



Improving Customer Satisfaction

A independent White Paper by ContactBabel

No.1 in a series of 4 investigating the solutions to the pain points experienced by the UK contact centre industry, commissioned by

The Avaya logo is the word "AVAYA" in a bold, red, sans-serif font. The letters are slightly slanted to the right, and the 'Y' has a distinctive shape with a long tail.

INTELLIGENT COMMUNICATIONS

Is “good enough”, good enough? Why total customer satisfaction is vital

How to improve customer satisfaction is a question that all contact centres have to answer, as is the less-obvious one: how satisfied do customers have to be? What do customers want from contact centres? What do they want from businesses?

Various pieces of research show that the benefits to a business that are made from increasing customer satisfaction are non-linear: if a customer is very happy, they are likely to be worth a great deal in additional direct purchases and possibly more importantly, will act as a brand advocate for your company. A customer who is merely ‘satisfied’ will not have anywhere near the same positive impact on revenues or profits, and is likely to be a good deal less loyal. For example, Xerox found that its ‘totally satisfied’ customers were six times more likely to repurchase products over the next 18 months than its ‘satisfied’ customers¹.

Telecoms is a high churn industry, with fierce competition and low margins, and customer loyalty is vital to maintaining profitability. However, the telecoms sector has the greatest proportion of complaints of any industry (over 9% of calls are complaints). Research from comparison service onecompare.com found that dissatisfaction with mobile phone providers’ customer service in particular was very high. Nearly 40% of mobile phone users were unhappy with the level of service they had received, with the greatest problems being a lack of knowledge of products and services, being kept on hold for too long, poor phone manner and a lack of efficiency.

These figures would seem to suggest that within the telecoms industry there is still a greater focus on acquiring new accounts than on building high levels of satisfaction amongst existing customers, which will only lead to higher levels of customer churn, and as the market becomes even more mature, the cost of acquiring profitable new customers is getting higher and higher. In 2001, the Chief Executive of Vodafone, stated that “(there is a) move of the UK market into a phase of greater maturity and (a) recognition of the need to reduce the current levels of expenditure on customer acquisition.” However, low customer satisfaction scores suggest that this ideal of focusing upon loyalty rather than acquisition still has a long way to go.

At an internal level too, it’s vital to focus upon customer satisfaction scores - after costs, it’s the most prevalent way for executives to measure the success - or otherwise - of the contact centre itself. A major ContactBabel study of contact centres also found that “Improving Customer Satisfaction” is stated by the contact centres in the telecoms sector to be the most pressing managerial issue that they faced², rated even higher than cost-cutting or revenue-increasing.

¹ “Why Satisfied Customers Defect”, by Thomas O. Jones, W. Earl Sasser Jr. quoted in *Harvard Business Review*, 1995

² “The UK Contact Centre Operational Review, 2008 - 6th edition”, ContactBabel

The telecoms sector in focus

According to the latest 2008 report from Ofcom, real monthly household spend on communications services fell for the third year running, driven by a 6% drop in fixed telecoms spend and a 4% drop in broadband spend. Prices have fallen by 4.4% since 2004, reflecting cheaper prices, which have fallen despite growing take-up and use of many services during this period.

Within the contact centre sector, the telecoms vertical market accounts for only 3% of operations, but has a much bigger impact on the industry as a whole, as many telecoms contact centres are a considerable size (having a mean average of 243 agent positions). This vertical market includes both fixed line and mobile operators, and in the main, suffers for a negative public perception of service provision, with there being even some websites dedicated to discussing the shortcomings of some of the major operators.

O2 and Vodafone have announced major job increases in early 2008, and the telecoms sector employed 63,000 people in its contact centres at the end of 2007. However, recent announcements of job losses by BT (10,000 jobs) and recent job losses announced by BT and Virgin Media means that future growth in agent numbers looks uncertain.

The following table shows how UK businesses fare in their customer satisfaction scores. Respondents were asked what proportion of their customer base rated them at a maximum score, as anything less than a maximum score by its nature implies that a customer is not totally satisfied.

Table 1: Proportion of customers giving maximum customer satisfaction ratings, by vertical market

Vertical market	% of customers giving maximum customer satisfaction ratings
Services	79%
Public Sector	78%
Outsourcing	71%
IT	70%
Telecoms	67%
Transport & Travel	65%
Finance	61%
Retail & Distribution	45%
Mean average	67%

With one-third of customers less than totally satisfied, the telecoms sector clearly has some work to do, although it has improved since 2005, when it was bottom of the pile with only 43% of customers giving a maximum rating.

What do customers want when they call a contact centre? To be answered quickly by a person who is able to help them without passing them around and to have the correct answer given to them quickly by someone with whom they feel comfortable talking. And if their query can be resolved more quickly without even having to pick up the phone, so much the better.

Additionally, the business has to deliver on the reason the customer is calling in the first place – by sending out the purchased item promptly, changing the database details or refunding money, for example. So the contact centre does not stand alone: it orchestrates the rest of the business. If the policies and processes of the wider business are not focused upon the needs of the customer, then the contact centre has no chance of improving customer satisfaction ratings: businesses need to track, analyse and understand why customers are dissatisfied, rather than automatically placing the blame at the door of the contact centre.

