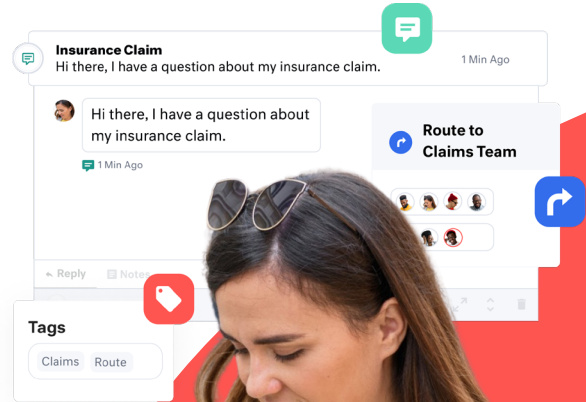


KUSTOMER GUIDE

# Five Steps to Develop a More Efficient and Effective CX Strategy

How to Use Automation Without Losing Personalization

 Kustomer



# Immense changes and pressures are a reality for many businesses, and doing more with less is no longer optional.

Quick service is one of the top three most valued customer service attributes. When it comes to building customer loyalty, every interaction matters. Ensuring your team can deliver exceptional support while staying efficient is no longer a nice-to-have, but now essential for your business to succeed.

Depending on your organization's KPIs, you might be prioritizing hitting certain efficiency metrics over delivering effective support that delights customers with proactivity, accuracy and meets them where they prefer to communicate. And depending on your organization's allocation of resources, your team might even be attempting to do this in a way that skimps on service quality to save money.

The screenshot displays a customer service interface. At the top right is a circular profile picture of a woman with a sun hat and a black t-shirt that says "Free Sally". Below this is a chat history with three messages:

- Hotel Booking Update** (3 Mins Ago): Hi, I am looking to extend my stay for an extra night.
- Customer (3 Mins Ago): Hi, I am looking to extend my stay for an extra night.
- AS (3 Mins Ago): Hi Michele! We've updated your hotel booking to reflect your extended stay.

Below the chat is a white card for **Hotel Booking Update** (Confirmation #3278). It features two buttons: "Update Reservation" and "Cancel Reservation". The card contains a **Reservation Summary** table and a photo of a hotel pool area.

<b>Booking Date</b>	July 22
<b>Original Check-Out Date</b>	Aug 27
<b>New Check-Out Date</b>	<b>Aug 28</b>
<b>Guest Count</b>	2
<b>Balance Due</b>	<b>\$ 200.00</b>

Below the card is another chat history with two messages:

- Hotel Booking Confirmation** (1 Week Ago): Reservation Number: #3278 | Aug 20-27.
- Hotel Pet Policy** (2 Weeks Ago): Hi there! What's the hotel pet policy?

The modern customer has complex needs and expectations. They want to talk to brands through different channels than those that early adopters now recognize as “legacy”. It’s critical for brands to give more weight to modern consumer requirements. As CX continues to become more important than price and product when it comes to loyalty, the goal to provide exceptional experiences can at times feel at odds with the efficiency mandate.

Brands might wonder how they are supposed to do more with less all while supporting growing consumer expectations. A CX strategy must be both efficient and effective in order to set up an organization for success — this is our five-step guide to ensure your team is able to do just that.

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## Step 1

# Get Executive Buy-In & Allocate Budget for Tools

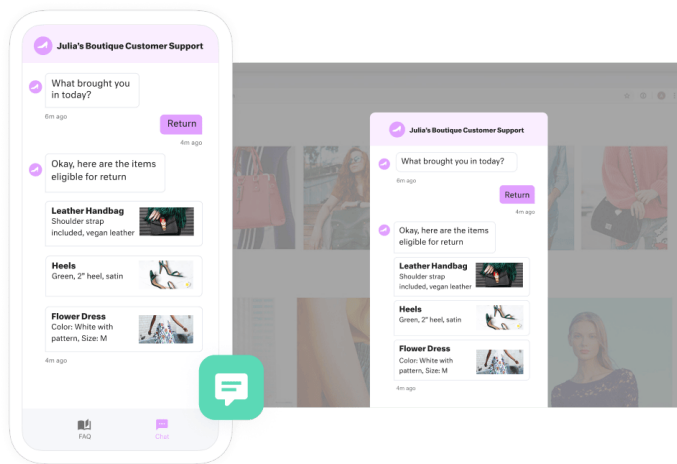
The first step is to ensure you have the executive buy-in and budget for tools that will allow your CX team to deliver support that is both efficient and effective. Why make this the first step? Our own [research shows](#) that the top reasons that organizations aren't adopting efficiency tools are a lack of executive buy-in (34%) and a lack of budget (56%). If your organization's leadership doesn't understand the value behind adopting efficiency tools, they likely won't allocate a budget for them and you'll be left with legacy systems that prohibit you from delivering on your ambitions.

