



Turning Customer Feedback into Action

WRITTEN BY: AMANDA CAPARELLI

Featuring Insights From:



George Davis

CEO & Co-Founder
Frame AI



Greg Parrott

Head of UX & CX Performance, IBM Cloud, Data & AI
IBM



Mike Flannagan

VP, Customer Experience Design & Digital Customer Success
Microsoft

LEVERAGING CUSTOMER FEEDBACK IS CRUCIAL TO THE FUTURE OF YOUR CX



As active users of your product or service, your customers have an unmatched perspective on the experience that your company offers. They can therefore tell you before anyone else exactly where your customer experience is lacking and, more importantly, how to enhance it.

Consumers today live and die by customer reviews. From restaurants, coffee shops, retail stores and hotels to social media, there are endless reviews and opinions online. With information at their fingertips, it is now easier than ever for customers to do their research on a company before interacting with them. And in a B2B context, it's easier than ever for customers to lift and shift after a negative experience and seek greener pastures. With experience being held to such a high standard, not acting upon customer feedback can lead to a terribly negative impact on brand perception, potentially pushing prospective customers to choose a competitor the next time they experience firsthand – or even hear about – a negative interaction with your company.

If your company is not working to actively shape business initiatives around the customer voice, it's missing out on a major opportunity to understand what drives the quality of your CX, how to improve it, and ultimately grow and expand customer relationships.

CCW Digital's 2020 Consumer Preferences Survey asked respondents what would make them more satisfied as a customer. Among the top three responses, respondents stated that a company always responding to their direct feedback or complaints would increase overall customer satisfaction levels.

In a previous CCW Digital Consumer Preferences Survey, when asked to what extent consumers feel that companies value their feedback, a combined 75% of respondents selected “somewhat” and “slightly.” There is a clear disconnect here.

Ultimately, consumers want to know that you care. They want to see that their opinions are valued. Customer feedback can come from a wide variety of channels, but all forms are essential to the success of future business development and to enhance the customer experience. Putting in the time and effort to properly analyze such feedback and sentiment will pay dividends in the long run.



“There is nothing that will frustrate customers more than asking them to tell you about their experiences and then doing nothing with their feedback to improve their experience. It’s critical to tie what you measure directly to your planning for improved CX.” — **Mike Flannagan**

MISTAKES COMPANIES MAKE WHEN COLLECTING CUSTOMER FEEDBACK

⇒ **Don’t fragment data and restrict feedback**

“More teams are focused on the customer experience than ever before. But they’re also more distributed than ever before. This means that you can’t depend on meetings or desk chatter to help people align their understanding of the customer. Creating a shared view of the customer voice that each team can act on independently is the most efficient way to coordinate. Failing to coordinate is a very expensive mistake – it means teams competing to promote their understanding of the market instead of rowing in the same direction.” — **George Davis**



The most common mistake a company can make relative to customer feedback is gathering feedback independently and then failing to consolidate that data. Without aggregating customer feedback and ensuring alignment across teams, VoC strategies and CX initiatives will undoubtedly conflict.

Additionally, restricting customer feedback to solicited versus unsolicited, to a particular customer base or to specific parts of the business will inherently lead to a fragmented, limited scope into how your customers are feeling. If you are only asking for feedback at certain points of the journey or only requesting feedback relative to a particular product, your brand is missing out on vital insights.

Give your customers a chance to provide solicited or unsolicited feedback in any channel and at any point in their customer journey. Ask them not only about your products, but about the services you are providing them, your website, your mobile app, marketing and advertising, and their overall experience.

There are also endless opportunities to learn more about your customers beyond surveys, reviews and direct feedback. Evaluating and making conclusions around customer sentiment and behavior based on what decisions they make, what channels they use and how they interact differently with each one, and what they are searching for will ultimately provide more insight into how your customers feel about the experience, without asking them directly. Without a cohesive strategy that priorities and unifies these insights, your brand risks providing an even more fragmented and less accurate view of the customer.

While it is essential that companies strike a balance between asking for too much and not enough, restricting the type of customer feedback you are receiving and the customer sentiment you are collecting will only hurt your CX initiatives in the long run.



