Happy Manager Guide

10 feedback insights for leading your customer support team

surveypal

Welcome to Happy Manager Guide -
10 feedback insights for leading your CS team

Introduction

Today's customer service leader is swamped with data. Using the wrong kind of data or interpreting data incorrectly might take operations in an undesirable direction.

It is evident, however, that those customer service teams which are led by data instead of gut feeling, make better decisions impacting operations, and are more likely to succeed in allocating resources to development projects.

In this whitepaper, you will find 10 insights on how to lead your customer service team in a more data-driven way. Our focus on these insights will be on customer service experience and employee experience data. We encourage you to combine this Customer Experience (CX) data with other business aspects: customer service efficiency metrics, Customer Lifetime Value (CLV), and employee costs. Then, the discussion gets interesting and starts to provide actual business value.

To keep this simple, we'll talk about Net Promoter Score® (NPS®). Most of the same logic applies even though your CX measurement metric is Customer Satisfaction (CSAT) or Customer Effort Score (CES).

> **!**
>
> **The key thing is to connect your Customer Experience metrics to relevant efficiency and business metrics, often measured in monetary terms**

The key thing is to connect your Customer Experience metrics to relevant business metrics, often measured in monetary terms, dollars, and euros – choose your currency. You've noticed that your top management talks in monetary terms? We have as well. You might have a seat available in that discussion. **Let's dive right in.**

1 NPS & Customer value

Often customer experience measurement, for example when NPS is measured, puts all customer feedback on the same level.

However, not all customers have equal value in terms of turnover or value. If 20% of customers bring 80% of the turnover, you should put more emphasis on getting their feedback and voice heard.

Some of our customers use weighted NPS that uses customer value as the way to prio-ritize some customers over others. This will also motivate the Customer Services Team to put more effort into the most important customers.

By using a weighted NPS, you will make the customer experience measurement even more connected to Customer Lifetime Value, and more relevant. Customer experience will be even more valuable, and not seen as something compulsory to have or just a number on the scorecard.

This will flip the script internally, and also externally in the long term. Your high CLV customers will feel even more highly valued and invest even more resources (monetary and time) in your company.

Churn at risk & profit

Now that we've connected CX to monetary values, let's pay attention to preventing important customers from churning.

Lifetime Value of customers - who is worth saving?

One goal for customer service is increasing loyalty. There must be a defined process for reacting to unsatisfied feedback. When customer service knows the Customer Life-time Value (CLV), the decision for performing the rescue attempt is a lot easier to make. It is also easier to justify the increased cost of extra contacts to top management.

Customer Service function's change from a pure cost center to a profit center gets concretized by bringing loyalty metrics available to customer service.

2

Live Channels: Waiting Times & NPS

PHONE

CHAT

SOLVED!

Waiting Time

Conversation length
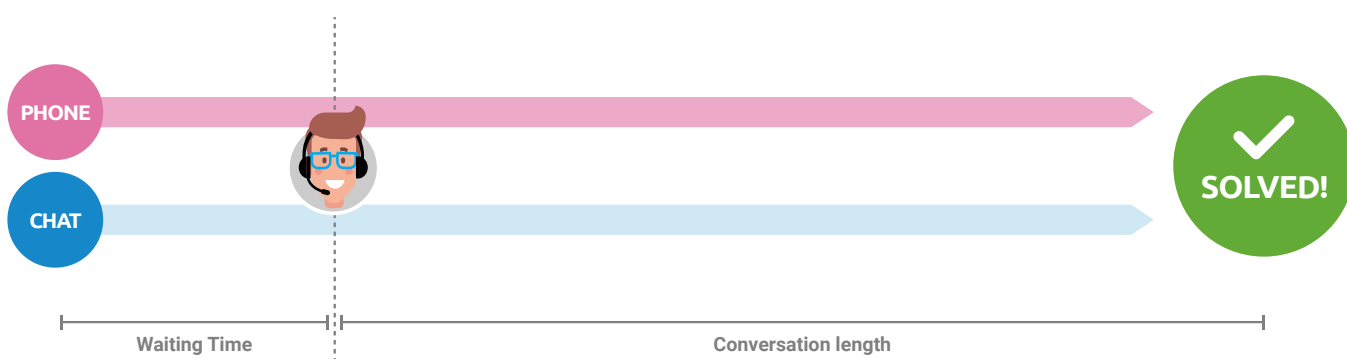
THE END RESULT ALWAYS MATTERS THE MOST!

