Moving Beyond NPS: What Customer Effort Really Means
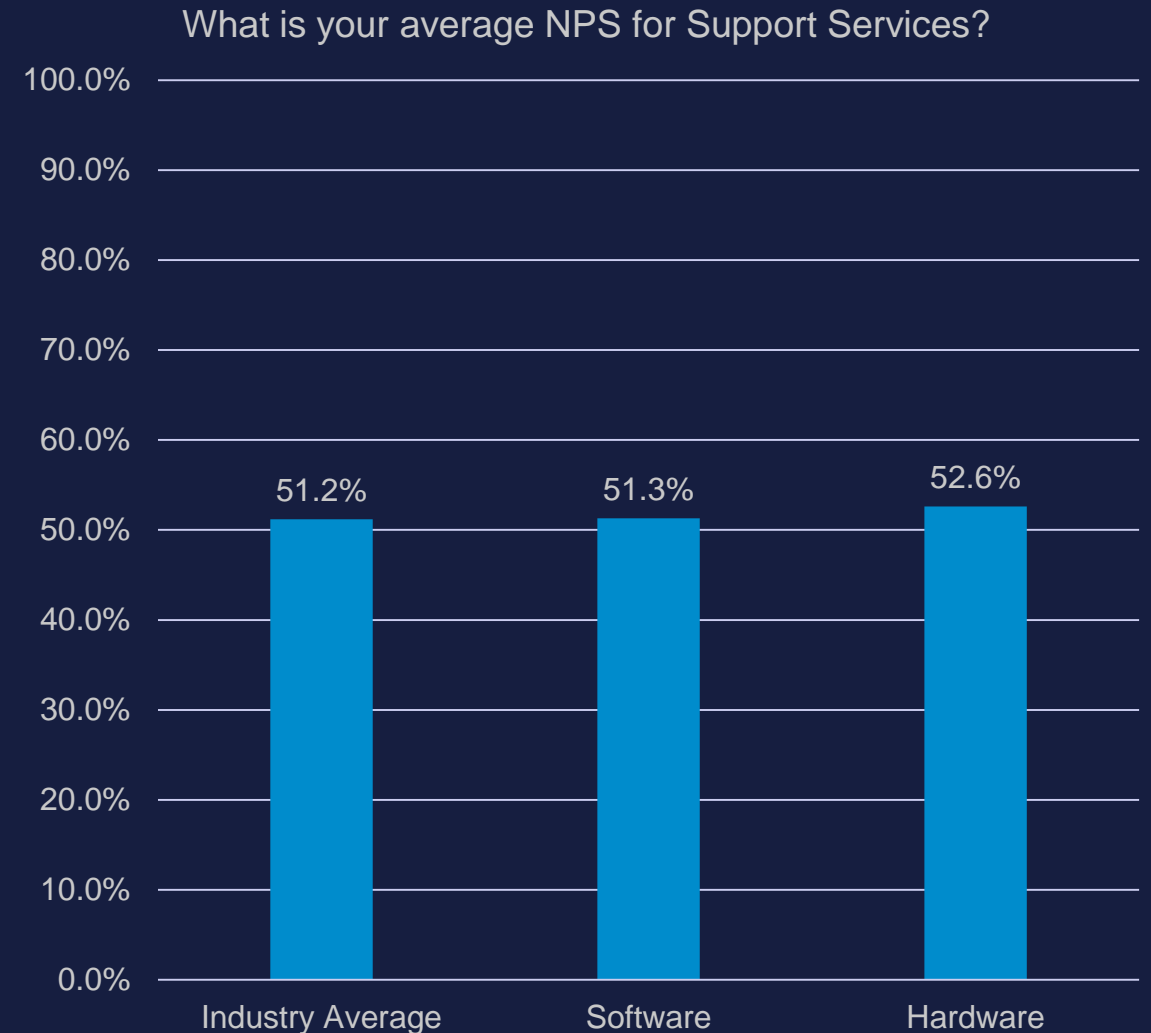
John Ragsdale

Distinguished Vice President, Technology Research

TSIA

The Problem(s) with Net Promoter Score

- The "how likely" question is not actionable
- Calculations inconsistent
  - Subtracting detractors from promoters ignores the middle ground
  - Top box scores ignore average scores
- Tends to focus on executives, not end users
- Easily manipulated for bonus payouts

What is your average NPS for Support Services?

