

# CRM

CUSTOMER RELATIONSHIP MANAGEMENT

Our **13th**  
**Annual**  
Recognition of  
Innovation and Success  
in Customer Service

THE 2016

# Service Awards

FEATURING:

Service  
Leaders

Rising  
Stars

Service  
Elite

# EXPAND

## YOUR CONCEPT OF SERVICE

A man in a suit is writing on a whiteboard. The words 'SUSTAINABLE CUSTOMER SERVICE' are written in white marker, and 'ASSISTANCE' is written in blue marker. The man is holding a black marker in his right hand.

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# Customer Service Advances with Mobile, Cloud, and Analytics Solutions

THERE'S BEEN a lot of activity among customer service and support vendors over the past year, which is reflected in our 2016 CRM Service Awards issue. The issue honors several new vendors in our CRM Service Leader Awards, including [24]7, Alorica, Confrimit, Mitel, and Zendesk. Additionally, five out of the

eight Service Leader categories have new category winners. Innovation, or lack thereof, is largely to blame for the substantial shuffling.

For example, in the Interactive Voice Response (IVR) category, [24]7 scored well with our panel of judges for partnering with Microsoft to connect deep neural networks to enterprise IVR systems. This is expected to significantly increase recognition accuracy, which should improve phone self-service usage and call containment rates. For these efforts, the company was also honored with a Rising Star award.



INNOVATION MARCHES ON. WILL YOUR ORGANIZATION MARCH WITH IT, OR BE LEFT BEHIND?

Customer service vendors are also connecting to mobile devices in meaningful ways. Confrimit, a new entrant to our Enterprise Feedback Management category, was lauded for this. The company now enables people to take surveys on their mobile devices—a great way to engage those who might be sitting idly with a few minutes to spare.

Also noteworthy is the interest in hosted contact center technology. In our coverage of the Contact Center Infrastructure category, DMG Consulting notes that cloud-based contact center seats increased 49.9 percent from August 2014 to August 2015. And while Cisco Systems won this category, it lost its top spot in the IVR category because of its “slower-than-average” cloud migration. Instead, West won the IVR category for a variety of reasons, one of which was its acquisition of Magnetic North, a hosted contact center provider.

It's not enough to simply collect customer data; organizations must learn from it. This is why analytics continues to be a hot topic. Of course, this year

is no exception. Some of the most impressive moves in analytics were made by NICE Systems, which is on a warpath to build or buy analytical solutions. In the past 12 months, the company has made a slew of impressive analytics software announcements: The company released its Real-Time Fraud Prevention solution, which identifies fraudulent callers within a few seconds; and its IVR Journey Analytics solution, which utilizes text and speech analytics to identify caller behavior patterns and optimize the IVR accordingly. But perhaps the most impressive move was its announcement, in January, that it was acquiring perennial speech and text analytics leader Nexidia for \$135 million. The move is expected to help NICE supercharge its cross-channel interaction analytics capabilities.

Clearly, there's a lot of change happening in the customer service and support industry. And this year's CRM Service Awards recipients are driving much of it. Congratulations to all of them. Their efforts confirm that innovation marches on. Will your organization march with it, or be left behind?

\* \* \* \*

For great insights on the latest CRM innovations, attend our annual CRM Evolution conference at the Omni Shoreham Hotel in Washington, D.C. (May 23–25, 2016). As in years past, this year's event will feature an impressive group of analysts, consultants, and CRM practitioners covering a wide range of CRM topics. CRM Evolution will coincide with our Customer Service Experience and SpeechTEK conferences. You can gain access to more than 120 presentations across all three events with an All Access Pass. For more information visit [www.CRMevolution.com](http://www.CRMevolution.com).

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### 5 Ways to Fix Sales in High-Tech Companies

*Firms need to focus on keeping their best people, updating their technology, and having it all work together.*

SAMI LUUKKONEN, GLOBAL MANAGING DIRECTOR, ACCENTURE'S ELECTRONICS AND HIGH-TECH INDUSTRY

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*With certain things in life, you don't need anyone to tell you it's working; you instinctively know it. Sales is not one of those things.*

KEVIN MCGIRL, PRESIDENT, SALES-I

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DUCAN LENNOX, COFOUNDER AND CEO, QSTREAM

### How Retailers Can Meet the Need for Omnichannel

*Your customers are already there, so it's past time for retailers to follow suit.*

CHANNIE MIZE, GENERAL MANAGER, RETAIL SECTOR, PERISCOPE, A MCKINSEY SOLUTION

### 4 Sales Trends to Follow in 2016

*New technology, and a new willingness to adopt and share solutions and data, will mark this year's sales landscape.*

DAVID KERR, COO, TINDERBOX

### Don't Let Defective Processes Undermine Your Customer Service

*As front-line staff take the flak for systemic problems, it becomes harder to hold on to good service agents. Here's how to overhaul your processes—and keep customers and employee happy.*

JOHN GOODMAN, VICE CHAIRMAN, CUSTOMER CARE MEASUREMENT & CONSULTING

### 5 Ways CRM Companies Can Be Good Corporate Citizens

*Consumers increasingly want to do business with companies that are socially responsible, and CRM buyers are no exception. Part two of a two-column series.*

LUKE WALLACE, CRM RESEARCHER AND STRATEGIST, SOFTWARE ADVICE

### 4 Ways Engagement Analytics Can Help You Sell Faster—and Smarter

*The need for efficiency and insights at every sales stage has never been greater.*

SURESH BALASUBRAMANIAN, CEO, LIVEHIVE

By JIM DICKIE

# Data—the CRM Gold Mine We Continue to Ignore

*Don't get so involved with system management that you miss the nuggets right under your nose*

**S**UPPOSE YOU OWN a plot of land, and every day you go out and try to make a living from it. You do okay as a farmer; you feed your family, and you have enough left over to sell at the market and make some money. Life is okay, right? Well, it may well be okay, but what you don't understand is that it could be *terrific*. You see, right below the surface of your land is an incredibly rich vein of gold, and rather than take advantage of that resource that could change your life, you're doing this about it—nothing.

Where am I going with this story? As part of CSO Insights 2016 Sales Performance Optimization, we found that 79 percent of the 600-plus firms we surveyed had implemented a CRM system. That is their plot of land. And what are sales organizations doing with their plot? Contact management, territory management, opportunity management, forecast management, and so on. The end result is okay; some deals get closed, but only 57.8 percent of salespeople end up making their quota.

But another, often overlooked result from utilizing a CRM system over time? Lots of data. Data on your customers, your sales process, the client's buying process, pricing/discounting trends, competitive activity, etc. That is a company's vein of gold. And how many companies are actually mining that? As part of our 2015 Sales Management Optimization, we asked if sales organizations were actively leveraging sales analytics or Big Data to


unearth insights on their sales effectiveness, and, as you can see in the chart, the figure is only 15.9 percent.

What's the fallout from not uncovering these insights? Here are three things you're *not* doing:

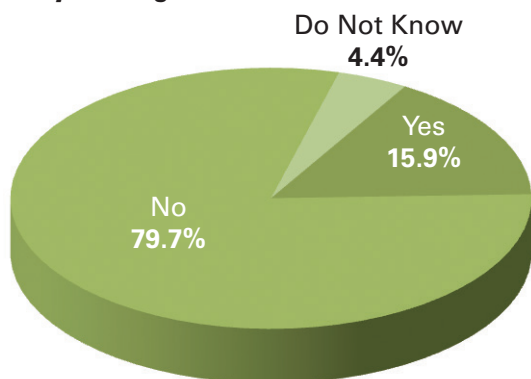
**You're not optimizing market segmentation.** If you were to mine data on past wins, losses, and no-decisions, you would start to surface specific attributes of the prospects that are most likely to buy from you. It may be that you are more successful at selling into certain industry segments, or you more effectively engage certain stakeholders, or your solution may be more highly valued for solving certain problems than others. If you have those insights, you can more effectively target accounts where your odds of winning a deal are higher than normal before you even make your first sales call.

**You're not optimizing your sales process.** If you were to dig deeper into what you are actually doing during the sales process, you would also start to understand which sales tactics really help advance the deal and which do not. If you found that doing a custom demo generated a higher close rate than a canned demo, you'd find ways to make that a part of every sales process. Conversely, if you found that shipping demo equipment to prospects had no impact on win rates and actually lengthened the sales cycle, you would stop doing it.

**You're not minimizing customer churn.** Insights can be mined not only from sales data but also from other internal systems and from a myriad of external data sources. Look for factors that impact customer churn. If you started to see early warning signs of changes in customer ordering patterns, for instance, you could take proactive action versus doing unnatural acts (like discounting) to minimize reduced order sizes or outright customer defections after a major shift in the sales ecosystem has already occurred.

There are numerous other use cases I can name, but the point is that in sales today, we need to leverage every advantage we can to be successful in the marketplace. Continuing to *not* take advantage of the huge resource you have right within reach is the wrong choice. It's time to become a miner as well as a farmer. 

## Sales Organizations Using Sales Analytics/Big Data



*Jim Dickie, a research fellow at CSO Insights, a Division of MHI Global, specializes in benchmarking CRM and sales transformation initiatives. He can be reached at jim.dickie@csoinsights.com.*

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By BARTON GOLDENBERG

## Is Your Digital Strategy Ready?

*Map out your digital future now—your competitors are*

**I**MAGINE A WORLD where you have detailed, near-real-time knowledge about how each customer uses your product or service and where you can proactively provide each one with the right support to optimize their experience. Welcome to 2020!

My January column (“Why Amazon’s and Uber’s Digital Strategies Excel”) noted that a digital strategy should leverage your knowledge of each customer’s requirements and preferences and use digital tools to customize their experience. Now, let’s describe what you need to do to prepare your company for the digital future—arriving sooner than you think.

### ARE YOU READY FOR 2020?

Companies poised to succeed in the coming years will have a comprehensive three- to five-year digital strategy that describes which customer segments use which channels and identifies the technological footprint of each customer segment to determine their digital capabilities. A digital strategy road map—which includes a description of digital enhancements to your current product offering, a program to promote your strategy to both personnel and partners and customers, and a milestone-based implementation timeline—will be a necessary part of it.

Crucially, you’ll need to assess these two areas:

**Your cost-to-serve for each channel.** Since you know (or should) which channels each identified customer segment prefers, your company can then maximize contribution margin by configuring your digitized offering based on channel optimization. The goal: to secure the highest level

of customer satisfaction while encouraging customers to use your lowest cost-to-serve channels.

**Your digital technology options.** How will you ensure customers have outstanding customer experiences regardless of channel? What will be your mobile strategy; what kind of customer apps will you offer? What will be your Web site and portal strategy? Will you create branded communities? What role will the Internet of Things (IoT) play? To determine your options, revisit the “hub and spoke” model I introduced in my January column.

### THE FOUR PILLARS OF AN EFFECTIVE DIGITAL STRATEGY

Your digital strategy will rest on these four pillars, with your CRM system at the base:

**E-commerce.** The heart of an effective digital strategy. All e-commerce activities should drive customers to the


sale and make it easy for them to buy from you. E-commerce typically includes customer journey mapping, next best offer, and the infamous shopping cart.

**Social media.** More B2B, B2C, and B2B2C customers are joining public (Facebook, Twitter) and branded (invitation-only) social media communities. These communities, where expert advice can be found and peer-to-peer exchange can thrive, foster customer advocacy and subsequent sales. Social insight from community discussions also provides valuable intelligence on why customers enjoy doing business with you.

**Mobile apps.** PricewaterhouseCooper’s 2015 Global CEO Survey found that 81 percent of CEOs see mobile technology as one of their most important investments and critical to customer engagement. While enhanced versions of smartphones will remain the go-to devices for most, tablets and laptops will still be in use.

**Customer experience.** Digital customers live in real time; your company needs to respond accordingly. For example, data from IoT sensors can let your company monitor how and when customers use your products. This data helps your company to proactively reach out to customers to ensure they have an excellent customer experience—contacting a customer, for example, when an IoT sensor sends a signal that a product is about to malfunction.

Underlying everything is your CRM system, which contains the enterprise customer profiles used to drive engagement. Information flows into these profiles from a variety of sources—field sales and service personnel, self-service options, e-commerce, social media, mobile apps, IoT devices, and more. Enhanced CRM modules analyze this data in near real time and provide meaningful recommendations (next best offer, the need for service, etc.) directly to the customer, to your partners, or to your sales, marketing, and customer service reps.

A comprehensive digital strategy is essential to retain and grow your business. Readyng your company for digital success requires discipline as well as appropriate financial and personnel resources. Before you know it, 2020 will be here—and your competition isn’t standing still. 



DIGITAL CUSTOMERS LIVE IN REAL TIME; YOUR COMPANY NEEDS TO RESPOND ACCORDINGLY.

*Barton Goldenberg (bgoldenberg@ismguide.com) is president of ISM Inc., a strategic consulting firm that he founded in 1985. ISM (www.ismguide.com) applies CRM/ social CRM, Big Data analytics and insight, and customer experience management to build successful customer-centric initiatives. He is a frequent speaker; his latest book, The Definitive Guide to Social CRM, is available at www.amazon.com.*



# Cloud Analytics for Dummies

The ebook to help you leverage technology for advanced customer insight

Looking back at the beginning of this century, companies that wanted to capture and analyze data about their customers had to spend a lot of money on expensive software, hardware, and people who specialized in getting business users the insights they wanted. These requests for data analysis would come from the business and take a wide-ranging amount of time to fulfill. It would be a minor miracle if a report was delivered in less than a week, since the specialized data folks were always understaffed. This realm was labeled “business intelligence (BI)” and is a fancy way of describing the world of getting metrics to business people so they could make smart, educated decisions to further benefit the business.

Fortunately, times have changed. Although investing in a BI solution was historically an expensive endeavor, the growing acceptance of cloud-based applications along with digital and mobile technologies has accelerated. Now, companies can aggregate data from CRM systems, social, mobile, cloud, sensor, machine data, and other sources to provide highly valued customer insights at a lower price and gain a competitive advantage.

By harnessing all existing sources of data in a timely manner, technology users can provide business users the once-elusive goal of unified customer information. Unified information allows departments to pull data from one source of truth. Sales can now run reports off the same sales and lead data as Marketing, and Finance can follow the same bookings numbers as Sales. Again, the time freed up for the technical users can now be leveraged to harness all

existing sources of data, bringing them together in the cloud and pushing it to various reporting systems.

Based on a cloud analytics approach, consider the following customer insight use cases:

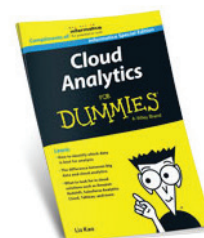
- A chief customer officer for a web-based service company who is in charge of expanding the business from existing customers and preventing attrition can now use analytics to track various early indicators for customer happiness, such as customer satisfaction scores, online login information, and usage data, to create alerts if certain thresholds are surpassed or not met.
- A major grocery store chain can embed sensors in shopping carts and baskets to capture information about which aisles customers spend the most time, using the aggregated data to help prioritize where new product promotions should be displayed.
- A media company that used to have fragmented customer data now can better target users by bringing together their online consumption information with trade show and webinar participation. Consolidating customer demographic and company information with engagement preferences, content download history, event registration preferences, and more provides visibility into how its content was consumed during the customer life cycle, which allowed an increase in lead volumes and open rates of targeted marketing emails.

In today’s world, you can’t afford to not compete at the highest levels. These may be early days for some companies, while others have made significant investments in capturing and mining data like never before. What steps does your company need to take to be sure your cloud analytics solution is ready to provide a competitive advantage? This ebook contains critical get-started information, such as:

- The business benefits to cloud analytics
- How to plan your analytics infrastructure
- Ways other companies have benefited from cloud analytics
- Ten do’s and don’ts of evaluating cloud analytics solutions ■

Download the ebook now and begin mapping your competitive intelligence strategy.

Visit [www.informatica.com/cloudanalytics](http://www.informatica.com/cloudanalytics)



## Social Customer Service: The Hype Gives Way to Practice

*But the model you choose will depend on who's using it, and how*

OVER THE past few years, video game giant Activision Publishing—publisher of the absurdly successful Call of Duty game franchise—has experienced a marked change in its customer service operations. Day to day, its customers still need help with the mechanics of game play and with understanding error codes. But those customers have increasingly shifted away from chat and voice channels and turned to social media to get support from the company. That trend has accelerated to the point where social media ranks as the company's most used agent-assisted channel.

Companies across all industries have given some thought to the importance of social customer service; the infamous “United Breaks Guitars” incident back in 2009, among other episodes, clearly showed social's ability to generate negative publicity. But customer service execs have started to explore the positive benefits of social customer service; it's no longer seen simply as a defensive posture from which to stem bad press.

Even though social customer service accounts for only a small percentage of overall customer service volumes today, the writing is on the wall—social service will soon be truly mainstream. For proof, look no further than the

Millennials: According to Forrester data, more than half of U.S. adults ages 18 to 34 who regularly go online have reached out to a company on Twitter to receive customer service in the past year.

So if you want to bring social customer service into the mainstream flow of your customer support organization, where should you start? The social support tools themselves provide two very different models for work distribution. Understanding each model—and what and who it's suited for—will give you a big head start on turning social media from a fringe channel to one of your top tools for driving great experiences.

### THE PULL MODEL: CONVENIENCE FOR SMALLER TEAMS


Social customer service started when marketing organizations began using social media as a broadcast medium and customers began responding with questions and concerns. These social marketing teams, especially early

on, rarely numbered more than a handful of staffers. The social service products built to serve these teams make sense in a marketing milieu: The tools monitor social networks and—either through an automated workflow or with the assistance of an employee or team in a traffic cop role—place actionable posts in a work bin or queue. Agents then pull items from the work bin.

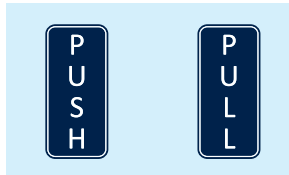
This model makes sense when the social customer service organization remains small. The pure pull model creates an undifferentiated pool of work; all posts get lumped together regardless of urgency. Companies can, of course, create best practices such as “first in, first out.” With or without those processes, smaller teams tend to be better at the collaboration required to ensure that all work gets handled in a timely manner. In addition, when social service remains the province of marketing or PR, those employees expect a good deal of freedom and agency, which the pull model provides.

### THE PUSH MODEL: SCALABILITY FOR THE CONTACT CENTER

As traditional customer service organizations assumed a greater role in providing social customer care, many tools began to use a work distribution model that mirrors contact center routing. These tools distribute individual pieces of work directly to specific teams or agents based on the content of the post and the skills of the agents. This model often makes sense when social volume rises, as the push model offers efficiency at scale.

A push-driven model works best when social service lives inside the contact center. Contact center managers understand how to forecast and schedule voice calls and emails, and this model replicates the workflow of those channels. A push model also becomes more critical as the volume of social traffic increases. Customer service teams have to prioritize incoming customer interactions; more important customers, for example, may receive first dibs on available agents. When social service volumes rise, the ability to separate the wheat from the chaff makes service organizations more efficient and ensures that the company's desired business outcomes drive service processes. 

