

After 10 minutes  
on hold with your  
support desk, I just  
hang up, delete my  
account, and go  
to your competitor.

– Twitter, June 18, 2010

## Why Your Customers Should Never Have to Wait on Hold Again

When a technology delights customers and pays its way in cost-savings, you can bet its time has come. In customer relationship management (CRM), that technology is virtual queuing.

*By Eric Camulli, Vice President, Virtual Hold Technology*

Perhaps you think of it as “callback.” Or perhaps you don’t think of it at all. In either case, if you have an interest in your company’s bottom line, customer service, or image, it’s time for a wake-up call: Despite self-service advancements, a Mintel study reports that 90 percent of contact center callers have become angry or frustrated particularly because of long hold times. In short, waiting on hold equals customer pain – pain that is surprisingly easy to eliminate today.

The statistic is an indicator that for whatever reasons, too many companies remain in the Dark Ages of telephone hold – while their customers, through social networking sites such as Facebook and Twitter – loudly protest the torture and vow to take their business elsewhere. But virtual queuing is getting harder to miss as the technology emerges from its early-adopter phase.

### What Early Adopters Say

Take the experience of Southwest Airlines, which in 2009 became the first U.S. airline to implement a virtual queuing solution. With a contact center operation that fields an average of 110,000 calls per day, Southwest continually reviews its systems and processes to make sure its 2,400 customer service representatives (CSRs) are meeting the airline’s high standards for quality and efficiency. Like any contact center operation, performance levels can be impacted by a multitude of unexpected or uncontrollable variables.

One primary source of frustration – not only for Southwest customers, but for customers across all sectors of industry – is waiting on hold. In its search to find ways to minimize these occurrences, one approach Southwest clearly did **not** want to take was to shove callers into a network of automated systems. Instead, it sought to address the issue in true Southwest fashion – with a human touch.

“We have plenty of self-service options on Southwest.com,” says Lance Morton, Southwest Airlines’ director of automation resources for customer support and services, “and we figure if someone’s calling, it’s because they want to speak to us.”

Bridging the customer service gap is a key function of virtual queuing technology. Contact centers employ well-designed, sophisticated self-service strategies to minimize use of their most expensive resources – live agents. But even with highly successful self-service applications, there are times when people need to talk to people. However, when customers try to move from automated self-service to live-service they are vulnerable to getting disconnected, waiting on hold, or having to repeat account information. Virtual queuing solutions bridge the gap between high-tech and high-touch customer service strategies to ensure a smooth transition and a positive customer experience.

After reviewing its options, Southwest Airlines decided to implement a virtual queuing solution from industry leader Virtual Hold Technology® (VHT®). Using its Concierge® software solution, callers are immediately transferred to a CSR when hold time is less than two minutes. But when situations such as weather conditions, flight delays, or promo-

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tional offers create lengthy hold times, the Virtual Hold system announces the wait time and saves the caller’s place in line so they can hang up and walk away. Then it dials them back when it’s their turn in the time promised, in the process, transforming customer hold into customer freedom.

“Some people might consider this a very sophisticated strategy, but I would like to think it’s really just very basic thinking,” Morton says. “It’s simply taking care of your customers and making it easier for them to get in touch with you.”

On the very first day of implementation, 40 percent of Southwest callers accepted the return call option instead of waiting on hold. Southwest also saw immediate results with reduced physical queue times and numerous customer compliments on Twitter. With callers taking advantage of the virtual queuing option, average speed of answer improved by 47 percent. In addition, Southwest saved 25 million toll minutes (and the costs associated with them) or the equivalent of **47 years of hold time** over the first six months the system was deployed.

### **More than Just Callback**

Among the misperceptions about virtual queuing is that it’s just another name for callback technology that has existed for decades. Callback typically describes a manual process of reviewing voicemails, dialing phone numbers, hoping for a connection, and rescheduling when there isn’t one. If the scenario sounds familiar, perhaps it’s because a more accurate term to describe it is “phone tag.”

Basic callback technology fails to provide an adequate solution for quality-conscious contact centers because it generally launches callbacks after the peak is over, yielding both poor return call expectations with customers and low callback hit rates. In contrast, the customer reconnection rate for virtual queuing solutions is 93 percent, according to a 2007 report by Forrester Consulting.

Traditional callback solutions invite callers to leave a message and receive a callback later. However, due to poorly set customer expectations, this service yields only a 30 percent reconnection rate, making it ineffective at increasing customer service or first call resolution.

Callback solutions also require some form of agent intervention to launch return calls, which may include listening to a voicemail message or navigating a desktop callback application. This manual activity falsely accrues as agent talk time and makes agents less productive. Also, when callbacks do not connect with the intended party, it becomes the agent’s responsibility to mark the disposition of the call or reschedule it. In short, callback is cost-prohibitive and its overall effectiveness subject to human error, which puts customer satisfaction at risk.

Contact center virtualization is an effective way to pool resources from multiple locations in order to improve the average speed to answer customer calls. Workforce management software also can assist in identifying where call volume peaks and valleys exist and, therefore, create more accurate staffing recommendations. Skills-based routing can ensure that customers are speaking with the proper resource the first time, thereby increasing first call resolution, an important customer satisfaction metric.

Nevertheless, due to the unpredictable nature of call volume and the scarcity of highly-trained specialists, extended hold time still occurs despite these attempts to thwart it. Solving the problem requires a multifaceted approach, which is why virtual queuing was developed.

## The Power of Promises Made, Promises Kept

Unlike callback, virtual queuing offers a business rules engine for customizing and automatically modifying the customer's experience based on real-time queue conditions, an ability that is critical to achieving customer satisfaction. In addition, business analytics provide call center executives with actionable intelligence to improve the call center experience.

