Using Data in Smart Ways for a More Effective Customer Experience

How to Increase Customer Satisfaction and Reduce Costs

VANGUARD

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Customer contact professionals often find themselves awash in data, but short on the kind of intelligence they need to improve the customer experience. This white paper shows how you can use data to drive positive experiences that not only increase customer loyalty but also boost efficiency and the bottom line. We discuss translating data into insights, patterns, and actionable information to create meaningful and ongoing conversations with customers on *all* channels.

Focusing on *History, Memory* and *Knowledge* as the keys to smarter use of data, we show how to attract the right customers, how to capitalize on trends and avoid risks, and how this powerful combination can drive revenue for your organization. We include best practices for interacting with customers using the data you have about them combined with data from external sources. And we cover how to measure success in ways that are customer centric, strategic – and make a difference in how your business operates.

Data and the customer experience

"Smart" use of data enhances the customer experience

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Data analysis & business intelligence

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Data integration

↑

Unstructured data

Many companies have more internal data than they use, plus they have access to lots of public data sources that can help them provide compelling experiences. So why aren't we using data to be "smarter" in our customer interactions? Often, customer professionals are overwhelmed by too much data, or find that data is in silos that prevent them from understanding the full customer relationship.

Successful companies consider data to be an important corporate asset, enabling them to act strategically and nimbly. They harness and integrate data across the organization. And once they harness the data, they use it to empower agents and systems and to provide intelligent, compelling customer experiences across all channels. They analyze data for insights, patterns, and actionable information to create meaningful and ongoing conversations with customers. The goal? To connect with customers on emotional as well as practical levels.

Creating conversations with customers based on history, memory and knowledge

By harnessing data, we're able to use it in "smarter" ways, providing intelligence across all channels and to our agents. Land's End is a great example of smart data use – you can bet the customer service rep will remember that you're calling to order something for your husband's birthday and ask if he liked the navy jacket you bought him last year.

The three keys to create a compelling customer experience are *History, Memory* and *Knowledge.*

History

History is found in customer records, CRM data, marketing information such as segmentation data and in customer feedback. It enables us to identify customers and personalize our interactions with them, based on their order history (like Amazon), on transaction history, customer segment preferences and feedback.

Memory

Memory helps us learn from past experience with a customer and understand customer preferences. We gather memory from all customer interactions – self service, with an agent, at a retail location. For example, does the customer frequently travel between Boston and San Francisco? Does he prefer an aisle

seat? Capturing and analyzing multichannel data is critical for memory. What did the customer most recently do on the web? Did he try other channels before he called the contact center?

Knowledge

Knowledge, including what AVID (Association for Voice Interaction Design) calls "Situational Awareness" provides external information that may affect the contact, such as weather information or stock market data. Knowledge is often critical to providing quick service and in making an emotional connection with a passenger who may miss a connection or an investor who may miss an opportunity. Knowledge also draws from internal knowledge bases that are continually updated. For companies such as Unilever, a knowledge base is invaluable for handling customer contacts – they handle over 90 brands, and rely on a knowledge base of over 50,000 topics.

Using data in "smart" ways to enhance the customer experience and build relationships

Customers want the following from the companies they do business with:

1. To be recognized
2. To be valued
3. To have their needs understood
4. To be treated with respect
5. To value their time
6. To surprise and delight them

Without these six things (or at least five of them), companies cannot engage customers in ways that build loyalty. According to Gallop, fully engaged customers represent an additional 23% in wallet share, profitability and revenue than the average customer. Actively disengaged customers lose companies 13% in the same measures. And Gallop estimates that only 13% of customers are fully engaged and a whopping 39% are not engaged.
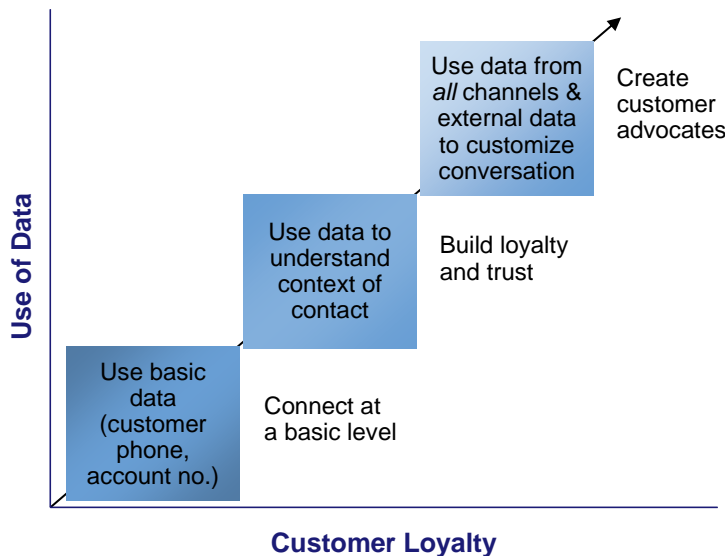
How can we use History, Memory and Knowledge to engage customers across all channels?