⇒ **Don't rely on people and anecdotes, leverage data to align learnings across teams**



“Companies that realize they need to pull customer voice data from their existing operations often assign personnel to manually annotate conversations. Then CX managers end up hand-curating spreadsheets and slides to find and communicate patterns. Both of these stages are error prone, expensive, and slow!

Time spent labeling conversations is time that's not spent directly helping the customer or taking action on their voice. AI and data pipelines make this no longer necessary. It's entirely possible to capture your customer voice more thoroughly and accurately, and generate reliable metrics with a one-day turnaround, with a much better ROI on CX initiatives.” — **George Davis**

In order to best leverage and sort through different types of customer feedback across internal systems, customer channels, and teams, it is essential to implement AI and data pipelines into the process. However, this is not the one and only step companies should be taking here. Remember — different teams share ownership and accountability of the customer voice, but have different KPIs, and are oftentimes spread across different tools and channels.

Customer service, marketing, CX, UX, product, research, sales and design teams all work to optimize each interaction that a customer might have with your brand. Each of these teams have their own priorities rooted in hard data about their own operations, allowing them to project trends and impacts around their respective workflow and findings. Therefore, if teams are not looking at the same customer feedback or continuing to work toward further alignment, AI and feedback cannot be leveraged to optimally shape VoC strategy.

A meeting can help build empathy, but when it's over each team is still likely to defer to existing priorities. Unless those learnings are backed up by a single data stream of feedback that will allow them to more effectively measure progress and impact, teams cannot proactively work toward a single customer voice goal and achieve an end-to-end customer experience that addresses all needs and challenges.

It is also *essential* that organizations focus on optimizing and gaining a more holistic understanding of the feedback channels that already exist before simply creating more channels and siloes. Work with what you have first. Layering CSAT and NPS surveys onto existing operational workflows will only exhaust customers and generate feedback that is difficult to interpret because it is further isolated from other touchpoints in the customer journey. In contrast, working to more effectively extract feedback from customer support conversations means listening to problems that customers are already motivated to express.



“The challenge with successful AI deployment is twofold:

- 1) Human understanding of AI;
- 2) Data Architectures that are AI-ready.

First, organizations must understand AI in context of the business problems they will solve together (e.g., Design Thinking). Second, leadership must address the complexity of AI integration. Less than 10% of business leaders understand how to organize and prepare data for AI, making this the leading cause of AI failure. Trust in the data is at risk. Clean and structure the data to ensure it delivers on the promise of AI.” — **Greg Parrott**

“The challenge is to model and manage complex interactions at scale, which means this is a job made for AI. However, failing to get the right data structure in place first can seriously stall or even kill a new AI initiative. Make sure your customer data is AI-ready BEFORE jumping in the AI waters.” — **Greg Parrott**



⇒ **Don't plan for analysis, plan for action**

In both B2C and B2B contexts, customers expect a seamless, personalized and proactive experience each time they interact with a brand within today's experience economy. Failing to have your finger on the pulse of what your customers are expecting and looking for is a serious setback.

Simply collecting solicited and unsolicited feedback from customers or changes in behavior and sentiment is not enough. Asking customers for their valuable feedback, just to leave their issues unaddressed and their opinions unheard, will lead to more dissatisfaction than anything else.

Customer feedback and sentiment should be a key driving factor when shaping CX strategy and initiatives. And it's quite clear that the most effective way to become a customer-centric brand is to listen to your customers. Let them know you are listening and continuously making strides toward the experience they're looking for.

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“Within a customer journey, not all touchpoints are created equal. Prioritize collecting data about those moments of truth.. when the experience you deliver matters most. Your action plans should focus on using data from those moments to not only drive changes, but to drive changes with maximum impact to overall CX.” — **Mike Flannagan**

⇒ Collate data, create a single source of truth and iterate

The very first step toward generating actionable customer feedback is to ensure all VoC data is accessible to all customer-facing teams within the organization. This approach will make sure there is a much more streamlined strategy and holistic understanding of the customer.

That data will inevitably begin to pile up and quickly seem unmanageable to work through. Categorizing feedback with the help of AI will be crucial here to make sure the data is more consumable. The types of customer feedback you are receiving should be able to highlight the most common topical areas and pain points that customers are experiencing, making this categorization process fairly straightforward. Common classifications might include usability issues, new functionality requests, bugs, or functionality and features to name a few.

