

**Customer Relationship Management**  
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**Lecture – 39**  
**Contact Centres for CRM**

Hello, everybody. Welcome to the NPTEL Swayam course on Customer Relationship Management. This is Dr. Swagato Chatterjee from VGSOM IIT Kharagpur who is taking this course for you. We are in Week 8, the last week and in this particular week we will discuss about CRM implementation and a little bit on the global CRM, the CRM in the international market. Now, when I talk about CRM implementation there are certain aspects, certain strategies and certain operational aspects that come into this picture. Today's this current video we will talk about Contact Centres for CRM .

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So, what is a contact centre? So, basically contact centres are basically call centres that is how we know them. The and what are call centres? There are lots of agents who sits in the call centres and there are certain computers and there will be a system which will give data about the customer the where customer can raise their requests and etcetera, put their complaints and sometimes asks for suggestions these are call centres basically and we have all known what these call centres are .

There is also something called customer interaction centre. So, which is a good name for a call centre where there are multiple aspects that, multiple aspects that are there. One is basically the multimedia routing.

So, what is multimedia routing? In the last class, I was discussing when I was discussing about CRM modules, I told that one of the important modules in CRM is the customer contact module. The module where you give customer services. And you have to connect with the customer in multiple channels.

Now, when we are talking about multiple channels through which you will connect with the customers,, what are the possible channels are there? Telephone will be one channel, webcam based discussions can be one channel, chat can be one channel, e-mail can be one channel, probably social media can be one channel. So, these are all multimedia channels.

Now, you have to have a system where all these different kinds of channels are integrated and communication. Communication can come from multiple such channels. And one can probably connect, based on the phone number provided or the name provided or the e-mail ID provided, that whether this communication is from customer A or customer B.

So, this multimedia routing is one of the major components of a call centre and there are priority queues also. So, in this particular context queue management comes to be a very important factor. So, how will I decide; because we have a limited number of servers and sometimes a number of inflows of customer requests are much higher and forget about customer requests. The inflow of communication requests is much higher .

So, when you have that then obviously, you have to create a queue which is first come, first serve kind of basis that whoever comes first will be served first. But, the question comes is that how will I prioritise? Should I not give priority to those kinds of customers who are loyal to me? Should I not give priority to those kinds of customers who are high in need.

For example, in emergency counters in a hospital their patients' gets priority over and above a OPD customer. So, all these kinds of things will play an important role while you are deciding your queue management system also which is a very important part of this multimedia routing system in the context of call centres.

What other things are there? There is an agent workspace. So, what the agents will sit, what will be there in the workstation, whether how they will be able to connect, whether they're tech savvy enough, what kind of technology are there, whether they are trained on those technology or not, what kind of agents are there, whether they are Bengali speaking or Hindi speaking or English speaking, whether they are technically strong or communication wise strong, all these decisions comes under the CRM .

Now, not probably a CRM marketing manager will take all these calls, but he should know that this is something for which he is responsible he will be asked for because the customer service team is actually working under the broad domain of marketing team. And, then there is something called workforce optimization.

Workforce optimization is basically more of a cost management or a revenue management kind of an aspect where you have to decide that how many agents I will put, how many workstations will

work at this current point of time, how many routers will work at this current point of time? All of these things has to be decided by somebody and that varies based on the demand.

