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Supporting Customers - The Basics

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Supporting customers today is big business. It clearly affects the competitive value of many organizations as well as the bottom line. Customer support is not just a line on the expense tab: it can make or break a business, affect cost of sales, increase or decrease revenue and most importantly, influence and shape the brand equity of a firm.

Customer support is not just a tactical play or a must-do for survival. It goes way beyond the typical business activity of creating and offering products or services, such as writing a user manual. Customer support can be the key to overall product success or failure. A great product is only as good as its ability to actually work for the client. Customer support is the bridge to making that product or service work for the buyer.

Supporting customers today can be over the phone through call centers or over e-mail or on-line chat through contact centers. It can also be provided over the Web or automated phone systems (interactive voice response – IVR) through self-help. One can support customers for service related products, discrete products, hardware and software. Customer support can be found in banking and financial activities, the food industry, transportation, education, government, medical, retail, wholesale and services. Customer support can be used in pre-sales, sales and post-sales relationships with the buyers. Supporting customers today is often executed either directly by the manufacturer or original equipment manufacturer (OEM), distributors (channel sales) or outsourced through a business process outsourcer (BPO).

Customer support can be provided at different levels in the customer relationship ranging from sales, customer service and through product support:

- **Sales support** is provided to explain and assist the customer to select the proper product or service, including ordering the product or service

- **Customer service** is the support of the business relationship with the buyer (i.e. shipping or delivery, ensuring proper product was selected, problems with the acquisition, billing)
- **Product support** is the act of supporting the product's use with the buyer (once the buyer receives the product or service: implementing, installing, initializing, functionality problems, technical problems, etc.)

Customer Support can take the shape of very quick inquiries or range into long interactions with the customer. Some customer support activities can span several contacts, including outbound contacts back to the customer to close out the issue. Typical terms used in customer support activities are service level indicators (SLI's), service level agreements (SLA's) and many metrics which measure the management and expectation of providing customer support. Typical metrics are:

- average handle time- AHT (how long the support interaction took)
- abandonment rate (when someone is on hold waiting to talk to an agent, then hangs up)
- wait time (time a caller is in a hold queue)
- average answer time
- customer satisfaction (often through an on-line survey or external call back survey, or e-mail survey)
- first call resolution -FCR (a call which is resolved on the first attempt of the caller)
- call backs (a caller calls in with same problem after believing it was solved prior)

Many companies have decided to reduce the cost of customer support by off-shoring. This is the practice of using less expensive labor to support their customers in other countries. The most notable countries are

India, Philippines, Mexico, South America, Africa, Eastern Europe to name a few. Off-shoring is an acceptable tact in some cases; however challenges are typically accents and attrition. Accent problems are difficult when your customers cannot communicate easily with the support provider and cannot explain the problem or understand the solution. This adds to the frustration level of the customer. Attrition is the constant rotating of support agents and causes problems around skill ability. Support agents who are fresh in the seat do not have the time to develop the required support skills necessary to provide quality support because they leave the job only after a few months and are replaced by new hires. High attrition equates to lack of tenure in the support role. Attrition is most commonly caused by work environment, high saturation of support jobs in a single locale or low pay. Too often attrition is also caused by the difficulty in working in a job which has no future advancement, is positioned as a better job than what it is or is operated as a pure sweat-shop with little positive re-enforcement to the employees.

On-shoring is the term used to describe the offering of customer support in the same region as the customers. In the US, this would include having customer support centers in the US, supporting US customers.

Near-shoring is the term used to describe the offering of customer support in a close region, but typically out of country. In the US, near-shoring would be offered in Canada, Mexico, Puerto-Rico or some area close to the US borders. Both on-shoring and near-shoring eliminate many of the accent problems; however attrition is still a problem due to the same challenges in off-shoring. Cost is typically much higher in on-shoring, as the cost of brick and mortar (the actual center) and the labor costs are high in the US. US based call or contact centers tend to be very expensive and often are in high saturated markets, increasing the attrition challenge. Near-shoring can be somewhat less expensive, however with the current US dollar value the way it is today, Canada is now close to the US costs and Mexico is rising accordingly. The

challenges on on-shoring and near-shoring are most commonly related to expense and recruiting. Competition for new recruits is often found in non-customer support jobs as the rates used in most support centers are often the same as unskilled labor rates found in retail, food service and manufacturing markets.

Home-shoring, Home Agent, or Work at Home (WAH) is the offering of customer support in the on-shore area but executed remotely. That is, support agents use technology to reside at their residence while performing the same job as if they were in a call or contact center building. Home Agent offers many companies the ability to access more resources because of the lack of a regional limitation. Home Agent programs offer the support agents the ability to work flexible hours, less hours and not worry about commute time or expense. With the cost of gasoline running in the high \$3 to \$4 levels, Home Agent has a great draw to many recruits and employees. However, the Home Agent service is still young and remains at low levels of support offerings today. Some companies have cracked the code and are using Home Agents successfully and in growing numbers, but percentage wise it's not the leader of customer support while most companies are still using centers for the majority of their support offerings. The cost of Home Agent is less than in-center on-shoring support, but it is still higher than most near-shore and offshore services.

Customer support is an art and a science. The science is the technology advancements that today allow for incredible and efficient communications to customers through several channels, either by phone, e-mail, on-line chat or self-help over Web or phone IVR. Systems are available that manage the communication link, networks that allow for global connections to multiple centers, disaster recovery and business continuity technology and techniques which keep the communication open and data applications which track customers, their activity and the support centers activity. Data can be analyzed and customer support activity

can be used to develop efficient support agent schedules, skill based routing, queue management, workflow management and workforce management. Real-time data can allow managers to coach and train troubled support agents, predict future work flow and manage spikes and dips in call volume. Customer satisfaction data allows for training plans, performance evaluations and process improvement.

The **art** of managing customer support is more flexible. Managing customer support by pure data and metrics does not always accomplish what is desired by the customers or the companies. Applying finesse to customer support is important in insuring that the personal touch with the customer is one of empathy, is genuine and delivered in a manner promoting the importance of the customer's relationship to the company. Customer retention is key to any company and is achieved by not only solving the customer's problem when they need it, but doing it with soft skills.

Soft skills are best described as the ability to solve the customer's problem while making the customer feel good about the interaction. It is very easy to intimidate, frustrate or infuriate a customer who is having a problem with something they bought and can't get to work right. Soft skills are used to eliminate those problems while the technical skills are used to solve the problem. Both are necessary. Thus, the art and science of customer support is providing support in a timely fashion, in a quality manner and leaving the customer with a great feeling about the dealings with the company.

In summary, customer support is key to any business that sells or creates products or services for its customers. From the first contact in a pre-sales environment to the post sales product support, through order taking and closing a sale to delivery of the product, through short inquiries about billing or long interactions dealing with product problems: how a customer is handled, how the communication is conducted and how the issue is resolved is just as much part of the customer's impression of the company as is the product or service they purchased.



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