

## Service Customer Management

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### 1. Introduction

Service can be used as a tool for maintaining a long lasting relationship with customers. Therefore, service is perceived as the organization's strategic asset. Some organizations view service as having a competitive differential value.

The service conflict is the same old business conflict – the need to enhance customer loyalty and market share on one hand, and the need to cut costs and become more efficient on the other. Service centers will never grow in direct ratio to the growth in the number of customers.

Are service managers utilizing every tool at their disposal to minimize the gap between efficient service center management and the utilization of service interface for the purpose of enhancing customer loyalty and market share?

### 2. Service Center Trends?

In the past few years, various technologies are being implemented within service centers in order to render them more efficient. CTI systems, self-service enhancing voice response systems, conversation interface management CRM systems, knowledge enhancing data management systems, and systems to cut down call times. Almost every call center produces an entire set of reports and analyses focusing on service center efficiency. Call times, hold times, service topic distribution and processes. Almost all call centers provide answers to all questions regarding human resource utilization, roster optimization, and relentless activities to maximize efficacy and shorten call times. But almost none of the call centers produce analyses and reports dealing with the customer at the other end of the line. Who is he?

### 3. What is Service Customer Management?

The volume of calls per each call center per month is made by 25-70% of the customers, which means that on average, each customer contacts the service center anywhere between 2/5-8 times a year. But we know that not all customers refer to the service center, and that many others call for service more than once.

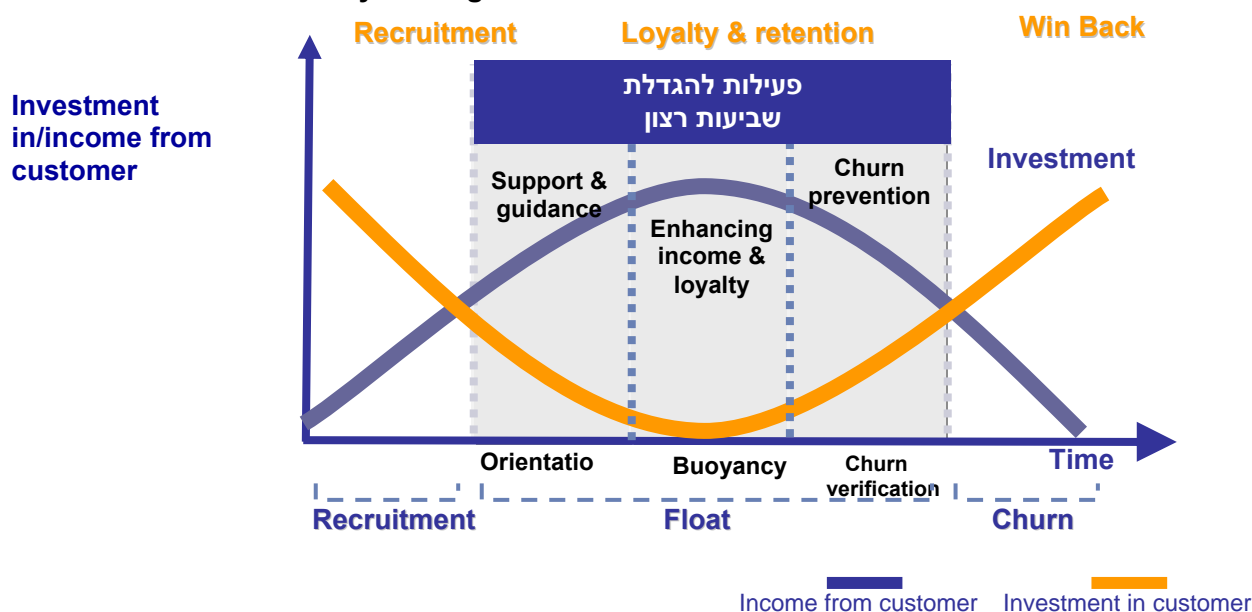
So who are those customers calling us? What are their characteristics? Have we explored this matter enough to know who are those customers referring to service centers and who are the ones who don't? What is service customer management?

