

Improving the Contact Center Customer Experience

Supporting Data-Driven, Real-Time
Customer Decisions

White Paper

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V E N T A N A
R E S E A R C H

Aligning Business and IT To Improve Performance

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Table of Contents

Customer-Focused Performance Management	3
Managing the Customer Experience	3
A Collaborative Effort.....	5
Charting a New Course	5
In Search of New KPIs	7
About Ventana Research	8

Customer-Focused Performance Management

Competing to attract new customers and retain existing ones in today's fast-paced, highly competitive markets requires many things; one of the most critical is ensuring that every customer interaction is handled as efficiently and effectively as possible. Failure to do so is likely to frustrate the customer, which in turn is likely to translate into lower customer satisfaction levels, the loss of sales opportunities and perhaps increases in customer churn levels. Traditional methods of monitoring and assessing the success of interaction-handling are no longer effective enough as they rely predominately on historical and aggregated information that does not reflect the immediacy of interactions.

Customers interact with companies through an increasing number and variety of touch points: telephone calls, e-mail messages, written documents, the Web, mobile text messages, Web-based chat, kiosks and video. Most of these occur in real time, and customers expect immediate responses even to those that don't, such as e-mail, written documents and text messages.

Handling these contacts thus represents a unique challenge that requires real-time information about the status of the interactions and the agents handling them, plus up-to-the-minute information about the customers themselves. This will enable operational managers to make data-driven decisions about how best to correct problems as they occur, supervisors to ensure the right number of skilled agents are available to handle interactions as they occur, and agents to satisfy the customer.

Thus, a key element of customer-focused performance management is the proactive management of these interactions to ensure that the end-to-end customer experience is as positive as possible. This requires constant monitoring of all interactions and action by operational managers as soon as issues are identified.

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Managing the Customer Experience

Benchmark research from Ventana Research shows that the majority of interactions are handled in formal call centers – also referred to as contact centers because they now handle more than just telephone calls. These are complex, specialized environments that must operate smoothly if they are to meet customers' expectations and deliver satisfying experiences.

The call center is an environment in constant change because of a variety of issues:

- **Network Problems** – The network infrastructure can suffer technical and capacity issues that operational managers need to know about so they can respond instantly as needed – by rerouting calls, for example.
- **Shifting Call Patterns** – Changing customer behavior and external events such as a cell phone network outage can alter the volume and nature of calls, requiring operational managers to adjust the network configuration and center management to change agent work profiles.
- **Agent Availability** – Agent profiles change throughout the operating hours of the call center. Different shift patterns, altered team structures, agents coming and going as well as other unplanned events require center managers to make immediate changes to agent workloads.
- **Business Changes** – New marketing, sales or customer service campaigns can impact the volume and pattern of inbound calls.

Faced with such challenges, many companies aren't doing well. In our benchmark research on customer experience management, only 17 percent of participants said they are being very effective at managing the customer experience. Of the others, 42 percent said they are effective, 34 percent are somewhat effective and 7 percent don't think they are effective at all. In responses to our questions, participants identified the ability of agents to resolve calls on the first contact and queuing times as the two factors most likely to impact the customer experience. They went on to say the main reason they are unable to manage these effectively is lack of information.

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Providing information in a timely manner is therefore essential to ensure that the customer's call achieves the desired outcome from both the customer's and the business's perspective. To accomplish this, companies need to provide access to the following types of information:

- Real-time event information (queue lengths, SLA compliance) so that operational managers can identify and correct any network issues to ensure calls are delivered to the right location in a timely manner
- Real-time agent status information so that supervisors can ensure the right number of skilled agents are available to match inbound call volumes as they occur
- Other up-to-the-minute customer information so that agents can resolve calls during the first interaction.

Gaining access to this data has been difficult for companies because of the sheer volume and variable nature of the data produced in the call center and supporting systems. Systems such as the automatic call distributor (ACD), computer/telephony integration (CTI) software, interactive voice response (IVR) systems, workforce management (WFM) and customer relationship management (CRM) produce extremely high volumes of data in a variety of

formats. Integrating these to make possible a real-time overview of interaction-handling has therefore been almost impossible, and the majority of companies have had to rely on teams of analysts pulling data into spreadsheets simply to understand what happened in the past.

A Collaborative Effort

As indicated by our research on customer experience management, companies recognize that improving the customer experience is an enterprise-wide issue. It involves everyone: the CEO and executive committee, the heads of marketing, sales and customer service, network managers, call center supervisors and agents – a category that today includes anyone handling customer interactions. The findings further show that the most mature companies have gone a step further; slightly more than one-third have created a specific executive-level role to oversee managing the customer experience.

Everyone involved at any level in this interaction management process needs access to information, and each person needs it in a timely way and in a view customized to his or her role. The executive team and business managers need insight into how the customer experience is impacting business performance; network managers need insight into how the systems are performing so they can make real-time operational changes to networks; customer experience managers need an overview of interaction-handling from business, people and technology perspectives so that can make short-term decisions to improve the quality of the company's response to customers; supervisors need real-time profiles of interactions and agents' availability so they can make changes to agent team profiles to meet inbound call patterns; and agents need up-to-the-minute information to manage their own performance and improve their response to customers during an interaction. Companies therefore need software that can provide this real-time, customized flow of information and analysis.

