



Voice of the Customer

Customer Experience Strategy
and Analytics Solutions



White paper

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Voice of the Customer Acquire — Analyze — Act



Our Voice of the Customer services spark action that improves your customer experience

With our Voice of the Customer (VOC) services, we help you to combine customer experience strategy with analytics so you gain clear steps on how to make improvements that matter to your customers.

See your business the way your customers see you

- **Define the customer lifecycle** across product and service lines.
- **Document customer interactions by lifecycle segment** to understand key processes and touch points.
- **Prioritize your analysis** in a manner that creates value for your organization.
- **Develop an action plan** to improve customer satisfaction and loyalty.



Gain insights about your customers through text analytics

- **Analyze customer feedback** by product, life cycle stage, and channel.
- **Report findings** by exploring emerging issues, top themes, customer sentiment and more.
- **Unlock value** from surveys, contact center notes, web forums, email, and other unstructured text.

Gain tangible results you can measure

- **Improve quote-to-sale conversion rates.**
- **Reduce churn and customer attrition.**
- **Improve customer satisfaction scores.**

At Beyond the Arc, our diverse industry expertise enables us to understand the unique needs and challenges you face. We combine customer experience strategy and advanced analytics to help you make improvements that your customers will notice and value.

Using the Voice of the Customer to Drive Real Business Results



The reason Voice of the Customer (VOC) programs exist is to monitor the customer experience and identify problems that it makes sense for the business to resolve.

Let us be more specific. An effective VOC program will likely uncover—and must address in one way or another—several categories of feedback from customers:

- 1 Complaints** – These reflect the negative experiences customers have had with the business. Perhaps they are unhappy that they are now being charged for services or content that was formerly free. Airline baggage fees, bank service fees, and “premium” online news content are all examples of things people complain about.
- 2 Comments, Suggestions, and Requests** – These are neutral-to-constructive statements that may provide strategic insight into how to run the business better. Sometimes they capture the experience of a relatively small subset of customers rather than the entire customer base. Take the music that’s played while waiting on hold, for instance. Some customers like classical music. Some like smooth jazz or lite rock. Yet another group prefers not to wait at all and is indifferent to what they are hearing. It’s useful, we think, to consider:
- 3 Problems that, if fixed, would benefit the customer and the business** – This is the classic win-win scenario. *To elaborate...* Customers may comment on many different issues, so the key is to be strategic. Use your resources to create solutions that benefit both customers and the business.

Consider fees for services or content. Removing them will not benefit the business, unless customers are deserting it for the competition. Reasonable options include reducing fees, making them competitive with businesses in the same sector, or perhaps restructuring them to appear as an incentive.

Or music on hold. An effort to reduce wait times can improve customer satisfaction and decrease abandonment rates. It’s better for the business because shorter wait times presumably mean that customer issues are being addressed and dealt with.

Communicating with Customers

If the business decides not to act on customer suggestions, it can still be beneficial to communicate with specific customers or the entire customer base around issues that are important to them.



Improving Business Outcomes

It's important to remember that customer feedback does not necessarily, nor should it, inform action to the exclusion of other considerations. One-off responses to customer issues that do not view feedback in the context of business operations as a whole and the market environment are typically less than optimal.

Listening to the voice of the customer is all about improving business outcomes. Customer feedback provides strong clues about what to look at in order to improve performance. Used correctly, this feedback can drive a listening effort that creates real business results: a campaign integrating a well-thought-out response to customer concerns with strategic communications to better serve and retain customers.

To learn more about Voice of the Customer strategy, please visit:
beyondthearc.com/voice-of-the-customer.

How Classifying Data Drives Value in Your Voice of the Customer Program



In simplest terms, a Voice of the Customer (VOC) program captures your customers' experiences and feeds them back into the organization to drive improvements that help grow your business. Whether customers feel good or bad about their experience with your products and services, your VOC effort enables you to hear what's being said so you can take action to reduce risk, leverage opportunities, and build stronger relationships with your customers.

To focus your efforts across millions of customer comments, classifying and analyzing the data helps you accurately measure customer issues and track experiences over time so you can take appropriate action.

Leveraging customer feedback across multiple channels

Although you may rarely record feedback from direct customer contact like the sales floor or service desk, it's likely your business has access to a wealth of feedback data through electronic channels such as email, call center recordings, surveys, and increasingly through comments on Facebook and Twitter. By capturing this data for analysis and tracking, you can measure the current state of the customer experience, and track your progress as you make improvements over time.

