

»The avoidance of calls is the central aim of every Call Center.« A thesis discussed at a forum, brought controversial views to light and became an exploratory expedition between call avoidance and no service. A subject that Call Center pioneer, author and CallCenterWorld keynote speaker Bill Price has explored further in a discussion at the CallCenterWorld in Berlin.

THE BEST SERVICE ...

Between Call Avoidance and No Service strategy

At the CallCenterWorld in Berlin, Bill Price in his key note has covered the subject »The Best Service is No Service«. His book under the same title, is a thesis which caused controversial discussions in the Xing group »Call Center and Help Desk«. As for the opinion of Martin Traninger, Managing Director of a training enterprise with headquarters in Vienna: an increase in customer satisfaction can be achieved with fewer conversations rather than with better conversations. Or expressed in a different way: »The most satisfied customers are not the ones helped by perfectly trained, enormously friendly and helpful agents at the Call Center, but those where everything functions so well that they have no reason to call.«

This corresponds with the theses which Bill Price propagates for achieving »Best Service« (see also interview on page 14). We want to take this train of thought and explore if to see how the model functions in practice.

AVOIDABLE CALLS – THEY REALLY EXIST!

What is actually an »avoidable call«? Are avoidable calls from a customer view point the same as the one of an enterprise? Or are there perhaps differences? From my view, the most important question, whose interests are served in avoiding calls? But let's start at the beginning and try to define what one must understand

from avoidable calls and how they appear. Three reasons came to light while this topic was explored:

▪ **Reason 1: The internal processes don't count**

Many Call Center managers within the framework of the discussion, on the bases of specific examples stated that frequently »proactive caring« simply is lacking. »Because processes within the own enterprise are not smoothened«, Silke Robeller, Call Center Manager at Amway expresses, »customers get no information regarding their delivery and end up following up on the status themselves«.

If an enterprise makes a mistake which has obvious effects on the satisfaction of the customer, it should provide proactive information. The aspect that was highlighted in the discussion was that the processes were not smoothened deliberately. Possibly when companies put products and services on the market under competitive pressure, they certainly know that the required processes are not yet »ready for service«. Frank Helbig, Supporter at Computacenter, pointed to an interesting special form of avoidable calls of internal service centers: the provocation of calls. His examples from two enterprises known to him show that sometimes the processes are too simply knitted and that it can absolutely be worthwhile to construct small hurdles which »force« users to another behavior. For example an agent forgets



The Call Center gets important feedback from the customers at first and every enterprise is well advised to use this source of information for the improvement of processes and products.

» his password for the PC. In one enterprise, the agent has to go with his company-ID-card to the factory security officers to get a new password. Only then he gets it, however, he learns from this experience and will remember it better. However, in enterprise B there was a fast and uncomplicated help which led to the fact that agents forgot their access data even during a short vacation. Nevertheless, a call is enough...

▪ **Reason 2: Available information is not used**

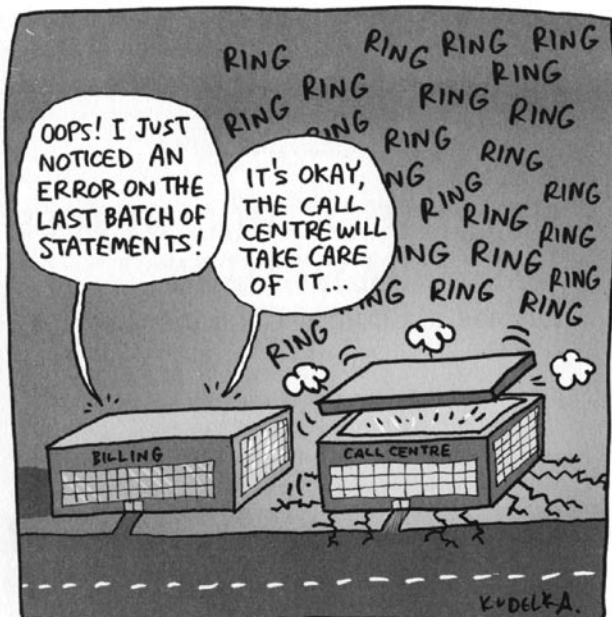
However, avoidable calls also appear when companies do not use all the information available about the customer to create tailor made offers which fit exactly to their needs. Here is a real example: A loyal customer since 1999 of a mobile phone carrier XY, receives at the end of every 24 months, a new mobile phone which he gets to choose for himself on the web shop. After delivery in record time and trouble free inauguration of the device, it becomes obvious that the battery is already completely empty after twelve hours of use while the mentioned standby time is 120 hours. A further inquiry in the call center proves: The problem is a known one: the »old« 5-Volts sim card of the customer uses too much electricity - a new generation sim card is required to reach the mentioned stand by time. The information that the customer still possessed his first sim card would have had to be present with the carrier. Here is a case about an avoidable call.