Telecoms companies which have widely-dispersed and siloed departments (for example, first-line customer care in India and the accounts and provisioning department in the UK) run the risk of fuelling customer dissatisfaction by not allowing agents or customers to speak directly with other departments, trusting instead to the internal communication processes of the business to deal with any customer problems. If processes do not always work properly, this can quickly lead to customer and agent frustration, as in the case of multiple requests being sent to the non-customer-facing departments, without there being any sort of response forthcoming that will actually solve the issue.

Failure demand - the vicious circle of customer dissatisfaction

John Seddon uses the term “failure demand” to describe calls that are created by the inability of the business’s systems to do something right for the customer:

“A failure to do something - turn up, call back, send something...causes the customer to make a further demand on the system. A failure to do something right - not solve a problem, send out forms that customers have difficulty with and so on - similarly create demand and creates extra work. Failure demand is under the organisation’s control, and it is a major form of suboptimisation.”³

Seddon cites the instance of the UK bank where failure demand created almost half of the calls which they had to deal with. Another classic example of failure demand is where emails go unanswered, leading to calls being made (first-stage failure demand). Later, the email will be answered, unnecessarily, as the customer already has their answer (second-stage failure demand). This redundant work will then impact on other (still live) messages in the email queue, creating a vicious circle of failure demand. Redesigning and restructuring the way in which work flows around the organisation, putting the contact centre at the heart of it, rather than treating it as a separate silo, will go much of the way to reducing unnecessary contacts. The customer ends up getting a better service from the whole company, not just the contact centre.

³ *Freedom from Command and Control: A better way to make the work, work*, John Seddon, 2005

What can the contact centre do to improve customer satisfaction?

Although all customers are different, it is fairly safe to say that a majority of customers want the following experiences when they are communicating with a business through a contact centre:

- Not to have to spend excessive amounts of time in a queue
- Having a knowledgeable, helpful and empowered agent to solve their issue on a single call
- For the business to keep the promises made by the contact centre
- Minimising the effort required to deal with a company.

Simple ideas when written down, but the reality of the way in which many contact centres have been set up means these targets can be very challenging to achieve, especially in an environment where costs are managed ever more closely.

Why do we hate a queue - and what can we do about them?

The British have a short way with queue-jumping. It's one thing that is almost universally frowned-upon within our country. Yet the British public consistently state that they abhor waiting in contact centre queues. Not only that, but research has found that people believe that they wait an average of over 11 minutes in a queue to talk to a contact centre agent⁴. However, the reality of the situation - taken from ACD statistics from thousands of UK contact centres - is that the average caller waits only thirty seconds to speak with an agent. Time spent in a contact centre queue is like time spent in a dentist's chair: stretched beyond the laws of physics and deeply uncomfortable.

It may be that the most effective way to improve customer satisfaction is to reduce or even remove queue time. The simplest way to do this is to overstaff the contact centre so that at any point, there are numerous agents fighting to take the next call. Of course, this is also an unfeasibly expensive and wasteful method.

Virtual contact centres and homeworking

Contact centre queues are like traffic jams: much of the time, traffic and calls flow freely with minimal issues. However, there is a tipping-point in call and traffic volume at which point queues and jams build up, backing up voice and road traffic and causing severe delays. There have been successful trials run on the M42 and M25 motorways which encourage road users to use the hard shoulder as an extra lane at peak times. Call spikes in the contact centre can be dealt with in the same way. At peak times, when it can be seen that queues are building and new calls are coming in at a faster rate than can be dealt with, it is possible to 'open a new lane' by overflowing calls to other resources until the

⁴ "“Your call is important to us...” - why does the British love of queuing not extend to contact centres?" an independent study by ContactBabel, commissioned by Vicorp, 2007

spike is dealt with and everything can get back to normal. 60% of telecoms contact centres are part of a multi-site environment, so this is an option for most of the industry to consider.

Outsourcers have been providing this overflow service for some time, but companies can also keep this functionality entirely in-house by bringing other company contact centres on-line as they are needed (whether domestic or overseas) and handling calls through a single virtual contact centre, with calls routed depending on agent availability as viewed from the network-level.

Businesses without other large sites have the option to use remote agents, and whether working at home, or in a telecottage (small, remote sites), they can be a part of the larger virtual contact centre by being linked to the main operation via ADSL, ISDN or a leased line (in the case of telecottages). Some solutions permit least-cost routing and redundancy, where if the IP voice quality deteriorates, the call can be switched onto a back-up ISDN connection until the IP quality improves sufficiently to move it back to IP. Agents need only a PC which may act as a softphone, a headset (or IP phone) and a data connection.

