

Key Capabilities to Drive Contact Center Rep Performance

Service organizations continue to evaluate the capabilities needed for reps to deliver positive, high-quality customer experiences. Increasingly, they are facing trade-offs and questions about the most effective areas to focus their team development efforts.

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Quality and Cost Face Off in Customer Service

For years, creating a better, differentiated service experience has been the highest priority for service leaders in their pursuit of customer loyalty. Although many have launched improvement initiatives in recent years, most service leaders have been constrained by ongoing pressure to also reduce the cost to serve. In some cases, they have even been forced to sacrifice experience quality and customer loyalty to save money.

But perhaps the most disconcerting part of service leader's situation is that, regardless of whether the service center focuses on quality or cost, our research shows that customer loyalty has been flat for several years.

The Real Driver of Disloyalty Is the Service Experience Itself

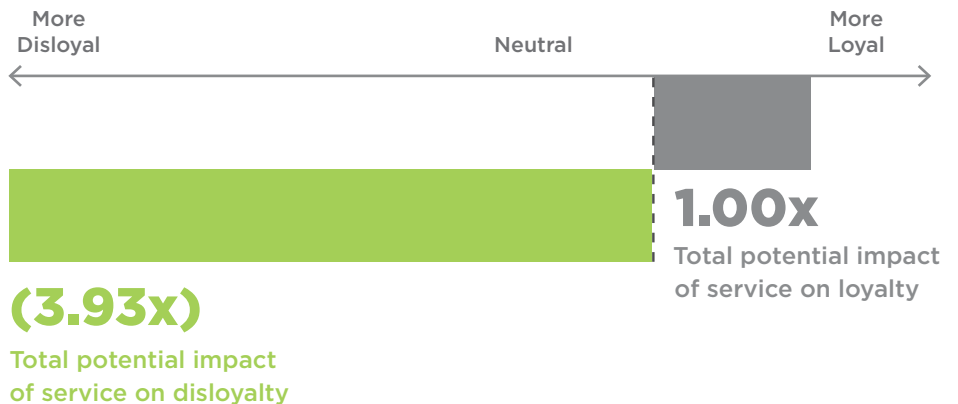
What most service leaders do not realize is that their service center is actually a cause of disloyalty. The customer service experience today is fraught with additional hassles and inconveniences that force customers to exert undue effort to resolve their issue. These hassles include repeat contacts, robotic service, channel switching, and other factors that, no matter how small they seem, can significantly hinder the service experience.

As a result, our research finds that customers are four times more likely to leave a service interaction feeling more disloyal to the company, rather than more loyal. Customer effort has a significant effect on word of mouth, as well. A CEB survey showed that 81% of customers who experienced a high-effort service interaction went on to speak negatively about that company.

Drivers of Customer Effort

- Repeat Contacts
- Channel Switching
- Transfers and Repeating Information
- Robotic Service
- Arduous Policies and Procedures
- Hassle Factors

Impact of Customer Service on Loyalty



n = 97,176 customers.
Source: CEB analysis.

Service organizations that are able to deliver a low-effort service experience perform better in a number of ways:

- Overall disloyalty rates for low-effort companies are 9%, compared to 96% for high-effort companies.
- Average Net Promoter Score™ for low-effort companies is 54%, versus -11% for high-effort companies.
- Ninety-four percent of customers repurchase after a low-effort interaction, compared to only 4% after a high-effort interaction.

In addition, reducing customer effort can lower operating costs. Low-effort companies have shown to reduce repeat calls by 40% and have increased employee intent to stay by 17%.

Impact of Low-Effort Customer Service

Higher Quality

Average Net Promoter Score for low-effort companies is **54%**, versus **-11%** for high-effort companies.



Source: CEB analysis.

Lower Costs



Repeat calls decrease by **40%** in low-effort companies.

Although reducing customer effort clearly is key to driving customer loyalty and improving the overall service experience, most companies struggle to determine where and how to start.

Customer Effort Starts with Service Reps

65% of customers' perceived effort is driven by how the rep makes them feel.

