tools like powerful AI, speech analytics, and feedback management enable companies to not only have answers to critical questions but also anticipate them and proactively work toward positive outcomes in real time. Companies can then analyze every voice and digital customer interaction to understand what transpired, evaluate the customer experience, and take action to ensure consistent, excellent service.

Enlighten XO is a first-of-its-kind AI solution that automatically generates insights from human conversations to build smart self-service with advanced AI. It helps discover customer intents from human conversations and uncovers thousands of phrases that pinpoint each customer's needs at every touchpoint and channel. This data-driven approach means more precision and new insights to provide better CX at every turn.

Feedback management actively increases satisfaction and loyalty when paired with targeted analytics and real-time automated processes to close the loop with customers. Cultures shift rapidly with this customer-centric mindset. It puts feedback and analytics at the center of the organizational drive toward customer experience excellence.

In a recent case study, a global financial services organization partnered with CXone to build a holistic VOC program with a closed-loop system that reaches customers and employees across five regions. After more than 3,000 follow-up activities with clients based on feedback and comments received, their NPS® is now 24 points above average.

The company program's additional successes included more than 50 product and service improvement ideas and 36 new business opportunities identified—valued at $3.8 million.

Companies need customers to survive, not the other way around. Creating a complete and truly successful VOC program shows customers you care about what they have to say and value their business. Customers' voices deserve to be heard, and you will be glad they listened.

For more about building a complete VOC platform, check out this eBook for more innovative ways to amaze your customers.

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Many VoC programs are reactive, gathering data and customer opinion after the event through a mixture of surveys and historical analysis of captured voice and text. Organizations can identify trends and patterns across products, customer groups and channels, and then allocate resource to any which look to be causing problems. Some businesses also use a proactive approach, looking to understand potential issues and communicate with their customers before they contact the business.

It is impossible to give every area of the customer journey and experience the same amount of focus, resource and investment. Businesses will need to prioritize their efforts on the areas which look most likely to provide the greatest gain but which will not require excessive amounts of extra resource which are unlikely to be granted to a new and unproven project. As with many technology- related initiatives, businesses should focus upon the low-hanging fruit to begin with, demonstrating a clear and unambiguous return on investment before looking to roll out the project further.

It is not enough for the purpose of a VoC project to be simply about understanding what the customer is saying. There need to be actionable and quantifiable results, perhaps around improved customer loyalty, annual spend or reduced cost of service, and these goals should be set out before the project begins. Simply wanting to improve NPS or customer satisfaction ratings misses the point of VoC: directly measurable improvements to the bottom line.

In terms of technology, the VoC platform should have the capabilities to integrate feedback from all types of survey data (including structured and unstructured), and to link these with metadata from elsewhere, including CRM and financial systems, preferably in real-time. It is particularly important that customer feedback from various channels can be integrated, analyzed, viewed and shared between all relevant departments, rather than operating within the silos that are still prevalent within many businesses.

Apart from surveying tools, a robust VoC platform will often include much of the following functionality:

- reporting and dashboards that are organized to provide relevant information in a timely fashion to the correct people/departments, and which are aligned with the agreed business objectives of the VoC project

- capabilities to include CRM and other metadata to enrich the analysis of customer feedback through customer segmentation and classification

- automated alerts to enable closed-loop analytics, both from the perspective of handling individual customers and also to identify rapidly growing situations which need a swift response at scale

- speech and text analytics which can provide large-scale analysis, identification and thematic categorization of free-text comments and open-ended questions, which will also often use natural language understanding and sentiment analysis

- the most sophisticated solutions will involve AI-enabled predictive analytics which can help to forecast the changes in outcomes depending on alterations in suboptimal processes.

Based on our experience working with numerous clients, successful VoC implementations focus on critical activities, such as:

- **Securing executive buy-in.** Like all enterprise-wide initiatives that require cross-departmental participation, a VoC project should begin by securing executive support and sponsorship.

- **Defining program goals**. The goals of your VoC program will guide how it's designed, so this should be one of your project team's first activities. For example, do you want to increase CSAT, reduce churn, or improve customer lifetime value? Publish your goals and use them as a touchstone for program decisions.

- **Piloting, then rolling out**. For large efforts, you may want to start with an initial deployment for a single customer journey touchpoint, such as post-call surveys. Then, incorporate lessons learned and conduct a full rollout that encompasses your customers' digital-first omnichannel journey – consider digital and self-service experiences and popular channels like chat, SMS, and messaging.

- **Implementing the right tools.** The success of a VoC program often depends on having tools that can transform raw data from disparate sources into actionable information available to the right people at the right time.

- **Advancing with support**. In choosing a partner that can pair technology with people and process, all framed with best practices in journey-based design program implementation, your VoC program is already laps ahead in the race to value.

VoC projects are often undertaken as part of a wider customer experience program. ContactBabel carried out research with over 200 US businesses to understand how well their organization currently supported their CX programs. In the main, the results were not particularly positive, with over 40% of organizations stating that their CX technology and the amount of time available for CX improvements was either poor or average, and a similar proportion thought that there were not enough employees dedicated to CX.

Almost 1 in 10 survey respondents rated support for CX initiatives from senior management as 'poor', with a further 19% stating that it was only 'average'. CX change needs strong and ongoing support from senior management, and it is clear that this is not always happening.

On the positive side, around half of respondents stated that the organizational culture was building a customer-centric culture, so it appears as though it is the execution of CX improvement rather than the acceptance of the concept itself which needs to be improved.

Having said that, the fairly neutral rating for the organization's readiness for change suggests that having a CX culture does not easily or necessarily translate into actual action to improve CX. The low rating for CX technology is also of concern, with almost a quarter of respondents stating that theirs was 'poor', compared to only 7% who reported that theirs was 'excellent'.

Figure 3: How well does your organization currently support your CX programs?

How well does your organization currently support your CX programs?

	Excellent	Good	Fair	Average	Poor
CX technology	7%	25%	22%	23%	23%
Amount of time available for CX improvement	10%	17%	30%	19%	24%
Organisational readiness for change	13%	28%	28%	20%	11%
Available resources / budget	15%	28%	38%	11%	7%
Number of dedicated CX employees	17%	21%	21%	15%	25%
Board level support/executive commitment for CX	17%	28%	28%	19%	9%
Building customer-centric culture	24%	24%	37%	13%	3%

Many large organizations now have a full-time VoC team, with around half of large organizations having a team of 1-5 VoC employees, and only a very small minority not having any dedicated staff.

The tasks of the central VoC delivery team can be considerable and will include many of the following:

- identify key customer experience metrics that the VoC project should measure and improve

- define, understand and update the key customer issues that the VoC project is aiming to alter

- work with internal and external resources to capture relevant VoC data

- create regular dashboards and reporting for executive sponsors, relevant departments and stakeholders

- recommend improvements to processes identified within the VoC program

- track any quantifiable changes in key metrics and outcomes as a result of these recommendations.

However the success or otherwise of the VoC program does not depend solely upon the size of the project team. Like many large-scale, cross-functional projects, VoC requires support from numerous sources which may be involved at each customer touchpoint, such as:

- a high-level executive sponsor

- a dedicated VoC program manager

- team members with cross-departmental/functional capabilities

- a program steering group made up of senior stakeholders from relevant departments (e.g. CX, marketing, operations, contact center, finance, etc.).

A question was asked to survey respondents about who in their organization was responsible for customer experience. This question looks at how seriously CX is being taken, and how capable organizations will be of driving radical CX programs which are likely to impact on many existing fiefdoms.

The chart below shows clearly that small organizations are far less likely to have a dedicated customer experience professional working within them. Even in the very largest organizations surveyed, only 15% had a CX professional at board level, although there is often representation for CX at very senior management level: VoC and wider CX programs are still in the acceptance phase for many organizations, and perhaps require several senior sponsors.

Figure 4: Level of highest CX professional in the organization, by company revenue

Level of highest CX professional in the organization, by company revenue

	Less than $1m	$1-10m	$10-100m	$100m - $1bn	More than $1bn	Average
Board level (Chief Customer Officer or similar)		18%	14%	10%	15%	13%
Senior management (e.g. SVP / EVP of CX)	33%	18%	43%	19%	32%	27%
Middle management (e.g. VP / Director of CX)		18%	29%	55%	38%	40%
No-one with 'CX' in title	67%	45%	14%	16%	15%	20%
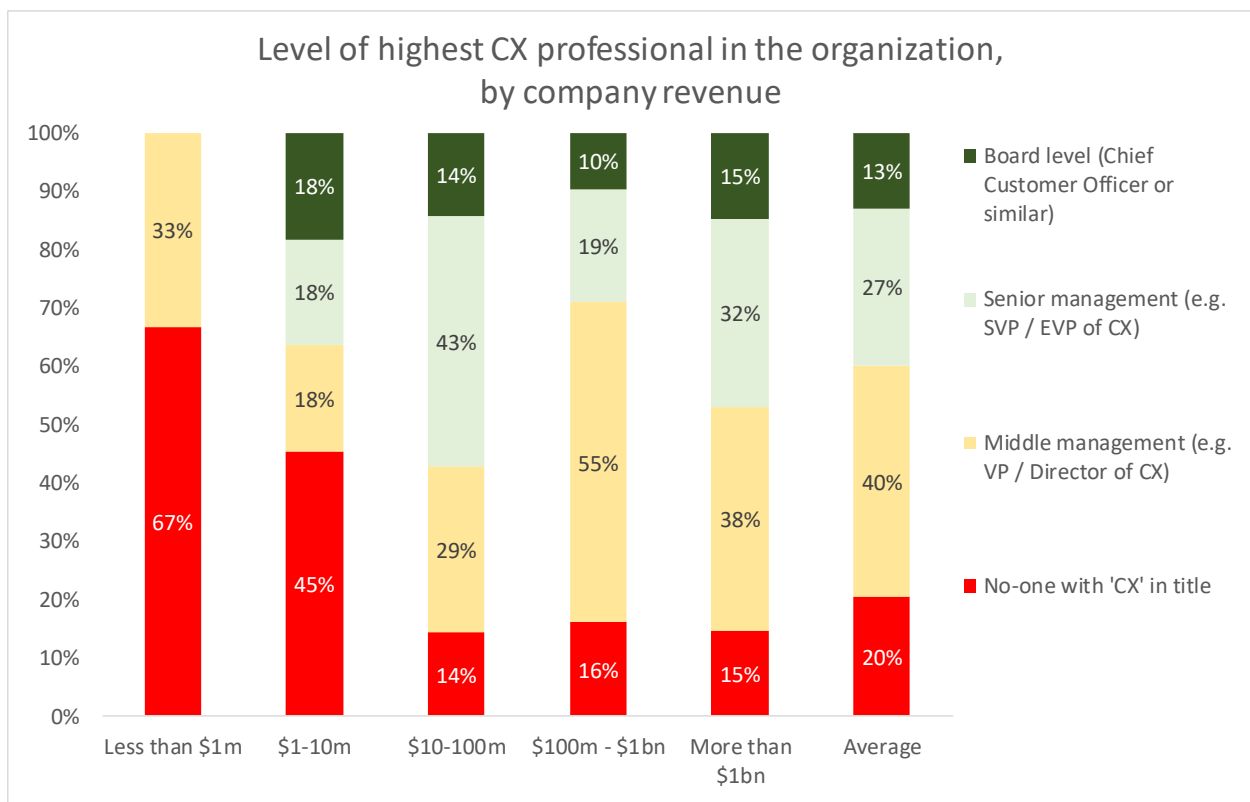
It is important not to add irrelevant or apathetic stakeholders to the VoC program as they may not see the advantages to their part of the business, and as is always the case, the larger the committee, the longer any decisions will take to be made.

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In order to get a better understanding of how the role of customer experience management is seen within an organization, the question was asked to survey respondents that had dedicated customer experience management professionals about to whom within the organization that person directly reported.

As expected, the top CX professional within organizations with small revenues will tend to report directly to the CEO, as there will be a relatively flat structure in place. This tendency to report to the most senior member of the company decreases as organizational revenue increases and new layers of management emerge, although it is worth noting that 27% of respondents with more than $1 billion in revenue reported that their most senior CX professional still had a direct report to the CEO.

However, in larger organizations, senior CX professionals are most likely to report to the head of operations, with around 1 in 5 reporting to other C-level executives and a relatively small minority reporting to marketing.

Figure 5: If applicable, who does the most senior CX professional report to? (by revenue)
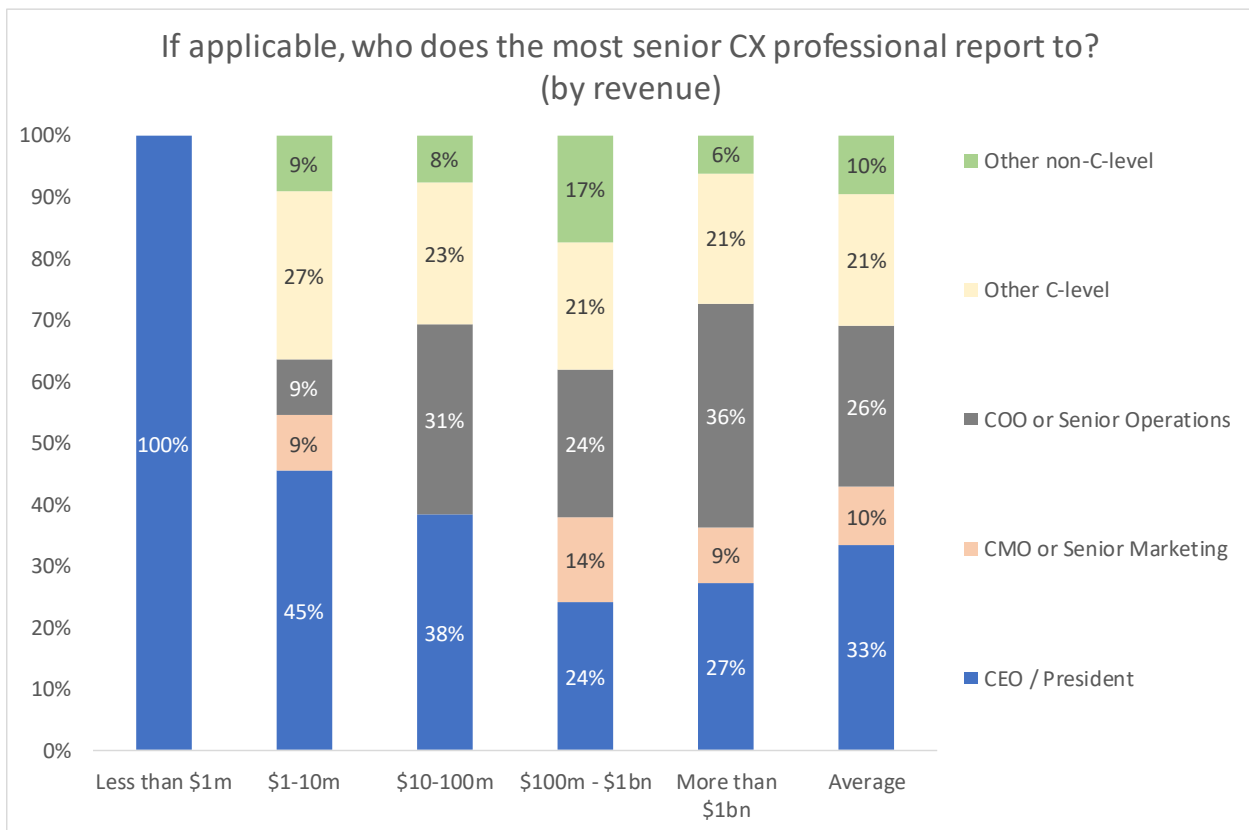
Departments that should have a stake in VoC include:

- **C-suite**: insights from VoC should help to form the company's strategic vision, and fully understanding the attitudes, experiences and requirements of large groups of customers will provide the evidence and insight of the changes required to best to achieve this goal. However research has shown that while the majority of senior executives will receive regular updates about the overall VoC program, and get feedback and scores from the program, less than one-third use these insights to guide their own decisions. This common inability to use VoC recommendations will necessarily weaken any message given elsewhere in the organization by C-suite executives that these initiatives are vital to the future of the company

- **Customer contact**: VoC provides both tactical opportunities to re-engage with disaffected customers in near real-time, as well as understanding at a macro level where the customer contact operation is succeeding or failing and what customers value most in their interactions with the business

- **Product development**: VoC is useful for identifying strengths and weaknesses in existing products and services, and is also very useful for identifying the issues that customers wish to overcome, allowing the product development department to create solutions to address these

- **Marketing**: by understanding what is most important to customers, the marketing department will be able to align its messaging accordingly. The success or otherwise of marketing campaigns cab also be judged, and depending upon any questions asked and data gathered, competitive information including insights into what makes best-in-class can be understood and assimilated

- **Sales**: this competitive information can also be used by sales department to address objections. Deep analysis of sales success and ongoing purchases can correlate particular customer attitudes, opinions and sales techniques with likely outcomes, allowing the sales team to adapt accordingly

- **Finance**: as VoC can be a expensive and ongoing investment, the finance department needs to understand the potential ROI of increased customer engagement and loyalty, not only today but also in the future

- **Training and HR**: identifying and attributing specific employee behaviors with VoC opinion and sales outcome can identify best practice which can be fed into the training program, especially for customer-facing employees.

RETURN ON INVESTMENT

A VoC program should focus on businesses' most urgent and important pain points: for example, decreased loyalty, increased cost of service, reduced profitability and lower share-of-wallet. Certainly at the initial stages, businesses should look to discover "low-hanging fruit": areas where a substantial number of customers are reporting issues which can be handled relatively easily, quickly and cheaply.

The business has to identify the variables that can change these outcomes positively (e.g. first-contact resolution or improved customer engagement), and discover the processes and behaviors that would have the greatest positive effect on these if they were changed for the better. By tracking any alteration in the variables as processes are changed, a chain of causality can be established and any improvements quantified.

Firstly, the required business outcome should be agreed, for example, an improvement in customer retention. Note that a target such as "improved NPS" is not a business outcome, but merely an indicator of customer sentiment that may suggest a business outcome, and organizations should, for example, look to prove a positive correlation between NPS and customer retention rate to such an extent that they can quantify improvement in loyalty and thus revenue that a single point of improvement in NPS is associated with.

Next, businesses should benchmark their current customer feedback metrics alongside business metrics such as share of wallet, customer retention rate, average products per customer, etc.

Running a VoC project targeted at key points along the customer journey should identify areas of potential improvement. Carrying out optimization initiatives should then move the dial on customer feedback metrics, which will eventually filter into quantifiable business outcomes. In some businesses, it may be possible to run a 'control and experiment' type of test whereby improvements are carried out on discrete areas of the business (e.g. specific branches), whereas others carry on with business as usual. This can provide strong quantitative evidence for the positive effects of the VoC project and any associated changes to business processes.

VoC projects also show the priorities for improvement: given the choice between training agents to be more empathetic or to focus upon reducing queue times, both options would seem to be potentially positive for the customer experience and thus business outcomes. However, both cost time and money, and businesses would benefit from being able to know which one is more likely to be more profitable: finding out from a VoC program which is valued the most by the customer would enable the effective allocation of resources and business effort.

To help with the socialization of the project, particularly in the early stages of the VoC program, businesses should look to gather real-life, anecdotal evidence of improvements and how these have impacted upon specific customers. While these customer stories may not feed into a statistical ROI model, they can prove persuasive when shared with senior executive sponsors who can then see a real and practical outcome.

Looking in more depth at the return on investment for customer interaction analytics, this can come from numerous sources, depending upon how the solution is used. Analytics offers both the avoidance of a specific cost, (including the reduction of a risk in the case of compliance), and an increase in revenue:

Cost reduction:

- Reduction in cost of unnecessary callbacks after improving first-call resolution rates through root cause analysis of reasons for repeat calls

- Avoidance of live calls that can be handled by the identification and implementation of improved IVR or website self-service functionality through considering customers' comments on their experience of using this channels

- Reduced cost of QA and QM as a driver for training, as customer feedback can identify agents and areas requiring improvement

- Understand customer intent. For example, an insurance company received a lot of calls after customers had bought policies from their website. Analysis was able to show that customers were ringing for reassurance that the policy had been started, meaning the company could immediately send an email to new customers with their policy details on it, avoiding the majority of these calls

- Identifying non-optimized business processes (e.g. a confusing website or a high number of callers ringing about delivery) and fix these, reducing customer effort and improving loyalty.

Revenue increase:

- Increase in sales conversion rates and values based on dissemination of best practice across agents as identified by positive customer feedback and improved business outcomes

- Optimized marketing messages through instant customer evaluation, including sentiment analysis

- Reduced customer churn through closed-loop customer rescue

- Quicker response to new competitor and pricing information through capturing customer comments and sentiments about competition

- Some businesses assign a revenue value to an improvement in customer satisfaction ratings or Net Promoter Score®

- Understand and correlate call outcomes, using metadata and call analysis to see what works and what doesn't.

Text analytics can be a cheaper alternative to full interaction analytics, and basic solutions can extract most of the meaning from call transcripts, although detailed categorization and customer segmentation may be lacking. This application is considered in some detail later in this report.

VoC programs can identify blind spots and points of friction in the customer journey. The biggest benefit is that when organizations fix these issues, it improves CX which, in turn, can increase loyalty, save at-risk customers, and turn more customers into net promoters.

Closing the loop by taking effective action on feedback is essential for maximizing your VoC program. By collecting direct customer feedback and acting on that feedback, companies will see a significant increase in overall satisfaction and a drastic improvement in agent professionalism.

Communicating gains such as these across the organization will provide senior management with the confidence that the VoC program can provide a positive ROI.

From the company's perspective, successful VoC programs have certain things in common, including:

- being seen as a strategic necessity for the future of the company

- being actively supported by the highest echelons of the business

- providing actionable insights, the implementation of which leads to measurable change

- making insights accessible to relevant departments, teams and individuals relatively effortlessly

- mixing structured and unstructured data from all parts of the customer journey and across channels to provide a holistic view

- does not rely on conventional wisdom, but is purely data-driven

- supports closed-loop feedback, allowing dissatisfied customers and broken processes to be addressed in near real-time.

USING CUSTOMER FEEDBACK

The chart below takes into account the survey respondents' opinions of the effectiveness of each method of gathering customer insight.

Taking into account the proportion of respondents using each form of insight gathering method, call analysis and projects studying the customer journey were judged the most effective.

IVR/SMS surveys and informal comments from supervisors were seen as somewhat less useful.

Figure 6: Effectiveness of methods for gathering customer insight (where used)

Effectiveness of methods for gathering customer insight (where used)

Method	Very effective	Somewhat effective	Ineffective
Team meetings with supervisors who pass on agent/customer insights	17%	64%	19%
IVR or SMS (i.e. automated, near real0time surveys)	18%	64%	18%
Customer experience research calls and emails	22%	67%	12%
Formal process for gathering agent comments	23%	57%	19%
Speech analytics (i.e. of recorded calls)	29%	55%	16%
Projects studying the customer journey	32%	49%	19%

Clearly, there is not yet a general feeling that any technique of gathering feedback is consistently providing high-quality insight. This may well be more to do with what is done (or not done) with the data, rather than being a fault in the data gathering process itself.

KEY VOC METRICS

Most VoC programs will look at similar metrics which will be looked at within this section: Net Promoter Score (NPS), Customer Effort Score and Customer Satisfaction rating. This report will also consider the importance of first-contact resolution rate, which is of vital importance to creating customer satisfaction within the customer contact environment.

However, this presumes that these factors are the actual drivers of the desired outcome: for most businesses, increased profitability. While it certainly makes sense that an improvement in these metrics will impact positively on the bottom line, causality cannot be automatically assumed. It should also be noted that there are many other attributes that go towards changing these business outcomes, and assumptions that these are the correct attributes to track should also be considered critically by each company.

The VoC program can, through listening to and understanding a wide variety of customers, identify potential attributes that are lacking and upon which improvement can be focused. If these attributes do indeed alter the key metrics, and these key metrics presage an improvement in profitability, then it should be possible to confirm causation from, for example, a reduced onboarding time which lowers customer effort, which increases products-per-customer, which helps profitability.

We will consider these metrics briefly before looking at them in more depth in the next sections:

Net Promoter Score (NPS)®[1]: a relationship metric, highlighting customer loyalty and the relationship with the company and brand over the long term, often seen as a board-level metric.

Customer Effort Score (CES): customer effort has been very closely linked with successful financial outcomes. Usually seen as a transactional metric and measured immediately after customer interactions. It is useful for determining failures at a systemic or process level.

Customer satisfaction scores (CSAT): unlike NPS, there is no single methodology for measuring customer satisfaction. Often used transactionally – e.g. "how satisfied were you with this interaction today?" – CSAT is a very flexible metric that can be pointed at many touchpoints in the customer journey (for example, "How satisfied were you with the onboarding process / the way your call was handled today / the product which you have just bought", etc.). This metric is useful for gauging the success or otherwise of specific outcomes.

