KNOWLEDGE MANAGEMENT IN THE CONTACT CENTER: GUIDE YOUR AGENTS TO SMARTER CUSTOMER INTERACTIONS

November, 2015

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Report Highlights

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On average, contact center agents use three screens to navigate relevant content to do their jobs.

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Companies investing in knowledge management drive 2.3-times greater year-over-year increase in annual revenue.

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Companies investing in a knowledge management system are 65% more likely to regularly gauge the impact of each content on KPIs.

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Knowledge management users are 63% more likely to evaluate content in their knowledgebase from the perspective of customer SLAs.

This report will highlight the current adoption of knowledge management systems by contact centers while illustrating the business value of this key technology. We'll also share numerous best practices that help contact centers maximize knowledge management investments by increasing agent productivity, first by contact resolution and, ultimately, by creating happy customers.

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> **Knowledge management makes it easier for contact center agents to use information to do their jobs.**

Definition: Knowledge Management

For the purposes of this research, Aberdeen defines knowledge management systems as a centralized repository (online portal or content management system) enabling organizations to **identify, capture, access and share** numerous types of content (e.g. documents, images, videos and call recordings).

Companies use knowledge management for different purposes, including R&D activities, HR management, and contact center agent empowerment. In the case of the latter, it helps contact centers capture best practices in resolving specific client issues, provide agents with relevant articles to do their jobs, as well as enhance skills through learning articles available in the knowledge management system.

Knowledge Management: 'What?' & 'Why?'

Knowledge is power. As cliché as it sounds, this statement is particularly true in the era of the empowered customer. As buyers demand more timely and personalized service across multiple channels, companies must make sure that their agents are empowered with the relevant information and technology tools to meet these needs.

Aberdeen's October 2015 _Agent Desktop Optimization: Three Strategies to Maximize Agent Productivity & Customer Experience_ study shows that, on average, **contact center agents need to use three screens to find and access relevant content (knowledgebase articles)** to do their jobs. This consumes time that agents should spend on productive tasks such as serving customers and honing their skills. Use of knowledge management systems (see sidebar) helps address this challenge. Knowledge management provides a technology platform enabling agents to seamlessly access relevant content needed to resolve customer issues and improve productivity. Figure 1 shows the performance differentials enjoyed by companies investing in knowledge management systems, compared to those that don't.

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Figure 1: Knowledge Management Helps Improve Agent Productivity & Customer Satisfaction
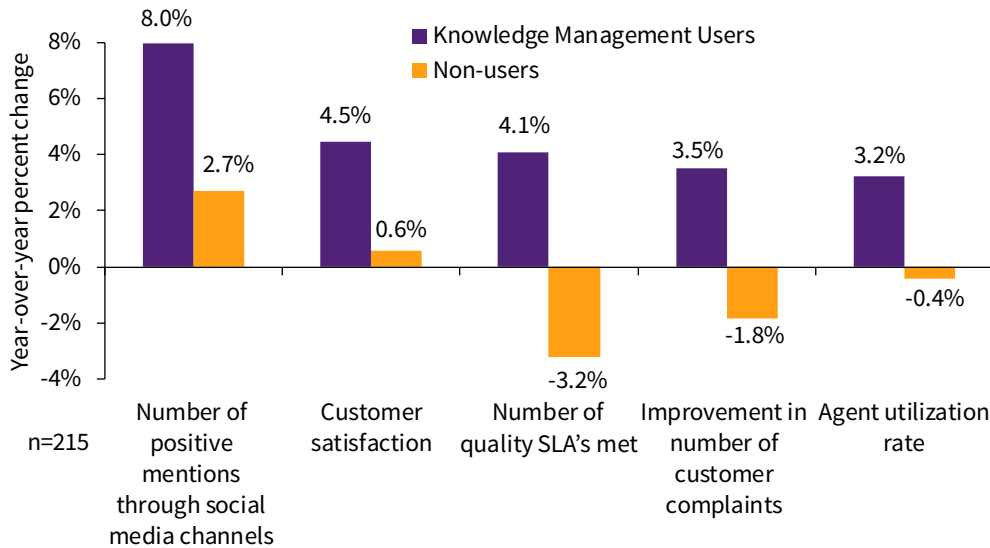
Source: Aberdeen Group, October 2015

Before we delve into analysis of the performance findings above it's important to note that companies depicted in the 'non-users' category also use knowledge as part of their contact center activities. The differences between these organizations, and their peers with better performance, is that non-users lack a centralized system that agents can use to access relevant content. As such organizational knowledge is stored across disparate systems, agents must navigate multiple systems in order to search and access the right content needed to do their jobs.