When trying to reduce customer effort, 70% of service leaders focus on decreasing what the customer has to do during the service interaction. These initiatives include process improvements or technology enhancements to encourage consistency in how customers are served. However, from the customer's perspective, this approach only affects one-third of the equation.

The service rep actually has the greatest influence on customer effort and the overall customer service experience. A CEB survey of more than 4,500 customers revealed that 65% of a customer's perceived level of effort is driven by how the rep made them feel during the service interaction. What the customer had to actually do during the interaction only accounts for 35%.

Drivers of Customer Effort



n = 4,589 customers.

Source: CEB 2011 Customer Effort Survey.

In other words, when it comes to customer effort, reps hold the key. The skills, competencies, and words they use—and how they use them—are the deciding factors for delivering a superior, low-effort customer service experience.

Four Key Capabilities to Drive Rep Performance

In an environment where customers increasingly demand more tailored, customized service, reps must have the capabilities to guide customers through the service interaction. We identified a critical skill set required to create the feeling of a low-effort experience and boost rep performance. Baseline customer service skills, such as professionalism and product competency, are required of any rep. Continuing to focus on developing these skills, though, is likely to elicit only minimal returns. Instead, to maximize rep performance in today's service environment, service leaders should prioritize the training and development of the following higher-level capabilities.

Interaction Tailoring	Content Surfacing
Tailoring the rep's communication style to match the communication style and preferred issue resolution path of the customer	Identifying implicit and explicit customer needs through improved listening and asking purposeful, probing questions
Experience Engineering	Forward Resolving
Influencing the customer's perception of the experience through positioning techniques and use of language	Preemptively resolving the next likely issue(s) that customers may not articulate in the moment but that will cause a repeat call

24% of repeat calls stem from an emotional disconnect between reps and customers.

Capability 1: Interaction Tailoring

In the past, the goal of most service organizations was to provide customers with a consistent service experience. Although that approach worked in the era of more transactional customer inquiries, it no longer meets customer expectations for a personalized service experience. In fact, 24% of repeat calls stem from an emotional disconnect between reps and customers. In these instances, the customer did not trust the rep's information or believed the rep was not understanding them. To eliminate these callbacks and provide higher-quality service, reps must be able to scalably tailor their communication style to the customer's preferred method of interaction while, at the same time, demonstrating to that customer that the rep is advocating on their behalf.

Interaction Tailoring in Practice

It is important to teach reps how to tailor their interactions to customers but not overwhelm them by making them think that each customer requires a completely different type of interaction. One financial services firm uses a simplified Myers-Briggs methodology to develop four personality-based customer profiles. Each profile is differentiated by preferred communication style and resolution behaviors. By giving its reps a limited number of personality types to look for and clear clues and cues to help identify each, the firm enables its reps to identify the type of person to whom they are speaking. Reps are also given guidelines to “flex” their own communication style in response to the customer’s personality style. With this personality-based approach to interaction tailoring, the company reduced repeat calls by 40% and improved customer loyalty by 20%.

Tip: Conduct an internal workshop to help your reps realize their dominant personality or communication style and generate self-awareness of how they interact with customers.

Capability 2: Content Surfacing

Customers are constantly giving us clues that can help us resolve their issues. Our research has found that one of the best ways to decrease callbacks and reduce the amount of effort a customer expends in the service interaction is to better pick up on these clues through active listening and uncover additional information through thoughtful, probing questions in purposeful small talk. Demonstrating these skills reduces the need for customers to repeat information while also uncovering additional information that may allow reps to offer better solutions.

Content Surfacing in Practice

Most reps will put a customer on hold while checking schedules to book an appointment or researching other information to fulfill a customer’s request. Instead of putting the customer on hold, though, leading companies use purposeful small talk to engage customers and ask additional questions about their requests. For example, if a customer has requested a service appointment on a Saturday afternoon, the rep may ask why he or she specifically desired a Saturday afternoon appointment. If it is because of work schedules, for instance, the rep may be able to offer an earlier appointment during the company’s evening hours that may be even better for the customer.