Ensuring your customer-facing teams are able to analyze the same feedback and collaborate toward the best strategies and solutions is essential. While AI, conversation data and metrics can all quickly and accurately identify positive and negative drivers and streamline data trends, if your teams are not collaboratively interpreting feedback and following an iterative process, the customer experience cannot possibly be optimized.

Both strategically and through the use of technology, it is essential to build a CX initiative that prioritizes the gathering of actionable and unified data from a fragmented pool of teams, departments and channels. In order to most impactfully leverage customer feedback and behavior analytics, teams must have the same system for collecting data, and must be looking at those insights with the same goals in mind to ensure full alignment and optimize the experience.



“For too long, VoC, at best, has been an input to an all-hand meeting or an offsite, rather than a part of the daily and weekly activities that drive outcomes at your company. We’ve introduced the concept of ‘VoC Ops’ because we believe it’s critical to build daily and weekly business processes around the customer voice. For example, establishing automatic peer review of tickets with certain types of comments, or reaching out to all accounts where more than one user reached out with a similar problem in the prior week.

Implementing this type of VoC-driven campaign not only has immediate value for your customers and processes, but ensures that broader analysis being brought to strategic discussion is validated against measurable results.” — **George Davis**

⇒ **Find repeatable ways to measure the impact of feedback and demonstrate strategic value**

Gauging the true impact of customer feedback is a sure-fire way to garner support and buy-in across the organization. However, this is easier said than done. If you wait for every leader and every team to finish implementing its latest software initiatives and to go through a project cycle at the same time, you will miss your chance at being proactive by waiting for the stars to align perfectly. Company alignment around the customer voice is the destination, not the starting point.

Once your organization has started collecting a plethora of customer data across channels, products, services and departments, what's next? Cross-organizational buy-in and collaboration is important, but it is best reached by an iterative process that demonstrates results with one team's priorities and strategies at a time. Seeking and maintaining consensus around the customer experience is truly a repeated effort as the business continues to evolve – it is not a one time thing!

The customer experience is improved at each step on the way to this alignment. But there are, of course, some things to consider as each team brings its own priorities, problems, and data to the table. First and foremost, all customer feedback is not created equal. While all feedback should be collected and assessed, certain types of input merit action more than others. Companies must consider a multitude of important factors when considering feedback. How much revenue does the source of the feedback represent? How many other customers have this feedback? Is this feedback specific to one type of customer? Where across the customer journey does this feedback apply?



It is also important to remember that customers who are providing solicited feedback are likely doing so because they had an extreme experience. Whether that experience was extremely positive or negative, most customers feel the need to express to others how their experience with a company was either amazing or awful. But a standard experience – one with no disruptions, interferences or surprises – generally won't motivate a customer to provide feedback. Assuming that all is well with customers who fall into this group is dangerous – their experience could change for the worse at any given time. After all, promoters and detractors start somewhere. If companies are only hearing negative feedback when they are asking customers for it, their ability to course-correct is considerably weakened. This is one of the reasons it is so important to feature unsolicited feedback in a VoC strategy.

Outside of the opinions and feelings that customers provide through their feedback, it is crucial to dig deep and understand what their motivations are for providing that feedback. Without that contextual and behavioral understanding, it is impossible to have a full appreciation for customer sentiment when taking action.



“The biggest mistakes made with customer feedback are usually in aggregations and averages. When you ask 1,000 college students about their favorite restaurants, you’ll find some themes that are useful to understanding what college students value about a restaurant. If you survey 1,000 parents with small children about their favorite restaurants, you’ll find some themes that are useful to understanding what parents with small children value about a restaurant. However, if you combine those 2,000 surveys and present the results as what people, in general, value in restaurants, you’re going to miss the mark. In the same way, if you survey 1,000 people in the healthcare industry about the biggest challenges they’re facing during COVID-19, understanding the roles of the people responding is really important to making the results meaningful and actionable. Doctors and nurses on the front lines will have very different answers than hospital administrators.” — **Mike Flannagan**

⇒ **Solicit different types of feedback at different stages along the journey and always close the loop**

Whether feedback is captured via chat, support tickets, call center interactions, email, surveys, over social media, through an in-app, website or post-visit review, providing customers with a variety of ways to interact – and making the process easy – will encourage them to offer that feedback. It is also essential that your company has allowed for unsolicited or open-ended feedback as well, to ensure you are collecting customer data around challenges, suggestions and opinions that you may not be asking for explicitly within your surveys.

