

Customer Care

Definition

Customer care is a customer service that seeks to acquire new customers, provide superior customer satisfaction, and build customer loyalty.

Overview

With the deregulation of telecommunications services, consumers now have more choice in selecting a service provider. When ordering a new service or maintaining an existing service, consumers must take into account the following three key factors: the quality of the service, the price of the service, and the customer service of the service provider. The first two factors are relatively objective and usually easy to control. As shown by *Figure 1*, the graphical representation of a market research study done a few years ago, customer service dissatisfaction is the most important key factor when a consumer decides to change service providers.

Figure 1. Reasons for Switching to Another Vendor



A customer care system is a customer service system that helps telecommunications service providers acquire and retain loyal customers. The customer care system provides many means for service providers to achieve these goals with the help of technology.

The objective of this tutorial is to provide an overview of customer care for telecommunications industry professionals who are not familiar with this topic.

Topics

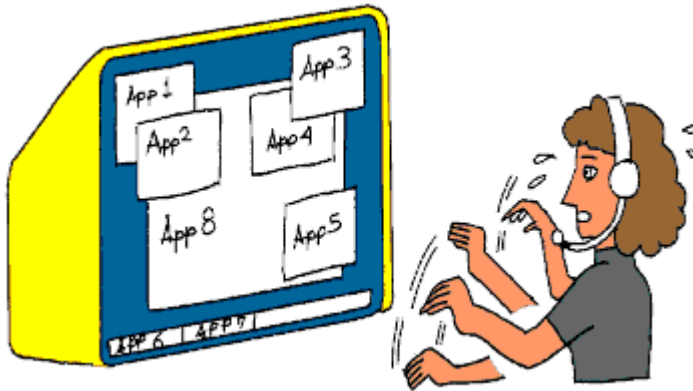
1. An Environment without a Customer Care System
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 4. Technology for Customer Care
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 6. Customer Service
 7. Telemarketing
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1. An Environment without a Customer Care System

All telecommunications service providers have customer services. A customer service that does not have a customer care system is characterized by the following:

- **multiple applications for a customer service representative**—Without a customer care system, customer service representatives (CSRs) must use many applications to service a customer. Billing, provisioning, ordering, credit validation, and event tracking are examples of these applications. Sometimes the CSRs need two or three workstations or terminals. A CSR without a customer care system will use all of these mentioned systems to handle even a simple customer request for a new telephone line. As these are usually independent applications, the CSR must enter the same information many times. There is always the possibility of mistyping and forgetting to enter some information in an application as a result of human error. With errors, the customer is not likely to get his/her requested service as promised by the CSR. With multiple applications, there is an increased possibility of human error. In contrast, with a customer care system, the CSR must only use one application.

Figure 2. User Must Multitask



- **no procedure**—Because of multiple applications, or applications that provide too much flexibility, each CSR develops his or her own procedure. The services that a customer receives depends on the CSR. Some services may be good, while others may not be so good. The customer will perceive this unevenness as poor customer service. A good customer care system, in contrast, implements CSR procedures and forces them to follow company-approved procedures.
- **long training times**—Customer service departments have relatively high staff turnovers. As there are many applications and procedures that CSRs must learn, the training time is lengthy and costly to service providers. A good customer care system is easy to learn and use and, therefore, has a shorter training time.
- **many hand-offs**—Because of a lack of automation, a great deal of handing tasks off to other people or departments manually is required. Each one of these manual hand-offs means waiting time, more data entry, and increased possibility of human error. A customer care system reduces the number of hand-offs by automating these manual tasks.
- **poor morale**—Poor customer service due to inadequate infrastructure results in poor CSR job satisfaction. Consequently, the customer service department will experience high turnover and poor customer service. With a customer care system, customer services will be better, and CSRs will be more satisfied with their work.

2. Needs of Consumers

The requirements of a customer care system are ultimately determined by consumers, and all of us are consumers in one way or another. We associate the following characteristics with good customer service:

- The customer service representative is friendly.
- The customer service representative knows about previous contact sessions and is able to continue a session from where it was left off.
- The customer service representative is capable of completely servicing the call.
- The customer service representative provides immediate change in the service for most service requests.
- The customer service representative is experienced, and calls are completed in a timely manner.
- The customer service representative provides accurate commitments.
- The customer service representative provides accurate information.
- The customer service representative does not transfer calls to others.
- The customer service representative does not put the call on hold for long periods of time.

