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**The Inner Circle Guide
Voice of the Customer
US Edition**

2024

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The Inner Circle Guide to the Voice of the Customer

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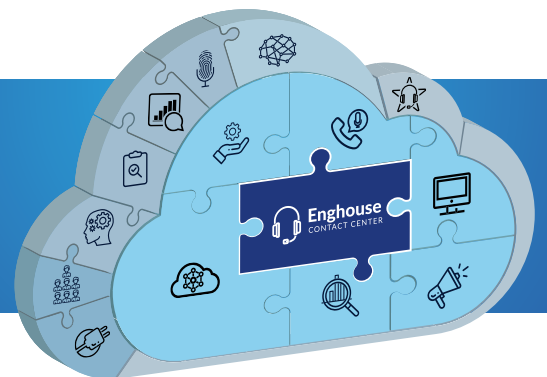**TAKE CONTROL OF THE INCOMING INTERACTIONS – NO MATTER WHAT THEY ARE.**

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CONTENTS

About Enghouse Interactive

Enghouse Interactive (EI), a subsidiary of **Enghouse Systems Limited** (TSX: ENGH), is a leading global provider of contact center software, services and video solutions, serving thousands of customers for over 35 years. EI solutions enable customers to deliver winning customer experiences by transforming the contact center from a cost center into a powerful growth engine.

Enghouse Interactive's core values – Reliability and Choice – are key differentiators in the global marketplace. Reliability speaks to EI's reputation for consistently honoring its commitments to its customers, staff, partners and investors. Choice is reflected in the unparalleled breadth of its CX portfolio, which enables customers to choose from a wide array of solutions, whether deployed on premise, in the cloud or on a hybrid platform. By leveraging a broad range of technologies and capabilities based on open standards, Enghouse Interactive simplifies the advanced integrations customers require.

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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 in the Contact Center
- AI-Enabled Self-Service
- Cloud-based Contact Center Solutions
- Customer Engagement & Personalization
- Customer Interaction Analytics
- First-Contact Resolution
- Fraud Reduction & PCI Compliance
- Next-Generation Contact Center Technology
- Omnichannel
- Omnichannel Workforce Optimization
- Outbound & Call Blending
- Remote & Hybrid Working Contact Center Solutions.

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 aims 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.

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 every part of an organization has created a vast amount of data to be analyzed. Large-scale advertising and widespread use of the Internet has made customers aware of alternative options, meaning greater price competition and the need for companies to differentiate without damaging their bottom-line.

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 real or perceived) allowing 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
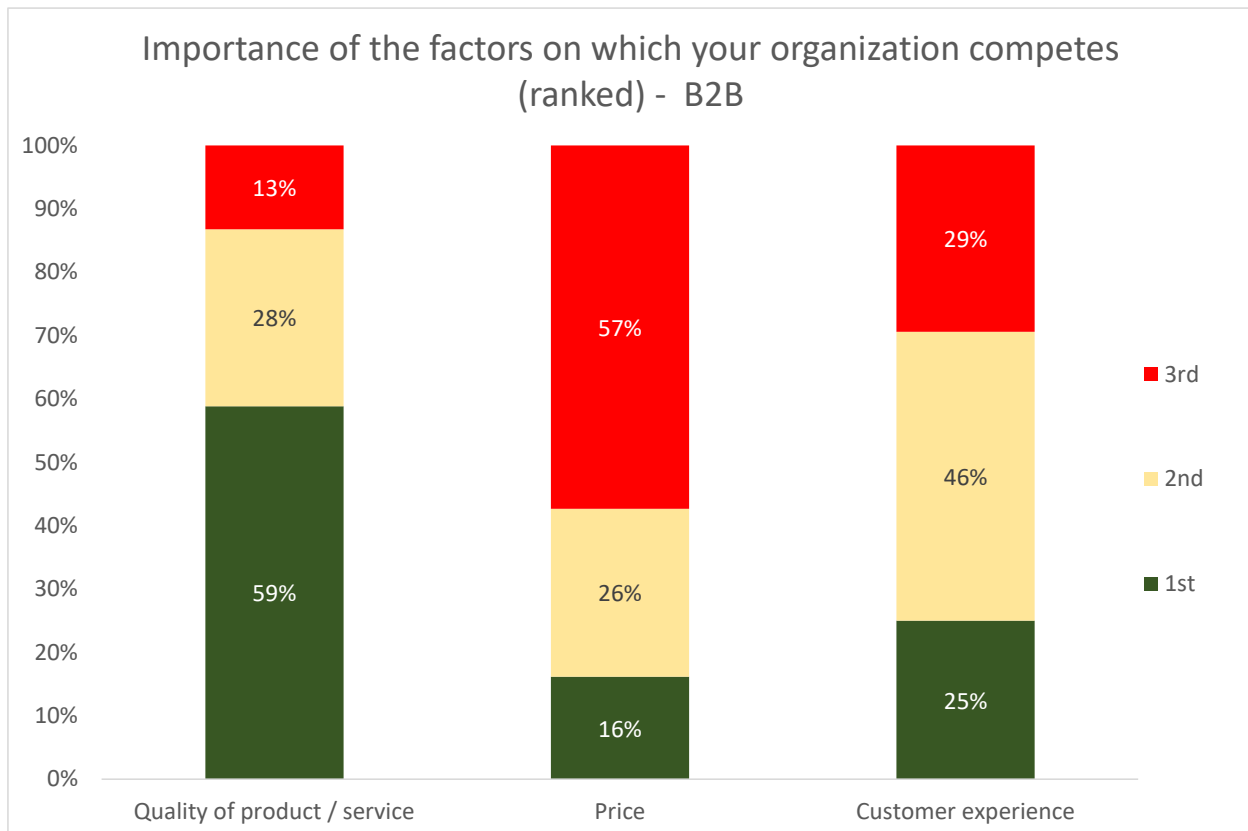
Survey respondents were asked how their organization competed, ranking three factors in order of importance: quality, price and customer experience.

59% of B2B organizations, and 40% 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 that CX was the major differentiator (only 20% of B2C companies placed it first in 2021), 38% of these companies said in 2022 that customer experience is what they wish to compete upon primarily, and this figure is the same in 2023. The CX figure for B2B businesses is still quite low.

If many businesses are not focusing on 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 or underestimate their CX concentration.

Figure 2: Importance of the factors on which your organization competes (ranked) - B2C
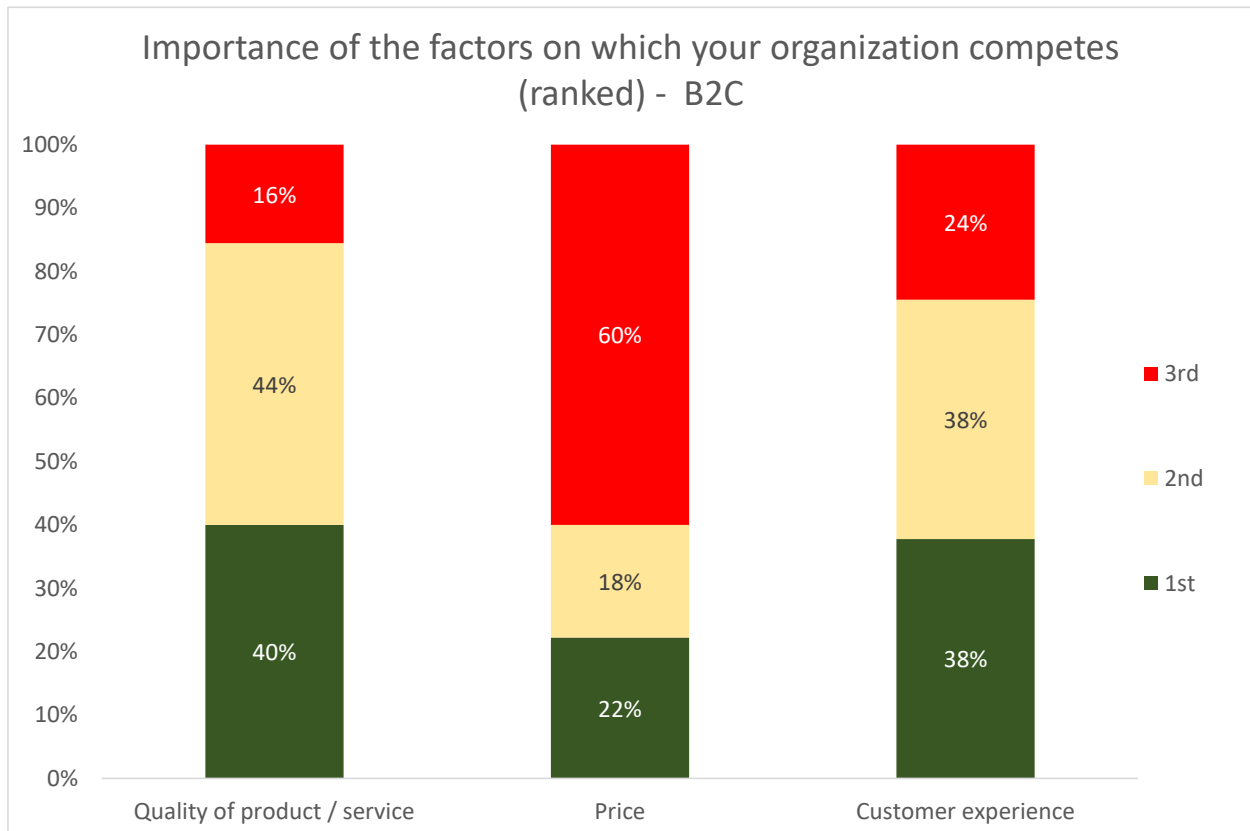
Having shown that companies (especially B2C organizations) place a great deal of importance on customer experience, it is clear that VoC programs can act as a way to improve this competitive edge.

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.

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.

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.

To start, you need to define your VoC strategy, for example what business questions do you need answered. In most cases, the business questions will probably differ from the questions that you will want to ask your customers.

If your business questions are more generic for example "how do we improve our customer service", start with a general survey focusing on 2 questions. The first should be a closed question to give you a CSAT or NPS-type score. The second ought to be an open-ended question that will help you to understand why the customer gave you that score.

As the amount of data being collected increases, you may benefit from using AI tools that can help you automate the analysis. These tools will help you extract more detailed insight by capturing and categorizing free-form comments into areas that correspond to your business processes.

Once you get an overall picture, you can use the results to drive changes in the areas that are going to deliver the biggest results. Implement these improvements and repeat the process as often as necessary to derive more granular insights. Additional information can be captured by undertaking transactional surveys.

Keep in mind that if you improve some aspect of the customer's experience, you'll want to know how this improvement is perceived by your customers. This can be achieved by adapting your survey and

VoC projects are often undertaken as part of a wider customer experience program. ContactBabel recently carried out research with over 200 US businesses to understand how well their organization currently supported their customer experience programs.

1 in 10 survey respondents rated support for CX initiatives from senior management as 'poor', with a further 21% 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 a more positive side, almost 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 of particular concern, with 20% of respondents stating that theirs was 'poor', compared to only 4% who reported that theirs was 'excellent'. These figures are declining.