One of the significant benefits that companies investing in a centralized knowledge management system enjoy over those that don't is agent utilization and productivity. Aberdeen's March 2015 _Big Data in CEM: The Path to Productive Employees_

Ineffective processes and technologies results in contact centers incurring $1.45 million – each year – in unnecessary costs due to poor agent productivity.

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Use of knowledge management helps contact centers across many areas. Companies enjoy benefits in the form of operational efficiency, customer delight, and superior financial results.

Knowledge is power. Therefore, you must know the impact of each knowledgebase article on influencing your success.

& Happy Customers study revealed that making poor use of employee time due to ineffective technology tools and poorly designed processes results in employees spending 14% of their time looking for relevant information to do their jobs. On average, this costs organizations $1.45 million each year. Knowledge management tools help companies reduce such unnecessary costs by making it easier for contact center agents to access the right information needed to do their jobs. As such, companies with knowledge management enjoy an annual improvement (3.2%) in agent utilization rates, while those without it suffer from the worsening (-0.4%) of this metric.

Enabling agents with relevant and timely insights ultimately helps deliver better customer experiences. As demonstrated in Figure 1, companies with knowledge management achieve far superior results in improving customer satisfaction and reducing the number of client complaints year-over-year, compared to those that lack this key technology. As a result, those knowledge-enabled businesses are rewarded by their clients spreading positive word-of-mouth through social media portals, such as Facebook, Twitter, and LinkedIn.

The benefits of knowledge management are not restricted to boosting agent productivity and customer satisfaction. Figure 2 shows that companies incorporating it within their customer experience management (CEM) technology toolbox also enjoy substantial financial gains. Specifically, they drive 2.3-times greater year-over-year increase in annual company revenue, compared to peers that don't have knowledge management to support their contact center activities (9.9% vs. 4.4%).
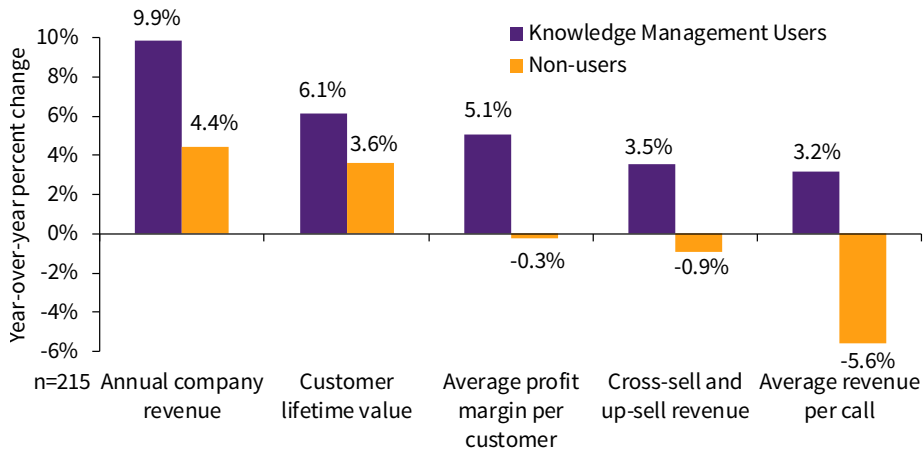
Figure 2: Knowledge is Power… And it helps Drive Revenue

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Source: Aberdeen Group, October 2015

It's no surprise to see knowledge management users enjoy superior annual revenue gains. Use of knowledgebase articles provide agents with vital information to address client issues. While interacting with clients to resolve their support issues, savvy agents might also uncover cross-sell / up-sell (see sidebar) opportunities. In such situations, providing agents with recommendations on which products / services to cross-sell and up-sell based on certain scenarios helps companies utilize knowledgebase articles to drive incremental revenue. Indeed, knowledge management users enjoy a 4.4% delta in year-over-year change in cross-sell / up-sell revenue, compared to non-users.