Flexible working brings several key benefits to an operation:

- Reduced cost of property, utilities and salaries: telecottages can be placed in lower-cost areas, and homeworkers cover their own overheads as well as reducing their travel to work costs and carbon footprint
- Flexibility: businesses can bring homeworkers on- and off-line as demand dictates, without having the expense of paying them for a full shift
- Larger workforce: often-disenfranchised groups, such as women returners and the physically-disabled can be employed as homeworkers, and may have greater skills and loyalty than more mobile employees
- Technical skills can be kept: high-trained and knowledgeable agents (especially second- or third-line technical support) are very difficult to recruit and replace - allowing them to work at home has been shown in various contact centres to be a positive staff retention strategy. The movement generally in contact centres of all types is that highly trained and experienced, high value-add agents will become more prevalent in the industry: retention of these agents will become extremely important.

The benefits of a virtual contact centre are very real: the following table shows that over three-quarters of respondents who had actually implemented a virtual contact centre environment benefited considerably from an increased ability to deal with call peaks, and thus, shorter queuing times. In the case of the directory enquiries sub-sector of the telecoms industry, a reduction in queue time - and thus the call abandonment rate - will have a direct and positive impact upon revenues as more customers will be connected.

Table 2: If you have a virtual contact centre, what benefits have you gained?

Benefits gained from implementing a virtual contact centre	Mean average (from 10)	Proportion of respondents marking at 8, 9 or 10 from 10
Ability to deal with peaks	8.0	76%
Fairer agent utilisation / reduced wait times	7.7	76%
Greater flexibility on when agents are online	6.9	53%
Wider range of skills available to callers	6.0	40%
Savings on call costs between sites	5.9	37%

Additionally, homeworking is becoming a real option that people are talking about and in some cases, actually using today. Although there are real concerns about remote management of agents - and obviously, not all agents are suitable for this type of environment - homeworking opens the door to the sorts of people who might never otherwise seek employment in a typical contact centre (as the industry does not have a good reputation as a whole) but who would happily work in their own home taking calls. For an industry facing a crisis in recruitment - but which refuses to pay more to its staff - this opportunity to deepen the labour pool should not be ignored.

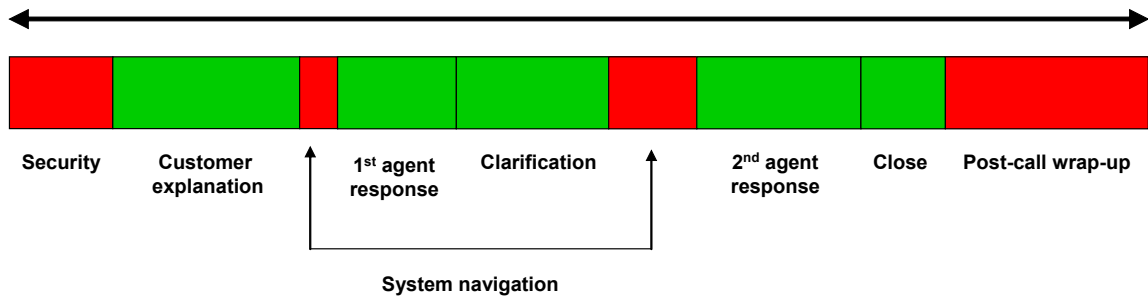
12% of respondents to this year's UK Contact Centre Operational Review were using homeworking in some way (up considerably from 3% in 2007), and overall, 0.68% of agent positions in this survey were based at home (up from 0.13% last year), which equates to an industry-wide figure of around 4,000 - 5,000. As comparison, last year 22% of US contact centres were using some form of homeworking, with 3.2% of agent jobs in the industry being based at home, amounting to around 100,000 home-based agent positions.

Freeing up agent time

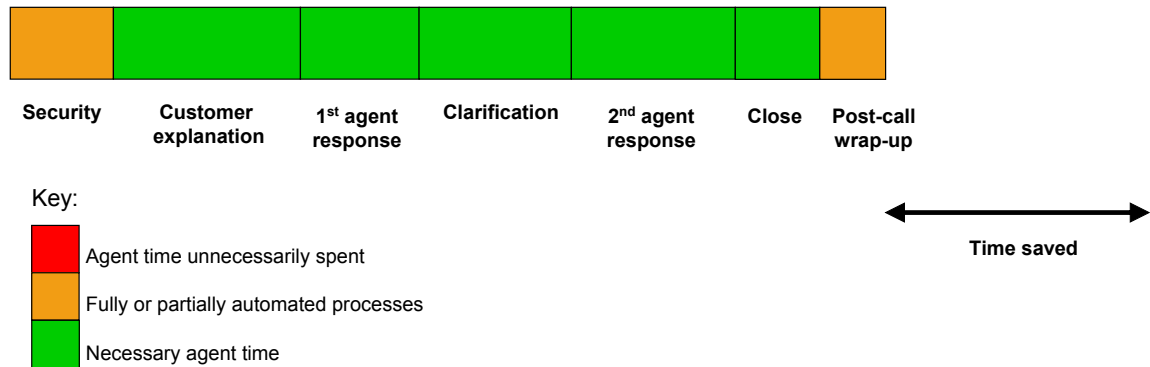
An average customer service call to a telecoms contact centre lasts around 3 minutes, although this figure varies widely as directory enquiries calls are very short, and technical enquiries much longer. On average, the first 27 seconds of a service call to a telecoms contact centre is spent establishing the identity of the caller, and there may be periods of silence as the agent finds the caller's history, navigates through multiple systems and fills in details within numerous desktop applications.

