How to build a
Voice of the Customer
program in
5 steps

Exclusive Voice of the Customer framework for smart CX managers: Delivering world-class customer experience every step of the way

VoC programs enable you to engage with customers at key points across the customer journey

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Introduction

Voice of the Customer (VoC) programs have become a strategic asset for most innovative and customer-centric CEOs, CMOs and Customer Experience (CX) leaders. Companies that listen to the customer have a better overall business performance. However, almost 70% of VoC programs are not successful. They usually don't make a difference because

- The wrong metrics are being measured
- Findings are not properly understood
- Insights fail to drive change into the business

Voice of the Customer data, however, improve customer experience analytics and provide insights that drive customer-based decision making. The secret to a successful VoC program is to design it in a way that suits the needs of your company, the resources you have available, and the goals you aim to achieve.

Read this ebook to find out how to build a VoC program tailored to the strengths of your company. The five-step framework introduces a definitive guide to transforming the experience and keeping your customers happy. Give your company a competitive advantage in five simple steps.

This book is interactive and you can easily share certain quotes on Twitter with the push of a button. Just look for the blue "Tweet" button with the familiar bird.

Every company provides
a customer experience
regardless of the intention
to do so consciously

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What is the Voice of the Customer (VoC)?

Voice of the Customer (VoC) is a term used to describe the in-depth process of capturing customer expectations, preferences and aversions regarding their experience with your brand. Voice of the Customer programs enable you to connect and engage with customers at key points across the customer journey. The program should support a cycle of four activities that make up a closed-loop feedback process: listening to customer feedback, interpreting the resulting data, reacting to improve the experience, and monitoring results.

Listen

Monitor

Interpret

React
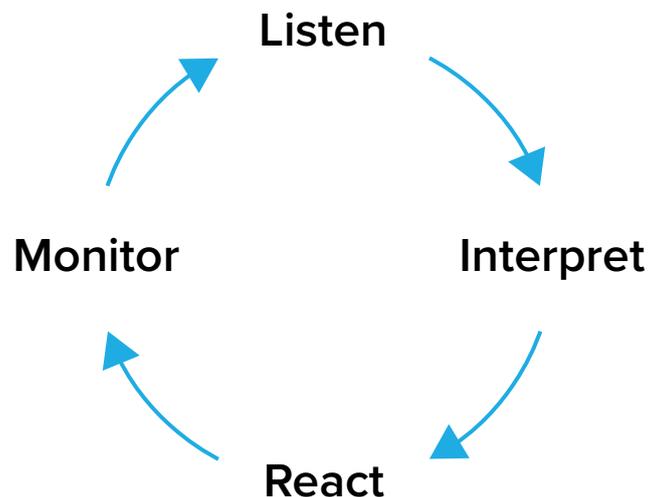
Successful VoC programs generate insights that drive the customer experience

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What is Customer Experience (CX)?

The Customer Experience is the sum-totality of how customers engage with a brand and boils down to two fundamental elements: perception and interaction. Every company provides a customer experience, regardless of size, industry, or even the intention to do so consciously. The overall experience reflects how the customer feels about the organization and its offerings.