Use *history* to predict customer behavior

◆ Recognize customers and treat them based on their customer segment, status or value.

◆ Know the customer's language of choice.

◆ Personalize recommendations and ideas – like Amazon and the Container Store.

- ◆ Employ dynamic IVR menus and web pages, presenting information based on what you know about the customer.
- ◆ Handle complaints appropriately: you may deal with a low value customer who complains frequently differently than a high value customer who rarely complains.
- ◆ If a customer recently placed an order or booked a flight, provide them with updated status information right away.

Using History to Speed 511 Calls

VoltDelta developed and maintains a speech application to help travelers and commuters check traffic conditions and get estimated drive times. Since drivers often call back a second time to check their route, the system is designed to remember the caller's last request. So if a caller asks about conditions on the New Jersey Turnpike from Fort Lee to Woodbridge, their second call will automatically trigger an update to that query. Analysis shows that 60% of repeat callers are correctly handled in this way.

By using history to predict customer needs, VoltDelta has reduced call handle times in the IVR (critical when callers are on the road), getting critical data to callers quickly.

Use *memory* for context

- ◆ Transfer any relevant information from self service to an agent with the call. Having to repeat information they've already entered is a number one customer pet peeve. Some contact center providers, like VoltDelta, go beyond screen pop, providing agents with key word or phrase voice recording about what the customer actually requested in the IVR for even better context.
- ◆ Route caller to the last agent they spoke with.
- ◆ Understand customer needs based on their last channel contact. For example, was the customer just on the website trying to troubleshoot a problem?

Use *knowledge* and *history* to anticipate customer needs

- ◆ Provide proactive outreach through outbound communications in the customer's channel of choice. Reach out to customers to notify them of a change in status (for a flight or an electrical outage), or to let them know that their insurance or a subscription is up for renewal.
- ◆ Leverage websites and social media for updates that affect large groups of customers.

◆ Anticipate possible reasons for the call based on where customer is in the product or service lifecycle. For example, does a caller have an outstanding claim or have they just received a new product?

Use history, memory and knowledge to drive revenue

◆ Identify cross-sell or up-sell opportunities, such as subscription renewals, refinance opportunities, or identify current promotions that may appeal to the customer or customer segment.

◆ Attract the right customers: understand the characteristics of your best customers and target others like them.

◆ Build on the relationships you have with existing customers to encourage positive word of mouth and greater wallet share.

◆ Use changes in data to drive revenue and build relationships, understanding the opportunities for your company when a customer changes his address or gets married, for example.

◆ Use data to customize services and products to be more appealing to customers.

Use history, memory and knowledge for smarter call routing

◆ Route customers to the best channel or agent to handle their contact.

◆ Route callers to the best queue for call treatment.

◆ Transfer data between channels (e.g., from IVR to agent, have outbound text or email connect to a personalized link).

◆ Route calls based on context/caller issue. For example, airlines may place flyers in storm areas at the head of the queue or utilities may route customers from outage area first.

Use history, memory and knowledge to capitalize on trends and avoid risks

◆ Many companies have data bellwethers to track and predict key trends. Trends may be internal, such as specific customer comments about a reformulated product, or external, such as a new service offered by a competitor. Successful companies use history, memory and knowledge to inform the conversations they have with customers about trends.

Keys to using data in customer centric ways

Data is only as good as self service design or processes, CSR training and tools. All these things empower us to cross- and up-sell, empathize with the customer and emotionally connect with them. A key underlying premise before you figure out smarter use of data is having a customer

experience strategy in place. This strategy will drive the types of applications you design for call routing and self service and how you can use data to support the strategy. For example, if your strategy is to be a low cost provider, you want to leverage as much data as you can to encourage use of self service channels and proactive alerts that connect customers to self service. If your strategy is to build customer intimacy, one of the key areas that you may focus on is in routing callers to agents who are focused on their needs: using data to identify the customer, anticipate her needs, and delivering her to an agent who is armed with all the data needed to surprise and delight the customer.

To be successful, use data in context and make sure it is:

- Relevant and customer-centric
- Strategic - in line with objectives and goals.
- High quality, current and accurate
- Appropriate and relevant to the customer and their relationship to your organization.
- Presented logically and in sequence
- Concise
- Channel Appropriate
- Seamless and consistent across channels
- Dynamic

You'll also need to identify the data and databases you need. For truly sophisticated customer experiences, the ability to access multiple public and private backend systems is a requirement.