▪ **Reason 3: Information is held back**

And there is also the case when information and knowledge which supports the customer problem and the solution is held back by the enterprise, instead of making it durably available in established channels , possibly in the form of Frequently Asked Questions lists (FAQ).

CALL AVOIDANCE HAS AN EFFECT IN ALL DIRECTIONS

Should one want to formulate a generally valid definition of »avoidable calls«, one would have to say: »Avoidable calls are those that have no obvious value for the customer.« Naturally it cannot lie in the interest of a company to avoid all calls and with it complete customer contact. Hence from another perspective - from the view of the enterprise - the definition of an avoidable



STATEMENT



Martin Traninger, Managing Director, Traninger Training (Vienna)

»Call avoidance is the central, may be even the most important aim of every Call Center, if it acts in the interests of its principals or employer - whether it is an In-house Call Center or an external service provider.«

call would have to be perhaps rather: »Avoidable calls are those which don't result in increased business«. So the definition can be also applied for every kind of Call Center. In classic order, hotlines are those conversations in which customers »only« want information without having to place an order. Or in the help desk area, those inquiries which can't be solved in the first talk but induce further telephone calls. Bill Price names such repeated calls »snowballs«, and who has ever been hit by one with full force in the face knows as to why it is best to avoid them.

A SUBJECT CAUSES WAVES

The subject 'call avoidance' is not fundamentally new and it was also not invented by Bill Price. Do you still remember the CallCenterWorld in 2008? The Ratingen based JCG Consulting Group AG published results of the then current industry analysis. It was mentioned: »In 2008 we will see a massive movement of Call Centers towards more intelligent compensation models in the Call Center arena. Cost by customer will become the electrifying magic word.« As the analysis proved, »30 percent of the incoming calls in Call Centers are simply unnecessary«, JCG chief Dr. Simon Juraschek stated at that time and in addition: »Many Call Centers live from calls where the principal actually did not desire it at all.« Then in May, the message of the Call Center service provider Transcom Worldwide: »In future we will rely on call avoidance«, stated Thomas Tannhäuser who is a member of management. Call Centers are being criticized for prolonging telephone calls artificially to earn more money. »We want to fight against this with our new strategy and provide advantages to our customers«, Tannhäuser explained. We want to move away from minute based prices towards a dialogue-based accounting. »A customer is a dialogue«, says Tannhäuser, and »is taken into account«. Even if one did not hear from this offer any more for a while, Tannhäuser says: »The subject comes up in the reinforced quality discussion again - for us this always has been so!« Besides, nothing is for free. Who would like to minimize avoidable calls or perhaps even prevent them completely, has to make the appropriate pre-suppositions and then approach it by

responding to it proactively. This means that the different specialized divisions of the enterprises must care for the fact that all current information is made available to the customer in real time. In-house this functions via the usual communication ways, Wikis or complex decentralized cultivated knowledge data bases. With an external service provider, it requires a central interface from the principal's side which discloses internal processes, transfers knowledge and cares for permanent actualization. Vice versa the service provider also supports - for the purposes of a fair interaction - his principal with information which he needs urgently for the optimization of their processes and offers. Unfortunately, not all principals are open towards such transparency today. But without it, the aimed target will always remain an illusion.

THERE EXISTS A LOT OF GRAY BETWEEN BLACK AND WHITE

Now the world is, unfortunately or fortunately, even more grey than black-and-white. A fact rightly pointed out by Harald Henn in our discussion. From a customer care view point, »the customer needs to decide whether a call was valuable or a waste!« What is surprising is the fact that many enterprises for designing their call center strategy, still wear the black-and-white glasses. »Calls should be avoided, self service is forced and only the customer value that should be determined is as to who comes through by telephone. Wouldn't it be much better to improve products and services? Because »it is here we observe the true strength of Call Centers«, as the problems come to light and reveal as to what requires improvement. The Call Center gets this information first and every enterprise is well advised to use this source of information for the improvement of processes and products.

