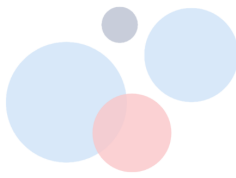


# How to manage **Escalations** with Speech Analytics: **A Case Study**





# The Importance of Customer Service for the E-commerce and Retail Industry

In the last five to ten years, we have witnessed the emergence and growth of e-commerce at a stupendous rate. This was further accelerated over the last two years with the pandemic. E-commerce websites played an essential role not only to keep businesses afloat but also in establishing a “new normal” for consumers.

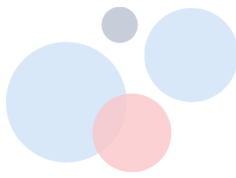
Direct-to-consumer (D2C) E-commerce websites have solidified their market share and are here to stay. They have become an important aspect of business strategy in the retail industry and an integral part of the customer journey.

In the current E-commerce/online retail market, customers have high expectations of personalization in their experience. From personalized ads and offers to a “care for one” kind of service. And if and when companies fall short in meeting these expectations, customers do not shy away from escalating the matters and switching to a competitor.

According to [McKinsey](#), by 2025, “Organizations will shift from reactive service centers to centers that take proactive control of the customer relationship.”

Companies will need predictive analytics solutions that empower their contact centers to solve the problems of their customers pre-emptively. They further highlighted, “In the next five years, companies will achieve total consistency and transparency across channels, prioritizing a seamless experience for the journeys that matter most to the customer. Agents and customers will have the freedom to seamlessly communicate across multiple channels without losing context. The result will be more personal experiences and consistent service.”

Customer service is increasingly becoming part of a holistic customer experience that tops the list of customers' needs and ranks high in the list of criteria on which they align their brand loyalty. It is therefore essential for retail companies to employ [AI-driven solutions](#) to foster a good long-term relationship with customers, manage any complaints and escalations that arise efficiently, and provide good customer service.



# How to React to Escalations

Escalations no matter how unfortunate they may be, should not be ignored or dismissed. Instead, they need to be studied and analyzed thoroughly. They highlight the issues that the customers face and are exact pointers for what needs attention and resources. Escalations show companies the way forward. They help companies also figure out a way to train agents on how to avoid escalations in the future.

These [customer interactions](#) can be a minefield for consumer insights that can not only help enhance customer service but also benefit the sales and marketing departments. In another study, [McKinsey](#) stated how companies often make the mistake of treating the verticals as exclusive. “They treat customer service and sales as two different domains, and view customer service solely as a cost center.”

But a contact center can be so much more than that. With effective investments, the data can go beyond analytics and hyper-personalized offers to even address operational execution, (which often tends to be the highest matter of escalations). Therefore by optimizing your customer interactions you can change your contact center from a “cost center” to a “cost-effective investment” center.

# The Importance of Escalation Management

In most cases, customers escalate an issue i.e. take it further to a person at the supervisorial or managerial level when they are either dissatisfied with the outcome or feel the agent who dealt with them was incapable of resolving the issue in the first place. It is essential for companies to prioritize and resolve escalation calls. They need to be quick and effective. Their response time is vital to reduce churn, fix the negative perception of the company, and salvage the relationship with the customer.

Contact centers tend to have a designated department to manage escalations. This department has set protocols and processes to target the cause of the issue and solve it permanently instead of just a temporary fix. The resolution at this stage is crucial to retain the customer as 70% of consumers said they were willing to stay with a company despite a bad experience if they are satisfied with the resolution offered by the company (Source: [Glance](#))



# The Challenge of Escalations

The true challenge arises when a company is building its aforementioned Escalations Department, especially for a large-sized company. They need to address the following concerns.

- How can you get an overview of the escalation volumes in your company to establish a starting point?
- How do you find the root cause of the escalations?
- And how can you prioritize from higher urgency to less urgent one?