Over the past years, the customer experience has been identified as a key competitive differentiator. For that reason, businesses aim to improve the experience by breaking it down to its components and identifying how to structure it based on the needs of their customers. Creating a great customer experience is the result of customer touch-point and feedback management.
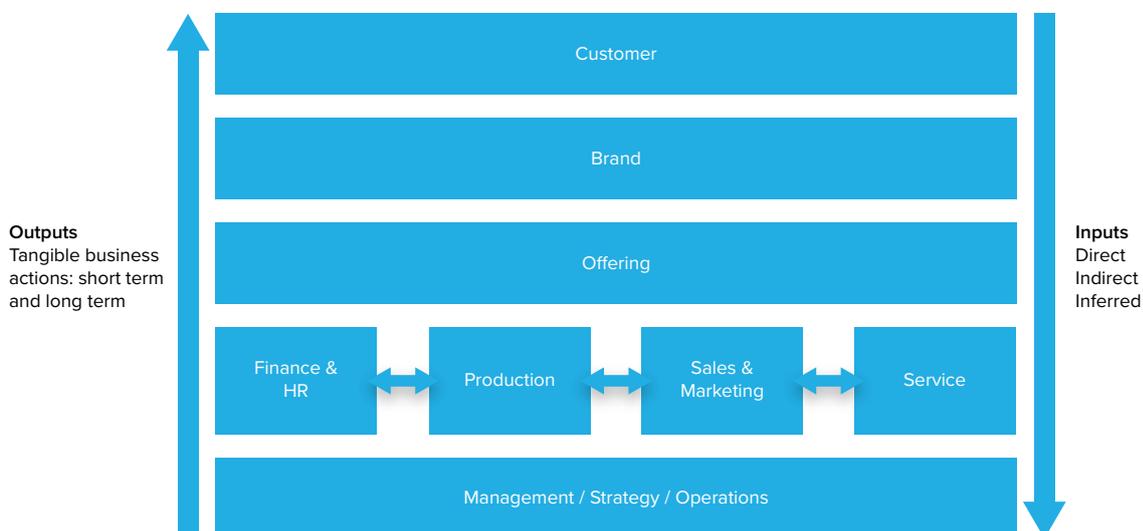
What is the difference between CX and VoC?

The Voice of the Customer is the first step towards improving the Customer Experience. VoC programs are designed to construct a clear understanding of the experience you are offering today. In that regard, successful VoC programs are used to systematically listen to the customer and generate insights that drive a better customer experience.

The customer experience is the result of touch-point and feedback management

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Value Chain of VOC

Customer

Brand

Offering

Outputs
Tangible business actions: short term and long term

| Finance & HR | Production | Sales & Marketing | Service |

Inputs
Direct
Indirect
Inferred

Management / Strategy / Operations

Where to start with a VoC program?

So, where do you start with creating your own Voice of the Customer program? A comprehensive VoC program integrates data collection, analysis, distribution and action into a single interconnected platform to understand customer experience and sentiment. The VoC solution you design must provide tools that convert customer feedback into actionable insight, such as dashboards, alerts, customer journey maps. To do all that you need to start with the basics: Familiarize yourself with the three voices of the customer.

Direct feedback: This is the type of feedback your customers intend to provide your organization with. Direct VoC data is captured from different touch points across the customer journey. Typically, direct feedback comes in the form of a survey, market research, written complaint, formal letter, or a forum/panel.

Indirect feedback: Feedback collected from instances when the customer is speaking about the organization but does not necessarily intend to give feedback to the business. This kind of data can be obtained through social media, review sites, or customer care interactions. This type of feedback can be extremely useful as it reflects unbiased customer sentiment.

Inferred feedback: Operational and transactional data associated with the customer experience or journey such as website clickstream data, purchase history or contact centre operational data. From customer interactions as such, you can infer certain conclusions about your products and/or services. Inferred feedback may prove difficult to capture, but it carries a lot of value for your business.

A comprehensive VoC program integrates data collection, analysis, distribution and action

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Taking the first steps towards a VoC program

Creating an effective Voice of the Customer program might seem like a daunting task, but when implemented successfully it can be a significant asset for any company. To simplify the process of creating a VoC program we have developed a guide which includes five steps to completion. This step-to-step guide guarantees that you won't overlook any of the fundamental elements that make up a VoC program and ensure a final solution capable of boosting customer loyalty.

To better illustrate these 5 steps to a successful VoC program we will use a fictional organization as a case example. Let's say Company Ltd. is just getting started with building a VoC program. Company Ltd. implements a successful business model but is losing some customers due to low product satisfaction. The organization is experiencing difficulties with keeping up with too many feedback channels due to lack of resources. To address the issue, Company Ltd. decides to design a company-wide Voice of the Customer program.

