

Nowoczesne Systemy Zarządzania
Zeszyt 17 (2022), nr 3 (lipiec-wrzesień)
ISSN 1896-9380, s. 37-48
DOI: 10.37055/nasz/155320

Modern Management Systems
Volume 17 (2022), No. 3 (July-September)
ISSN 1896-9380, pp. 37-48
DOI: 10.37055/nasz/155320



Instytut Organizacji i Zarządzania
Wydział Bezpieczeństwa, Logistyki i Zarządzania
Wojskowa Akademia Techniczna
w Warszawie

Institute of Organization and Management
Faculty of Security, Logistics and Management
Military University of Technology
in Warsaw

Customer service excellence as a part of management process – Customer Service Excellence Report analysis

Doskonałość obsługi klienta jako część procesu zarządzania – analiza Raportu Doskonałości Obsługi Klienta

Norbert Kawęcki

Maria Curie-Skłodowska University in Lublin
Faculty of Economics

norbert.kawecki@googlemail.com; ORCID: 0000-0003-4601-6967

Abstract. The article presents problem of customer service excellence as apart of management process. By given overview of Customer Service Excellence and management process definitions the work provides methodology of study based on digital Deloitte Report from 2022. The main goal of the elaboration is to present overview statistics based on survey to provide whole range of numbers from study of customer service excellence. The methodology is based on the analysis of empirical data presented in the report and the presentation of far-reaching conclusions. The main outcomes are: self-service is rising, time to increase focus on personalization and customer care, independent and empowered customer service centers are the most effective, regional and industry variances. As a summary there is forecast for 12 months period provided by boards of international companies.

Keywords: excellence, customer service, process, management

Abstrakt. W artykule opisano problem doskonałości obsługi klienta w ramach procesu zarządzania. Za pomocą omówienia definicji doskonałości obsługi klienta i procesów zarządzania w pracy przedstawiono metodologię badań opartą na cyfrowym raporcie Deloitte z 2022 roku. Głównym celem opracowania jest zaprezentowanie statystyk przeglądowych na podstawie ankiety w celu pokazania całego zakresu liczb z badania dostarczonego przez firmę Deloitte w formie zdigitalizowanej. Metodologia oparta jest na analizie danych empirycznych zaprezentowanych w raporcie oraz przedstawieniu daleko idących wniosków. Główne wyniki to: rosnąca skala samoobsługi, czas na zwiększenie nacisku na personalizację i obsługę klienta, niezależne i upoważnione centra obsługi klienta są najbardziej efektywne, różnice regionalne i branżowe. Podsumowanie zawiera prognozę na okres 12 miesięcy dostarczaną przez zarządy międzynarodowych firm.

Słowa kluczowe: doskonałość, obsługa klienta, proces, zarządzanie

Introduction

The purpose of the work is to (Deloitte Digital, 2022, p. 9):

- measuring impact of customer service activities on customer and employee satisfaction;
- exploring future trends and directions of development within customer service;
- investigating differences in maturity levels between industries and regions;
- getting to know the overall view of customer service in different European regions.

By definition customer service excellence refers to the ability of service providers to consistently meet and occasionally even exceed customers' expectations. This implies that the true meaning of excellent service is relative to the service itself and customers' expectations of it, which also means that the burden of providing excellent customer service falls on even the most budget of brands (Yoong, 2022).

In Entrepreneur excellent customer service is more than what you say or do for your customers. It also means giving customers a chance to make their feelings known. Here are some suggestions for finding out what your customers want and what they think about your customer service (Entrepreneur Europe, 2022):

- attend trade shows and industry events important for the customers;
- nurture a human bond, as well as a business one, with customers and prospects;
- stay abreast with trends and then respond to them;
- ask for feedback.

According to superoffice provided by Steven MacDonald there are 5 benefits of good customer service (MacDonald, 2022):

- increases loyalty and satisfaction;
- improves word of mouth recommendations;
- understand your customer better.

Management process is a process of setting goals, planning and/or controlling and leading the execution of any type of activity (Kumar, 2018, pp. 5-12), such as:

- a project (project management process) (Pal, 2008, pp. 4-23) or
- a process (process management process, sometimes referred to as the process performance measurement and management system) (Becker, Kugeler, Rosemann, 2013, pp. 7-12).

Continuous improvement of the conducted business in terms of customer expectations requires the following actions (Penc, 2003, p. 204):

- constant improvement of the quality of services, taking into account the cost reduction it incurs client;
- extending the scope of assistance provided to the client and raising competences employees towards increasing the ability to solve special consumer problems;
- applying innovative solutions to offers, modifying them in terms of individualization of the requirements that customers will demand implementation;
- successive expansion of the distribution network so that more and more social circles could use the offer;
- bundling of the offer, which makes the client receive a unified whole different configuration of products and services;
- inviting clients to co-create the offer.

