MATRIX MAKES THE DIFFERENCE

Delivering great customer service through a contact center is no longer achieved by just a good phone system and someone to pick it up 24/7. Those days are gone and forgotten, however the ones responsible for delivering customer support are still on the front lines. The front-facing agents are the lifeblood of a company but these days being on the frontlines comes with many challenges. These days the contact center customer service performance impacts most customers buying decisions and loyalty.

These days, the job entails establishing customer relationships based on value and satisfaction and delivering consistently high-quality service to create the ultimate customer experience.

For a Contact center to deliver consistently a high-level customer experience today, it begins with implementing the right metrics/key performance indicators (KPIs) to effectively measure specific activities.

The most crucial metrics an inbound contact center must measure are as follows:

* Abandoned Call Rate (ACR)
* Average Speed of Answer (ASA)
* Average Handling Time (AHT)
* Average Call Transfer Rate (ACTR)
* First Contact Resolution (FCR)

There are other key metrics that are critical to delivering exceptional customer service, these are more driven by the results of the above crucial metrics. For example:

* Customer Satisfaction Score (CSAT)
* Customer Retention Rate (CRR)
* Customer Churn Rate (CCR)

Although these metrics combined would make for great decision making and training, they are not the end all. Todays contact centers are starting to implement AI (artificial intelligence) and Cloud driven software across multiple channels to be able to quickly improve on the metrics, identify opportunities for improvement and improve the customer experience.

The phone is becoming less of a channel every year as customers are adapting to social media, web tools, mobile bots, VR, video chat etc. these channels see no decline in the near future and we expect other channels will continue to be added to the way the customer will communicate with the contact center.

We are also seeing some hybrids being used that is a combination of self-help apps with virtual agent support and a live monitor. You can be assured there is no stopping how smart these tools will get and how more accustomed the customers will become to adapting to new communication channels.

There is other software being used these days that may be as or even more important than the above metrics and that is behavioral learning software. These programs use big data to do things like better align personalities between the employee and the customer, or create opportunities based on a customer’s buying habits etc. This all adds to the delivery of a better customer service experience.

All these metrics combined is what is moving the contact center from being a cost center to a value-based operation and are essential in managing today’s contact center’s relationship with the customer in order to remain relative and competitive.

The result of a customer’s experience is a direct reflection on the company, so it is critical the contact center has all the technology in place to minimize the time it takes the customer to talk to someone and then the agents have the capacity to solve problems, answer questions, and provide what the customer needs the very first call.

There are other important driving factors to delivering a great customer service experience and those are creating customer loyalty, exceeding service level expectations, driving company profitability and satisfying the workforce.

In order to be successful in using a contact center, everything must be measured, analyzed and adjusted. With all the technology available these days, these tasks can be accomplished quicker and more accurately.

A contact center’s FCR improves when clear goals and outcomes are laid out while continuously tracking agent performance. Training that focuses on the most frequent issues that lead to high AHT can also make agents better problem solvers. It also pays to conduct training that can aid in familiarization of the current tools, policies, and processes so they can provide working solutions to even the most complicated problems. In addition, the use of gamification also fosters friendly competition as it inspires agents to work harder in delivering quality customer service during the first contact.

Cost Per Contact

The Cost Per Contact refers to the expenses related to running a contact center (i.e., operational costs, wages, benefits).

To calculate the average cost per contact, the total cost associated with operating the business is divided by the total number of contacts handled.

Whenever an agent picks up the phone, it costs a contact center money—salary, software, hardware, electricity, etc. Smart Insight’s most recent research indicate that customer service provided over the phone and through SMS are have been rated the least satisfactory in terms of response time and costs. In addition, only 1 in 5 (18%) customers will reach out over the phone if they use a premium rate telephone number.

This metric helps determine which channels are the most effective including phone, email, live chat, SMS, and social media.. The omnichannel customer service approach helps contact centers gain better insight on which communication platform is best suited for delivering quality customer experience. Based on the available data, contact centers can weigh which channels perform better than the rest.

Service Level

A vendor signs a contract or Service Level Agreement (SLA) with a client to seal the deal. The SLA contains the requirements and standards in which the operation of the contact center is based on. The Service Level KPI measures the organization’s alignment with the goals and targets within the SLA.

Some factors that may affect the Service Level include unplanned service outages, high call or ticket volume, and frequency of agent absenteeism. To ensure that a contact center meets the terms stipulated in the SLA, the above factors need to be addressed. In most outsourced inbound call centers, failing to hit the required service level can result to penalties and losing the contract.

The formula in calculating the Service Level might be different depending on the SLA and the contact center’s preferences.

To calculate for the Service Level, divide the total number of calls answered within the threshold by the total number of calls and the total number of abandoned calls. Then multiply the result by one hundred.

A 2016 survey by Call Center Helper shared that 62.7% of call center professionals view Service Level as the most essential KPI.