Step 1:

List your company's most promising feedback sources

First thing's first. Your customers are talking about you and you need to know where this is happening. Identify all the available and potential feedback sources and create a spreadsheet out of them. Create a list of all the established sources you have in place for capturing feedback. After that, expand the list by adding feedback sources you are not currently utilizing but have reason to believe they would provide you with valuable and relevant customer data. This will help you see the big picture and pinpoint feedback sources worth tracking. Keep in mind the three types of customer feedback, discussed earlier, to make sure you don't leave out any sources. This is what the spreadsheet would look like for Company Ltd.

Direct feedback	Indirect feedback	Inferred feedback
surveys	social media	website click-stream data
market research	review sites	contact center data
direct complaints	customer care interactions	purchase history data
formal letters	chat sessions	historical VoC data
forums	emails	call center data
panels		
focus groups		
agent performance		

Step 2:

Rate feedback sources based on volume and value

After collecting available and potential feedback sources you need to do some further digging. Which of these sources provide feedback that is relevant and useful for your company? Sort all the sources of feedback accordingly, keeping in mind the needs and goals of your organization.

Once this step is complete, you will have a clear view of all the sources that make sense tracking. You can, now, proceed with identifying the most important and value-packed sources. This is an exercise to which you should be returning frequently, to keep up with the needs of your organization through the different stages of its development. Remember to focus on the most promising feedback sources and ignore the ones that do not add significant benefits to your business. Apply some critical thinking when it comes to rating feedback sources.

High feedback volume does not necessarily translate into high feedback value. For example, if your company is frequently mentioned on social media, make sure that the feedback you receive from there is relevant. If you are running a fast food business you get no benefit from tracking every single tweet of people documenting their lunch break to their followers. This is how Company Ltd. would rank their feedback sources based on their high churn rates:

Direct feedback

Source	Volume	Value	Ranking
surveys	High	High	1
market research	Moderate	Low	5
direct complaints	Low	High	4
formal letters	Low	Low	7
forums	Low	Low	8
panels	Low	High	6
focus groups	Moderate	Moderate	3
agent performance	High	Moderate	2

Indirect feedback

Source	Volume	Value	Ranking
social media	Moderate	High	1
review sites	Moderate	High	2
customer care interactions	Moderate	Moderate	3
chat sessions	Low	Moderate	4
emails	Low	Low	5

Inferred feedback

Source	Volume	Value	Ranking
website click-stream data	Low	Low	5
contact center data	Moderate	Moderate	2
purchase history data	Moderate	Low	2
historical VoC data	Low	Moderate	3
call center data	Moderate	High	1

Step 3:

**Pinpoint the most appropriate feedback sources for your company**

At this point, it's time to think of the reasons why you decided to implement a VoC program in the first place. What problem are you trying to solve? What goal do you aim to achieve with VoC data? VoC programs are not solely implemented with the intention to improve customer loyalty and satisfaction. They are geared towards a better customer experience and, as a result, they can improve many aspects of the business. If we return to the example of Company Ltd., increased churn rates would mean that the appropriate feedback sources are the ones that provide data that can be used to reduce churn. These sources might include, customer satisfaction surveys or complaints made straight to company representatives through a variety of channels. Based on company size and available resources you can pinpoint appropriate feedback sources at your discretion. A good starting point would be to identify between 1 to 5 sources. The following chart displays the highest-ranking feedback sources for Company Ltd.

Value			
High	customer satisfaction surveys	chat sessions	historical customer data
Moderate	NPS surveys	product reviews	website click stream data
Low	market research surveys	social media sentiment	
	Direct feedback	Indirect feedback	Inferred feedback

