An eGain White Paper

7 Innovations to Reinvent Phone-Based Customer Service

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Until the mid-1990s, the phone channel accounted for most business-to-customer communications, complementing in-person, fax, and postal communications. Then, the advent of the Internet and the World Wide Web and the subsequent adoption of broadband communications led to an explosion of business-to-customer communications through electronic channels such as email, chat, web collaboration, social media, and web self-service.

Driven by the dot-com boom and generational changes in channel preferences, businesses started focusing on e-channels for customer service, building channel silos in the process. With phone customer service being labor-intensive and phone infrastructure being inflexible and expensive, businesses optimized e-channels and let phone service deteriorate. According to a Forrester study of business and IT executives, 57% of survey respondents thought that their company's phone customer service was average, below average, or poor.

Even as e-channel communications surpassed phone communications in volume many years ago[1], THE PHONE CONTINUES TO REMAIN POPULAR BOTH AS A PREFERRED SINGLE CHANNEL FOR SOME CUSTOMERS AND TRANSACTION TYPES, AND AS AN IMPORTANT PART OF THE OMNICHANNEL MIX FOR MANY OTHERS. In fact, Forrester surveys on channel usage show that 73% of respondents continue to use the phone to get assistance. Today, innovations across technology, process, and people, such as VoIP, customer engagement hubs, multidimensional knowledge management, and multishore sourcing models have RECONFIGURED THE ECONOMICS AND FLEXIBILITY OF PHONE CUSTOMER ENGAGEMENT. As most companies struggle to find ways to provide superior customer service experiences, a savvy few are already grabbing the "low-hanging fruit" that has been there for the taking—the clunky old phone channel! By innovating in the phone

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[1] 2011 TSIA benchmark data; North American Technographics® Customer Experience Online Survey, Q4 2010

arena, while integrating with other channels, these companies are enhancing brand loyalty, extending their competitive advantage, and reaping operational benefits.

THIS PAPER DISCUSSES SEVEN SUCH INNOVATIONS—SOME INCREMENTAL AND SOME RULE-CHANGING—THAT YOU CAN LEVERAGE TO GET YOUR PHONE CUSTOMER SERVICE TO NEW LEVELS, BOOST CUSTOMER LOYALTY, AND DRIVE BUSINESS GROWTH. Focused on agent-assisted phone service, the paper does not cover IVR innovations and best practices.

1. VoIP

The compelling business value of VoIP has triggered a re-evaluation of the call center infrastructure in many enterprises. Chronicled in numerous articles and white papers, the business benefits of VoIP are many and include the following:

▸ Cost savings from combining the phone and data infrastructure

▸ Ability to leverage VoIP infrastructure and the ease of implementing virtual call centers across multiple sites and remote agents including at-home and outsourced agents

▸ Improved infrastructure and agent utilization, and ease of management

▸ Improved customer service experience

Companies should carefully assess the benefits and suitability of VoIP to their organization as an important step in reinventing phone customer engagement. VoIP case studies are widely available, but this paper will not focus on success stories in this area.

2. End-to-end call process automation

Businesses have invested in call logging systems for many years. While these systems are useful, they have become disconnected data and process silos that do not integrate with call resolution or case management systems, knowledge bases, service fulfillment workflows, and non-phone interaction channels such as email, chat, SMS, and web self-service. The results: Increase in call handle time and repeat calls, increased escalations and call transfers, poor customer service experience, non-compliance with interaction regulations and best practices, failure to deliver on promised service levels, and ultimately reduced customer loyalty.

With integrated call tracking, knowledge base, and workflows, agents are able to resolve customer inquiries and initiate follow-on fulfillment tasks, including escalations to subject matter experts, with service levels attached to them. Moreover, process expertise embedded in multidimensional knowledge bases (explained in detail later in the document) and integrated workflows ensure interaction and fulfillment compliance.