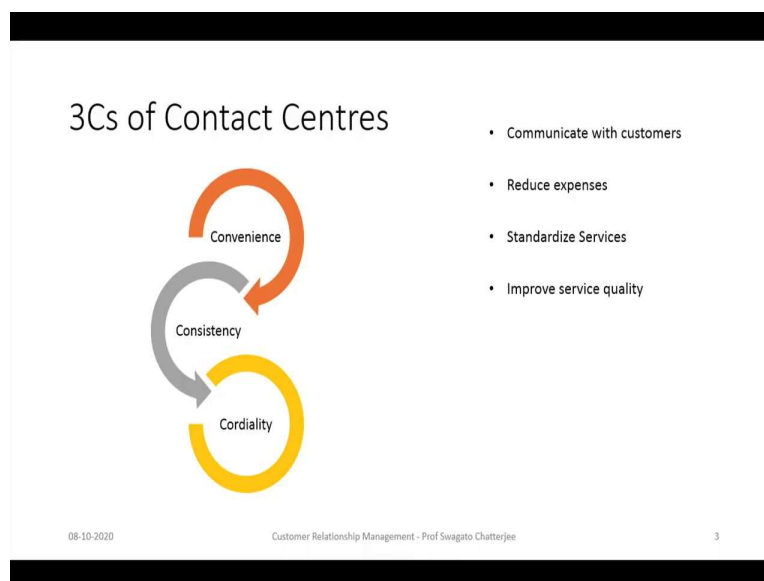
So, within the day the demand might fluctuate depending on which time of the day over a week demand might fluctuate depending on what day of the week and also over a year or over a month the demand of customer request might fluctuate depending on what time of the year or what time of the month it is.

So, basically demand fluctuates and if demand fluctuates similarly, we have to put servicesagents accordingly so that all the service waits are within a permissible limit. You cannot ensure that okay everybody has 0 waiting time okay, no, that is not possible.

But, even if you want a reasonable waiting time let's say 1 minute or 2 minute you have to ensure that enough agents are there or proper routing is being done such that the availability of the agent is proportional to the patience of the customers. And, patience of the customers is sometimes inversely proportional to how much money they are paying to you or how much they, how much loyal they are with you.

So, these decisions have to be taken very carefully in a call centre set up.

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Next comes these 3Cs of contact centres. One is CONVENIENCE, one is CONSISTENCY and third is CORDIALITY. So, in the contact centre aspect the first thing that you have to focus on is providing convenience to the customers. You have to be as much focused on giving that because that is where people are coming.

So, convenience might be related to multiple routing as I just told. You can, you want to connect with the customer in the channel that they are most habituated with. You want to use the language

in which they are most habituated to speak. Now, this is where there are very classic, classic question comes up in this kind of context .

So, do you think that just as I wanted to write down the answer to the question that I am asking right now. You should write down the answer and check back whatever I am saying 1 minute later. So, let's say you are a, you are giving a service to somebody and generally you speak in English. Let's say, in a hotel context or in office context and etcetera you speak in English and a person comes up in front of you .

And, you can understand that okay this guy will understand Hindi, his mother language is Hindi. So, will you switch to Hindi language? Because you also know Hindi, he also knows Hindi, both of you talk in Hindi. That will probably reduce the mental gap or probably will make you more or make you feel that you are more empathetic to this person.

So, research says that this does not happen always. So, in some of the situations it does happen, but we have a hierarchy of language. For example, there is a hierarchy of native language Indian languages and an American language or English language. Or even in an American setup there will be a hierarchy of language for example, English speaking or Spanish speaking and even in countrywide cases my native country.

So, generally, when this hierarchy is not present, when this kind of hierarchical thinking is not present then a colloquial language — if you speak in a colloquial language with somebody who is in front of you, he will feel more comfortable, the customers will feel more comfortable .

But, if there is a hierarchy involved and if you can, if you speak in the colloquial language and the person knows the hierarchically higher language, he might feel offended that okay this guy is thinking that I can't speak English. I can speak in English I will answer in English. So, that hierarchy often comes into the play.

We, I have seen in my childhood days. There were some uncles who used to, when they used to shout at somebody, let's say a shopkeeper or some person, auto driver, a taxi driver they were very angry and they were shouting at them. All of a sudden they start speaking in English and this person who is standing in front of him and getting this venting out, he might probably not even understand what this guy is saying.

So, this English language is somewhere it is related to in our case the powerfulness and etcetera. You know, we know why it is like that and that hierarchy of language is there because of our colonial history, because of our probably post-colonial history as well. In our day-to-day work life and etcetera, English gets lots of prominence. People who are educated, it is the educated peoples' language. That kind of signal comes up.

