The speech analytics guide

in association with

nexidia
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Foreword

Without question, speech analytics technology has been a slow burn. With the first commercial speech analytics tools having hit the market over a decade ago, you could argue that this category of solutions is the longest overnight success in the software industry.

But a success it has indeed become. Not only are speech analytics tools becoming increasingly commonplace in contact centres, but the latest iteration – real-time solutions – are themselves already seeing uptake. Driving this adoption are the multitude of benefits that speech analytics can provide, from fraud prevention to compliance to quality control, something that will be explored further in this guide.

Nonetheless, as with most transformational technology, there is investment required. To ensure that you get the maximum bang for your buck (and also to ensure that you can demonstrate this ROI), this ebook has been collated, pulling together advice and insight from leading figures in the customer service and software industries. Interaction analytics is something you do, it is a journey that you go on. The business rewards are significant, however it isn’t a black box solution, it takes the commitment of analytical resources, linked to a change management culture to deliver the benefits. When done correctly it is truly transformational.

Across eight chapters you’ll learn everything from how to choose the most appropriate solution to what skill sets your team will require to ensure you get the best
from the technology.

I hope this guide will be an invaluable companion for your speech analytics project.

Jonathan Wax, VP of EMEA at Nexidia
Chapter 1.

How is speech analytics supporting contact centre transformation?
Neil Davey, editor, MyCustomer

As customers, in recent years we’ve all grown familiar with being told “calls may be recorded for quality management or training purposes” when we call into a contact centre.

But the reality for businesses is that traditionally only very few calls would have been captured, listened to and used, despite the value that could potentially be locked up in these interactions.

However, in recent years, this has begun to change, thanks to the proliferation of speech analytics.

Speech analytics, also sometimes referred to as audio mining, is a technology that recognises speech and converts it into data. This is then structured so that conversations can be analysed for insights. Typically, a speech analytics solution comprises: a speech engine that converts speech to data; an indexing layer that makes it searchable; a query and search user interface to allow the user to define requirements and carry out searches; reporting applications to present the analytics, often in graphical form; and business applications that are provided by vendors to help users with specific requirements.
The first speech analytics products became available for commercial purposes back in 2002, and subsequent years were characterised by steady double-digit growth, with the technology improving all the while. Now estimated to be a $214 million market, there are signs that interest is beginning to ramp up, as Jim Davies, research director at research and advisory giant Gartner, has witnessed first-hand.

“During a recent strategy day with a client, I was asked to document and report on what clients were asking about, and it blew me away to see the increase in calls related to speech analytics I had received in 2013,” he notes. “It has gone nuts. In that slice of what I do, about a quarter of calls are now linked to speech analytics, whereas a year or two ago it might only have been a couple of percent.”

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So what is driving this sudden spike in interest?

Steve Morrell, founder and principal analyst at ContactBabel, believes that the message regarding speech analytics may finally be getting through, even though it can seem complicated and there has traditionally been scepticism towards it.
“Most contact centre solutions have a specific, easily-communicated reason for purchase, usually around cost savings. The most popular and widespread solutions, such as IVR, workforce management, CTI and outbound dialling, have all had a clear and quantifiable route to cost savings and improved efficiency. Solution providers comment that cost reduction is often the initial driver for investigating speech analytics, as contact centres realise that there is an alternative to making decisions based on minimal data, and monitoring quality manually and patchily.

“However, speech analytics doesn’t stop there, and can be used in many different ways to address various business issues. This is an advantage – it is hugely flexible – but it can also make its message to the market more complicated, and to the cynical, it can seem as though speech analytics is claiming to solve every problem that a contact centre could possibly have. However, depending upon how speech analytics is used, it can certainly assist in cost reduction, agent improvement, business process optimisation, avoidance of litigation and fines, customer satisfaction and loyalty improvements, and increases in revenue.”

With this in mind, let’s further explore how speech analytics has the potential to transform the modern contact centre.
Quality management

Quality management is a mission-critical function to identify contact centre and enterprise trends and provide insight into how agents are performing. Traditionally a very labour-intensive function, speech analytics is revolutionising quality management.

“Most companies have a very crude agent evaluation process, randomly picking calls and supervisors trying to find a good call to evaluate,” says Davies. “But obviously, with speech analytics you can classify all the calls accurately and pre-select calls for supervisors to evaluate and almost start doing the evaluation for the supervisors, adding some intelligence to the whole quality management area.”

Samantha Richardson, solutions consultant at Webhelp UK, also notes how valuable this can be at driving overall standards, particularly in the sales environment.

“In any environment where conversion is the main performance indicator, even the smallest insight can mean big improvements to the results,” she explains. “Equally, there will always be those top
performers who can build rapport and sell with ease and the majority who, whilst doing OK, won’t set the sales boards alight. Speech analytics is an incredibly powerful way to unlock these insights as it allows operational and quality managers alike to understand at a statistically significant level what makes the top performers exceed their peers, and build their coaching of the majority around these successful behaviours. By having all of the data on top performers together, they can understand patterns and traits and quantify the impact of even the smallest change to conversion.”

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**Operational efficiency**

“Speech analytics drives a reduction in operating costs for organisations by providing ‘insight’ from calls and recordings which can be used to improve future interactions with the caller,” says Mark Pritchard, customer experience specialist at Kcom. “By understanding root and branch causes around why interactions happen, coupled with automated subject classification, it is possible to highlight process problems that organisations didn’t know they had.”
Davies adds: “Speech analytics enables you to do things like increase first call resolution, reduce call length, that type of thing. You can analyse the audio to check the agent has the right knowledge, whether they have resolved the question or not and if they did and said the right things to drive operational efficiency. If an agent is taking six minutes to deal with an address change call whereas everybody else takes three minutes, there is an efficiency gain by sending that agent on a training course to better learn the address change process within the CRM system, because then they will be doing it in three minutes like everybody else, saving three minutes every call.”
Revenue generation

Speech analytics also enables organisations to improve sales, by refining selling techniques and providing flags to agents to ensure they do not miss a sales opportunity in the conversation.

“Another area that benefits from speech analytics is revenue generation – looking for opportunities where the caller is a potential upsell or cross-sell candidate and checking whether the agent is approaching that appropriately in terms of their dialogue, their persuasive selling ability and how they overcome objections. So it can be positioned as a revenue generation tool.”

Richardson agrees. “The other great advantage to using speech analytics in a sales environment is that it allows correlation between call drivers and outcomes. So, by building successful sales ‘categories’ an analyst can begin to not only understand which conversations and products yield the most success, but can also unearth golden nuggets like which contact drivers are linked to particular product sales. Information like this can be strategically useful in maximising an agent’s time to their full sales potential.”

Debt collection

Debt collectors have to balance the need to maximise debt recovered whilst staying within the guidelines. Speech analytics can support this.

