PLECTO

Customer Service Playbook

9 Best Practices

to Boost Customer Service Performance and Keep Your Customers Happy

What's Inside

Foreword

Recent events have changed customer expectations – and with them, the face of customer service. This eBook is an actionable guide to help customer service leaders navigate this new landscape.

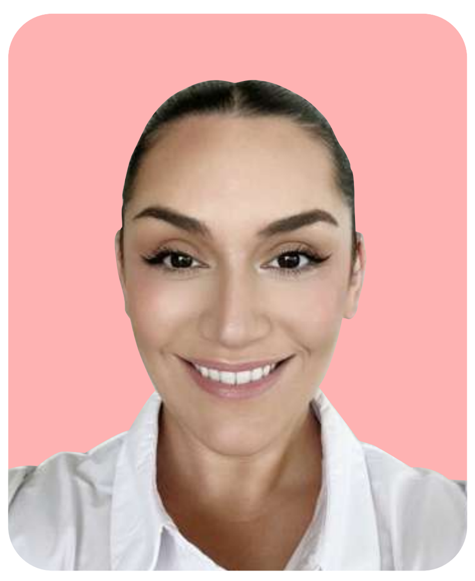
Chock-full of experience-driven insights from 8 customer service experts, this eBook contains a compilation of 9 customer service best practices from some of the world's leading companies – it's what they're doing now!

If you're a forward-thinking customer service leader who aspires to build a top-performing team, this guide will show you how to:

- Use real-time data to cultivate a performance-driven culture
- Improve retention by empowering and motivating employees
- Have fun at work while sparking "friendly competition"
- Use automation to provide world-class service that exceeds customers' expectations
- Leverage the latest technology to provide efficient, human-driven customer service

Contributors

Plecto wishes to thank the following expert contributors for providing their valuable insights:



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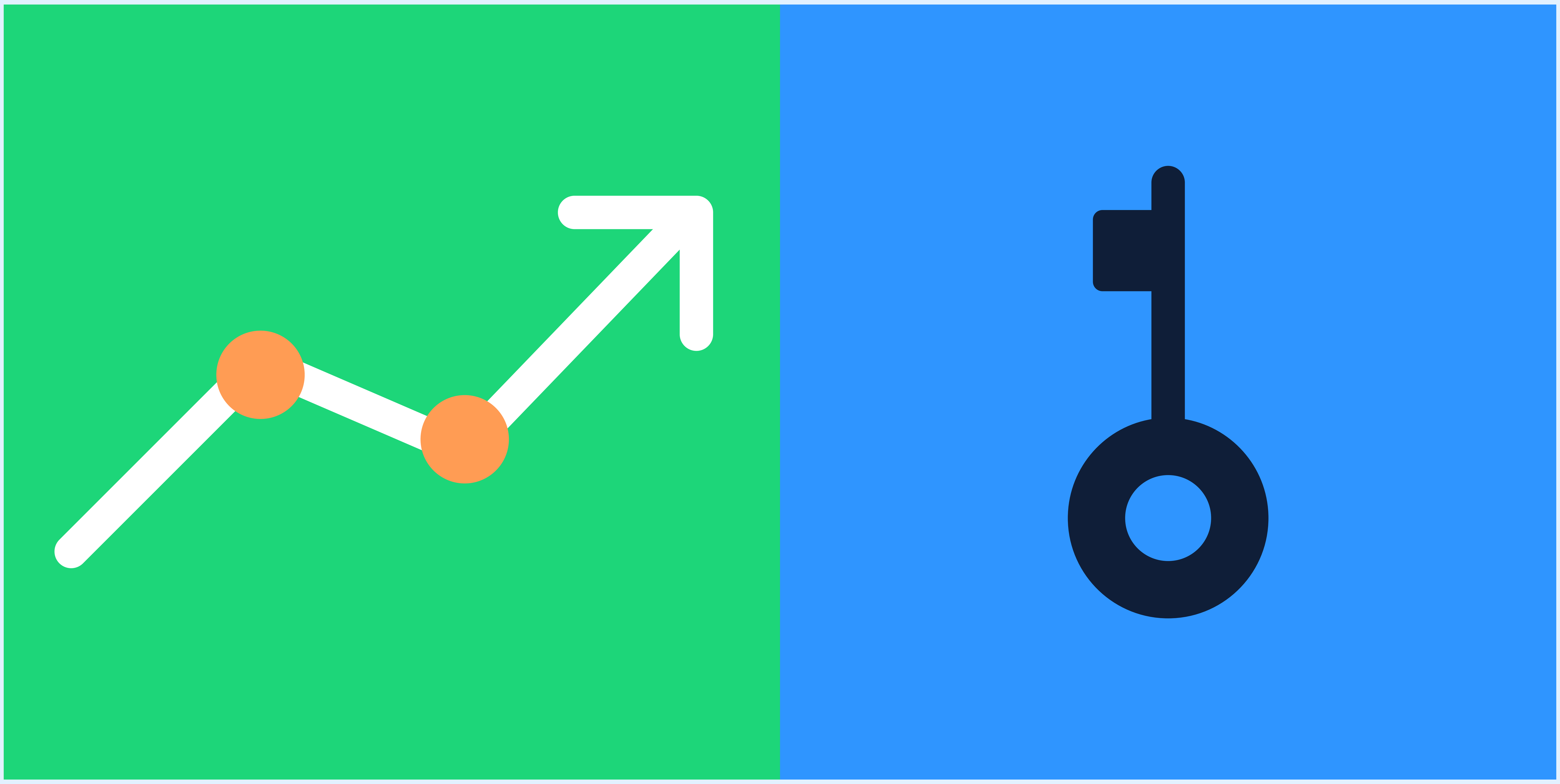
Best Practice 1

How to Use KPIs to Build a Performance-Driven Culture



The idea of a performance-driven culture can be a double-edged sword. On one hand, virtually all top-performing companies have become more data-driven – and the trend is expected to continue. On the other hand, nobody wants to work for management that's constantly checking up on them.

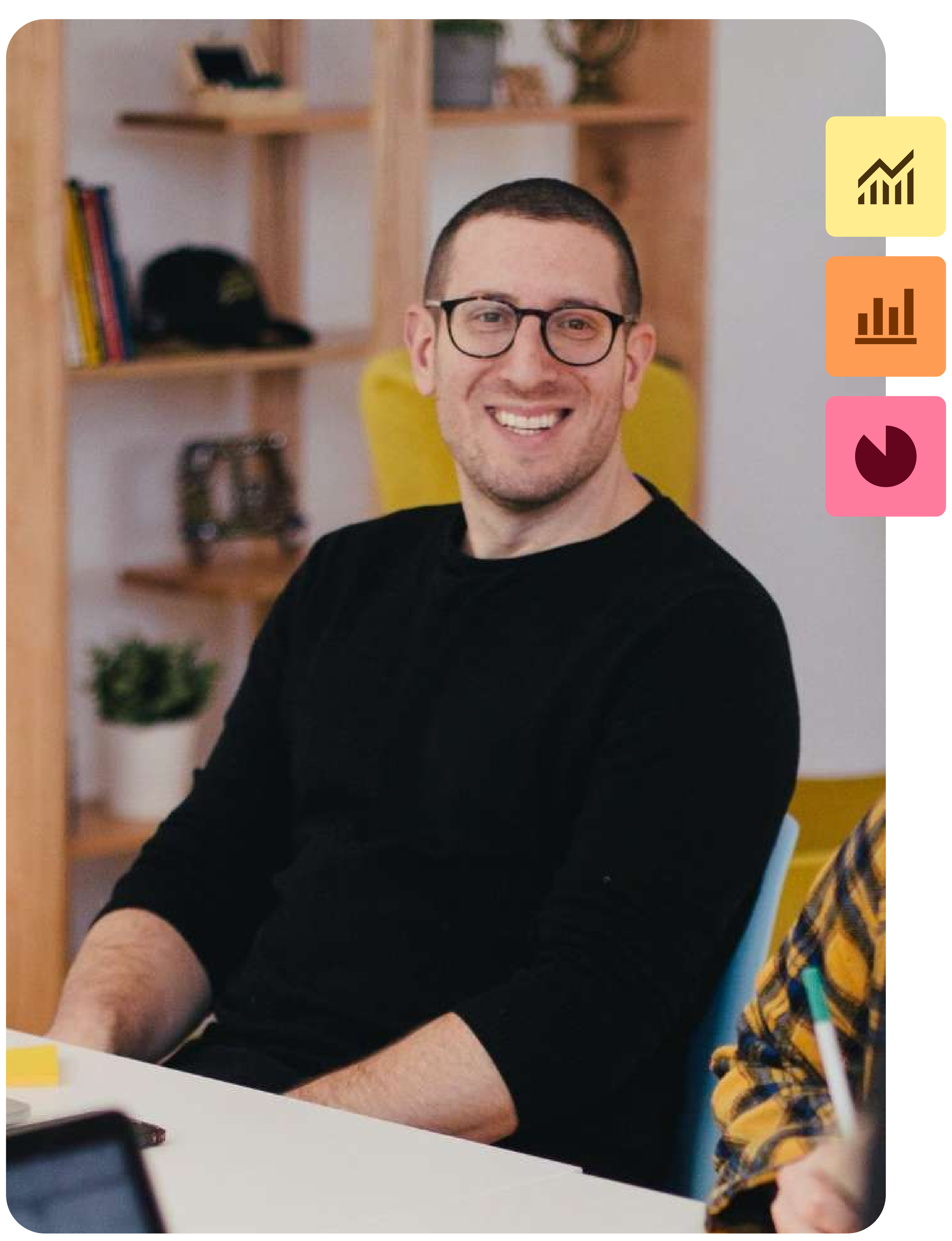
So, what's a customer service leader to do? We recommend using the carrot and sparing the stick. This means, clearly communicating the purpose of measuring customer service goals (i.e., KPIs) in conjunction with effective coaching and incentives that enhance customer service while improving employee retention and job satisfaction.

Tracking the right customer service KPIs shouldn't mean setting impossible goals that create repercussions and unnecessary stress and anxiety for your reps. High-performing teams often have a culture based on trust, listening, and open dialogue. This culture lays the foundation for setting clear objectives in collaboration between management and the employee.

While a fair and effective KPI strategy tracks performance, it's also a way to collect data that can help you identify your employees' day-to-day challenges and recognize their victories. Communicating this to your employees can help reframe their views on KPIs – so they're less of an "eyes over their shoulders" method and more so a way to offer support when it's needed and celebrate success when it's warranted.

To put this into practice right away, you have to know what to track. How do you know that you're tracking the right KPIs – the ones that will drive employee performance and help your company deliver world-class customer service?

8 Mission-Critical KPIs for Performance-Driven Customer Service



You have a lot of options when setting KPIs. This chapter distills these possibilities into the five KPIs that every customer service team needs to deliver the experience and excellence that customers expect, and three to help you keep tabs on the operational health and efficiency of your department.

5 KPIs to Measure Customer Satisfaction

Dixa VP CX Excellence & Chief Evangelist Tue Søttrup believes it's important to measure customer-experience-related KPIs, " If you're only tracking the number of handled conversations, this doesn't really have an impact on the business. There will always be more calls. So people should focus on KPIs that measure the customer's experience.

Tue Søttrup
Dixa VP CX Excellence & Chief Evangelist

> Historically, companies have been very focused on things that measure the contact center's performance, and these very rarely correlate to the customer experience.

When measuring customer satisfaction, the KPI possibilities are as deep as the data you collect and the time you're willing to invest. But if you're just getting started, these five KPIs are a solid starting point because they'll give you a birds-eye-view of how you're doing overall while tracking three of the individual metrics with the most impact on overall customer satisfaction.

1 Average Customer Satisfaction Score (CSAT)

If you're looking for a quick pulse-check on how you're doing, this is the KPI to look at. CSAT measures whether your service met the customer's expectations after one interaction, and it's the best single indicator of how customers perceive the service they've received. It's measured based on one question, for example: On a scale of 1–5 how satisfied were you with our service?

USE THIS FORMULA TO CALCULATE IT:

$$\frac{\text{Number of Positive Ratings (i.e., 4 or 5)}}{\text{Total Number of Responses}} \times 100$$

GENERAL GUIDELINES

90–100	70–90	50–70	0–50
Excellent	Good	Fair	Needs improvement

Target CSAT scores vary by industry, but looking across industries, scores of **65 to 80** dominate. 2023 CSAT benchmarks range from the **low 80s** for healthcare, e-commerce, and retail to **18** for communication and media.

If your CSAT is at the low end of this range, consider looking into current benchmarks for your industry – it might not be as bad as it seems.

2 First Contact Resolution (FCR)

FCR is the gold standard because how quickly the issue was resolved and how well the solution met the customer's expectations are two of the most important drivers of customer satisfaction.

If your reps are solving most inquiries in a single contact and to each customer's satisfaction, you're likely to get stellar marks – sending your CSAT in the right direction!

USE THIS FORMULA TO CALCULATE IT:

$$\frac{\text{Total Resolved Cases}}{\text{Total Number of Cases}} \times 100$$

A REALISTIC TARGET

Between 70 and 75%

Søttrup believes that next to CSAT, FCR is the most important KPI for customer service departments, "CSAT tells you how customers feel in general about their experience. After that, FCR is the most important one because customers would rather wait a little longer but have their issue fully resolved on the first interaction. I'd also track the total time to resolution. So, how long does it take for a customer until their case is fully resolved? First contact resolution taps into that as well."

3 Average First Response Time (AFRT)

Today's customers and companies are interacting via chat, social media, email, instant messaging apps, and more!

You only get one chance to make a first impression, so streamlining processes around this KPI could be a quick and easy win.

AFRT measures the average amount of time that elapses between a customer initiating a support request and receiving the customer service team's first reply.

It can be measured per channel or across all channels to give you a holistic view of how quickly your team is responding to initial tickets.

USE THIS FORMULA TO CALCULATE IT:

$$\frac{\text{Sum of First Response Times (by channel or across channels)}}{\text{Total Number of Tickets}}$$

According to a survey of 1,000 companies, an average AFRT is 12 hours and 10 minutes; yet 46% of consumers say they expect a response in under four hours, and 12% expect a response within 15 minutes. This shows quite a disparity between what customers expect and what they're getting. While a quick initial response can assure customers that someone is looking into their inquiry, auto-responders can quickly backfire if your team has a long average time to resolve inquiries (see below: Average Time to Resolution).

Therefore, it's considered best practice to not include auto-responders when calculating this KPI. Instead, only track responses that add value.

☝️

12 hours & 10 minutes

Average First Response Time (AFRT)

⏳

46%

46% of consumers say they expect a response in under 4 hours

🚀

12%

12% of consumers expect a response within 15 minutes

4 Average Time to Resolution (ATR)

Not every issue can be solved during the first contact, so this is an important metric for assessing how efficiently your team is resolving complicated cases. This KPI measures how long it takes on average to resolve a ticket from start to finish.

USE THIS FORMULA TO CALCULATE IT:

$$\frac{\text{Total Duration of Resolved Cases}}{\text{Total Number of Cases}}$$

BENCHMARKS VARY BY INDUSTRY, BUT HERE ARE SOME GENERAL GUIDELINES

<12 hours	12–48 hours	48+ hours
Good	Average	Poor

A quick resolution doesn't necessarily indicate a satisfactory resolution, so it's best to look at this KPI in the context of other satisfaction-related KPIs like CSAT. That way, you'll get an overall impression of whether your team is pursuing efficiency at the cost of performance.

Consistently long ATRs are often an indication of inefficient processes. This is a perfect example of how KPIs can help leaders to identify day-to-day challenges and give their teams the tools they need to make their work easier while enabling them to perform more efficiently – a win for everyone!

5 Customer Retention Rate (CRR)

Providing outstanding customer service is one of the easiest ways to retain customers. While providing lackluster service is one of the quickest ways to lose them. Therefore, CRR is a strong indicator of whether your department is providing acceptable levels of customer service.

It’s no secret that churn is predicated by a number of factors, but this shouldn't be a reason to avoid taking steps in customer service to retain them. This includes providing proactive support, making it easy to contact customer service through various channels, providing personalized, unique, or unforgettable experiences, implementing a customer feedback loop, and offering incentives, discounts, or rewards where appropriate.

USE THIS FORMULA TO CALCULATE IT:

$$\frac{\text{Number of Customers at the End of a Period} - \text{Number of Customers Gained in the Same Period}}{\text{Number of Customers at the Beginning of the Period}} \times 100$$

The average CRR varies widely by industry. Reports like this 2023 Average Customer Retention by Industry, provide the current benchmarks for your industry. You can also search online or use this KPI to identify trends under your own roof. Achieving a high CRR will pay dividends in higher customer lifetime values and increased profits.

3 Crucial Operational KPIs

While customer satisfaction should be your main priority, there are some behind-the-scenes KPIs that are crucial to running a strong department while reigning in costs.

1 Average Cost Per Resolution

You're in business to make money. But do you know how much it costs on average to resolve each inquiry? While outstanding customer service is important, it's also important to minimize costs where possible.

Tracking the average cost per ticket is one of the most effective ways to optimize staffing levels and get a handle on operating costs.

USE THIS FORMULA TO CALCULATE IT:

$$\frac{\text{Total Support Costs for a Given Period}}{\text{Total Number of Tickets Resolved}}$$

It's difficult to give a target for this KPI, except to say that the lower the cost per resolution the better. If your costs are consistently rising but the volume and types of inquiries are consistent, you might consider looking into self-service tools.

2 Volume by Channel

To understand your volume by channel, add up all of the inquiries between customers and support staff per channel for a given period, then compare.

HOW TO CALCULATE CHANNEL VOLUME:

Sum of the Inquiries between Customers and Support Staff per Channel for a Given Period

This will give you an immediate snapshot of your most popular channels. Over time, you'll be able to see trends and get better at forecasting peak demand for each channel.

Understanding how your customers are contacting your company can help drive staffing decisions, ensuring you have adequate coverage where most customers are initiating support requests. It can also help you to avoid the pitfall of de-staffing channels based on intuition, which can result in poor resolution times and low satisfaction-related scores. This is another example of how KPI tracking can help make customer service reps' lives easier.

🤝

67%

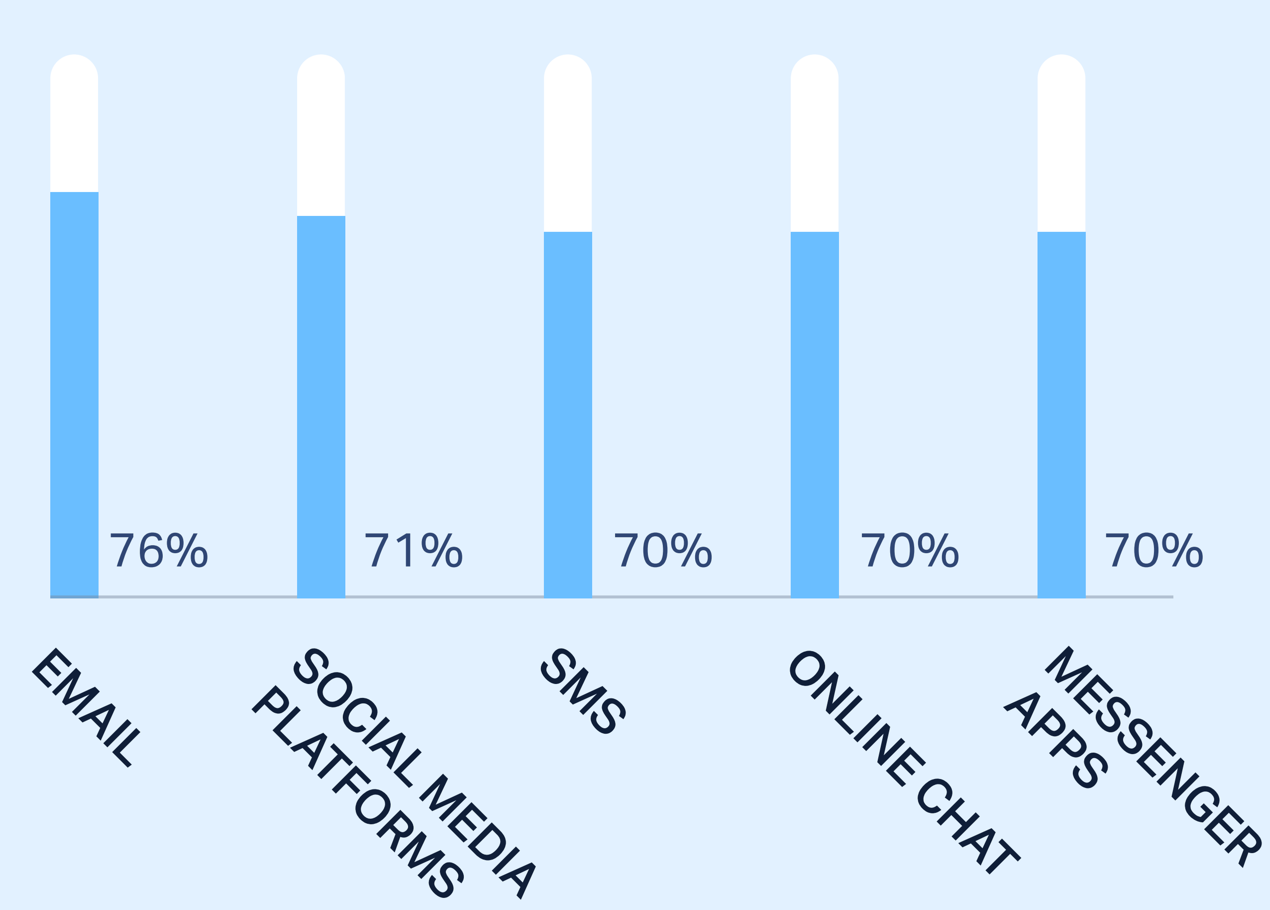
67% of consumers say they regularly use **three or more** channels to engage with a single company.

👩‍💻

60%

60% of customer-company interactions now take place online – and support is increasingly provided via text-based channels.

PERCENTAGE OF SUPPORT CASES VIA TEXT-BASED CHANNELS



3 Employee Turnover Rate (ETR)

Your staff members are as important as the customers they serve. This is a notoriously high-turnover sector and the cost of recruiting, training, and onboarding new employees can be substantial – especially in large teams. Employee turnover rate measures the percentage of employees who voluntarily leave your organization within a given timeframe.

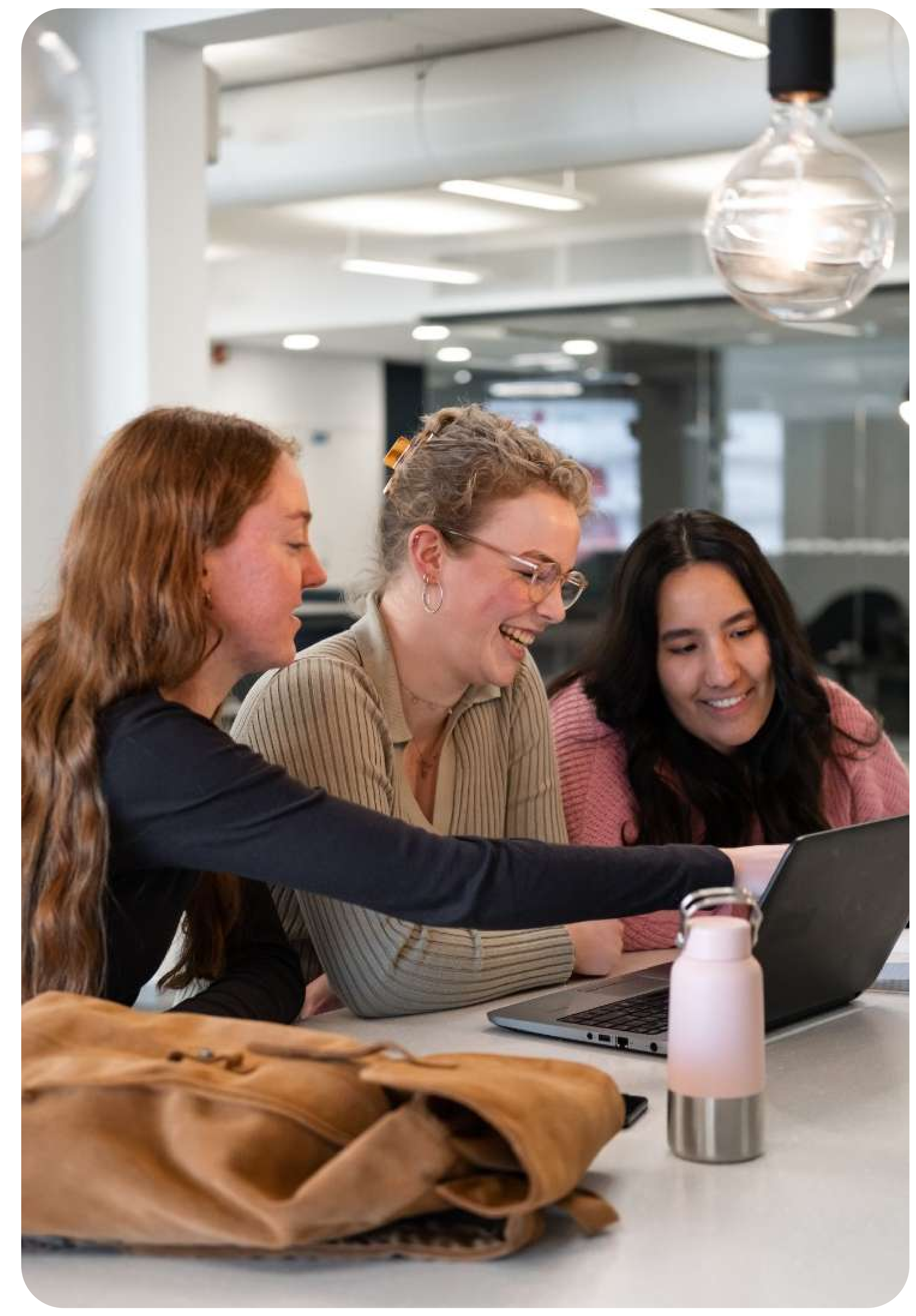
USE THIS FORMULA TO CALCULATE IT:

$$\frac{\text{Number of Resignations in a Given Period}}{\text{Number of Employees at the Beginning of That Period}} \times 100$$

In 2021, the average yearly turnover rate for call center staff was **58%**. Keep that in mind when setting your target. Watching this metric will help you identify negative trends so you can look into what's driving the attrition and make the necessary adjustments. Conversely, above average-retention or rising retention rates could be a clue that your training, coaching, and incentive programs are on point.