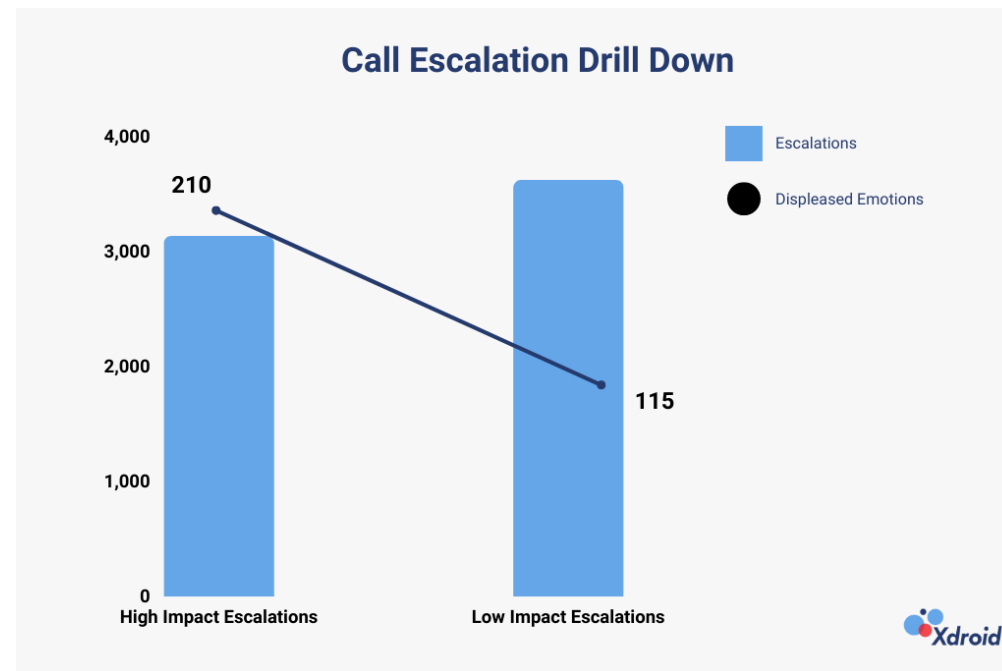
One of Xdroid's clients, a large online retail and e-commerce company with over 2000 customer service agents, faces these challenges on a daily basis in its escalation department. Here's a case study, showcasing how they used Xdroid's VoiceAnalytics to tackle the challenges and established their Escalations Department. The insights and data analysis allowed them to restructure, organize, and implement their escalation processes.

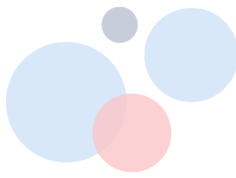
Read further to discover how they did it!

# The Initial Insights and Analysis

Our client had been using VoiceAnalytics for a few months for automated quality monitoring and measuring customer experience. They then brought escalations under the scanner and discovered that their escalation requests had increased by 20% compared to the previous month, which was set as the baseline for improvement.

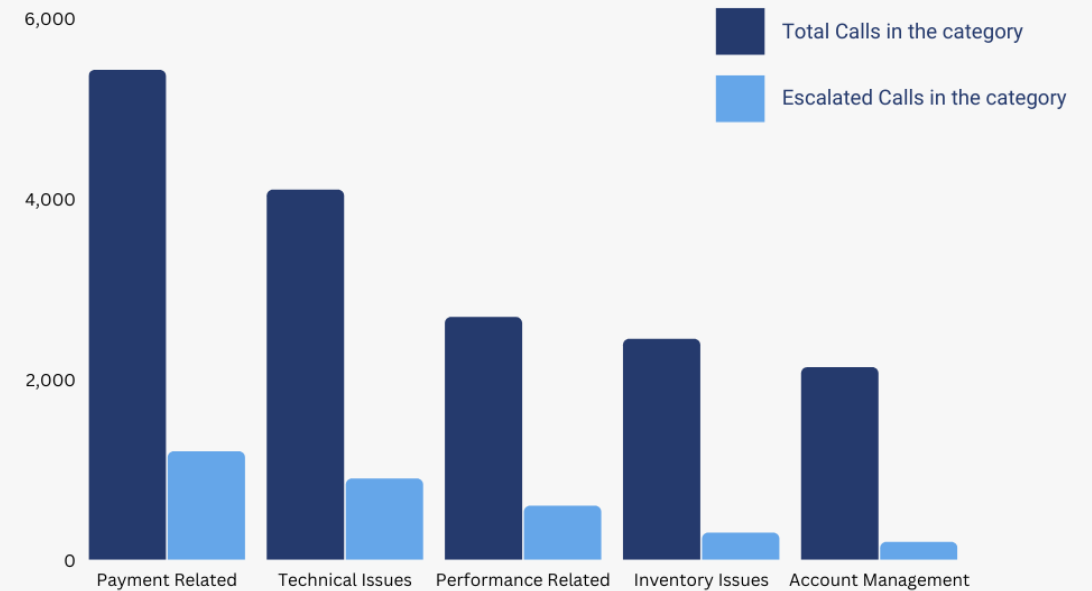
They categorized escalations into two different levels of urgency, high-impact escalations, and low-impact escalations. From the first results, it was shown that high-impact escalations had a higher negative emotion index and nearly 15 minutes of average handling time.