Driving improvements with targeted actions

To effectively take action to improve your customers' experience, you need an accurate read on where and when to focus your efforts. Tailoring your VOC data with context specific to your business can help you get there faster. At Beyond the Arc, we use sophisticated analytics software to help businesses track issues, and uncover emerging issues to stay on top of the customer experience as it changes throughout the customer lifecycle.

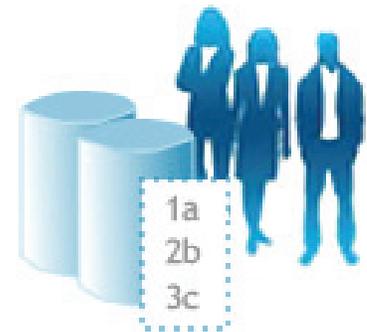
With customer data categorized to the specifics of your business, you increase the relevance of customer feedback to more effectively focus your actions across lines of business.

Here's a look "under the hood" at how we create classification engines so you can act on Voice of the Customer data:

- **Capturing main ideas** – Our analytics tools use Natural Language Processing (NLP) to automatically capture the main ideas from customer comments. The NLP is augmented by business knowledge and terminology specific to each line of business in the company.
- **Classifying key issues** – To identify key issues, a classification engine sifts through millions of documents to track the main ideas. Again, business knowledge is integrated to craft actionable categories. Oftentimes, this part of the work is an extension of a reporting system already in place, but one geared towards hundreds of documents rather than millions.



- **Aligning data with measurable outcomes** – Our classification engine uses a combination of statistical and linguistic techniques that include NLP, C5, and Apriori algorithms to discern the most meaningful way to classify each customer comment.
- **Engaging the human touch** – Customer feedback is first categorized by business experts to ensure accurate meanings are assigned to comments about various experiences. We confirm accuracy over time as the business and the customers are always evolving. Whenever we update the classification engine, we can test the effects by comparing old and new findings to ensure the most accurate outcomes.



With customer data categorized to the specifics of your business, you increase the relevance of customer feedback to more effectively focus your actions across lines of business. You can also measure the impact of your improvements: Are the big problems changing? Are customers celebrating your brand? Voice of the Customer analytics can put the answers, and key issues, in your hands so you can address them at the right level at the right time.

Using the Customer Lifecycle to Improve Your Voice of the Customer Program



Banks can now transform a wealth of unstructured data into actionable insight to advance key business objectives. Defining the customer lifecycle framework helps focus your efforts.

Millions of consumers interact with banks each day to manage their finances. As technology evolves, customers have the flexibility to interact with their bank through a wide range of channels, moving beyond the branch and snail mail, to an increasing reliance on social media and mobile banking. With the rapid growth of online communication, retail banks now have the opportunity to transform a wealth of unstructured data into actionable insight to advance key business objectives.

Making sense of this data, however, requires a framework to manage the customer experience and effectively focus your Voice of the Customer efforts.

Enter the customer lifecycle.

Think of the customer lifecycle in 5 key stages: awareness, presales, sale, customer service, and advocacy. These stages drive a customer's attention to the bank's products and services, communicate the value of the offers, influence the decision to buy, and often build brand advocates among satisfied customers who help influence the buying decisions of others.

The lifecycle model recognizes that customers require different products and services across their lifetime. For example, a newly married couple in their early 30's might need a first time home loan, while an elderly couple might explore reverse mortgages.



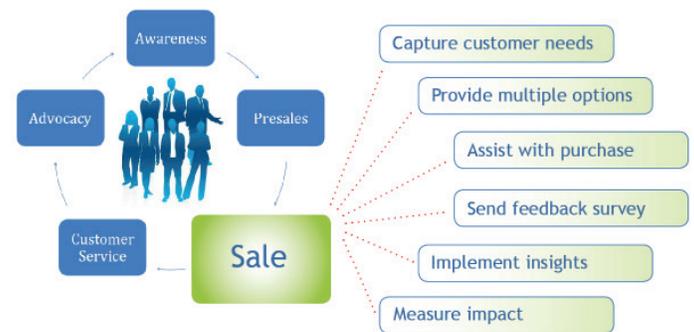


For retail banks, managing the lifecycle involves monitoring and constantly improving the customer experience, to ensure the journey from prospect to advocate is mutually beneficial. To effectively manage this process, you need to consistently capture customer input and analyze the feedback using text analytics.