Industry Average	Software	Hardware
51.2%	51.3%	52.6%

Source: TSIA 2019 Support Services Benchmark Survey

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Fred Reichheld, said he is astonished companies are using NPS to determine bonuses and as a performance indicator. "That's completely bogus," Mr. Reichheld, who still consults for Bain, said in an interview. "I had no idea how people would mess with the score to bend it, to make it serve their selfish objectives."

"The Dubious Management Fad Sweeping Corporate America," Wall Street Journal, May 15, 2019

Customer Effort Score 2.0

- "To what extent do you agree: The company made it easy for me to handle my issue."
  - 1 (Strongly disagree)
  - 5 (Strongly agree)
- Easily identifies "friction points"
- Focused on customer experience, not sales or renewals

Customer Effort Score

	Industry	Pacesetters
2016	3.4	4.4
2019	4.1	4.5

■ 2016 ■ 2019
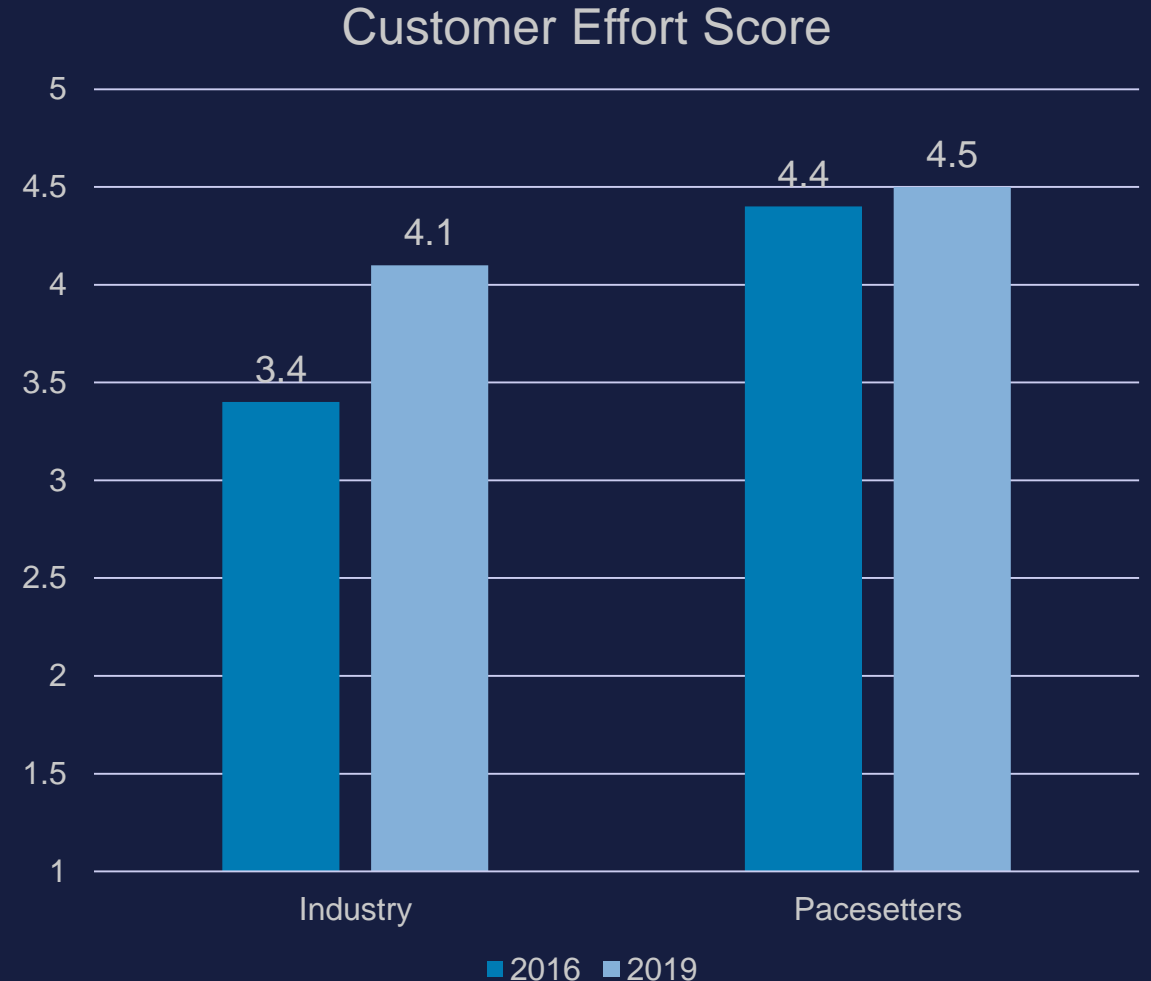
Defining An End-To-End Customer Experience Strategy

