

# Speech Analytics

Making Effective Use of Voice in a Multi-Channel World

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## Speech Analytics: Making Effective Use of Voice in a Multi-Channel World

The rapid growth in the number of channels and technology tools has significantly altered the very dynamics of contemporary buyer / seller relations. In addition to traditional channels such as phone and email, customers today can engage businesses through myriad avenues such as social media, mobile, and live chat. Such multi-channel customer care programs are fast becoming an integral part of most contact centers, but the role and importance of voice (phone and interactive voice response (IVR)) conversations is still crucial. In fact, findings from Aberdeen's upcoming October 2013 *Multi-Channel Contact Center* research reveals that voice interactions are an integral piece of customer care programs within 94% of businesses.

As with anything, however, voice interactions are only valuable if you can measure their impact. This is where speech analytics technology becomes important; as companies collect more and more voice data, speech analytics allows them to determine where their agents excel and where they need improvement in addition to better managing the customer experience and ensuring quality assurance. This Aberdeen report will delve into the role speech analytics plays in helping companies reap maximum rewards from their voice-based customer conversations. It will also highlight specific activities that help organizations reduce customer complaints by 12.6% year-over-year and achieve 9.3% annual growth in company revenue.

### Speech Analytics Drive Performance Improvements

Between March and July 2013, Aberdeen surveyed 305 firms on the key trends and activities impacting their contact center programs. Data from this survey shows that 17% of the responding organizations currently have a speech analytics initiative in place. Figure 1 demonstrates the year-over-year performance improvements these businesses enjoy, compared to their peers without speech analytics programs.

#### Analyst Insight

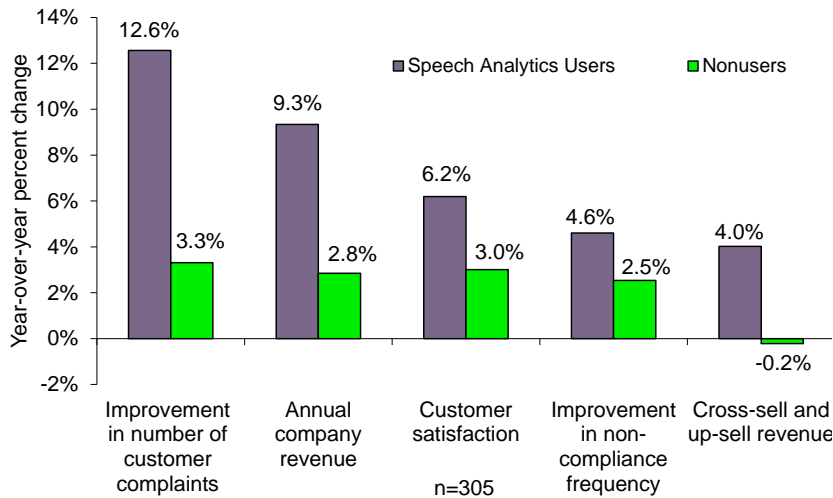
Aberdeen's Insights provide the analyst's perspective on the research as drawn from an aggregated view of research surveys, interviews, and data analysis.

#### Definition: Speech Analytics

For the purposes of this study, Aberdeen defines **speech analytics** as a systematic approach used to analyze customer conversations taking place through phone and/or interactive voice response (IVR) during and/or after the call. Speech analytics helps companies:

- ✓ Manage customer experience
- ✓ Build strategic business plans
- ✓ Conduct quality assurance
- ✓ Support contact center workforce management

**Figure I: Speech Analytics Users Enjoy Superior Performance**



Source: Aberdeen Group, July 2013

As depicted in the above figure, speech analytics users outperform those that lack this technology across a number of key performance indicators (KPIs). These performance gains are in areas such as customer experience, quality assurance, and transforming the contact center into a profit center that contributes to the financial health of the business.

Overall, the performance findings in Figure I reveals that speech analytics helps companies reduce the number of customer complaints by gleaning insights from historical conversations regarding client issues and using this intelligence to fix any issues related to products, services, or overall business execution to reduce the likelihood of these issues being repeated. It also helps a company use customer data to identify the most relevant products or services a contact center agent can offer to clients as cross- and up-sell opportunities. While analysis of historical customer conversations by monitoring call recordings can also yield such insights, real-time speech analytics users (ones that capture and analyze voice data in less than five seconds) provide their agents with a distinct advantage in cross- and up-sell efforts. Agents within these companies can leverage customer data captured during the call to identify a specific product or service they can offer to the same client *during* the call, which allows them to deliver the right offer to the right client at the right time.