Everyone involved in information management needs timely access to information customized to his or her role.

Charting a New Course

Our research shows that companies are starting to appreciate that each interaction represents an opportunity to influence the customer experience and thus the customer's future behavior. However, unlike the majority of transactions in a company, most interactions within the contact center occur in real time. So whereas traditional batch-based business intelligence systems will suffice in the majority of departments, they are no longer suitable for managing the contact center environment.

The contact center is also one of the most complex technical environments in a company. It depends on complex networking that often spans multiple

locations and has to be integrated with the enterprise network to allow for interactions to be transferred to employees in other departments. It also includes numerous other technical systems to control call routing, agent workforce management, e-mail management and instant messaging, plus business applications. These all have to run smoothly if the customer is to be dealt with expeditiously and have a good experience.

This complexity means that some things inevitably will go wrong: a piece of equipment will fail, the network will become congested, queue lengths will build because of a change in call patterns, or there won't be enough agents available to meet demand. Managers need to know about these problems as soon as they occur so they can take immediate action. But our research shows that for the majority of companies management of the contact center and the customer experience rely on data manually entered into spreadsheets or historical reports produced by their ACD, CTI and other

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infrastructure systems. Both this process and these reports are prone to error, are time-consuming and expensive to produce and can show only historical information. In short, this process cannot support real-time customer relationship management.

Companies need a new approach that is more proactive and based on an information architecture that works in real time. Such an approach is based on

the extraction of data as it is produced, integration of multiple sources of data to allow for cross-functional analysis, and presentation of the information in timely ways and formats relevant to the different types of users. The key to enabling this is the adoption of a specialized contact center-specific performance management product that includes data extractors that work in real time, as well as analysis tools that also work in real time and can be configured to support the needs of different users.

It should deliver a specific mix of information to different users involved in customer experience management. Executives need business-related information that spans all interaction-handling, business managers want to know how interactions are impacting their business performance, network managers require detailed network and technology performance information, supervisors require information about interaction throughput and agent performance, agents want to see how they are performing against their individual targets, and customer experience managers want it all.

One of the lessons of information management is relevant here: Presentation is paramount, as lists and columnar reports make it difficult to identify specific issues and trends. The system should therefore store data at the item level but have the capacity to present it aggregated graphically in ways that highlight spikes, peaks and troughs, variations from targets and trends. At the same time, it also is important that any user be able to drill down to the level of detail he or she may need to pinpoint issues for resolution.

In Search of New KPIs

Companies also need to take a new approach to what key performance indicators they use. Our research shows they are overly dependent on traditional metrics such as average handling time, average queue lengths and number of times a call is transferred or put on hold. While these reflect the performance of the center, they are poor indicators of the customer experience and the success of interaction-handling. Mature companies focus more on outcome or effectiveness measures such as whether calls are being answered within an agreed number of rings and first-call-resolution rates, which they monitor in real time so they can take action as needed to influence the pattern of interaction outcomes.

At the heart of customer-focused performance management are four business categories: people, processes, information and technology. Getting all of these right will result in happier customers that remain loyal, buy more and cost less to support; get them wrong and more customers will turn to alternate suppliers.

Companies need to improve their relationships with customers to remain competitive and profitable. To achieve this they must focus more on the customer experience. This will inevitably require taking a close look at the performance of the contact center, since the majority of interactions are now handled in these purpose-built centers. Our research indicates that most companies will find that their systems generate more than enough data but that they lack sufficiently relevant and timely information about how their centers are performing. Furthermore they don't have enough insight into the impacts their centers are having on their business to permit real-time management of the customer experience.

The remedy is to explore adopting technology that is capable of collecting the data in real time and then analyzing it to produce the insights needed to make appropriate, immediate decisions.

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The remedy is to explore adopting technology that is capable of collecting the data in real time and then analyzing it to produce the insights that the different groups or individuals need to make appropriate, immediate decisions. Any such system should produce the insights in forms appropriate to each user so they can quickly identify issues and rectify them at once. Deploying such a system is a key step toward improvement in contact center performance and better outcomes for both the customers and the company.

About Ventana Research

Ventana Research is the leading benchmark research and advisory services firm. We provide expert guidance to help organizations manage and optimize performance – to become not only more efficient but more effective. Our unparalleled insights and best practices guidance are based on our rigorous research-based benchmarking of people, processes, information and technology across business and IT functions worldwide. The combination we offer of benchmark research, rigorous market coverage and in-depth knowledge of hundreds of technology providers means we can deliver business and technology education and expertise to our clients where and when needed. Ventana Research provides the most comprehensive analyst coverage in the industry; more than 2.5 million business and IT professionals around the world benefit from Ventana Research's insights. To learn how our benchmark research and assessment and advisory services can improve your organization's performance, visit www.ventanaresearch.com.