In customer service every conversation is unique, but often you can find a correlation between the length of the call and customer satisfaction.

This correlation can be used in guiding you in the right direction in terms of optimizing operations and training.

We'll deliberately cover both live channels at the same time: phone and chat. From an omnichannel customer service perspective, chat can be seen as a modernized version of the good old phone channel.

Think about it from the customer's perspective: they have a question, and they open a live conversation with a company. In both channels, one can examine the initial waiting time as well as the conversation length.

Most often the optimal length is between a short and long discussion. It is important is to solve the customer's issue during first contact. Calls that are too short or too long do not lead to a good customer experience.
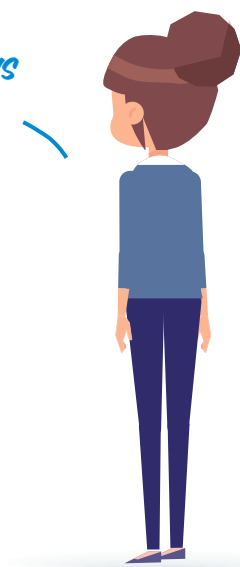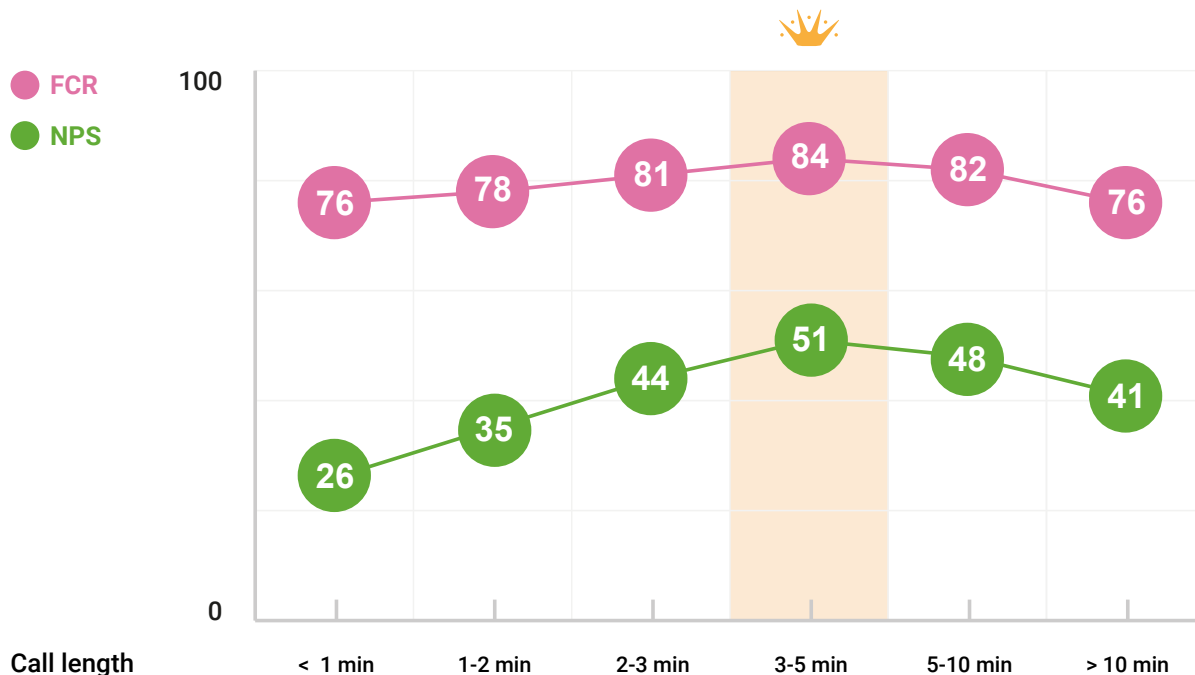
Table – FCR % and NPS by call length

The key thing is to find the best practice for you. That requires analyzing the feed-back data, possibly listening to call recordings (if comprehensive feedback data isn't available), and finding correlations between call length and NPS. Different agents take care of similar cases differently based on the call structure. It's important to bring up the best practices for the whole team and lead by example.

