

2004 SOCAP International Symposium
New York City Conference Summary
Marriott Marquis Hotel, Times Square
October 10-13 2004

Monday October 11

Keynote Speaker

Former NY Governor Mario Cuomo

As the longest serving Democratic Governor in New York history, Cuomo served through two national recessions and twelve years of federal policies that cut back on federal aid to New York and other states. Governor Cuomo balanced twelve budgets and reduced New York's income tax by more than 20 percent. He rebuilt much of the State's infrastructure and reduced the mortality rate on highways every year for seven years with the nation's first seat belt law. He created the State's first "Centers of Advanced Technology" and several other programs that reformed the New York welfare system and served as a model for federal programs that are now in place.

(Need transcript.)

Session I

Creating Customer Evangelists: The Open Source Approach

Jackie Huba

There are six tenets of customer evangelism:

1. Customer Plus-Delta. You need to know what customer love about your products by talking to them constantly. Make it easy for customers to provide feedback. Measure each customer's plus-delta often.
2. Napsterize your knowledge. Napster introduced massively efficient distribution systems for knowledge and data. The more you "Napsterize" your knowledge, the faster it's absorbed into the marketplace. The more you give information away, the valuable it becomes.
3. Build the buzz. Word-of-mouth is usually 10 times more effective than most ads. Buzz creates energy and sincerity from a personal referral unmatched by traditional ads. Mega-hubs: Oprah, big media. Hard to reach and influence. Network hubs: social or industry influencers. Easier to reach for creating connections.
4. Create community. Customer communities gather like-minded people who share one thing in common: you. Your customer community has a vested interest in your success. Your products/services have brought them together; deepen your relationship with them.
5. Bite-sized chunks. First time buyers are hesitant to buy from an unfamiliar company if your technology is new or your price point is high. A bite-size chunk is an easy introduction to your product. Try a small training seminar, a reduced-feature or limited-use product.

6. Create a cause. Ask yourself: does your organization rally around a cause that's tied in to your products? Adopt community causes, i.e. Krispy Kreme, Ben and Jerry's and The Body Shop. Sell a vision, not just products.

Luncheon

SOCAP International Power Study: Emerging Consumer Needs and Expectations

Challenges corporate myths about what consumers really value in their customer service. This study focuses on the customer care experience as it relates to questions and complaints about products and services. It will also look across key channels that consumers use for customer care interactions. Lastly, this study will identify the emerging consumer needs and expectations in the new millennium. Register for the conference now and prepare to take home important information on how this research will impact your customer care operation!

Concurrent Workshops

1. Data Collection, Analysis and Reporting

- Tools, techniques and innovation for data collection, analysis and reporting
- Measuring ROI, key components of ROI process model, converting data to dollars, predictive attrition/churn models, quantifying service level and the cost of bad service, root cause analysis
- Developing key company metrics (product quality scores, retention/repurchase scores, productivity improvement, scrap reduction), quantitative versus qualitative measures, identifying/valuing intangibles and hidden value of customer care, quantifying revenue versus lost revenue
- Defining customer behavioral objectives, proactive pursuit of customer complaints, micro-segmentation variables (sales, lifetime value, demographics, psychographics, geography, profit)

2. Building a Business Case for Customer Care

- Activity-based costing, understanding the cost chain (labor, IT, telecom, facilities, direct versus indirect costs)
- Financial basics of calculating ROI on customer care, operation costs relative to customer loyalty and repurchase intention, overview of current ROI models
- Cost and reduction of attrition, average call length and number of contacts
- Calculating lifetime value, life cycle and recovery, and identifying hidden profits in customer care (e.g. word of mouth)
- Calculating ROI for investments and growth improvements, understanding dollar impact on customer acquisition and retention
- Presenting and proving the business case to the CEO, helping them compare the value of investment in customer care relative to other sales or marketing initiatives

3. Drawing the Line on Consumer Error (A Legal View)

4. Boost Customer Satisfaction By Building Your Brand

5. Consumer Power: The Gospel Truths About Service

6. Practice Makes Profit: A Profile of Service at the NBA

7. Keeping Learning Alive: Training Retention and Enhancement

8. Psych 101 for CSRs

Training CSRs

- Necessary Training:
 - Customer and industry
 - Products and services
 - Systems and resources
 - Software programs and navigation
- Critical training
 - Communication skills
 - Customer service skills

Components of Customer Service and Communication Training

- Identifying various communication styles
- Strategizing about how to best interact with different styles of individuals
- Using Neuro-Linguistic Programming techniques to build rapport
- Using questioning strategies and listening techniques to identify problems and ensure they understand the customer's needs
- Apply reframing techniques to handle difficult customer situations

Why is training critical?

