



Witness Actionable Solutions

Voice of the Customer: Putting Consumers at the Forefront

A Verint Systems White Paper

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Preface

Enterprises have long paid lip service to the “voice of the customer,” but the truth is that customer feedback is often overlooked and consigned to a database, rather than serving as the source for improving products or processes. This paper discusses the importance of capturing the voice of the customer through real-time customer feedback, quality monitoring, and speech analytics to provide actionable information for improved decision making.

About Verint Witness Actionable Solutions

Verint® Witness® Actionable Solutions was formed as a result of the company’s successful combination with workforce optimization provider, Witness Systems. Verint Witness Actionable Solutions enables organizations to capture and analyze customer interactions, improve workforce performance and optimize service processes in contact center, branch and back-office operations. With the industry’s broadest portfolio of innovative solutions for customer service analytics, workforce optimization, quality monitoring/full-time recording, workforce management, eLearning, performance management, and customer surveys, Verint Witness Actionable Solutions helps companies uncover business trends, discover the root cause of employee and customer behavior, and power the right decisions to help ensure service excellence and achieve continuous performance improvement across every aspect of customer operations.

Verint. Powering Actionable Intelligence.®

Verint Systems Inc. is a leading global provider of analytic software-based solutions for enterprise optimization and security. Verint solutions help organizations make sense of the vast voice, video, and data available to them, transforming this information into *actionable intelligence*™ for better decisions and highly effective performance.

Since 1994, Verint has been committed to developing innovative solutions that help global organizations achieve their most important objectives. Today, organizations in over 100 countries use Verint solutions to enhance security, boost operational efficiency, and fuel profitability.

“Opportunities are often missed because we are broadcasting when we should be listening.”

The author of this quote is unknown, but his or her thought-provoking words provide an interesting perspective on what is taking place in business today, where more and more discussions center around the “voice of the customer” (VOC).

Enterprises have long paid lip service to the importance of VOC. However, if we look at the contact center — an organization’s primary interface with its customers — a different picture emerges. Although organizations have recorded customer interactions for the past 30 years, they have focused primarily on the actions and enablement of their agents, rather than on those of their customers. The net result is that valuable customer feedback is overlooked and consigned to a database, rather than serving as the source for improving products or processes.

This oversight is problematic, since contact centers are increasingly expected to report on their effectiveness, as well as their efficiency. To accomplish this, they need to measure a totally new set of metrics — including customers’ perceptions about their overall experience.

Customer feedback represents a rich opportunity to transform customer comments into improved business processes and a better customer experience. Listening to, understanding, and acting on the VOC is paramount to operational and organizational improvement. Ignoring the VOC is risky, since customers have more ways than ever to articulate their dissatisfaction, influence other potential customers, and defect to competitors.

Customer Opinions and the Internet

By some estimates, approximately 27,000 new blogs appear on the Internet every day. If customers have a bad experience with your company, it is a probability, rather than a possibility, that some will go online to complain. Blogs range from basic to elaborate, and they can be very blunt — and very powerful — when written by dissatisfied customers.

For example, here’s what two different customers blogged recently about their experiences with a company I’ve renamed “XYZ.”

“The customer service reps and supervisors are like robots. They won’t do anything that isn’t in writing. I have had many billing problems, many phone issues, and NOTHING has been resolved. If anyone has any thoughts about becoming a XYZ customer, please don’t. The customer service nightmare isn’t worth it. I am extremely frustrated because XYZ announces ‘world-class’ service; however, they don’t give a && about anything except taking your money. Does anyone at XYZ care? It doesn’t look like it from this end.”*

"I have never been able to get help on anything with XYZ in less than two days, sometimes several weeks. Calls usually last 1-2 hours. Even the simplest request seems to perplex the XYZ reps. I am routinely transferred four or five times every time I call, frustratingly usually back and forth between departments. One time I wanted to activate a phone and SIM card that had been shut down only the day before, and they couldn't do it in any department...I was on the phone for two hours!"

XYZ is a leading company that probably spends thousands of dollars to create strong brand awareness in the hopes of attracting new customers and increasing its revenues. But its clever advertisements and marketing programs are being outgunned by two anonymous customers blogging for free! This could happen to any company — including yours.

Perception vs. Reality: It May Be Worse Than You Think

Let's take a look at the business implications of not capturing and acting on the VOC. Global consultancy Bain & Company recently asked 362 companies whether they believed they had delivered a "superior experience" to their customers. Eighty percent of the companies said they had. However, when Bain turned the question around and asked customers whether these companies had provided them with a superior experience, only eight percent of the companies were flagged as actually having done so.

Why is there such a wide gap between perception and reality? Perhaps it's because most companies develop their strategies and processes from the inside out, rather than from the outside in. Processes that are designed to be efficient for the business are not necessarily effective or pleasant for the customer. How many of us have experienced the frustration of dealing with an IVR (interactive voice response) system that offers every option except the one we need? We are annoyed before we even have a chance to speak with an agent.

The original thought behind IVR technology was to let customers serve themselves and reduce the number of calls going to the agents. Ironically, the opposite has happened. Call volumes have not diminished — if anything, they have increased. So has customer frustration. Press 1 for "bad idea."

Putting Voice of the Customer into Action

Given that customers are actively voicing their opinions — and that the Internet has provided them with a powerful forum — it makes sense for companies to get ahead of the curve by capturing and acting on this feedback before it makes it into the marketplace. The goal is to develop loyal customers.