“There is a very rigid process involved with collection, so it’s important to ensure that agents are following it correctly,” says Davies. “Organisations have to ensure
that agents say and do the right things to, for instance, overcome payment objections – if the customer says ‘I can’t pay this week,’ what is the standard phrase the agent should use to counter that?”

**Compliance**

One of the most popular aspects of speech analytics is its ability to monitor the level of the agent’s compliance with contact centre scripts and regulations – something that is particularly appealing in heavily regulated industries.

“One of the main reasons businesses in the financial services industry are investing in speech is to make sure their agents are compliant,” explains Davies. “If their staff don’t say the right things on a call, the financial repercussions can be hundreds of thousands of dollars. So using speech analytics as a means to make sure that agents are doing and saying the right things on a call is an important way to ensure there is no come back in the future for them.”

The emergence of real-time speech analytics – which makes assessments during the course of the interaction, rather than post-call – also provides further insurance that agents are compliant, according to Donna Fluss, president of DMG Consulting.

“There are lots of regulations such as the Telephone Consumer Protection Act and the Do Not Call legislation in the US, concerning what you shouldn’t do as a business, particularly in the world of collections and outbound dialling in general,” she explains. “As it relates to collections, there are rules where you have to say certain things within
specific time frames or you can be fined, such as who you are and what your purpose is. So if you can notify an agent in real-time you may be able to prevent being open to fines.”

**Customer experience management**

The technology can also evaluate customer satisfaction with company procedures and policies and can rapidly highlight any performance issues that may be damaging the customer experience.

“Speech analytics not only gives organisations the opportunity to better understand the likes of customer satisfaction, customer churn and customer experience, so that improvements can be driven, but by listening to what the customers are saying and picking up on their emotion, other actions can be driven off the back of it,” suggests Davies.

**Fraud prevention**

“Speech analytics’ use in fraud prevention is a newer but quite interesting area,” notes Davies. “Organisations are just starting to use speech to recognise the voice fingerprint of customers. So you haven’t got to go through the same verification process because you have a voice recording from a previous interaction and so can quickly analyse the customer’s voice against the past call recording and get a match using speech analytics. It’s an uncommon one, but it will be big down the line.”

Art Schoeller, principal analyst of Forrester, adds that real-time speech analytics can build on this further still. “While it’s not a tool that’s used only for fraud,
it does allow you to look for certain spoken patterns between the agents and the customer, so that you can look at the activity on an agent’s desktop and you can identify if it’s a conversation that looks like it could be fraudulent and you can take action.”

**Enterprise feedback management**

“There are also plenty of things that fall outside of the contact centre,” adds Davies. “It could be campaign feedback, competitive intelligence, pricing sensitivity, product feedback and generally things that marketing and sales and product development call value.”
Chapter 2

What speech analytics challenges must you be mindful of?
Neil Davey, editor, MyCustomer

A growing number of customer service and IT leaders are signing off on investment in speech analytics, encouraged by the technology’s increasing maturity and the continued spread of best practices and use cases.

However, while this combination of factors has ensured that speech analytics now represents a much safer investment for risk-averse businesses, a number of obstacles still remain.

And with organisations increasingly aware of the range of benefits that speech analytics can deliver, it is important that their eyes are wide open to the potential problems that they can encounter, before undertaking what can be a very costly project.

With this in mind, experts have identified the most common challenges that companies can experience.

Because of the costs, building a business case can be tough

“These aren’t cheap investments – they can quickly run into hundreds and hundreds of thousands,” warns Jim Davies, research director at Gartner. “And when you’re building a business case, a lot of the time you’re dealing with theoretical benefits. All the use cases are
theoretical, the only reason you get those outputs is after you have done the deployment and you’re six miles down the line, and then you can say ‘yes, it has helped us with our collection and helped us reduce churn.’ So this is a challenge that companies have to go through, particularly in light of the high cost of deployment.”

“The technology is complex and real-time analysis requires expensive processing, so cost of ownership is high.”

Mark Pritchard, customer experience specialist at Kcom, adds: “The technology is complex and real-time analysis requires expensive processing, so cost of ownership is high. Export of audio streams or recordings is considered to be a security or data protection issue. Speech analytics is not top of mind for organisations when budgets are set. The return on investment relies on unlocking value which is often linked to customer care and process improvements that are difficult to quantify.”

**Speech analytics is anything but plug-and-play**

“Many organisations mistakenly believe that if they just plug-in speech analytics and have it analyse their calls, the software will immediately deliver insights about their business. “Unfortunately it’s usually not that easy,” notes Sean Murphy, director of product marketing at Genesys.
Donna Fluss, president of **DMG Consulting**, says: “The challenge to making it successful is that this is not a Field of Dreams where you build it and they will come. You put it in and then it requires a significant amount of work and resources to make the applications work. You have to fine-tune the application, which means you don’t put it in and walk away and it works – you implement it and then you improve your definitions and then you enhance your definitions and you work at it until you get it to work for your operational environment.”

**Speech analytics requires specific skills**

“The organisation has to have a degree of expertise in-house – there has to be the analytics guru that is using the system as their day job. And if the company hasn’t got that time and expertise internally then maybe having a managed service is the way to go, rather than an on-site or Cloud-based deployment,” says Davies.

Murphy adds: “Speech analytics, like any analytics software, needs to be driven by the specific business requirements of each organisation at each specific point in the organisation’s business cycle. In order for this to happen, skilled business analysts need to always be closely involved with every speech analytics project – it cannot be treated as another IT project in which the IT department installs the software and the project is done.”

“So the biggest obstacle to successfully using speech analytics is people related – the need for people who are very familiar with your business who are also willing and able (and available) to become familiar enough with speech analytics to be able to recognise opportunities to
leverage speech analytics in your business.”

“Although speech analytics uses previously unused data sources, it is consistent with all analytical activities in that it needs analysts,” says Jonathan Wax, VP of EMEA at Nexidia. “Most organisations can identify and train good internal candidates, but there is a lead time before they become operationally effective. You should look to see if your partner can provide short term analytical services to help you drive the required business outcomes during the initial phases of the project.”

**Speech analytics requires change management**

“The issue is more the application of the findings rather than the accuracy of the applications,” explains Fluss. “More often than not, organisations are not positioned to use the results – speech analytics can give you the results but the challenge is being able to apply those results not just in the contact centre but throughout the enterprise.”

Murphy agrees. “Speech analytics can identify opportunities for improvement that are extremely valuable, but often business processes and/or people’s behaviours need to change in order to capitalise on those opportunities. Such changes are never easy to make, but when proper change management processes and procedures are in place it becomes much easier to implement such changes. A very big obstacle is the willingness of the organisation to build an enterprise-wide change management process to support the application of the findings from speech analytics.”
Wax adds: “We have reviewed a large number of our customers’ analytics projects and we see a very clear link between organisations that have strong governance and change management models and strong business return, practically companies that used interaction analytics as an enterprise change driver saw returns of between 3x and 5x their initial investment in the first 12 months.”