First contact resolution (FCR): a contact center-specific metric, but one which has been shown over many years of our research to be the single most important factor influencing customer satisfaction with the contact center. It is a win-win metric: businesses with high FCR may reduce the cost of service, and as less customer time and effort is required, it is also positive for the customer experience. It is also important to note that high FCR is not in itself positive: many contact centers with little effective self-service will answer simple questions correctly first time, but this will increase service cost and disappoint customers who would prefer to use self-service. See "The Inner Circle Guide to First-Contact Resolution" for more information.

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[1] *Net Promoter, Net Promoter System, Net Promoter Score, NPS and the NPS-related emoticons are registered trademarks of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems, Inc.*

NET PROMOTER SCORE

As customer experience benchmarks change from company to company – there is no generally accepted customer satisfaction rating or quality score that allows direct comparison between organizations – only NPS easily allows head-to-head comparison across companies.

NPS is an index ranging from -100 to 100 that measures how likely customers are to recommend a company's products or services to others. The question asked to customers is:

- "On a scale of 0 to 10, how likely are you to recommend this company's product or service to a friend or a colleague?"

- Based on their rating, customers can then be grouped into in 3 categories: detractors, passives and promoters. 'Detractors' score lower than or equal to 6, 'Passives' score 7 or 8 and 'Promoters' answered 9 or 10.

- NPS is determined by subtracting the percentage of customers who are detractors from the percentage who are promoters. For example, if 50% were promoters and 10% detractors, the NPS would be 40. This allows businesses not only to focus upon increasing the proportion of people that actively like and evangelize about the company, but also to bear in mind those at the opposite end of the spectrum who are lukewarm or negative.

NPS is seen as a very valuable metric in the customer experience world, as it is simple, easily measurable, trackable over time and comparable across all businesses. However, it is a descriptive metric in that it cannot explain **why** a customer feels positively or negatively towards a business. An NPS question is often followed with an open-ended request for the customer to explain why they gave this score.

The following data come from a 2022 ContactBabel survey of over 200 US businesses.

Respondents to this survey generally reported good Net Promoter scores, with a survey-wide average of 57, a slight increase on last year's figure of 55.

Those in the outsourcing and medical industries reported the highest average scores.

Respondents were also asked what their realistic target NPS would be (assuming that a perfect score of 100 is unattainable). Most sectors were close to their target, apart from those in the services vertical market once again.

Figure 7: Actual and target Net Promoter Score by vertical market

Vertical market	Actual	Target	% of target
Finance & Insurance	39	51	76%
Medical	76	74	103%
Outsourcing / Telemarketing / BPO	71	75	95%
Retail & Distribution	60	69	87%
Services	46	72	64%
TMT (Technology, Media, Telecoms)	53	62	85%
Average (inc. other verticals)	**57**	**64**	**89%**

CUSTOMER EFFORT SCORE

Customer effort scores look to understand the ease or otherwise with which the customer has interacted with the company on a particular occasion. Often, there will be a five-point scale running from "very easy" to "very difficult", which can be converted into a quantitative metric. Various methods of calculating customer effort scores and pitfalls to avoid can be found within this referenced article.[2]

Large-scale customer experience surveys have shown that customer effort is a good predictor of future loyalty, far more so than customer satisfaction, and as such it is a useful metric to benchmark.

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[2] https://www.callcentrehelper.com/how-to-calculate-customer-effort-94671.htm

CUSTOMER SATISFACTION RATING

Customer satisfaction ratings are often gathered immediately following an interaction with the company, and can be used to discover issues with processes, products or even specific contact center agents in order to identify potential areas requiring improvement. They are often paired with open-ended follow-up questions.

CSAT (customer satisfaction) scores do not have a fixed and widely accepted scoring system, but are more wide-ranging. Businesses may decide that they want to track the proportion of customers who report being "very satisfied", score them at 5 out of 5, etc.

In the same way as with quality scores, customer satisfaction scores are not necessarily directly comparable between organizations. However, where possible, the data was normalized as a percentage although this should be treated with caution.

Actual CSAT scores were 83% against an average target of 90%. 40% of respondents were more than 10% below their target, compared to around 25% last year.

Figure 8: Customer satisfaction scores – actual and target

Customer satisfaction scores – actual and target

- More than 20% below target 9%
- 10-20% below target 31%
- Less than 10% below target 34%
- At target 6%
- Above target 20%
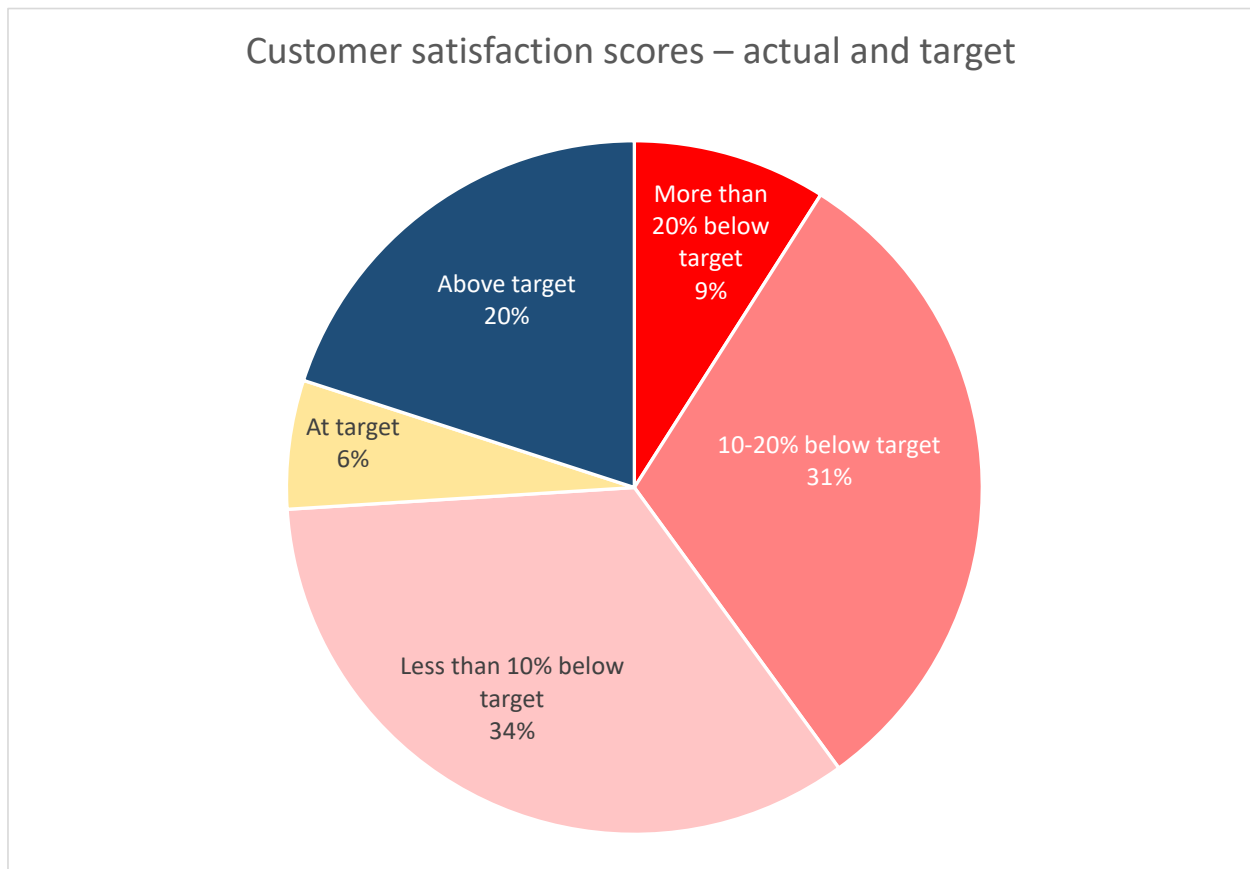
FIRST-CONTACT RESOLUTION

VoC programs help to identify the characteristics and outcomes of interactions that customers most value, rather than simply ensuring compliance. Research has consistently found that first-contact resolution is highly prized by the majority of customers, far more than traditional contact center metrics such as call duration or average wait time. Many contact centers are still measuring and rewarding agents based upon metrics and behaviors that are not aligned with a modern customer-centric outlook. Quality scoring tools and processes must be flexible enough to encourage and reward the agent characteristics and skills that support the overall organization's aims, rather than seeing the contact center existing in a vacuum where only productivity counts. The scoring criteria should be re-evaluated a regular basis, and to ensure that scores are fair and consistent across the contact center, there should be regular re-checks of calls already scored by supervisors or QA staff. There is also an increasing use of automated scoring using interaction analytics, which is described later in the report.

THE VIEW FROM THE BUSINESS

Organizations were asked to rank by importance eight factors that impact upon customer experience.

Figure 9: What do you believe is the importance of these factors to a customer when contacting your organization?
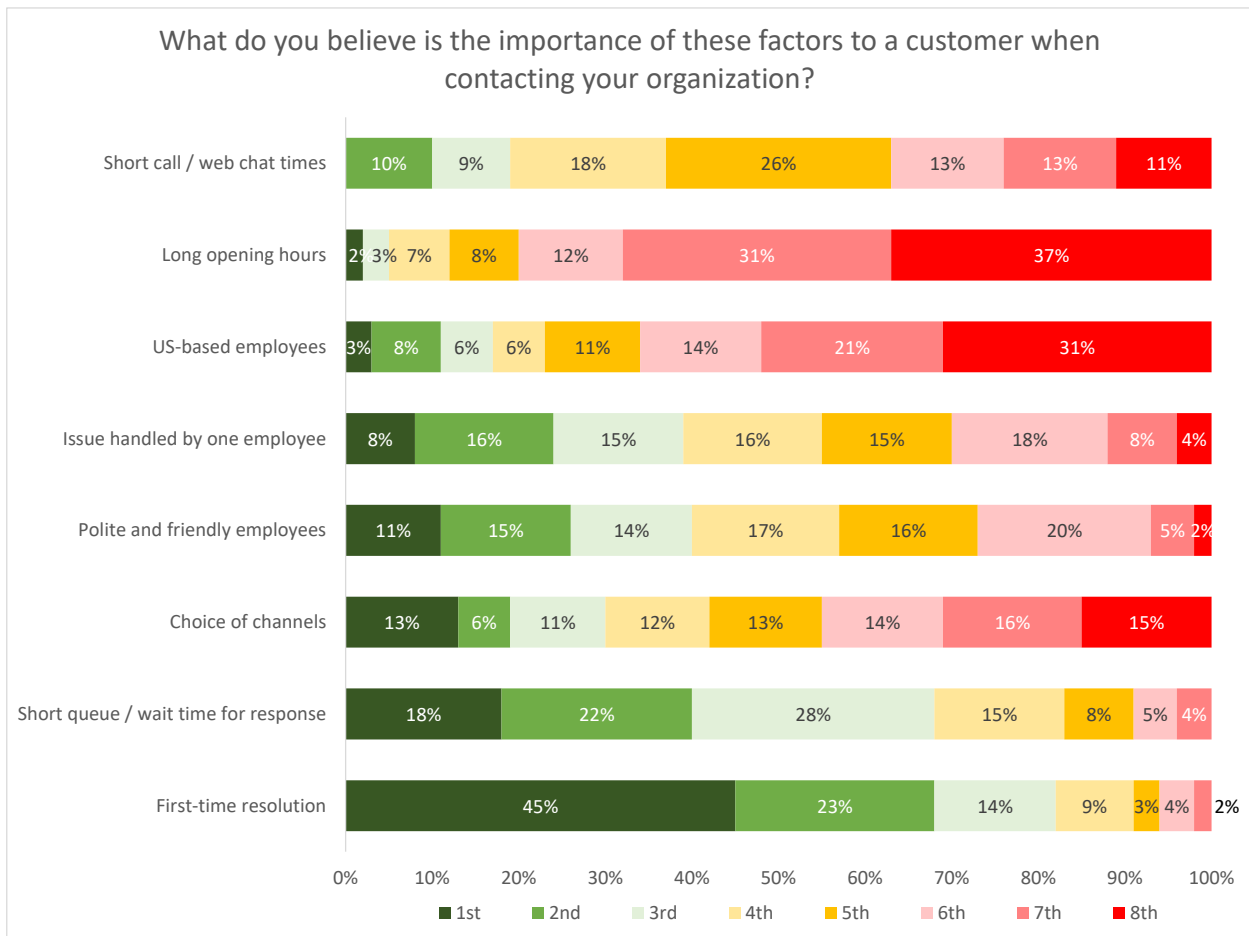
THE VIEW FROM THE CUSTOMER

ContactBabel commissioned the research firm ORC International to carry out a survey of 1,000 US consumers. One of the purposes was to identify any differences in opinion between organizations and customers about what were the most important customer experience factors when contacting an organization.

As such, consumers were asked to state which were the top three most important factors to them when contacting an organization, with similar factors presented to them that had been offered to organizations in the previous chart.

Figures below are expressed as the percentage of each age group that expressed an opinion.

As with the previous chart which looked at businesses' views on what was important to customers, first-contact resolution is seen as the primary factor for individuals as well.

Figure 10: What are the top 3 most important factors to you when contacting an organization by phone or digital channel? (by age range)

What are the top 3 most important factors to you when contacting an organization by phone or digital channel? (by age range)

Factor	18-34	35-44	45-54	55-64	65+
Long opening hours	18%	17%	13%	8%	9%
Short call / web chat times	22%	22%	15%	11%	6%
A choice of channels to communicate	32%	33%	27%	18%	24%
Issue handled by one employee	22%	20%	26%	35%	33%
U.S.-based employees	18%	27%	32%	34%	46%
Polite and friendly employees	42%	46%	50%	50%	49%
Short wait time for response	48%	50%	57%	56%	54%
Your question / issue is solved first-time	46%	47%	60%	65%	69%

Customers and organizations agree on some points: first-time resolution is vital; short queue times are also very much preferred; polite and friendly employees are highly-valued; short call/web chat times and long opening hours aren't vital.

There are some significant differences in opinion: customers place far more emphasis on US-based agents than organizations believe that they will; long opening hours are likely to be more important to younger customer segments at least; issues don't necessarily have to be handled by a single agent; and while queue times are important to customers, they aren't quite as critical to the process as most organizations believe.

The previous chart shows the importance of various customer experience factors as an aggregated bar chart, segmented by age so as to show the factors that were of most importance to customers in each age range. Aggregating the results allows an understanding of which factors were placed in the top three overall, while also providing insight on age-related opinion.

For example, 46% of the youngest age group (18 to 34 years old) stated that first-contact resolution was one of their top three most important factors, whereas 69% of the oldest age group (over 65 years old) placed this in their top three.

When considering findings from the perspective of the various age ranges, the importance of first-contact resolution is considerably higher in the older age ranges, as is having US-based employees. There is also a pattern that older age-groups are less likely to be happy with being passed between agents.

Younger customers place more importance on longer opening hours, and are also more likely to value having a choice of ways to communicate with the organization. Further evidence for this age group's valuing of its time can be seen in somewhat higher importance being placed upon short call/web chat duration, although a short queue/wait time is valued by all age groups.

Both the surveys of organizations and customers show clearly that first-contact resolution is the primary driver of positive customer experience. Yet first-contact resolution rates are not simple to understand, but have to be viewed in context. An improving business may well see its FCR rate actually decline after it implements process improvements, which is counter-intuitive, but if the business had been handling live calls that were more suited to self-service or avoidable through better marketing communications, getting rid of these 'easy' calls entirely will make the FCR rate decline. If many calls are about the same issue, and are answered quickly and accurately, it improves FCR rates, but of course piles up cost and impacts negatively upon other performance metrics, such as queue length and call abandonment rate.

Businesses should consider the reasons for these unnecessary calls, rather than just focusing upon a single metric, as high first-contact resolution rates may actually be masking underlying problems:

- The contact center is handling simple and repetitive calls that could be moved to self-service, or which could be addressed on a website and through better marketing communications

- Callers are dropping out of self-service to speak with agents because the self-service application is failing in its task and should be re-engineered

- Unclear marketing communications are causing customers to call

- Calls are being received that are actually driven by mistakes from elsewhere in the enterprise.

When businesses begin stopping unnecessary calls at the source, those left are usually of a more complex nature. This will lower first-contact resolution rates initially, allowing a clearer picture of what is really happening in the contact center to emerge, which can then be addressed more fully.

See ContactBabel's "The Inner Circle Guide to First-Contact Resolution" for more information.

The most widely used customer experience benchmark is the general customer satisfaction rating, which is used by 91% of respondents. Closely following this is first-contact resolution rate (73%), NPS (76%), customer retention rate (76%) and agent quality scores (65%). Customer effort score is less widely used, however is still in place in 51% of respondents.

Respondents that used these customer experience benchmarks were asked to rate how useful they were.

Of those that used it, 61% of respondents stated that they believed that the customer retention rate was a very useful indicator of customer experience, as satisfied customers are more likely to return. Only 49% of respondents using customer effort scores believed it to be very useful.

The other customer experience benchmarks received very similar scores, with 50-60% of respondents that used them stating that they were 'very useful', and usually a lower proportion stating that they were 'somewhat useful'.

Figure 11: Usefulness of CX benchmarks
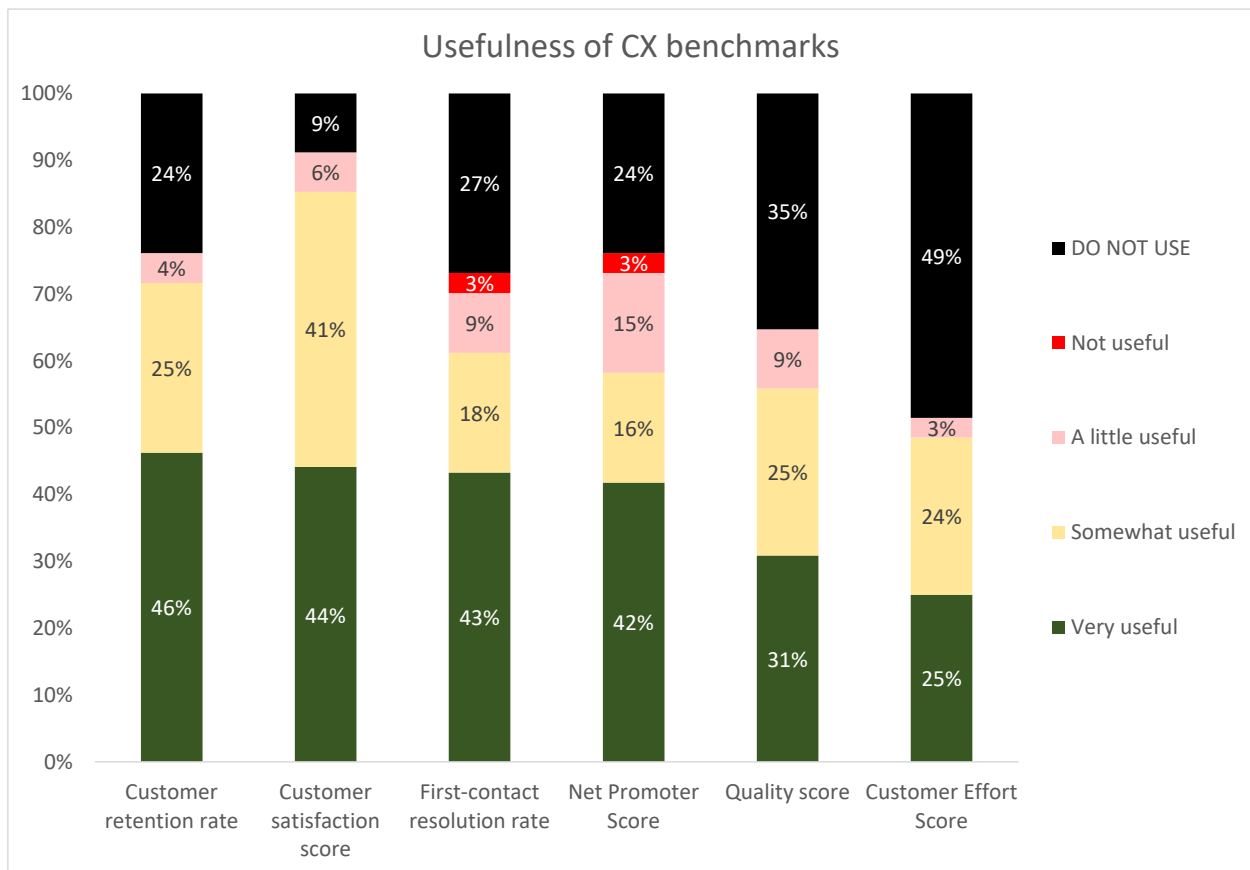
Survey respondents were asked to pick a single customer experience metric upon which their board or senior management team most judged the success or otherwise of the customer experience program.

There was a wide mix of responses, with overall revenue, NPS and customer satisfaction score accounting for 73% of responses.

Also of note is the fact that first-contact resolution rate was identified as being the key CX metric for senior management by only 3% of respondents, despite both the customer and business survey results earlier in this report showing clearly that first-contact resolution was the most important factor influencing customer experience.

Figure 12: CX metric upon which the Board / senior management most judge the success of the CX program

CX metric upon which the Board / senior management most judges the success of the CX program

- Quality score 3%
- First contact resolution rate 3%
- Other 3%
- Customer Effort Score 3%
- Cost per service interaction 5%
- Overall revenue / sales 10%
- Customer retention rate 20%
- Customer satisfaction score 23%
- Net Promoter Score (NPS) 30%
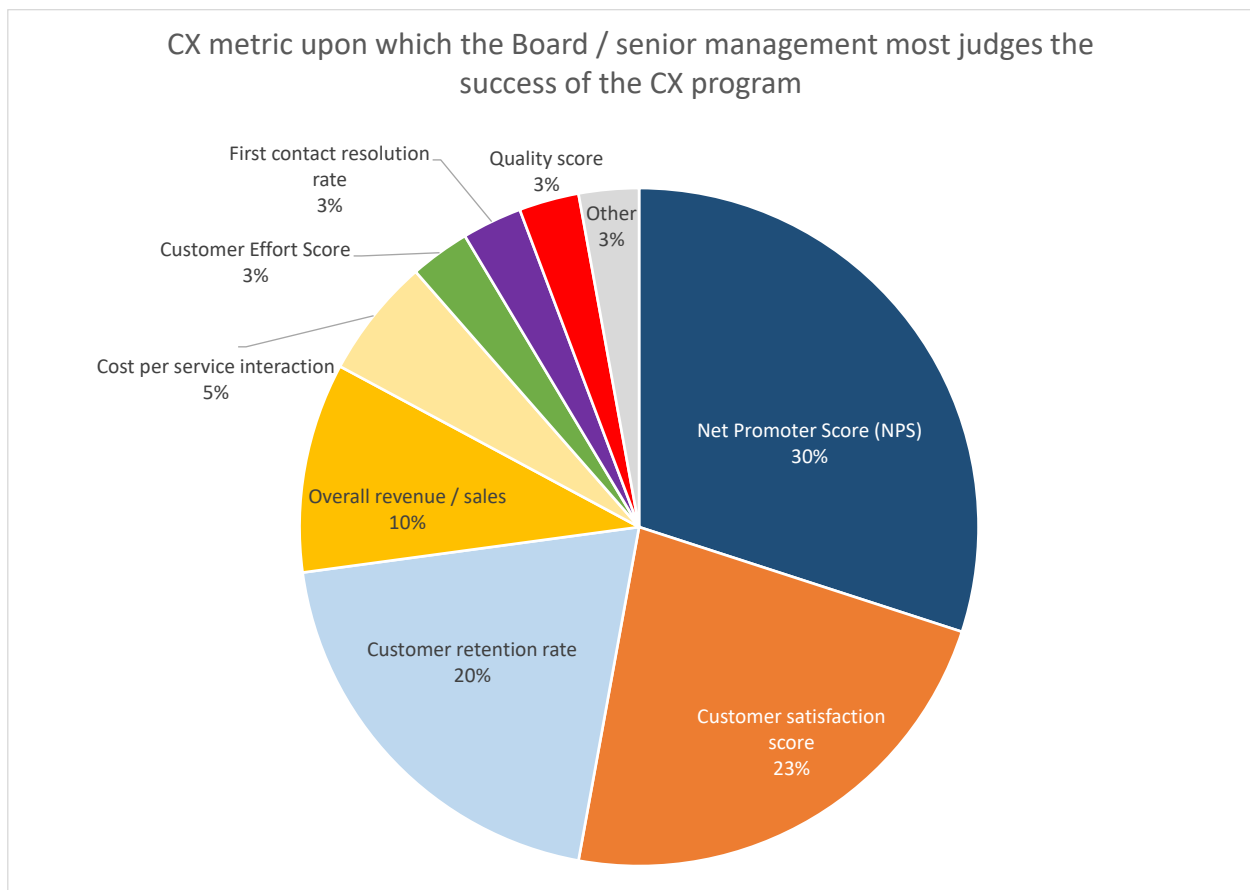
Looking at companies by revenue range, very large ($1bn+) organizations are much more concerned about NPS, with 47% of respondents from this revenue group placing it first, compared to 12% who place customer satisfaction as the key CX metric.