For a while now, marketing departments in various organizations have been managing segments, analytical models to predict purchase or churn probabilities. Some of the marketing divisions have purchased additional data in order to deepen their knowledge of their customers (e.g. socio-economic status, marital status, kids, etc.). Marketing departments are administering customer indications, such as: price sensitivity, preferred communication channels, discount sensitivity, etc.

Are service centers utilizing this data?

Understanding who the referring customers are will enable easier identification of the factors influencing demand. Dealing with these factors will inevitably lead to minimizing referrals.

**Market sectors that should be managed using the service centers, according to the customer's life cycle diagram:**



Customer's life cycle stage	How to identify?	Customer experience	What can we do?
Orientation	3 first months	<ul style="list-style-type: none"> <li>- Doesn't know how to communicate with the organization</li> <li>- Lacking information</li> <li>- Seeking reinforcements to join</li> <li>- Asking friends about similar "worth it" deals</li> <li>- First invoice</li> </ul>	<ul style="list-style-type: none"> <li>- Welcome call</li> <li>- Incubation process</li> <li>- "Hand holding" for the initial processes, introduction to website, clear first invoice.</li> </ul>
Float stage	Customers of over 3 months not showing churn signs	<ul style="list-style-type: none"> <li>- Passed around between service centers</li> <li>- Sent back and forth</li> <li>- Has to call again and again to get an answer</li> <li>- Feels as being taken for granted</li> </ul>	<ul style="list-style-type: none"> <li>- Purchase offers</li> <li>- Differentiated service according to customer value</li> <li>- Periodical call to verify satisfaction</li> <li>- Seniority benefits</li> </ul>
Churn signs	<ul style="list-style-type: none"> <li>- End of commitment period</li> <li>- High score on the churn model</li> <li>- Low satisfaction</li> </ul>	<ul style="list-style-type: none"> <li>- Disappointed by the organization</li> <li>- Hears bad things about the organization</li> <li>- Is exposed to offers by the competitors</li> <li>- Beginning to doubt the benefits of the agreement with the organization and its merits</li> </ul>	<ul style="list-style-type: none"> <li>- Activate service triggers to assist in locating these customers (commitment request / asset review)</li> <li>- Provide tools to reps to record and float disappointed customers</li> <li>- Authorize reps to activate "retention tools"</li> </ul>

Categorizing the customers into the three segments described above, an examination of the number of calls per segment, call times and call contents, may significantly improve the service center's deployment for these calls, by training designated representatives, adapting work processes, etc.

## 4. Conclusion

It is very important that organizations get to know their customers and their situation in order to adapt services rendered accordingly, and maximize customer relations in order to enhance loyalty and market share.

Customer segmentation is just as significant for service purposes as it is for marketing purposes, and enables maximizing the service center's ability in favor of adapting work processes and enhancing customer loyalty.

## About Synergy

**Synergy** is Israel's largest international consulting company, specializing in customer management and assisting organizations to maximize the business potential of their end customers.

**Synergy's** uniqueness stems from its team of extensively experienced consultants, who have a background in a variety of marketing positions from various service and retail industries.

We at **Synergy** implement our solutions using forefront of local and global professional know-how in a variety of customer-management related fields, thus maximizing revenue generation from end-customers. **Synergy's** solutions revolve around customer management, and include Analytical CRM, Operational CRM, Loyalty and Web solutions, as well as Marketing Resource Management solutions.

**Synergy's** implementation method is based on the characterization and definition of the business need by establishing a comprehensive solution – **business, technological, analytical and organizational**.

**Synergy** has acquired a vast experience in consulting to dozens of organizations, both locally and internationally, on matters of marketing, service and retention, with proven business results.

Among our customers are some of the largest telecom, finance and retail organizations in both the local and global markets.

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