**Selecting the right speech analytics technology isn’t straightforward**

“The technologies are so different. There are different fundamental approaches in how you get to that insight – the phonetics, the transcription and the key phrase matching – and trying to work out what is going to be the best underpinning technology for what use case is one of the biggest challenges,” says Davies.

“That lack of understanding of what is going to be the best approach for the organisation is compounded by the vendors, who do a very good job of upselling what they’re good at and down playing what they’re not so good at...”
“That lack of understanding of what is going to be the best approach for the organisation is compounded by the vendors, who do a very good job of upselling what they’re good at and down-playing what they’re not so good at, based on the approach they have chosen. So from an external customer’s point of view it is a very difficult landscape to navigate because everybody appears to be good at everything, regardless of what technology they are using.”

Technology system integration can be difficult

“There are a lot of different systems involved in the contact centre, where you have multiple technology systems, for example, your IVR, your agent desktop, your CRM and perhaps your social media monitoring tools,” notes Omer Minkara, senior research analyst in the customer management technology practice at the Aberdeen Group. “If those systems are not speaking to each other, you will not have a single view of the customer and that will reduce agent productivity. When using speech analytics as part of such disconcerted activities, agents would need to navigate multiple screens by logging into a different application for speech analytics while they’re on the call, or after they finish the call, and that obviously is not the best use of an agent’s time. While companies are focused on integrating the agent desktop with speech analytics to overcome this challenge, integrating speech analytics insights with other systems such as CRM remains to be an area more companies should focus on to maximise the benefits from their speech analytics investments.”
Chapter 3.

How to choose the best speech analytics solution for your business

Neil Davey, editor, MyCustomer

For many years, speech analytics was very much the domain of the early adopters and the mavericks. But recently it has become increasingly popular to the mainstream.

This is a double-edged sword. On the one hand it represents an opportunity for the majority of organisations to reap the benefits of this sophisticated technology and drive more value from their contact centres. But on the other hand, because the mainstream is by its very nature less technically sophisticated and brave than the early adopters, it means they are more likely to find the path to speech analytics adoption a painful one.

“In Forrester’s Tech Radar, which is our maturity model, we have moved speech analytics from our niche category to not quite the broad mainstream, but certainly more of the middle of the road, regular adoption phase,” says Art Schoeller, principal analyst at Forrester. “In the last year and a half, more of the mainstream-type organisations have been adopting speech analytics. And they want more stability, and more assurances.”
This could prove to be a problem, because despite the uptick in adoption, the technology selection process in speech analytics remains complicated, offering a variety of different technical approaches available to businesses. With no single unifying architecture, the approach which is most appropriate for your particular business is dependent on your specific environment and needs.

But to further complicate things, this is not necessarily the message that vendors will communicate to those in the market for a solution, with partisan providers keen to impress upon buyers that their approach is superior, regardless of the requirements.

In light of this, the following chapter identifies the key factors you should bear in mind when you are in the process of selecting a speech analytics system, so that you can weigh up which is the most appropriate technology for your particular circumstances.

**Phonetics vs transcription**

Speech analytics solutions come in two flavours – phonetics and transcription. It is critical that before you begin the process of vendor selection that you are clear about which will be most appropriate for your business.

“You really have to spend as much time as possible researching and reading as many white papers as you can to understand the differences between phonetics and transcription,” advises Jim Davies, research director at Gartner. “Once you understand that, your choice will depend on the repercussions for your business associated with differences in the speed at
which you can process the audio vs the speed at which you can then search that processed audio, because there is a fundamental difference between phonetics and transcription.”

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He continues: “Phonetics is pretty fast at converting the audio into the searchable format but not as fast at doing the search. Transcription, meanwhile, is much slower at converting the audio into the searchable format, but then very fast once you’ve done that.”

The choice between phonetics and transcription therefore has major implications depending on your organisation.

“Normally the bigger the company, and thus the number of calls they need to convert, the more that points to phonetics, because you have got a conversion challenge if you are trying to do it by transcription,” says Davies. “But this balancing act between the speed of processing the audio vs the speed at which you
then search the subsequent data you generated is a big area to look at and you should get the vendor to demonstrate this when they’re doing their on-site look and feel.”

**Precision vs recall**

Another choice has to be made between the precision and recall of various speech analytics solutions, because this too varies according to the particular technology.

Precision refers to the accuracy of the insight that is provided. For instance, let’s say that over the course of 1,000 calls there were 50 calls that mentioned a competitor. When you apply the analytics to look for mentions of the competitor, if the tool returned with 45 calls and they are indeed all linked to the competitor, then it would have great precision because if it says there is a mention, it is there. Recall, meanwhile, refers to the detection rate – how many times the tool finds something. So with the same example, some systems might find 45 out of 50 while others might only find 35 out of 50.

“While you therefore would ideally choose a solution that has high recall and high precision, reality dictates that you’ll have to prioritise one over the other”
While you therefore would ideally choose a solution that has high recall and high precision, reality dictates that you’ll have to prioritise one over the other according to your own business needs.

“What you tend to find is you get a mix,” says Davies. “While some technologies are very good at precision/accuracy, they have a lower detection rate – so maybe only uncovers 20 of the 50 calls. But all 20 are where a competitor is mentioned. Whereas other systems might report that 80 calls had a competitor mentioned and while it has got nearly all of the 50, it has also wrongly classified another 35 as being linked to that competitor. So in that case you get more hits but also more negatives as well.”

That balance between precision and recall is critical for a lot of businesses.

Davies continues: “If you’re using it for compliance, for instance, you really need to ensure you find all of the instances where a non-compliance issue arose, and it doesn’t really matter if you get a few negatives or false positives into the mix, you can just filter those out manually. Therefore, systems with a high recall rate are better.

“Whereas if you’re using it to automate a process – such as generating leads in the sales department – in that situation you don’t really want to keep generating leads when it is inappropriate. It is much better to make sure that when you do generate a lead, it is an appropriate lead, and just be aware that you are missing a few leads that could have been generated. That’s where the different technologies, precision vs recall, aligns with the use case and some solutions are better than others for the use cases.”
Language

The language that is being used by your business is another factor that will influence which type of solution you should choose, particularly in terms of vocabulary changes.

“If you’re in retail, for instance, and you’re using new product names all the time, it can be a little more difficult for transcription to take this into account,” notes Davies. “With phonetics, in terms of new product name, you can just type in a new product name and it finds it. With transcription you have to add that name to a library and then it can go away and find it once it’s in the library dictionary. But sometimes you can’t do that yourselves, you need to get professional services in. So the more that vocabulary is changing over time, the more that favours one technique over the other.”

