

White Paper

Looking to Enhance Your Customer Experience and Generate New Revenue? Start with Your Contact Center

IN THIS POSITION PAPER, TELETECH EXAMINES THE SIX CRUCIAL STEPS COMPANIES MUST TAKE TO MAXIMIZE THE SERVICE TO SALES OPPORTUNITY:

- Seizing customer engagement opportunities
- Strategically hiring to transform the workforce
- Training designed to shift the associate's mindset
- Effective coaching and performance management
- Expanding and strengthening measurement
- Enhancing technology systems

Companies that strengthened customer satisfaction rankings increased shareholder value by 52%, according to a five-year study by J.D. Power and Associates.ⁱⁱⁱ

Executive Overview

If there's any doubt the customer experience is growing more vital to a company's survival by the day, consider this: 86 percent of consumers say they have stopped doing business with a company due to a bad customer experience, up nearly 30 percent from four years before.

Customer experience is critical to success and an essential strategic differentiator. Companies today need to constantly identify and capitalize on opportunities to enhance the way customers experience their brand, strengthen customer engagement and deepen customer loyalty.

One place where companies are increasingly focusing their attention is their contact centers, which provide an important opportunity to both serve and sell to customers. By solving "moment of truth" problems and turning a service contact into a sales opportunity, companies are strengthening ties with customers and building an important competitive advantage, while creating a dynamic new revenue engine.

However, fully realizing the Service to Sales opportunity can be a difficult challenge. Companies need to employ a strategic and systematic approach leveraging industry best practices, the latest in technology, intensive training and top-down culture change that supports and drives both service and sales.

The Customer Experience Imperative

Given the ongoing challenges in the economy and market saturation, companies need to focus on the customer experience they provide more than ever to differentiate themselves from their competitors, deepen customer relationships and drive revenue.

Most companies today recognize that the quality of the customer experience impacts important behaviors such as loyalty (81 percent), advocacy (81 percent) and spending (73 percent). In fact, the quality of those experiences can alter repurchase intentions by 15 percent and likelihood to switch to a competitor by 18 percent.

However, despite this growing awareness, many companies continue to miss out on critical opportunities to strengthen the customer experience – one key, "low-hanging fruit" example is implementing a Service to Sales program in day-to-day customer contact center interactions.

"A company should be able to make a sales offer on 7% of its customer support calls. For a company receiving five million calls a month, multiply 350,000 times the average value of the product it sells. It becomes very clear, very fast, that if you are not selling on customer support calls, you are leaving a lot of money on the table."

– Judi Hand,
Chief Marketing Officer, TeleTech

The Service to Sales Opportunity

In the past, customer contact centers have been considered an expensive, but necessary, cost to serve. Yet, contact centers touch customers more than any other part of a company's organization^v, offering a compelling and largely untapped opportunity to both serve – and sell.

Today, forward-thinking companies are leveraging customer-initiated service contacts by extending the conversation beyond the initial contact reason to introduce a sales component. When implemented properly, this action solves "moment of truth" problems and, in doing so, drives customer satisfaction and engagement, while building loyalty. For example, a customer calls a support center at a leading technology company because of an overheating laptop. The support associate could simply provide the best steps to cool the computer down and end the call. However, if he or she doesn't inform the customer about the option of buying a chill mat to prevent the problem from happening again the associate hasn't fully served the customer.

"One of the biggest misconceptions is that sales speak puts off customers. The fact is: selling is good service," says Judi Hand, chief marketing officer at TeleTech, Inc., a leading provider of strategic consulting and technology-enabled business process outsourcing solutions.

"The definition of good service is making sure that the customer has the right solution to meet their needs and that may ultimately become a sales effort not just a pure support effort."

Hand notes a company should be able to make a sales offer on 7% of its customer support calls. She adds that if you take a company that receives five million calls a month, and multiply 350,000 (7% of that volume) times the average value of the product it sells "it becomes very clear, very fast, if you are not selling on service calls, you are leaving a lot of money on the table."

Challenges of Implementing A Successful Service to Sales Program

But creating and implementing a game-changing Service to Sales program can pose significant challenges. To fully realize a company's contact center profit potential, the organization must develop a strategic and well-orchestrated approach that incorporates deep sales expertise, industry best practices and innovative technologies. This approach should comprise the following six critical steps:

1. Seizing customer engagement opportunities – In the current economic environment, companies have to focus relentlessly on balancing the need to keep customers engaged with the imperative to provide steady returns. To compete, businesses must be vigilant about identifying and seizing new opportunities to delight customers and deepen customer relationships.

Savvy companies are carefully examining the customer lifecycle including every interaction they have with each customer. This provides a better understanding of the overall customer experience allowing them to gauge how well they are building trust and opening the door to sales – showing where and how they need to enhance their approach.

This commitment to customer experience must start in the boardroom – with the CEO – and be incorporated in the company's strategy and reinforced across its culture and infrastructure. "Random acts of customer satisfaction" won't impress in today's marketplace. Companies must provide a customer experience that is consistently positive across all of its operations.

