# Optimization of customer service and sales

## – using AI and analytics

By Jacob Emil Opstrup, Brian Vang, and Tommy Langhoff

In this whitepaper, we will introduce you to concrete practical methods where *analytics* is used to effectively optimize customer service, sales, employee satisfaction, and costs in your service organization.

In this paper, *analytics* refers to a speech and text recognition process that automatically captures, analyzes, and categorizes recorded customer dialogues.

Using *machine learning* and *artificial intelligence*, the conversations are quickly transformed into valuable insights about individual customers and employee conversation patterns. These insights can be used for improvement initiatives to benefit both your customers and your business.

## *27 %*

That's how much your team can increase customer satisfaction if they know where to focus. If your agents answer simple inquiries in under 3 minutes, they'll be able to gain 27% more happy customers.

## *25 %*

The potential is great if you focus on employee training and try to minimize situations where the agent has to ask a colleague. In fact, customer satisfaction is 25% lower if there is more than 30% silence in a conversation.

# *Typical challenges*

In any service organization - be it Customer Service, Helpdesk, Hotline, Citizen Service, or another service organization - there are 2 types of employees: agents who work directly with customers and those who assist these agents.

Customer-facing agents create the results - good or bad - during many short customer conversations. Specialists, trainers, and managers have the primary task of equipping the agents with the best possible skills, knowledge, systems, and right processes.

An immediate basic condition of good customer conversations is that the content of the conversation is only visible and accessible to the agent and the customer. Therefore, it is particularly challenging to gain the necessary insight into the conversation in order for the quality and service experience to be improved.

*Technology for Conversational analysis* – in some cases known as just *analytics*, as this type of analysis can be done across conversations and written channels – has become available for practitioners over the past 3-4 years. These tools help gain the necessary insights in an easier way.
Despite of the relatively young history for practical application, this technology has been discussed and developed for more than 20 years. It is only now becoming available - and it does not require a PhD in data science to work with. At the same time, this technology is now also available in the Scandinavian languages, which increases the usability significantly.

In this whitepaper, we will introduce you to practical methods that contribute to an effective optimization of customer experience, sales, employee satisfaction, and costs in your organization. The amazing thing is that the same levers will lead to a simultaneous improvement in all other KPIs.

## *An introduction to analytics*

*Analytics* is a speech and text recognition process that automatically captures, analyzes, and categorises call recordings. Using *machine learning* and *AI*, the recordings are transformed into valuable insights about the customers as well as the employees' conversation patterns, which can be used to create improvement initiatives based on customer inqueries.

*Capturi's analytics platform* captures and analyzes data from customer conversations as they happen. The results are made available in a user-friendly and cloud-based platform.

The platform analyzes both phrases and context, providing a quick and simple overview of customers' most frequently asked questions and the best employees' techniques. A simple example is to compare conversations with forthcoming language, such as "please understand" and "sorry", with conversations that does not contain forthcoming language. In this particular case, analytics can be used to evaluate whether you will get more satisfied customers using this type of technique.

## *From control to learning culture*

*Analytics* is an extremely powerful tool that creates unique transparency into the customer conversation. This transparency can create insecurity for employees if it is not handled wisely. Therefore, the mindset and culture of the organization and its leaders regarding the use of the tool is absolutely critical to its success.

In short, you will need to create a culture based on development rather than control. Therefore, it is important that managers and coaches create trust around the use of the tool, and develop a clear framework and purpose for action.

The focus should therefore be on creating a culture of learning and development rather than simply achieving individual KPIs.

An ideal learning culture is typically characterized by:

- It is okay to fail, experiment, and test different ways of communicating.
- Coaching and education is something that happens methodically and continuously throughout the year.
- Coaching and education takes place with your customers rather than in a classroom.
- Becoming more skilled is the agent's own responsibility, but qualified training and well-trained coaches should be provided to help.

## *Multi-level optimization loop*

An *optimization loop* consists of the following four phases:

1. *Customer dialogue*
2. *Insight*
3. *Concrete improvement*
4. *New customer dialogue*.

The loop takes place with a view to improvements at various levels.

Improvement and optimization based on analytics insights can be achieved in relation to:

- *The strategic level*, where the company uses the insights into customer desires, customer behaviour, and customer satisfaction as decision tools in their strategic planning.
- *The tactical level*, where the service organization or underlying business units change products, prices, services, or processes.
- *The individual level*, where each agent acquires new skills and uses them in practice.

To get the best results, it is important to use *analytics* as a practical method that leads to concrete improvements. Otherwise, insights remain just insights with little or no impact.

## *The individual optimization loop – co-listening*

For years, *co-listening* has been our preferred method for training and developing staff in customer dialogues.

With *analytics*, we have the tool to take *co-listening* to new heights of efficiency and effectiveness.

Now, we can actively use the analyzed call recordings rather than patiently sitting by the agent's side and waiting for the right insights.

