



The Art of The Possible Using Customer Interaction Management Technology

Abstract

More than ever before, contact centers are focusing on delivering better customer experiences, but they are not exactly sure how to go about achieving it. At the same time, contact center managers are faced with operational issues such as improving agent effectiveness, reducing turnover and controlling costs. Unfortunately, the traditional paradigm of “more agents equals better service” makes solving these challenges extremely difficult. However, implementing customer interaction management (CIM) technology can actually shift that paradigm by simultaneously increasing service and reducing costs.

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The Need for Change

Many contact centers today are not meeting customers' expectations. In a major North American survey, 23 percent of customers said that contact center interactions fall short of their expectations, and they rated contact center efficiency at 66 percent¹. Interestingly, in the same survey, 90 percent of contact center managers felt they met or exceeded callers' expectations. Unfortunately, this disparity will only get worse because customer expectations typically increase over time. In fact, a recent study of contact center customers found that over 30% said their expectations of service had increased over the past year.

When a company fails to meet customer expectations, it risks losing customers and revenues, which can seriously compromise its bottom line. In this day and age of ever-increasing competition, change is definitely needed.

What other facts support this conclusion?

- Customers who have a bad customer experience are twice as likely to share it with others than those who have not. (*Thriving on Chaos, Tom Peters*)
- A decrease in customer defection by 5 percent equals an increase in profitability by 25 to 100 percent, depending on the industry. (*The Loyalty Effect, Frederick Reichheld*)
- The No. 1 reason for customer defection is poor customer service. (*Business Weekly*)
- It is 3 to 10 times more expensive to acquire new customers than to retain existing ones. (*The Economist*)

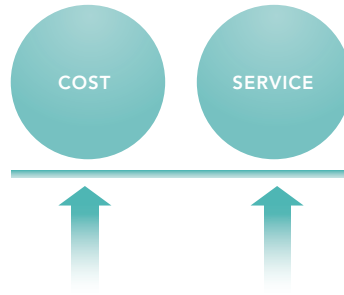
Contact Center Challenges

While many contact center managers would like to change their operations, they have a very challenging role. Faced with large operating budgets that are constantly scrutinized, impatient customers with unique needs and all too often, an upper management team that doesn't fully understand their challenges, managers find it hard to win. Most contact center managers encounter the same issues when trying to achieve the traditional goals of improving service and reducing costs:

- Improving service
 - How to deliver better customer experiences;
 - How to provide first-call resolution;
 - How to obtain comprehensive management information about customer experiences and service levels; and
 - How to effectively manage multiple channels, such as inbound and outbound voice and email.
- Reducing costs
 - How to continually improve agent performance with training, applications, processes and organizational changes;
 - How to reduce turnover rates of 30% or more and the associated costs; and
 - How to obtain comprehensive and consistent management information about customer interactions and agent performance.

¹ The survey was conducted on 1,000 consumers and 150 contact center decision makers by Leo J. Shapiro and Associates.

The dilemma for contact center managers is that these goals are diametrically opposed, i.e., there is a direct correlation between service and costs. In other words, the traditional paradigm of “more agents equals better service” isn’t really a solution to all the problems.



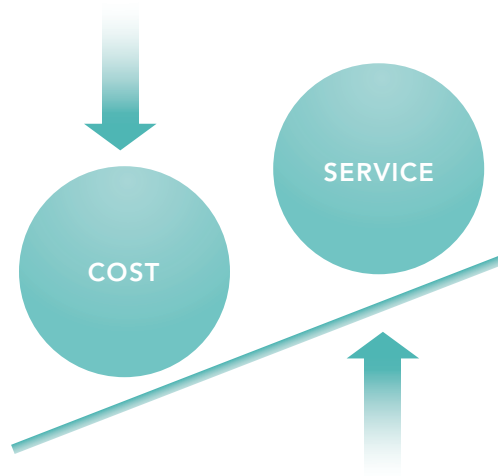
What’s the Solution?

Many organizations are solving these challenges by making their contact centers world class, which means exceeding customers’ expectations while optimizing their operations. This is possible by applying innovation to people, process and technology.

Various types of advanced technologies are available to the contact center market. Many of them are already implemented in numerous contact centers around the world and are proven to work well. Arguably the greatest contribution to world class performance from advanced technology is achieved through CIM applications. Examples include IVR/speech, inbound and outbound voice, advanced routing, email, chat, call back and more. These CIM applications provide better interactions and better information.



The most important benefit of CIM technology is that it creates a paradigm shift by enabling a center to simultaneously increase service and reduce costs.



Other significant benefits contact centers can achieve include:

- Deliver better customer experiences by exceeding customer expectations in terms of interaction, content, timeliness, hours of availability, efficiency, accuracy and more;
- Increase the rate of first call resolution;
- Increase agent productivity, satisfaction and performance;
- Reduce agent turnover;
- Increase revenues; and
- Deliver more effective management information.

In addition, CIM technology can often be cost-justified within one year.