So, that is somewhere the — this convenience plays a different kind of role. Like, if you want to vent out, if you want to struggle with somebody, if you want to probably, you lost your power position let's say. Power position losses happen when there is some service failure and you want to regain back, your power position as a customer, you might probably want to speak in English. So, that kind of a thing is very common and you as a, let's say if the person is speaking in English and venting out. If you know that, okay this guy knows English you probably want to tell, talk with him in English very softly and let him vent out of whatever his problem is and etcetera. So

that, these are some of the things that a contact centre person has to do and they probably have to do day-to-day they know that, but even as a marketing manager, you have to know that.

Now, that creates a certain kind of problem for this contact centre person also because he loses, he has to lose his power position at a certain point of time which might affect this person mentally. So, there is an HR issue.

Oftentimes sales and services are basically HR issues, but you have to also handle as a marketing manager, these HR issues as well. Because, unless your employees are happy, unless your internal customers are happy, the services will not be as good as you think .

So, probably you have to talk with the HR person. You have to discuss with the psychology of these people and try to make sure that, how even, when this kind of venting out is happening how these guys will remain happy or remain satisfied or be motivated to work on!

Then second is consistency. Consistency means whatever language you want to say, you have to be consistent in all the things that you are trying to say. It is a classic case. I will give one example. So, all these Chinese, the various Chinese apps which had certain security issues. That, those were getting banned in the last couple of months.

So, this is, and, and I am talking about 2020, this current year is 2020 so, COVID is going on. Certain problems in the LAC were going on in the — between India and China and after that there was and I do not, I should not say after that, but in proportion to that sometime later there were certain checks which have been done by this department of IT.

And, they have found out or Ministry of IT, I am not sure which particular Ministry IT is and they have found out certain Chinese apps which have security issues, customer breach issues and etcetera they have discontinued that. You cannot run this particular thing in India.

Now, there are certain brands, who actually source from this China a lot. So, they are Indian brands actually. Originally, they are Indian brands, Indian retail stores; big retail stores, they have warehouse kind of stores for sports products.

So, they majorly sell sports products, they have online presence and warehouse-like big retail stores in Bangalore, they have in Calcutta, they have a store. In different cities, they have these stores, big retail stores in sports.

Now, these guys were promoting in social media that the, we do celebrate Indianness make in India, we have increased our make in India purchase and blah, blah, blah. So, then lots of social media people, who trolls actually, have started asking them what percentage of your raw materials or of your products comes from China. Can you tell us where you are focusing on Make In India? What percentage comes from China? .

Now, they initially, they told that very high percentage, probably almost more than 40 % comes from I think they have told, I cannot say how much comes from China, but more than 40 % comes from India. So, then they, all of the people again started saying that okay more than 40 % means not majorities here and this and that. Then they went back and social.

See these probably the social media management of this particular company might be hand, being handled by people who are not in a higher, in a hierarchy not at a very high level. Probably the marketing manager who is a CMO does not directly talk with this person who has posted this thing.

So, all of a sudden this social media problems is coming up. So, they have to handle this problem very soon. So, within probably one hour they told that, no, we have checked back and actually this year, this particular sourcing from Indian sources has increased from more than 40 % to more than 50 %.

Now, again all of a sudden people started trolling to these guys that within one hour your resourcing went up so high because of this, this, this, that, that, that. So, basically all I am trying to say is that this is a particular example where social media is very ruthless and you have to be consistent on whatever you are saying.

One hour before you are saying more than 40% sourcing happens from Indian market and less, another one hour later when you got trolled you are saying that no, no more than 50 % is happening from Indian market. You cannot do this thing this is basically, a face loss for a brand like; so, so, so, such a big brand.

So, these kinds of things have to be avoided and consistency is very, very mandatory when you are talking about a contact centre or when you are talking about customer relationship management. You are different agents, why cannot consistency is important because you have seen this kind of thing.

Let's say, you are talking with an agent. Then all of a sudden, probably due to your, some network issues or due to your mobile phone getting discharged, the phone connection got cut. Next time you call you practically get connected with a different agent, not the same agent.

