



Creating Profitable Customer Service Organizations

Enhancing the Customer Experience

Table of Contents

- Enhancing the Customer Experience 1
 - Customer Service as the New Marketing 1
 - Technology and Customer Service 1
 - Enhancing the Customer Experience – and Loyalty..... 2
 - Information that Follows the Customer* 2
 - Customer Self Service* 3
 - Customer Opt-Out Options* 3
 - To the Right Agent, Faster* 3
 - Reducing Operational Costs 3
 - Staffing Costs* 4
 - Telephony Costs* 4
 - IT Infrastructure Costs*..... 4
 - Implementation Costs* 5
 - Driving Business Growth 5
 - Data at Agent Fingertips* 5
 - Informative Hold Messages*..... 5
 - Up-sell and Cross-Sell Activities* 5
 - Reporting and Analysis* 6
- Conclusion..... 6
- About FrontRange Solutions 7

Enhancing the Customer Experience

Customer Service as the New Marketing

Once thought of as a necessary expense, customer service is now receiving more attention and importance within organizations. In fact, customer service has been called “the new marketing”— and with good reason. Customers that have positive experiences feel cared for and valued. In turn, they stay loyal to your organization, they buy more, and they tell their friends and colleagues.

It's tough to put a dollar figure on the impact of a positive customer experience; it's easier to measure the impact of lost customers due to poor experiences.

- The cost of acquiring new customers is 3 to 5 times the price of keeping existing ones.
- One study shows that if a contact center exceeds a customer's expectations, nearly every caller (95%) will use the company's product or service again.
- Only 16% of contact center experiences get rated as exceeding a customer's expectations.
- One "bad experience" encourages 63% of callers to stop giving their business to a company altogether.

In the face of statistics like this, upper management has taken notice, giving contact centers greater importance. Because contact centers are the natural choice for interacting with customers (both pre- and post-sales), contact center managers are under more pressure to simultaneously increase service levels, lower costs, generate revenue through cross-selling and up-selling opportunities, and become a profit center.

Technology and Customer Service

A number of technologies exist to help customer service teams operate more efficiently and effectively. However, most are focused on productivity gains and cost-savings for contact centers, rather than optimizing the customer experience. With so much technology supporting customer service, it's easy to lose the human touch and alienate customers.

New technologies empower organizations to accomplish both objectives at once: raise service levels and improve the profitability of the contact center. Here are some ways that technology can help improve the customer experience while also reducing costs.

Enhancing the Customer Experience – and Loyalty

In spite of overwhelming evidence, many companies are focused on acquiring new customers, ignoring the potential sales that already reside in their databases. The challenge is to turn a new customer into a lifelong buyer through consistent, top-quality care, and to gain new ones from positive feedback posted on the web.

Information that Follows the Customer

How many times have you called a contact center and been prompted for your identification information, only to speak with another agent who asks for the same information again, and possibly even again?

Without voice and data integration, allowing customer information to transfer from one agent to the next, companies waste time and frustrate callers. Without integration, agents have to repeat steps and can't serve customers from the same page.

Likewise, lack of integration with a CRM or incident case management system means agents don't have access to essential customer-specific data to help them serve customers, such as the customer's support plan, or their sales and support history.

Customer Service Experience Pains at a Glance

- Customers repeat information to multiple agents.
- Customers feel like they're in an endless "maze" when calling into phone systems.
- It takes forever for customers to reach the right person to help them.
- Customers want service anytime, anywhere they need it.

The following example is a customer service "horror story" that's unfortunately too common today, and underscores the need for quality data in contact centers:

"It was a terrible experience. I ordered a rocking horse (in stock item) several weeks ago; it's never shipped out. When I called, the first representative told me the order was canceled because the item was out of stock. She told me if I still wanted it, I needed to replace the order. Then I replaced the order. I called again. The second representative told me the first order was not canceled and was pending. Nobody knew why it was pending for so long. I was quite upset because I began to worry about my second order, now a duplicate order. I asked her to cancel my second order, she told me an order could not be canceled once it was committed, neither the first one or the second one. Several days passed with both of my orders pending. I don't know when they will be really canceled, and I can't buy the rocking horse from anybody else. It is a gift for special event. I'm quite upset for checking order status every day."

The Web is full of accounts like this. With sites like Amazon and Epinions providing a forum for customers to post grievances publicly and immediately, companies simply can't afford the high costs of poor service. They must focus on providing quality service every time.

In the example above, if either rep had access to quality data, and had the authority to discuss it with the client, this posting would be very different. Sure the rocking horse might not have come on time, or they might have lost that specific sale by canceling it for the customer, but the lost profit of one rocking horse will pale compared to the loss of an untold number of potential customers and sales due to this posting.

Customer Self Service

Customers also want service in the way that's most convenient for them, from anywhere at any time. They should be able to log customer service issues a number of ways – by e-mail, Web form or phone. Self-service capabilities have traditionally been online. Customers can look up frequent issues, log incidents or check on the status of a ticket on the Web. However, sometimes customers don't have online access while others still prefer to just pick up the phone.

Voice self-service technology—which merges the phone with service desk solutions—transforms self-service by allowing customers to use the phone when they want and need to do so. Voice self-service makes information accessible over the telephone, for live personal communication, as well as automatic self-service.