Make Your KPIs Visible

Visualizing your team's performance is one of the most effective tactics for building a performance-driven culture. Tracking your KPIs on individual and departmental dashboards will help everyone keep an overview of how they're performing – individually and as part of the team. Søttrup is a firm believer in the motivational power of dashboards:



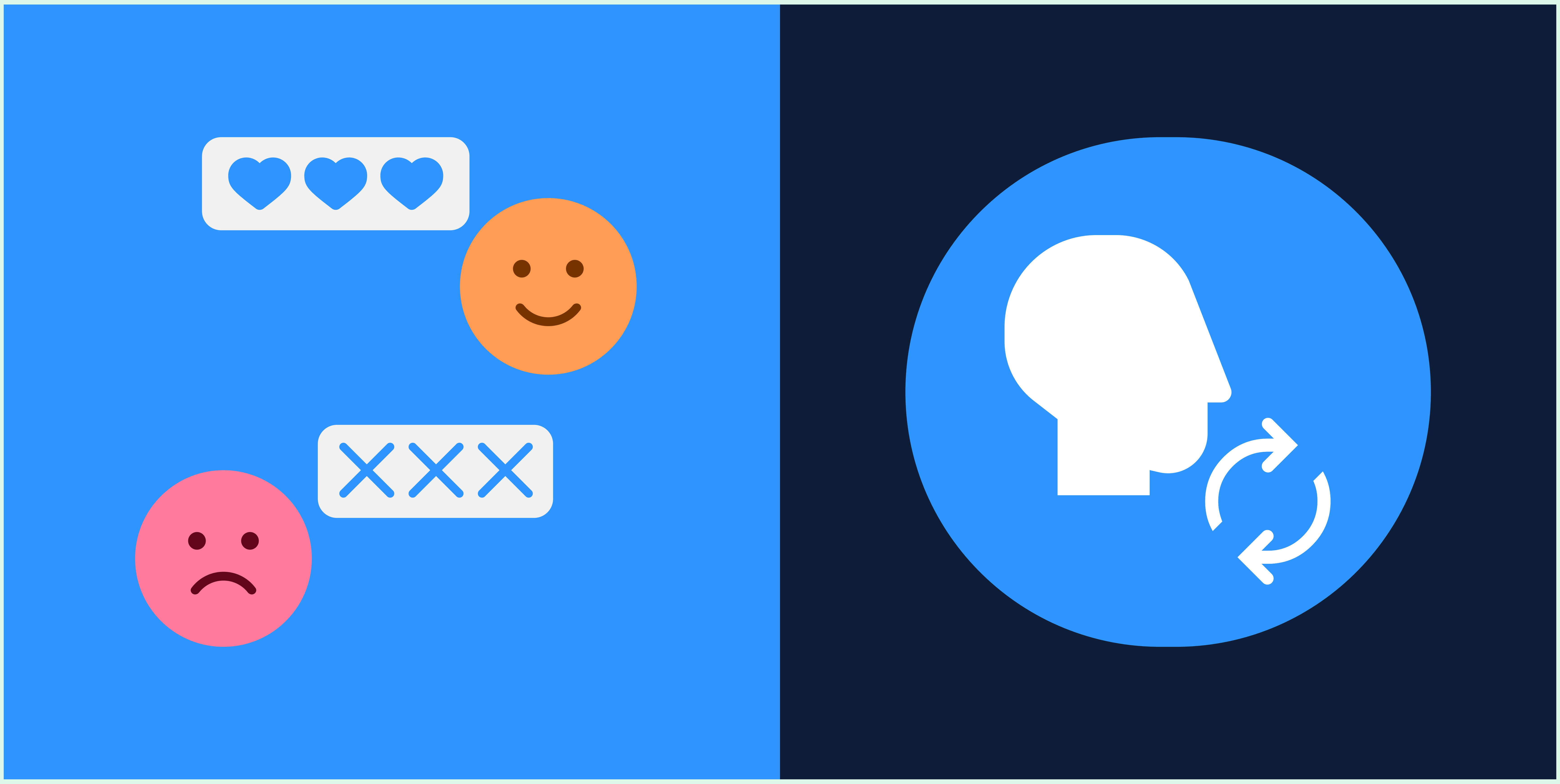
Tue Søttrup
Dixa VP CX Excellence & Chief Evangelist

It's important to make performance very visible for the agents. For example, dashboards where you can show their performance and tie it into the actual business goals. Making it visual makes it clear for them that they are having an impact.

This can help build camaraderie by showing everyone what they're doing well and encouraging them to cooperate on things that aren't going so well. Working together to move the needle on underperforming metrics can be a great teambuilder – as long as you dangle a carrot and avoid the stick!

Best Practice 2

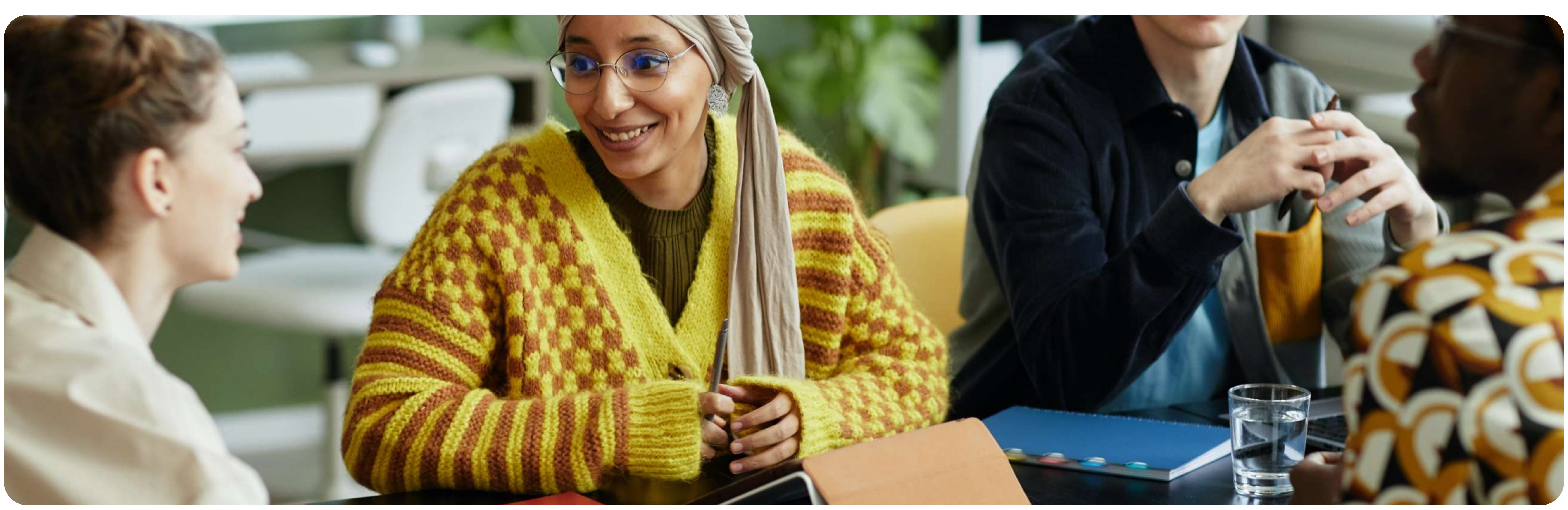
Lowering Your Team's Employee Turnover



In 2022, Gallup's State of the Global Workplace report found that only 21% of employees are engaged at work, costing the global economy $7.8 trillion annually. Further Gallup research suggests at least 50% of the US workforce is "quiet quitting," a phenomenon that refers to when an employee subtly scales back their efforts to doing the bare minimum without cause for being fired. Given the higher-than-average turnover in customer service, we can safely assume that these figures are even higher among customer service staff.

There's a lot at stake when it comes to increasing retention in high-turnover fields like customer service. Recruiting, hiring, and onboarding new employees is an expensive process. Harvard Business Review reports that it costs between 100% and 300% of the employee's annual salary to fill a vacant position – and it typically takes eight months for a new employee to reach full productivity.

Low staffing levels and high turnover can also negatively affect the speed and quality of customer service, impacting CSAT and prompting customers to look for alternatives. Worse yet, losing a long-time and well-liked employee can hurt morale and even set off a chain of resignations. So, what can you do to keep your employees from browsing the employment ads?



Why is contact center turnover so high?

Even in low-turnover industries, 90% is generally considered a reasonable employee retention rate. Keeping in mind that the turnover rate in customer service is 1.3 times the average of other departments, don't feel bad if you're not hitting that number. Even if your retention rate is well below 90%, there are things you can do to help boost it — if you understand what's driving it.

WHY IS CONTACT CENTER TURNOVER SO HIGH? THERE ARE GENERALLY NINE DRIVING FACTORS:

1. Non-challenging/repetitive work
2. Lack of recognition
3. No growth potential
4. Inflexible work environment
5. Employee disengagement
6. Excessive pressure or stress
7. Abusive calls
8. Poor job satisfaction
9. Low pay

According to Gallup, even high-turnover organizations can improve employee retention by 18% with the right initiatives. How? By focusing their retention efforts on these five key areas for increasing employee engagement, which indirectly address most of the factors driving high turnover:

- Purpose
- Development
- Ongoing conversations
- Caring manager
- Focus on strengths

9 Tactics to Lower Employee Turnover

1 Invest in training and onboarding

According to some statistics, over 50% of new hires decide within their first two weeks on the job whether they plan to stay with the company long term. A comprehensive training and onboarding process, like the one outlined in Chapter 4, is an essential tool for engaging employees from day one. This upfront investment builds each employee's emotional connection to the company and their new role while boosting confidence and feelings of satisfaction early on, giving them the best chance at success.

2 Have regular coaching sessions

Standalone performance reviews are outdated and do little to develop talent – in fact, they're driving turnover with employees citing "lack of transparent performance reviews" as one of their reasons for quitting contact center jobs. Regular one-to-one coaching sessions are a better choice as they encourage candid communication and a safe place for employees to vent and air their frustrations to someone who's in a position to help. In doing so, employees feel valued and supported, and are more likely to feel loyal to their company, manager, and team – making them less likely to quit.

Through ongoing, collaborative discussions, managers get a chance to understand each employee's challenges, strengths, weaknesses, and career goals. As such, these sessions better arm managers with the insights to foster career development opportunities – increasing the chances of employees staying long-term.

3 Offer professional development and career progression opportunities

Customer service is oftentimes seen as a “dead-end job” or a stepping stone to something better. Companies that establish clear career paths coupled with a “promote from within” policy give their employees something to work toward. Keeping employees engaged can be achieved by pinpointing specific areas to specialize in. Particularly given the highly detailed degree of knowledge required within customer service and support, the opportunities for specialization are endless. Company-paid professional development opportunities can build important skills while demonstrating that the company values each employee’s contributions and would like them to stay for a while. To get the most out of this investment, try to offer training with transferable skills that could be used in a higher position.

4 Pay employees what they’re worth

Offering salaries and benefits that are out of sync with your competitors, or the task at hand, is a surefire way to demotivate and lose employees – especially in notoriously underpaid roles like customer service. When you pay people less than they’re worth, they’re unlikely to go above and beyond – and worse yet, they’re likely to have one foot out the door. Be careful not to punish long-standing employees for their loyalty by paying new hires more for similar work. Ultimately, losing excellent employees because you’re underpaying them will cost more than you’ve saved.

5 Accommodate working preferences

Assuming you’re not running a remote or hybrid team, you’re now competing with companies that do – and many workers prefer that flexibility and convenience. In this post-pandemic world, many employees have become accustomed to working from home and they’re not willing to easily give that up. If you can’t retain employees based on salary, flexibility is your next best incentive. If you don’t do it, another company will.

A recent survey found that 49% of respondents said that they're conside-ring remote customer service work options to meet changing employee preferences.

Deciding on 1-3 days that the whole team works from the office is a perfect way to ensure balance while maintaining the necessary team work flow.

6 Keep it interesting

With omnichannel support becoming the gold standard, call center reps no longer have to spend their entire shift with a headset glued to their ear. Cross-training your reps across your different channels is a smart way to counteract boredom without sacrificing productivity, and challenge them to continue their knowledge-building! Although, channel-jumping from calls to chats can only do so much to keep even the most charismatic customer service agents energized day in and day out.

Fun-filled CSAT contests or what we've coined the "Keep it Cool" game are a great way to keep spirits high.

ACTIVITY IDEA

> Gather your team in a circle and challenge one member at a time to "keep cool, calm and collected" as the other team members call out common customer challenges and interjections. Not only does this develop their skills for hand-ling challenging customer interactions, it helps to let off a bit of steam by unpacking frustrating encounters in a light-hearted way.

7 Celebrate success often

Research reveals that 65% of employees haven't received any recognition at work within the past year, and 78% say they'd work harder if they were given more recognition. These are statistics that managers in high-turnover environments like customer service can't afford to ignore.

Celebrating success is a powerful way to boost employees' feelings of purpose, highlight their strengths, and make them feel valued. Things like leaderboards, instant notifications, and challenges are effective ways of recognizing everyone's small wins while giving them a sense of purpose.
Amie Brennan, Solutions Consultant at SuccessCX, stresses the importance of appreciating customer service staff and recognizing their efforts:

🤝

65%

report not having received any recognition at work over the last year

🧑‍💻

78%

say they'd work even harder if they got more recognition

> Amie Brennan
> Solutions Consultant at SuccessCX
>
> I'm the biggest believer in making your agents happy. Because if your agents aren't happy, it backfires since their frustration flows to the customers, then they don't provide good service. A lot of companies forget that, and they use their agents as a workhorse. They forget the value that agents bring and don't make them feel appreciated."

Introducing modern motivatinal techniques like gamification can increase employee engagement by adding an element of fun to the workday. Customer service agency LiveOps used gamification to address high turnover and low morale, resulting in a 23% improvement in call-handle time and a 9% increase in customer satisfaction Need more convincing?

Research has shown that employees working in gamified environments are 89% happier and more engaged at work than those who aren't working in gamified environments – and 69% say they'd stay with an employer for longer than three years if gamification were part of the daily operations. That's a pretty strong case for gamification!

WHAT IS GAMIFICATION?

Gamification involves applying elements such as points and notifications to non-typical game-like contexts to engage and motivate the user.

8 Empower your reps to make decisions

According to a 2021 study, lack of empowerment is one of the main reasons employees resign from contact center jobs. Empowering your frontline customer service reps to make decisions can impart feelings of ownership that will motivate them (and give them the authority) to provide the best service possible. Trusting employees to do their jobs should go a long way in helping them find satisfaction in their work. This can feel like a leap of faith, but if you've trained them well, there's nothing to fear.

StraightSource CKO, Jesse M. Hahn, believes that empowering reps to make decisions can have the added benefit of driving CSAT in the right direction, "Expedia has good customer service in general because their agents are nice; and if the customer isn't right, instead of arguing or fighting them, they'll say, 'OK, this is what happened. I can't change it, but this is what we can do.'

Jesse M. Hahn
StraightSource CKO

Expedia agents can give up to a $200 gift certificate at their discretion, so each agent has the capability to keep a customer happy. That's an example of how companies today still provide good customer service – by empowering their agents."

9 Track employee satisfaction or employee net promoter score (eNPS)

Happy employees are more likely to produce quality work and are less likely to quiet quit or resign. But how happy are your employees? Have you asked them?

Even if you've memorized Gallup's five key areas and are using them to drive most of your retention efforts, it's all for nothing if your efforts aren't resonating with your employees. To get to the nitty-gritty of how your employees really feel about coming to work, conduct regular and anonymous mini-pulse surveys or eNPS valuations. While NPS is typically used to gauge customer satisfaction, eNPS gauges employee satisfaction.

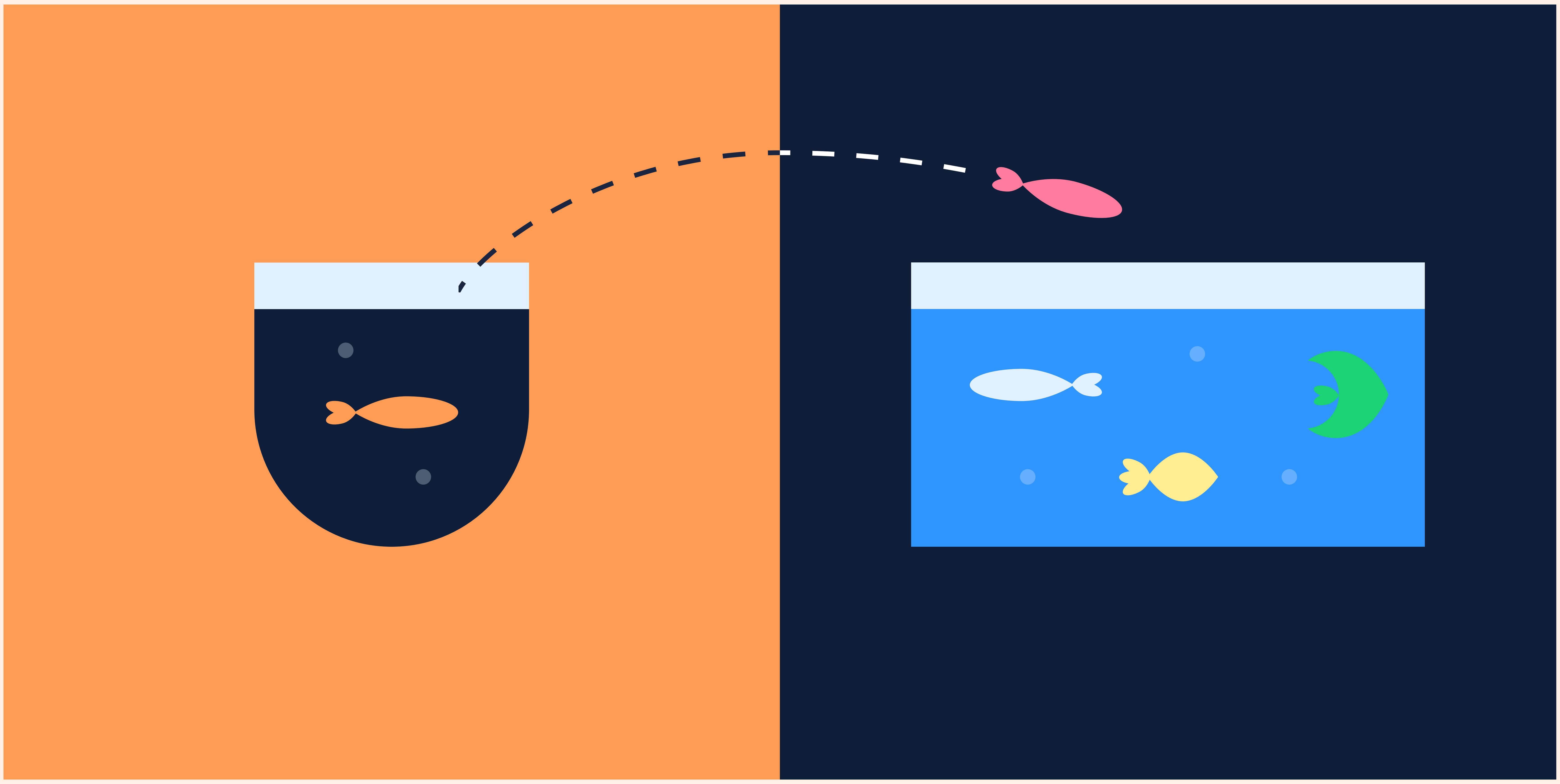
Use the eNPS as a way to zero in on issues and protect the investment you've made in your people, so it doesn't go astray... and neither do they.

AN ENPS IS DERIVED BY ASKING THE FOLLOWING QUESTION:

> On a scale **from 1 to 10,** how likely are you
> to recommend our company as an employer to a friend?

Best Practice 3

Reducing Churn & Improving Retention



Customer churn is a common KPI that's having its heyday as companies focus on customer retention as part of their long-term strategies. Taking steps to reduce customer churn is critical to your company's long-term success, and here's why: Churn is expensive!

Some experts estimate that it costs six to seven times more to acquire a new customer than to retain an existing one – and reducing churn by just 5% can boost profits by up to 95%! The message is clear: Customer retention is more profitable than acquiring new customers.

In what is typically seen as a focus for customer, you might be asking, **"What does customer service have to do with churn?"**

Well statistically, somewhere around 90% of your customers have chosen to do business with your company based, at least in part, on the quality of its customer service.

Greg Daines, CEO of ChurnRX, believes that the most effective way to reduce churn is to predict it, "You can't prevent churn if you can't predict it, and we're mostly very terrible at predicting it. You have to be able to identify that a customer is in trouble before they know they're in trouble. We have research that shows that one out of ten customer rescue efforts will succeed in getting the customer to retain. We've tracked customers that were rescued from churning, and it turns out that nearly all of them churn in their next renewal. So even when you've rescued a customer, you actually haven't. It doesn't work. You have to predict churn."

😠

58%

customers would switch companies because of poor customer service

👍

93%

93% of clients would return to companies who offer excellent customer support vs. those that don't

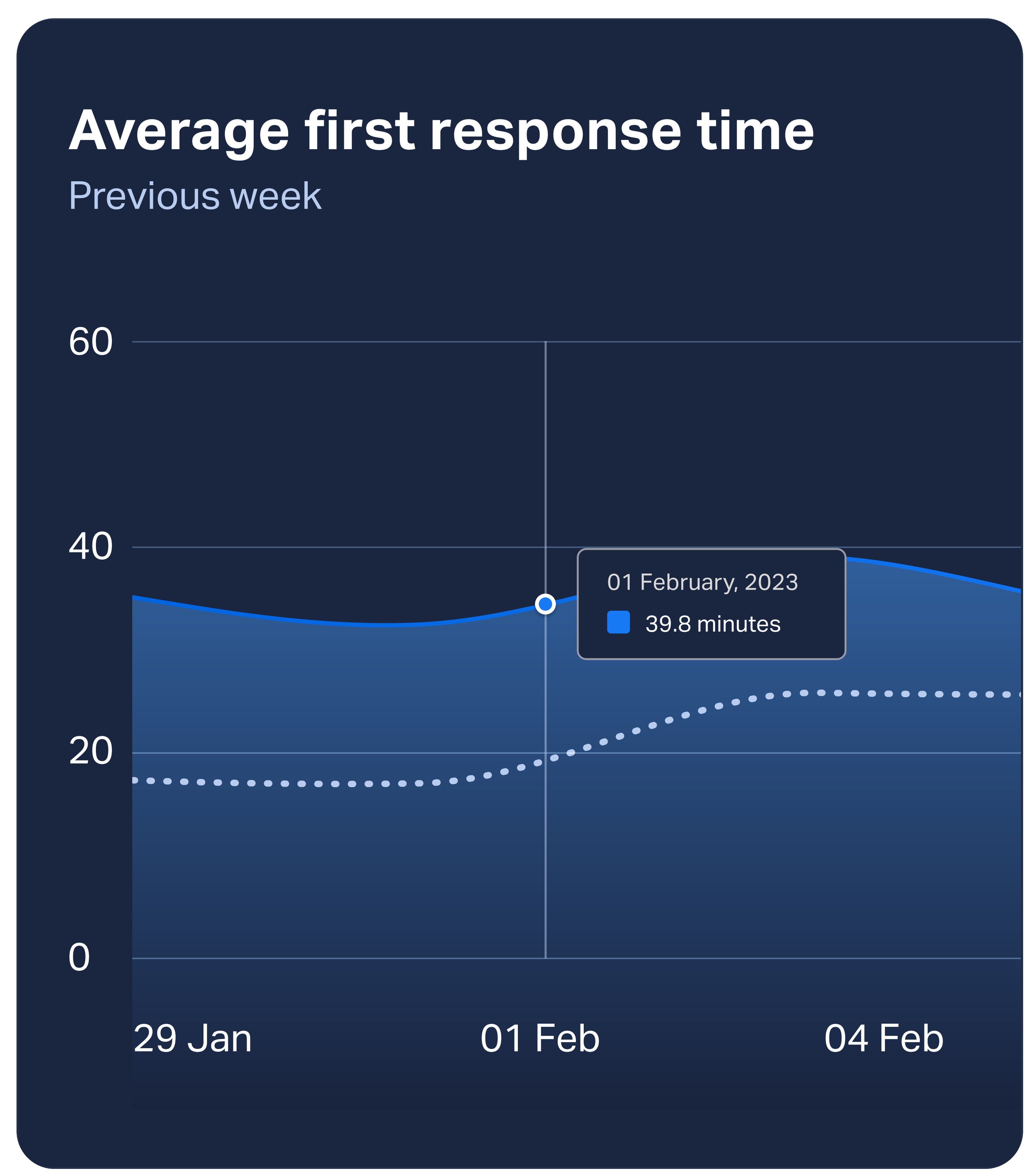
9 Ways Customer Service Teams Can Help to Reduce Churn

By downloading this eBook, you've taken an important first step toward becoming more intentional in how you approach customer service. Needless to say, there are a number of reasons that churn happens – but don't underestimate the impact customer service has on retaining customers.

