



# Customer Experience Management

Best Practices for Voice of the Customer (VoC) Programmes

# The Evolution of Customer Satisfaction & Customer Experience Management



Prior to 1980 customer satisfaction surveys were limited to a very few of the larger organisations. It was only in the 1980's where the launch of large scale tracking studies at a corporate level, primarily through mail surveys, first started to provide relational customer satisfaction data to help organisations understand their customers.

In the 1990's improved customer databases led to the rapid development of transactional satisfaction surveys through long process driven questionnaires, although static reporting through data tables was still limited to the most senior executives at the corporate or branch level. The most popular data collection methodology was still represented by mail surveys but more and more organisations in customer centric industries switched already to telephone interviewing in order to allow more open feedback.

From 2000 to 2005 whilst there were no significant changes in research design the rise of the Internet changed reporting methods and formats enabling enhancements in the delivery of custom information and insight through role specific permission to reports. Later in 20th century we then saw a switch to online data collection, the development of online real time reporting platforms, much shorter surveys, focus on key performance indicators, text analytics and alert based issue resolution management.



In the last two years integrated feedback platforms have developed on the back of multiple feedback channels, conversational survey designs, integration of various feedback channels, and sophisticated management tools and advanced analytical techniques.



# The Changing Face of VoC Programmes



Key challenges exist to successfully design, implement and execute a VoC programme. In recent years there have been a number of key trends which have impacted and shaped Voice of the Customer programmes.

Trend	Implication
<b>Lower response rates in feedback surveys</b>	<ul style="list-style-type: none"> <li>• Shorter questionnaires</li> <li>• More engaging online surveys with rich media</li> <li>• More open-ended questions</li> <li>• Multi-mode data collection according to customer priorities</li> </ul>
<b>More customer listening posts</b>	<ul style="list-style-type: none"> <li>• Increasing use of text analytics</li> <li>• Need for analysis of unsolicited, unstructured data</li> </ul>
<b>Integration with social media monitoring</b>	<ul style="list-style-type: none"> <li>• Consolidation of analysis and reporting</li> <li>• Move more toward customer listening</li> </ul>
<b>Closed-loop feedback processes</b>	<ul style="list-style-type: none"> <li>• Use of real-time alerts</li> <li>• Business rules and processes for issue resolution responding to customers</li> <li>• Immediate reaction to customer feedback</li> </ul>
<b>Custom reporting of information and insight</b>	<ul style="list-style-type: none"> <li>• User-friendly and actionable reporting portals</li> <li>• Companywide access to customer data</li> <li>• Integration of management tools</li> </ul>
<b>Shift focus from metrics to diagnostics</b>	<ul style="list-style-type: none"> <li>• Declined relevance of scores for metrics</li> <li>• Need for advanced analytical capabilities</li> </ul>
<b>Continuous feedback mechanisms</b>	<ul style="list-style-type: none"> <li>• Faster identification of issues and opportunities</li> <li>• Drive immediate action from customer feedback</li> </ul>





This paper will review these trends and highlight the key practices which need to be adopted to successfully implement and integrate a Voice of the Customer (VoC) programme to improve customer loyalty and ensure business success.

It will cover off:

Making customer feedback part of the brand experience

Integrating social media monitoring

Ensuring customer participation through more engaging surveys

Closing the loop on customer feedback

Tapping unstructured and unsolicited feedback

Linking customer feedback to other business data and outcomes

Proving the value of the VoC programme

Communicating custom reports throughout the organisation

Shifting the focus from metrics to diagnostics

Integrating management tools to drive actions and improvements from the data

Harnessing the voice of the employee

Making the VoC programme a strategic initiative within the organisation





## 1 Making customer feedback part of the brand experience

Your customers will give you feedback on your products and services if the right feedback channels are available to them. Therefore you need to be aware of all available touch points between your organisation and the customer.

Your customers have to be offered as many channels as possible for providing customer feedback to allow your customers to give their opinions about their product and service experiences. This can include transactional surveys (branded to build the company's brand image), social media i.e. twitter and Facebook, word-of-mouth, internet blogs and forums, review sites, direct communication with employees and call centres.

## 2 Integrating social media monitoring

Your customer is talking about you and to you; in countless internet forums, blogs, on social networks such as Twitter, Facebook and LinkedIn and review sites. These communication streams clearly detail your customer's views and provide in depth detail on the quality of your products and services.