By deploying reliable call center analytics software, performance-based results can be accurately measured. With real-time access, the service vendor can immediately identify problems and take appropriate action. Likewise, it’s imperative for companies to enable customers to help themselves. This is achieved maintaining a comprehensive knowledge base (FAQs) that customers can use as the first line of support.

Abandoned Call Rate

In an inbound call center setting, the rate of abandoned calls refers to the total number of calls where a caller hangs up before an agent answers.

A report from Glance shows that 67% of customers hang up in frustration while waiting for a customer service representative to answer.

The most common factors that lead to abandoned calls are lengthy wait times and unnecessary hold times. An inefficient IVR system may also cause callers to abandon the queue. To ensure compliance with the SLA, a 5% or lower abandoned call rate needs to be maintained. To compute for the ACR, divide the total number of abandoned calls by the total number of inbound calls.

A method of reducing the number of abandoned calls is to start off the call with ringing rather than going straight to the IVR system. Pre-occupying a caller with the traditional ring can buy agents some time to wrap up current calls and handle the next call in queue. It’s also best to set expectations and be transparent with the wait time. Callers tend to wait longer when they know exactly how long they need to wait for.

Offering self-help options via the website through your IVR system also reduces the volume of call received. Aside from this, offer customers the option to leave a voicemail message to facilitate a callback. Lastly, curb abandoned calls by making sure the headcount during the peak hours is enough to handle incoming calls.

Average Speed of Answer

The Average Speed of Answer (ASA) refers to the average amount of time wherein a call is required to be answered. It’s an essential part of the SLA where the service vendor promises to answer an X amount of calls within an X amount of time. Generally, a contact center’s ASA should not exceed 28 seconds.

To calculate, divide the total amount of waiting time by the total number of calls received within a certain period. For example, the waiting for 20 calls while the total waiting time is at 30 minutes. The ASA in this instance is 1.5 minutes.

The lower the ASA score, the less time customers spend waiting for their calls to get answered. A higher number indicates inefficiency and poor customer service. This metric affects Customer Satisfaction as today’s customers tend to lean toward immediate resolutions to be delighted. In fact, 82% of customers decide to discontinue doing business with a company that provides substandard customer service.

Not only is this crucial to achieving high CSAT scores, a lower ASA lowers the occurrence of abandoned calls while increasing the First Call Resolution rate.

Reducing the number of abandoned calls improves a contact center’s ASA score. Also, a contact center can easily improve their ASA by having streamlined call routing in place. Getting ahold of the right person the first time also ultimately improves customer experience.

Average Handle Time

Average handling time (AHT) is the average time spent by an agent in handling customer issues or transactions. This also includes the amount of time a customer is placed on hold within the duration of the call and the after-call work time which the agent spends doing back-office tasks.

The AHT is calculated by adding the agent’s total talk time plus the total hold time plus the total after-call work time. This is then divided by the total number of calls.

According to a 2015 survey conducted by Aspect, 32% of respondents pointed to phones as the most frustrating customer service channel. For this reason, this KPI allows contact center to gain insight into their service level by assessing an agent’s performance and efficiency as far as urgency in resolving customer concern goes.

However, a low AHT isn’t always a good thing. For example, Agent A receives a call from an irate customer. Frustrated and angry, the customer vents out. Agent A spent over 30 minutes on the phone but she was able to calm him while offering a win-win solution. Surely, Agent A’s AHT suffered but the interaction led to customer satisfaction and retention. On the other hand, Agent B received a call from another upset customer. Concerned that his AHT would suffer, he immediately gave in to the customer’s request to cancel his subscription. His AHT is exemplary but the client lost a great-paying customer.

To improve AHT, quality training and customized coaching should be done. This should not only be limited to call handling and product knowledge, but should also extend to tool familiarity.

Another great way to help lower AHT is by making use of automation. Automate tasks like note-taking and manual form-filling. A user-friendly interface that supplies agents with useful customer information they need, when they need it. Also, simple features such as call routing, automatic call logging, call recording can do wonders in reducing AHT. The agent can then simply focus on each call and provide effective solutions.

Average Call Transfer Rate

The Average Call Transfer Rate is a metric that monitors the number of calls transferred to another department, a supervisor, or a different queue.

For example, Agent X receives a call from a customer who needs assistance with her current monthly bill. The call should’ve been for the billing department but was routed to customer service. Agent X either has to place the customer on hold to get in touch with a billing rep or returns her back into the queue. This can highly affect customer satisfaction.

Accenture reveals that 89% of customers get frustrated when repeating the same exact issue to different representatives. It’s important to monitor this metric to pinpoint areas of improvement, may it be agent mishandling or inefficient call routing.

To calculate, divide the total number of calls transferred by the number of calls handled and multiply it by one hundred.

To greatly reduce the number of transferred calls, ensure that your IVR system is easy to navigate and provides a clear yet concise description of each department. It’s also best to equip agents with the knowledge and skills to better handle customer concerns.

