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# CUSTOMER SERVICE AUDIT – LEVERAGING DATA ANALYSIS TO IMPROVE CALL CENTER EFFECTIVENESS

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# AGENDA

1. The Forgotten Revenue
2. Steps to Reduce Revert Loss
3. Customer Service Representative (CSR) Audit
4. Identify Best Practices
5. Targeted CSR Counter Offers
6. Key Takeaways

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# The Forgotten Revenue



Revenue strategies tend to focus on pricing and retention

- Market Based Pricing / Other pricing strategies
- Churn management through rewards / surprise and delight of at risk subscribers

Thank you for participating in our EZ Pay program. The Payment method on file will be charged \$45.00 on approximately 7/10/2016.



Substantial chunk of revenue left on the table when not much attention paid to inbound call center performance

- Out-sourced call center
- Difficulty in identifying training opportunities for workers
- Publishers are not armed with appropriate revenue focused metrics in this area

Does the call center warrant more focus as a possible revenue booster?

Roughly 20% renewal pricing forfeited due to reverting subscribers

<b>Gross Increase</b>	<b>\$1.37</b>	<b>16.40%</b>
<b>Net Increase</b>	<b>\$0.94</b>	<b>11.26%</b>
<b>Original Average Price</b>	<b>\$8.33</b>	
<b>New Average Price</b>	<b>\$9.27</b>	
Net to Gross ratio		68.65%

This 20% is in the hands of your Customer Service Reps

What can we do to bring that number down?



# Steps to Reduce Revert Loss



1. Customer Service Representative Audit
  - Identify top performing / underperforming CSRs
  - Provide guidance to underperformers based on top performers' results
  - Alter incentives / bonuses to reflect revenue impact opportunities
2. Identify best practices
  - Validate lift opportunity to drive strategies
  - Test Test Test!
3. Targeted CSR Counter Offers
  - Based on Customer Lifetime Value and Churn probability
  - Limited Results, though Mather has several ongoing tests



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# Customer Service Representative Audit

Outcome Overview		
	Frequency	Percentage
Complaints	3,235	100%
Accepted Price Increase	691	21%
Accepted Price Above Original	1,154	36%
Accepted Price Freeze	848	26%
Reduced Service	113	3%
Stopped	60	2%
Revert to Price Below Orig	214	7%
Increased Service	27	1%
Transfers	128	4%



# CUSTOMER SERVICE REPRESENTATIVE AUDIT

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Offers Accepted as Percentage of Total Complaints Fielded								
CSR ID	Total Complaints	Accepted	Revert Above	Revert Equal	Reduce Service	Revert Below	Stops	Transfer Out
CSR-1	176	18.18%	37.50%	25.57%	1.14%	0.57%	3.98%	13.64%
CSR-2	11	36.36%	45.45%	9.09%	0.00%	9.09%	9.09%	0.00%
CSR-3	117	24.79%	19.66%	24.79%	2.56%	3.42%	6.84%	21.37%
CSR-4	155	41.29%	20.00%	31.61%	0.00%	1.29%	3.23%	3.87%
CSR-5	172	22.67%	25.58%	31.98%	1.74%	11.63%	16.86%	1.16%
CSR-6	139	13.67%	43.88%	30.22%	0.72%	5.76%	7.19%	4.32%
CSR-7	191	8.38%	53.40%	14.66%	6.81%	13.61%	15.71%	1.05%



Net to Gross Ratio	
CSR ID	Net/Gross Ratio
CSR-1	39.5%
CSR-2	47.0%
CSR-3	32.0%
CSR-4	54.2%
CSR-5	20.3%
CSR-6	30.9%
CSR-7	-2.1%

Gift Card Information			
CSR ID	Total Cards Offered	Percentage of Comps	Total Value
CSR-1	11	6.3%	\$ 470
CSR-2	0	0.0%	\$ -
CSR-3	0	0.0%	\$ -
CSR-4	15	9.7%	\$ 675
CSR-5	0	0.0%	\$ -
CSR-6	0	0.0%	\$ -
CSR-7	1	0.5%	\$ 25

Transfer Information				
CSR ID	Transfers-In	% of complaints	Transfers-Out	% of complaints
CSR-1	2	1.14%	24	13.64%
CSR-2	1	9.09%	0	0.00%
CSR-3	0	0.00%	25	21.37%
CSR-4	0	0.00%	6	3.87%
CSR-5	5	2.91%	2	1.16%
CSR-6	2	1.44%	6	4.32%
CSR-7	12	6.28%	2	1.05%

Overall performance

Compare between Reps

Compare across time

Incentivize

Other? Anything missing from the audit report?





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# Identify Best Practices

Mather can review current CSR strategy and offer suggestions and improvements

Testing is the key – We can offer suggestions, but every market is different

Testing allows us to measure efficacy of strategy

Example Strategy for a customer call in

1. 50% discount offer
2. Offer original Rate
3. Reduce Service / Deeper discount

Does this strategy need work?







## Increase Revenue: Net/Gross (no stop loss)

	<u>Q1</u>	<u>Q2</u>	<u>Q3 (9wks)</u>
<b>50% BAU</b>	9%	26%	37%
<b>65%</b>	29%	42%	54%
<b>75%/50%</b>	34%	46%	51%



# Targeted CSR Counter Offers

Targeted counter offer system in the works at Mather

Offers based on:

- Estimated customer lifetime value
- Churn probability
- Time since most recent target
- Other?

## Example

Enter Account Number

2520820

Customer Details	
Current Rate	\$5.30
Current Rate Code	DS_530
Delivery Frequency	DAILYSUN
Mather Increased Rate	\$6.90
Percent Increase	30%

StopSave	Weekly Rate	Rate Code	Percent Discount	Script
Offer 1	\$4.30	DS_430	-53%	This promotional offer of \$4.30/week is a 53% discount off of our published price!
Offer 2	\$3.80	DS_380	-58%	This promotional offer of \$3.80/week is a 58% discount off of our published price!
Offer 3	\$3.20	DS_320	-65%	This promotional offer of \$3.20/week is a 65% discount off of our published price!

Testing of efficacy currently ongoing





# Key Takeaways

Publishers often overlook importance of CSR efficiency

There is value in taking steps to improve customer experience

Investing in CSR performance can have significant revenue implications and improve customer relationships

Testing of methods is key to measure performance



# Questions