Pender and Sharpley created criteria for assessing the quality of customer service (see table 1)

Table 1. Criteria for assessing the quality of customer service

Criteria	Explanation
Professionalism and competence	Customers believe that the service provider is knowledgeable and capable of professional way to solve their problems
Attitudes and behavior	Customers sense sincere and a friendly interest in oneself and your problems
Availability and flexibility	Customers feel the service provider he is always available and able to meet them needs
Reliability and credibility	Customers believe the service provider he will keep his promises and will act in them best interest
Responsibility	Clients know the service provider take remedial action immediately if something goes wrong
Reputation and reliability	Customers consider the service provider's brand to be a symbol of solid work and those close to them values

Source: Pende, Sharpley, 2009, p. 124

Methodology

The research from the Deloitte Report specify following subjects (Deloitte Digital, 2022, p. 9):

- information about the customer service department;
- customer service employees;
- tools, technologies and channels;
- customer and employee feedback;
- plans and ambitions.

The Deloitte Report is based on finding from the Customer Service Excellence, which was conducted by using Computer Assisted Web Interview from January 2022 to March 2022.

The respondents represent 27 countries from Europe (94% of the responses), Africa (5% of the answers) and other continents (1% of the responses). In the analysis it has been used the data from all the countries. However, the regional analysis are only done for the three European regions – the Nordics, Central Europe (Central) and Western Europe (West) (Deloitte Digital, 2022, p. 10).

The survey shows the highest customer and employee satisfaction ratings can be found in the Nordics (29% of the responses). Throughout this report we will present insights, which can explain those good results (Deloitte Digital, 2022, p. 10):

- Sweden;
- Finland;
- Denmark;
- Norway.

In Central (44% of the responses) customer satisfaction is slightly above the average while the employee satisfaction well below. Generally, Central appears to lack key maturity in several areas (i.e. self-service solutions) compared to the rest of Europe. However, many businesses are planning to invest to improve this situation (Deloitte Digital, 2022, p. 10):

- Poland;
- Serbia;
- Croatia;
- Bosnia & Herzegovina;
- Romania;
- Hungary;
- Latvia;
- Bulgaria;
- Slovakia.

West countries (21%) seem mature within contact channels, tools and ways of working, yet their assessment of customer and employee satisfaction are relatively low.

This might be linked to the fact that the responding companies in West are bigger in size than in Nordics and Central (Deloitte Digital, 2022, p. 10):

- France;
- Netherlands;
- Portugal;
- Germany;
- Belgium;
- Switzerland;
- Italy;
- Austria.

Based on survey the average customer satisfaction (CS) rating for the Nordics, Central Europe and Western Europe is 3.77% and the average employee satisfaction (ES) rating is 3.52%. This is based on 21% responses in Western Europe and 44% responses in Central Europe 29% in Nordics Countries. CS and ES are very good and high based on the volume of the response in percentages.

Overall company size is the main difference between West compared to the Nordics and Central. 83% of companies in West have more than 500 employees whereas 2/3 of companies in Central and the Nordics have less than 500 employees. The size of the companies in West can have an indirect impact on the customer and employee satisfaction (Deloitte Digital, 2022, p. 11).

Statistics for Customer Service Excellence

When it comes to industry-specific insights, there are three main groups (Deloitte Digital, 2022, p. 11):

- leading organizations with high CS and ES: The leaders are TMT, Retail and Tourism & Transport with both CS and ES higher than average. This shows that the respondents to this survey perceive their customer satisfaction higher than what customers actually say;
- the Financial Services industry is rated slightly below average for both CS and ES. However, the two main subindustries are rated differently: in banking the ratings are higher than in Insurance especially regarding employee satisfaction;
- industries like Manufacturing, Energy & Resources have a considerably lower rating for both CS and ES. These industries are on the verge of changing the approach to managing customer experience. While Energy & Resources are looking more into sustainability and new energies, Manufacturing companies traditionally do not have a personal contact with their customers. This also indicates the main reason for why CS is lower in this industry.

