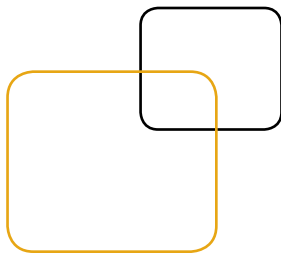


A Practical Guide to Measuring Customer Satisfaction in the Contact Center



“Call centers have become obsessed with customer satisfaction. Unfortunately, not all of them know how to measure it.” That assessment came from Greg Levin of the International Customer Management Institute more than two years ago¹, and it’s alarming how many call centers and contact centers still don’t know how to effectively measure satisfaction and improve it on a continuous basis – especially in an economy where customer approval is beyond paramount.

For contact centers in this case, customer satisfaction is one of the most critical factors to gaining a competitive advantage and then keeping it. The ability to reliably measure customer satisfaction throughout a contact center and identify satisfaction drivers that need attention therefore is a key benefit and fundamental requirement at the same time. It's what separates centers that prosper from those that don't. Not surprisingly with the economy weighing on many businesses, senior management hierarchies are demanding that their contact centers keep customer loyalty at a high level, but do so for less cost. It's a common premise that Sheri Teodoro, CEO of CFI Group North America, points to in CFI's latest look at customer satisfaction in the contact center²:

In the midst of a recession, companies continue to search for ways to cut costs while maintaining customer satisfaction. This is certainly the case for contact centers, which are challenged to achieve high levels of customer service while operating in a "leaner" manner than ever before. In contact centers, as in any type of business organization, customer satisfaction is key to success, especially in today's challenging business environment. Firms with contact centers that provide a highly satisfactory and hassle-free customer service experience are rewarded with customer loyalty. Conversely, a single bad experience with a contact center may result in a customer being lost for life, something that companies cannot afford.

Why customer satisfaction and loyalty matter

The value of retaining customers is clear, and effectively measuring their satisfaction is critical to keeping them as loyal customers.

- On average, 96% of customers who've had a bad service experience don't report it, and 91% of those unhappy customers don't come back
- Dissatisfied customers will also tell 10 other people — prospective customers — of their bad experience
- It costs five times as much to attract a new customer as it does to keep an existing one, and is 10 times more difficult
- A 10% increase in customer retention typically increases profits by 30%, while a 5% increase can increase profits by 25% to 125%
- The probability of selling to an existing customer is 60-70%; the probability of selling to a new prospect is 5-20%

Sources: Marketing Metrics, Bain & Co., Gartner Group

So if customer satisfaction is vital, if knowing how to reliably measure it is essential, and if being able to constantly improve it is imperative, how does a contact center unravel the mystery of making satisfaction measurement a successful initiative? One answer is the post-call survey, and CFI Group offers up its expertise in a recent whitepaper for IVR survey best practices³:

The contact center, as the central hub for customer interactions, is optimally positioned to collect customer feedback at the "point of opportunity." The best way to understand a customer's relationship with a company is to ask the customer directly — in a survey. Moreover, it is important to ask these questions sooner rather than later with respect to the timing of the interaction — a post-call survey. And, to make the survey even more powerful, survey data should be incorporated with operational data from the contact center.

Advances in contact center technology have increased available post-call survey tools to capture customer feedback and gain insight into customer perceptions. However, technology alone does not assure effective post-call surveys. The makeup and delivery of post-call satisfaction surveys themselves can significantly influence the reliability (and usability) of survey data. Only by using the right technology in combination with survey best practices will contact centers be able to gain actionable information from the post-call customer satisfaction surveys they conduct.

Satisfaction surveys the ineffective way

Although technology has introduced automation to the customer survey process, manual follow-up phone surveys remain a popular method of satisfaction measurement for many contact centers. The problem is, manual surveys are sometimes ineffective because of their inherent drawbacks. First, the human element of such surveys can introduce biases to collection methods that skew a survey's results, and often do. Second, manual surveys are typically conducted by third-party firms with high price tags, negating any measure of cost-effectiveness and savings. And third, since the manual survey process is disconnected from the contact center, arriving at a common technological path to link customer feedback to agent training programs and service improvement initiatives can be difficult and unreliable. Mostly, though, when they're conducted manually, follow-up phone surveys can be severely hampered by time delays.