Client examples

A premier international bank serves small businesses as part of its client portfolio. Processes such as new account opening required agents to conduct adaptive conversations with customers based on their answers to questions posed during the dialog. Some of these questions were dictated by the bank's best practices and the context of the conversation, while others were dictated by government regulations. Moreover, new account opening involved follow-on tasks that needed to be completed within service level guidelines.

With eGain Adviser™, a patented solution for point-of-service cross-sell and upsell within eGain's knowledge management offering, phone agents with just one year of experience are now able to handle questions and customer service transactions that previously required seven years of experience, while generating revenue for the bank by making contextual offers. Moreover, eGain's process engine triggers appropriate workflows during the interaction to handle follow-on service fulfillment in compliance with service levels dictated by the bank's organizational policies as well as government

regulations. The customer dialog is also captured automatically into the case management system through the tight integration between the call logging and interaction guidance systems without requiring additional wrap-up time. With eGain, the bank was able to achieve the following benefits:

▸ First-call resolution went up from 75% to 96%

▸ Average handle time (AHT) was reduced by 67%

▸ Agent training time was reduced from 9 to 2 weeks

▸ The organization was able to handle 70% more calls without expanding the agent pool

In fact, the use of eGain solutions played a key role in enabling this organization to win the European Call Centre of the Year Award!

3. Customer Engagement Hub (CEH)

Consumers are using multiple communication channels to interact with the business and oftentimes hop across channels in the process of completing a service transaction or resolving a query. In this context, if the call center agents manning the phone lines do not have a 360-degree view of customer interactions across channels, traditional and electronic, they are simply flying blind. Agents have to "reinvent the wheel" with customers for creating context, resulting in poor agent and customer experience, and ultimately customer defections.

Integration with non-phone channels enables a complete view of customer interactions across channels, including social, and allows phone agents to pick up from where the customer left off in the previous session, for optimal customer experience and contact center efficiencies. Channel unification also helps increase service consistency and agent utilization across channels by leveraging universal queuing and routing, and centralized omnichannel knowledge bases and business rules.

Forward-looking companies, many of them market leaders and eGain clients, are implementing Customer Engagement Hubs (CEH) in order to

provide a unified omnichannel customer experience. A concept originally advocated by Gartner, the CEH approach drastically reduces customer interaction costs and system TCO, while improving customer service consistency and quality by centralizing omnichannel customer communications, knowledge management, business rules, workflow, administration, and analytics in one platform.

Moreover, unified contact center application suites that integrate best-of-breed VoIP communications with best-of-breed customer interaction management through digital channels, can help take phone, eService, and omnichannel customer engagement to the next level. This integration can enable a 360-degree digitized view of voice and non-voice interactions, yielding new insights that can be mined for customer acquisition, retention, and revenue growth. Leading enterprises are already starting to leverage a best-of-breed VoIP and digital communication solution from Cisco and eGain, where Cisco has incorporated eGain's industry-leading email, chat, and web collaboration software in its unified contact center suites as OEM components.

Client examples

A premier imaging and consumer electronics company in the US is using the eGain CEH suite to log, track, and resolve phone calls, while integrating phone communications with email, chat, and web collaboration. This has enabled phone and non-phone agents to provide context-aware, "full view" customer service while consumers are getting a "joined up" experience across channels. The CEH has also enabled the company to maximize the use of contact center and customer service resources, while consolidating customer service management with eGain by eliminating expensive "white elephant" legacy call-tracking silos.

A leading telecom company in Canada uses eGain CEH across web self-service and phone engagement. The common knowledge base enables consistent answers across these two channels, while delivering the following benefits:

▸ 17% reduction of Average Handle Time (AHT) for phone calls

- ▸ 10% deflection of calls to web self-service, freeing up agents for better phone service

- ▸ $1.5M savings in call center staffing expenses in the first year of deployment

In addition, a leading US bank was able to handle a 220% increase in inbound calls and inquiries without adding more agents through the consistency, efficiencies, and effectiveness gained from the eGain-powered CEH, where agents are able to provide rapid customer service by leveraging a 360-degree view of customer interactions and a common omnichannel knowledge base.

