The Five Imperatives To Delivering Great Customer Service

May 2013
# The Five Imperatives To Delivering Great Customer Service

Table Of Contents

- Executive Summary ................................................................................................................................................................................. 2
- 1. Customer Experiences Are Increasingly Important, Yet Often Miss The Mark ................................................................. 2
- 2. Changing Customer Expectations And Technology Impede Service Delivery ................................................................. 3
- 3. Quality Service Requires A Solid Focus On Your Customer ...................................................................................................... 6
- 4. Empower Your Agents To Deliver The Service That Your Customers Expect ................................................................. 8
- 5. Solid Technology Is A Lynchpin To Providing Good Customer Service ........................................................................ 11
- Conclusion: Pragmatic Steps To Delivering Better Customer Service ........................................................................................ 14
- Appendix A: Methodology................................................................................................................................................................... 15
- Appendix B: Supplemental Material .................................................................................................................................................. 16
- Appendix C: Endnotes .......................................................................................................................................................................... 16

© 2013, Forrester Research, Inc. All rights reserved. Unauthorized reproduction is strictly prohibited. Information is based on best available resources. Opinions reflect judgment at the time and are subject to change. Forrester®, Technographics®, Forrester Wave, RoleView, TechRadar, and Total Economic Impact are trademarks of Forrester Research, Inc. All other trademarks are the property of their respective companies. For additional information, go to www.forrester.com. [1-JX330Y]

---

About Forrester Consulting

Forrester Consulting provides independent and objective research-based consulting to help leaders succeed in their organizations. Ranging in scope from a short strategy session to custom projects, Forrester’s Consulting services connect you directly with research analysts who apply expert insight to your specific business challenges. For more information, visit www.forrester.com/consulting.
Executive Summary

The gap between customers’ expectations and the service they receive is widening. Customers are increasingly informed about the products and services that they have purchased and demand effortless, yet personalized service in real time, using the communication channel and touchpoint of their choice. More often than not, they receive suboptimal customer service. Customers are quick to voice their disappointment, which is amplified via social media channels and can lead to brand erosion and customer defection.

Companies know that good customer experiences are important: 60% of companies aim to differentiate themselves based on the experiences that they deliver.¹ Yet many companies today are battling the ongoing economic pressures of a slow recovery after a prolonged global recession. Most companies balance the cost of doing business with customer satisfaction.

Companies must be pragmatic about engaging in initiatives that will deliver service in line with customer expectations at a cost that makes sense to the business. One successful way to move the needle and deliver an improved customer service experience in a way that is cognizant of business cost parameters is to focus on the core needs of customers and customer service agents, who are the frontline providers of customer service, as well as the technologies that power customer service. Businesses that fail to meet their customers’ expectations and that do not empower their customer service agents to deliver good service run the risk of being left at a competitive disadvantage. In July 2012, salesforce.com commissioned Forrester Consulting to evaluate current trends in customer service by conducting an in-depth survey with 196 US customer service decision-makers.

1. Customer Experiences Are Increasingly Important, Yet Often Miss The Mark

As organizations compete to attract and retain their client base in an increasingly competitive environment, the importance of customer experience is rising. In a recent survey, Forrester found that 28% companies surveyed said that customer experience was their top strategic priority, and a further 65% said it was one of their top strategic priorities.²

Yet companies cannot meet expectations. In 2013, Forrester reported that only 39% of companies earned an “excellent” or a “good” customer experience index rating — an index that measures the ease, usefulness, and enjoyment of doing business with a company. Almost two-thirds of brands were rated as delivering an “OK” to “very poor” experience. And these ratios have not significantly changed in the past six years.³

Why Does Customer Experience Matter?

