

# HOW TO IMPROVE THE EFFICIENCY OF CUSTOMER SERVICE

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## INTRODUCTION

The demand for digital services and experiences has been at an all-time high and businesses have been forced to quickly adapt to meet changing customer expectations.

As such, providing excellent customer service online is now seen as a key differentiator – a way to stand out from competitors, grow revenue and provide more value.

Customer service is about much more than just supporting existing customers. It really about how you approach and assist people who interact with your business. Businesses can grow revenues up to 8% above their market when they prioritise better customer service experiences <sup>1</sup>

There's no doubt it plays an essential role in the entire customer lifecycle.

61% of customers have stopped doing business with a brand due to a poor customer experience <sup>2</sup> So how can businesses provide excellent customer service throughout the customer journey in the new normal? It all comes down to efficiency and providing personalised, proactive and real-time customer experiences.

In this guide, we dive into how to improve your customer service, which metrics to track and the best ways to boost efficiency.

<sup>&</sup>lt;sup>1</sup> https://www.bain.com/insights/are-you-experiencedinfographic/

<sup>&</sup>lt;sup>2</sup> https://info.microsoft.com/rs/157-GQE-382/images/ EN-CNTNT-Report-DynService-2017-global-statecustomer-service-en-au.pdf

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Setting key performance indicators and metrics is the first step to any strategy. Without measuring, it is almost impossible to know how well your customer service is performing and what needs to be improved.

# How to measure customer service efficiency?

We've gathered the main metrics that we use to calculate and enhance customer service efficiency:

- First Response Time
- First Contact Resolution
- Time to Resolution
- Customer Satisfaction Score
- Customer Effort Score



## **First Response Time**

It's no secret that people are more impatient than ever before and expect quick timely responses from the companies they interact with.

Today, delays in response can have a negative impact on customer experience,

with customers leaving your website and even abandoning their purchases.

That's why, first response time is one of our top KPIs – we value both our time and our customers time. You may also know this metric as First Reply Time or FRT for short.

It's often measured in minutes, hours, or days – but we firmly believe it should be measured in seconds. According to a study, companies have an average response time to customer service requests of 12 hours and 10 minutes (3) which is in our book, is way too long!

Although response times do vary according to channels, when it comes to digital, customers expect prompt replies.

In live chat, customers require real-time support, whereas in social media the expected response time is within 24 hours or less (2).

### How to calculate FRT?

Time of first response – Time of customer request = First response time

<sup>3</sup> https://www.superoffice.com/blog/response-times

## **First Contact Resolution**

This is the percentage of customer inquiries resolved during the first interaction with a customer. First Contact Resolution (FCR) is also known as First Call Resolution and is commonly used in call centres or contact centres as a measurement of efficiency. It calculates the percentage of customer issues or problems that were solved in the initial chat, email or phone call with a customer.

## **Time to Resolution**

Time to resolution or resolution time is the average time between a customers first interaction and when the interaction, issue or ticket is marked as "resolved". Time to resolution is also known as Mean Time to Resolution and abbreviated as TTR or MTTR.

With this metric, it's important not to forget the quality of service. A quick answer might be efficient but a bad service doesn't provide an excellent customer experience.

TTR is usually an average over a certain period of time and can be calculated by simply recording the duration of each customer service.

### How to calculate FCR?

Resolved incidents during the first contact

Total number of incidents

- x 100 = First Contacts Resolution

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## **Customer Satisfaction Score**

Customer Satisfaction Score is measure of customer experience and is also often abbreviated as CSAT. It measures how satisfied your customers are with your businesses services or products. This metric can help improve efficiency by measuring the effectiveness of a specific interaction, product or event. It can however, be slightly limited when it comes to measuring a customer's ongoing relationship with a company.



### How to calculate CSAT?

Number of satisfied customers x 100 = Percentage of satisfied customers Number of responses

How satisfied are you with the service you received today?



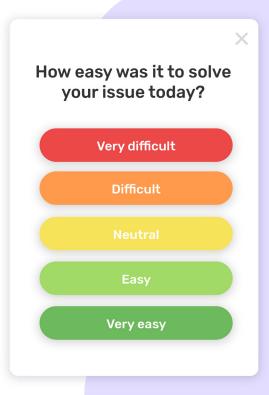
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## **Customer Effort Score**

Customer Effort Score is the underdog of customer experience metrics, that asks customers to rate their experience with your services and products. "How easy was it for you to solve your issue?" i.e. how efficient was the customer service experience.