NPS & Waiting time

Often customer service organizations, that have not studied the correlation between waiting time in the queue and CX, have the idea that the shortest queuing time is the best for the customer experience. This is not the case.

Data shows that First Contact Resolution (FCR) is more central to customer experience than the queue time itself. Customers are ready to wait longer than anticipated if they manage the resolve their issue during the first contact. In terms of resource optimization, it's enlightening to see the reality, instead of relying on gut feeling.

The lesson is that don't try to only minimize waiting times and conversation lengths, but rather find the optimal point on the time scale.

As everyone in the industry knows: Phil Collins songs as queue music will make queuing less painful.

3 First Contact Resolution & NPS

The beauty of First Contact Resolution (FCR) – or Resolution rate – is that it relates to the root cause, where your customer's initial contact started.

Most often your customer has an issue, and they reach out to you wanting to get the issue resolved. Therefore, it's meaningful to know whether you were able to fix the issue.

For yourself, re-contacting customers create unnecessary ticket volume, can lead to availability issues, and add extra strain on your operations.

When you consider agents' KPIs, remember not to optimize only volume (solved tickets per day). Otherwise, your agents are not solving problems but rather marking tickets as solved. If you can't solve the cases – at first contact, at best – you're burdening your future. It's often a better investment to use a little more time now, as it saves you even more time in the future.

If you can't solve the cases – at first contact, at best – you're burdening your future.

High FCR correlates strongly with high NPS. Our customer's data shows that. While the metrics don't tell the same story – but rather convey different viewpoints – they point in the same direction.

It might sound surprising, but you don't want to have a too high FCR. It's rather an optimization effort. If your FCR is too high, you need to automate more. There is no sense in using a knowledgeable agent's time to work on simple routine tasks. Remember, the agent's time is expensive. Let machines do the job.

Route the common requests to your Help Center or a bot. These self-service channels ease the pressure from your other channels and can even create a better experience for the customer. If they can solve their issues themselves immediately on Sunday evening, they indeed don't want to wait for an agent's email on Monday, no matter how friendly and knowledgeable the agent would be.

Your customer service tickets and feedback data are excellent sources for learning how you could improve your self-service.

What drives high FCR?

Your agents need to be able to solve most of the issue types themselves. No searching for information from various fragmented sources, no approval requests for decisions.

Provide your agents with the tools and decision-making power they need. Allow them to reimburse when necessary and empower them to turn unhappy cases around. These encounters mean saved future revenue.

EXAMPLE

We've seen companies whose agents have a reimbursement authority up to a certain threshold, like 50 USD/EUR. When they factor in the internal time cost, it's usually cheaper to give the customer what they want and just make them happy. The conclusion is even more clear when they factor in the estimated lifetime value for the customer segment. Unhappy customers are more likely to churn. On an aggregate level, these customer service decisions have clear effects on revenue.

EXAMPLE

A consumer service company called all their NPS Detractors within 2 days and asked what went wrong. In case of a clear mistake, the agents could give out gift cards.

It doesn't have to mean giving away money. Just provide your agents with the tools & power that they need for your context.

Remember, in every support interaction you're dealing with individuals with estimated customer lifetime value (CLV).

Make a quick imagination exercise: put this monetary number above each conversation that your agents are currently having via email, chat, and phone. In some industries average 30% of Detractors churn but only 10% of Promoters. Remember your NPS numbers? How much money are you losing or making?