This gap between good customer experience strategic intentions and actual performance has quantifiable implications for the top line of organizations hoping to differentiate themselves in the market. Positive experiences lead to satisfied customers, which correlate to loyal customers and increased lifetime wallet share for these loyal customers. This return on investment (ROI) can be calculated by correlating customer loyalty and experience over three dimensions: increased cross-sells and upsells, reluctance to switch away from the brand, and recommendations to family and friends.
On the flip side, poor customer experiences incur costs and brand erosion: 75% of the time, customers will move to another channel if they are unable to find answers to their questions via the first channel — and those recontact rates incur quantifiable costs. Further, there is an increase in customer defection and brand erosion due to negative social sentiment.⁴

### The Link Between Customer Experience And Customer Service
Companies are increasingly looking at enhancing their customer service experience in order to stay competitive in an increasingly difficult business climate. This is a shift in focus for many companies, as customer service organizations have historically been managed as cost centers, whose strategy was disconnected from other operations. This shift is evident in the results of the recent study by Forrester Consulting, commissioned by salesforce.com, where 49% of respondents said that their customer experience strategy and their customer service strategy were well aligned, and another 44% said that they were in the process of aligning their customer experience and customer service strategy — a necessary first step in delivering consistent experiences across all customer touchpoints. In addition, only 17% said that customer service organizations would remain a cost center, with the primary responsibility of resolving customer questions.

### 2. Changing Customer Expectations And Technology Impede Service Delivery
It is hard to deliver customer service experiences in line with expectations because customer service decision-makers must pragmatically balance business needs with customer needs.⁵ Businesses still primarily focus on cost control measures and invest in initiatives that have quantifiable returns. And businesses struggle to accommodate the needs of their customer base, which are increasingly complex.

### Increasing Customer Expectations Put New Pressures On Customer Service Organizations
Customers today want to use an increasing range of communication channels to interact with customer service organizations. The phone channel, used by 73% of US online consumers, still remains the most important channel for customer service, yet this is quickly followed by online, text-based, and social channels (see Figure 1).

Communication channel rates have also rapidly changed over the past three years. For example, online self-service or FAQs has grown in usage from 57% to 67%; chat has grown in usage from 30% to 43%; and microblogging has jumped from 11% to 22%. In addition, there are emerging channels such as virtual agents, click-to-call, and SMS that are used today but saw hardly any usage three years ago. Few companies are able to support their customers in a consistent manner across the breadth of these communication channels.

Customers also expect to be able to start a conversation in one communication channel and continue it in another without having to restart the conversation or repeat any information that has been previously communicated. Few companies are attempting to integrate their communication channels to provide this type of seamless experience, and only 35% of organizations have any plans to address this problem this year.⁶ These communication channels — and the agents supporting them — are siloed from one another. Agents do not have a full view of prior customer interactions.
across all supported communication channels, which means that they are unable to personalize and contextualize an answer to a customer request; as a result, they miss the mark on high-quality service delivery.

**Figure 1**
Communication Channel Usage For Customer Service Has Become More Complex In The Past Three Years

![Graph showing communication channel usage](image)

Base: US online adults who have used any customer service method in the past 12 months
*Base: US online adults who have used any customer service method in the past 12 months


**Technology Hampers Customer Service Agents In Delivering Great Customer Service**

Organizations today struggle with outdated customer service technologies that do not let them deliver service in line with expectations. The biggest challenge that customer service agents — the frontline providers of customer service — face is having to use multiple applications during a single customer interaction (see Figure 2). This affects their productivity and forces them to focus on their tool set instead of paying attention to the customer’s conversation. Compounding this problem is the fact that many agents don’t have access to the relevant customer or order history to deliver a personalized service experience — or even answer simple questions like “Has my refund been processed?” More than that, agents are not able to collaborate with peers or subject matter experts, which extends handle times, resulting in customer frustration and increased costs.
Figure 2
Customer Service Agents Struggle To Deliver Good Service Experiences Because Of The Complexity Of Their Tool Set

“Thinking about your customer service technologies that agents use to provide service to customers, what are the challenges that your customer service agents face?”