Type of feedback
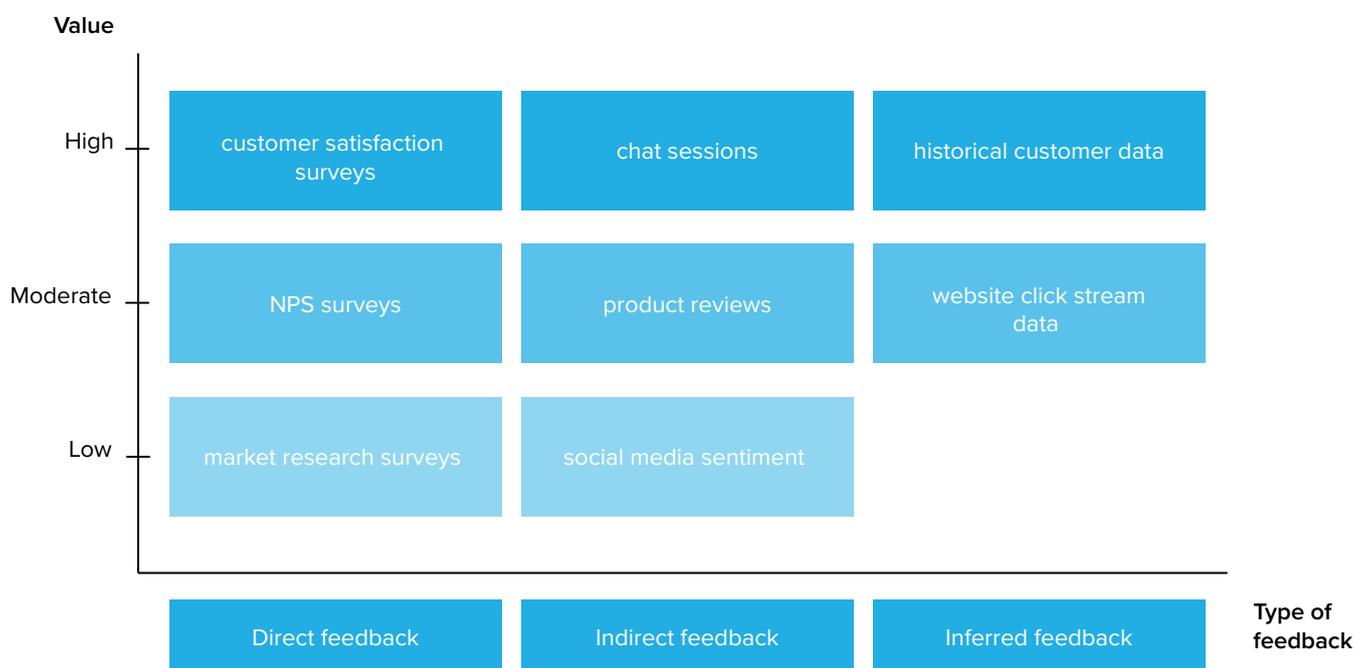
According to the chart, Company Ltd. receives the most relevant feedback from customer satisfaction surveys which include metrics like the Customer Effort Score (CES) and the Net Promoter® Score (NPS). A comparison between your highest-ranking feedback sources might guide you towards deciding in which source to focus your resources, if you are working under a limited budget. A good start for Company LTd. would be to build processes that facilitate capturing quality direct feedback.