From tracking customer feedback about working with bankers to refinance a mortgage, to social media comments about their credit card rewards program, understanding customer input by lifecycle segment is critical. It helps organizations understand and improve business processes by tying them directly to customer input.

To optimize your Voice of the Customer (VOC) program, we recommend applying this customer lifecycle as the context for your unstructured data --customer comments sourced from surveys, call centers, social media, and more. You'll gain a more focused understanding of how to improve key business processes to deliver a rewarding experience that builds lasting customer relationships.

Key interactions during the “Sale” phase of the customer lifecycle



Bringing Text and Quantitative Data Sources into your Voice of the Customer Efforts



How can you make the most of all your data to really change customer experience? Through a focused approach to data acquisition and analysis that leads to action.

Your business generates staggering amounts of data across a variety of touch points. Consider a retail bank, for example. Customers visit a branch, bank online, call customer service, and communicate with bankers by email on a daily basis. We believe this avalanche of data can—and should—be mined to empower you to make improvements for your customers.

Collecting the Right Data, the Right Way

A Structured Approach

A thoughtful, structured approach to acquiring and analyzing data is critical to the success of any Voice of the Customer (VOC) program.

- 1 Prioritize** – We begin by identifying and prioritizing important touch points across the lifecycle of each customer segment. For example, you may want to focus on data collected during customer interactions with online properties, customer interactions during ATM transactions, or understanding experiences through channels that exist only for high-value customers.
- 2 Discover** – During this step, we interview business and data owners to document and confirm their understanding of the data and its value to the business.
- 3 Stage** – To prepare for downstream analysis, we obtain data from operational data warehouses and stage it in an analysis workspace that we help our client to create.
- 4 Build and acquire metadata** – We then help to develop contextual information about the customer's interaction with the business, and how it is represented by the data.
- 5 Determine usability** – During this stage, we characterize the data, identify the number of records available, and confirm that certain data quality standards are met.



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- 6 **Go / no go** – Based on the initial assessment, we decide if the data source will likely provide insightful analysis about the customer experience. We make this decision for each data source, re-engaging with business and data owners where appropriate.
 - 7 **Data loading and analysis** – After each of these steps has been completed, the data is ready for analysis.

What We've Learned

In our work with high-touch, consumer enterprises, we've learned that a thoughtful data acquisition process is a key component of an effective Voice of the Customer (VOC) program. It's important to focus on sources that provide actionable insights that can improve the customer experience.

Customer Listening: 6 Key Tips for Using Text Mining in Social Media



Are you gaining the maximum impact from your customer listening? Social media offers a new world of valuable insights

Leading companies across every industry are making significant commitments from the top of their organization to better engage with customers through social media. However, many companies are not gaining the maximum impact from their customer listening –and that got our data science team thinking about what it takes...

1 Text analysis can make social media efforts more effective

If your company is still taking a manual approach to analyze customer feedback in social networks –you may be missing something vital. As the volume of comments from blogs, Twitter, Facebook, LinkedIn and other sources continues to grow, manual analysis can't keep up. Marketing and product management teams risk missing valuable insights, and this is where text mining comes in.

2 Let the data talk to you

By systematically categorizing comments, applying a metric of importance or severity, and tracking trends over time, you can uncover what customers think about your products and brand. Browsing blog posts and comments are no longer enough, and in fact, present a big risk: you may focus too much on what you're looking for and too little on what the majority of current and potential customers are really saying.

3 Take an enterprise approach to evaluating customer feedback

Instead of monitoring online conversations only at the product level, think about expanding to a broader, integrated view of what customers are saying. They see your company as one entity, even if lines of business or products are managed semi-autonomously. If you only monitor dialog around a few key products, you may miss out on potential insights by not putting all of the pieces together.

4 Text analysis: the best thing since sliced bread?

An automated text tool can help you zero in on key themes, and the associations among them. For example, if you look at blogs about Toyota, there has always been a customer conversation about quality; however, periodically there have been increases in the total volume of comments, and the issue of Toyota quality was being discussed in more negative terms. Using text analysis, and social network data from Twitter, Facebook and other sites, you can measure and track sentiment and its intensity over time. This can provide a kind of gut-check, or early warning system, well before you tally up your next Net Promoter Score.