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agents must use multiple applications to find the information they need</td>
<td>55%</td>
</tr>
<tr>
<td>Agents do not have relevant customer or order history to personalize an interaction (no 360-degree view of the customer)</td>
<td>36%</td>
</tr>
<tr>
<td>Agents do not have an easy way to collaborate with one another or with subject matter experts to quickly resolve problems</td>
<td>32%</td>
</tr>
<tr>
<td>Training takes too long for customer service agents to become proficient</td>
<td>32%</td>
</tr>
<tr>
<td>Training takes too long for agents to become proficient</td>
<td>31%</td>
</tr>
<tr>
<td>Agents have to restart the conversation over because they don’t have context of an inquiry that is escalated from self-service</td>
<td>31%</td>
</tr>
<tr>
<td>Agents cannot easily deliver consistent customer experiences across communication channels using common business rules</td>
<td>30%</td>
</tr>
<tr>
<td>Agents must use multiple desktops to manage voice, chat, email, and social inquiries as these inquiries are all queued differently</td>
<td>27%</td>
</tr>
<tr>
<td>Agents don’t have access to relevant and reliable content to answer customer inquiries</td>
<td>27%</td>
</tr>
<tr>
<td>The agent tool set and screen layout is not intuitive, leading to high rates of agent errors</td>
<td>21%</td>
</tr>
<tr>
<td>Agents need to remember the order that applications need to be accessed to resolve a customer’s request</td>
<td>17%</td>
</tr>
<tr>
<td>Agents don’t have access to back office to be able to effectively answer questions like “Where is my order?”</td>
<td>17%</td>
</tr>
</tbody>
</table>

Base: 196 US customer service decision-makers
Source: A commissioned study conducted by Forrester Consulting on behalf of salesforce.com, July 2012

Social Media Channels Pose Unique Challenges
Tactical operational pain points that customer service organizations face in delivering customer service revolve around managing inquiries from different media types (for example, voice, digital, social) using a single desktop and managing social media inquiries in particular. Customer service organizations face an onslaught of social media inquiries, which they must answer effectively to avoid negatively affecting the company’s brand proposition. In addition, companies must track and quickly resolve emerging issues that are surfaced via social media channels (see Figure 3). But today, customer service organizations lack the applications to effectively manage social media escalations, lack the ability to
map social identities to customer records in order to better personalize interactions, and often use immature and inconsistent business processes to respond to customers via social channels.

**Figure 3**
Customer Service Agents Struggle To Manage Social Inquiries

<table>
<thead>
<tr>
<th>“On a scale of 1 to 5, how proficient do you feel your organization is currently when it comes to the following business capabilities?”</th>
<th>Poor 1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detecting emerging issues via social media channels</td>
<td>6%</td>
<td>21%</td>
<td>30%</td>
</tr>
<tr>
<td>Giving customer service agents a single agent desktop for all interactions (e.g., email, chat, social)</td>
<td>2%</td>
<td>20%</td>
<td>28%</td>
</tr>
<tr>
<td>Effectively managing incidents that are detected over social media channels</td>
<td>4%</td>
<td>21%</td>
<td>33%</td>
</tr>
<tr>
<td>Locating the right content to answer a customer’s question by searching across all sources of content</td>
<td>3%</td>
<td>5%</td>
<td>29%</td>
</tr>
<tr>
<td>Using collaboration tools to quickly connect agents with other agents or subject matter experts</td>
<td>3%</td>
<td>12%</td>
<td>29%</td>
</tr>
<tr>
<td>Enabling customers to use multiple communication channels in the course of a single interaction</td>
<td>3%</td>
<td>12%</td>
<td>29%</td>
</tr>
<tr>
<td>Ability to change customer service business processes easily to better align with business demand</td>
<td>2%</td>
<td>13%</td>
<td>28%</td>
</tr>
<tr>
<td>Easily integrating to back-office systems to give agents the information they need to answer customer questions</td>
<td>2%</td>
<td>11%</td>
<td>28%</td>
</tr>
<tr>
<td>Increasing the productivity and efficiency of my customer service organization</td>
<td>1%</td>
<td>5%</td>
<td>27%</td>
</tr>
<tr>
<td>Guiding agents through the right customer service processes</td>
<td>1%</td>
<td>30%</td>
<td></td>
</tr>
<tr>
<td>Keeping content that agents use to answer customer questions complete, relevant, and accurate</td>
<td>1%</td>
<td>9%</td>
<td>28%</td>
</tr>
<tr>
<td>Delivering consistent customer service across multiple communication channels</td>
<td>1%</td>
<td>9%</td>
<td>34%</td>
</tr>
<tr>
<td>Standardizing the delivery of customer service across our agent pool</td>
<td>4%</td>
<td>22%</td>
<td></td>
</tr>
</tbody>
</table>