*Ian Jacobs is a senior analyst at Forrester Research. He can be reached at [ijacobs@forrester.com](mailto:ijacobs@forrester.com).*



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## Data Scientist Is This Year's Hottest Job

*Glassdoor rankings identify data scientist as the best job in America*

In 2012, *The Harvard Business Review* dubbed data scientist the “sexiest job of the 21st century.” Now it would seem that Glassdoor, an Internet site that rates employers based on personnel reviews, shares that enthusiasm for the job title.

Glassdoor in mid-January released its 2016 “Best Jobs in America” list, and data scientist was in the top spot, based on the number of job openings, salary, and the career opportunities ratings that U.S. employees provided in the past year.

The job, which experts say employs techniques and theories drawn from many other fields, including mathematics, statistics, computer science, predictive analytics, marketing, data mining, and many others, is one of the fastest-growing career paths today. Data scientists, Glassdoor reported, are now being hired in all kinds of companies, in all industries, and in all cities across the United States. The field has just as much applicability in agriculture and public policy as it does in retail, marketing, fraud detection, risk management, and advertising,

Glassdoor listed 1,736 available data scientist positions just prior to releasing its ratings. The median salary for the position was listed at \$116,840 per year. The overall job score, on a five-point scale, was 4.7.

Data scientist was ninth in Glassdoor’s 2015 ratings, with an overall job score of 4.4. Last year, the average base salary was \$104,476, and Glassdoor listed 3,449 job openings.

“It isn’t a big surprise to see data scientist at number one this year because it’s one of the hottest and fastest-growing jobs we’re seeing right now,” said Andrew Chamberlain, Glassdoor’s chief economist, in an email. “Since all companies have an online presence these days, they all need people who know how to manage and store data that helps them make better business decisions.”

According to Chamberlain, this is a new development this year. A few years ago, “businesses didn’t have data management at their fingertips” the way they do today. Companies also didn’t

have nearly as much data—both structured and unstructured—available to them, and so it’s no wonder that they now find themselves in need of someone to interpret and use it all to help guide business decisions.

Based on current trends, Chamberlain expects data scientist “to continue to be a hot job for several years to come.”

Shashi Upadhyay, CEO of Lattice Engines, a provider of business predictive analytics applications, also isn’t surprised by the data science field’s popularity. “Companies across verticals are recognizing the importance of acting on data-driven insights rather than relying on gut decisions, and as such, we are seeing a recruitment war in the data science field,” he said in an email.

Data scientists, he added, are being heavily recruited right now, particularly as they play a more critical role in marketing, sales, and advertising decisions.

It also helps that the available talent pool is so limited, with the national tech unemployment rate currently at less than 3 percent.

“Companies are now more willing to invest in data scientists by providing competitive salaries and benefits,” Upadhyay maintains, noting that “businesses that understand the value in transforming data into actionable insights will come out on top.”

Data scientists, he adds, are “part analyst, part artist, responsible for sifting through large amounts of business data to spot trends and make informed conclusions that can then be used to shape critical business decisions.”

A similar job title, analytics manager, also ranked high on Glassdoor’s 2016 Best Jobs list. It came in at number 11, based on an overall job score of 4.5. Glassdoor identified 982 job openings for analytics managers, with an average salary of \$105,000. —*Leonard Klie*

# Voice Search Alters the Content Marketing Landscape

*Companies need to change their content strategies to appear in voice search results*

**R**oughly 56 percent of teenagers and 41 percent of adults are using voice search on their mobile phones every day, according to Northstar Research. Modern consumers in Boston, for example, are much more likely to ask Google Now, Siri, Cortana, or Amazon's Alexa to find the nearest coffee shop than they are to type "coffee shops near Boylston Street in Boston" into a search bar on Google's homepage.

This truly creates a challenge for search engine providers and for the providers of those personal assistants. But as consumers increasingly turn to voice search on their mobile phones, those Boston coffee shops will now have to rethink their search engine optimization (SEO) strategies if they hope to show up in voice search results.

"Search is a science, and the rules are different for text and voice search," says wireless and technology industry analyst Jeff Kagan. "There are so many SEO rules it would be astounding to the average user. And the book keeps getting thicker over time."

For starters, it will only become more vital that business data—such as store locations, hours, and contact information—on company Web sites is accurate and up to date. Businesses will also need to make sure that they are portrayed accurately on local review sites like Yelp.

Companies also need to consider how and where consumers are conducting their voice-based searches. "When using computer-based search, it's assumed you are sitting at a computer, so there is more screen space and more time to search," Kagan says. "When using a mobile device, it's assumed you are out, time is short, and

you need access to quick bits of information on a small screen."

Web sites, therefore, need to be designed so they dynamically adjust to fit whatever screen the consumer is using.

In fact, Google in April started using mobile-friendliness as a ranking factor in its SEO algorithms, and Microsoft's Bing is said to be working on a similar update to its algorithm.

Both Microsoft and Google now offer tools to help companies determine



whether their sites are mobile-friendly. The tools look at factors like loading speed, the width of page content, the readability of text on the page, the spacing of links and other elements on the page, and the use of plug-ins.

When it comes to voice search, Web content that delivers the answers consumers want, in the quickest way possible, will ultimately win out. The information, therefore, should be concise and to the point, with more of an emphasis on usefulness than visual appeal, experts suggest.

**"Search is a science, and the rules are different for text and voice search."**

Experts also suggest that Web content should be presented in more of a natural, conversational style and structured more like FAQs, answering the questions consumers might pose in voice search queries without requiring them to click on additional links or take other actions.

After all, voice searches might be initiated in the car while someone is driving.

Companies also need to consider how consumers ask for information through voice search. More often than not, voice search queries are phrased using the same types of who, what, when, where, how, and why questions that are part of natural conversations. During these conversational, natural language search queries, consumers do not typically use the same keywords or metadata that are the hallmarks of text-based searches. For companies, using basic keywords to set SEO parameters alone is no longer enough.

Experts suggest instead that companies use long-tail keywords. Rather than relying on a single word or phrase, long-tail keywords involve multiple keyword phrases that are very specific to whatever the company is selling.

Along with that, "companies need to teach their systems [and the search engines] a very specialized lexicon that corresponds to their product and service names," says Denis Pombriant, founder and managing principal at Beagle Research.

And when doing so, "phonics matters," Pombriant adds. "In English, our words are not pronounced exactly as we would spell them."

Voice search isn't universal just yet, but that day is coming. In the meantime, look for the technology involved to get better over time. "It is still brand new and not very usable yet," Kagan says. "There are often more mistakes, and they can be frustrating. But they will continue to get better year after year."

The search engines "are always tinkering to maximize performance," he adds. "One problem with this tinkering is companies find it difficult to use search engines to reach customers when the SEO rules keep changing." —*Leonard Klie*

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# Return Policies Affect Consumer Behavior

*Longer return windows make returns less likely*

When retailers give consumers longer periods in which to return products they purchased, they actually reduce consumers' tendency to make returns, according to researchers at the University of Texas's campuses in Dallas and Arlington.

While this might seem contradictory, one of the researchers, Ryan Freling, a doctoral student at UT-Dallas's Naveen Jindal School of Management, explains it this way: "Perhaps, because the urgency to make a timely return has been reduced and consumers sit with the product for a while, that leads to an endowment effect where the utility of actually having this item outweighs the utility of making the return."

Or it could simply be a matter of consumers forgetting about the product, thus reducing the importance of returning it relative to other commitments in their lives, he says.

The research—which Freling conducted with Narayan Janakiraman, a professor of marketing at UT-Arlington, and doctoral candidate Holly Syrdal—also found that different return policies have different effects on consumers. This, Freling says, challenges the assumption that all return policies affect purchases and returns in similar ways.

More lenient return policies, the researchers found, actually led to better outcomes for the retailers and companies involved.

The research identified five considerations that shape how lenient consumers perceive a return policy to be: time,

money, effort, scope, and exchange. First, retailers that offer longer lengths of time for returns are considered more lenient. Second, more lenient policies provide refunds of the full purchase price, while stricter policies refund only a portion of the original price. The effort

metric gauges how difficult a store makes it for consumers to return products, by requiring original receipts, tags, or product packaging, for example. Fourth, some retailers can restrict which items customers can return. And finally, some retailers offer only store credit or product exchanges, not cash refunds. Policies that allow for cash refunds are considered more lenient.

"We all understand from a firm's perspective that they want to encourage the purchase—that's intuitive," Freling says. Returns, he also notes, cost those firms in time, money, and resources, so it's not surprising that they would want to minimize the amount of returns.

"It was interesting to see that perhaps these different dimensions might be used strategically by the firm to either increase purchases or limit returns," he says.

Businesses can influence these return policy considerations to their advantage. "A key thing for businesses to realize is that they have to know their product category, and they have to understand their customers," he says. "They might manipulate [the dimensions of the return policies], depending on their understanding of the product category they compete in and the consumers that they're targeting." —Sam Del Rowe



More lenient return policies may lead to better outcomes for retailers.

# Print Is Still Important in a Multichannel World

*Print catalogs are growing as an effective marketing tool*

Print-based direct marketing is growing and playing an increasingly important role in multichannel marketing, according to a study by market research and strategic consulting firm InfoTrends.

The study identified a resurgence in the use of print catalogs and notes the continued effectiveness of direct mail in driving consumers to make purchases, both online and in retail stores.

Marketers, it found, continue to use print catalogs to target a range of demographics. Most notably, it found that younger consumers in the United States and Western Europe engage with print catalogs. Moreover, the study found no dramatic differences in catalog engagement when comparing age groups, income, gender, and parental status.

The study also found that 62 percent of consumers receiving catalogs who made a purchase within the past three months were influenced by the catalog.

“The catalog really drives people to other channels,” says Barb Pellow, group director of InfoTrends’ Consulting Group. “One of the big things that came out of the study was that the catalog is a reminder to go online to do something.”

Pellow also notes that the catalog acts as a motivator for going online and placing an order or to visiting a brick-and-mortar store. “The catalog really helps people navigate across channels,” Pellow says.

Pellow also notes the significance of both older and younger customers engaging with catalogs. “We thought that age demographics would play a



role,” she says. “[The fact] that a Millennial is just as likely to thumb through a catalog as a 60-something person [was a big surprise].”

While many consumers showed strong interest in catalogs from big brands such as L.L.Bean, IKEA, and Victoria’s Secret, there were also significant mentions of brands in niche markets and online companies, reflecting some important trends: Small and midsize businesses are also using catalogs; online companies use catalogs to extend sales reach and brand awareness; and the market is shifting from general catalogs to targeted, niche titles.

“It doesn’t make any difference what kind of business you have,” Pellow says. “That ongoing reminder of the need to move online or to brick-and-mortar

locations is relevant regardless of the size of the business.”

Direct mail—such as letters, flyers, brochures, and postcards—has also proved successful. The study found that two thirds of direct mail is looked at, and more than 40 percent of consumers have made purchases in the past three months due to the influence of a piece of direct mail. Pellow also notes that 68 percent of consumers surveyed either read direct mail more than email, or read them both at the same frequency.

Overall, Pellow says businesses should use multiple channels—including magazines and direct mail—for the best results. “The ultimate objective with all communications was to improve the customer experience,” she says. “The more channels [businesses] had turned on... the higher the response rate, and, of equal importance, the higher the conversion rate.” —Sam Del Rowe

**“That a Millennial is just as likely to thumb through a catalog as a 60-something person [was a big surprise].”**

## ON THE SCENE: NRF'S BIG SHOW

# Retailers Must Future-Proof for an Evolving Value Chain

*Customers will continue to gain power, and businesses must constantly reshape themselves to meet their demands*

Companies today need to anticipate a shifting consumer climate, adapt quickly by leveraging sophisticated technology, and future-proof their businesses, all with the goal of accommodating evolving customer expectations, speakers emphasized at the National Retail Federation's Big Show in New York in January.

Kees Jacobs, global consumer products and retail engagement lead at Capgemini, highlighted key findings from *Rethinking the Value Chain: New Realities in Collaborative Business*, a recent study by the Consumer Goods Forum. The study drew on current trends to predict what urban megacities will be like in 2025, both from a consumer and an industry perspective. "One thing is clear," Jacobs asserted, and that is by 2025, "consumer behavior [will have] changed forever," as customer demands continue to rise and people begin to leverage new technologies and business models to improve their lives.

"Traditional stores [will have] been repurposed, distribution models massively transformed, and manufacturing and sourcing [will have] shifted," Jacobs said. Consequently, companies will play a different role in society, as the "current value chains are profoundly disrupted."

The retail industry, Jacobs explained, will transition away from linear, sequential value chains—in which products are transferred through sourcing, manufacturing, distribution, and retailing to the customer—toward a new model. Companies will have to craft their operations around consumers, working to provide



*Are drones the future of customer service? Someday soon, your packages may arrive via flying robot, as part of the modern value chain.*

them with new flows of information, products, and transactions. "Consumers [won't] just buy stuff," Jacobs said. They will be at the center of these networks, as they "pull the strings...on their dynamic paths to purchase."

The modern value chain, Jacobs said, is about catering to "the quality of living for individual consumers in their communities," as well as their desires for convenience and well-being.

To be successful in this new marketplace, companies will need to provide "relevant experiences to consumers that will focus on the context of their lives," Jacobs said.

They will need to remove the constraints in their operations and take advantage of business models

enabled by new technologies. Among these are new means of transportation, like drones or driverless vehicles; 3-D printing; augmented reality; and Big Data analytics.

Organizations should be preparing to work around the customer and not waiting until it is too late, stressed Peter Sheahan, founder and group CEO of the

Karrikins Group. "The earlier you move, the smaller the risks you take."

Sheahan shared an example about a CIA-associated spy outsourcing organization. Nine months prior to the Arab Spring—a movement steered at least in part by activity on social media—executives within this organization proposed investing in technologies that would enable them to scour the Web for relevant information regarding political landscapes across the world. The most senior member of this firm dismissed the notion that social media would soon have geopolitical and national security impacts and ignored his colleagues' suggestions. "He said, 'We're not in the technology business; we're in the business of spies,'" Sheahan said. "In that moment they missed the opportunity to get ahead of the curve and begin the process of transformation before the market."

Sheahan asserted that "the first fundamental step in driving transformation at an organization is to redefine how you see yourself and your role within the marketplace and then begin the process of alignment as it relates to that."

Patrick Bousquet-Chavanne, executive director of marketing at U.K. retailer Marks & Spencer, illustrated how an established company can change direction and adjust with the times. "It was important for us to put into place more sustainable foundations to be much more nimble, more agile, and future-proof the business at a time when the demands of the consumers are justifying that we move faster," he said.

Marks & Spencer recently launched the Sparks loyalty program, which involves sophisticated methods of engaging customers in a collaborative, ongoing two-way conversation. The platform goes beyond traditional loyalty programs by recognizing customers for attributes that are often ignored, including the frequency of purchases and their level of interest in the company. "The idea is to convert customers into members," Bousquet-Chavanne said. "As a member, we ought to know you better than customers." —Oren Smilansky

## REQUIRED READING

# Social Customer Service: Hug Your Haters

*Companies should respond to their most vocal, critical customers, on their ground*

The Internet has granted the masses freedom to publicly display their opinions in a variety of forums. This has been both a blessing and a curse to businesses, as they've been forced to confront a new kind of customer—"the onstage hater," as Jay Baer calls the type in his new book, *Hug Your Haters: How to Embrace Complaints and Keep Your Customers*. Associate Editor Oren Smilansky recently caught up with Baer for wisdom on how to respond quickly and effectively to those who make their voices heard—loudly—about your business online.

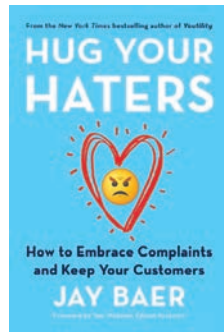
**CRM: Can you tell me about the research that went into this book, and some of the key findings?**

**Jay Baer:** We partnered with Edison Research [and] interviewed more than 2,000 customers [to find out] who complains, where they complain, how they complain, and why. We found lots of interesting things in that data, but perhaps most relevant, [we found] there are two main types of complainers. There are offstage haters—the people who complain in private (telephone and email primarily now). And onstage haters—the people who complain in public. Those folks tend to use social media, review sites, discussion boards, and forums to interact with companies.

**What are the biggest differences between these two groups?**

The biggest difference between them is actually [in] what they expect. The people who complain in

private—offstage—expect a response 90 percent of the time. However, the onstage haters—the people who complain online—expect a response a little bit less than 50 percent of the time. That presents an enormous opportunity for businesses of all types and sizes to actually hug their haters—to answer the onstage complaints. Because when you [answer] and people don't necessarily expect it, it makes a tremendous impact on customer advocacy.



The core of our research project was to measure advocacy both before and after a complaint was answered, if it was answered

at all. What we found is that you could have up to a 30 percent increase in customer advocacy just by answering a single onstage complaint, which is a huge opportunity for businesses.

**Of the two groups—the offstage haters and the onstage haters—which is more important to focus on?**

I wouldn't say "more important." One has more opportunity than another. Right now across all companies, about two thirds [of those making complaints are] offstage, and one third [are] onstage. Because the offstage haters expect a reply at a 90 percent level, you really have to [answer them]. The advice in the book is certainly not to ignore phone calls or emails. That's not a good idea. But the opportunity in answering

the phone and emails is not enormous; it's just expected at this point. The opportunity is [with] the onstage haters.

**What are the obstacles preventing companies from being more responsive online? And how do you overcome them?**

The hug-your-haters recipe is to answer every complaint in every channel every time. And that almost never happens online. Online, most companies answer some complaints, some of the time, in channels that they prefer. You can't get away with that on the telephone or through email. You can't say, "Look, we're going to answer the phone calls that are positive, or we're going to answer only emails that are shorter than 200 words." Yet online we have convinced ourselves that this haphazard approach to customer service is totally fine.

Online customer service is a spectator sport. Ironically, we do it less comprehensively, less strategically, and in a less organized fashion online, when everybody's looking, than we do offline, when nobody's looking. So you see the problem there: We are operating this totally backward.

The reason most companies don't hug their haters is that online there's a lot of chatter—a lot of people are using social media, review sites, discussion boards, et cetera, to talk about companies, and it's much more difficult to find that chatter [online] than it is offline. If somebody calls you, you know they've

**"Online customer service is a spectator sport. Ironically, we do it less comprehensively... when everybody's looking, than we do offline, when nobody's looking."**

called—your phone rings. If somebody emails you, [the message] shows up in your inbox. It's not quite that simple online, so there are some logistical hurdles to hugging your haters. There's also the problem of channel proliferation.

Fundamentally, you have to interact with your customers in the ground of their choosing, not the ground of your preference. You will never be a great company if you only interact with customers in the way that you prefer.

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# Intelligent Contact Centers for Better Customer Experiences

Wow. The past several years have been a super-productive period in the field of customer service delivery, especially as it relates to call centers and the integration of all the other channels that are available to consumers today.

In the following five previews into the intelligent uses of technology to improve the customer experience, you'll get an excellent inside view of what is possible today—and where the future of customer service is headed.

Reducing call handling times will always be important, but customer service executives and CEOs now have greater ambitions, leading to analytical approaches that far exceed the simple metrics that were so important just a few years ago.

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HOW TO TURN DISJOINTED INTERACTIONS INTO SATISFYING CUSTOMER JOURNEYS

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# How Workforce Intelligence Creates a Better Customer Experience

Contact centers face many challenges, from difficult agents to unanticipated call volumes to unexpected crises. Although data can be overwhelming and itself can be a challenge, it is one of the most valuable weapons in any contact center arsenal. There are many ways in which data can help any contact center. Not only can it mitigate customer churn, but also improve customer response time and decrease operational costs.

