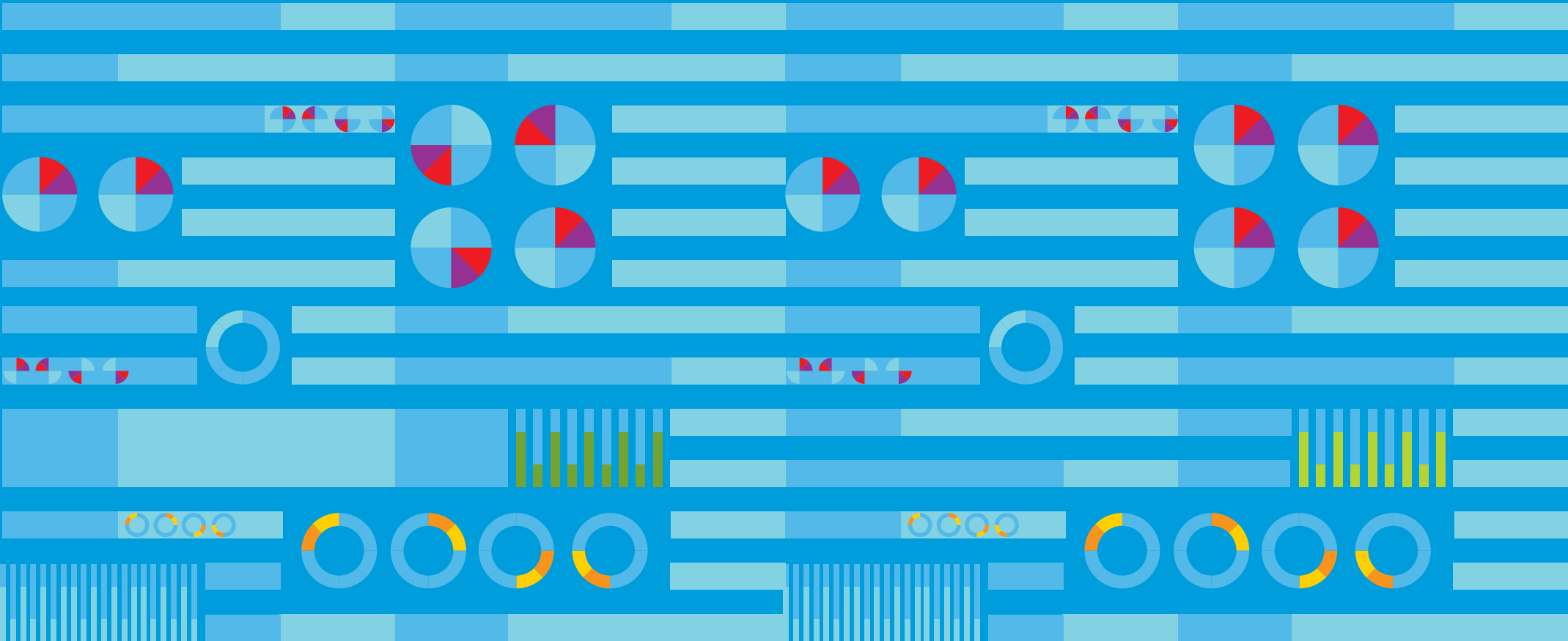


# Redefining Service Metrics for the Customer-Powered Age



Five experts reveal the KPIs driving the world's most successful customer service organisations





## Introduction:


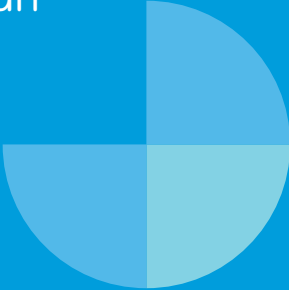
# “How good is our customer service?”

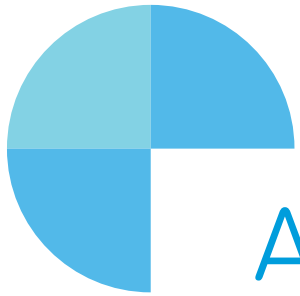


Measurement has always been critical to customer service operations, and most contact centres are driven by a well-established set of efficiency metrics.

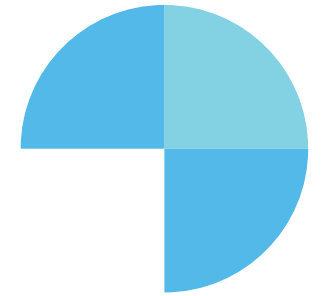
But are your customers really impressed by how quickly you can get them off the phone, or are there other metrics that could benefit your business – and your customers – more?