Now, if that happens there is a problem for you because you have to again convince this guy about your problems blah, blah, blah. So, that creates a problem.

Now, if these two guys are not consistent, if the guys have the, do not have the same procedure, then that might impact the customer experience a lot because he will say that no, no other agent was saying that this is a genuine problem, how are you can say that it is not a genuine problem? I should get the refund; I should get this-that kind of a favour from you. Why? Why you are saying and he will be very much angry with this particular guy.

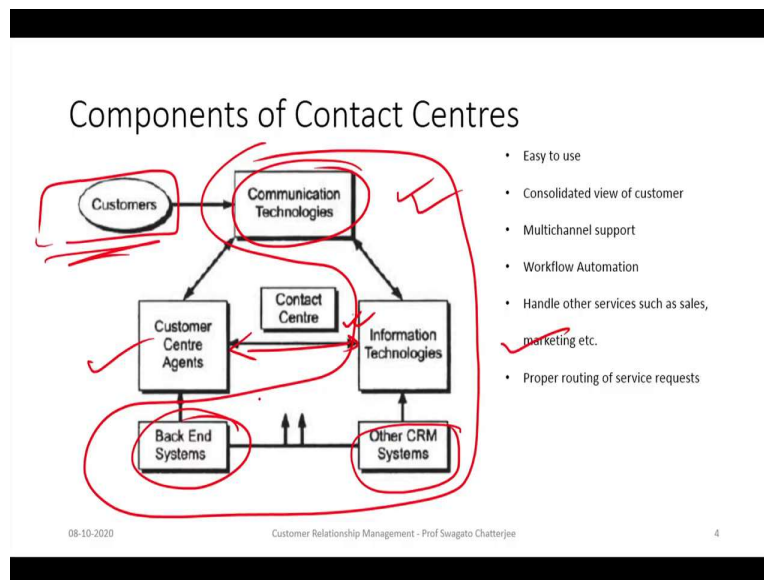
So, until and unless this consistency is there there will always be problems and consistency should not be there between two agents. Consistency should also be there between two or multiple channels as well. Because customers connect to from multiple channels. So, that is something that also some, the marketing managers has to take care of.

And, the last one is Cordiality. I do not think I have to speak a lot about cordiality. This is something which is a hygiene factor. You have to maintain cordiality until and unless you maintain that, you will not make your customers happy enough.

So, another thing that, another some of the other factors that a company should focus on is communicating with customers, they should discuss with customers a lot.

They should reduce their expenses and they have to standardise the services and improve service quality, but these are very obvious things. Any product or any service you have to follow, some of these things. And that's why they are also important in the contact centre setup as well.

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So, how the, what are the components of a contact centre? So, contact centre you will see that there is a IT set-up as I was telling that a multimedia kind of thing. Where multiple channels connect with each other and then there are customer agents.

And, these two contact centres basically, connect between these two. Contact centre basically, is this connection. There is where contact centre happens and both are connected with the communication technology customers connects to his communication technology.

So, there is an internal IT, there is an external IT. Customers connect with this external IT and this external IT connects with internal IT and the human beings. And then, sometimes they have to get information about the customer. Let's say the moment you put the ID. Let's say, your customer ID or your phone number. I have to check back your purchase history, your what kind of agreements I have with you and etcetera, etcetera.

So, there were, that is why there has to be a backend system which will connects with the customer centre agents with the information available. And, information technology will also connect with this system through other CRM system. So, this is basically, these are all technology. All this is technology and this is one human being and these are the customer agents which together creates the contact centre.

Now, there are lots of softwares available. Fot of this the, this is a different technology, different area altogether. What kind of softwares are available, whether, which software is better than which software, what kind of features there that that can be brought in.

So, these are different story and you have to do a very consultative kind of analysis when you are trying to check that what fits for your brand or for your marketing objectives. But, I will, that is not within the domain of whatever we are doing in CRM, what kind of technology is required. So, I will not go into that, but yeah this is something that we should understand.