## Mitigate customer churn

Things can turn on a dime in a contact center, creating unexpected spikes in calls and online chats. This can bog down contact center agents and lead to longer wait times for customers. The result is often increased abandon rates as customers get impatient and decide to not to wait any longer for help.

With access to real-time data, contact centers can implement a proactive approach to these busy times. Data can empower them to allocate calls differently or change how agents respond to customers. Spikes are always going to happen, but with better data access and analysis, contact centers are able to plan, predict and prepare for the spikes rather than simply react when they occur.

## Improve customer response time

Real-time data can also speed up customer response times. This can be vital to industries that rely on speed and accuracy, such as the healthcare industry, where any delay could lead to a life-threatening crisis. By making real-time data available, agents and supervisors can respond to changing conditions dynamically.

## WORKFORCE INTELLIGENCE EMPOWERS CONTACT CENTERS.

One of the best ways to leverage the vast potential of contact center

data is through adopting a Workforce Intelligence (WFI) system. Many contact centers are manually analyzing their data, wasting countless hours and getting lost in the data. These systems, which take automatic action on behalf of a contact center manager or supervisor, are the engine of your contact center automation. With WFI, you can build certain thresholds into the system and then let it take over. This frees up supervisors to focus on what they do best.

For example, you can use WFI to identify agents who have longer call-times than is average. Through having access to that data, you can take proactive steps to help these agents improve their efficiency, such as assigning them an e-learning course, scheduling a meeting with their supervisors to discuss what might be holding them back or lowering their proficiency level.

Rather than relying on quality control to see a pattern, WFI can seamlessly analyze real-time data and identify these patterns on its own, reducing response times. It works dynamically to recognize if there is anything occurring that you want to change. Along with reducing response times, it can simultaneously improve the customer experience, the overall efficiency of the contact center and agent service levels. There are many broad implications to what this can do for the industry.

Workforce Intelligence gives managers information about how employees are doing so they can better understand their agents and the contact center as a whole. This improves overall efficiency and directly impacts the bottom line.

## Dynamically route customers

Workforce Intelligence can also dynamically route customers to the best agents to respond to their questions. With this data, supervisors can analyze calls

or chats a few different ways. They can have the customer fill out a survey about how the interaction went. They can also listen to or read back the interaction itself and analyze what went well and what could be improved. If a customer reaches out again, and the supervisor knows a previous interaction with a specific agent went well, he or she could then route the repeat caller back to the original agent to replicate that positive interaction again.

## CRM Integration

With WFI, contact centers can directly link to other data sources, such as their CRM data which enable agents and supervisors to better serve the customer base. For example, if customers are consistently calling about a certain type of issue, you can run reports and see which issues they are reaching out about most frequently. With that information, you can make sure to assign agents specific types of trainings that will arm them with the information they need to better help customers who call in.

## CONCLUSION

Data is paramount to the success of any contact center. Through using tools, like Workforce Intelligence, contact centers can take control of this data and become empowered, proactive respondents, improving both the customer experience and the bottom line. ■

**inContact** is the cloud contact center software leader, helping organizations around the globe create high quality customer experiences. For more information, visit [www.inContact.com](http://www.inContact.com) or call 1-866-965-SaaS.

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# How Intelligent Contact Centers Do Better in Customer Engagement

eGain has been enabling omnichannel customer engagement for blue-chip companies around the world for more than 15 years. Over time, we have compiled innovation and best practices that intelligent contact centers leverage to stand out from the average ones. Here are some popular examples.

## 1. TAKE A PROACTIVE APPROACH

With “time to competitive advantage” shrinking, businesses no longer have the luxury of taking a wait-and-see approach in customer engagement matters. Whether it’s responding to customer trends or competitor moves, adding and unifying engagement channels, making it easy for customers to buy from you, or addressing issues before customer queries pile up, you have to act now! First-mover advantage in customer engagement is sustainable and often irreversible.

### Best Practices

- Add next-generation web self-service, chat including video, SMS, and cobrowse. And, make sure they are integrated.
- Reduce inbound customer queries by providing proactive service through outbound notifications.
- Go beyond one-size-fits-all proactive chat to intelligent proactive engagement through contextual content and sales and service offers. This will help you accelerate the customer engagement process end to end. Leverage analytics from past interactions to help make the best offers.

## 2. PROVIDE VALUE-BASED CUSTOMER SERVICE

Your business needs to excel in customer service without compromising profitability. Intelligent contact centers provide the right service level by using robust frameworks to define customer value. They nudge low-value customers to self-service, while making it easy for high-value customers to get access to any kind of service they need.

### Best Practices

- Define customer value based on strategic variables such as customer

lifetime value and tactical factors such as the value of goods in the customer’s online shopping cart.

- Make sure your customer engagement system integrates easily with your ERP, CRM, and eCommerce systems.

## 3. LEVERAGE DIGITAL CHANNELS AS PART OF A UNIFIED CUSTOMER ENGAGEMENT HUB

Adoption of digital channels continues to increase, fueled by increased adoption of the mobile and social web, and generational preferences. Moreover, industry studies over the years have shown that interaction costs through these channels are significantly lower than the phone channel. So it makes eminent sense to add digital to the omnichannel mix.

### Best Practices

- Implement a customer engagement hub to avoid creating channel silos and provide a unified and consistent customer experience. Start with the most important channels first, then simply plug in other channels when you are ready for them.
- Make sure your traditional channels such as phone and face-to-face interactions are integrated with your digital channels. Look for solutions that have been built on a unified customer engagement hub platform.
- Establish and track service levels that appropriate for each channel.

## 4. EMPOWER YOUR AGENTS AND CUSTOMERS WITH KNOWLEDGE

Contact center agents struggle to keep up with their company’s offerings due to increased product proliferation and the broadening scope of customer queries. Ever-changing processes and government regulations add to this challenge. Businesses must arm agents with knowledge-guided interactive processes that are compliant with best practices and government regulations, as well as knowledge base content and flexible access methods that help agents sell and serve better.

### Best Practices

- Provide flexible access methods such as Dynamic FAQ, search, browse,

guided interactions, and virtual assistant interfaces to maximize user adoption and knowledge ROI. A broad set of access methods makes it easy for agents and customers to find information based on their own preferences, experience level, and problem type. A key capability called eGain Multisearch™, embedded in our knowledge management solution, aggregates all these options behind a simple search box.

- Do not ignore ongoing content maintenance. Automating content performance management tasks will make it easy to keep the content fresh and relevant.

## 5. ALIGN METRICS WITH BUSINESS GOALS AND STRATEGY

If you intend to compete in your market based on high-touch service and you’re running your contact center exclusively on throughput metrics, there’s a clear misalignment that will defeat your business intent.

### Best Practices

- Consider metrics such as “the number of issues covered per interaction” and Customer Sat instead of Average Handle Time if you want to develop deeper customer relationships.
- Choose metrics that make sense for your business and industry. Sales-related metrics are appropriate if your goals include revenue generation. Compliance conformance may be more important than handle time if you are in a highly regulated industry. ■

### About eGain

eGain customer engagement solutions power digital transformation for leading brands. Our top-rated cloud applications for social, mobile, web, and contact centers help clients deliver connected customer journeys in a multichannel world. To find out more, visit <http://www.egain.com>.



Guiding the Digital Experience

# Shifting Customer Service from "Cost Center" to "Value Center"

While we all understand and appreciate the importance of good customer service, the fact that it doesn't often contribute to direct profits for the company, has led many to view customer service as a cost center. Though this may be the case in some organizations, it doesn't have to be, nor should it be. Now more than ever, with the proliferation of connected devices, social networks and online communities, customer service should be seen as a potential value center.

Cost centers are generally associated with having a negative financial impact because they are perceived as having no direct contribution to company profits. In some ways they are viewed as a "necessary expense", fulfilling a required function or purpose for the company, but this also implies that they *only* generate expenses. Customer service often gets associated in this matter, but it does a disservice to the value that it can provide, especially now that we've entered the "age of the customer".

## A NEW GENERATION OF CUSTOMER SERVICE

In recent years there has been a shift in the way many enterprises have approached the customer experience. Technology has ushered in a new era where consumers are in control and they expect convenience, personalization, and accurate information that is contextually relevant to them. Many enterprises have been trying to rekindle positive sentiments surrounding their brands and have made noticeable efforts to advance into this new frontier of customer service, but success has been limited. This may be due, in part, to poor direction within these organizations. Instead of making comprehensive long term strategies, customer service often just receives "quick fixes" that never really solves the larger problem. In an age where social media gives power to even a single voice, it would

seem sensible that brands would fully embrace a new approach to the way they interact with clients, and traditional systems are simply not designed with the capability to provide a truly personalized experience.

## TECHNOLOGY WILL LEAD THE WAY

The internet has brought forth the digital era, where information can be accessed in seconds and we are only limited by our imaginations. Make no mistake about it, in this new era, the customer will be king and personalized information will be available on demand, whenever and wherever the customer requests it. Every interaction and tiny bit of information provided by the customer will be recorded, analyzed, and processed into data which will be used to deliver a "tailored" experience for every client. With all of the insights and information that can be gathered across the customer journey, the new technology can deliver optimized experiences using automation, where each customer receives the optimal digital cue at the exact moment they need it.

## SHIFTING TOWARDS PERSONALIZATION

The biggest adjustment that companies will need to perform is in relation to their focus. Where most companies are built with a brand-centric approach, this new digital era demands an approach that puts the customer front and center. Brand image and reputation are important for investors and shareholders, but to customers, the primary concern relates to their personal benefit from the interactions they have with a company. We can already see a significant push towards intelligent solutions to provide customers with access to company information, and this is especially true for digital interaction points. The companies that will be successful in the coming years are those who've embraced the shift, providing an experience that offers personalization and one which empowers them with the ability to easily find the information they are seeking.

## VALUE IN THE PROCESS

Customers have grown comfortable with technology and in finding answers on their own, but it is not always enough to simply offer information at every touchpoint. Most companies today offer responsive websites and mobile web portals, information for every question, and each of them align across multiple channels. Technology has also raised customers' expectations. Today, customers want intelligent systems that recognize them and deliver information that is accurate and relevant to them. They want all this and they want it at a time and place that is convenient for them.

This is where the true value lies. For as much as technology has shifted the power in favor of consumers in their relationships with brands, it has given companies the ability to reach their customers in a variety of new and more direct ways. By learning more about customers' wants and needs, companies can nurture these relationships to foster brand loyalty, and with today's technology they can deliver their message instantly. ■

## About nanorep:

nanorep provides a personalized guidance channel, accessible at any moment of need during the customer digital journey. Our solution is powerful, yet simple enough to make digital service your customers preferred experience. With nanorep's Digital Experience Guidance (DEG) SaaS solution, your customers' questions render continuous intelligence that delivers actionable and personalized guidance to what they need. Give your customers a personalized channel to connect with you anytime, anywhere and on any device. Let them find answers to any question and resolve specific issues immediately, without passing them off to another channel. Provide ubiquitous help and assistance with on-demand guidance throughout their digital journey.

## For more information

Visit our website: [www.nanorep.com](http://www.nanorep.com)  
Email us: [sales@nanorep.com](mailto:sales@nanorep.com)



# Build an Emotional Connection with Your Customers

Companies have recently focused on improving customer service delivery by investing in omni-channel connectivity, improving compliance and developing policies and procedures for agents, but they continue to underinvest in one of the most critical elements of service delivery—making an emotional connection with customers.

Call centers should be places where genuine, human conversations happen, where customers and agents build rapport and make emotional connections. Customers frequently complain about the communication style of call center agents. (According to Consumer Reports, rude agents are one of customers' biggest complaints.) Too often, agents seem to lack confidence, sound apathetic or employ a robotic communication style. Until now, customer service leaders have lacked the ability to effectively measure and improve agents' emotional connections with customers.

## CREATE A MORE HUMAN CONNECTION

For customers, emotions are a big deal. Customer-experience expert Bruce Temkin cites emotion as the most important element of the customer experience. In his report, ROI of Customer Experience, 2015, Temkin asserts that happy customers are better, more loyal customers.

What many companies don't understand is that emotions are a big deal for agents, too. Gallup data shows that 70 percent of service employees are "disengaged," meaning they aren't invested in their jobs and don't take them very seriously. Disengaged agents leave customers feeling helpless and frustrated, as if agents are just anonymous, narrated versions of the company's website and databases. That's what happens when organizations do not have a scalable way to improve the "soft skills" of agents—the key skills required to connect with customers on a human level. When agents lack the ability to build rapport, they deliver stiff, factual answers to questions, which leave customers feeling ambivalent, dissatisfied and potentially disloyal.

## EVOLVE MEASUREMENT TO IMPROVE THE EXPERIENCE

Service organizations are currently quite limited in their evaluation of agent

speaking behavior; on average, they subjectively evaluate a low percentage of any given agent's phone calls, with an agent and a supervisor meeting infrequently to review performance. That insufficient level of measurement and feedback leaves agents wanting more objective guidance on their speaking style and supervisors torn between using their limited data to meet management's efficiency goals and providing agents the coaching they need to better serve customers. This limited analysis often focuses on flagging certain spoken words and compliance with procedure, not with the agent's communication style.

Service organizations need to consider new metrics that can provide agents the in-the-moment feedback they need to consistently demonstrate empathy and build rapport on calls, as well as judge customer reactions and dynamically adjust their communication style accordingly. They need to enable agents to more effectively engage the customer in a well-orchestrated exchange to solve problems. The agent and the customer need to see the call as a partnership. When they do, both leave fulfilled, satisfied and loyal.

Call center metrics need to evolve to include information that can measure, in real time, the emotional experience of both agents and customers. They need new sources of information such as those generated from behavioral signals applications. These applications are firmly grounded in behavioral science. They translate human "honest signals" communicated through intonation, fluctuating pace and amplitude of voice, among other "non-linguistic" behaviors, to effectively measure empathy and rapport within a call. They leverage how people are speaking, not the words they are saying, to provide novel interaction metrics. They give supervisors and agents objective feedback on speaking behavior and provide the guidance required to improve soft skills.

Behavioral signals analytics can shed a more accurate and comprehensive light on the quality of the customer's experience across 100 percent of phone conversations. It offers predictive insights on the

likelihood of agent and customer churn, and a customer's receptivity to buying more. This new category of analytics offers service organizations a way to evolve their insights beyond those provided by traditional post-interaction surveys.

## UNIFY SCIENCE AND TECHNOLOGY TO ENHANCE INTERACTIONS

The study of psychology and human interaction is nearly as old as humanity. The amazing acceleration of technological advancement, combined with the study of psychology, has enabled us to develop best practices for enhancing phone interactions. Service organizations can benefit from this unification of science and technology, enabling agents to improve their speaking behavior, demonstrate empathy and build rapport.

Applying real-time behavioral signals and voice analysis technology in the call center can help deliver the empathy and rapport it has long been missing. With behavioral signals analysis, every call becomes an exercise in real-time, soft-skills training. Agents have the feedback they need to foster all-important emotional connections with customers, supervisors have the comprehensive insights they need to effectively coach large populations of agents, and management has the real-time customer experience measures it requires to continuously improve—making agents more productive and creating more advocates for the brand. ■

## About Cogito:

Cogito enhances customer relationships through caring and empathetic conversations. Our lead application Cogito Dialog improves agent performance by presenting them with real-time behavioral guidance. The Cogito Experience Score provides an objective and reliable measure of customer experience on 100% of selected phone interactions a company has with its customers. Cogito is increasing customer engagement and improving employee productivity in the world's leading organizations.

For more information, please visit [www.cogitocorp.com](http://www.cogitocorp.com)  
Follow us on: LinkedIn and Twitter



# How to Turn Disjointed Interactions into Satisfying Customer Journeys

Cross-channel communication is one of the most challenging aspects of customer service. Customers view their journey as *one* conversation, regardless of the channels they use, but siloed enterprise data forces them to repeat information as they move from channel to channel, leading to frustration and lost opportunities.

## BREAKING DOWN SILOS

Channels are based on different technologies and often evolve over a period of time, trapping data in silos. This siloed data is difficult to exchange or transfer, and it may be contextually irrelevant or incomplete. To make matters worse, it is difficult to find channel-independent mechanisms that provide insights into customer behavior.

Human conversations are context-sensitive and contain inputs, outputs, past references, and comparisons. Consumers want enterprises and their non-human channels to understand and react to these conscious and subconscious inputs and references in the same way as in human conversations. Contextual interactions can provide that understanding.

## ENABLING CONTEXTUAL INTERACTIONS

Contextual interactions capture interaction intent in a flexible data model that can be easily integrated with any IVR, desktop or other communication channel, such as chat, social media and mobile applications. This provides cross channel orchestration and continuity to customer conversations and also increases an enterprise's ability provide personalization and improve the omnichannel customer experience.

An enterprise can define and deploy business rules that determine how to handle customer interactions based

on the context of that interaction. It also lets business owners determine what processes and rules apply to a given channel, while at the same time maintaining the cohesiveness and context of the conversation. Business owners are free to modify, add, and delete rules based on customer experience strategy changes, etc.

## CROSS CHANNEL ORCHESTRATION

A utility company wants to take an omnichannel approach to alleviating its customers' "bill shock". The utility offers its customers the option to review and pay their bills through their website or smartphone application. A large percentage of the company's calls are from customers seeking clarity on rates, pro ration, overages, and surcharges.

For example, when a customer has questions about the bill he is viewing on the company's website and a late charge he/she received, he calls an agent, anticipating that the agent will be able to explain the charges—and perhaps give him a credit. In a silo-ed data environment, the agent is not aware of the customer's online activity, so the customer must explain their intent. Compounding this delay, the agent has to look at multiple screens to gather all the relevant interactions around the customer's services, products, and recent history.

With cross channel orchestration and context, the conversation that the customer started online seamlessly continues with the agent.

1. Identifying the key areas on the website that result in calls to the agent. For example, Review Bills, Service Plans, and Review Features.
2. Capturing the business intent—not just mouse clicks and buttons

pressed—as the customer interacts with the website.

3. Identifying the customer in the IVR based on credentials, such as phone number, and tying it to the web ID, then providing the option to speak to an agent.
4. Passing the routing information and routing the call to the appropriate agent.
5. Providing the agent desktop application with the information gathered from the web and IVR so the agent can continue exactly where the customer left off.

## SUMMARY

Your organization can have an immediate impact on your customers as you understand their conversations and intent as one seamless interaction. Your customers will have a more personalized and seamless experience that is less demanding on them. And your agents will be more efficient by resolving issues the first time, driving down costs and churn. ■

## Why Convergys?

For over 30 years, Convergys has provided industry-leading technologies and services that balance customer satisfaction with cost reduction. We combine omnichannel technologies and award-winning Professional Services to deliver effortless, personalized interactions. Our solutions support over 7 billion interactions each year, and 98% of our clients would recommend our solutions.

To learn more about Convergys' omnichannel technologies, visit <http://bit.ly/1RNseL7>.