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	4%	16%	31%	30%	20%
Amount of time available for CX improvement	10%	15%	32%	21%	22%
Available resources / budget	10%	30%	32%	16%	12%
Organisational readiness for change	13%	23%	27%	26%	12%
Board level support/executive commitment for CX	14%	29%	25%	21%	10%
Number of dedicated CX employees	17%	22%	19%	19%	22%
Building customer-centric culture	19%	25%	28%	24%	4%

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%
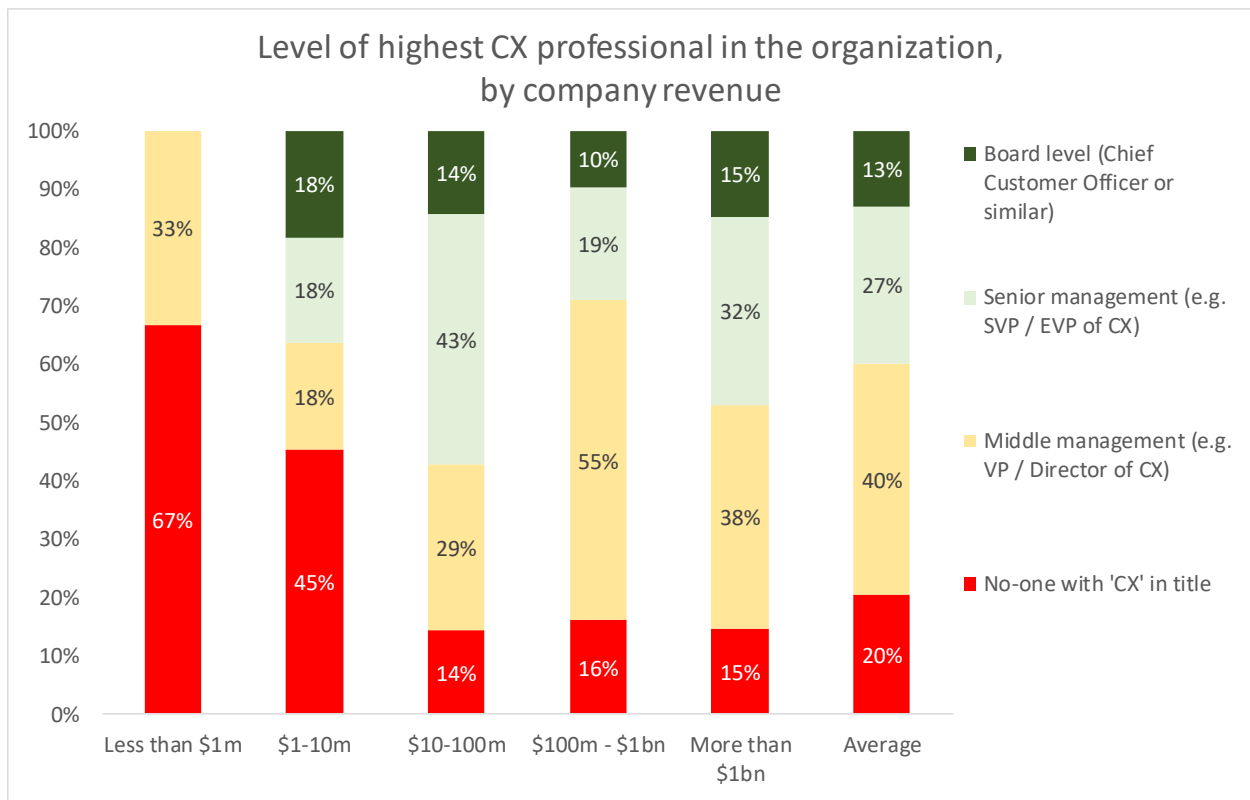
It is important not to add irrelevant or apathetic stakeholders to the VoC program as they may not see the advantages to their part of the business, and as is always the case, the larger the committee, the longer any decisions will take to be made.

18

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)
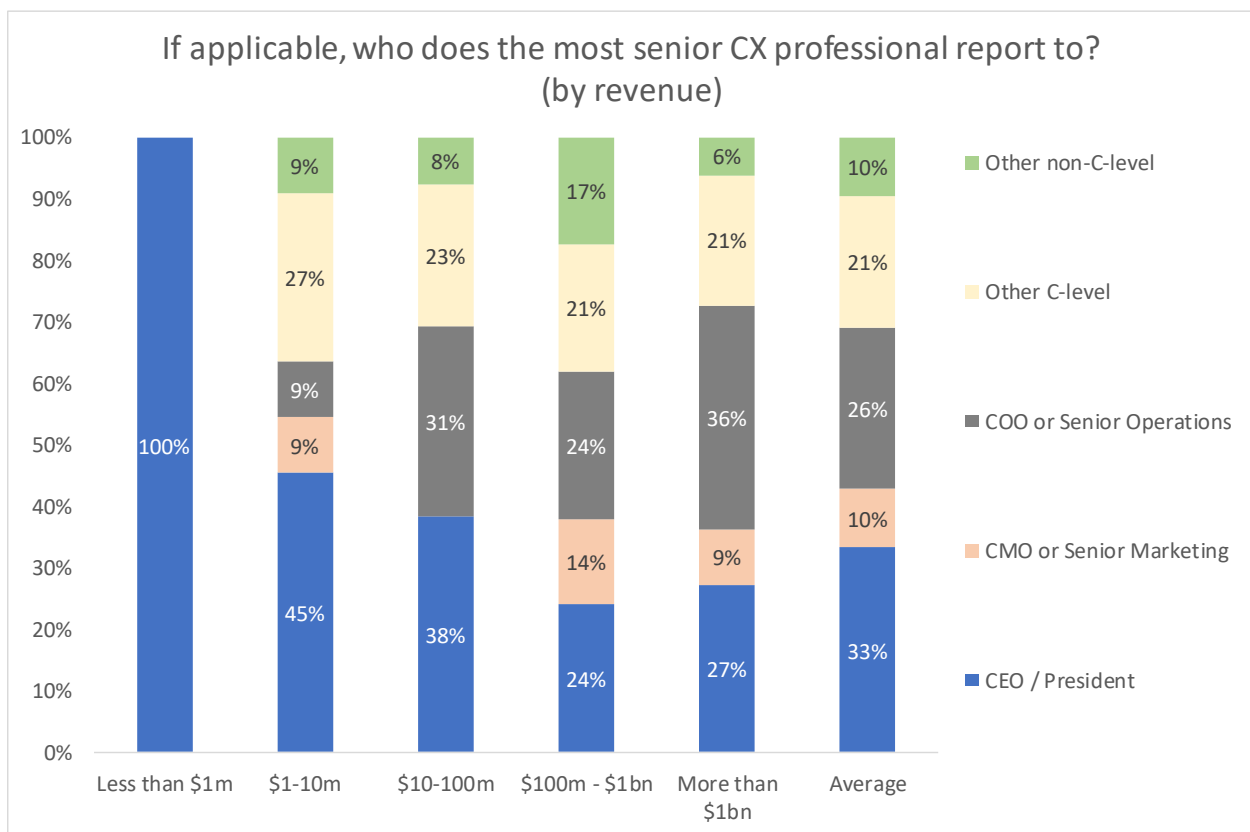
Departments that should have a stake in VoC include:

- **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 can 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.

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 – one of the key technologies supporting VoC – this can come from numerous sources, depending upon how the solution is used. Analytics offers both the avoidance of a specific cost 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

- 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.

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.

Detailed analysis across thousands of surveys has shown that the biggest win is typically achieved by connecting the customer to the business. By listening to what customers are telling you about their issue, and feeding that information back to make improvements is going to reap benefits.

To prove the value of a VoC program, the VoC team should use both the data and customer feedback to illustrate to executives that customer responsiveness pays off and results in better CSAT and NPS, contributes to increased revenues and improves customer retention using real customer verbatims alongside numbers (ROI, KPIs).

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.

Listen. Understand. Act.

The Benefit of a Complete Picture

The reality is that in today's business environment, your organization must adjust to a rapidly evolving world, and must quickly assess situations as they arise, anticipating emerging needs while also meeting current expectations. **The Upside?** By doing so, you'll be able to deliver the best possible customer experience.

Evolution. Transformation. And New Realities.

Customer expectations are evolving as quickly as new technologies are introduced, and this has a significant impact on what they want and how they want it. Your customers expect and demand responsiveness, flexibility, and empathy at each interaction. Loyal is no longer easily granted, it must be earned.

At the same time, you've got more data available from across all the channels your customers use. Now, the onus is on you to use that insight extracted from that information when creating and delivering better products, services, and support. Customers expect to benefit from the customers who have gone before them.

Many VoC and feedback solutions only provide a partial picture, either because they don't cover every channel or because they don't have the depth of Natural Language Processing (NLP) required to sort through enormous volumes of data to extract intent, emotion, and any underlying issues.

In an uncertain future, one thing remains true above all – the overall experience you deliver is your key differentiator. Only by using AI-based tools can you develop an accurate picture of the experience you deliver and understand how best to improve it.

Insightful, accurate and comprehensive insights will drive greater loyalty, lower churn rates, and increase revenues, all because you've provided your customers with what they want, when they need it, and how they expect it.

Enghouse Artificial Intelligence delivers the right insights to the right team. Every time.

Click Here to find out how to clearly hear the Voice of the Customer

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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 business to operate a closed-loop system, whereby identified issues can be actioned and continuously checked to make sure that the problem does not reoccur.

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
IVR or SMS (i.e. automated, near real-time surveys)	16%	63%	21%
Formal process for gathering agent comments	24%	62%	13%
Projects studying the customer journey	26%	67%	7%
Team meetings with supervisors who pass on agent/customer insights	27%	60%	13%
Customer experience research calls and emails	30%	58%	12%
Speech analytics (i.e. of recorded calls)	30%	61%	9%

The previous chart looks at contact center professionals' opinions of the effectiveness of each method of gathering customer insight.

Automated analytics solutions get reasonable approval ratings, although IVR/SMS surveys get a mixed response. However, these methods are used by less than half of respondents as the following table shows.

Figure 7: Use of methods of gathering customer insights

Method	Proportion of respondents using this method
Meetings with supervisors who pass on agent insights	94%
Formal process for gathering agent comments	88%
Customer experience research calls and emails	74%
Speech analytics (i.e. of recorded calls)	44%
IVR or SMS (i.e. automated, near real-time surveys)	41%
Projects studying the customer journey	40%

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.

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 positive CX.

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 drive 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 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 CX. 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.

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.

Figure 8: Actual and target Net Promoter Score by vertical market

Vertical market	Actual	Target	% of target
Finance	50	62	81%
Manufacturing	54	58	93%
Medical	57	82	70%
Retail & Distribution	61	66	92%
Services	44	46	96%
TMT (Technology, Media, Telecoms)	41	60	68%
Average (inc. other verticals)	**48**	**59**	**81%**

Respondents to this survey generally reported good Net Promoter scores, with a survey-wide average of 48, a slight improvement on last year's figure of 46.

Those in the retail industry 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). Many survey respondents – especially those in TMT and medical organizations – seem to have quite a way to go before achieving their goal.

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.

28% of respondents were more than 10% below their target, compared to 39% last year.

Figure 9: Customer satisfaction score – actual and target

FIRST-CONTACT RESOLUTION

VoC programs help to identify the characteristics and outcomes of interactions that customers most value, rather than simply ensuring compliance. Our research has consistently found that first-contact resolution is highly prized by the majority of customers, placing traditional contact center metrics such as call duration time into the background. Despite this, many contact centers are still measuring and rewarding agents based upon metrics and behaviors that are not aligned with a modern customer-centric outlook.

THE VIEW FROM THE BUSINESS

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

As with many past ContactBabel surveys, first-time resolution was clearly seen as being the most important factor impacting upon customer experience, with 53% of respondents ranking it in first place, and a further 31% placing it within the top three.

Figure 10: What do you believe is the importance of these factors to a customer when contacting your organization?

What do you believe is the importance of these factors to a customer when contacting your organization?

Factor	1st	2nd	3rd	4th	5th	6th	7th	8th
Long opening hours	3%	4%	3%		7%	5%	32%	48%
Choice of channels	4%	7%	13%	11%	16%	17%	17%	17%
US-based employees	6%	6%	4%	13%	12%	17%	25%	18%
Short call / web chat times	6%	9%	12%	14%	24%	22%	9%	4%
Polite and friendly employees	7%	26%	8%	23%	15%	12%	7%	3%
Issue handled by one employee	8%	14%	18%	17%	12%	19%	7%	6%
Short queue / wait time for response	14%	24%	25%	17%	11%	4%	3%	2%
First-time resolution	53%	14%	17%	4%	4%	5%	1%	3%
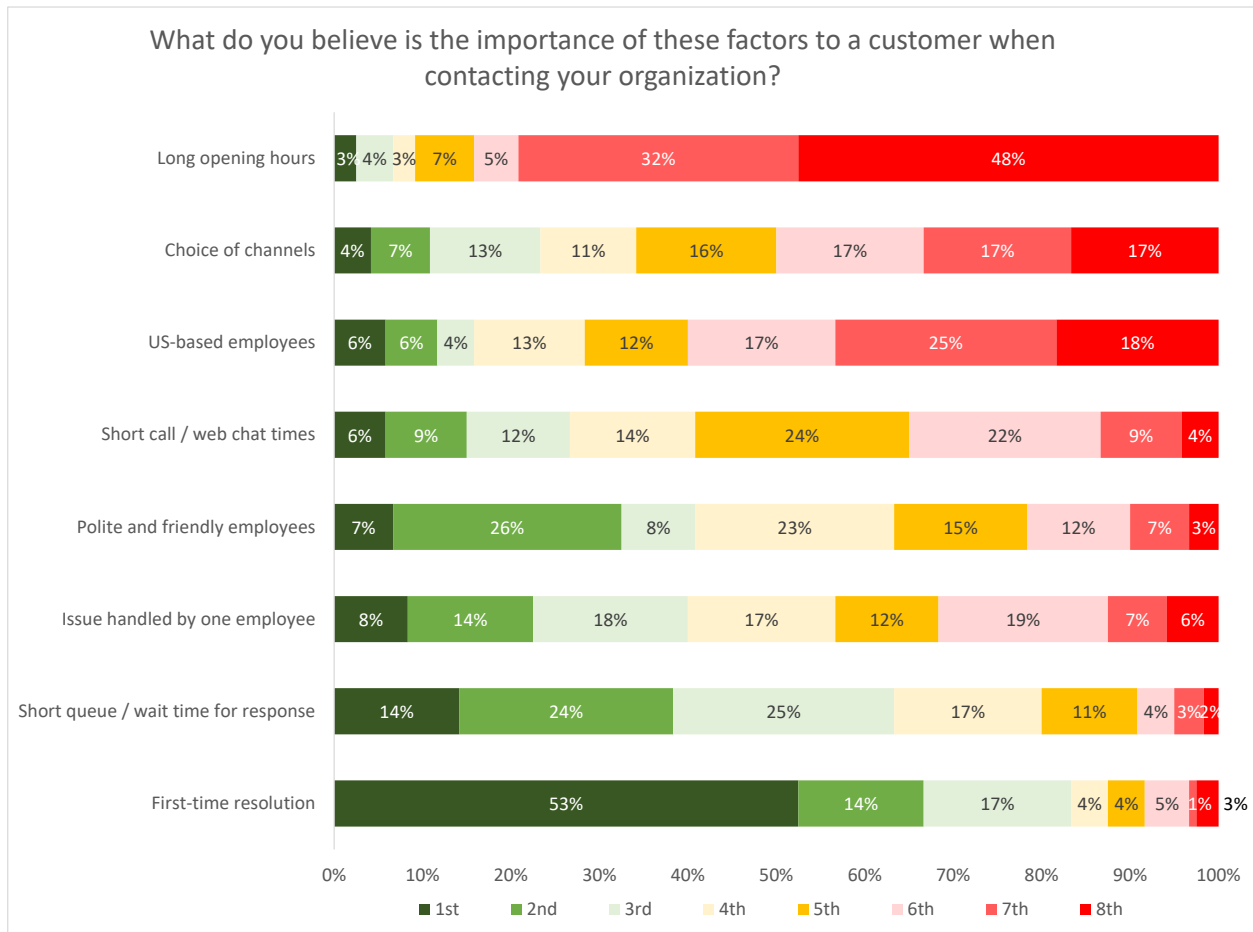
ContactBabel commissioned the research firm Big Village to carry out a survey of 1,000 US consumers. One of the purposes was to identify any differences in opinion between organizations and customers about what were the most important customer experience factors when contacting an organization.

