

Improving Customer Satisfaction with Blended Experiences

Self-Service and the New Paradigm

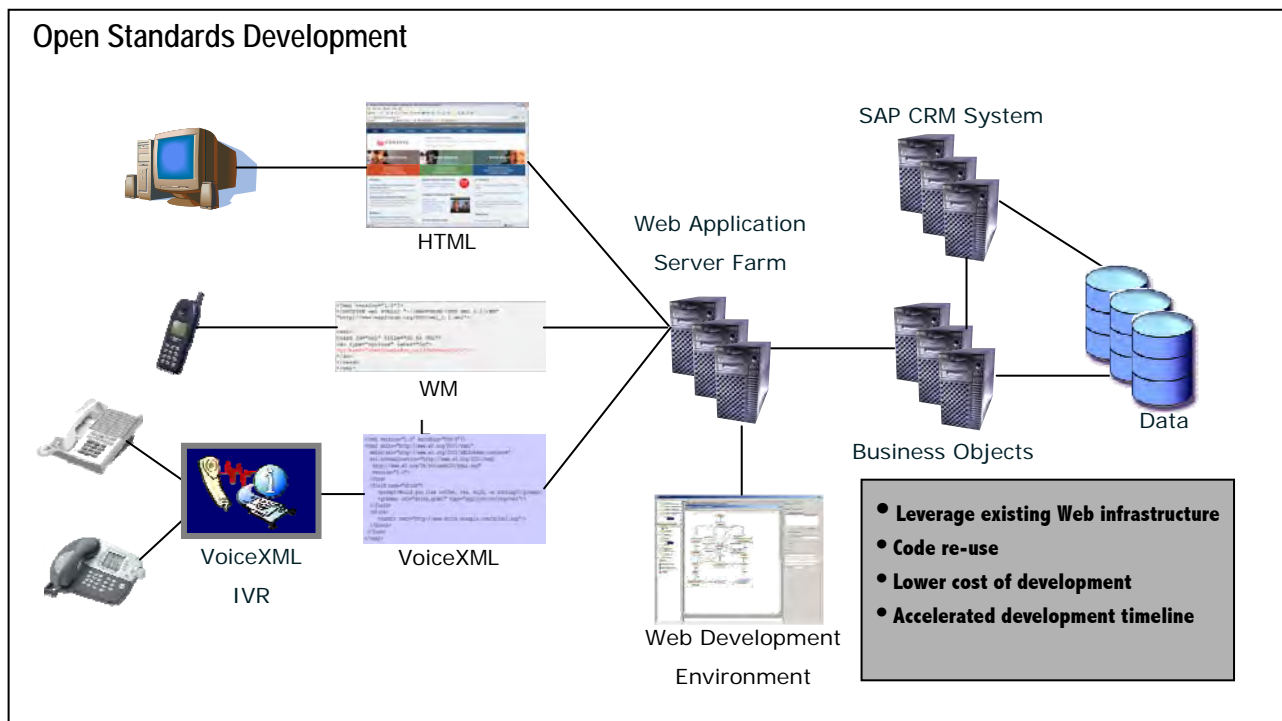
By Vijai Shankar, Genesys Telecommunications Laboratories

The paradigm shift from monolithic, proprietary, and expensive voice processing systems to distributed, open, and cost-effective voice processing systems is not all that surprising. The cost of staying with the old paradigm requires a significant investment to replace or upgrade the existing voice processing system to meet increasing customer demands. Other challenges include:

- Increased difficulty in finding specialized resources to handle proprietary development, installation, maintenance and troubleshooting;
- Difficulties integrating to Customer Relationship Management (CRM) systems; and
- The lack of a tightly integrated contact management solution, resulting in customer interaction inefficiencies.

The new paradigm, on the other hand, offers enterprises several advantages and cost-savings. Open systems allow:

- Expanded choices of hardware/software;
- Upgradeable software, resulting in lower overall costs;
- Access to a larger developer base;
- The ability to leverage in-house Web developer expertise; and
- An infrastructure that can be converged and managed through the company's IT department.



The new paradigm is driven by two major trends: the development of Voice Extensible Mark-up Language, or VoiceXML, a standards-based programming language for voice; and Voice over Internet Protocol (VoIP), a common protocol for convergence of voice and data. VoiceXML offers a Web-based development framework and leverages the existing Web and backend infrastructure to build voice applications, thus enabling code reuse and accelerating time-to-market. Using backend CRM databases and Web infrastructure enables common business logic and lays the foundation for a consistent customer experience across both voice and web channels.