THE 2016  
CRM

# Service Awards

BY THE EDITORS OF  
CRM MAGAZINE

The era of high customer expectations and personalized service continues unabated, and our 13th annual Service Awards issue salutes the vendors whose technologies—mobile, social, multichannel, analytics—are shaping this increasingly customer-centric landscape, as well as the companies that are putting those technologies to impressive use. The profiles of our Service Leaders, Rising Stars, and Elite not only highlight this year's breakthrough solutions and innovative approaches but show what's possible when pleasing customers is your top priority.

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THE 2016 CRM  
SERVICE AWARDS

# Service Leaders

BY THE EDITORS OF  
CRM MAGAZINE

**T**here have been a lot of developments over the past 12 months in the customer service and support industry—advances in mobile, cloud, and analytics technologies, as well as some deep neural network and cognitive computing capabilities. Fortunately, our 2016 CRM Service Leader Awards have captured nearly all of them.

As in years past, these awards recognize the seasoned and emerging customer service and support vendors and outsourcers for their industry contributions. In fact, this year's Service Leaders welcome five new vendors. Additionally, out of the eight Service Leader categories, we crown *five* new category winners. Clearly, it has been a busy year.

To learn more about the latest industry trends and developments and the vendors that are driving them, read our 2016 CRM Service Leader Awards coverage on the ensuing pages.

The editors of *CRM* magazine would like to extend their appreciation and thanks to those who spent time and effort evaluating the candidates for this year's CRM Service Awards. This issue, and the awards themselves, would not be possible without the generous contributions of the following judges: **Leslie Ament**, senior vice president and principal analyst at Hypatia Research; **Aphrodite Brinsmead**, principal analyst on the Customer Interaction team at Ovum; **Dick Bucci**, chief analyst at Pelorus Associates; **Donna Fluss**, founder and president of DMG Consulting; **Ian Jacobs**, senior analyst, Forrester Research; **Esteban Kolsky**, principal and founder of ThinkJar; **Mitch Kramer**, senior vice president and analyst, Patricia Seybold Group; **Kate Leggett**, vice president and principal analyst at Forrester Research; **Brian Manusama**, research director at Gartner; **Sheila McGee-Smith**, founder and president of McGee-Smith Analytics; **Natalie Petouhoff**, vice president and principal analyst at Constellation Research; **John Ragsdale**, vice president of technology research at the Technology Services Industry Association (TSIA); **Paul Stockford**, president and chief analyst at Saddletree Research; **Ray Wang**, founder and principal analyst at Constellation Research; **Rebecca Wettemann**, vice president at Nucleus Research.

		REPUTATION FOR DEPTH OF FUNCTIONALITY	REPUTATION FOR COMPANY DIRECTION	REPUTATION FOR CUSTOMER SATISFACTION	5-YEAR COST FOR SOFTWARE/MAINTENANCE
<b>CUSTOMER CASE MANAGEMENT</b>	Microsoft Dynamics CRM	███████	███████	███████	███████
	Microsoft Parature	███████	███████	███████	███████
	Oracle	███████	███████	███████	███████
	<b>Salesforce.com</b>	███████	███████	███████	███████
	Zendesk	███████	███████	███████	███████

<b>CONTACT CENTER INFRASTRUCTURE</b>	Aspect Software	███████	███████	███████	███████
	<b>Cisco Systems</b>	███████	███████	███████	███████
	Genesys	███████	███████	███████	███████
	Interactive Intelligence	███████	███████	███████	███████
	Mitel	███████	███████	███████	███████

<b>INTERACTIVE VOICE RESPONSE</b>	[24]7	███████	███████	███████	███████
	Aspect Software	███████	███████	███████	███████
	Cisco Systems	███████	███████	███████	███████
	Interactive Intelligence	███████	███████	███████	███████
	<b>West</b>	███████	███████	███████	███████

<b>WEB SUPPORT</b>	<b>Microsoft</b>	███████	███████	███████	███████
	Oracle Service Cloud	███████	███████	███████	███████
	Salesforce.com Service Cloud	███████	███████	███████	███████
	TouchCommerce	███████	███████	███████	███████
	Zendesk	███████	███████	███████	███████

<b>WORKFORCE OPTIMIZATION</b>	Aspect Software	███████	███████	███████	███████
	Genesys	███████	███████	███████	███████
	inContact	███████	███████	███████	███████
	NICE Systems	███████	███████	███████	███████
	<b>Verint Systems</b>	███████	███████	███████	███████

<b>CONTACT CENTER SEARCH</b>	Coveo	███████	███████	███████	███████
	IBM Watson	███████	███████	███████	███████
	Kana, a Verint Company	███████	███████	███████	███████
	Oracle Service Cloud (Knowledge)—Inqura	███████	███████	███████	███████
	<b>Salesforce.com</b>	███████	███████	███████	███████

<b>ENTERPRISE FEEDBACK MANAGEMENT</b>	Confirmit	███████	███████	███████	███████
	<b>IBM</b>	███████	███████	███████	███████
	MaritzCX (Allegiance)	███████	███████	███████	███████
	Medallia	███████	███████	███████	███████
	Vovici (Verint)	███████	███████	███████	███████

		REPUTATION FOR DEPTH OF SERVICES	REPUTATION FOR COMPANY DIRECTION	REPUTATION FOR CUSTOMER SATISFACTION	5-YEAR COST FOR SOFTWARE/MAINTENANCE
<b>CONTACT CENTER OUTSOURCING</b>	Alorica	███████	███████	███████	███████
	Convergys	███████	███████	███████	███████
	Sykes Enterprises	███████	███████	███████	███████
	<b>Teleperformance</b>	███████	███████	███████	███████
	TeleTech	███████	███████	███████	███████

**CATEGORIES AND CRITERIA** CRM magazine's 13th annual Service Leader Awards names one winner and four leaders (listed alphabetically) in each of eight categories, using a proprietary selection formula. The overall award rating is based on a composite score of company revenue and analyst ratings for deployment costs, customer satisfaction, depth of functionality (or services, in the case of outsourcing), and company direction. (These ratings are based on a five-point scale, with 5 being the highest.) In addition, each category cites one "one to watch"—companies deemed worth tracking for their potential to appear on that leaderboard in the future.

The chart above collects winners and leaders across all eight categories. The category winners are the eight bold names highlighted in red type.

# Customer Case Management



## THE MARKET

As customers increasingly expect personalized, high-quality, and consistent interactions, and with channels such as social media, community pages, forums, chat services, and connected devices becoming more prominent, companies must be equipped to handle multichannel interactions. Investments in customer case management technologies will ultimately reduce costs, boost agent productivity, drive customer satisfaction, and reveal opportunities for further growth.

Yet John Ragsdale, vice president of technology and social research for the Technology Services Industry Association (TSIA), notes a lack of differentiation among this year’s leading vendors: “Functionality is [now] pretty much on par across solutions, and they all tend to look alike.” Success, he notes, is coming to depend more on customer processes than the technology itself.

## THE LEADERS

**Microsoft Dynamics CRM** steps down from the top spot this year, but high scores indicate that its direction remains strong and its customers satisfied. (The 4.1 for company direction comes despite the resignation of the company’s top CRM executive, Bob Stutz, late last year.) Jacobs notes the company’s strong focus on usability and its “reputation for a better cost structure than much of the competition.” Esteban Kolsky, principal and founder at ThinkJar, says that the company’s support product is still incomplete but “lots of work is being done” to change that. Ragsdale adds that “embedded search, knowledge, and social capabilities are putting Microsoft on the short list for more major enterprise deals.”

**Microsoft Parature** remains a leader this year, largely thanks to Microsoft’s dedication to preserving the brand’s identity. Despite acquiring the smaller company early in 2014, “Microsoft has maintained the core Parature development and marketing [teams],” Ragsdale says. Other analysts are skeptical. Kate Leggett, vice president and principal analyst at Forrester Research, for instance, comments on the “mixed messaging” Microsoft has sent on Parature’s future.

Still, Microsoft has enabled Parature to expand its reach; last year Parature had its largest release yet when it updated its customer care solution. No surprise, then, that it earned a high mark for direction (3.8). “Customers have not had any disruption in releases or support levels” and “their community-oriented support platform continues to impress,” Ragsdale says.

**Oracle** regains its spot on the board after being bumped to One to Watch last year. It posted a healthy score in depth of functionality (3.9), and its Service Cloud offering, Jacobs notes, does well for “B2C organizations that offer robust Web self-service and omnichannel customer services, as well as with companies that emphasize the value of customer experiences.” The vendor posted its lowest score in customer satisfaction (3.2), but Jacobs says that clients benefit from a maturity model that enables them to “plan out investments in a sensible and purposeful way.” Ragsdale lauds its industry-specific versions that cater to the needs of different verticals, with prepackaged fields and capabilities that can cut implementation time and cost.

**Zendesk** makes its debut on the leaderboard, helped by its transition upmarket. The company scored weakest in depth of functionality (3.0), but analysts agree that recent moves will help. “Although Zendesk still has a way to go in core case management, it has pioneered the very promising idea of embeddable technology, including integration into Facebook Messenger,” notes Ian Jacobs, senior analyst at Forrester Research.

The company has also been “introducing more sophistication, while keeping [its] user interface highly intuitive,” Ragsdale adds. High scores for cost (4.3) indicate that affordability continues to set this company apart.

## THE WINNER

**Salesforce.com** reclaims the CCM title this year after a two-year hiatus, amply demonstrating that it’s heading in the right direction—it scored a 4.5 in that area. “Salesforce.com has the most comprehensive vision and is able to paint the art of the possible,” Leggett notes. Salesforce.com “is one of the few players that provides strong support for both B2B and B2C business models” and offers a “full omnichannel lineup especially strong in...social customer service and chat tools,” Jacobs adds. Customer satisfaction has been boosted as a result of newly added capabilities, Ragsdale points out: “Salesforce continues to push into hot new areas, one example being [the Internet of Things], which is emerging as a critical element of case management.” —*Oren Smilansky*

## ONE TO WATCH

**Kana (a Verint Systems company)** fell off the leaderboard this year, and according to Kolsky, it hasn’t benefited from Verint acquiring it in 2014. “The Kana product has had some negative reference from very large customers,” Leggett says. And Jacobs says that while “Verint delivers comprehensive case and channel management capabilities that guide agents through process flows,” there “have been some grumblings from customers about complexity and stability.” —*O.S.*

# Contact Center Infrastructure

	REPUTATION FOR DEPTH OF FUNCTIONALITY	REPUTATION FOR COMPANY DIRECTION	REPUTATION FOR CUSTOMER SATISFACTION	5-YEAR COST FOR SOFTWARE/MAINTENANCE	TOP 3 MARKETS
Aspect Software	██████████	██████████	██████████	██████████	Financial Services, Telecom, Travel/Hospitality
<b>Cisco Systems</b>	██████████	██████████	██████████	██████████	Utilities, Government, Healthcare
Genesys	██████████	██████████	██████████	██████████	Retail, Financial Services, Telecommunications
Interactive Intelligence	██████████	██████████	██████████	██████████	Financial Services, Insurance, Telecommunications
Mitel	██████████	██████████	██████████	██████████	Healthcare, Telecommunications, Travel

## THE MARKET

The past few years have been tumultuous for the contact center infrastructure industry, as a number of market dynamics have altered the landscape, among them vendor consolidation; greater centralization among companies that have operated multiple contact centers; and higher demand for multichannel integration.

In light of these changes, incumbent vendors are looking to expand their capabilities in areas such as interactive voice response systems, outbound dialers, contact center workforce management, recording, e-learning, Web chat, email response management, live and prerecorded video, desktop collaboration, analytics, workflow, and mobility. Many more vendors are also bundling their offerings to simplify the purchase, configuration, and implementation of their products.

But even more dramatic has been the impact that cloud deployments have had on the entire industry. According to DMG Consulting, the total number of cloud-based contact center seats jumped 49.9 percent between August 2014 and August 2015. Worldwide adoption now stands at 11.1 percent, up sharply from 2.2 percent in 2008, DMG's data reveals. Flexibility, agility, scalability, and cost benefits of this implementation model are largely responsible for the growth, the firm maintains. New seats are coming from replacements of dated on-premises solutions and a growing number of first-time users, not only from among the small to midsize early adopters but a growing number of larger enterprises as well.

## THE LEADERS

In the past year, **Aspect Software** acquired LinguaSys, an interactive text response and natural language user interface provider, and introduced Aspect Managed Services. Its cloud business this year also surpassed its on-premises business, but Paul Stockford, president and chief analyst at Saddletree Research, says the company's migration path to the cloud is sensible. "Aspect doesn't do anything haphazardly," he says, "and the stability they offer in their infrastructure, both cloud and on-premises, is proof." That's also reflected in its scores for depth of functionality (4.0) and company direction and customer satisfaction (both 3.8).

Depth of functionality has always been one of **Genesys's** strongest attributes, and this year was no different. The

company's 4.0 in this area was a little lower than some of its competitors, but analysts point out that its portfolio remains among the industry's broadest and is backed by strong professional and business consulting services. "The company is executing well to help its customers transition to a digital interactions world," says Sheila McGee-Smith, founder and president of McGee-Smith Analytics.

**Interactive Intelligence** led its competitors in company direction (4.2) and also scored well in depth of functionality (4.0). The company made a big splash with its release of PureCloud Engage in the summer, and that has some analysts concerned. Interactive Intelligence is "throwing all in with the cloud, probably forgoing a large percentage of the market in the future," Stockford suggests.

**Mitel's** far-better-than-average scores in all of the judging criteria position it on the leaderboard for the first time. While its focus has traditionally been the unified communications market, it is expanding its reach in the contact center space, according to Aphrodite Brinsmead, principal analyst at Ovum. Add to that the appointment of a new contact center general manager and McGee-Smith predicts "great execution in 2016 against a solid strategic plan."

## THE WINNER

As it has for many years, **Cisco Systems** scored the best in depth of functionality in 2016 (4.1), and its company direction score (4.0) was just a hair off the lead. "Cisco is breaking down barriers and leading the industry into the future," Stockford says. "They continue to offer a solid product with a reputation for stability, reliability, strong customer relationships, and a clear vision of company strategy as it relates to the evolution of the customer care industry." And it doesn't stop there, according to McGee-Smith: "There is every expectation that a multitenant contact center offer will be added to the Spark platform in 2016." —*Leonard Klie*

## ONE TO WATCH

Selling its agent services business to **Alorica** in January 2015 has freed West to concentrate more on its contact center technology business, and analysts have taken notice. Still, analysts this year approached the company with cautious optimism, demonstrated by its low score of 3.3 in company direction. —*L.K.*

# Interactive Voice Response



## THE MARKET

While consumers are increasingly turning to other channels—such as mobile apps, texting, and Web chat—to reach companies, interactive voice response (IVR) systems remain the workhorses today that they were 15 years ago. In fact, for most companies, inbound call volumes continue to rise, which has prompted continued interest in the very mature IVR technology.

Research firm Technavio has forecasted the global IVR systems market to grow at a rate of 27.4 percent per year through 2019. Growth is being fueled by increasing consumer acceptance of speech technologies, thanks in large part to technological advances in natural language understanding, machine learning, and IVR analytics, as well as the integration of self-service and assisted service.

Challenging this growth, however, is that many companies are still reluctant to spend money on their IVR systems. When it comes to upgrades and improvements, many businesses prioritize newer channels over IVRs. Or, in many cases, IVR plans are integrated into a broader self-service and assisted-service strategy.

On the technology front, some industry analysts foresee a continuing expansion of IVR capabilities as they evolve into more full-featured voice portals. “The differentiating factor in this market will be the application of self-service in other channels. IVR-like automation in other channels is the future of contact center self-service,” says Paul Stockford, president and chief analyst at SaddleTree Research.

## THE LEADERS

**[24]7** already has a strong IVR technology portfolio, evidenced by its score of 3.9 in depth of functionality. But this portfolio, highlighted by the Customer Engagement Platform, will only get richer as the company integrates deep neural networks with IVRs following a deal with Microsoft last summer. The company is also winning over its customers, as demonstrated by its 3.9 in customer satisfaction, which put it in a three-way tie at the top.

**Aspect Software** rebounded from last year’s One to Watch and returned to the coveted leaderboard this year. As it has for years, it led the industry in depth of functionality (4.2), and it also did comparatively well in company direction (3.5). “Their vision of the future puts them solidly in front of the market,” Stockford says. Additionally, it “continues to do

well incorporating mobile functionality from its acquisition of Voxeo” in 2013, says Sheila McGee-Smith, founder and president of McGee-Smith Analytics.

**Cisco Systems**, last year’s category winner, suffered a setback this year because of its slower-than-average cloud migration. However, it still managed to post a score of 3.8 in depth of functionality. Stockford maintains that Cisco’s IVR products are “highly functional and seamlessly integrated into a comprehensive contact center solution.” But McGee-Smith says the company has some catching up to do. “Cisco has a solid solution and is working on a stronger proactive engagement story across channels,” she says.

**Interactive Intelligence** scored an industry-leading 4.0 this year in company direction. Its high marks in customer satisfaction and depth of functionality (both 3.9) make it a strong contender. As with its contact center infrastructure, analysts touted Interactive Intelligence’s strong stable of new products and different options, many of them built in house.

## THE WINNER

**West**, a newcomer to the leaderboard in 2015, moves up even further to take the top spot this year, bolstered by a score of 4.0 in depth of functionality and 3.9 in customer satisfaction. Its overall performance, analysts say, was made possible by the January 2015 sale of its agent services business to Alorica. Since then, the company has pushed the envelope with its speech recognition systems, which it continues to bolster with natural language capabilities. It’s also looking to advance its portfolio further through acquisitions: In the fall, it acquired ClientTell, a provider of automated notifications to the healthcare industry, for \$38 million; and Magnetic North, a provider of hosted customer contact center and unified communications solutions, for \$39 million. “These highly strategic acquisitions enhance our solutions in growing markets and demonstrate our commitment to investing in leading technologies,” said Tom Barker, chairman and CEO of West, in a statement. —*Leonard Klie*

## ONE TO WATCH

**Convergys** has been long absent from any kind of leadership position in the IVR market—until now. The company has a strong stable of solutions, developed in house, that it can use as a competitive differentiator, according to Ian Jacobs, a senior analyst at Forrester Research. The company also posted a top mark in cost (3.6). —*L.K.*

Interactive Voice Response

# Web Support

	REPUTATION FOR DEPTH OF FUNCTIONALITY	REPUTATION FOR COMPANY DIRECTION	REPUTATION FOR CUSTOMER SATISFACTION	5-YEAR COST FOR SOFTWARE/MAINTENANCE	TOP 3 MARKETS
<b>Microsoft</b>					Financial Services, High-Tech, Retail
Oracle Service Cloud					Retail, Telecommunications, High-Tech
Salesforce.com Service Cloud					Financial Services, High-Tech, Manufacturing
TouchCommerce					Telecommunications, Financial Services, Hospitality
Zendesk					Retail, Telecommunications, Travel

## THE MARKET

Smaller vendors continue to push the envelope in the Web support category, but big vendors aren't slacking. With mobile and self-service increasing in importance, vendors of all sizes are making strides through new technologies and acquisitions to provide customers with the experience they want. Leaders in Web support have developed new solutions in key areas such as chat support and mobile app support.