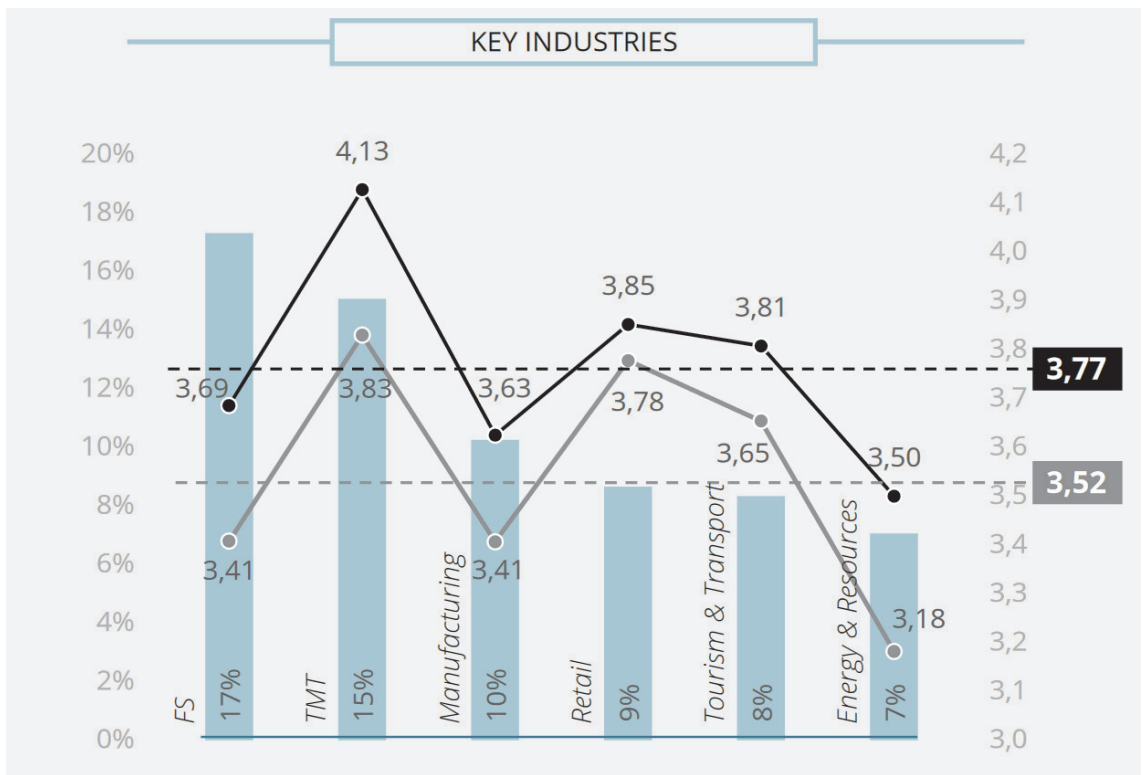


Fig. 1. Key industries in Customer Service Excellence

Source: Deloitte Digital, 2022, p. 11

The main reasons why to contact customer service based on the survey are (Deloitte Digital, 2022, p. 13):

- 43% order or delivery – related issues;
- 39% product information;
- 39% payment information;
- 38% reporting a product issue;
- 36% reporting a technical problem;
- 31% checking the status of a case;
- 26% to buy a product or sign-up services;
- 16% need to update customer or contact information.

According to Customer Service leaders, every third customer expects to personalized approach.

The regional differences to what customer care about are as follows (Deloitte Digital, 2022, p. 13):

- in Nordics 34% personalized service and 32% problem solving through self-service are on the top of the ratings comparing to 16% time required to solve an issue being on the bottom of the ladder;
- in Central Europe 33% time required to solve an issue and 32% personalized service as on the top of the ratings and with the lowest 9% self-service;
- in West Europe 33% time to required to solve an issue and 28% problem solving through self-service are the highest in the ranking and on the bottom is 17% personalized service.

The study shows that countries with the highest number of multiskilled teams (Nordics – 51%) also have higher levels of CS compared to other ways of structuring CSC teams. This affects not only resolution time but also the possibility to operate with an individual approach to the customer. In essence, CSC teams that include people with a wide range of knowledge and skills have better possibilities to create higher levels of CS (Deloitte Digital, 2022, p. 15).

Multi-skilled teams seem to entail higher CS but lower ES compared to teams that are organized according to customer needs. This implies that employee satisfaction is higher if the agents handle enquiries within well-known areas compared to organizations where customers can come with all types of requests (Deloitte Digital, 2022, p. 15).

Both CS and ES are higher when CSC is operating as an independent unit (40% of Nordic CSCs are independent units). Overall, 29% of customer service teams are a part of business operations (Central – 20%, Nordics – 32%, West – 33%). Customers service as a part of sales organization is more common in Central (27%) (Deloitte Digital, 2022, p. 15).

Social media is the 5th most used channels, more widely used in the Nordics than in West (Facebook being the dominant platform). There are large potential investments for this channel.

