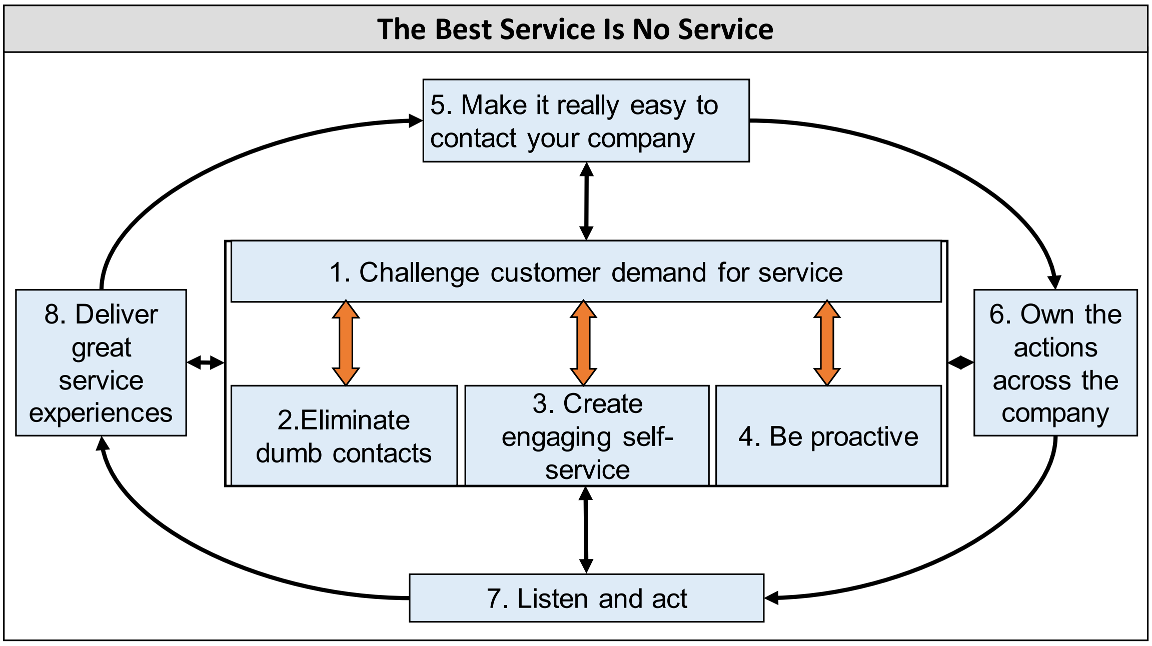
Good ideas don't lose their lustre

Bill Price and David Jaffe

It is ten years since we published *The Best Service is No Service,* (Wiley/Jossey-Bass 2008), in which we suggested that organisations needed to work harder to reduce the demand for customer contact, rather than spend so much time and effort "dealing" with the contacts. In this paper we'll discuss how the ideas have become even more relevant today, even though the book was written at a time when the iPhone was still in its infancy and apps and messaging were just emerging. We'll discuss how the ideas apply in a more multi- and omni-channel world and the extent to which it's become harder to address the ideas we set out. We will review how new technologies have made it easier to apply some of the concepts we proposed and describe cases in which these technologies have been applied successfully.

What were the Best Service is No Service ideas and are they still true today?

The ideas at the core of the book stemmed from many years of observations and studies across organisations. It exposed that the majority of customer interactions were driven by issues, problems, misunderstandings or transactions that companies could have prevented and that customers could have handled with self-service. The chapters of the book were organised around eight proposed strategies structured in this framework:

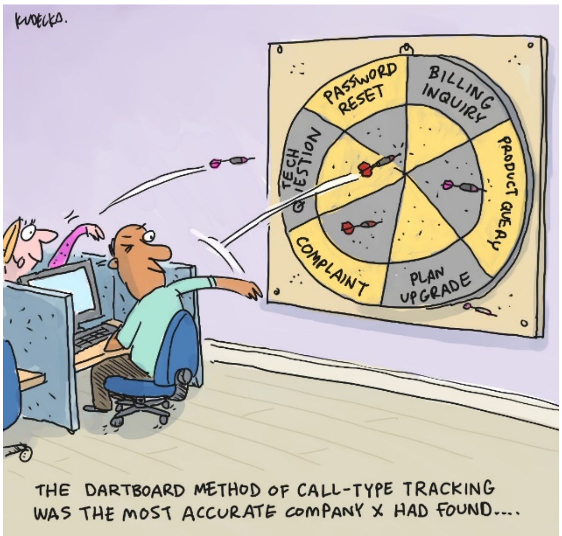

The Best Service Is No Service
5. Make it really easy to contact your company
1. Challenge customer demand for service
8. Deliver great service experiences
6. Own the actions across the company
2.Eliminate dumb contacts
3. Create engaging self-service
4. Be proactive
7. Listen and act

"Challenging demand" was a starting point for us because to challenge it, you first have to understand it. Interactions today have grown to include calls, emails, chat, store visits, texts, social media and more.

Therefore, there is much more to understand. Our observation over the last ten years is that this spread of channels has happened quickly so that many organisations are too busy dealing or coping with the demand and haven't had time to challenge it systematically. We know few companies that have effective reporting of what drives contact in individual channels and even fewer who can report demand drivers across all their channels. It's also got harder as customers now start things in one channel and then jump to another one, making the demand picture more confused. We'll explore later new ways to get a grip on this omni-channel demand and how to automate it.

There are some newer organisations that illustrate the relevance of the book's strategies. For example, we know one start up finance business that treats every chat and email as a potential insight on issues with its website. They demonstrate many of the principles that are described in five key chapters of the book:

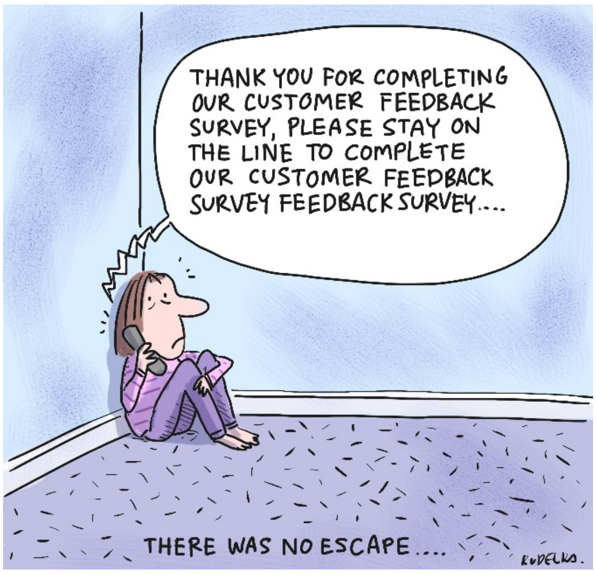
- They log and report causes of contact and look to understand and reduce the causes (they "challenge demand").
- They have worked hard to get rid of "dumb contacts" by cleaning up bugs or confusing wording on the site.
- As a start-up they see "self-service" as their key channel to market. They see every email and chat as an opportunity to improve their website and enhance the self-service experience.
- They have built product rules and email and SMS notifications to "be proactive" and keep customers informed.
- They bring all parts of the business together to "own the actions" in monthly review forums and recognise that customer service isn't the root cause of 80-90% of the contacts that occur.


KUDELKA.
PASSWORD RESET
BILLING INQUIRY
PRODUCT QUERY
PLAN UPGRADE
COMPLAINT
TECH QUESTION
THE DARTBOARD METHOD OF CALL-TYPE TRACKING WAS THE MOST ACCURATE COMPANY X HAD FOUND....

This start-up company is perhaps better placed because it has built its channels and processes with "No Service" in mind. The net result has meant that contact growth is flat, while customers and transactions grow at over eighty per annum. This means that dealing with the organisation has become easier. Their rate of contact and costs per customer and transaction is falling dramatically (in the book we call that CPX).

