

The Disconnected Customer: An Exploratory Study Toward a Model of Call Center Effectiveness

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ABSTRACT

The call center plays a significant role in the development and retention of customer relationships in all industries. Organizations have become more complicated, and the ability to get personal service and satisfaction has become more difficult. Technology and its use in processing a customer phone call to a call center are changing the quality of communication. The customer often experiences a combination of touch- tones, transferred calls and frustration. Loyalty centers on the customer and failure to provide good customer service results in lost revenues and customers. This paper discusses the effectiveness of banking call centers. Several categories affecting call center effectiveness are elaborated; these include automated call handling technologies, corporate cultures and attitudes, management styles and outside forces. Another aspect or factor of customer satisfaction can be extracted from the mission statement. The mission statement of the call center reflects corporate attitudes and perceptions from the company to the customer. These relationships are the heart and soul of every corporation and can be based on future success and failure of a call center and possibly of the corporation.

INTRODUCTION

Framing the Discussion

Cost efficiency over customer service is the main reason for the use of technology in call centers. In order to lower costs and improve profitability and efficiency, customers are forced to interact with automated systems until they are finally given the option to speak with a live representative.

Bank customers tend to be the pickiest and most diverse customer (O'Herron 2004). The call center is one of the most essential tools that banks possess. The strategies used in handling the many thousands of customer calls involve using Interactive Voice Response (IVR) systems (keypad input) and call handling technologies. Interactive Voice Response (IVR) is defined as an automated telephony and computer system that allows customers to interact with the system through touchtone response or voice response. This interaction allows the call center to gather customer information and filter or route calls to the appropriate agent or area (Thomas, 2003; Ammenheuser, 2004). Even with all of the latest technology, the banks interviewed in the above article noted that a live human voice was still the most effective tool. Internal operations provide strong influences on good customer relations and experiences. Attitudes, cultures, perceptions and motivations within the institution can be transferred outward to the customer and directly reflects the internal structure of the organization (Spradley and McCurdy, 1988).

Customer frustration is rapidly turning to anger and is reflected in their loyalties with a bank or company (Clark, 2003). The challenge for banks and corporations is to operate a call center efficiently and at the same time provide superior customer service. The research indicates that reliance on technology is not the answer to customer satisfactions and provides a quick path to customer frustration.

The financial services corporation used for this research displayed a true reflection of satisfactory customer service once a person was reached. The process of getting to a person seemed to cause frustration and poor customer service. Banks and corporations struggle with the balance of providing good customer service and maintaining a cost effective, efficient call center.

For a financial services institution, in order to retain customers and develop ongoing relationships, there must be a balance of good use of technology and human interaction in the call center. Customers have become very impatient with poor service of any kind and will switch loyalties to where they are treated well. An innovative bank or company will understand that customer satisfaction is a key element of their success. The ability to blend the mission statement objectives with the customer expectations should be a standard practice. Adherence to the mission statement and clear communication of its importance provides consistency in customer relationships and good business practices (Bart, 1999).

The three key elements that should be blended to provide a good customer experience are the mission statement, technology, and customer service. By blending these three elements, the barriers between the customer and the call center are lowered and provide the ability for superior customer service (Phillips, 2004). Particularly important is the balance of technology used to direct and filter the incoming customer phone call. Technology in the form of Interactive Voice Response (IVR) systems can be adjusted to be more customer- friendly by enabling the customer to reach an agent in the first menu (Swann, 2003).

The analysis encompasses the role of the call center, corporate perspectives and philosophies detailed in its mission statement, value of the customer, effect of technology on customer relations and effectiveness of the call center. Success and effectiveness of the call center will be determined by the customer response to the call center mission statement. The call center mission statement is an important asset in this analysis because it is used as the basis of determining if corporate perspectives of customer service are reflected to the customer.

CALL CENTERS: THEIR USES AND ABUSES

Why do companies and customers like call centers? They are still the main source of communication between customer and company. Customers get immediate results and resolution to problems when dealing with a person over the phone (Dausilio, 2005).