Smaller commercial organizations with less than $10m in annual revenue were likely to place customer satisfaction as their no.1 CX metric, although cost-related metrics were placed highly as well.

Customer retention rate was valued especially highly by respondents in non-commercial organizations.

Looking at how B2B and B2C organizations judge the success of the CX program, B2C survey respondents place far more emphasis on NPS, whereas B2B organizations are more likely to focus on customer retention.

Figure 13: CX metric upon which the Board / senior management most judges the success of the CX program (B2B/B2C)

CX metric upon which the Board / senior management most judges the success of the CX program (B2B/B2C)

	B2B	B2C
Other		6%
Quality score	6%	
First contact resolution rate	6%	
Customer Effort Score		6%
Cost per service interaction	3%	8%
Overall revenue / sales	9%	11%
Customer retention rate	32%	8%
Customer satisfaction score	24%	22%
Net Promoter Score (NPS)	21%	39%
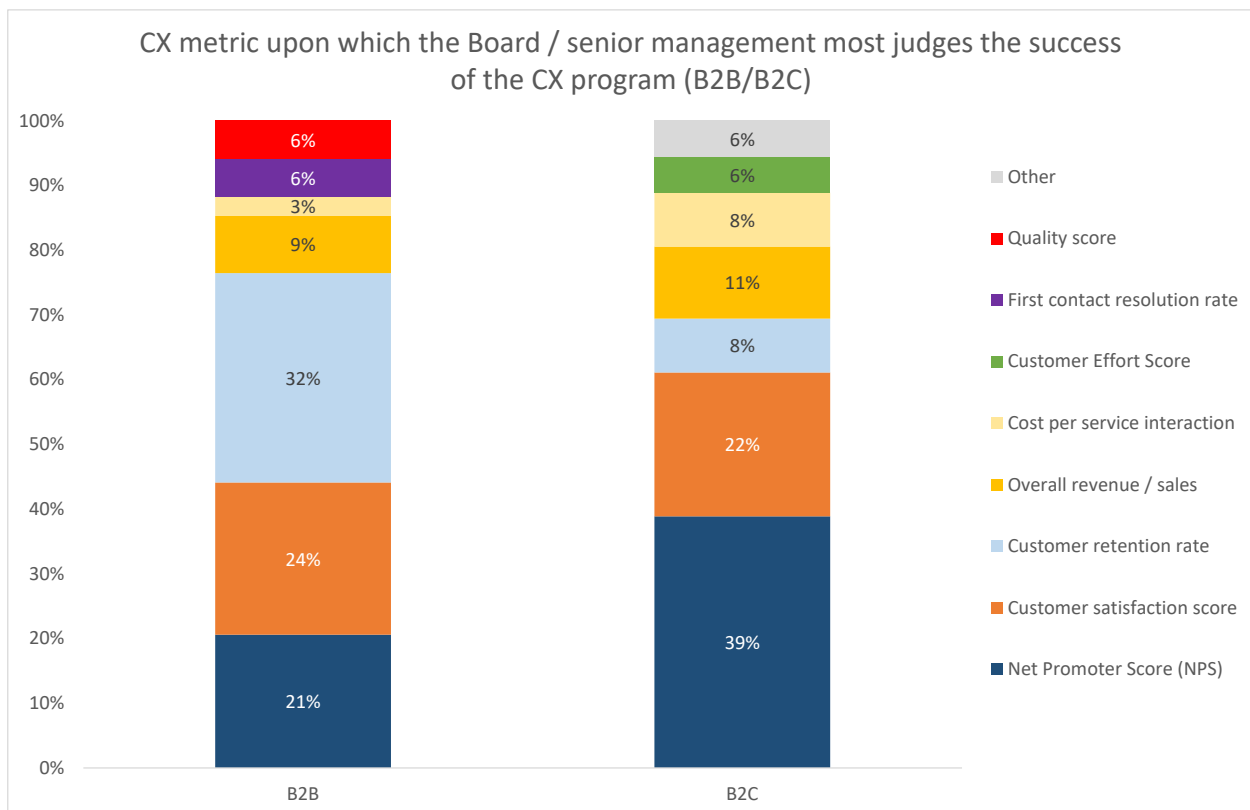
Superior customer feedback solutions go beyond offering simple survey functionality, consolidating all data, comments and other relevant input across many channels so as to provide actionable output to relevant parties. Such solutions do not simply quantify structured data, but can also capture and analyze unstructured data such as verbatim comments, web chats and social media posts to provide deeper, sentiment-rich results.

While direct feedback from customers is vital, the most sophisticated VoC programs will also consider indirect feedback: for example, how the customer is using the product and how they communicate with the company. Using the two forms of feedback together can give a more rounded approach: a negative customer satisfaction score in itself means very little, but when placed in the context of multiple support requests about the same issue, or numerous negative social media comments, the cause of the negativity can be discovered even if the customer does not choose to provide any specific information to the business.

Customer feedback solutions can identify the key areas highlighted by structured or unstructured data, and analyze the impact on business-related metrics such as customer loyalty, churn and advocacy, allowing the business to prioritize any actions required.

Reporting tools and dashboards then provide relevant up-to-date insight into VoC program results to those individuals or departments that require it.

SURVEYS

Surveys are at the heart of most VoC programs. Most fall into one of two main categories:

- Relationship: provide feedback on customer satisfaction, loyalty, engagement and brand

- Transactional: provide information about a specific customer interaction.

Relationship-based surveys may best be done every few months or annually, on a rolling basis so that there is continuous feedback and the success of any changes to processes can be gauged. Some businesses send out surveys that cover the customer experience in great depth, looking at specific touchpoints within the customer journey, and the surveys can be many dozens of questions in length. Other businesses will keep things far shorter, perhaps only including an NPS question along with a free text option that allows the customer to give verbatim answers. As these are done relatively infrequently, businesses such as insurance companies which rely upon annual renewals may send these surveys out a few weeks before a renewal decision is needed, and the answers from the customer may then initiate a customer rescue process if necessary.

Transactional surveys are driven by events and key touchpoints in the customer journey, although there should be processes in place to make sure that a customer receives a reasonable number of survey requests so as not to cause survey fatigue, and also to avoid any excessive weighting towards customers who contact the business very frequently.

More sophisticated VoC programs will have a way to link transactional and relationship surveys. For example, at a very basic level, the NPS of a customer who has indicated that they are happy with a product but unhappy with the amount of onboarding effort they have to make could show what they really value from a company.

It is of vital importance that businesses understand what they are trying to accomplish before they send out the survey. For example, is it about:

- Understanding the effectiveness of individual contact center agents?

- The customer perception of a new product?

- How loyal customers are?

- Where new customers heard about us?

- Whether there are any processes or interactions that customers are finding particularly challenging?

- Whether customers are advocates for the company, or merely satisfied?

Every question asked should have a purpose that is relevant to what the survey is trying to achieve. Survey fatigue is a very real problem, and the mindset of most customers is that they do not owe the business their time, especially to answer long-winded, obtrusive or irrelevant questions.

SETTING UP SURVEYS: AN OVERVIEW

Many companies pay lip service to listening to their customers, but do they actually hear what their customers say? And more importantly do they act upon it to change or improve their processes? There is no point in generating an expectation which the business has no intention of fulfilling. Don't ask the customers for feedback if there is no intention of using it to make the service provided substantially better.

Formal surveys of customer satisfaction offer the customer a chance to feed-back, and the business to learn. Setting up surveys involved various elements which should not be overlooked, including:

 Defining the purpose and objectives of the survey

- Deciding the approach
- Developing the questionnaire
- Carrying out the survey
- Collating the data
- Analyzing the results
- Presenting the findings - and acting upon them.

The point of a survey is to discover what the company is doing wrong, where improvements can take place, how the company is perceived against its competition and how it can improve. It is important to view the survey from the customers' perspective, rather than checking boxes that just relate to internal company metrics, which is self-serving. Surveys should also be ongoing, to check whether real improvements are being made after the issues have been identified.

Survey forms should be simple and quick to complete, but if possible should carry enough weight to allow the company to change its processes and behaviors if that is what is required, using a mixture of objective questions that can be segmented and scored, as well as free text, especially in telephony questionnaires, where customers can be encouraged to add real value.

For surveying customers' experience of the contact center, the key to success is to keep the survey fairly short, with a maximum of around 5 questions, which can be range-based (e.g. "strongly disagree", "disagree", "neutral", "agree", "strongly agree", etc.), a simpler 'Yes/No' option and a free-text, 'any comments' question. These questions may include:

- Was the call answered quickly?
- Was the agent polite?
- Were you satisfied with the response?
- Was this the first time you had called about this matter?
- Do you have any comments you would like to make?

Opinion is split on whether surveys should identify specific agents, as although major outlying training and behavioral problems can be identified, many operations are keen to avoid the 'Big Brother' feeling of spying on agents, and prefer to emphasize that surveys are done to identify broken processes, not to criticize individuals.

Regardless of whether surveys identify specific agents or not, a key to success is whether the survey implemented is considered by agents as just yet another form of monitoring, or a genuine attempt to help them provide better service in the long run. Agents tend to respond well to successful customer satisfaction improvement initiatives as they usually make their job easier and more rewarding.

Keep the survey process simple, focus on agent engagement and act quickly to provide positive feedback to the team. It's more important to get the survey adopted as a positive part of the company's customer service strategy than it is to design the academically perfect survey that has a negative impact on the morale of the team.

It is vitally important before beginning to survey customers, that a business:

- Clearly determines the purpose and aims of the survey

- Considers adopting a variety of question types. Scored questions enable a business to produce statistically significant and representative data. Free comments allow the gain of real insight into customers' perception of service

- Selects an experienced company to set up and host the survey. Businesses will benefit from their expertise and knowledge and avoid potentially costly errors

- Ensures that the survey can be carried out throughout the day, including peak times, to gain a true picture of the customer experience

- Makes sure that the results of the survey can be collated and analyzed in a wide variety of ways. It is pointless to amass information if it cannot be evaluated and the results disseminated usefully

- Has procedures in place to act upon the information that it finds. The survey may have uncovered some broken processes in the service which need attention. It will also inevitably throw up disgruntled customers whose specific concerns need addressing. In this instance, the survey platform should provide some mechanism for alerting and following-up to ensure that dissatisfied customers are escalated to the appropriate staff in a closed-loop manner

- Adopts a unified approach across the business to assessing and monitoring customer satisfaction. If a business continues to reward agents based on traditional call performance metrics, it is merely paying lip service to good service. If agents are rewarded based on customer satisfaction ratings, it will increase agent engagement and retention at the same time as improving the service it offers to customers.

In order to get a wide and representative understanding of your customer base, the business should use customer personas (e.g. gender, age, socio-economic, product/service ownership, etc.) in order to make sure that the views of all types of customer are being considered.

Businesses should also look at the appropriate moments to gather feedback: consider survey at key milestones along the customer journey, particularly at points that have been identified as causing stress or issues in the past. For example, a bank may wish to solicit feedback from customers who have just completed a complex mortgage form in order to discover any specific issues which they had.

However, it is important not to over-survey customers: some companies request feedback even after the simplest of customer interactions, creating survey fatigue. It is also important to match the depth and complexity of the survey with the specific actions that the customer had taken: asking a five or six question survey with open-ended questions after the customer had carried out a simple IVR session seems overkill.

In the case of transactional surveys, time is of the essence: as a general rule, these types of survey should be sent to customers as soon as possible, certainly within 24 hours.

The next sections of this report look in greater depth at how to run customer feedback surveys.

Survey questions can fall into two categories: closed and open.

Closed questions are useful for quantitative analysis which allows metrics to be tracked over time, and is particularly useful for evaluating the effectiveness of any changes put into place. For industry-wide metrics such as NPS, this also gives the opportunity for external benchmarking.

However, closed questions do not give much opportunity for insight: they are more about the "what" rather than the "why". Open-ended questions, while they are more difficult to quantify, allow the customer to express themselves fully, and explain why they have given a good or bad quantitative rating. Many companies use a dynamic survey technique that involves offering a open-ended question if the closed question preceding it scored particularly well or poorly, asking the customer why they gave that particular rating.

While survey questions will obviously differ between businesses and the type of insight that they are seeking, some questions may be particularly suitable for specific types of feedback:

Contact center performance

1) Have you tried to contact us about this issue previously? If so, how?

> This is a useful question in order to gauge first-contact resolution rates and also the success (or otherwise) of alternate channels. This is likely to impact significantly on customer effort.

2) Have you tried to use self-service to solve this issue?

> Again this question looks at customer effort, and the effectiveness or otherwise of channels other than telephony.

3) Was your problem solved entirely and to your satisfaction?

> This provides data for first-contact resolution rates, and is a useful question for a transactional survey. First-contact resolution, as is shown elsewhere in this report, is vitally important for high levels of customer satisfaction and customer experience.

4) Would you recommend a company to your family/friends?

> This is an NPS question, and is more of a relationship-based survey question rather than simply about a single transaction. However, it is often asked at the end of an interaction.

5) On a scale of 1 to 5, how much effort was required for this request to be handled?

> The data from this answer provide the base for the Customer Effort Score, which has been found to correlate positively with loyal customers and repeat business. While on the face of it this is a transactional question, customer effort has been shown to affect long-term business relationships, and as such is one of the key metrics that many VoC programs will try to capture.

6) Are you satisfied by the way your agent handled your call/web chat today?

> This is a customer satisfaction question which refers specifically to the actions of the agent rather than the overall outcome of the interaction (for example, even if the customer has been rejected for a loan on the call, it is theoretically possible to be satisfied with an agent's assistance and behavior). While on the face of it, this is a useful metric for getting the customer's view of an individual agent, it should be noted that in practice some of the lower scores may actually refer to the outcome rather than the agent.

Strategic / competitive questions

1) What do you look for in a company/product/service?

> This can be used as an ostensibly disinterested, neutral introductory question that does not put the customer under any pressure to praise or criticize the company.

2) Are you positive, neutral or negative towards the following companies?

> This question can show which are your most dangerous competitors, particularly if more insight can be driven through follow-up questions which may be open-ended. It is useful for identifying non-traditional competitors that you may not even be aware are seen by your customers as an alternative to your company.

3) How can we improve?

> While this is a particularly open-ended question, it gives the customer free rein to talk about anything that particularly concerns them, rather than having to take them by the hand and lead them through a structured survey before they can express what's really on their mind. While many of the answers may not be immediately actionable, these answers may help set longer-term strategic goals. Some businesses may have premium clients who are far more profitable than others and whose loyalty is key to future success, and trying to act upon (or at least respond personally to) these specific comments may provide a strategic advantage.

SURVEY METHODS

The numerous methods of directly surveying customers include:

IVR: at the end of the call, and after agreeing to do so, the customer may be passed through to an automated IVR system, which typically asks a mixture of open and closed questions which can be answered with a combination of touchtone and speech. This has the benefit of immediacy in that the caller will be able to give an accurate assessment of the call and the agent. Additionally, the business may be alerted in near-real-time to any major problems through pre-programmed automated SMS or email alerts.

The speed and ease with which an agent-invited IVR survey can be implemented gives it a distinct advantage over a survey conducted via outbound calls. The resources and staff time required to make outbound calls often mean that they are conducted erratically and rarely during peak times which undermines the quality and usefulness of the data collated. As agent-invited IVR surveys are automated, they require little staff input and can monitor customer satisfaction whenever the contact center is open and allow for immediate customer rescue if scores are very low.

Outbound automated surveys are becoming more prevalent. After the call has been concluded, the caller's number may be put into an outbound dialer's queue, which calls them and offers an IVR survey. The speed with which this call-back is made is crucial to the take-up rate of the survey, with up to 70% acceptance rate if the call-back is in minutes, but perhaps only 10% if the call is made over 48 hours later.

Email / written: some businesses ensure that a system-generated email is sent to the customer soon after an interaction takes place, often requesting detailed feedback through open-ended questions. Typically, more customers who have had a poor experience will bother to complete the questionnaire, skewing the figures, and although some good and detailed learning points can emerge, it's perhaps only appropriate if the customer has engaged very deeply with the business on a number of recent occasions (e.g. completing a mortgage application) or with a demographic that has more time available to them, especially older people.

However, email does allow immediacy and offers a customer a chance to express themselves more fully, rather than simply with numerical scores. This method also has the advantage that it can be fully automated, but there is a danger of ending up in spam folders.

Detailed person-to-person interviews have an important role to play, particularly where the feedback generated can be compared side-to-side with feedback by other methods. Having quantitative and qualitative data provides valuable feedback that can't be achieved by adopting a single surveying method. This can be surveyed over the telephone, face-to-face or through email, and can also be done on a one-to-many basis e.g. using focus groups. While this is possibly the most expensive survey method, it gives the opportunity for detailed follow-up questions.

Web forms are becoming increasingly widely used as an increasing number of customers visit a website initially to see if they can find the information or resolve the issue themselves. Online survey invitations that pop up within a couple of seconds of entering a website are widely used, although many customers find them intrusive as they have not yet found the information that they require. Using a little more intelligence around when to offer the survey to the customer provides far higher take-up rates and more accurate, informed feedback. Unlike other forms of survey feedback, web forms do not make customers wait to give their opinions until they are asked, and as such should be very seriously considered.

Outbound: the contact details of a proportion of incoming callers can be passed to a dedicated outbound team, who will call the customer back, often within 24 hours, to ascertain the customer's level of satisfaction with the original call. Sometimes customers will find this intrusive, while others will welcome the chance to provide feedback. Additionally, certain companies employ outside agencies to survey customers regularly, which may be useful in benchmarking exercises, since they will apply a more formalized and structured approach to data gathering and presentation. The automated option as mentioned in the IVR section above should also be considered as an option.

SMS: Text messaging has the advantage of immediacy of sending and also of reporting on the results. It is a cheap way of carrying out surveys, and can be linked to a specific agent, allowing the contact center to use this information for agent performance as well as satisfaction with the business. However, SMS does not support particularly detailed questioning, and businesses will have to collect mobile numbers if they do not already have them. However, take-up rates are better than many other forms of feedback (at around 25-35% on average), and younger and more time-poor customers are more likely to respond, providing a wider universe of responses across demographics. This form of survey can allow the contact center to identify very unhappy customers and schedule an outbound call to deal with the problem.

Micro-surveys: these very short requests for feedback (e.g. one or two questions) can be placed at key points within the customer journey where it is suspected that there is a customer disengagement. Simply asking the customer whether it was easy to do what they have just done, or how satisfied they are with a particular process can quickly identify any suboptimal issues, and when blending this with CRM and other meta data, will be able to identify specific customer groups which are having problems.

Social media: many social media sites now allow businesses to create rapid-response polls, and while these will be self-selective rather than representational (i.e. the customer has to be on Twitter at that time in order to take the survey), there are quick, cheap and easy way of taking the temperature.

Different customers will prefer to be surveyed in different ways and a survey platform should have the flexibility to support IVR, web, text and written surveys and collate the results in a unified reporting system. Not only will this mean that businesses are increasing the number of customers accessed, but a different quality of feedback will be received from each approach.

By far the most popular way of collecting customer surveys is via email, particularly amongst small and mid-sized operations, with 48% of surveys being collected in this way. Email allows quantitative numerical data to be collected, along with qualitative comments which may highlight issues that would otherwise be unknown. It also has the advantage of immediacy and can be fully automated, requiring little additional input from the business. Web forms also allow this mix of numerical and written data to be collected, but the timing of offering the surveys during a browsing session can be difficult to get right.

Large operations are more likely than others to use IVR to gather customer surveys, whereas smaller contact centers use web forms more often.

Despite the cost, outbound survey calls carried out by live agents are used in 17% of cases, which allow a depth of qualitative information to be collected from which insights can be drawn. Respondents from large operations are much more likely to use this method.

Both SMS and IVR are positioned towards gathering quantitative information, often aligned to NPS.

Figure 14: Proportion of customer surveys gathered by method, by contact center size
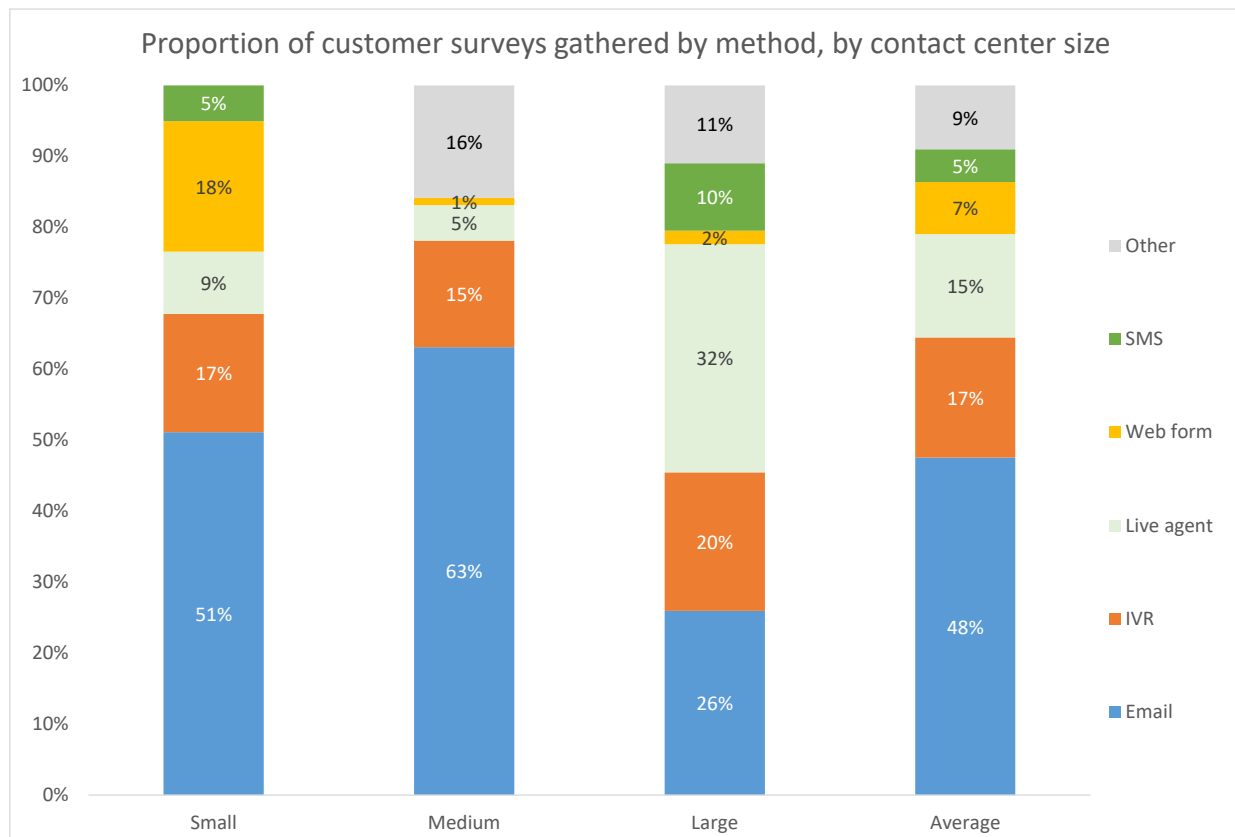
Survey response rates can be improved by:

- keeping surveys as focused as possible, and only asking questions that are relevant to the customer and also about the area of the business that you are actually trying to improve

- using personas to tailor communications techniques and survey questions that will be interesting to this particular subgroup

- asking complex or sensitive questions at the end of the survey so as not to put customers off

- doing pilot A/B tests and altering the way surveys are presented, the title of the email, etc. to see if response rates differ hugely

- sending out surveys at an appropriate time of day/week, and also depending on the type of survey (e.g. transactional surveys should be sent out shortly after the interaction, while relationship surveys may have a trigger such as shortly before renewal date)

- personalize the survey invitation. Consider using the customer's name, or if possible and relevant, a relevant product or service that they have purchased, or some other element of their customer history

- use reminders and consider incentives, especially for B2C surveys

- send out a précis of results, even to those that did not take the survey. This shows that as a business you listen to customer feedback, and if the results are interesting, non-participants may be more likely to take the survey next time.