**The top reasons that organizations aren't adopting efficiency tools are a lack of executive buy-in (34%) and a lack of budget (56%).**

What are the tools we're referring to? Broadly speaking, the tools that allow CX teams to integrate AI and automation into their tech stack. Think of things like chatbots that can relieve the burden of information gathering and low-level support and allow agents to increase the time spent on servicing the actual issue. In our [own research](#), only 18% of respondents reported they currently used chatbots.

When taking into consideration the effortless, fast service that modern customers demand, the vast majority of businesses are missing a huge opportunity and leaving themselves open to competitors if not employing the right tools. Ironically, adopting efficiency tools could completely transform a CX organization from a cost center into a profit center, ultimately benefiting not only the executives but also the business as a whole. Keep that in mind when trying to convince your organization's decision makers to invest in modern CX tools.

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## Step 2

# Identify Efficient & Effective CX Channels

The next step in our guide involves identifying the CX channels that will empower your organization to strike the right balance between efficiency and effectiveness. When it comes to channels, it's important to be mindful of shifting consumer preferences. You might just find that the channels that consumers increasingly prefer also will enable your agents to be more efficient.

In [our research](#), we discovered that CX professionals believe live chat (79%), social media (72%) and SMS (56%) will become more popular in the next three years while legacy channels like voice will stay the same. It's important for your organization to prioritize these channels to meet shifting consumer expectations.

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## The Power of Chat: Delivering Quick Responses & Allowing Agents to Multitask

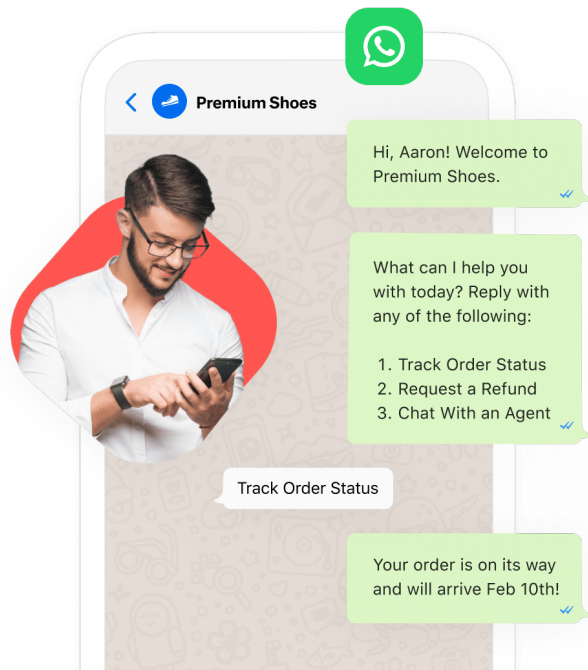
Customers like chat, and similar channels like social and SMS messaging, quite simply, because they hate waiting. It doesn't take much imagination for anyone to recall waiting in a dreadful customer service phone queue.

**With channels like chat and messaging, customers expect — and hopefully will receive — immediate responses.**

Unlike voice, companies can handle more than one inquiry at once. Chat and messaging channels allow agents to multitask, handling multiple inquiries simultaneously.

While an agent is waiting for a reply, or having a customer test out a solution, they can pop over to additional customers and get their inquiries sorted out. Because of this, the amount of time each chat takes is

much lower than other channels, and significantly less expensive as a result, thus being efficient and effective for both customers and brands alike.

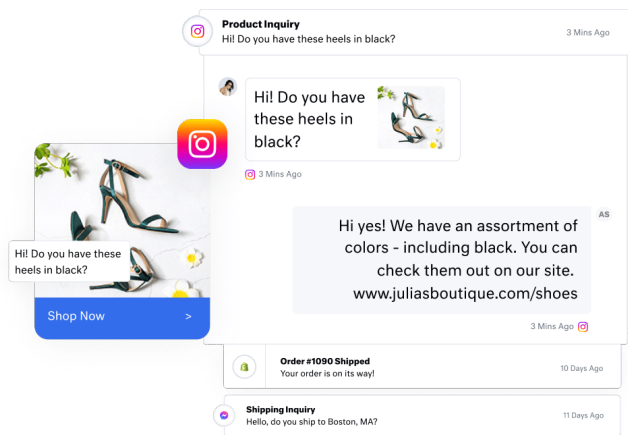


## Lucrative Opportunities Await on Social

In 2022, US social commerce sales are expected to reach \$45.74 billion, with more than a half of the country's adults making a purchase on social media. Social channels are a powerful purchasing platform and also provide opportunities to build lifelong relationships with your customers.