As companies consolidate and offer more products and services, there is a greater dependency on call centers to provide the complete customer experience. There is the advantage of up- selling products to customers. Companies are constantly searching for ways to increase productivity and reduce costs. There is a cost advantage of using technology when handling inbound customer telephone calls and a slow acceptance that customers have towards automation (Bills, 2004).

In their attempts to cut costs, companies constantly try to improve efficiencies by using new technologies while creating customer dissatisfaction in the process. The installation of trendy technologies is not the best way to keep up with rising customer expectations (Monegain, 2001; O'Herron, 2004).

A TYPICAL EXAMPLE

While conducting this research study, the researcher discovered a distance towards customers that call centers create either through poor use of technology or poorly directed corporate initiatives. Several test calls were made to the bank call center to determine the how easily an agent could be reached. Upon dialing the toll-free number, the main menu was accessed giving five options. The remaining option was a "zero out" option to reach an agent. The menu encompasses the sequence

of prompts as the call travels through the menu. The bank call center does offer the ability to request an agent at the first menu. As with most call centers, the time it takes to actually speak to a person would depend on call volume and time of day.

DISENCHANTMENT

The research details customer distaste for being forced to interact with technology, when the need for human interaction is necessary. People want to interact with other humans and not with an automated response system. Enterprises must provide consistent quality communications at each touch-point (Swanson, 2004).

Customers are revolting against companies and their impersonal approach to customer service. Customers will slowly and silently defect to a competitor and the company loses the opportunity to learn what went wrong. They will not complete surveys after they left and automation cannot detect emotions or frustration of customers (Dawson, 2005).

There is a consumer movement and website named "gethuman.com" headed by Paul English, who seeks to improve the quality of human communication in U.S. call centers (gethuman.com, 2006). This emergence indicates that customers have grown weary of navigating through endless menus while trying to reach a representative. The ratings of company call centers are based on ten standards set to determine overall quality of customer experiences including ease of navigation, ability to reach a human immediately, response to frequent customer service complaints and logical information flow. Currently, there is a list of 500 companies named on the "gethuman500" list (www.gethuman.com, 2006). In a recent article, only 9 out of 500 companies earned a high rating. Some companies included are Hertz, Dillard's, Land's End, and L.L. Bean (Houtz, 2006). The website also displays IVR shortcuts and override codes for a large list of companies.

THE PROBLEM

After nearly 19 years of call center experience, a recurring problem of misuse and overuse of automation seemed to be the main cause of customer complaints and dissatisfaction. Customers are much happier to deal with human interaction on a phone call. In addition, the company may realize additional revenue from opportunities that arise during the conversation. In an ethnography conducted by the researcher, low value and tightly scripted phone conversation, combined with dependency on technology, impairs the communication process in a call center (Rodi, 2004; Monegain, 2001). This research seeks to discover the effectiveness of people, process and technology and discover how customer relationships are impacted. The goal of the research is to explore if mission statements, corporate beliefs and perspectives are channeled through to the customer (Bartkus, et al 2000). This is call center effectiveness. Call center effectiveness is defined as effectively providing good customer service, using efficient, user- friendly technology, and customer relationships and satisfaction. What is the impact of the call center on the customer perceptions and attitudes when forced to interact with automated technologies in comparison to dealing with a live agent? Are call centers channeling corporate perspectives of good customer service through to the customer?

METHODOLOGY

The focus of this exploratory study is represented using qualitative methods, in particular, focus groups. Through the use of focus group discussions, participant observation, and personal experience, ethnographic analysis will be utilized (Morgan, 1997; Morgan and Krueger 1997; Spradley, 1980). Personal experience was used to compare and contrast the researcher's knowledge and experiences with those from the participant group experiences. The focus group discussions seek to reflect customer and corporate attitudes, behaviors, cultures, failures and successes at the customer telephone call level and effectiveness of the call center.