- Develops skills for the organization to better serve their customers
- Builds both internal and external interpersonal communication skills
- Reduces turnover by:
 - Showing employees they are valued
 - Providing employees with the skills necessary to handle difficult customer interactions

Understanding and Relating to People's Styles

- Human behavior depicts a state of mind
- A person's state of mind can be determined by their words, voices and actions
- How you read a person's mindset and needs will determine your success
- Remember: people are motivated for their own reasons.

Developing Rapport

- Common Perceptions
- Neurolinguistic Programming
 - Matching Volume, Pace and Pitch
 - Matching Specific Process Words
 - Perceptual Positions

Effective Listening Techniques

- Conscious Listening
- Empathetic Listening

Handling Difficult Customer Interactions

- Mindset Orientation
 - Good intentions
 - Projections
 - Self-fulfilling prophecy
- Diffusing emotions
- Reframing Customer Concerns and Objections
 - Redefine

- Metaphor
- Story
- Spin

9. Addressing Unique Challenges of Online Support

10. Tactics for Doing More with Less

The Conventional Wisdom of Customer Care: Fact, Fiction or Management Myths **Scott Broetzmann**

Conventional wisdom is something we've all heard about. Its common sense and 'everybody' seems to think the same thing. However, the conventional wisdom of customer care policies and practices that have achieved general acceptance in the marketplace. The SOCAP Consumer Power Study puts customer care conventional wisdom to the test. It asks, what is the impact on customer satisfaction?

Commonly accepted corporate customer care policies consumers most disliked

- * Self-service technologies used in the phone or in-person channels.
- * Having sales efforts tagged onto the handling of their questions/complaints.
- * When customers think their questions and complaints are being handled outside the United States.
- * Receiving what they feel are scripted responses.
- * Being encouraged to give positive ratings on satisfaction surveys.
- * Repeating information they have already supplied.
- * Being required to provide personal information before being allowed to submit emails.
- * Bad grammar, typos and use of abbreviations in email responses.
- * Not taking follow-up action when a survey identifies dissatisfaction. This policy that had the strongest negative

Commonly accepted corporate customer care policies did consumers liked the most:

- * Getting what they ask for.
- * One contact resolution.
- * Being offered apologies, explanations and opportunities to vent.
- * Interacting with the same person, if more than one contact is needed.
- * Being asked if they are satisfied before ending their call or in-person visit.
- * 24/7 access to call centers.

Jumping Through Hoops to Create a Culture that Cares **Joanna Brandi and Pete Winemiller**

Cultures are invisible parts of the business that include beliefs, attitudes, assumptions and behaviors. They create an environment and an "eco-system." They are also like gardens where all conditions are present for things to be the way they are and no conditions are present for them

to be any different. We all want the same: happy customers, happy productive employees and lots of profits.

Inspire individuals to make the choice to create value and to make a difference. The second most expensive thing in business is attracting a customer. But the most expensive thing in a business is losing a customer. Before changing the culture, change the conversation. Change some definitions. Most customers are turned away by an attitude of indifference on the part of a company employee. You need to think like the fan, not the franchise. We can't control the play on the floor, but we can control how we treat the guests. It's not doing one thing 100 percent better, but rather doing 100 things one percent better. Think big, act small. And you will find loyalty and repeat guests. Business goes where it is invited but stays where it is appreciated.

Drawing the Line on Consumer Error **Rachelle Wassel**

Personal responsibility has been eroded by media, lawyers and lawsuits. We live in a society with litigious mentality who shifts the blame. No one accepts fault and the blame. The duties of the manufacture are the manufacture, design and sell a safe product and to adequately warn of dangers of a reasonably foreseeable uses and misuses of a product. The types of consumer error are failure to read or follow instructions and warnings, removal of a safety device, neglect assembly, failure to test and maintain the product and lack of supervision of a minor. You must train your consumer representative of the hazards that are known or foreseeable, product testing and reports of other consumers. Be sure they are knowledgeable of the product packaging, all ingredients/allergens and instructions. Be sure to also provide the with a clearly defined company policy and a checklist. The message to consumers must be clear. Do not raise expectations.

Do:

- Report and document all information supporting consumer error.
- If the consumer admits error, put their words into quotes.
- Clearly communicate purposes collect of information (not to pay them)
- Develop magic words and strong words for CSRs to use

Example of magic words: We appreciate hearing about your experience, but we cannot compensate you in this matter because you failed to follow instructions and misused the product

Example of Strong words: It is our company policy that we cannot pay a claim that involves consumer error. We have a responsibility ti the company to uphold the integrity of our products.

Keep Learning Alive: Training Retention and Enhancement **Monica Jenks**

Produce service straight from the heart. Market research showed a weakness of service being too robotic. You need to inspire excellence and inject the human touch. Components of service straight from the heart:

- Warm and friendly
- Personalized
- Individualized

- Flexible
- Professional
- Efficient
- Interactive
- Culturally Sensitive
- Spontaneous
- Anticipating Needs

Incorporate these ideas into your company message and train employees. Change attitudes.