So, how can you and your team take active steps to reduce churn? Some churn is unavoidable, but here are nine things you can do to help your company put its best foot forward when it comes to customer retention.

1 Watch your KPIs

If you take one thing away from this eBook, let it be the importance of tracking and acting upon the right KPIs. The best way for customer service departments to reduce churn is to make sure they're meeting (or preferably exceeding) their customers' expectations. At a minimum, this means tracking CSAT, average first response time, first contact resolution, average time to resolution, and customer retention rate. If you're falling short of these targets, little else matters.



2 Refine your processes

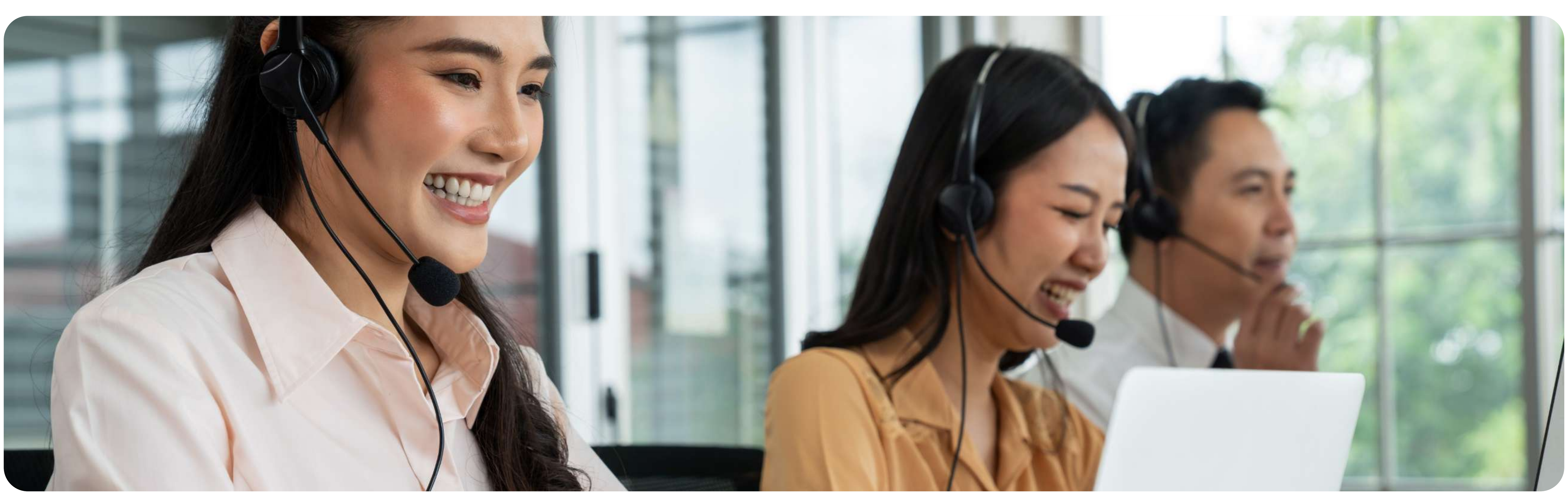
It's easy to become stuck in your ways. Always look for bottlenecks, overly complicated workflows, and opportunities to automate repetitive tasks. Freeing up resources allows you to focus on the most critical or high-value inquiries, and boost your efforts to mitigate churn.

If you don't already have one, you might consider looking into opportunities to create an internal repository of useful information like troubleshooting guides, FAQs, and common inquiries and their solutions. Keeping this information at your rep's fingertips can help to ensure consistent and efficient service.

3 Provide omnichannel support

A toll-free number doesn't cut it anymore. Great customer service must be convenient – 78% of customers expect to be able to engage with companies on their preferred channel at any time – and they expect to switch between channels without having to explain their situation multiple times to different reps. To meet this demand, omnichannel support has become the gold standard.

Many customer service departments are supported by tools that centralize data from CRMs, telephony, helpdesk software, and other systems for a 360-degree view of each customer's interactions with the company. A visual overview of this in the form of an omnichannel support dashboard (as mentioned in Chapter 1) will help to ensure that your team is hitting their KPIs across all channels.



4 Provide comprehensive self-service tools

Self-service tools provide customers with instant and convenient 24/7 access to answers through knowledge bases with troubleshooting help along with video tutorials and FAQs, reducing response times and providing speedy resolutions to easy inquiries. In line with customers' expectations, most companies today allow the ability to manage and configure accounts and subscriptions online. In addition to their ability to positively impact CSAT and other crucial KPIs, self-service tools can help boost profits by reducing the cost of handling inbound inquiries.

5 Give reps the power to make decisions

78% of customers say they've had to contact a company multiple times in order to resolve an issue. Considering that first contact resolution (FCR) is a main driver of CSAT, this isn't a good look. Fortunately, a poor FCR is easily remedied by changing internal processes that hamper customer service reps' ability to resolve issues without escalation. Giving your reps the authority to offer discounts or refunds (in justified situations) empowers them to make educated service-related decisions that will improve customer satisfaction while addressing one of the key drivers of contact center turnover – a lack of empowerment.

6 Let AI help you

While we cover the benefits and pitfalls in more detail in Chapter 7, AI is significantly impacting the efficiency with which companies can respond to routine customer inquiries. In addition to providing 24/7 support via chatbots, some companies are using AI-enabled predictive behavior analysis to automate CRM, improve personalization, sharpen customer segmentation, and better identify customers who are about to churn. With today's AI capabilities, companies can more accurately predict customer inquiry patterns to help them determine optimal staffing for world-class efficiency that keeps customers satisfied.

7 Understand your customers' needs

This goes hand-in-hand with the non-negotiable skills of a customer service rep that we've listed in Chapter 4. Your customer's needs should be at the heart of every customer service interaction. In fact, each interaction is an opportunity to better understand your customer's needs – so you can shape your service to exceed expectations and provide exceptional experiences in the future. Proactively addressing customer needs is one sure way to stand apart from your competitors. Realistically, this will be a company-wide effort. Work in tandem with other departments like marketing, sales, and product to ensure your offerings are in line with customer expectations.

8 Keep tabs on online chatter

What are customers saying in online reviews and on your social media channels? Many businesses don't monitor these platforms – or do so sporadically. These sites can be a goldmine of information about what your customers really think. 55% of customers say they have a positive impression of companies that respond to reviews. So even if your company receives negative reviews, responding by outlining how you're going to address the customer's concerns is excellent damage control – and can go a long way toward reducing churn. Quietly observing and acting upon the information you glean from online chatter is an excellent way to give the impression that you've read your customers' minds.

9 Ask for feedback

You should be measuring CSAT after every interaction, but as useful as it is, CSAT only scratches the surface. For an excellent low-cost/high-yield way to extract deeper insights, consider sending out a short survey with an incentive like a next-purchase discount or the chance to win a prize.

Showing the customer that your company values their business and cares about their experience could save them from churning – and you'll glean valuable insights into possible shortcomings that could be causing customers to churn.

Reducing Customer Churn is a Company-Wide Effort

There's a reason it's called frontline customer service – your reps communicate directly with your customers on an ongoing basis. But the burden of reducing customer churn doesn't rest solely on your team's shoulders. In reality, churn is a reflection of how your company is operating as an entity.

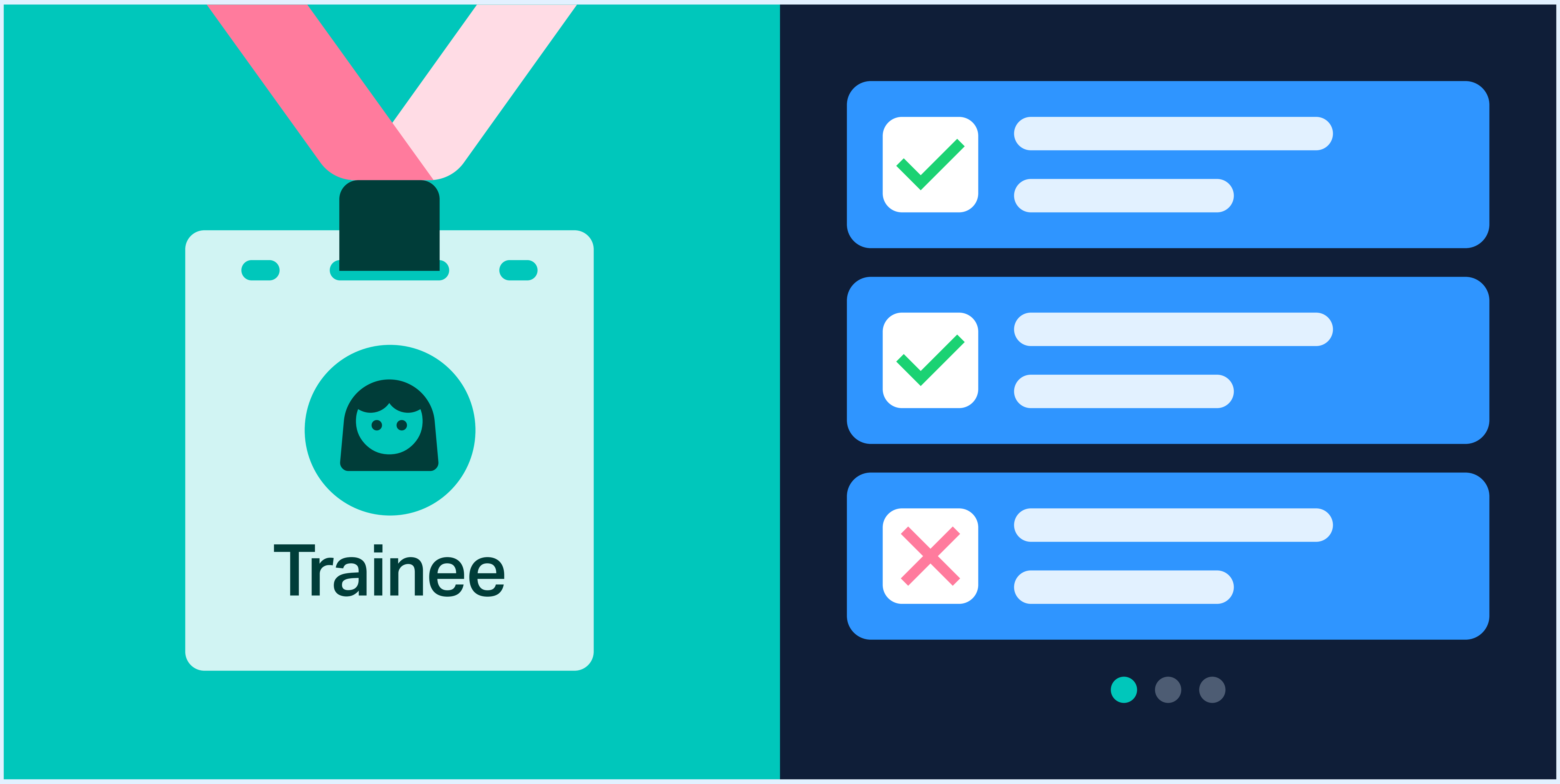
To the same tune, customer retention is a company-wide effort that can't happen in silos. Marketing and sales need to target and qualify the right customers while product development must deliver the features and quality your customers expect.

Further in Chapter 5, we detail how data transparency is an integral part of building a performance-driven customer service team. With an up-to-the-minute overview of your KPIs, your team can quickly identify deficiencies and act before it's too late.

Dashboards, project management tools like monday.com, and workplace communication software like Slack are all useful tools for sharing information between departments. Reach out to other departments to see how you can work together to improve retention – and maybe even share some KPIs!

Best Practice 4

Customer Service Training Best Practices



While customer service is a notoriously high-turnover business, you can combat this by providing effective and sufficient training. When implemented correctly and in conjunction with the strategies offered in Chapter 2, you will be in the best position to retain your employees long-term!

While perks like contests and gamification can help to improve long-term satisfaction among contact center employees, the most successful employee retention strategies begin on the employee's first day. So how can you provide the right training to give your team everything they need to succeed and thrive in their new roles?

5 Soft Skills Every Customer Service Training Program Should Cover

It's a given that most new-employee training covers the nuts and bolts of things like internal processes, tech and software setup, the CRM and telephony systems, KPIs and performance reviews, and product training. With global expansion, some companies are also including sessions on cross-cultural communication and communicating effectively across time zones.

However, a quick review of the current climate will reveal the five critical soft skills that every customer service team must address when training their customer service employees. Let's take a closer look at what each of these sessions might cover.

CUSTOMER SERVICE SOFT SKILLS TO ADDRESS IN TRAINING

1. Proactive vs. reactive customer service
2. Providing customer-centric experiences
3. Ensuring a consistent customer experience
4. Managing negative exposure
5. Owning responsibility for follow-through on cases

Skill 1 Proactive vs. Reactive Customer Service

RELATED TRAITS

Initiative | Confidence | Adaptability | Responsibility

Today's customers expect a personalized experience and with that comes the expectation of proactive service. This part of your training should teach employees to think one step ahead and anticipate each customer's needs.

A deep dive into past customer interactions on common issues can help train new employees to handle these with finesse. This is an excellent opportunity for a role-playing activity based on common inquiries – it's also a great icebreaker!

Let your trainees kick the tires and experience your product (or a selection of products) for themselves so that they know what they're supporting.

In doing so, they'll have first-hand knowledge that can help them to provide useful suggestions, anticipate potential issues, and offer support with the confidence that builds trust and rapport.

Dhinesh Khanna Ramalingam, Global Head of Customer Success at Zoho outlines, "We give our CS employees a long rope to understand the product fully.
This helps them understand how a customer can get the most value from the product. So they 'become the face of a customer' – that is, a happy customer!"

This is also an opportune time to cover active listening techniques as a way to understand the issue at hand while asking clarifying questions to get a deeper understanding of the customer's issue and potentially uncover underlying needs or concerns.

If your business offers high-touch service, you could cover the CRM in this section and discuss how your reps should use information from past interactions and the customer's preferences and purchase history to personalize their service.

Dixa VP CX Excellence & Chief Evangelist Tue Søttrup stresses the importance of looking into a customer's purchase history and past interactions with the company to provide personalized service,

"Number one is to know which other channels the customer has contacted you on. Then, pull in information from the order management system, so the agent knows what was the last order, how much money they've spent, and the status of the order. Customers don't want to repeat information. They expect that you know who they are and can service them without them even saying what the issue is. So, when you have the 'why' and the 'who,' then the last part is the 'how.' And this is about how to solve the customer's issue with trusted knowledge. This allows organizations to deliver a personalized experience at scale."

Tue Søttrup
Dixa VP CX Excellence & Chief Evangelist

> Customers don't want to repeat information.
> They expect that you know who they are and can service them without them even saying what the issue is.

Skill 2 Providing Customer-Centric Experiences

RELATED TRAITS

Communication · Empathy · Critical thinking · Problem-solving

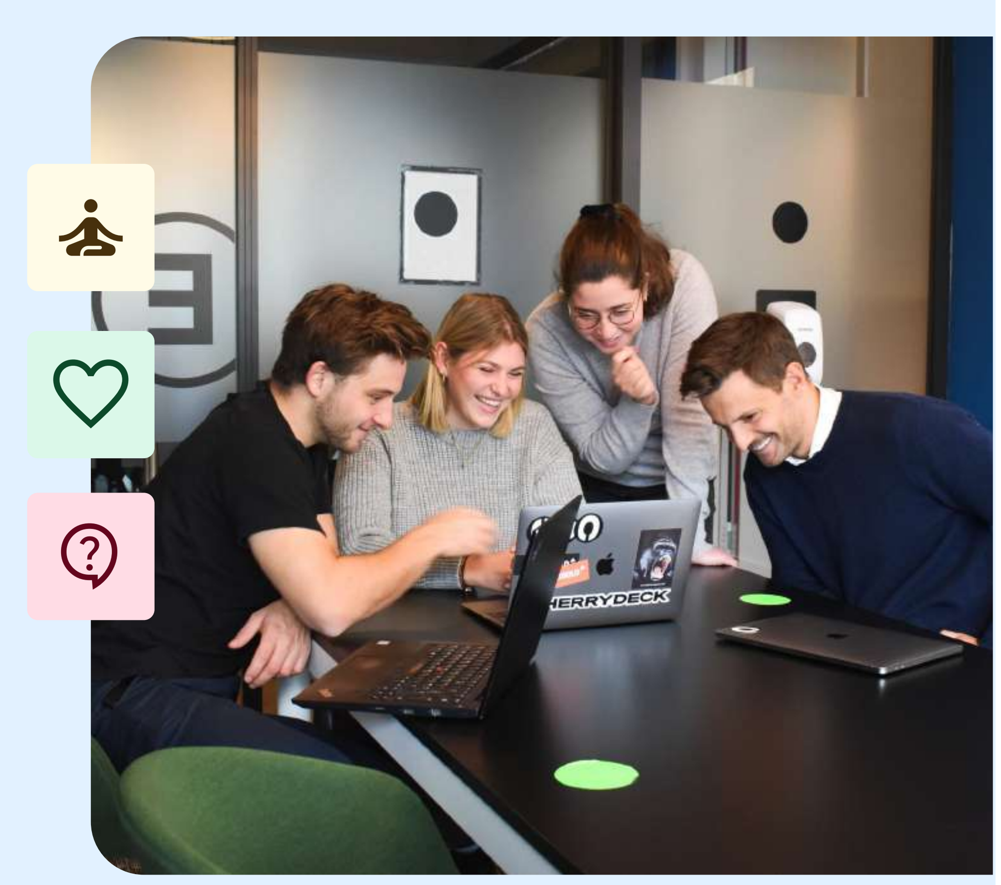
Customer-centric service hinges on your reps' ability to uncover and fully understand each customer's needs and preferences. For businesses that serve a handful of well-defined personas, a deep understanding of the company's main customer profiles will become second nature as the reps settle into their roles. Reps for businesses that sell a broad range of products across demographics are likely to find most of their information in the CRM or by asking the right questions on a case-by-case basis. Regardless of how your reps go about cultivating their understanding of each customer's needs, customer-centric service revolves around three critical skills:

THREE CRITICAL SKILLS FOR CUSTOMER-CENTRIC SERVICE

1. An ability to show empathy
2. Effective communication skills
3. Outstanding critical thinking and problem-solving skills

ACTIVITY IDEA

> Share a few hypothetical situations and ask the trainees to put themselves in the customer's shoes and discuss what they'd like to hear and how they'd like their situation to be handled. Highlight that showing empathy right off the bat is crucial to getting the interaction off to a positive start.



Aircall Customer Success Manager (SMB Accounts) Samantha Avillo stresses the importance of effective communication skills, "Customer service reps are fielding all different types of requests, questions, complaints, and also personalities. You have to be able to match who you're speaking to. Building a connection is essential."

End this session by covering the importance of outstanding critical thinking and problem-solving skills. To wrap up this section, you might want to share this six-step model for delivering customer-centric solutions:

SIX-STEP MODEL FOR DELIVERING CUSTOMER-CENTRIC SOLUTIONS

1. Agree on what the customer was expecting or unsuccessfully trying to achieve.
2. Identify what went wrong.
3. Perform any necessary investigation.
4. Choose the best solution.
5. Communicate the solution in simple, easy-to-understand language.
6. Communicate the solution in simple, easy-to-understand language.

Søttrup believes in empowering reps to find creative solutions, "Train agents in finding the right solution for the customer in the current situation. **Sometimes, you have certain rules and regulations and they're acting within those boundaries and it comes across as very rigid and scripted, and customers can feel that. Give reps the power to choose the right solution for the customer in that situation.** We see a lot of organizations where the total spending on resolving negative customer experiences is going down. Because when you give reps the power to decide what the right solution is, they'll be very creative in finding something that doesn't cost anything but makes the customer happy."

Before moving on, emphasize that knowing how to find the answer is just as important as knowing the answer. It's better to say, "This is my first experience with this issue, let me ask my colleague" than to give the wrong information.

Skill 3

Ensuring a Consistent Customer Experience

RELATED TRAITS

- Clear communication
- Positive attitude
- Detail-oriented
- Professionalism

If the proliferation of franchises and chain stores has shown us anything about the consumer psyche, it's that consumers value consistency as they like to have a basic idea of what they can expect. Empowering your trainees to provide a consistent customer experience requires some upfront work from management. Start by documenting the fundamentals of the customer service experience you'd like to deliver – that will set the direction for everything you do. This includes things like:

FUNDAMENTALS OF THE CUSTOMER SERVICE EXPERIENCE

1. Your main customer profiles
2. The tone of your company's customer service (e.g., formal, informal)
3. Your customer service mission statement or objectives.

Next, it's time to move into the nitty-gritty by defining your touchpoints and the standard operating procedures for each. By defining specific steps and processes covering everything from greetings and inquiry handling to issue escalation, resolution and follow-up, you're capitalizing on one of franchising's main best practices – create an experience that you can replicate! Think about using templates in situations where standard responses are expected. Before you get turned off by the 't-word' (templates) think about the other t-word – time! Templates are an excellent way to to save time while ensuring a consistent response. Start with a structured response that can be tailored by the rep handling the case. That way employees can add a touch of their personality while customers receive the same standard of care.

Skill 4 Managing Negative Exposure

RELATED TRAITS

Patience | Empathy | Communication | Confidence

Acknowledge that at some point, every trainee in the room will encounter an irate or perhaps even a comically unreasonable customer. Underscore the importance of not being provoked even when a customer is personally attacking them because one misplaced word can have dire consequences for the company's reputation and future business.

Avillo says, "With negative reviews, we want to provide a customer-centric experience no matter what. While it's not often people's first instinct, the first thing to do is to dig into the true cause of the complaint. So I train my staff to dig a bit deeper into what steps have been taken to rectify the situation and what can we do to prevent this sentiment from customers moving forward. We want to make sure that the same issue isn't popping up again and again because at the end of the day, that will result in unhappy customers. We definitely have to lead with empathy and understanding in all situations."

Tue Søttrup also places a high value on a rep's ability to show empathy, "If there are three skills or characteristics that customer service rep should have, number one is empathy. The customer always has a right to be understood, and this is where empathy comes in. You can't always meet customers' expectations, but you can always understand what it is that they want, where they're coming from. And then you can act accordingly."

Tue Søttrup
Dixa VP CX Excellence & Chief Evangelist

> You can't always meet customers' expectations, but you can always understand what it is that they want, where they're coming from. And then you can act accordingly.

The trainees should leave this session with some tactics they can use to maintain their composure, handle negative situations promptly and professionally, and identify when to escalate toxic situations to a manager. The key takeaway here is that: less is more when dealing with irate customers.

Train your employees to stick to facts, express empathy without being patronizing, and use clear and concise language that can't be misconstrued as being defensive or confrontational. To build understanding, you could suggest these eight steps to help diffuse volatile situations:

EIGHT STEPS TO BUILD UNDERSTANDING AND DIFFUSE CONFLICTS

1. Express empathy but don't get weighed down by negativity.
2. Identify and state the source of the issue.
3. Commit to finding a satisfactory resolution.
4. Explore possible solutions (involve the customer if possible).
5. Offer a resolution (or several alternatives if it's appropriate).
6. Take responsibility for any mistakes.
7. Deliver an apology that acknowledges the customer's experience.
8. Ask if the issue has been resolved to the customer's satisfaction.