E-commerce interactions represent another opportunity for revenue growth through knowledge management programs. For example, when a shopper has questions about a product / service, and contacts the company via phone or live chat, the availability of a centralized knowledgebase helps contact center

Definition: Cross-sell & Up-sell

For the purposes of this research, Aberdeen uses the term "**cross-sell**" as an activity where a contact center agent or sales representative gets a potential buyer to spend more money by purchasing product(s) other than the one that is recently purchased.

"**Up-sell**" is defined as an activity where a contact center agent or sales representative gets a potential buyer to purchase a more expensive model of a product or receive more services by paying more.

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The annual improvement in customer profit margins of a business investing in knowledge management vs. those that don't would be:

Knowledge management users: 10,000 times $20,000 times 25% times 5.1% equals $2.55 million

Non-users: 10,000 times $20,000 times 25% times -0.3% equals $1.5 million

The net financial gains equal $4.05 million.

agents easily find and use relevant articles to address shopper requests. This enables contact centers to increase the likelihood of converting a potential shopper to a client - a benefit validated by findings in Figure 2.

Knowledge management has substantial impact on top-line success. However, it's also important to note its benefits in helping companies boost their bottom-line results. Specifically, knowledge-enabled businesses improve customer profit margins by 5.1% year-over-year, while counterparts not investing in a centralized technology system suffer from 0.3% annual erosion in this metric. The financial impact of this delta is rather significant. Consider a business that has 10,000 clients and each spends an average of $20,000 per year, yielding an average profit margin of 25%. If that company were to invest in a knowledge management system, it would enjoy $4.05 million more in incremental profit, compared to an identical business not investing in knowledge management (see sidebar for calculation).

Next, let's explore the building blocks that help contact centers successfully establish and nurture a top-notch knowledge management program.

Key Activities to Maximize your Knowledge Management Investments

In order to successfully enable contact center agents with the right information in a timely manner, it's vital to be in the know when it comes to the effectiveness of each knowledgebase article in helping agents do their jobs. Figure 3 shows a number of activities that enable organizations to accomplish this goal.

Figure 3: Use Reporting & Analytics to Optimize your Knowledgebase

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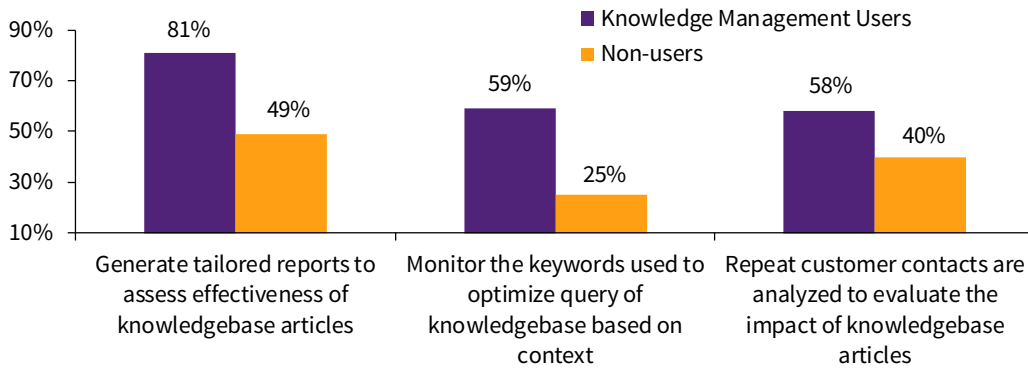
Percent of respondents, n=215

Source: Aberdeen Group, October 2015

As depicted above, knowledge management users are 65% more likely to use tailored reports that shed light into the effectiveness of each knowledgebase article, compared to non-users (81% vs.49%). Effectiveness is measured in numerous ways, including how knowledgebase articles help resolve customer issues, improve agent productivity as well as increase cross-sell and up-sell revenue. As such, it's vital to first identify the top priorities driving customer care programs, and then use business intelligence (BI) tools to identify the linkage between individual articles in the knowledgebase and the associated key performance indicators (KPIs). Once these insights are identified, reporting tools then enable contact centers to optimize the content library to drive desired results.