It is therefore essential in today's environment that your customer feedback programme integrates the monitoring of all social media. By actively monitoring discussions and collaborating in conversations about your company or sector you can identify current topics, spot overall trends and opportunities and vitally, you can intervene and manage specific customer issues.





## 3

### Ensuring customer participation through more engaging surveys

Any feedback survey to your customers should be part of the overall brand experience. When designing customer feedback surveys they need to effectively engage with customers by being relevant and fit for purpose. By creating the best survey experience possible it will remain a trustful channel for feedback ensuring you obtain accurate and timely information on a continuous basis.

Any survey should invite customers into a dialogue about the brand experience through more conversational questionnaires. For example the use of open-ended questions allows the customers to tell their story about the experience. In online surveys customers can be engaged through the use of rich media techniques, i.e. more visual, interactive and dynamic questions and through the personalisation of the survey experience.

Customers should be offered a certain degree of control over the amount of information they have to provide and design the survey length and content according to the importance of interaction. Multiple forms of response should be offered to the customers, e.g. telephone, mobile, online, SMS, postal, IVR, etc.



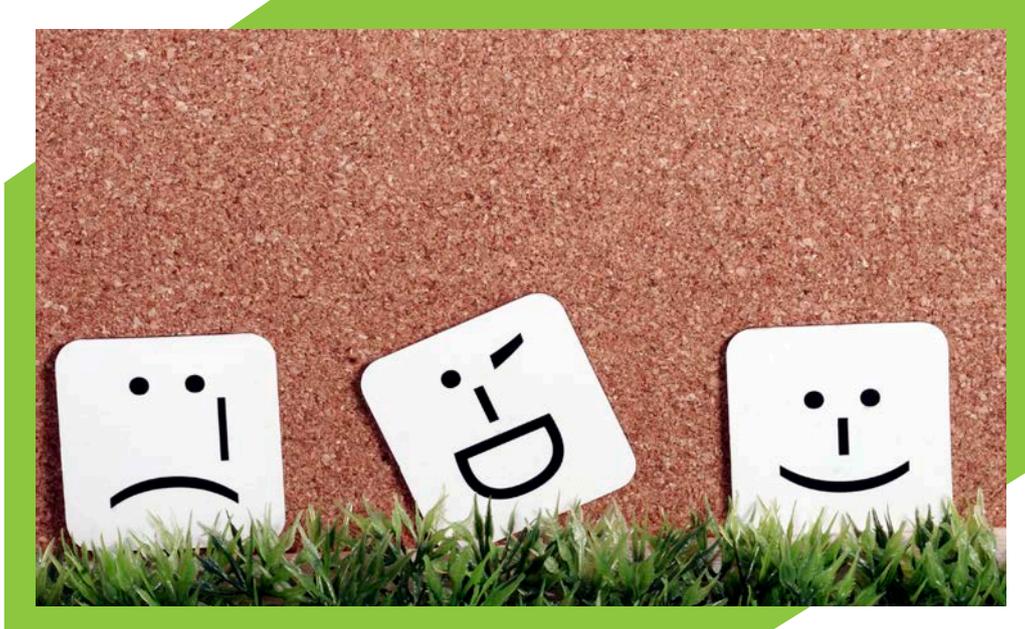


## 4 Closing the loop on customer feedback

It is vital to manage and understand the expectations of your customers at all times. Customer dissatisfaction and disloyalty is very often a gradual process and by immediately identifying any negativity as it occurs you can address specific issues and convert customer satisfaction into loyalty.

The use of real-time pre-defined triggers on surveys detailing customer concerns will provide frontline staff with the opportunity to resolve the issue, to drive customer satisfaction and retention. The implementation of a transparent formal process including predefined processes and responsibilities, action planning tools and will help to resolve customer issues before they escalate.

In order to close the customer feedback loop it is important to inform customers about the status of activities in the issue resolution, let customers track these activities and gather feedback on the final resolution. It is also key to communicate to customers how their feedback is being used, e.g. through blogs, online, communities or videos. The publication of performance results in social media or on a public website should also be part of a closed-loop customer feedback process.





## 5 Tapping unstructured and unsolicited feedback

By only using conventional structured data from surveys the richer insights will be missed. The use of sophisticated analytics tools will provide greater understanding about the relationships between customer decisions, their motivations, their sentiments and their true reasons for satisfaction and loyalty.