How is customer loyalty established? It starts by fostering trust from the very first interaction. When customers purchase your products or call about one of your services, they are demonstrating a certain level of trust — as well as a level of expectation. If they encounter a problem and contact you, they are further demonstrating a certain trust, along with the expectation that you are going to be able to help them.

Now comes the critical part. If you are successful in meeting their expectations and favorably resolve their issues, then their trust increases. It plants the seed for loyalty. However, if you fail to meet their expectations, then you have lost — or at least damaged — their level of trust in you. And they may well never do business with you again.

Unfortunately, most customer service contact centers are designed around a complaint resolution model. They build the infrastructure, staff it with agents, and wait for people to call in with complaints and problems. The agents handle the same complaints and problems day after day.

Some customer-centric companies have developed a strategy around service recovery. This is very different from complaint resolution. Service recovery focuses on quickly identifying and resolving problems to the customers' satisfaction — or more. "Quickly" means as soon as possible after the customer has had an interaction with an agent. It should be a natural extension of the conversation.

Customer Feedback: VOC in Action

The key to service recovery is getting feedback from customers in real time, or as close to real time as possible. However, capturing the VOC can pose a challenge. Traditionally, many companies have relied on IVR-based customer surveys to solicit customer opinions. The system randomly picks customers and announces that they are invited to answer a survey after their call by pressing numbers on their keypad. These surveys strike people as being intrusive and time-consuming, and the response rate hovers at less than one percent — a statistically invalid sample.

An alternative is to engage with customers. After establishing rapport with a customer, the agent tells the customer that the company values his or her input and invites the customer to provide feedback. The agent then passes the customer to a customer feedback system. This approach is much "warmer" and typically has much higher response rates than the IVR survey. And the higher the response rate, the more meaningful the data that the company can put to use.

Because the objective is to identify when a problem is putting a customer at risk, an alert process must be in place. For example, if a high-value customer rates a product extremely poorly in a particular area, he or she is at risk of defecting to the competition. The customer feedback system could send the appropriate product manager an email alert automatically, allowing the product manager to take corrective action. Can you imagine how you would feel if you received a call from a company expressing concern moments after you provided feedback? Wouldn't your trust level surge? Wouldn't you think that the company really valued your business?

Customer feedback can also be sent immediately to the owner of the root-cause issue. In most cases, this is someone outside of the contact center. This not only helps the organization correct faulty processes, but also fosters a collaborative relationship between the contact center and the rest of the organization. Everyone wins.

VOC goes beyond what customers are *saying* — it also includes an awareness of what customers are *doing*. This requires capturing and evaluating customer interactions (which may include phone conversations, emails, Web chats, and even traditional mail) to create a foundation of customer intelligence.

Each of these interactions has valuable intelligence buried within it and can have a major impact on how your company competes. For example, some banks routinely review the interactions within their credit card collections departments. They use this information as a springboard to contact customers, discuss their delinquencies, and suggest other bank products or services that might better fit their needs. In addition to building customer loyalty — a plus in a highly competitive industry — the collections departments increase their contributions to the banks' bottom lines.

The numbers can add up quickly in any business. Let's take an average contact center with 200 agents. If monitoring yields five recorded customer interactions per agent each day, there is an opportunity to mine and evaluate 5,000 interactions per week or 20,000 in one month! This is more than enough to spot trends in what customers are telling you about your company and competitors.

Going a step further, advances in speech recognition technology allow organizations to scan the calls they record as part of their quality initiatives. These scans provide specific customer feedback that can pinpoint the source of problems, as well as opportunities.

For example, a large cable television provider discovered it had a major billing problem that was causing its customers to be triple-billed. The company was alerted to the problem when the phrase "billing problem" began turning up regularly in its recorded calls. The cable provider discovered the root cause of the problem to be two billing systems that didn't communicate with each other.

In this case, the VOC enabled the company to rectify the problem quickly, minimize the damage to its customers, and protect its bottom line. It's a clear demonstration of the value of customer feedback in helping organizations improve the efficiency and effectiveness of their customer service programs while driving loyalty and revenue.

Conclusion

Increasingly, capturing and responding to the VOC has become a critical competitive advantage.

Capturing the VOC — opinions about how your people interact, how well your products perform, and how easy or difficult your organization is to do business with — provides far more strategic insight than traditional, productivity-focused contact center metrics. Customer feedback software, in combination with an enterprise mindset and customer-centric processes, is a key component for success. This software allows the customer to provide real-time feedback as part of the initial interaction, and it is far more effective at capturing the VOC than random surveys.

Coupling customer feedback software with quality monitoring and speech analytics technology goes a step further, enabling organizations to get from why to how — while quickly mining the database of recorded conversations to proactively identify trends and drivers impacting consumer actions, preferences, and experiences. Leveraging customer feedback in performance scorecards as a key performance indicator (KPI) adds yet another powerful dimension by aligning business measures of success with customer measures of success. Linking eLearning and training to a customer feedback solution delivers even greater advantage by helping organizations identify skill gap and process inefficiencies.

Working together, these solutions provide a closed-loop system in which the VOC can be used as a strategic asset for improving processes, products, and performance, driving revenue, and building competitive differentiation in a crowded market.

About the Author

Oscar Alban serves as principal global market consultant for Verint Witness Actionable Solutions. With more than 20 years of contact center experience, he regularly serves in a speaking capacity at industry trade shows and conferences, and performs consulting engagements at customer sites worldwide, where he focuses on the mission critical aspects of capturing customer intelligence and optimizing workforce performance. Contact the author at oscar.alban@verint.com.