Unexpected events

Another influential factor to consider is how likely it is that an unknown event could impact your contact centre. With phonetics you are only looking for things you have told it to go and look for, whereas transcription is reporting what it finds to you.

“Transcription will report back that, for instance, one of your products was the most mentioned term of last week, so that there is obviously something going on that you need to investigate,” says Davies. “It can do that analysis for you because everything is converted into text and it can mine. So if your contact centre thinks there is a high chance of unknown things happening that they are not aware of, then that
favours the transcription approach over phonetic.”

**Also bear in mind**

Other factors that you should keep in mind when choosing a speech analytics solution, according to Omer Minkara, senior research analyst in the customer management technology practice at the Aberdeen Group, include:

- **Who is the owner of speech analytics activities?** Do you want to manage speech analytics in-house, or do you want a third party to manage it as a service for your business?

- **If you are doing it in-house, what is the preferred deployment model?** Do you want to do your speech analytics on-premise, hosted – that is private or public in the Cloud – or hybrid, which is a mix of on-premise and hosted speech analytics?

- **What are the sources of speech analytics you’ll be using?** Do you want to capture feedback or speech data just from phone conversations or IVR interactions or do you want to tap into both sources?

- **Do you want to capture speech data on a real-time basis or post-call?**

- **What are the benefits you’re looking to get out of speech analytics?** Are you looking to use it to manage the customer experience? Or are you looking to use it for quality assurance, planning or managing agent performance? It could be a number of different factors that you want it for,
but you need to understand what your ultimate objectives are going to be.

**Do an RFP**

Donna Fluss, president of **DMG Consulting**, adds that organisations should also ensure that they conduct a request for proposal (RFP).

“If you’ve never used speech analytics before, do an RFP and learn what’s out there. Learn from analysts and vendors about what the solutions are capable of,” she explains. “Put your heads together and think about all the various ways in which you want to use the application, then do an RFP, and go into detail – ask for what it is you’re looking for. During the selection process, ensure you speak to references. And during the selection process, find out what kind of resources you need to allocate to the implementation and then to the ongoing utilisation and application of the solution. Don’t base your decision solely on the price of the application.”

**Get a proof point**

Jonathan Wax also believes that organisations should get a proof point to support their decision. “The Proof of Concept is still an excellent way to understand the differences between the vendors’ approaches. If analytics was a simple plug-in, then a traditional product approach would work, but it isn’t. Analytics is something that you do, it is the way you do business. The PoC is a perfect way to fully understand what you need to do to embed and operationalise analytics.”
Chapter 4.

Speech analytics success factors: How to get the most from your solution
Neil Davey, editor, MyCustomer

As anyone with an iota of business nous will tell you, getting the right technology in place is only part of the puzzle. The technology is important, yes – but you also need the skills, processes and structures to support the tools. And so it is with speech analytics.

While speech analytics primarily sits within the call centre, it has the potential to be an agent for change across the entire enterprise, delivering insights and driving innovation and improvement for multiple departments.

Unsurprisingly, for it to realise this potential and become more than merely a quality monitoring tool, it requires support, cooperation and resources from teams throughout the organisation.

So what steps can your business take to ensure that you’re maximising the benefits of speech analytics? Here are some best practices that you can follow to give your speech analytics project the best chance of success.
Build a team and build support

When it comes to laying the groundwork, Donna Fluss, president of DMG Consulting, has suggested the following initial steps:

• Find a senior sponsor for the speech analytics initiative – ideally, choose an influential leader who does not work in the contact centre.

• Emphasise the enterprise-wide benefits of speech analytics, and put together a cross-functional team of influencers to participate in a speech analytics steering committee. This may require significant up-front “politicking” to convince non-contact-centre leaders to participate.

• Communicate the uses of speech analytics to all internal departments that can benefit from its findings, to get their buy-in and support for the new solution.

• Assemble a dedicated team that is not part of the contact centre to manage the speech analytics process. This will help to make it an enterprise application.

• Staff the speech analytics team with resources who understand the business, not just quality assurance people or contact centre supervisors.

In terms of building the team, Samantha Richardson, solutions consultant, multichannel at Webhelp UK, adds: “Have a great set of inquisitive analysts who can use the application and create meaningful insight reports. And have a healthy relationship between your
insight teams and your operation and those people who are responsible for making any of the changes you need from the insight generated.”

**Build trust**

Speech analytics will require a degree of tuning and configuration to optimise its handling of the unstructured data that it is analysing. Because of this, Art Schoeller, principal analyst at Forrester, recommends that businesses take pre-emptive measures to ensure that confidence in the technology does not falter.

“Speech analytics will require a degree of tuning and configuration to optimise its handling of the unstructured data that it is analysing.”

“Contact centre operational folks are used to black and white, operational data and metrics,” he explains. “For instance, they know their current average speed of answer, and their current average handling time. It’s pretty exacting. But when you’re dealing with speech analytics, it is more unstructured data and so you’re dealing more in probabilities. For example, the likelihood that we saw this phrase coming out of speech analytics 5,000 times is 88%. It’s not exacting.

“So this raises the question of accuracy. And speech is always going to take some tuning and modification
and improvement. Therefore, you need the staff in place who understand the various shades of grey language and will investigate something a little bit more if they think they see a result – they will sample some calls, take a look, and better understand what the aggregate information is saying so that they can confirm or deny what the dashboard reports are saying.”

This is important, says Schoeller, because this is where he has seen a number of systems fail.

“I’ve seen companies do the proof of concept, implement the technology and get some results that they think are great. Then they get a little more into production and have a couple of instances where they’re doubting what the system is saying or making changes based on findings, and then find out that it isn’t really happening. So where I have seen systems fail is when they end up being viewed as being untrustworthy.”

**Have processes in place to ensure that action can be taken**

Collecting data and producing insights is only part of the process. Unless the information is disseminated to the relevant parts of the business, the organisation is wasting its potential. Therefore, it’s advised that the company establishes a formal speech analytics reporting process that allows the findings to be shared with other departments and managers in a timely fashion.

Fluss says: “Speech analytics is one of the most exciting, transformational tools that I’ve seen
in the last 30 years when accompanied by the appropriate practices and resources, and supported by management. But even if you only want it for informational purposes – rather than transformational – you still need to use it, and so you need to have a process set up to apply the findings.”

She continues: “This can be on a daily, weekly or monthly basis; but on a continuous basis. You need to identify trends, and then those trends need to be communicated to the appropriate parties. And then those parties have to be held accountable for applying the findings.”

Fluss recommends creating a closed-loop process that measures improvements on an ongoing basis, with managers recognised and rewarded for tackling and correcting the issues identified by speech analytics.

