

**WHITEPAPER**

# THE DEFINITIVE GUIDE TO DELIVERING SERVICES WITH CRM

How to Help Your Service Team Cultivate More Business



## ABOUT

Many organizations consider the function of servicing customers one way: as a costly necessity. And for many organizations, it's true. Without the clear connection to revenue that Marketing and Sales departments have, Service departments are often seen as cost centers. Performance is rated in terms of capacity, or how many calls can be closed in a day. Due to the high cost of service, the goal is to spend the minimum of time and resources on each customer.

Performance is all about quantity, and increasing the flow of resolution. But this perspective on service performance is missing something. What if service could be more than just a cost center? What if it could be a revenue center? It's more simple than you might think. You're a customer—everyone's a customer of something. Think of the organizations you do business with, both the ones that satisfy you and the ones that leave you cold. What's the difference?

Chances are good that the deciding factor occurs through your experience with the organization's service department. You feel like the company knows you and appreciates your business—or you don't. You have faith that when you call, you'll get resolution to a problem quickly and pleasantly—or you won't. To improve profitability without slashing budgets, turn a cost-centered call center into a revenue-generating contact center. Get better at customer interactions in your service department. Because done well, they hold the key to turning customers into brand loyalists. Which means they keep coming back to buy more.

## THE CONTACT CENTER: THE NEW CUSTOMER EPICENTER

The demand is clear. Every time your customers call you for help, they want to feel remembered. Appreciated. Known. They want you to give them what they want quickly and happily, and maybe even give them a little something extra. A recommendation, a preferred price or a sneak peek at the newest version of their favorite product.

The traditional call center is going to struggle to provide that level of service, yet customer expectations only continue to increase.

Organizations who want to meet demand and exceed expectations need to take the next step—from call center to contact center.

A contact center is what every call center wants to be when it grows up. A fully-formed, efficient interaction machine that's running on all cylinders. Across every customer-reaching function in your company.

Just like a call center, a contact center speeds the capture, tracking, management, escalation, and resolution of customer service requests, improving productivity. But a contact center does it on the foundation of a complete, personalized view of every customer and their needs and preferences. By unifying customer data across sales, marketing and service, it delivers more personalized, 'one & done' interactions at lower costs.

It fundamentally transforms the customer experience, because you'll be able to do business how your customers want to do business. Which you'll find they will like. A lot.

Tactical call center agents solve customer problems. Strategic contact center agents collaborate seamlessly with sales and marketing to generate leads and close sales. In a contact center, agents spend less time per call, increase their volume, and provide solutions more often on the first call. Inbound

agents close sales, process orders, develop quotes and gather feedback on products. Outbound agents segment customers, generate and qualify leads and calculate marketing ROI.

With the right contact center strategy and application, companies can:

- Deliver a positive service and brand experience to customers
- Create proactive interactions with customers
- Reduce costs without sacrificing the quality of service
- Increase revenue with every customer interaction
- Improve key performance indicators
- Outperform larger competitors
- Outmaneuver competitors quickly to take market share

Great customer service is no longer only about providing phone-based service and support centers. A smart contact center can significantly improve a company's top and bottom line. It's the epicenter of the customer relationship and it's where smart marketing, selling and servicing converge every day to create satisfied customers and build a positive customer and brand experience.

## THE CUSTOMER EXPECTATION: TECHNOLOGY RAISES THE BAR

Companies are starting to realize that with a smart contact center strategy there is a new opportunity to build long-term, reliable relationships and satisfied customers to drive revenue growth.

Selling a single product or service is great in the short term, but the real revenue opportunity is to keep loyal customers coming back time and time again. That's the revenue stream that contact centers can help generate.

According to Dr. Jon Anton, Contact Center Guru and Director of Benchmark Research at the Center for Customer-Centric Quality at Purdue University, for many companies “80 percent of next year’s revenue should come from this year’s customers.” What many companies have lacked is a cost-effective way to track, build and maintain that relationship over time so that they can continually identify new revenue opportunities with existing customers.

Technology advancements have raised the bar for service excellence. Amazon.com is a great example of a company that knows how to keep customers coming back time and time again. It has set a new standard for the ideal customer experience.

When you visit Amazon.com, it’s easy to find what you want online. But your positive customer experience is not limited to the Web. You receive consistent, personalized service across all channels. When people have a satisfying service experience at Amazon.com, it raises their expectations. They believe that all companies should be able to live up to this level of service.

As consumers, we find ourselves wondering why this level of service isn’t available to us when an airline loses our bags. When we’re at work, we wonder why we can’t explain to a valued customer why a much-needed shipment hasn’t been delivered on time. So, every company must ask, ‘How do we compare against the companies that are already delivering world-class service?’