Only a fraction of unhappy customers eventually contacts you. The ones that do are valuable sources of customer understanding. By helping them you help others out there, deflecting future issues and saving future revenue.

4 Employee Experience & NPS

Customer service is not among the easiest jobs, as customers primarily contact you when they have problems.

Your agents hear customers' worries and their daily work is often skewed in a more negative direction than on average. It is highly important to take care of your employees as they take care of your unhappy customers.

Happy agents make happy customers

Have you ever analyzed the customer and employee happiness compiled together? If not, you might be surprised about the correlation between one and the other. Especially in customer-facing roles, this rings true. Surprisingly few companies analyze these viewpoints together and act based on the data. Be the forerunner.

You might notice some commonalities and differences between your employees but how to spot the employees at risk (to leave)?

High NPS with low eNPS – does it exist? Sometimes this might occur but not very often. If it happens in your team, act immediately. Otherwise, you could lose a valuable employee.

According to a Deloitte survey, it takes about USD 12,000 to replace an average frontline person. What's your number?

What do you think? How much time and money would it cost to replace a current, excellent customer service agent? Fix the situation together with your employee. Your fast move pays off both from a human and financial perspective.

Decreasing employee turnover is often one of the key goals our customers strive to achieve. CS functions aren't allocated too many resources, but agent turnover can

affect – the bottom line through cost savings.

Low NPS with low eNPS. Even though these agents are currently not the performance backbones of your team like the above-discussed agents were, you can still coach them, and thus achieve success together. First, you naturally need to identify these agents.

A good starting point for your more meaningful leadership is to start from the reasons your customers are unsatisfied with your unhappy agent (see section 5 - Reasons Behind Experiences). Whether it's product knowledge, friendliness, or their ability to solve tickets at first contact, after knowing these reasons you can direct your coaching to these capabilities.

Chapter 5 discusses leveraging the reasons behind experiences. Those same methods apply also with employee experience (EX) as to customer experience (CX), and how to do it in practice.

Which comes first? Customer or Employee experience?

It's a solid hypothesis that employee experience drives customer experience. In addition to this baseline, the causality can also work the other way around. "Also", meaning it's a two-way causality. Quite naturally, it's more motivating to work in a successful company with happy customers.

Remember to follow the development of each agent's satisfaction. Don't take the status quo for granted and remember to pay special attention to changes in trends.
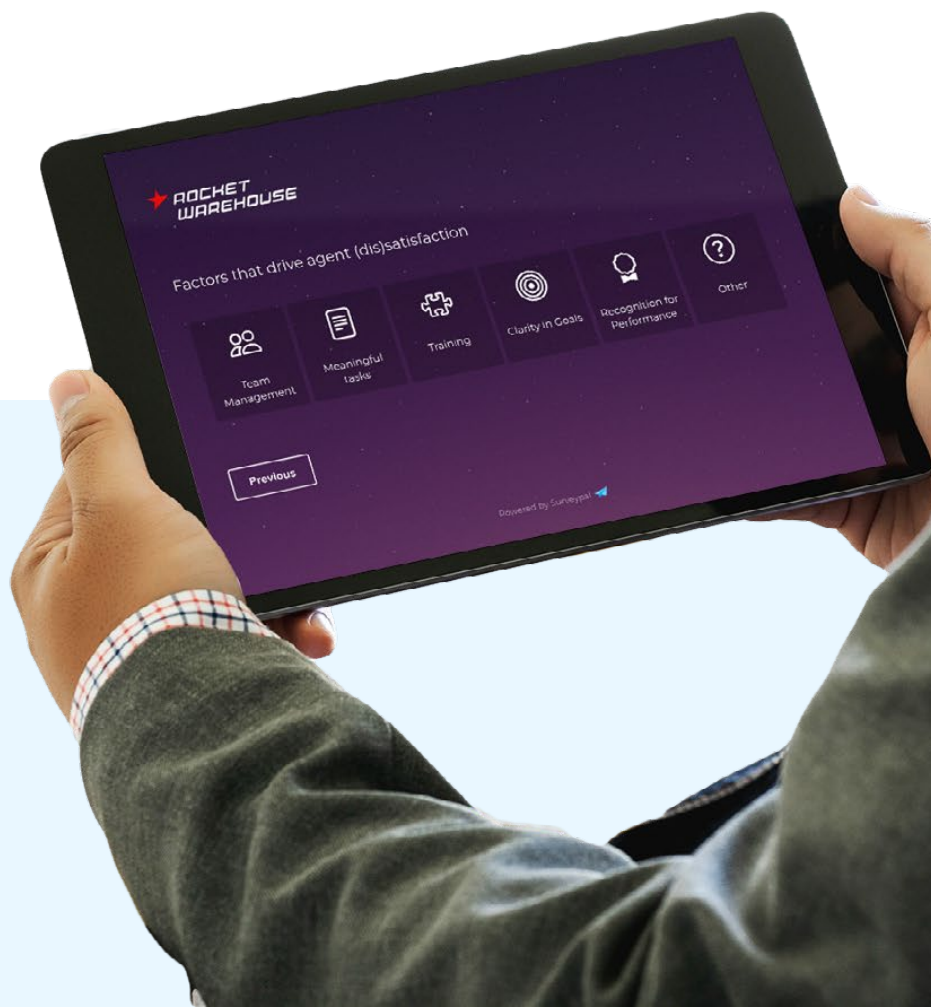
(Disclaimer: that is if your eNPS isn't anonymous. If it is, you still have the reasons for the aggregate data and CX feedback per agent.)