ACTIVITY IDEA

> This is another opportunity to add some levity with a role-playing activity to practice clear and concise communication techniques (e.g., summarizing, paraphrasing, asking clarifying questions) while staying composed under pressure. By now you should have a good read on the trainees' personalities, so push these scenarios as far as you can within the group's comfort zone and have some laughs – people learn best when they're having fun!

Before moving on, cover your departmental policies for monitoring and responding to negative online reviews and comments. This is usually best handled by a dedicated team who have specific social media training.

Posting positive responses is your best line of defense – 55% of consumers say they have a favorable impression of companies that respond positively to all reviews. Ultimately, the best way to manage negative exposure is to avoid it!

Conclude by underlining that under no circumstances ⚠ should the trainees attempt to interact on social media on the company's behalf or personally as an employee.

Skill 5

Owning Responsibility for Follow-Through on Cases

RELATED TRAITS

Responsibility · Time management · Goal-oriented · Problem-solving

While first contact resolution (FCR) is the gold standard, even the most efficient and well-trained teams struggle to hit that target every time. A quick resolution that meets the customer's satisfaction is one of the most important drivers of high CSATs, so the next best thing to an FCR is making sure that each rep owns responsibility for following through on cases that can't be resolved during one phone call or chat session. These four steps are a good checklist for handling cases requiring follow-up:

1. **Set a timeframe.**
   Example: "This will be resolved by close of business tomorrow."

2. **Define the next steps.**
   Example: "I'll call you tomorrow with an update."

3. **Reassure the customer that their issue will be resolved.**
   Example: "You'll hear from me tomorrow with an update. We will get this resolved."

4. **Stick to the plan.**
   It's crucial to live up to what's been promised or to promptly communicate any deviation from the plan.

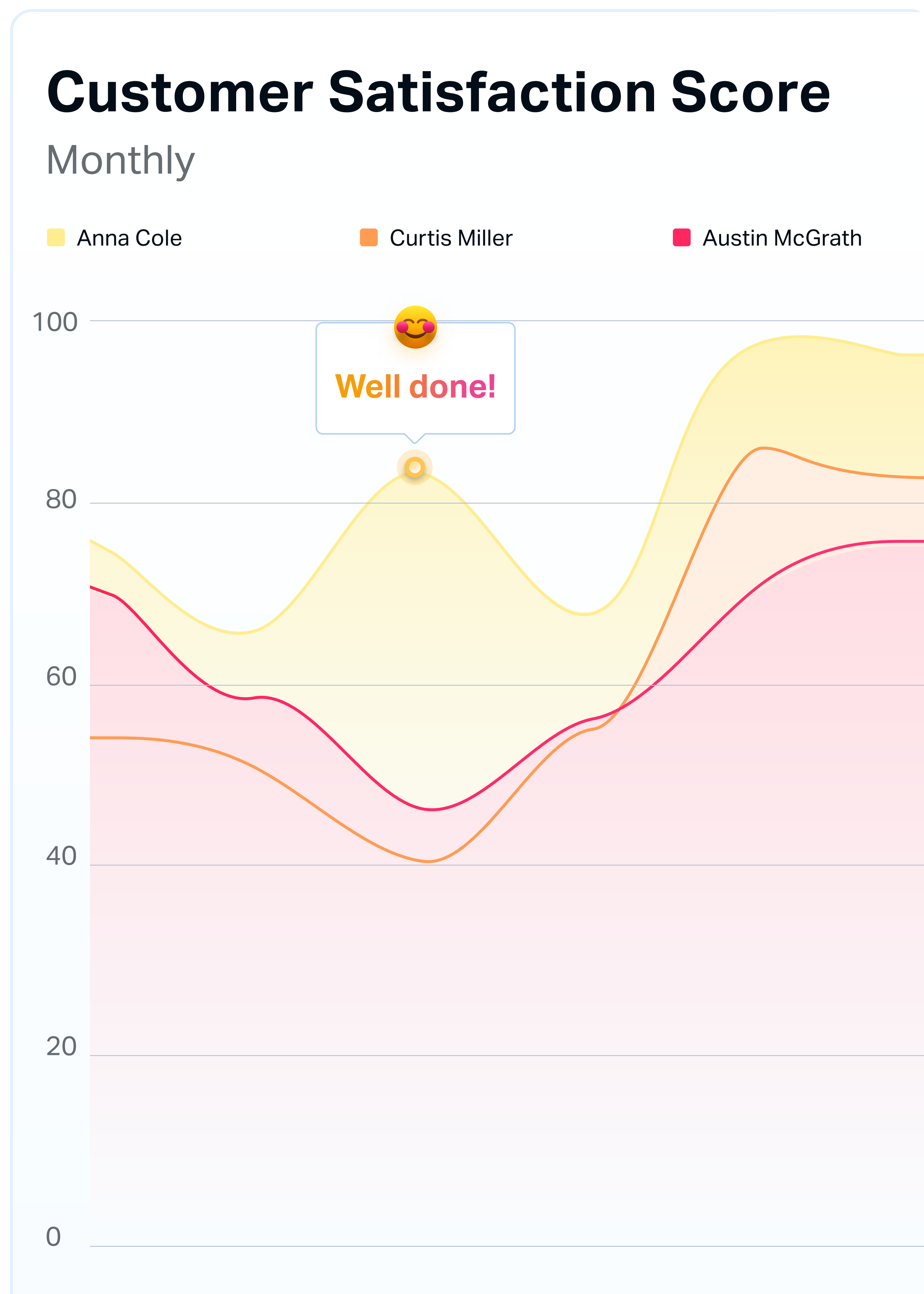
Stress the importance of prioritizing and escalating urgent cases. Highlight any available tools that might help to automate part of this process. For example, how can your ticketing system or other automated processes help your reps stay on top of things?

Training doesn't stop here!

Investing time, effort, and budget in developing these five soft skills will set your team on the path to providing best-in-class service. But continuous learning and skill development are required to maintain a top-notch team that's on-trend with how your business is evolving and what your customers expect.

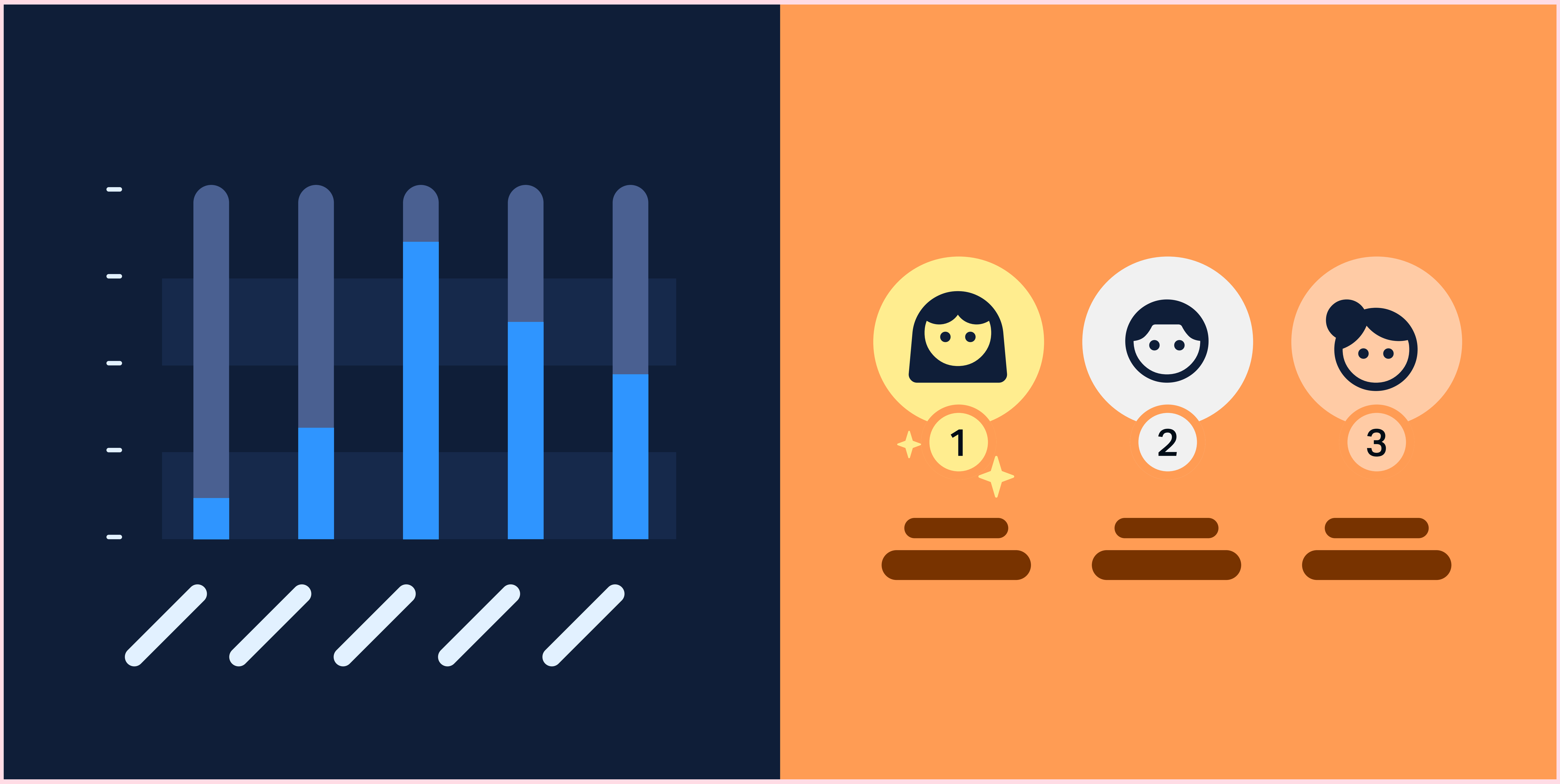
Avillo stresses the importance of ongoing training when it comes to delivering top-notch customer service, "The goal at the end of the day is for our customers to succeed and be happy with their experience with the product. This goes hand-in-hand with adaptability as a customer service rep who has to support constant changes and consistent product releases. They're in a really tough role because if we introduce something new at 8 a.m. and they have a call at 10 a.m., they're going to be expected to be an expert."

Training should be an ongoing effort as trends, best practices, and customer expectations change. Periodic training sessions based around customer feedback or underperforming metrics are another great way to keep your team firing on all cylinders!



Best Practice 5

Driving Performance with Data Transparency



It's likely you've heard about data transparency in terms of consumer data, but how about in relation to your company data? Top-performing customer service teams (and companies) are those that trust their employees and disclose organizational performance data. Sharing real-time insights (i.e., KPIs) has been shown to improve individual, team, and company performance – and can even help to reduce turnover.

Why is data transparency important?

Companies that incorporate real-time insights into their daily operations often see increased commitment, better engagement, and improved performance among their employees.

Giving your employees real-time access to data builds their confidence and trust while increasing their feelings of ownership and pride. Through this emotional connection, they become more committed to their jobs and more vested in the company's success because they can see first-hand how their efforts are making a difference.

Positivity is contagious, and this is particularly important in customer-facing roles like customer service. Employees who feel invested in their company's success are more likely to go the extra mile to make customers happy. Happy customers turn into brand ambassadors, and that's when businesses really thrive!

Why You Should Be Using Dashboard Data in Daily Operations

The visual presentation of KPI data on a dashboard gives your team immediate access to the information they need to become more data-driven.

Tracking real-time performance data enables everyone with dashboard access to pick up on changes and trends – and quickly adjust course before a bump in the road becomes a customer service catastrophe.

Data is knowledge, and knowledge is power. The result is instant data-driven decision-making that improves business outcomes. Amie Brennan, Solutions Consultant at SuccessCX, believes that real-time dashboards help customer service teams take better control of their performance:

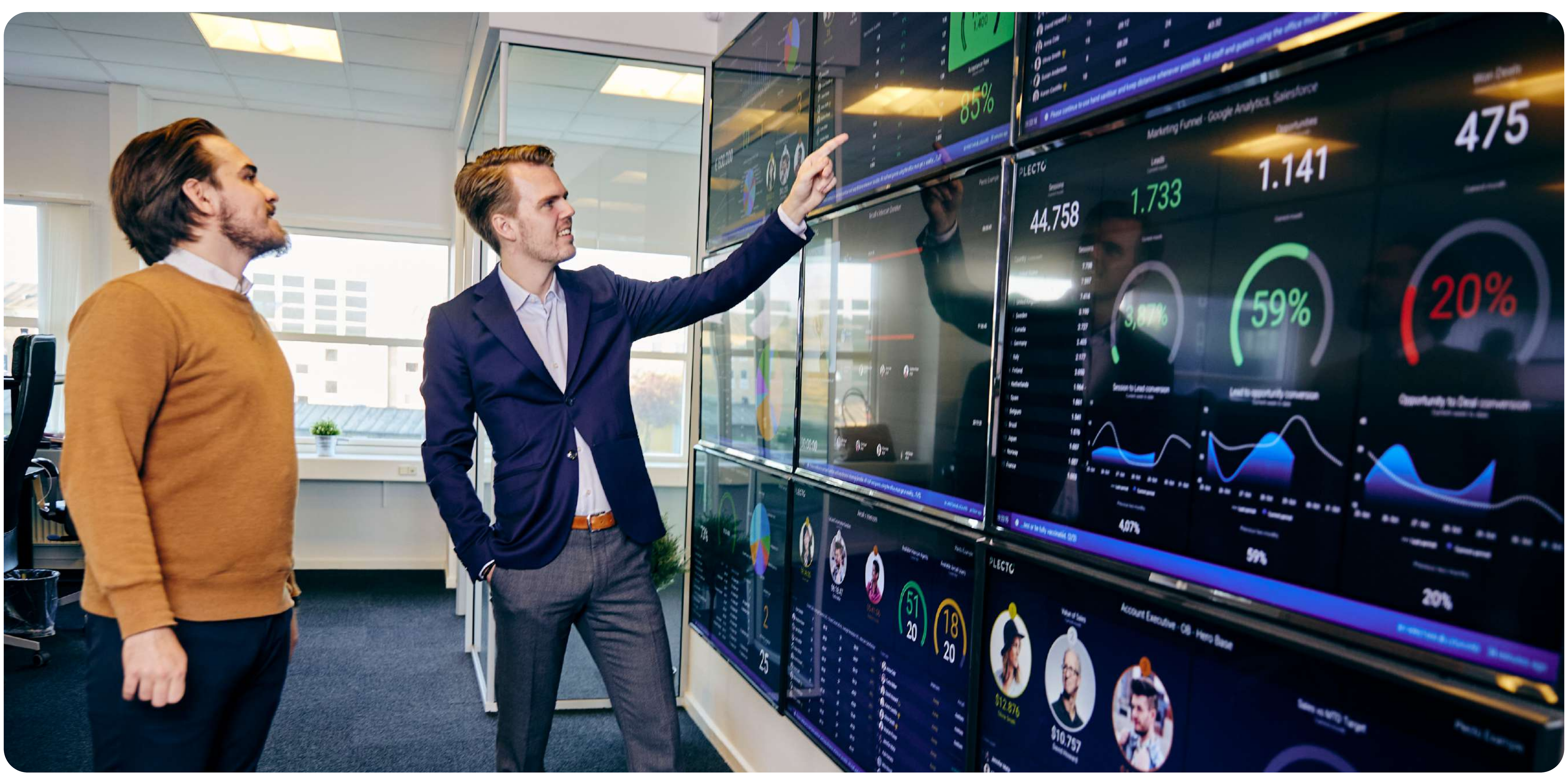
Amie Brennan
Solutions Consultant at SuccessCX

> Seeing real-time dashboards encourages agents. For example, they can see that there are three calls in the queue and they need to get it together. It puts the onus back onto the team so it's not just up to the manager to manage the team."

5 Ways to Use Dashboards to Improve Customer Service

Data-driven companies are statistically more successful than companies relying on intuition. When customer service leaders visualize their department's KPIs on dashboards, they distill complex data into a visual format that makes it easy for employees to understand and act upon. Many organizations have transitioned from dashboards being a "nice-to-have" to becoming a pivotal part of operations that motivates employees and guides strategic decision-making.

If you're new to visualizing your KPIs on dashboards, here are some suggestions to help you get started. These five customer support dashboards are an excellent way to keep track of performance while improving efficiency and customer satisfaction across all of your support channels. Each can be personalized to allow each rep to track how their scores are performing against the department overall. This can also help managers identify employees who might benefit from more coaching or training.



1 The Customer Satisfaction Dashboard

Customer service teams exist to ensure customer satisfaction – so naturally the crown jewel of this dashboard is the CSAT. The main objectives of this dashboard are to visualize CSAT and the primary KPIs that drive it.

This dashboard supports that objective by monitoring customer satisfaction and providing real-time feedback on how well the team meets customer expectations.

IN ADDITION TO CSAT, KPIS COMMONLY SEEN ON CUSTOMER SATISFACTION DASHBOARDS INCLUDE:

1. Average wait time
2. Average first response time
3. First contact resolution
4. Average time to resolution
5. Abandoned calls
6. Average customer effort score
7. Net promoter score

2 The Department Overview Dashboard

You might recognize some of the KPIs included on this dashboard from the customer satisfaction dashboard, as customer satisfaction is a key driver of a high-functioning, top-performing team.

Some leaders regularly tailor these KPIs to highlight areas in particular need of attention, and many departments display this dashboard on flatscreens where it's visible to everyone.

THE KPIS OFTEN SEEN ON THE DEPARTMENT OVERVIEW DASHBOARD INCLUDE:

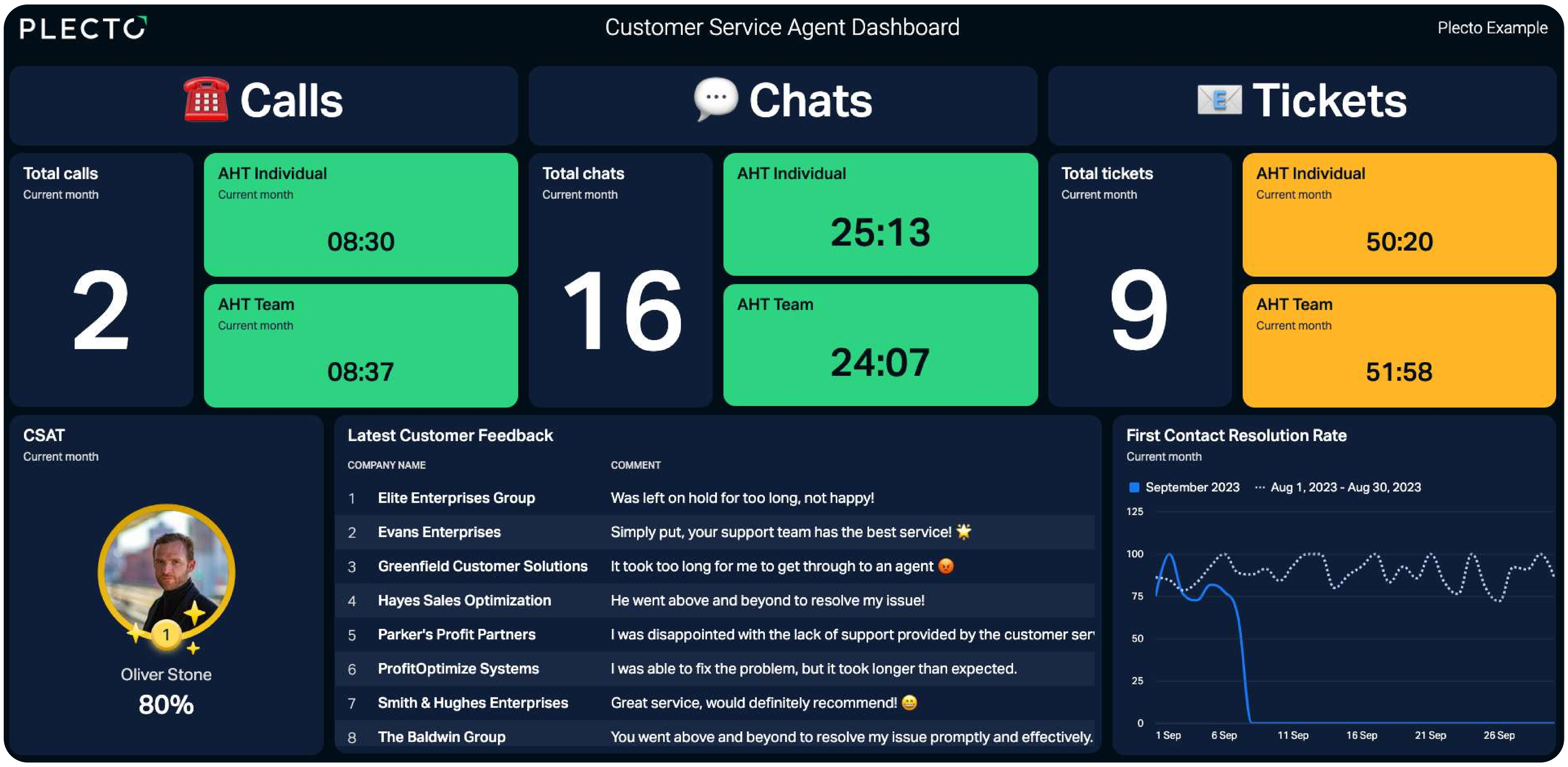
1. First contact resolution
2. Average time to resolution
3. Average first response time
4. Average call duration
5. Support tickets by status
6. Handover rate
7. CSAT

3 Individual Performance Dashboards

If you're reading this eBook, it's because you are, or are looking to become a performance-driven customer service team. A personal employee dashboard is the perfect solution for isolating individual contributions to the team's efforts. Most of the KPIs on this dashboard will mirror those on the two previously mentioned dashboards but the main difference is how it's used.

Visualizing key metrics for each employee provides continuous feedback on how their efforts are impacting the team's performance and how they're performing against their personal goals. It's also a terrific way for employees to monitor personal KPIs that might not be relevant to the broader team – for example, focus areas identified during coaching sessions.

This is typically why companies use this type of dashboard more discreetly during 1:1s.



Use these metrics as a motivational tool by showcasing them on a leaderboard. Doing so helps each employee see how they rank against their peers while sparking a little friendly competition – and avoiding de-motivating employees who are perhaps having a slower month.

Taking this approach benefits everyone by encouraging low- or middle-performers to secure their spot on the leaderboard, while consistently high-performing employees are enlivened to take the top spot on the podium!

COMMON INDIVIDUAL PERFORMANCE METRICS INCLUDE:

1. Average call duration
2. Average time to resolution
3. Average number of inquiries handled per day/week
4. First contact resolution
5. Handover rate
6. CSAT

4 The Omnichannel Support Dashboard

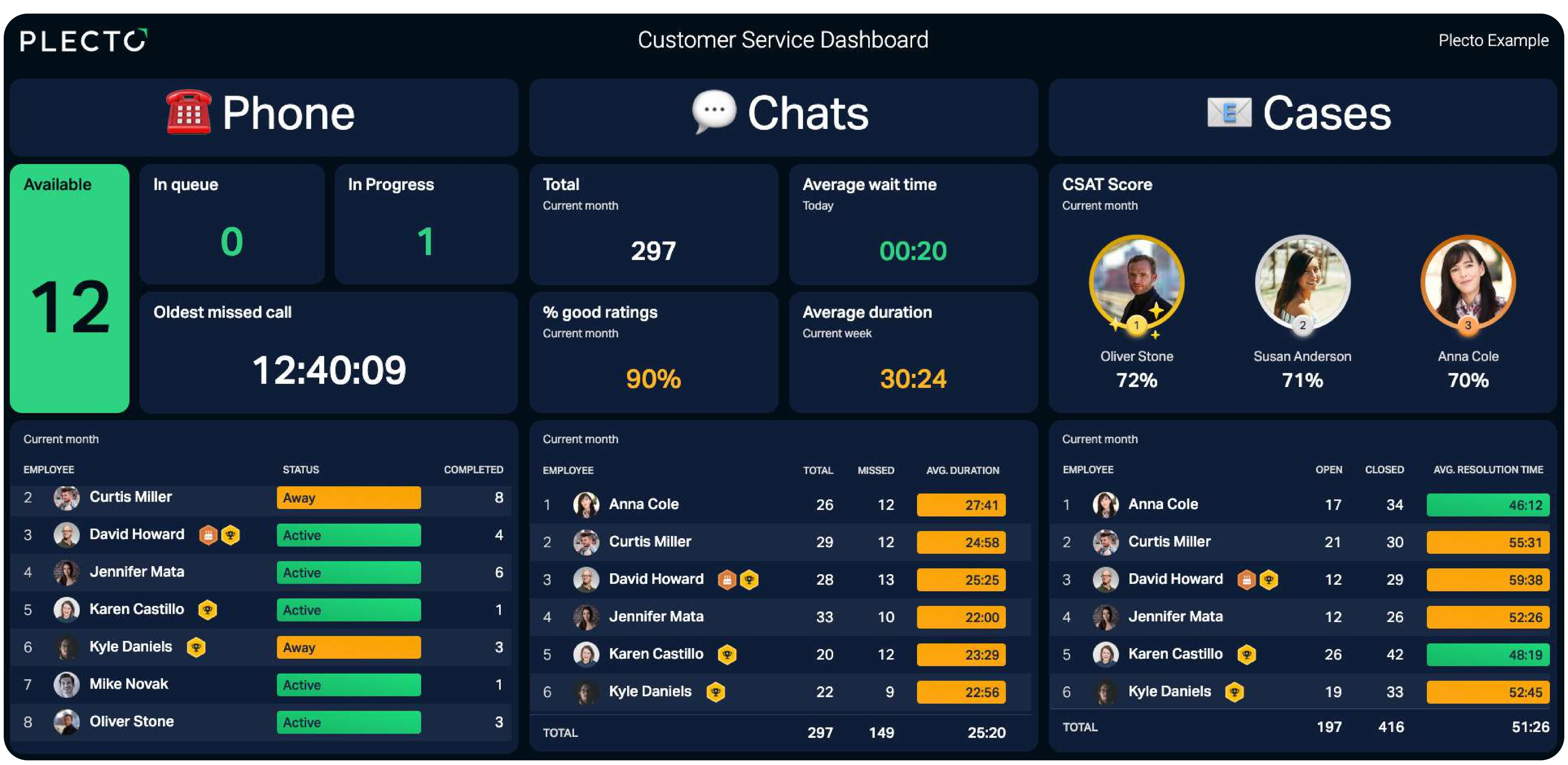
The important distinction between this one and the previously recommended dashboards is that they're broken down by channel.