Minimizing repeat customer contact is a common KPI for top performing contact centers, as failure in doing so results in frustrated buyers and unnecessary use of scarce agent time. Knowledge management users are 45% more likely than non-users to regularly evaluate how articles in their knowledgebase influence repeat customer contact, compared to non-users (58%

Failure in attaining SLAs committed to clients will result in loss of customer trust and churn. As such, use reporting tools to observe how knowledge management tools influence SLAs, and implement root-cause analysis to identify the reasons why certain content doesn't help the company meet its SLAs.

Don't just focus on optimizing your content library. Make sure that agents can easily access these content through a single screen within their desktop.

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Please read more on the importance and benefits of providing agents with access to relevant data within a single screen through the agent desktop.

vs. 40%). This analysis is done by first studying automated contact distribution (ACD) systems to identify repeat customer contacts, and then using desktop analytics to observe the specific knowledgebase articles used as part of the previous interactions that failed to meet buyer needs. Such analytics-driven insights help companies ensure that their knowledgebase articles meet the ultimate objective: addressing client needs.

As savvy organizations optimize their content library to drive impactful results around their KPIs, they also focus on the agent experiences – a vital need as this helps drive customer experiences. Specifically, as agents capture data related to the customer issue and use it when searching for relevant articles, contextual search within the agent desktop proves particularly useful. It enables agents to access the most relevant knowledgebase articles instead of providing them with a library of multiple options that must be browsed to find the right one. In addition to reducing handle times and improving agent productivity, contextual search helps minimize customer effort by reducing the time clients need to spend to get their needs addressed. Knowledge management users are more than twice as likely to have this capability, compared to non-users (59% vs.25%).

One of the mistakes made by organizations investing in a knowledge management system is deploying this enabler in a silo. In other words, not integrating the knowledge management system seamlessly with the agent desktop. This results in agents needing to navigate multiple screens as they're interacting with customers, and query the knowledgebase with information captured in the agent desktop. This adds unnecessary steps to the issue resolution process and hinders agents' ability to run a contextual search based on customer data. Savvy knowledge

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management users understand the importance of this integration. They are 44% more likely than their counterparts to enable agents with the ability to search for relevant knowledgebase articles within the same screen they use to capture and access customer data (52% vs. 38%) – Figure 4; see sidebar.

Figure 4: Provide Agents with Contextual Insights in a Seamless Manner

Percent of respondents, n=215   Source: Aberdeen Group, October 2015
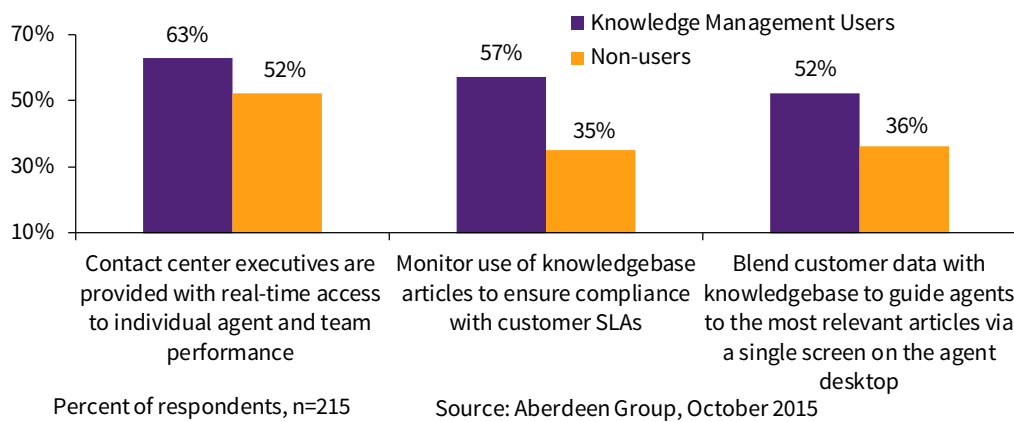
Earlier we noted the importance of identifying the relevancy and accuracy of knowledgebase articles to maximize agent productivity and meet customer needs. The above figure shows that knowledge management users also closely track their performance in accomplishing service-level agreements (SLAs) committed to clients. This is crucial as failure in attaining SLAs will hurt customer trust and increase the likelihood of account churn. Savvy organizations adding knowledge management within their contact center technology toolbox are 63% more likely to adopt this activity, compared to non-users (57% vs. 35%).