As such, consumers were asked to state which were the top three most important factors to them when contacting an organization, with the same factors presented to them that had been offered to organizations. Figures below are expressed as the percentage of each age group.

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

Figure 11: 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 organisation by phone or digital channel? (by age range)

	16-24	25-34	35-44	45-54	55-64	65+
Long opening hours	27%	25%	28%	21%	16%	6%
Short call/web chat times	23%	30%	29%	19%	11%	10%
Wide choice of channels	27%	40%	21%	19%	23%	27%
Issue handled by one employee	26%	24%	28%	29%	40%	40%
Polite and friendly employees	55%	50%	32%	32%	32%	33%
UK-based employees:	20%	30%	47%	60%	60%	64%
Your question/issue is solved first-time	62%	47%	55%	57%	62%	63%
Short queue/wait time for response	60%	54%	59%	63%	55%	57%

Both the surveys of organizations and customers show clearly that first-contact resolution is perhaps 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-call 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 USE OF CX BENCHMARKING METHODS

The most widely used customer experience benchmark is the general customer satisfaction rating, which is used by 82% of respondents. Closely following this is first-contact resolution rate (68%), NPS (69%), customer retention rate (64%) and agent quality scores (72%). Customer effort score is less widely used, being in place in 38% of respondents' organizations.

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

Of those that used it, 64% 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.

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 12: Usefulness of CX benchmarks

Usefulness of CX benchmarks

(Stacked bar chart legend: DO NOT USE (black), Not useful (red), A little useful (pink), Somewhat useful (yellow), Very useful (dark green))

Benchmark	Very useful	Somewhat useful	A little useful	Not useful	DO NOT USE
Customer satisfaction rating	44%	34%	4%		18%
Customer retention rate	41%	19%	4%		36%
Quality score	37%	28%	6%	2%	28%
Net Promoter Score	37%	22%	10%	1%	31%
First-contact resolution rate	36%	25%	6%	1%	32%
Customer Effort Score	22%	15%	1%		62%

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.
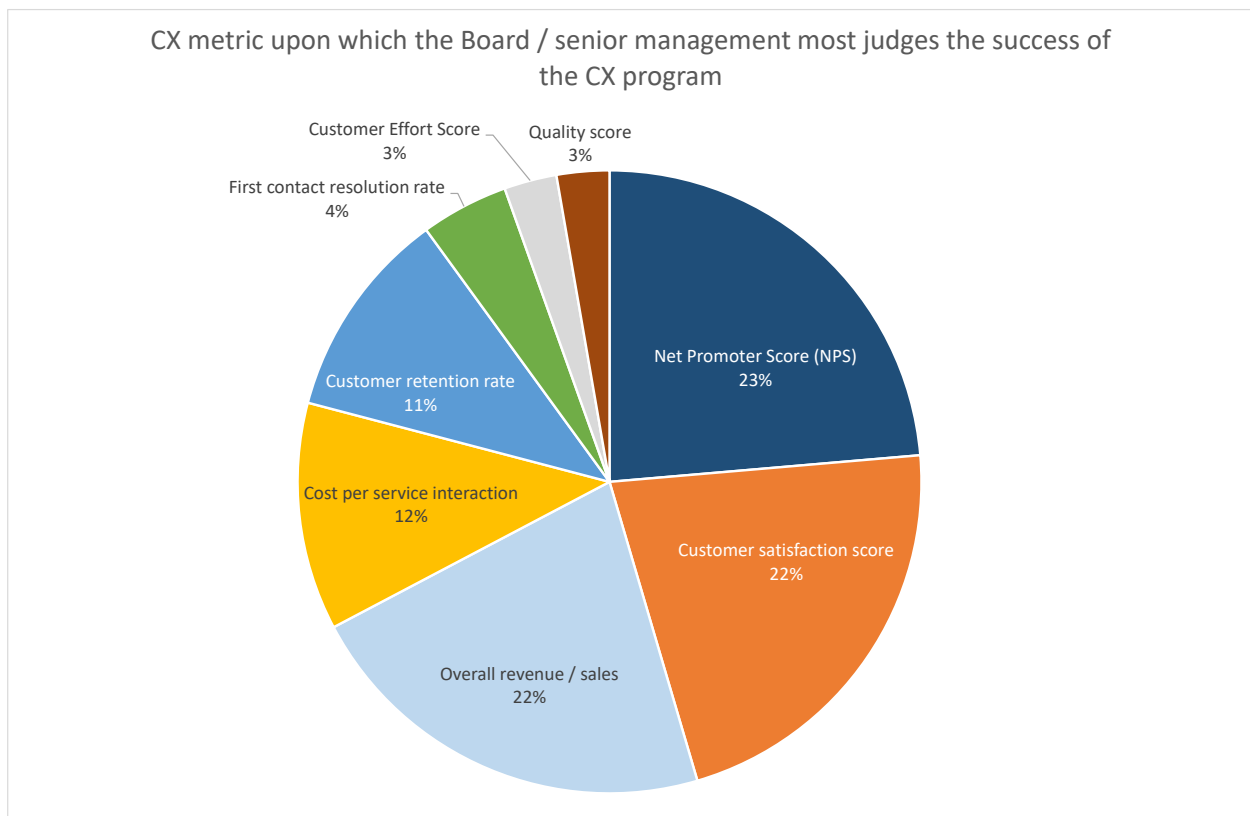
There was a wide mix of responses, with overall revenue, NPS and customer satisfaction score accounting for 67% of responses.

Of note is the fact that first-contact resolution rate was identified as being the key CX metric for senior management by only 4% 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 13: CX metric upon which the Board / senior management most judges the success of the CX program

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

- Customer Effort Score 3%
- Quality score 3%
- First contact resolution rate 4%
- Net Promoter Score (NPS) 23%
- Customer retention rate 11%
- Cost per service interaction 12%
- Customer satisfaction score 22%
- Overall revenue / sales 22%

This information is important for VoC programs because FCR is vital to a positive customer experience. When businesses ask them, it is likely to be what customers are telling them is important, yet is not something that senior leaders are necessarily aware of.

Adding to this, the following chart shows that employees are generally not even rewarded for first-contact resolution, despite it being one of the main characteristics of a good customer experience, and almost certainly aligning with desired business outcomes.

Respondents were asked if their customer-facing employees were financially rewarded based on any customer experience factors.

55% of B2C respondents reward employees based on their individual quality scores.

High customer satisfaction scores are also stated to be amongst the most important for B2C organizations, 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 14: Are customer-facing employees financially rewarded based on any CX factors? (B2B / B2C)
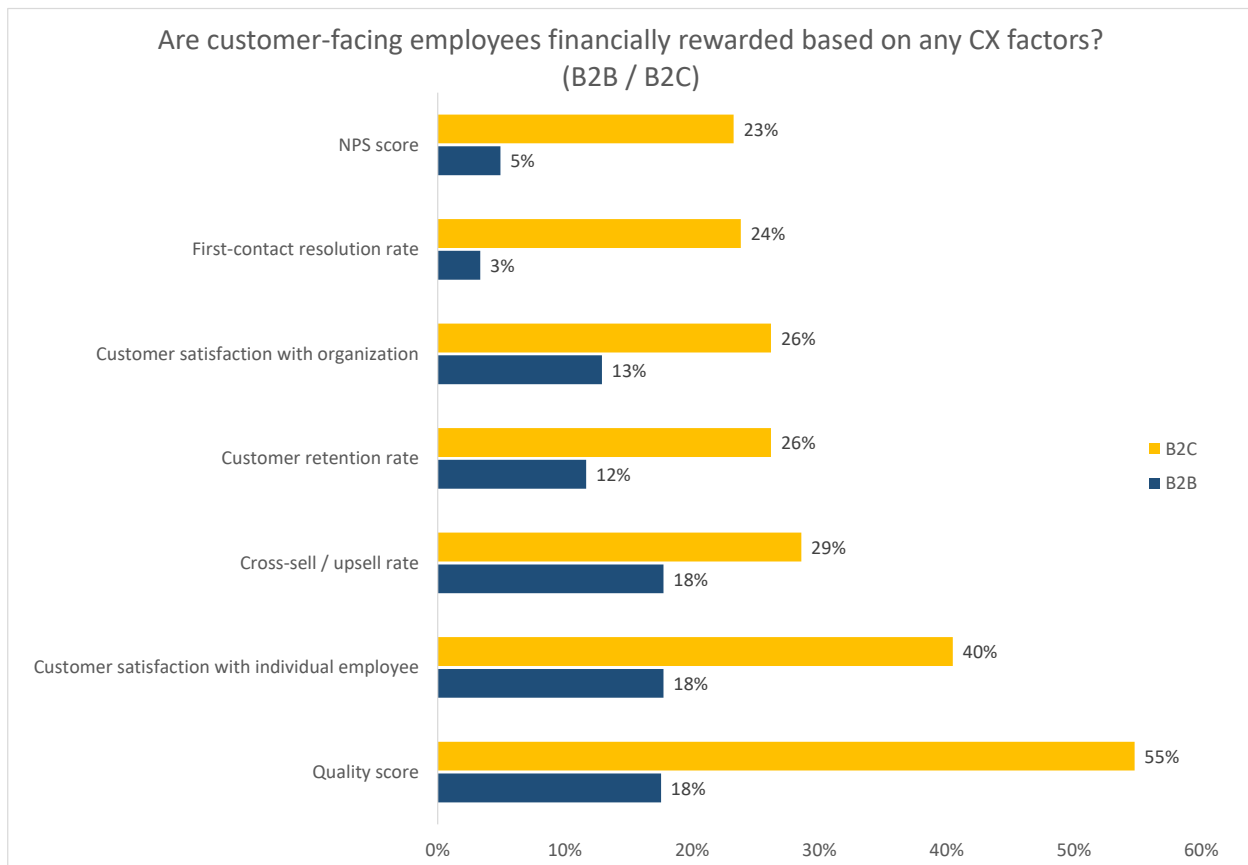
Superior customer feedback solutions supporting VoC programs go beyond offering simple survey functionality, consolidating all data, comments and other relevant input across many channels so as to provide actionable output to relevant parties. Such solutions do not simply quantify structured data, but 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 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.

Many companies say they listen 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.

Whether or not surveys directly identify specific agents, a key to success is whether the survey 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, trackable and comparable over time. 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, such as under- or over-sampling of various customer personas

- 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 or other outcomes aligned with the organizational strategy, 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 are 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 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. Trying to act upon (or at least respond personally to) these specific comments may provide a strategic advantage.

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.