- What is the experience we want to create for our customers?
- What brand aspects should be emphasized?
- What corporate culture elements do we want to instantiate?

- Does existing culture support this strategy, if not, what needs to change?
- What processes need to change in order to deliver on this vision?
- What training must be provided to employees to make the vision a reality?

1 Customer Experience Strategy

2 Customer Engagement Strategy

Customer Experience Transformation

3 Engagement Modernization Strategy

4 Technology Adoption Strategy

- What capabilities do we need to deliver that experience?
- What interaction channels should we offer to meet customer expectations?
- In what formats should content be delivered to maximize consumption?

- What technologies should we invest in to enable this vision?
- How can we better integrate technology to maximize access to information?
- How do we train and monitor tool use by customers and employees to maximize adoption?

Based on The 2017 State of Support Services, VP Research, Judith Platz

The Future of Support Interactions

- Persistent
  - Channel agnostic, informed by customer history

- Personalized
  - Tailored to the customer's environment and experiences

- Intelligent
  - Powered by AI and machine learning to automate and streamline

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SUPPORT SERVICES
Research Publication

The Future of Support Interactions

Persistent, Personalized, Intelligent

John Ragsdale, Distinguished Vice President, Service Technology Research

The Persistent Customer Experience

- Just as SMS text messages appear as ongoing conversations, this paradigm must be created across channels and devices

- Every interactions should be in context of previous interactions, i.e., a persistent conversation, not "one and done"

Evolving Channel Preferences

Channel	2018 Preferred Channel
Google	91%
Self-Service	80%
Chat	60%
Community	52%
YouTube	49%
SMS Text Chat	39%
Video Chat	35%
Twitter	15%
Phone	12%
LinkedIn	12%
Google+	12%
Facebook	11%
Instagram	11%
Email	10%

- Channel preference predictions for 2019 and beyond:
  - ⬆ • Self-Service
  - ⬆ • Community
  - ⬆ • Chat
  - ⬆ • SMS and text apps
  - ⬌ • Social media
  - ⬇ • Traditional (phone, email)

- Extreme regional differences must be accounted for

"But My Customers Only Want to Call Me!"

- Customers are trained to use the traditional channels defined in maintenance agreements
  - This does not reflect their personal preferences
- Who are you surveying on channel preferences?
  - A 28 year old sys admin will have much different answers than the CIO
- If you build it, they will come
  - TSIA members who introduce chat are overwhelmed by initial response volumes
 - Social media posts are often ignored, even negative rants by customers