It's a question that's especially relevant now that customers who feel they've had shoddy treatment are likely to:

- a) get straight on to Twitter or Facebook to complain about it and:
  - b) use the technology at their disposal to seek out an alternative organisation that will treat them less like a 'case' or an 'incident', and more like a human being with real needs and feelings.
- 
- 

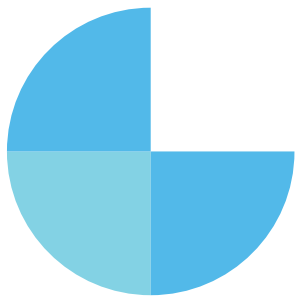


# A new generation of service metrics



For this eBook we probe five of the UK's top customer service thinkers on the metrics that **ought** to matter to service organisations in this age of unprecedented consumer power. Plus we get their tips for emerging metrics that are already starting to drive a new era of multi-channel customer service.

If it inspires you to shift your service metrics up a gear or two, we know a great CRM platform with a great set of dashboards that will let you do just that. Find out more about the Salesforce Service Cloud on p.24, or [visit our website](#).





# Meet the Metrics Experts



These five people spend their entire lives thinking about how to make customer service better – and because of that, their expertise is sought out by companies across the globe.

We'd like to thank them for their time and insight, and encourage you to check out their blogs and/or follow them on Twitter for more tips on measuring and improving customer service.



# 0.0

## Meet the Metrics Experts



**SUPPORT GURU:**  
**Greg Oxton**

**Consortium for Service Innovation**  
Greg is the executive director of the Consortium for Service Innovation, a nonprofit alliance of customer support organisations that develops innovative ways to address the challenges of customer service and support, like the Knowledge-Centered Support (KCS) methodology. He is also the president of the KCS Academy, an outreach company of the Consortium, offering KCS certification and development programs. Before joining the Consortium, Greg held management positions in customer service, operations, planning, support strategy, and development at IBM, N.E.T., and Tandem Computers.

Follow Greg at:  
[@GregOxton](https://twitter.com/GregOxton)



**EXPERIENCE EVANGELIST:**  
**Professor Morris Pentel**

**Customer Experience Foundation**  
Morris runs one of the most respected consulting businesses in the UK with a track record of successful work for some of the largest institutions in the world. He has been involved in the delivery of some of the most significant innovations in technology over the last 25 years. He has influenced technology design and best practice for the delivery of contact technologies for nearly a quarter of a century.

Follow Morris at:  
[Customer Experience Foundation](https://www.customerexperiencefoundation.com)



**SELF-SERVICE MASTER:**  
**Peter Massey**

**Budd**  
Peter's passion is "how do we stop doing dumb things to our customers and people?" In 2001 he co-founded LimeBridge in ten countries to further this passion. In the same year he co-founded Budd in the UK, a consultancy dedicated to implementing the Amazon growth model referred to as "The Best Service is No Service". Peter facilitates a group of leading customer and people experience professionals in the "Chief Customer Officer" Forum in order to move forward this passion in the UK.

Follow Peter at:  
[@PeterMasseyBudd](https://twitter.com/PeterMasseyBudd)



**EMPATHY EXPERT:**  
**Martin Jukes**

**Mpathy Plus**  
Martin has been designing and implementing customer service strategies for over 20 years. He has led many projects across numerous sectors including developing service strategies, managing service recovery projects, designing and implementing new contact centres, conducting operational audits and building technical specifications for telephony and customer management tools.

Follow Martin at:  
[www.mpathyplus.co.uk](https://www.mpathyplus.co.uk)



**SERVICE OBSESSIVE:**  
**Dave Thomson**

**Salesforce.com**  
Dave has been involved with Communications and Collaboration technology for the last 27 years. His real passion is working with organisations to understand their business drivers, collaboration needs, processes, work styles and culture and then presenting back solutions and ideas to help them achieve tangible business benefits.

Follow Dave at:  
[@salesforce](https://twitter.com/salesforce)

# Chapter Guide

We've organised this eBook around six themes that are changing the way organisations think about measuring customer service in the multi-channel, customer-powered era. Use the below as a guide to finding the topics that interest you most.



## 0.1

### **The Problem with Traditional Metrics:**

Most contact centres measure performance along efficiency lines, but is this approach actually in anyone's best interests? We look at why factory-style metrics still reign supreme, and why it's high time for some new thinking.

## 0.2

### **Emerging Metrics – The New KPIs Driving Innovation in Customer Service:**

The science of customer service doesn't stand still, and new ways of measuring and managing it are emerging all the time. We look at new metrics that are transforming service delivery at some of the world's most innovative service organisations.

