

# Engaging Your Customers



By Dick Bucci, Principal, Pelorus Associates, Sponsored by Aspect Software

Does it seem like you are getting a little more love these days from your credit card company, insurance agent, or health club? Maybe it's the birthday card you received before your birthday or even something really useful like a lower interest rate or a free month for renewing your health club membership for another year. There's even a chance that you may be getting special promotions that appeal to your personal situation. Maybe the latest promo from your favorite travel site addressed you by name instead of "Dear Traveler" and the letter writer seemed to understand that you really enjoy outdoor adventures. If you are experiencing these or similar overtures, your provider thinks you deserve special treatment.

You have proven your value by continued use of a company's products or services. For obvious reasons, businesses want lots of loyal customers. But what they might not understand is that there are different degrees of loyalty. Just because you used the same branch bank or kept the same wireless provider for years doesn't mean you're particularly thrilled with either. Maybe these were the only realistic choices when you first signed up, or maybe you looked into making a change but decided that because of all the cost and nuisance involved it just wasn't worth the effort. For many years, bankers shared a common belief that it's easier for a customer to divorce their spouse than their bank. But as options proliferate and the ease of switching out vendors increases, organizations can no longer take good customers for granted. Marriages of convenience rarely last.

If you consider loyalty a matter of degree, then at the extreme right end of the continuum is high engagement. Engaged customers are more than loyal. They might even be passionate about your brand. Consider the crowds that wait in long lines to be among the first to buy the latest iPhone.

Engaged customers can't be defined by demographics but do share the following traits:

| Common Characteristics of Engaged Customers   |
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| <b>Advocate for the brand</b> - They share positive views with friends, family, and online communities.   |
| <b>Loyal</b> - They are consistent customers who believe in the brand and the organization that stands behind it  |
| <b>Knowledgeable</b> - Loyalty is built on in-depth product knowledge. The engaged customer has researched the brand and its competitors and is eager to learn more about new products or features. They are not easily swayed by competitive messaging.          |
| <b>Pro-Active</b> - Engaged customers sign up for rewards programs, join online communities, frequent your web site, and become Twitter followers. They post reviews. They are early adopters of your newest products and have likely downloaded your mobile app. |

## Value of Engaged Customers

Engaged customers buy more, buy more often, and are responsive to upgrade opportunities. They spread good words through social interactions (online and otherwise) and provide valuable feedback about product and service quality. They won't readily stray to competitors because of lower prices.

How valuable are loyal customers? Data from the ninth annual Accenture Global Consumer Pulse Study show the scale of what Accenture calls the "Switching Economy." This survey measured the experiences of 33,168 customers in 33 countries including 1,256 US customers. Some compelling findings include:

- **51% of U.S. customers and 66% of global consumers switched providers in 2013 due to poor service.**
- **The cost to providers, in terms of revenue lost to customers who dropped out of the market or switched providers due to poor service in 2013 was \$5.9 trillion globally and \$1.3 trillion in the USA.**
- **Only 30% of those surveyed felt very loyal to their providers.**
- **Globally, the top three causes of poor customer service were:**
  1. "Having to contact the company multiple times for the same reason"
  2. "Being on hold for a long time"
  3. "Dealing with employees who are unfriendly or impolite"

Given the scale of these numbers it is no surprise that in a 2013 global survey of business leaders conducted by Customer Management IQ "Increasing Customer Loyalty" was the primary goal for over 60% of those surveyed.

## Retaining Engaged Customers

Retaining engaged customers is a top priority with senior management. To keep them you have to first identify them. This requires defining engaged customers on the basis of searchable attributes.

## Indicators of Customer Engagement

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|--|--|
| Has been a customer for at least "X" years | Member of a user community             |
| Uses loyalty cards                         | Signed up for customer portal          |
| Opts for premium packages                  | Communicates at multiple touch points  |
| Purchase volume and frequency              | Facebook fan or Twitter follower       |
| Takes advantage of specials                | Provides feedback via available forums |
| Communicates in multiple channels          | Frequent web visitor                   |
| Downloads mobile apps                      | Familiar to frontline personnel        |

Which of these (or other) indicators paint a picture of the engaged customer is a judgment call. There is no downside to casting a wide net. Most of this data will likely reside in discrete databases controlled by sales, marketing, or customer support functions. Modern data analytics software can non-invasively extract pertinent data, harmonize it, and consolidate it in a data store from which it can be retrieved and massaged.