In contrast to this start up business, larger legacy businesses have responded to customers' channel needs by adding new contact channels. They have "made themselves" easy to contact (as we prescribed,) but again they are now dealing with the new demand in these new channels, rather than working on the causes. Many have tried to make these new channels cheaper to operate by locating them off shore. However, that doesn't mean this is "good contact" that shouldn't be challenged. Perhaps that is why many organisations are starting to use the next wave of automation such as; chat bots and robotics to handle demand that they haven't managed well. These new tools extend the idea of creating engaging self-service in new directions.

"Listening and acting" has been an area of investment over the past 10 years. Post-contact surveys and "transactional NPS" measurements are "listening" mechanisms that have proliferated. Unfortunately, many organisations have confused "keeping score" on agents and themselves with true listening. Worse, they have forgotten about the second part of listen and act, namely acting on what customers are telling them. To us listening is about being open to suggestions from customers. Being able to listen to their collective voices through calls, emails, complaints and the like. The score keeping trend and limited improvements in those scores as shown in the ACSI surveys, JD Power scores, and even many companies' NPS, suggest there is a lot more to do. One business we know is using speech and text analytics to mine the voice of the customer in each channel and across all channels. This allows an integrated picture and that method makes the opportunities clearer and better quantified.

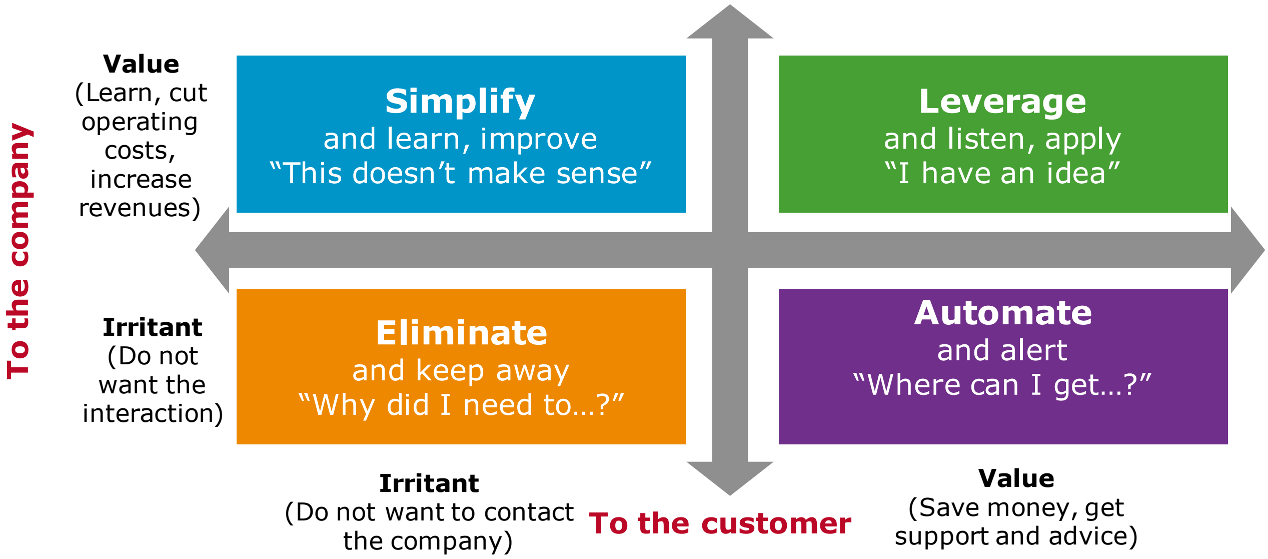

THANK YOU FOR COMPLETING OUR CUSTOMER FEEDBACK SURVEY, PLEASE STAY ON THE LINE TO COMPLETE OUR CUSTOMER FEEDBACK SURVEY FEEDBACK SURVEY....
THERE WAS NO ESCAPE....
KUDELKA.

There is therefore extensive evidence that the ideas of *The Best Service is No Service* are as relevant today as they were 10 years ago.

Harder Still in an Omni-Channel World

We think the potential benefits of applying the Best Service ideas have increased, as customer contact channels have proliferated and customer expectations increased. It has also become more complex. Organisations now need to bring together common contact causes and related contacts across multiple channels, if they are to understand the combined costs and volumes of contacts and look for common root causes. These contacts are often in different systems and have different business owners. The mechanisms we set out in *The Best Service is No Service* can be applied to multiple channels simultaneously. For example, the "Value-Irritant Matrix", shown below can be used to look at the value of interactions to customer and organisation regardless of channel.