The first part of following diagram shows a typical call, complete with manual security checks, pauses to search for information or to navigate between multiple applications and with a considerable time after the end of the call to update databases and kick-off the relevant processes manually.

Typical call in non-integrated environment



Shortened call with unified desktop and automated identification



The lower part of this diagram shows the difference that a unified desktop and automated caller identification makes to a call, saving time at the beginning, middle and end of a call - which of course translates directly into shorter queue times as agent availability becomes much better.

A **unified desktop** approach comes as a reaction to many of today's contact centre environments, which use complicated, multiple applications, often only loosely-linked, which require skilled and experienced agents to navigate, let alone to manage interaction with customers successfully at the same time. Even after the call is completed successfully, each system may need specific inputs from the

agent in order to start the required back-office processes, or to keep each database consistent with the others.

Agents are trained to switch rapidly between applications, relying on their experience to make sure they don't forget to do everything. Such an approach can have severe primary and secondary effects:

- Increased training costs
- Higher staff attrition caused by inability to complete tasks successfully
- Inconsistent data caused by keying errors or missed procedures caused by manual wrap-ups
- Increased call handling times
- Lower customer satisfaction caused by long queues and unnecessarily long calls
- Multiple open applications on the agent desktop can lead to system instability and lower performance
- Missed opportunities to cross-sell and up-sell.

This last point is of special relevance to the telecoms industry. Ofcom reports that more complex bundles of products are becoming increasingly popular with customers, with a recent shift in favour of the 'triple-play' of fixed/broadband/TV. The proportion of customers taking this option rose by 78%, to account for 32% of all bundles taken in 2007. Fixed line and broadband double-play bundles were the main casualties of this switch, demonstrating that the ability to up-sell and cross-sell on a single call is vital to the long-term growth of telcos.

Providing a single screen of relevant data, applications and systems can assist agents with their upselling and cross-selling by letting them focus upon the customer, as well as having relevant prompts dynamically pushed to them at the correct time. A unified desktop approach means that the presentation layer of the contact centre solution is developed separately from the underlying applications, re-using existing logic and interfaces rather than replacing them. The agent works with a single desktop application which is tailored to their specific needs, pulling in only the right data and applications from disparate systems and presenting them on a single screen. In the background, business rules and workflow make sure that the right back-office processes happen without agent intervention, thus reducing wrap-up costs.

Right at the beginning of the call, **voice biometrics** offers a secure, cost-effective method of identifying and verifying callers, without using an agent's time. Half of all calls require a caller to prove their identity, and currently, 93% of these use an agent to carry out at least part of the process. A contact centre taking 10 million calls per year would spend almost £3,000,000 asking callers their name and a security question.

Voice verification systems use spoken words to generate a voiceprint, which can be compared with a previously enrolled voiceprint to verify a caller's identity. The most sophisticated systems are not affected by factors such as the caller having a cold or using different types of phones, or aging, and voice verification systems are now delivering levels of accuracy and security that have proven robust enough for use even by banks and insurers.

The benefits to voice verification are multiple - the business saves money, callers are less likely to have to queue (as agents are spending less time on each call),

and secure automated identity verification means that callers can then be offered a broader range of fully-automated self-service options.

Keeping the customer in control

Even in the best-run contact centres, there will be those times when queues have built up to an unacceptable extent. Most people are reasonable enough to understand that taking turns is a civilised thing to do - witness the behaviour in any shop in the UK where a queue is the natural course of things - and realistic enough to know that sometimes you just have to wait. So why is a contact centre queue so different?

Table 3: What is it about contact centre queues that people dislike so much⁵?

Reason	Average score from 10 where 10 is "extremely frustrating"	% of public scoring this as 10 out of 10
Not knowing how much longer you'll have to wait	8.7	61%
Repetitive announcements	8.0	45%
Having to restate account information already given earlier in the call	8.0	45%
Can't do anything else in the meantime	7.9	46%
The music you have to listen to	7.3	39%

Although people say that they hate pretty much everything about the contact centre queue, it is the uncertainty of not knowing when you'll be answered that really hurts the most. In a telecoms store, people can see the length of the queue and estimate the wait for themselves. They then can make an informed choice whether to wait for their turn, or go elsewhere. Yet few contact centres offer the same opportunity, and the tension that accompanies the feeling of not controlling or even being able to gauge your own destiny is what makes a minute in a contact centre queue seem like an hour, and for the directory enquiries sector, lengthy queuing is not simply a matter of customer satisfaction, but the source of their initial revenue, with the accuracy of the answer provided on the call being a key source of satisfaction and thus, future customer loyalty.

⁵ ““Your call is important to us...””, *ibid.*

If contact centres aren't willing or able to cut their queue lengths to negligible sizes, they can improve their customers' experience by providing estimates of the queue length, along with the caller's place in the queue, thus managing expectations. They may also provide a callback service which keeps the caller's place in the queue, scheduling an outbound call and allowing the caller to do something else while they wait for their turn.