CIM applications can reduce peak call volumes through automation and shift interactions to lower call volume times of the day. The effect of these changes can be demonstrated through a few examples:

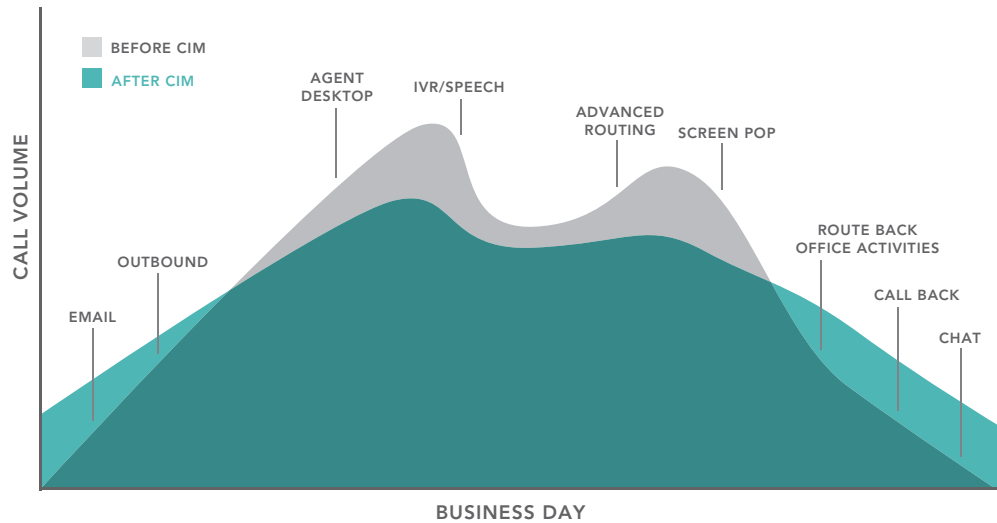
IVR/Speech – Interactive Voice Response (IVR) applications can fully automate calls 24 hours a day, 7 days a week. By automating calls during peak times or after hours, IVR technology off-loads agents. And because calls are processed without delay any time of day, customers are better served without having to wait and can do business when they want to.

Outbound Calling – Outbound applications can automatically initiate outbound calls when agents are idle. By proactively contacting customers and providing information that they might normally call about (e.g., the status of an insurance claim) a center can off-load its peak calling period. At the same time, the outbound calls can be made before customers call in, thereby exceeding their expectations for service.

Call Back – During peak calling periods a call back application can, at a caller's request, automatically initiate a call back by an agent at a later time that's convenient to the customer. It reduces peak calling periods, utilizes idle time more efficiently and eliminates the need for the customer to wait on the phone.



Reduce peaks and utilize troughs with CIM technology



CIM technology can also provide agents with software tools that are easier to learn and more effective than what they have today. This “agent desktop” software can deliver more information to enable them to serve customers more effectively.

Developed to integrate with existing CRM, legacy IT, workforce management, reader board and quality call monitoring systems, CIM applications are designed to complement existing contact center environments.

Better Interactions

CIM technology includes a wide variety of technologies that can dramatically improve customer experiences and optimize operations. Outlined below are brief descriptions of the most common applications.

IVR/Speech

IVR applications have been around for many years. They provide callers with self service 24/7 by automating inquiry or order/data entry transactions. IVR technology accepts callers’ commands or data input, such as an account number, from a touch-tone phone or through voice (using speech recognition).

IVR technology can automatically interact with an IT application to retrieve data in real time and convert it into speech for the caller. The technology can be used to provide simple recorded messages or more advanced options, such as speaking the queue wait time or offering tailored scripts by client or customer segment. In addition, IVR applications can call out and leave a message, or proactively initiate an information update or order/data entry transaction.

By adding optional speech functionality to an IVR application, contact centers can gain further benefits, including:

- Reducing call durations by up to 50 percent vs. touch tone;
- Increasing self-service automation usage 20-60 percent; and
- Decreasing hold time by as much as 35 percent (according to Gartner).



Implementing IVR applications correctly is very important. Like web sites, well-designed IVR applications can enhance service, while poorly designed ones can actually degrade service.

Application Examples

Inbound

- Account balance
- Account statement inquiry
- Payment status
- Flight status
- Address change
- Claim status
- Order status
- Order entry
- Data entry

Outbound

- Order arrival
- Overdue account notification
- Stock price status
- Information update
- Survey

Business Benefits

- As little as one tenth the cost of an agent
- 24/7 availability
- Immediate service
- Consistent
- Accurate

Advanced Routing

Basic skills-based routing on PBXs has been available for many years. However, advanced routing technology provided by CIM technology enables a much greater level of flexibility, not only for inbound voice but for multi-media interactions. For example, routing applications can be designed to meet almost any conceivable scenario in terms of customer treatment and interaction type.

By providing more ways to handle customer interactions, advanced routing technology allows a contact center to segment its customers in almost any way it requires. It also enables the contact center to be more efficient in the way it processes interactions, by getting the right agent to handle the right interaction at the right time. This, in turn, improves service levels.