Omni-Channel Best Service Is No Service



To the company

Value
(Learn, cut operating costs, increase revenues)

Irritant
(Do not want the interaction)

Simplify
and learn, improve
"This doesn't make sense"

Leverage
and listen, apply
"I have an idea"

Eliminate
and keep away
"Why did I need to…?"

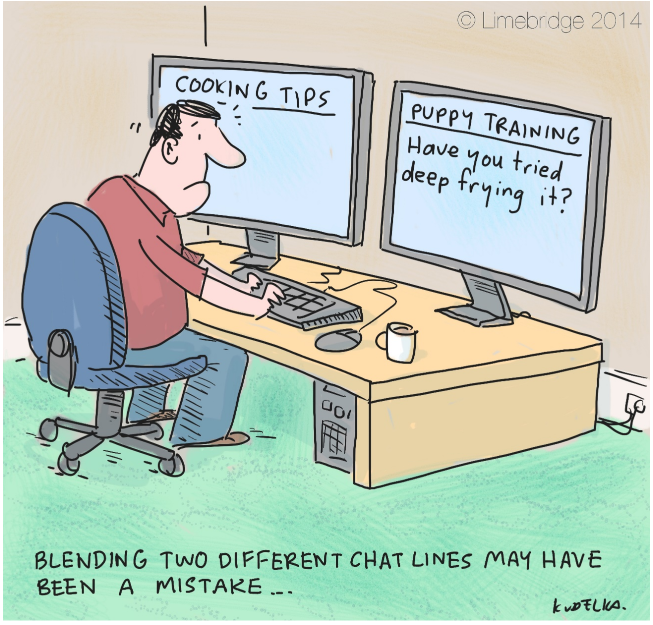
Automate
and alert
"Where can I get…?"

Irritant
(Do not want to contact the company)

To the customer

Value
(Save money, get support and advice)

Today we create "multi-channel" versions of this matrix so that organisations can see the total cost and impact of contact categories across channels and within them. We also look to add on "related" costs that stem from a contact such as downstream processing or sending a technician. The reason to act becomes more compelling if cross channel contact for the same reasons can be totalled and the total cost and impact of a contact category be made clear. For example, the true cost of a call such as, "my modem is not working" could include sending a replacement to the subscriber or dispatching a technician to their home. It's hard to create these "integrated views" of volume and costs because the channels have evolved separately with different systems, contact categories and reporting, creating the "omni-channel dilemma" of not being able to identify the same or related contacts in different channels. The omni-channel world has also created new contact categories and changed why contacts occur and the channels where they start or stop. For example, now that customers with banking apps can check their balances many times a day, they identify different issues and problems. Where customers used to ask, "What's my balance?", they now may say, "My balance is wrong because of….", and query transactions they don't recognise or the timeliness of transactions.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COOKING TIPS
PUPPY TRAINING
Have you tried deep frying it?
BLENDING TWO DIFFERENT CHAT LINES MAY HAVE BEEN A MISTAKE...
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Some companies are very proud of having shifted a large percentage of interactions from voice to chat, but customers only click to chat if they need help or something is wrong. The same thinking we suggested ten years ago looking at "dumb" phone calls or emails needs to be applied to chat, messaging and social media. Customers don't want to chat any more than they wanted to call or email.