They could also easily identify which of the region-based departments were responsible for a higher volume of escalations. The numbers exhibited that 3 out of the 10 departments, contributed to 72% of the high-impact escalations that month. Further probing revealed that 39 out of the 2033 agents contributed to 28% of those high-impact escalations across those departments. This was a significant discovery to further review and coach those specific agents.

### Top Call types with High Impact Escalations

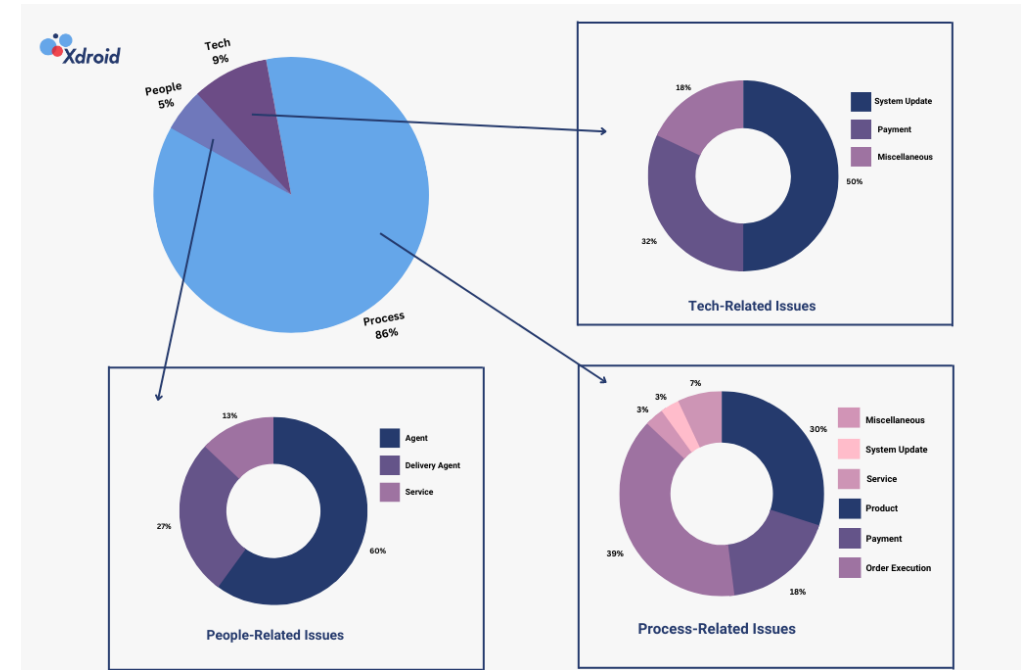




# The Sample Drill-Down Analysis

As established earlier, customer service is an essential aspect of the customer experience, especially for an e-commerce/retail website. It also contributes to the brand image and relationship with the customers. So naturally, the high volume of escalations was a matter of great concern for our client. They wanted to have an in-depth understanding of what truly was happening on these high-impact escalation calls. They went on to create a large enough sample of the total number of these calls. The objective was to find the root causes for the sample and identify the trending issues.

This drill-down analysis showed that the most common high-impact escalation topics were the delivery, return/reschedule, and order/product categories. Under these escalation categories, they employed the **automated keyword** and **phrase detection feature**. They found out that **86% of the escalations were due to a process issue** (order execution, payment, product), **9% due to a technical issue** (payment, system update), and **only 5% due to people-caused issues** (agent, delivery agent, service).



They dug deeper into the underlying reasons for the process-related issues. For instance, in order execution issues, it was found that 25% were related to delivery delays, 17,3% to canceled orders, 11.5% to canceled returns, 10.5% to pending pick-ups, and 8.6% to return failures.

Studying the product process issues, revealed that 40.7% were related to wrong product delivery, 39.5% to damaged or poor quality products, and 19.7% were related to missing items on the products.