The Personalized Customer Experience

The Personalized Customer Experience

- Personalized FAQs
  - Only show FAQs relevant to this customer and their environment
- Context and relevancy
  - Support guidance based on demographics and technical environment
- Build upon persistent conversations
  - Tailor the interaction based on previous issues and interactions
- Machine learning (usage analysis, relevancy analysis)
  - What content has been the most useful for customers "like this" in the past?
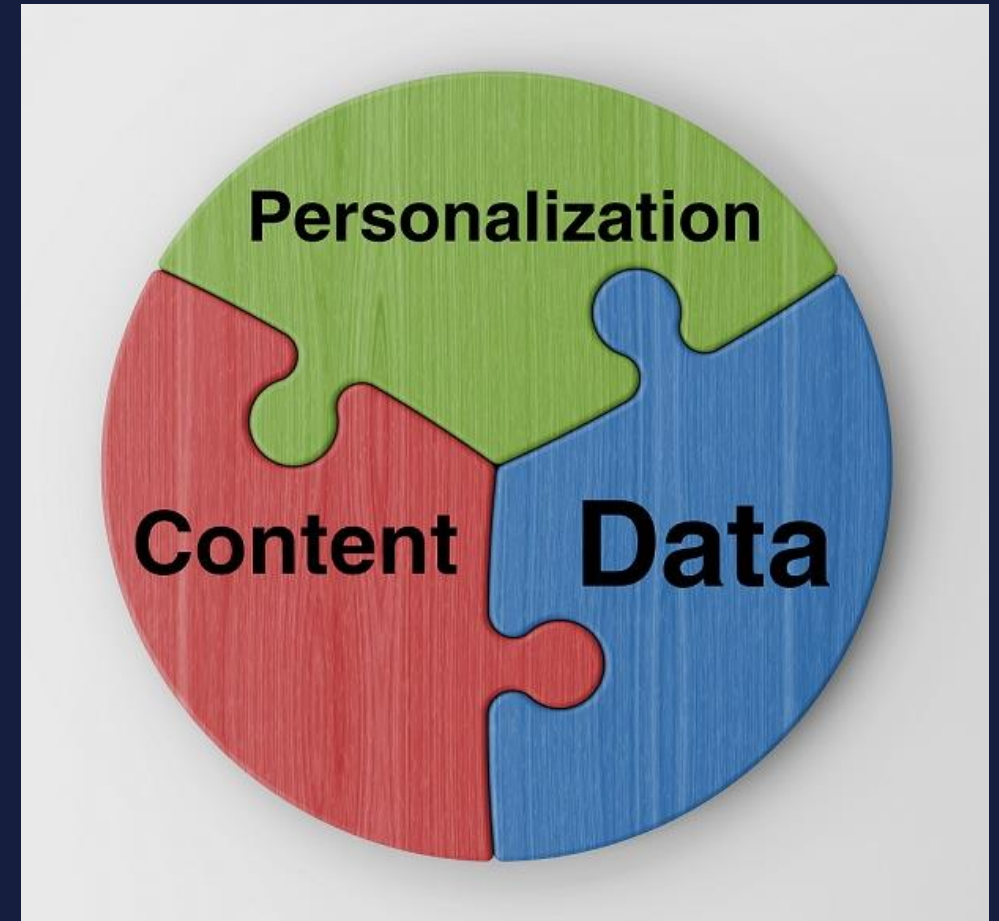
Lowering Agent and Customer Effort with AI