## THE LEADERS

**Oracle Service Cloud** impressed analysts with its Web self-service capabilities, which helped the company earn its high depth of functionality score (4.2). Jacobs says that Oracle "has a flexible, easily configurable customer service solution," and praised the vendor's omnichannel capabilities for B2C businesses. He also says that Oracle has a "strong cobrowse component," which he attributes to its 2014 LiveLOOK acquisition, and provides "solid chat, email response management, social customer service, and knowledge management." Updates to Service Cloud included Community Self-Service, an approach to Web self-service that enables businesses to connect Web service and community interactions.

**Salesforce.com** continues its year-after-year strong performance, with analysts praising both its B2B and B2C customer service solutions. According to Jacobs, Salesforce.com has "pushed itself into a leadership role in the customer service world over the past several years." Jacobs described Salesforce.com's ability to provide strong support for both B2B and B2C as a "tricky feat," and says that the vendor is "especially strong in emerging channels such as social customer service and chat tools." Additionally, the Sales Wave Analytics App and the Service Wave Analytics App contributed to the company's strong depth of functionality score (4.3), but Salesforce.com's highest score, 4.4, came in company direction.

Analysts like **TouchCommerce's** actionable analytics and real-time customer targeting, which Jacobs says "makes the company a strong player in the prepurchase world." Jacobs also notes the vendor's expansion into the social realm, as well as its announced partnership with Nuance, which he believes will eventually deliver some form of virtual assistance. TouchSocial, one of the company's important recent launches, enables businesses to embed short links into social media posts that enable customers to initiate live chat sessions with product or customer service specialists.

On the leaderboard for the first time—it received One to Watch honors last year—**Zendesk** has impressed analysts over the past two years. The vendor made a big move in 2015 by integrating with Facebook Messenger, and Forrester analyst Ian Jacobs describes the vendor as having "a pioneering approach to embeddable technology." Ray Wang, founder and principal analyst at Constellation Research, says Zendesk "keeps gaining momentum as it goes upmarket," and described the vendor's BIME analytics acquisition as a "boom for customers seeking more native analytical capabilities."

## THE WINNER

Since acquiring Parature and jumping onto the leaderboard for the first time in this category last year, **Microsoft** has continued to impress analysts with its integration of Parature technology. The company unveiled a number of updates for Parature over the past year, including improvements to its engagement portal, its knowledge base search tools, and its language capabilities; it also made a foray into wearable apps with the introduction of its Parature app for Apple Watch. According to Jacobs, the cloud-based Parature solution is particularly well suited to departmental teams that need a service they can quickly deploy; he notes that this quick deployment ability is "critical for resource-strapped teams." At this point, Parature lacks comprehensive mobile support, Jacobs says; however, the introduction of the Parature app for Apple Watch suggests that Microsoft is making moves to ameliorate this shortcoming. Wang notes the importance of pairing Parature with Microsoft Dynamics CRM, saying that the latter "takes advantage of all the advanced technology goodies from Microsoft." Microsoft was particularly strong in depth of functionality (4.1) and company direction (4.4). Look for Microsoft to continue refining Parature's capabilities and integrating it with its other products. —*Sam Del Rowe*

## ONE TO WATCH

After placing on the leaderboard last year, **Moxie Software** dropped to the One to Watch slot this year. Wang calls Moxie's shift in focus to digital engagement a "smart move," but he says, "Customers would prefer more capabilities out of the box instead of relying on custom services." Analysts noted that Moxie is particularly lacking in company direction. According to Jacobs, Moxie "provides strong mobile-first, omnichannel, and knowledge capability," yet lacks "a comprehensive network of global delivery—sales and support partners to extend its penetration much beyond North America." —*S.D.R.*

# Workforce Optimization



## THE MARKET

Growth for contact center workforce optimization (WFO) stagnated in 2015, as the major IT market segments—quality assurance and recording—have been substantially penetrated. According to DMG Consulting’s 2015 “WFO Mid-Year Market Share Report,” revenue for the first half of 2015 totaled \$712.7 million, a dip from the \$720.3 million tallied during the same period in 2014.

Optimizing staff performance remains key within contact centers, but the market is shifting toward a desire for analytics-driven solutions that enable companies to improve and personalize each customer interaction. The coming years are expected to be slow in WFO, both for established leaders and up-and-comers, with most of the growth originating from the back-office sector.

## THE LEADERS

While **Aspect Software** has been busy expanding into market areas outside of WFO, analysts agree that the vendor continues to provide a solid offering in this department. Introducing user interface updates and improving usability last year, Aspect posted its highest score in customer satisfaction (4.1). But as Ian Jacobs, senior analyst at Forrester Research, sees it, some customers are “getting a little impatient” waiting for the company’s “transformation.” He does note that enhancements to Aspect ZipWire show promise, and Aspect’s partnership with LiveVox shows “a willingness to tackle the cloud from numerous angles.” Paul Stockford, principal analyst at SaddleTree Research, notes the company’s reliable reputation in the market, remarking, “No one will ever get fired for recommending Aspect WFO.”

**Genesys**—a “longtime innovator,” according to John Ragsdale, vice president of technology and social research for the Technology Services Industry Association (TSIA)—has landed back on the leaderboard after dropping off last year. The company’s highest score came in customer satisfaction (3.8), yet like many of the category’s leaders, Genesys still struggles with cost (3.3). Another issue has been functionality (3.3)—Stockford laments some of the company’s acquisitions, as they are “pushed into the same portfolio without any real thought behind how they will work together.” Jacobs, on the other hand, commends the company’s direction, noting that linking WFO and routing solutions “shows huge promise.” Also important, notes Sheila McGee-Smith, principal analyst at McGee-Smith Analytics, was the company’s investment in a knowledge management system last year.

**inContact** struggled this year more than any other vendor to satisfy its customers, evidenced by its comparatively low score in customer satisfaction (3.5). Eighteen months after its 2014 acquisition of cloud-based contact center services provider Uptivity, the company “has gotten better at market segmentation between its Verint-based offer and its own offer (based on the Uptivity acquisition),” Jacobs says. Stockford says that this makes inContact hard to judge, as Verint “is state of the art,” whereas inContact’s native offerings are “basic at best.” Dick Bucci, founder and president of Pelorus Associates, notes that “the attempt to transition legacy customers to the cloud model has met with resistance, particularly among Uptivity channel partners.”

**NICE Systems** posted the lowest cost score (3.1), which the vendor made up for with a high score in functionality (4.2). More than one analyst referred to NICE’s technology as “sophisticated,” with Jacobs noting that the company’s “full slate of WFO functionality” has scaled up to the very largest of contact centers. McGee-Smith notes that the company is missing a strong cloud offering, which has prevented it from reaching small to midsize businesses. Jacobs adds that the company is “working on overcoming its ‘customer-friendliness problems,’ but this change will be a slow process.”

## THE WINNER

**Verint Systems** continues to hold the title, scoring highest among the leaders in depth of functionality (4.7). Stockford says that the vendor is “leading the market in the evolution of WFO to customer service management and customer experience optimization.” Jacobs agrees, saying that Verint “has been a leader in showing the future direction of the customer service technology market in which WFO, routing, and customer service apps vendors will all be converging.” The company “continues to strengthen its already robust product line and has recruited and maintained partners that add real value to customers,” Jacobs adds. —*Oren Smilansky*

## ONE TO WATCH

**Calabrio** may have been bumped from its spot on the board this year, but it is on the right path, analysts maintain. “Calabrio is...undergoing rapid growth, much of it due to their innovative approach to WFO,” Stockford says. Analysts say that Calabrio has benefited from close ties to companies like Cisco, Avaya, and Interactive Intelligence. “They provide their WFO solution to Cisco on an OEM basis as well as offering it as a Calabrio-branded solution,” Stockford points out; this has lent the company extensive market reach. The company earned its lowest score in depth of functionality (3.7), but Jacobs notes that its “unified suite approach has helped it in competitive displacements of the big boys in several key accounts.” —*O.S.*

Workforce Optimization

# Contact Center Search

	REPUTATION FOR DEPTH OF FUNCTIONALITY	REPUTATION FOR COMPANY DIRECTION	REPUTATION FOR CUSTOMER SATISFACTION	5-YEAR COST FOR SOFTWARE/MAINTENANCE	TOP 3 MARKETS
Coveo	██████████	██████████	██████████	██████████	High-Tech, Financial Services, Manufacturing
IBM Watson	██████████	██████████	██████████	██████████	Financial Services, Professional Services, Telecommunications
Kana, a Verint Company	██████████	██████████	██████████	██████████	Financial Services, Insurance, Communications and Media
Oracle Service Cloud (Knowledge)—Inqura	██████████	██████████	██████████	██████████	Retail, Telecommunications, Financial Services
<b>Salesforce.com</b>	██████████	██████████	██████████	██████████	Financial Services, High-Tech, Manufacturing

## THE MARKET

To effectively resolve customer service calls, it is as vital as ever that contact center agents are equipped with tools that allow them to conveniently find the right information at the right time. Fortunately, the leaders in this year's category are helping agents do exactly that. Though the cost of maintenance remains a problem for these top vendors, analysts suggest that the price of not having the appropriate tools on hand is far greater.

## THE LEADERS

**Coveo** is back on the leaderboard again, after spending a year as One to Watch. No surprise, given its emphasis: Mitch Kramer, senior vice president and analyst at the Patricia Seybold Group, considers the company to be a specialty "search engine company, focused on search technology."

The company posted its highest score—and higher than any other vendor in this category—in customer satisfaction (4.2). John Ragsdale, vice president of technology and social research for the Technology Services Industry Association (TSIA), praises the company's "impressive customer results" and ranks it as the "top unified search platform," noting that its machine learning features will "introduce a new paradigm for proactive support." While the company didn't score as high as others in functionality, Kate Leggett, principal analyst at Forrester Research, lauded Coveo's performance in that regard.

Perhaps a controversial pick, as the company still hasn't declared itself a contact center search provider, **IBM Watson** made it on the list for the second straight year. IBM posted exceptional scores for depth of functionality and direction. According to Rebecca Wettemann, vice president of Nucleus Research, the company has great potential in this space. The challenge, she notes, is "to productize the technology." Leggett points out that at this point the company is involved in a "very limited number of implementations." Fortunately, Wettemann predicts more partnerships in the company's future.

**Kana (a Verint Systems company)** stayed on the leaderboard after making its debut in the category last year. The company earned its highest score for functionality (3.8); Kramer commends its support for various types of search and navigation, and its "contextual capabilities are very nice, especially implied search from case creation." However, analysts are not without criticisms for the vendor. While Kramer

says that "Kana has always had very satisfied and very loyal customers," Leggett notes that some of them have "recently expressed dissatisfaction with the product."

**Oracle Knowledge** and **Inqura** share a spot on the leaderboard this year, as Oracle has incorporated much of the technology it acquired from the smaller vendor in 2011. Offering strong on-premises and cloud-based products, Oracle provides what Leggett calls a "high-powered solution for complex contact center search." This is reflected in its scores—the company posted a 4.5 in depth of functionality. But while there is a lot to work with, customers are often aggravated by the elaborate nature of the tools, Kramer notes, and the dedication required to get the most out of them. "Customers love the power and hate the complexity of Oracle Knowledge," Kramer says of the cloud-based solution. Nonetheless, "Oracle Knowledge is getting a lot of visibility and showing up on more short lists," Ragsdale adds.

## THE WINNER

**Salesforce.com** reclaims the top spot after losing it last year, scoring an impressive mark in direction (4.6). The high cost still "annoys customers," but "they deal" with it, Kramer says. While the product is robust, customers must license an assortment of add-on pieces from the app store to get the depth of functionality they require. Fortunately, the company is continually improving the Service Cloud in significant ways, Kramer says. "Search in Service Cloud can help agents find any Salesforce information," Kramer adds, and while the company doesn't provide the most powerful search engine, it addresses contact center search requirements. "Automatic, contextual search within case creation facilities suggests knowledge items that may address the reason for creating a case and avoiding it," Kramer says. —Oren Smilansky

## ONE TO WATCH

**eGain** returns as a One to Watch, after falling off the board altogether last year. The company scored highest in functionality (3.5). "I applaud eGain for creating their own intelligent search platform instead of OEM'ing a partner solution," Ragsdale says. The company, he adds, provides a "one-stop shop" for a full-fledged knowledge management, customer service, omnichannel platform. Esteban Kolsky, principal and founder at ThinkJar, is more critical, however, noting that the product is dated and needs revamping. Indeed, the company earned a low mark for direction (2.8). "They're introducing a new version in March," Kolsky says. "We will see." —O.S.

# Enterprise Feedback Management

	REPUTATION FOR DEPTH OF FUNCTIONALITY	REPUTATION FOR COMPANY DIRECTION	REPUTATION FOR CUSTOMER SATISFACTION	5-YEAR COST FOR SOFTWARE/MAINTENANCE	TOP 3 MARKETS
Confirmit	██████████	██████████	██████████	██████████	Insurance, Travel and Transportation, High-Tech
<b>IBM</b>	██████████	██████████	██████████	██████████	Retail, Financial Services, Travel and Transportation
MaritzCX (Allegiance)	██████████	██████████	██████████	██████████	Financial Services, High-Tech, Retail
Medallia	██████████	██████████	██████████	██████████	Travel and Transportation, Financial Services, Insurance
Vovici (Verint)	██████████	██████████	██████████	██████████	High-Tech, Telecommunications, Retail

## THE MARKET

Enterprise feedback management vendors need to provide solutions that accurately analyze different kinds of data, such as speech and text, and synthesize that information into coherent, real-time insights. Predictive analytics remains paramount in this category, and the move to mobile devices continues to have an impact on vendors' solutions.

## THE LEADERS

**Confirmit** scored a 3.7 in five-year cost, and analysts were pleased by the vendor's voice-of-customer and voice-of-employee programs. Manusama emphasizes that the company's enterprise feedback management platform is available on-premises or via software-as-a-service and can be used for market research. According to Wang, "Customers like the mobile experience," and the vendor "gets good marks for great customer satisfaction." But the company particularly struggled in depth of functionality and company direction. According to Kolsky, Confirmit "continues to focus on services over software," and although the product works for late adopters, he says that it "works better in different geographic regions."

**MaritzCX** became a competitor in this category once it acquired **Allegiance** in 2014. And even though the acquisition happened less than two years ago, MaritzCX scored a strong 3.9 in company direction—an area in which companies can struggle shortly after being involved in an acquisition. It scored an even higher mark (4.1) in depth of functionality. Unfortunately, MaritzCX's customer satisfaction score, 3.4, is down from a strong 4.0 last year. According to Kolsky, the company has a "good vision" and "good direction," but "execution is faltering a tad and needs to be tightened."

After winning the top spot last year, **Medallia** has fallen slightly this time around. According to Ray Wang, founder and principal analyst at Constellation Research, "Some customers are now complaining about the lack of focus on customer requests," although he adds that Medallia's product continues to improve. Brian Manusama, research director at Gartner, notes that Medallia's implementation and configuration can be complex and take between 10 and 16 weeks. "Because Medallia is woven into the processes and operating model of an organization, it can create high switching costs that may compromise long-term pricing leverage," he says. Nevertheless, Medallia received a 4.1 for depth of functionality, and

Esteban Kolsky, founder and principal analyst at ThinkJar, praises the vendor's technology and innovation.

**Vovici** has analysts divided. According to Wang, the vendor's tangential acquisitions "are bringing a good set of options to existing clients who want richer integrated solutions." Leslie Ament, senior vice president and principal analyst at Hypatia Research, says the vendor "has developed a portfolio of offerings that enable organizations to act upon and operationalize voice-of-the-customer insights," noting that Vovici provides speech, text, and engagement analytics solutions. Other analysts were less impressed, resulting in disappointing scores in company direction and customer satisfaction. According to Kolsky, "Little was done post-acquisition by Verint...therefore wasting a lot of potential value from a great product." Nevertheless, Vovici's solid depth of functionality score (3.8) is unchanged from last year.

## THE WINNER

**IBM** earned strong scores across the board, with a 3.9 in depth of functionality, a 3.7 in company direction, a 4.0 in customer satisfaction, and a 4.1 in five-year cost. The vendor won this category two years ago, but it struggled somewhat in last year's assessment. According to Ament, IBM's "predictive analytics, text analytics, and data mining provide operational decision support for an organization's ability to act on consumer insight." Ament also says that "external data such as attitudinal, behavioral, transactional, and demographic are easily incorporated as part of the data capture process." According to Wang, early adopters of IBM Watson "are using cognitive services and seeing significant results." The vendor's strong scores this time around indicate a return to form; but according to Kolsky, while IBM has acquired good products, it has not integrated them sufficiently. Manusama agrees, noting that IBM does not offer a unified voice-of-the-customer package, and that customers "will need to buy multiple parts of the portfolio to create a virtual VoC hub." Nevertheless, Manusama says that many of these components come equipped with built-in connectors. —*Sam Del Rowe*

## ONE TO WATCH

**InMoment** is One to Watch for the second year running. According to Wang, clients find everything from the company's predictive analytics to its voice-of-the-customer offering a "more cost-effective alternative to multiple tools." Wang also says that "clients often short-list InMoment when seeking [customer experience] optimization." However, according to Manusama, the company needs to improve its brand awareness and "re-educate customers on their vision, position, and differentiation in an increasingly competitive market." —*S.D.R.*

# Contact Center Outsourcing

	REPUTATION FOR DEPTH OF SERVICES	REPUTATION FOR COMPANY DIRECTION	REPUTATION FOR CUSTOMER SATISFACTION	5-YEAR COST FOR SOFTWARE/MAINTENANCE	TOP 3 MARKETS
Alorica	██████████	██████████	██████████	██████████	Retail, Healthcare, Financial Services
Convergys	██████████	██████████	██████████	██████████	High-Tech, Telecommunications, Financial Services
Sykes Enterprises	██████████	██████████	██████████	██████████	High-Tech, Telecommunications, Financial Services
<b>Teleperformance</b>	██████████	██████████	██████████	██████████	High-Tech, Telecommunications, Financial Services
TeleTech	██████████	██████████	██████████	██████████	Financial Services, Healthcare, Retail

## THE MARKET

Third-party outsourcing, a market valued at roughly \$75 billion, accounts for roughly 25 percent of all contact center spending globally, according to research from the Everest Group. While demand is still robust in Latin America and Asia, adoption in the United States and the United Kingdom flattened. A big reason for the slowdown was a decline in contract renewal rates, particularly as companies start to look at vendors for more than just service performance. Companies are also approaching the outsourcing issue a bit more cautiously, starting at a smaller scope at the beginning of an engagement and expanding the contract over time.

Company requirements have also changed, with greater demand for onshore delivery, multichannel solutions, and business intelligence tools. But despite the challenges, MarketsandMarkets expects the adoption of advanced technologies to fuel industry growth as these solutions become more complicated for all but the most technologically advanced companies.

## THE LEADERS

Since acquiring West's agent services business for \$275 million in January 2015, **Alorica** has emerged as a serious contender in the contact center outsourcing space. "Alorica has strengthened its brand positioning, brought further scale, and raised the company's competitiveness and market visibility," said Michael DeSalles, principal analyst at Frost & Sullivan, in a statement. "The benefit of this acquisition clearly moves Alorica into a leadership position within the industry." The Irvine, Calif.-based company, which has more than 48,000 employees in 73 locations, also benefited from an overall score of 3.9 and analyst scores of 3.9 in company direction and customer satisfaction. Ian Jacobs, a senior analyst at Forrester Research, points out that Alorica's "strong and expanding near-shore strategy provides customers maximum flexibility in terms of siting and cost strategies."