## 0.3

### **Delivering Service in a Multi-Channel World – The New Metrics that Matter:**

Customers are seeking help and advice in a multitude of new ways, from web self-service to sounding out peers on social networks and forums. We look at what to track in this decentralised, multi-channel service world – and what to do with that information.

## 0.4

### **Happy Team, Happy Customers – Using KPIs to Motivate Agents and Transform Service:**

A motivated team is a high-performing team, but contact centres are notoriously prone to absenteeism and low employee engagement. We look at how to use new KPIs and dashboards to motivate and inspire service agents. We also examine which metrics can uncover performance and skills gaps, and show where you need to take action.

## 0.5

### **How to Use Metrics to Break Out of the Customer Service Silo:**

Service organisations tend to be siloed operations, but the work they do is critical to the success of the business. Our experts provide tips on how to identify the service metrics that matter (or ought to matter) to the C-suite and the rest of the organisation – and how to present them.

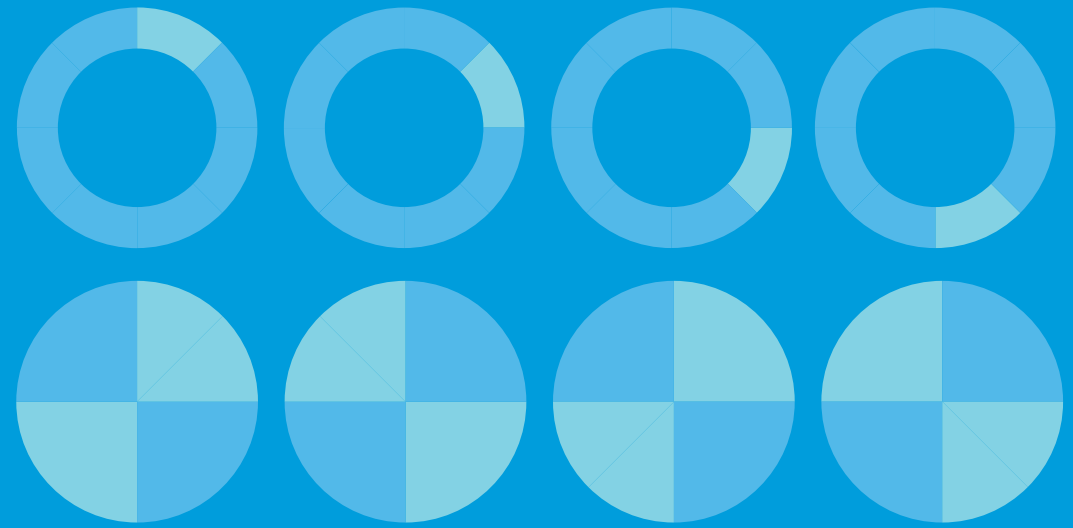
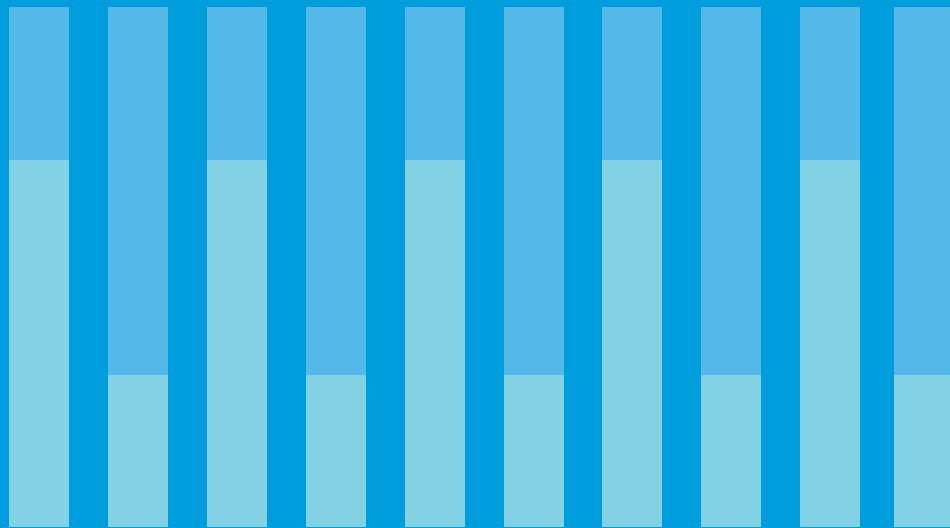
## 0.6

### **Bringing the Data Together: How to Create a Killer Service Dashboard:**

Metrics are just data if you don't have a dashboard to visualise and make sense of them. With the help of Peter Massey from Budd, we look at what a best-practice contact centre dashboard could comprise.