The right agent, first time

The ability to understand a query and deal with it in a reasonable timeframe at the first time of asking is the key to a contact centre's success, reducing the overall number of calls while providing the customer with a good experience which will impact on the company's overall performance. Improving first call resolution benefits customers (who are more happy, loyal and profitable); agents (higher morale and fewer frustrating calls); and business (lower cost of repeated calls; higher profitability): everyone wins. Having said that, first-call resolution can be very hard to measure, as the decision comes from the customer's view rather than the contact centre's ACD statistics. UK contact centres report that 4 in 5 calls are dealt with first-time, which seems quite reasonable (the telecoms sector reports an 87% first-call resolution rate - the highest of any sector).

However, before complacency steps in, the definition of first-call resolution should be questioned. After the amount of time spent waiting in queues, the next greatest contact centre bugbear for the public is being passed around the contact centre, especially when the caller is asked to repeat themselves again and again. A contact centre may decide that a call that is bounced around various agents until the issue is finally sorted out should be included in the proportion of calls that are resolved first-time. However, the caller may have a very different view of things, and in this case, there may well be a disconnect between the contact centre's definition of success and the caller's level of customer satisfaction.

It is perhaps better to measure first-time resolution, rather than first-call resolution, as callers want to state who they are (once), explain the issue (once) and get the correct answer. In order to maximise the chance of this happening, a contact centre needs to know:

- 1 Who the caller is
- 2 What they have called about before
- 3 What they are calling about on this occasion
- 4 What skill-sets are suitable for answering this query and customer
- 5 Which agents have those skill-sets
- 6 When will those agents be available to help?

The first point - customer identification - can be automated in a number of ways, through caller line ID, and/or through typing in or saying an account number or name. The second point (caller history) can be popped automatically through CTI to an agent's screen - indeed, it may make sense to try to put the call through to the same agent, to encourage ownership of the issue and to reduce the amount of time the caller has to spend going through the issue again. The third point is harder to automate, although touchtone IVR is often used to route calls based on service, sales or helpdesk, with some success. Greater power and flexibility is provided by speech recognition, which encourages callers to use natural language to explain their issues, with a far greater number of routing options available in a

shorter amount of time based on their input. However, only 5% of telcos' self-service activity is currently carried out via speech recognition.

Points 4 to 6 move away from the caller's requirement, and look at the ability and presence of the agent. Point 4 identifies the skills required to deal with, for example, a technical query about a specific router. Point 5 - the agent skill-sets - are a straightforward look-up against the capabilities of the agents in question (assuming their skills are accurately and frequently updated), and finally - Point 6 - the routing of the call to the next available virtual pool of suitable agents can be done at either an operation or network-level. The suitable 'agent' may not be an agent at all, but a resident expert based outside the contact centre but whose presence and availability has been registered.

Managing agent skill-sets can be time-consuming, and worse, not as accurate as is needed for truly effect skills-based routing. Call recording can greatly assist in understanding and gauging the quality of agents and their skills, offering pointers for training as well as understanding their true capabilities.

With some of the more sophisticated call recording solutions available, the supervisor can move into a more analytical role, understanding not only what has happened, but the reasons for it as well. Taking a top-level view of team performance, a supervisor may see that certain types of call have been dealt with very quickly by a specific agent. Standard management information systems may show this as a positive situation, but using interaction recording capabilities may illustrate that this agent cannot help the customers, and is simply passing the calls through to colleagues. Now the supervisor has a chance to improve the situation, rather than missing the problem in the first place which may happen without this interaction analysis.

As an aside, two-thirds of contact centres state that call recording has offered them a chance to improve their business processes through understanding **why** they are receiving calls. This has allowed them to identify patterns, and reduce the number of unnecessary calls (for example, by placing the answers to a frequently-asked question on the website or in the IVR announcement), or to fix a broken process that customers had identified.

Keeping your promises to the customer

Sometimes, things go wrong, and complaints are made. Customers who take the time to complain are also taking the time to state what went wrong with your process, product or communication, and this effort should be acknowledged and treated as being important. Businesses have found that fixing the problem for one customer can help many other customers, including the ones who never contacted you. Most customers are not complaining to cause trouble - they want you to know what went wrong, and believe that you can fix it. If one customer makes a complaint, the chances are that there are many more who are experiencing the same thing. A customer that has given up on your company will probably not complain, but go elsewhere and tell everyone who will listen that they are doing so: witness the vitriol displayed on the websites set up by disgruntled ex-telecoms customers...

The vast majority of complaints received by a contact centre are not about the contact centre itself (or its staff), but rather 'failure demand', caused by a breakdown of process elsewhere in the organisation. However, the contact centre has to deal with the dirty work, and further failures within the complaints procedure (or lack of it) can see customers calling into the contact centre again and again, becoming more irate each time, despite the real problem lying outside the contact centre.