Yet another benefit of speech analytics efforts is in the area of quality assurance (QA). QA programs help contact centers ensure compliance with numerous internal and external regulations (e.g., [PCI-DSS](#)) that govern their activities. Data indicates that speech analytics users drive 84% year-over-year improvement (decrease) in the number of non-compliant contact center activities, compared to their peers (4.6% vs. 2.5%). While the difference in this annual change might appear rather minor, considering the potential implications of non-compliant contact center activities (e.g., lost customers,

litigations, and damage to the company brand) the value of this difference becomes substantial.

Trend analysis with Aberdeen's September 2012 [Speech Analytics: Listen to your Customers](#) research indicates that businesses are gradually realizing the benefits outlined above and deploying speech analytics as part of their contact center technology-mix. The September 2012 [study](#) found that 15% of companies make use of speech analytics within their contact center programs, while findings from Aberdeen's 2013 [survey](#) shows that adoption has increased to 17% over the past year. An additional 23% of businesses indicate that they plan to incorporate speech analytics within their technology-mix within the next 12 months, bringing anticipated adoption to 40% by next year — see sidebar for the top factors driving speech analytics investments.

While the upward trend in adoption of speech analytics tools is encouraging and signals that more businesses realize the technology's benefits, overall adoption levels are rather low. To this point, our research shows that the average number of seats is more than two times greater (493 vs. 188) in companies using speech analytics, compared to non-users. This indicates that the size of the contact center currently influences the likelihood of using speech analytics tools. The performance findings noted earlier in this document, however, validates that speech analytics is not solely reserved for large contact centers. Considering the dramatic delta in year-over-year revenue growth (9.3%) enjoyed by speech analytics users as well as the reduction in customer care costs associated with the decrease in client complaints, the returns far outweigh the costs companies would incur to incorporate speech analytics within their contact center efforts. Using the above-mentioned findings would help businesses in their pursuit to establish a quantifiable business case needed to spur further adoption among both large and small contact centers.

In the next section we'll highlight several key activities companies should incorporate in their speech analytics efforts to maximize the benefits of this technology.

### **Key Speech Analytics Activities**

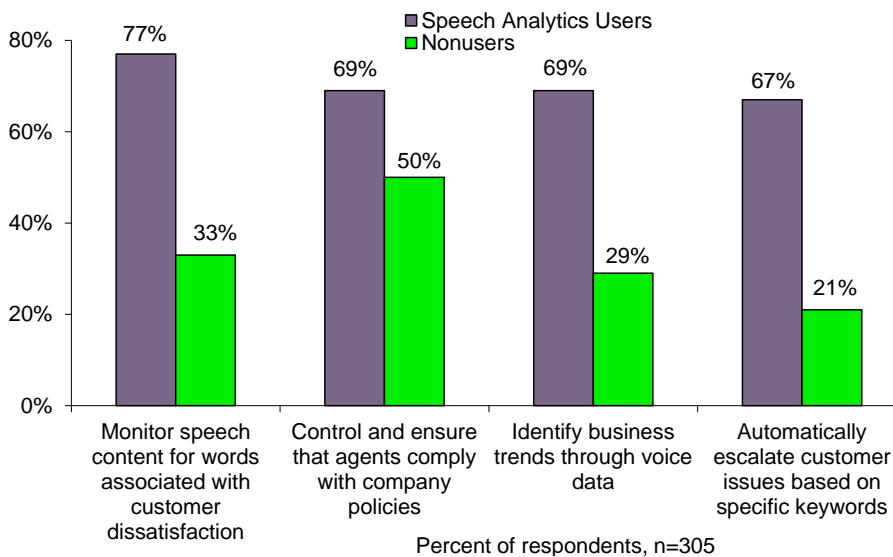
Figure 2 below demonstrates several key activities that help speech analytics users make effective use of the voice of the customer (VoC) within their business activities. As noted in the sidebar on the previous page, **all** speech analytics users are pursuing improvements in driving a better experience for their customers. Aberdeen data indicates that 77% of speech analytics users can automatically monitor customer satisfaction results on a regular basis to identify and re-engage unhappy clients. This compares to only 33% of non-speech analytics users. As they lack an automated system to screen phone conversations, those companies without speech analytics need to use scarce supervisor time to manually listen / monitor phone conversations to identify unhappy clients.