Imagine you're a customer and you get a call to participate in a survey an hour or two after your initial interaction, or perhaps a couple days after. You're expected to answer questions and provide details regarding your service experience, but by then total recall is problematic and feedback suffers from your memory lapse. It's much the same with mailed surveys that arrive at a customer's door a few days after their interaction. If customers even complete and return the survey, which a majority of people rarely do, their responses don't reflect exactly what transpired during an interaction days earlier. Consequently, their feedback for satisfaction measurement doesn't accurately reflect their experience.

¹ Levin, Greg. "Common Mistakes in Customer Satisfaction Measurement." International Customer Management Institute, icmi.com. August 2007

² Teodoro, Sheri. *Contact Center Satisfaction Index 2009. How Contact Center Customer Satisfaction Impacts the Bottom Line.* CFI Group North America. June 2009

³ CFI Group. "Top 10 Customer Satisfaction Best Practices for Contact Center IVR Surveys." October 2008

Hello automation and innovation

In a 2007 industry report on measuring customer satisfaction⁴, the International Customer Management Institute (ICMI) determined that the most common method for collecting satisfaction feedback from consumers was the live (manual) follow-up phone survey, which was used by 38% of contact centers. Email (web-based) surveys followed at 34.1%, automated phone surveys at 23.9%, and mail (paper) surveys at 20.5%. But innovation has changed the surveying dynamic since then. With automation having become more prominent in contact center processes overall, IVR-based automated post-call satisfaction surveys have climbed the list. In fact, the ICMI notes, automated surveys are the only method that's increased in use every year since 2004, primarily because of their lower costs and faster turnaround times for feedback results. Also now that vendors are introducing more advanced solutions into the survey market space, including the Interaction Feedback™ solution from Interactive

Intelligence, greater functionality is allowing contact centers to fully automate and streamline how they record, collect, analyze and interpret survey feedback data, and then pinpoint lagging drivers of satisfaction to make needed improvements.

Timing is everything

According to analysts at Gartner Group, satisfaction measurement feedback collected immediately after an interaction event is 40% more accurate than feedback collected 24 hours (or later) after the event.

10 best practices for IVR surveys

Go back to the statement from CFI Group's whitepaper on survey best practices, "... technology alone does not assure effective post-call surveys. The makeup and delivery of post-call satisfaction surveys themselves can significantly influence the reliability (and usability) of survey data." The same whitepaper offers these 10 best practices for the makeup of a survey, based on the American Customer Satisfaction Index™ (ACSI) published annually by the University of Michigan. Note that the practices are only summarized here.

1. **Use scientific questionnaire design.** "Did you find the agent knowledgeable and experienced?" This type of question addresses two issues at once, but fails to capture meaningful information for either agent qualification. Make sure each question equates to one issue.
2. **Define the goal.** Set objectives up-front and don't deviate. If the goal is to collect feedback regarding an agent's knowledge level, don't let Marketing add a question about a new giveaway promotion. A clearly focused survey also respects the customer's time.
3. **Keep IVR surveys short.** The goal of a survey is to collect actionable information. While there are no established rules for time frames, post-call surveys of 2-3 minutes have proven to collect enough information to be useful and still hold the respondent's interest.
4. **Measure what matters.** Say a survey asks travelers to rank an airline by "important characteristics" and respondents put safety #1. Safety, however, is not what ultimately compels travelers to choose a particular carrier — price, schedule, and frequent flyer rewards programs do. So, stick to real cause-and-effect analytics.
5. **Use the right scale.** For most consumer surveys, a 10-point scale is standard. For IVR-based automated surveys, however, ACSI recommends a 9-point scale that utilizes the phone numbers 1 through 9 to shield respondents from "slow-finger" coding errors, i.e., typing 1 and 0 fast enough for IVR system capture. With ACSI, 9-point scales are converted to 10-point and final scores converted to a 100-point scale for reporting and "rightmarking."
6. **Don't strive for a benchmark — find the "rightmark."** Never mind industry average benchmarks or those of current best performers. Integrate operational targets and satisfaction data to find the point where service and delivery converge for your customer base.
7. **Coordinate with IT.** Integrating speech engines, survey apps, IVR systems and call recorders. Storing and distributing survey data and making it accessible. Maintaining reporting mechanisms. IT teams need advanced warning for any survey initiative... and you'll need their buy-in.
8. **Don't use survey results to evaluate individuals.** Instead, use results to coach agents whose survey feedback scores are low, and to tailor a training regimen for ongoing improvement. Recordings of high-scoring agents can be a helpful training tool as well. Also if possible, let your IVR system automatically transfer callers for post-call surveys to prevent agent intervention and potential bias.
9. **Report often and make results accessible.** Survey results should be made available to users upon a survey's completion, whether via your IVR/survey solution or using dashboards, "heads-up" displays and other types of real-time (or near-time) alerts.
10. **If you've invested, make it work.** Finally, don't lose sight of the fact that understanding customer satisfaction improves contact center performance, customer loyalty and overall revenue. You've spent the time and money to collect the data, now put it to work