**Convergys**, which returned to the leaderboard last year, found itself in the same position again in this year's ratings. The Cincinnati-based company, which has 125,000 employees working at 150 locations in 31 countries, scored 3.6 in depth of services and 3.7 in company direction, but John Ragsdale, vice president of research at the Technology Services Industry Association, says its real strength lies in its ability to create partnerships with customers. "Not only does Convergys offer

excellent BPO capabilities, but their internal research organization provides fantastic insight for customers on improving operations, driving [customer satisfaction], and increasing service revenue," he says.

**Sykes Enterprises** made it on the leaderboard again this year largely on its reputation for customer satisfaction, where it earned a score of 3.9. Ragsdale calls it "the most relationship-focused provider I know." The Tampa, Fla.-based company, which employs more than 50,000 people at 67 facilities in 21 countries, is particularly strong in the technology sector, where Jacobs says it has remained "top-of-mind" for many rapidly growing companies.

**TeleTech**, a One to Watch for many years, has finally taken its place on the leaderboard by virtue of an industry-leading score of 4.4 in company direction. The Englewood, Colo.-based company garnered a score of 4.2 in depth of services, and a 3.9 in customer satisfaction. Jacobs also credits the company with impressive analytics and strategic consulting offers. The company employs 44,000 people across 80 countries.

## THE WINNER

Paris-based **Teleperformance** has by far the largest global footprint of all outsourcers, operating 270 facilities in 62 countries and employing more than 175,000 people, but size alone does not make a leader. For that, Teleperformance can thank industry-leading scores of 4.4 in depth of services and 4.3 in customer satisfaction, and a strong 4.1 in company direction. Of particular note is its multichannel capabilities. "Teleperformance's ability to track customers as they move across channels, including chat, voice, email, social media, and even mobile apps, adds real value for its clients," Jacobs says. —*Leonard Klie*

## ONE TO WATCH

In December, **LiveOps** sold its cloud contact center technology platform to Marlin Equity, leaving it with more room to operate its outsourcing business. That business, which employs more than 20,000 independent work-at-home agents, handles over 100 million interactions a year on behalf of more than 400 clients in a wide variety of sectors. The Scottsdale, Ariz.-based company averaged a 4.0 in cost and a 3.9 in depth of services and company direction, but it still has a way to go to challenge its much larger competitors. LiveOps "still needs to execute on a move beyond the telethon, infomercial, and one-off campaign business," Jacobs says. —*L.K.*

# 3 "Must Haves" to Maximizing Sales Performance

WEDNESDAY, MARCH 30, 2016 11:00AM PT / 2:00PM ET

[HTTP://WEBINARS.DESTINATIONCRM.COM/MICROSOFT/867](http://webinars.destinationcrm.com/microsoft/867)

What does sales performance look like, and where should execs focus to maximize productivity?

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Editorial Director  
CRM magazine

#### SPEAKER

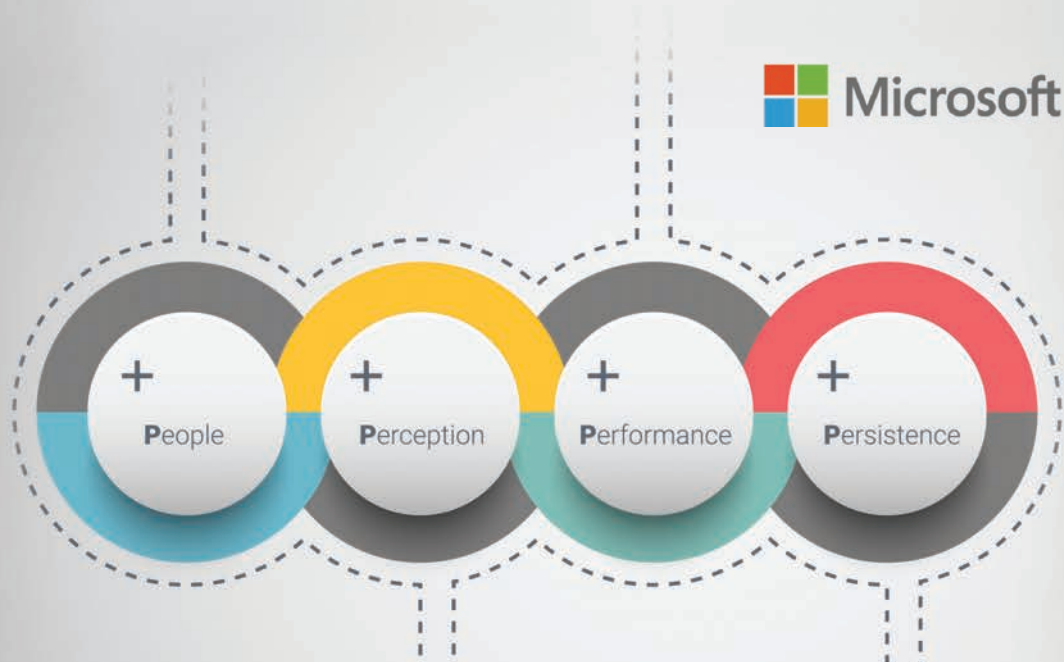


**Barry Trailer**  
Analyst and co-founder  
CSO Insights

#### HOST



**Stephanie Dart**  
Director of  
Product Marketing  
Microsoft



THE 2016 CRM  
SERVICE AWARDS

# Rising Stars

BY THE EDITORS OF  
CRM MAGAZINE

While the 2016 CRM Service Leader Awards honor the leading vendors in eight customer service and support categories, the industry is much broader in scope. That's why, each year, we select a handful of innovative companies across the *entire* customer support industry and crown them CRM Service Rising Stars. This year, there are six honorees.

Among them, you'll find innovations in IVR; in social, mobile, and video; and in analytical customer support solutions that are breaking new ground. Although varied in their approaches, each one of this year's Rising Stars has succeeded in raising the bar in customer service and support. And in doing so, each vendor has firmly established itself as either an up-and-comer or a seasoned veteran with a penchant for innovation. For their exemplary efforts, we recognize them here.

[24]7

# [24]7 Adds Deep Neural Networks to IVR Systems

*Technology improves speech recognition accuracy in the [24]7 Customer Engagement Platform*

Deep neural networking entered the consumer space with applications such as Apple’s Siri and Microsoft’s Cortana, but the technology’s use in business contexts was limited until [24]7 brought it to the interactive voice response (IVR) realm.

[24]7, already an innovator in applying advanced predictive modeling and data analytics to customer engagement, in August integrated Microsoft’s Deep Neural Networks (DNN) into its Customer Engagement Platform. That move has reportedly increased speech recognition accuracy to better than 95 percent, a 25 percent gain for some clients.

Pairing IVR with deep neural networking was “long overdue,” says Patrick Nguyen, chief technology officer at [24]7.

Microsoft’s DNN technology trains with analyses from more than 10 billion speech utterances collected by Microsoft’s Bing search engine, Xbox gaming console, and Windows phones and applies that training to IVR interactions, helping

to overcome challenges like background noise, accents, and dialects.

For customers dialing into the IVR, deep neural networking will decrease the number of out-of-grammar errors, mismatches, and no-matches, Nguyen says, which should reduce the need

to zero out or ask to speak to an agent. “As a consumer, you’ll find that the IVR understands you more reliably,” he says. “DNN will make the experience much better for the customer.”

Avis Budget Group was the first company to use [24]7’s speech solutions with DNN technology across Europe. Gerard Insall, Avis’s chief information officer, is excited about the prospect of clearer IVR interactions. “Our customers call from all types of noisy environments, and IVR systems have struggled in the past to make out the customer intent over and above the cacophony of airports and other busy public spaces,” he said in a statement. “This new platform will help us to counter many of these issues and enable our customers to effortlessly complete their transactions in the IVR.”

The integration of the two technologies continues the close relationship between Microsoft and [24]7. In early 2012, Microsoft turned over most of its enterprise IVR business

to [24]7. As part of that deal, the two firms also agreed to a shared technology road map and a long-term intellectual property licensing agreement that provides broad coverage under Microsoft’s patent portfolio for speech-related technologies.

And though [24]7’s IVR is the first to roll out deep neural networking, Nguyen expects such technology to be the future of IVR systems. “With the improvements in performance and accuracy we’re seeing, it will increase people’s comfort using speech self-service,” he says. “People will be much more willing to use IVRs when dealing with companies.”

The same can be said of intelligent virtual assistants—another technology where [24]7 brought a great deal of innovation in 2015. Using technology it gained in its November 2014 acquisition of IntelliResponse, the company in June launched the [24]7 Virtual Agent solution. [24]7 Virtual Agent combines digital self-service technology and live-agent assistance in a single integrated solution, ensuring that customers who cannot complete their journeys in self-service can escalate to live agents in real time.

Like its IVR technology, [24]7’s Virtual Agents are automated customer service tools that can understand the intent of customer questions, using machine learning and natural language processing technology to map questions to the one, accurate answer.

Jeff Kagan, a wireless and technology industry analyst, calls the fusion of neural networking with IVR and virtual assistant technologies “one of the hottest areas of development today,” noting that these modalities “will be the mainstream way we communicate with the world all around us.”

The technology, he adds, is more effective and easier to use today than it was just a few years ago. “This kind of technology will grow and let us use it in an increasing number of things we do every day,” he states. —*Leonard Klie*

“As a consumer, you’ll find that the IVR understands you more reliably [with deep neural networking].”



[24]7

- CEO: PV Kannan
- Founded: 2000
- Headquarters: Campbell, Calif.
- Projected Revenue in 2015: N/A
- Employees: 12,000
- Customer Count: N/A

## FRESHDESK

# Freshdesk Simplifies Customer Service for Growing Businesses

*With additions to social, video, and mobile functionality, the SMB specialist begins its move upmarket*

Freshdesk was founded in 2010 by Zoho alumni Shan Krishnasamy and Girish Mathrubootham, after Mathrubootham ordered a new TV only to have it delivered broken. Resolving the issue proved difficult, but Mathrubootham realized something: He could create a software solution himself. Out of that, Freshdesk was born.

In 2011, the young company won Microsoft's BizSpark award for best cloud-based start-up and gained its initial funding, thus enabling it to launch its flagship product. Five years and several rounds of funding later, Freshdesk has emerged as a viable company in the help desk space, distinguishing itself from competitors such as Zendesk and Desk.com by offering fun, easy-to-use tools to smaller outfits that lack the time and budgets to extensively train their service agents. Alan Berkson, Freshdesk's director of community outreach, says that customers tend to "find that the user interface

is modern and intuitive instead of clunky and old-school."

And accessibility is not something to take lightly, especially when small businesses are the parties in question, industry experts agree.

The product has "a great look and interface," Ian Jacobs, senior analyst at Forrester Research, says. "It's just very simple to use from the agents' point of view."

*"If you're selling stuff through an app, it's really important to have assistance built in there."*

"A lot of companies that are on the smaller side, and fairly new to customer support platforms, may feel like Zendesk and Desk is too [complex] for them," adds Brent Leary, cofounder and partner at CRM Essentials. Freshdesk appeals to those teams—typically with 10 or fewer employees—that are attempting to break away from email and Excel spreadsheets and into something more sophisticated by making "it a bit easier to on-board and use," Leary says.

But simplicity is not the company's sole focus. This year it launched new features for mobile apps and support for social media to enable companies to address customer service issues that surface on Twitter. Likewise, Freshdesk integrated its offerings with those of Box, allowing customers to share business documents with agents so that they could more easily resolve queries.

Over the past year and a half, the company has continued to widen its scope. In June 2014, the company introduced MobiHelp, a software development kit that enables organizations to create customer support applications for mobile devices. In 2015, Freshdesk enhanced those capabilities with the acquisition of Konotor. "Konotor takes us to a different level because [the company offers] more of an [end-to-end] mobile engagement," Berkson says. "It allows you to do push based on where people are, from a marketing point of view, and also get context from a customer service point of view."

"For companies that do commerce through their mobile apps, this is really critical," Jacobs says. "Customers expect service at [every] touch point, and if you're selling stuff through an app, it's really important to have assistance built in there."

Freshdesk made two other acquisitions in 2015. The first of these was the October purchase of 1Click.io, a video chat and cobrowsing platform. According to Jacobs, the tool stands out by reducing the number of steps agents and customers must take before initiating a cobrowse session.

Also in October, the company acquired Frilp, whose offerings will enable Freshdesk to further its peer-to-peer support efforts. "Frilp is going to give us some interesting things in terms of machine learning and community-based knowledge management and customer service—getting people you know to answer questions," Berkson says.

"They've really grown leaps and bounds in terms of customers, number of employees, and funds they've raised," Leary says of the company.

Berkson estimates the company brought on about 25,000 net new customers last year alone—not too shabby, considering that its current customer base is around 50,000, and as recent as 2013, it tallied only about 8,000 customers. In light of recent moves, Freshdesk expects to move upmarket. —Oren Smilansky



## FRESHDESK

- CEO: Girish Mathrubootham
- Founded: 2010
- Headquarters: San Bruno, Calif. (With offices in London, Sydney, and Chennai)
- Projected Revenue in 2015: N/A
- Employees: 520
- Customer Count: 50,000

NICE SYSTEMS

# NICE Invests Heavily in Advanced Customer Support Analytics

*The company unveils real-time fraud prevention, voice-of-the-customer solutions, predictive analytics, enhanced routing intelligence, and more*

**N**ICE Systems is a 30-year-old company, but it's not resting on its laurels. It made headlines in January when it announced plans to acquire Nexidia, a leading provider of advanced customer analytics, for \$135 million. The move cements NICE as the largest, most advanced provider of cross-channel interaction analytics.

John Willcutts, CEO of Nexidia, acknowledges that the deal creates "a true analytics powerhouse."

Barak Eilam, CEO of NICE, called the acquisition "an important step in our mission to deliver the power of customer data and insight beyond the contact center."

The move also positions real-time analytics as central to NICE's strategy going forward. But even prior to the acquisition, NICE had begun placing a greater emphasis on helping companies improve operations with real-time and predictive capabilities.

Last summer, for example, it released Real-Time Fraud Prevention. Combining voice biometrics with speech and desktop analytics, Real-Time Fraud Prevention flags fraudulent callers within the first few seconds of a call. If a call is suspicious, contact

center agents are alerted and provided with real-time guidance about how to proceed. A suspicious call can be halted or forwarded to a fraud department for investigation almost immediately.

NICE also released Adaptive Workforce Optimization (WFO), which can personalize customer interactions in real time based on agent personas. These personas, formed using factors such as

customer satisfaction scores, average handle times, first-contact resolutions, and work experience, can be used in decisions about routing, scheduling, forecasting, on-boarding, and coaching.

NICE Journey VoC, released earlier in 2015, enables companies to use voice-of-the-customer feedback with predictive analytics and journey mapping to positively shape the customer journey in real time. Using key indicators, such as customer satisfaction, Net Promoter Scores, and customer effort, companies can evaluate how their customer experience stacks up against what they consider an ideal journey. They can also identify high-effort/low-satisfaction experiences in real time and proactively engage with customers to create immediate improvements.

That same thinking was a driving force behind NICE's spring 2015 release of IVR Journey Analytics, which presents a visual map of everything that happens within IVR system interactions. IVR Journey Analytics, which combines customer journey mapping, speech-to-text technology, and text and speech analytics, can identify patterns of behavior and then optimize the IVR accordingly. IVR Journey Analytics also shows how many callers stayed within the IVR and how many transferred to agents or hung up without completing their tasks.

"NICE's IVR analytics solution enables organizations to revitalize the way they engage with consumers over this channel and create a more efficient and gratifying customer journey from start to finish," Miki Migdal, president of the NICE Enterprise Product Group, said in a statement at the time of the release.

Also launched in 2015: the NICE Complaints Management Suite, which helps manage customer dissatisfaction, prevents complaint escalation, and proactively addresses issues leading to customer grievances. It can even guide agents on handling interactions it flags as being at risk.

NICE also equipped existing applications with greater real-time and predictive capabilities, including its Fizzback voice-of-the-customer solution, which now draws on recommendations from active Fizzback users to provide deeper visibility into the customer experience and uses real-time and predictive analytics to help identify hot topics among customers.

In updating its Engage Platform, NICE extended its video and voice recording and playback capabilities and added one-click interaction management, intelligence-driven automated scoring, and do-it-yourself system management. NICE also integrated the Engage Platform with Vidyo's VidyoWorks video collaboration platform and Microsoft's Skype for Business. —*Leonard Klie*

*NICE's Real-Time Fraud Prevention flags fraudulent callers within the first few seconds of a call.*



**NICE SYSTEMS**

- CEO: Barak Eilam
- Founded: 1986
- Headquarters: Ra'anana, Israel
- Revenue in 2015: \$1.1 billion
- Employees: 3,600
- Customer Count: 25,000

SUPPORT.COM

# Support.com Revolutionizes Customer Support in the Digital Age

*The company fine-tunes its Nexus system with new functionality—particularly when it comes to mobile*

Support.com had a banner year in 2015, particularly with new additions to its Nexus tech support system. The cloud-based software is designed to improve customer interaction by integrating with companies' existing customer service suites and providing features such as step-by-step guidance, remote access, and analytics—all of which are part of a larger mission to revolutionize customer support.

"Our vision is to play a role in changing the nature of support so that it's effective all along the customer journey," says Elizabeth Cholawsky, president and CEO of Support.com. Chris Koverman, vice president of product and engineering at Support.com, agrees: "In order to generate the brand loyalty that product manufacturers are going to need, support is going to play a huge role in that."

The past year saw Support.com launch mobile improvements to Nexus, including a remote video support feature, SupportCam, and an advanced mobile functionality package, Nexus Connect SDK. SupportCam is designed to make the troubleshooting process quicker and easier by enabling tech support teams to remotely view what users are seeing onscreen, through the camera of the user's iOS- or Android-powered smartphone or tablet. Nexus Connect SDK, meanwhile, brings advanced Nexus functionality to both iOS and Android applications, allowing developers to provide users with direct access to Nexus support systems such as SupportCam, as well as remote diagnosis, repair and configuration management, remote control and cobrowsing, and live chat.

These new features all share an ambitious aim: to make customer support a seamless process across all devices. "What we see is really support... playing a role in the entire customer life cycle and the whole relationship with a product, from the time they first get aware of the product all the way through the time where they're ready to upgrade to the next version of it," Cholawsky says. She notes that the old model of needing to

initiate a separate process—such as a phone call—to receive live assistance is not practical in the fast-paced digital age.

Support.com also enhanced Nexus Guided Paths, a feature that provides step-by-step guidance and ongoing analytics and optimization of customer support interactions, and introduced Nexus Self-Support, an embeddable solution that enables self-service directly from mobile apps, Web sites, and software programs. Self-Support is linked to Nexus cloud support for agents so that self-service customers can request live support when they run into obstacles. In addition, data is collected from both Nexus Guided Paths and Nexus Self-Support, and so a complete record of all the steps a customer takes can be made automatically available to support reps.

"The Nexus platform they have created is very impressive," John Ragsdale, vice president of technology research at TSIA, told *CRM* magazine via email. "It automates repetitive tasks, moving beyond what you can get with a knowledge base, to actually automate agent activities and solutions so very minimal training is required for new employees to be productive. I'm very excited about the possibilities in this platform and look forward to it being adopted outside of their consumer devices and PCs sweet spot. There are some great opportunities even within enterprise support."