# 0.1

## The Problem with Traditional Metrics



# 0.1

## The Problem with Traditional Metrics



Time to answer, time to resolution, call handling time...

Most contact centres still measure their performance – and incentivise agents – along efficiency lines, but is this approach actually in anyone's best interests?

And if not, why are we still doing it?



**Martin Jukes**  
Mpathy Plus

In a service environment there has historically been a drive to resolve the issue, rather than understand the problem. The speed in which a call is answered is relevant, but it doesn't reflect how the customer feels, and it doesn't represent opportunities for service improvement. Service managers should be reporting exceptions or failure to meet these hygiene factors, and concentrate their effort on more important and useful metrics.



**Peter Massey**  
Budd

First, let's distinguish between collecting a metric and the way it's used. Handle times are essential data for resource planners, but they create unintended behaviours and they stifle resolution when frontline staff are made responsible for them. Secondly, not all metrics are made equal. It's important to pull out the ones that are primary in achieving your purpose. If your purpose is to reduce unnecessary contact, then 'right first time' is not the same as measuring contact rate per customer or order or claim.



**Morris Pentel**  
Customer Experience Foundation

Some of the basic metrics are valid, but they're not as important as the ones that service organisations **aren't** using. The metric that tells you how long it takes to answer a call is a valid one to have. Whether or not your customers should be calling you in the first place is where the metrics start to fall down.



**Dave Thomson**  
Salesforce.com

If you have a target of handling 80% of calls in 20 seconds – and your bonus depends on it – you will game the system. You will answer the call that's been waiting 10 seconds, and ignore the one that's been waiting longer. If the target is to handle each enquiry in under three minutes, you will hang up at three minutes, or transfer the caller to someone else. I'm not saying don't measure these things, but don't use them to incentivise frontline employees, as they drive the wrong sorts of behaviour.



You will answer the call that's been waiting 10 seconds, and ignore the one that's been waiting longer.

**Dave Thomson**  
Salesforce.com



### KEY TAKEAWAY:

Traditional metrics are fine for measuring efficiency, but they won't help you provide better service or understand what your customers really want. And if you use them to incentivise contact centre agents, you'll probably end up driving customers elsewhere.



# 0.2

## Emerging Metrics – The New KPIs Driving Innovation in Customer Service



## 0.2

# Emerging Metrics – The New KPIs Driving Innovation in Customer Service

Customers now have the upper hand over organisations, with access to advanced technologies (think smartphones and social media) that enable them to get help and switch brand allegiances in an instant.

We asked our experts what service organisations need to be measuring in this new age of customer power.



**Peter Massey Budd**

Knowing **why** customers contact you is the most basic diagnostic of your offer, your products and services. Many companies collect data galore on what happens. What the customer called about, what the fix was, what we did, what they did. But few companies collect the data for why customers had to call. "Where's my stuff?" is the classic "why" code you see on Amazon's website. A telco might use "My handset doesn't work". A utility might use "I don't understand my bill" or "My bill is wrong" or "My billing estimate is wrong". This is so much more insightful than classifying these as "billing" or "refunds". It's important to identify why customers had to make contact – in the customers' own words.



**Greg Oxton**  
KCS Academy

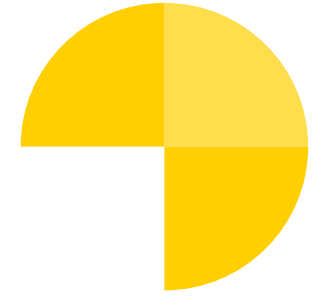
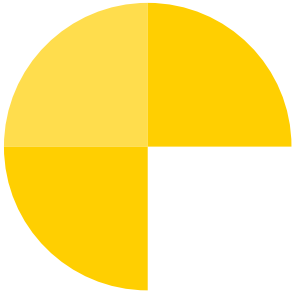
In the next 18-24 months I think we'll see team-based metrics becoming more important, and they may even become the primary measure of a support organisation. In general, we'll see support desks move away from the linear 1-2-3 escalation model, and into a much more collaborative mode where people work together to solve a customer's problem. We're already seeing that happening with things like intelligent swarming of issues, but the challenge is how to measure and assess individual contributions to those problem-solving sessions. Some KCS members are starting to use new metrics around reputation, kudos and feedback, using implicit and explicit indicators, which is an interesting and exciting new direction.