#### **Top Factors Attracting Speech Analytics Spend**

Research shows the following as the top factors that drive companies to invest in a speech analytics initiative:

- √ Improve customer experience results: 100%
- √ Increase agent performance and productivity: 89%
- √ Streamline contact center operations: 81%
- √ Quality assurance: 67%
- √ Improve cross- and up-sell effectiveness: 58%

**Figure 2: Key Capabilities for Success in Speech Analytics**



Source: Aberdeen Group, July 2013

Speech analytics systems can detect unhappy customers through a variety of methods, ranging from tonality (high volume or rapid speech) to overlapping of voices or keywords associated with customer dissatisfaction. Once the system tags a conversation based on any of these criteria, companies can then automatically escalate the client issue to a higher-level support rep or supervisor to address customer needs — an activity deployed by 67% of speech analytics users, compared to 21% of non-users. This activity is crucial as it helps businesses reduce the likelihood of customer churn resulting from unmet client needs. It's also important to note that the benefits of this activity are amplified when speech analytics is done on a real-time basis as it allows businesses to escalate the client issue to a higher-level rep during the same call, instead of a call ending with an unhappy client who is then proactively engaged by a higher-level support rep in hopes to remedy the previous problem.

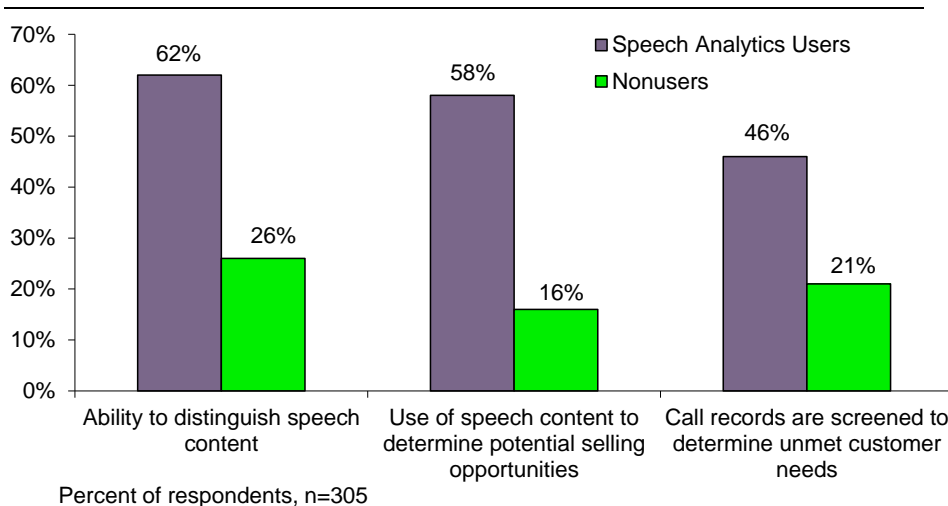
Activities to support QA programs are yet another key ingredient of effectively using speech analytics tools. Companies can use speech analytics technology to regularly monitor how each agent uses greeting and closing lines that are a part of internal guidelines. They can also monitor if each agent is in compliance with any other regulations (e.g., [PCI-DSS](#)) that might govern their activities. Speech analytics users are 38% more likely (69% vs. 50%) than their peers to leverage voice data as part of these QA programs. It's important to note that this doesn't mean that companies without speech analytics programs are less likely to monitor agent compliance with company policies. There are numerous methods to conduct quality assurance in the contact center and speech analytics is one of the tools that support this endeavor. Users of speech analytics distinguish themselves by being able to automatically monitor voice-based customer-agent conversations, instead of relying solely on other reporting tools.



Yet another activity that benefits companies in making use of VoC data is business trend analysis. Speech analytics help companies automatically monitor historical and recent voice conversations (e.g., call recordings) to identify regularly used words through the course of a certain period. The resulting insight can help companies identify recurring causes that drive customers to contact the business for issue resolution within that particular time frame. The intelligence gathered through this process helps companies with vital information on numerous areas such as product design, process management, and market perceptions. While 69% of speech analytics users are able to deploy this activity by automatically seeking trends and correlations in voice data, only 29% of their peers do so by manually screening call recordings to identify such insights — a daunting and error-prone task.