Overall, Support.com sees improving access to customer support as having myriad benefits beyond the practical one of simply keeping customers happy. "As more products become connected—and we're not talking about necessarily electronics and traditional things that we would call a device today that you might imagine would be connected, but eventually everything is going to be connected—the opportunities to know what's going on with the product, how it's being used, et cetera, are going to explode," Koverman says. —*Sam Del Rowe*

“Our vision is to play a role in changing the nature of support so that it's effective all along the customer journey.”



Cholawsky

## SUPPORT.COM

- CEO: Elizabeth Cholawsky
- Founded: 1997
- Headquarters: Redwood City, Calif.
- Revenue in 2014: \$83 million
- Employees: 1,625
- Customer Count: N/A

TOUCHCOMMERCE

# TouchCommerce Bridges Gaps Between Traditional Ads and Digital Engagement Channels

*Releases from the vendor give brands more opportunities to engage customers in two-way conversations*

TouchCommerce was founded in 1999, but according to CMO George Skaff, it wasn't until 2005 that the company began to really define itself. That year, Bernard Louvat came on board as CEO and from his retail background brought the notion that online service experiences must compare to the ones customers get at the store. "As you walk into a store, you don't necessarily want to be asked immediately, 'How can I help you?'" Skaff says. "You want to be left alone to walk through the aisles and look at an item. Then, if you're looking around, puzzled, is when you would like to be helped."

Similarly, TouchCommerce's mission has been to provide companies with the tools to engage the consumer "at the right time and in the right place," Skaff says. "Regardless of where the consumer is looking at a product or brand—whether it's online, [via] the call center, or the store; whether they're watching a TV program and see an ad; or are walking in an airport and see a billboard—we want to connect all the dots and make sure the consumer is getting a consistent message," Skaff states.

*“Regardless of where the consumer is looking at a product or brand...we want to connect all the dots and make sure the consumer is getting a consistent message.”*

Over the past year, the company has moved closer to making this vision a reality with a handful of product releases.

In May, the company released its TouchMedia product, which aims to link traditional, offline advertisements to live chats where customers can learn more. The solution enables customers to get more information about the products they see on billboards, print ads, and broadcast TV, for instance, by scanning content or texting a code through their devices to link directly with service agents.

The vendor also enhanced its Conversation Platform in September, adding to it an integration framework and application programming interfaces (APIs) that make it compatible across more channels. With these added capabilities, customer service professionals can also do more with text-based chat services, including accessing third-party customer information and referring to engagement metrics and reports.

The company's TouchSocial capabilities, introduced in November, give brands the option of attaching short links to their social media posts so that customers can initiate conversations with a brand. TouchSocial works on such sites as Twitter, Facebook, or LinkedIn and can direct customers to the company's Web site or a direct chat.

Kate Leggett, vice president and principal analyst at Forrester Research, who's been following the vendor for roughly four years now, notes that the work it is doing with chat is becoming increasingly important as that channel gains legitimacy. "They offer a great combination of technologies that are absolutely applicable and very topical right now," Leggett says.

Though TouchMedia has only about 100 clients, they include several of the largest providers in the telecom market—AT&T, Sprint, T-Mobile, Comcast, DirecTV, and Verizon. TouchCommerce also serves big names in retail, technology, travel and hospitality, and financial services.

To better serve these Fortune 500 companies, TouchCommerce partnered with Nuance in early December to incorporate natural language understanding into its platforms and improve its IVR.

"We're in the process of getting the product ready for market, and that announcement will come out later in the year," Marina Kalika, senior director of product marketing at TouchCommerce, promises.

The vendor also plans to dive deeper into the SMS and social media platforms. "If you think about it—we all subscribe to these services. Whether your flight has been delayed, your order has been shipped, or you're paying for something—all this stuff is done via SMS," Skaff says. "And SMS in the future will be a two-way communication where you'll be engaging with the brand." —Oren Smilansky



**TOUCHCOMMERCE**

- CEO: Bernard Louvat
- Founded: 1999
- Headquarters: Agoura Hills, Calif.
- Projected Revenue in 2015: N/A
- Employees: 275
- Customer Count: 100

ZENDESK

# Zendesk Builds Closer Relationships Between Businesses and Customers

*The company improves the way businesses engage with customers through apps and messaging services*

Building on a strong 2014, which led to a Rising Star award in last year's Service Awards issue, Zendesk had several key advancements in 2015—particularly when it comes to apps. Noting a disconnect between the traditional avenues of communication companies use to reach customers, such as email, and customers' preferred methods of communication, such as messaging apps, Zendesk has focused on improving businesses' app presence for a smoother customer experience.

Adrian McDermott, senior vice president of product development at Zendesk, cites the Zendesk Embeddables suite as an especially important development. The embeddable features enable companies to build customer service and engagement directly into their mobile and Web apps, as well as on their Web sites, games, and other online experiences. Zendesk Embeddables is a response to the ever-

*“We're seeing a shift that begins in Asia, that begins with Millennials... shifting away from traditional messages into messaging.”*

increasing importance of using mobile apps to connect with customers, and it also enables customer service agents to gather important information about where exactly in an app a customer encountered a problem.

“You don't want to have consumers experiencing this disjointed experience

where they live their entire life in the app and then the moment that they need to get support, they have to break the Brechtian fourth wall of the app and step out into a Web browser and go look at your help page and go to the support tab,” McDermott says. “We help our customers bring that support into the app.”

Another noteworthy move by Zendesk was integrating with Facebook's Businesses on Messenger product, which enables businesses to communicate directly with customers through Facebook's messaging service, using the built-in functionality of Zendesk's Zopim Live Chat app. Instead of businesses relying on email and customer calls to interact with and assist customers, they can engage customers directly to solve problems faster and build rapport. Service agents can

talk to multiple customers at once in different Messenger chats and more easily collaborate with each other to resolve customers' issues. Furthermore, the ability to access a customer's chat history enables agents to easily pick up conversations after a break.

“We strongly believe we're seeing a shift that begins in Asia, that begins with Millennials...shifting most of their communication away from traditional messages into messaging,” McDermott says. “In China, for example, the majority of customer interactions happen over WeChat. [Providing integration with Facebook] Messenger is a first-rate move towards opening up a messaging platform for real customer service use, and allowing brands to establish a long-term interaction between themselves and the consumer.”

The company's moves have drawn notice from analysts. Zendesk's carefully considered product road map centered on predictive analytics and rapid revenue growth earned it praise from a Forrester report. The report notes that though the company is looking to move upmarket, it works best for small and medium-sized customer service teams seeking a mobile-first multichannel solution, as the software is easy to configure. Forrester also lauds Zendesk's embeddable technology and benchmarking service and says that the company may be preparing to move into the federal government market.

For his part, looking ahead, McDermott sees Zendesk continuing to improve communication and enrich the relationships between businesses and their customers. “We like to see ourselves as providing tools that are incredibly flexible, both agent- and developer-friendly, and that can provide proactive guidance when deployed to really give a great customer experience and build a long-term relationship between a brand and their consumer,” McDermott says. —*Sam Del Rowe*



ZENDESK

- CEO: Mikkel Svane
- Founded: 2007
- Headquarters: San Francisco
- Revenue in 2014: \$127 million
- Employees: 1,100
- Customer Count: 64,000

# Improve your data usage in 2016

WEDNESDAY FEBRUARY 24, 2016 11:00AM PT / 2:00PM ET

Data has the potential to tell incredible stories. In 2016, many companies want to better leverage their data resources to **understand consumers, improve business operations and make more informed decisions**. The problem, however, is that using data to tell us a story is only possible through proper management, collection, and resources.

The majority of companies today lack the quality of data needed for their data to provide insight:

- >> **75%** of organizations believe inaccurate data is undermining their ability to provide an excellent customer experience
- >> **79%** of U.S. organizations believe it is difficult to predict when and where the next data challenge will arise
- >> Only **16%** of U.S. organizations have an optimized approach to data management

This webinar will review data usage and the related data management initiatives in place based on a recent Experian Data Quality **study of over 1,400 respondents from eight countries**. What stories will your data be able to tell if you improve your data quality?



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**Basil Brown**  
Strategic Technical Manager  
Experian Data Quality



## THE 2016 CRM SERVICE AWARDS

# Service Elite

BY THE EDITORS OF  
CRM MAGAZINE

If there is a common thread in today's business climate, it is the importance of pleasing the customer—because thanks to technology, your customers are more than accustomed to getting what they want, when they want it. But this year's Service Elite winners were rewarded for their efforts at doing something more basic, though every bit as essential: helping customers in need.

And for some of our winners, the stakes were high. In Michigan, the state VA agency was charged with developing a customer service model to assist veterans and their families, as the area's veterans were having trouble getting benefits, emergency assistance, even information. By leveraging Salesforce Service Cloud's case management features, agents could more easily coordinate services for veterans and stay on top of their cases until they were resolved.

For Rx Outreach, building a more efficient contact center had healthcare implications. The St. Louis-based nonprofit mail-order pharmacy, which offers low-cost prescription medications to underinsured clients, deployed a new interactive

voice response (IVR) system that let clients more easily test their eligibility, check their order status, refill prescriptions, and more. As a result, costs are down and customer satisfaction is up.

New Jersey-based Labor First, which manages retiree benefits, prioritized short hold times for clients calling about their benefits, but the sudden growth of its client base put this service mandate in jeopardy. New contact center software increased its efficiency tenfold, allowing it to take on more calls, and more customers.

And on a lighter note, some Chicago-area consumers were being deprived of a good meal. Potential patrons of Hogsalt's popular group of restaurants would call for dinner reservations during the day and be greeted by endless ringing, as the company had no off-hour call strategy in place. With a new IVR solution, neglected customers were turned into happy diners.

Congratulations to this year's Elite winners, who in each case solved a business problem that, in ways large and small, helped make the lives of their customers easier.

## HOGSALT HOSPITALITY

# DialogTech Helps Chicago Restaurants Capture Lost Revenue

*Call center technology makes sure that reservation calls aren't missed, even during off hours*

**F**amed Chicago restaurateur Brendan Sodikoff opened his first Chicago restaurant, Gilt Bar, in 2010. Since then, Sodikoff's company, Hogsalt Hospitality, has expanded its portfolio to include 10 other Chicago eateries offering everything from French and Japanese cuisine to chops, seafood, coffee, and doughnuts. The company serves thousands of guests each day across all of its locations.

As the restaurants grew in popularity, many potential patrons were having a hard time getting in simply because they couldn't get through to make reservations. At some locations, as many as 120 or 130 phone calls per day could be missed.

Because several of the company's more popular restaurants only serve dinner, employees don't usually show up for work until the early afternoon. "We were getting a lot of calls that went unanswered because no one was there," says Ryan Wagner, director of operations at Hogsalt. "Or people would leave messages and then when the managers arrived, they'd get busy and the calls would not get returned."

The company wanted to change that quickly. "As our restaurants became more popular, we wanted to accommodate more people without having to hire a huge staff to answer the calls," Wagner says.



*"We're seeing positive trends in sales at all our restaurants."*

—RYAN WAGNER

So in January 2015 Hogsalt began rolling out an interactive voice response (IVR) and call distributor solution from fellow Chicagoans DialogTech in four of its restaurants: Bavette's, Gilt Bar, Maude's, and Cocello. Cocello has since closed, so only three restaurants are currently on the system.

"Just because your doors are closed doesn't mean your phones have to be," says Irv Shapiro, CEO of DialogTech. "The customer buying journey doesn't have hours of operation, which is why DialogTech empowers our customers to properly track, route, and manage phone calls at any time of day."

DialogTech's voice-based technology is helping Hogsalt capture an additional \$75,000 in revenue monthly from reservation calls that it previously missed. The system fields about 12,500 calls per month.

Now, all calls that come in during regular business hours get routed to a central location that is staffed by two hourly employees.

Before one of the agents picks up a call, DialogTech's system lets that agent know which restaurant the caller dialed in to. The agent can then deliver the appropriate greeting, take the reservation, and enter it into a central reservation system. In the event a caller can't get through to an agent, he can leave a voicemail message that the system transcribes and emails to the respective restaurant manager.

And when one restaurant can't accommodate a guest at the requested time, the agent can sell the caller on one of Hogsalt's other properties. As a result, "we're seeing positive trends in sales at all our restaurants," Wagner says.

Hogsalt's two reservation agents currently work from a central office, but DialogTech's cloud-based technology would enable them to work remotely if necessary.

When he was researching IVR and call routing solutions, Wagner found that many vendors would have required Hogsalt to purchase new and costly hardware. DialogTech won out because it allowed Hogsalt to keep its phone system in place. "We liked [that] there's no hardware associated with it," Wagner says. "We didn't have to change anything. We just called them up and the lines were ported over." DialogTech's initial setup cost was another big reason the company won the account.

It took roughly two months to get there, but by March 2015, the DialogTech system at Hogsalt was "a well-oiled machine," Wagner says.

"Now Hogsalt is equipped with the tools needed to receive and book every reservation requested," DialogTech's Shapiro says. "We're proud of the contribution DialogTech has made toward Hogsalt's continued success."

If the boost in business leads to the opening of more restaurants, Wagner says Hogsalt will certainly add them to the DialogTech system. "We've been very happy with the solution so far," he says. —Leonard Klie

#### SINCE DEPLOYING DIALOGTECH'S IVR AND CALL DISTRIBUTOR, HOGSALT HAS SEEN:

- 12,500 calls per month handled that previously went unanswered;
- approximately \$75,000 in additional revenue each month; and
- positive sales trends across all 11 restaurants it owns.



# NewVoiceMedia Helps Labor First Put Customers First

*By revamping its call center technology, the retiree benefits company boosts customer service efficiency*

Since its inception in 2006, Labor First, an organization that manages health benefits for retirees, has made it a priority to have callers on hold for no more than about 15 seconds. But with a significant increase in membership, these high standards are increasingly harder to meet, according to David Zawrotny, Labor First's president and chief operations officer.

Beginning in 2009, the Morristown, N.J.-based company began seeing annual "exponential growth," Zawrotny says, as the number of members rose from 250 to eventually more than 25,000. "When we started bringing on so many

new members, we knew we would not be able to handle the new call volume that would be coming in," Zawrotny told *CRM* magazine in an interview for its October 2015 Real ROI section. If the firm wanted to honor its early pledge of customer service excellence, it had two options. "One option was to hire new people," Zawrotny said. "The other was to deploy new technology."

Labor First opted for the latter route, and in August 2014 it swapped its old phone system, courtesy of Broadview Networks, for NewVoiceMedia's ContactWorld for Service software. "It's crazy how fast it happened," Zawrotny

recalls. "In three days, we went from using an old system to a new system." And following the adjustment, the company was immediately able to save nearly \$200,000 in staff costs. "That's what we would have needed to spend every year to bring on new people to support all the new members," Zawrotny says.

Zawrotny says that other benefits of the new system were also immediately tangible. With NewVoiceMedia, he says, Labor First was able to improve its customer service efficiency tenfold. Using the old methods, agents typically set aside 5 to 10 minutes after each call to log their notes into the system. But since NewVoiceMedia's technology automatically records customer calls, tags them, and syncs them into Salesforce.com's CRM system, agents can move on to the next conversation without much additional work.

"We've been able to pull some good data from the call logs and use it to tweak our customer service," Zawrotny added.

The deployment's other features include dynamic routing, callback, dashboards, reporting, and outbound caller ID.

This last feature has been particularly helpful, Zawrotny says, in lifting the call response rate. "A lot of the time retirees screen their phone calls, so they wouldn't answer the call and just listen to the voicemail and pick up when they realized it wasn't a telemarketer," Zawrotny says.

Additionally, the system knows when recording an outbound call is legal by state and automatically disables the feature when it is not.

The more robust system has enabled Labor First to expand beyond the Northeast and offer its services to more than 30 labor unions across the United States. It helps that the technology is cloud-based and gives agents remote access to NewVoiceMedia's productivity tools.

Zawrotny estimates that Labor First can now handle 250 to 500 calls per day, and the outfit can take on additional clients that it previously had to reject. Leveraging the system, the company has created separate call paths for different member classes: Those who pay lower fees have a slightly longer call wait time, access to a reduced number of member advocates, and restrictions on after-hour calls; those who pay a premium receive higher-quality services.

Labor First also can now save seven years of call records for each customer; prior to the upgrade, the company's records were limited to a year. "We decided to just extend it so that if in two years we have to go back to somebody's recording, it's a much easier task."

In light of such improvements, Labor First continues its steady expansion. "We should be moving into the new [corporate headquarters] by March if construction goes all right," Zawrotny says. "We're going from a 2,400-square-foot office to 6,000 or 7,000 square feet, and are pretty excited about it." —Oren Smilansky

#### BY IMPLEMENTING NEWVOICEMEDIA'S CONTACTWORLD FOR SERVICE SOLUTION IN AUGUST 2014, LABOR FIRST HAS SEEN:

- \$197,600 saved from not having to make new customer service hires;
- 5 to 10 minutes saved per call, as agents no longer have to log notes manually;
- a tenfold increase in employee efficiency; and
- new client segments opened up.



*"In three days, we went from using an old system to a new system."*

—DAVID ZAWROTNY

## MICHIGAN VETERANS AFFAIRS AGENCY

# Salesforce Service Cloud Lets Michigan's VA Agency Give Veterans a Boost

*Thanks to the new platform, the MVAA establishes the Veteran Resource Service Center and connects with nearly 10 percent of the state's veteran population*

The Michigan Veterans Affairs Agency (MVAA) was created by the state in 2013 to coordinate federal, state, and local veteran's programs and services, as well as to develop a customer service model to assist veterans and their families. When the agency was created, the state was last in geographic distribution of VA expenditures, and veterans seeking information, emergency assistance, or benefits ran into difficulty finding the help they needed. In response, the MVAA established the Michigan Veteran Resource Service Center (MVRSC) as a central coordinating point for all veteran services. In order to compile important resources and provide case management, the MVRSC implemented the Salesforce Service Cloud and integrated it with the Michigan 211 system.

The MVRSC is accessed through a toll-free number and is manned by live call center agents who are either veterans themselves or relatives of a veteran. By leveraging

the state's 211 system, the MVRSC has become the nation's first statewide program to offer 24/7/365 assistance to veterans. Furthermore, every conversation with an agent includes a discussion of benefits eligibility and a referral offer to a nearby accredited veteran service officer. These referrals can take into account where the veteran lives in the state, information gleaned using the 211 database.

The veterans who call into the system are often undergoing challenging circumstances—including homelessness (for which they receive immediate help) and mental health issues—and the ensuing casework can be complicated—coordinating in-patient care, taking care of immediate family and financial needs, handling referrals outside the agency. Using Salesforce's case management tools, including Milestones, agents can manage these issues

while meeting service protocols and staying on task with the more complex cases. In addition, the system's tools can accommodate email and Facebook direct message queries, creating cases from them that can be tracked as well.

Since integrating with the statewide 211 system through Salesforce Service Cloud, the MVAA has connected with nearly 10 percent of Michigan's veteran population, assisted over 1,200 veterans who called after hours, completed over 6,000 discharge document requests, and placed over 3,300 follow-up calls. Salesforce's case management tools let the agency remain with a veteran's case until it is fully resolved.