MYSTERY SHOPPING

Mystery shopping is often used by retailers in order to measure and confirm that the experience a customer has with an organization is one which the business actually intends them to have. Mystery shopping does not have to happen within a physical store, as it is also possible to carry out these activities with the contact center or online.

Businesses may wish to make sure that specific actions are being carried out consistently, such as greeting a customer or asking if they need help with packing their purchases, and can also be useful more subjectively to understand the general feeling that the customer has about communicating with the business.

Mystery shopping is generally better suited to B2C organizations, as B2B mystery shopping may require specialist information and can be an extremely complex sales process, involving ratification of a potential customer's identity and *bona fides*.

While mystery shopping has a part to play in understanding customer experience, the fact remains that the actual mystery shopper is not a real customer, and is acting based on specific instructions given to them by the company.

Additionally, customer experience data will be taken from a relatively small sample size of mystery shoppers, rather than a larger proportion of the customer base which can be accessed through surveys or analytics.

PERSONALISATION

Personalizing surveys through demonstrating the knowledge of what a customer has just done with you, their past purchase history and of course their name, can go a long way towards engaging them to take part in the survey. Just as importantly, irrelevant surveys should be excluded (e.g. asking a customer about the quality of a service call made months ago, or asking younger customers their opinion on pension annuities).

The concept of 'personas' is closely linked with personalization: a persona in this case referring to a group of people who may have similar demographic attributes, product purchase history or other important things in common. Similar and relevant survey questions can be asked to specific personas, allowing understanding of what a specific type of customer or user is experiencing, and allowing more actionable insights to emerge.

Personalization is also a matter of which channel is chosen by the business to offer the survey to the customer. The use of the customer journey map and customer personas should help to identify the relevant touchpoints at which appropriate survey may be offered.

There is also the opportunity to use personalization to drive further customer engagement and positivity towards the brand. For example, a customer giving a high NPS score may then be invited to give an online review in a third-party website (e.g. Google or TripAdvisor), or to receive a cross-selling offer.

The use of AI-enabled conversational chatbots means that personalized logic and branching can be employed so that only relevant questions are asked to customers based upon their previous answers and customer history. This not only improves the customer experience and engagement, but allows businesses to ask a wider spread of questions to the people who can actually answer them.

The personalization of survey email's title can improve open rates and participation. While the simplest way of doing this is to include the customer's name within the title (e.g. "Steve, let us know what you think about Company X"), a more effective and less cliched method may be to use a relevant product or service name instead (e.g. "Tell us what you thought about your recent flight to Spain"). This method also allows personalized surveys to be pre-populated with relevant information taken from the customer's record, increasing the level of customization and demonstrating to the customer that you believe their time is important through reducing their effort.

Personalization can also be used depending on the reason for the survey being sent out. For example, surveys asking about the quality and effectiveness of the last interaction with the business should be sent out almost immediately while it is still fresh within the customer's mind, whereas in an e-commerce environment, the company should give enough time for the product to be delivered before asking the customer for feedback, if they are looking to understand the overall effectiveness of the buying process.

STRUCTURED AND UNSTRUCTURED DATA

While structured data that is gathered through the means of formal surveys is certainly quantifiable, businesses should be wary of accepting results at face value. Only a small sample of customers can be surveyed, due to either the danger of survey fatigue for relationship surveys, or in the case of transactional surveys, because only those who have recently communicated with the company can be surveyed.

Survey response rates should also be taken into account. Unless there is a 100% response rate (which there never is), it is impossible to get an entirely accurate picture. Response rates can differ hugely depending on the customer group being surveyed, their engagement with the company, the complexity of the survey and its relevance to them at the time.

It is also the case that structured data surveys run the risk of creating polarized results: those who are delighted with the company and those who are very disappointed by its performance are much more likely to take surveys than those who are ambivalent or lukewarm.

Combining structured data from formal surveys with unstructured data gathered from customers' verbatim comments – whether gathered from social media, online forums or through the application of speech analytics to recorded calls – is far more likely to provide a more accurate view of customers' voices.

VOICE OF THE EMPLOYEE

Voice of the employee (VoE) programs are part of the workforce engagement management suite, aiming to understand how employees feel about their work and the organization with the end goal to understand and improve outcomes for employees and the business. They can be used alongside VoC programs to optimize the wider customer experience through improving employee engagement.

Some of the purposes of VoE include:

- improving employee performance and retention

- identify areas of underperformance in the organization

- understanding and addressing the causes of boredom and burnout in front-line employees

- improving employee motivation and aligning them with business strategy and culture

- as happy employees directly affect performance and customer experience, making the workplace and culture more pleasant will benefit everybody.

VoE programs can survey employees through tailored questions in order to gather insight about current levels of engagement by role, team, department, etc. Not only do front-line employees appreciate being listened to, but to be able to see any changes and improvements made as a result of their comments is very motivating. Employees can also be asked to give feedback through less formal channel, for example through suggestion boxes, open door policies or supervisor meetings.

Employees are also able to add to the VoC program through identifying particular customer patterns such as frequently asked questions or escalations, or through identifying technological or process barriers to service.

Team and individual development plans can then be published, progress tracked and results shared. VoE survey findings can provide insight to other parts of the WFO suite (e.g. coaching/eLearning, and also gamification and performance), and also be connected to other metrics including absence, attrition and customer-focused scores, as well as feeding into the VoC program.

VoE helps organizations understand what their best-performing employees are thinking and engage with them to keep them loyal. It is important for any VoE program to be set up so as to be able to release actionable insight: not just answers to questions such as 'How engaged with the business are you?', but also **why** this is, how it can be improved and what effect on the business will this have. VoE in the contact center should answer questions around whether agents have all the tools they need to deliver a successful customer experience and whether they are encouraged and empowered to own the customer's issue or feel as though they are managed and judged solely by internal metrics.

Many contact center employees are finding that the calls they are now handling are becoming increasingly complex, as many of the simplest interactions are being resolved through self-service. Where support systems and training have not been upgraded accordingly, this can lead to stress and demotivation as not been able to help customers effectively is a very negative experience. This issue is only likely to get larger over time, particularly as customer expectations are always rising.

Successful VoE is a long-term, ongoing project rather than simply being a snapshot of a moment in time, and it is important to create buy-in at the top of the organization by sharing the goals and insights with senior management and linking any results to improvements in business performance.

ANALYTICS

There has been a great increase in customer satisfaction surveys in recent years, with the widespread uptake of the Net Promoter® [3] score (NPS) being a good example of companies' desire to learn what their customers actually think about them. However, research has shown that a 'satisfied' customer isn't necessarily a profitable or loyal one, and the results of customer surveys, particularly the written or telephone-based variety, are carried out at a time when any feelings about the original interaction may have changed or dissipated, are prone to inaccuracy, delay and lack of detail.

With all of the methods of customer surveys, the questions are fixed in advance, and if the right questions aren't asked, the level of actionable insight is low. In many cases, a business might know that x% of its customers are satisfied, and y% dissatisfied, but it still has no real idea why this is, or even how it will impact upon their profitability.

As an addition to customer satisfaction surveys, customer contact analytics allows a business to gather customers' views within the interaction itself – guaranteeing immediacy and accuracy – and can be applied across 100% of calls, rather than focusing on the outlying 'very dissatisfied' or 'delighted' customers.

Furthermore, through widespread and detailed analysis of what the call is about, the type of language or messages used in the call, how the customer was handled, and the eventual outcome, businesses will be able to learn how to improve their customer retention and satisfaction in real-life, bypassing the standard metric (e.g. "83% of customers are satisfied") and getting to the root causes of satisfaction or dissatisfaction and sharing the results with the rest of the operation.

Some solutions use historical analysis of call characteristics, agent behaviors and interaction outcomes to estimate customer satisfaction scores or NPS on every call, and can also predict the attrition of customers based on what they have said and what has happened within the call, allowing the business to act swiftly. Other solution providers use this type of analysis to help online educators predict which students will pass the course, and which will drop out, meaning they are able to target proactive assistance as required.

Analytics allows businesses to seek out key words and phrases, such as competitors' names or any instances of pricing, or to gather feedback after a marketing campaign goes out. Some businesses are actively using speech analytics to uncover competitive intelligence as well. For example, one wholesaler uses analytics to identify when competitors' pricing information is mentioned on a call, and passes this back to the commercial team to revisit their own pricing structure.

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[3] *Net Promoter, Net Promoter System, Net Promoter Score, NPS and the NPS-related emoticons are registered trademarks of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems, Inc.*

Business Intelligence

Some businesses carry out detailed and sophisticated analytics looking at a combination of variables, in order to seek out correlations. For example, a business may discover that a combination of two issues mentioned by the customer on a call, as well as the mention of a competitor's name is correlated with an extremely high churn rate. In these cases, businesses may choose to use real-time monitoring to trigger a customer offer to be made if these factors are identified within the call, or may use post-call historical analytics in order to trigger a post-call event, such as an email, phone call or text message offering incentives to remain loyal to the company.

Customer Intent

No other contact center solution apart from customer interaction analytics can provide a solid understanding of **why** customers are calling. Categorizing types of calls, and then analyzing them for the occurrence of similar types of words and phrases can give an insight into the reasons for customers' calls. For example, a category such as 'sales' might be analyzed for patterns, and it is discovered that the words 'delivery' and 'website' are mentioned in a disproportionate number of them. Listening to some of these conversations, it may be found that the website does not highlight delivery times effectively enough, leading to unnecessary calls to the contact center, rather than the customer purchasing on the website.

The automatic categorization of calls, based on the types of words and phrases that typically get used within these types of calls, is a starting point. Analytics solutions can then add non-audio data, such as desktop activity or account status, and the tracking of word usage compared with its historical use (e.g. a 300% rise in the use of the phrase "can't log-on" after a software upgrade) can quickly indicate and identify issues that can be handed to the relevant department much more quickly than typical inter-department channels could usually manage. Regular references to competitors and their products can be captured, analyzed and passed to the marketing or pricing teams to provide them with real-life, rapid and accurate information upon which to base decisions. This categorization gives a starting point for analysis, meaning that businesses can listen to the right calls rather than getting them randomly or employing large numbers of people to get insight from customers' calls.

Alongside direct customer surveys, VoC analytics solutions can also gather insight from recorded digital and voice channels. Aggregation of customer surveys and analytical results can identify the root cause of any issues identified, and provide actionable insight for changing processes and/or agent handling techniques. VoC should be seen as a continuous process, rather than a one-off project, and ongoing analysis allows the use of a closed-loop system, whereby identified issues can be actioned and continuously checked to make sure that the problem does not reoccur.

Being able to use metadata – such as call outcomes, the product being discussed, the nature of the customer, etc. – as well as analyzing the call itself, can reveal patterns that would otherwise be very difficult to identify. Optimal agent behavior and training can be identified and replicated, using insights that would otherwise be unavailable.

RESOURCING ANALYTICS APPLICATIONS

Initial training

Solution providers offer courses for both technical and operational staff, targeted at specific user roles and responsibilities, including end-user, reporting, performance management, administration, and maintenance. There is often a choice of on-site or remote training. Ongoing support after implementation is standard for the industry.

Some solution providers recommend that there are always at least two or three people who are trained initially, due to job shifts and attrition. It may be the case that customers do not have anybody appropriate on-site to understand how to work with the output, so managed services is a good stopgap solution in this case.

Some solution providers offer packages that include pre-selected phrases relevant to that particular type of business, which means the initial discovery and implementation time is reduced somewhat.

Vendors offering a complete workforce optimization solution may have developed a new quality framework to assist customers to change and optimize their business processes in such a way that will get the most out of their WFO solution, with the analytics solution being one of several key elements. Analytics – including speech, text, desktop and customer journey – promise to deliver actionable insights at the organizational and individual level. Closer integration of the WFO modules means that a virtuous circle of positive feedback can be established: quality management discovers broken processes and agent training needs; workforce management and predictive analytics will feed into the recruitment and training programs; gamification impacts upon performance; customer journey analytics not only considers the contact center, but also the back office.

Ongoing resource

Vendors' opinions on the requirement for a full-time, dedicated speech analyst differ widely. Some of those offering solutions based on a phonetic speech engine state that an existing business analyst or member of a quality assurance team will be able to handle analytics as well, yet others state that the more a customer can put into the solution (e.g. a full-time speech analyst), the more they will get out of it.

The complexity and sophistication of the solution is only one element to this: of more importance is what the business wishes to get from customer contact analytics - managing compliance and improving the QA/QM process is likely to require less full-time support than an ambitious cross-department project to investigate and optimize business processes.

Vendors comment that centers with under 250 seats may see analytics handled by the existing QA team, those with up to 1,000 seats will often have analyst resource in-house already, and super large operations, possibly dotted across several sites, will almost always use at least one dedicated speech analyst.

Requirements for end-user resource depend to some extent on the delivery method: a managed service, by its nature will not require any resources apart from a business-focused liaison contact; a cloud model requires a business owner to specify needs and be able to gain insight from the system; a full CPE deployment is more likely to require two points of contact, one technical and the other business-orientated.

If businesses decide to have dedicated analyst resource, they may come from a specific business unit that is using analysis (for example, collections), the quality management team or an existing analyst function. It has been noted that people with a journalistic, enquiring nature may be best suited for this role, as understanding business transformation is key, rather than being technically skilled. It is recommended that they have a certain seniority within the company so that their insights carry authority.

Having said that, for some solutions, a technical resource may also be required to write queries and create reports although most solution providers have worked hard to make the presentation layer easier to use for business users and have delivered major improvements in recent years.

Customer contact analysts will write queries, listen to calls, carry out qualitative analysis and communicate and influence departments and business areas. By far the largest amount of time is spent analyzing data and communicating findings elsewhere, with only around 15 to 20% of an analyst's time said to be spent listening to calls. Of course, the purpose of the implementation makes a great difference to this as well.

Solution providers have tried to simplify and improve the usability of the analytical interface, aiming to get actionable performance-based information out of systems with less effort and training required. Along with new user interfaces, there are widespread efforts to help business users build queries, make changes to the system, write their own bespoke reports and interpret the output, trying to move away from the need to have a technical person sitting between the end-user and the solution. Some solution providers have developed their own templates or playbooks from their experience of helping other businesses achieve specific goals, which businesses can use to get quick wins within their own initial implementation.

Making the use of customer interaction analytics easier for non-technical people will make it more likely that the solution is used by other departments to address some of their own issues, such as hiring and candidate screening, determining which students are likely to drop out of a course, and detecting fraud (whether internal or external), as well as general commercial issues.

SENTIMENT ANALYSIS

Analytics' understanding of the nuances and deeper levels of human communication is still being expanded, and solutions go far beyond simply looking for relevant keywords or phrases, or other content-heavy words, taking into account all of the words being used as well as the structure, pacing, flow and tone of the conversation.

Agents, especially those with higher levels of empathy and experience, should be able to identify the emotions of the callers, so using technology for sentiment detection could seem to be an unnecessary elaboration. However, the use of analytics means that the sentiment and emotion of millions of calls can be assessed against their ultimate outcome in order to identify in real-time situations that have a higher likelihood of a negative outcome and to act before it is too late.

Emotion or sentiment displayed on calls can be extremely difficult to track accurately and meaningfully, as everyone has their own way of expressing themselves, words and feelings may not match up, or external irritations not related to the topic of conversation may intrude. Many vendors argue strongly that detecting emotion on each call is a useful tool – for example, by passing irate customers to a supervisor – and further developing their ability to detect voice-stress on a call in order to flag these to a supervisor, with some real time monitoring solutions measuring indicators such as speed of speech, volume, use of key word triggers, instances of talk-over or silence, etc.

There is another viewpoint, taken by those that offer solutions based on the analysis of masses of recordings, that says that the real value comes from looking at very large samples of data to identify those agents, processes and circumstances where emotion (often negative) runs highest, and taking into account the outcome of the call as well. While sentiment detection has had a relatively low profile for many solution providers in the past, recent years have seen many vendors add this to both their real-time and historical analytics solutions.

Against this however, is the feeling that this is one thing that humans can do far better than machines: do agents really need to be advised on a call when somebody is being sarcastic, or is upset? It may be that sentiment detection is more suitable for large-scale historical analysis of calls, where emotional content can be correlated with the outcome of the call, and the spoken use of a word can be ambiguous when seen as text (for example, in the use of sarcasm).

Another viewpoint is that real-time sentiment analysis may be useful for offshore agents who have a different cultural and first-language background to that of the caller.

Some solution providers have recently noted that it is not only what we might consider the keywords within the conversation that indicate sentiment (e.g. "upset", "disappointed", "recommend"), but also the filler words (for example, if the inclusive "we" changes to "you", which may indicate estrangement from the brand.

Real-time sentiment analysis can identify stress, which may be an indicator that fraud is taking place, prompting the agent to take the caller through more detailed levels of security in order to prove their identity. This can be used in association with voice biometrics and/or phoneprinting, in order to identify the callers requiring stronger authentication.

REAL-TIME ANALYTICS

Some solution providers suggest that 'real-time analytics' should perhaps be more accurately referred to as 'real-time monitoring and action'. Analysis ("a detailed examination of the elements or structure of something[4]"), refers to the discovery and understanding of patterns in data, and is currently something that had by definition only happened post-call when all data are fully present. Real-time monitoring on the other hand, looks for and recognizes predefined words, phrases and sometimes context, within a handful of seconds, giving the business the opportunity to act. However, AI can be trained to understand intent and recognize patterns through immersion in vast quantities of historical data, so that when a call is taking place, it can draw upon this knowledge and provide advice or action that has proven successful previously, moving towards the actual provision of real-time analytics.

AI assists in real-time speech analytics through applying the results of machine learning that have been carried out on large quantities of previously recorded conversations, providing:

- agents with the understanding of where their conversational behavior is falling outside of acceptable and previously successful norms (such as speaking too quickly or slowly, or in a monotonous fashion)

- an assessment of the meaning of non-verbal cues such as intonation, stress patterns, pauses, fluctuations in volume, pitch, timing and tone in order to support sentiment analysis

- understanding the actions and information that have been seen to provide successful outcomes in previous similar interactions, and relaying this to the agent within the call.

For some businesses, real-time analytics is an important and growing part of the armory that they have to improve their efficiency and effectiveness. There is potentially a great deal of benefit to be gained from understanding automatically what is happening on the call, and in being able to act while improvements are still possible, rather than being made aware some time after the call of what has happened.

Real-time analytics can be used in many ways:

- monitoring calls for key words and phrases, which can either be acted upon within the conversation, or passed to another department (e.g. Marketing, if the customer indicates something relevant to other products or services sold by the company)

- alerting the agent or supervisor if pre-specified words or phrases occur

- quality checking the agent for speech clarity and speed and notifying them of any changes to be made

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[4] http://www.oxforddictionaries.com/definition/english/analysis

- offering guidance to the agent on the next best action for them to take, bringing in CRM data and knowledge bases to suggest answers to the question being asked, or advice on whether to change the tone or speed of the conversation

- escalating calls to a supervisor as appropriate

- text analytics can also be used on inbound interactions such as emails, running an AI triage system to assess the priority and urgency of each request in order to handle these more effectively and in an appropriately timely manner

- detecting negative sentiment through instances of talk-over, high stress levels, negative language, obscenities, increased speaking volume etc., that can be escalated to a supervisor

- triggering back-office processes and opening agent desktop screens depending on call events. For example, the statement of a product name or serial number within the conversation can open an agent assistant screen that is relevant to that product

- making sure that all required words and phrases have been used, e.g. in the case of compliance or forming a phone-based contract

- suggesting cross-selling or upselling opportunities.

Many solution providers have worked hard to bring to market new or improved solutions to assist with real-time analytics, and recognition of key words, phrases, instances of talk-over, emotion and sentiment detection, pitch, tone, speed and audibility of language and many other important variables can be presented on the agent desktop within the call, triggering business-driven alerts and processes if required.

The speed of real-time analytics is crucial to its success: long delays can mean missed, inappropriate or sub-optimal sales opportunities being presented; cancellation alerts can show up too late; compliance violations over parts of the script missed-out may occur as the call has already ended. However, it is important not to get carried away with real-time analytics, as there is a danger that businesses can get too enthusiastic and set alert thresholds far too low. This can result in agents being constantly bombarded with cross-selling and upselling offers and/or warnings about customer sentiment or their own communication style, so that it becomes a distraction rather than a help.

The effectiveness of real-time analytics may be boosted by post-call analytics taking place as well. For example, by assessing the outcomes of calls where specific cross-selling and upselling approaches were identified and presented to agents in real time, analysis can show the most successful approaches including the use of specific language, customer type, the order of presented offers and many other variables (including metadata from agent desktop applications) in order to fine-tune the approach in the future. Additionally, getting calls right first-time obviously impacts positively upon first-call resolution rates, and through picking up phrases such as "speak to your supervisor", can escalate calls automatically or flag them for further QA.

Combining AI-enabled real-time and post-call analytics, along with sentiment analysis, can quickly identify large groups of dissatisfied customers that may be complaining about the same thing, providing actionable insight to the business within minutes or hours, rather than days.

Real-time analytics offers a big step up from the traditional, manual call monitoring process, and is particularly useful for compliance, debt collection, and for forming legally binding contracts on the phone, where specific terms and phrases must be used and any deviation or absence can be flagged to the agent's screen within the call. Finance, telecoms and utilities companies – and indeed, any business where telephone-based contracts are important – are particularly interested in this.

Respondents using real-time analytics report that it is particularly valuable for flagging non-compliance with scripts or regulations in real-time, and also in identifying and handling dissatisfied customers more effectively.

Real-time analytics' ability to identify cross-selling and upselling opportunities is less highly rated, with only 31% of respondents that use analytics for this purpose state that it is very useful. A relatively low proportion of real-time analytics users report that they use it to suggest better ways to the agent of handling the call.

Figure 15: Usefulness of real-time analytics
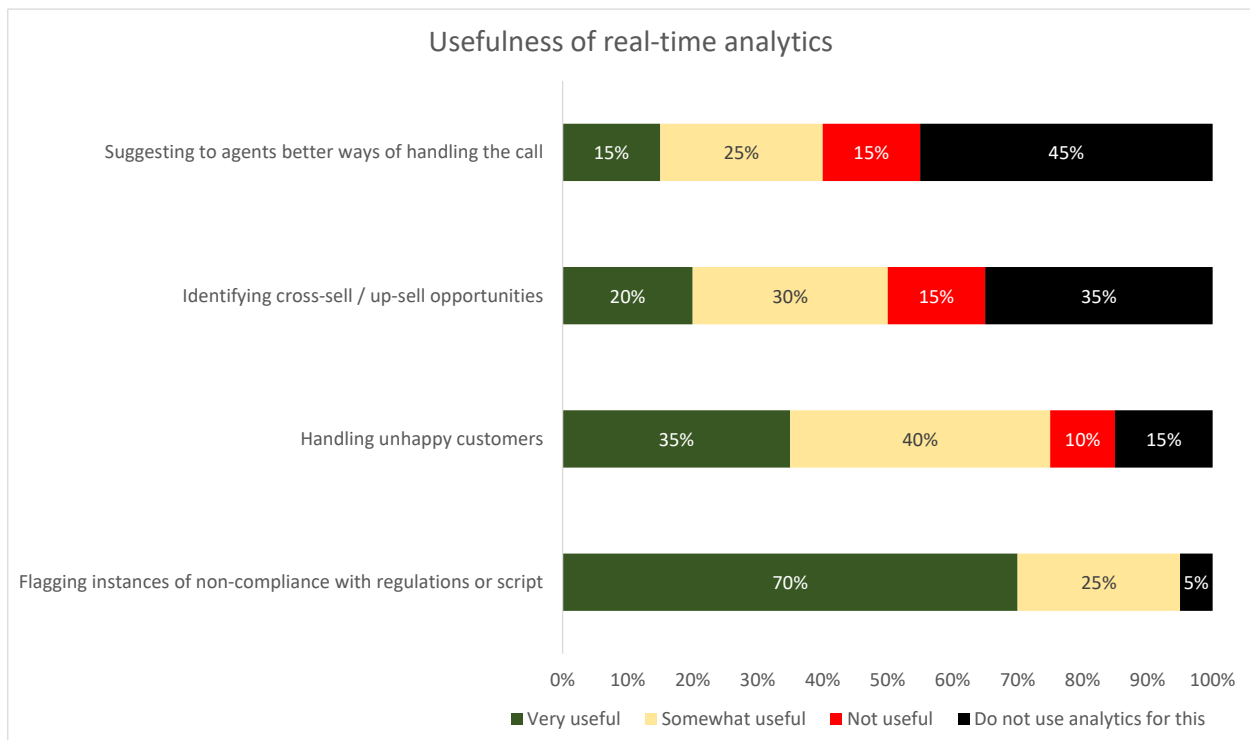
As with speech analytics, text analytics can be used historically or in real time. It can be applied to interactions between customers and agents (as in the case of email, web chat or social media contact), or by looking at customer feedback, whether on the business's own website or on third-party sites. Unlike speech analytics, text analytics does not require a speech recognition engine to identify the words being used, but the general principles and opportunities are similar. Much of the data analyzed by text analysis is unstructured (i.e. is not found in traditional structured databases), such as emails, web chats, message boards, RSS feeds, social media etc. The collection and processing of this data may involve evaluating the text for emotion and sentiment, and categorizes the key terms, concepts and patterns. Solutions using AI-enabled natural language processing rather than keyword spotting are far more likely to 'understand' the sense of the text and to provide actionable insights.