Table 4: Complaints, and their causes, by vertical market

Complaints and their causes / Vertical market	% of calls that are complaints	% of complaints about the contact centre	% of complaints about the wider business
Telecoms	9.2%	7%	93%
Retail & Distribution	7.3%	8%	92%
IT	7.3%	19%	81%
Transport & Travel	6.4%	6%	94%
Public Sector	3.3%	14%	86%
Services	3.1%	6%	94%
Outsourcing	2.0%	22%	78%
Finance	1.2%	21%	79%
Average	4.3%	14%	86%

The preceding table shows that on average, 93% of the complaints that the telecoms contact centre sector receives are actually about faults that have occurred elsewhere in the business: the wrong item being delivered, the engineer not turning up, an incorrect bill, etc. Some of these may be traced back to the original request that was processed incorrectly within the contact centre (perhaps an inexperienced or harassed agent forgot to initiate all the right processes), but often the fault lies elsewhere. In the telecoms sector - which receives a very high proportion of complaints - 13 in every 14 complaints are about the business rather than the contact centre.

However, regardless of where the fault lies, it is the task of the contact centre agent to listen to the customer's complaint, track down the fault and solve it. Yet there is a real risk, especially within large contact centres, that a single agent does not have the capability or responsibility to deal with the customer's issue, which may reach across various internal departments (e.g. finance, billing, provisioning and technical support), none of which will (or can) take responsibility for sorting out the problem.

The head of Ofcom, David Currie, alluded to this issue and its cause in his 2008 annual lecture:

"...the results (of a recent cross-sectoral customer satisfaction survey) were worse than one would hope, certainly by comparison with simple consumer purchases like DVDs or trainers. We rank alongside financial services and even energy (though mercifully ahead of estate agents and used car dealers). This is not, on reflection, that surprising. The more complex the product or service and the more players involved in the value chain, the greater the risk that the minority of consumers who have a bad experience have a very bad experience; and that the companies involved point the finger at each other rather than swiftly resolving the consumer's problem."

Many businesses also miss the opportunity to learn from their agents about issues which arise on numerous occasions, are eventually solved, yet the underlying faulty process is never fixed. In order to move forward, removing these deep-rooted issues in the system, agents have to be encouraged and empowered to act as cross-departmental customer advocates, hunting down the root of the problem rather than simply moving onto the next call. It may take a considerable amount of time to find the broken process or identify the exception which has caused the problem, but once found, it can be dealt with so that future customers (and agents) do not have to deal with the same issue.

That the high level of complaints received by the telecoms industry is a problem can be seen by Ofcom's decision to provide the 'TopComm' service, a scheme designed to provide consumers with a comparison of quality of service levels among fixed-line telecoms providers in the UK. Topcomm provides consumers and businesses with Comparable Performance Indicators, designed to help make an informed decision about telecoms suppliers. The website enables customers to compare the performance of service providers on a like-for-like basis (such as the length of time taken to resolve a complaint), giving prospective customers something other than price upon which to base a decision.

The Citizens' Advice Bureau - an organisation which is heavily involved in dealing directly with the telecoms sector on behalf of its clients about issues such as complaints and billing - states that:

"It is clear that there is a desire among consumers for quality of service information about telecoms providers, (as) Ofcom's own research shows this to be the case... Secondly, our own research shows that substantial numbers of people would make use of customer service information to help them choose telecoms supplier:

- *only 3% of respondents would base their choice of supplier solely on price*
- *20% would choose their supplier based wholly on the quality of their customer service*
- *41% state that customer service would be the deciding factor if other companies offered similar prices*
- *26% admitted that such information might help them decide but they would also look at price".*

Call avoidance - dealing with the problem before it appears

Even more than reducing queues and solving problems first-time, customer satisfaction can perhaps be most improved by not having to call the business in the first place. With few exceptions, calling a business is not an activity that people particularly look forward to, but it's something that they have to do in order to achieve something that they want (buy a product, get their line fixed, pay an account, etc). Put bluntly, it's a necessary evil that people want to complete, successfully and quickly.

Self-service

Perhaps the most rapid way of communicating with a business is self-service, whether through touchtone IVR, speech recognition or through a website. Self-service is prevalent across all industries: there is often at least one function that self-service is suitable for, regardless of what a company actually does.