Figure 3 below provides an overview of several additional activities that help companies achieve the objectives driving their speech analytics efforts. The ability to distinguish speech content is one of these key differentiators — a capability deployed by 62% of speech analytics users, compared to only 26% of non-users. This activity allows firms to identify the owner of each unique voice within a call. Use of speech analytics has a substantial impact on enabling this activity as companies without this technology would need to manually listen to phone conversations to capture the context in order to understand which voice belongs to the customer versus the agent. This capability also supports a number of other key differentiators outlined thus far, including monitoring agent compliance with regulations, identifying unhappy customers, and escalating their needs to higher-level support reps.

**Figure 3: Key Capabilities for Success in Speech Analytics (cont.)**



Source: Aberdeen Group, July 2013

As noted earlier in this document, speech analytics is not a technology solely suited for large contact centers. It helps businesses drive quantifiable business value such as increase in annual company revenue that helps in establishing a case for investments among both large and small contact

centers. Such growth in revenue comes from enabling organizations with the ability to target the right customer with the right offer. By using insights captured from voice data, companies can build deeper insights into the specific needs and wants of each client, and use this information to provide them with cross- and up-sell offers within support interactions — an activity utilized far more widely (58% vs. 16%) by speech analytics users, compared to their peers. Companies without speech analytics would need to rely on each agent's expertise and skills in interpreting customer behavior on the phone while their counterparts using this technology would support their agents with data-driven insights on the ideal products or services for each client in order to increase the likelihood of closing a sale. Success in revenue growth through such contact center programs also supports organizational efforts to transform the contact center from a cost center into a profit center.

While the financial impact of speech analytics is invaluable for most businesses, it's important to keep in mind that the top objective driving contact center programs today is improving the customer experience. As such, businesses should always strive for ways to delight their clients and reduce the likelihood of churn among their customer base. One activity that helps with this pursuit is screening call recordings to proactively target clients whose needs were unmet. Speech analytics helps companies automatically screen a wealth of call recordings by using keywords to identify unhappy clients and assign these customers to specific agents as part of a re-engagement program. Speech analytics users are far more likely (46% vs. 21%) to deploy this activity within their contact center programs, compared to their peers. Companies without speech analytics would need to screen each call recording manually to execute this activity, which is again a very daunting and error-prone task.

## Key Takeaways

Aberdeen's March 2013 [\*Next-Generation Customer Experience Management\*](#) study shows that 65% of businesses today use at least six channels to engage their customers. Such multi-channel customer care is increasingly shifting from becoming a key differentiator into a necessity for most businesses. The contact center is at the very heart of this transition; having evolved from being a "call center" in the face of changes that provide both customers and businesses with numerous channel options to communicate. Aberdeen research shows that despite such rapid changes in contact center programs, voice interactions (phone and IVR) remain an integral piece of customer care efforts. Indeed, 94% of businesses currently use and are planning to use voice as part of their multi-channel contact center efforts.

Considering the high percentage of companies using voice as a customer interaction channel, it's imperative for businesses to optimize their activities taking place across this channel. This is where speech analytics comes in. Aberdeen data indicates that companies using speech analytics as part of their contact center efforts enjoy substantial annual performance improvements across a number of KPIs, including customer satisfaction and

annual company revenue. Considering that 40% of businesses anticipate having a speech analytics initiative in place within the next 12 months, it's also important to note that this technology is not one that is better suited for large versus small contact centers. Every contact center would benefit from reducing the number of customer complaints year-over-year, increasing customer satisfaction, and driving substantial revenue growth for the business. Aberdeen recommends companies deploy the key activities outlined within this report as part of their efforts to continuously reap maximum rewards from their speech analytics efforts.

For more information on this or other research topics, please visit [www.aberdeen.com](http://www.aberdeen.com).

### Related Research

[Contact Center Optimization: Use Data to Deliver Superior Customer Care](#); July 2013

[Customer Analytics: Converting Data into Insight for Superior Customer Experiences](#); June 2013

[Next-Generation Customer Experience Management](#); March 2013

[The 2013 Speech Analytics Buyer's Guide: What Contact Centers Need to Know to Optimize Speech Analytics Spend](#); November 2012

[Agent Desktop Optimization: Agents can Finally Focus on the Customer](#); October 2012

[Speech Analytics: Listen to your Customers](#); September 2012

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