With the clean target list in hand, the next major task is to structure programs to keep these valued customers happily engaged. Proactive outreach programs such as user groups and rewards programs would typically be the responsibility of the marketing department. However keeping these engaged customers on your side over the long term requires ongoing relationship building. This is the role of the contact center and other customer facing business functions.

## Actions to Sustain Customer Engagement

1. Personalize each interaction
2. Help assure that issues are resolved on the first contact
3. Provide consistent cross channel support
4. Deliver a seamless customer experience
5. Be proactive in communicating with key customers
6. Ask for and acknowledge feedback
7. Establish an early warning system

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### ***Personalize the Interaction***

It's a natural human desire to be treated with special attention, and these highly valued customers are no different. The CRM system is the gateway to personalization, since it stores all of the user history and preferences and can be integrated with the customer interaction channels. For example, the IVR and call routing system should recognize the voice and/or data messages from valued customers and quickly route the calls to special queues of experienced agents. There are advanced voice self-service systems available today that use computer voices matched to the preferences of the user and even have the intelligence to execute tasks based on conversational commands. Businesses should take a close look at the authentication process. For known customers the authentication process should be brief. You know them - they know you. Skip the part about the mother's maiden name or first grade teacher.

### ***Help Assure that the Issue is Resolved on the First Contact***

First contact resolution has been empirically demonstrated to directly impact customer satisfaction and long-term customer loyalty. Achieving a high FCR rate requires that agents have easy access to relevant knowledgebases and an efficient means of communicating with domain experts. It is essential that the user interface be intuitive and consistent across all views. Agents and other frontline personnel need to be empowered to use their best judgment to resolve conflicts in an amicable manner that satisfies both the customer and the company. If it is necessary to escalate the issue or seek input from a subject matter expert, then protocols should be in place to speed that process.

### ***Consistent Cross-channel Support***

Engaged customers use multiple channels and devices for communicating with the enterprise. They expect to receive consistent quality regardless of channel. Many organizations tend to have different service levels and quality requirements depending on the channel of communication. While this may make sense for the general public, communications with your most valued customers should be subject to consistent standards regardless of channel.

### ***Be Proactive***

Examples of proactive activities may include an electronic newsletter, personalized promotions, and outbound calls during slow times. Workforce management software can identify slack periods when agents have time for making outbound calls. If there is no great news to share, just a simple thank you makes a lasting impression on these valued

customers. A voice message or email is fine for this purpose. It's the thought that counts. Predictive dialing software will speed the process of making these calls. Other proactive options are to establish a user community or even go so far as a special toll-free number and website.

### ***Ask for Feedback and Act on it***

More than anything, engaged customers want to be heard. Engaged customers understand your products and services. They represent a valuable resource for identifying improvements or new uses. For higher cost and technically complex products, organizations may form user groups or consumer panels to collect feedback. Regardless of the mechanism for collecting feedback, it is essential that participants be made to feel that their input is valued. All input should be acknowledged, and if a change is made, then that information should be broadly shared with customer communities.

### ***Establish an Early Warning System***

As a precaution, you should always be on the lookout for potential customer defections. Agents can tell from conversations that a key customer is unhappy or has been talking to a competitor. Speech analytics and voice of the customer software can be invaluable in identifying at-risk customers. Once these people have been identified it is time to swing into action. Many contact centers use special "save" teams dedicated to dealing with valued yet unhappy customers.

### ***Technology for Your Frontline Employees***

The spark that moves formerly passive customers to some level of engagement often starts with a memorable personal interaction with a front-line employee. Maybe it was the tenacious tech who was able to get your software working in time for you to meet that critical report deadline or it was the empathetic customer service representative, working with the back-office shipping department, who made sure that your last-minute shower gift got to the bride in time. Engaged employees have a deep understanding of your products and services. They have a keen sense of the unique needs and interests of customers and are skilled at explaining how the company's products and services address these needs. In many cases, these employees themselves are power users of your products and are eager to share their enthusiasm within their networks. Engaged employees participate in company or department events, welcome training and constructive criticism, and willingly mentor new employees.

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However, given the complexity of today's products and services and the power of today's highly informed and increasingly demanding consumers, your engaged employees need technology that supports their mission and empowers their passion

### **360° View of the Customer**

Customer service agents should have access to up-to-date information about channel preferences, product utilization, past experiences with the enterprise, or even personal information revealed from prior contacts. With a minimum of keystrokes, they need to quickly digest the recent contact history and learn of any recent changes such as a new address, new account, or change of family status. Much of this information will be already embedded in the CRM but not all. The agent interface should be capable of drawing data from other sources such as warranty and repair systems, credit collections, and recent Web or IVR self service activity. All databases under control of the WFO platform should be simultaneously updated.