High feedback volume does not necessarily translate to high feedback value

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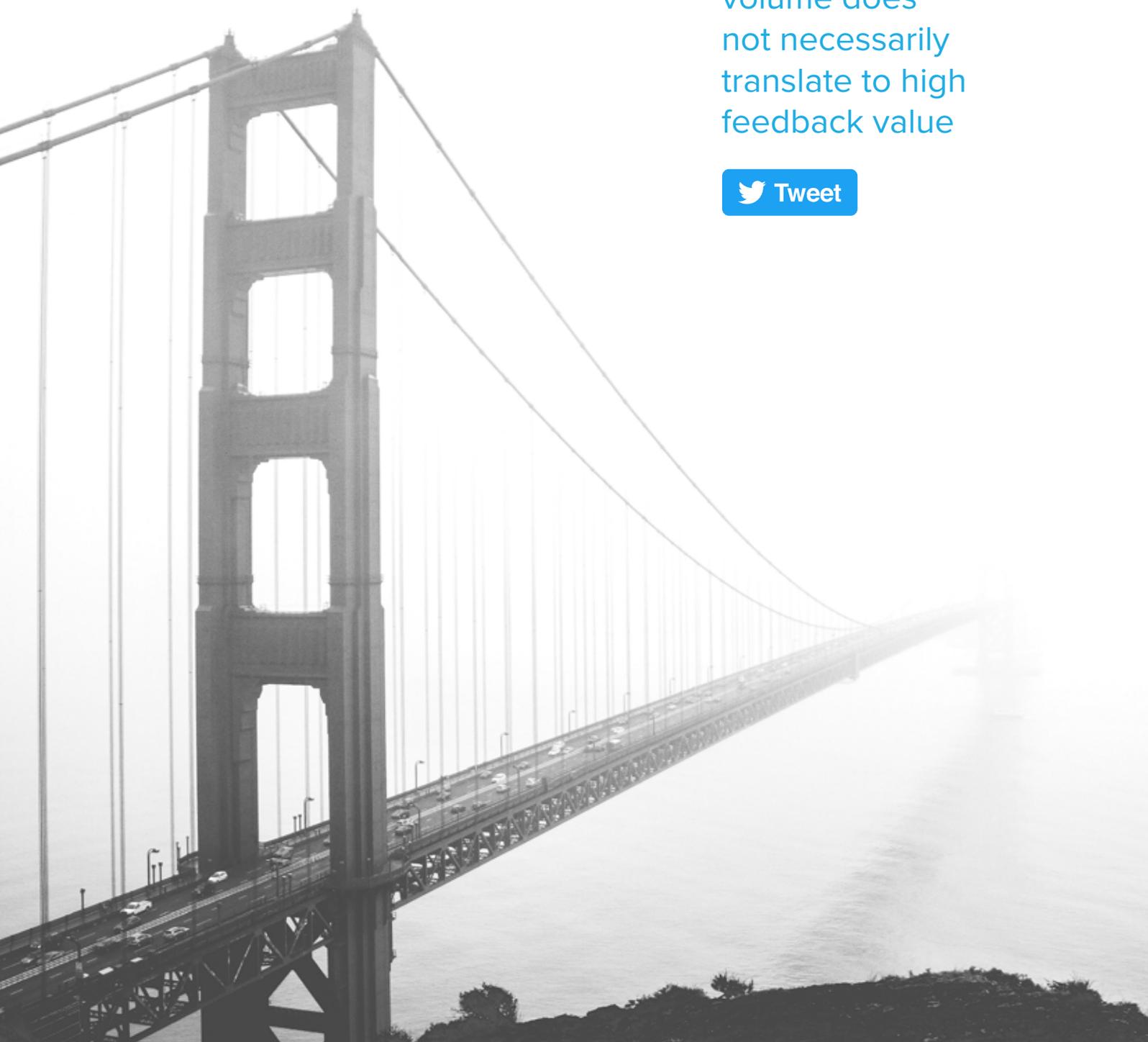
Step 4:

Start working with the highest-ranking feedback source

Now, it's time to get your hands dirty. After ranking the feedback sources, you have identified the number one channel, which is most useful and provides the quality data you are looking for. Whatever the source might be, you should optimize it to ensure operational efficiency. In the case of Company Ltd., customer feedback surveys were identified as one of the most useful and value-packed sources of feedback. As a result, the company should take a closer look at the surveys they are already using and determine how to improve them. Here is a few things Company Ltd., could do to achieve that:

a)   Edit survey layout to increase response rates
b)   Edit survey questions to get relevant answers
c)   Rethink when and how often those surveys are sent out to capture data from the right audience

There is no absolute need for additional investments when creating a VoC strategy. Basic survey tools in the customer care department, social media monitoring tools, and website analytics can take you a long way. These methods are flexible and cost-effective, but there is a chance that the data is trapped in organizational silos. The data from within different departments must be brought together to get a realistic view of the current situation.

Once the highest-ranking feedback source is optimized it is your job to make sure the data it captures is properly utilized. A person within your organization should be tasked with doing so. The responsibilities of this individual should include the continual optimization of the feedback source and the proper management of the captured data.

As your VoC initiatives expand and more feedback sources are optimized it is important to ensure that the entire VoC team is on the same page and communicates effectively. This will prevent crucial information from being siloed and will allow for patterns and themes to emerge after further data analysis.