*Co-listening* is an educational method based on a number of essential principles for effective training and development in a service environment. It should be:

... practically oriented and aimed at getting the agents to be able to recognize new skills in the customer dialogue, and not just from a training room. It is based on a *70-20-10 learning principle*, which emphasizes the importance of the practical dimension in learning. More specifically, agents will gain the most skills when they do their work in everyday life - that is, when they are in contact with customers. The learning effect is thus greater in dialogue with customers than it is in the training room. However, the condition for the increase in competence is that the employees are aware of the techniques. This awareness can be achieved partly through focused self-reflection by agent, and partly through feedback and coaching.

... individually based because each agent has their own challenges in understanding issues and potential, and in being able to putting the new input into practice.

... balanced between the different considerations and interests that are inevitably present between customer, company, and agent. For example, customer experience, talk time, and employee satisfaction cannot be separated, as they stem from the same skills, knowledge, and habits. Therefore, KPIs should be set with the same balance.

... continuously implemented in close collaboration between agent and coach.

The *co-listening flow* consists of the following:

- Preperation
- Initial dialogue
- Listening and evaluation
- Feedback
- Choice of focal points
- Self-coaching
- Continuous focus on self-coaching

*Analytics* effectively support preparation, assessments, feedback, and coaching. Using *analytics* for *co-listening* provides significant benefits compared to traditional *co-listening* on live calls:

- Better educational impact - hearing and seeing your own customer dialogues is highly effective.
- Higher productivity for coaches, i.e. they can conduct more sessions and create more impact with the same amount of time spent.

To implement *co-listening* initiatives we recommend the use of the simple and cloud-based tool *performerWIZ*.

The tool is integrated with the analytics platform from *Capturi* so that conversations can be listened to directly in *performerWIZ*. The tool supports:

- setting up co-listening schedules.
- scoring and qualitative assessment of the analyzed call recordings.
- continuous feedback and agreements with the employees in relation to traning and self-coaching activities - including coaching report to all agents.
- maintaining notes for other coaches.
- benchmark reports that enable streamlining of future coaching sessions.
- conducting calibration sessions where coaches listen to call recordings, on the basis of which they calibrate the desired levels of competence.

## *The tactical and strategic learning loop*

As a decision-maker in or around a service organization with many customer dialogues, you probably recognize the feeling of not being included in major budgeting decisions.

On one side is the customer service organisation with all its - potential - knowledge about customer behaviour and wishes. On the other side is the management and the business units' hunger for this very knowledge.

But it no longer has to be that way. With *analytics*, "we think" becomes "we know", and structured knowledge becomes available for decision-making at different levels.

In this way, the service organization can achieve a completely different position in the company, where the value-creation consists of much more than the service task itself.

Just as with individual learning, it is crucial that the tactical and strategic learning loop is put into a practical methodology and process.

An *analytics unit* located in the service organization with very few resources processes the insights generated by a range of tools including *analytics* across the channels you would normally use. This is made available to the organization at different levels and with a practical meeting and reporting structure:

- **Here and now:** The ability to nip issues in the bud with proactive communication or rapid action.
- **Business optimization:** Optimization of processes, prices, services, products, etc.
- **Strategy:** Decision-making basis for strategy and business planning.

## *Get started*

Analytics has become available in practice with an ease of use, recognition rate, and price level where the vast majority will be able to access it, and the potential benefits are very high at all levels of the company.

So whatever your size, and whether you are a B2C, B2B, Citizen Service, or other type of organization, there are good reasons to look at how you can get started reaping the rewards of *analytics*.

In this white paper, we have outlined practical ways of applying the technology, and it is crucial that the technology is put into a practical application framework. This is the only way to ensure that insights can be transformed in to actual change. Because Insights are only valuable if they are put into practice.

Enjoy optimizing customer service and sales using *analytics*.

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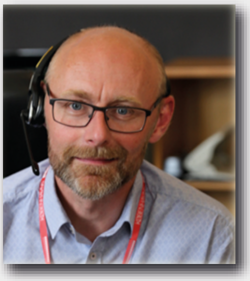
## *Written by*


### Brian Vang



Brian has worked in customer service for more than 20 years, with a particular focus on optimizing customer dialogues. He has analyzed customer dialogues in both the private and public sector, and has developed theoretical dialogue models and conversation concepts to improve conversations and service experiences – for the benefit of both customers and employees.

In addition, he is the author of the book 'Tak for hjælpen!' (Thanks for the help!), a practically oriented handbook for optimizing customer dialogue and contact.

*Developer of the soft skill training platform performerWIZ.*

### Tommy Langhoff

Tommy has worked with customer service since the 90s as a CEO and manager in service organizations, and as a consultant, trainer and advisor in more than 100 development projects in customer service setup in both Danish and international B2C and B2B companies.

He is also the author of the book "3 minutes of excellence" on customer center optimization.

*Partner at Zillion Consulting Group*

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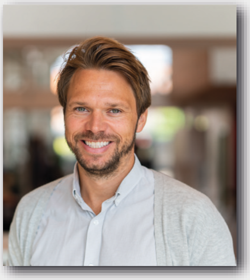

Jacob has formerly worked as Principal from *Boston Consulting Group* and has started the company *peel*, a B2B start-up based in London.

Now, Jacob works as a CRO at Capturi, where he helps customer service departments to exploit their call data to improve the customer experience, create loyal customers, and identify improvement opportunities on the digital platform.

*Chief Revenue Officer at Capturi*