CES can be sent after a specific interaction with a customer and it can be measured in various ways:

- Likert scale
- 1-10 rating scale
- 1-5 rating scale
- Emoji scale



Now that you have the right metrics in place, let's look at the different ways to better reach them.

We've listed practical tips for driving efficiency and reaching your customer service KPIs:

- **1.** Provide proactive support
- 2. Automate customer service
- 3. Route requests to the right team
- 4. Collect more customer feedback

## 1. Provide proactive support

As mentioned in our introduction, efficient customer service is not just about supporting customers, but an opportunity grown revenue and drive more sales. That's where proactive support comes in.

It's also great way to exceed customer expectations and reach out to customers before being prompted to do so. Proactivity helps manage the amount of incoming inquires ensuring your customer service tickets don't pile up!

### **Proactive vs reactive**

Customer support is the perfect example of a reactive service, where your customers have to reach out to you to receive help. A reactive chat, for example, would require a customer to click on a button to chat to start.

Proactive customer service, on the other hand, is when support is automatically offered based on a visitors behaviour.

In our live chat example, this could be an automatically configured chat message that appears to the visitor.

# How to offer proactive customer service?

Proactive customer service starts with understanding your online customer behaviour. It can help predict when customers need help, when they are frustrated and what pages they require more support on.

Using <u>giosg Live Chat</u> with intelligent visitor targeting, providing a proactive service online is simple. It allows you to efficiently target your messages to the right customer, at the right time. Proactive chat can increase customer service efficiency by 7X.

# 3 ways to get started with a proactive customer service

- Target new and existing customers Target new and returning visitors with different messages. Why not build a rapport with customers who have been on your site before with a personalised welcome back messages.
- Recover abandoned shopping baskets
  Start conversations with customers who have placed items in their basket, but

haven't completed the purchase.

Proactively reach out to them and see what went wrong by triggering a chat message such as "Hi there! Need help checking out?".

• Upsell and cross-sell in real-time

Use your digital customer service channels to sell more. When a shopper places an item in the basket, you can suggest a value pack of other relevant items that are often purchased along with it in a chat message.

# STAPLES

## CASE Staples: A proactive Customer Experience

Due to high volumes of visitor traffic, Staples' online customer service was slow. Incoming emails and phone calls often concerned the same problem, which took up valuable customer service resources.

In order to improve efficiency, Staples chose to create proactive pop-ups to assist visitors online and help them navigate better around the website. Visitors no longer contact customer service regarding the same website issues and Staples' support team is now able to focus on resolving more important customer inquiries.

Want the whole story? Read more here!

# 2. Automate customer service

Automation enables 24/7 support, allows customers to self-serve and get answers immediately when they need it. This typically involves chatbots or AI-technology.

Automation helps take pressure off of customer service teams, helping them focus on more critical support issues saving both time and money. Not only is this beneficial for your business, but meets the high expectations of customers that now require service in their own terms – when and where they want it.

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<u>Chatbots can handle up to 80% of</u> <u>customer service inquiries.</u>

And although there can be some level of personalisation, automation still works best when helping customers with straightforward recurring questions, like the ones on your FAQ page.

Here are some ways to automate parts of your digital customer service:

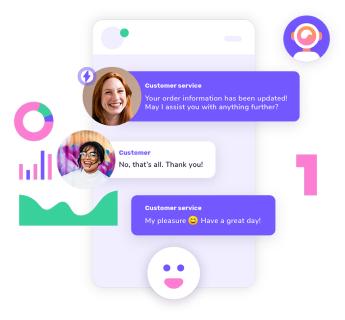
**Set-up targeted messages:** By targeting your live chat messages or chatbot you can automate interactions and provide proactive support online.

**Use canned responses:** Whether it's your email or live chat service, canned responses help agents provide quick replies and keep both the tone of voice and language consistent across all conversations.

#### Create a dedicated FAQ chatbot: Gather

your most frequently asked questions into a chatbot that can assist customers with simple inquiries. In our experience, this can <u>reduce your inbound call volumes</u> by 26%.

**Chatbots for agent assistance:** Chatbots can also be used to power up your customer service teams. Use an internal chatbot to assist agents in live chat.



# **3. Route requests to the** right team

The key to faster responses, solving problems quickly and increasing customer satisfaction is routing customer service requests to the right agent.

