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Enterprise Servicing Goals for 2015: Delivering an Outstanding Customer Experience is # 1

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The volume of complaints about bad service is growing. Whether it's a cable provider that hassles customers when they want to cancel, telecom providers who are "cramming" unwanted services and charges, or airlines that have empowered their flight attendants to act like drill sergeants, it seems like many of these complaints are legitimate. Consumers don't get it, don't like it and are not going to tolerate it. This is the message that companies should be hearing, and slowly but surely they're waking up and trying to do better, even if there are and will always be businesses and government agencies that treat their customers, members, prospects and constituents badly.

Delivering an outstanding customer experience does not happen by accident. Companies that are recognized for their outstanding support have built a culture that is dedicated to service excellence. In these organizations, all employees are motivated and rewarded for demonstrating this core value. And this commitment and consistency is the key. Private and public organizations that want to be recognized for service excellence, must deliver these values throughout the customer life cycle. Customer service is not just the responsibility of the customer service department or contact center.

2015 Enterprise Servicing Initiatives

DMG Consulting LLC conducted a worldwide survey of enterprise executives and managers in January 2015. The goal was to identify the top servicing goals for enterprises during 2015. Participants were asked to select from a detailed list of servicing initiatives. 311 individuals from companies around the world elected to participate in this study. This breadth of participation reflects companies' growing focus on customer service, a trend that is expected to continue. Figure 1 provides the results from the study. These insights should serve as a rich source of actionable data.

The top servicing goal, cited by 55.3% of respondents, was to deliver an outstanding customer experience. This is an amorphous goal, as it means different things in different companies. Nevertheless, it is significant that customer service was the highest-ranking initiative for the year, as it reflects companies' growing appreciation of the essential role of customer service throughout the customer journey.

Private and public organizations that want to be recognized for service excellence, must deliver these values throughout the customer life cycle.

The second and third-ranked goals for 2015 were improving productivity, as reflected by 48.9% of the respondents, and reducing the cost of service, as identified by 46.9% of all survey participants. This high priority of these initiatives is not a surprise, as they have been in the forefront for years.

Increasing the use of self-service applications came in fourth, cited by 40.8% of respondents. Some view self-service solutions as a way to improve productivity and reduce expenses by diverting customer inquiries away from costly live agents. Others see websites and interactive voice response (IVR) solutions as alternative servicing channels that allow customers and prospects to help themselves when live agents are not available.

The fifth-ranked service initiative for 2015 was reducing customer effort, as reflected by 36.3% of survey participants. This is a very strong showing for a concept that is relatively new to the market and is particularly difficult to measure. Customer effort is important, as measuring it could provide an accurate portrayal of how easy or difficult it is to do business with a company.

Coming in sixth place in the study was the familiar goal of enhancing reporting and analytics, as reflected by 36.3% of respondents. (The percentage ties with the fifth goal, but a few less people selected this one.) It's surprising that this continues to be a top challenge for companies around the world, despite the huge amount of investment in "big data," analytics and reporting. Enterprises want and need actionable information so that they know exactly what to fix.

Delivering an outstanding customer experience is the top enterprise servicing goal for 2015, as ranked by 55.3% of respondents.

The seventh-ranked goal for 2015 was to improve customer retention, as reflected by 30.9% of participants. The relative importance of this goal shifts annually depending on the state of the economy. When the economy is viewed as being poor, retaining existing customers is ranked higher than in periods of economic growth. So, although this was not an objective of this study, one of the findings is that companies are more bullish on the economy than they have been in a few years, as customer retention is not one of their top two or three goals.

Increasing sales was surprisingly the eight-ranked goal for 2015, as reflected by 25.1% of respondents. For the past 15 years, customer service organizations have been asked to take on more responsibility for revenue generation. The fact that this goal came in eighth place is a strong indication that this study was about enterprise servicing goals and not about the traditional customer service organization or contact center. Selling is the responsibility of everyone in a company, as is great service.