4. Multidimensional knowledge base™

Traditional knowledge management systems in the call center have delivered limited ROI since they are flat or one-dimensional, and have not been focused on all the critical areas that are needed for business value maximization—content, access, and process. A multidimensional knowledge base takes a holistic approach to knowledge management, while enabling significant improvements in operational and strategic metrics such as first-contact resolution, call handle time, sales conversions, reduction of unwarranted product returns and site visits, customer satisfaction, interaction compliance, and brand loyalty. A multidimensional knowledge management system addresses and integrates critical success factors in knowledge management, as explained below:

A. Content

Unlike traditional knowledge bases, multidimensional knowledge bases provide adaptive, closed-loop content management and workflow capabilities for authoring, publishing, and content performance tracking. In addition, these systems integrate out of the box through adapters with leading content management systems to leverage existing content assets in the enterprise. Adaptive content management ensures that the content

remains fresh and relevant by monitoring ongoing content performance (e.g., is the content being used, is it answering the questions, does the content base cover frequently asked questions) and by automatically triggering content creation and management tasks with service levels attached to them.

B. Access

Traditional knowledge bases adopt a "one size fits all" approach to access offering search methods (whether FAQ, search, or browse) regardless of factors such as the user type, user preference, inquiry type, stage in the customer lifecycle, and the organization's branding objectives. It results in limited customer and agent adoption. On the other hand, a multidimensional knowledge base provides multimodal access to content. For instance, experienced users may prefer to quickly process search hits, while novice users may fare better with guided help. A virtual assistant (or chatbot) enables a branded self-service experience and increases online conversion in pre-sales situations, while answering less complex queries after the sale. Guided help that leverages a reasoning engine is more appropriate for contextual cross-sell and upsell as well as diagnosing and resolving queries of medium to high complexity. Multimodal access to content helps increase user adoption and the business value of the knowledge base.

C. Process

Following the right steps while providing information to customers and prospects, solving problems, upselling or cross-selling to them, and helping them execute transactions is critical for businesses. It facilitates the delivery of exceptional customer experiences while maximizing the business value of the interactions and enforcing compliance with government regulations and organizational best practices. A multidimensional knowledge base leverages technologies such as a reasoning engine to capture best-practice interaction expertise across various customer queries, and serves it to agents or end-customers step by step, leading them to the right content or the next best steps including contextual cross-sell and upsell offers.

Client examples

A leading telecom company in the UK uses eGain's multidimensional knowledge base to guide phone agents through customer problem resolution using the patented Case-Based Reasoning (CBR) technology. The solution has delivered the following benefits:

▸ Reduced the need for agent training by 50%

▸ Improved call handling efficiencies by 90%

▸ Reduced unwarranted handset returns by 38% through better phone call resolution enabled by the guided diagnostic capabilities in eGain's solution

The financial services industry has seen many M&As and phone agents have borne the brunt of servicing customers during many of these consolidations, supporting products and services within and across merged entities. However, market leaders have been able to sustain the quality of service during and after these business combinations by empowering phone agents with multidimensional knowledge bases. For example, the merger of two leading European brokerage firms brought about the challenge of coping with a considerably larger customer base, diverse product offerings, varying customer service expectations, and diverse operating procedures. eGain's multidimensional knowledge management solution empowered phone agents with in-process interaction guidance to help them effectively and efficiently navigate processes and find answers and content across business entities. This helped them sustain customer service quality and brand loyalty during and after the merger.

With guided help in eGain's multidimensional knowledge management capability, a premier appliances manufacturing company in the US was able to improve phone-based problem diagnosis and resolution and reduce unnecessary truck rolls. By resolving customer issues at the first contact or "saving the calls," the eGain solution reduced unwarranted field visits. In cases where a field visit is required, the solution arms field technicians with the full context of the customer issue, including past interactions, and also the required parts and tools that they would need to fix the appliance on the first trip. Furthermore, agents are able to determine when a part could

be sent out to the customer for simple self-installation in order to avert a field visit.