**Morris Pentel**  
Customer Experience Foundation

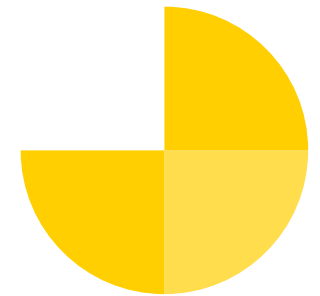
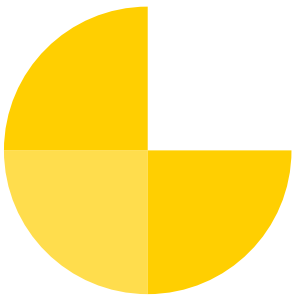
A lot of customer experience metrics are in use now: Net Promoter scores and Customer Effort scores are probably the two most popular. But if you look at Net Promoter score, it's fundamentally about how happy you were at the end of a transaction, or during a transaction. And if you look at Customer Effort score, that's about how easy or difficult it was, and it's driven by a very different set of values. So should you pick one, or should you track them both? I personally think you not only have to have those, but you also have to be looking at other metrics as well. I've always had a huge concern that the organisations who have Net Promoter scores in the top quartile for so much of the time are asking the questions to get the answers they

want. And if you're measuring the wrong thing in customer experience, then you may well use the results to incentivise people, and you may well feel relatively secure, but fundamentally, you're not asking the right questions. So you need a range of metrics to get the true picture of your customers' experience over time.



“In the next 18-24 months I think we’ll see team-based metrics becoming more important, and they may even become the primary measure of a support organisation.”

**Greg Oxtan**  
KCS Academy



## 0.2

# Emerging Metrics – The New KPIs (continued)



**Dave Thomson**  
[salesforce.com](https://www.salesforce.com)

Still in its infancy, Customer Effort is measured by less than 20% of service organisations today, according to a 2013 poll taken on a [Call Centre Helper webinar](#). This is all about ensuring the customer has the easiest possible experience when dealing with the organisation. First call resolution is part of it, but that doesn't take into account newer channels like web self-service, online chat, or social media. It also doesn't take into account the effort the

customer might have made to talk to an agent in the first place, with labyrinthine IVR options being one of customers' top bugbears. As the internet makes it increasingly easy to find an alternative option, Customer Effort will become a vital metric to ensure satisfaction and loyalty. The logical conclusion is best summed up by Bill Price and David Jaffe's mantra: [The Best Service is No Service](#).



**Martin Jukes**  
[Mpathy Plus](#)

The important metrics need to be around understanding the experience from the customer's point of view and be outcome-based. Organisations spend an enormous amount in marketing to new customers, but are failing to understand in any detail how their customers feel rather than how they expect them to feel.

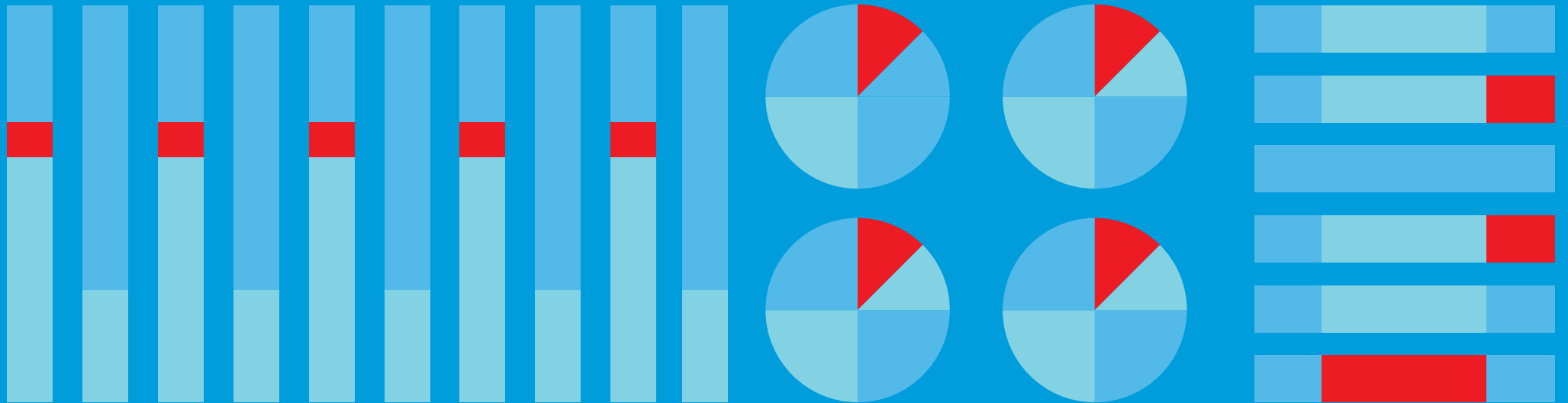
---

### KEY TAKEAWAY:

Metrics need to shift away from transactional factors like call handle times, and towards understanding what makes the customer tick. Investigate newer metrics, like Customer Effort, Net Promoter Score, customer experience and customer empathy, to see how they can help you to understand your customers better and ultimately improve the service you deliver.