Many of the above characteristics seem to be CSR-dependent and to require extensive experience. However, with a good customer care system, these characteristics manifest externally to the customer even from relatively inexperienced CSRs. The only capability that cannot be implemented in a customer care system is the first characteristic—friendly customer service representatives. As a result, an effective customer care system requires that service providers select CSRs more for their interpersonal skills than for their technical skills.

3. Needs of Service Providers

From the service provider's point of view, the major business needs of a customer care system are as follows:

- **capability to proactively acquire new sales and customers**—The customer care system should be capable of targeting new sales, as well as matching customers and products, and should offer this information to CSRs when contacting the customer.
- **capability to provide prompt service to existing customers**—The customer care system should include automation to provide prompt service to customers; the system should be designed in such a

way that the interaction with the customer is of a high quality (e.g., there should be minimum waiting time and no holding time); the ultimate objective is to provide the customer with the required service by the time the session ends (i.e., "Thanks for calling. You should be able to use your service now. ").

- **reduce costly human errors**—The customer care system should be easy to use, incorporate procedures, reduce information being typed, and verify entered information.
- **capability to acquire additional marketing information**—Any contact with a customer is valuable and should be viewed as an excellent opportunity to acquire future marketing information; as part of each contact, marketing information should be captured in an easy and consistent manner by CSRs.

4. Technology for Customer Care

Rapid advances in the computer industry present an opportunity for telecommunications service providers in terms of both cost reduction and sales increases. The following are technological factors that can play a major role in determining the effectiveness of a customer care system:

- **availability of powerful PCs**—They can bring processing power to the CSR's desk.
- **availability of computer telephony interface (CTI)**—The integration of computers and telephony will eliminate the awkward manual coordination of these different technologies.
- **availability of rapid application development (RAD) and object-oriented technologies**—These technologies permit rapid application development and allow handling of more complex tasks.
- **availability of artificial intelligence software**—This technology will arm new and existing CSRs with advice, questions, and responses to service customers more effectively.
- **availability of integration technologies such as CORBA and DCE**—These technologies make integration with new systems and applications easier.
- **availability of Internet**—The Internet allows service providers to provide services online.

- **availability of client/server architecture**—This architecture will allow service providers to increase or decrease customer care—equipped desktops as their needs change.
- **availability of graphical user interfaces (GUIs)**—GUIs are more intuitive and, therefore, easier to learn.

5. Functional Requirements of a Customer Care System

Based on the needs of consumer as well as the need of service providers, major functional requirements of a customer care system are as follows:

- **capability to access relevant information**—A customer care system provides only relevant information, allowing customer service representatives to interact rapidly with customers.
- **capability to hide nonrelevant information**—A customer care system is tailored so that nonrelevant information for the business task at hand is hidden.
- **ease of use**—The CSR must be able to focus on the interaction with the customer as opposed to focusing on the use of the customer care system.
- **decision support**—The customer care system must have an expert system to take advantage of the service provider's pool of experience on sales and repairs.
- **self-serve capability**—A customer care system should support its access through IVR and the Internet.

In the long term, a customer care system should provide flexibility in the following ways:

- **support for changing business processes**—Decision support tools in particular must be easily modifiable to avoid becoming the bottleneck in evolving a business process.
- **ability to evolve toward convergence**—The customer care system should provide the capability to add new products, packages, and pricing models.

- **support sharing of information with other service providers**—The customer care system should be able to provide selected information to other service providers.
- **support for electronic bonding**—The customer care system should provide support for emerging electronic bonding standards.