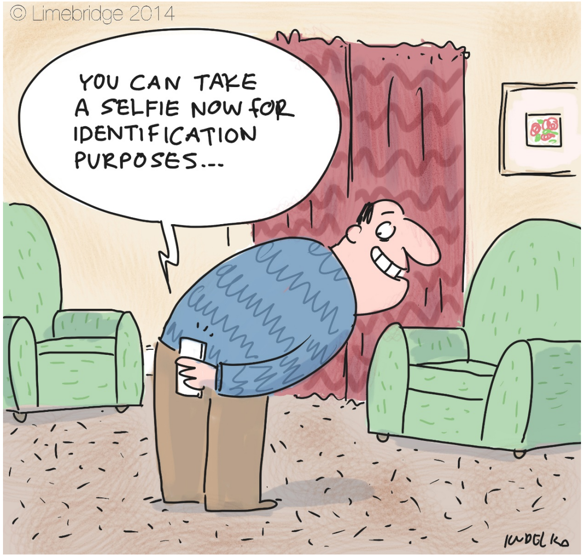
The omni-channel world, therefore, means *The Best Service is No Service* philosophy now has a bigger and more complex problem to solve, since it spans multiple channels and systems and possibly even more stakeholders in an organisation. We know the problem hasn't gone away as in most of our clients, the number of staff handling contacts of all types has hardly changed despite all this channel investment.

The Latest Tools and Technology Present New Answers

The latest technologies are providing some interesting new solutions to enable *The Best Service is No Service* ideas to work. For example, a US cable TV company solved the problem of how to understand and monitor contacts across channels by using the latest data analysis techniques to automate the reporting of why customers were making contact. The machines weren't quite as smart as some claim, since programmers still had to train the machine to look for the right things. Manual sampling of calls, emails and other mediums identified the algorithms to search for, and these algorithms have driven the subsequent reporting and analytics. All the channel contacts were converted to text regardless of their source and the machine could go to work to analyse and report. Using this data the company has been able to work on multiple waves of improvements, following *The Best Service is No Service* framework and contact rates have fallen by almost 30% aided by these analytics.

These text analytics technologies are a breakthrough, as they mean that organisations can bring together all contact types and analyse in a consistent way. They reduce the dependency on front line staff to, "code contacts", or add "reason codes". For channels such as email and chat that are already text-based, they make it easy to bring the channels together in a common text form. Then they allow more advanced techniques such as linking different parts of contact history to build up a true cost of contact picture. That has always been hard when the details have been in different systems and databases, but analytics can bring the story together. For example, the US cable company could add the cost of a related "truck roll", to the call requesting the repair. Once the true end-to-end costs become clear, the benefits of solutions are also easier to prioritise. We'll also talk in a later paper about the ability to analyse and report true first contact resolution, both within and across channels for the first time.

The latest technologies have also broadened the solutions in areas like proactivity and self-service. The range of proactive contact channels has increased. Most companies can now use SMS-text, email and messaging or alerts through apps to warn the customer of issues, transactions or work status. These mechanisms are cheap and reliable and avoid many of the “Where is my …?” and “Why haven’t you …? ” types of interactions. They are cheap and effective and put customers in control. The range of self-service options has also increased. Links to videos and web sites allow far more powerful forms of education, than brochures or manuals and are more engaging. Add to that tools like QR codes, voice biometrics and using customer to provide proof, via photographs and the range of automation potential had increased dramatically.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YOU CAN TAKE A SELFIE NOW FOR IDENTIFICATION PURPOSES...
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Robochat and A.I. have also expanded the sophistication of potential self-service responses. Rather than static pages of text in which customers have to find answers. The latest chat bots offer a more reactive and tailored solution to customer queries. This technology can also respond more proactively when customers get stuck. However, we would still argue that the latest waves of automation may mean that organisations, “paper over” the issues and problems causing the need for chat. As the robotic responses get cheaper they may reduce the incentive to find out why customers are needing to chat or get answers. We’d still suggest that not getting stuck is better than a proactive chat bot helping customers get “unstuck”.

The latest technologies now offer very different ways to report contacts and handle them. We believe that they have provided a whole new tool set to tackle the opportunities we identified in, *The Best Service is no Service.*

Conclusion

We believe that *The Best Service is No Service* strategy is now even more essential in most businesses and government organizations. The growth of channels and constant change in customer needs and expectations makes understanding and managing customer demand even more important. Luckily, the tools and methods to tackle these issues have improved and we have refined the techniques that can be applied.

If you’d like more information please contact us in Australia at info@limebridge.com.au or calling 03 9499 3550 or in the United States bill@drivasolutions.com or calling +1 206-321-0841. More details are at www.limebridge.com.au