Now, for any technology, you have to make sure that these are some of the factors which are there like they have to be easy to use. Any technology adoption model says that ease of use and perceived usefulness, these are the two major things which leads to the consumer attitude and then behaviour. So, perceived ease of use and perceived usefulness these are the two things that you have to promote. So, easy to use is that is why for something which is the primary criteria to have a good contact centre that you, it will not be technically very, very difficult to connect with an agent.

Then there has to be a consolidated view of the customer that should be there. 360<sup>0</sup> view has to be there within the technology that is used in the contact centre. Multichannel support should be there. That means I can at the same time, I can chat on Twitter or Facebook and this and that and also connect with the customer over phone, if it is required over video conferencing and etcetera. So, multi-channel support is there.

There has to be workflow automation; workflow automation means there has to be a certain this, certain preset kind of a workflow which has to be followed. For example, first, you will see that this happens in a chatbot. The moment you say hi in the chatbot, ask you about your phone number, about your problem, about certain basic details about the problem and based on that they will set up an agent. That is one workflow which is a pre-agent routing workflow.

Then after the agent talks, the agent also has a workflow and a hierarchy that okay if this kind of a problem first I will greet, then I will ask about his problem. Based on his problem I will check what are the possible solutions are available. If solutions are not available I will turn him to the technical team. If it is only a service request, I will check what are the dates are available.

So, basically, a manual, which talks about the flowchart of what kind of works are there, has to be there. So that, that workflow should be maintained and that workflow sometimes should be automated as well. Handle other services such as sales and marketing this kind of benefit should also be given to these contact centre people. Because they are in direct connection with the customer, whether the customer got happy or not they can sometimes guess based on the conversation.

So, if they think that customers are happy enough and got satisfied. They can push certain other products or they can sell certain other products to the customer so that the overall revenue goes up. And, proper routing or service request, as I just told that you have to have a routing procedure of the service requests that are coming up.

So, all of these things together create a service centre and it can not. A contact centre can also become a revenue-generating centre depending on how you train, how you give service, how you make customers satisfied. So, I was talking about something called a service recovery paradox where I was telling that the service failure if, if there was, not service failure you might have got a satisfaction rating of 4 out of 5.

Then service failure happens the satisfaction dropped from 4 to 2, then if you can do a proper service recovery because service recovery has higher recency effect it is more recent in comparison to my feedback generation. I will focus on, the, how you have done the service recovery more rather than focusing on how you have given the service.



And, because service recovery was exemplary, it was very good. Sometimes I might be more satisfied, sometimes I might be satisfied at a level of 4.5, 4.7 which is higher than the original satisfaction level. If I would have satisfied it in the very first place I would have reached up to 4, sometimes I reach higher than that post-recovery.

So, this is the service recovery paradox we say. Why it is paradox? Then this kind of behaviour of consumers actually, encourages the companies to fail and then succeed. So, if you fail and then succeed, it is like movies. In the movies a hero gets beaten by the villain first and then he overcomes the villain, right and we enjoy that overcoming part. We do not enjoy the initial level hero is so powerful and etcetera, etcetera.

Bahubali gets beaten by, I forgot the name, gets beaten by the villain and then once he gets beaten by the villain then he overcomes the villain and comes up at the top that is why Bahubali is so celebrated. I do not know when you will see this video whether Bahubali will be a very popular movie at that time or not. But, in our time in 2020, Bahubali is a very popular movie.