# 0.3

## Delivering Service in a Multi-Channel World – The New Metrics that Matter



## 0.3

# Delivering Service in a Multi-Channel World – The New Metrics that Matter

Customers are seeking help and advice in a multitude of new ways, from web self-service to sounding out peers on social networks and forums.

We look at what to track in this decentralised, multi-channel service world – and what to do with that information.



**Greg Oxtan**  
KCS Academy

Today, 97% of customer demand for support goes through self-service or social channels, like online chat, social media, online communities and customer-to-customer interactions. Support organisations need to be measuring how well they're enabling that self-service to happen. If you're good at capturing knowledge, you can increase the number of people served by a factor of 10.



**Dave Thomson**  
Salesforce.com

Social media has brought customer dissatisfaction into public view like never before. Yet few organisations have a formal method in place for gathering and analysing complaints – and most importantly, acting upon them. This is partly due to the siloed nature of many organisations, where online criticism is as likely to be handled by a PR team or dedicated social media team as it is by the service organisation. But organisations that have a process for analysing and acting on complaints have seen incredible results. Bausch & Lomb, for example, reduced complaints by 90% over five years by analysing root causes and creating action plans to address them.



**Peter Massey**  
Budd

You have to know why your customers are contacting you. Every contact is a diagnostic of something you did to cause them to contact, or something you didn't do to make it easy enough for them to use self-service. This is the thinking at the heart of our book *The Best Service Is No Service*. Customers do not get out of bed in the morning thinking "Great! I need to contact my mobile phone company!" So why do so many do this? It's because we cause it to happen in a large majority of cases. So, for any good contact director, metrics need to take into account why the contact demand is there in the first place, and which types of contact could and should be moved to self-service.



If you're good at capturing knowledge, you can increase the number of people served by a factor of 10.

**Greg Oxtan**  
KCS Academy



### KEY TAKEAWAY:

With the right metrics to measure factors like self-service abandonment, knowledgebase usage and customer complaints, online channels can be a goldmine of information about what customers want, need and desire from your organisation – and how you can deliver it.

# 0.4

## Happy Team, Happy Customers – Using KPIs to Motivate Agents and Transform Service



## 0.4

# Happy Team, Happy Customers – Using KPIs to Motivate Agents and Transform Service

A motivated team is a high-performing team, but contact centres are notoriously prone to absenteeism and low employee engagement.

We asked our experts which KPIs are best for motivating and inspiring service agents, as well as which ones can uncover performance and skills gaps, and show where you need to take action.



**Martin Jukes**  
Mpathy Plus

There is proven academic research that shows a correlation between an improvement in empathy and increased profitability. Demonstrating greater empathy during a transaction can build trust, which in turn will lead to a more open relationship resulting in reduced contact duration time, a greater understanding of customer requirements and an improved resolution rate. The hidden benefit is increased loyalty both from customers and staff who prosper from having a quality engagement with their customers. So empathy has a direct impact on the bottom line.



**Dave Thomson**  
salesforce.com

The link between employee happiness and customer satisfaction has long been known in theory, but surprisingly few service leaders use it as a lever for improvement. For example, absenteeism is a crucial indicator of employee satisfaction that many service organisations measure, but few look at the underlying causes and seek to address them. Analysing the reasons for absenteeism can reveal some very actionable areas for improvement – such as a need for more training so that staff feel confident and empowered in handling enquiries, or better systems so agents can find the information they need more easily.



**Greg Oxtan**  
KCS Academy

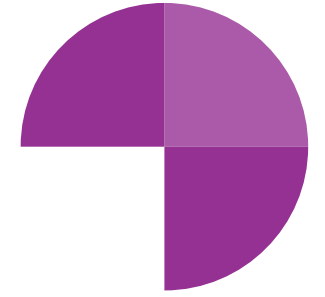
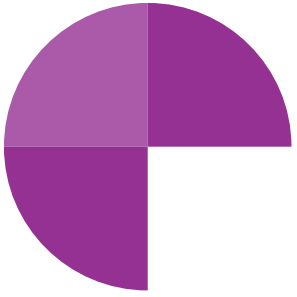
Among support engineers, it's re-use reports that are most frequently accessed. Engineers like to see if other people are using the content they've created. LANdesk put together a nice report based on external and internal re-use of content and provided it to their engineers on a daily basis. One day the server went down and there was a revolt on the support floor as engineers had lost visibility of their performance. Another great motivator for support engineers is to know what product development are doing with their feedback. People love knowing they're having a positive impact on the product and the business.