Base: 196 US customer service decision-makers

Source: A commissioned study conducted by Forrester Consulting on behalf of salesforce.com, July 2012

**3. Quality Service Requires A Solid Focus On Your Customer**

Today’s customer service organizations recognize the competitive challenges of and opportunities from delivering superior service across channels and touchpoints. However, only rarely do they have the luxury of starting with a clean slate and a blank check to design, build, and deploy the ideal customer service center. Companies will only achieve the benefits of improved customer service coupled with better efficiency by having a vision and a strategy and translating those elements into a solid plan to deliver better service.
Start By Aligning Your Customer Service Strategy With Your Company Strategy
Companies are increasingly looking at enhancing their customer service experience in order to provide differentiation in a sea of commoditized products and services. This is a shift in focus for many companies, as customer service organizations have historically been managed as cost centers, whose strategy was disconnected from other operations. This shift is evident: 47% of respondents said that the vision of their customer service organization focused on delivering high levels of customer satisfaction.

This shift away from a purely cost-driven culture is also evident in the metrics that companies are currently using to measure successful customer service outcomes (see Figure 4). Companies are increasingly using a Balanced Scorecard of metrics, aligned to support a company’s brand proposition; these include customer satisfaction, quality of the interaction, effectiveness at resolving the customer’s issue measured by first contact resolution rates, and compliance to regulatory policy.

Deliver Service Experiences In Line With Customer Expectations
Customers expect to receive efficient, effortless, and personalized service from the customer service organizations with which they interact. In a recent study of more than 7,000 US consumers, Forrester found that 52% of respondents said that they would abandon a purchase if they could not find a quick answer to their question, and 71% said that valuing their time was the most important thing that a company could do to provide them with good customer service. However, customers are often disappointed with the level of service they receive. Forrester data shows that 57% of US online consumers say that they’ve had unsatisfactory service interactions in the past 12 months; 27% of these vented via social channels, such as online customer reviews, social media status updates, or blog posts. In addition, the cost of providing suboptimal service adds up due to customer recontacts and channel escalations.
Customer service organizations must focus on providing communication channels that their customers want to use for customer service. Forty-eight percent of companies are expanding or planning to implement mobile customer service, 50% are expanding or planning to implement chat, 39% are expanding or planning to implement communities, and 37% are expanding or planning to implement SMS as customer service communication channels.  

4. Empower Your Agents To Deliver The Service That Your Customers Expect

Empowering your customer service agents with the right tools, processes, and management oversight will make or break the quality of service that you deliver: 99% of respondents said that the service that agents deliver directly correlates to resulting customer satisfaction scores — a major indicator of customer loyalty and business outcomes.

What Has The Greatest Impact On Customer Satisfaction?

Our survey results show that customer service organizations being able to effectively and efficiently resolve customer questions is key: 67% of respondents say that having agents able to resolve a problem on the first contact has the greatest impact on customer satisfaction scores; another 70% say that it is keeping callback times short for those issues that are not resolved on first contact. Secondary in importance but still significant are agent empowerment to resolve a customer’s question and agent soft skills to listen to and communicate with the customer.

In order to deliver service that garners high satisfaction scores, agents must have easy access to all customer, product, and history information so that they are able to quickly understand the situation at hand; they must also have access to past customer interactions and preferences in order to deliver personalized, differentiated experiences. Agents also need simplified processes and agent screens.

Our survey data shows that to tactically empower agents by providing all this information at their fingertips, customer service organizations are focusing on streamlining the inquiry routing processes and the agent desktop. Specifically, organizations are focusing on giving agents the information they need to resolve a customer inquiry at the right point in the process to resolve a problem on first contact. Organizations are also focusing on empowering agents with all the necessary customer and product information so that the agent is able to personalize the service experience. Organizations are also streamlining the routing of inquiries to the agent who is most able to resolve a customer’s question (see Figure 5). These measures allow agents to be more productive and efficient at delivering effortless service, thereby reducing operational costs and at the same time increasing customer satisfaction.
Customer service organizations must also arm customer service agents with relevant, accurate, and complete content to answer customer questions. In many companies, corporate knowledge in a company is not readily available; it tends to be dispersed across a range of content management systems, personal emails, product documents, customer records, meeting invitations, social media sites like discussion boards, and other sources.