“If You Build It, They Will Come” Improving the Customer/Agent Experience with a Multi-Channel Contact Center
Gail McKay, Jim Skeveland

Customer service is changing because of globalization, higher expectations from more sophisticated buyer and new technologies – we can do things we couldn’t do before and communicate in new ways. Customer service is key indicator of integrity of an organization. Customer service has a central impact in customer loyalty and is becoming as important as product quality and cost. Information across enterprise still tends to be siloed and to support specific workers who have limited access to customers. More than 75 percent of customer-facing employees have limited access to customer insight applications, which creates a barrier due to redundancy and cost.

Determine what your business strategy is for customers to maintain existing customers, increase wallet share with existing customers, find new customers and increase self-service with customers. Analyze your call center. Are sales increasing or decreasing? What channels do you support?

Build the picture of where you are today and streamline processes based on your own practices. Define scope, find righteous technologies and don’t use short cuts.

Customers are demanding better service and providing this well can give you a competitive advantage. Multi-channel contact centers can support a superior customer experience. People, process and technology all need to be considered. Choose your technology partners carefully and hold them accountable. Ensure your ROI is believable and aligned to your corporate goals. Implement a customer experience feedback process. Measure your success and then do it again!

Consumer Affairs: Moving Up the Corporate Ladder
Amy Abrams, Susan Baranowsky, Monty Lemaire, Beth Thomas-Kim

Consumer affairs is being challenged to provide the corporation with more strategic value. Brands are the most important asset a corporation owns today. Companies spend hundreds of millions of marketing and product development dollars to build brand value. Customer relationships are the product of brand investments. How you manage, protect and nurture them can determine the ROI of your brand-building expenditures and your bottom line. That’s why consumer affairs has become a critically important and strategic activity. Consumer affairs must:

- Demonstrate to senior management the value consumer affairs provides so it is viewed as strategic and mission-critical
- Bring value to other departments in your organization by sharing the market intelligence gleaned from the consumer affairs function
- Elevate, maximize and leverage your contact center across your enterprise.
- Utilize innovative options to enhance efficiency and cost-effectiveness
- Measure its ROI

Keep Learning Alive

Monica Jenks

How adults learn. They are:

- Experienced
- Self directing
- Problem solvers
- Task oriented
- Savvy
- Proud
- Sensory

They Appreciate:

- Respect
- Seeing the need
- Support
- Freedom
- Being interested
- Fun

Learning challenges:

- What motivates them
- Reinforcement of learning
- Retaining what was learned
- Learning transference is not automatic
- The methods of instruction can be stressful
- Facilitation, support and time are all needed to implement change
- Recognition and reward strongly supports learning
- Learning is more likely when the adult is involved, sees the need and finds the information interesting.

The SRF formula is stimulus leads to response which leads to feedback which in turn leads back to stimulus. Management typically fails in the feedback portion of the formula. There are four levels of learning.

1. Unconscious Incompetence
2. Conscious Incompetence
3. Conscious Competence
4. Unconscious Competence

Immediate feedback and coaching from one's supervisor or manager is the most powerful method of learning reinforcement. There is nothing stronger!

Learning Reinforcement:

- Continual feedback
- Staff/team meetings
- One-on-one sessions
- Periodic reminders
- Role-play
- Resource library
- Call monitoring/observation

Ones to use periodically:

- CBT follow-up
- Self-evaluation (tapes/cases)
- Post-learning questionnaires
- Case studies
- Refresher training
- Remedial sessions
- Homework assignments

Delivering 100% Customer Satisfaction

Cheryl Holtzen

A 100% Guarantee is successful complaint resolution results in increased customer loyalty and retention. Customer surveys show successful complaint resolution increases satisfaction and the probability of repeat purchases.

Tuesday October 12

Workshops

Implementing Voice of the Customer Strategies

- Building internal partnerships, positioning and leveraging value-added services/resources
- Front-line employee loyalty, productivity and alignment with goals
- Valuing and implementing cross-sell, up-sell and referrals
- Implementation of loyalty programs
- Customer experience management

Measuring Success and Next Generation ROI

- Use and application of the SOCAP CCMM to identify areas of improvement
- Use of data for business intelligence and broadening customer base
- Self-service and innovative cost reduction options, amortizing ROI over multiple environments
- Calculate actual over and underachievement of project metrics and identify reasons for performance, collect feedback on qualitative measures to gauge success, identify success factors worth repeating and practices or actions to be abandoned

- Process assessment and redesign, investment analysis and continuous improvement, how much customer care is enough?