The solution has saved more than $50M for the company over the last several years. Moreover, customer satisfaction is higher when calls are handled using eGain. The call center is also able to add strategic value to the business by spotting product issues and trends early and feeding this information back to the design team to improve future product development. The solution produced higher first-call resolution rates improving both customer satisfaction and operational efficiencies. The increased consistency of answers and resolution process across agents has reduced repeat calls or "fishing" from customers who call multiple times in hopes of receiving different answers. The company also utilizes the eGain solution to enforce service agreements with retail partners by ensuring that agents consistently collect details on the purchase of the appliance from the customer to determine service obligations between the business and the partner.

5. Phone-aided web collaboration

Cobrowsing the website with customers and prospects while speaking to them on the phone is a powerful enhancement to phone-based customer engagement that can match the quality and experience of in-person interactions. The contact center agent can initiate a cobrowse session while on the phone with the customer or when the customer leverages a click-to-call option present on the website requesting a callback. The innovation enables agents to help customers complete online transactions such as form filling and online shopping, while training them on how to use web self-service for informational, transactional, and diagnostic queries in the future.

Client examples

A premier asset management company in the US found that prospective, high net-worth clients were abandoning online applications midway as they found them difficult to complete. With an innovative combination of

phone, chat, and true cobrowsing, powered by eGain, the company was able to achieve a 12% increase in online transaction conversion in the form of completed applications, while providing memorable customer experiences.

6. Multimodal web self-service

Savvy companies know that one of the best ways to dramatically improve phone customer service is to provide exceptional web self-service. This will reduce the need for agent-assisted service for queries of low to moderate complexity, while allowing agents to engage in value-added conversations with customers and prospects. Providing exceptional web self-service requires the use of multidimensional knowledge bases, experience-centric user interfaces, multimodal content access supporting a broad set of content retrieval methods (e.g. FAQ, natural language processing, search, browse, guided help, virtual assistant), integration with back-office systems, and active promotion of self-service, especially in the context of providing agent-assisted service (for example, when the customer is put on hold for phone customer service).
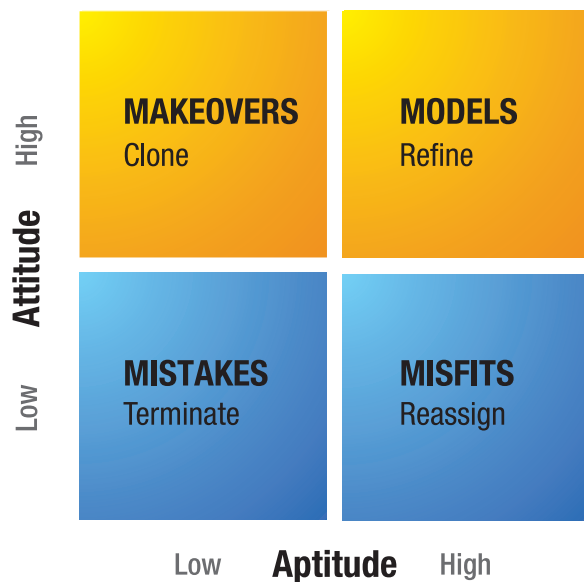
Client examples

▸ A leading US bank uses eGain-powered chatbot self-service to deflect 30% of incoming calls, thereby improving the quality and availability of agent-assisted service through the phone and digital channels.

▸ The European division of a leading GPS manufacturing company has improved the quality of phone customer service by not only deploying eGain's multidimensional knowledge base to agents but also by answering 95% of common customer queries through web self-service that includes dynamic FAQs and guided help.

▸ A premier telecom firm in Europe uses eGain's multimodal web self-service, including guided help, to help consumers pick cell phones by having an intuitive, lifestyle-centric, non-technical self-service conversation. This has curbed incoming calls into the contact center, allowing phone agents to provide higher quality customer service.