Because of this, customer service organizations view the knowledge management problem as their primary tactical priority today — one that they must address to improve their current operations. They are turning to knowledge management solutions to help achieve order and provide easy access to content as well as to standardize content across communication channels (see Figure 6).
Use Customer Feedback To Improve Your Operations

It is critical for a company to receive feedback about its products, services, and organizational processes so that it can optimize the customer service experience. This can be done via traditional channels like surveys as well as via social listening. Companies should use this feedback to measure the quality of their customer interactions; they should also analyze and act upon it as part of continuous improvement efforts to better align the quality of service they deliver with customer expectations.

It is comforting to see that 89% of customer service organizations surveyed are using a Balanced Scorecard of metrics to measure the success of customer service interactions (see Figure 7). The top five metrics used are customer satisfaction, first contact resolution, average speed of answer, service-level adherence, and agent handle time; these offer a solid balance between customer feedback metrics and operational productivity metrics. In addition, when asked how customer service organizations were planning to incentivize and measure agents to support their future vision of
customer service, 48% said that they were moving to a model where agents will be measured via direct feedback on the satisfaction of the interactions.

Figure 7
Companies Rely On Customer Feedback And Operational Metrics To Measure Successful Customer Service Outcomes

```
"What are the main measurements of success for your customer service operations?"
(Select your top five)

- Customer satisfaction: 89%
- First contact resolution: 64%
- Average speed of answer: 52%
- Service level adherence: 43%
- Agent handle time: 40%
- Agent productivity: 37%
- Escalation rate: 29%
- Abandon rate: 29%
- Policy/regulatory compliance: 26%
- Effort of service: 21%
- Net Promoter Score: 19%
- Quality of web self-service answer: 17%
- Relevance of web self-service response: 12%
- Contacts deflection rate: 11%
- Agent collaboration rates: 8%
- Other (please specify): 3%
```

Base: 196 US customer service decision-makers
Source: A commissioned study conducted by Forrester Consulting on behalf of salesforce.com, July 2012

5. Solid Technology Is A Lynchpin To Providing Good Customer Service

Customer service technology has moved more slowly than other technology markets because of the conservative way in which companies have historically purchased and deployed it. Because customer service organizations have been historically seen as cost centers, downtime directly translated into lost agent productivity as well as decreased service levels and customer satisfaction metrics. This means that many customer service organizations today use costly and proprietary technology that is implemented in a way that doesn’t let them quickly adjust to changing business and customer demands. Tactically, this means that customer service organizations cannot readily change their agent business processes, agent desktops, service levels, routing and queuing algorithms, or agent assignments.

IT priorities for customer service technology focus on flexibility and agility. Top priorities include (see Figure 8):

- Avoiding the rip and replace of installed systems. Companies have historically integrated a number of best-of-breed, proprietary software-based and hardware-based technologies for customer, product, and order
management. These systems are mission-critical for operations and are very difficult and expensive to replace. IT personnel supporting customer service operations look for technology solutions that are able to modernize existing capabilities yet can be deployed as an overlay to existing solutions.

- **Scalability and performance across all deployment sizes.** Technologies must be able to scale with changing customer demands. They must also be able to support multiple geographic locations with automatic failover options to ensure uninterrupted operations.

- **Ease of integration with back-office applications.** Customer service agents need access to back-office applications to answer questions like “Where is my order?” and “Has my return been processed?” Any customer service technology must be open, standards-based, and easy to integrate with existing back-office applications.