Email is most popular survey gathering method, with 48% of surveys being collected in this way. Email (usually leading to an online form) allows a mixture of 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 or no 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 web 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 15: Proportion of customer surveys gathered by method, by contact center size

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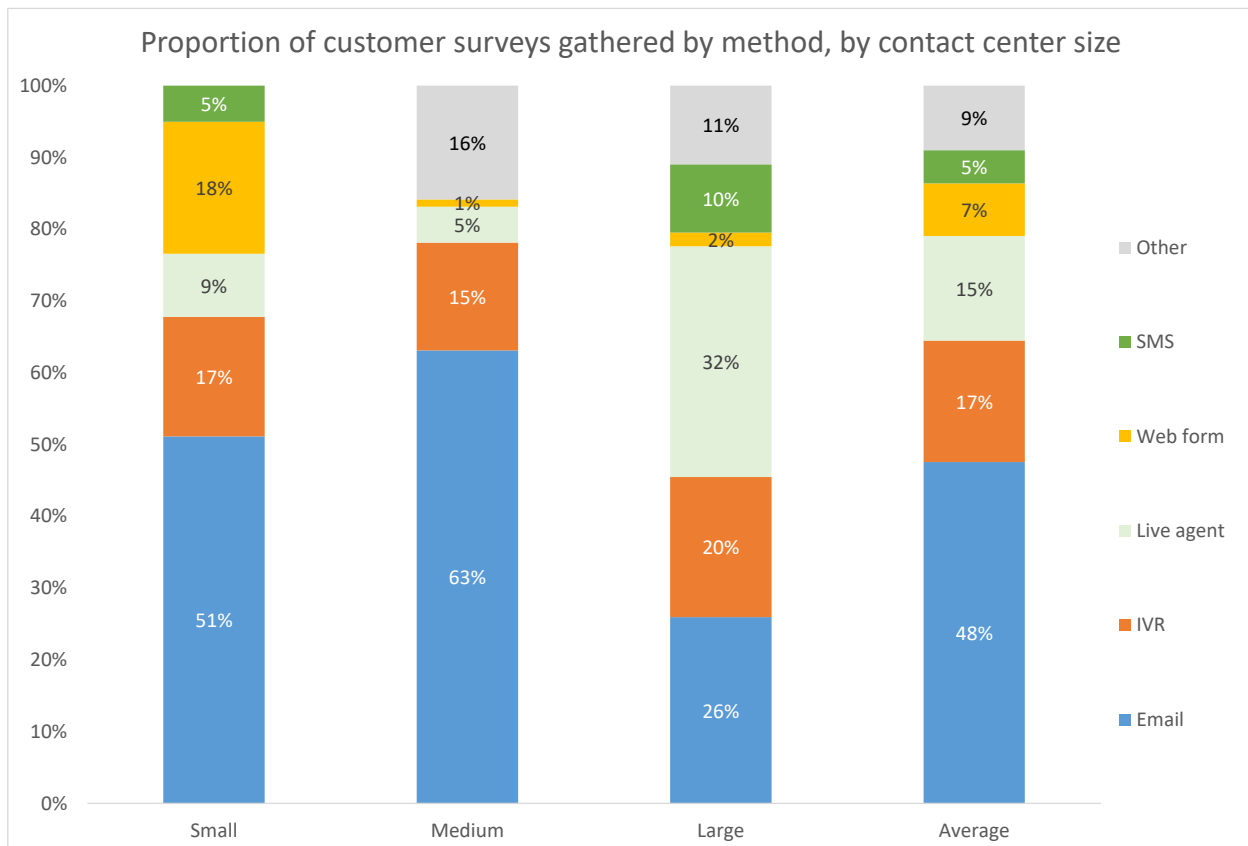
Survey response rates can be improved by:

- 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 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.

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.

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.

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 to what extent 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.
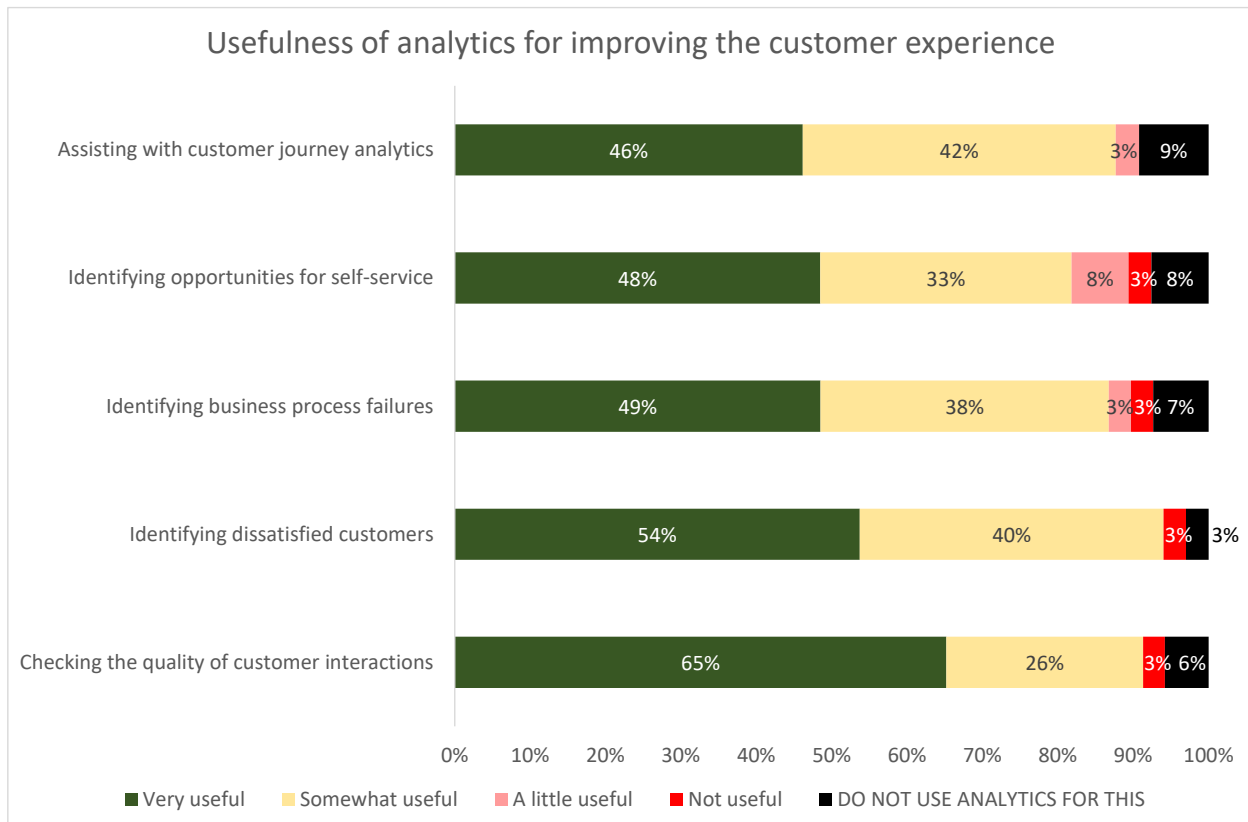
Customer Intent

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.

55

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.

Organizations using analytics were asked how useful the solution was for improving various aspects of the customer experience, either directly, or through improving internal processes which then had a impact upon the overall customer experience.

Usefulness of analytics for improving the customer experience

	Very useful	Somewhat useful	A little useful	Not useful	DO NOT USE ANALYTICS FOR THIS
Assisting with customer journey analytics	46%	42%	3%		9%
Identifying opportunities for self-service	48%	33%	8%	3%	8%
Identifying business process failures	49%	38%	3%	3%	7%
Identifying dissatisfied customers	54%	40%		3%	3%
Checking the quality of customer interactions	65%	26%		3%	6%

This year, the use of analytics for the identification of dissatisfied customers, business process failures and customer journey analytics improvement were all rated very highly, as was the widely used assistance with QA. Assistance with identifying self-service opportunities has grown again this year. It seems as though businesses are beginning to use analytics effectively for more than just compliance and agent quality. 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.

Sentiment analysis (sometimes known as emotion detection) is a growing part of analytics functionality and can be used in real-time, post-call or as a hybrid approach. It is, in a very literal sense, the 'Voice of the Customer'.

Sentiment analysis is a way of quantifying customer and agent emotions within interactions, whether on the phone or through an alternate channel, for the purpose of uncovering processes, behaviors and situations which cause strong levels of positive or negative sentiment that could affect business outcomes and customer experience. Using analytics and large data sources, datasets can be searched to identify and inspect the types of interaction that have major impacts on customer sentiment.

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 at first glance 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.

While language models can identify ostensibly positive and negative words and phrases, they cannot in themselves identify sarcasm or other less straightforward forms of communication, and they are less likely to identify the actual meaning in a series of conflicting positive and negative comments (e.g. "I'm happy that the product has **finally** arrived – I mean, this is fine now, but not exactly great, you know?"). Sentiment models are further trained to notice changes in tone, volume and speaking rate, instances of agent/customer talkover and the detection of laughter, silences or non-verbal noises expressing emotion, such as a snort of disgust.

Each interaction can then be scored on a sentiment scale from highly positive to highly negative, with nuances such as conversations which start positively and then turn negative able to be selected for root cause analysis. It is interesting to note that sentiment expressed towards the end of the call is a much better prediction of customer satisfaction than any emotions expressed at the beginning of the call: this makes sense, as a customer could easily be stressed if they have had to wait in a long phone queue for an urgent matter about which they are stressed, but if the agent resolves the query to the customer's satisfaction, there is likely to be a positive sense of relief and gratitude expressed which is likely to indicate a good customer experience overall.

While sentiment analysis captures and analyses every interaction, it is generally thought to be of most use at an aggregated level rather than in judging particular individuals. Sentiment analysis can identify those processes, interactions and subject areas that are causing customers the greatest stress and negativity, and can view trends over time which allows the business to gauge whether any business or process improvements that they have made as a result are actually working. Some businesses do decide to look at sentiment at a team and individual level, but great care must be taken not to attribute negativity to a specific agent rather than the topic or product under discussion.

Sentiment analysis is potentially a very powerful tool and has many potential applications:

- Discovery and categorization: by analyzing numerous interactions, sentiment analysis is able to show the products, processes and topics which most often provoke the strongest negative or positive reactions, categorizing them automatically for root cause analysis

- Quality assurance: interaction analytics is often used to analyze all calls, rather than having a supervisor listen to a random, small selection which may not be typical of agent performance, missing major opportunities to improve. Sentiment analysis plays a part in quality management, but a correlation between poor agent performance and negative sentiment should not automatically be assumed. Analyzing metadata such as the topic under discussion indicates whether negativity arises from a specific agent performance or is linked to the subject matter

- Having said this, sentiment analysis can be a useful tool to use in order to rank agents by capability, in order to understand the behaviors and characteristics of top performing agents so that underperforming employees are able to be coached on these effectively

- Negative sentiment may be linked to a particular topic, product or process. A dataset analyzed by a sentiment model can be searched by product, giving a rapid answer to whether it is seen by customers as being broadly positive or negative. Delving further into the data – for example, looking only at the negative sentiment associated with a particular product – may identify areas for improvement (e.g. while the product performance itself scores highly for positive sentiment, the instruction manual scores negative, identifying an area for improvement)

- Some businesses use sentiment analysis to consider factors such as agent morale and motivation. This can be particularly useful in a sales environment, where the enthusiasm or otherwise of the agent can make a significant difference to the outcome

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

- Sentiment analysis can identify stress in real-time, 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

- Sentiment analysis has been shown to be useful in predicting NPS, and is also in customer satisfaction surveys. For example, for interactions with negative sentiment around a specific topic, a survey can be sent that asks customers specifically what went wrong with that issue, rather than relying upon a broad-brush general NPS approach with an open-ended question.

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 speech analytics looks for and recognizes predefined words, phrases and sometimes context within a handful of seconds, giving the business the opportunity to act. Solutions supported by 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, advising and acting in real-time.

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 analysis is an important and growing part of the armory that they have to improve their efficiency and effectiveness, benefiting from understanding 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 analysis 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

- 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

- detecting negative sentiment through instances of talk-over, negative language, obscenities, increased speaking volume etc., that can be escalated to a supervisor (this is considered more fully in the next section of the report)

- 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 monitoring and alerts, 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. Speaker separation and redacted audio output (e.g. stopping sensitive data being included in text transcriptions) further add to real-time analytics' capabilities.

Agent assistance tools are powered by speech and text analytics, eliminating time-consuming manual tasks with automatic notes and data entry, and monitoring and alerting agents with suggested corrective actions. However, agents can only experience all these advantages when the tool is designed to extend agent knowledge rather than overload them with information. The intention is to give the only information that matters the most to the conversation, with an intelligent shortcut to provide agents with contextual recommendations and snippets of knowledge base articles.

The speed of real-time analysis 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 analysis, 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.