Number nine on the list of top enterprise goals for 2015 was upgrading contact center and servicing systems. 19.9% of the survey participants prioritized this goal for their company. While this goal was not expected to be ranked so high on
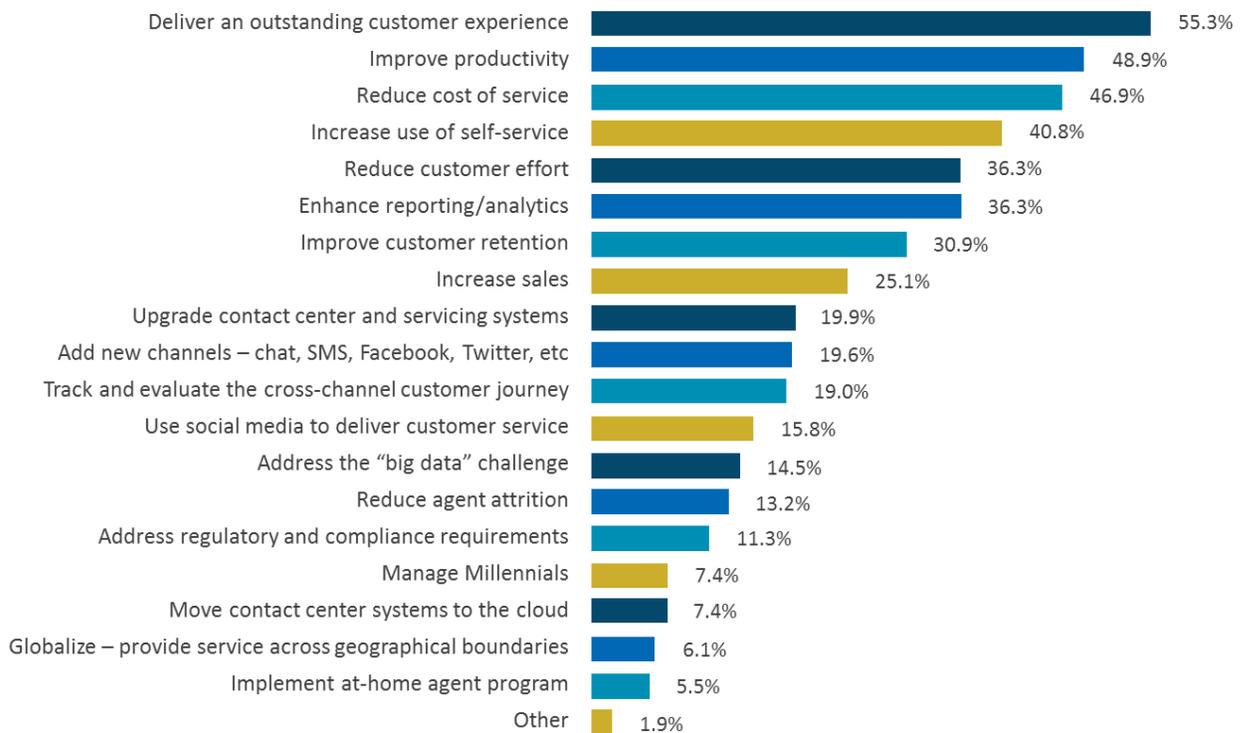
the list – ninth out of 20 – it bodes well for companies, and is another indication of the growing importance of customer service and the positive economic outlook for the year. Investments in customer service/contact center systems are often delayed in times of uncertainty, as revenue generation and customer retention take priority. Without a doubt, many companies have delayed these investments for too long. They are now in dire need of a major overhaul of their Unified Communications (UC), contact center and servicing infrastructure (many have waited more than 15 to 20 years).

> *19.9% of survey respondents prioritized the need to upgrade their contact center and servicing systems in 2015.*

The tenth-ranked enterprise servicing goal for 2015 was to add new channels such as chat, SMS, Facebook, Twitter, etc. 19.6% of the respondents selected this goal as a priority for their organizations in 2015. Companies are finally making the investments in these important channels. This goal is closely tied to the prior one, as an upgrade of the UC and contact center infrastructure is likely necessary in order to properly handle the newer channels.

There were some surprises in the rankings of the remaining 2015 enterprise service goals. Implementing at-home agent programs came in nineteenth place, with a ranking of 5.5%. Given the prominence of this topic in the market, it was expected to come in higher on the list. Using social media to deliver customer service came in a disappointing twelfth, with a ranking of 15.8%. This should be a higher priority for companies, but even though this is not yet viewed as a top enterprise servicing goal, the relative importance of social customer care is increasing.