“Closing the loop” is a term most commonly used when a company reaches back out to a customer that has provided some form of negative feedback. While most brand outreach is rooted in the intention of acquiring a new customer or increasing revenue, this approach is utilized solely to better understand why a customer had a poor experience, and oftentimes let them know that steps are being taken to remedy the issue.

This method of interaction is effective in enhancing the customer experience and brand perception on an individual basis. Internally, starting a dialogue with someone who had a particularly negative experience with your brand is a great way to gain information around problem areas and unlock specific pain points throughout the customer experience. Externally, this approach shows that a customer’s negative feedback has been acknowledged and is being addressed, and may convince that customer to give your company another chance.

Going the extra mile and putting in the effort to reach out to an already disgruntled customer may seem time-consuming and trivial. However, teaching your customer support teams to disregard unsatisfied customers, even if their issue is unsolvable, is a risky way to operate.

Improving customer experience and perception at a micro level is a great way to reduce brand detractors, especially when it comes to mobile feedback and online reviews. While closing the loop deals with just one customer at a time, prospective and current customers alike will begin to see the effort your brand is putting in, and they will remember that effort going forward.



“Are you only collecting structured data (e.g. CSAT, NPS, surveys, product usage...)? If so, customers are only telling you things you already knew to ask about. Unstructured feedback – that is, customers speaking in their own words – can clue you into details that lie outside your surveys, some of which may be the ‘why’ behind trends in your traditional metrics.

Open-ended feedback channels that are underutilized in traditional VoC– for example, support data, customer forums, and public reviews – can be a powerful tool, especially now that modern AI can help automate the interpretation of large volumes of open-ended text.” — **George Davis**

⇒ Determine the “Why?”



“In product management, we use Win/Loss Analysis as a key tool to understand the why behind winning and losing. Applying the same concept to CX means deeply understanding why great experiences great and why poor experiences are poor, and how you can improve specific things to create more great experiences and fewer poor ones. Without this understanding of why and how, you’re left hoping to get lucky and deliver a great experience... and hope is not a strategy.” — **Mike Flannagan**

In order to avoid churn, strengthen customer relationships and continually work to differentiate against competition, today’s brands must be placing the customer at the forefront of the decision-making process. One of the best ways to do this is to simply listen to what your customers have to say. However, it’s not enough to just ask them for feedback, and then let all that data compile under differing systems and channels.

While NPS is a great way to benchmark performance as it relates to the products, services and experiences you are providing customers, you should not stop here. This type of feedback fails to provide in-depth insight into the flaws in a particular product or service or the pain points along the customer journey, especially the shortcomings your company may not even be asking about or have on its radar.

To really turn customer feedback into action, it is essential that companies take a look at the data to determine why customers are behaving or feeling a certain way. By uncovering the “why,” you can narrow down how to tackle those challenges together, and begin to really take action by building an experience that is more in line with what your customers are looking for.



If 50% of your customers are “angry” when speaking with an agent, such feedback and behavioral analytics might tell you that your customer support agents need to be trained and better equipped to deal with unhappy customers. However, let’s also say that 60% of those customers who decided to contact customer support were only angry because they were unsuccessful when interacting with your chat bot. This paints a much different picture. Instead of training your agents, you may find more impact by improving your chat bot or making it easier to get in contact with an agent in that channel from the very beginning. Without full alignment of data and insights, it becomes impossible to understand the “why” behind customer sentiment, and is therefore difficult to act upon that data in a meaningful way.

With this approach, your company will be able to catch opportunities that slower-moving competitors won’t, validate feedback and behavior by taking more immediate action before context is lost, and produce additional data that can inform long-term strategy with a tighter feedback loop.

Once your company is able to better understand what interactions are driving customer loyalty and revenue the most, you can then work to capitalize on those impactful moments and ensure they are happening more often.