7. Cloning the "best agent DNA"

Keeping phone agents up-to-date on best-practice interaction and service fulfillment processes, service compliance, contextual offers, and product knowledge is an impossible task for most customer engagement organizations. It is even harder in virtual or outsourced or hybrid setups. Only a few "star" agents seem to cope and flourish in this demanding environment. As a result, service varies from agent to agent—the agent's personality and skill largely determine the value of the interaction for the customer as well as the business. Cloning the "DNA" of these star agents can help dramatically improve the effectiveness and efficiencies of other agents in the call center.

eGain has formulated a 7-step approach to cloning the best contact center agents, using an Agent Cloning™ Framework (shown below), developed through years of working with some of the world's leading contact centers.

High	**MAKEOVERS** Clone	**MODELS** Refine
Low	**MISTAKES** Terminate	**MISFITS** Reassign
	Low **Aptitude** High	

Attitude

eGain's Agent Cloning™ Framework

Not only will a cloning program lead to greater customer retention, it will enable call centers to increase the return on assets locked in service operations and cope with attrition and outsourcing challenges.

The agent cloning framework is based on the notion that attitude is more important than aptitude. Though aptitude is relevant (for example, experience in sales and customer service, verbal communication skills), attitude is a must. eGain's seven-step plan can improve the quality of agents who are lacking in aptitude as long as they have the right attitude for interacting with customers.

The agent cloning framework classifies agents into four groups and recommends the following actions for each group:

▸ **Models:** Retain, refine, and reward these high-attitude, high-aptitude agents. However, watch out for and manage "mavericks," who may succumb to the "know-it-all" syndrome and deviate from the evolving goals and processes of the business.

▸ **Makeovers:** Clone the skills of your "model" agents in this group with the help of the seven-step plan. This group holds great potential for improvement.

▸ **Misfits:** Reassign these agents to roles that do not require them to interact with customers. As they are lacking in attitude, they are unlikely to ever become "model" agents.

▸ **Mistakes:** Let go of these low-attitude, low-aptitude agents. They are unlikely to be of help to customers and will only do disservice to your company's reputation.

eGain advocates the following steps in the best agent cloning process, once the above framework is developed:

▸ Create a plan, setting goals and timelines

▸ Identify models and makeovers, while redeploying misfits, and moving out "mistakes"

▸ Capture and embed expertise from models into multidimensional knowledge bases and workflows. Make sure to also embed regulatory compliance in interactions and service fulfillment into these tools

▸ Group the "makeover" agents into "control" and "test" sub-groups, deploying the aforementioned tools to the test groups

▶ Measure performance variance between control and test sub-groups, celebrate successes, and iterate the program

Implementing a systematic cloning program can elevate customer service experience to new levels, while dramatically improving operational performance. Details on agent cloning are provided in a related eGain white paper, "Clone Your Best Agents—a 7 Step Approach," available at the following URL: http://www.egain.com/resources/white_papers/.

A final word

Improving phone-based customer service to elevate customer experience is an obvious strategy that is often overlooked as contact centers attempt to tackle communication channel proliferation and generational shifts in customer service preferences. Taking the "phone-customer-service bull by the horn" and unleashing the innovations mentioned in the paper can catapult companies to service-based market leadership, since the phone is here to stay as an important part of the omnichannel mix!

Next steps

As a solution provider committed to helping businesses differentiate themselves through best-in-class customer interactions, eGain offers a complimentary, no-risk, no-obligation assessment of your current customer service and support operation in the form of a Best Practice Assessment Study (BPAS). Based on your priorities, the BPAS can be focused on the specific topic of this document or your broader contact center and customer service operation. If you found the content of this document to be useful, we are confident you will benefit from a BPAS engagement with us. To qualify, send us an email at info@egain.com. We will contact you to set up a mutually convenient time to conduct a BPAS.

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