The analysis of structured data is very useful for quantifying customer feedback, but it is in the unstructured data such as free-form text that businesses gain real insight: understanding **why** customers feel the way they do. While it is possible for a VoC department to consider unstructured textual responses manually, for a large organization it would be extremely expensive, resource-intensive and time-consuming to do this: automated text analytics is a clearly more effective way of considering all textual customer feedback, as well as being able to consider sources outside of the company, such as social media. Additionally, using automated text analysis rather than relying upon human decisions means that there is more consistency in categorizing the nature of the customer feedback. Categorization of unstructured textual data is vital to make any insights actionable, as business managers can view the most important issues at a glance, rather than having to read through many hundreds or thousands of comments.

Historical text analysis is useful for business intelligence, whether about how the company and its products are perceived, or the effectiveness of the customer contact operation. It is important to note that many uses of historical text analysis work best when they are used shortly after the comment is made, rather than weeks or months afterward: an issue that is commented upon by many customers may need to be acted upon rapidly. For example, confusion about a marketing message, complaints about phone queues, or a case of system failure which prevents customers from buying on a website need to be identified and handled as quickly as possible. For longer-term issues, such as gathering suggestions on new functionality for a product release, such urgency is less important.

Most large companies will have formal customer satisfaction and feedback programs, and also will monitor third-parties such as TripAdvisor or Yelp, which provide structured data in the form of scores, and efforts should be made to identify the most important data sources. Text analytics helps to dig deeper into the actual unstructured comments left by customers, which are otherwise very difficult and time-consuming to categorize and act upon, especially where there are many thousands of comments.

Industry-specific vocabularies can be used to identify and understand more of the relevant comments, and place them into the correct context. Solutions should go beyond identifying key words or phrases: the sentiment of the whole comment should be considered (for example, "loud music" in a shop may be exciting to one customer, but irritating to another). Many comments are mixed-sentiment, and may also mix a 5-star review with some more critical comments, which the analytics solution will have to take into account: the comments are where the real value is found, with both positive and negative insights available to be understood.

Perhaps the most obvious potential contact center use of AI-enabled analytics is in handling digital enquiries, where web chats generally take far longer than phone calls (due to agent multitasking, and typing time) and some email response rates can still be measured in days. As the cost of web chat is broadly similar to other channels such as email, voice and social media, there is considerable room for increasing efficiencies and lowering costs.

Real-time text analytics can be used to assist agents when answering emails or handling web chats, or to identify customers at risk based on feedback comments they have left, initiating an action aimed at alleviating their problem immediately. Some solutions actively monitor feedback as it is being given, using logical branching based on the customer's responses in order to ask more relevant questions. For example, a customer mentioning a particular product may be asked where they first heard of it, or bought it from.

Using real-time text analytics for agents means that they can be provided with suggested responses which have been shown to provide high levels of contact resolution, or cross-selling success. It is particularly useful for less-experienced agents, and in cases where there is a rapidly developing situation which agents may not be aware of: incoming requests from customers can be analyzed to identify and predict issues that other agents (or managers) can be made aware of through real-time alerts.

Just as with speech analytics, text analytics solutions aim to categorize comments and interactions to provide actionable insight about a discrete part of the business (e.g. a specific product or store; the online sales experience; the politeness or otherwise of the contact center staff, etc.). The analytics solution should be able to identify the many different ways that people refer to the same thing in order to categorize correctly and make sure that the actual importance of the issue is represented fairly and accurately. Categories can be created automatically by the analytics application, and/or through the input of business experts, and should be revisited regularly to make sure they are still addressing the reality of the business.

In the long-term, the use of customer contact analytics will improve the customer journey as many business process improvements will be enabled by the complete understanding of what is happening each step of the way, whether within the customer interaction cycle, or in one of the other processes occurring elsewhere within the organization.

Businesses that understand the reasons that customers are contacting them are able to staff and train agents appropriately, provide feedback on company products and services to relevant departments, and identify suitable self-service opportunities. They are also able to understand the various levels of customer effort required at each stage within the interaction process.

While it is impossible to quantify ROI upfront, there is a strong argument that "you don't know what you don't know". An individual agent may not notice that a new trend is happening until they receive several calls about it, but even if they are proactive, they may not receive that type of call again for several hours or even days. Analytics and closed-loop feedback identifies trends across the entire operation as they happen, instead of waiting on agents to realize something out of the ordinary is happening.

However, there is no guarantee what will be found, and few businesses will initially implement analytics in the hope that optimizing the customer journey and hopefully gaining insight will save costs and increase revenue. Many solution providers comment that early adopters of analytics – who often started with compliance and agent quality assurance – are now looking at how they understand sales effectiveness, marketing campaigns and process improvements. Longer term, understanding and optimizing each part of the customer journey will be a key use of analytics.

Customer journey analytics aims to gather together the various data sources, channels, triggered processes and customer touchpoints involved in the customer interaction in order to optimize the overall customer journey. By fully understanding the customer experience, businesses can identify and rectify inefficiencies, helping to break down the boundaries and siloes between channels and between the front office and the back office.

Customer journey analytics goes beyond the measurement of individual interactions and touchpoints. Sophisticated analytics solutions use data inputs from multiple sources, both structured and unstructured, in association with journey maps, which are produced by employees in multiple roles within the organization who document how various processes currently work and how they could be optimized.

This is particularly the case in larger businesses which are increasingly looking at the effectiveness of back office processes that can impact upon whether the customer has to contact the business multiple times.

Customer effort and engagement is very dependent upon the effectiveness with which channels work together, as well as the level of first-contact resolution. Proactively engaging the customer at the appropriate time within the customer journey has an opportunity to reduce the effort required for the customer to fulfil their interaction completely. As part of a wider omnichannel engagement, businesses must seek to understand how and why customers prefer to engage with them, optimizing the flow of information throughout any connected processes and channels so that the organization becomes easy to do business with.

There is an increasing requirement for multichannel analytics, including email, text chat, IVR and web browsing sessions, to get the full picture of the customer's real journey in a single interaction and identify and improve any sub-optimal channels. Improving self-service optimization is often a quick win that can provide immediate economic benefit to businesses: in the US, a mean average of 17% of calls that go into an IVR system are 'zeroed-out': rejected by the customer in favor of an operator.

Businesses using customer interaction analytics to review these failed self-service sessions and any customer comments made about them can categorize them into groups in order to improve the processes at a macro-level. Common findings from the analysis of these calls is that the IVR system was poorly worded, menu choices were not intuitive, or did not match current service choices. Other failures occur through mistakes in IVR routing, and there may also be problems with a lack of customer awareness that various activities can be carried out by self-service.

Integrating desktop data analytics into speech analytics allows businesses to tag valuable data automatically - such as account ID, product name and order value - from CRM, helpdesk and other servicing applications to recorded interactions. This additional desktop data can be used to enhance automated classification, which allows more targeted and efficient analysis centered on key business issues, such as customer churn, differences in call handling patterns between employees, frequency of holds/transfers associated with order cancellations and upselling and cross-selling success rates.

The use of desktop data analytics also allows the business to see what the agent is doing on the desktop (for example, are they spending too much time in particular applications, are they navigating the screens in the most efficient way, etc.), and for them to understand how much time is being spent in each section of the call.

The next step is to get rid of the silos between channels, allowing the customer to be identified at the beginning of their 'journey', and for the business to be able to analyze the efficiency and effectiveness at each stage, whether mobile app, website, self-service application or live call. The end goal is for businesses to understand where customers make their choice, where they drop out, and where the profit is within the multiple processes along the customer journey.

Many solution providers refer to 'the customer journey' as one of the major places where analytics will surely go in the longer term, once businesses have used analytics to handle shorter-term, more operational issues. Longer-term, future customer contact is likely to become along polarized lines: for everyday, mundane tasks, the customer will choose the website or mobile app for self-service, leaving the contact center to deal with those interactions which are complex or emotive for the customer (as well as there being demographics for whom the contact center will continue to be primary). With the website becoming the first port-of-call for many customers, the analysis and understanding of the success (or otherwise) of pre-call web activity is a valuable source of knowledge about how effective the main portal to the business is being, as well as being able to give businesses greater insight into why people are calling.

Manually analyzing thousands of web sessions and linking them with specific customers and their phone calls is impossible, so there is a great potential for bulk analysis. Adding in relatively minor channels such as social media, web chat, SMS and email makes the mix more complex, and more potentially suitable for AI-driven automated analysis. It is also certainly worth mentioning that some solutions also analyze the customer's pre-call use of self-service via IVR, providing the agent with a background on the caller's recent experience and offering the chance to improve self-service process failures.

Including social media, email and text chat into the analytics equation is increasingly important, and while many vendors have multichannel/omnichannel analytics within their overall customer contact analytics solution, this functionality is not yet used to anywhere near the same extent as speech analytics. This lack of uptake in multichannel analytics may have many reasons:

- the social media channel is often the responsibility of the marketing function within a business, whereas customer contact analytics - being focused on speech at the moment - is usually under the remit of the customer contact operation, meaning that harmonious, integrated analysis across channels is that much more difficult

- for most businesses, interaction volumes for email, chat, social media and other non-voice channels are far lower than for speech, so consequently there has been less urgency in analyzing these

- there may not be a single unified view of the customers' interactions across channels, as is the case in a siloed operation

- it can be more difficult to identify customer in non-voice channels such as text chat or casual web browsing, so the depth of insight available may be that much less.

Having said that, most solution providers seem quite definite that multichannel/omnichannel analytics will grow in importance. While being able to optimize customer contact within each siloed channel, or being able to monitor the quality of an email or chat agent in the same way that businesses are now using analytics to improve the performance of a phone-based agent is useful, the real key is to include all of the stages along the customer journey. For example, understanding where potential customers drop out; the overall effort that the customer has to put in; the point at which buying decisions are made; bottlenecks in processes; the suboptimal points where customers get confused and have to place a call into the business: these are the promises that customer journey analysis makes.

There will come a time when all data generated within a business will be able to be cross-correlated to provide insights not only to the customer contact department but also to parties such as marketing, operations and finance, so they have greater insight about issues such as price elasticity and revenue maximization. The ability to prove to senior management that the actions and insight held within the contact center has a distinct and measurable impact on the entire company – and as such is not simply a cost center – is likely to improve its visibility and credibility which should help to create a long-term holistic view and assist further investment.

The 'tell-me-why' and discovery modes of customer contact analytics will improve over time as better accuracy and more powerful processing provides richer and more joined-up data for analysis, and the inclusion of customer feedback from non-voice channels show the full picture of customer contact and its intent. There will also be major efforts to link analytics to proving profitability, including identifying "moments of truth" (points at which buying decisions are made, and long-term loyalty can be won or lost), and being able to predict and manage customer churn.

DISCOVERY

'Discovery' is a term often used within the customer contact analytics industry, and refers to a deep, automated analysis of trends, patterns and results which are identified by the speech analytics solution rather than the knowledge or insight of the human operators. Discovery will help users to find calls that are similar to each other, perhaps through similar groupings of words or phrases, and explore these links to discover the issues driving them.

The ability to see trends - to know that the instances of the words 'website' and 'password' have increased by 2,000% this week compared to the norms of the past 6 months - quickly identify likely pain points for the customer and potential broken processes. The continual tracking and analysis of similar information or categories over time also allows a business to see whether the remedial action that they put into place has actually worked.

Many solutions offer automated discovery and this is an area that will always be improving and becoming more subtle and effective, having huge potential benefits for businesses.

Of course, any analysis where the direct beneficiary is not the contact center must be properly aligned to the organization's objectives and strategy, encouraging changes to be made to areas that have already been earmarked as needing improvement. Otherwise, if the focus is not aligned with strategic goals, information merely becomes 'nice to know', rather than actionable.

Customer interaction analytics has the ability to tear down the virtual wall between the contact center and other areas of the business, meaning that the business intelligence extracted can be shared and valued by parts of the organization that otherwise have little to do with the contact center. With the historical and ongoing difficulty in getting the business to value the customer contact operation fully, this can only be a good thing politically.

Text analytics can be used within discovery mode to assess not only data held within the company, but also in unstructured, third-party environments, such as social media, comments on websites and public forums, in order to learn and deliver proactive service before it is even requested.

Some real-life examples of where analytics has delivered improvements include:

- an insurer improved first call resolution by over 6 percentage points by understanding and correcting how agents respond to specific types of denied claims issues

- Identifying the types of low-to-medium complexity calls that could be handled less expensively but still effectively via self-service channels. The result can be either reduced headcount or extended service hours

- improved sales conversions by 41% and collections revenue by 20% by identifying the skills that differentiated top performing agents from bottom performing agents, and then focusing training and coaching programs on those key skills

- analyzing and fixing back office processes that were generating unnecessary repeat calls and driving poor customer satisfaction

- highlighting the five key customer queries and developing FAQs for agents, which significantly reduced average handle time on these calls

- reducing call volume by 2% by identifying and fixing issues with the password reset process

- identifying opportunities in verbatim customer feedback to address specific customer segment needs, increasing sales by 30% the following year

- categorizing all customer calls by reason for the call and any subtopics, measuring agent performance (handle time, customer satisfaction rating, and issue resolution) by call type. Identified the type of calls that had excessively high handle time due to sub optimal customer identity verification, and improved coaching and training decreased handle time by an average of 36 seconds, saving $5 million per year

- determining that 57% of calls could be handled through a self-service web portal, but the customers were not aware that they could do this online

- quality program was transformed by providing targeted data on the major reasons for customer dissatisfaction

- discovering that only 2% of calls taken at night were critical, reducing headcount on the night shift

- reducing QA headcount from 40 agents to fewer than 10 by implementing automated scoring on 100% of calls.

Predictive analytics is a branch of analysis that looks at the nature and characteristics of past interactions, either with a specific customer or more widely, in order to identify indicators about the nature of a current interaction so as to make recommendations in real-time about how to handle the customer.

For example, a business can retrospectively analyze interactions in order to identify where customers have defected from the company or not renewed their contract. Typical indicators may include use of the words "unhappy" or "dissatisfied"; customers may have a larger-than-usual volume of calls into the contact center; use multiple channels in a very short space of time (if they grow impatient with one channel, customers may use another); and mention competitors' names. After analyzing this, and applying it to the customer base, a "propensity to defect" score may be placed against each customer, identifying those customers most at risk. Specific routing and scripting strategies may be put in place so that when the customer next calls, the chances of a high-quality customer experience using a top agent are greater and effective retention strategies are applied.

AI can be applied across the entire customer journey, including sales, marketing and service, helping organizations understand customer behavior, intent and anticipating their next action. For example, an AI solution may find a pattern amongst previous customers that they are likely to search for specific information at a particular point in their presales journey, and proactively provide this information (or an incentive) to the customer before they have even asked for it. AI can also help with customer onboarding through predicting which customers are likely to require specific assistance.

Machine learning will allow AI to go beyond simply what they have been programmed to do, seeking out new opportunities and delivering service beyond what has simply been asked of them. Through understanding multiple historical customer journeys, AIs will be able to predict the next most-likely action of a customer in a particular situation, and proactively engage with them so as to avoid an unnecessary inbound interaction, providing a higher level of customer experience and reducing cost to serve.

AUTOMATED VOC SCORING

In a traditional contact center, supervisors and quality assurance staff can only listen to a small fraction of customer calls in order to check agent quality and performance. Using speech analytics means that all calls can be scored against specific criteria and desired behaviors.

In the VoC world, analytics can be used to predict metrics such as NPS for each call without having to ask the customer to take a survey. Detractors can be quickly identified and the customer rescue process put into place immediately, closing a virtual loop. The process can be refined by comparing this virtual NPS with some actual scores given by customers to make sure that there is a good level of predictive accuracy. Additionally, if an actual score is low, automated scoring can check to see whether this is as a result of agent behavior or another cause.

Apart from being able to handle promoters and detractors appropriately, this gives a far larger pool of data from which to gain business insight, especially from those customers who will rarely complete a survey even if asked. There are also considerable savings to be made by avoiding expensive market research.

It's an easier path to program maturity and ROI if you work with a technology vendor that can start small, then add what you need when you are ready. Purpose-built VoC analytics take less effort and deliver more value than generalized database or analytics technologies.

Of course, the data you capture needs to align with your key program metrics, such as CSAT, NPS, or Customer Effort Score (CES). We find that most customers want a starter set of best practice-based dashboards complemented by self-service capabilities to make changes quickly in-house.

OMNICHANNEL VOC

The US contact center industry has now strongly embraced the various forms of non-voice customer communication, and any VoC program has to take these into account, as well as voice interactions.

However, these channels have emerged at different times, meaning that many businesses may have multiple customer feedback solutions focusing only on a single channel e.g. social media or email. This leads to a siloed approach to the VoC which does not provide a holistic or accurate view of the customer's experiences or opinions.

The following chart shows the current proportion of customer interactions by channel in the US. While relatively new channels such as social media and web chat have attracted a great deal of attention, particularly the former through its possible amplification effect, it should still be clear that voice remains the main way in which customers communicate with businesses.

Figure 16: Inbound interactions by channel

Inbound interactions by channel

- Telephone (self-service) 9.8%
- Email 13.7%
- SMS / messaging (WhatsApp, Messenger, etc.) 1.0%
- Web chat 8.2%
- Letter 0.3%
- Fax 0.7%
- Social media (customer service) 3.7%
- Telephone (live agent) 62.6%
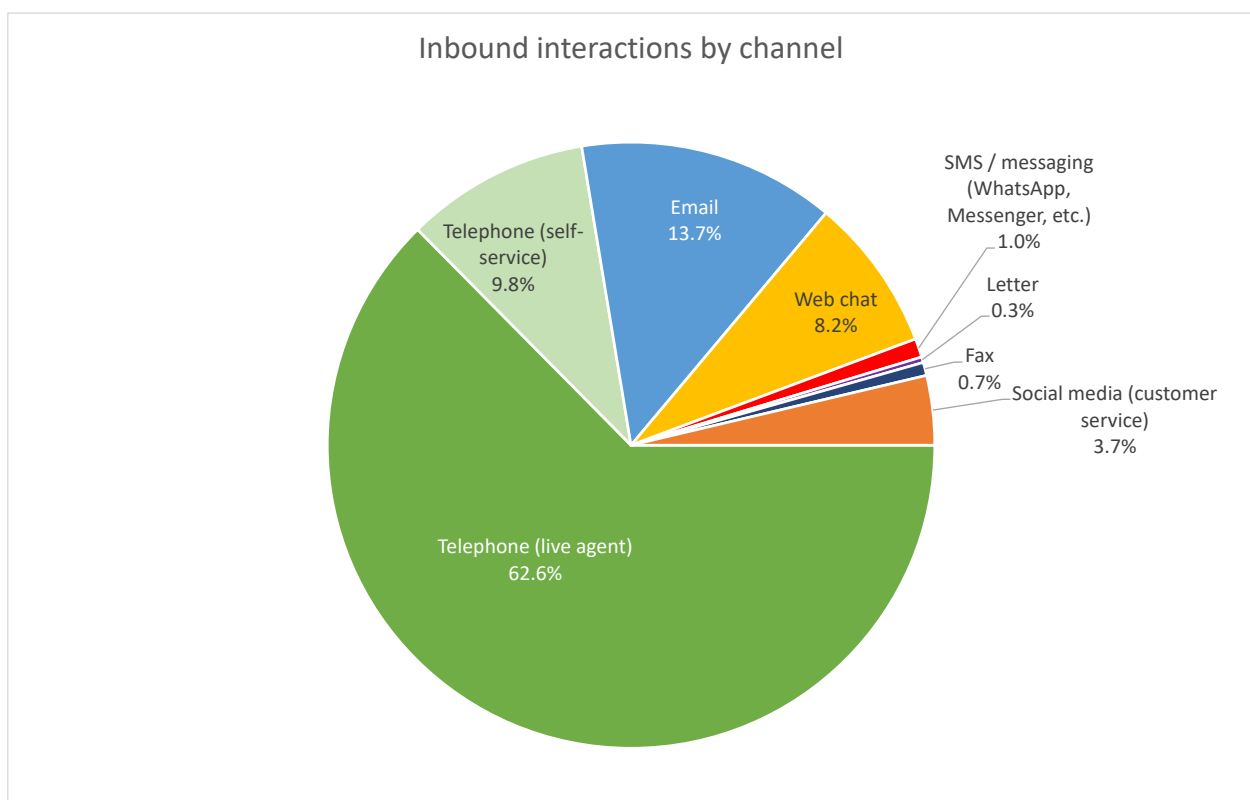
The proportion of live inbound interactions by telephone continues to drop slowly. Telephony self-service interactions rises back close to its long-term historical figure of 10%.

After growth over the past two years, the email channel has dropped a little back to under 14%.

Web chat showed very strong growth, up from 4.7% in 2019 to 6.8% in 2020, and 8.2% in 2021.

Social media also rises from 1.7% in 2019, to 2.5% in 2020 and up to its highest figure of 3,7% in 2021. As 61% of respondents using this channel expect growth next year, it would be a surprise if social media did not continue to grow in volume to some extent.

The following table shows both median and mean averages of the most important interaction type – live telephony – with the mean average being a representation of what is happening in the entire industry at an aggregated level, whereas the median – the midpoint – purposefully takes out any outlying, eccentric data points: this latter figure is what the 'typical' contact center might recognize in themselves.

Agent-handled calls are most important to respondents in the insurance, medical and transport & travel sectors, with respondents in manufacturing, TMT and retail & distribution once more this year being significantly under the average with their levels of telephony, as they often deal with higher levels of email, and increasingly, web chat.

Figure 17: Inbound interactions that are telephone (agent), by vertical market

Vertical market	Mean average	Median average
Public Sector	89%	75%
Insurance	81%	81%
Outsourcing & Telemarketing	66%	75%
Medical	66%	65%
Technology, Media & Telecoms	63%	70%
Retail & Distribution	61%	60%
Services	58%	60%
Transport & Travel	58%	58%
Finance	52%	65%
Manufacturing	41%	48%
Average	**62.6%**	**65%**

Having said that voice is still key channel for customers, there is little doubt that other channels will continue to grow significantly. Although not shown in these charts, web self-service is increasingly a major way in which customers communicate with companies and form opinions about their brand. In many cases, the customer journey will begin on a website before possibly diverting into a live or automated service channel. As such, any VoC platform should be able to take insights and data from every channel and present it in a user-friendly yet comprehensive manner.

The next section looks at customer channel preferences for communicating with businesses, and this is an important area for VoC projects to consider as significant insights into the mind of the customer can easily be missed. For example, if a customer has a preference to use self-service for a particular type of interaction, yet cannot do so because the functionality is not available on the website, they may end up calling the contact center and speaking with a live agent. At the end of the conversation, the customer may be asked whether their query had been resolved successfully and whether they were satisfied with how the agent had handled the call. The customer may then give a high satisfaction rating, which the business would be pleased to receive. However, if the question were not asked about whether the customer actually **wanted** to call the contact center in the first place, their latent dissatisfaction would not be apparent. In such cases, the customer is not as happy as they appear, and the business is having to bear the cost of a live call when they would be financially better-off if they had offered an automated self-service solution on the website.

Some types of interaction are better suited to specific channels, and various demographics have clear thoughts about how they would prefer to communicate with the business, and this is explored in some detail in the following section.

Analytics can help organizations identify which KPIs are actually most important to their business by correlating various performance and operational benchmarks against required business outcomes, such as understanding which operational KPIs and/or agent behaviors are linked with high levels of contract renewals or NPS scores.

The survey of 1,000 US consumers carried out for this report attempted to understand which the channels of preference would be in cases of high emotion, urgency and complexity through presenting survey respondents with three hypothetical scenarios:

High emotion: **notifying a company that an incorrect item has been sent to them**. This was chosen as a high emotion interaction as being sent an incorrect item is often frustrating, as not only has the desired product not arrived, but the customer is then left with the problem and effort of returning the item. This is not a particularly complex interaction, and in many cases will not be particularly urgent.

High urgency: **checking the arrival time of a flight that the customer is meeting**. This is likely to be an urgent interaction as it is very time-sensitive. Complexity is very low - as the required information is simply a time - and in the majority of cases, should have a fairly low emotional impact.