To alleviate this, businesses can run a clearly focused use case where ideas are tested with a control group and these ideas improved to ensure the agent is assisted and not overloaded. Pop-up notifications can be offered (where the agent can click a link if they want the information or ignore it if they don't) along with a list of links that the real-time engine has identified from which the relevant one can be picked. This leaves the agent in control but provides fast access to the information required.

There is also the issue of agent training: since contact centers will have agents performing at various levels of competency, it's important that the speech analytics platform is customizable. Using on-screen prompts or emotional alerts that trigger live coaching will depend on factors like agent skill, industry, budget, and technology stack, and as training consumes resources, analytics could be used to grade agents and plan for the level of real-time monitoring based on data uncovered. For example, analytics can show which agents are having trouble closing sales or managing call lengths, and these agents can be gradually trained to improve using live coaching or on-screen prompts.

The effectiveness of real-time analysis 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-contact resolution rates, and through picking up phrases such as "speak to your supervisor", can escalate calls automatically or flag them for further QA.

Real-time analysis offers a big step up from the traditional, manual call monitoring process, and should be 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 21% 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 17: Usefulness of real-time analytics
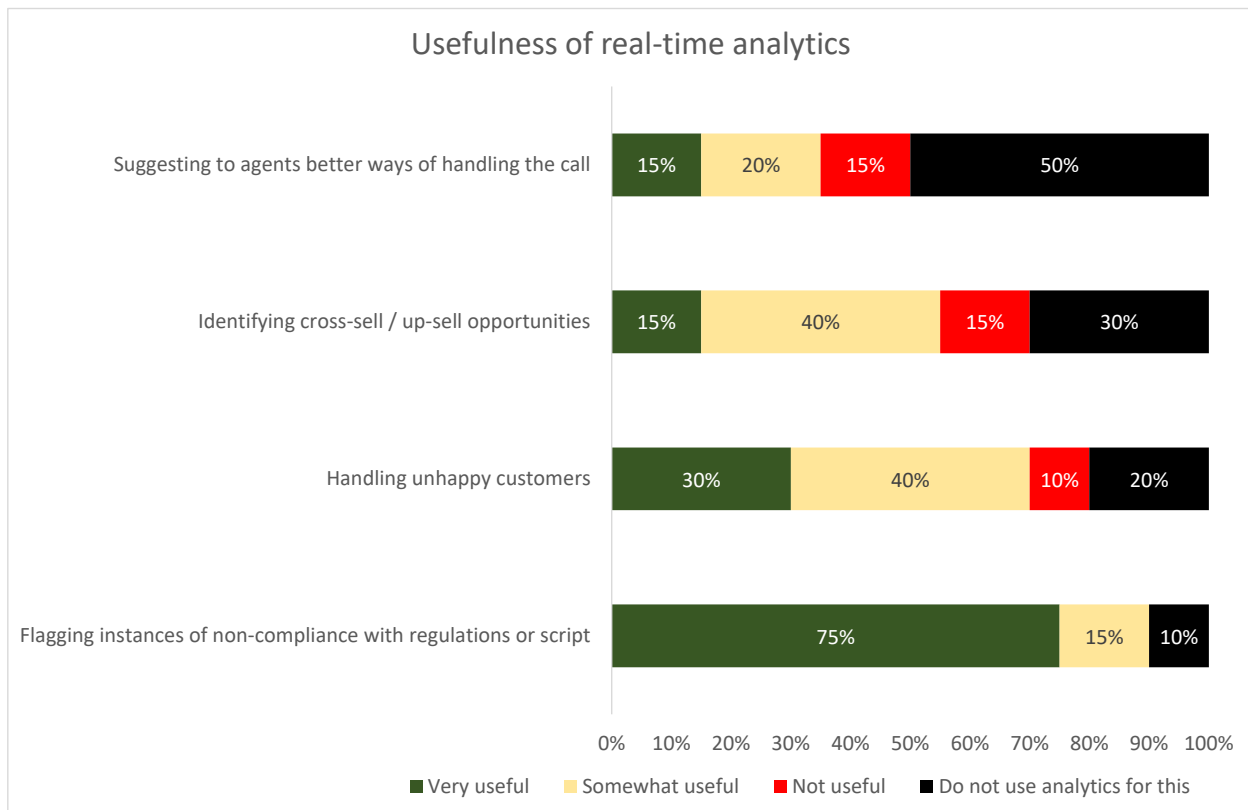
TEXT ANALYTICS

As with speech analytics, text analytics can be applied 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.

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 also be more sophisticated than simply to identify 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.

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.

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.

END-USER QUESTION #3: ANALYTICS CAN BE EXPENSIVE – WHAT COULD SMALLER CONTACT CENTRES DO TO GET A USEFUL VOC PROGRAMME WORKING?

It can be expensive to analyze lots of data by hand or using automation. If you are starting from scratch, begin with periodic relationship surveys rather than transactional surveys. For example, a half-yearly survey can often produce very useful insights even if there is less data to analyze.

Using an open-ended question enables customers to explain what matters to them and understanding your customer is key to improving your CX. As your VoC program grows, you can add in transactional surveys to help uncover specific improvements to touchpoints already identified.
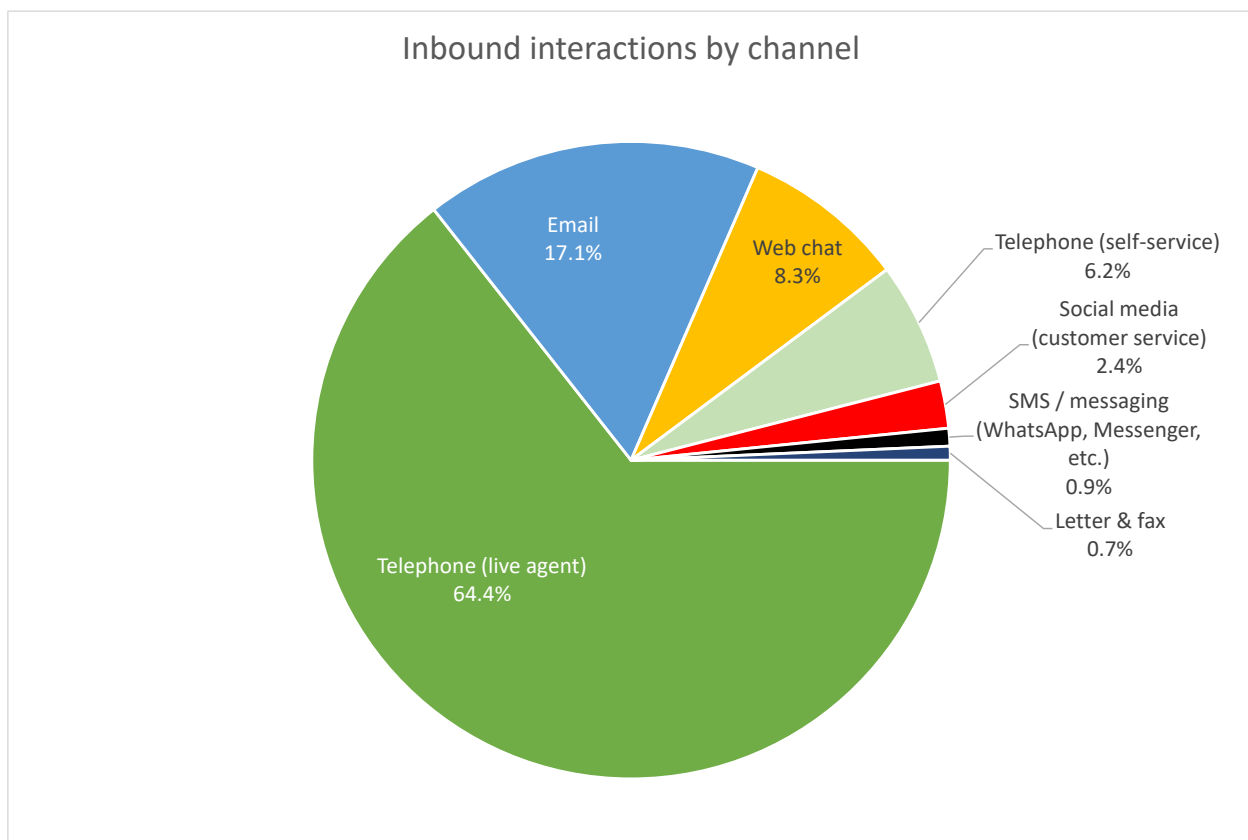
The US contact center industry has now strongly embraced the various forms of non-voice customer communication, and any VoC program has to take these into account, as well as voice interactions.

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. 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 18: Inbound interactions by channel

Inbound interactions by channel

- Email 17.1%
- Web chat 8.3%
- Telephone (self-service) 6.2%
- Social media (customer service) 2.4%
- SMS / messaging (WhatsApp, Messenger, etc.) 0.9%
- Letter & fax 0.7%
- Telephone (live agent) 64.4%

Voice is still the key channel for customers, but there is little doubt that other channels will continue to grow significantly. Although not shown here, 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. An organization running a VoC program would do well to investigate differences in customer opinions by demographic.

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.

HIGH EMOTION INTERACTIONS

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 41% of respondents choosing this method. The second most popular, at 14%, 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 social media or web chat, whereas the older generations would pick up the phone. Amongst the under 45-year-olds, there was some preference for using social media.

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

Preferred method for contacting a company (high emotion interaction), by age range
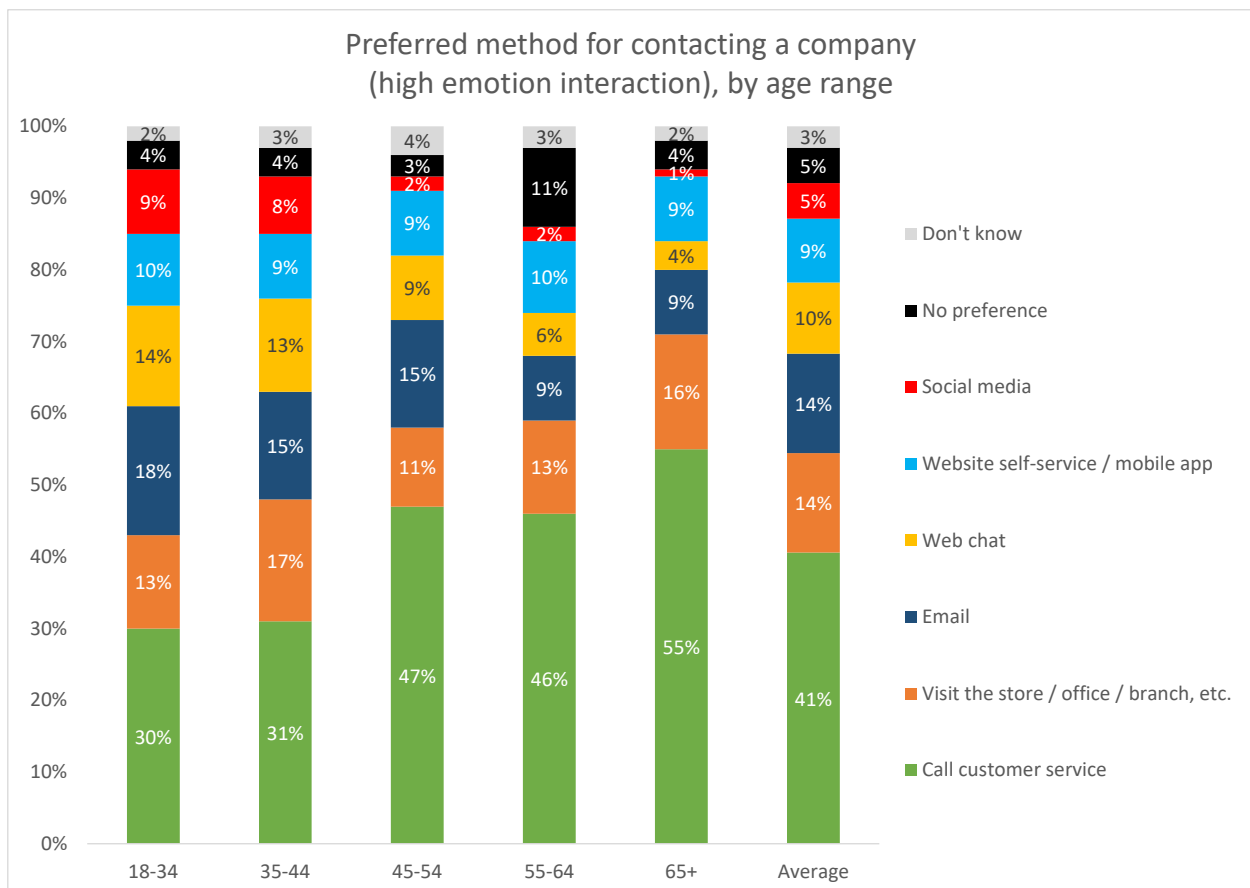
As this research has been running annually for six years, it now has enough history to look at how channel preferences are changing.