Surveys, comment fields, call centre transcripts, inbound e-mails, social media posts and tweets exhibit a comprehensive pool of information and insights. Additionally posted videos, podcasts and other sources of unsolicited feedback can be insightful in more closely understanding your customers. Smart techniques such as text analysis and sentiment analytics to analyse unstructured comments from solicited sources (e.g. surveys) or unsolicited sources (e.g. inbound e-mails, tweets) will provide rich stores of unstructured data.

Combining this with traditional data sources will provide valuable insights to help you better understand customer experience and behaviour. This in turn will help support and inform strategic and operational decisions. Using this data to understand customer experience and behaviour, along with other insights will improve the many ways customers interact with the brand.



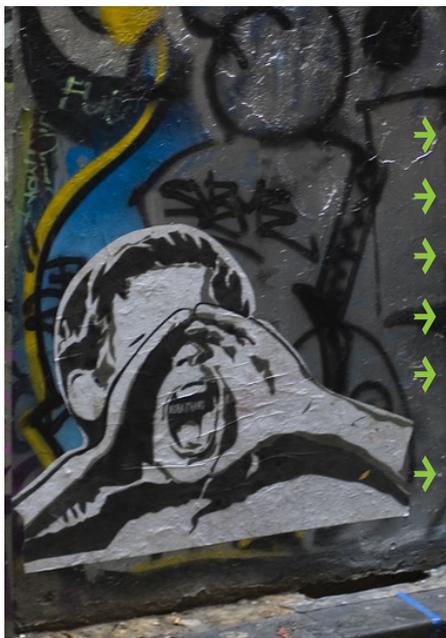


## 6 Linking customer feedback to other business data and outcomes

In order to analyse and effectively assess the root causes of customer dissatisfaction and disloyalty and to identify the operational improvements to be implemented a holistic view and understanding of the customer experience is required. This can be achieved through the combination and integration of various data sources into a single view to facilitate a holistic understanding of the customer experience.

Historical transactional customer survey data needs to be combined with data from other enterprise systems or other sources to be seamlessly integrated into one system. These sources can be combined with other survey data, CRM data, transaction data, finance data, operational metrics, etc.

Additionally, the combination of survey data with data from social media posts, tweets and internet forums will give you a great opportunity to assess any root causes of customer dissatisfaction. It will allow you to understand the thoughts, emotions and motivations of your customers and identify operational improvements required.



- **Unsolicited Feedback** - social media, blogs, comments cards, call centre
- **Operational Measures** - response time to a complaint
- **Financial Data** - revenue, profitability, lifetime value
- **Customer Data** - transactions, purchase behaviour, profiles, history
- **Other Survey Data** - exit interview, employee surveys, mystery shopping, brand, lost sales
- **Transactional Customer Feedback Surveys**





## 7 Proving the value of the VoC programme

It is important to track and prove the business value of improvement activities which are directly driven from VoC programmes. By measuring the impact of closing the loop with individual customers you are able to link customer experience feedback to customer metrics, e.g. loyalty, lifetime value, revenue or profitability and ultimately connect Customer feedback to ROI/profitability.

## 8 Communicating custom reports throughout the organisation

Transparency is one of the key success factors in the design and execution of every customer feedback programme. It is key to reporting online, in real-time and from one central portal. Staff should have access to interactive dashboards which provide easy to understand results with drill-down capabilities to identify the root-cause of any issues.

By creating individual user groups through role-based permissions the most relevant information and insights can be provided according to individual needs. The “right people” have access to the “right data” at the “right time”. Big picture summaries and strategy relevant insights can be distributed to the executive management; operations managers will need to see detailed tactical reports. Frontline staff should access actionable customer information and insight.

The level of detail available through online reporting platforms will then enable you to share best practices on customer experience improvements throughout the organisation.