High complexity: **receiving guidance on completing a mortgage application or tax form**. This is likely to be a complex and long interaction, but is unlikely to have high levels of urgency or emotional response.

Consumers taking the survey were asked to imagine that a product they had ordered from a company had arrived but was incorrect. In this circumstance, they were asked which would be their preferred method for contacting the company to notify them that this was the case.

The most popular option was to phone the contact center, with 37% of respondents choosing this method. The second most popular, at 13%, were email and physically visiting the store or office.

There was a strong pattern based on the age of the survey respondent and their preferred channel: the younger demographics were most likely to send an email, use web chat or web self-service, whereas the older generations would pick up the phone. Amongst the under 45-year-olds, there was some preference for using social media.

Figure 18: Preferred method for contacting a company (high emotion interaction), by age range

Preferred method for contacting a company (high emotion interaction), by age range
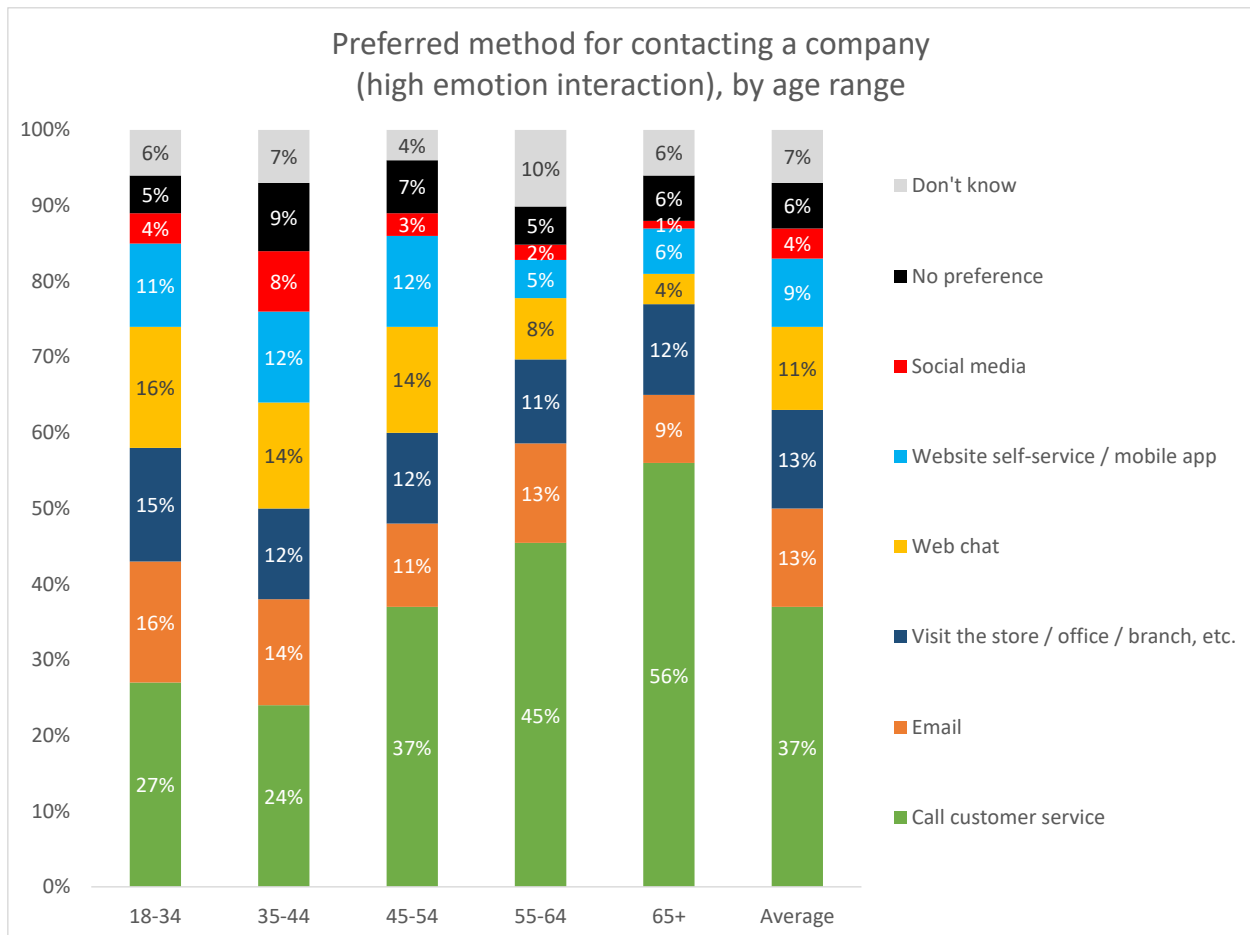
When considering the preferred method for contacting a company with a high emotion interaction, there was very little difference between income groups.

Figure 19: Preferred method for contacting a company (high emotion interaction), by household income

Preferred method for contacting a company (high emotion interaction), by household income

Legend
Don't know
No preference
Social media
Website self-service / mobile app
Web chat
Visit the store / office / branch, etc.
Email
Call customer service

<$50k: Don't know 9%, No preference 7%, Social media 3%, Website self-service / mobile app 7%, Web chat 11%, Visit the store / office / branch, etc. 13%, Email 12%, Call customer service 38%

$50k - $100k: Don't know 5%, No preference 6%, Social media 4%, Website self-service / mobile app 11%, Web chat 11%, Visit the store / office / branch, etc. 11%, Email 14%, Call customer service 37%

>$100k: Don't know 4%, No preference 6%, Social media 4%, Website self-service / mobile app 11%, Web chat 13%, Visit the store / office / branch, etc. 13%, Email 13%, Call customer service 36%

Survey respondents were asked which would be their preferred channel of choice in a situation where they were meeting somebody from a plane and urgently needed to confirm the time at which to be at the airport.

Usually, the most popular channel is web self-service/mobile app, but the past two years have shown a strong move towards live telephony.

Amongst older demographics, calling the contact center was seen as a preferred option, with these respondents also being more likely to use self-service.

Despite the immediacy offered by web chat and social media channels, few older respondents stated that these would be their preferred method of interaction even in high urgency cases. The younger demographics were much more likely to use social media, web chat and email.

Figure 20: Preferred method for contacting a company (high urgency interaction), by age range

Preferred method for contacting a company (high urgency interaction), by age range
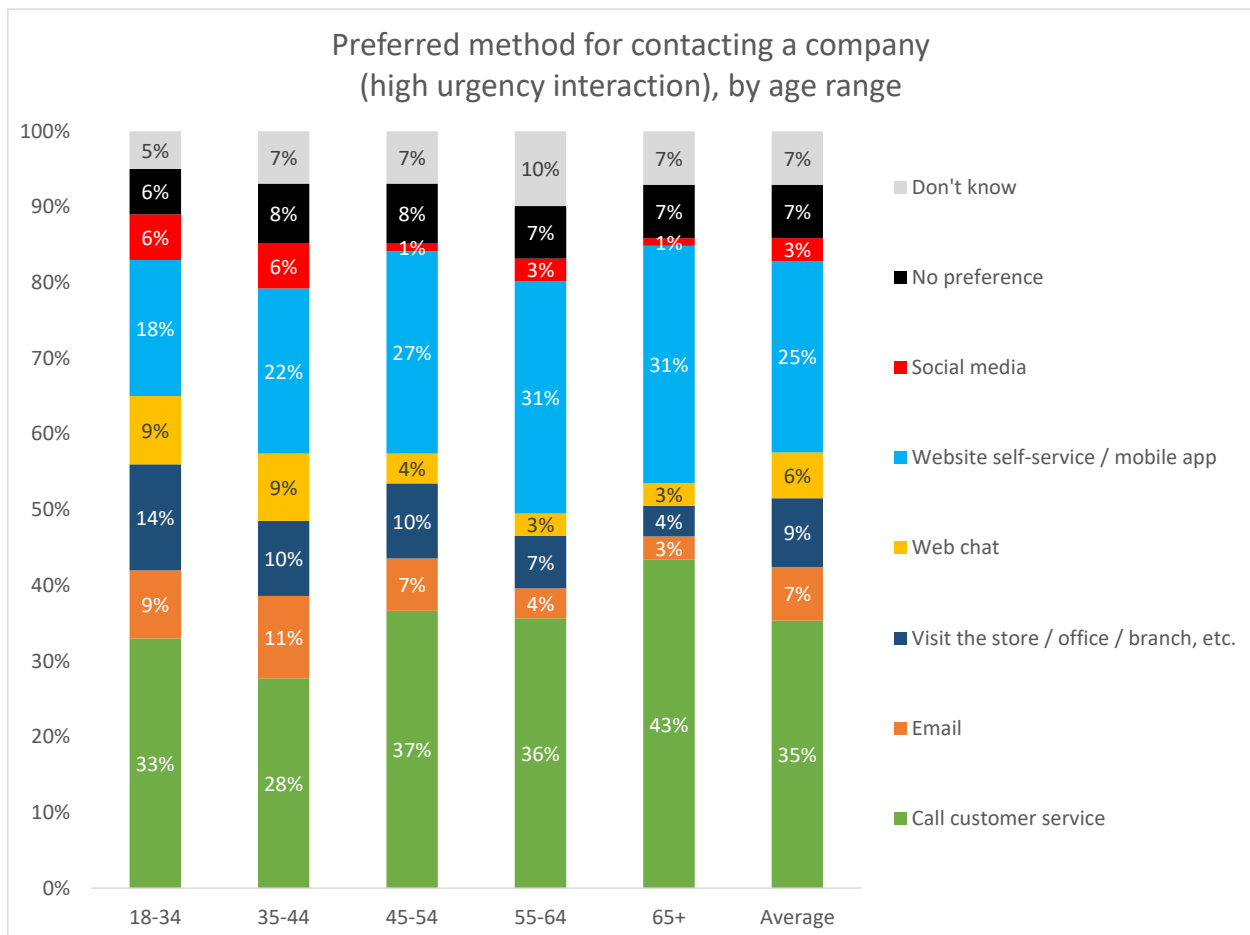
When considering household income, web self-service was a much more popular options amongst the most affluent households, with telephony being more popular with lower income respondents.

Figure 21: Preferred method for contacting a company (high urgency interaction), by household income

Preferred method for contacting a company (high urgency interaction), by household income
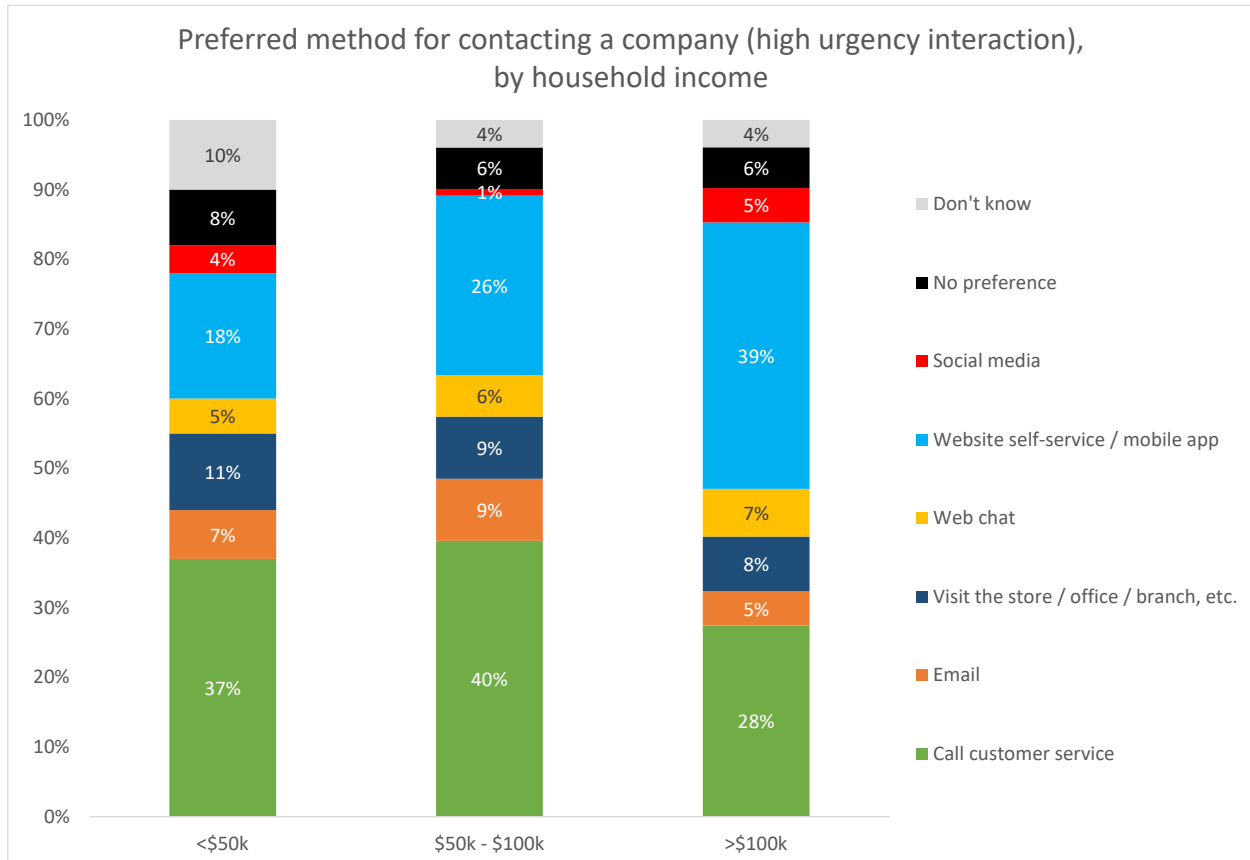
HIGH COMPLEXITY INTERACTIONS

For highly complex interactions, such as getting expert guidance with a tax form or mortgage application, the most popular contact choice was phoning the contact center, especially amongst older customers.

A physical visit to an office or branch was far more popular in pre-pandemic times, especially with the oldest demographic which chose this option in 25% of cases in 2019: 21% of the oldest age group now feel this is the best method to use, up from only 11% in 2020 which suggests that these people are becoming more adventurous again.

It is noticeable that web self-service is a much less popular option for complex interactions than it had been for urgent enquiries.

Web chat, email and social media again figure to some extent in the youngest age groups.

Figure 22: Preferred method for contacting a company (high complexity interaction), by age range

Preferred method for contacting a company (high complexity interaction), by age range
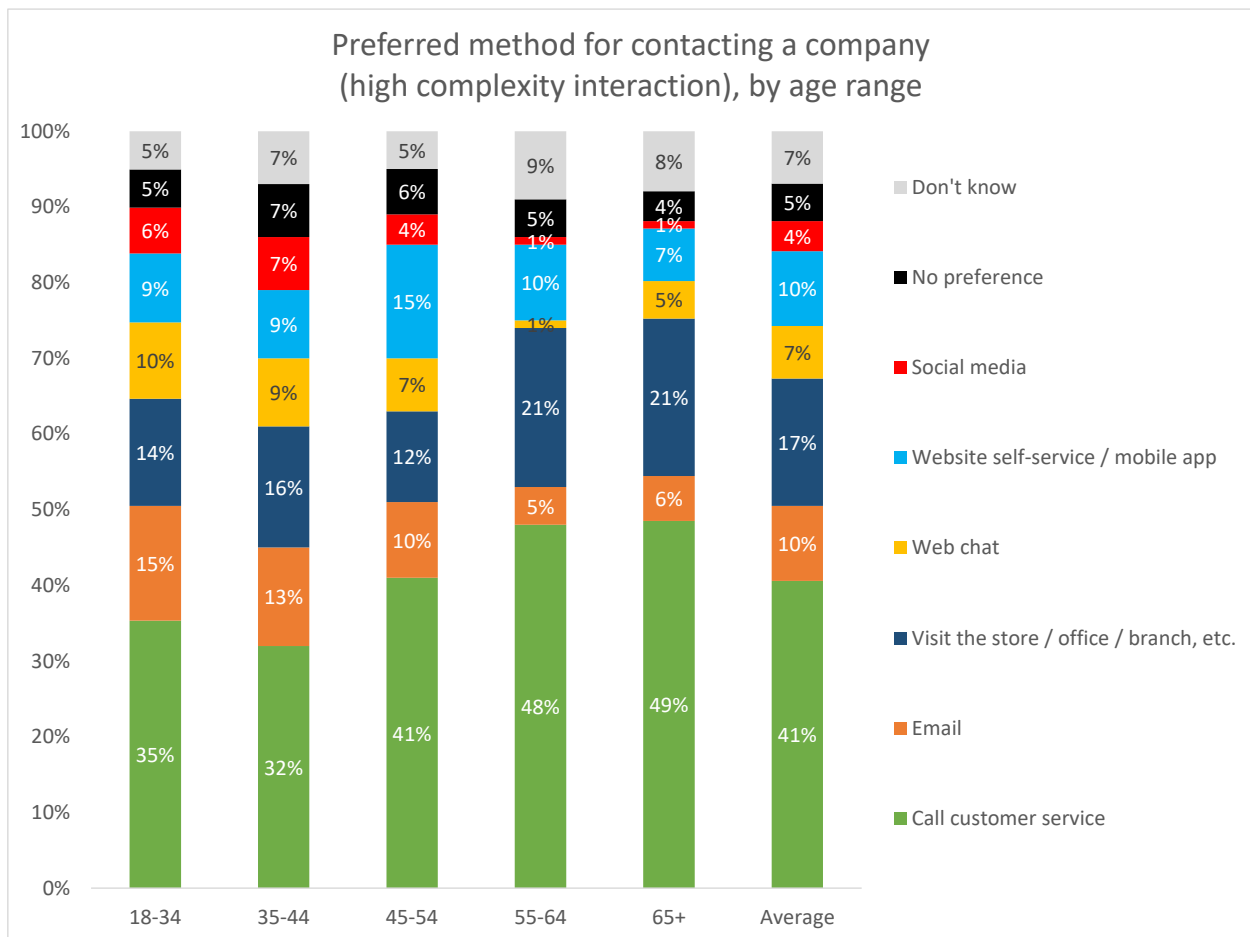
Higher income respondents are a little more likely to attempt to solve the problem through web self-service, but overall there is very little difference.

Preferred method for contacting a company (high complexity interaction), by household income
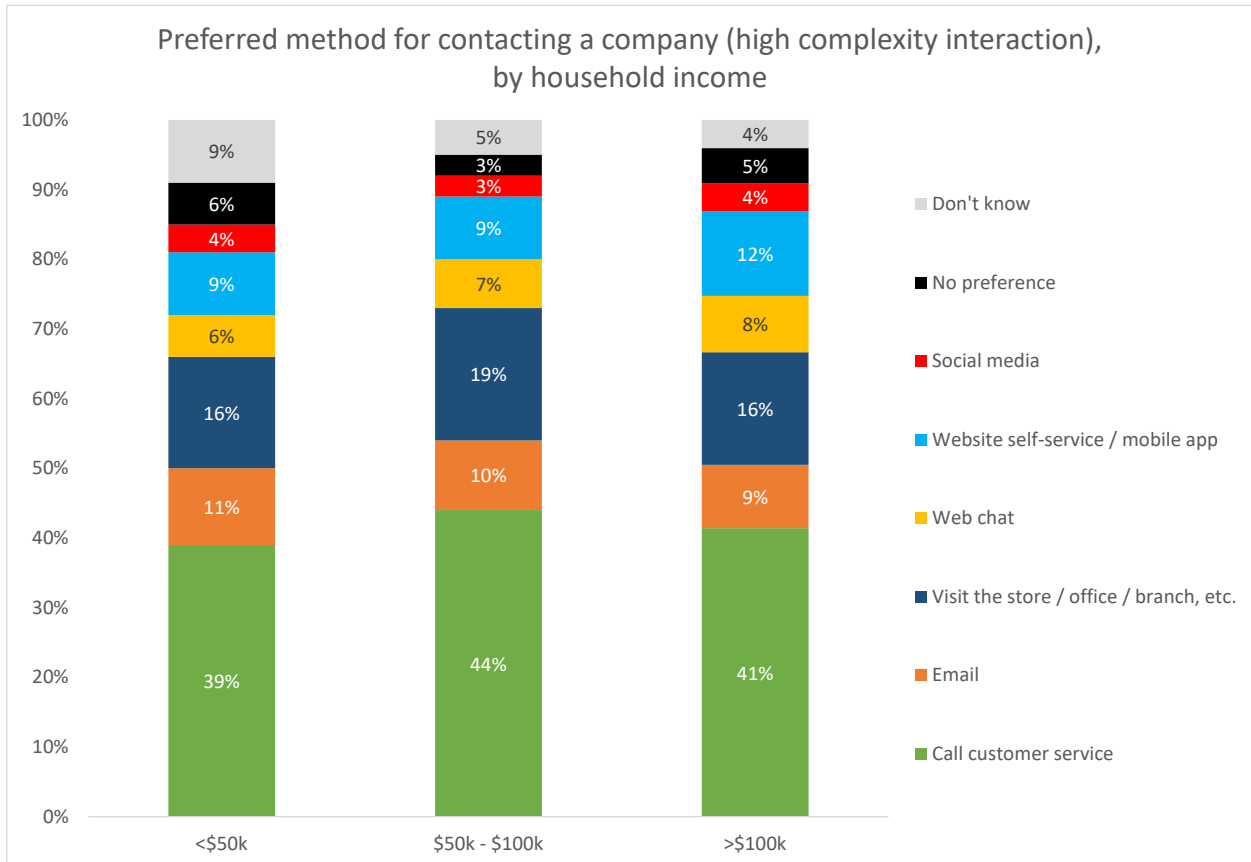
The following sections look at response / wait times for voice and the three main non-voice channels (email, web chat and social media) in order to give businesses a reasonable idea about what is normal within the industry, and what customers have come to expect.

Our research has shown that excessive queue / wait times is a major aggravating factor in negative customer experience, and these data may be useful in identifying potential problems within existing operations, as well as indicating what a superior experience looks like for a customer.

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CUSTOMER EXPECTATIONS: EMAIL

For businesses that handle substantial volumes of email, while it is not suggested that they should aim to answer an email in the same amount of time that it takes to complete a phone call, it is desirable to manage all interactions closely to consistent business rules, and to act quickly if service levels slip. Too often it seems, contact centers have become so used to managing the telephony queue that they neglect multimedia interactions. The result is that multimedia response times (mostly email) have historically been sacrificed to meet telephony service levels, and although there have been steady and significant improvements in the response rates between 2010 and 2014, recent years saw email response times deteriorating, perhaps as a result of email now being used more for complex enquiries, with simple service requests being handled by self-service.

Taking longer than one day to answer an email runs the risk of the customer losing patience, and going elsewhere or phoning the contact center, placing a greater cost burden on the business than if they had just called in the first place.

2021's figure of 73% answered within one day is a slight decline on last year's figure of 77%, and the reported 22% of emails taking more than a day to respond to is the highest figure recorded.