TELETECH SERVICE TO SALES KEY TRAINING DIFFERENTIATORS

- Strong focus on successful sales mindset
- Based on adult learning theory
- Interactive, engaging, and fun
- Class examples aligned with specific scenarios applicable to daily work
- Teamwork fosters sharing best practices / past experiences among associates
- Customer-orientation emphasizes features and benefits to improve quality of life
- Extensive role play enables practice prior to live contact

2. Strategic hiring to transform the workforce – When implementing a comprehensive Service to Sales program, it is vital to utilize strategic hiring to ensure that candidates bring the right skills and temperament to sell effectively. Because customer support associates must be able to handle complex problems for the customers they serve, companies should focus on recruiting candidates with a deep customer support expertise who either have sales experience or show a propensity for sales, versus a sales expert with little experience in technology. If the associate cannot solve the customer's basic issue, he or she will not be able to serve the customer satisfactorily or establish the trust needed to sell. For customer support positions, companies can choose candidates with more sales than support experience, as long as he or she shows a clear understanding of, and concern for, customer satisfaction.

To maximize strategic hiring efforts, companies should leverage behavioral propensity tools like Predictive Index to determine natural sales ability and predict motivators. These personality surveys measure dominant attributes, including leadership prowess, assertiveness, the ability to connect with customers, patience and attention to detail.

It is also important to offer the right incentive plan, including tangible goals and rewards, to encourage assertive selling and to set clear expectations about the metrics upon which associates will be measured, such as revenue per call.

3. Training designed to shift the associate's mindset – While strategic hiring is important, most companies looking to capitalize on Service to Sales will likely rely primarily on their existing customer support workforce. This makes targeted training critical to achieving success.

“The single most important component when training to sell is changing the associate's mindset to view selling as a positive for the customer, not an unwanted or unnecessary intrusion,” according to Angela Scanlan, manager of Sales Education and Development at TeleTech and an expert in Service to Sales training.

Scanlan adds trainers must work closely with staff to show them how sales is an extension of their support and service work and, when executed properly, how selling a new product or service can be the most effective and efficient answer for a customer in need.

Next, companies must train their associates to become more comfortable communicating and engaging with customers. Many associates – especially those in customer support – have never received in-depth communications training and may resist forging a deeper connection with customers out of fear or discomfort. Companies looking to move the needle in Service to Sales must first invest in developing the customer support staff to move beyond their comfort zone. By enhancing communications skills, these associates will not only become more proficient at sales, they will also become better equipped to provide superior support, and will be “re-energized” by the company's commitment to their skills development.

Finally, companies must provide in-depth sales training, including basic instruction on sales methodology and the psychology of the customer, strategic questioning, recognizing buying signals, identifying cross-sell and up-sell opportunities and integrating sales offers into the conversation flow (versus a scripted, canned offer at the end of a call that often drives customers away).

4. Effective coaching and performance management – Good training is essential, but it is only the beginning. Companies that want to soar in Service to Sales must change their culture and processes to make sure that associates continue to implement and build upon their new selling skills.

One critical factor is ensuring senior management embraces and supports the company's new sales call-to-action, and that this imperative is made clear throughout the ranks. When implementing Service to Sales, forward-thinking companies will also simultaneously expand performance management and compensation approaches to reflect and provide tangible incentives for associates to sell.

On a day-to-day basis, companies also need managers who can provide effective coaching, including setting daily and weekly sales goals. Tactics such as daily tracking sheets, sales contests, call coaching,

team meetings and celebrating sales wins are critical to bolstering early sales efforts and helping associates develop into true Service to Sales ambassadors.

5. Expanding and strengthening measurement – To fully capitalize on the Service to Sales opportunity, companies must transform metrics dashboards and their approach to measuring success.

Traditionally, support associates have been judged on simple indicators such as average handle time and calls handled per day. Service to Sales leaders must expand and develop dashboards to include more sophisticated measurements that track revenue and total customer experience, including revenue per call, expense to revenue, quality assurance (QA) proficiency and overall customer satisfaction (CSAT).

However, it is not enough for a company to change its metrics, management must also ensure associates are fully educated about these changes and understand how they can be successful in the new environment. The company must keep these metrics visible and make them part of the day-to-day conversation between managers and staff.

SUPPORT AND SERVICE METRICS DASHBOARD	
OLD WAY	NEW SERVICE TO SALES WAY
Simple efficiency indicators, providing little insight and no incentive to sell: average handle time (AHT); calls handled per day	Adds sophisticated indicators that provide insight and drive sales and customer satisfaction: revenue per call, expense to revenue, quality assurance (QA) proficiency, customer satisfaction (CSAT) scores

6. Enhanced technology systems – In order to support the new service to sales contact center model, companies will have to make several technology enhancements. The most basic investment will be to change their measurement systems to accommodate new and expanded metrics dashboards. Ideally, companies should create a real-time, desktop view for associates that will empower them to better manage their efforts and meet their goals.