VoC feedback sources should be optimized for operational efficiency
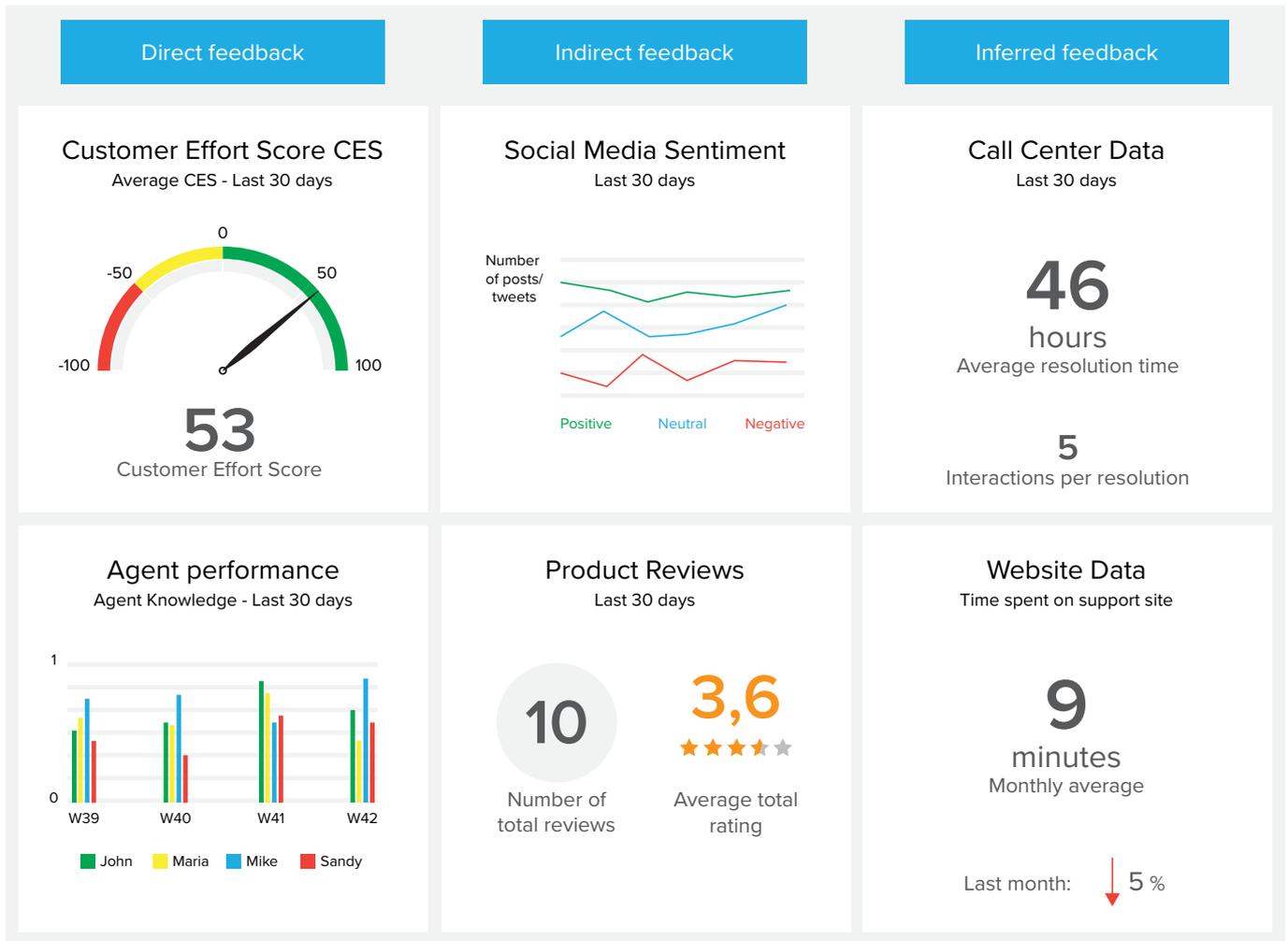
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Step 5:

Visualize VoC data in company-wide dashboards

The ultimate reason for implementing a Voice of the Customer program is because VoC insights allow you to make customer-based decisions that improve business performance. It is, therefore, imperative that every single person in the organization has access to VoC data. The most effective way to allow access to VoC insights is through dashboards. Dashboards can be used to visualize data and share them with everybody in the company. VoC data should be translated in a language that everybody in the organization understands and individuals are more likely to spot trends and patterns through visual aids rather than raw numbers. Dashboards illustrate the overall state of the customer experience by displaying data in a condensed and simple form.