With most customers regularly using three or more channels to engage with a single company, it's imperative to understand how well your department is servicing customers across all of its support channels (as its name suggests).

This can help pivot staff away from low-volume channels to high-volume channels as needed – helping the department react quickly to negative trends and fill staffing gaps.

COMMON KPIS FOR AN OMNICHANNEL SUPPORT DASHBOARD INCLUDE:

1. Average first response time
2. Average time to resolution
3. Open/closed tickets
4. CSAT



5 The Service Level Agreement (SLA) Dashboard

Companies are increasingly using SLAs to provide customer service benchmarks. Whether they're shared with customers or just internally, SLAs help customer service teams track whether the service they're providing meets the company's standards.

Common customer service SLAs guarantee things like response and resolution times. An SLA dashboard visualizes these metrics to give customer service teams real-time feedback on how they're performing against these benchmarks.

SLA DASHBOARDS USUALLY SHOW THINGS LIKE:

1. Average scores per SLA metric
2. Number of SLA violations
3. Success rates as a percentage

Use Data Transparency to Celebrate Success

Celebrating success is the capstone of a data-driven work culture. Visualization is the first step, but celebrating success in daily operations is proven to boost employees' moods and motivation – reinforcing your efforts to improve performance. Whether it's a round of applause, a shout-out on LinkedIn or Slack, or a gamification program, little things mean a lot.

Companies that share data and make a point of highlighting and celebrating everyone's hard work, progress, and achievements have employees who know that they're valued, making them more apt to go above and beyond what's expected.

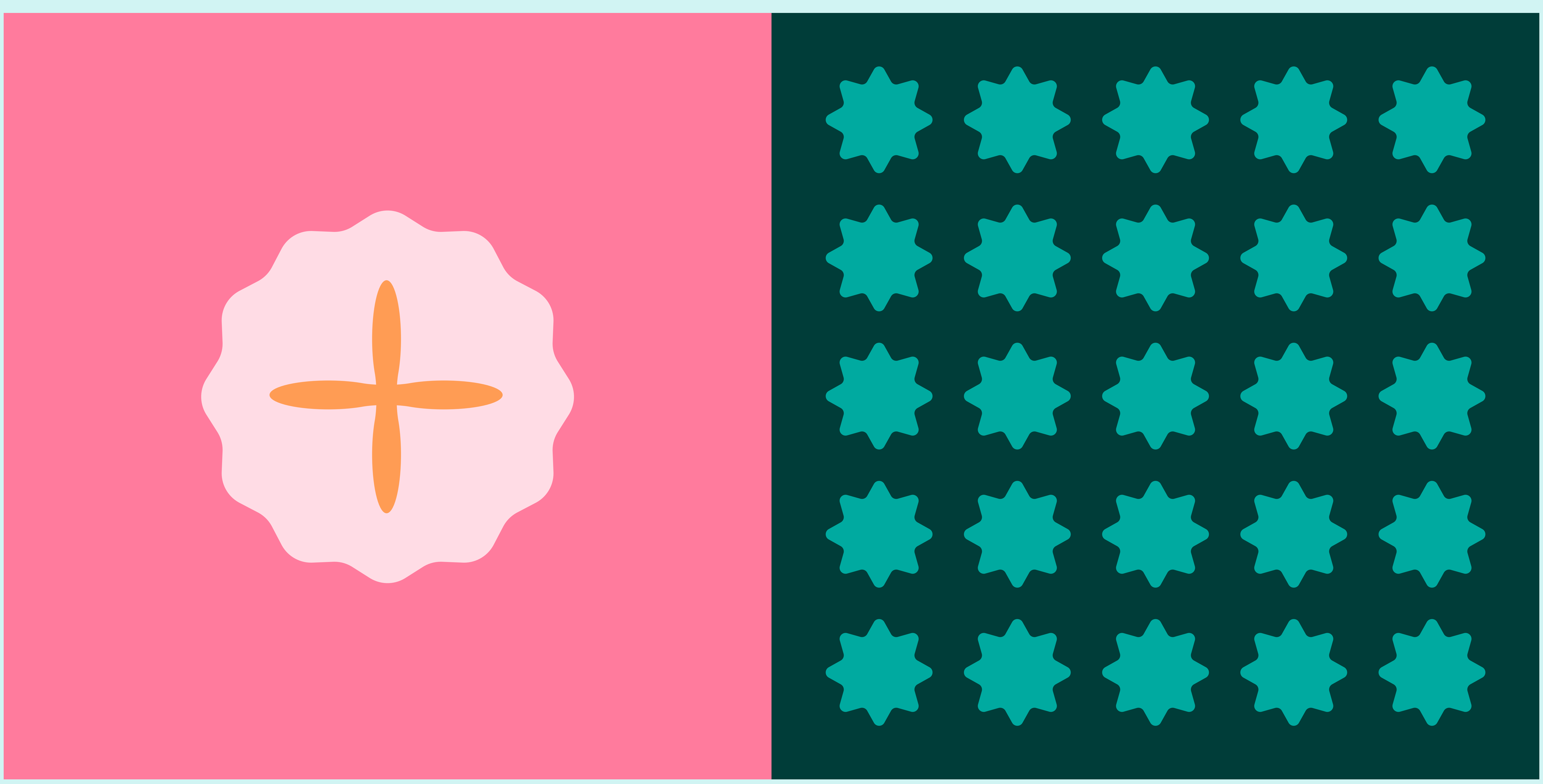
Leaderboards such as the one above are an excellent companion to real-time dashboards, and they're a low-entry way to increase transparency and celebrate success, particularly when displayed where everyone can see them (e.g., on flat-screen TVs around the office).

Take it a step further by giving immediate kudos and promoting company spirit by displaying instant notifications whenever someone reaches a milestone or exceeds a target!

There are endless low-cost ways to show your appreciation and improve engagement with the help of real-time transparent data. The only limit is your creativity – the important thing is that you're demonstrating trust in your employees, showing them that they're valued, and boosting their motivating and performance as a result.

Best Practice 6

Personalization vs. Automation in Customer Service



Technology has made it easier than ever for companies to provide nearly psychic levels of personalization in customer service. At the same time, the rapidly improving capabilities of AI are tempting budget-conscious companies to move toward fully automated customer service models. However, it doesn't have to be one or the other. With the right considerations, personalization and automation can work hand-in-hand to deliver the service your customers want and expect.

Most companies collect loads of customer data every year, and many of them mine that data for insights to drive their personalization efforts. Predictive behavior analysis is an effective tool for forecasting customer inquiry volume and types, helping companies schedule the right customer service resources at the right times. It's also quite powerful in predicting customers' needs and wants, enabling companies to provide highly personalized experiences.

Bobby Stapleton, Director of Customer Support at Intercom describes this as "AI being the empowering element to the whole customer journey where you can provide proactive support. AI can see when you've done X, Y, and Z actions and you're getting stuck, and might suggest relevant help – so in this case it understands customer problems before they even arise."

👍

71%

Recent McKinsey research found that 71% of customers expect personalized interaction with companies

😠

76%

feel frustrated when this doesn't happen

According to Zendesk's latest CX Trends report, more than half of customers expect a personalized experience – and 62% think that companies could do a better job personalizing their experiences.

So how do you **strike the right balance** between leveraging the efficiencies of automation while achieving the right level of personalization to provide best-in-class customer service?

THINK ABOUT IT LIKE THIS:

Automation improves service efficiency.

Personalization improves engagement.

So, the simple answer is to automate repetitive tasks and use personalization to add the "sugar on top." Today's optimal customer service experience balances efficiency with a personal touch.

What does personalization look like in customer service?

Today's companies aren't just competing on price and quality as they have in the past. Now they're competing on customer experience, and the companies that provide the best experience are the ones that will thrive in the future. While personalization is on the rise, there are still few companies that truly excel in providing personalized service. Personalization is more than just using the customer's name in your communication.

Savvy companies can exploit this by becoming frontrunners in providing personalized service, differentiating themselves from their competitors, and making this an integral part of their brand. The best part is that all of the necessary information is likely to be part of the customer data you already collect – you just need to extract and act on it!

Some companies are experimenting with proactive personalization in which they notify customers in advance of low stocks of items they frequently order. Other companies are using personalization to meet potential customer service headaches head-on. For example, a software or telecom provider that's identified an issue affecting a number of customers might send out an email alerting them of the issue, its current status, what's being done to resolve it, and the expected timeline for a resolution. This cuts down on the number of incoming inquiries while building goodwill with the affected customers.

Modern customers look for experiences that are tailored to their preferences and needs. Personalization builds loyalty and satisfaction by making customers feel understood and appreciated, and it's a worthwhile long-term investment in customer retention!

EXAMPLES OF PERSONALIZATION YOU CAN USE:

1. Making relevant product recommendations
2. Initiating contact on your customer's preferred channels
3. Tailoring rewards and special offers to customer's preferences
4. Deep diving into your helpdesk for previous customer conversations and data
5. Following up on mentioned topics of conversation like hobbies, work projects, etc
6. Reaching out to customers to provide in-depth feedback or sit-down for a product testing session (best used in the case of more complex or technical offerings)

Avoid Unpleasant Personalization

Personalization should be a pleasant surprise that adds value without feeling intrusive or overly forward. Used to the extreme or in tandem with irrelevant content, it can have the opposite of the intended effect.

Successful personalization tactics include greeting customers by their preferred name, offering relevant and timely information and solutions, and following up afterward to confirm that their issue has been resolved to their satisfaction.

What does automation look like in customer service?

While automation in customer service looks a lot like AI, the two are not the same thing. Think of it this way: AI can **assist** with automation, but **it isn't automation in and of itself.**

Despite their predilections for personalized service, today's customers ultimately value efficiency. 70% of customers say they expect company websites to include a self-service application and 40% prefer self-service to human contact when contacting companies. International best-selling author and consumer experience expert Steven Van Belleghem even goes as far as to say that "not investing in self-service will become a competitive disadvantage."

EXAMPLES OF PERSONALIZATION YOU CAN USE:

1. Standardized (i.e. canned) email replies
2. Implementing conversational AI chatbots for routine responses
3. Design automated ticket workflows
4. Self-service portals – knowledge bases, FAQs, tutorials, account management tools
5. Click-to-call telephony features (like **Aircall's Click-to-Dial**)
6. Celebratory **Plecto instant notifications** or **achievements**
7. Syncing call notes to your help desk or CRM

After experiencing rapid growth related to pandemic-sparked changes in how people shop, B2B company ShipTime saw their chat volume double while call volume increased by 20%. The company quickly turned to automation to manage these new demands. By implementing chatbots, automated ticket workflows, auto-responses, and self-service tools, the customer service team was able to maintain its usual response times despite the sharp increase in demand.

Amy Brennan, Solutions Consultant at SuccessCX, explains one way that automation is giving live agents a helping hand on the front lines, **"When an agent responds to a ticket and the customer has failed to respond back within X amount of time, we send out a reminder to the customer to say, 'Hi! We're still waiting for your response.'** Ultimately if they don't reply back, we'll close the ticket, and that's something that the agent doesn't need to keep following up on, it all happens in the background."

Dhinesh Khanna Ramalingam
Global Head of Customer Success at Zoho

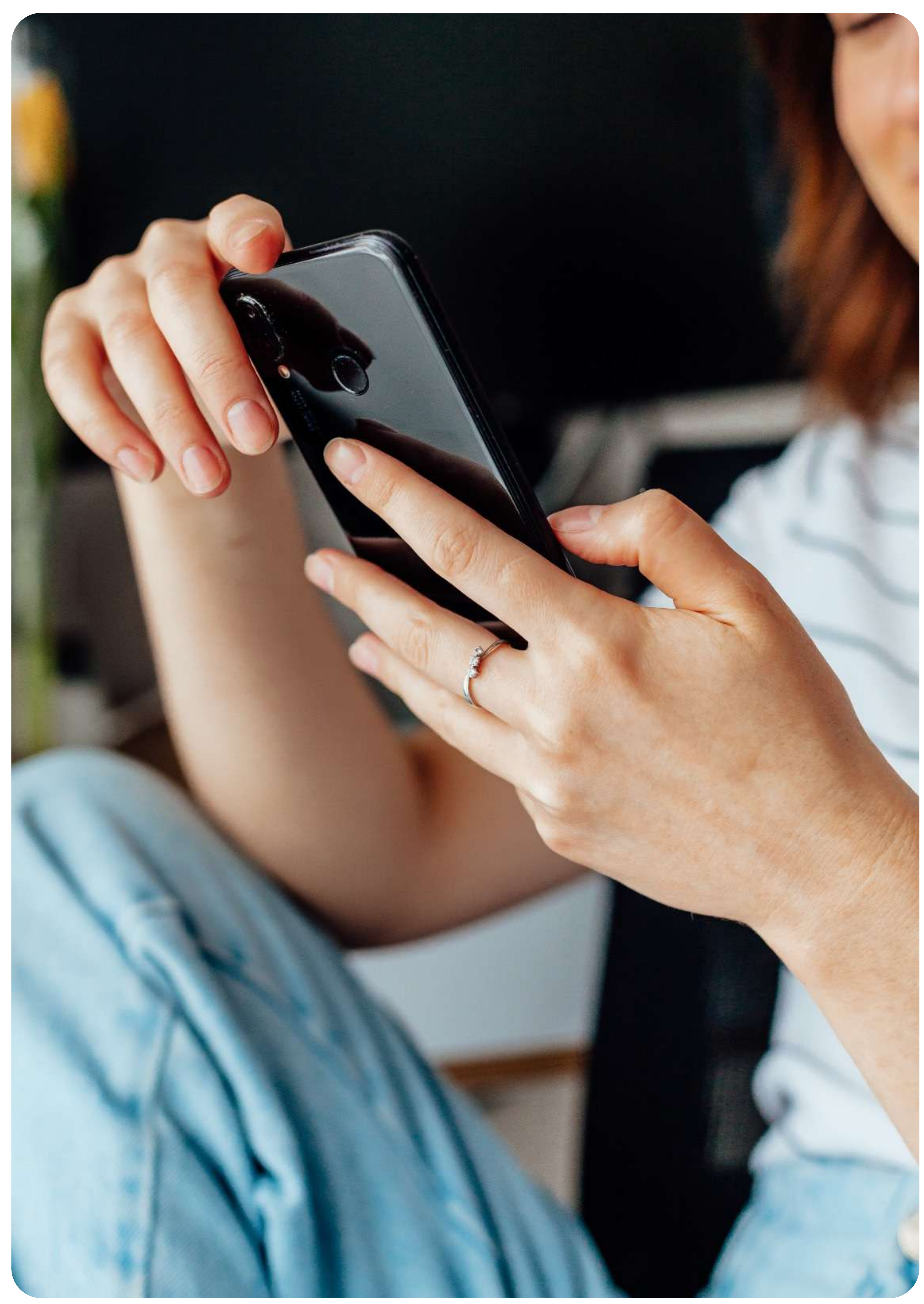
We use our built-in automation tools a lot to make data-driven decisions, such as assigning requests to be routed to available and respective agents. They can be customized to suit regions, countries, currency, and language preferences. Most of our basic customer queries are answered through our automation processes.

With telephone inquiries falling by the wayside as Millennials start to dominate the workforce, companies are looking into alternative ways to support these accounts with next-level service. One automated solution is VIP chatbots that can recognize VIP customers based on their contact information, and then route them to dedicated customer service reps or bump them ahead in the queue to avoid long waiting times.

Avoid Customer Frustration From Over-Automating

Be mindful that over-automating can lead to frustrated customers and declining CSAT scores, so your system should be smart enough to recognize and react swiftly when a live rep needs to intervene, and then facilitate a smooth handoff.

Ideally, automation should support and extend your live support staff's capabilities by handling straightforward inquiries and providing relevant information and suggestions to help reps provide personalized and efficient support.



Personalization and Automation Should Go Hand-in-Hand

Finding the right balance is crucial to reaping the full benefits of personalization and automation. For many companies, this is a combination of high-touch service for customers who need to talk to a live rep, and easy access to self-service tools for customers with routine inquiries or who need to complete common processes.

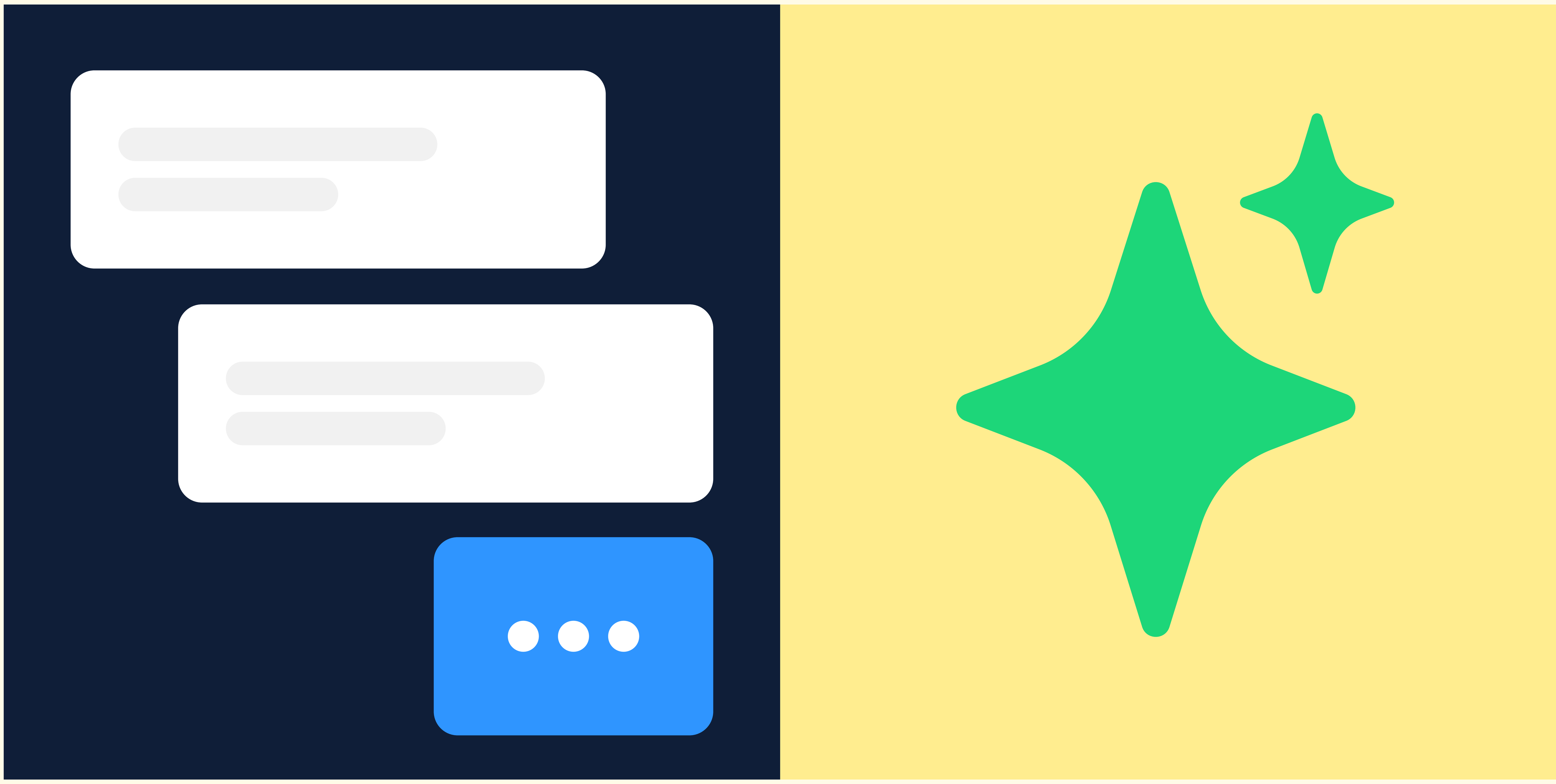
A good first step toward implementing personalization and automation in your customer service operations is to map the typical customer journeys for your main personas and decide which customer-initiated touchpoints require a personalized response and which could benefit from the efficiency of automation. From there, think about how you could personalize content within the automated processes you've just mapped. For example, is it possible to answer certain types of inquiries using automated processes that personalize the response based on each customer's support history, past purchases, or other data points?

To deliver best-in-class support, keep your customers top-of-mind as you develop your processes. Personalization and automation in customer service are rapidly evolving and this isn't a set-it-and-forget-it endeavor. To get the most out of your efforts, it's important to test and measure the impact of your strategies and adjust their course based on customer feedback and data.

Regardless of how you choose to meet your customers' rising demands for personalization and efficient service, the expectations have been set – and they're here to stay.

Best Practice 7

AI vs. Human-Driven Customer Service



With companies facing mounting pressure to provide world-class customer service at the lowest cost, many customer service leaders are wondering how they can use AI to help meet these demands.

Customer service often accounts for a large chunk of a company's operating budget, so while it's a logical consideration, AI isn't without its pitfalls.

There's no doubt that AI can help to shorten response times, improve customer satisfaction, and reduce support costs – but will it suit your business? For example, if personalized, high-touch service is one of your key differentiators, using AI could be considered "off-brand". Similarly, if your company sells expensive and complex products, many of your customers probably have high expectations and complicated service inquiries that must be handled manually.

AI isn't a replacement for customer service reps, but used judiciously, it can greatly reduce the demands on live staff while enabling companies to provide better service at a lower cost than was previously possible.

58%

58% of Customers say that they have higher expectations for customer service than before the pandemic.

TIM

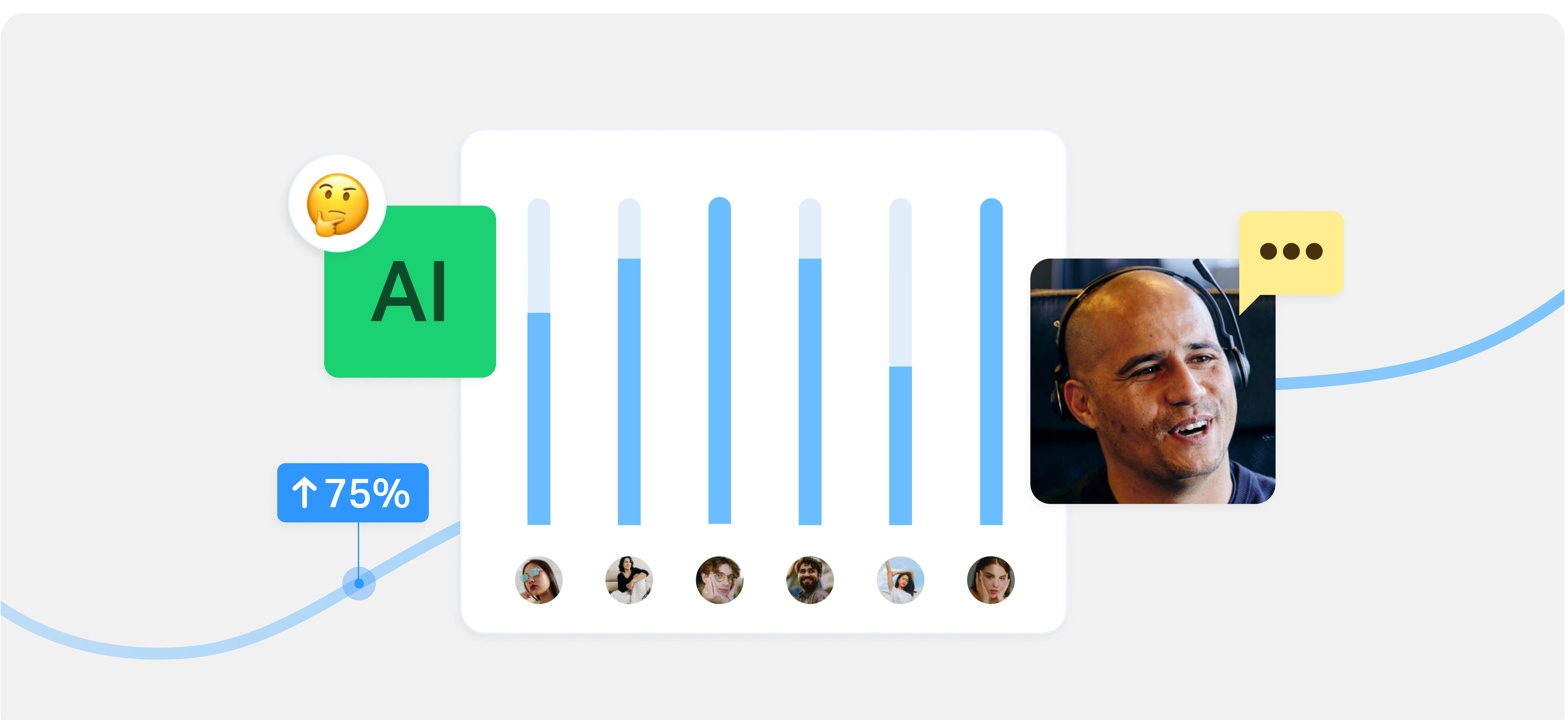
75%

Since introducing chatbots, telecom company TIM Brasil has seen a 75% increase in the number of customer support inquiries resolved without a live rep.

