Speech Analytics: Discovering the ROI

Whitepaper

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The contact center serves as the touch point between your customers and, for many businesses, this is the only opportunity to interact with customers after the initial purchase interaction. During these calls, customers often give invaluable insight into products, services, competition and the market in general. Essentially, contact center interactions are a virtual confessional where the caller gives a practically unfiltered opinion that can bring light to the unique opportunities for improvement and advancement within the company; opportunities that can only be understood from the aggregation of feedback from customers. Contact center infrastructure can represent a significant cost center for any business. Onsite equipment, maintenance and staffing represent a substantial investment just to ensure the continuity of application uptime. In environments where monitoring applications are tied into workforce management and payroll, resource requirements are even higher. Unfortunately, even basic deployments of workforce optimization software come with a myriad of failure points, some more obscure than others. This has led to an increasing need for intelligent alarming, both as a solution and a service.

Most businesses realize that these interactions are important to investigate, but beginning to translate this large amount of communication into something meaningful is often overwhelming. How do we decipher this data and ensure the findings are resulting in more savings than the actual cost of investment in the technology used to discover these findings in the first place?

How Do You Find the Return on Investment?

Collect the Data from Speech Analytics

Ultimately, Speech Analytics tools give us data to determine the return on investment (ROI) that the findings themselves bring to your business. The combination of total number of calls, average call duration, operation costs, monthly customer cost and categorization of calls by certain parameters gives companies the ability to express the ROI and cost savings of Speech Analytics monetarily.

Based on the loaded average wage rate, operational departments will need to calculate their call handling cost. Monthly customer costs can be derived from the call counts and either the switch data or a repeat call category. If you know the average revenue per customer, you can project a reasonable amount of revenue engaged in the topic as well.

Speech Categories: Calls are organized by incontrovertible, objective data and speech categories. These objective filters consist of telecom switch data like extension, agent, date, duration and more. Theoretically, a call could have every pre-configured speech category tagged to it, assuming that the conversation included words that qualified for every category. With high-end Speech Analytics software implemented correctly, calls are categorized accurately for the first time over 90% of the time.

Interpret the Data

The big secret about Speech Analytics is that it does not run itself and spit out findings and ROI after hitting the magic, big green "go" button. In addition to setting up the initial thresholds and guidelines, someone – your analyst, if you are doing this properly – is still listening to calls. However, unlike a totally random sample that might eventually include relevant data, Speech Analytics facilitates "targeted listening" through modeled analysis. In other words, the analyst is able to successfully interpret the data because they are listening to the right calls the first time. Based upon the relationship of this properly modeled call set, deduction about the overall population of callers, if not your full customer base, is quite reasonable.

Put the Data to Work

Below we lay out a specific example of how Speech Analytics can be used to identify a root cause of customer attrition.

Setting Up Defined Thresholds and Assumptions with Speech Analytics

- A customer is found to be worth $1,000 a year.

- About 4,000 of every 100,000 calls (3,200 unique customers) include emotions. Based on historical information, the company will lose 2,560 of these customers (or $2.5M in revenue).

- Since 1/3 of customers interact with the contact center, when scaled, this number is up to losing about $7M annually on 100,000 calls.

Thresholds Used to Leverage Speech Analytics for Maximized ROI

- Within a day or two, calls mentioning the competitor spike to 25%; 15% of which are emotional.

- Using the same assumptions applied to the status quo; this could be as high as a $7M loss on just the initial 25% of the volume mentioning the competitor. (But could have increased exponentially – up to 4x- in lost revenue if it were to be sustained and unchecked).

- Using targeted listening, the analyst finds that 90% of the customers would stay if the contact center agent script was changed to reassure the caller that their renewal fee would not rise and if this information was added as a disclaimer on the website's contract policy.

![Verint logo]

Result: Protecting the Customer Base in a Timely Fashion

Instead of a costly loss due to lack of communication, the company was able to edit their website and contact center agent scripts so that customers were assured that their renewal fees would not be increased, thus avoiding increased customer attrition.

Speech Analytics' ROI is proven through its ability to prevent customers from having to "guess" or "hope" their responses to changes in market conditions or a loss of their customer base are the right decisions. Instead, they have the right information, statistics and numbers to use as a reasonable basis for determining the next steps in their customer retainment strategy.

Speech Analytics proves its ROI by not only help you define who your customers are that are threatening to leave, but also by helping you put in place an effective strategy to alleviate these threats and protecting your customer base in a timely fashion.