When a customer reaches out to your business they expect to be connected to a customer service representative that will know how to fix their problem.

Making sure customer issues are handled by the correct chat agent from the get-go, will decrease wait time and ensures efficient use of agent resources.

Not to mention, it can increase the possibility resolving the issue during the first customer interaction.

Automatic routing can be set up according to:

- Skills or expertise
- Department or team
- Location

# How to automatically route the right team?

**Use a chatbot:** When it comes to digital customer service, chatbots can be used to route customers to the right person or expert.

In this case the chatbot functions as the first line of support. The chatbot can ask what the customer needs assistance with and is able to guide them to the appropriate person in live chat best-suited to solve the problem at hand.



## CASE Rittal: A chatbot for routing customer inquiries

To improve their online customer service, Rittal implemented a chatbot to automate their website navigation and customer routing. Using a simple chatbot made with giosg Interaction Designer, customers with specific technical questions can choose to chat directly with an expert. Combining their chatbot to their chat service, Rittal is also able to collect valuable customer feedback.

Rittal's online chat service receives an average customer satisfaction rating of 10/10 from customers.

Want the whole story? Read more here!

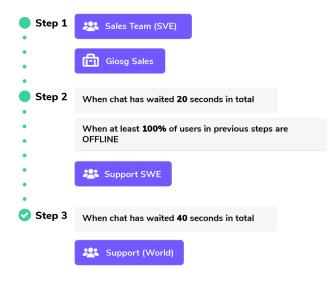
**Create an automated overflow:** The right customer service teams may not always be available to handle incoming requests, especially during peak times. Setting up automated overflows ensures that chats never go unanswered.

At giosg, we have set up routing between our teams. If our local Swedish team doesn't reply to a customer on our website within 20 seconds or they are all offline, chats are directed to Swedish speaking members of our global support team. And if they can't reply to the visitor and the total wait time is over 40 seconds, it will be directed to our global support team.

#### Route requests outside your

**organisation:** Using overflow routing, incoming chats can be also be automatically directed outside your team to a contact centre, for example. This ensures quick response times and works as a "fail-safe" for chats that come after office hours.

With **giosg**, it's also possible to route these chats back. This means the contact centre works as the first line of support, and only meaningful conversations or more demanding issues are directed back to your customer service team.



### **BEST PRACTICE**

## HOW TO IMPROVE CUSTOMER SERVICE EFFICIENCY

## 4. Collect more customer feedback

Feedback is a way to measure your customer experience, providing invaluable insight into how well your customer service is functioning.

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It can also help identify problems or issues such as slowness in your service. Customer service interactions are excellent opportunities for gathering valuable feedback and is crucial for:

- Improving both services and products
- Identifying how to develop website and online customer experience
- Measuring your customer satisfaction and customer effort scores

### **BEST PRACTICE**

# HOW TO IMPROVE CUSTOMER SERVICE EFFICIENCY

# How to collect more customer feedback online?

Getting customers to provide feedback can sometimes be challenging, but customer service interactions on your website is an excellent place to start!

Here are some ideas on how to get more feedback from customers:

**After Live Chat:** Automate a feedback pop-up automatically after each chat session ends.

Targeting customer feedback after chat can increase customer feedback by 40%. How was

your day?

we can be reading our works in

**Targeted feedback form:** Place a feedback button or interaction on your website pages that customers frequently visit i.e. on a customer log in or billing page.

### Offer incentives in return for feedback:

Incentives can include special offers or discounts. But incentives don't always have to be monetary. Offering free content such as guides, access to webinars, or whitepapers could work just as well.

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## CONCLUSION

Customer service efficiency is not just about speed. Although fast responses and resolution times are crucial, efficiency is also about providing an excellent customer service experience throughout the entire journey.

93% of customers will buy again from companies who offer excellent customer service <sup>4</sup> Even small changes can make a world of difference to your business. So why not start with some of our tips and take your customer service experience to the next level?

If you have questions about further optimising your digital customer service or implementing any of the strategies mentioned in this guide, we are here to help! Don't hesitate to chat with us or book a demo on <u>giosg.com</u>.



#### About giosg

Giosg is a software company that provides easy-to-use live chat, intelligent chatbots and targeted interactions. By delivering the right online trigger, to the right person at the right time, our intuitive solutions convert website visitors into sales and happy customer in a flash.

<sup>4</sup> https://blog.hubspot.com/service/customer-servicestats

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