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Best Practices

Six Ways to Use VoC in Your Organization

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Voice of the Customer (VoC) data comes in many forms and from many sources. It may consist of survey ratings, recorded calls to the company's support center or written comments from emails, social media or on-site reviews. All of this information is potentially valuable, but given the sheer volume of VoC available to many organizations, it can be a formidable task to make sense of it all.

The first step toward managing this process is to identify the specific business objectives that the VoC program will drive, as well as the stakeholders it will serve. The VoC data and reporting can then be systematically funneled to support these targeted outcomes and groups.

Although there are numerous ways in which VoC can be applied, there are six common uses that will be discussed here:

PRIMARY VoC APPLICATIONS

Monitoring. Most companies monitor a few key VoC metrics, which they review on a periodic basis. This is a good way to keep a pulse on the health of the customer relationship, to spot emerging trends and track their progress, and to see how customer feedback relates to other key business metrics, like sales volume and market share. It's also a good way to compare the company's results to competitive benchmarks and industry norms.

It is common to display VoC monitoring information in the form of a dashboard, where several key metrics can be easily viewed side-by-side in graphical form. These dashboards are typically used by executives and strategic leaders as part of their oversight of the business. In many cases, dashboards are also shared with line managers, showing just the information that pertains to their level in the organization. VoC dashboards generally combine high-level indicators from a variety of sources, such as surveys, calls and social media, as well as a few operational and sales indicators, such as complaint volumes, first call resolution rates, customer retention, and new accounts. (For more information on this subject, download the article, "Choosing The Best Metrics For Your VoC Scorecard".

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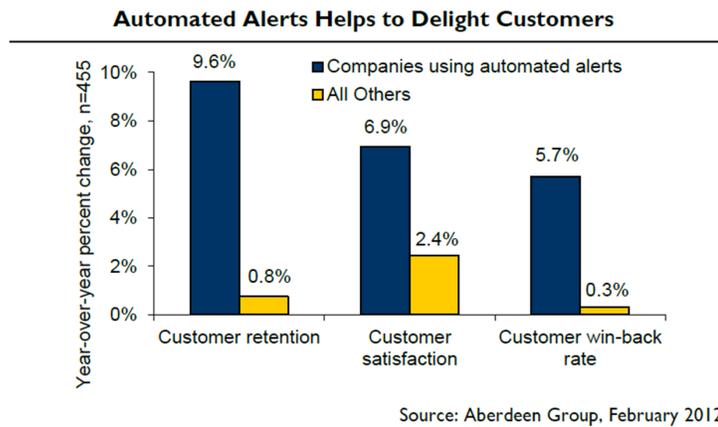
Alerts/Service Recovery. Many companies use VoC to identify specific customers with unresolved complaints or problems, so that a representative can contact them and attempt to solve their issue.

An effective VoC alert system has several essential components: First, it identifies dissatisfied customers, along with their contact information. Second, it quickly relays the information to someone in the organization who is accountable for following up. Third, it records and tracks the details of the follow-up to make sure that some
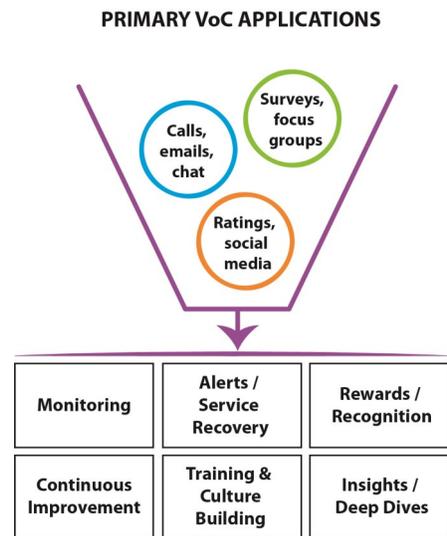
action was actually taken. Finally, it records the outcome of the action, so that the company can continuously learn from and improve its service recovery process.

A 2012 study by The Aberdeen Group reported that companies using automated alert systems significantly out-perform their peers in the areas of customer retention, satisfaction and winning back lost business. In fact, the study found that automated alerts was the single most effective use of VoC data, based on its strong correlation to company growth.

Automated Alerts Helps to Delight Customers

Year-over-year percent change, n=455

- Companies using automated alerts: Customer retention 9.6%, Customer satisfaction 6.9%, Customer win-back rate 5.7%
- All Others: Customer retention 0.8%, Customer satisfaction 2.4%, Customer win-back rate 0.3%

Source: Aberdeen Group, February 2012

Rewards and Recognition. VoC programs frequently supply data for employee rewards and recognition as a way to encourage effective and consistent action on behalf of the customer. It creates accountability for ensuring that customers are satisfied and encourages employees to go the extra mile for customers when the opportunity arises.

VoC can be used for rewards and recognition at every level of the organization. Executives may have high-level VoC metrics included in their key performance indicators, with a link to their bonus pay-out. Mid-level line managers are often accountable for VoC results within their area of control, which may be regions, districts or individual stores or contact centers. It is also becoming common to see front-line employees held accountable for VoC results; with the use of transactional surveys, customer feedback can often be attributed directly to individual employees.

> *VoC results can be used for rewards and recognition at every level of the organization.*

Continuous Improvement. Another common use of VoC is to support disciplines such as LEAN, Six Sigma and TQM. Collecting VoC is an integral part of all continuous improvement methodologies, and it's generally called for at every stage in the process. It is used to identify critical-to-customer requirements, to uncover opportunities for process and product improvement, to provide data for pilot projects and test labs, and to measure customer impacts from changes that are made to systems or services. VoC metrics are also used as control measures for monitoring customer satisfaction after a project has launched.

Training and Culture Building. VoC is used extensively in company training and internal communications to help reinforce a customer-centric culture. Sometimes quantitative measures are used in this context, but more often the actual words and stories of customers are shared in order to bring their experiences to life for managers and employees. Customer feedback is regularly used in training content, on-boarding documents, internal publications and intranet sites, team meeting guides, coaching sessions and company promotional materials.

> *VoC is an integral part of all continuous improvement methodologies.*

Insights and Deep Dives. Finally, VoC is used to develop a deeper understanding of what customers want, how they think, and how they can be persuaded to do more business with the company. The data can be used to test hypotheses, conduct root cause analyses, reveal emerging issues and trends, and support post-mortem analyses.

When linked with operational and financial data, it can also reveal the relationship between customer experiences and business performance.

There are, of course, many additional ways that VoC can be used to improve the customer experience and drive better business practices in organizations. As the ability to capture and analyze VoC data becomes progressively easy through new technology, the list of uses will continue to grow. Regardless of how the information is used, however, an essential part of building a successful VoC program is to clearly define the intended applications of the data from the start in order to ensure that the right information is being gathered, the right reports generated, and the right outcomes achieved.

Written by Peter Gurney, Senior Director VoC Solutions, NetReflector Inc.

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