INCREASING PROFIABILITY

THROUGH IMPROVED CUSTOMER SERVICE

How the Contact Center can help make your company more profitable year-over-year

Traditionally, contact centers have been pure costs centers – a necessary expense on the balance sheet to maintain a post-purchase customer service and product support presence. The quality of the customer experience itself was generally treated as an afterthought.

Instead, companies focused on cutting operating costs through outsourcing. Without profit expectation, slashing operating costs seemed like the only way to improve efficiency and productivity. However, contact centers have since come a long way in shaking off the image of being balance sheet drain.

In the age of social media, superior customer service is no longer a bonus offer – it's a competitive requirement. Today, smart companies realize the importance of a great customer experience and the value of contact centers as its guardians. Delivering a great customer experience has become a valuable differentiator in an increasingly competitive marketplace.

So, should you brace yourself for rising contact center costs in pursuit of better customer service? Not necessarily. If done right, improving your customers' experience will not only improve brand perception, but also lower operating costs and open opportunities to turn your contact centers into profit centers.

The Top 5 Business Benefits of a Great Customer Experience.

Developing and maintaining profitable customer relationships is at the core of every healthy business operation. Keeping your customers happy has significant benefits affecting your top and bottom line.

Providing a consistenly great customer experience can:

- **Build brand loyalty**
- **Lead to additional sales**
- **Encourage customer referrals**
- **Lower cost per customer**
- **Offer valuable market insights**

© 2022 Frontier Communications Parent, Inc. All Rights Reserved.

FRONTIER

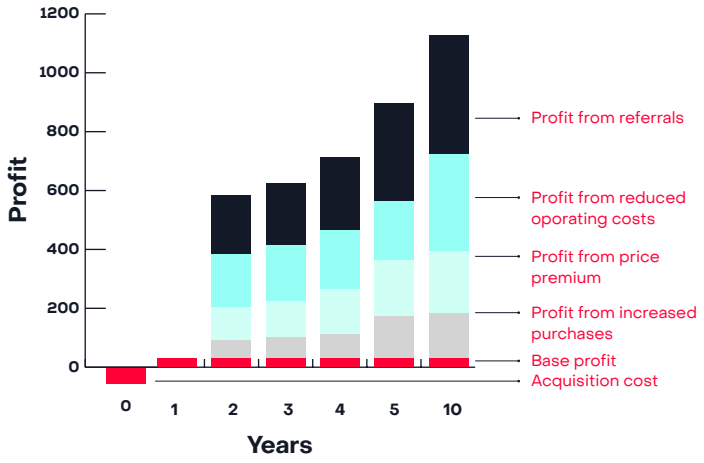
Customer retention is one of the prime benefits of great customer service. Customer retention translates into both immediate cost savings and increased long-term profitability. In fact, according to Harvard Business Review, attracting a new customer is anywhere from 5 to 25 times more expensive than retaining an existing one. What's more, increasing customer retention rates by just 5% could potentially increase profits anywhere from 25% up to 95%.

Retaining a customer

COSTS UP TO
25X LESS
(vs. attracting a new one)

* The value of keeping new costumers. Amy Gallo, 2014. Harvard Business Review

The long-term impact of customer retention on company profits shows a similarly promising picture, as illustrated by the following graph:



Including Profits From:

Increased purchases

Customers who become increasingly comfortable with a company due to a consistent, positive customer experience may start exploring secondary options and purchase additional services or products. The likelihood of additional purchases increases with the length of the customer relationship.

Reduced operating costs

Experienced customers tend to be more familiar with the intricacies of a company's products and services and may not require as much support. This leads to decreasing support costs over time.

Insights

A great customer experience can also deliver valuable market insight through customer feedback. Happy customers are more likely to provide constructive criticism by pointing out feature shortcomings and missed business opportunities.

Price premium

As customers become more confident in a brand, they are more likely to consider upgrading to premium services and prices. Suppliers can justify higher fees because customers trust the organization and are willing to continue to do business with them.

Referrals

Happy customers will tell their friends about positive customer experiences. The longer a positive customer relationship is maintained, the more likely they are to become brand evangelists using word of mouth advertising to promote "their" company's products or services. Another benefit of referrals is that a customer's friends tend to have similar expectations and priorities making them more likely to also respond well to your brand.

 © 2022 Frontier Communications Parent, Inc. All Rights Reserved.

FRONTIER

How to shape a better customer experience

One of the most important indicators of your experience's quality is the amount of customer effort required to deal with your organization, making interactions as effortless as possible will directly translate into an improved customer experience.

First call measurement is one metric commonly used to reduce customer effort. This is the ability of contact center agents to solve a given customer issue during the first call. Customers don't want to call back a second time. In fact, the ability to resolve a customer issue quickly and efficiently with just one call ranks as the leading contributor to a great customer experience. Multiple calls not only negatively affect the customer experience, but also lead to decreased contact center efficiency and increased costs.