3.8% respondents declared using social media in customer service and 3.67% declined.

Video-calls have been facing larger attention as well, which can be explained as a result of higher usage of video calls overall during COVID-19, which now has impacted the overall use of video calls going forward.

The largest upcoming investments and opportunities lies in chat, which might become the most frequently used contact channel going forward. This is in line with other reports showing that this way to interact is getting increasingly more popular. Self-service is a key channel going forward, as large investments are planned for (mobile app and self-service) both for those who already have self-service and for those in the beginning of the self-service capability development. 47% of

the respondents said the usage of self-service has increased and 45% said there was no change. Nordics are with 75% and with highest offer of service-service. Central Europe is with the lowest offer of self-service with score 47% of respondents (Deloitte Digital, 2022, p. 16).

Self-service have been used by 3.82% respondents. 3.68% respondents have not been used self-service.

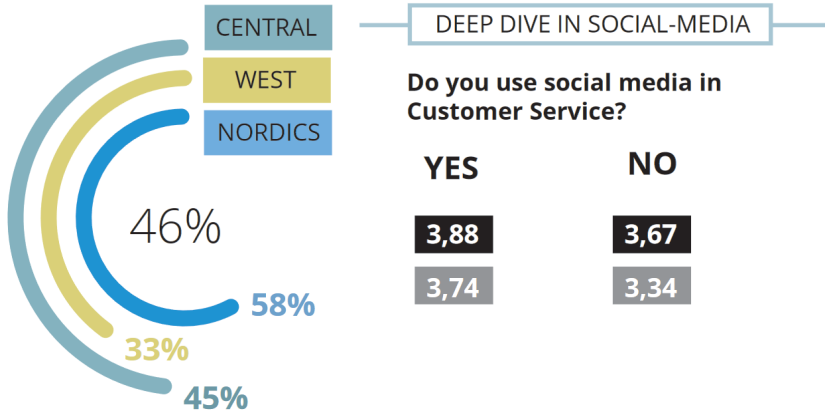


Fig. 2. Social Media used in Customer Service
Source: Deloitte Digital, 2022, p. 15

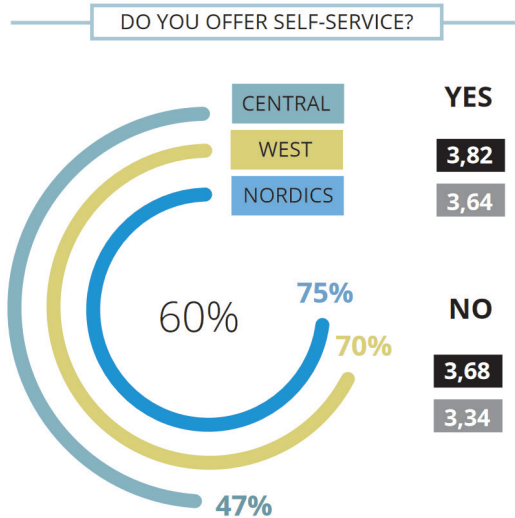


Fig. 3. Offer of Self-service
Source: Deloitte Digital, 2022, p. 15

There are regional differences to what customers care about (Deloitte Digital, 2022, p. 16):

- 60% respondents consider that their firms should invest in self-service;
- 43% want to invest in chatbots;
- 39% see opportunities in mobile applications;
- 25% are interested in voicebots investment.

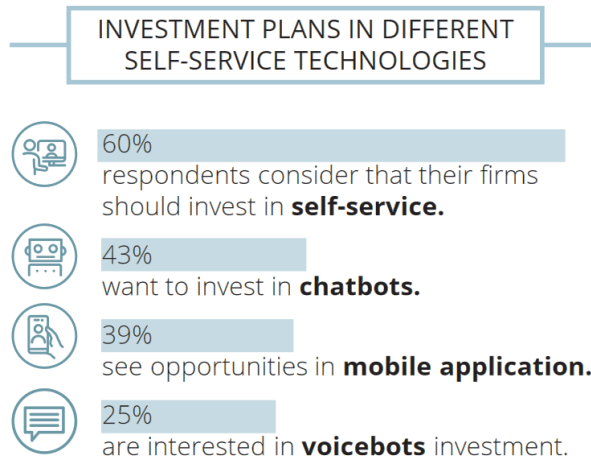


Fig. 4. Investment plans in different self-service technologies

Source: Deloitte Digital, 2022, p. 16

A majority of companies in this report carry out employee satisfaction surveys on a regular basis. There are however major differences between the regions on how often this is done. A happy employee gives better conditions to ensure a better customer experience. 90% of Nordics carry out employee satisfaction on a regular basis and in Central Europe almost 60% (Deloitte Digital, 2022, p. 20).

