

Why Customer Insight Matters to Customer Service Leaders

Part 1

By Martin Hill Wilson (guest blogger)



Call centers, often the front lines of customer service, have fallen into the trap of ‘inheriting the sins of the organization’ when customer experience issues arise. And because this channel has no ability to prove that the source of an issue lies elsewhere, they remain cost centers rather than strategic assets. As businesses strive to reduce the apparent cost to serve, call centers fall prey to off-shoring and automation, often at the expense of the customer experience and that of the advisor community.

Customer Service should aspire to strategic status

When I’m discussing [Next Generation Customer Service](#) with leadership teams, I often tell them the following story to illustrate where they ideally want to be positioned within their organization’s network of influence:

“...Imagine how the enlightened boss of the future sets themselves up to win as they arrive in their new post as CEO. They make a bee-line for the person running Customer Service and do a deal. In return for financing a customer interaction analytics solution, the CEO gets to have a live dashboard on their office desk...”

Why is that a smart move? Given the choice of being presented with internally oriented reports carefully manicured for executive presentation, and a live feed of the customers’ voice, this CEO knows which one will give her the better view of issues and help her determine priorities. Thus Customer Service becomes elevated to a position of strategic importance.

By giving executives a live feed of the customer’s voice, businesses can elevate the strategic importance of customer service.

How many CEOs get both the value of real time insight and know about the power of customer interaction analytics? Not many, at this point in time. But let’s hope that all the hype around [Big Data](#) and the notion of ‘[faster than real time](#)’ will provide the motivation to learn new leadership tricks.

It’s a Question of Mindset

Too often, Customer Service leadership teams don’t see strategic opportunities right in front of them. Decades of operational fire fighting have left them blind to anything outside the habit of running things via the rear view mirror.

It seems the current generation of leadership teams have neither headroom nor motivation to defy the gravitational pull of seeing customer service as ‘damage control’. As a result, they’re often missing the opportunity to leverage customer insights to transform the function and value that their Customer Service organization can offer to both external and internal customers.



Why analytics is a game changer

Analytics is big. Just Google it and most organizational functions can now choose their own flavor. Within the next decade, I'm sure many organizations will have brought these together into some overall context of 'business analytics'. But for now it's best to be specific. So, within the spectrum of Customer Analytics (a subset of Business Analytics), **Interaction Analytics** is where Customer Service teams should focus.

Interaction Analytics, which I'll define as the ability to generate customer insight from any form of voice or text interaction, is a rapidly evolving market. Some vendors specialize in speech, others focus on making sense of text-based interactions. More recently social analytics (aka social media monitoring) has become more visible to Customer Service teams, particularly as part of a larger Voice of the Customer initiative.

For many organizations, the impact of analytics is like comparing the Pony Express with the Locomotive: simply transformative in terms of its potential.

For organizations just getting started, the impact of analytics is like comparing the Pony Express with the Locomotive: simply transformative in terms of its potential.

Of course, the potential and realized benefits are not inevitably linked. But they can be brought closer together with the right timing, context, and leadership.

Translating insights into action: It needs method

The ability to listen and then sift through the haystack is only the start of the journey. Maybe that's why we so often hear the term '**actionable insight**'. Sounds great, but how many teams have actually operationalized that capability? A few decades back, the quality movement turned up big time to drive down failure demand in organizations that made stuff. What I liked was the completeness of their approach:

- 1. Evaluate opportunities for improvement.** No surprise that low hanging/low risk fruit made the top of the list.
- 2. Identify issues and obstacles.** Cross functional teams then looked at the issues involved in getting to the benefits. They assessed the culture, the politics, and the timing.
- 3. Provide costed solutions.** This might involve getting the solution socialized at the right level, provide an effective orientation to people who are impacted, change a workflow, invest in a new systems capability --whatever the mix of tricks demanded.
- 4. Track improvements.** They measured their efforts, tweaked and optimized. Some even had phase two iterations to keep the momentum if the transformation was chunky.
- 5. Share best practices.** Lessons learned and key strategies were captured and shared so everyone got smarter the next time around.

I personally witnessed a few organizations transform using this model, and it remains a surprise that the customer service sector has been so slow to copy that success. However, a new wave of momentum is rising for Voice of the Customer programs, which provide a valuable opportunity for customer service teams to increase their strategic importance and influence in improving the customer experience.



I personally witnessed a few organizations transform using this model, and it remains a surprise that the customer service sector has been so slow to copy that success. However, a new wave of momentum is rising for Voice of the Customer programs, which provide a valuable opportunity for customer service teams to increase their strategic importance and influence in improving the customer experience.

I'll talk more about that in [PART 2 of this article](#).

Martin is a long-standing member of the UK customer service community. He has served as consultant, facilitator, director and CEO for a variety of brands. He also participates as conference speaker and blogger in his role of passing on best practices and next generation thinking in customer service and social business.

He currently work as an independent under the Brainfood brand with a range of clients focusing on customer related strategy assignments. This increasingly includes social media and social business integration. Learn more about Martin at www.brainfoodextra.com/about.

Let's Talk

Beyond the Arc, Inc. is based in Berkeley, California.

Toll-free: [1. 877.676.3743](tel:1.877.676.3743)

Email: info@beyondthearc.net

Website: beyondthearc.com

Blog: beyondthearc.com/blog

Social:    