Figure 1: Top Enterprise Servicing Goals for 2015

Goal	Percentage
Deliver an outstanding customer experience	55.3%
Improve productivity	48.9%
Reduce cost of service	46.9%
Increase use of self-service	40.8%
Reduce customer effort	36.3%
Enhance reporting/analytics	36.3%
Improve customer retention	30.9%
Increase sales	25.1%
Upgrade contact center and servicing systems	19.9%
Add new channels – chat, SMS, Facebook, Twitter, etc	19.6%
Track and evaluate the cross-channel customer journey	19.0%
Use social media to deliver customer service	15.8%
Address the "big data" challenge	14.5%
Reduce agent attrition	13.2%
Address regulatory and compliance requirements	11.3%
Manage Millennials	7.4%
Move contact center systems to the cloud	7.4%
Globalize – provide service across geographical boundaries	6.1%
Implement at-home agent program	5.5%
Other	1.9%

Source: DMG Consulting LLC, February 2015

Changing Company Priorities

The top enterprise servicing initiatives for 2015 fall into the following 8 categories: Service quality (22.0%), productivity/cost reduction (21.2%), channel support (16.9%), analytics (15.4%), revenue generation (12.4%), technology (6.2%), staff-related (5.9%), and compliance (0.07%). While DMG's study asked about specific initiatives, there is some overlap between the categories. For example, technology applies to most of the other categories, as does staff-related issues. See Figure 2.

Service quality is the top-ranked category, accounting for 22% of all survey responses. This category consists of both expected and unexpected goals, including: delivering an outstanding customer experience, reducing customer effort, globalization (providing service across geographical boundaries), enhancing and expanding service, and improving Net Promoter Scores.

Productivity/cost reduction is the second-ranked category in 2015, accounting for 21.2% of all of the survey responses. This category, not surprisingly, consists of improving productivity and reducing the cost of service. Companies have to pay

close attention to their costs, but for the first time in years, they are looking for a healthy balance of costs and great service.

Channel support is the third major category of 2015 servicing goals representing 16.9% of the responses. The specific goals that comprise this category are: increasing use of self-service, adding new channels – chat, SMS, Facebook, Twitter – and using social media to deliver customer service and increasing IVR containment.

Analytics is the fourth major category, accounting for 15.4% of survey responses. The analytics category includes the following goals in 2015: enhancing reporting/analytics, tracking and evaluating the cross-channel customer journey, and addressing the "big data" challenge. It's surprising that analytics ranked higher than revenue generation, which came in fifth place with 12.4% of survey responses. Revenue generation consisted of two goals for 2015: increasing sales and improving customer retention.

The sixth category is technology, which was prioritized by only 6.2% of survey participants. While the rating was low, it's important that executives are finally paying attention to this category, as it's been generally ignored for so long that many companies are at risk of facing service disruptions because their UC and telephony environments are so old. This category consists of the following goals: upgrading contact center and servicing systems, moving contact center systems to the cloud, migrating the contact center to a new data center, and scheduling solutions.

Staff-related goals are in seventh place, second to last, with only 5.9% of the responses. Compliance was the only category with a lower ranking, with a category rating of 0.07%. The staff-related goals identified by survey participants for 2015 are: reducing agent attrition, managing Millennials, implementing at-home agent programs, providing training resources, and separation of company entities. The compliance category consists of one goal: addressing regulatory and compliance requirements. Since this is increasingly essential for companies all over the world, it's interesting that it's not a top goal for most organizations.

Figure 2: 2015 Enterprise Servicing Priorities
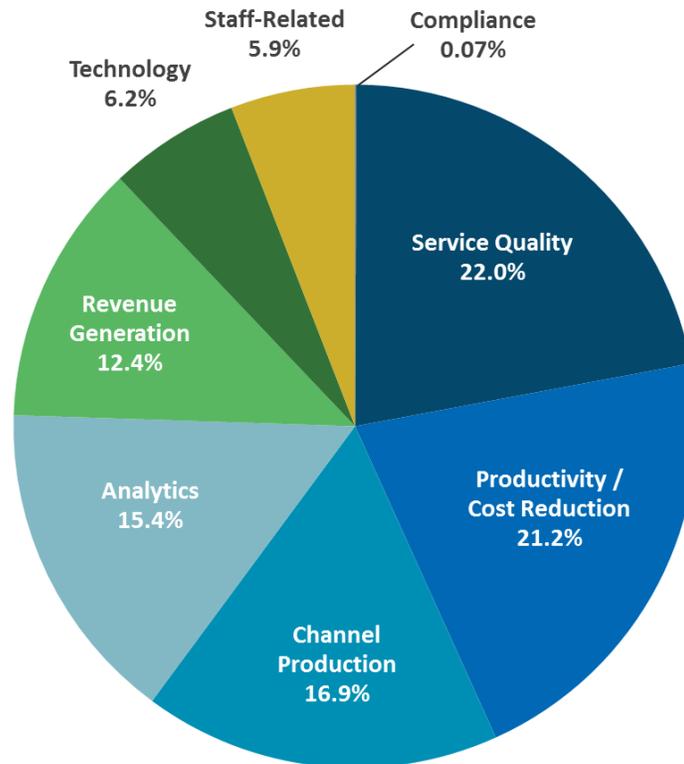
Source: DMG Consulting LLC, February 2015