When you gather feedback to analyze CX please do not throw some of the money out of the window. I.e., utilize the positive feedback, and don't leave it unused.

You can automatically route the praising feedback back to the agent in question. Recognition for performance promotes intrinsic motivation, which is one of your most influential friends. Sure, don't inflate the effect with too high a frequency. We've seen that there are suitable sending conditions and an optimal frequency for each company.
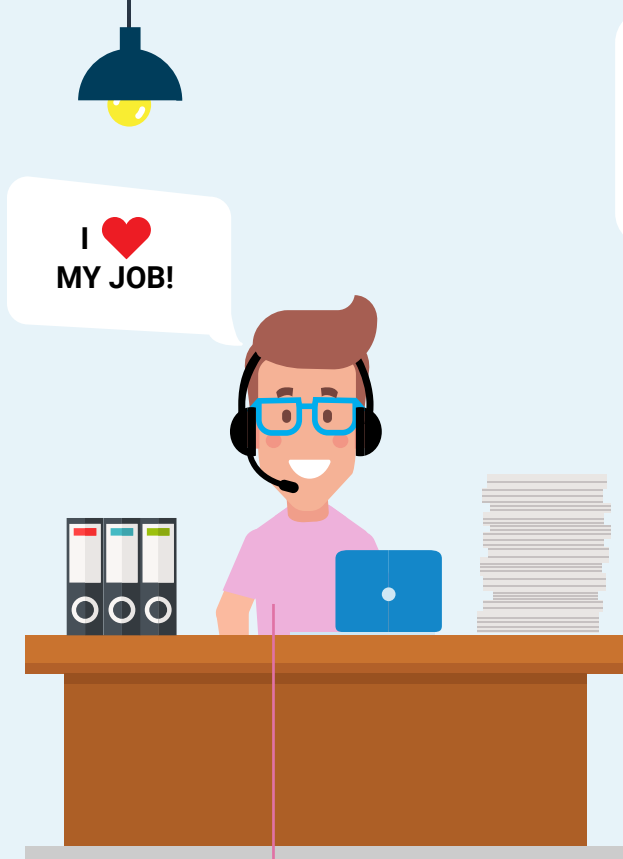
Kendrik
The Happy Agent

Stephen
The Happy Customer

5 Reasons Behind Experiences Through Predefined icons

You want to have actionable data, naturally. Amid the everyday hustle, you need to be able to grasp at least some concrete insights that the team should do differently next month. You can't fix the world at once, but a single aspect or two in the next month, then more improvements during the following months.