Figure 24: What proportion of emails are answered successfully and completely within these timescales? (2009-21)
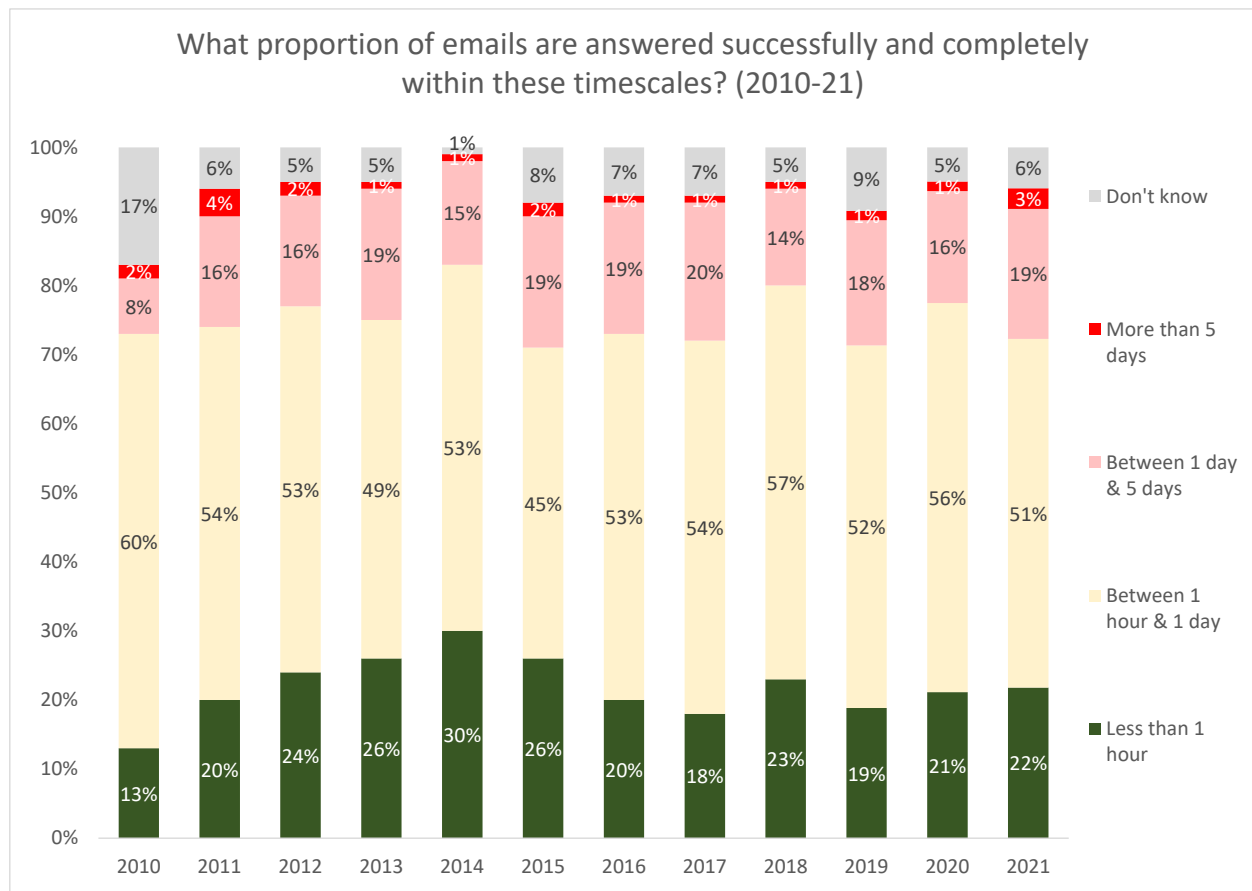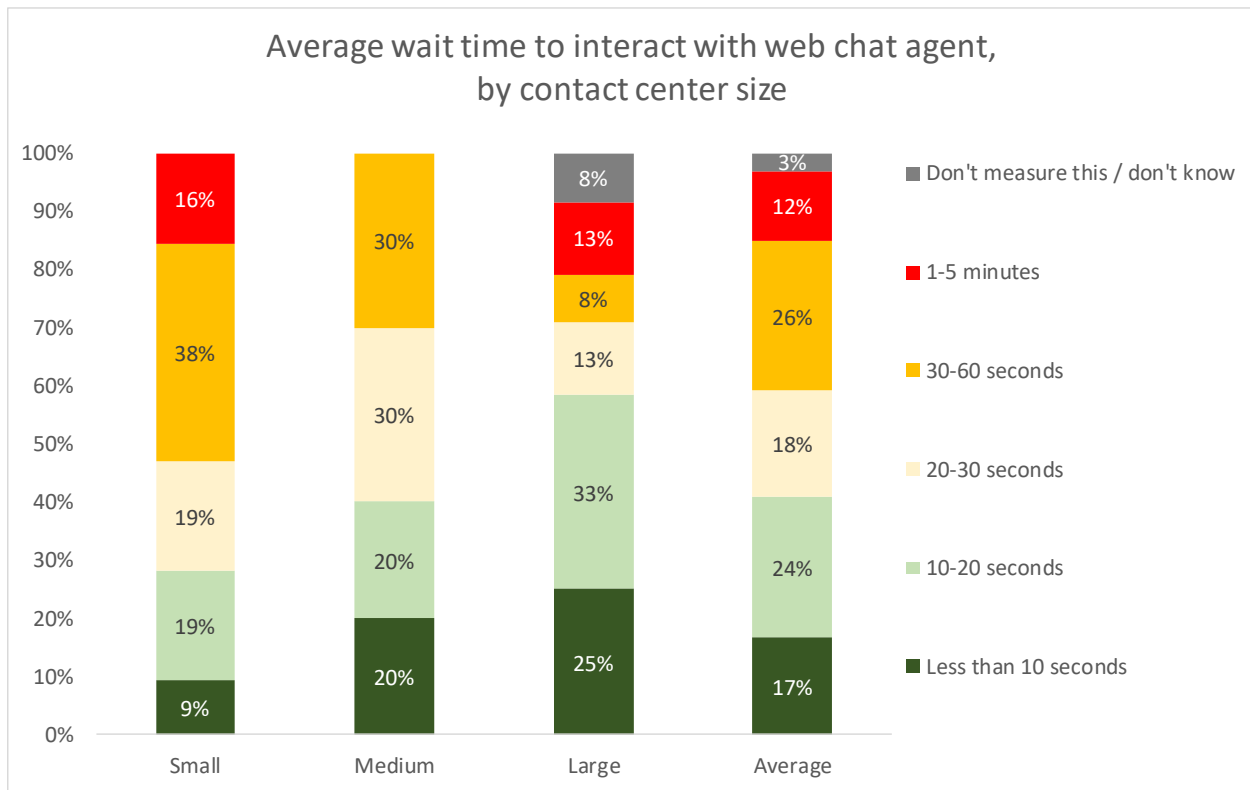
17% of respondents have a wait time for web chat of lower than 10 seconds, with a further 42% stating that the average wait time is less than 30 seconds, which is around the average speed to answer for telephony.

Little research has yet been carried out into the expectations of customers around web chat service levels, but it is reasonable to expect a channel being presented as an alternative to phone to have similar service level expectations and reality. If only 12% of web chats take longer than 1 minute before the customer is 'talking' with an agent, then we can expect customers to flock to this channel enthusiastically, as these service levels are generally superior to that of voice, and this year's reported jump in web chat volumes bears this out.

However, the average length of a web chat can often be longer than the same phone call would take, as multiple chats may be being carried out, and typing takes longer than talking.

Figure 25: Average wait time to interact with web chat agent, by contact center size

Average wait time to interact with web chat agent, by contact center size

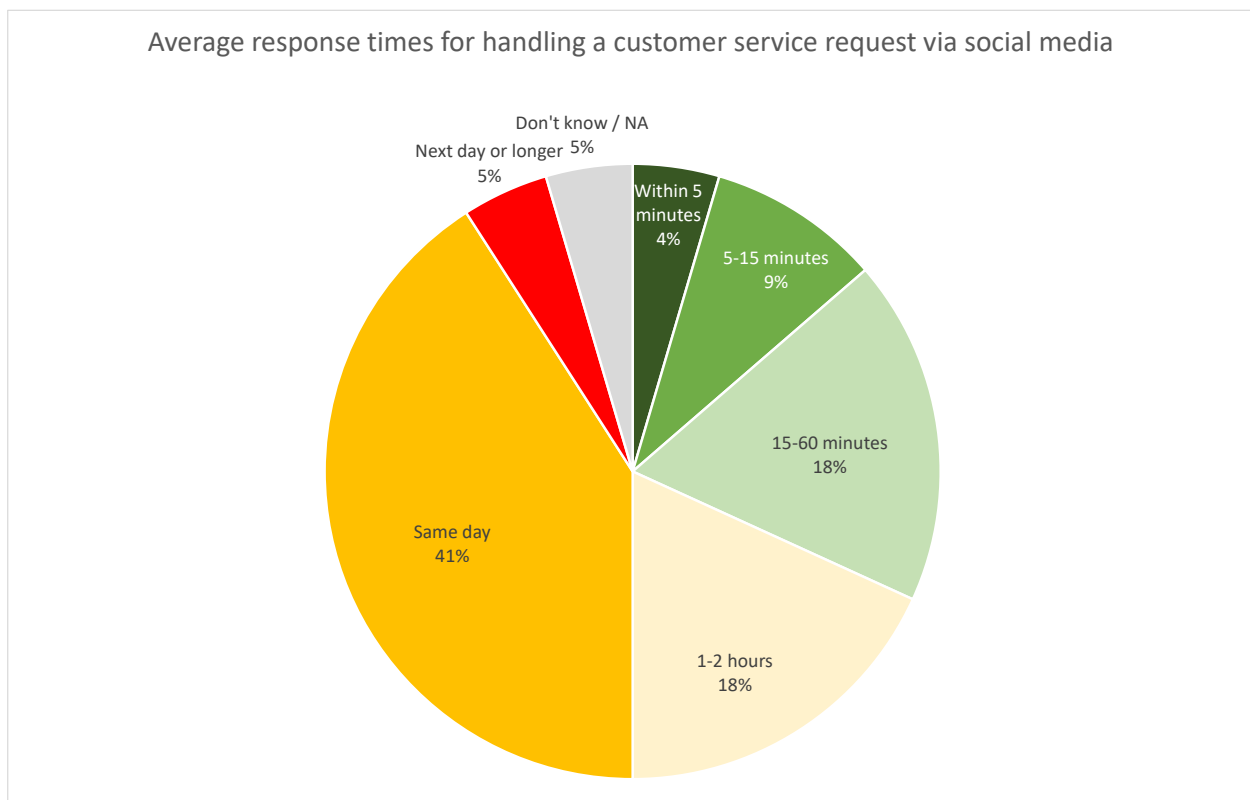|	Small	Medium	Large	Average
Don't measure this / don't know			8%	3%
1-5 minutes	16%		13%	12%
30-60 seconds	38%	30%	8%	26%
20-30 seconds	19%	30%	13%	18%
10-20 seconds	19%	20%	33%	24%
Less than 10 seconds	9%	20%	25%	17%

CUSTOMER EXPECTATIONS: SOCIAL MEDIA

There is some debate about the best way to handle social media inquiries. While it is possible for requests via social media to be analyzed (often by keyword spotting), prioritized and then routed to the agent team most capable of dealing with these specific inquiries, it is not just the same as a phone call or web chat. Some customers can expect an almost instantaneous response, with the attendant pressure that such a service level places upon the organization, but this is generally unfeasible.

Response times for handling a social media customer service request are somewhere between a phone call / web chat on the one hand (i.e. a maximum of a few minutes), and an email on the other (i.e. the same working day).

31% of respondents answer within the hour on average, 59% state that will take longer than an hour but less than a day, and 5% take longer than a day.

Figure 26: Target response times for handling a customer service request via social media

Average response times for handling a customer service request via social media

- Don't know / NA 5%
- Next day or longer 5%
- Within 5 minutes 4%
- 5-15 minutes 9%
- 15-60 minutes 18%
- 1-2 hours 18%
- Same day 41%

Average speed to answer (ASA) is another of those traditional statistics which has always been measured, and there is a strong case for keeping it at the forefront of how contact centers measure their success. Speed to answer plays a vital part in improving the customer experience, and also feeds into other performance measures such as call abandonment rate.

However, contact centers should also keep a close eye on "longest call waiting" statistics to get a fuller picture of the pre-call experience that customers are having. Some contact centers reduce their speed to answer figures by not counting the time taken for the caller to deal with IVR or listen to announcements before speaking with an agent: it is our opinion that the call should be measured from the moment the caller dials the last digit to the moment the agent answers the phone. Of course, not everyone sees it that way, but your customers certainly do.

As an aside, past ContactBabel research[5] has indicated that callers believe that they wait for an average of 11½ minutes to speak with an agent. As average speed to answer has actually been around 30-50 seconds for many years (it is somewhat higher since 2019), this statistic does not make sense, particularly in the light of the average time to call abandonment being well under 2 minutes. Our conclusion is that the "11½ minute" figure is collected from people's subjective view, rather than anyone waiting by the phone with a stopwatch. Also, people tend to remember the times they had to wait a long time, rather than the times they were answered straightaway. Regardless of the reality, speed to answer does affect customers' perceptions of the business.

Despite high-volume yet simple interactions such as password reset and account balance being carried out via self-service (whether through IVR or the website), the overall industry ASA mean average had stayed relatively steady until 2014, when it began a significant rise. While the pandemic can be blamed for the 23% increase seen in 2020, this was still in line with the historical trend, although a further increase of 35% in 2021 strongly suggests forces at play which were not there in the past.

To make sure that this is not simply the result of a few outlying respondents, the median is also considered. This has changed relatively less from the historic average of 20-22 seconds, and although 2020's median of 37 seconds was a jump from 2019, it had already been increasing. 2021's rise to 50 seconds shows that this is an industry-wide phenomenon driven by pandemic-related pressures.

Figure 27: Historical average speed to answer (with 2024 projections)

Average speed to answer (seconds)	Q4 2009	Q3 2010	Q1 2012	Q1 2013	Q1 2014	Q1 2015	Q2 2016	Q2 2017	Q3 2018	Q3 2019	Q4 2020	Q4 2021	Q4 2024
Mean	29	31	31	34	43	46	54	50	67	61	75	101	70
Median	-	22	20	20	24	22	28	31	30	30	37	50	35

[5] Source: ContactBabel analysis of ICM Research data interviewing 1,004 UK adults on behalf of Vicorp.

It is important to remember that similar types of customer interaction may require very different handling depending on circumstances. For example, a query about product delivery may be a small part of a wide-ranging research process carried out by a particularly thorough prospective customer, or may be asked by a customer who has just realized they've forgotten about an important birthday and needs immediate, accurate information.

McKinsey talks about the 'moment of truth' in customer interactions[6], often occurring when the customer has an unexpected problem or has a high emotional stake, when long-term loyalty and customer advocacy can be won or lost depending on the outcome and the way in which it is handled. Businesses and their representatives should be aware that these relatively rare occurrences offer great opportunities. Recognizing and handling these moments of truth appropriately – moments which are defined as such by the customer, not the business – will have a far greater long-term impact on customer satisfaction and loyalty than the dozens of competently-handled, forgettable interactions that may have happened previously.

'Moments of truth', which businesses may choose to be handled by their more experienced and empathetic agents, are by their nature difficult to predict. Current real-time speech analytics solutions can indicate a measure of stress in the customer's voice, flagging this up to the agent within the call, but agents should be in any case capable of recognizing this without technology. In any case, if the customer has already tried two or three other channels without success, even the most competent and empathetic agent will find it difficult to turn the moment of truth around positively.

For this reason, a true omnichannel approach is vital which offers the same high level of service and knowledge through each channel. Equally important is the freedom for agents to act in way appropriate to the situation – for example, if a 'high-emotion' interaction happens on social media, which can't be handled on that channel (e.g. it needs to go through security, or is too complex and lengthy for a non-voice channel), the agent should be given the license to place an outbound call to that customer in real-time, rather than advise them to call the contact center. While this will impact upon the social media channel's service levels while the agent is away from it, the moment of truth offers the opportunity to lock-in that customer's loyalty. For contact center operations traditionally run on a structured command-and-control basis, this may sound chaotic, but businesses have to decide if the occasional relaxation of their own procedures is an acceptable trade-off for providing the customer with something that they truly value. Agents need to be given *carte blanche* to deliver in 'moments of truth', and the training and support to recognize when this is happening.

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[6] http://www.mckinsey.com/business-functions/organisation/our-insights/the-moment-of-truth-in-customer-service

This is not to say that 'moments of truth' necessarily have to be handled by a live agent. The popularity of self-service runs deep in the customer base, and the only reason that many customers abandon self-service at the point of crisis in order to ring the contact center is only because self-service cannot deliver what they need. If companies focused their efforts on providing more sophisticated and reliable self-service applications, there is no reason why these could not deliver at least as much customer benefit at these moments of truth.

For example, if a passenger misses their plane, they are then likely to engage in a long and complicated discussion with a live agent (either at the airport or in a contact center), involving alternatives, connections and payments. If, on missing the last call for the plane, the customer were immediately provided with an SMS or email detailing the various options available to them, which they could then select and rebook at once, this would be more convenient for the customer and significantly reduce the cost of service to the business. Perhaps more importantly, the customer would feel that the airline is looking out for them, creating long-term loyalty out of the negative experience of missing a plane.

A customer journey based VoC solution can help you aggregate and analyze feedback across touchpoints and channels rather than digging through silos of disconnected data. By also folding in unstructured data and applying speech-to-text analytics, along with operational data, you gain a complete view of what customers think and feel.

Leading technology solutions also correlate ratings with business impact so that your organization focuses improvements on what matters most, not merely where ratings are low. Role-specific visual dashboards help employees understand how the business is performing and where to take action.

The main purpose of VoC programs is not simply to understand what the customer wants, but also to be able to deliver targeted improvements based on their views. Without actionable and practical insights, any VoC project will only provide information rather than knowledge.

Successful VoC projects need to move between three main phases, as shown by the example below:

1. Comment: "This product is too expensive and complicated"

2. Potential issues:

    a. Customer does not feel that they are getting good value from the product

    b. Customer does not feel confident in using the product

    c. Customer is paying for unnecessary features

3. Potential actions:

    a. Market this as a premium product, associating price with quality

    b. Provide better product education materials and make them easily available

    c. Offer differing price points depending on the level of functionality required.

In the example above, the original customer comment could actually referring to a number of underlying feelings about the product and the company. A simple customer survey would simply gather the comments and report them back to the business, which would then have to decide which of the three potential issues and actions were actually driving this customer's dissatisfaction, spending time and money on a solution which may not be addressing the customer's actual concern.

When implementing a VoC project and platform, a business should be aware that they may well have to ask follow-up questions and survey many different types of customer persona before they are able to choose an action with any level of confidence.

As customer touchpoints transform across digital channels, so must your understanding of these complex customer journeys and how to close the loop on customer issues. VoC programs are being reimagined to understand and act on direct, indirect, and operational customer feedback – to drive loyalty, advocacy, and reduce customer churn.

The most significant pitfall to avoid is not closing the loop. VoC efforts only succeed when organizations act on customer feedback to effect meaningful changes that improve CX and customer loyalty.

In the context of VoC, 'closed-loop' means that businesses are able to respond directly to customer feedback, usually of the negative type. This offers the opportunity to rescue the customer relationship, and research has shown that a huge amount of loyalty can be created from handling complaints effectively: customers realize that mistakes can be made, and resolving these by going above and beyond what most companies will do creates an extremely positive impression.

This is not to say that closed-loop feedback is simply about handling detractors: customers who provide neutral or lukewarm comments can also be contacted and hopefully turned into promoters. Some businesses even go so far as to thank customers for positive comments, strengthening their engagement with the company. A large part of closing the loop is not only to act upon customer feedback, but to be seen by the customer to be doing so: actively valuing their thoughts and opinions can only be seen as positive.

While closed-loop feedback is commonly used to address individual failures in process or interaction, businesses should also consider aggregating them in order to identify the areas which received the most complaints, enabling the business to focus upon improvements and gather more data from these points in the customer journey to make sure that any issues have been fully resolved.

Closed-loop feedback starts with automated alerts: as surveys are completed, real-time alerting capabilities will immediately identify and inform teams of customers in need, while assigning ownership for follow-up. It is vital that these alerts happen in near real-time while the customer is still engaged (albeit often negatively) with the company. Decisions need to be made on what the triggering threshold is for these automated alerts: perhaps a specific range of NPS or CSAT scores, or for those companies scanning through unstructured data, a long comment with a negative sentiment will indicate considerable frustration and disappointment with the company which should be addressed immediately. Businesses may also want to include customer-specific data such as lifetime value in order to prioritize and allocate resource effectively, and to make all of the customer information and history available to the agent.

Once the alert has been raised, it needs to be allocated to a team member or group which will reach out to the customer. A callback manager is an interactive system that enables callback teams to conduct detailed case reviews and disposition follow-up activities for eventual root-cause analysis. Many of these will allow the setting and tracking of targets such as a certain proportion of complaints being resolved within a specific time period.

Rather than just dealing with negative customer feedback on an individual basis, it should be aggregated so that patterns begin to emerge. A systematic aggregation process can identify positive and negative trends and communicate this as necessary.

Superior case management solutions provide root-cause exploration tools to enable back-end analysis of the customer's initial concern, enabling operational support teams to proactively uncover, track and mitigate systemic problems. This may be connected with a specific point in the customer journey (for example, onboarding); an issue with a particular demographic; a response to a new piece of marketing; or even be connected to a specific agent who may require further training.

Tips for closed-loop feedback:

- use the CRM system to identify and prioritize high-value customers so that they can be dealt with quickly and on a personal level

- consider prioritizing customer rescue attempts based on the amount of effort and force of emotion that they have displayed: a customer writing multiple sentences containing a great deal of sentiment has put more effort into displaying their displeasure compared to someone who has scored a 6 on an NPS survey but not made any other comment

- it is also the case that unstructured written comments are far more likely than an NPS figure to indicate the customer's specific issue and any potential resolution. This is not only useful for handling this specific interaction, but will also provide valuable information allowing the business to classify complaints by particular customer journey touchpoints or business processes

- empower agents with the information and authority to handle complaints effectively, which will include giving them access to the CRM system and any customer history

- gather macro-level data on where complaints and negativity are coming from, carry out root cause analysis, and focus business improvements on these areas

- a set of best practices / templates can be created and shared with the team so as to respond to feedback at scale, and to give them greater confidence by using what has worked before

- promote continuous communication with the customer, keeping them informed about the ongoing status and letting them know if the company changes processes based upon their feedback. This can also be socialized with a wider customer base to demonstrate that the company does listen, care and act based upon their customers' opinions

- any changes to processes or user experience that comes from listening to customer feedback can be shared with customers to show that their voices valued, and to encourage them to continue to suggest ways in which the business can improve.

COMPLAINT ANALYSIS & FAILURE DEMAND

Complaints are a potentially rich environment for businesses to understand where they are going wrong, and which issues are in danger of turning a customer into an ex-customer. For many businesses, each complaint is dealt with on a case-by-case basis, with little in the way of categorization or structure being put in place formally, and little chance of communicating findings in an actionable way to the relevant department.

Speech analytics gives businesses a chance to quantify the reasons that customers complain, identifying the most important factors, assessing trends and spikes, and providing hard recommendations based on every call taken. Real-time analytics allow businesses to track words and phrases related to complaints (such as 'supervisor', 'manager', 'complain', 'unhappy' etc.), allowing escalation to a supervisor, or screen-pop to the agent to provide them with a revised script or suggestions of how to handle the call. Emotion detection and sentiment analysis may also be used to identify unhappy or wavering customers within the call, updating supervisors who can then intervene or advise the agent accordingly.

John Seddon uses the term "failure demand" to describe calls that are created by the inability of the business's systems to do something right for the customer:

> "A failure to do something - turn up, call back, send something…causes the customer to make a further demand on the system. A failure to do something right - not solve a problem, send out forms that customers have difficulty with and so on - similarly create demand and creates extra work. Failure demand is under the organization's control, and it is a major form of sub-optimization."[7]

Seddon cites the instance of the bank where failure demand created almost half of the calls which they had to deal with. Another classic example of failure demand is where emails go unanswered, leading to calls being made (first-stage failure demand). Later, the email will be answered, unnecessarily, as the customer already has their answer or has gone elsewhere (second-stage failure demand). This redundant work will then impact on other (still live) messages in the email queue, creating a vicious circle of failure demand. Redesigning and restructuring the way in which work flows around the organization, putting the contact center at the heart of it, rather than treating it as a separate silo, will go much of the way to reducing unnecessary contacts. The customer ends up getting a better service from the whole company, not just the contact center.

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[7] *Freedom from Command and Control: A better way to make the work, work*, John Seddon

One way in which this can be achieved is to unify and automate the agent desktop, bringing in the relevant data automatically, depending on who the caller is and what they want. At the end of the call, the correct data is written back to the relevant places, and the correct processes kicked off automatically, meaning that the right departments will be provided with the right information, thus reducing the risk of failure demand, unnecessary calls and irate customers. This also takes the pressure off the agents to remember which systems to update and how to navigate through them within the call (which causes long delays, negatively impacting customer satisfaction), or in the wrap-up, which risks agent forgetting to do things, and also decreases agent availability, increasing the queue length, and decreasing customer satisfaction.

In cases where multiple processes have to happen in order for the customer's requirement to be met, automated outbound messaging to the customer, whether by email, SMS or IVR is likely to reduce the number of follow-up contacts that the customer feels that they have to make.

Information on failure demand can be gleaned from the contact center, which can also hold huge amounts of knowledge about customers' views of the products, services, competitors and company. Feedback loops can be established to push information and insights upwards to those who can make a difference in product development, process improvements and customer strategies. Interaction analytics offers businesses the chance to mine huge amounts of data and find patterns and reasons in a timely fashion, and it is vital then to act upon this knowledge, proving to both customers and agents that the business takes them seriously.

On average, 7.9% of survey respondents' calls were complaints, and of those calls, 82% were not about the contact center itself (or its staff), but rather 'failure demand', caused by a breakdown of process elsewhere in the organization.