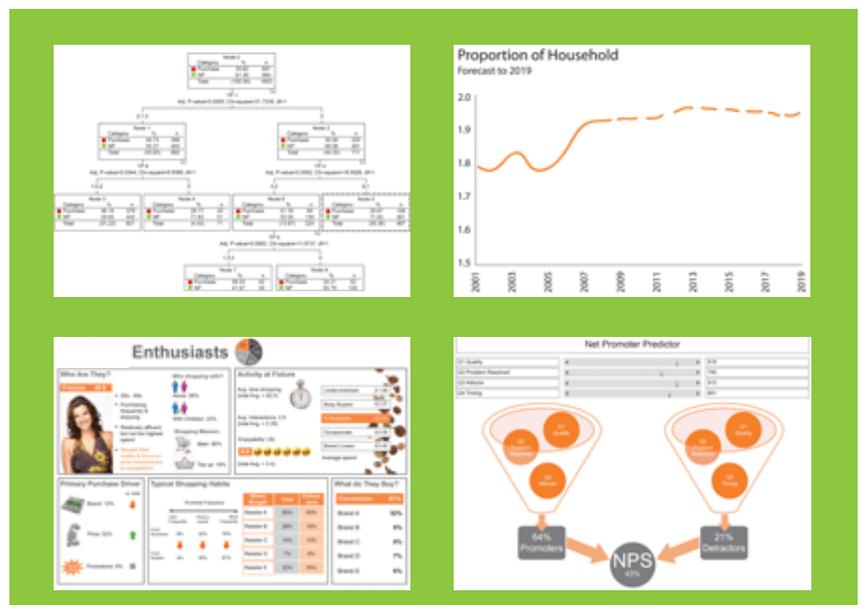
## 9 Shifting the focus from metrics to diagnostics

Capturing and analysing customer interactions will help turn this information into meaningful, actionable business insights. Understanding what drives customer satisfaction and loyalty is therefore key. Through the application of advanced analytics and techniques such as data mining key insights to predict future customer behaviour such as satisfaction and dissatisfaction can be generated to drive significant operational improvement.

Using advanced analytics will provide insights that help implement action plans and understand the impact of your business strategies.

### Key methods include:

- Key driver analysis
- Predictive modelling
- Data linkage
- Insight data mining
- Customer segmentation
- Text mining
- Forecasting
- Action planning
- Social Media





## 10 Integrating management tools to drive actions and improvements from data

Even the best data will not improve a company's performance if it is not continuously converted into actions. The customer feedback programme should be used to recognize new challenges early enough, to assess the relevance of specific issues and to implement a strategy for the conversion of improvement measures.

You will not improve customer satisfaction through short-term ad-hoc actions. Continuity and a systematic approach are vital. Therefore a customer feedback programme should move beyond simple satisfaction reports. It needs to integrate easy to use customer experience and performance management tools for frontline staff with formal processes and procedures for implementing actions.

Key management tools include:

- Best practice guides
- Action planning
- Target setting
- Closed-loop issue resolution
- Process improvement planners
- Target setting
- Predictive simulators
- ROI calculators





## 11 Harnessing the voice of the employee

Understanding and appreciating the role of employees will build customer loyalty and improve the customer experience. Therefore, organisations need to take advantage of the link between customer experience and employee experience through regular employee engagement surveys. Also it should be ensured that the employees have the knowledge and capabilities to carry out the customer experience strategies.

## 12 Making the VoC programme a strategic initiative within the organisation

In order to make your customer feedback programme a success it is essential to be dedicated to feedback, have a dedicated team in place, get buy-in from frontline staff and have support from the top.

Within the organisation it is necessary that resources are available in all involved units and that executive sponsorship is achieved. In order to address issues of office culture or changes to management processes, HR should be involved from the beginning. Additionally the ROI of the programme should be figured out in the design phase to enable milestones and targets to be set.

There are five key steps which need to be implemented to ensure the smooth implementation and integration of a VoC real-time customer feedback programme. These include:

