

## AGILITY FACTOR



# Sales as a Service

By Jay Minnucci, *Service Agility*

**An effective approach to cross-selling and upselling in the center can build loyalty and revenue. Here's how to make it work.**

It is one of the most popular trends in contact centers over the past five or 10 years, and it is easy to see why. The customer already has taken time out of his or her day to contact you... why not see if you can derive some more value out of the conversation with a cross-sell or upsell? The company gains more revenue, the customer is more satisfied (and therefore more loyal), and the contact center gets some well-deserved recognition for the outcome. It's a win-win-win proposition, and those don't come around too often.

Even those that have few or no services/products for sale can derive value from cross-sell/upsell activities. Utilities (both for-profit and not-for-profit) are a great example — many offer both products and services accessed through the contact center that will actually decrease the amount of energy you buy. Doing so, though, makes for a happier customer and a healthier community, and those outcomes are important to the long-term health of the utility. Regardless of industry, the common denominator that unifies contact centers is that we want our customers, members or constituents to use what we offer and to keep coming back. The cross-sell and the upsell can play an important role in meeting this objective.

### **Critical Success Factor #1: The Right Offer**

One of the most basic, and most important, principles of great service is to value your customer's

time. At first glance, that may seem to clash with the cross-sell/upsell, but, in fact, it serves as a great guide for developing a more enlightened offer strategy. Sure, you can try to hit up every caller with the same product or service, but, for most, it will be a waste of time (both yours and the customer's). Valuing your customer's time means listening to what is said, analyzing current products and/or past buying behavior, and crafting a customized offer that will at least be considered by the customer. The blue-striped tie, even when not on sale, is a thoughtful offer when I have just placed another order for a few white business shirts. It's silly-bordering-on-embarrassing, at any price, when I ever order is jeans, bathing suits, flip-flops and Jimmy Buffett T-shirts.

And therein lies the catch. The customized offer is a much more elegant and profitable offer strategy, but it also signals a fundamental shift in the organization. Our contact centers are built from day one to react to customer inquiries, and the customized cross-sell/upsell is a *proactive* service. That change occurs at a fundamental call-by-call level, and it affects nearly everything in the center. Hiring profiles must change, monitoring forms need to be redefined, knowledge management tools have to be rebuilt, and even staffing forecasts have to be modified (to account for longer handle times). What may initially seem like a relatively minor project in terms of scope and complexity will need to blossom into a large, compre-

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hensive change management exercise. While that increases the investment, the customized offer approach keeps intact your mission to generate high satisfaction and loyalty levels — and that is well worth the added investment.

Suffering though the increase in project scope will at least yield a new perspective on the change. Rather than a sales growth project, you are now looking at a proactive service project. The sidebar below (“Evolving from Reactive to Proactive Service”) shows examples of a few other services that could ride along with the cross-sell/upsell initiative and, taken together, they form a package that may be a more logical growth step for the operation.

### **Critical Success Factor #2: The Most Important Sale**

The cross-sell/upsell initiative is often driven by needs to improve sales per call, or revenue per sale, or number of products per member, or some other metric that, on the surface, may not seem customer-focused. In a sales-based center, such objectives should not raise concerns at any level. But cross-sell and upsell initiatives often take place in centers that were previously “service only.” Inevitably, many frontline staff members (and a fair number of supervisors and managers) view the introduction of these measures as a compromise to the “serve the customer” mantra that had been in place prior to the change. Left unchecked, this deteriorates into a hard-line approach to accepting the cross-sell/upsell as the “new way of doing business.” Unfortunately, this just serves to underscore the notion that your attempts to improve revenue have come at the expense of a more noble dedication to the needs of your customers.

Without question, the most important sale connected with any cross-sell/upsell initiative is the one you make to your staff (at every level). Buy-in is critical to your success, and the approach you take to measuring and managing performance will make all the difference. Conventional wisdom dictates that personal objectives should cascade down directly from organizational objectives, so that if you want the organization to produce an extra \$50,000 a month through cross-selling, you should challenge each of your 100 team members

with a personal goal of at least \$500 per month. Resist the urge to follow convention — rarely will staff hired into a service-only environment embrace such a move on the first step.