Qualitative research uses thick or rich description where value is placed on deep detail in order to see all possible meanings and to dig deeper in the understanding of things (Geertz, 1973). In a similar case study by Gilmore (2001), participant observation and focus groups were employed as main sources of data collection (Gilmore, 2001).

SOME RESEARCH FINDINGS

The first classification named Getting to a person, reflects the level of frustration that exists throughout the customer base. Each focus group revealed strong emo-

tions towards the issue of speaking with a person. The results of the focus group discussions indicate that customers have lost their patience with banks that do not place importance on customer relationships. These same customers are willing to switch their loyalties to a bank that is more customer- friendly.

The second classification is using a cell phone. The cell phone has become the primary form of communication as a result of our mobile society. Using a cell phone complicates the communication process because of the parameters that exist with cell phone usage. These parameters include peak usage times, weak or lost signals and service, low battery causing disconnected calls that would not normally happen when using traditional telephone communications.

The third classification, Reliance on technology, revealed customer importance with the banks that rely heavily on an Interactive Voice Response (IVR) system to filter or screen their customers away from speaking to a person. The results revealed that customers feel that they are purposely routed through the Interactive Voice Response (IVR) to discourage them from speaking to a person and is used for the bank's convenience. Customers are tired of being routed through endless loops of touchtone and voice responses and feel disconnected from the ability to develop good human communication with a live person. Good customer service means providing satisfaction and the ability to provide user- friendly technology.

Classification four dealt with providing good customer service. The focus group discussions revealed that customers are weary of poor customer service and demand better treatment. People are looking for the personal touch in customer service. When customers do not get treated well for any reason, they will switch to a competitor with no remorse, regardless of their previous relationships with that bank. Like other industries, banking has similar products and what sets them apart is the quality of the service that is provided.

In contrast to reliance on technology, classification five addresses the advantage of using technology. The focus group participants felt that technology has its place and can be beneficial when used to check balances or make simple updates where a live agent is not needed. They felt that a customer needs a choice whether to interact with the Interactive Voice Response (IVR) or to go directly to a person.

As a final classification, adherence to the mission statement proved to be important in the group discussions. The mission statement is the basis of the operation and should be projected to the customer. A consistent response throughout all of the groups was that the participants felt that their bank did not stand out above the other banks with their innovative technology. The participants felt that similar technologies existed and the difference between banks is their approach to the customer.

SUMMING UP THE FINDINGS

An important classification discussed in the research was getting to a person. The call center is usually the first point of contact for many banks and the first impression is developed from this experience. In many cases, the call center is the only point of contact for a customer. The research indicated the customer impatience with call routing technologies and the negative perception of these technologies. When accessing a call center, bank customers generally have a need to speak to a person to resolve an issue. The reliance on automated response systems has created a barrier between the customer and their bank call center (Dawson, 2005). This barrier became apparent during the focus group discussions where customers felt isolated when navigating through the Interactive Voice Response (IVR) systems. The customer perception discovered from the research indicated that the focus of a call center is on saving money and creating efficiency at the cost of good customer service.

Discovered through this research is the fact that banks must be focused on their customers. The products are so similar in banking that the difference between good and bad banks is determined by their focus on the customer. This focus encompasses the call center experience and the ability to provide user-friendly call center initiatives.

CONCLUSION

The goal of this research project is to explore and discover if the call center is meeting its customer's expectations. The impact of technology on customer relationships and adherence to the mission statement plays a key role in operating a successful call center. A good example is L.L. Bean. They are famous for their outstanding customer service and superior call handling in their call

centers (L.L.Bean Company, 2006). This researcher has called L.L. Bean on several occasions and has consistently reached a phone representative on one ring, regardless of the time of day. Running a call center strictly by the numbers creates a distance with customers and limits the ability to build and develop good customer relationships. Good, consistent customer service is what attracts and retains customers. The emergence of websites such as "gethuman.com" proves that call center customers are weary of interacting with technology when their need is to speak with a live person. The goal of a successful company would be to provide choices to interact with technology or to speak with a person. By providing these simple choices to call center customers indicates that they are still important and are valued.

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