---

### KEY TAKEAWAY:

Understanding what motivates and inspires your customer-facing employees is critical to the success of your customer service operation. Choose metrics that track levels of employee engagement and customer empathy, and you have a store of data that will help you to build stronger, longer-lasting and more profitable customer relationships.

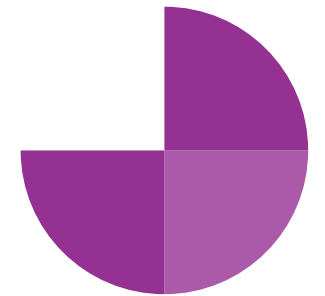
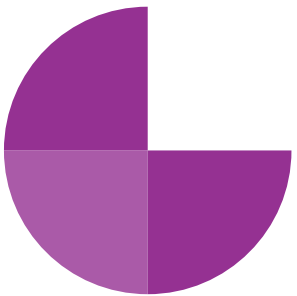




“The hidden benefit is increased loyalty both from customers and staff who prosper from having a quality engagement with their customers. So empathy has a direct impact on the bottom line.”

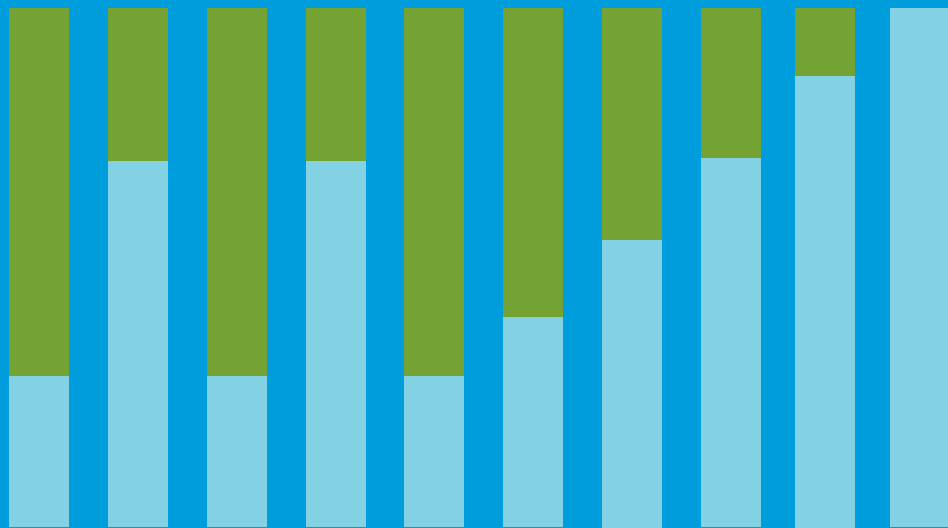
**Martin Jukes**

Mpathy Plus



# 0.5

## How to Use Metrics to Break Out of the Customer Service Silo



## 0.5

# How to Use Metrics to Break Out of the Customer Service Silo

Service organisations tend to be siloed operations, but the work they do is critical to the success of the business.

Our experts provide tips on how to identify the service metrics that matter (or ought to matter) to the rest of the organisation.



**Greg Oxton**  
KCS Academy

The greatest value the support organisation can provide is identifying things that could be fixed. With every product business there are a small number of things that, if development fixed them, would have huge impact on customer success and reduce support costs. But support traditionally creates a buffer between the customer experience and the people who create that experience, as they're focused on resolving customers' issues, not sharing those problems with development. And the 97% of issues that people resolve on their own are never articulated to development at all.



**Peter Massey**  
Budd

The metric set is not just about the headlines, it's about the detail as well. It's not enough to say we measure, for example, forecast accuracy. We must define what it is, what standards are required and we must communicate so our audiences know the same definition. When reviewing metrics in large companies, you see time and again different understandings, or no understanding, of what the metrics are. You see different parts of a group using the same language for different things.



**Morris Pentel**  
Customer Experience Foundation

What's the lifetime value of your customer? There's no single department within the organisation that can provide the answer to this essential question. Uncovering it has to be a team sport. You have to get the rest of the business on board with it, and that means you need a single customer relationship across the organisation. If your salesperson made me feel like a VIP but I can't get your support desk on the phone, I'm even more annoyed. And the biggest barrier to that single view is not technology, but human nature. Culture is the barrier.