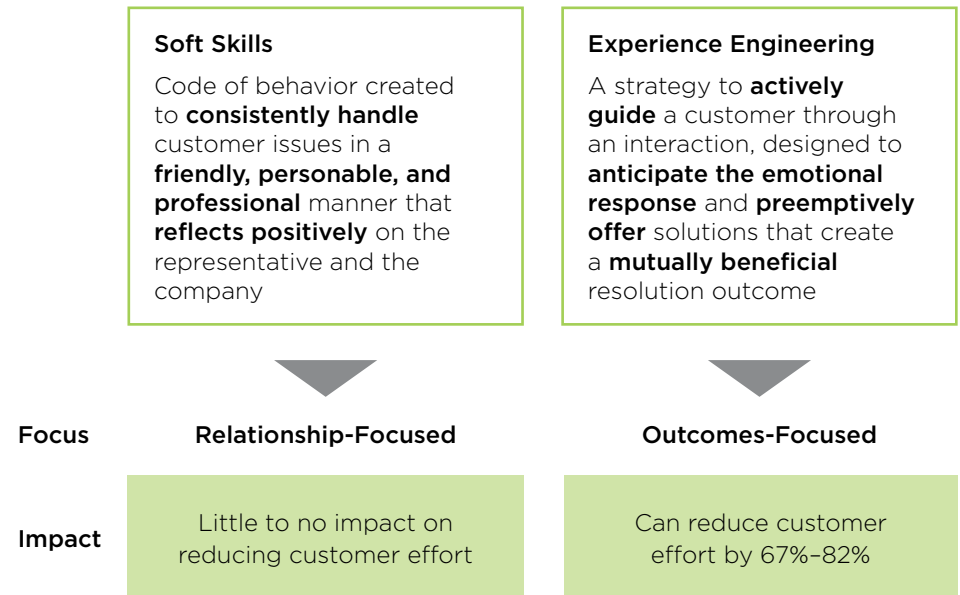
Tip: Teach your reps to be attentive, objective, empathetic, and patient while speaking with customers to be better active listeners and to be able to best use the information customers provide.

Capability 3: Experience Engineering

Experience engineering methods can reduce customer effort by as much as **75%**.

Simply focusing on friendly, personable, and professional service does not significantly affect the customer’s interpretation of effort expended in the service interaction. Instead, reps need to engineer the experience by actively guiding customers through the interaction. Experience engineering can reduce customer effort by as much as 75% and improve the quality of the experience by up to 80%. Fortunately, reps can take a number of steps to guide the customer toward a mutually beneficial resolution and engineer a lower-effort experience in the process.

Comparison of Soft Skills and Experience Engineering



“Customers appreciate it when I show them that I understand their situation and what they had to do with us before. They feel so much more confident in me, and it makes my job easier.”

Contact Center Rep

Our research has found that the vast majority of customers enter the service interaction with **customer baggage**—preconceptions of the service interaction based on past service experiences or opinions about the company or its products. By acknowledging customer baggage, reps can reduce effort by up to 14%. Using **positive language** and focusing on what the rep can do to help the customer—rather than what the rep cannot do—significantly improves the customer’s perception of how easy that rep made the service interaction. **Alternative positioning** of additional issue resolution possibilities when the customer’s preferred resolution is not available has been shown to improve first contact resolution rates by up to 10%.

Experience Engineering in Practice

Telling customers what they can’t have puts the customer on the defensive and often turns into a difficult call. But companies can’t always give customers exactly what they want. One North American manufacturing company uses simple language guidelines to ensure its reps always communicate using positive words that move the conversation forward. The company identified the 10 most frequent issues for which its reps had to say “No” and provided them with positive language statements for those scenarios. These statements correctly answer the customer’s question without having to use the word “No” or other negative language. Through this program, the company experienced a 50% decrease in call escalations and an 18.5% lower customer effort score than its peers.

Tip: Create a straightforward tracking system for frontline and escalation staff to document when policies force them to say “No” to customers. Use this tracker as a short list for potential policy or process improvements.