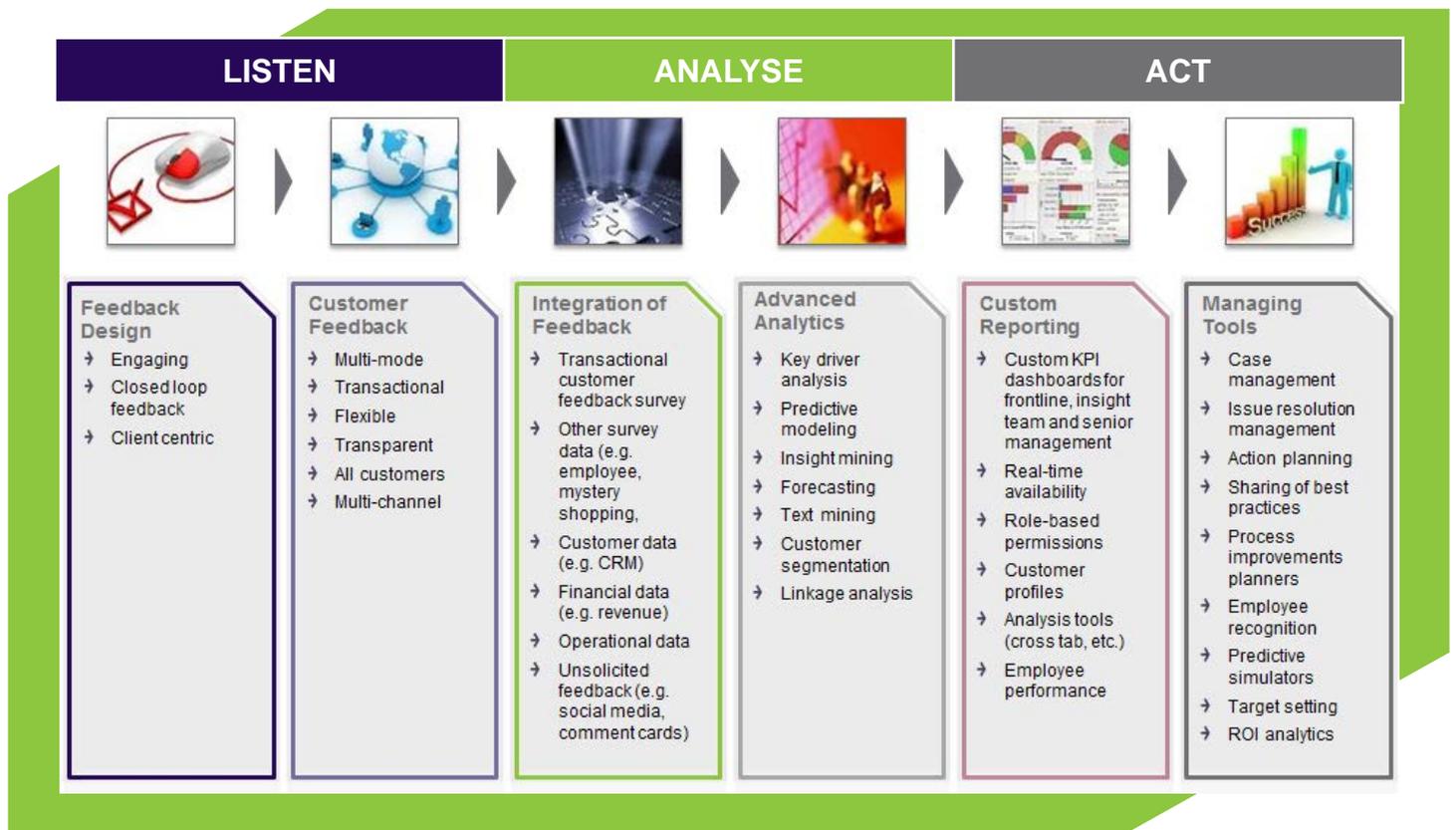
1. Map the ecosystem of people and processes that drive negative customer perceptions.
2. Assess the maturity of the current CEM processes and solutions.
3. Assess individual needs and challenges.
4. Engage internal stakeholders and customers in the re-design.
5. Map ideal programme elements.





Our staged process of integrated Voice of the Customer enables your ability to:

- Design customer centric feedback mechanisms
- Engage with your customers
- Integrate feedback from various sources
- Manage the information and apply advanced analytics
- Deliver actionable information and learn from insights
- Drive immediate action from feedback to improve performance





## Chris Bland - Research Director at SPA Future Thinking

Chris began his career in Technology & Telecoms before joining SPA Future Thinking in 2006 to work with media and consumer clients. He is a firm believer in putting the voice of the customer into the heart of business decision, linking feedback to key business performance metrics.

Chris has helped clients design, define and launch new programmes, as well as manage and evolve existing programmes to meet new requirements. He has extensive experience of building customer experience studies for media clients including BskyB, Sky Italia, and OSN, the leading pay TV provider in the middle east; Advising on brand strategy, customer retention and how to integrate customer experience data to its' best business advantage.



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