For example, if the contact center is very busy with high hold time all day, how do you prevent return calls from building up in the virtual queue so that by the end of the business day it is impossible to return all the calls of the customers who requested a callback? A worst case scenario would be that these customers and their callback requests would be stranded overnight.

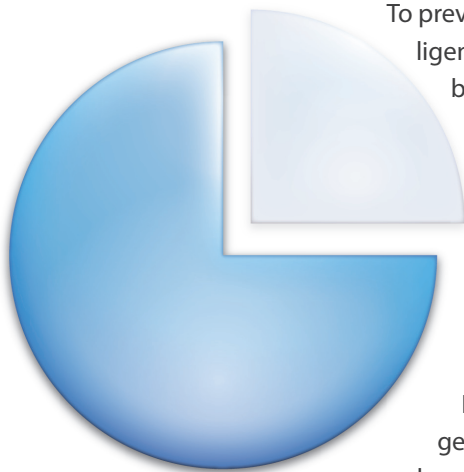
To prevent a customer service nightmare like this, the virtual queuing solution intelligently compares the expected wait time to the amount of time remaining in the business day for each new call that arrives. When the wait time exceeds the time remaining in the day, customers automatically bypass the virtual queuing system or are offered the ability to schedule a return call for the next day. However, the system continues placing return calls to all the customers that remain in the virtual queue, in the order in which they were received, in keeping with the original promise made between company and customer. In this manner, by the end of the day, all return call requests have been properly purged from the system, nothing is stranded overnight and a positive experience remains intact.

In today's consumer culture, the prevailing attitude is that companies do not generally keep their promises, which is why customers are surprised and delighted when the automated virtual queuing system works so seamlessly and delivers on the expectations set.

Another example starts with this question: If you could have your call handled by a specialist who could quickly resolve the nature of your call in a courteous and professional manner, and all you had to do was hang up and receive a return call when it was your turn in five minutes, would you do it? Anecdotal survey results indicate that an overwhelming majority of consumers say "yes." The reverse of this scenario, which is having your call answered quickly by an unskilled agent who then has to transfer you to another resource, is the standard many consumers experience today.

Virtual queuing complements skills-based routing and workforce management quite well because it ensures that customers are speaking to specialists, as determined by business tools, and not backup agents who are automatically logged in to provide nothing more than a warm body to take the call. This respect demonstrated for the customer's time is why virtual queuing and its unique approach generate an overwhelmingly positive customer response.

For example, according to a 2009 study by the TRIAD Group, 75 percent of customers who encountered virtual queuing technology said they had a more favorable opinion of the company called. Eighty-two percent of survey respondents said they would recommend the products or services of the company to others based on the positive virtual queuing experience. Furthermore, the results of a recent survey of Virtual Hold clients indicates that after implementation of this virtual queuing solution, 60 percent of them now consider it "mission critical" to their contact center operations. It has become integrated into their overall customer service strategy. This includes JD Powers & Associates Customer Satisfaction Award winners, such as Pacific Gas & Electric and T-Mobile as well as Net Promoter Score "winners" Costco and Aflac.



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## The Tipping Point

For a number of reasons, virtual queuing technology is now at a point where it is likely to become ubiquitous over the next several years. One reason is economics. A 2009 Gartner study notes, "The economic downturn is making companies more judicious in their spending on contact center infrastructure, with decision drivers ranging from proven returns and cost reductions to competitive differentiation." Virtual queuing meets all these criteria, with most usage analyses indicating a relatively rapid return on investment from saved toll costs and increased labor efficiency.

Another reason is market penetration. To date, Virtual Hold Technology, which pioneered virtual queuing solutions and now offers a proven, high quality product-and-service offering, has completed dozens of deployments for a marquee list of Fortune 500® companies across a variety of industries and environments, indicating a critical level of acceptance and maturity for the evolving technology. As consumers become familiar with virtual queuing technology and realize there is no reason for them to ever have to wait on hold again, they will increasingly demand it of all those with whom they do business, making it a "must have" for contact centers. As competitors enter the market with a low-end product strategy, they nonetheless validate and further evangelize the technology.

Additionally, Virtual Hold Technology has recently emerged from a three-year exclusivity arrangement with Genesys, one of the leading providers of contact center infrastructure, freeing it to enter into additional reseller arrangements with Avaya and Cisco, the other two infrastructure market leaders. Avaya alone holds approximately half the global market share for contact center infrastructure revenue and systems shipped, according to a 2010 Gartner report.

Virtual Hold Technology currently participates in the Avaya DevConnect program as well as the Cisco Developer Network, enabling resellers to offer the best of two worlds: a best-of-breed solution for virtual queuing in combination with the popular all-in-one, or integrated, suite of solutions, sold by companies such as Avaya, Cisco, and Genesys. Virtual Hold Technology's platform independence enables compatibility across various contact center infrastructures so even if a contact center changes infrastructure, its investment in virtual queuing is protected.

Another reason for anticipated growth of virtual queuing technology is the phenomenal expansion of online social networking that is creating a more demanding customer. Social networking offers customers greater opportunities to voice their complaints to ever-larger numbers of friends and business contacts. It's easier than ever to "flame" a company for long hold times. As a result, it makes more sense now than ever for companies to make creating better customer experiences a top priority.

Further, social networking and mobile communications platforms are the new horizon for customer service. Companies looking to the future are recognizing that virtual queuing technology offers a path to integrating and aggregating new interaction alternatives, such as a Facebook widget or smartphone application that allows consumers to request a return call from a contact center with just a click or a tap. The technology bridges the gap between self-service options and agent assisted service.

As our forefathers might say, "Never underestimate the power of freedom." Given the current state of virtual queuing technology and your market, should your customers have to continue to wait on hold?