Why Self-Service isn't Enough: Research conducted by Genesys from 200 enterprise customers found that customer service is the biggest influencer on customer loyalty and more than seventy-four percent of those surveyed would do business with a company based on a great contact center experience. The survey also shows that more than fifty-six percent of customers feel less loyal when they feel they are pushed to use self-service. These results support the findings of a June 2005 study by Benchmark Portal that showed that the telephone is still the most dominant channel used by customers to contact a company and that eighty-six percent of respondents would do business in the future based on a good caller experience.

Many contact center deployments today often lack of any integration with backend CRM systems, such as SAP, CTI, and self-service. For example, a customer dials an 800 number for a rental car company, is greeted by an IVR, and proceeds to enter his/her account identification number, social security number, etc. Eventually, this particular customer opts to “zero out” to speak with an agent, assuming a seamless handoff – but the first thing the agent asks for is the critical information the customer just finished entering. It's upsetting to customers, particularly high-value customers who expect to be recognized upon contacting the rental agency. The reason for this disconnect is that the integration between the front-end telephony and the back-end CRM system lacks the functionality needed to make this connection. Other symptoms of CTI integration problems include: dropped calls, mis-directed calls, slow or missing screen pops, and CTI toolbar instability. These are ROI termites, which eat away technology investments and erode customer satisfaction. The preceding occurrence illustrates the challenge faced when trying to integrate CRM and CTI with a self-service solution in a contact center. This has unfortunately become all-too-familiar and frustrates both customers and agents.

Customer Service and Customer Loyalty: The strength of a customer relationship depends on more than simply "satisfaction." Satisfaction reflects a degree of stated happiness with a current choice, but says little or nothing about customers' feelings about other alternatives. Brands rated number one in "customer satisfaction" aren't always number one when it comes to actual repurchase rates and brand-loyalty behavior. Overall satisfaction measurements don't provide a very powerful link to actual customer retention and volume, share and profit growth. Loyalty indices that combine attitudinal satisfaction with behavioral intention measures are much better indicators.

Author Frederick Reichheld, in his book *The Loyalty Effect: The Hidden Force behind Growth, Profits and Lasting Value*, indicates that it costs five times as much to acquire new customers than it does to nurture existing customers into becoming brand champions. Increasing

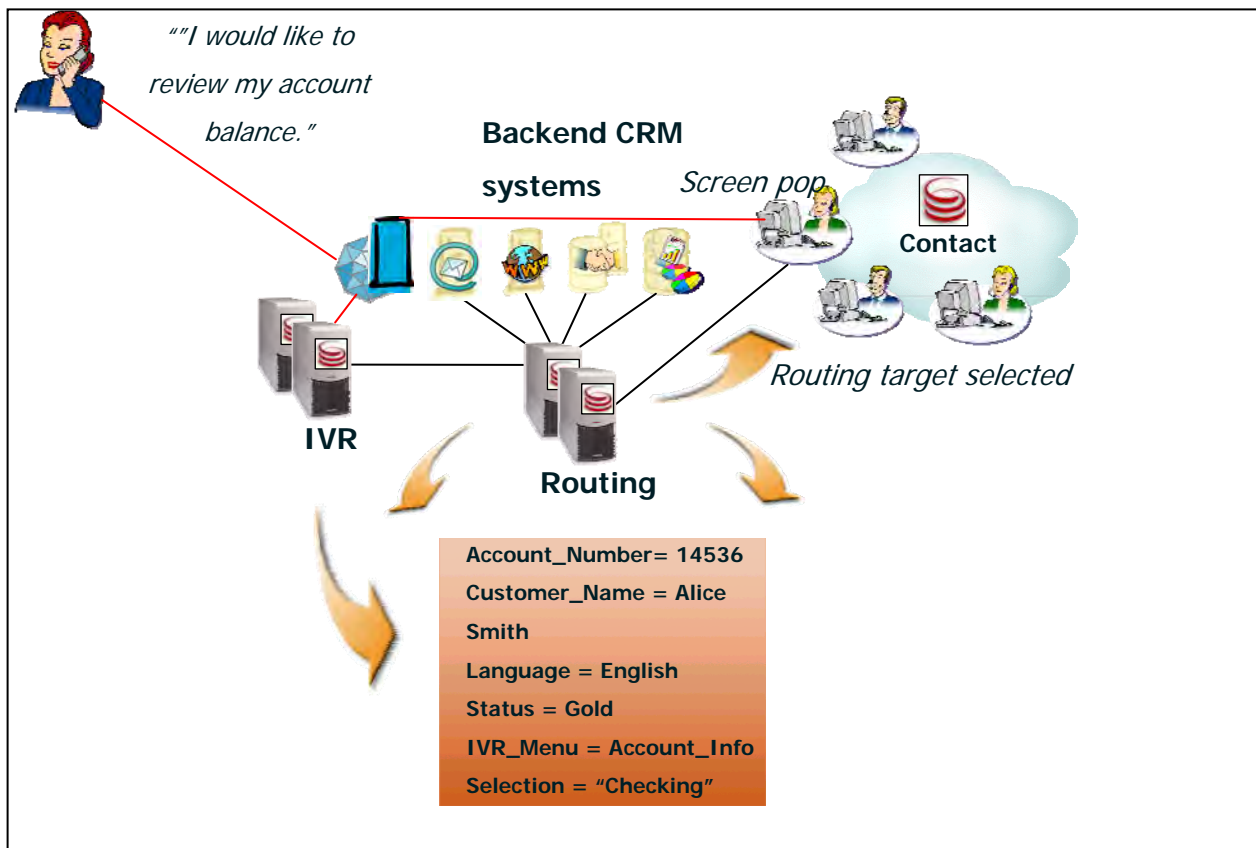
a company's brand champions by just five percent would lead to an average profit increase of about 25 percent, Reichheld estimates. Since customer service is one of the biggest influencers on loyalty, it is imperative that customer service be an important consideration when deploying self-service technology.