“Producing pretty charts is not what speech analytics is all about, although it’s nice to get those,” she adds. “Disseminating the information and addressing
the underlying issues and/or identifying sales opportunities is most important.”

**Ensure that teams work together**

For the insights generated by speech analytics to become actionable, it will require the relevant departments to collaborate – something that can often demand a degree of coordination.

“It’s useful to know that you’ve got a lot of complaints coming in about credit card applications being denied, but once you know this, you need to be able to turn to the credit card department and find out what’s going on,” says Fluss.

“So when it comes to being able to apply the findings throughout the organisation, everyone needs to work together. Ideally you should have a committee of representatives from different departments that can meet regularly to discuss some of the findings, although this is not what we see too often. But as the primary organisation running this programme, the contact centre must be able to reach out and share information with other departments, so they must work together.”

To monitor and facilitate cooperation and overall effectiveness of the speech analytics project, Fluss also advises that organisations create a mechanism for tracking and reporting the progress of each issue, KPI and department on a regular basis. Furthermore, this reporting should be shared with all relevant departments and managers.
Maintain focus by using KPIs and baseline numbers

By determining key performance indicators in advance, you will bring more focus to the project, with a clearer idea of what it is you are hoping to achieve/realise with speech analytics.

ContactBabel’s Inner Circle Guide to Speech Analytics recommends that businesses put baseline measurements in place before any implementation takes place, such as how many calls are tagged with a particular issue. The team can then monitor and suggest changes to processes and approaches based on findings of the initial analysis, while measurement post-action will quantify the cost savings or alteration to other key metrics.

The report notes: “The ability to see trends – to know that the instances of the words ‘website’ and ‘password’ have increased by 2,000% this week compared to the norms of the past six months – quickly identify likely pain points for the customer and potential broken processes. The continual tracking and analysis of similar information or categories over time also allows a business to see whether the remedial action that they put into place has actually worked.”

Sean Murphy, director of product marketing at Genesys, explains: “I would say that the main success factor to maximising the benefits of speech analytics is to be very focused when pursuing speech analytics projects. I use the word ‘focus’ in reference to many different areas of foci: focus on one area of the business, or even a single KPI at a time – don’t try to boil the ocean all at once.”
“Focus each speech analytics project even further by focusing on a small group of agents at first in order to be able to test different hypotheses quickly and make changes as needed, in order to perfect your approach before rolling-out any new processes to a wider group.”

**Don’t waste speech analytics recordings**

“First and foremost, make sure that you maximise your use of call records,” says Omer Minkara, senior research analyst in the customer management technology practice at the [Aberdeen Group](https://www.abercrombieandfitch.com). “When we did our speech analytics study last year, we found that only about 30-35% of the call recordings are being processed or analysed. So that means that two-thirds of the call recording data that is collected is not utilised. It’s sitting there, and there’s a lot of information that can be captured to improve business results. So I would recommend companies deploy speech analytics more regularly to analyse those recordings.”
The success of a speech analytics programme relies greatly on having the right technology in place and the right structures to disseminate and act upon the insights delivered. But the people part of the project can also make or break speech analytics, even though it can very often be given scant consideration.

“Many organisations mistakenly believe that if they just plug-in speech analytics and have it analyse their calls, the software will immediately deliver insights about their business. Unfortunately it’s usually not that easy,” says Sean Murphy, director of product marketing at Genesys.

As with any other analytics software, speech analytics needs to be driven by the specific requirements of the business at each point in the organisation’s business cycle. But for this to happen, skilled business analysts need to be closely involved with the speech analytics project, says Murphy.

As a result, the biggest single obstacle to successfully using speech analytics is people related – they must be familiar with your business, but also have the ability to become familiar with the tools to be able to identify opportunities and leverage speech analytics in the organisation. As Murphy notes: “It cannot be treated
as another IT project in which the IT department installs the software and the project is done.”

This means having a team working on speech analytics that really understands the business and the solution, rather than a team populated entirely by contact centre supervisors and quality assurance people. Whether manpower is required full-time to manage speech analytics however, is open to some debate.

ContactBabel’s *Inner Circle Guide to Speech Analytics* indicates that vendors’ opinions on the requirement for a full-time, dedicated speech analyst differ widely. In particular it notes that there is a split between those offering solutions based on a phonetic speech engine state, who believe that an existing business analyst or member of a quality assurance team would be able to handle analytics as well, and the other vendors, who believe that a full-time speech analyst will ensure a greater return from the technology.

The report adds: “The complexity and sophistication of the solution is only one element to this: of more importance is what the business wishes to get from speech analytics – managing compliance and improving the QA/QM process is likely to require less full-time support than an ambitious cross-department project to investigate and optimise business processes. Some solution providers offer packages that include pre-selected phrases relevant to that particular type of business, which means the initial discovery and implementation time is reduced somewhat.”
Don’t under-estimate the expertise

Nonetheless, Jim Davies, research director at Gartner, strongly recommends that there are full-time resources dedicated to speech analytics if the project is to have the best possible chance of success.

“It is not something you can just plug-and-play and just have your normal staff playing with on a Friday afternoon”

“It is not something you can just plug-and-play and just have your normal staff playing with on a Friday afternoon,” he warns. “There has to be a dedicated resource on-site, nine-to-five, running it; to get the most out of it. Where companies often fail is they don’t have enough resources and assume they can just plug it in.”

And Davies also notes that businesses shouldn’t under-estimate the type of expertise that is required, and the fact that the complexity can even grow over time.

“It’s a very specific type of expertise,” he says. “And it becomes more complicated because a lot of companies are now starting to add other channels in – they are adding text mining of email and chat or social comments in, and they are starting to weave desktop analytics in and call flow analytics and operational analytics. So while the team may need to have an expertise in speech, ideally they need to have a
broader remit as well for when they start embracing these other channels.”

Aside from whether you decide to opt for a full-time resource or not, there are other options to consider when it comes to appointing responsibility for analysis of speech content – whether you deploy in-house manpower or third-party expertise. And this is another key factor to consider.

The Aberdeen Group report, The 2013 speech analytics buyer’s guide, summarises the differences: “[In-house] means deploying speech analytics as part of an organisation’s existing technology infrastructure, and using internal resources to collect and analyse speech content to disseminate insights to key stakeholders (i.e. contact centre agents). [The third-party managed service] approach involves outsourcing speech analytics deployment to a third-party provider who would integrate with the company’s existing phone and/or IVR system to capture speech content, analyse it, and deliver insights back to the contact centre.”

The Aberdeen Group estimates that around three-quarters of leaders manage or plan to manage their speech analytics in-house, while a quarter outsource these activities. Nonetheless, while the majority of businesses are therefore keen to go it alone, Davies advises that businesses capitalise on the vendor’s expertise to ensure that the appropriate skills are present internally.