The greatest value the support organisation can provide is identifying things that could be fixed.

**Greg Oxton**  
KCS Academy



### KEY TAKEAWAY:

Customer service can't be an island – to become a truly customer-centric organisation, everyone has to be on board. Getting everyone aligned around a meaningful set of metrics can help.

# 0.6

## Bringing the Data Together: How to Create a Killer Service Dashboard



# 0.6

## Bringing the Data Together: How to Create a Killer Service Dashboard

Metrics are just data if you don't have a place where you can bring them together, visualise them (ideally in real time), make sense of them and collaborate around them.

So what does a great customer service dashboard look like?



**Peter Massey**  
Budd

We did some work to build an optimal metric set for the Cabinet Office. At the start, every department and every agency within it thought they were different and needed different metrics. But there was a defining thought that we spread. What do your customers say they want from you? Although offering very different services, what customers wanted from each agency was the same things. We were able to define a set of 12 good metrics that could be applied across all departments and contact centres, with only slight modifications required for contact centres where calls are not the main focus.

Here are those 12 metrics, reproduced with Peter Massey's kind permission. For more information about this framework, contact Peter at [peter.massey@budd.uk.com](mailto:peter.massey@budd.uk.com).

### Service Executive Dashboard



#### Contact rate (CpX)

Measures the contact rate per transaction or active customer, to focus on reducing Customer Effort



#### Cost per X for end to end transactions

Measures total cost across all channels per transaction or active customer



#### Avoidable contact

Measures the percentage of avoidable calls based on sampling of predetermined contact reasons



#### Calls completed in IVR

Measures calls successfully completed in the IVR as a percentage of IVR calls



#### Customer wait time

Measures the time that callers wait longer than a minimal acceptable standard



#### Schedule flexibility

Measures how scheduled resource matches forecast demand in each period of the day/week







Reproduced from Best Practice in Contact Centre Metrics, PMF 2009 © Budd UK Ltd

# 0.6

## Bringing the Data Together: How to Create a Killer Service Dashboard (continued)

**Service Executive Dashboard**

---

 <p><b>Demand forecast accuracy</b> Measures the accuracy of forecasts used for daily forecasting</p>	 <p><b>Calls not answered (unmet demand)</b> Measures the percentage of caller attempts who do not get answered</p>	 <p><b>Customer contact time (utilisation)</b> Measures the proportion of agent time spent in calls and other customer contact</p>
 <p><b>Absence (working days lost)</b> Measures average days lost per agents through sickness or other absence from work</p>	 <p><b>Agents leaving department (attrition)</b> Measures agents leaving the department as a rolling annual average percentage of FTE</p>	 <p><b>Employee engagement</b> Measures % very satisfied &amp; % satisfied for key questions in the common (civil service) question set</p>

**KEY TAKEAWAY:**

A mix of customer experience, demand matching and people engagement metrics, monitored on a dynamic, real-time dashboard, can provide tremendously useful insight for customer service leaders.



# Further Reading:

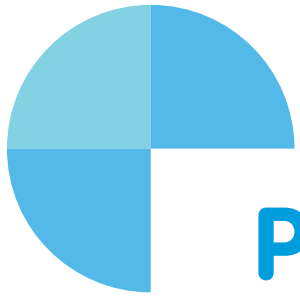


**The Best Service is No Service: How to Liberate Your Customers from Customer Service, Keep Them Happy, and Control Costs** – revolutionary thinking on the future of customer service from Bill Price and David Jaffe

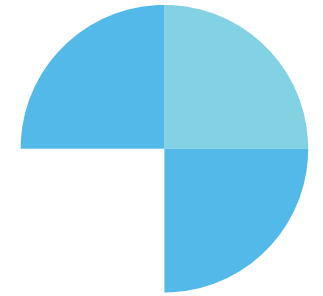
**KCS Measurement Matters: The Benefits and Organizational Measures of Knowledge-Centered Support** – pioneering white paper on how to implement and measure KCS, by the Consortium for Service Innovation

**Nine Principles of Killer Dashboards** – a quick-fire Slideshare presentation from Salesforce.com





# Postscript: A Platform to Make it All Happen



At Salesforce, everything we do is about helping you to become a better, more successful service organisation. Our Service Cloud isn't just the world's best multi-channel service platform, it's also got some of the most advanced, most customisable and most downright addictive dashboards around.

So if you think your current metrics and dashboards aren't doing a good enough job for you, your business or your customers, have a look at what Service Cloud can do for you. It could be the start of a whole new era.

[Watch demo](#) | [Take free trial](#)