Customer Opt-Out Options

When customers need assistance, many would prefer to log the incident and get back to work, instead of waiting on hold listening to music or announcements. Voice self-service allows customer service teams to give customers more options for how they want to report incidents. They can either choose to wait for an agent, or they can leave a message and receive a prioritized call back. This increases customer satisfaction and ensures that customers are still served in the order in which they called.

To the Right Agent, Faster

Customers are also frustrated by being bounced around from person to person until they reach the one who can best handle their issue. With better identification of call types, customers are routed more quickly and directly to the appropriate agent. That results in faster resolutions with customers, and hence, happier customers.

Reducing Operational Costs

As customers become savvier, they expect customer service to keep pace with their expectations. At the same time, contact centers usually have the same budget (or less) as last year to cover people and technology.

Staffing Costs

People are your greatest budgetary item, and agent training and productivity are two of the biggest financial challenges contact center managers face. While salary and benefits are fixed expenses, there are many areas in the contact center where you can reduce other staffing costs.

One of the keys is managing the time needed to route a call, gather customer information, and provide specialized solutions. Contact centers often lose valuable time and money without time-saving technology.

Such technologies ensure calls are...

- (a) Routed to the right place
- (b) Agents have customer information in front of them
- (c) The agent is trained to help with that customer's issue

By ensuring those three steps, agents are fully equipped to serve customers expeditiously, lowering call resolution times and staffing costs.

Operational Costs Pains at a Glance

- Too much time wasted with calls that are routed incorrectly.
- Expensive toll-free time used collecting information that should be gathered by an automated application.
- Too many agents that are generalists and have to be trained on every topic.
- Lack of performance metrics making it impossible to judge how well a contact center is performing.
- Contact centers have historically been available only to *Fortune* 1000 companies with large budgets and infrastructures.

Telephony Costs

Telephony costs are another major expense companies need to control. Every minute a customer talks on your toll-free numbers costs you money. Calls need to be routed faster, and they need to go to the right agent the first time. You need sophisticated queuing and routing rules that can be configured to meet your dynamic business climate.

IT Infrastructure Costs

The infrastructure costs of telephony are not insignificant, either. Traditional systems cannot easily integrate with software applications. Trunk capacity limits the number and type of interactions a system can handle. Expansion is costly, and leaving trunks unused is wasteful. Solutions today should include the convergence of voice and data onto the IP network, which will greatly simplify infrastructure management and reduce your costs.

Configuring, managing and monitoring all of your incoming voice, e-mail, and web interactions requires measuring the performance of not only your employees but also the systems that support them. You need a solution that simplifies gathering performance metrics; creating routing rules; managing and changing users,

workflows and backups; as well as creating and sending meaningful reports that enable you to make business and operational decisions.

Implementation Costs

In the past, sophisticated contact center solutions have been too expensive, risky and time-consuming for companies outside of the *Fortune* 1000. In fact, in a recent Dataquest survey, 25 percent of the respondents reported integration costs as their highest concern when thinking about adding a contact center. A solution should leverage your existing investment, using the hardware and software that you already own, use and support. And the implementation and integration should be complete in days, not weeks or months.

Driving Business Growth

Many companies are recognizing the revenue-generating possibilities of their customer service departments. Customers with satisfactory experiences often buy more, and refer their friends. Companies today have two objectives: service the needs of their customers and turn their relationships into up-sell and cross-sell opportunities.

As contact centers play an increasingly critical role in customer transactions, many businesses are seeking tools and applications to generate new revenue during interactions with established customers.

Data at Agent Fingertips

Agents need to have customer information at their fingertips to help them identify the products and services that each individual customer might want and need. That's where it's valuable to integrate with customer relationship management databases that provide details about the customer's current products and services, allowing agents to recommend other solutions.

New Business Growth Pains at a Glance

- More companies are looking to contact centers to generate new revenue.
- Agents need customer information to identify selling opportunities.
- Companies need ways to offer new products and services while customers are in a queue.

Informative Hold Messages

Wait times are another opportunity to let customers know about new offers. That can generate revenue automatically, without an agent's assistance.

Up-sell and Cross-Sell Activities

By giving the customer service rep the ability to sell additional products and services, no money will be left on the table and your customer service center can quickly turn from a cost center to a profit center.

Reporting and Analysis

The contact center must be able to analyze and adapt to the ever-changing service landscape. A need for in-depth reporting, and the ability to drill down into the details of your service center data, are key items for monitoring change.

Conclusion

No longer just a cost center, customer service is now an opportunity to enrich the customer relationship. Exceed the customer's expectations for service, and open the door to deliver more products and services. Doing so requires that you deliver a flawless customer experience.

As companies look to expand the profit-generating power of their customer service teams, technology – at once – is the key to enhancing the customer experience, lowering call center costs, and generating more revenue. It's about empowering the customer to do business when, where and how they prefer. Ultimately, that helps companies keep and increase the value of existing customers, and attract new customers in this Internet-driven, global economy. The end result: lifelong buyers that sing your praises.

For more information about complete customer service applications from FrontRange Solutions, visit www.frontrange.com or call 800.776.7889.

About FrontRange Solutions

FrontRange Solutions USA Inc. provides CRM solutions used by more than 130,000 companies and over 1.7 million users to automate and manage customer-facing initiatives. GoldMine is designed for businesses that want a complete and customizable solution that manages every aspect of the customer lifecycle with a quick time to benefit and low total cost of ownership.

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