“I think you should make sure that professional services from the vendor are there a lot over the opening months to make sure that it is fine-tuned and
you are up and running appropriately,” he explains. “Sometimes you can almost sub-contract an expert from the vendor, so they go and work on-site with you for a number of months until you have built up the skills internally. Normally somebody internally has a bias towards that type of technology and they spend six months or so shadowing the vendor and learning like mad and then they can take over from there.”

“Sometimes you can almost sub-contract an expert from the vendor, so they go and work on-site with you for a number of months until you have built up the skills internally.”

Wider training

Inner Circle Guide to Speech Analytics notes that ongoing support after implementation is standard for the speech analytics industry, something that is invaluable for buyers. It also adds that solution providers also offer courses for operational staff in addition to technical staff, targeting specific user roles and responsibilities including end-user, reporting, performance management, administration and maintenance. Often all of this is offered either as on-site or remote training.
This is all valuable, as it is not only the technical team that will require skilling up – those on the frontline will also have to adapt to the new system.

“It is an ongoing journey and there are two sides to it in the enterprise,” says Omer Minkara, senior research analyst in the customer management technology practice at the Aberdeen Group. “Firstly you have the data analysts – the people who often run the speech analytics and dissect the resulting data on the back-end to try and make sense of what it means. But then you also have the supervisors who have to make sure that they are able to guide the agents when they detect a pattern. And they need to be trained with the most recent capabilities in speech platforms as well as in how to use the capabilities effectively.”

“From the agents’ perspective, you need to train them with the ability to interpret and utilise speech analytics data to enhance their trust to the system,” he explains. “The agents must trust the system so that it can give them guidance on how to do their jobs at particular points. But also you may need to train them to change their mindsets that they are assessed based on their performance, based on data provided from the speech analytics system. You can look at the customer feedback and sentiment and measure agents’ performance based on how they have influenced the customer sentiment in a positive or negative way. And that might require a cultural shift on behalf of the agents to make sure that data resulting from speech analytics reflects their ability to accomplish some of their objectives, such as first contact resolution or handle time, but also how they influence the customer
sentiment, which can be partially assessed with speech analytics.”

Therefore, organisations deploying speech analytics really need to consider skills and training from top to bottom if they are to give the initiative the best possible chance of success – from the technical expertise dealing with the data, to those on the frontline who may need a period of acclimatisation.

“The potential impacts to company culture and/or the impacts on people of any changes that need to be made in order to act on speech analytics findings and implement necessary business process or staff changes must be considered in advance and adequately planned for,” says Murphy. “Speech analytics is a change agent, but enterprise-wide change management processes need to be in place in order to support the application of its findings and minimise the impact of these changes on staff and/or company culture, or at least make these changes easier to understand and accept.”
Chapter 6.

How to use speech analytics to shape your contact centre KPIs

Martin Hill-Wilson, director, Brainfood Consulting

The introduction of speech analytics into the operational environment of your contact centres is a milestone as far as KPI management is concerned.

The immediate benefit speech analytics offers is to help explain why the level of performance for a particular KPI is higher or lower than expected. In other words, you can connect goal achievement with specific behaviour(s). This facilitates the ability to improve performance. Even share best practice when performance levels are exceptional.

How great would this be?

You: “Why has this KPI suddenly increased 12% over the last two weeks?”

Informed manager: “The insights which the speech analytics team came back with shows that this is a combination of the following... These centre on the new claims workflow recently introduced which is causing customers to react like this ... which the advisors are attempting to deal with by doing the following... So far this has happened x times over x weeks and cost us...”
This is a big deal for every leadership generation raised on ACD style reporting which can only tell the pattern of performance, not its cause. Of course root cause analysis has always been possible, albeit in painfully slow ways, via manual sampling, advisor feedback and the accumulated market know-how of those in charge to second guess what’s going on. Even then, this approach has been restricted to relatively simple scenarios.

In the outline example I just gave, the diagnosis can happen almost as fast as a situation unfolds. In the most sophisticated deployments of speech analytics, an automated, exception-based alert will have triggered someone’s awareness of something going wrong. This will have been quickly followed by a decision to investigate and source a solution.

“So the net result is a win all around. Fewer customers suffer. Less advisor time is wasted and contact centre budgets are not blown out of the water throwing resource at the problem.”

Even when traditional feedback via advisor to team leader to site manager provides the early warning system, overall responsiveness is still massively improved with speech analytics. For a start, fixing
things is so much easier when a situation is fully understood and backed up with clear evidence. Especially so when the cause of an issue lies outside the contact centre’s direct control which is often the case.

So the net result is a win all around. Fewer customers suffer. Less advisor time is wasted and contact centre budgets are not blown out of the water throwing resource at the problem.

In summary, the immediate benefit of Interaction Analytics is that you will be achieving more of your KPIs more of the time.

**Why KPIs come and go**

So far we have explored the impact that speech analytics can have on your current mix of KPIs. I now want to introduce an even more powerful benefit. This can be achieved after you have been using Interaction Analytics for a while. Discovering which KPIs really matter.

As I’m sure you know, this is an ongoing discussion within our industry. Of course we all accept the start point in the argument that ‘you can only improve what you can measure’. This is typically followed with the point that we tend to measure what we can rather than what we need to. Again, most of us have accepted this advice in principle.

These days, most contact centres are putting more attention on improving FCR (first call resolution) than AHT (average handle time) which has been downgraded as a primary indicator of success, although record attendance levels for AHT webinars,
even in 2013, show many maintain a guilty fascination.

My own involvement in the UK based P&Q Challenge tells me we are still in the middle of transitioning from a predominantly internal set of metrics to include the outside-in view, the customer experience. It is still the old debate about efficiency vs effectiveness. Which is the most powerful to focus on?

So KPIs evolve according to industry collective wisdom. Of course, they also vary according to the business goals that the contact centre is supporting. A service-based operation needs to track certain unique behaviour(s) relative to a sales operation.

Finally the KPI portfolio can change simply from the introduction of a new leadership team, bringing with them a favoured set of metrics. These are often layered on top of existing ones.

Add all this together and we see one of the abiding issues in KPI management: the tendency towards having too many and therefore losing focus on what really matters.

Figuring out your best KPIs

So how can speech analytics help in the selection of relevant KPIs for your business?

As I said earlier, ongoing use of speech analytics provides a much richer stream of insight into what is happening in your operational environment. After a while the real drivers of core business performance become much clearer through ongoing tracking of root causes and identification of best practice.
“After a while the real drivers of core business performance become much clearer through ongoing tracking of root causes and identification of best practice.”

It is at this point that a strategic review of your KPI mix is worthwhile. Apparently, KPI experts recommend between 6-8 KPIs as ideal. So within that advice you can now review existing KPIs and their real value in helping you achieve key business goals.