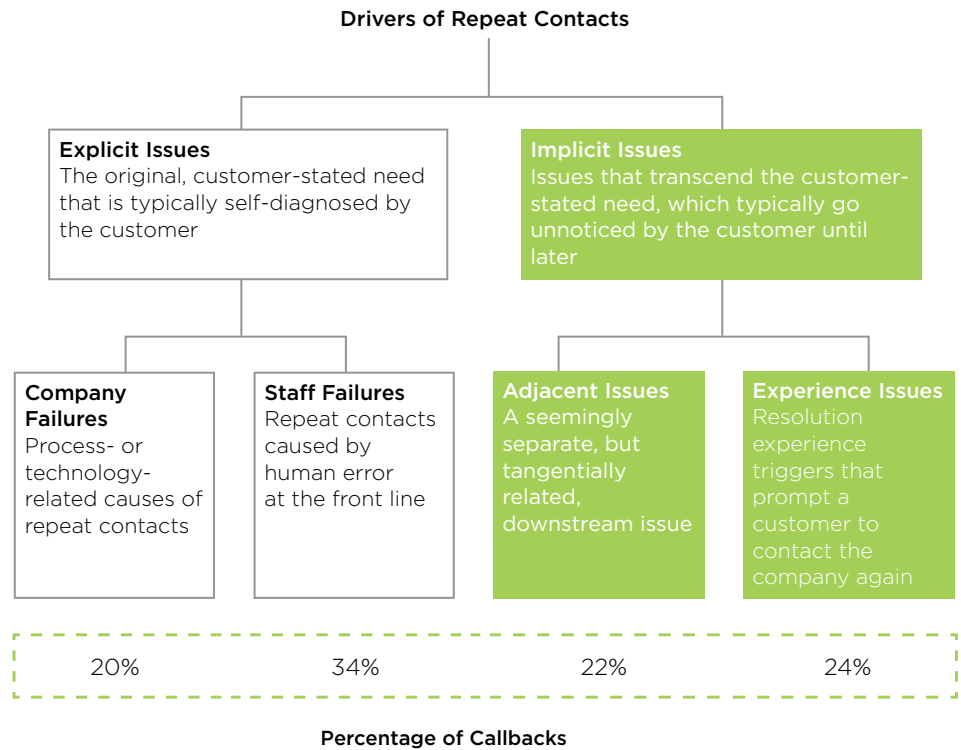
Capability 4: Forward Resolving

A closer look at the reasons for callbacks reveals two types of customer issues: explicit and implicit. Explicit issues are the original, self-diagnosed needs that lead the customer to contact the service organization. Implicit issues, in contrast, transcend the stated need and often go unnoticed by the customer until a later time. Our research shows that nearly 50% of repeat contacts come from implicit, downstream issues, so preemptively resolving these next-likely problems represents the biggest opportunity for reducing overall call volume.

Forward resolving requires reps to first recognize the opportunity for forward resolution. To successfully do this, reps must shift their thinking from focusing on single-issue resolution for the customer to thinking about customer events—which may incorporate more than one issue. Companies can assist reps in identifying when to conduct forward resolution by identifying the top types of next-likely issues for each call type. The second step for the rep is to naturally position the conversation by mapping the suggested forward resolution to customer personalities. Together, these skills have been shown to avoid up to 40% of repeat contacts—with clear cost savings implications for the service organization.

Drivers of Repeat Customer Contacts

Member-Reported Data



Source: CEB analysis.

Forward Resolving in Practice

A Canadian telecommunications company overcomes callback risks by creating an intelligent triaging system for issue handling. The company separates issues into primary issues (the first call in a series) and secondary issues (follow-up calls to a primary call) by analyzing past calls. It then uses filters to determine which issues should be forward resolved on the first call, based on factors such as complexity or how often issues result in callbacks. The service organization pulls all of this information together in a rules-based issue map that guides agents to the appropriate course of action during a call. By adopting this strategy, the company saw net calls per event decrease by 16%.