### **Easy to View and Easy to Use Agent Interfaces**

What used to be referred to as the "User Interface" or "UI" has been displaced by the more encompassing term "User Experience" or "UX", which embraces all aspects of the experience of a user, including his or her subjective perceptions. Frontline employees today are familiar with superior user experience design as they see these every day on their Androids and iPhones. Valuable tools such as workforce management and performance management for contact centers have long been underutilized, in part due to complex UIs. Aspect software has taken a leadership role in designing UX interfaces that are clean, intuitive, and inviting to use, so they empower agents and supervisors.

### **Ability to Track the Customer Journey and Manage Quality End to End**

Today's engaged consumers can enter your service domain from a variety of portals. The customer journey may begin with a visit to the website where the consumer gathers basic information about product features and capabilities and then shifts into a chat session to learn details such as pricing and delivery. The consumer may decide to drop out of the interaction at any point in the journey and then return later from a different point of entry, for example a call or email to the contact center. The consumer knows where he left off, but do you? Engaged consumers expect a frictionless exchange. They don't want to have to backtrack over ground already trodden. Attempting to track the customer journey and maintain consistent quality standards throughout

from beginning to end is a worthy goal but very difficult to execute. You need a technology environment that shares a common platform from the initial point of entry at the call server or IVR to the final fulfillment step which often occurs in a back-office environment. Many vendors serve various paths along this journey, but Aspect handles it end to end by using a continuity server with context cookies, which are the ephemeral files that track customer activity across channels.

### **Feature-rich Fully Integrated WFO Suite**

Workforce optimization tools are critical ingredients in any efficiently operating contact center. At a minimum, the modern WFO suite must include the following:

- 100% voice and data recording for compliance purposes
- Quality management software including multiple modes of call capture and flexible evaluation forms
- Workforce management software
- Coaching and learning tools and resources
- Performance management software
- Speech and data analytics
- Voice of the customer survey tools

Today, virtually all of the better known vendors provide most or all of these components. What distinguishes the most powerful and effective WFO suites is the level of integration. All modules need to be able to speak to the other and should be accessible from a common easy-to-understand workspace. This is the philosophy used in the Aspect EQ™ Workforce Optimization™ platform. Suites that are cobbled together from third-parties often require different routines and even different servers and databases. The best WFO suites incorporate back office optimization as well.

### **Cloud or Premise-based Solutions**

Organizations should not be forced to choose between a cloud or premise-based WFO solution. Both have their advantages and their limitations. For fast-growing organizations with changing needs and highly seasonal call volume, the cloud model may be the best choice. For large mature organizations with highly complex requirements and a skilled IT organization, the premise-based solution may make the most sense. Business agility and total cost of ownership are the key issues. Aspect gives customers the option to deliver contact center infrastructure and WFO on-premise, in the cloud, or in a hybrid configuration to give organizations the ability respond quickly in a dynamic marketplace.

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## Summary

In today's highly competitive and mature business environment, the pendulum has swung from growth at all costs to maintaining a solid base of loyal customers. Loyalty is a matter of degree, and enterprises strive for engaged customers that exhibit passion for the brand. Engaged customers are of tremendous value to the organization because of the disproportionate sales volume they generate and their propensity to act as brand ambassadors. Businesses have deployed many strategies to support their engaged customers, especially the popular rewards programs and efforts to personalize interactions. The contact center and customer facing employees have very important roles to play in retaining this valuable part of the customer base. These key employees need to be trained and empowered to support engaged customers and must be backed by technologies that directly enable and encourage their efforts. With the proper WFO technology in place, enterprises can enjoy the significant benefits of strong customer loyalty.

## About the Author

Dick Bucci is Principal of Pelorus Associates where he specializes in contact center technologies. He has authored thirteen in-depth market research reports on workforce optimization applications and numerous articles and white papers. Prior to founding Pelorus Associates Dick was a senior sales and marketing executive with leading telecommunications vendors and value added resellers. He has over 30 years of experience in the telecommunications industry and is one of the most widely published and widely quoted analysts in the contact center industry.

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### About Aspect

Aspect's fully-integrated solution unifies the three most important facets of modern customer engagement strategy: customer interaction management, workforce optimization, and back-office. Through a full suite of cloud, hosted and hybrid deployment options, we help the world's most demanding contact centers and back offices seamlessly align their people, processes and touch points to deliver remarkable customer experiences. For more information, visit [www.aspect.com](http://www.aspect.com).