CALL AVOIDANCE IS NOT CALLED: »EARS SHUT!«

Martin Traninger sees his thesis illuminated and confirmed from a lot of sides: Yes! Call avoidance is a central subject of every Call Center. »It doesn't mean «ears shut», but believes that every call is welcome and that customers should be encouraged by excellent service in the call center and in addition it is the task of the call centers to inform the principal which of the incoming calls were not productive for the enterprise nor the customer. There lies the improvement attempts, and this information is probably one of the most valuable services which a Call Center can produce.«

BOOK TIP

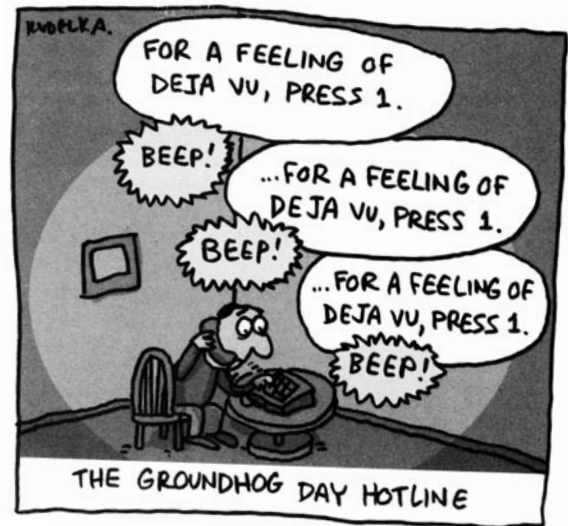
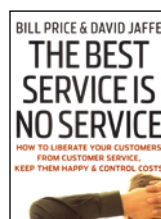
» The Best Service is No Service »

Bill Price and David Jaffe

How to liberate your customers from customer service, keep them happy and control costs

Wiley & Sons, 2008, 336 Seiten ISBN: 978-0470189085

How to keep customers happy and keep expenses under control is covered by Bill Price and David Jaffe in their book »The Best Service is No Service«. Besides, the title is a program in itself. Price and Jaffe show that in service organizations and Call Centers very often »designed perfectionism« does exist. Service or what customers regard it as, in practice however looks frequently different. The authors give clear examples and point their fingers at different gaping wounds: bad product descriptions, irritating IVRs and »purchase processing communication« on web pages.



HERE THE CALL CENTER SEPARATES THE WHEAT FROM THE CHAFF

Although this subject could be laid ad acta at this point, we still take a look into the practice. Unfortunately there are no official statements from the participants and as to which companies engaged in the discussions. So given this framework, during the discussion, a Call Center responsible who manages several Call Centers for a big group expressed himself by saying »we consciously decided that every contact provides the chance for good service in puncto customer retention«. For example here »a reclamation is never discussed with the customer, instead we thank for the feedback and equalize.«

Another example, a whole segment was mentioned by Bill Price in our short interview: public administrations. Even if we cannot speak of exhaustive perfection, today sample valid citizens offices already exist. (As proof for this thesis two leading Call Center managers from public administrations got a CAT-Award during the last years, one for Germany and another for Austria.)

A participant of the discussion group has planned the »establishment of a municipal service centers on telephone basis« and gave an internal perspective. Heat said that accessibility to German authorities was an acute problem. »Apart from small fluctuations, accessibility is at around 50 percent only. Though the telephones ring, they go unanswered as the assistants in the specialized offices are either engaged in one-on-one citizen contact, on vacation, out of office or just plain unavailable.« Therefore, for him it is clear: »Call avoidance will be already pursued by the construction of a service center with qualified direct information, because the citizens do not need to call a second time.«

The value increase, for the purpose of a win-win situation is experienced not only by the authorities but also the citizen. The serving clerk is not disturbed by calls or by visitors who are unable to access them via the telephone anymore. Parallely, as the web presence of the authorities improve, municipal services centers have access to a structured web presence of the public administration with additional knowledge databases. According to the estimation of participants within the framework, almost all implemented quality management inclusive of the internet pages can be adapted to the current situation at short notice. This points out to the fact that permanent feedback from the Call Centers to the various departments is the elementary basis of a call avoidance strategy.

Alexander Jünger

INTERVIEW

CCI: Mr Price, in your new book you make the very provoking case that “The Best Service is no service”. What does this mean in practical consequence, if you take a closer look at current international service organisations?

Price: *Most organizations plod along by “coping with demand” from their customers for service and support, instead of “challenging demand” by asking themselves “why did our customers have to bother themselves to contact us for help?” As a result of this analysis, and the actions we propose in the book, organizations will achieve a “win-win-win” situation: customers will be happier, they will reduce operating and capital costs, and shareholders will benefit from greater value created.*

CCI: You also state, that the majority of service advanced companies still show a lack of real good service and would rather continue to subject their customers to more and more “dumb things” such as the range of interactions or speech recognition systems which force customers to get stuck with technical record systems. How could they organize themselves then more efficiently with view to the customers need?