Table 5: Self-service and business types

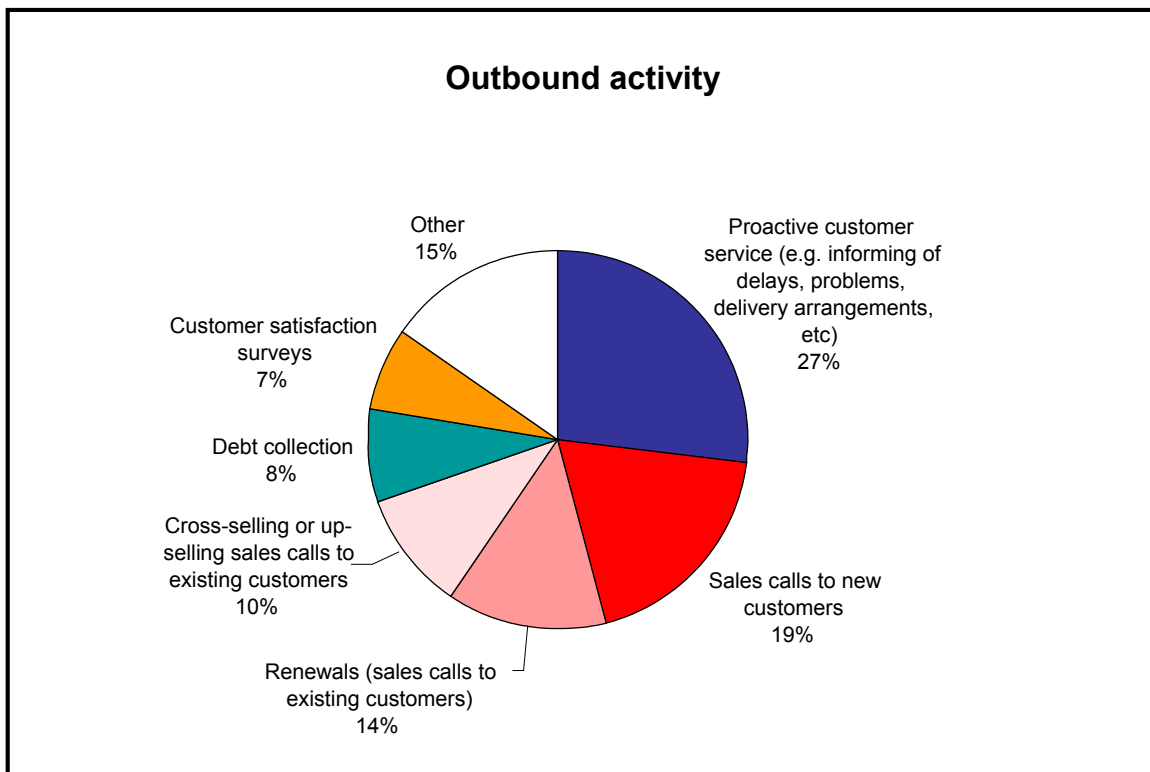
Self-service activity	Typical business type which would offer this form of self-service
Problem reporting and resolution	IT helpdesk
Account access	Banking, telecoms
Product information	Retail
Online registration	Any
Order entry	Retail, travel
Balance enquiry	Banking, credit cards
Dealer or store location enquiries	Car sales, retail
Ticket booking	Cinemas, other entertainment
Real-time punctuality checks	Airlines, trains
Status checks	Retail (esp. online), IT helpdesk
Address changes	Subscription services, utilities, telecoms
Form filling	Any
Brochure request	Travel, retail
Password reset	Finance, IT

Some calls are not suitable for self-service, as they may require multiple requests within the same call, be of a complex nature or be from a caller who feels that they need to speak with a human agent. Additionally, some small businesses may have such a low volume of calls that it is not cost-effective to implement self-service, although this is usually not the case with telcos as they tend to have large contact centres and many thousands or millions of customers.

However, self-service is currently very under-used: currently 6.5% of calls into UK contact centres are dealt with through self-service, although telcos estimate that 25% of their calls are suitable for automation. Web-based self-service is increasingly being used for paperless billing and account management, although such activities are less suited to the non-visual medium of telephone self-service.

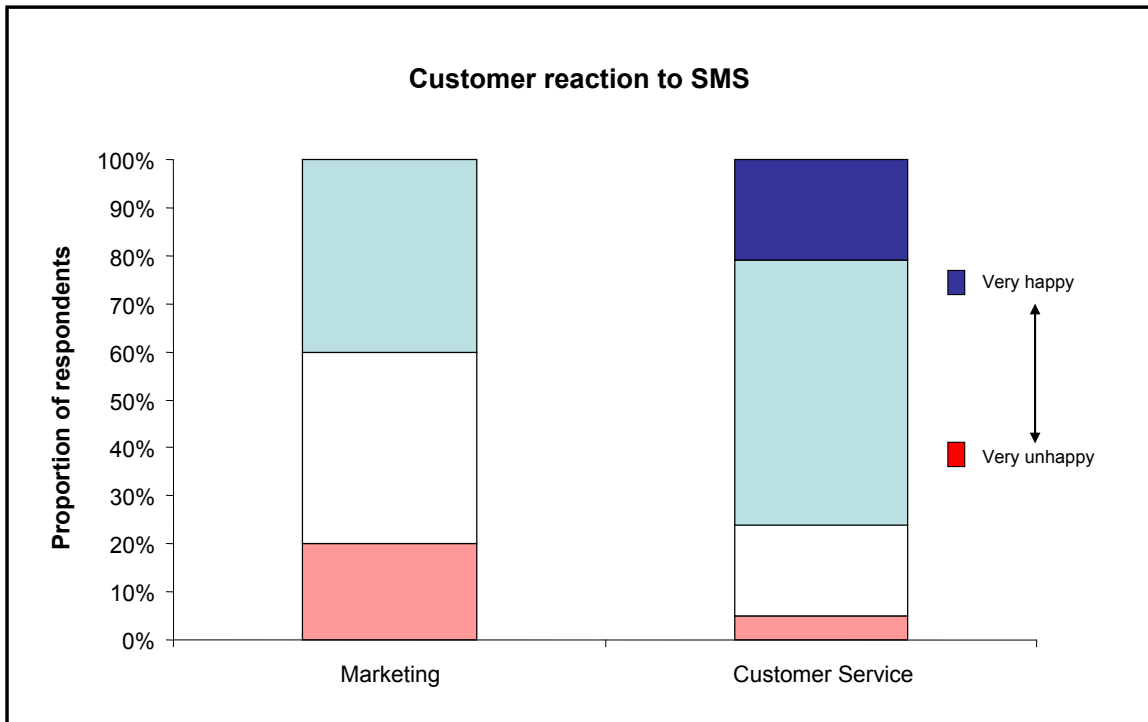
Proactive outbound customer service - keeping the customer informed through SMS, email and telephony