It's vital to remember that providing an exceptional customer experience on social media is the only way to fully capture this opportunity. Digital-first consumers want to converse with your business at every stage of the funnel, and the easier you can make it for them to do so on the platform of their choice, the more likely they are to exhibit loyalty.

Consumers now also frequently leverage social media as a channel of support escalation, one to publicly drive urgency when customers have issues. Whether your organization communicates via comments or with direct messages, it's now essential to provide a seamless support experience on social media to avoid turning customers into PR nightmares rather than advocates.





## Step 3

# Leverage Technology to Augment Your Team's Efficiency

Once you've identified the CX channels to prioritize, it's time to leverage the technology we talked about in step one to augment your team's efficiency. Most companies can't afford to have unlimited agents working 24 hours a day, seven days a week. Fortunately technology like intelligent automation can enable customer service teams to work more efficiently and focus on the customers who need the most help. But this also means that the role of a customer service agent will change, which we'll cover in the next step. For now, let's focus on the ways technology can enable you to become more efficient.

In this step we've included some of the ways technology can bolster your team's efficiency efforts, but for a deeper look at the ways to leverage AI for intelligent customer service, check out [our e-book](#) on the subject.



Download the e-Book



## Automate Low-Level Support

Chatbots can be used to answer simple questions like order status or business hours, and direct customers to a help center if human intervention is not needed. They can also be used to gather initial information before sending a conversation to a live agent.



## Automate Routine Tasks

Oftentimes the most tedious tasks on an agent's plate are manual and repetitive, and may not require any human intervention. Luckily intelligent automation can auto populate useful data like contact information, or tag conversations based on things like issue type or location.



## Predict Outcomes

By using predictive analytics, companies can forecast future conversation volume and staffing needs based on historical data. That means agents will avoid fire drills and customers will have quick, convenient and thorough support in their times of need.



## Augment Agent Support

Beyond freeing up agent time, technology can also be used to arm support agents with all the information they need to quickly and accurately service their customers. AI can suggest messages to send to customers based on their intent, historical conversations and customer attributes, which can become more accurate and personalized over time in conjunction with a machine learning model.



## Automate Complex Business Processes

Through practices like queues and routing, agents don't need to waste time transferring customers and redirecting them to the right team. Conversations can be automatically classified and routed to the best and most appropriate agent for a speedy and personalized resolution. You may want to route certain personas to different teams based on their specific needs. Not only will this reduce wait and handle times, it will also maximize team capacity by directing real-time conversation traffic to the right person at the right time.

## Step 4

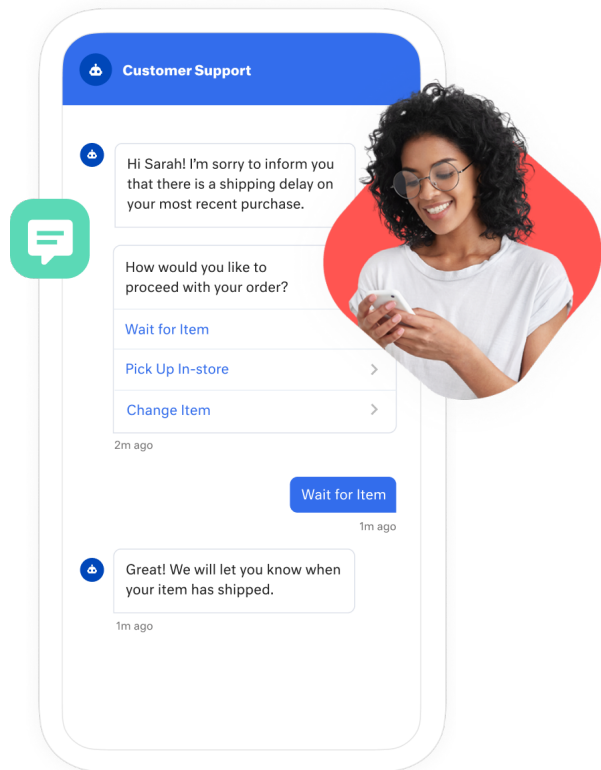
# Use Hyper-Personalization to Deliver Effective CX & Build Loyalty

With the time freed up by technology in the previous step, your agents will have the capacity to adopt a different kind of role — one that involves taking a relationship-oriented approach to their interactions. This will provide the opportunity to create loyal customers and a community of fans. [Our research](#) revealed that CX professionals believe personalized experiences will be the most important attribute in customer service by 2025, so it's vital to start working towards this now if your organization hasn't already.

