Predicting customer satisfaction helps prioritize interactions and prevent churn

Ovum view

Summary

Although customer service centers have different levels of maturity when it comes to integrating new channels such as social media or web chat, they all share the common need to track and improve customer satisfaction. And today there are various ways to measure customer satisfaction – through surveys, text and speech analytics, and agent performance scores. However, it is often difficult for contact centers to know how to use these metrics to improve operations and reduce customer churn.

If predicted customer satisfaction scores were embedded into the agent desktop alongside every interaction, contact centers could route and prioritize queries based on their importance. The customer service vendor Zendesk has been developing predictive machine learning to do just that. It is soon to release a feature that delivers predicted customer satisfaction scores for its enterprise-level customers, helping them make decisions about how to handle interactions.

Why are customer satisfaction scores so important?

Customers use many different channels to get information about the brands they do business with, whether to research products and services, to make a purchase, or to get support. Often contact centers have limited and siloed insight into their customers' pre-interaction behavior, making it difficult for them to know what motivates customer sentiment. Although many different metrics are used to determine customer satisfaction (including customer effort, task-resolution rates, NPS, and callback rates), they are typically reviewed after support interactions have taken place, when it is too late to intervene in problematic conversations.

Ideally, contact centers need to determine customer satisfaction in real time to militate against churn and negative sentiment being shared among peers. The ability to predict customer intentions and the severity of issues through satisfaction scores can help contact centers determine how best to handle support queries. With the right guidance and a more complete understanding of customer behaviors in real time, agents can resolve issues more quickly. They can focus on those customers who are potentially at risk of canceling a service or have an urgent issue and push them to the front of the response queue.

Zendesk is using machine learning to predict and assign customer satisfaction scores to interactions

Zendesk has plans to introduce a new predictive analytics element into its core product for case management, chat, social media, and email management. As of January 2016 the Customer Satisfaction Prediction tool was still in beta, but it is expected to be made available for contact centers that have subscribed to Zendesk's Enterprise plan within the first half of 2016. The tool will analyze data from customer interactions via text-based channels and create a customized data engine for each business.

Based on its data analysis of support tickets, Zendesk uncovered three factors that impact satisfaction: time to respond, the number of back and forth interactions (i.e., customer effort), and the query topic. These factors vary by business and industry and Zendesk will create personalized models for each business by analyzing its existing tickets and satisfaction ratings. With a higher

number of analyzed tickets, predictions will become more personalized and relevant to the business; contact centers can use this data to route or escalate queries accordingly. Although Zendesk does not currently have the capability to do this for voice interactions, it is rapidly building its voice offering and could add real-time speech analytics at a later stage.

Based on a "satisfaction prediction" score assigned to each interaction, the business can then choose which messages to prioritize. Agents will have better visibility into customer sentiment so that they can decide when to offer a particular deal or escalate a query to a supervisor. In addition, contact center managers can influence ticket distribution based on these scores, for example routing "high risk" interactions to more experienced agents or those with specialist skills. The overall goal of such a solution is to catch those queries that are more sensitive, to prevent customers from churning, and to improve satisfaction where necessary.

Further down the line Zendesk will also use predictive data analytics to improve self-service on websites and through digital channels. For example, understanding a customer's intent in an email could lead to an automated response offering a number of suggested actions to help that customer (similar to an intelligent virtual agent). Rather than focusing solely on deflecting calls, this feature will help customers who want to use self-service to find answers faster, improving resolution rates across FAQ pages, email, and messaging. As long as customers still have the option to reach an agent when needed, customer satisfaction will improve.

This new feature marks a change in the way analytics will be packaged and sold

The volume of customer data is increasing rapidly with use of digital channels. As a result, analytics and contact center vendors are developing real-time solutions to facilitate faster decision-making at critical points in the customer journey. However, predictive analytics solutions are often complex to implement and involve large-scale data cleaning and mapping and months of trial and error to get relevant results.

The value of these large analytics projects should not be overlooked, because they help enterprises to understand the complete customer picture and improve operations. However, simplifying analytics tools and embedding them within existing applications is likely the best way forward for vendors that have struggled to gain traction in the typically slow-moving or budget-constrained customer service market. Offering simple, data-driven dashboards within existing CRM or contact center routing platforms makes them accessible to a wider range of businesses and prepares contact centers for further customer analytics utilization down the line. And vendors have already begun to add customer journey maps showing cross-channel behavior to agent desktop tools. Ovum expects more vendors from the realm of CRM and contact center routing to follow suit.

The advantage of Zendesk's customer satisfaction prediction is that its customers do not need to employ a data scientist or worry about gathering relevant data. It comes at relatively little cost because it will be included in the provider's Enterprise package. Although Zendesk has claimed a high level of accuracy for its prediction models, customer results have yet to be fully proven given that the product is still in beta. However, it has received positive feedback from its initial trial customers. Ovum believes that the feature will be particularly useful for businesses that do not need to carry out complex analytics, but still want to track and improve satisfaction rates. Zendesk customers that do

want to dive deeper into customer effort scores or cross-channel journeys will still need to work with specialist analytics vendors for the time being.

Appendix

Further reading

How-To Guide: Customer Journey Management, IT0020-000173 (January 2016)

2016 Trends to Watch: Digital Customer Service, IT0020-000164 (November 2015)

"Zendesk has embraced Facebook Messenger for the next wave of social customer service," IT0020-000117 (May 2015)

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We hope that this analysis will help you make informed and imaginative business decisions. If you have further requirements, Ovum's consulting team may be able to help you. For more information about Ovum's consulting capabilities, please contact us directly at consulting@ovum.com.

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