There's a good way to grasp these reasons behind customers' experiences. At the same time, the method increases the volume of open feedback. People tend to write their greetings after this engaging step. Data from our customers validate this phenomenon.

Harvesting NPS combined with a vast amount of open feedback comments can eventually take quite some time to reach clear conclusions. You rarely have extra time to play with data. Even if you would have, here's a tip to get more value for that time.

You can directly ask your happy customers "Where did we succeed?" and ask the unhappy ones "Where could we improve?", then prompt with 4–6 graphical icons depicting context-relevant reasons.

For management, the analytics message of predefined icons is qualitative but you can still report them quantitatively. Our customers have increased their open feedback ratio from 15 % to over 50% with this approach.

> "
>
> **Before we started working with Surveypal, only about 15 % of survey respondents gave us open-ended feedback. Now, more than 50 % of our survey respondents provide open feedback which allows us to better understand how they perceive their experience with us.**
>
> **Hanna-Leena Ikonen**
> **Development Manager at LähiTapiola**

See the top-3 reasons for unhappy customers and add their open feedback to elaborate on the message. Filter per product line, team, or individual agent, to mention a few examples. This way you're able to coach your agents more meaningfully, which in turn helps you prevent employee turnover in the long run. We know how turnover is expensive and decreases your team's productivity.

TIP

CS agent Alice has worked in the team for 4 years and Mark only for 6 months. Alice is being praised for her problem-solving skills but lacks friendliness, due to her slightly too harsh object-oriented nature.

TIP

Mark excels in friendliness, but his First Contact Resolution and problem-solving feedback validate the manager's hunch that Mark needs more product training. Still, he has patched his shortcomings well with his sparkly nature.

With this kind of granular, actionable data you can tackle issues more proactively and keep your agents happier. By understanding the reasons behind bad experiences, it's easier to fix process problems and deflect future tickets.

Remember, only the tip of the detractor iceberg reaches out to you. Per every detractor, there are many alike out there. If you have calculated and connected their Customer Lifetime Value to their support requests and feedback data, you suddenly have a monetary metric, how much revenue you've just saved. Look at that, customer service has become a revenue driver.
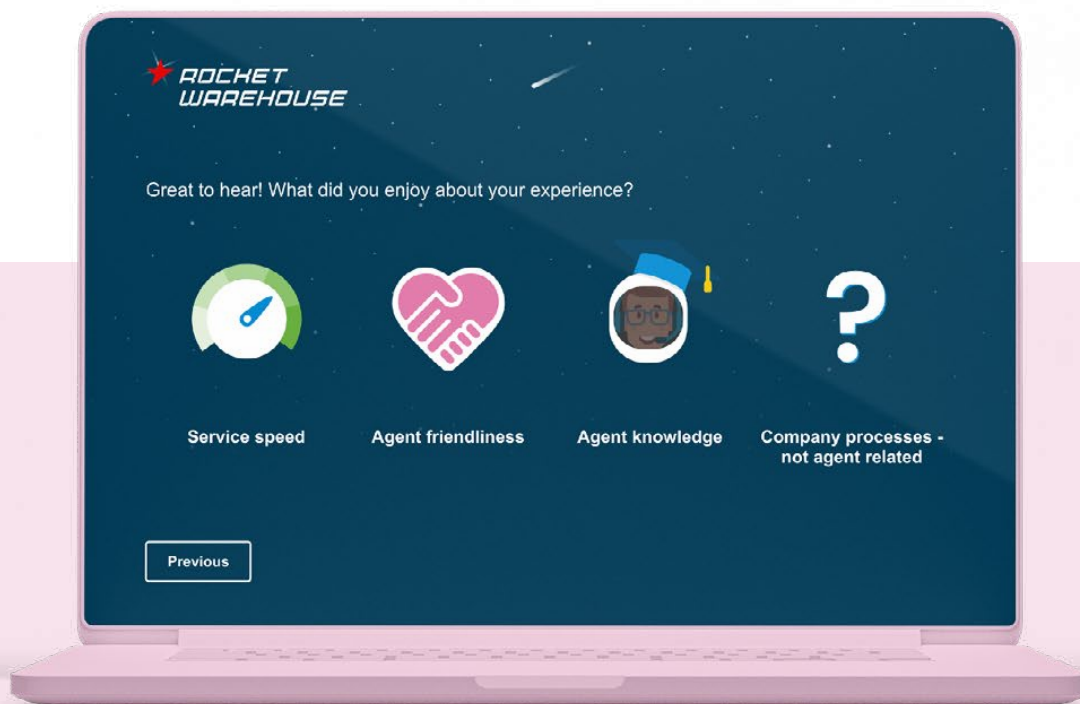
6 People vs. Process