Application Examples

- Data-Driven Routing: Interactions are routed based on database information, such as customer name or account level
- Skills-Based Routing: Routing based on customer needs and what agent skill set is best suited to handle them



- Service Level Routing: Routing based on a specified service level for different service types or customer segments
- Last Agent/Relationship-Based Routing: Customers routed to a specific agent, such as the last agent who helped the caller or a "personal" agent for high-value customers
- Multi-site Routing: Interactions routed according to business criteria, regardless of location
- Business Priority Routing: Prioritizing and selecting the interaction with the greatest risk to the service objective within a particular customer segment
- Multi-Media Routing: Routing email, chat, scanned documents and fax interactions
- Business Process Routing: Routing back-office business processes

Business Benefits

- Allows for highly flexible customer segmentation and treatment
- Improves agent efficiency
- Improves service by reducing wait times and connecting customers with the right agent at the right time
- Increases agent activity at non-peak times

Agent Desktop

Desktop software provides agents with much more information about the caller than traditional phone sets do. It also simplifies the tasks agents perform and the information they access. An agent desktop can include a screen pop of the entries the caller made in an IVR/speech system, as well as summary or detailed information about the call and/or caller. Desktop software can also automatically pop IT applications, such as CRM or legacy systems, and populate fields within those systems as the call is answered. Multiple back-end IT applications can be consolidated into a small number of screens, making information access easier.

The technology is also advanced enough to provide a soft phone, in which the agent can answer and control the call using the PC keypad and mouse.

Application Examples

- Screen pop of caller IVR/speech input
- Screen pop of CRM, legacy or other back-end IT systems
- Soft phone controls for ready/not ready, transfer, conference and more
- Display statistics, such as wait time, number of transfers and queue status
- Display caller history
- Process multi-media interactions, such as email and chat
- Track not ready and call reason codes for reporting

Business Benefits

- Reduces call time
- Improves agent efficiency
- Improves agent satisfaction
- Assists with first call resolution
- Provides better access to information
- Reduces training time by simplifying functions



Multi-Media

Customers may call, visit a web site, or send an email, fax or mail to interact with a company. In fact, they may use two or more interactions for the same transaction. Multi-media software can process and report on these types of transactions. This software is designed to efficiently process interactions by using skills-based routing (as mentioned previously) and applying automation where possible. Documents, such as faxes and scanned mail, can be sent to agents for processing. At the same time, these interactions can be reported on in the same way as voice calls are.

One of the key benefits of this technology is that customers can be treated consistently throughout an organization, regardless of the interaction type. In addition, interactions can be managed more effectively and agent performance improved.

Application Examples

- Email, chat, fax and white mail interactions
- Automated email replies
- Automated email response suggestions
- Process interactions from web forms

Business Benefits

- Reduces multi-media interaction time
- Improves agent efficiency
- Offloads agents of routine tasks
- Ensures consistent service through all media types

Outbound

Stand-alone outbound dialers have been available for a long time. However, they have limitations: they don't easily integrate with the inbound contact center operations or systems. New dialer technology, however, provides traditional multiple dialing modes, such as predictive and preview, and much more. For example, it can integrate with inbound applications to provide blending, including automatic initiation of proactive customer-service calls when inbound traffic is slow.

Application Examples

- Preview, progressive and predictive dialing modes
- Pacing and other optimization parameters
- Multi-site
- Blending
- Integration with backend IT systems, such as CRM and legacy

Business Benefits

- Optimize campaign effectiveness
- Improve agent productivity in slow periods
- Exceed customer expectations through proactive calling
- Increase agent satisfaction by exceeding customers' expectations

Other Telephony Technologies

Other CIM technologies are emerging that further improve service and reduce costs, such as software that automatically suggests a response for up-selling, and workflow.



Better Information

One of the biggest single technology challenges contact centers face is the lack of consistent and comprehensive management information about what is actually going on in the center. Disparate reporting systems may report on one application but cannot track the entire life of the call, or subsequent calls by the customer.

Advanced reporting and analytics systems solve these problems and offer other advantages.

Advanced Reporting Systems

Technology is available that dramatically improves the ability to report on interactions and agent performance. Real-time and historical reporting applications can deliver detailed and summary information about each customer and call. They can report on the activity within each application or consolidate the information from many applications into integrated reports. Using this technology, contact centers can also store a complete end-to-end data trail. Reports can be created to include activity from multiple sites, skill sets, media types, and inbound and outbound transactions. They can also be pre-built or created on-demand by the contact center.

Analytics

Reports have limitations in their ability to show relationships between data. However, analytics applications enable contact centers to analyze trends and patterns in data, such as caller behavior and experiences, agent performance and much more. Relationships among data can be examined to see what's working well and what's not. For example, inquiries could be made to find out the number of customers, by customer segment, who are being transferred; why they were transferred; how long they waited during each transfer; and which agents are doing the transfers.

Summary

By implementing innovative CIM applications, a contact center can truly build a world class operation. This goal can be achieved through a paradigm shift away from the traditional model involving a direct correlation between service and cost. The result: simultaneously increasing service and reducing costs with the same investment.

Applications, such as IVR/speech, inbound and outbound voice, agent desktop, advanced routing, email, chat and call back enable a contact center to provide significantly better interactions for customers. By also deploying advanced reporting and analytics applications, contact center decision-makers will obtain far better information with which to improve their operations.