Probably you will discover some of these are rejected in favour of newly discovered drivers unearthed from Interaction Analytic assignments. They may even be ones unique to your business activity. For instance, an insurance company might have discovered a key driver to annual retention. A home appliances service business might have identified the single most important behaviour that determines customer NPS (Net Promoter Scores).

Of course you might discover that your current mix is fine. However, your ability to track them and understand why that performance delta has just happened will have been transformed with the automated sleuthing power speech analytics delivers.

It might even allow you to finally get a grip on how to measure FCR accurately!
**Take away insight**

Having accurate, timely insight into why performance changes over time transforms KPI management. Interaction Analytics delivers that insight.

Martin Hill-Wilson is a keynote speaker, author and director of Brainfood Consulting.
Chapter 7.

Real-time speech analytics: Super-powering sales and service?
Neil Davey, editor, MyCustomer

Speech analytics may have only recently become commonplace, but with commercial products having been on the market for over a decade, it’s perhaps a little surprising that the next generation of speech analytics solutions are already emerging. And the next generation is real-time.

Real-time monitoring tools have been made possible by the technological advances of the last few years, and even though they still require significant processing power, for those first-movers willing to do the heavy lifting, they promise an array of benefits.

“It’s in the early days,” notes Art Schoeller, principal analyst at Forrester. “But we’ve been striving for this for a long period of time, and now that we have bigger, badder processors and better algorithms, it has become more feasible.”

So what’s the difference between real-time monitoring tools and the speech analytics that is most commonly implemented in contact centres?

Traditional speech analytics turns unstructured information from customer phone calls and translates it into structured information that can be searched and analysed. But all of this is done after the phone
calls have been completed – it is post-call analytics. The latest breed of speech analytics tools, however, takes place in real-time – enabling action to be taken while a call is still live.

With analytics able to be applied in real-time, a whole range of dials can be turned to improve numbers, depending on where in the contact centre the solutions have been deployed. Compliance, sales and customer service can all be positively impacted by the presence of real-time monitoring, enabling supervisors and agents to ensure a positive outcome.

**Customer service**

Bad customer service is costing US companies $41 billion a year, according to research by NewVoicemedia, with 58% of those polled never returning to a company that has let them down. Similar research by the US Chamber of Commerce indicates that 68% of customer defections are directly related to poor service.

In light of this, being able to identify customer language that has the hallmarks of a disgruntled client likely to churn, and being able to respond by offering retention offers, all within the same call, is something that could potentially have huge financial benefits for businesses. Real-time speech analytics promises just such a solution.

“You can monitor in real-time what the agent is doing and what the customer is saying, and you can use that to drive actions,” says Jim Davies, research director at Gartner. “So if the agent is saying the wrong thing
or the customer seems to be irate, then you can either alert a supervisor who can start to monitor the call or jump into the conversation, or you can start screen popping the agent with some information.”

Omer Minkara, senior research analyst in the customer management technology practice at the Aberdeen Group, adds: “It is valuable in terms of customer sentiment. If the agent is speaking with a customer and the voices are overlapping, the chances are it is indicative that the two are not listening to each other, so the agent can be prompted to stop and listen to the customer. Or if the customer uses particular words that are indicative of frustration, then the agent can be prompted with alerts so that they know how to respond.

“Or if the customer uses particular words that are indicative of frustration, then the agent can be prompted with alerts so that they know how to respond.”

“Without those real-time capabilities, you can still run post-call analytics and measure agents’ performance, but you can never get back to the moment of truth – that is, the second that you were engaging that customer and how you could have made it up for the customer in an effective way.”
Sales

Real-time monitoring also has implications for sales, effectively ensuring that upsell opportunities are not missed by agents. And when used in combination with wider customer data and agent notifications, real-time speech analytics enables agents to deliver customised sales offers that are more likely to resonate with the customer.

Davies provides a good example of this procedure in action. “Say a customer is on the phone talking to their bank, asking about their bank balance, and while the agent is looking it up the baby starts crying in the background. The agent asks if that’s a baby he can hear and the customer says ‘yes, I became a dad last week.’ As soon as he has said that, the agent could get a notification on his screen prompting him to offer the customer life insurance.

“This is not something that the agent may have thought of, but because the customer is talking about being a father, and having a baby, and parenthood, those key words tell the analytics system that the customer is much more likely to take out life insurance because he has to take responsibility as he’s a parent. So that screen pops the process flow to the agent that they wouldn’t necessarily have picked up on if left to their own devices.”

Furthermore, real-time speech analytics can enable businesses to improve call efficiency and efficacy, by providing agents with guidance on disclaimers and close procedures, thereby minimising the number of disputes and returns.
Compliance

Arguably the biggest driver for real-time speech analytics is in the area of compliance. Violations of government regulations can be costly for businesses, so real-time monitoring can help to ensure that they keep to the guidelines via timely script reminders. And in the event that a violation does occur, the agent and the supervisor can be notified immediately so that they can take rapid steps to reduce the likelihood of a complaint.

“If the agent has to follow certain steps to be compliant, and they miss out one of them, the speech analytics system can see it...”

“The biggest use case at the moment is in the compliance area,” suggests Davies. “It has a big role there because if you can address non-compliance in the same call it makes life so much easier. If the agent has to follow certain steps to be compliant, and they miss one of them out, the speech analytics system can see it because certain words and phrases weren’t spoken. So the system can screen pop the agent to say don’t forget to do a particular thing.”

“The money is in the fraud and risk and compliance area, so that’s really providing the engine to fund deployments of real-time speech analytics,” agrees Schoeller.
Real-time revolution?
While still a relatively new tool, real-time speech analytics solutions are now being offered by a growing number of vendors, including the likes of NICE, Verint, CallMiner, Interactive Intelligence and Castel. And even though the proportion of speech analytics implementations that have real-time functionality is still fairly small, large enterprises such as Santander Consumer USA are already buying into the technology. For speech analytics, the future is real-time.

“Only approximately 10% of speech analytics users have real-time functionality according to our research,” notes Minkara. “That’s because it requires a lot of heavy lifting in the back-end; substantial data processing power is needed to analyse speech data on a real-time basis. However, real-time speech analytics empowers agents with distinct advantages.”
Chapter 8.

How can you measure speech analytics’ ROI?
Neil Davey, editor, MyCustomer

Implementing and running a speech analytics programme is no mean feat, requiring considerable time, resources and – of course – investment. Indeed, the costs of running such a project can stack up over time, and businesses need to consider not only the IT costs of implementation and license fees, but also the likes of bandwidth (if hosted off site), maintenance and support agreements, additional servers to support the audio processing and analysis, and ongoing training.