6. Customer Service

Customer service is typically inbound (i.e., consumers call in and request a service). Most large telephone companies separate this function from telemarketing and repair. Consumers typically ask for the following:

- **new service**—When a consumer requests a new telecommunications service, the CSR enters customer information (if the customer is new) and service configuration information and then provides service information and orders the product. A customer care system implements this business procedure, guiding the CSR from one step to the next, providing service information, and automatically ordering the product.
- **bill adjustment**—When a consumer requests that some billing needs an adjustment (or, perhaps, a date extension of payment), the CSR must enter the reason for adjustment then enter the adjustment. A customer care system helps the CSR by providing easy access to billing information, allowing adjustments only on valid items and for valid reasons, and by checking the adjustment against the CSR adjustment limit. The customer care system also captures this event automatically and submits the adjustment request to the billing system.
- **modification of service**—When a consumer requests that a service be modified, the CSR must know about the service being modified, enter the modification, let the consumer know the pricing change (if any), and submit the order. A customer care system helps the CSR by providing product information, lets the CSR enter only the allowed modification, provides the pricing information, and automatically submits the order.
- **discontinuation of service**—When a consumer requests that a service be disabled or canceled, the CSR must verify the customer and service and then submit an order. A customer care system only presents the services that the consumer can cancel (or disable), captures the reason for discontinuation, optionally captures marketing information, and automatically submits the order.

7. Telemarketing

Telemarketing activity is usually outbound (i.e., sales representatives make outbound calls). Telemarketing services, a more proactive way of obtaining service sales, include the following:

- **targeting the customer**—This is the process of identifying consumers to be called. Randomly targeting consumers is not productive and can even result in annoyed customers. A customer care system produces a list of consumers most likely to purchase an offering.
- **campaign execution**—Once the product and the list of targeted consumers are available, the campaign can begin. The sales representatives call using the list of consumers, inform the customers about the campaign, and, if the customer is interested, order the product for them. A customer care system automatically calls the unprocessed consumers in the list; passes only the calls being answered by consumers (as opposed to calls being answered by answering machines); displays customer information automatically; and provides product consumer match analysis and product information, as well as the capability to order the product on the spot.
- **inbound sales**—Sometimes interested consumers call in to purchase a product being offered in a campaign. Sales representatives provide various information about the campaign and order the product for them. A customer care system automatically marks this customer as processed in the campaign's target consumer list to avoid an unnecessary call.

8. Repair

Repair activity is usually inbound (i.e., consumers make the call). Customers usually call to request that a service that does not work be fixed or repaired. Typical repair calls include the following:

- **collecting diagnostic information**—The CSR must collect information from the consumer as well as information from within (e.g., from ordering and provisioning systems). A customer care system automatically obtains diagnostic information from relevant systems and guides the CSR to obtain the diagnostic information.
- **diagnosis**—The CSR must analyze available information and determine the cause of the problem. A customer care system automatically diagnoses the problem.

- **resolution**—The CSR must take actions to resolve the problem. A customer care system can resolve the problem.

9. Implementation

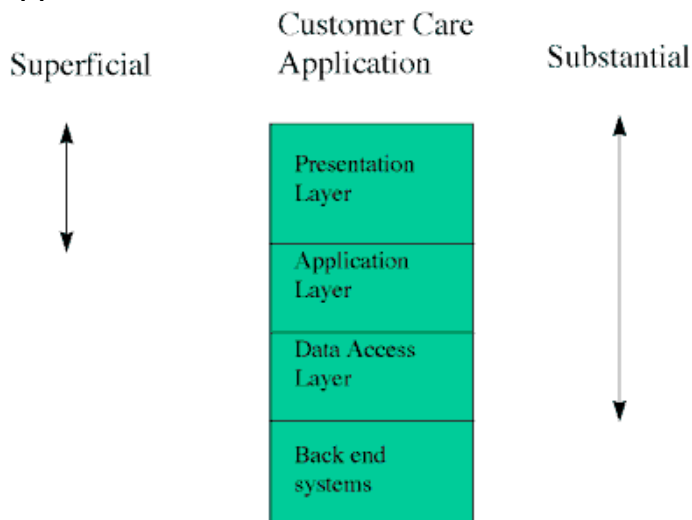
Superficial Implementation

A superficial implementation of customer care is usually inexpensive and can be deployed relatively quickly, but it lacks substance. It is superficial because most of the changes are in the user interface level and usually are not integrated to back-end systems—such as billing, provisioning, or ordering systems. Although the CSR's tasks may be reduced, the work is not complete, and someone or some other system must somehow send and receive information to and from back-end systems. They also come with some predetermined processes that may not suit the operation of a service provider.