2015 vs. 2013 Enterprise Servicing Priorities

DMG has been closely following servicing trends for many years. Figure 3 compares enterprise servicing priorities for 2015 to those in 2013. There are a number of notable trends. The first is that the top priority in 2015, delivering an outstanding customer experience, was not even mentioned in the 2013 study of enterprise service goals. The top servicing goal in 2013 was improving productivity, as reflected by 55.8% of survey respondents, compared to the 48.9% of survey participants who ranked it as a top goal in 2015. Closely related, in 2013 only 41.1% of survey participants identified reducing the cost of service as a top goal, while 46.9% of survey respondents selected this goal as a priority in 2015.

Increasing the use of self-service is another goal that continues to attract attention from executives. In 2013, 45.3% of survey participants prioritized this goal, as compared to only 40.8% in 2015.

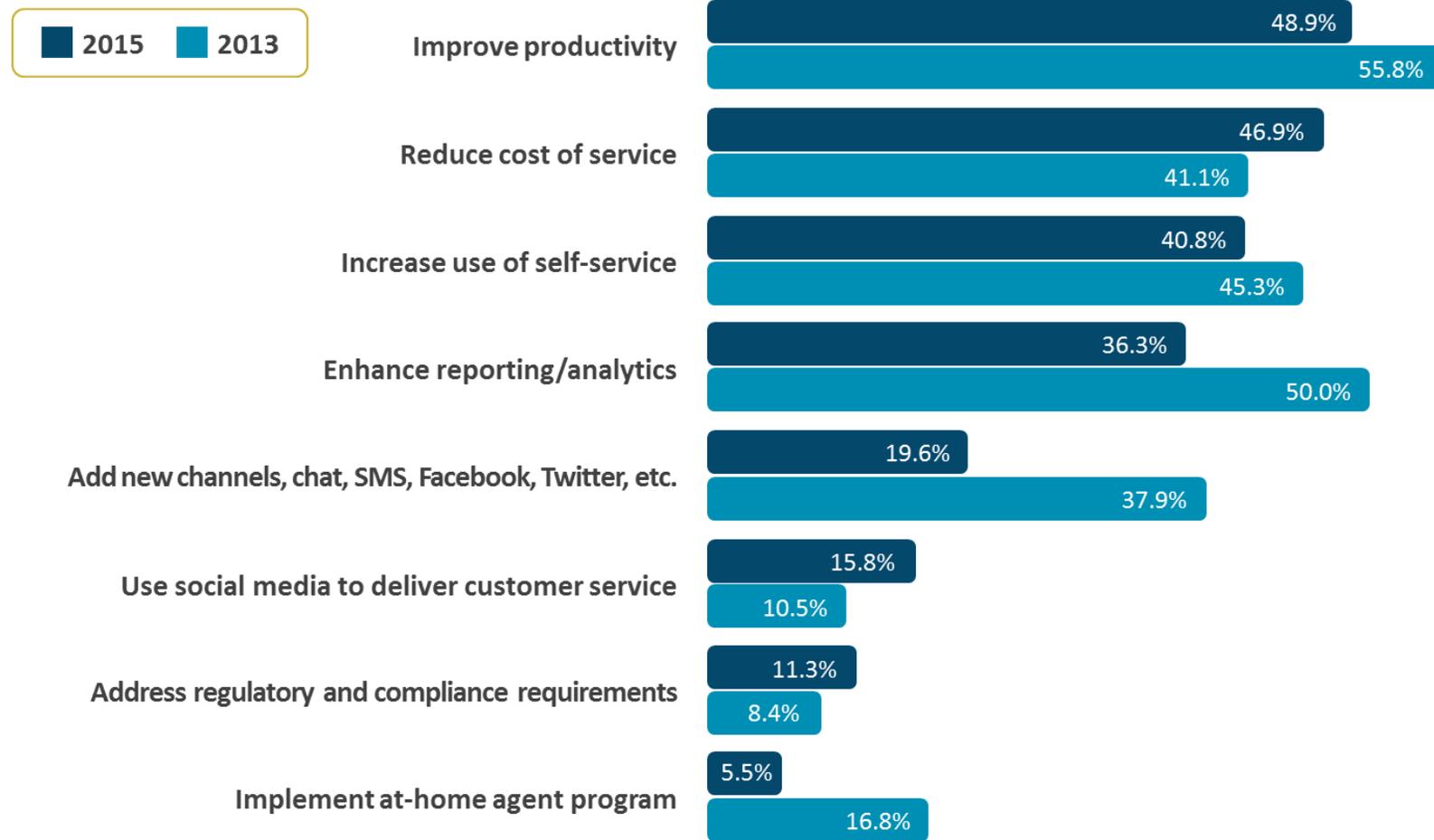In 2013, half of the survey respondents, 50%, pointed out the importance of