The bottom line is that today’s customers expect much more of the companies they engage with. Contact center technologies and strategies directly impact an organization’s ability to deliver on these customer expectations.

Innovative corporate leaders are initiating a new conversation about customer service. They are asking their leadership teams, ‘Now that technology can allow us to service our customers any way we want to, what does our ideal customer service model look like?’ These corporate leaders recognize that they have an opportunity to differentiate from their competitors by delivering on a more compelling

and rewarding customer experience across all channels of interaction. To do so, companies must be able to put a contact center strategy in place that delivers on your company’s vision for the ideal customer experience, and measures the success of this strategy over time.

## MEASURING CUSTOMER SERVICE SUCCESS

Achieving success in the contact center means improving key performance indicators (KPI) including reducing interaction costs; increasing revenue from interactions; and increasing customer satisfaction. Improvements in key indicators not only impact the top and bottom line, but also give companies the agility to remain competitive.

### How to Improve Key Business Performance Indicators

#### Reduce Interaction Costs

- Choose a CRM-driven contact center system with Computer Telephony Integration (CTI) to immediately display screen pops with relevant customer information on the agent’s desktop. The agent is prepared to answer the call saying, “Hello Mr. Peters, good to hear from you again. How did that adjustment work for you last week?”
- Provide agents with accessibility to the information they need to handle a call quickly and effectively, including customer account status, recently received special promotional offers, or service history on a particular product
- Ensure quick access to incoming calls with a floating telephony toolbar on the agent desktop Increase Revenue from Interactions

#### Increase Revenue from Interactions

- Automate the delivery of tools and information designed to help agents recognize up- and cross-selling opportunities with each customer

- Provide agents with dynamic scripting and an easy-to-use interface so that they can position additional products and services without extensive training

#### **Increase Customer Satisfaction**

- Personalize customer interactions across every communication channel
- Provide agents with the knowledge required to give customers quick, accurate answers including access to all sales, and marketing related interactions
- Deliver multi-media interaction including phone, e-mail, Web chat, Web collaboration and VoIP, so that customers can interact across their preferred channel of communication
- Automate the routing of customer requests from across any communication channel to the most qualified agent—for example, segment and flag most valuable customers and automatically send to a select group of senior-level agents each time
- Capture interaction history with screen pops so that agents don't have to ask customers to repeat information they've already provided through Web self-service or an interactive voice response system (IVR)

#### **Increase Agent Productivity**

- Provide agents with a personalized, intuitive desktop that consolidates all the tools and information they need into a single interface
- Give agents the ability to answer inquiries faster with one-click access and desktop integration to legacy systems
- Shave valuable time off every call with a floating telephony toolbar on the desktop that gives agents the ability to quickly pick up and transfer calls

#### **Reduce Training Costs**

- Simplify the service desktop and tailor to your unique processes, people and products, giving agents an intuitive, understandable easy-to-navigate interface

- Provide one-click access to critical information through web-based, user-friendly browsers
- Allow agents to easily position additional products and services with dynamic scripting, eliminating the need for extensive training

#### **Resolve a Greater Number of Calls on the First Interaction ('one-and-done')**

- Deliver quick access to intra-enterprise information

#### **Decrease Call Times**

- Create a distributed contact center with technologies and synchronization tools—ensure that calls are quickly redirected to other satellite contact centers during peak call times

#### **Reduce Maintenance Costs**

- Select an end-to-end, single vendor solution which includes a complete CRM suite
- Ensure cost-effective integration, or an all-in-one contact center infrastructure from a single vendor
- Select a solution with easy-to-use customization tools so that you can quickly make changes as needed, on-the-fly

## **FIVE NEW CRUCIAL CONTACT CENTER TRENDS**

New technology trends in the contact center market are allowing innovative and opportunistic companies to quickly adopt contact center technologies, and outperform the competition. These trends include:

- The Personal Touch (Self-Service Isn't the Holy Grail)
- The Fast, Easy-to-Customize Contact Center
- The High-Performance 'Slim Client' Contact Center
- The Distributed Contact Center
- The Contact Center Meets CRM

**Trend #1: The Personal Touch (Self-Service isn't the Holy Grail)**

In the late 1990s people became enamored with the Internet and the idea of self-service. Companies were enthralled with the notion that they could get customers to manage their own service needs through smart, interactive Web sites. This would greatly lower the cost of customer service. The theory worked—to a point.