“With a CX Driver Architecture in place, CX practitioners will have data and insights that are far more actionable than unstructured customer verbatim. With investment in AI education and training, the AI-enabled CX practitioner can do higher-value work at speed and scale. Executives can then rightly expect an impact on business outcomes. Driving up CX Quality increases customer loyalty revenue. Your brand makes a promise to your customer. Your CX delivers on that promise with zero variance. This leaves the customer with a feeling about your brand – an emotional experience. The more we are able to tap into the customer’s heart, the more love we can expect in return.” — **Greg Parrott**

Success in Action: Frame AI Helps Fastly Act Quickly With a Complete Picture of Their Customer Voice

 **>20%** reduction in customer wait times

 **25%** increase in resolutions per agent per day

 Customer sentiment on **100%** of conversations

Before implementing Frame AI, edge cloud platform provider Fastly relied on a time-consuming manual process to surface the insight they needed. Most of their data came from customer support interactions, which were split across different channels. Supporting customers within individual support channels resulted in siloed metrics and reporting.

Fastly's first step here was to unify the data and gain a holistic view of their end-to-end customer experience. By monitoring all communication channels at once, Frame AI helped Fastly bring rapid attention to urgent issues. To proactively drive a better Customer Experience, Fastly implemented surveys to dig deeper into its customers' needs, but doing so added as many questions as it did answers.

Like many companies, Fastly saw great potential in applying AI, but the team wanted to be practical about adding new tools and software. Frame AI's approach – both with cleaning and aligning B2B customer data, and also providing actionable suggestions where the team already worked – gave them a way to move forward with confidence. Ultimately, Fastly was able to gain valuable insight into customer sentiment across 100% of conversations while maintaining a high standard of efficiency, contributing to a 25% increase in tickets resolved per agent per day and a reduction in customer wait times by over 20%.

Altogether, Frame AI has made reporting on Voice of Customer trends far more actionable and specific, with far less manual effort. Fastly uses the intelligence that Frame's proprietary AI provides in three ways:

- Feeding data back to the executive team to advocate for customers at the strategic level
- Streamlining how tickets are handled from a process level, so that customers reach resolution faster
- Directly empowering Support Engineers to identify and rapidly solve urgent and unusual issues

About the Author



Amanda Caparelli, Analyst, Customer Management Practice

Amanda Caparelli is a research development analyst, digital writer and content producer for CCW Digital and D&I Global, the global online communities and research hubs for Customer Contact and Design & Innovation professionals, respectively. In her current role, Amanda writes articles and reports, produces and speaks on webinars and online events, and contributes to event content creation. She is responsible for the production of meaningful content within the customer experience, consumer behavior, service design, UI/UX, brand strategy, and human-centered design spaces to help bring customer insights to life through cutting-edge market research and content development.

Meet Our Analysts



Brian Cantor

Principal Analyst &
CCW Digital Director



Michael DeJager

Principal Analyst & Divisional Director
Experience Design Series



Max Ribitzky

Principal Analyst,
Go-to-market Research



Nadia Chaity

Senior Analyst, CCO Series



Sandy Ko

Senior Analyst



Amanda Caparelli

Analyst



Matt Wujciak

Analyst

Get Involved



Ben McClymont

Business Development Director

E: Ben.McClymont@customermanagementpractice.com

P: 212 885 2662



Simon Copcutt

Head of Strategic Accounts

E: Simon.Copcutt@customermanagementpractice.com

P: 212 885 2771

Upcoming Events

SEPTEMBER

CX Trends, Challenges, & Innovation

September 22-24, 2020

<https://www.customercontactweekdigital.com/events-customer-experience-trends-challenges-innovations/>

OCTOBER

CCW Executive Exchange

October 6-8, 2020

Bonaventure Resort & Spa, Miami Metro, FL

<https://www.customercontactweekdigital.com/events-ccwexchangeusa>

NOVEMBER

New Era of Customer Insights & Analytics

November 17-19, 2020

<https://www.customercontactweekdigital.com/events-new-era-of-customer-insights-analytics>

DECEMBER

The Future of the Contact Center

December 1-3, 2020

<https://www.customercontactweekdigital.com/events-future-of-the-contact-center-a-forecast>