For example, a large UK telecom company with over 5,000 agents across 5 contact centers investigated the financial impact of repeat customer calls. The result was astonishing. Failure to achieve first call resolution increased contact center costs by 20% according to data provided by a specialist consultancy firm working with the company.

First call resolution depends on the right combination of technology, processes and people. While technology and processes can easily be acquired with the right investment, upgrading your agents skill-set to include better listening, empathy and rapport building is often the trickiest and most important part. Too often, contact centers focus on reducing the average call handling time to improve speed or tie their agents to rigid scripts to ensure consistency. While speed and consistency are important, overly restrictive guidelines and performance targets can hurt an agent's ability to appropriately address customers with genuine empathy and actively listen to fully understand the issue at hand as well as broader underlying concerns and sale opportunities.

This may require agents to ask more probing questions leading to longer average call handling times. While these longer calls may appear less productive at first glance, they improve efficiency by eliminating the need for further calls and enabling the agent to listen for and act on sale opportunities. In some cases, asking the right questions can shorten a call by uncovering a shortcut to resolve an issue.

Investing in Agent Training

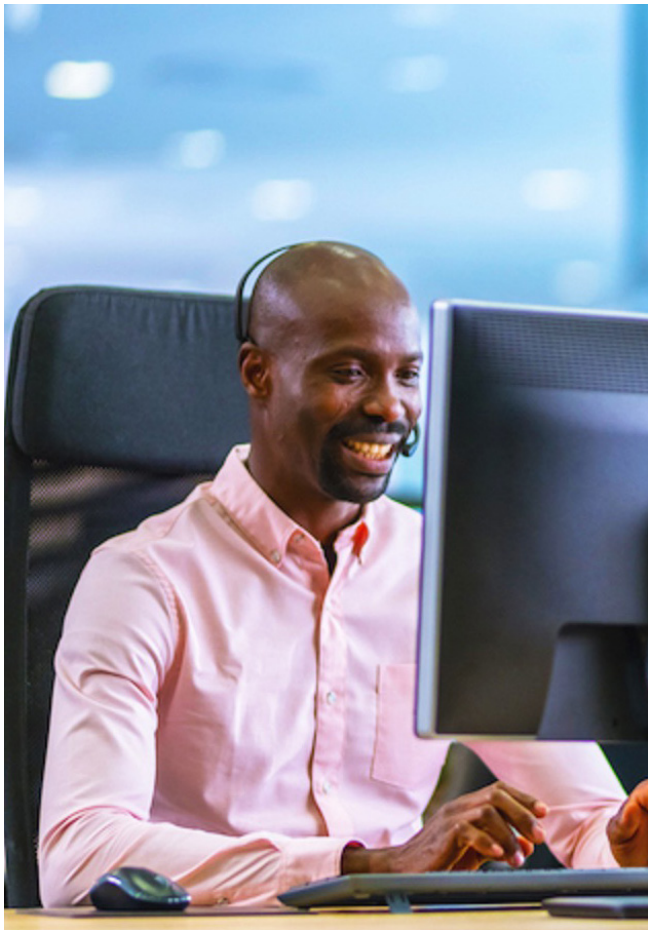
Changing your contact center culture and upgrading the soft skills of your workforce to improve first call resolution takes time and requires a long-term vision with continuous coaching. This may result in upfront costs.

However, once the benefits of minimized repeat calls, increased customer loyalty, added customer lifetime value, word of mouth advertising and market intelligence kick in, the advantages will easily outweigh the costs.

Freeing your agents of cumbersome script and metrics restraints will also have a positive effect on staff retention. This becomes especially important as the delivery of a superior customer experience will strongly depend on the soft skills of your agents.

Obviously, a new hire won't be able to deliver the same value as a veteran agent. But continuous coaching with room for agent feedback and questions cannot only help hone their soft skills, but also give your agents a stronger sense of belonging and professional growth.

Additionally, the geographical flexibility of a cloud-based contact center can help retain agents looking to move to a different city.



 © 2022 Frontier Communications Parent, Inc. All Rights Reserved.

FRONTIER

How Frontier Can Help

In addition to offering the technical tools and processes to streamline and simplify agents access to the best information to support their customer interaction, Frontier strongly believes in the value of an end-to-end solution that can truly deliver an improved customer experience.

That's why our CCaaS goes above and beyond the industry norm to include customized professional services and consulting to help your business get the most from our robust technology and services.

Our experienced consultants will work with your management team to look at problems holistically and develop a tailored solution to achieve optimal results.

For No Additional Cost, Frontier Provides:

- Ongoing staff training in best practices and soft skills to improve first call resolution
- Continuous agent training in the most effective use of our simple but powerful agent software
- Recommendation of contact center features and channels to improve the customer experience
- Premium support of a dedicated technician team that reacts within minutes to your technical concerns to minimize interference with your contact center's mission to improve the customer experience
- Addition of new, innovative features based on client feedback

Got a question or need support? Visit us at **enterprise.frontier.com**

© 2022 Frontier Communications Parent, Inc. All Rights Reserved.