The pandemic has clearly made a significant (and seemingly lasting change) to how customers prefer to interact with businesses.

The chart below shows how customers prefer to handle high emotion interactions (the option "don't know" has been removed to provide greater clarity).

Although there has been a drop in the proportion of customers choosing the email channel, there has not been the attendant increase in telephony that can be seen in other interaction types, although there has been a rise in the preference for face-to-face interactions (which has tracked email exactly since 2021).

It should be noted that research for the customer survey is usually carried out in early Q2 of each year, and that 2020's figures consequently do not show the full impact of the first pandemic lockdown. Statistics from 2021 onward are taken from customers who have experienced the decline in service levels that was undeniably present in many companies due to the pandemic.

Figure 20: Change in channel preference (high emotion interaction), 2018-23
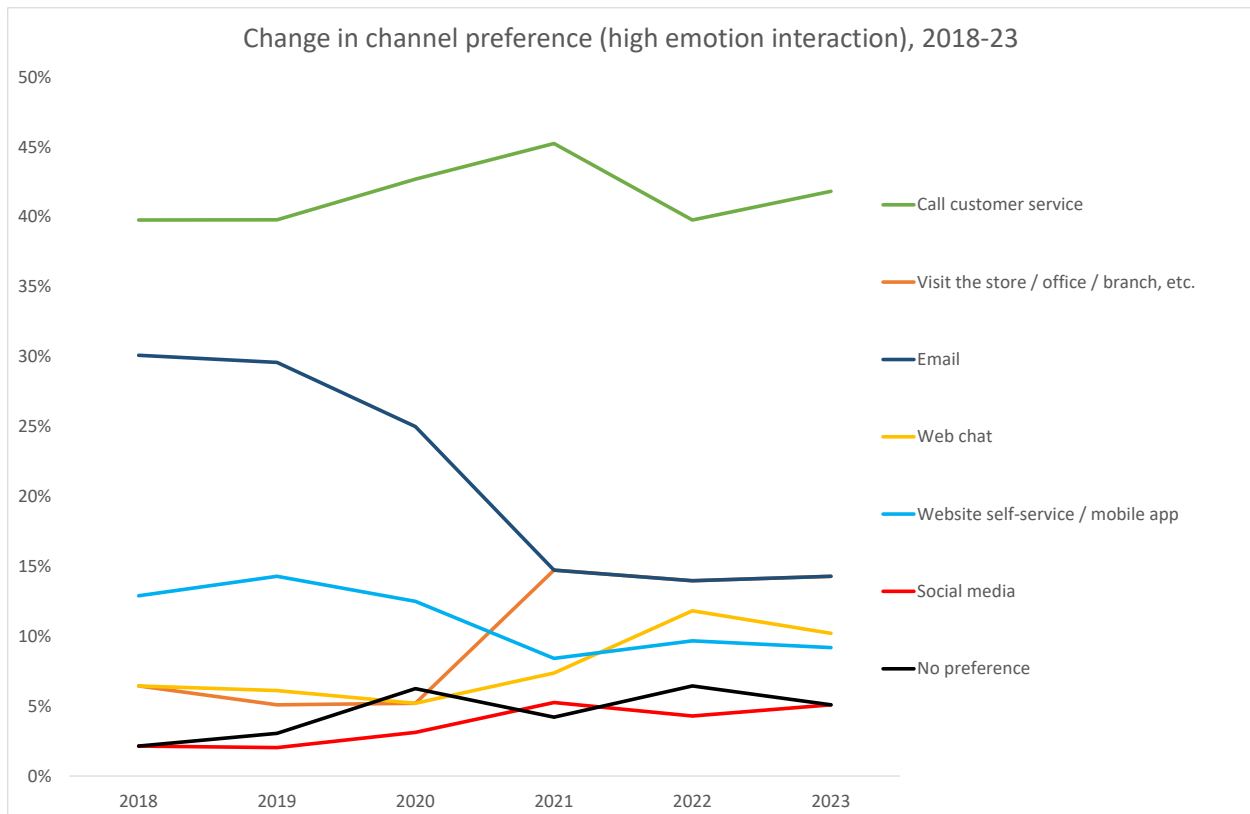
Survey respondents were asked which would be their preferred channel of choice in a situation where they were meeting somebody from a plane and urgently needed to confirm the time at which to be at the airport.

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

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 these channels.

Figure 21: Preferred method for contacting a company (high urgency interaction), by age range
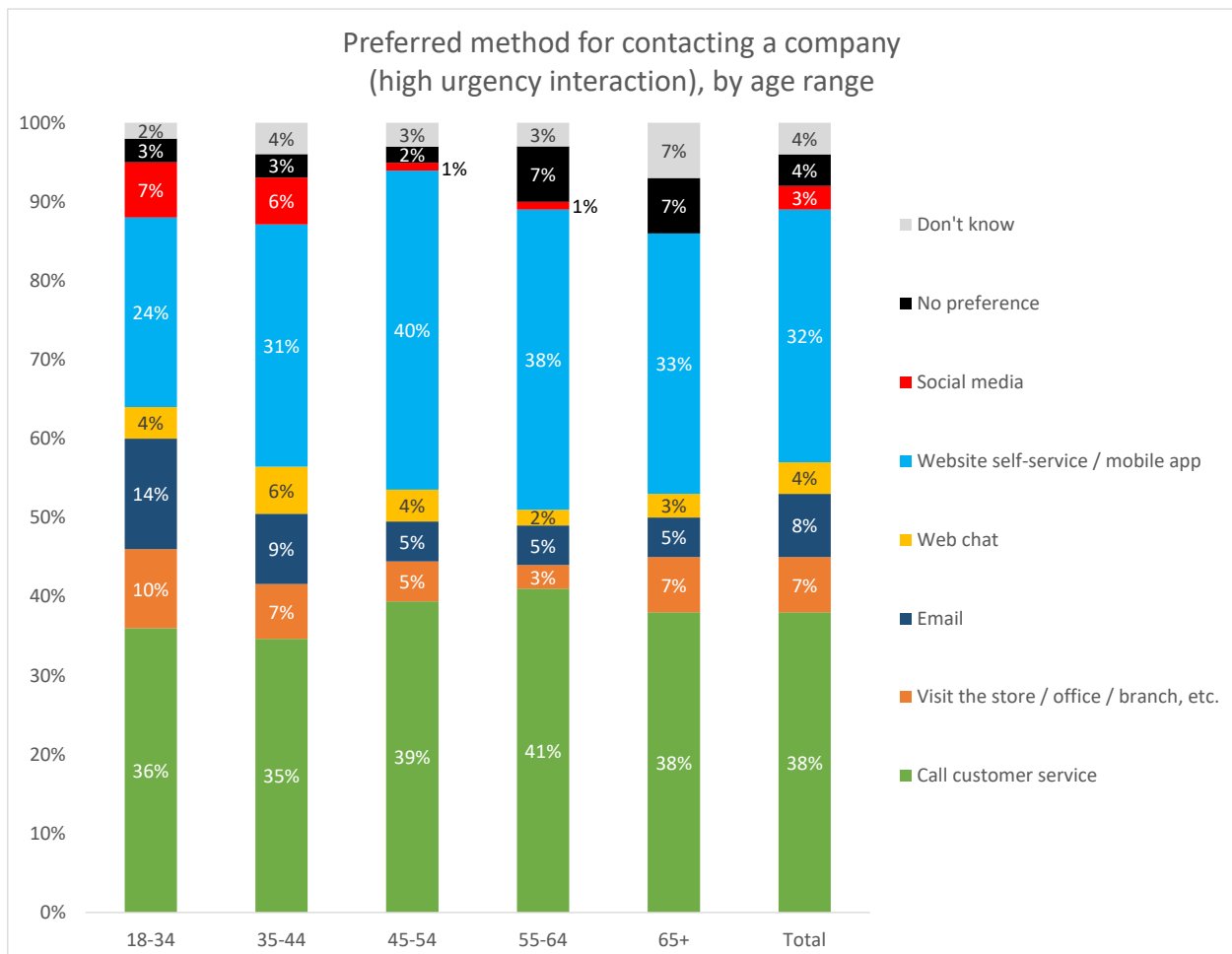
The effects of the pandemic can be seen clearly: live telephony has replaced web self-service as the preferred channel for urgent interactions, despite the massive investments put in place by many businesses to achieve the opposite effect.

It is not possible to state with complete confidence why this should be, but it may be that many customers have experienced very poor levels of customer experience from some companies that struggled in the pandemic and afterwards, and that they have reverted to the channel that they associate with confidence, flexibility and resolution: telephony.

Figure 22: Change in channel preference (high urgency interaction), 2018-23
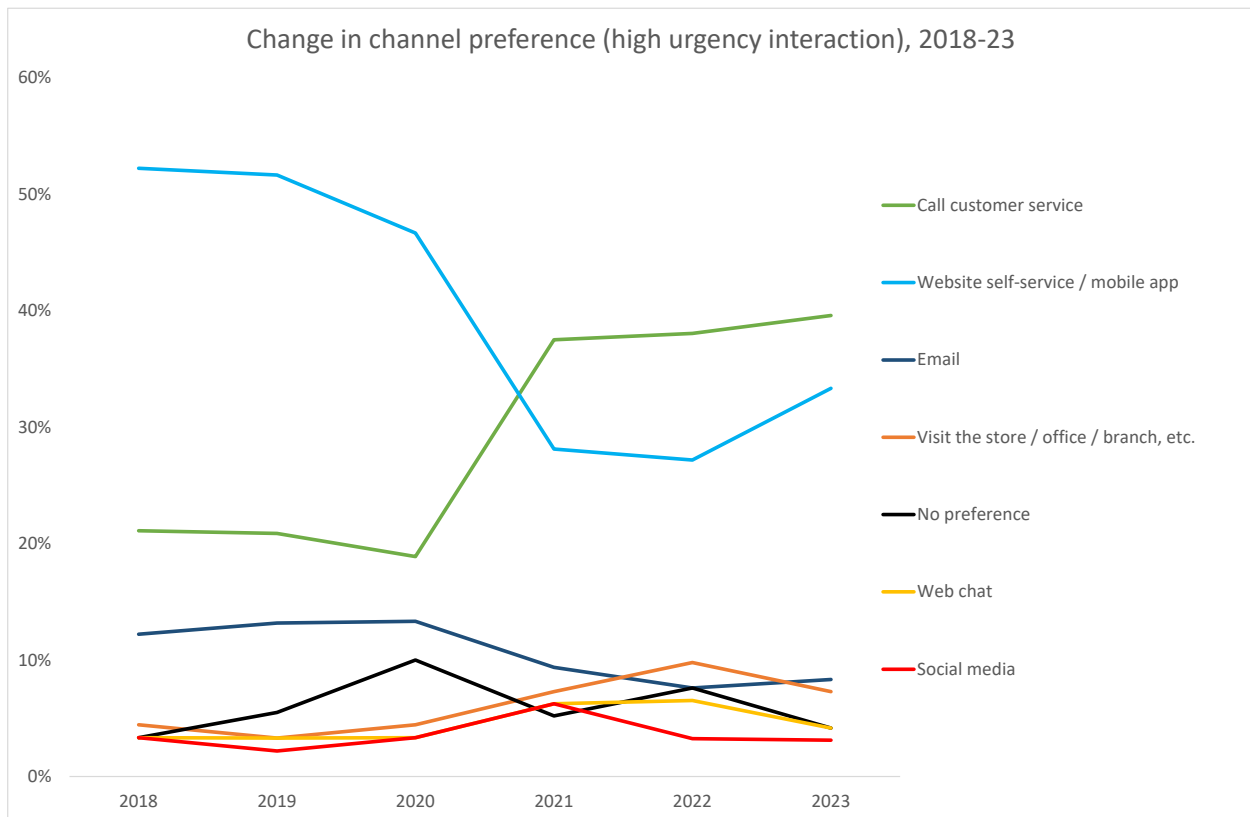
HIGH COMPLEXITY INTERACTIONS