Mathew Patterson, Customer Service Content Lead for Help Scout, says, "A lot of questions can easily be answered by a search engine because they've been asked 1,000 times before. It's just that the customer hasn't been able to find the answer on their own. In these situations, AI can come in using a conversational tone and say, 'I understand your question, let me find the right answer for you.' But once the question gets beyond that level and becomes more complicated, we're outside the range of what AI can do."

So how do you strike the right balance – the perfect combination of personal, human-driven service while exploiting the efficiencies of AI?

The first step is knowing where human-driven customer service has a leg up and then understanding the advantages and limitations of current AI capabilities.



Advantages of Human-Driven Customer Service

While AI is making great strides in many areas of our lives, there are some undisputed advantages of a human touch in customer service – particularly when it comes to building the strong customer relationships that drive loyalty.

1 Emotional Intelligence

Socially astute customer service reps seem to effortlessly build emotional connections between their company and its customers. They're experts in active listening and showing empathy, making people feel heard and important. These innate characteristics give agents the upper hand, making them masters at interpreting emotions and defusing volatile situations. Ultimately, these genuine connections build loyalty and trust in ways that AI can't.

Because the human ability to show empathy and create a connection is key to building a good rapport, this is an area where AI is thus far unable to triumph. When customer frustrations arise, a respectful, empathetic human rep is a more welcome tune than being met with an AI tool trained to be free of emotion. Even when customer service reps are unable to solve the inquiry at the time, a show of empathy does more to ensure a favorable outcome than AI.

2 Overcoming Complexity

While machine learning can help train AI systems to become smarter over time, AI consistently underperforms when faced with multiple variables, unique inquiries, or situations that require subjectivity. Further, AI systems require immaculate and up-to-date data. Simply put, AI is only as good as the data driving it.

Where a customer service rep might notice that they're about to refer to old information or something that doesn't quite make sense, AI works strictly based on algorithms and lacks the ability to detect nuance in the accuracy of its responses. This can easily result in the system providing irrelevant, incorrect, or out-of-date information.

In fact, when faced with complex inquiries, AI can actually make a situation worse.

“

Mathew Patterson
Customer Service Content Lead for Help Scout

It's infuriating dealing with a computer that doesn't understand what you're asking because it feels like the company isn't even trying. Somehow that's worse than dealing with a person who only has scripted answers because at least with a person you can consider that maybe they're having a bad day.”

3 Creative Solutions

Critical thinking is essential when dealing with unusual support requests and complex issues. Skilled customer service reps are adept at applying creativity and subjectivity to find solutions to complicated issues.

A lack of emotional intelligence further fuels the fire when coupled with an inability to solve the complex inquiry at hand or come up with favorable next steps. The combination does little to solve customer pains or put them at ease, having a knock-on effect that could end up costing you more than you saved on an AI tool.

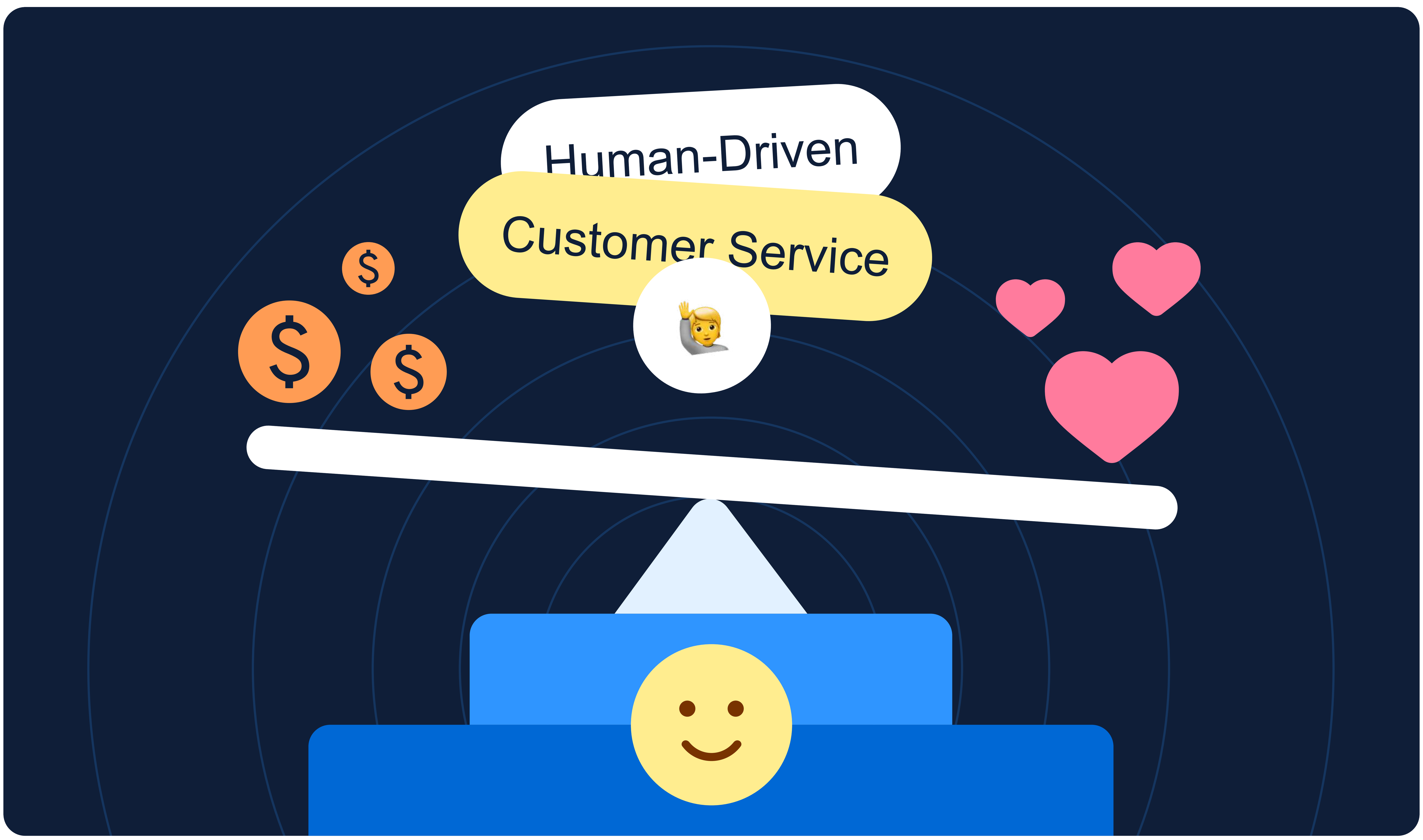
Where AI is constrained to operate within the limits of the information it's fed, customer service agents have the advantage of being able to shape their solutions in more innovative ways. With the appropriate training and empowerment, human reps can make calls on the fly, go the extra mile to find a workable solution, or offer discounts when the situation warrants it.

4 Personalization

While AI has its place at certain stages throughout the customer journey. It's no surprise that the best personalization comes from a person, rather than a computer. Past purchases, search history, and prior interactions all help to provide customer-specific insights to enhance the customer's experience based on data touchpoints. In any case, a customer service representative will also be better at using the data available to them and connecting on a human level.

It's unlikely that an AI chatbot knows your hobbies, work setup, commitments, and other personal preferences – but it's not uncommon that a customer service rep would. Personalized efforts show an investment that goes much further than any form of AI. A customer who has been on the receiving end of personalization like this is likely to be reciprocally invested in you and your company. In fact, research reflects that personalization favorably influences purchasing choices in over 50% of shoppers – a figure that can't be ignored.

While human-driven customer service is a significant ongoing expense (when compared with the AI coverage of a software subscription), it's indispensable in complex situations that require a little finesse — and it's a wise investment in customer loyalty and retention.



Advantages of AI-Driven Customer Service

When it comes to efficient handling of simple and common customer service inquiries, AI has three advantages over its human-driven alternative

1 24/7 Support

AI can help companies provide around-the-clock support without having to pay shift differentials or deal with the headache of 24/7 staffing. AI-powered chatbots have gained traction based on their ability to provide instant answers to common inquiries whenever customers need them. To determine whether accessibility is an issue for your customers, assess their needs – are they located in different markets or time zones or often need assistance outside of business hours? An increasing number of customer service teams are outsourcing their operations to some degree to fulfill this demand for support anytime. If you're able to meet your customers when and where they need support, your team of skilled customer service reps will suffice without the need for AI.

2 Cost Savings

Automation can significantly reduce ongoing labor costs by addressing simple and routine customer inquiries, freeing up reps to focus on complicated inquiries that can't be solved without human involvement. In sectors where customer inquiries are typically complex, the temptation of low operating costs from using AI as a replacement can be misguided and may end up costing you more. If the support your customers receive from AI software is not adequate, they're going to look for other solutions – and your churned customers will end up leaving you out of pocket.

3 Consistency

With AI at the helm, routine customer service is efficient, accurate, and consistent. Providing automated responses to common inquiries reduces the risk of human errors that can result in customers receiving variable or incorrect information. Other AI-enabled tools like knowledge bases, self-service modules, voice-activated assistants, and predictive analytics can all provide quick, accurate, and personalized support without the need for human intervention.

Bobby Stapleton, Director Customer Support at Intercom, sees huge potential for AI to help with reducing costs and demands on live staff while boosting KPIs, "I think most companies, ours included, have been fighting to keep up with customer expectations and demand. With AI and self-service taking away some of the burdens from live staff, I'm looking to exceed my targets (particularly our first response). Ultimately, we can respond faster and spend more time consulting with customers and go really deep on their questions."

Bobby Stapleton
Director Customer Support at Intercom

With AI and self-service taking away some of the burdens from live staff, I'm looking to exceed my targets (particularly our first response). Ultimately, we can respond faster and spend more time consulting with customers and go really deep on their questions."

Finding the Right Balance Is Crucial

Most businesses can benefit from the right combination of AI and human-driven customer service – if they understand the advantages and pitfalls of each and define their scope accordingly.

The power of AI isn't exclusive to self-service support tools. AI can quickly analyze incoming inquiry data to filter out the most pertinent information or even suggest answers to help customer service reps process customer inquiries faster than their non-AI-supported counterparts. This AI-assisted model is useful for companies wanting to reduce costs without introducing standalone self-service tools.

AI is rapidly evolving, so the state-of-the-art applications you choose today could quickly become outdated.

Successful AI implementation in customer service requires ongoing analysis to make sure it isn't doing more harm than good, and continuous improvement to address its shortcomings and leverage new developments.

To manage expectations and minimize frustration, customers should always be aware when they're interacting with an automated support tool and always have the option to easily escalate their inquiry to a live agent.

To get the most out of today's AI-enabled customer service tools, approach it with the understanding that AI is an extension of your current customer service team – not its replacement.

What's your service strategy – AI or human-driven? Take the quiz to find out.

AI can be an extremely valuable tool – but does it suit your business?

Place a check mark or make a mental note of which of the answers for each question listed acrossways best describes your customer service team.

Find Your Fit AI or Human-Driven	A	B	C
Are your current staffing levels able to keep up with ticket demands?	▪ Yep we've got all our tickets under control at all times!	▪ We're busy, but it's quite manageable with the team we have.	▪ Our reps are well and truly past their capacity.
Are your product/ service offerings relatively technical or complex for the average person to set up, use, and maintain?	▪ Yeah, admittedly it can be quite difficult without any help.	▪ It's about 50/50 straightforward vs. complex solutions.	▪ No, customers rarely have issues with complexity.

Find Your Fit AI or Human-Driven	A	B	C
Does your company pride itself on providing persona-lized service?	▪ Yes, we know our customers, their challenges and their needs!	▪ We know some of our customers, but not all of them that personally.	▪ No, this isn't important to us or our customers.
Do you have customers in more than one country or who depend on reaching you outside of standard business hours?	▪ Nope, our customers are on the same time zone and during business hours.	▪ We have customers on a few different different time zones.	▪ Yes, our wonderful customers are located all over the world!
Is your CSAT below 50? Note: Benchmarks vary by industry, but this is good general guide of your customer's satisfaction.	▪ Yes, lately we're not able to move higher than a score of 50.	▪ It varies... sometimes we're over 50, and sometimes below.	▪ Nope, we're consistently above 50 and happy with this!
Do you experience employee turnover rates of 30% or above? Calculate by dividing the number of employees who left by the number of employees at the beginning of the period.	▪ We're always welcoming new people to the team (but not scaling).	▪ We have a mixture of long-standing and newer employees.	▪ No, our employees tend to stay with us for a long time.

What's your result?

Mostly As: 🙋

Your business is definitely a *human-driven* one!

Sounds like your customers are lucky to have such attentive and reliable support that they love! They appreciate a human touch and there's no reason to change what they get.

Mostly Bs: 🚀

A *mix of AI and human reps* would work wonders for you.

Some AI additions to support the efforts of your reps makes sense in your strategy! Let AI take over simple troubleshooting to take some of the load off your service reps.

Mostly Cs: 🤖

AI alone would work for your service strategy.

Sounds like a strategy with AI would work wonders for you! Keep a close eye on inquiries (especially with added features) to see if future human intervention is needed.

Best Practice 8

Striking the Right Balance Between Quantity and Quality

From self-service tools to omnichannel support to AI-enabled chatbots, recent technological advances have driven customers' service expectations to new heights.

Recent research from McKinsey & Company shows that call volumes are increasing and becoming more complex while customers' expectations continue to rise. Forrester found that 73% of customers say that valuing their time is the most important thing a company can do to provide them with good customer service. As customer service teams scramble to handle this new normal, they're faced with the quandary of how to balance quality with quantity. In other words, **how can they provide service that's both effective and efficient?**

What does "the right balance" look like?

This is the conundrum: Is it better to sacrifice a little bit of quality to serve more customers in less time – or to serve fewer customers with a more personalized experience? Unfortunately, there isn't a one-size-fits-all answer. As discussed in Chapter 6, the optimal service for today's customers balances efficiency with a personal touch.

Aircall Customer Success Manager (SMB Accounts) Samantha Avillo says that her team tries to balance quality support and with a reasonable level of efficiency, "We want to make sure that the same issues aren't popping up again and again because that will result in a very unhappy customer.

‼️

58%

customers' expectations about CS are higher than a year ago

⏰

90%

expect a response within 10 minutes of initiating contact

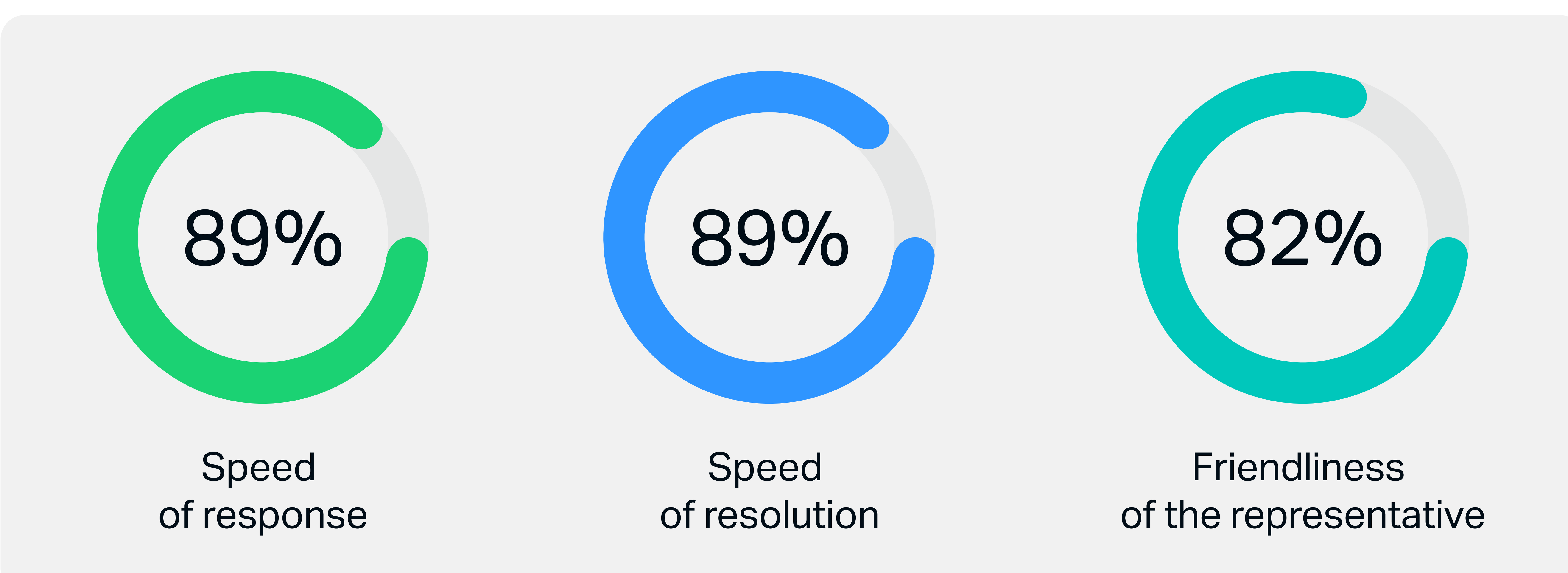
So, we make sure to gather all the details and take the time to understand the full picture – so we can choose the appropriate next steps.

I think what's really important though is while doing all of this that we're keeping efficiency and time management in mind."

Samantha Avillo
Aircall Customer Success Manager (SMB Accounts)

> Of course, we don't want to rush the wrong solution and end up with that 'Band-Aid effect,' but the quicker the better. We want it to be solved in a timely manner, and not just with a quick fix."

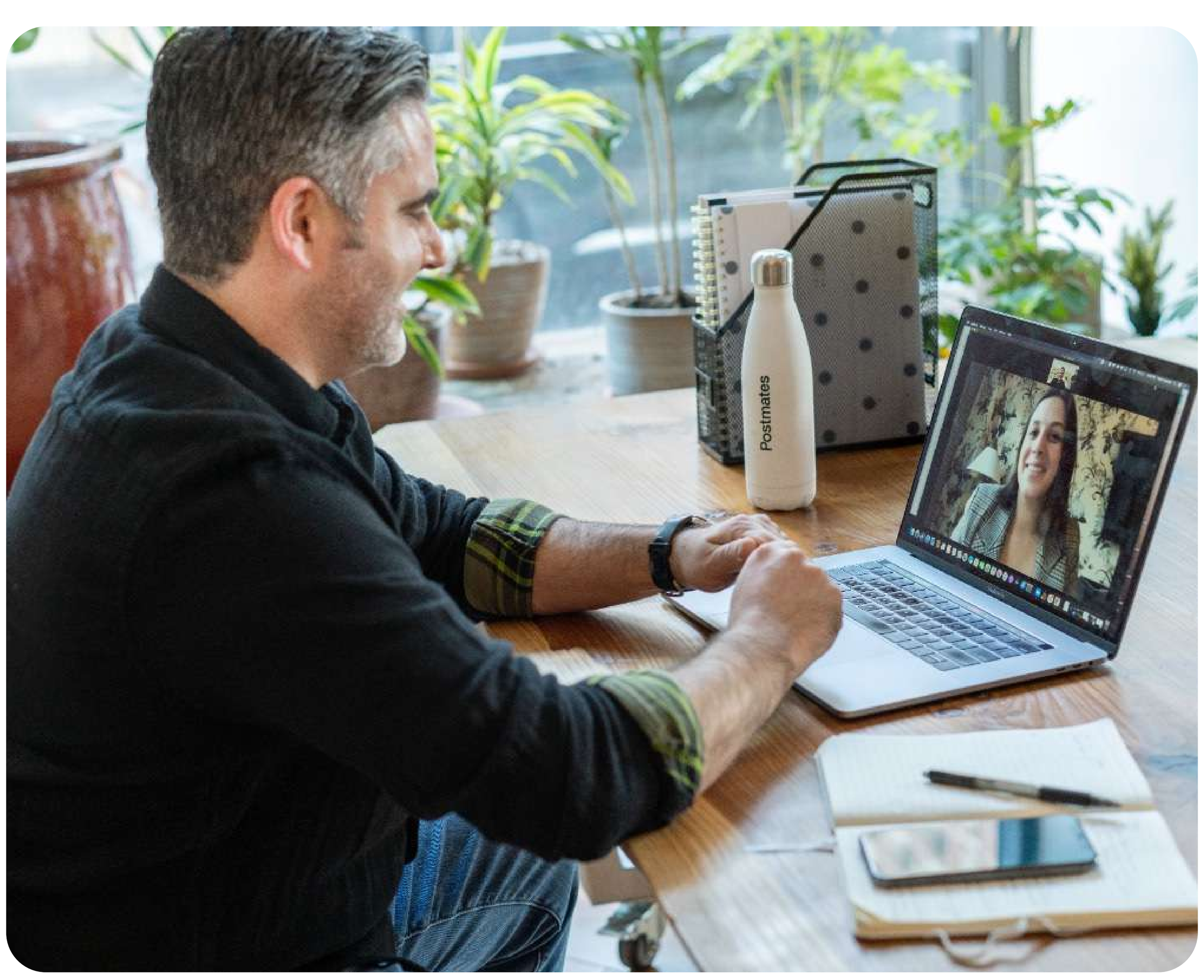
According to Zendesk research, the most important aspects of the customer service experience in any channel are a combination of quality and efficiency:



The Right Balance Is Context-Specific

To start, consider what type of customer service best suits your brand. If you're a tech company, leaning into the efficiencies of high-tech AI-enabled self-service tools wouldn't be off-brand – in fact, it could even be an opportunity to show off your state-of-the-art development capabilities while providing a unique and memorable experience. If you're a luxury brand or a company that sells complex products, personalized high-touch service is probably a better way to go.

But if like most companies, you're somewhere in the middle, there are some situation-specific guidelines that you can follow when trying to decide where to place your emphasis. See 4 specific examples we've provided in the pages to follow.



QUANTITY

Contact Center Support

While most contact centers have a mix of quality- and efficiency-related KPIs, the "best reps" are often seen as those who consistently provide thorough answers in the shortest time possible. If we look back to the KPIs chapter, we can see that most of the key CSAT drivers relate to efficiency. It's also the reason the most important KPIs for customer service are based on the effectiveness of a customer's first contact.

While quality definitely matters, customers don't want to contact you multiple times about the same issue, they also don't want to spend more time than is necessary to sort out their issues. This is good news – getting customers in and out quickly not only meets their expectations but means shorter support queues.

QUALITY

Social Media

We often think of "customer service" as taking place entirely within contact centers, but as we've pointed out, customers expect to interact with companies on their preferred platforms. Yet, a shocking 55% of customer requests for support on social media aren't being acknowledged!

Customers who take to social media to ask for help or to offer feedback often have a different agenda from those who contact support through direct channels. These customers often choose SoMe platforms because they want the interaction to be seen by others. Their issues aren't urgent and they've often put a lot of thought and effort into what they've written. In this context, you'll encounter both promoters and detractors – and it's public. While a timely response is important, a heartfelt, quality response is more important because you're interacting on a public platform and screenshots last forever.

QUANTITY

Damage Control

Regardless of how good your product is, something will probably go wrong at some point. There will be a product recall or maybe a software update won't go according to plan – you get the idea. When this happens, your team will be dealing with a lot of frustrated customers in a short period.