Build a library of specific keywords indicative of specific issues, and use text analytics to analyze agent notes and account data to deliver contextually relevant content through the agent desktop – without the agents searching for it.

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Another activity deployed more widely by organizations with a knowledge management system vs. non-users is gathering insights into the performance of individual agents as well as broader teams (63% vs. 52%). The ability to identify the impact of each knowledgebase article on individual agent performance and productivity requires gleaning this insight. Therefore, knowledge management users must complement their use of the activities outlined thus far in with the use of reporting, and analytics to gather insights on overall contact center workforce performance results.

Recommendations

The contact center is the nerve center of most businesses. Agents must be prepared to address myriad issues and requests, ranging from simple account updates to more sophisticated product support questions. And let's come to terms with it; it's not reasonable to expect every agent to be knowledgeable about everything or to have a team of dedicated agents for each unique issue. This means that agents must be provided with relevant content that will help them address the plethora of requests coming from clients.

Through the findings shared in this report, we learned that on average an agent spends 14% of their time navigating three screens to find and use relevant content to help customers. Savvy contact centers are well-aware that this results in unnecessary costs and sub-par customer experiences. As such, they invest in a knowledge management system that serves as a centralized repository of content agents can easily access through their desktop. The results?

Contact centers using knowledge management enjoy superior agent productivity, greater customer satisfaction and improved

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financial health. We recommend following the below steps to maximize your success if your business is evaluating investing in a knowledge management system (or looking to improve your current activities):

➔ **Design an agent-centric knowledge management program.** The end result of investing in knowledge management systems will be happier customers, but don't forget that it's your agents who drive that outcome. As such, implement an employee survey to ask agents what type of content they lack to do their jobs. Use the most common ones to prioritize when building and managing your content library. Use this process to also determine how agents access relevant content, and identify any bottlenecks to work with your IT team to ensure that they can access content through a single screen via the agent desktop.

➔ **Regularly gauge the effectiveness of your content library.** Building a content library and making it available through the knowledge management system is only the first step. You must then build processes that will ensure that agents always have access to relevant insights they need to their jobs. If you don't know how content in your knowledgebase influences your KPIs, we highly recommend using analytical tools such as business intelligence to track the impact of each piece of content on metrics, such as average handle time and agent productivity.

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➔ **Get proactive.** As agents start interacting with a client they can often view notes about the account if it's an existing client. They can even access insights on non-clients through the information customers share via their selections in an interactive voice response (IVR) system. Don't wait for agents to seek relevant articles to address client issues. Build a library of specific keywords indicative of known issues, and use text analytics to analyze agent notes and account data to deliver contextually relevant content through the agent desktop – without the agents searching for it. This will help minimize average handle times while also improving the agent experience.

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For more information on this or other research topics, please visit www.aberdeen.com.

Related Research

Agent Desktop Optimization: Three Strategies to Maximize Agent Productivity & Customer Experience; October 2015	*Co-Browsing: Guide Customers to Grow your Own Success*; February 2015
Employee Engagement: Paving the Way to Happy Customers; September 2015	*Omni-Channel Contact Center: The Smarter Way to Engage Customers*; November 2014
Contact Center WFO: How to Balance Customer Needs with Agent Productivity; May 2015	Key Technologies to Optimize your Agent Desktop; November 2014
Customer Engagement: From Interactions to Relationships; March 2015	

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