**Figure 8**

IT Priorities For New Customer Service Technologies Focus On "Integrateability," Scalability, And Performance

<table>
<thead>
<tr>
<th>Factor</th>
<th>1st</th>
<th>2nd</th>
<th>3rd</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scalability and performance across all deployment sizes</td>
<td>22%</td>
<td>11%</td>
<td>12%</td>
</tr>
<tr>
<td>Ability to overlay onto existing products to avoid rip and replace of installed systems</td>
<td>22%</td>
<td>9%</td>
<td>10%</td>
</tr>
<tr>
<td>Ease of integration of customer service applications with back-office applications</td>
<td>16%</td>
<td>18%</td>
<td>14%</td>
</tr>
<tr>
<td>Ease of integration of customer service applications with collaboration tools</td>
<td>12%</td>
<td>15%</td>
<td>9%</td>
</tr>
<tr>
<td>Open, standards-based architecture and interface</td>
<td>10%</td>
<td>9%</td>
<td>7%</td>
</tr>
<tr>
<td>Ability to easily change customer-facing business processes</td>
<td>6%</td>
<td>10%</td>
<td>18%</td>
</tr>
<tr>
<td>Ease of integration of customer service applications with the telephony infrastructure</td>
<td>6%</td>
<td>11%</td>
<td>11%</td>
</tr>
<tr>
<td>Deployment flexibility — ability to deploy software on-premises or in the cloud</td>
<td>0%</td>
<td>8%</td>
<td>10%</td>
</tr>
<tr>
<td>Ability to support from a technology perspective the newer, social technologies</td>
<td>2%</td>
<td>10%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Base: 196 US customer service decision-makers

**Source:** A commissioned study conducted by Forrester Consulting on behalf of salesforce.com, July 2012

In addition, more and more customer service organizations are looking to consolidate the range of diverse solutions, often provided by point solution vendors, by adopting integrated suites. This is in line with the general IT trend to consolidate supplier relationships, but it also attacks the problem of the many integration pain points that plague customer service organizations today.
Customer Service Organizations Are Leveraging SaaS To Keep Them Competitive

Companies are increasingly leveraging software-as-a-service (SaaS) deployment options for their customer service technologies in order to give them the business agility to quickly react to changing consumer demands and business expectations. In fact, according to Forrester’s latest data on SaaS adoption trends, more than 70% of companies are leveraging SaaS-based technologies for horizontal processes like customer relationship management (CRM). ¹⁰

These organizations are choosing SaaS-based technologies not only because they can help lower costs but because they provide a range of benefits that allow organizations to focus on critical activities that influence business outcomes instead of focusing on the maintenance of their hardware and software. Seventy-two percent of respondents indicated that SaaS improves their business agility, 66% indicated that SaaS allows them to focus resources on important projects, 64% indicated that it speeds up deployment, and 50% said that it allows them to roll out new capabilities to their customers so that they can better align with changing customer expectations.¹¹ As organizations contemplate replacing their customer service software, SaaS can be a viable option to ensure future agility and flexibility.

Enterprises Recognize The Risk Of Not Getting The Technology Right

Customer service organizations face a set of barriers that prevent their organizations from making better use of technology to improve their operations. Unsurprisingly, more than half the survey respondents identified cost as by far the largest barrier. Yet secondary barriers are also significant: When asked what impedes them from moving forward to deliver better service, 37% said lack of business agility in choosing technologies that can easily adapt to changing business pressures; 35% said lack of budget; and a quarter of respondents said user resistance to adopting or better utilizing current technologies.

These barriers are being overcome as companies that simply maintain the status quo face escalating costs, customer defection, and brand erosion. Survey respondents understand this and identify the real risks of not adopting new customer service technology. They are:

- **Inconsistent customer service.** Poor customer service technology hinders agents in delivering great customer service. It also limits supervisors’ and managers’ ability to make the day-to-day tactical decisions required to keep service and quality in line with expectations.

- **Loss of efficiency.** Internal operational inefficiencies are a result of complex technology that does not facilitate collaboration and that is not well integrated; this causes agents to struggle to find the information they need to answer customer inquiries in multiple disconnected systems. The ongoing struggle to balance service levels, quality, and efficiency is one of the top concerns when looking to improve operations.