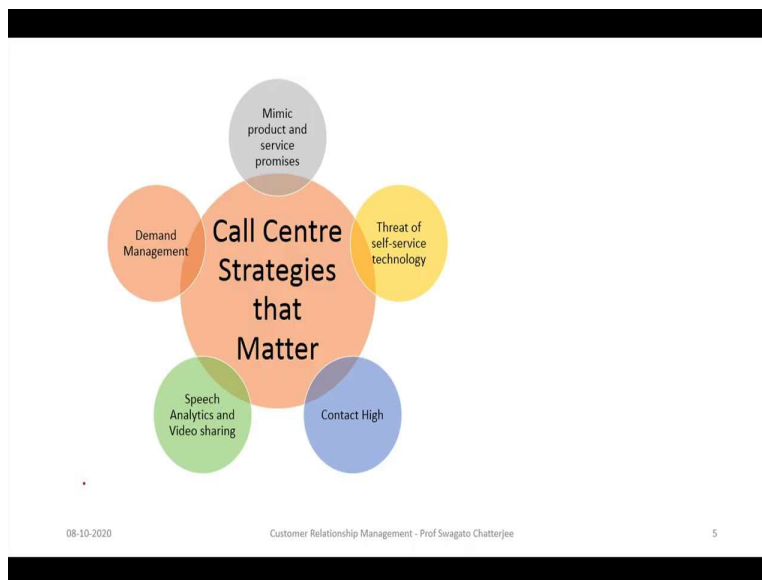
And, any other fighting kind of movie, all the things that you have seen. For example, let's say, Harry Potter. Harry Potter gets devastated by, at least in the movie, you can see that Harry Potter gets devastated by Voldemort and then he overcomes Voldemort. That is why Harry Potter is so much celebrated not because he was winning the Quidditch game or he was doing this and that in his childhood.

So, everywhere you go, those things are more celebrated where people actually break certain negative things. So, in the context of service failure also that is why, that, if the failure happens and if you can break that failure and become a success story, then that success story is more celebrated even in the consumer's mind.

So, very basic consumer psychology and that is why probably if you get satisfied at the very first time you will say that it is expected, but the moment you get dissatisfied your expectation level comes down and now that he satisfies you get a huge kind of a benefit from that particular person. And, that creates a very high level of satisfaction and loyalty and etcetera.

So, this creates a service paradox and that is why I am saying that how you handle your customer request, customer complaints and many of those tasks are done by these contact centre people. So, how well you are handling the contact centres, basically can be a revenue driver as well, because that can lead to satisfaction, that can lead to loyalty. So, that is something that I wanted to discuss about the contact centres.

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Now, call centres strategies that matter. I would discuss about five strategies that will matter. One is you have to mimic product and service promises. Try to check that what kind of promises you have done and make sure that your product and service, whatever promise is doing your contact centre should also follow those promises.

For example, let's say, Apple. Apple has a huge product promise that this product will be very good and very etcetera, etcetera. Now, in the call centre the contact centre does not work and does not keep up that promise, does not keep up that high tech experience that it is giving high tech very smooth experience that it — that the product provides if the contact centre does not provide that same thing then that creates a dissatisfaction.

So, you have to mimic your service promises or product promises unless the contact centre can mimic that, the bad experience about the contact centre will impact the brand image of the overall product as well or service as well. So, that is something that is very important. So, you have to be consistent, not only in multiple channels, but also in your product promises or service promises .

Second is threat of self service technology. There are lots of, so, contact centres as a business probably might be affected by self-service technologies that are coming up, but customers can do it on their own without the help of service centre which is sometimes good for a brand, but sometimes bad for this contact centre business that is number 1.

Number 2 is that, if there is lots of self-service technology available in the market customers might not come to you to explain or express their concerns. And, if they do not express their concerns you might sometimes not be able to know what exactly their concerns are and you cannot do the product improvements.

So, that is another problem that might come up. So, you have to think self-service technology has pros and cons that is why. There are pros: self for example, I have not gone to my bank. I have an

account in State Bank of India and I have not stepped in in State Bank of India for the last probably 4-5 years, if I can I cannot remember at least.

Now, that is because there is self-service technology that is there ATMs are there, internet banking is there, I can open FD accounts, I can do PPF accounts, etcetera all online. I do not have to go to the bank. Now, banks might think that this is good, but is it always good? I have certain grudges for the bank. This bank is not given this XYZ service properly. Their cards are not working in various places. Their this thing not working in various.

I might require XYZ different kinds of services that they have not even thought about. Now, they might have created lots of very good self-service technology, but their contact centres are not so good. So, I cannot. I cannot express my concern which will reach to the right people, probably their contact management system is not so good.