In this scenario, your first instinct might be to focus on quality in an effort to reduce churn. That could be a mistake. When doing damage control to address an issue affecting many customers, efficiency should be your main objective. Customers want the issue resolved and they don't want to waste their time in a queue waiting to sort it out. Fortunately, these situations can often be resolved to most customers' satisfaction with a little empathy and a one-size-fits-most approach.

You might also like to refer back to recommendations from Chapter 6 such as sending out a preemptive warning that the system is experiencing an unexpected error, status updates, and estimated time of fix. This automated response will give the illusion of a more personal touch that is respected by customers who would otherwise have been simmering in your channel queues.

QUALITY

Reducing Churn

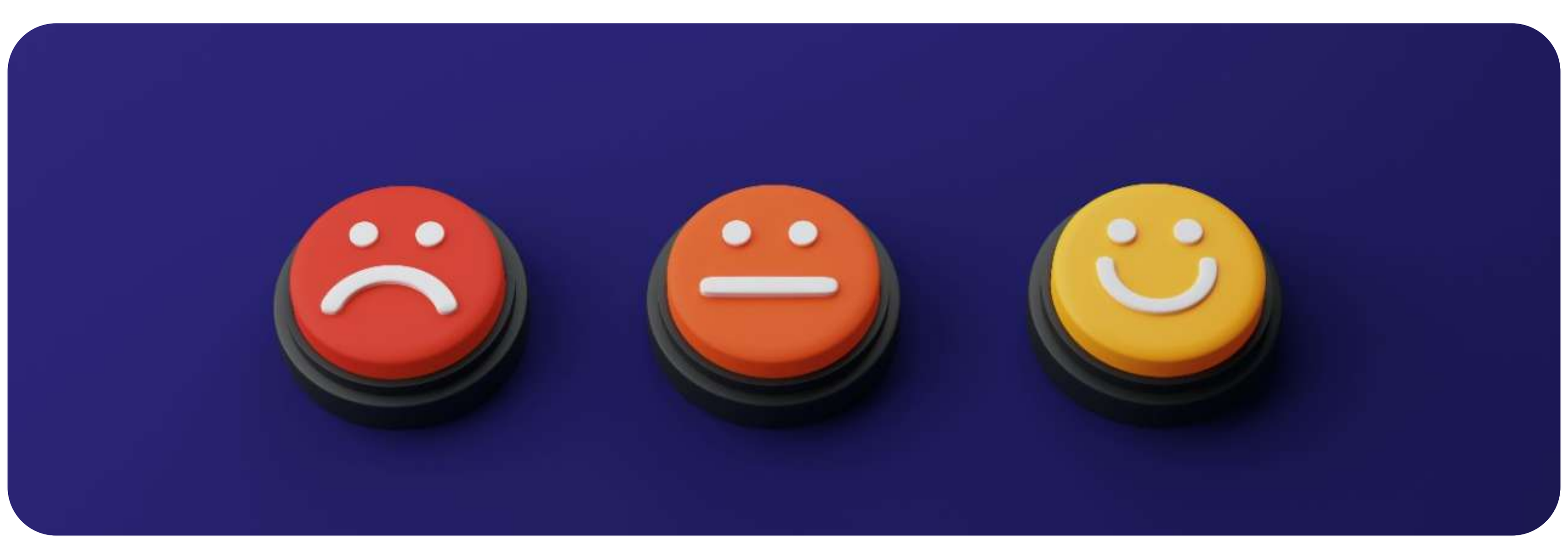
Quality customer service drives new customer acquisition while the opposite drives churn. If your main goal is to reduce churn, then quality trumps quantity. A memorable, personalized experience can often be enough to turn a would-be detractor into a promoter. Customers who receive satisfactory solutions from an empathetic customer service team have little reason to defect.

The key is to train your reps to recognize customers who are at risk of churning, and to pull out all the stops. That's not to say that loyal customers deserve less, but loyal customers tend to have simpler needs and are more likely to value efficiency over high-touch service. For them, receiving quick and correct answers is the definition of "quality service."

Measuring Service Quality

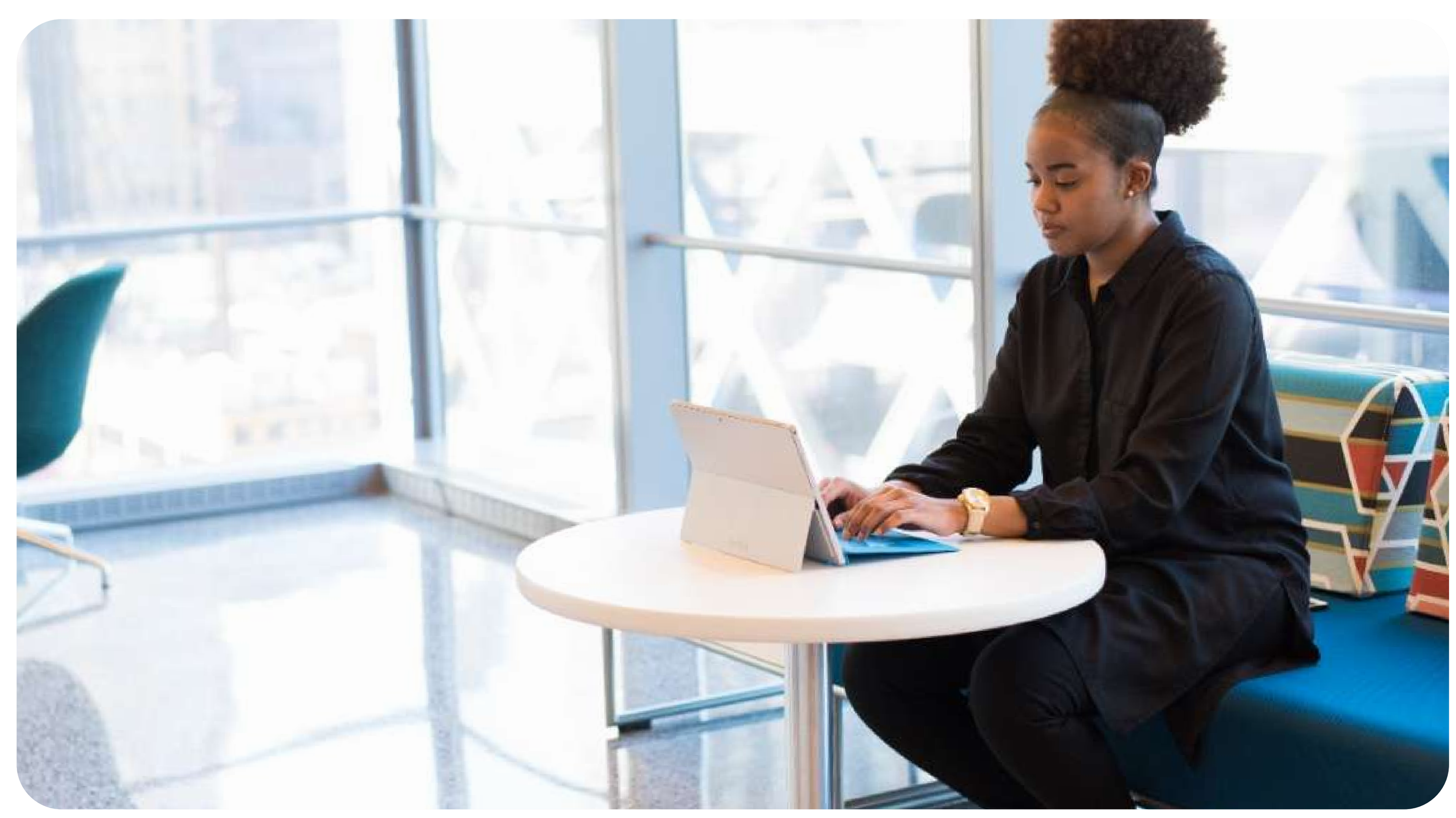
"Quality" is subjective, so how can you know if your team is delivering the right level of quality? The most obvious avenue would be to set some quality-related KPIs. CSAT is the best indicator of whether customers are satisfied with your service.

The next best indicator of whether you're striking the right balance between quality and quantity is your first contact resolution rate. Most customers would rather spend a bit longer on the phone if it means having their issue resolved right then and there – you should be aiming for 70–75%.



Quality control audits are a more hands-on method for evaluating service quality.

This involves listening to random calls and measuring the quality of the interaction based on parameters like the quality of information gathering, whether the right procedures were followed, and overall tone and professionalism. Some companies even use mystery shopping to spot-check how their reps are doing.



Measuring Service Quantity

Measuring quantity is a bit more objective than assessing its counterpart. This is a numbers game that can mostly be handled with a few strategically chosen KPIs. Important quantity metrics include average wait time, average call duration, number of calls answered during a time period, and abandoned calls.

To fix lagging quantity metrics, look into whether you're understaffed during high-volume times, whether there are internal processes that are slowing your reps down, and whether it's easy for them to access the information they need to solve the most common inquiries.

7 Tactics to Help Balance Quality with Quantity

Here are seven tactics that companies are using to help strike the right balance between quality and quantity in customer service. Choose the ones that align best with your brand and its customer service and experience goals.

1 Lean into automation.

Identify the most repetitive customer inquiries and introduce automation to help handle them. Self-service tools can provide high levels of customer satisfaction – if they provide quality information that's easy to navigate. Knowledge bases, FAQs, and video tutorials have become commonplace. These are highly efficient and perfectly acceptable support tools, with 90% of consumers having used self-service tools to find answers. Research shows that 73% of customers want the ability to solve product/service issues on their own while 53% think it's important to resolve their own issues instead of relying on customer service reps.

2 Streamline your processes.

According to Zendesk research, 87% of customers think that brands need to put more effort into providing a consistent experience. Franchises are popular because they're consistent and efficient – so people know what they can expect when encountering the brand. Take a page out of McDonald's book by standardizing common processes. Replicating your approach to standard inquiries gives your reps a roadmap to follow, eliminating unnecessary time-wasting steps and unmatched expectations while ensuring consistent quality of service.

3 Give your reps the right tools.

42% of customer service reps are unable to efficiently resolve customer issues due to disconnected systems, archaic user interfaces, and multiple applications, negatively affecting both the quality and quantity of service. Fortunately, this can be remedied relatively easily using a number of off-the-shelf systems that can sync data from a company's CRM, helpdesk software, and other systems into a "collaboration hub" for a complete view of each customer's interactions with the company (like Plecto does!) This relatively small investment could pay big dividends.

4 Understand what your customers expect.

Bain & Company found that while 80% of companies say they deliver "superior" customer service, only 8% of their customers agree. The takeaway is that regardless of how data-driven your organization is, it's all for nothing if you neglect to ask your customers what they consider a great customer service experience.

CSAT is a good pulse-check, but it doesn't provide any insight into what your customers value and expect, it only tells you whether or not you're delivering. Surveys can help you identify your customers' preferences and adjust your approach accordingly.

5 Choose the right KPIs.

In Chapter 1, we suggested a good starter set of KPIs. Revisit your KPIs regularly and align them with your customers' preferences and needs. Be careful not to track too many, which can result in data fatigue and have the opposite of the intended effect. Instead, choose a handful of KPIs that are relevant to the experience you wish to provide while being measurable and achievable. Setting realistic goals is a great way to motivate your team, whereas setting unrealistic goals is a surefire way to take the wind out of their sails. Once your team is consistently hitting its goals, you can move the goalposts to drive incremental improvements.

6 Optimize your performance.

You're not running a data-driven organization before you take action on the insights you collect. Tracking KPIs is an important step, but it's even more important to analyze the data and look into how you can use those insights to improve performance and measure the effects of your efforts. Sometimes the difference between an OK result and an outstanding result is a simple tweak to staffing, tools, processes – or even a short training session.

Here's some ways to optimize your performance:

- Analyze channel traffic visualized on a dashboard
- Ensure your CRM or help desk is up-to-date
- Reward your reps for small wins or major milestones
- Update your knowledge base or FAQs section
- Review your incident mananagement process

7 Incentivize both quality and quantity.

Your team has a lot on their shoulders. After all, they're the ones responsible for executing your customer service strategy. In Chapter 2, we covered the importance of celebrating success, but its worth mentioning here, too. When defining your success criteria, take care to incentivize both quality and quantity. For example, run fun contests that focus on quality and quantity equally. One month could be centered on individual rep's customer satisfaction ratings, while a subsequent contest could take into consideration an employee's average time to resolve customer cases. This will help to keep your team's efforts in balance.

Shift your celebrations into a higher gear by setting up automatic triggers that award virtual badges to mark specified mile-stones, like the employee who solves the most customer inquiries. Top teams are reaping the rewards of this time-saving and motivating way to acknowledge individual's achievements. Manual awarded achieve-ments like "office mood booster" or "best Capterra customer review" also recognize the quality of reps service – and give them gas to go the extra mile to continue providing world-class solutions for your customers! Learn how you can easily set up contests and achievements badges with Plecto!

Quality and Quantity Aren't Mutually Exclusive

Excellent customer service is an art and a science. With the right training, tools, coaching, and data, your team should have little trouble striking the perfect balance of quality and quantity – in any combination your customers demand.

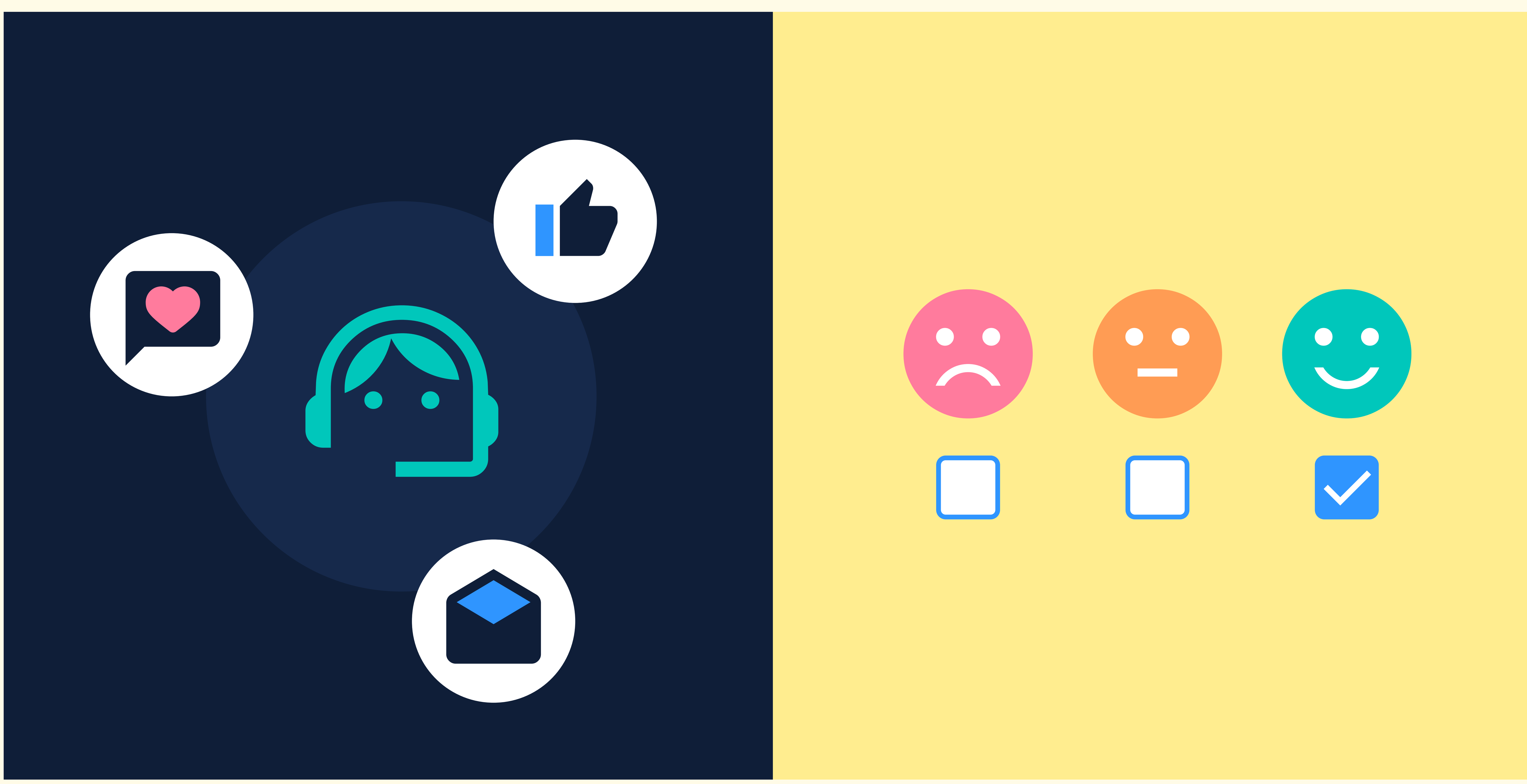
Jesse Hahn, Chief Knowledge Officer at StraightSource summarizes the trade-off between quantity and quality with conviction: "There's no problem outsourcing, but you have to outsource it to quality people." With innovative tools like StraightSource's soundboard-based avatar solution, companies are reaping the rewards on both fronts – reducing time, saving substantially on costs, and speeding up onboarding without sacrificing on the quality of service that customers receive. Hahn continues, "All you have to do is train employees in how to use the software – and that takes 24 hours. So it's possible to bring on 1,000 agents in a week with no additional cost of setup.

Jesse M. Hahn
Chief Knowledge Officer at StraightSource

> Treat everybody as if they're Bill Gates or Jeff Bezos and you'll never lose a valuable client. And that's what companies do not do – they base it on the size of the client."

Best Practice 9

The Power of Cross-Departmental Collaboration



Customer service has traditionally been seen as a standalone function, but this is changing as companies become more customer-focused.

From micromarketing to customer-driven development to value-based selling, today's most successful companies are discovering the goldmine of customer insights and the breadth of knowledge that customer service teams can bring to the table. As a result, cross-departmental collaboration is on the rise.

Mathew Patterson, Customer Service Content Lead at Help Scout, sees cross-departmental collaboration as essential, "Sometimes, a company will say in their marketing that they're very customer-centric. But then the actual experience of using the product or dealing with the people does not match up to that, and that's a very frustrating experience. There should be consistency in the message, and the messaging should be consistent with the reality of the actual process of using the product. Some salespeople can really sell you on something, and then you go with the product and it doesn't do any of the things you expected, and then customer service has to get involved." Let's take a closer look at how ongoing collaboration between the customer service team and the marketing, product development, and sales departments can lead to better customer experiences, increased loyalty, and higher revenue.

Mathew Patterson
Customer Service Content Lead at Help Scout

> There should be consistency in the message, and the messaging should be consistent with the reality of the actual process of using the product.

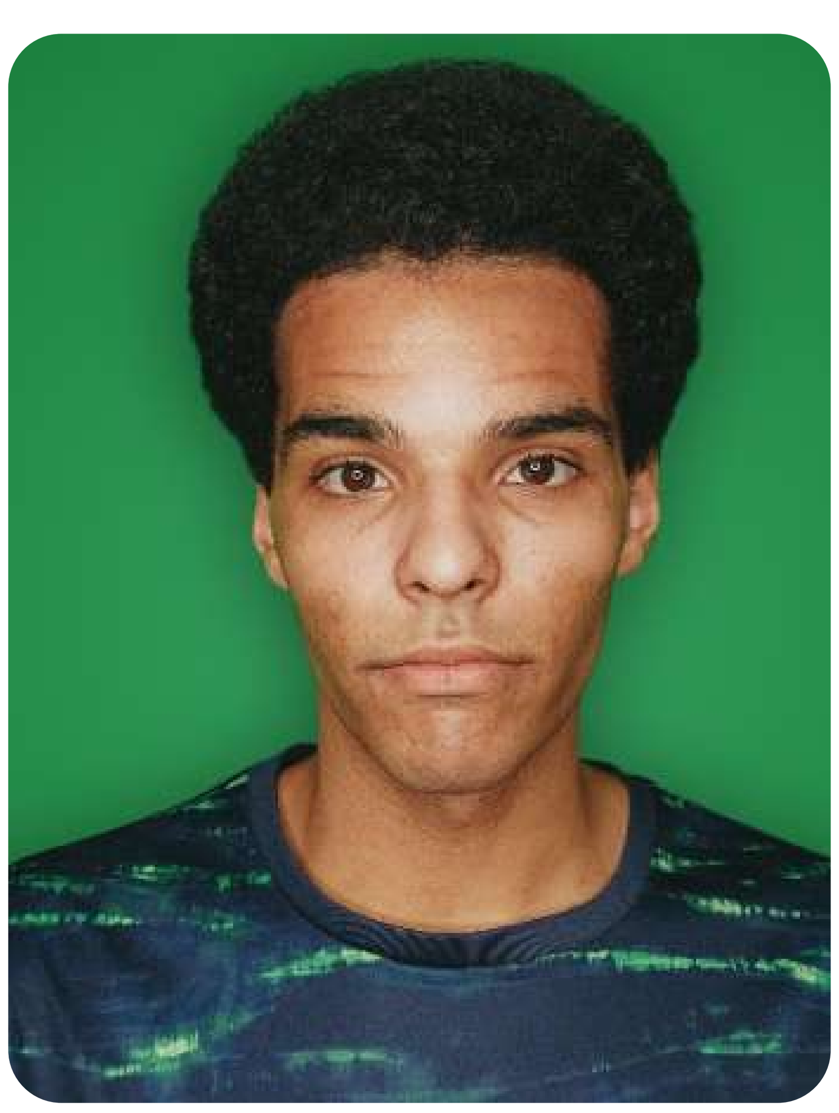
3 Benefits of Collaborating with Marketing

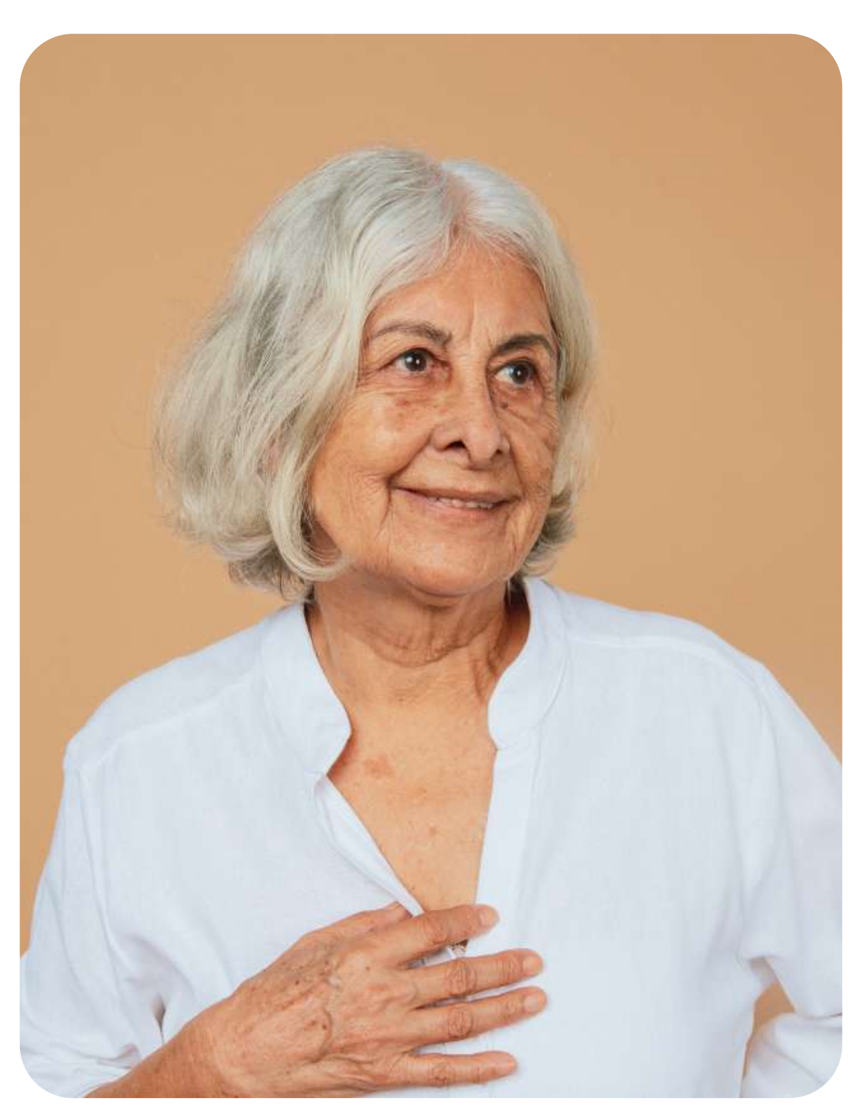
While collaboration between marketing and sales is given in most companies, alignment between customer service and marketing is often a missed opportunity to increase your bottom line before you've even begun onboarding customers.

1 Better Insights

While marketing is usually responsible for researching the needs and preferences of potential customers, customer service is on the frontlines hearing it straight from the horse's mouth. No one has better real-life insights into your customer's pain points, preferences, and expectations than customer service.