"The MVRSC is integrated with [Michigan's] 211 through a shared knowledge base and a CRM platform, Salesforce, that allow agents to capture information as it is gained, craft consistent and stronger responses, and provide 24/7 wrap around care," said Suzanne Thelen, director of strategic communications and veteran engagement of the Michigan Veterans Affairs Agency, in an email. Thelen also noted that Salesforce enables MVRSC agents to connect veterans with 211 agents in a single click, without requiring the veteran to place yet another call.

According to Thelen, the Salesforce Service Cloud has enabled the program's call volume to grow from fewer than 200 per month to more than 2,200 calls per month in one year's time. Looking ahead, the platform will allow the addition of key features such as fillable Web forms and case management through a "Web-to-case" tool.

"Salesforce allowed a very small, nontechnical team, with a limited budget for integration services, to build a fully functioning call center operation in a very short period of time. The reliability of the system ensured that our high-profile launch with the Governor of Michigan was successful and that we could scale rapidly as our call volume increased," Thelen told CRM in an email. —Sam Del Rowe



*"Salesforce allowed a very small, nontechnical team, with a limited budget for integration services, to build a fully functioning call center operation in a very short period of time."*

—SUZANNE THELEN

#### SINCE IMPLEMENTING SALESFORCE SERVICE CLOUD, THE MICHIGAN VETERAN AFFAIRS AGENCY HAS BEEN ABLE TO:

- build the Michigan Veteran Resource Service Center, which took less than 16 weeks;
- connect with 65,100 veterans in its first year—nearly 10 percent of Michigan's veteran population; and
- increase call volume from fewer than 200 calls per month to more than 2,200 calls per month.

## RX OUTREACH

# VoltDelta Aids Medical Nonprofit

*Improved voice self-service and scheduled campaigns help a mail-order pharmacy connect with customers*

**R**x Outreach is a nonprofit mail-order pharmacy that supplies deep-discount and no-cost prescription medications to clients who have restricted insurance coverage or no insurance, or who are underinsured. Until recently, the company, based in St. Louis, had busy call centers whose operation needed an upgrade: Frequent phone outages were frustrating Rx Outreach's customers and costing the company money.

This was no small problem. Its 40 to 50 call center agents handled 60,000 to 70,000 calls per month, and the company made 50,000 outbound calls every month to remind patients about prescription refills and notify them when their orders ship. Rx Outreach needed a platform that could improve efficiency and address problems with speech recognition, and it needed to be robust and highly scalable.



*"What I liked most about VoltDelta was [that] the technical resource they brought in really was focused on process improvement."*

—JEFF CLARK

It found its solution in VoltDelta's system, which combines speech with a voice user interface design. The deployment, customized for Rx Outreach, included VoltDelta's inbound and outbound interactive voice response (IVR) system, automated call distributor (ACD) with skills-based routing, call and agent screen recording, a surveying tool, real-time reporting, and content management, which allows Rx Outreach to modify IVR prompts and dialogues to quickly adapt to customer inquiries. Customers can use the IVR to enroll, test their eligibility, check their order status, refill prescriptions, and more. A separate line lets them connect to staff pharmacists for questions about specific medications.

VoltDelta was chosen because of its expertise in offering solutions that would integrate well with Rx Outreach's systems and help it realize significant cost savings. The system has saved Rx Outreach about \$10,000 a month in phone costs alone.

And it has yielded other immediate results: Calls completed without agent assistance have increased 5 to 10 percent, with 32 to 36 percent of all calls completed entirely through automation.

According to Jeff Clark, chief information officer at Rx Outreach, speech recognition was particularly problematic. Customers calling into the contact center need to provide

personal information in order to be prequalified for acceptance, and the company was experiencing issues processing callers' responses. The new system had to offer an easy combination of speech recognition and keypad entry, create a feedback loop, and allow Rx Outreach to expand existing channels of communication and add new ones, such as text messaging, as the company grows.

VoltDelta's IVR provided a speech recognition solution that yielded greater accuracy. "People [have] different accents, they're from different parts of the country, they have different speech patterns, et cetera, and we were really having trouble with some of the voice recognition pieces, and that led to more transferred calls to agents. One of the things that we noticed immediately with the Volt solution is that we were having less of those types of issues."

Rx Outreach also chose to implement VoltDelta's DeltaCast as a new outbound/inbound solution. DeltaCast generates automated campaigns and has cut down on inbound call volume by notifying customers when they need to refill or renew prescriptions. Now, Rx Outreach deploys five different campaigns on a daily basis, including one notifying customers that their program enrollment is about to expire and another telling them when their prescriptions will be mailed.

"What I liked most about VoltDelta was [that] the technical resource they brought in really was focused on process improvement," Clark says. "What we like to do as we're approaching anything is, how can we do this more efficiently, how can we make this easier to use, how can we increase customer satisfaction by what we do, and Volt was really focused on process improvement and really gave us great suggestions in terms of improving our flow." —*Sam Del Rowe*

#### SINCE IMPLEMENTING VOLTDelta'S CLOUD CONTACT CENTER SOLUTION, RX OUTREACH HAS SEEN:

- a savings of \$10,000 a month in phone costs;
- a 5 to 10 percent increase in voice self-service usage, with 32 to 36 percent of calls handled entirely through automation; and
- customer satisfaction increase from 88 percent to 93 percent.

## CRM in Accounting: The Tide Turns?

*An industry begins to accept it has to work harder to find and keep customers—and CRM can help*

**I**N THE North American marketplace, where 90 percent of businesses with more than 10 employees have adopted CRM, there remains a lone holdout industry—accounting. Fewer than 10 percent of accounting firms nationwide have taken on a CRM initiative. But the tide may finally be turning. The entire evolution of “client relationship management,” as it is called in the accounting world, has been fascinating to say the least.

To understand why accounting has been so slow to embrace CRM, you need to look at how accounting firms are set up and how they differ from your typical corporate environment. Business development and growth have been traditionally left to a firm’s partners, with staff and senior staff executing services. And as partners also have other responsibilities, many firms have been built on a referral network.

So what has changed? Well, a little bit of everything. The competitive landscape began to change with the Sarbanes-Oxley legislation, and from there client churn took a drastic leap forward. Years ago it wasn’t uncommon for a client to stay with the same firm for 15 to 20 years. Today, the reality is that many companies switch accounting firms every three to seven years. Add to that the challenge that many services organizations are dealing with: the public perception of services being a commodity.

Buyers have also changed significantly. With the advent of the Internet of Things and access to seemingly limitless amounts of information, buyers can do their own research—the referral networks are not quite what they used to be. As a result, many CPA firms over the past 10 years have begun to invest heavily in their Web sites and are employing full-time marketing professionals for the first time.

Some of the larger firms have even tried employing full-time sales reps for business development, and it’s fairly common for firms to track pipeline and cross-sell initiatives in spreadsheets to get a sense of where the next client or project is coming from. We also have firms tracking Net Promoter Scores for customer satisfaction and other metrics around conversion and cross-sell. The net result? A competitive


climate where consolidation is rampant and growth challenges are similar to those of non-accounting businesses.

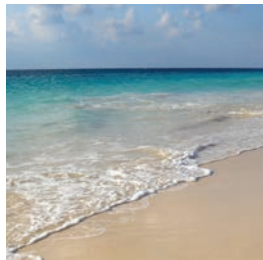
But significant barriers to traditional CRM technology platforms remain. Among the biggest: The structure of CRM technology is foreign in both terminology and process to how many firms operate. Ultimately, firms will need to change how they think about clients and how they interact with them.

A recent study commissioned by Wolters Kluwer, one of the major players in accounting firm solutions, noted that more than 80 percent of clients leave a firm because of lack of attention and the feeling that a firm does not understand their needs. Employee turnover within accounting firms isn’t helping, either. The lack of continuity and relationships has helped accelerate the churn.

So today’s environment is ripe for the accounting community to begin to accept there are tools to help them reach their goals. When tax season comes to a close in the next month or so, many firms will be looking at what they can do differently to make a significant impact on their bottom line, and there are many reasons to believe that CRM will be a part of their evaluation.

We have recently seen firms deploying vertical CRM solutions that are built for how accounting firms operate. Others are generating proposals and managing pipeline. The most advanced are integrating their specialized time and billing and practice management solutions for better analytics and cross-selling campaigns.

As Malcolm Gladwell put it in his book *The Tipping Point*, “The tipping point is that magic moment when an idea, trend, or social behavior crosses a threshold, tips, and spreads like wildfire.” We may finally be reaching that point. Those of us who’ve worked with these firms for the past 15 years are reminded of when CRM originally took off just after Y2K. It will be interesting to see how fast CRM spreads once it is seen among accounting firms as mission-critical and not an option. 



YEARS AGO IT WASN'T UNCOMMON FOR A CLIENT TO STAY WITH THE SAME FIRM FOR 20 YEARS. THAT'S NO LONGER THE CASE.

*Danny Estrada has worked in CRM for the past 20 years. As a practice leader, he has guided teams through the implementation and development cycles of more than 500 CRM projects. He is the author of the Practical CRM blog (<http://blog.practicalcrm.net>) and a speaker on real-world application of CRM concepts. You can reach him at [destrada@practicalCRM.net](mailto:destrada@practicalCRM.net).*

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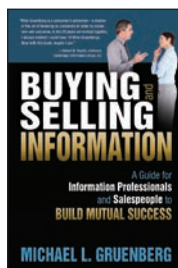
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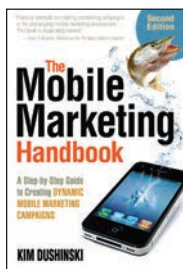
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# Workforce Optimization's Winners and Losers

*As the market moves toward analytics, many solutions will see their growth rev up—but a few will stall*

**T**HE WORKFORCE optimization (WFO) market is transitioning from products dedicated to optimizing agent performance to solutions optimizing staff performance and providing engagement and enterprise analytics, and this change is having a major impact on the sector's revenue and growth. The traditional contact center WFO market is still attracting substantial investment, but the growth rate for some of the applications, particularly the mature ones, is slowing down. At the same time, adoption of newer analytically oriented applications is expected to pick up.

The back-office and branch WFO market is under-penetrated; in some cases, new applications are being built from the ground up to meet back-office and branch needs. Also, many applications that were developed for contact centers either have been or are being retrofitted by WFO vendors to meet the needs of this sector. DMG estimates that there are 2.5 times as many back-office employees as front-office ones in the United States alone, based on the U.S. Bureau of Labor Statistics' Occupational Employment Statistics Survey, from May 2014. (The total number of back-office employees in other developed countries could be even larger.) The challenge for WFO vendors is to learn how to sell to this market.

In the long term, the contact center WFO market has great potential, but the next few years may be challenging due to the continued slowdown in sales of traditional contact center WFO applications. As a result, DMG has reevaluated the market projections for the next five years; here is what we project for the various segments:

**Recording.** Innovations in recording are making it compelling for companies to replace outdated solutions. Since the cost of recording solutions continues to decrease, and voice recording is highly penetrated, this is not expected to be a growth market. Video recording, on the other hand, remains a growth area, but near-term adoption is expected to be low. DMG expects the



recording market to grow at a rate of 1 percent each year for the next five years.

**Quality assurance (QA)/quality management (QM).** This market is expected to take a hit as companies migrate to analytics-enabled QA (AQA). DMG expects many companies to continue to purchase traditional QA/QM solutions. Unfortunately, vendors are not breaking out AQA revenue from other speech and text analytics revenue, so there's no way to determine how much of revenue to attribute to AQA. DMG expects to see the traditional QA/QM market contract by 2 percent in each of the next five years.

**Workforce management (WFM).** This remains the most important productivity tool in the contact centers where it's used, and it's starting to find use as a tool for employee engagement. The newer WFM solutions have a variety of self-service capabilities that allow agents to manage their own schedules, including time off and schedule swaps, features especially important with Millennial employees. WFM is highly penetrated in contact centers with more than 250 agents, and now back offices

are slowly starting to use WFM; this represents a large sales opportunity. DMG expects the WFM market to grow at a rate of at least 8 percent each year for the next five years.

**Contact center performance management (CCPM).** CCPM is both a strategic and a highly tactical tool that gives managers visibility into all aspects of their operating area. Since the revenue base for CCPM remains low, it will be easier, relatively speaking, to pick up momentum. Also, back offices are showing growing interest in these tools. DMG expects this sector to grow by 12 percent in 2015 and 2016, and by 14 percent in 2017, 2018, and 2019.

**Speech analytics (SA).** These solutions structure and find insights in phone conversations and have attracted the attention of companies large and small. The challenge is that too few organizations are realizing the expected payback. The industry continues to need best practices and expertise to drive this IT segment forward. DMG expects the market to grow by 15 percent in 2015 and 2016, 14 percent in 2017, and 13 percent in 2018 and 2019. But if vendors can do a better job of making the results actionable, sales will increase at a much faster rate.

**Text analytics (TA).** This is the killer app in the world of social customer care, as TA solutions structure and find insights in written interactions. The challenge: Social customer care has not yet caught on. But as the volume of social interactions increases, companies will need structured programs to address them. Since the base for TA is low, DMG expects to see strong growth in this segment, though it may not take off the way it should. DMG predicts the market will grow by 20 percent in 2015, 22 percent in 2016, and 25 percent in 2017, 2018, and 2019.

**Desktop analytics (DA).** This broad grouping of capabilities captures everything employees do at their desktops; it also provides workflow and process automation functionality that can substantially improve the performance of both front- and back-office operating groups. DA is increasingly used in back offices to track employee work items. The user base for this relatively new analytical capability is low, which gives it great potential for growth. DMG expects the DA market to grow by 30 percent in 2015 and 2016, and by 25 percent in 2017, 2018, and 2019.

**Enterprise feedback management (EFM)/surveying.** This segment has undergone extensive enhancement during the past few years, with the solutions increasingly used to engage customers and alter outcomes. Most EFM solutions are sold in the cloud, and many come with professional services to help organizations realize their


benefits. DMG expects this sector to grow by 16 percent in 2015, 17 percent in 2016, and 18 percent in 2017, 2018, and 2019.

**eLearning.** Considered a part of WFO suites, eLearning does not attract a significant amount of investment dollars, and in fact many open-source eLearning tools are quite good, so it's hard to build a strong business case for it. DMG expects eLearning to continue to grow by 3 percent per year for the next five years.

**Coaching.** Though agents need continuous feedback, many enterprises are not willing to pay for this functionality, and vendors have been meeting their customers' needs by including coaching functionality in a variety of other applications. DMG does not expect any significant revenue growth in this category over the next five years.

**Gamification.** This emerging application, which allows organizations to institutionalize a reward-and-recognition process for their staff, is just starting to be considered a part of WFO suites. A growing number of organizations are willing to invest in gamification as long as it's not too expensive. Although the base for this segment is very low, DMG expects it to grow at 15 percent in 2015 and at 18 percent or more each year from 2016 through 2019.

**Customer journey analytics (CJA).** DMG expects CJA solutions to become essential, as these applications give visibility into all aspect of the customer life cycle. A few CJA solutions are on the market, and more are under development. A great deal of what is currently considered CJA is a technology platform combined with and supported by professional services. DMG expects the CJA market, which currently has very little revenue, to grow by at least 15 percent in 2015 and 2016, 18 percent in 2017, and 25 percent in 2018 and 2019.

The vast majority of WFO applications are sold as on-premises solutions, although EFM and CJA are almost all cloud-based. Leading WFO vendors claim that their customers want primarily on-premises solutions, but this is changing. There is growing demand for cloud-based WFM, and interest in other cloud-based solutions is picking up. As with many types of contact center applications, the hybrid deployment model—with some solutions on-premises and others in the cloud—will be the most common model going forward. 

THERE ARE 2.5 TIMES AS MANY BACK-OFFICE EMPLOYEES AS FRONT-OFFICE ONES IN THE UNITED STATES. THE CHALLENGE FOR WFO VENDORS: HOW TO REACH THEM.

*Donna Fluss (donnafluss@dmgconsult.com) is founder and principal of DMG Consulting, a provider of contact center and analytics research, marketing analysis, and consulting.*



MARSHALL LAGER  
MARCH'S CHIEF PSYCHOLOGY OFFICER

# Pint of View

## Thank You for Your Whatever

*Warm feelings help drive satisfying interactions*

I HAD A SUDDEN INSIGHT recently in the way we think about customer experience, and I want to share it with you. It's a pure coincidence that I was also desperate for a topic this month and I'm writing shortly after Thanksgiving. [Ed note: Lead time alert!] I posit that at its core, good customer experience is based on the feeling of gratitude.

Since this is coming from an epiphany and personal experience, my hypothesis is going to be more philosophy than science. I'm applying introspection to a broad topic, much like Freud did when he came up with his shtick. It worked great for him—dude is still famous 75 years after his death, and he changed the mental health field, even if he was mostly wrong.

Consider this: What are the interactions you remember most as a customer? While it's true we tend to share negative experiences more broadly than positive ones, the times we hold most dear are the ones where someone goes above and beyond the call of duty. When we really don't expect anything good but somebody rocks our socks off, we experience a wave of gratitude. When we expect excellence and still get something beyond our expectations, all we can say is, "Wow, thank you."

Whether it's a doctor making a house call—these are incredibly rare but they do happen—or a shelf monkey finding one more of an out-of-stock item you desperately need, the feeling is overwhelming. We just want to hug that person, shake their hand, give them a tip. This is why gratitude and gratuity look so similar. It even extends to cuisine, as au gratin is French for "Thanks for putting cheese on everything."


It's safe to say that the one phrase most commercial experiences have in common is thank you. I believe it is part of our genes. Humans, as I've said before, are social animals. We are hard-wired to work together, because individually we were no match for other animals or the callous hand of nature. When somebody does something for us, we experience a warm rush,

a feeling that what just happened is fundamentally right, and we want to return the favor. This is not true for psychopaths, but they learn that in order to get along in life, they need to at least fake it well. They do. Not me, because I'm not one. No sir, no psychopaths here.

So if a single instance of gratitude stays with us so strongly, what about the establishments we do business with on a regular basis? I don't know about you, but there are a lot of companies I feel attached to but with whom I don't have any particular memory of a big thank-you moment. That's community at work. The businesses we go back to are the ones that have made us grateful several times, in ways strong or weak, so we are drawn to the feeling we get when we're there. It becomes home, a place where we are comfortable because we know we will have thank-you moments.

This is so ingrained into our social character that even when we're not getting good service, we say the same thing.

How many times have we uttered a bitter or sarcastic thank-you to somebody who was failing us? It's all we can do in a society that tries to be peaceful and conflict-averse, because otherwise it would be the sound of neck bones snapping while James Earl Jones intones, "Apology accepted, Captain Needa."

It's when we start to take thankfulness for granted that we become more likely to lapse as customers. As with any good feeling from endorphins, repeated stimulus of the gratitude center makes it less sensitive, and greater effort is needed to get the high. This is something for businesses to remember—expressing our gratitude to customers for continuing to come to us is crucial to keeping the cycle going. They come to you and provide you the money to remain profitable, so you'd damn well better thank them and mean it. 



*Marshall Lager would like to thank each of you, personally, for continuing to read this page. Get your gratitude at [www.3rd-idea.com](http://www.3rd-idea.com) or [www.twitter.com/Lager](http://www.twitter.com/Lager).*

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