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 more popular in pre-pandemic times, especially with the oldest demographic which chose this option in 25% of cases in 2019: 30% 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 23: Preferred method for contacting a company (high complexity interaction), by age range
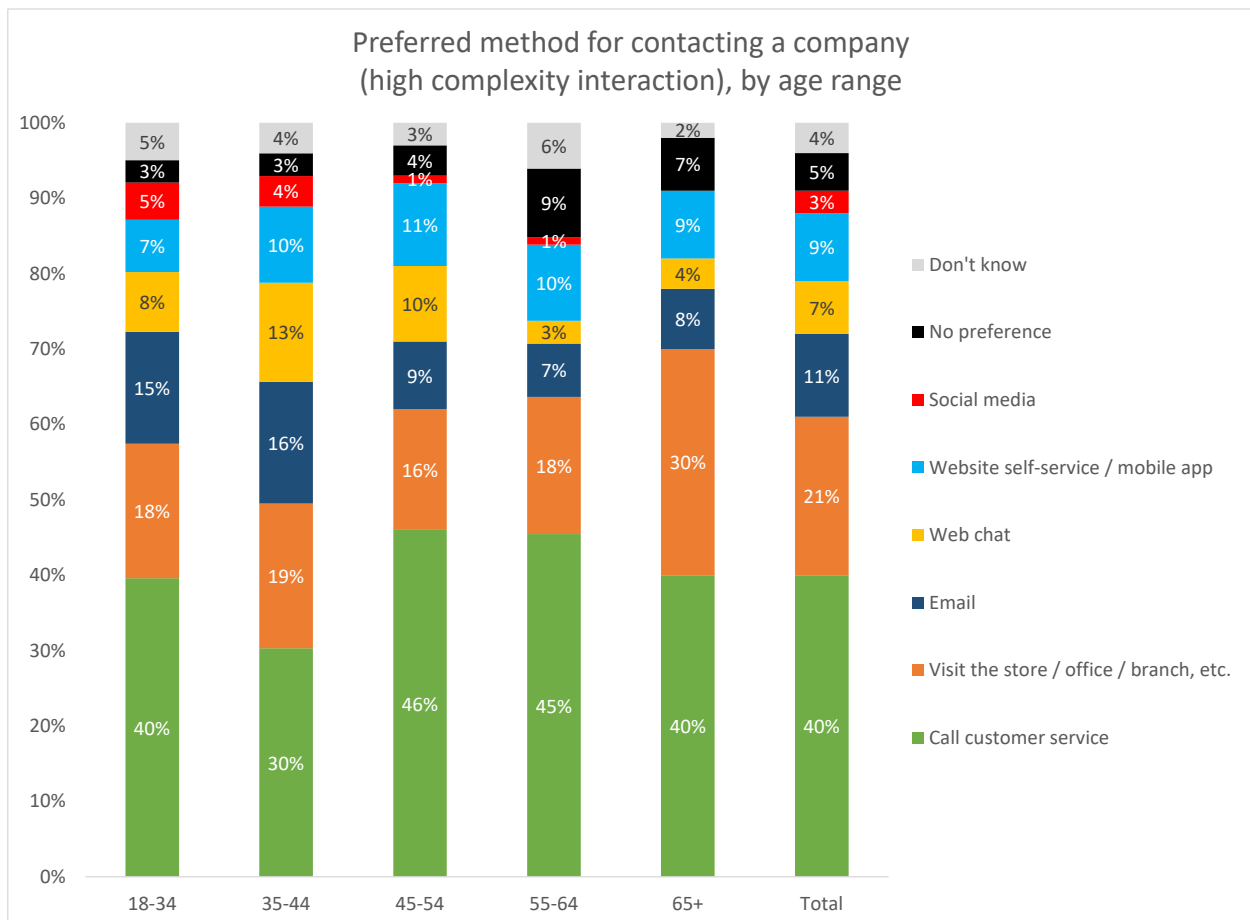
As with urgent requests, the preference for telephony jumped hugely during the pandemic and has remained high, probably for the same reasons.

Web self-service has seen a drop in preference, with customers preferring to be reassured by an actual person: this is borne out by bounce back in face-to-face communication, which seems to indicate that the drop in 2020 and 2021 was a matter of not wanting to risk these situations for health purposes.

It seems as though customers – possibly through their own unsatisfactory experiences – have formed an opinion that they simply want to be talked through their complex issue rather than try and fail to do so using self-service.

Figure 24: Change in channel preference (high complexity interaction), 2018-23

Change in channel preference (high complexity interaction), 2018-23
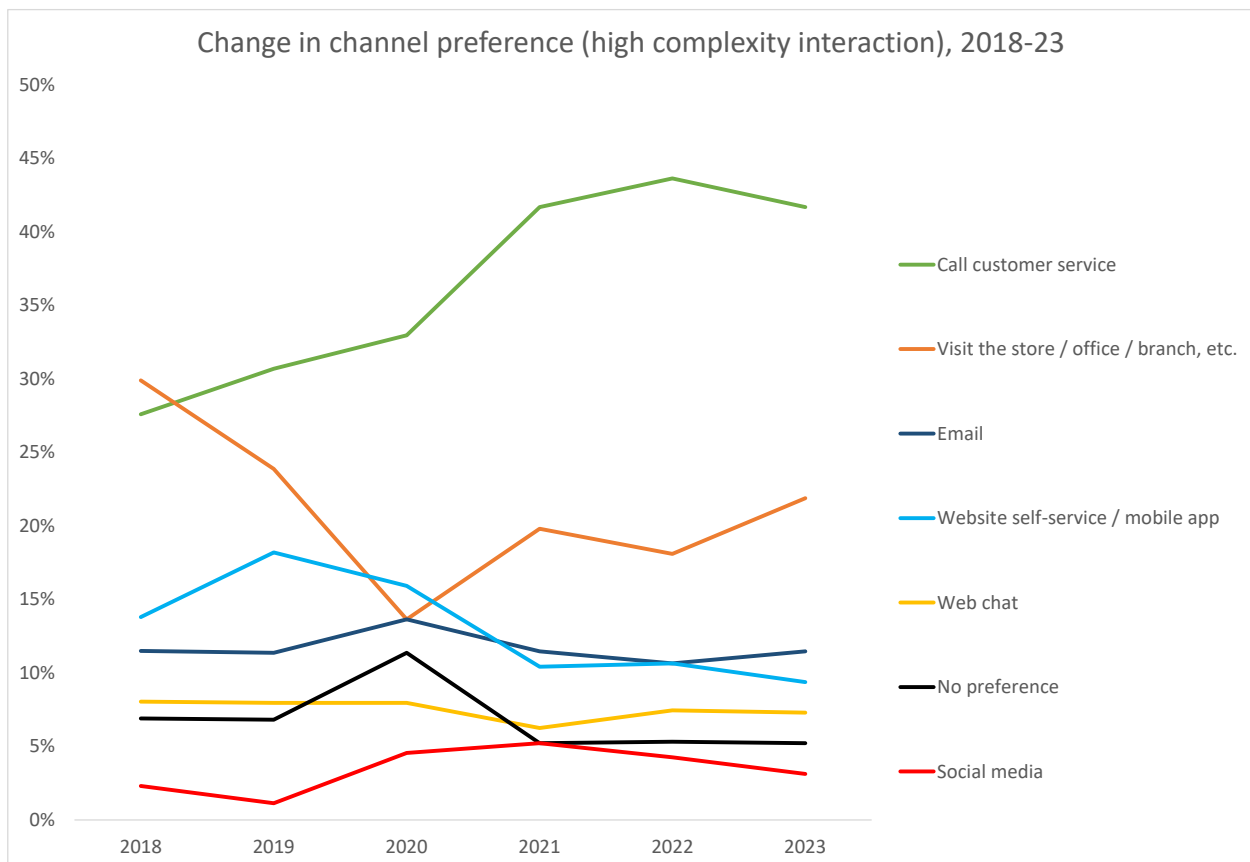
The main purpose of VoC programs is not simply to understand what the customer wants, but also to be able to deliver targeted improvements based on their views. Without actionable and practical insights, any VoC project will only provide information rather than knowledge.

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.

The most successful VoC programs are those closely aligned with the organization's overall business strategy. By using this approach, the VoC team establishes trust with the key stakeholders in the company, better understanding their pain points and addressing the unique requirements of each stakeholder.

In terms of data captured or tools used, the most successful programs use an "actionable thinking" approach i.e. ask meaningful questions and get meaningful and (therefore…) actionable insights. AI tools can then be used to analyze customer "verbatims" that may help identify emerging and/or trending actionable topics. These "verbatims" can be a rich source of information, relevant and usable across the organization.

The most common pitfalls to avoid are:

- Asking for too much customer information or asking for this information too frequently.
- Using periodic surveys to enable staff to "make their numbers" rather than as part of a well-thought-out and global long-term strategy.
- Not engaging front-line staff and focusing on organizational business goals and strategies rather than its customers.

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. Closing the loop is not only about acting 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 so that they can contact 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, allowing operational support teams to uncover, track and mitigate systemic problems proactively. 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: clearly, 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 shared with the wider customer base to demonstrate that the company does listen, care and act based upon their customers' opinions and to encourage them to continue suggesting ways in which the business can improve.

Don't rely solely on transactional surveys as they are focused on a specific touch point or interaction (completing a purchase, a support ticket etc.).

Periodical relationship surveys should provide a much better understanding of the customer relationship with your brand overall. Ensure that they include open-ended questions so customers can more easily indicate their satisfaction with your overall customer experience, loyalty to your organization (advocacy, purchasing and retention), and even how you compare to your competition..

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."[4]

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.

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, risking agents forgetting to do things, decreasing agent availability, increasing queue length, and decreasing CX.

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

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.

The majority of complaints are about the wider business rather than the contact center, however, it is the latter that generally has to deal with the fall-out. 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 elsewhere.
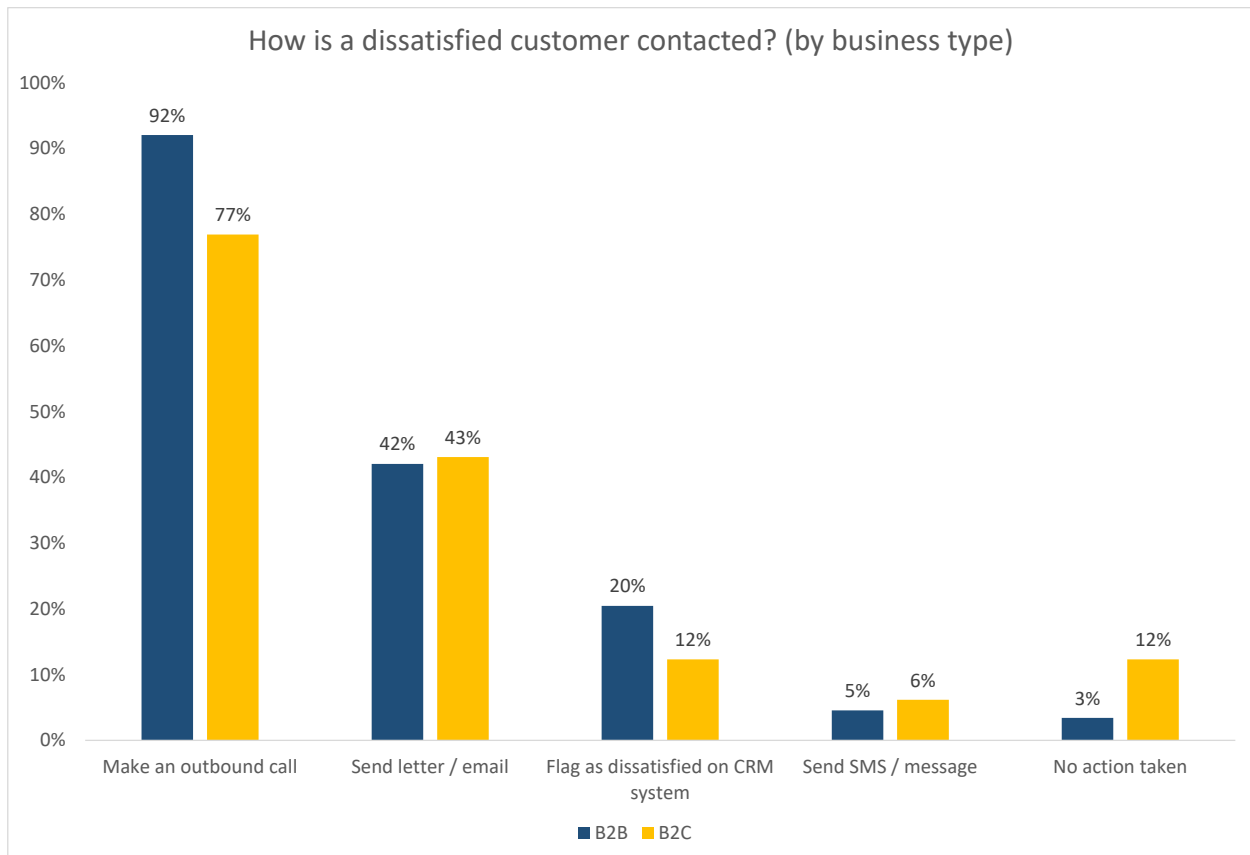
There is also the case that there is a blurring of responsibility between the contact center and the rest of the business so that lines of demarcation over where the fault lies can be difficult to find. For example, a telecoms provider that has taken an order for a new line has to rely on the rest of 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 had a query raised on it by the provisioning team. 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 lies 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 an increasingly popular choice. Many account-based organizations – usually B2B – will flag complaints to account directors or other senior staff to follow up and resolve the situation.

