

# Multichannel ROI

## A Business Whitepaper

12/16/2010

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## Executive Summary

The way customers wish to interact with companies is shifting substantially and contact centers are challenged with implementing technology to provide customer service via non-voice channels such as chat and email. Multichannel customer service is no longer optional and customers expect more than just one or two channels when they seek assistance from the contact center. Today, email, chat and other web based forms of communication are becoming the norm. Increasing customer satisfaction and loyalty is extremely important but companies are also motivated by the Return On Investment (ROI) that multichannel customer service can provide. Multichannel contact center technologies such as text chat, email automated response and email suggested response offer a strong ROI as well as improve customer service.

## Why calculate ROI in a contact center?

Analyzing the Return On Investment for multi channel technology is an essential task that benefits both a contact center considering adding this technology and the vendor marketing multichannel solutions. Before purchasing and implementing new systems of any kind, a cost/benefit analysis should be performed to determine what technology provides the biggest bang for the buck and whether or not the new project makes financial sense. If there are several projects being considered, analyzing the Return On Investment can help a company prioritize the options based on which initiative is projected to provide the greatest return and shortest payback period.

Contact center technology projects tend to be significant investments and may require multiple approvals through several layers of management. Executives seeking to add channels to their systems often find a cost/benefit analysis to be invaluable in justifying the expenditure to upper management.

One of the many side benefits of ROIs is that it helps create and meet performance goals. Once an ROI tool is used to estimate a payback period, there is natural desire by the participants of the analysis to strive to attain the specific revenues forecasted in the time frame specified.

Vendors have good reason to provide ROI tools and assist with the analysis. A sales approach which focuses on ROI tends to be more of a 'solution sale' rather than the traditional 'product sale'. In a solution sale the vendor focuses on the customer's technological pain points and how to most efficiently and effectively solve the challenges the customer faces. In the case of a single channel customer, numerically showing how the financial benefits of a multi channel strategy outweigh the costs is an effective approach. Buyers have become more sophisticated and expect the vendor's salesperson to help them 'sell' the solution internally rather than just present features and price. Assisting customers with the ROI evaluation by providing and helping to complete an ROI tool can shorten the sales cycle and increase the likelihood of a purchase since the vendor is now partnering with the customer to help obtain an approval for the project. ROI analysis can significantly increase upper management's comfort level with the expenditure and help legitimately sell the purchase as an investment with a specific return, rather than simply a cost.

The multichannel components of a contact center ACD are often presented as a phase II or III option. Sometimes they are never implemented at all because their value was never proven or demonstrated. Through ROI cost justification, vendors can increase the size of their orders and provide their customers with these valuable services in the initial, rather than later, phase.

### **‘Hard’ savings and ‘soft’ savings**

Multichannel Return On Investment hard savings tend to focus on two areas: labor savings and network savings. Soft savings tend to focus on customer service and satisfaction.

A key labor savings goal is to reduce the amount of time agents spend on phone calls while providing a superior level of customer service. The objective is to be able to handle the same workload with fewer agents or re-purpose agents to handle other work. Network savings entail reducing the time customers spend connected to a contact center’s 800/888/877 numbers, lowering the telephone bill.

A multichannel screen pop provides both labor and network savings. Based on information a customer enters into a web based chat form, the customer’s record can automatically pop up on the agent’s screen with the arrival of the text chat. By not having to ask the customer for an identifier (e.g. customer number) and search for the correct record, contact centers can shorten the time agents spend on inbound chats (or email) by as much as 10 - 20 seconds per interaction. This provides network and labor savings as average handle time is reduced.

Enhancing a website with text chat capability also provides both network and labor savings. By allowing agents to handle multiple chats simultaneously, the contact center will require fewer agents to handle the same number of interactions, resulting in labor savings. Giving agents the ability to handle text chats (and other types of multimedia interactions) during lulls in voice traffic means that agents can be productive during periods in which they would normally be idle, further decreasing labor costs. In addition, text chatting results in fewer telephone calls as customers can resolve their requests and questions online. A reduction in call volume will lower 800/888/877 number telephone bills.

In terms of soft savings, text chat technology gives customers the ability to choose the method of communication most convenient for them. Increasing customer satisfaction can build loyalty and a willingness to buy more.

Text chatting can increase sales revenue, further improving the ROI. Allowing customers to quickly and easily pose questions to agents via chat can reduce uncertainty during an Internet sale and thus reduce shopping cart abandonment. During the chat session the agent can suggest additional products, increasing average cart size. Proactive chat can also increase revenue by allowing salespeople to help move customers towards a purchase.

Email auto response and suggested response is another contact center feature that has proven to save money and provide a strong ROI. Automatically responding to customers based on key word searches saves agent labor costs since the system can handle some of the email traffic without agent intervention. If the system does not find an appropriate match it can send the

email to an agent for a manual response. It's important to find a system that provides some intelligence in responding to email in order to minimize the quantity of irrelevant and unhelpful automated responses.

A suggested response, also based on key word searches, offers possible answers to the agent which can be pasted into the email response. The ability to simply select a response and paste it into the email, rather than having to type a response from scratch, can save agents significant time, reducing labor costs. The suggested responses are usually more accurate than agent responses so the need for a customer to send a follow up inquiry is reduced, further decreasing labor costs. Email suggested response technology will result in email that is more complete, accurate and better written. This is not only important from a customer satisfaction perspective, but also from a legal perspective. It is extremely important that answers in written form are accurate and conform to company policy. Inappropriate or erroneous emails can be used against the company in potentially damaging and expensive lawsuits.

## Conclusion

Customers now live a far more Internet centric life, and many expect companies to offer channels that coincide with their communication preferences. Contact centers are rushing to meet these expectations and are leveraging multichannel technology to increase sales and decrease expenses through these lower-cost online channels. By utilizing ROI tools to quantify these revenue opportunities and cost savings, vendors can improve close ratios, increase order size, decrease sales cycles and most importantly, give their customers solid data to financially justify a solution that will benefit both the contact center and its customers.

**To learn more about our ROI tool and how to achieve a positive ROI when implementing multi-channel in the contact center, you can contact Bucher + Suter at [info@bucher-suter.com](mailto:info@bucher-suter.com) or visit [www.bucher-suter.com/en/services](http://www.bucher-suter.com/en/services)**