Don't miscalculate customer expectations

In a 2008 survey of consumers around the world, one-third of respondents said their service expectations were higher than one year earlier and 52% reported higher service expectations compared with five years before. Poor service was also cited as the most common reason for customer flight, especially when customers felt their expectations were being overlooked

Source: High Performance in the Age of Customer Centricity, customer satisfaction research. Accenture, April 2009

⁴International Customer Management Institute. 2007 *Customer Satisfaction Measurement Report*. October 2007

Using survey data most effectively

According to Terry Redding, Director Product Development and Delivery at CFI Group, “Nirvana is integrating survey data with operational data to determine optimal service delivery levels for your unique customer set, while also understanding the tradeoffs between cost savings and satisfaction.”⁵ Short of this integration, contact centers must have properly constructed surveys, which a methodology such as the American Customer Satisfaction Index can help with, that allow them to identify key satisfaction drivers in a statistically valid manner. After that, each driver’s data points should allow a contact center to further analyze the relative importance (impact analysis) of each touch point it has with its customers.

Another way of saying this is that surveys should be constructed such that their collected data can be used for forward-thinking processes, not just for “how did we do last period.” Surveys and data that provide only a short-term view of customer satisfaction tell contact center management nothing about where best to focus when moving forward in improving service and the customer experience. So when formulating satisfaction surveys and trying to find the best methodology for analyzing results, what’s the biggest mistake contact centers make? The biggest gaffe, Redding says, is that many contact centers have no idea of precisely what questions they’re looking to answer, and a limited vision as to how collected feedback data from customers will be used to target and improve satisfaction drivers. They also have little idea of who’s ultimately going to care. Instead of quickly compiling a template survey, waiting for the data to come in and wondering what it all means, sound research for a satisfaction survey requires developing an initial, well-thought hypothesis, testing it, and refining it as necessary. To reliably measure the satisfaction of any contact center’s customer base, a survey’s viewpoint must focus on what really matters to those customers, and provide an understanding of how the contact center should act on the findings — good or bad — once the data is in. A proven methodology with which to analyze results is equally vital; otherwise the confidence in a survey’s findings could well be considered suspect if challenged by others who don’t agree with the findings and their resulting message.

In any contact center, measuring customer satisfaction involves constant, dedicated attention to various aspects of the measurement process. Those centers considered world-class and successful are ones that have made customer satisfaction an ongoing priority.

⁵ Terry Redding. Director Product Development and Delivery, CFI Group North America. Online interview. July 20, 2009.

Take Action

For a contact center, measuring customer satisfaction offers a full view of customer relationships that can favorably impact efforts to reduce attrition, build your brand and improve customer loyalty and profitability. The *Interaction Feedback*[™] solution from Interactive Intelligence is an intelligent application for automated post-call surveys and feedback management that allows contact centers to invite customer perceptions of service quality, pinpoint key satisfaction drivers for improvement, and then take appropriate action.

Interaction Feedback easily integrates to Interactive Intelligence’s standards-based all-in-one software platform for contact center automation and business process automation, a single prove platform now used in more than 3,000 organizations around the world to manage business communications as well as processes and customer information.

Visit www.inin.com or email us at info@inin.com to learn more about our solutions for the contact center, including *Interaction Feedback*.