Dashboard content can vary vastly between organizations and you should decide which metrics to visualize, over what time-period, and in which form. This means that you need to put some work into tailoring a dashboard to suit your company's goals and the informational needs of the people who have access to the data. The point is to enable effective decision making by sharing the right information to the right people. Customizing the dashboards according to team roles is a way of assuring that the right data gets in the hands of the right people. Here is an example dashboard that would be useful for Company Ltd.

VoC insights should
be communicated in a
language everybody in the
organization understands

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Direct feedback

Customer Effort Score CES
Average CES - Last 30 days

53
Customer Effort Score

Agent performance
Agent Knowledge - Last 30 days

- ■ John
- ■ Maria
- ■ Mike
- ■ Sandy

Indirect feedback

Social Media Sentiment
Last 30 days

Number of posts/ tweets

Positive   Neutral   Negative

Product Reviews
Last 30 days

10
Number of total reviews

3,6
★★★⯪☆
Average total rating

Inferred feedback

Call Center Data
Last 30 days

46
hours
Average resolution time

5
Interactions per resolution

Website Data
Time spent on support site

9
minutes
Monthly average

Last month: ↓ 5 %

So, who is responsible for making all of this happen? Who owns the VoC program? Or, better yet, who owns the customer experience? The idea that solely the marketing department should own the customer experience is very popular. The marketing department, however, is just one of the (most important) cogs that make the customer experience wheel turn. The responsibility of making the customer exprerience and, therefore the VoC, an organizational priority starts with higher management and it must involve every single person in the organization. As a result, the starting point of any successful VoC is effective organizational governance which clearly communicates to every department what the program entails, how it affects the role of everyone in the team, and which goals it will help achieve.

Voice of the Customer starts with higher management and involves everyone in the organization

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Closing the loop

To ensure the continuity and success of a Voice of the Customer program you need to frequently revisit these steps. Your organization is constantly evolving and the VoC program should reflect the challenges and opportunities your business is faced with. Even more importantly, the way your customers communicate with your company is rapidly transforming. New communication channels are continuously developed and your customers expect to be able to reach you at their convenience. Accordingly, your VoC program should cater to such developments and cannot remain standardized for very long periods of time. Working your way through these steps, whenever necessary, will enable you to compete on the customer experience.

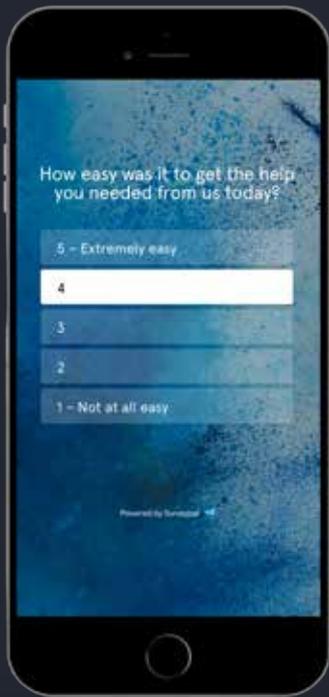A successful VoC program will enable you to compete on the customer experience

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CX Management that will grow your business

Capture feedback everywhere your customers are, connect it to your CRM, and deliver actionable insights in real-time. Drive ROI through informed decision making and improved customer experience.

✓ **Create branded surveys in minutes**

Give your customers a voice across every channel, on every device. Collect feedback via branded in-app surveys, email, web sites, SMS and more

✓ **Integrate with your CRM for real-time action**

Get the full picture with a CRM integration. Automatically trigger alerts to notify team members empowering employees to make smarter, more informed decisions

✓ **Foster better customer relationships**

Achieve better resolution times, improve the Customer Experience, increase retention rates and customer spend.

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