“Companies that are not able to match their services and products with customer service needs will go out of business!”

Bill Price, President of Driva Solutions

Price: *Well, one of the best ways to organize towards the customer is place the Customer Service group in the middle, since it is the critical “heartbeat” that is always talking with customers, and listening to them. This means that each of the customer interactions is coded with a unique “owner” for each situation - executives whose departments “cause” the contacts and can largely resolve the underlying reasons for the contacts or create successful self-service programs. In addition, if every executive commits to listen to customer contacts for at least two hours per week, the organization will learn about what is frustrating customers, what they want, how competitors are performing, and a lot more.*

CCI: What is the most difficult or dangerous result for companies not being able to really match with the customers service needs?

Price: *Put quite simply, companies that are not able to match their services and products with customer service needs will go out of business, with taken over by stronger competitors or simply bankrupt.*

CCI: Are there certain examples of industries where service is working in a kind of State-of-the art-model that works the right way, e.g. healthcare, telecommunication sector or others?

EXPERT

Call Center pioneer Bill Price

Bill Price is one of the pioneers of telephone marketing in the United States of America. He has performed magnificently as a Vice President of global customer service with the distance trader Amazon. As a responsible for Amazon Call Centers in the USA, Europe, Japan and India, he achieved the second best customer satisfaction evaluates ever measured at an American enterprise. Today Bill Price is President of his own consulting firm Driva Solutions.



Price: *There are bright lights across each industry sector that we have studied, but the leaders are in online retail (especially companies without mail order histories) and, perhaps surprisingly, in many government agencies.*

CCI: What is successful or different in their concepts?

Price: *All of the bright lights that are striving for “Best Service” share three key elements: (a) committed senior executives who listen to what the customer is saying (or what we call WOCAS); (b) a closed-loop system to eliminate “dumb contacts”, develop self-service that works, and apply what customers want; and (c) systems to recognize top performers and root out those who are not able to, or want to, provide great customer experiences.*

CCI: What is the biggest fault, service organizations still show in their internal or external performance, from your point of view (short examples...)?

Price: *There are so many faults, how do I start? One fault is to judge customer service performance using productivity or speed metrics instead of customer-centric metrics such as asking customers how satisfied they were with their service experience, and measuring repeat contacts (what we call “snowballs”). Another fault is to bury Customer Service/Support deep inside of IT or Operations, instead of making it a senior-level report to the CEO that is also able to present its findings to the Board of Directors. A third fault is “shooting the messenger” when customer service reports problems or frustrations, instead of jumping all over these complaints.*

CCI: If you would have to create the future, most smart service organization for a company today, as you did e.g. for Amazon, what would be the top five criteria you would concentrate on first in order to satisfy customers needs?

Price: *First, I would quickly size up the customer contacts we are getting, separating them into the four categories we show in the book, one leading to “eliminate” actions, another to “leverage”*

INTERVIEW

opportunities. Second, I would assess my team's ability to be customer-centric and replace the weakest performers immediately, re-train those who have the passion but lack skills and tools, and promote those who truly "get it". Third, I would engage all of the other organization leaders to listen to what the customer is saying (WOCAS) and work with me to eliminate, automate, simplify, or leverage (the four actions), meeting with me weekly to figure out the best actions to help the customer. Fourth, I would pilot and test new processes and technologies such as speech analytics or 2-way text messaging, asking customers constantly what they like and dislike but also inventing new ways for them to interact if needed. And fifth, I would celebrate successes along the way, recognizing top performers and spreading stories that will inspire other employees and managers. This is precisely what I put into place at Amazon beginning with a "100 Day Plan" that I wrote in my first week, and that Plan became the template – the model – for what we now have described in "Best Service".

CCI: How should customer service organizations set up their main customer service processes and procedures today, with view to creating the maximum of positive service experiences for the customers as well as pre- and after sales opportunities for the organization itself?

Price: Customer service departments need to consider which of 25 core technologies and tools they need to build and deliver for their customers (I will present these technologies and tools at CallCenter World in Berlin in February), then dedicate time and attention (and money and investment) to ensure that the needed solutions are in place and working. In addition, customer service must create closed loop systems to collect and route VOC (what I've already twice called WOCAS) and customer contact codes to designated owners who then have to be held accountable to work with customer service to apply the VOC, fix underlying mistakes or confusion, and embrace improvements to the customer experience. ←

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