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3 ways

to use feedback to boost customer service leadership

Inspire customer and employee loyalty

Introduction

This whitepaper presents 3 ways to make your company and customer service organization perform better. At the center is service strategy and feedback management.

Most customer service environments are busy and hectic – sound familiar? Current day managers are expected to not only balance the budget and keep costs down but, also, deliver great experiences. To make things even more challenging, other players in the market are raising the bar and changing the game. For most companies, this means that customers have high standards for customer service. These high standards are amplified by constant technological advancements that strongly impact consumer behavior and expectations.

A great example of this development is that more and more customer interactions are taking place in a multitude of channels (omnichannel). Some of these new channels include AI and chatbots, real-time communication, video and social media. For example, millennials will most probably turn to self-support to find solutions to an issue and never contact customer care. In a scenario like this, how do you control the experience when you have no idea there was an issue to begin with or who came across that issue.

The example above could be one of the main reasons why an organization performing great today may hit a wall tomorrow. Luckily, there are ways to overcome challenges and succeed in this ever changing global business environment.

Technology alone doesn't solve all problems or automatically creates loyal customers. According to Forbes, customer service leadership is the key. Top performing organizations have a defined service strategy in their client interactions. A customer service strategy is a thorough plan to handle customer relationships in a mutually beneficial way. One of its aspects, is providing a consistent customer experience throughout the entire customer journey – from marketing to after sales support. Theses experience have set expectations that are going to affect your service operations.

If you are a customer care manager, you might agree that customer service is traditionally seen as a cost-center and a low-value adding operation. However, there can be a different story. When the entire organization (C-level, HR, and employees) is engaged and committed, service strategy can provide a competitive advantage in

terms of customer value and company performance. As a result, you are more likely to forge lasting relationships with both your customers and your agents.

A long lasting customer relationship leads to customer loyalty. We all know that loyal customers buy more, stay longer with the company, tell their friends and colleagues all about your brand and easily forgive if things go south. Customer loyalty is what every company strives for and every manager would like to report. In this context it is important not to overlook your relationship with your employees and particularly your customer care agents because a great employee experience correlates with an elevated customer experience. On top of that, prioritizing the employee experience will help you attract and retain talent, share best practices internally foster a great service culture and boost your employer brand.

Let's take a closer look at how feedback management boosts your customer service strategy and enables you to deliver personalized service to the customer, empower your agents, and amplify your service process.

Way 1: Deliver personalized service to the customer

Are you treating your customers like case numbers rather than people? Over 90% of customers would stop buying after a few bad experiences with customer support, according to Gladly's 2018 research and 25% of them, would jump ship just after one lousy experience. Companies are pitted against increasingly tough odds to win over customers. Fortunately, you can use feedback to personalize your service by getting to know your customer better and reacting accordingly.

So what do customers really want from you and how can you deliver great service?

Today customers not only want fast responses to their questions or complaints but, also, personalized experiences. They want you to understand their problem and show respect. They expect convenience and not repeated calls and queries. They want solutions, recommendations, and introductions to new products and services.

Know your customer

Use customer data and feedback to get to know you customers. Make sure that you have customer information available in your systems (such as CRM) during customer contacts. In the best-case scenario, your agents should also have feedback data of the customer's prior interactions with your brand and services across the customer journey. Understanding possible tribulations can even elevate your service and deliver memorable customer experiences.

When you ask for feedback to learn about your customer, do not deliver out-of-the-box feedback experiences. Ask what is relevant and engage the customer with a great response experience. Use background information to personalize and streamline the feedback conversation.

In the worst-case scenario, the conversation is long, repetitive, and becomes itself a bad experience which exacerbates the relationship and doesn't provide any useful feedback insights.

Listen to your customer, react accordingly

Companies who react to feedback perform better. They create less hassle and ensure that information finds its way to the right stakeholders. Real-time feedback information in the hands of the right people can win over a customer before it's too late.

It makes sense though to calculate if a particular customer segment is worth (cost vs value) reacting to and by whom (agent vs manager). Companies who react to positive feedback can also have an opportunity to recommend new services and solutions to the customer.

Proactively communicating feedback information to all customers can make a big difference, especially in critical situations, when most customers might have the same problem.