Transitioning to Service to Sales also spotlights the need for companies to provide a 360-degree view of their customer to their associates. In many cases, this information is available in other parts of an organization, but the company needs to extract and integrate it, and make it available to support and service staff. The more information about the customer the associates have at their fingertips, the better able they are to gauge customer needs and preferences – and to sell.

Finally, companies should also consider utilizing a Knowledge Management System (KMS), or compendium of best practices and solutions – such as “words that work,” a database of key phrases and tactics for navigating through customer concerns and closing sales – to arm associates with the most effective information and tools.

TOP FIVE SERVICE TO SALES TRAINING MISTAKES AND SOLUTIONS	
PROBLEM	SOLUTION
Making sales a dictum from management	Take the time to educate associates about the benefits of sales to customers – and to them
Failing to recognize and reward sales wins	Change culture to drive and celebrate sales successes
Inconsistent support from management	Leadership must make sales a continuous priority and provide ongoing training

“Now that the balance of power is shifting from brands to their customers, smart companies are taking advantage of every chance to interact with customers on their terms. When a customer initiates a contact with a company, it is a golden opportunity to listen, learn and drive deeper engagement by solving a problem with a relevant sale.”

-Martha Rogers, Ph.D,
Co-Founder,
Peppers & Rogers Group

Keeping metrics hidden or hard for associates to access	Management should make metrics visible and part of the day-to-day culture so associates can manage to them
Training in dribs and drabs	Train associates in their work groups with their manager to drive competition and camaraderie

TeleTech’s Pioneering Work in Service to Sales

As a top global provider of business process outsourcing solutions, TeleTech offers a unique and proven Service to Sales approach. TeleTech has nearly 30 years of experience in transforming the customer experience, including deep operational knowledge, technological insights, global scale, the ability to manage teams effectively and a track record of driving results. Each day, the company engages in 3.5 million customer interactions and generates more than \$5 billion in client revenue annually.

In addition, TeleTech has proven expertise in designing, implementing and growing innovative sales channels. The company’s revenue generation division has more than 18 years of experience developing and deploying sales best practices in training, compensation, technology, tools, 360-degree customer views and other critical areas for leading corporations across industries.

This allows TeleTech to bring targeted boutique sales and consulting knowledge to a global scale, leveraging TeleTech’s incomparable global infrastructure.

TeleTech’s Service to Sales product includes:

- Industry leading best practices and processes, based upon results achieved working with major names in finance, technology and multiple other industries
- Intensive training, including a proprietary training methodology leveraging team education and one-to-one “nesting” coaching to maximize learning and ignite sales
- Technology solutions, providing a turnkey solution to enable companies to quickly and efficiently ramp up Service to Sales efforts

Conclusion

In a world where consumers make decisions about brands with the click of a mouse, companies must continually strive to improve the customer experience and differentiate from their challengers. Service to Sales offers a unique and valuable opportunity to strengthen customer relationships, while creating a compelling, high-potential new revenue stream.

Companies that will benefit the most from Service to Sales will be those who adopt a strategic and systematic approach, capitalizing on best practices in training, management, measurement, technology, performance management and cross-industry knowledge. Success will also depend upon an organization’s willingness to embrace and support a sales mindset from the top down – and on its ability to fully recognize the strategic imperative of Service to Sales.

TELETECH’S SERVICE TO SALES APPROACH DELIVERS POWERFUL RESULTS

TeleTech recently worked with a major technology leader to help the company ramp up Service to Sales. After four months, the company:

- Increased revenue per call by 71% onshore and 26% offshore, with revenue per call ranging from \$4.65 to \$12.50
- Increased total program revenue by 29%
- Improved customer transaction survey (CTS) scores by 19%
- Achieved a conversion rate of 8%

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In the words of Jonathan Gray, executive director of marketing, TeleTech: “Service to Sales offers vast opportunities to drive new revenue and better satisfy customer needs. Companies that haven’t figured out ways to optimize Service to Sales effectively should take action now to ensure they are capitalizing on these opportunities – and outflanking their competition.”

i 2009 Customer Experience Impact Report, RightNow Technologies and Harris Interactive; online survey in September 2009 of 2,295 adults living in the U.S. <http://www.clearaction.biz/customer-engagement>

ii Customer Experience Measurement, Peppers & Rogers Group 2011; Murray, H. (2008) Beyond Satisfaction: Measuring & Managing the Customer Experience. Retrieved November 10, 2008 from <http://cm-insight.com/microsite/page.cfm?id=102630&aid=263>

iii Customer Experience Measurement, Peppers & Rogers Group 2011; Temkin, B. (2008, March 24) The Business Impact of Customer Experience. Forrester Research

iii [Working to locate original report. This is from www.callcenterweek.com/Event.aspx?id=361136 and www.cisco.biz/en/US/prod/collateral/voices]

iv TeleTech Revenue Generation – Service to Sales Data Sheet November 10, 2010