There are third party vendors of contact information capable of supplying dynamic information such as ANI, caller location, public addresses and more. For example, using data from LSSiDATA (a VoltDelta business unit), contact centers can add new data elements to enhance the customer experience and identify revenues opportunities such as:

- LSSiDATA is one of the most frequently used sources for directory assistance and is used by many contact centers to identify customers by ANI (Automatic Number Identification).
- LSSiDATA adds other useful element such as geo-location (latitude/longitude) which can be used to route a caller to an agent closer to the caller, potentially offering more relevant regional intelligence.
- Finally, LSSiDATA also tracks customers who recently moved. And new movers are ready to buy – they typically spend more during the three months around their move than non-movers spend in five years. Knowing that someone on your website, in a store, or using your IVR is a new mover enables you to capture revenue opportunities and have them interact with agents or salespeople trained to support new movers.

Your own systems should learn from each new contact and translate that information into more customer centric contacts the next time. It's important to have built in analytics from every touchpoint in order to understand what customers are doing on multiple channels and how you can improve the experience. Strong analytic capabilities are a critical component of smart data deployment.

Finally, build continuous improvement into your processes. Understand what you're not doing and what – from the customer perspective – you can be doing "smarter" with data.

Measuring Success

Ok, once you start using data smarter, how do you know that you're successful? Most important is to make sure that you develop your measures and baselines early. And make sure that the measures are customer centric, strategic – and that they make a difference in how the business operates. Below are some ideas to get you started.

◆ Does use of data support your strategy? For example, does it increase customer intimacy, build your brand, reinforce your standing as a low cost provider? Does it support the new customer experiences you've defined?

◆ Does it support customer satisfaction through measures like quicker completions, first contact resolution, reduced number of contacts through the customer lifecycle, higher quality interactions, fewer transfers and fewer complaints?

◆ Does it support goals for dealing with customers at key moments of truth? Moments of truth may be during the claims or mortgage processing cycle or when onboarding new customers.

◆ Does it improve operational efficiency through shorter calls and reduced inbound volume?

◆ Does it help in product development by creating a conversation that enables us to deliver products our customers want? Does it help drive innovation?

ParkMobile uses history, memory and knowledge for e-Parking solution

ParkMobile partnered with VoltDelta to develop a cashless speech recognition and SMS based parking meter system. Customers register their license plates and credit cards and can then call the system to indicate where they're parking. Meter charges are made on their credit card. The system even triggers SMS alerts when the meter is nearly expired. VoltDelta's proprietary, converged platform ensures that intelligence works across all channels.

ParkMobile noted that commuters for a particular transit system tended to park in the same parking lots and even the same parking spaces on a daily basis. To accommodate these users, VoltDelta began by identifying commuters by ANI and then identified whether they recently parked in a specific lot. The application immediately asked if they were parking in the lot and then asked if it was in the same space they last parked in. More than 95% of callers are in the lot identified, and over 30% of callers are in the same space. This "smart" use of data speeds the process, avoids calls going to an agent, reduces handle times, and improves satisfaction.

Summary

When used in smart ways, data can make a powerful difference in how your business operates. Using History, Memory and Knowledge as tools mean that you can create and maintain meaningful conversations with customers. This new customer engagement drives satisfaction, and more importantly, customer loyalty.

The conversations you have with customers should evolve, just as your business does. So make sure that you're measuring success and acting on what you find to take your customer experience to the next level.

About Vanguard

Vanguard Communications Corporation is an independent consulting company founded in 1980. Specializing in designing and implementing strategic solutions for customer contact, Vanguard helps clients achieve business goals through more effective communications systems and processes. We focus on better customer interactions through contact center and self-service and social media, on better internal collaboration among field staff and knowledge workers, and on the growing convergence that unified communications will bring.

Elaine Cascio is a passionate advocate for customer centric design based on clearly defined customer experience and channel strategies. She regularly conducts workshops on multi-channel strategies and self-service design, speaks at conferences, and writes about customer experience.

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About VoltDelta

VoltDelta OnDemand provides telephony-based customer care solutions with Software as a Service (SaaS) efficiency. Contact center and remote agent call distribution and management, inbound and outbound voice recognition with unique CrystalWAVE technology, and voice of the customer call plus agent screen recording to monitor each call through any transfer work to enhance caller satisfaction without capital investment. VoltDelta's call personalization features improve customer satisfaction, compress handle times, and reduce overall costs. Caller preferences, previous action, and caller identity is utilized for personalizing interactions. Multiple VoltDelta data centers with international reach and redundancy support more than 2.4 billion calls per year with 99.99% reliability. For additional information go to www.voltdelta.com/OnDemand.

LSSiDATA, a division of VoltDelta, delivers the most current and accurate names, addresses, and phone numbers with associated detail as the only enterprise-based vendor to source telephony-based data from _and_ supply the aggregated information to all major telecommunication providers in North America. Business, residential and government contacts are included in data resources measured in the hundreds of millions of records, with more than 2 million daily updates.

LSSiDATA in combination with VoltDelta OnDemand provides contact centers with fresh and accurate contact detail for more personalized customer care and proactive outbound campaigns. The combined solutions uniquely enable organizations of all types to acquire contact data _and_ reach and respond with automated resources or agents.