3.88% are carried out employee satisfaction survey on a regular basis. 3.67 did not carry out satisfaction survey on regular basis.

According to Deloitte study the most important indicators to measure performance of teams and individuals are as per below:

- 73% quality of service, contact/fulfillment;
- 51% time taken to resolve an issue;
- 45% SLA fulfillment;
- 44% the number of issue solved in given period;
- 40% First Contact Resolution;
- 39% sales indicators.

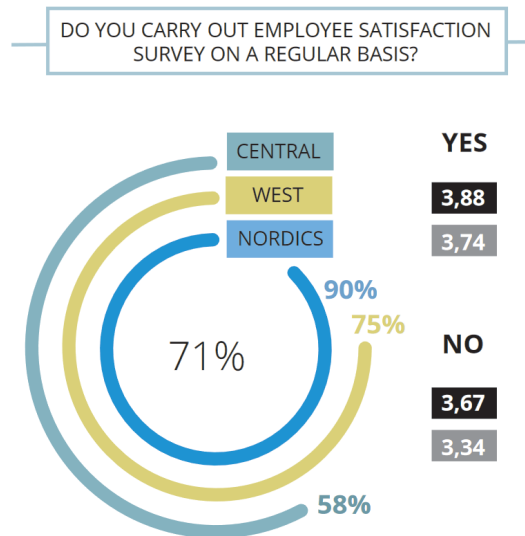


Fig. 5. Carry out employee satisfaction survey on a regular basis

Source: Deloitte Digital, 2022, p. 20

Deloitte Report presents highest priorities for customer service over the next 12 months:

- 61% increasing customer service measures;
- 49% shortening customer service time;
- 47% reducing the number of issues handled by employees due to a self-service option;
- 46% reducing employee workload through automation;
- 30% increasing the sales impact of the contact centre;
- 28% increasing employee retention;
- 27% increasing the number of issues resolved on a daily basis;
- 14% increasing the number of issues handled.

Conclusions

Customer service excellence is important part of management. Based on the study and report analysis following proposals can be submitted:

- self-service is rising;
- time to increase focus on personalization and customer care;
- independent and empowered Customer Service Centers are the most effective;
- regional and industry variances.

Moving forward there are some managers perspectives and how to focus on right performance areas to succeed with Customer Satisfaction:

- personalized service is more important than time;
- customer service center business are currently in the middle of transformation journey;
- the more indicators are measured consistently, the higher the customer satisfaction;
- new technologies can support companies to improve customer satisfaction and ensuring customer service center operations, a key factor is the readiness of the organization to digest data, produce insights and implement changes;
- more than half companies gather unstructured data from various sources to assess customers sentiment.

Further action will be taken to improve customer satisfaction and investments in areas which are not highly prioritized by customers. These investments will be put on channels like chatbots, mobile applications, social media, voicebots, chats, video chats, calls, contact forms and email's. Combination of industry and researches should be implemented and further needs to be developed.

REFERENCES

- [1] BECKER, J., KUGELER, M., ROSEMAN, M., 2013. *Process Management: A Guide for the Design of Business Processes*, Berlin: Springer Science & Business Media.
- [2] KUMAR, A., 2018. *Business Process Management*, London: Routledge.
- [3] PAL, K., 2008. *Management Process and Organizational Behaviour*, New Delhi: I.K. International Publishing House Pvt. Ltd.
- [4] PENC, J., 2003. *Zarządzanie w warunkach globalizacji*, Warszawa: Difin.
- [5] PENDE, L., SHARPLEY, R., 2009. *Zarządzanie turystyką*, Warszawa: PWE.

INTERNET SOURCES

- [1] DELOITTE DIGITAL, 2022. *Customer Service Excellence Report. International Edition*, <https://www2.deloitte.com/pl/pl/pages/deloitte-digital/Articles/raport-customer-service-excellence-2021.html> (06.06.2022).
- [2] ENTREPRENEUR EUROPE, 2022. *Customer Service*, <https://www.entrepreneur.com/encyclopedia/customer-service> (06.06.2022).
- [3] MACDONALD, S., 2022. *How to deliver excellent customer service (benefits, examples case studies & recommendations)*, <https://www.superoffice.com/blog/five-ways-to-deliver-excellent-customer-service> (06.06.2022).
- [4] YOONG, K., 2022. *What is service excellence? The service excellence definition for 2022*, <https://hospitalityinsights.ehl.edu/what-is-service-excellence> (06.06.2022).