Many companies have reaped massive benefits by implementing self-service sites. But even with the major advantages of self-service technology, there are still circumstances in which customers need to speak to a customer service agent for a deeper level of support.

Companies have come to realize that they must integrate their call/contact center with their self-service capabilities to manage sophisticated service needs. As a result, personal customer service through contact center agents has regained prominence. And, fast, cost-effective integration has become a top technical priority.

**Frustration Leads to Emotion**

We've all experienced 15-minute wait times with slow-service companies. And we've experienced the frustration of not being able to get solutions to our problems—or having our problems fall through the cracks.

Customer service issues can be an emotional roller coaster for the customer—and great companies have the capacity to deal with this reality. Problems that occur must be solved in the heat of the moment, or that emotion atrophies and becomes distrust. These magic moments are when companies either build the customer trust and loyalty they desire, or they lose loyalty entirely.

The hard reality of handling emotional moments holds true in both business-to-consumer and business-to-business scenarios. In examining the difference between individual consumer inquiries and B2B inquiries, Dr. Jon Anton notes, "Some people might think that there is little or no emotion tied to business-to-business interactions. But this is a myth. When people are engaging in business interactions, their job

performance is at stake. For example, consider a purchasing manager who is trying to secure a price for a product or service, or an engineer who is trying to obtain a specification for a project. If he or she fails—their job performance is questioned. If they can't make things happen with a vendor, it reflects on them—as well as the vendor."

**Trend #2: The Fast, Easy-to-Customize Contact Center**

Companies are constantly evolving to capture market and business opportunities as they arise. As a result, their contact center technology must be quickly adaptable to business process changes. The challenge is that the business processes inside a contact center are highly defined to ensure efficiency. Companies with high-functioning contact centers have expended significant energy to define the exact steps service agents must take to resolve common customer problems. These well-defined processes become a powerful competitive differentiator allowing the company to keep valued customers satisfied even when major problems arise.

So, what happens when a new product line is introduced? Or when the company decides to creatively bundle a set of service offerings to outmaneuver a competitor? To quickly address new business opportunities, contact centers must be built on easily customizable software so that service agents can depend on the technology to accelerate their tasks, not slow them down. Companies must be able to easily customize the agent portal, workflow, and business rules. And they must be able to easily integrate the contact center application to provide agents with seamless access to other applications and data sources.

Industry analysts also contend that an enterprise's unique business processes, especially their customer service processes, are a significant competitive differentiator. Hurwitz Group recently completed a study on CRM and its findings indicated that nearly 80 percent of companies said that they would customize their applications, and that adaptability to fit existing business processes was important. To address this requirement, enterprises are looking for flexible contact center applications that are both easy to customize and easy to integrate with intra- and extra-enterprise applications and

data sources. Contact center flexibility is about making the contact center software, and the contact center business process, work the way the organization requires—not how the contact center vendor thinks they should work.

Many vendors' contact center applications are based on inherently rigid architectures, making the application very difficult to customize and adapt.

### **Trend #3: The High-Performance 'Slim Client' Contact Center**

Many contact centers turn over their entire workforce three to four times a year, creating two massive challenges in workforce management. The first challenge is the cost of constantly training new agents on the business, service processes, and software. The second challenge is moving agents up the productivity curve—it takes time for new users to become productive and efficient. As a result, companies face the dilemma of increasing agent productivity while keeping training costs low.

To address this need, enterprises are looking at 'Slim Client' applications as a way to deliver a rich, interactive user experience—allowing agents to become productive quickly. With slim client applications, the presentation logic runs on the client—with no installed code, while the business and application logic resides on the server.

This approach provides users with a Web interface that has richer functionality and better response times than a pure-thin client approach, which has the presentation, business and application logic running on the server.

A slim client approach to application deployment provides contact center agents with an application that is fast, easy to use, and productive. Since a Web interface is familiar territory, especially for less experienced users, agents can engage with customers in an intelligent, confident way.

### **Trend #4: The Distributed Contact Center**

Managing costs and ensuring reliable service can be daunting in a thousand-agent contact center. High turnover rates are a significant challenge for large contact centers—and it

is extremely difficult to continually find and train first-rate customer service representatives.

Further, customers are demanding round the clock service availability. To mitigate these challenges, companies are now choosing to establish smaller, distributed contact centers across multiple cities, and multiple geographies. As a result, mid-sized contact centers of 100 to 250 agents are a booming trend.

Companies that realize that their contact center is critical to ensuring customer satisfaction want excellent employees to staff the center. It is difficult to attract large numbers of high quality individuals from a single location, so many companies are forming 'distributed' centers that are geographically disbursed to enlarge the candidate pool and also in many cases to cover differing time zones.