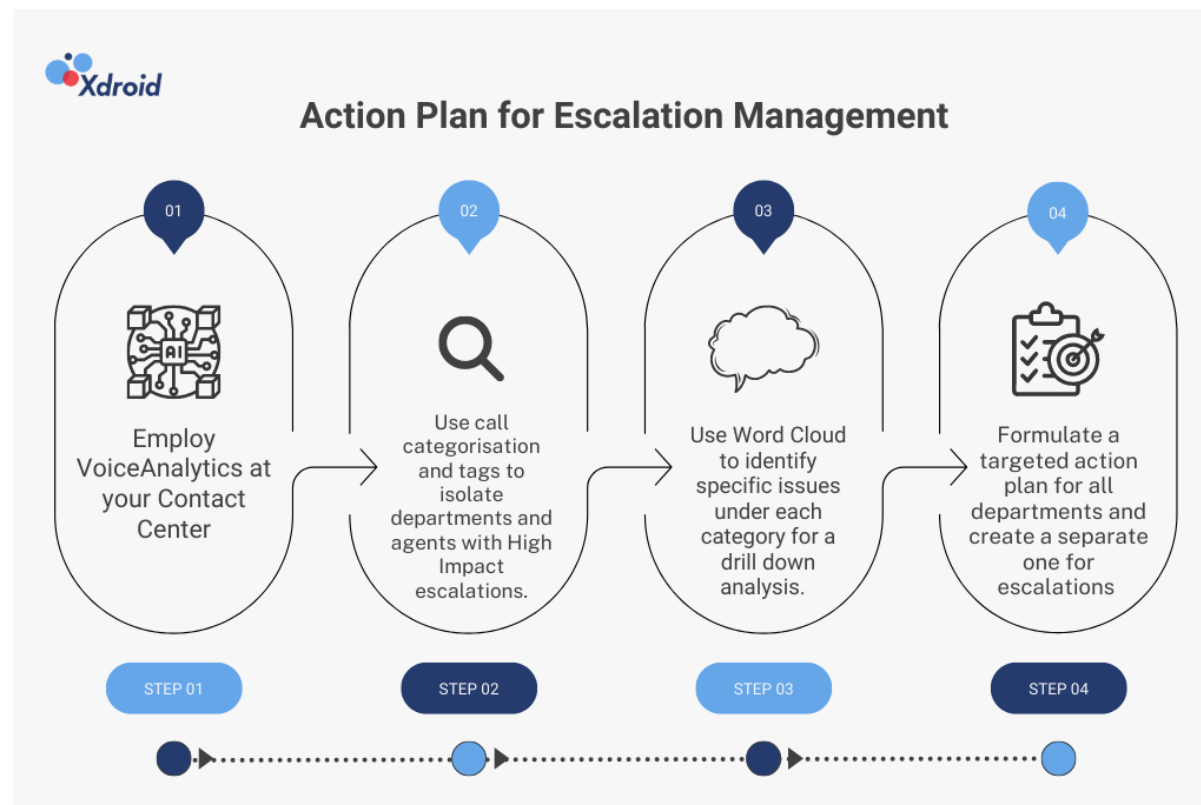


# Conclusion

The analysis from this probing will now help the client take a more targeted and focused approach to improve their service processes and procedures. The company could not only identify the areas they need to improve for smooth operations but also set an action plan to renew their escalation management processes. Our client now has escalations analyzed monthly with VoiceAnalytics to keep track of the impact of the changes and be able to solve new escalation requests as they come. In a few months, the results of the company's action plan will be seen in the escalation volumes and this will reflect in better customer service.

As in the case of our client, a rise in escalations should be tackled calmly and seen as an opportunity for introspection. With different tools of VoiceAnalytics, you can do a deep dive into customer interactions, go beyond the superficial level, and determine the problem areas accurately. Managing escalations in such an analytical manner not only helps in the allocation of funds and efforts in a resourceful way but also leads to long-term solutions. These solutions will have a lasting impact on the organization as a whole, from an operational point of view to even that of sales, marketing, and customer relations.

Have you been facing a lot of escalations lately? It might be time for an overhaul. Xdroid can help with that. [Sign Up](#) for a VoiceAnalytics Demo today!







Insights, Actions, **RESULTS.**

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