Two A's in AI: Augmented and Artificial
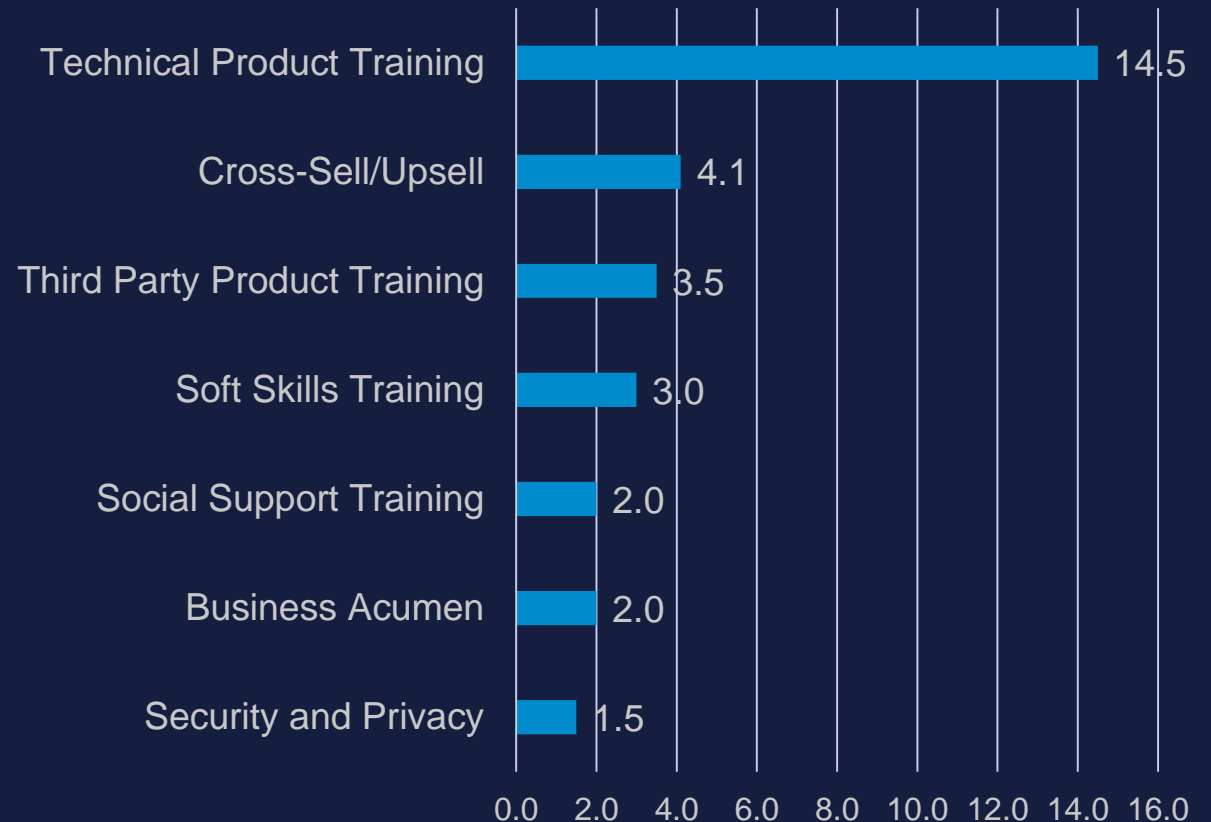## Enhancing vs. Replacing Intelligence

Intelligence: Leveraging analytics, rules, and machine learning to better understand historical patterns and recommend next best action

- Augmented Intelligence
  - *Guiding* activities and process flows using recommendations from machine learning
    - Hints to complete a process
    - Recommend content that solved this problem the last time it occurred

- Artificial Intelligence
  - *Automating* activities and process flows using recommendations from machine learning
    - Chat bot answering a customer question
    - Walking customer through a password reset or form completion

Where To Start: AI Use Cases for Support

- Recommend next best action based on what has solved similar problems in the past
- Wizard-like automated processes for common problems
- Knowledge management analytics
  - Relevancy analysis, content gap analysis, usage analysis
- Chat bots for conversational assistance in solving employee and customer problems

On Average, 31 Business Days of Training Provided to Support Techs Each Year

Category	Days
Technical Product Training	14.5
Cross-Sell/Upsell	4.1
Third Party Product Training	3.5
Soft Skills Training	3.0
Social Support Training	2.0
Business Acumen	2.0
Security and Privacy	1.5

0.0 2.0 4.0 6.0 8.0 10.0 12.0 14.0 16.0

Chat Bots: Hot Spending Trend for 2019-2020

- **Omni-device**
  - Works equally well on PC and mobile devices via browser or SMS text
- **User experience**
  - Guided search experience, prompts for additional information
- **Imbedded AI/ML**
  - No more "answer pairs"
- **Warm transfers**
  - Live chat is required for warm transfer if chat bot isn't being helpful