For this reason, it is imperative that you are able to demonstrate to the bean counters that speech analytics can and does deliver a worthy return on this investment. It’s little surprise that when ContactBabel surveyed thousands of contact centre professionals for their views as part of The Inner Circle Guide to Speech Analytics, by far the most important issue they highlighted was how to build a strong enough ROI case to get the required corporate buy-in.

So where do you start?

Broadly speaking, speech analytics projects can deliver return on investment via a variety of contributions that reduce costs and increase revenue. ContactBabel has listed the following:
Cost reduction:

- Reduction in headcount from automation of call monitoring and compliance checking.
- Avoidance of fines and damages for non-compliance.
- Reduction in call volumes after understanding why customers are calling, and acting to optimise any broken processes elsewhere in the organisation (e.g. website, marketing, distribution, etc.) that are causing these calls.
- Reduction in cost of unnecessary callbacks after improving first call resolution rates.
- Avoidance of live calls that can be handled by better IVR or website self-service.
- Reduced cost of quality assurance and monitoring.
- Lower cost per call through shortened handle times and fewer transfers.
- Lower new staff attrition rates and recruitment costs through early identification of specific training requirements.

Revenue increase:

- Increase in sales conversion rates and values based on dissemination of best practice.
- Increase in promise-to-pay ratios (debt collection).
• Optimised marketing messages through instant customer evaluation.

• Reduced customer churn through dynamic screen-pop and real-time analytics tailoring calls to the customer.

• Quicker response to new competitor and pricing information.

Art Schoeller, of Forrester Research, elaborates on where hard dollar measurable ROI can be realised by speech analytics.

“In terms of quality assurance, some of the ROI is that you can analyse more calls,” he explains. “But in more significant-sized contact centres, where you might have a quality assurance team of three or four people whose only job is to listen to calls, you might be able to downsize the team by a body. That’s an ROI lever that’s hard dollar.

“In terms of process analysis, a lot of speech analytics case studies demonstrate that an enterprise was able to identify some process that could be improved, and at the end of that was a reduction in cost.”
“In terms of process analysis, a lot of speech analytics case studies demonstrate that an enterprise was able to identify some process that could be improved, and at the end of that was a reduction in cost. Certainly it’s harder to tie customer satisfaction and Net Promoter Score to hard dollar ROI. You can look at a process where you can improve call handling or solve a problem and build some automation to better handle that problem, or identify that there’s a product problem. But process analysis is always tied to whatever ROI you can get out of process optimisation.

“And in the risk and compliance category, fraud is a big issue now, and all you’ve got to do is detect two or three fraudulent calls and that can be worth a lot of money!”

“A further recommendation is to ask the vendor to help you create an ROI to justify the project in terms they understand. Many vendors have tools which can be used to estimate ROI, sometimes based on case studies of customers with similar operations, and they will of course be keen to share these with potential clients.”
Best practice

When it comes to monitoring and measuring the ongoing impact of a speech analytics programme, as a course of best practice it is advised that businesses put baseline measurements in place before any implementation even takes place. This will enable you to quantify the benefits of any steps that are taken as a result of speech analytics, measuring the new metric against the pre-installation baseline figure.

“It is vital to have benchmark data before a solution is deployed,” emphasises Mark Pritchard, customer experience specialist at Kcom. “A combination of agent performance and customer satisfaction metrics as well as customer loss vs customer retention should be obtained through analytic alerts.”

Donna Fluss, president of DMG Consulting, is in agreement. “Measuring ROI is actually really simple to do, as long as you remember to baseline what was going on before you started the process. Using average handle time (AHT) as an example – if you are a large busy shop, and you know your AHT was 180 seconds before you put it in, and by applying it on a consistent basis for three months it goes down to 175, that’s a huge difference.”

She continues: “If you’re using it to improve compliance to collections rules, and you know from the monitoring and auditing that you’re doing that you initially started at a 75% compliance level, and then because of speech analytics and being able to identify issues on a timely basis you get compliance up to 85%, you don’t have an obvious payback, but your risk of being fined goes down.”
Metrics to measure

Elaborating on the types of metrics that could be baselined, Sean Murphy, director of product marketing at Genesys, adds: “The metrics to measure the ROI of a speech analytics solution must be the KPIs that the organisation is most focused on improving, whether those are cost reduction type metrics such as AHT or call volume, revenue improvement metrics such as sales or collections conversion rates, or customer experience metrics such as first call resolution rate, customer satisfaction rate or Net Promoter Score (NPS).”

“The metrics to measure the ROI of a speech analytics solution must be the KPIs that the organisation is most focused on improving.”

Emphasising the importance of best practice, he adds: “Regardless of the KPI in question, in order to measure the success of any speech analytics project (and therefore the ROI), it’s important to follow proper statistical procedures for the measurements to be valid. For example, I’d advise always creating both test (or ‘treatment’) groups on which the speech analytics findings are applied (through training or changed processes) as well as control groups which continue ‘business as usual’, so that the true impact of the changes can be properly measured.”
So, speech analytics is perfectly measurable, and its ROI is clearly demonstrable. And by following the best practices as outlined above, organisations can get a very accurate picture of the financial contribution that the technology is making to the business.

And for those still having a hard time persuading their organisation that there will be a return on investment in the first place, Omer Minkara, senior research analyst in the customer management technology practice at the Aberdeen Group, suggests an alternative approach to quantifying ROI.

“Many companies are still confused about the business value that it would bring, even though they know it’s a valuable tool. The reason why adoption is still where it is today – which is about 30% overall – is because many companies are still struggling to build a business case,” he says.

“What I would recommend is that you understand and identify the opportunity cost of not deploying a speech analytics system – what happens if you don’t gain the insights from running your post-call analytics or real-time analytics through speech? How many of your customers do you lose, and how many of those lost customers could you have saved if you had the speech analytics in place? How much could you improve agent productivity if you had a speech analytics system, vs how much do you lose related to agent productivity because you don’t have one?”

He adds: “Once you run that math in the back-end, you can quickly understand what it can do for your business from a quantified perspective.”
Once implemented, ContactBabel research estimates that, overall, the time taken for a speech analytics solution to pay for itself can be as little as six months (varying up to 18 months). If you have followed best practice and can therefore demonstrate this fact, it will go a long way to saving you another battle with the bean counters by justifying the expansion of the speech analytics project into other areas.
About Nexidia

Nexidia, long term educators of customer interaction analytics, works with some of the world’s largest contact centres to analyse data from multichannel interactions and then use this to improve organisational performance and processes.

Innovation is at the centre of the systems that Nexidia develops and our impetus is to drive forward the value of the contact centre as a strategic asset.

Interaction analytics, a catalyst for strategic business transformation, and an intrinsic part of our DNA, puts executives and customer service leaders in touch with the frontline.

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