However, the contact center has to deal with the fall-out, and further failures within the complaints procedure (or lack of it) can see customers calling into the contact center again and again, becoming more irate each time, despite the real problem lying outside the contact center.
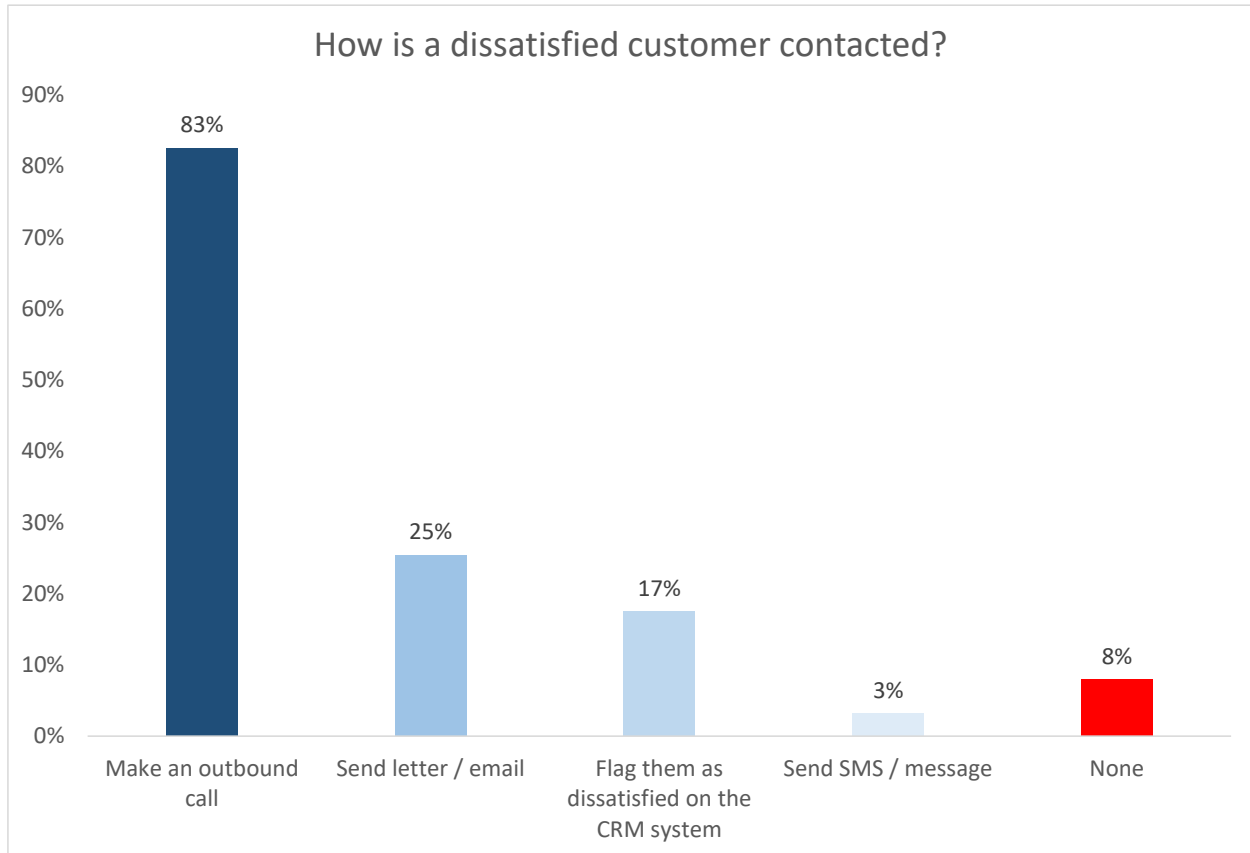
There is also the case that there is a blurring of responsibility between the contact center and the rest of the business so that lines of demarcation over where the fault lies can be difficult to find. For example, a telecoms provider that has taken an order for a new line has to rely on the rest of the organization to provision and deliver this correctly. If the agent takes the contact email down incorrectly, the customer will not receive any information about their order, which may have a query on it. When the irate customer rings in to complain, the problem may appear to be with the back-office processes where the order has halted, but the fault actually lay with the original agent. Whether this is tracked or reported on correctly is not a certainty, so any analysis of the split between contact center / back-office complaints should be treated with caution.

There is also a real risk especially within large contact centers that a single agent does not have the capability or responsibility to deal with the customer's issue, which may reach across various internal departments (e.g. finance, billing, provisioning and technical support), none of which will (or can) take on full responsibility for sorting out the problem.

The following chart shows how survey respondents handle customers that are identified as being dissatisfied.

It is heartening to see that very few organizations choose to do nothing in these cases, with a large majority – especially in the B2B sector – making an outbound call. Sending a letter or email is also quite a popular choice.

Figure 28: How is a dissatisfied customer contacted?

How is a dissatisfied customer contacted?

- Make an outbound call: 83%
- Send letter / email: 25%
- Flag them as dissatisfied on the CRM system: 17%
- Send SMS / message: 3%
- None: 8%

A key element to a successful VoC project is the ability to share data and insights with relevant parties in a timely fashion.

Most VoC platforms provide a mixture of decision-making dashboards, regular email reports and automated alerts which can be customized depending upon the target audience. Role-based reporting allows the definition of the type and frequency of report delivery based on responsibility, title, geography and more.

The platform may provide real-time insight through text analytics, zeroing in on key issues from multichannel survey feedback. Example call recordings may also be provided, drilling down and providing detail on IVR & live call recordings for additional insight.

A good VoC dashboard should include specific key features:

- for executives, 'at a glance' top-line performance in a broad context, with indications and color codes on whether metrics are improving or deteriorating. Adding operational and financial data alongside VoC metrics will help maintain their attention and show the link between the VoC project and business outcomes which is vital to retain their long-term support

- the ability to drill down through the data to understand these top-line figures more fully

- role-based access and customized dashboards, displaying only data relevant to the job role or the goals of the department, so as to save unnecessary time trying to find appropriate information

- regular reporting by email or SMS, including triggering alerts in real-time if major changes are seen

- an opportunity to view verbatim comments based on a specific area: for example, the marketing department may wish to track customer feedback after a campaign has gone out in order to improve future messaging. In such cases, the automatic categorization of comments by the VoC platform will be very useful in saving time and focusing on the right areas.

The role of VoC in providing a base of facts to direct the coaching and training team should not be overlooked:

- 'In-The-Moment' coaching tools: as surveys are completed, real-time alerting capabilities will identify when a frontline employee is in need of immediate coaching intervention

- Performance ranker: the performance ranker helps managers develop weekly and monthly coaching plans by outlining strengths and weaknesses for each employee, while identifying opportunities for peer-based knowledge sharing

- Behavior playbooks: playbooks with scorecards help managers coach to specific behaviors by outlining how to best demonstrate each behavior, showcasing best-practice examples and suggesting sample role-plays.

Businesses should also consider showing top-line indicators such as NPS and CSAT to contact center agents, and they consider adding verbatim comments and customer stories to encourage and guide positive behavior and empower agents. Providing financial or other awards based upon the sorts of metric should also be considered, although it is very important that this does not encourage behavior that is aimed only at improving metrics, such as begging customers for high ratings.

Respondents were asked if their customer-facing employees were financially rewarded based on any customer experience factors.
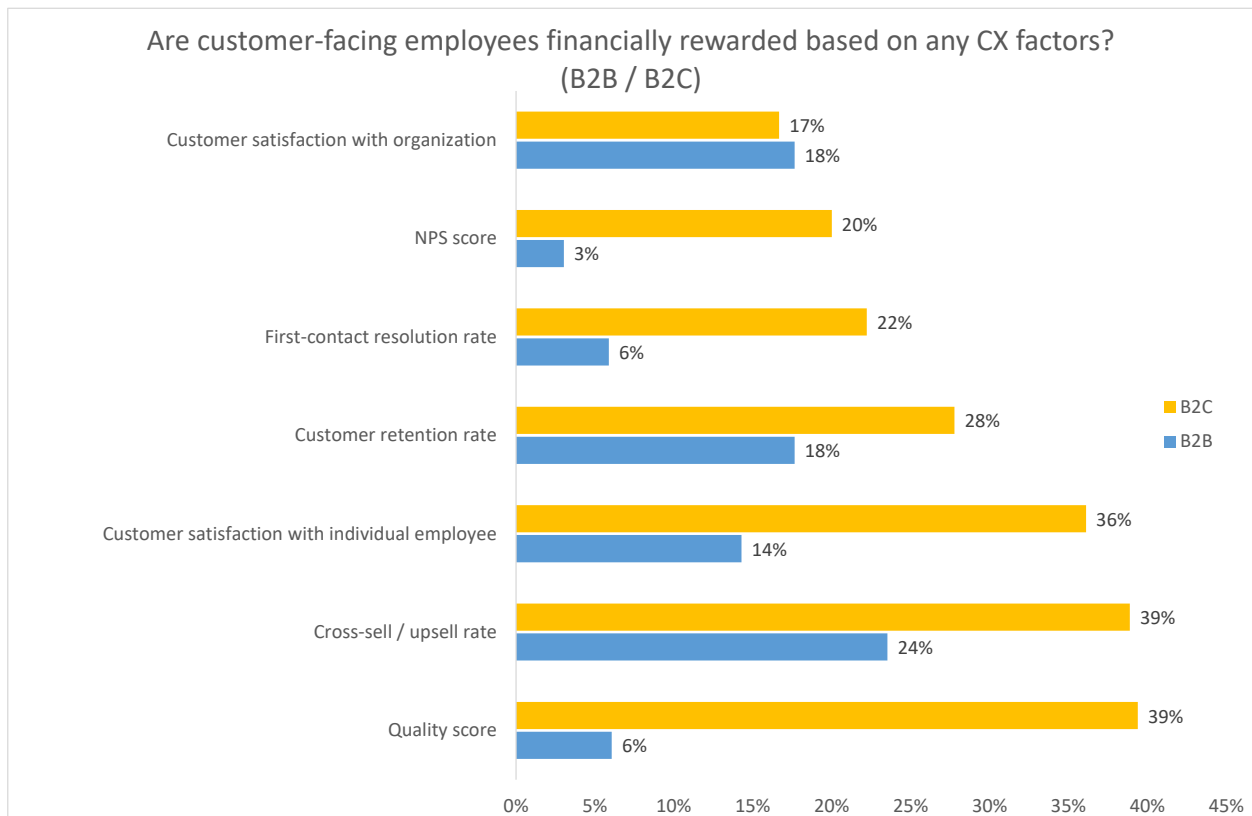
Around 40% of B2C respondents reward employees based on their individual quality scores and cross-sell / upsell rates.

High customer satisfaction scores are also stated to be amongst the most important for both B2B and B2C organizations, especially by B2C respondents which often reward employees for the customer satisfaction created by the individual employee's actions.

Net Promoter score is financially rewarded by far more B2C than B2B operations, and it can be seen in general that B2B respondents reward their agents far less often for meeting key CX factors.

It is disappointing and surprising to see the relative lack of importance placed upon rewarding high first-contact resolution rates or customer retention rates, despite their overwhelming importance to the overall customer experience program, although this year has again seen a rise in B2C organizations rewarding employees based on these metrics.

Figure 29: Are customer-facing employees financially rewarded based on any CX factors? (B2B / B2C)

Are customer-facing employees financially rewarded based on any CX factors? (B2B / B2C)

Factor	B2C	B2B
Customer satisfaction with organization	17%	18%
NPS score	20%	3%
First-contact resolution rate	22%	6%
Customer retention rate	28%	18%
Customer satisfaction with individual employee	36%	14%
Cross-sell / upsell rate	39%	24%
Quality score	39%	6%

With so many touchpoints along many customer journeys, it can be difficult to know where to focus on gathering structured customer feedback, as asking customers' opinion at every single stage of the journey can appear obtrusive and needy, apart from seriously risking survey fatigue. Structured customer feedback in itself can only provide the "what", rather than the "why". Adding the analysis of unstructured customer feedback can look more closely at the reasons behind any negative ratings, but gathering, categorizing and analyzing this information is extremely difficult without a solution specifically designed for this purpose, which obviously comes at a cost and needs to be managed by dedicated employees.

Many companies now use a very significant number of channels to offer service and communication with their customers. They may well be a patchwork of customer feedback solutions that look only at a single channel e.g. social media, and these need to be integrated to provide a holistic view of the customer's voice. It is also the case that many VoC projects are data-heavy and insight-light: if executive teams are overwhelmed with statistics rather than actionable solutions based upon proven hypotheses, they are likely to lose enthusiasm and support for the project will drop away.

In a cross-departmental project such as VoC, it can be very difficult to maintain the same levels of enthusiasm, support and knowledge in all of the stakeholders. This is particularly the case as VoC should be seen as an ongoing process, rather than a one-off project with a single result. Over time, the initial focus of the project may be lost as stakeholders compete to have their issues answered, and it requires a senior project champion who is fully on board with a strategic necessity of VoC to be able to keep the project pointed at the areas that can give the greatest positive business outcome.

There is also the very real problem of survey fatigue. This is particularly the case in a cross-departmental project where stakeholders are interested in different things, and could squabble amongst themselves about what should be measured next, potentially leading to an excessive amount of surveys being offered to customers which will have a severely negative effect on response rates.

One of the major inhibitors to VoC success is an overreliance upon metrics. While many senior executives are very interested in NPS in particular, there is a real danger that the weekly or monthly report showing how such metrics have changed becomes merely something to glance at rather than using the insights gathered in order to change processes and approaches strategically.

Significant inhibitors to a successful VoC initiative

- Lack of integration across customer feedback solutions, with different databases and historical tools being used rather than a single VoC platform

- Difficulty in getting departments to cooperate with each other

- Wording of survey questions and their ratings may be different across departments

- Lack of support from executive sponsors

- Difficulty in proving return on investment

- Customer feedback does not drive quantifiable change to customer experience or business outcomes

- Excessive focus upon data gathering and collation rather than gaining business insight

- Under-resourcing and lack of budget and skills / capabilities within the VoC team

- Lack of focus / excessive expectations about what the VoC project is trying to achieve and the possible timescales

- Difficulty in getting enough survey results

- Inability to collate unstructured feedback into a form that is usable

- Executive reluctance to act upon VoC insights.

The inhibitors to using analytics for the VoC project can also be considerable. As not all customer interaction analytics projects are the same – using different types of technology to address specific business issues – it is not the case that there are one or two easily identified inhibitors to implementation. However, most come into one or more of the categories: cost; complexity; business value; and change management.

Cost

There is a widespread belief that customer interaction analytics is an expensive option and there is little consistent message from the vendor community as to what ongoing costs might be expected. Some aim for customers to become self-sufficient as soon as possible; others offer ongoing support and upgrades as part of a monthly subscription fee; some state that some projects may be extremely complex, and will require a considerable amount of expertise - whether in-house or through a cloud-based approach - in order to maximize return on investment. Quite simply, there is no 'typical price' for customer interaction analytics: it depends on what you want to do with it.

As such, solution providers offer various options of pilots and proofs of concept based around delivering tightly defined results in a specific area, at a fixed cost, as well as various real-life ROI calculators. Most note that proving cost savings through QA/QM improvement is easier than through business intelligence, although the improvements in profitability for the latter are potentially much higher.

Complexity

A major inhibitor to analytics uptake is a belief within the company that their environment is not yet ready for analytics, in that they may still not have a reliable recording environment or an optimized QM or QA process. Some potential customers want to improve their recording environment, including having stereo recording and full metadata, and if the telephony system is at end-of-life, this can also delay a decision. As analytics is usually not a simple plug-and-play application, there can be frustration with understanding where to start. With other, potentially more urgent projects taking up IT resource, it is easy to let initial enthusiasm and vision drift to one side.

Solution providers are becoming better at hiding the complexity of analytics, improving the presentation layer (using 'wizards' or simple text entry options to write queries, for example), without losing the power and functionality, and this democratization of customer contact analytics is likely to encourage greater uptake and usage. In recent years, the graphical user interfaces of analytical tools have improved hugely, encouraging non-technical staff and management to understand and share insights. In an omnichannel environment, businesses gain most understanding not only from the insights which each channel can provide, but also what the overall picture looks like, thus understanding the customer journey. In a multivendor environment, it can take longer to get all of the pieces fitted together, which can be a problem for smaller and under-resourced technology departments.

Concerns over business value

Some businesses consider that their existing call recording and manual quality monitoring processes are sufficient, and fail to understand the potential business value of customer contact analytics. In such cases, it is possible to demonstrate how automating existing processes can improve quality and performance, while reducing the time and cost necessary to carry out QA/QM processes, and in fact this is one of the major initial purposes that analytics solutions are used for.

However, for an organization to make an investment in customer contact analytics where the end goal is improving business processes and finding out what is sub-optimal in the customer journey, proving business value to everyone's satisfaction can be extremely difficult: trying to quantify the unknown is by its very nature impossible, and requires something of a leap of faith.

Change management and business culture

Solution providers and successful users of analytics solutions point out over and over again that analytics is not a self-contained solution: it identifies the areas in which businesses can improve their agent's capabilities, their business processes, their customer's experience and their contact center performance.

Customer interaction analytics is a change enabler. Whether a business has the will or capability to act upon the insight that analytics can give them is not a matter for software companies, but something for the business to address itself. This is particularly the case with wider business insights, which are likely to cross over several departments and 'fiefdoms', and for large organizations where inertia and resistance to cultural change can be enormously important. Analytics can open a can of worms, and businesses need to consider whether they actually have the will to act upon what is discovered. Perhaps the greatest challenge for organizations is to be able to manage the change that analytics can demand: does it have the right people and attitude; is it willing to act; is there a person with the responsibility and enthusiasm to do what needs to be done, regardless of where it takes them?

The choice of whether to implement customer interaction analytics should not be left to the IT department, or even the business users, except perhaps in clearly defined cases of QA automation or compliance monitoring. Solution providers are beginning to offer executive-level consulting programs that help companies to structure their processes and strategies to take advantage of the findings of analytics, and before any implementation takes place, businesses should try to anticipate possible insights and outcomes in order to prepare for change.

VoC is an ongoing, iterative process – capture, understand, act and then capture again – but it is also evolutionary: not all VoC programs have the same level of maturity or effectiveness.

Immature VoC projects focus excessively on gathering data, choosing metrics and deciding where to place their surveys within the customer journey. Those with somewhat more sophistication look more at the analytics of the data, closing the loop and understanding insights about effective and broken processes within the business, although there may be limited cross-department and cross-channel integration.

Mature VoC projects become to look more holistic, with strong executive sponsorship, continuous improvement, integrated channel feedback, employee engagement and the specific reporting of actionable insights to relevant departments. Leading companies can point to ways in which this customer insight feeds into all activities within their business, from tactical and operational process changes right through to product development and strategic direction.

In future, reporting tools will have to continue to improve both in terms of speed and agility but also user-friendliness as more departments and product owners within a business will want to understand what customers are thinking and saying in order to improve. There will also be a greater emphasis placed on insights and suggested actions being pushed out proactively to relevant business owners, rather than waiting for them to access a weekly report, for example.

This growth in cross-departmental functionality will be matched by a continued increase in the number and complexity of data sources: unstructured and unsolicited feedback continues to mushroom and these verbatim and honest comments will become an even more important part of gaining actionable insights. Text analysis/mining, using natural language recognition, will become available for all sizes of business.
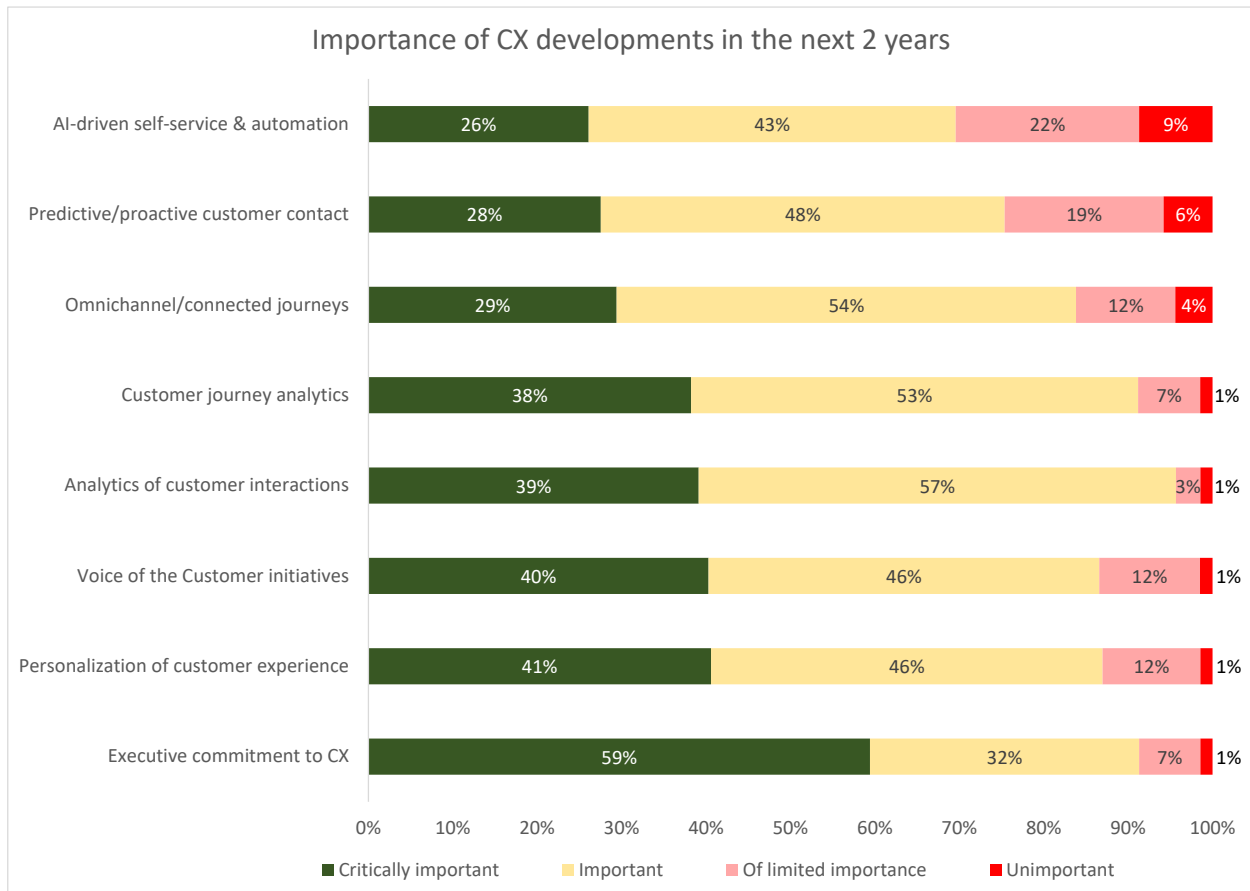
As front-line, customer-facing employees undoubtedly have a great deal of knowledge and insight about the customers to whom they talk all day long, we can expect more sophisticated techniques and solutions be developed for understanding the Voice of the Employee.

Structured and formal feedback in the guise of customer surveys will remain popular, although analysts and businesses expect this to decline in importance somewhat. In a world where more and more businesses are looking to hear the customer's voice more clearly, survey fatigue is a very real inhibitor to gaining the requisite feedback. There will be an increase in personalization based on the customer's history: for example, rather than receiving a standard transactional survey asking if they were satisfied with the last interaction, the survey may look at what the customer was actually trying to achieve, and ask a series of focused and relevant questions around that particular activity.

If survey response rates continue to decline, the use of automated scoring for customer interactions will become vital for gaining insight into top-level performance metrics such as NPS, and we can expect to see solution providers improving the accuracy and sophistication of these tools.

Looking at the wider CX environment, of which VoC is a part, survey respondents were asked their opinion on how important various customer experience developments would be to their organization in the next two years.

Figure 30: Importance of CX developments in the next 2 years

Importance of CX developments in the next 2 years

Development	Critically important	Important	Of limited importance	Unimportant
AI-driven self-service & automation	26%	43%	22%	9%
Predictive/proactive customer contact	28%	48%	19%	6%
Omnichannel/connected journeys	29%	54%	12%	4%
Customer journey analytics	38%	53%	7%	1%
Analytics of customer interactions	39%	57%	3%	1%
Voice of the Customer initiatives	40%	46%	12%	1%
Personalization of customer experience	41%	46%	12%	1%
Executive commitment to CX	59%	32%	7%	1%

Perhaps the most striking finding was that the most important factor determining the future success of the customer experience program was not technology-related, but rather a requirement for the continuing and strengthening executive commitment to improving customer experience, without which multi-departmental CX initiatives cannot hope to succeed: including VoC.

In an era where the Voice of the Customer is everything, there are some critical gaps for today's businesses that are highlighted in our Digital First CX Research Report. For example, only 31% of businesses offer customer service via chat, yet later in our survey, we see that 52% of consumers prefer chat. The study also found that business deployment of smart self-service is critical to success with consumers.

As businesses continue to roll out more self-service options to consumers, it is critical that CX leaders expand VoC analysis to include those channels for effective monitoring of the customer experience. The best VoC solutions already leverage artificial intelligence to collect omnichannel feedback and perform sentiment analysis, provide root cause analyses, identify trending topics, determine correlations, and more.

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