Blended Experience to Boost Customer Service: The lack of integration with backend CRM systems, CTI and self-service has a significant effect on customer satisfaction and loyalty. The ideal customer experience involves blended communication across live, assisted, inbound and outbound channels. Integrated self-service enables contact centers to intelligently apply the same business rules to calls handled by the IVR system as are applied to live agent calls, and to seamlessly route calls across an open self-service platform, as customers' needs dictate.

Integrated Self-Service: Integrated self-service requires a unified, end-to-end contact management solution. Integrating self-service with live agents allows businesses to intelligently establish business rules for when and how these two options are applied. The result is a seamless distribution of service types over the entire system, based on critical factors such as customer value, agent availability and overall call volumes. Self-service applications can be used to service a customer's routine banking request, such as account balance, and the caller is able to complete the transaction within the automated touchtone or speech-enabled system. Integrating self-service with live agents is preferable for calls that are too broad and complex to be handled by an automated system.

In an integrated self-service environment, callers identify themselves and provide basic information via the self-service system. The system then looks up the caller information from a backend CRM system such as SAP, and routes the call to the best available agent based on business rules and caller data. The data then pops onto an agent's screen. An agent completes the transaction and the caller information is updated in the CRM system. The result is a holistic caller experience across live and assisted channels, resulting in improved customer satisfaction at a lower cost.



Track and Measure a Call Through its Entire Lifecycle: An integrated self-service system enables a common reporting repository across all channels where a call can be measured for both effectiveness and efficiency through its entire lifecycle. Traditional IVR metrics are limited by the system (call volumes, dropped calls, call handle times, etc.) and reporting is often siloed across different channels due to lack of integration. By contrast, an integrated self-service environment opens up this process and enables call analysis (successful outcomes, percentages of closed sales, numbers of high-value customers transferred to live agents, etc.). Integrated systems allow contact centers to track the customer's experience end-to-end and to measure performance based on business rules. This type of information enables contact center technology fine-tuning for greater efficiency and performance.

Conclusion: Businesses have limited opportunities to make a positive impression on customers and either secure future business based on customer service, or risk losing customers to the competition. Open-standards based IVR platforms, along with integrated speech technologies, are quickly gaining momentum in the market and companies already using them have experienced a positive return on investment.

Rather than focusing on cutting costs, businesses are prioritizing investments in services that ensure customers have a good experience. Savings realized through integrated self-service systems are often reinvested in the customer relationship. With many companies offering intuitive Web sites and IVRs, it's no surprise customers expect that same level of service from all businesses, regardless of channel. And when customers do encounter frustrations as a result

of contacting customer service, they often decide to take their business elsewhere. In fact, nearly half of consumers report that they would likely stop doing business with an organization if its customer service system was difficult to use. That's a powerful business incentive to never stop looking for ways to improve the customer experience through advanced, integrated and open technology systems.



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