So, if that is the situation. Then whether less footfall is good for the brand, you have to think about it. You, there were pros as I told there are cons, you cannot always say that no, no reducing footfall is always good. It is good in it is probably 95 % cases it is good, but there are 5 % cases, which where it is bad and you have to find out that. That cases and how to mitigate that problem you have to think about it.

Then you have to contact high contact, high means you have to — So, any contact gives you a high; that means, some people are very, want to get contacted. So, you want to have that kind of an experience for them.

Speech analytics and video sharing. Speech analytics and video sharing talks about certain strategies where the tone of the person or the language that they have talked about or the, I would say terms that they are using from there you can find out how frustrated they are.

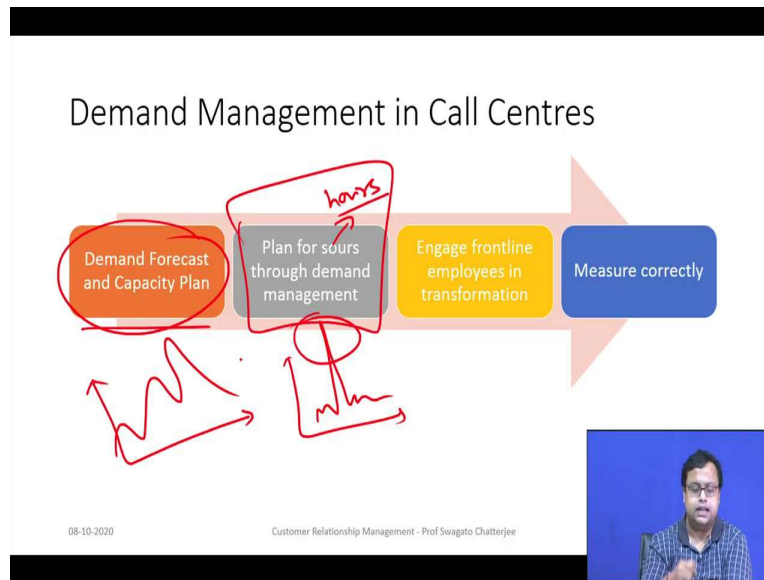
See call centre conversations, we say that your conversation might be recorded for training and quality purposes. Now, do they actually analyse it, down there are huge levels of data. Analysing them every day becomes very difficult. Some of the softwares technologies are there which analyses it actually and finds out information from them.

Now, if the call centre person, the agent is not able to give the correct information or turn the current information you can analyse the text, analyses the tone, analyse the language that has been talked about the transcriptions of the discussions and from there you can find out what kind of problems are more common and you can handle those problems outside the, the customer care environment.

So, this is also one of the area, one of the strategies which will improve your service and people are focusing on that research papers are being written on this particular factor and this is an area where people can do something.

And, the last one is demand management. You can also do a demand management strategy to find out that when call centres are in high in demand when call centres are low in demand and based on that you can strategize.

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So, what is the demand management in call centres? The first thing is demand forecast and capacity plan. What is demand forecast and capacity plan? As I told at various times of the day, the demand might vary. It might fluctuate. Even on different days of a week, the demand might fluctuate. So, you have to first do a demand forecast and accordingly, you have to plan your capacity, that how many agents are required.

Then you have to plan for source through demand management. So, sorry it should be hours. So, for certain hours, plan for hours to demand management. You have to be certain, there will be certain hours when you know that there is a huge peak is coming up.