Begin instead by showing the connection between cross-sell initiatives and the positive impact they have on customers. Start with industry research. A study done by TARP in 2002 showed “proactively providing information” and “telling me of a new opportunity” as two of the three top ways to improve intent to repurchase (an indication of satisfaction). Both of these scored higher than “service beyond expectation,” “friendly staff interaction” and “personal relationship over time” — outcomes held in high regard in service-only environments. This and other research shows that proactive service, done properly, can distinguish a company from the competition and make a positive impact on their customer’s lives.

Concurrent with the education that you provide, make sure that you pay attention to the details of the program. A project that is well thought out, with elements like robust training and a phased-in approach, helps to display your commitment to the success of the transition. The sidebar below provides a few more do’s and don’ts that can help generate greater success. When you take this more thoughtful, measured approach, staff will be more likely to view it as a call to action rather than a “flavor of the day” type of change.

Once the initiative is in place, move from industry research and planning to your own results. Communicate cases where proactive service led to compliments from customers. If possible, run your own satisfaction studies and compare results of contacts that had a proactive element to those that did not. Begin your measurement activities by tracking behaviors, such as the number or percent of appropriate cross-sell/upsell attempts, rather than focusing on outcomes like sales per call. Once your staff can see the value in their terms, and can gauge their behavior related to it, buy-in becomes much easier.

### **Service-Oriented Sales Builds Loyalty and Profits**


Building an effective cross-sell/upsell program is no small task, but the value is substantial. It is an excellent way to provide

## **Evolving from Reactive to Proactive Service**

The initial state of a contact center is to be reactive — listen to the customer and respond to the request. Cross-selling and upselling are proactive activities, but they are by no means the only ones. The following are a few other initiatives that a contact center can introduce that will make them more proactive:

1. Follow-up outbound calls made to customers after a significant event, such as the purchase/utilization of a new service.
2. Welcome calls to new members/customers.
3. Tracking unmet needs, then notifying customers when the product/service becomes available (e.g., rather than telling a customer to continually call back to see when fiber-optic service will be available in their area, take their contact info and notify them when it becomes available).
4. Case update calls, where a customer gets regular updates on a longer-term issue being resolved by the organization (inside of or external to the contact center).

Many of these can be fed into down times, and that’s made easier with newer multimedia queuing technology. Instituting some of them along with a cross-sell/upsell campaign makes it all part of a bigger initiative focused on implementing proactive service.

differentiation from the competition, and it helps to build customer loyalty. Think of it as an extension to the service you already provide, and the transition will be significantly easier for your staff — and significantly more profitable for your company. 

### Do's and Don'ts of a Successful Cross-sell/Upsell Strategy

Like many projects in a contact center, success is more about how it is done than what is done. Here are some important do's and don'ts to follow when creating your cross-sell/upsell strategy:

1. Do not require an attempt on every call. Agents should fully understand that, in the following conditions, an offer should not be made:
  - a. The caller appears to be in a rush.
  - b. The caller is having difficulty communicating (whether due to a bad phone connection, a physical disability, a language barrier, etc.).
  - c. The caller is upset and/or angry (unless the offer is exactly what is needed to calm him/her down).
  - d. There is no good offer to make given the caller's situation.
2. Do review your agent performance standards, and revise and/or suspend any that will be negatively affected by a talk-time increase.
3. Do not assume that you can do this effectively at current staff levels. Maybe you can, but you need to make estimates on the impact to handle time and how that will affect staffing requirements.
4. Do develop a model to accurately assess results. The model should account for extra costs associated with the increased talk time, and the extra costs associated with training. Those costs should be weighed against revenue and/or estimated increases in loyalty generated by the program.
5. Do install a two-way feedback process. As the program gains momentum, certain staff members will come up with very creative and effective ways to deliver the offer that you did not consider when developing the program. They should be provided with the time and the tools needed to share their success with others.

Jay Minnucci is Founder and President of the independent consulting firm *Service Agility*.

✉ jaym@serviceagility.com

☎ 215-679-5250

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### *Pipeline Publishing Group, Inc.*

PO Box 3467, Annapolis, MD 21403

443-909-6951 | info@contactcenterpipeline.com | [www.contactcenterpipeline.com](http://www.contactcenterpipeline.com)