Increasingly, businesses are using outbound for communications that are more about service than sales, as has traditionally been the case. Such activity is a strong brand builder as well as an effective call avoidance tactic, as customers are informed about deliveries, delays and upcoming issues which may affect them. The theory behind this seeming altruism is three-fold: customer satisfaction increases, a proportion of probable inbound calls about the issues are avoided and potentially much greater costs (e.g. for missed engineer appointments) are minimised.



A cheaper form of proactive outbound customer service is SMS. Several companies now use SMS to send event-driven information and reminders to their customers (e.g. about a preset account balance threshold having been reached), and some telecoms, distribution, medical and public sector organisations send their customers reminders about appointments. Such costs are minimal, but have a massive positive impact on customer satisfaction when used for service, although sales SMS are rather less well-received (a fact that does not stop telcos from sending them).

Of course, email can be used as a similar service-driven outbound channel, but the mobile phone's ubiquity (penetration rates of over 100% in the UK - meaning there's more than one mobile phone for every man, woman and child), and the fact that the mobile phone goes everywhere with its owner means that the chances of getting messages to customers is much higher.



Summary: How can contact centres improve customer satisfaction?

Contact centres are in the unenviable position of having to deal with customer complaints that are caused by other parts of the organisation. They are also managed with great respect for cost and efficiency (sometimes too much), and have widely-varying workloads that they have little control over. Added to this the fact that most callers do not really want to have to talk to a business in the first place, and the opportunity to improve customer satisfaction seems to be a Herculean task.

However, there are some practical steps that a contact centre can take to converting disgruntled customers to satisfied ones, and satisfied ones to customer advocates. To reiterate the points made at the beginning of the White Paper:

- *"Not to have to spend excessive amounts of time in a queue":*
 - use short-term pools of agents at peak times
 - shorten calls through automated security and after-call process initiation
 - optimise the agent desktop to make system navigation quicker and easier
 - offer call-back options and queuing information
- *"Having a knowledgeable, helpful and empowered agent to solve their issue on a single call":*
 - understand who the caller is and what they want
 - understand what skills your agents have and match calls to agents
 - increase the pool of available talent by having resident experts available to take calls
 - make full use of call recording to identify agent skills and learn from real customers about the issues that they face
- *"For the business to keep the promises made by the contact centre":*
 - understand that a complaint is an opportunity to improve, and that most complaints are actually about broken processes elsewhere in the organisation
 - empower agents to have ownership of a problem and to be able to track it across departments on behalf of a customer
- *"Minimising the effort required to deal with a company":*
 - offer self-service options to relevant customers
 - improve the power and functionality of self-service by implementing speech-driven solutions
 - offer proactive outbound customer service through email, voice and SMS to avoid calls and increase customer satisfaction.



About ContactBabel

ContactBabel are the contact centre industry experts. If you have a question about how the industry works, or where it's heading, the chances are we have the answer.

The coverage provided by our massive and ongoing primary research projects is matched by our experience analysing the contact centre industry. We understand how technology, people and process best fit together, and how they will work collectively in the future.

We help the biggest and most successful vendors develop their contact centre strategies and talk to the right prospects. We have shown the UK government how the contact centre industry will develop and change. We help contact centres compare themselves to their closest competitors so they can understand what they are doing well and what needs to improve.

If you have a question about your company's place in the contact centre industry, perhaps we can help you.

About the Author:

ContactBabel was set up in 2000 by Steve Morrell, a leading expert on the contact centre industry. He has written over 200 reports on the future of technology, people and business processes surrounding the contact centre industry, and is widely-quoted in industry journals and the international media as the author of key studies of the UK, US, Irish, South African and Indian contact centre markets.

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Avaya is best known for making communications a business advantage and has helped customers in every industry, including financial services, hospitality, retail, public sector, travel, technology and telecommunications. Companies rely on their communications to ensure they can best collaborate across the value chain, and many businesses can both enhance and advance their competitive market position by using the right mix of software, services and hardware to create truly “unified” communications across employees, customers and partners rather than just relying on the status quo of telephony systems.

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