Customer Satisfaction Score

The goal of every inbound contact center is to keep customers happy. The customer’s happiness equates to the organization’s profitability. A great indicator of customer happiness is the Customer Satisfaction Score (CSAT).

Customer satisfaction is so powerful that a study revealed companies that put in the effort to take their customer experience from average to awesome see 30-50% increase in the likelihood of the customer recommending the product or services to other consumers.

This metric is calculated by asking a question that pertains to the customer’s feedback on a particular interaction with an agent, “How pleased were you with your experience?” or “Was the agent able to handle your concern satisfactorily?”

The customer is then provided with a survey scale where answers commonly range from 1 to 10, 1 to 5, or Very Satisfied-Satisfied-Not Satisfied. The highest number being the best and the lowest being the worst. Note that there isn’t any standard format currently observed but the scale hasn’t changed for decades. The agent’s Average CSat score by adding all of the scores received and dividing the total by the number of surveys received.

For example, Agent Y received 18 (1 to 5 rating scale) surveys in a week with a total score of 70 out of 90 (5 x18). Seventy then has to be divided into 18 to get the average CSat Score for Agent Y, which is 3.8 out of 5.

CSAT scores can be improved through personalized coaching and training as well as ensuring that the best practices are observed to exceed the bar set for other inbound contact center metrics (FCR,AHT, service level, call abandonment, etc.).

Customer Retention & Churn Rate

Customer Retention (CRR) and Customer Churn (CCR) rates go hand in hand.

Retention rate refers to the percentage of existing customers or users that are still part of the organization’s pool of consumers with a certain period of time.

To calculate the CRR, you would need the total number of active customers you have in a given period (30 days, 60 days, 360 days, etc.), and subtract the newly acquired customers during the same period. The result would be the total number of customers an organization has retained. For example, the number of customers you began with 2800 customers. During a 60-day period you acquired 300 more and ended with 2600. {(2600-300) / 2800} x 100 = 82% retention rate.

On the other hand, the churn rate refers to the percentage of customers you have lost. This can be determined by dividing the number of customers who left by the number of customers you had started with and multiply it by one hundred. For example, in a span of 30 days, the client has lost 150 customers while you started with 1,500. The formula would look like this: (150/1500) x 100 = 10% churn rate.

These metrics determine whether an inbound contact center is capable enough to retain customers through providing excellent customer service. Generally a 5-7% churn rate annually is a healthy average. This means an organization’s monthly churn rate should only be .5% or lower.

A Harvard Business School research study recently revealed that increasing customer retention rates by 5% skyrocketed profits to 25% to 95%.

To help increase retention rates and reduce churn, it’s important for an inbound contact center to have a Customer Retention team or department that handles complicated issues and cases that could possibly lead to customers churning.

Focus on the problem and come up with creative solutions. Not all customers that come across with a product issue require a refund or a discount. These gestures can be quite costly. Discover unique ways of delighting upset customers by deciphering the personal information stored in your CRM and using it to connect with the customer. Sometimes, a little empathy could go a long way.

Establish expectations and realized that not all customers can be retained. There is always gonna be a certain percentage of customers that will leave. The earlier an organization accepts that, the better their customer retention strategies would be.

Agent Schedule Adherence & Agent Attrition Rate

Agent Schedule Adherence is used to find out whether agents are working efficiently within their set schedule. To calculate, take the total time of when the agent is available and divide it by the time the agent is scheduled to work. Adherence to the schedule facilitates smooth shift transition that reduces the occurrence of missed or abandoned calls, which may affect the contact center service level.

The use of automated workforce management tools as well as agent scheduling software and integrating these to any system of record and phone system help in reducing errors in the data collected, which may negatively affect schedule forecasting. This also helps identify an agent’s non-productive hours and take the necessary steps to remedy the problem; thus, increasing the agent’s productivity.

Most likely, working toward improving schedule adherence will require a contact center to revamp its currently policies and guidelines for its employees. It’s best to speak with the workforce and gather their feedback prior to implementing new processes and standards to enhance the team’s schedule adherence.

Schedule adherence is a great gauge in determining whether an agent enjoys working in an inbound call center environment or not. As stated in the 2016 U.S. Contact Center Decision Makers’ Guide, a customer service representative stays employed in the same company for 3.3 years. Agent Attrition is a major concern for both inbound and outbound contact centers. Whenever an agent leaves, the workload of those that stayed increases.

Promoting an employee-centric work environment make agents feel valued; thus, making them lead happier lives, which transitions to each customer interaction.

Ensuring that the tools they use work for them instead of the other way around. Call center software should help agents make better-informed decisions, not add to the number of tasks they do each day. It’s imperative that an inbound contact center wisely chooses the hardware and software that the agents use on a day to day basis.

Conducting exit interviews provide the management access to honest feedback. The information shared during these interviews can help prevent similar issues from recurring.

Measuring and tracking KPIs are crucial to the success of a call center–but what matter most is the accuracy of the data at your disposal and what you do with the data you acquire from