Opening the lines of communication between your two departments can enable marketing to sharpen their personas, refine their strategies, and create better campaigns. In turn, they'll create the right messaging to attract the right customers, making your customer service reps' jobs a lot easier.






2 Easier Content Creation

In today's fast-paced social-media-driven landscape, marketers often struggle to come up with the volume and quality of ideas necessary to keep today's customers engaged. Storytelling is a powerful marketing tool, and who's in a better position to uncover interesting and engaging stories than the people who talk to your company's customers day in and day out? Customer service has a front-row seat to who your customers are, their needs, their interests, their experiences, and what they think about your products. Micromarketing is emerging as an important tool for providing the personalized messaging that today's consumers expect. Aligning these two departments and sharing information can help marketing to create targeted, customer-centric content that meets these expectations and improves their chances of recruiting enthusiastic customers.

3 Social Media Support

Social media started out as an obvious marketing channel, but customers' relatively new expectations for interacting with companies via their social media platforms have blurred the lines between marketing and customer service. So while marketing should be responsible for your company's social media messaging strategy, customer service is better positioned to resolve customer service issues that arise on these platforms. Shared ownership of these channels will ensure efficient, consistent, high-quality customer service provided by people who have the appropriate training and resources to handle the inquiries. At the very least, customer service should have a good handle on your review channels – taking care to respond to both positive and negative reviews!

3 Benefits of Collaborating with Product Development

Few companies doubt the importance of customer-driven development. Fortunately, when involving customers in product development is beyond the budget, there are other inexpensive solutions available to build products that your customers love. All you need is to enable the sharing of information between customer service and product development teams.

1 Better Insights

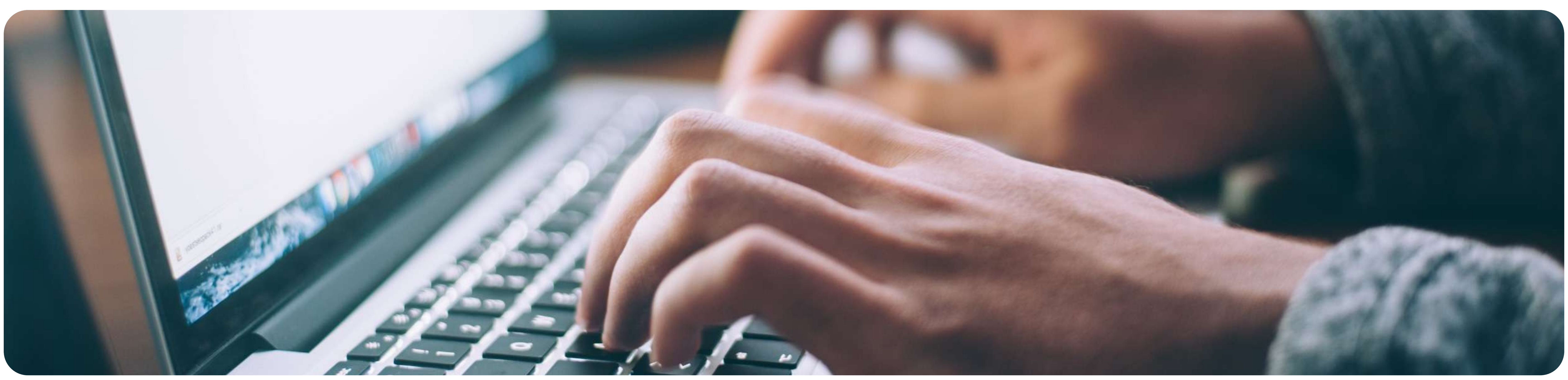
Customer-centric product development is the gold standard. Incentivize your customers to participate in "think aloud" user testing sessions or focus groups to gather user experience insights. While an opportunity to gain information like this may be exciting and valuable in your eyes, customers will rarely do this out of the goodness of their hearts. Provide them with a gift or a discount on future products or subscriptions for their participation. Given the chance to contribute, customers will feel valued when you act on their feedback..

Because of budget constraints and limited resources, many smaller companies skip including customers in product development. If focus groups are beyond reach, take a look into user journeys, and onboardings for what your customers want and need. Perhaps you could offer exclusive early access to a beta version or unreleased product. Involving customer service in the development process can help product developers identify unmet needs and make better-informed decisions about product enhancements or completely new products. The result? Products your customers love!

2 Actionable Insights

The customer service team is uniquely positioned to provide both qualitative and quantitative feedback about customers' needs. Customer service reps know how customers use your company's products, the features they ask about most often, and their main points of frustration – and they can often provide numbers to back it up. In spite of this, research shows that customer support is only involved in product development 58% of the time.

Data-driven feature requests provide proof that the pain exists – and that there is sufficient demand for a product or feature to be developed. Companies that develop products and features that address their customers' pain points, challenges, and needs enjoy higher customer satisfaction rates, better loyalty, more revenue – and often, fewer support inquiries.



3 Continuous Improvement

Establishing standardized processes and a regular feedback loop between customer service and product teams are excellent ways to propel product development. By regularly sharing user feedback, customer service can help reduce the risk of developing the wrong product or features by making sure that product development is driven by customer insights, not just intuition. In doing so, you'll be able to identify trends and highlight concerns that might otherwise go undetected and lead to churn. Here are a few ways you can open the lines of communication between product teams and customer service:

1

Roadmaps:

Keep the rest of the company in the loop with what the product team is working on during their sprints, and when new products or features can be expected.

2

Training

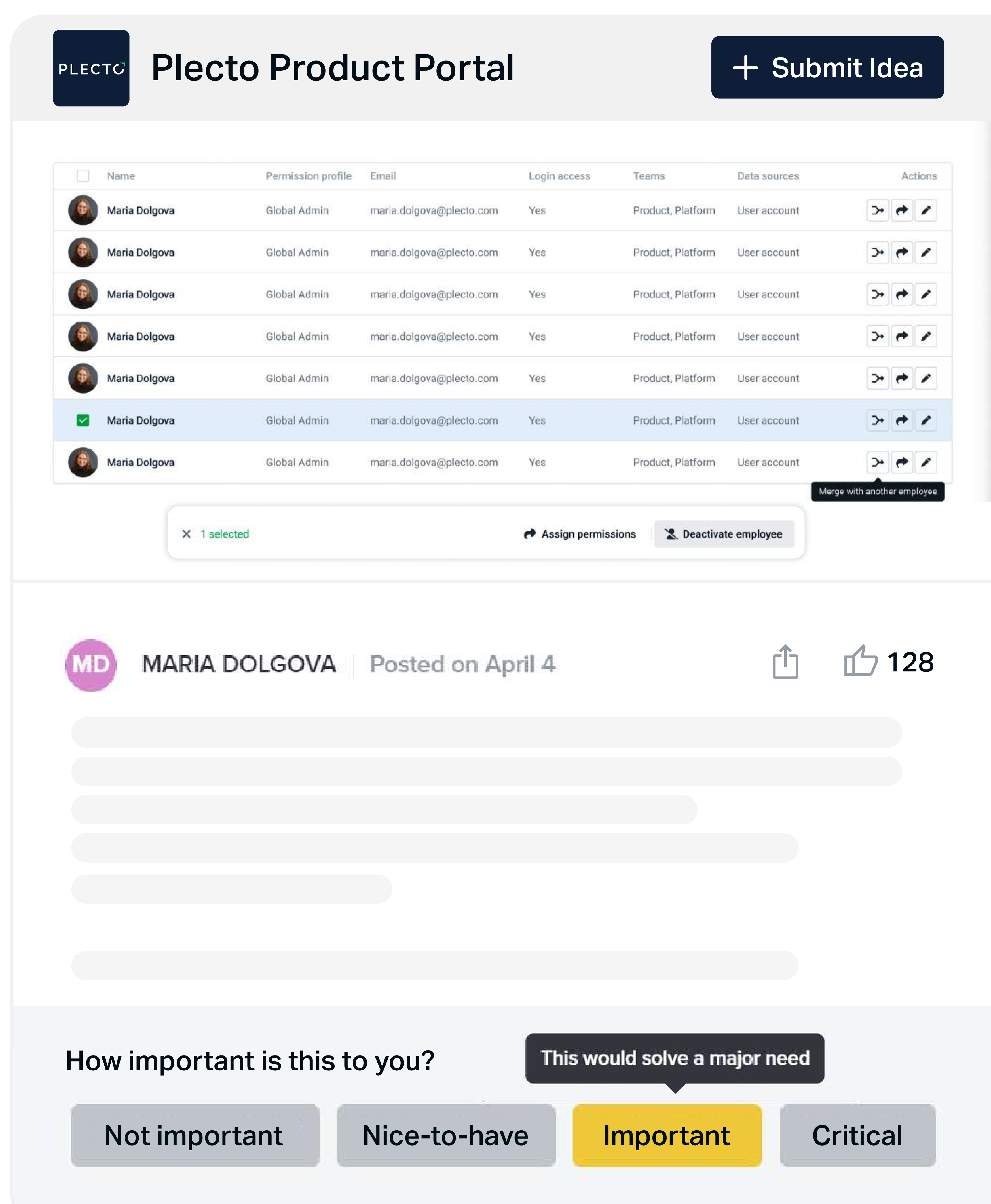
Hold open table training sessions where customer service and support teams can ask any questions about the product/feature before it goes live, so they're prepared for anything the customer may throw at them.

3

Product Portal

As the name suggests, this is a way for customers to see into the product development process – from product planning to beta testing to launched products! Customers have the opportunity to 'up-vote' submitted feature requests so companies can see what's most requested and what should be prioritized.

Developing a product is one thing — enabling customers to get the most out of it is another.



When customer service representatives continue to add to their knowledge and training with the products they are servicing, customers reap the rewards! Together, these two departments can develop and support innovative products that address customers' evolving needs and expectations with almost psychic accuracy.

3 Benefits of Collaborating with Sales

Customer service and sales have a symbiotic relationship. In order for a company to be successful, the sales team must pursue the right customers while setting the right expectations – and the customer service team must keep those customers satisfied, engaged, and loyal.

1 "Better Fit" Customers

Customer service reps have a perfect vantage point for identifying the attributes of good-fit customers – and the opposite. Sharing this information with the sales team can help sales refine their strategies and pursue the right customer segments, making the customer service team's jobs easier while hopefully increasing lifetime values and lowering churn rates.

2 "Better Fit" Customers

Collaboration between the customer service and sales teams should make it easier to hit "repeat business" revenue targets. Customer service teams often take over after a customer exits the sales funnel. By the time a prospect becomes a customer, the sales department should know their pain points, expectations, and goals – or at least be able to assign them to a key customer segment. Sharing these insights via the CRM should make it easier for customer service reps to recommend relevant upgrades or related products. Alternatively, customer service reps can share recommendations based on previous customer communication that can help the sales departments sharpen their segmentation and close repeat business or upsell current prospects.

2 Improved Efficiency

Collaboration between customer service and sales can reduce duplication of efforts and ensure a more consistent customer experience. A clear handover process from sales to customer service can strengthen the lines of responsibility, enabling sales to focus on selling while customer service focuses on retention.

This clear division of labor results in faster, more efficient, and more consistent service for both prospects and customers because there's a dedicated team responsible for addressing each group's needs both pre-sale and post-sale.

Performance-Driven Culture Doesn't Happen in Silos

To get the most out of your collaborations, have regular check-ins to share information. Knowledge sharing should be a reciprocal process, not a one-way street from customer service to other departments. It doesn't have to be an arduous process. Bi-weekly or monthly check-ins between the department or project leaders should be enough.

By leveraging first-hand customer insights and cross-departmental collaboration to inform marketing initiatives, products and features, and the sales process, companies can deliver personalized experiences that strengthen relationships, build loyalty – and hopefully, secure a competitive advantage.

VCC Model

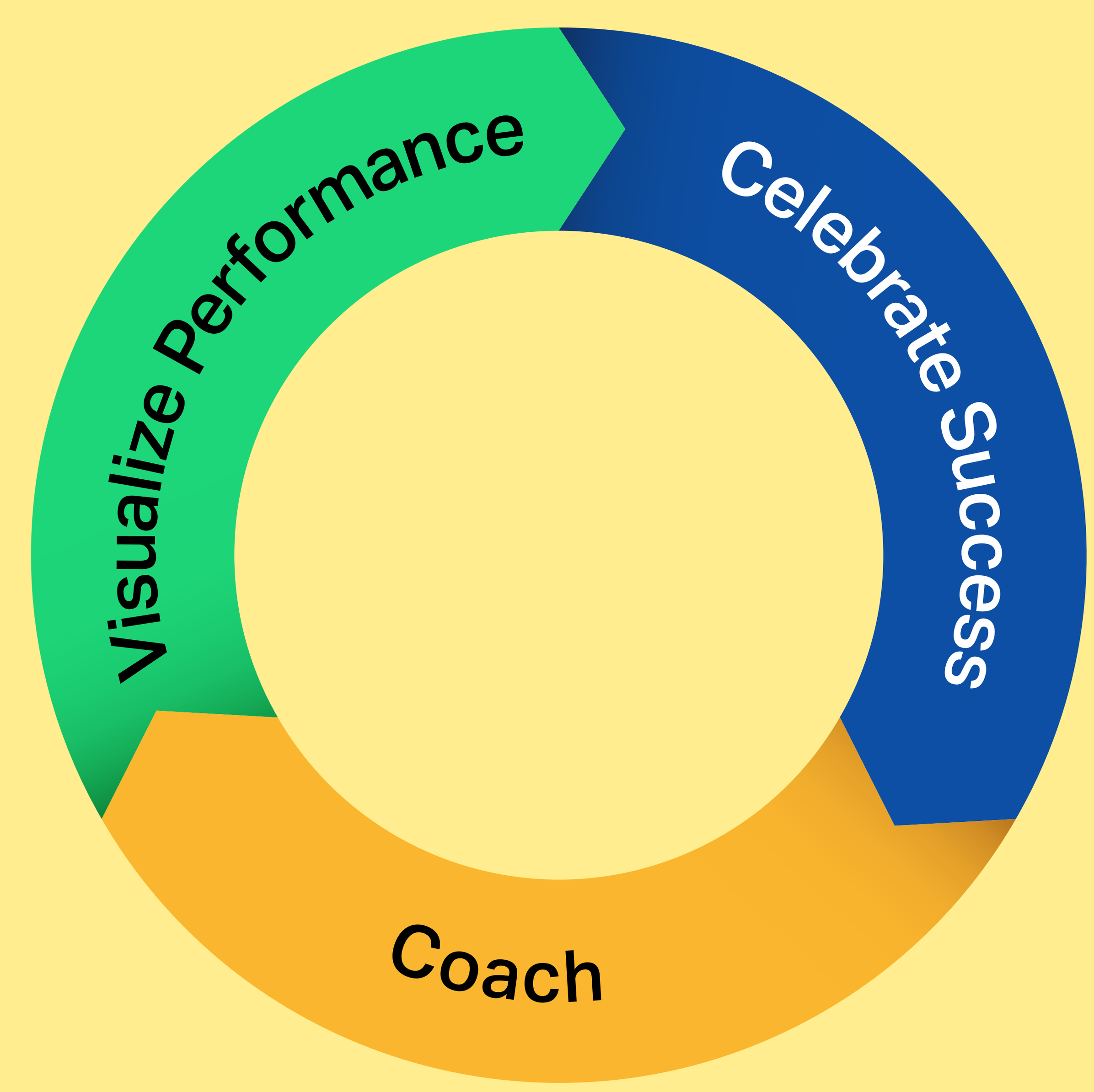
Your Roadmap to Success

We've developed the VCC Model as an adaptable three-step method to help leaders of any organization use a data-driven approach to build a high-performance team.

This model will enable you to practically apply the information we've shared in the previous chapters, integrating it into your daily operations using three simple steps.

The 3 Steps of the VCC Model

By following these **three steps**, you can use the VCC Model to improve data transparency, lower employee turnover, and improve performance:



1

Visualize Performance 📊

Put your most important KPIs where people can see them and act on them.

2

Celebrate Success 🎉

Don't wait until the end of the year to recognize great performance, celebrate the "small wins" in your everyday operations.

3

Coach 🎯

Ask the right questions, set the right KPIs, and watch your employees bloom!

1 Visualize Performance

Before you can improve performance, everyone in your team needs to understand how the team is performing today and how you'd like them to perform in the future. To support the sharing of this mission-critical information, the VCC Model starts with "visualizing performance."

Displaying your most important KPIs on data dashboards provides a performance overview to individuals, your team, and upper management – so everyone always knows where you stand relative to your targets. Prop your performance up by visualizing your KPIs on real-time dashboards!

Leaderboards are another effective tool for visualizing performance, particularly individual performance. Leaderboards are a fantastic way to spark the type of friendly competition that naturally propels teams to perform better.

VISUALIZING KPIS AND OTHER IMPORTANT METRICS CAN HELP YOU TO:

1. Align expectations and ensure that everyone is working toward the same goals
2. Uncover stumbling blocks that are preventing your team from reaching its goals
3. Monitor productivity by tracking metrics like average wait time and first contact resolution
4. Build a performance culture by visually motivating employees to reach their goals

Whichever tools you choose, visualizing performance will motivate your team to perform their best by showing them where they're excelling and where they need to improve – and help you to identify where you should focus your coaching and training efforts. Visualizing hard data can also make it easier to build a business case for tools that can improve efficiency, cut costs, and enable your team to provide better service.

Systems like Plecto make it easy to visualize real-time data from multiple systems in a variety of formats, including tables, line charts, leaderboards, countdowns, and even speedometers!

2 Celebrate Success

While we've touched on this in a few chapters previously, celebrating success is such an effective motivational tool that it's one of the three pillars of the VCC Model.

Celebrating success, whether it's big or small, taps into the fact that our brains are hardwired to crave the "reward chemicals" that we release when we succeed.

As a leader in a high-turnover department like customer service, celebrating success in your daily operations is one of your most potent tools for motivating and retaining your reps.

CELEBRATING SUCCESS DRIVES PERFORMANCE BECAUSE IT:

1. Reinforces and rewards "good behavior" (e.g., high CSATs)
2. Promotes continuous improvement by tracking reps' real-time progress against KPIs
3. Ignites people's competitive nature to drive results
4. Provides a sense of achievement
5. Fosters teamwork, collaboration, and a sense of community

Customer service is hard and monotonous work, and gamification is proven to be an extremely effective method for improving job satisfaction, engagement, and retention. It's a low-cost but powerful way to celebrate success in your daily operations using elements like instant notifications, badges, and points to boost your employees' moods, motivation – and ultimately, performance.

For example, setting an instant notification to pop up on everyone's screens each time a rep receives a perfect CSAT is a small but motivating way to celebrate a job well done.

To further boost motivation and performance, many companies pair gamification with weekly or monthly contests to win performance-based prizes. If you choose to run prize-based contests or use points as a gamification element, make sure to include a variety of incentives – some employees might enjoy gift cards, while others might prefer additional PTO or the ability to choose a better shift.
It's also important to vary the contests so that everyone has a fair shot based on their strengths – having the same winner time after time will have the opposite of your intended effect. To reap the full potential of an incentive program, it's imperative that it's fair and aligned with your employees' preferences.

Plecto includes instant notifications and a variety of easy-to-configure gamification and contest elements to help you get your incentive program up and running in no time!

3 Coach

Coaching is the final step for leaders who are using the VCC Model to create a high-performing team, and it builds on the model's previous two steps.

Quarterly or even yearly performance reviews are becoming an outdated way of tracking performance because it does little to nurture talent. Modern leaders are instead turning to regular 1:1 sessions. Depending on your team size, aim to prioritize these sessions at least once a month.

If you're new to coaching, performance agreements are the perfect starting point for your sessions. Choose one or two KPIs that could use a little boost and then set achievable short-term targets to help them experience a quick win. Effective coaches highlight each employee's small wins (i.e., celebrate success) and use them to identify the skills and techniques that contributed to their success. A skilled coach strikes the right balance between pushing employees to work to their fullest potential and keeping a realistic perspective about what they're capable of achieving. For complete transparency, follow up after the meeting by sharing your notes.

Structure your sessions as open, collaborative conversations in which your employees feel safe confiding in you about their struggles and leave feeling empowered with tips and tools to help them excel. It's also an opportunity to identify professional development opportunities, things that could make your reps more effective in their jobs, and ways to make your workplace even better. Ask questions that make your reps feel important, capable, and wanting to achieve more.

HERE ARE SOME EXAMPLES OF GENERAL QUESTIONS YOU MIGHT ASK DURING A COACHING SESSION:

1. What's going really well for you right now?
2. What's been your biggest win since our last session?
3. What's your biggest challenge at the moment?
4. What could help you overcome this challenge?
5. Is there anything specific that you need from me?

Every coaching session is an opportunity to build your employees' trust and confidence – or damage it. When people feel that they have the support and tools they need to grow and learn new things, the sky's the limit in terms of their potential – and your coaching is the catalyst that can unlock that potential.

Plecto streamlines the coaching process by enabling leaders to easily create real-time performance agreements and one-on-one templates that can be tailored to each employees unique conversation – making it easy for employees and managers alike to track the results of their efforts!

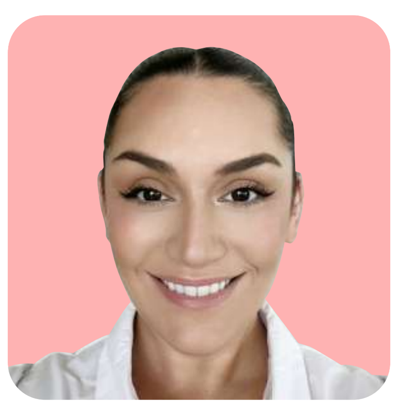
Plecto Can Help You Implement & Outperform Using the VCC Model

Plecto is chock-full of features and tools to help you visualize key metrics, recognize achievement, and coach your employees to new heights of motivation and career development!

We invite you to book a demo or sign up for a free 14-day trial to see first-hand how Plecto can support you in building a performance-driven team that's powered by real-time insights.

Contributor Details

Plecto wishes to thank the following experts for contributing to the Customer Service Playbook



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Samantha joined Aircall as a Senior CSM with several years of experience in customer success at SaaS companies across multiple industries and client portfolios. Within her two years at Aircall, Samantha has transitioned to Manager of Customer Success (North America), and attributes building an 8-strong SMB customer success team, in part, to her drive: “I always strived professionally to be in leadership, and to do so at a successful unicorn company has been a great experience.”

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During his 20 years at StraightSource, Jesse calls developing and collaborating on an innovative soundboard-based avatar platform transforming the inbound/outbound call center space his crowning achievement. Drawing on his 40+ years of experience in the business process outsourcing sector, Jesse recently added author of “The Recruiter’s Handbook” to his impressive list of life achievements. He is also the founder of numerous successful candidate-sourcing companies including Enterprise Talent Acquisition Software, Avature.

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With 20+ years in customer service as Head of Customer Service, Head of Customer Engagement, to his current role as VP of CX Excellence & Chief Evangelist at Dixa, Tue is fueled by his passion. He sees software as a force to fortify brand relationships, elevate customer experiences, and transform agent engagement. Tue's expertise embodies the pivotal fusion of technology and customer-centricity.

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Drawing on a decade spent starting and growing a global SaaS support team, Mat is a recognized customer service educator at Help Scout, helping customer-centric companies deliver consistently excellent online service. Reflecting on his 8-year tenure as Global Head of Customer Service and earlier career experience as a web designer for companies including Booking.com and the Australian Stock Exchange, Mat's colleagues have described him as "being the voice of the customer" whose "customer support is unmatched."

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With 17+ years of experience in presales, consulting and customer Service, Dhinesh has built and maintained business relationships with key stakeholders and decision makers at leading companies in the technology sector. Dhinesh combines his technical expertise, managerial experience, and customer-centric focus to develop Zoho CRM's customer success strategy as Global Head of Customer Success. In addition to working closely with sales and channel partners, Dhinesh lends his expertise as Keynote Speaker for user conferences and events worldwide.

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Founder of ChurnRX, Greg is the industry's foremost expert in customer churn and retention, growth, and strategy. Since attaining advanced degrees in business and economics from MIT and Cambridge University, Greg has regularly challenged the conventional way of thinking throughout his career. Renowned for his data-driven approach to improving customer retention, Greg often reveals disruptive opportunities for growth and brings new ideas that challenge the status quo, and drive breakthrough transformations for companies.

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Alongside her highly-skilled team of experts at Success CX (Zendesk Premier Partner), Amie works closely with clients to understand their unique business needs and craft incredible customer experience solutions for businesses of all sizes and verticals. Amie exercises her 9 years Zendesk experience as a guest speaker at exciting global events including the annual Zendesk Relate Customer Success conference.

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Throughout his 5-year tenure at Intercom, Bobby has demonstrated his strong management capabilities and aptitude for working with people and technology–transitioining from managing a team of 6 support leaders in the North American market to leading global customer support teams in Dublin, Sydney and North America. Bobby regularly draws on his current role as Director of Customer Support in sharing his expertise at events including the Support Driven Leadership summit.

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