5 Bionic ears, on steroids

Automating the analysis of listening efforts lets companies integrate analytics into their social media monitoring. Many companies are already using brand monitoring tools to enhance their customer listening capabilities. While these solutions currently have limited analytic capabilities, you can leverage the content these tools provide.

With text mining software like IBM SPSS Modeler, and you'll hear things from your customers that never used to hit your radar. Ready to take it up a notch? Add this layer of information to other feedback sources you track, including customer service email, call center notes, and customer surveys.

6 Your customers are talking behind your back

Turn around, already. You can use these techniques to create a comprehensive Voice of the Customer program that gives you a rich, nuanced view of what's on customers' minds. Companies like Adobe, Wells Fargo, and Cisco have done a great job of diving into massive amounts of customer data. Their next step—and the future of customer listening—is to mine it for the real gold.

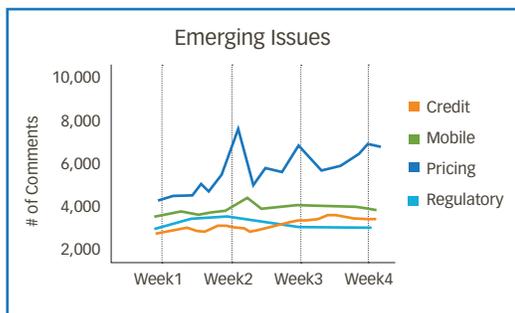
Emerging Issues Analysis Identifies Risk and Helps You Quickly Act On Customer Complaints



Our Emerging Issues Analysis uses cutting-edge text mining and data mining techniques to reveal growing risks and the root causes behind customer complaints, so you can fix problems quickly.

Identify critical themes

How can you capture insights about emerging customer issues, those that don't yet make your dashboard or tracking reports?



Increase your ability to act with text mining and predictive analytics

We use powerful analytic tools to look for irregularities and identify new issues. Our approach harnesses the power of statistics, predictive analytics, and text mining.

Our expertise in financial services means we understand the data and can help you to use it to create early warning systems that head off problems before they snowball.

Measurable benefits

- **Understand attrition**, particularly of new customers.
- **Improve satisfaction**, with a positive impact on the factors that drive loyalty scores.
- **Ensure compliance** through error and fraud detection.
- **Reduce costs and increase efficiency** of Operations, with scalable solutions for risk management, claims, fraud, and exceptions processing.

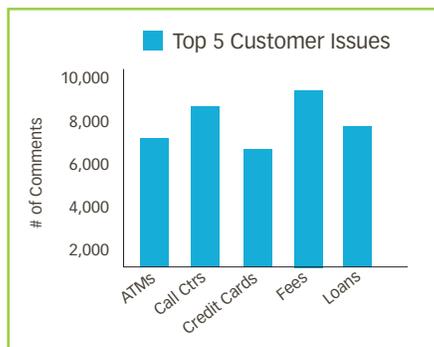
Top 5 Analysis: Answers the Question “What Are My Customers Talking About Most?”



Our “Top 5 Analysis” highlights main themes in your Voice of the Customer data so you can effectively take action.

Identify important concerns

From customer service email to ATM surveys, most financial institutions receive an overwhelming amount of written comments from their customers each day. How can you make sense of all this data? Our Top 5 Analysis gives you a snapshot of the big picture, showing you the most important themes customers are talking about –within a specific line of business or across the enterprise. And we’ll work with you to uncover the source of the conversation so you can take action to resolve any issues.



Gain deeper insight with text analytics

We approach our analysis holistically, including multiple data sources from across touch points to provide a more complete view of the customer experience. Using our financial services and text mining expertise, we build models that capture essential themes, and use statistical analysis to determine which themes rise to the top, and what’s driving them. We can do the analysis for you, or train your team.

Leverage the benefits

- **Gain a big picture perspective of customer experience** across touchpoints with our integrative summary of key issues.
- **Focus targeted improvements** with insights multiple data sources.
- **Take advantage of analytics expertise** with our hands-on analysis, side-by-side mentoring, and/or training for your team.



We welcome the opportunity to help you build stronger customer relationships by getting the most from your Voice of the Customer, social media, and analytics efforts.

Let's talk!

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