Industry analysts agree this is an important trend. Dr. Jon Anton says, "Our studies show that large centers are less efficient and/or effective as compared to smaller centers. There is a trend to keep centers in the 150- to 250-agent range, and to spread them out geographically."

### **Trend #5: The Contact Center Meets CRM**

Contact centers cannot operate effectively in isolation. Instead, they must be an integral part of a company's overall CRM strategy and they must consolidate customer interactions from across the organization.

The contact center typically becomes an answer center—and when agents are put on the spot to respond to an inquiry, if the agent doesn't have the answer, or responds with 'I don't know', customers become very unhappy.

The truth of the matter is that many companies are torturing their customers with poor and often disjointed customer service.

CRM is a highly effective way to demonstrate to customers that every business unit across the organization, including sales, marketing, and service is connected and interdependent. CRM gives agents the knowledge they need

to make changes to the way they treat customers inside of the contact center based on other activities within the organization.

Contact centers present a unique opportunity when it comes to customer service, especially in our current economic environment. With so many enterprises under intense customer scrutiny, companies can use their service advantage to increase customer loyalty and win new customers. Now more than ever, companies should be optimizing their contact center to take advantage of this opportunity.

In the last five years, customer service has become a primary corporate focus—it is an imperative for market success. To take care of customers, companies need customer-centric processes, systems and capabilities—and that's ultimately what CRM is all about.

The Center for Customer-Centric Quality at Purdue University embarked on a study of thousands of contact centers with the objective of determining the value of CRM in the contact center. They compared companies with contact centers that had implemented CRM with companies that had not.

The study concluded that companies with both a contact center and CRM deployment had significant improvement in:

- The number of calls handled per shift, per agent
- The average handle time per inbound call (in minutes)
- The percentage of calls resolved on the first interaction
- Caller satisfaction

The Center for Customer-Centric Quality then calculated the financial impact of a CRM implementation on a contact center with 250 agents<sup>1</sup>. Based on their calculations, they concluded that if a company deploys a CRM solution, the call center would achieve:

- 44% improvement in calls per agent per shift = \$225,000 per year
- 38% improvement in the average handle time = \$177,000 per year

- 37% improvement in calls resolved on the first interaction = \$326,500
- 27% improvement in caller satisfaction = \$135,000 per year

This study reinforces that a contact center strategy must be set within a larger CRM strategy to be highly effective. Agents must be able to leverage the full sales, marketing and service capabilities of a CRM suite to intelligently interact and have compelling dialogues with customers.

This is absolutely critical because customers fully expect that every customer-facing employee in the organization will understand everything about them. And, since up-sell and cross-sell opportunities are predominately presented to agents during an inbound call, it makes sense to equip agents with the right tools and information to make compelling offers for products and services. These conversations will absolutely lead to increased revenue in the long term.

### **An End-to-End Single Vendor Solution**

Companies should no longer tolerate the complexities and shortfalls of a multi-vendor solution to meet their complete CRM and contact center requirements. Instead, look for a single vendor to provide an end-to-end solution that includes infrastructure, multimedia channels, CRM, and a single interface. Patching together divergent solutions from multiple vendors is a much more unpredictable exercise, requiring expandable budgets and resources, as well as a high tolerance for risk. Look for one, complete, unified solution that is sensible, standards-based, and cost-effective.

Given that contact centers never operate in isolation, contact center software needs to be integrated to other data stores and transactional systems throughout the enterprise. Agents may need to open a service request, place an order, manage inventories, or access billing information—information that is often contained within other business systems.

Contact center integration with other enterprise applications is usually the major cost overrun in a contact center implementation, so companies are looking for sensible solutions that mitigate the time, cost and risk of integration.



## SUMMARY

It's time for us to shift our thinking. It's time to shake off the cost-intense reputation of service, and consider the possibility that our service teams can more than earn their keep, given the right tools.

Service today is driven by the new reign of the contact center. And the reign of the contact center is driven by five key trends: the need for a personal touch with customers, the need for fast, easy customization, slim-client platforms, distributed set-up, and of course, the need for close integration with a complete CRM system.

Gone is the traditional role of the agent as a problem-solver, responsible for just one aspect of the customer relationship. Now, agents market. They sell. They transform themselves from cost-producing to revenue-producing. All while improving the quality of the customer experience.

When a service team becomes profitable, the focus changes from solving problems to creating brand loyalists. And when customers feel good about doing business with you, you'll see it impact the bottom line. Because they'll be coming back to buy more.

1. Based on average agent annual wages.



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