Chat Bot Adoption and Planned Spending

	2018	2019
Adoption	15%	18%
Planned Spending	52%	54%

Source: TSIA Global Technology Survey

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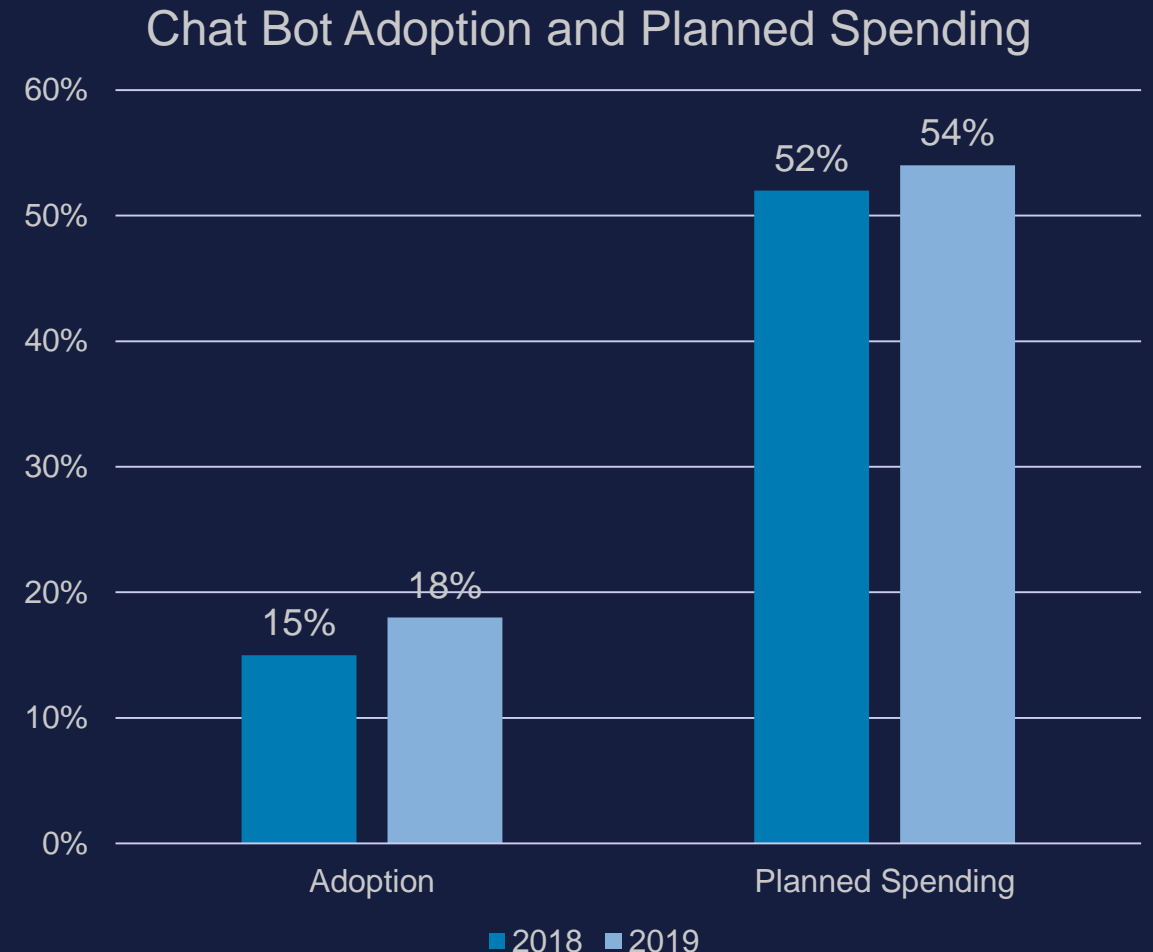
Creating a Customer Experience Strategy

Collect
Collect information from customers *at all levels* about their desired experience and channels
- Surveys, focus groups, interviews, user group sessions

Ask
Ask for input from your support employees, who are hearing feedback daily about the customer's experience

Analyze
Analyze your customer effort score data to understand existing friction points

Partner
Partner across the enterprise for an end-to-end customer experience strategy…but you can start in support