Tip: Your reps are closest to the customer and know the reasons customers need to call them back. Use their knowledge through focus groups, surveys, or other feedback loops to identify the top issues for forward resolution.

New Capabilities Require Coaches to Adapt

Through mastery of these Capabilities, reps will be able to provide a better low-effort service interaction to your customers and thus mitigate potential customer disloyalty.

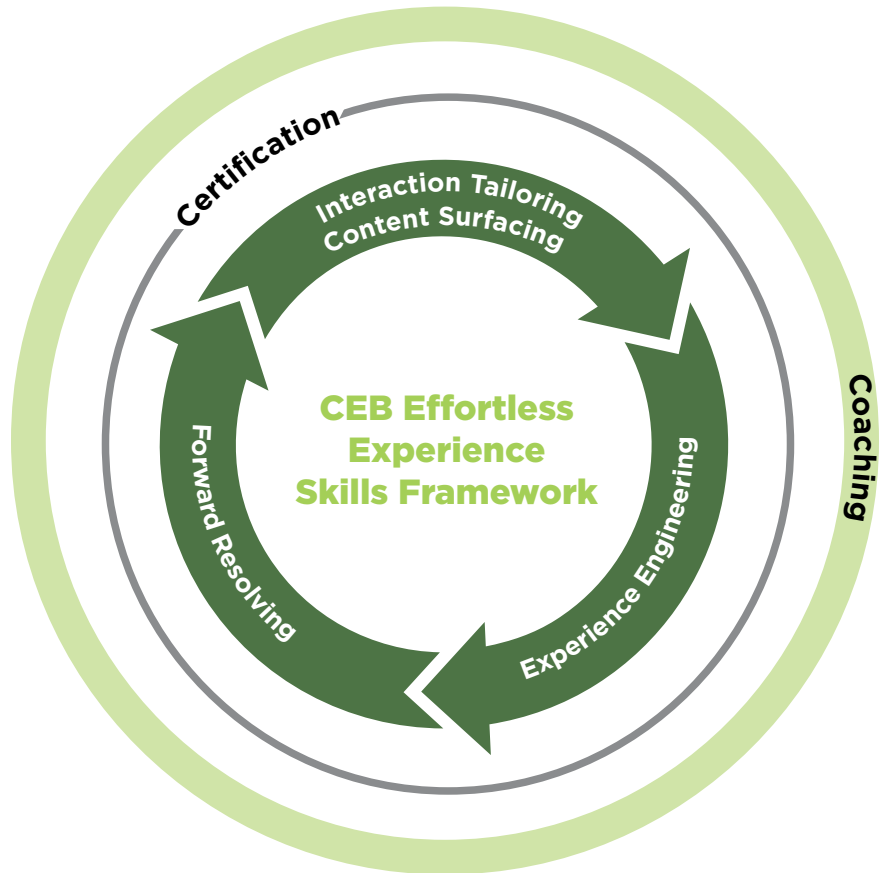
However, these capabilities are just one part of the entire talent management ecosystem. If they are not reinforced through high-quality coaching from supervisors, they can be met with resistance or may not be fully implemented, and potential improvements may not be completely realized. To be truly effective, the service organization's approach to coaching must change to reflect the new emphasis on these low-effort behaviors and capabilities (rather than traditional call center metrics), and coaching must be fully integrated into rep workflows.

How to Equip Your Reps with Critical Call-Handling Capabilities

Based on our proprietary research and proven best practices from the world's highest performing contact centers, we have developed the CEB Effortless Experience™ Capabilities Builder for call center reps.

Through a variety of live and virtual channels, we develop reps using our integrated capabilities framework to certify them on nine key skills proven to reduce customer effort. Flexible components, robust metrics, and rigorous certification ensure a transformative learning experience anytime, anywhere.

CEB Effortless Experience™ Capabilities Builder Delivery Model



Source: CEB analysis.

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Contact Us

Phone: +1-866-913-6451

E-Mail: CustomerContact.Support@cebglobal.com

Web: cebglobal.com/effortlessexperience