improving their reports, as compared to only 36.3% of survey respondents in the 2015 study. The importance of adding new channels is also decreasing; in 2013, 37.9% of the survey respondents selected this goal, compared to the 19.6% who did so in 2015.

On the positive side, 15.8% of survey participants in the 2015 survey rated the use of social media to deliver customer service as a priority, compared to just 10.5% in 2013. There is no doubt that social media is going to play an increasingly important role in the delivery of service in the future, but this is an area that has yet to mature.

Enterprise executives are finally starting to appreciate that excellent service is essential throughout the customer journey, and is not the sole responsibility of the customer service department or contact center.

Regulatory compliance was top-rated by 8.4% of survey respondents in 2013 and 11.3% in 2015. This is a critically important area for companies, as those who are being fined can attest, but is still not getting the attention that it should. Lastly, fewer companies are paying attention to building at-home agent programs. In 2013, 16.8% of companies identified this as one of their goals, vs. 5.5% in 2015.

Figure 3: Top Contact Center Servicing Initiatives, 2015 vs. 2013

Legend: 2015, 2013

Initiative	2015	2013
Improve productivity	48.9%	55.8%
Reduce cost of service	46.9%	41.1%
Increase use of self-service	40.8%	45.3%
Enhance reporting/analytics	36.3%	50.0%
Add new channels, chat, SMS, Facebook, Twitter, etc.	19.6%	37.9%
Use social media to deliver customer service	15.8%	10.5%
Address regulatory and compliance requirements	11.3%	8.4%
Implement at-home agent program	5.5%	16.8%

Source: DMG Consulting LLC, February 2015

Final Thoughts

DMG Consulting's 2015 survey of enterprise servicing goals and priorities for 2015 reflects a changing emphasis in the market. Productivity and cost savings are still important goals, but delivering an outstanding customer experience is also receiving the attention it deserves. Enterprise executives are finally starting to appreciate that excellent service is essential throughout the customer journey, and it is not the sole responsibility of the customer service department or contact center. While the results of DMG's study are a positive indicator of the growing importance of customer service in enterprises, it remains to be seen if executives are going to make the investments needed to support these initiatives.

About Connect First

Connect First Inc. was founded in 2004 and is a privately held company based in Boulder, Colorado. Geoff Mina and Richard Manulkin founded Connect First as a way to revolutionize the contact center industry around the primary mission of providing exceptional customer experiences. Those experiences are derived from a culture of integrity, passion, transparency and communication coupled with world-class, mature telecommunications software that is stable and effective. Today we have over 500 clients worldwide and boast a 97% customer retention rate and zero complaints three years in a row.

About DMG Consulting LLC

DMG Consulting LLC is a leading independent research, advisory and consulting firm specializing in contact centers, back-office and real-time analytics. DMG provides insight and strategic guidance and tactical advice to end users, vendors and the financial community. Each year, DMG devotes more than 10,000 hours to producing primary research on IT sectors, including workforce optimization (quality management/liability recording), speech analytics, workforce management, performance management, desktop analytics, surveying/voice of the customer, text analytics, cloud-based contact center infrastructure, dialing, interactive voice response systems and proactive customer care. Our actionable solutions are proven to deliver a lasting competitive advantage, and often pay for themselves in as little as three months. Learn more at www.dmgconsult.com.

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