Way 2: Empower your customer service agents

Motivated employees stay longer in the company, share best practices and make your job easier. However, a lot companies forget that happy employees lead to happier customers. According to Paul Selby from ServiceNow, recent research shows that on average, in customer care organizations, agent turnover is 30-45%. The cost of agent turnover can reach up about 20.000 $ per agent not accounting for the costs involved with training new employees and the blow in morale.

Feedback management insights can be used to steer higher level leadership decisions to the right direction. This can be accomplished by identifying individual coaching needs and automating positive feedback to right place.

Coach individually

We all know that coaching is king. By tracking customer feedback, you can find out when new employees become profitable but, also, how newly acquired skills are making their way into customer interactions.

Organizations spend a lot of money to develop and train agents but often that doesn't necessarily translate into improved performance. Using feedback, you can ensure that your training programs are informed by agent behavior and address real needs.

Identifying who needs more coaching can save your time. Instead of giving general coaching sessions to all employees, you can give individual focus to particular problematic areas such as soft skill development or technical skill adoption. You can also use customer feedback to tailor your training material and templates.

According to Harvard Business Review, customer service agent personality types can differ. Feedback can help you better understand these personality types and tailor your coaching at an individual level. As a result, your agents will be more successful with performing their tasks and more satisfied with their role in your organization.

Automate positive feedback to your agents

Leaders know how to leverage positive feedback when training, motivating their employees, or reinforcing wanted behavior. The best leaders also utilize automated positive feedback to boost and empower their agents.

Learning is most efficient in a positive environment. In an environment, however, hectic with seasonal rushes or overbooked schedules giving praise for a job well-done can be easily overlooked.

After receiving great service, customers usually perceive their experience very positively and that is reflected in their feedback. In many cases, however, this positive feedback never reaches the agent. Automatically routing positive feedback to customer care agents ensures that positive feedback is celebrated and the person who made it happen – your agent – is recognized and gets credit.

Positive feedback can also foster a culture of shared leadership. When that is the case, employees take more responsibility, both in internal process development and pro-customer decisions. This empowerment leads your team to increase productivity, deliver a better customer experience, and experience higher rates of employee satisfaction.

Way 3: Focus on your service process

People, technology, and processes are often housed under the same roof when it comes to customer care. When you focus on the service process, you can make a big impact on customer experience, employee performance, and the way you develop and improve operations.

A good service process consists of a defined way of addressing common customer care scenarios and links all relevant internal instructions, templates, policies, and system protocols.

Using feedback, you can monitor and measure how the service process performs. You can identify root causes for repeat issue and increase process efficiency. And leverage first contact resolution – popular in customer service organizations – from the customer's perspective.

Identify root causes in the service process

You can identify problems effectively and systematically when you utilize feedback. When tracking and analyzing feedback you can gain a more profound qualitative understanding of the root issues that cause customers to reach out for support. Combine these feedback insights with background information already in your system – such as customer segment or customer lifetime value to gain a real competitive advantage by exploring how customer raised issues relate to your business performance or your customer experience strategy.

Additionally, consider sharing feedback insight reports across different departments within the organization to increase organizational understanding on what to prioritize inn terms of future product or service development.

Prioritize "First Contact Resolution" (FCR)

Many companies measure efficiency of their service process using metrics such as wait and/or handling time and first contact resolution - that often comes with contact center systems. You can get a whole new perspective on performance and efficiency when asking your customer "did we resolve your issue at first contact". The answer to this question will let you know whether the customer really considers the issue resolved or will be contacting you again in the future with the same problem. Issues that are not solved during first contact may result to spillover. This in return can increase service cost by up to 50% and reduce customer loyalty by 10-30%[1].

To get the best results, do not focus solely on efficiency as this approach might negatively impact the customer experience when interacting with your customer care. Remember to measure both efficiency and quality to achieve the desired balance.

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[1] Strategic Customer Service: Managing the Customer Experience to Increase Positive Word of Mouth, Build Loyalty, and Maximize Profit (2019). By John Goodman (book, chapter 2)

Align customer service strategy with your feedback management program:

- Set a clear strategic goal for customer service level and customer experience
- Establish the new service culture in your organization with targeted trainings
- Measure strategic service performance in relevant touchpoints
- Develop and empower your agents, improve the service process, and better utilize technology
- Make it possible to link CX feedback data with business objectives and employee performance

Make the most out of customer feedback

At helphouse.io, we help companies achieve better customer service through technology and knowledge.

Reach out to us via helphouse.io