We often see that negative customer experience is not due to bad service per se, but rather bad processes or product features.

You might have a hunch about this. It might be that you haven't just been able to validate the hunch through data.

You can validate and quantify the gut feeling by simply offering your customers an option to select the reason "process" after they've given their NPS grade.

With this approach, you can see how your company can improve your other processes, like instructions, Help Center, and product. At best, you can improve customer experience and ease the pressure on your CS function, i.e. deflect tickets.

Move towards fixing these issues by examining open feedback for these responses where the process was selected. Additionally, you can connect this aspect to your internal contact reason categories if you are categorizing your tickets.

TIP

CS manager Jen notices that people complain about the process in tickets concerning 'product B'. Open feedback often illuminates the exact reason.

Jen walks up to her colleagues in product development and shows how much those issues cost. Fortunately for her, she had additionally calculated how much each ticket costs the company.

Together with her colleagues, Jen puts it forward on other department's development list. They even had the feature unprioritized in the depths of their backlog. Jen's input was just the prioritization validation they had been waiting for and the fix gets taken under construction.

Of course in your work, it can sometimes turn out that you only need to fix some confusing messaging on your website.

Done! Future tickets deflected.

7 Volume, Resources, and NPS

By comparing customer service volume and NPS per agent you can see an overall picture.

Some agents might be immensely efficient in solving tickets. As a manager, you need to make sure that quality and quantity are aligned.

If the amount of solved tickets is high but NPS is low, it can lead to customers contacting you again. This creates extra, unnecessary volume to your function and, therefore, decreases the availability of your customer service.

On the other hand, when solved tickets and NPS are both high you might've found an agent whose competence is worth sharing with the other team. Consistently focus on doing more of the good stuff. Sounds too simple? Success is often rigorous, consistent implementation of numerous simple tasks, over and over again.

It's also good to remember to zoom out to the overall CS function level. The trend lines of solved tickets in total and NPS tell you the relation of your volume and resourcing and the quality of customer experience.

Let's say your ticket volume has increased 20–30% during Q1 and Q2. In these kinds of exceptional periods, this mentioned overall viewpoint shows how well you've managed to handle the pressure.

Again, CX data like NPS is not to be analyzed in its silo but rather with the other function's KPIs and, more importantly, with monetary business metrics like Customer Lifetime Value.

8 NPS Across Channels & Contact Reasons

Being aware of your channel performance helps you develop operations towards a well-performing omnichannel customer service center.

The service channel is a key parameter, a viewpoint from which you should look at your customer experience.

Start from the basics: NPS per channel. Then add First Contact Resolution (FCR) and possibly contact reasons, i.e. your internal ticket categorization.

The goal is to uncover the reasons why some channels perform better than others and improve the processes of the lower-performing channels. Beyond the above obvious goal, you also have a great opportunity for proactive steps.

Based on channel performance, your company can select the channels where the biggest volumes should be directed, and which should be marketed the most.

Managing customers' journey towards support is an essential tool for every customer service function, especially of mid-to large-scale size.

Self-service and chat are usually on top of the priority channel list due to their internal efficiency for the company. You should make sure that you're able to deliver there a delightful experience. Otherwise, the work on improving internal efficiency isn't sustainable and might lead to either increased ticket volume in the future or increased churn.