Substantial Implementation

A substantial implementation of customer care is more expensive and takes more time to develop, but it has substance. The changes permeate from the user interface level down to the integration of the necessary back-end systems. The work of the CSR and of other persons in the service provider's company is reduced, resulting in cost reduction, and better efficiency is obtained. The in-depth analysis of the business process required in substantial implementation provides a customer care system that significantly improves the performance of the customer service and provides the most automation possible.

Figure 3. Superficial versus Substantial Customer Care Application



10. Develop or Buy

The development of a customer care system from scratch is expensive and has many risks but can provide a system that is well-tailored to the service provider's needs. In general, development can take more than a year and will be subject to major project risks such as technology, experience, budget, and know-how problems. In practice, only large telephone companies can afford the development of customer care systems.

An alternative is to buy a customer care system. An already-built customer care system is relatively inexpensive, and many of the risks associated with it are already eliminated. However, it will not be initially tailored to the service provider's needs. Because the operations of telecommunications service providers vary significantly, the customization of the system is necessary to make it a substantial customer care system. On the other hand, some vendors of customer care systems prefer the superficial customer care system approach and shy away from substantial customization. A good customer care system vendor will work with the service provider and provide substantial customization if requested.

Self-Test

1. What is the primary reason consumers change from one service provider to another?
 - a. customer service
 - b. telecommunications service quality dissatisfaction
 - c. telecommunications service price
 - d. moving to a different address

2. From a customer care point of view, why are multiple applications not good for customer service?
 - a. They are difficult to handle.
 - b. They cause human errors.
 - c. They are not good for computer memory.
 - d. They cause some applications to be under a window.

3. Which of the following customer service characteristics cannot be implemented by a customer care system?
 - a. friendly customer service representatives
 - b. customer service representatives capable of servicing calls completely
 - c. customer service representatives who can provide an immediate change in service for most service requests
 - d. customer service representatives who are experienced and can complete calls in a timely manner
4. Why should customer service representatives capture marketing information during a customer contact?
 - a. to engage the customer in a friendly conversation
 - b. to file as part of customer information
 - c. so the information can be used in future marketing analysis
 - d. because it is part of the procedure imposed by the customer care system
5. Which of the following technologies cannot be used in customer care systems?
 - a. rapid application development and object-oriented technologies
 - b. artificial intelligence software
 - c. Internet
 - d. fuzzy logic
6. Why is it easier for a customer service representative to add a new service when using a customer care system?
 - a. The customer care system uses a graphical user interface.
 - b. The customer has filled out a form prepared by using the customer care system.
 - c. The customer care system will guide the customer service representative in filling out required information and automatically ordering new service.
 - d. The customer care system will permit printing of the new service order.

7. Why is telemarketing more effective when using a customer care system?
 - a. It uses a predictive dialer that can screen out answering machines.
 - b. It can handle multiple campaigns.
 - c. It targets appropriate consumers, executes campaigns, and can automatically order service.
 - d. It can provide product information and fulfillments.
8. Why is service repair more efficient when using a customer care system?
 - a. It uses only one application or graphical user interface.
 - b. It can access testing systems.
 - c. It can track trouble tickets.
 - d. It can collect information, diagnose, and resolve automatically.
9. Why is a substantial implementation of a customer care system better than a superficial implementation of a customer care system?
 - a. It is less expensive.
 - b. It can be deployed very quickly.
 - c. It is available as a product.
 - d. It provides the most automation possible.
10. Why is buying a customer care product better than developing one?
 - a. It is less expensive.
 - b. It can be deployed quickly.
 - c. It eliminates implementation risks.
 - d. It comes with continuous product upgrades.

Correct Answers

1. What is the primary reason consumers change from one service provider to another?

- a. **customer service**
- b. telecommunications service quality dissatisfaction
- c. telecommunications service price
- d. moving to a different address

See Overview.

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See Topic 1.

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- b. It can be deployed quickly.
- c. It eliminates implementation risks.**
- d. It comes with continuous product upgrades.

See Topic 10.

Glossary

ACD

automated call distribution

CORBA

common object request broker architecture

CSR

customer service representative

CTI

computer telephony interface

DCE

distributed computing environment

GUI

graphical user interface

IVR

interactive voice response

PC

personal computer

RAD

rapid application development