Figure 25: How is a dissatisfied customer contacted? (by business type)

How is a dissatisfied customer contacted? (by business type)

	B2B	B2C
Make an outbound call	92%	77%
Send letter / email	42%	43%
Flag as dissatisfied on CRM system	20%	12%
Send SMS / message	5%	6%
No action taken	3%	12%

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 for major changes

- 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.

VoC can play a role in providing a base of facts to direct the coaching and training team:

- '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.
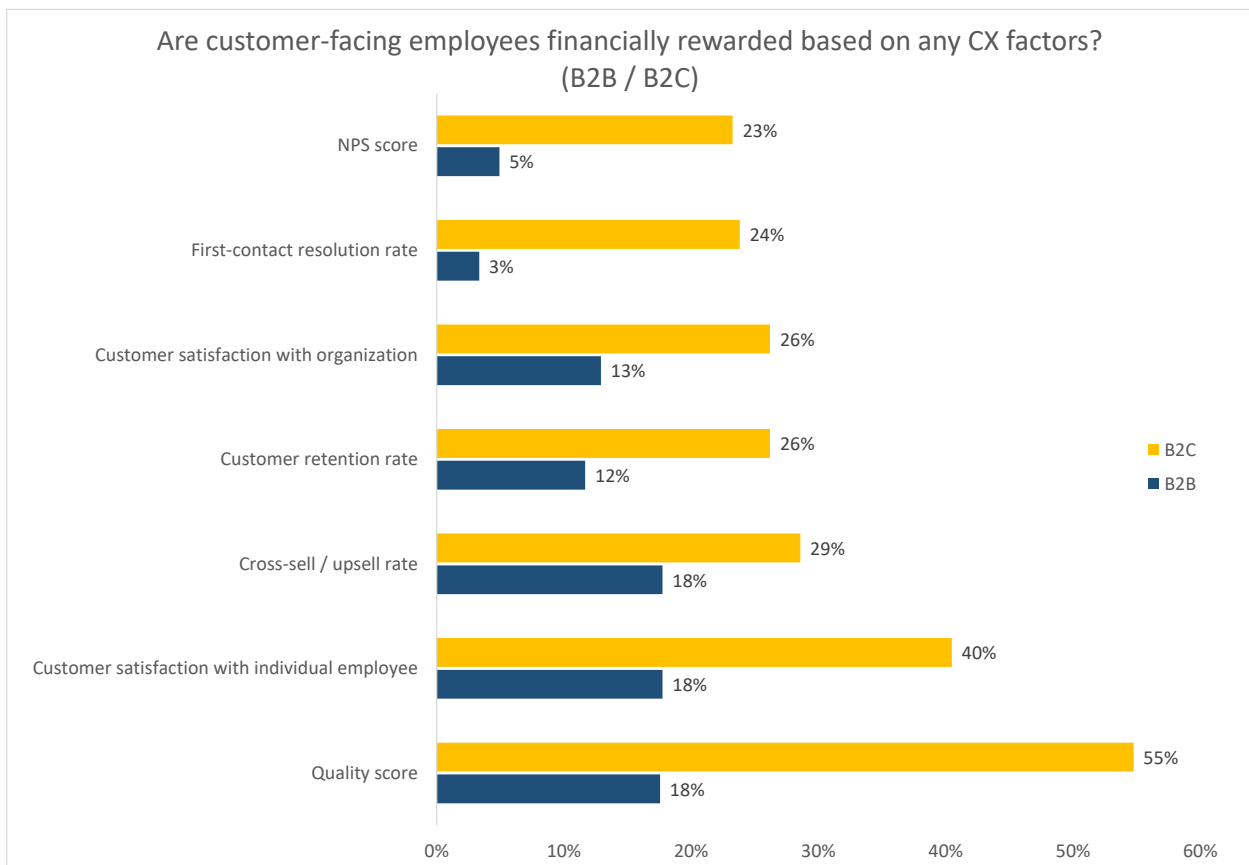
Although many companies reward agents based on metrics, they are not always aligned with the desired outcome that the business has identified.

55% of B2C respondents reward employees based on their individual quality scores. High customer satisfaction scores are also stated to be amongst the most important for B2C organizations, 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 once again disappointing to see the lack of importance placed upon rewarding high first-contact resolution rates or customer retention rates, despite their overwhelming importance to the overall CX program, although this year has again seen a rise in B2C organizations rewarding employees for these.

Figure 26: 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
NPS score	23%	5%
First-contact resolution rate	24%	3%
Customer satisfaction with organization	26%	13%
Customer retention rate	26%	12%
Cross-sell / upsell rate	29%	18%
Customer satisfaction with individual employee	40%	18%
Quality score	55%	18%

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 may need 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 27: Importance of CX developments in the next 2 years
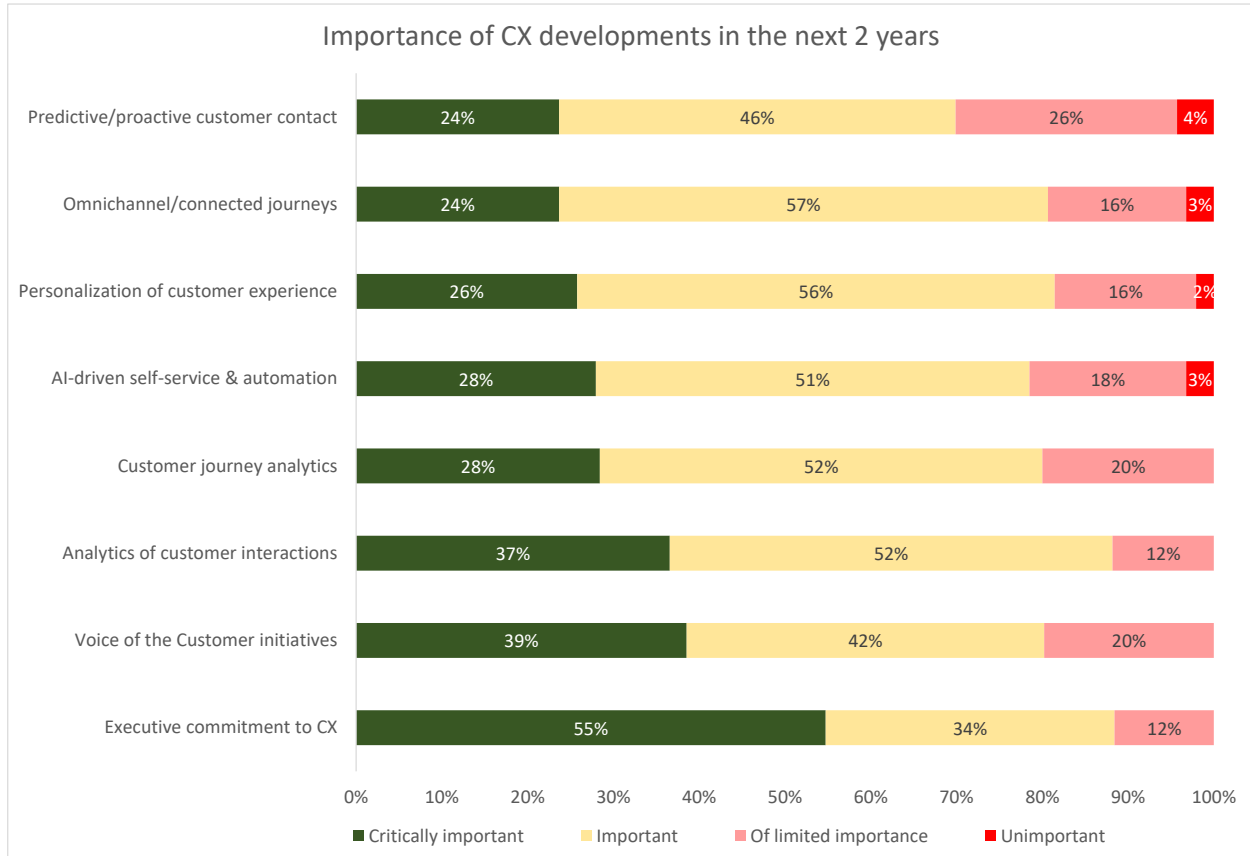
While 81% of survey respondents say that VoC initiatives are 'critically important' or 'important', perhaps the most striking finding is that the most important factor determining the future success of CX is not technology-related, but rather a requirement for the continuing and strengthening executive commitment to improvement, without which multi-departmental CX initiatives cannot hope to succeed – including VoC.

Ever-improving and easily deployed AI-based tools create more opportunities to gather VoC data, but the fundamentals don't change. The need to understand your customers is more important now than ever. Digital engagement technologies and mobile device usage increases the amount of data that should be analyzed, while AI improves the ability to analyze this data along with improving the ability to implement the changes recommended by the analysis.

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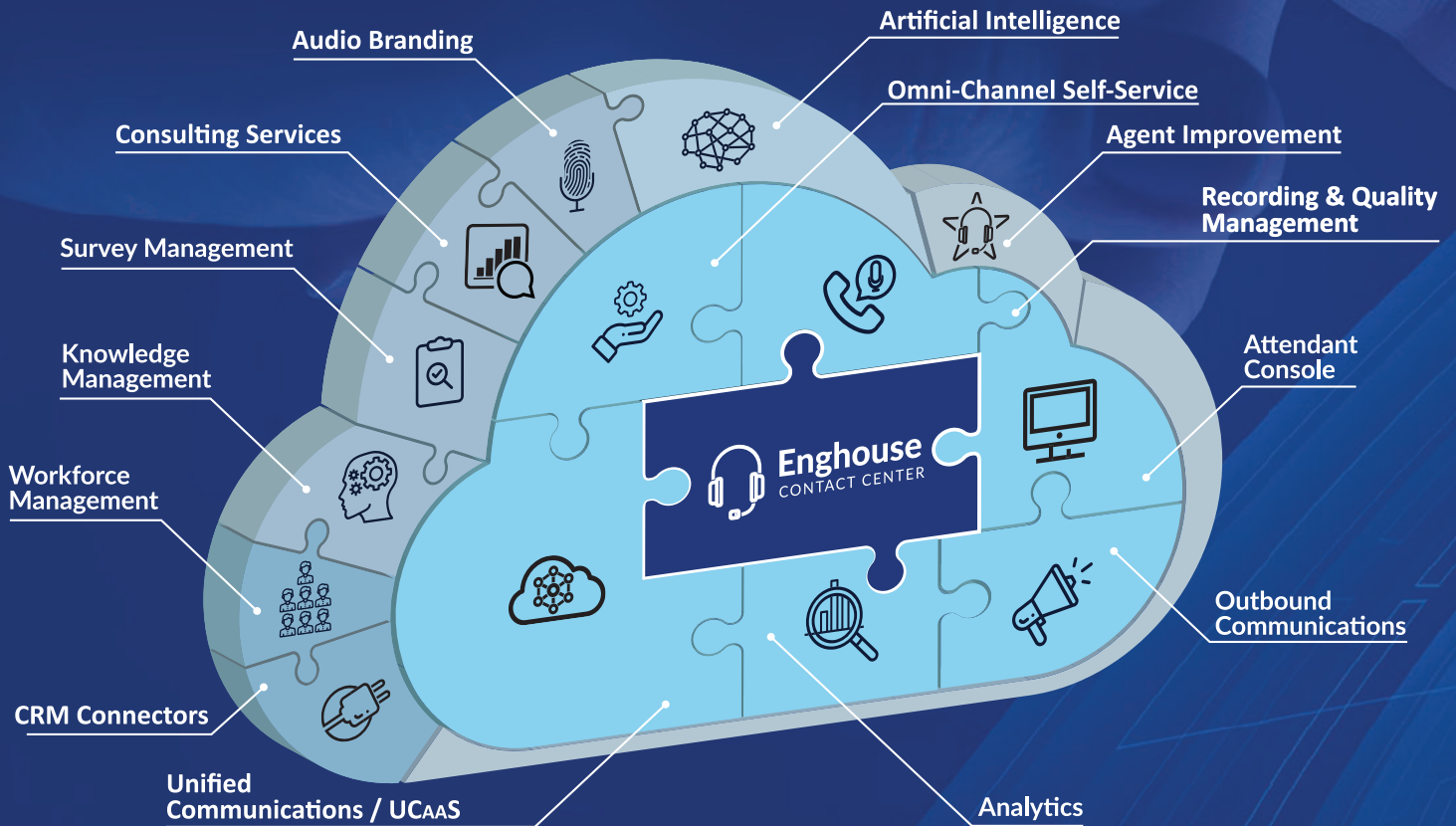Email: info@contactbabel.com / Website: www.contactbabel.com / Telephone: +44 (0)1434 682244

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