Again, **CX work aims at increasing Customer Lifetime Value.** By combining NPS and FCR to service channels, you get a good barometer of your channel performance.

Even the contact reasons might vary between channels in some contexts. If this is the case for you, be sure to confirm that your agents working in those channels are trained to handle those themes.

CX WORK AIMS AT INCREASING CUSTOMER LIFETIME VALUE

Keti Limani
Marketing Manager at Surveypal

9

Upselling & Cross-selling in Customer Service

Traditionally, customer service has been about solving problems and providing service.

So typically, we can recognize that people working in customer service are service-minded and empathic individuals. In customer service, some might think that if part of your work is to sell, it impacts the customer experience negatively. We have also heard quite many times when contact center workers say: "We are here to serve, not sell".

Data tells the opposite story. Customers who have been told about new services and products at the right moment have a better service experience. This happens, when sales are supporting the primary problem-solving. When you solve a customer's problems, a customer is more willing to listen to other relevant service or product information. Understanding and listening to your customers at the moment plays a big role. It's worth mentioning that customers tend to trust agents more than salespeople. After all, the agent is primarily there to help solving their issues.

Only when the customer's original issue has been resolved, they are open to context-related, additional information, such as cross-selling.

TIPS

Customer is having connectivity issues with his internet connection and calls operator customer service. An agent can propose a solution that benefits the customer and offer a cyber security add-on that you get for free for the first three months.

Customers, who gave feedback to the customer service, will be redirected to the e-commerce site with a discount code. Customer gets some value from giving feedback and the company gets a sales opportunity.

From a leadership point of view, it is valuable to see how add-on sales are affecting the quality of the customer service. Then you can focus your training efforts on those agents who need the most coaching.

The right amount of upselling and cross-selling can increase customer service productivity. You can bring a new aspect besides the perpetual cost monitoring. What if your customer service would start transforming from a cost center to a profit center?

10

AI as Your Assistant – Better Understanding, Faster Actions

Artificial intelligence (AI) can be a great additional asset in providing you insight from a vast amount of data that you would never have time to dig through yourself.

You can utilize AI in many use cases. It can spot deviations in waiting times in certain types of support requests. After this kind of discovery, you're left with the task of uncovering the reason and taking the available actions.

Another good use case with CX data is understanding your open feedback efficiently. Sentiment analysis is a good starting point.

Sentiment analysis from open feedback

With sentiment analysis, you can categorize based on product or contact reason which themes give you positive feedback.

For example, you get to see the top 3 contact reasons which generate the most negative feedback. When you know this, you can filter and organize these themes based on customer issues and open feedback.

Customer Service Manager Jill had a rough last month.

Her company released a new product last month and this generated contacts to customer service over expectations. Her team was struggling for many days and the ticket backlog kept growing.

AI's top picks eventually raised the notion that open feedback regarding the new product had three times the number of negative comments compared to negatives on average.

At this point, Jill noticed to elaborate on the phenomenon through given reasons (predefined icons, see chapter 5) and open feedback. The majority of customers had complained about how long it took to resolve the problem. Over and over again. Customers had had to wait an unreasonably long time.

Jill already kind of knew this as she had argued with product development based on her hunch on how the new product over-employed them. With the solid numbers she found after AI's top picks, she could quantify the effect and base her arguments on numbers.

This was something that cannot happen again. Product development needs to have efficient collaboration with customer service in advance to create enough self-service content. Lack of communication creates extra internal workload and a bad customer experience. Some detractors might not continue using the product as the start was clumsy and revolving issues took too much time.

Jill knows that for each detractor that contacted CS six people faced the same problems but didn't contact support.

Hence, the lost customer lifetime value is x 6.

Jill
Customer Service Manager

Thanks for reading

Book a free consultation to learn how to lower your costs and grow your CX!

✉ **sales@surveypal.com**

🔗 **surveypal.com/book-a-demo**

Jussi Toivonen
Channel Sales Manager at Surveypal

surveypal®