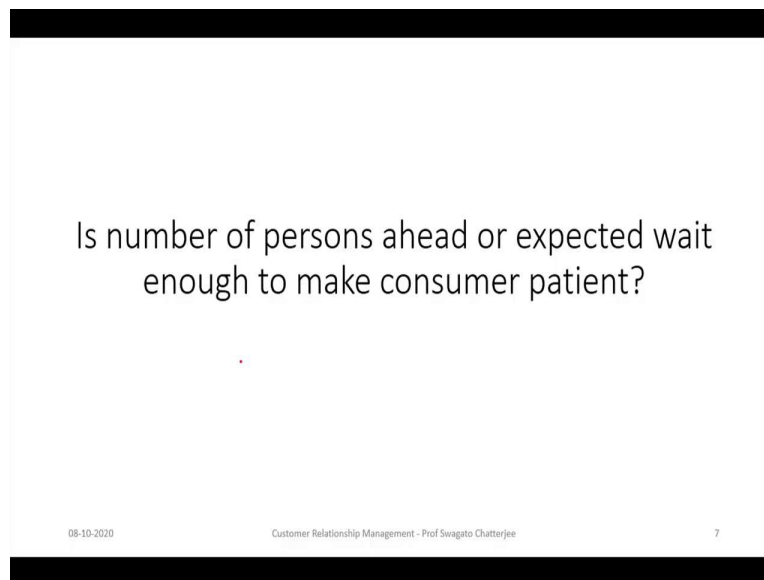
So, you sometimes, we know this beforehand and we have to plan for that. You cannot just, it should not come and then you decide that okay, okay huge demand is coming, we have to plan for a way much ahead. So, that kind of a decision you have to take.

Engage frontline employees in transformation. Sometimes you have to engage the frontline employees in the transformative process, such that the customers go and take service technologies, such that the customers express their problem in certain other channels which will be easy to handle. So, you can use your frontline employees for any kind of customer transformation, customer learning, customer teaching that you want to do.

And, then you have to measure correctly the last and primary problem.

One of the most important things is you have to, for any strategy, measuring is very important. So, until and unless you measure you do not, you cannot control, you cannot say that what kind of improvement can be done. So, you have to measure in the correct way, correct matrices have to be identified and you have to measure the demand. So, that will be it.

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I will probably stop this particular presentation by asking this question and, I will start the next presentation from this question itself. That is number of persons ahead or expected wait enough to make customer patient? That means when you call in a service centre and call centre it says that you are fourth in the queue or you are sixth in the queue or you in another 2 minutes an agent will connect with you, in another 4 minutes the agent will connect with you.

Unless they say that, that creates a huge amount of uncertainty and consumers generally do not like uncertainty. So, if there is a huge amount of uncertainty and customers don't like uncertainty, they will put back the call. Call centres are also coming up with strategies like I will call you back, you can put down the call I will call you back. But sometimes when you call them back the customer is not available. Many customers are very busy. You cannot call them and and and and this has happened with me.

For example, today I will tell you today's example. I have given a this thing to Tata Sky and Tata Sky told that okay your service request has been raised and I will call you and I have given a time and Tata Sky come at a slightly different time.

Now, it is very expected that if you come, if I have given 10 to 12 time and if you come a slightly different time it is expected you can come, no issue. But, there are, there can be people who are very busy, who will not be able to take calls in a slightly different time. I frankly speaking I am such a person who cannot take a call in a slightly different time.

Now, that creates a huge problem for me that you are saying that okay you will not be able to take my call or handle the problem right now and you will call me back and whenever you call me back I am not available. So, then again I have to call you back to reschedule something. So, that creates a problem.

So, then if that kind of situation has to be avoided you might probably ask the customer or make the customer more patient; what kind of strategies you can take to make the customers more patient? One strategy is to give the basic information that if you, they stay now how much time they have to stay in the call after which they will reach.

For example, if I call a call centre and if somebody was that okay you have to wait for 2 minutes, I might be happy to wait for 2 minutes rather than calling back sometime else. Because at that some time I will not be available, but right now I have 10 minutes time; so, I can have 2 minutes of waiting, if it is 2 minutes particularly and then 8 minutes I can talk with this person.

So, sometimes that 2 minutes of waiting is okay enough rather than somebody trying to connect with me later and I am not in a position to take the call. Now, the question is that, whether this kind of information, that how much we have to wait, which is very common practice in call centres. Is it enough? Can you do anything extra? That is where I will stop this particular video.

I will come back in the next video with this, with my answer to this question and you can write in the forum if you have some views.

Thank you very much. See you in the next video .