- **Competitive disadvantage.** Across the board, enterprise managers recognize that their competitors will not sit still. Companies now have the option to drive increased customer support across channels — and if they don’t, others will. Customer service organizations must be able to change the business processes that agents follow to respond to customer inquiries. Organizations need to route customer inquiries to the right agent who is empowered with the right data and content to quickly and easily answer customer questions.
Conclusion: Pragmatic Steps To Delivering Better Customer Service

Forrester believes that a good customer experience correlates to loyalty and increased lifetime customer wallet share, as measured in three classic categories: willingness to consider the company for another purchase, likelihood to switch business to a competitor, and likelihood to recommend to a friend or colleague. This direct correlation between a good customer experience and positive business value is evident across the more than 40 industries that Forrester surveyed.

Improving the customer experience is also good for internal operations. Companies that have invested in delivering better customer experiences report reduced operational costs, greater productivity of their frontline personnel, and greater business agility — a necessary requirement to stay ahead of the competition.

Many companies are focusing on customer service as a way to improve the experience that companies deliver. Improving customer service operations is a multiyear modernization and transformation project that takes a coordinated effort across four dimensions — strategy, process, technology, and people management. Critical steps in this process include the following:

- **Align your customer service strategy to your customer experience strategy.** Your customer experience strategy articulates the experience you want to deliver across all communication channels and all company touchpoints that are in line with your brand proposition. Make sure that your customer service strategy does not conflict with your overall company strategy.

- **Understand your customers’ expectations of quality of service.** The communication channels that customers are using are changing rapidly, and the mix used is a reflection of the brand proposition of a company. Make sure that you choose the right communication channels for your customers, and understand the interactions that they want to have via each channel. Also, make sure that your agents are empowered with the right content and information to meet your customers’ expectations of service.

- **Choose technologies that empower your agents to deliver excellent experiences.** Customer service technologies are at the heart of the solution for providing optimal customer service experiences. Customer service technologies must be able to standardize the customer service experience across communication channels, including social media channels; empower agents with contextual customer, product, and service information and content; and allow agents to easily collaborate to quickly resolve inquiries. They must also be agile to allow companies to quickly react to changing business and customer needs.

- **Don’t forget about your people.** How people are organized and led are important factors that affect customer service success and that make up an organization’s corporate culture, leadership practices, collaboration methods, training programs, and performance measurement approaches. It’s also important to empower your agents to do the right thing for the customer. They are, after all, your most important asset.
Appendix A: Methodology

In this study, Forrester conducted an online survey of 196 US enterprise customer service decision-makers in order to evaluate the current challenges they face and assess the investments they have made or are planning to make in customer service technologies to overcome those challenges. All survey respondents had direct knowledge of their customer service strategy and operations. The study began in July 2012 and was completed in September 2012.

Figure 9
Survey Demographics: Company Size And Number Of Customer Service Agents

Base: 196 US customer service decision-makers
Source: A commissioned study conducted by Forrester Consulting on behalf of salesforce.com, July 2012

Figure 10
Survey Demographics: Company Industry And Respondent Title

Base: 196 US customer service decision-makers
Source: A commissioned study conducted by Forrester Consulting on behalf of salesforce.com, July 2012
Appendix B: Supplemental Material

Related Forrester Research


“Craft Your Contact Center Investment Plans In Light Of Technology Adoption Patterns,” Forrester Research, Inc., November 7, 2011

Appendix C: Endnotes


5 In the survey conducted by Forrester Consulting on behalf of salesforce.com, the top two goals of customer service organizations were improving online/web customer service (40%) and reducing the costs of servicing customers (39%).

6 In Forrester’s Forrsights Networks And Telecommunications Survey, Q1 2012, only 35% of buyers indicated that they were going to invest in multichannel integration. This implies that many customer service organizations are going to continue to choose a best-of-breed approach to support multiple channels in their contact centers. This will continue to limit their ability to report on the full scope of customer interactions across different channels and will make it harder to deploy business rule changes.


9 Source: A commissioned study conducted by Forrester Consulting on behalf of salesforce.com, July 2012

10 Source: Forrsights Software Survey, Q4 2012, Forrester Research, Inc.