**CX professionals believe personalized experiences will be the most important attribute in customer service by 2025.**

The modern customer wants to buy a product or service, but they don't want to be treated like a transaction. With the help of technology in step three, your agents can devote more of their time to delivering a hyper-personalized approach that elevates your customers beyond being just a transaction.

**Proactive support can help your organization get ahead of potential issues before customers are even aware of a problem, or even create opportunities to build loyalty and generate sales.** Imagine leveraging automation to repeatedly match your customers with the same agent, allowing them to develop rapport. This not only makes a customer feel heard and valued, but also provides an exceptional service experience that can allow your brand to stand out from the crowd.



## Step 5

# Set Metrics That Account for Both Efficiency & Effectiveness

Finally, our last step involves having the right metrics in place to account for both efficiency and effectiveness. While speed is important, e.g. average handle time (AHT), that can't be the sole indicator of success for CX teams. If you're leaving hundreds of your customers unhappy at the end of each interaction, that's not going to allow your brand to develop any loyal customers.

We've gathered some of the metrics your team should monitor. When used in combination with each other, these can provide a well-rounded view of your performance and can determine if your CX team is both efficient and effective.

## **Customer Service Abandonment Rates**

This monitors if a customer abandons a support interaction, e.g. exiting a chat if they've had to wait a frustrating amount of time without receiving customer support. Ideally, your call or chat abandonment rate would be zero. To calculate it, divide the number of abandoned customer service inquiries by the total number of inquiries.

## **Customer Effort Score (CES)**

Your customer effort score tracks how much effort your customers feel they have to dedicate toward resolving an issue. The more effort required, the more frustrating the experience. Following a customer service interaction, you can capture these feelings with a Likert scale question.

## **Customer Retention Rate**

This metric is the opposite of customer churn rate, but both show how likely your customers are to stick around. To calculate retention rate, first subtract the number of new customers from the total at the end of a specific period of time. Then, divide the number of customers you retained by the total number of customers you had at the start of that period. A figure close to 1 indicates high retention.

## **Customer Satisfaction Score (CSAT)**

CSAT measures your customers' feelings immediately following an interaction with a customer service agent. As with CES, you can send out a Likert scale survey question to capture your customer's satisfaction level on a scale from one to five.

## Net Promoter Score (NPS)

NPS is a popular metric for how to measure customer service effectiveness and gauge customer satisfaction. As with CSAT and CES, you can gather customer feedback with this type of survey question: “How likely are you to recommend our brand to a friend?” High responses indicate higher levels of satisfaction with your company and the customer experience.

## Resolution Rate

To calculate the overall resolution rate, subtract the number of unresolved cases from the number of customer inquiries, then divide this by the total number of inquiries. The fewer left unresolved, the more successful your customer service has been. You can adapt this metric by figuring out the first contact resolution (FCR) rate, which identifies just the cases resolved during the first interaction.

## Sentiment Analysis

Sentiment analysis involves scanning the language a customer uses to see if it skews positive, negative or neutral. Conducted through natural language processing technology, this is a great way for agents to get an immediate read on customers’ emotions and adjust their approach accordingly.



# Why Implementing Automation Without Losing Personalization Matters

It's clear that in order to retain customers in an increasingly saturated and competitive digital marketplace, brands must learn to efficiently and effectively address customer needs and concerns as they arise. By implementing the right automation technology into your tech stack, you'll be able to shift your agents into a more consultative position that allows them to develop hyper-personalized relationships with your customers in a way they haven't before.

Following the five steps in this guide will put your organization on the path to make churn a thing of the past and transform your customers from support conversations into lifelong brand advocates.

## About Kustomer

Kustomer – now a part of Meta – helps businesses grow by delivering exceptional customer service via phone, email, chat, text, social, messaging and more. Kustomer enables fast, personalized, and efficient customer and agent experiences using complete customer visibility, seamless omnichannel conversations, intelligent automation and easy, no-code customization to adapt to change. See why growing brands like Hopper, Ring, Glossier, Stella&Dot, Rappi, Sweetgreen, and others use Kustomer to build the enduring customer relationships that drive better business results. To learn how Kustomer can help you deliver an efficient and effective service strategy, visit [Kustomer.com/Demo](https://kustomer.com/Demo).

