



Contact Center Strategy Guide

# Six Essentials to Increase Cross-Selling and Up-Selling Revenues for Financial Services



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## Contents

<b>The Shift to Dynamic Cross-Selling</b> .....	2
Understanding the current state of selling in the contact center.....	2
Why contact centers must adapt .....	4
<b>The Six Essential Strategies to Increase Cross-Selling and Up-Selling Revenues</b> .....	4
Strategy #1: Deliver your best service to your highest-value customers .....	4
Strategy #2: Link inbound channels with business analytics and customer databases .....	5
Strategy #3: Match callers and cross-sell opportunities to the best agent .....	6
Strategy #4: Set business rules to automatically respond to changes .....	7
Strategy #5: Rapidly apply new business rules to respond to evolving market strategies.....	7
Strategy #6: Keep your technology nimble and your systems agnostic .....	8
<b>Realizing the Benefits of Dynamic Cross-Selling and Up-Selling</b> .....	8
<b>About Genesys.</b> .....	Inside Back Cover

## Contact Center Strategy Guide: IN BRIEF

This Contact Center Strategy Guide is intended for executives and managers working in the contact center environment within the financial services industry. It introduces the six essential strategies contact centers must adopt to 1) advance from basic cross-selling activities to the level of “dynamic” cross-selling, and 2) realize the cost efficiencies and revenue benefits such a change can deliver. Further, the Guide discusses:

- The reasons basic cross-selling isn’t good enough anymore.
- The power of focusing on customer value.
- Specific strategies for making the transition.
- Examples of dynamic cross-selling in action.

For additional information on the principles discussed in this Contact Center Strategy Guide, or to request additional free copies of this document, call 1-888-GENESYS or your local Genesys office.

# Contact Center Strategy Guide

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## The Shift to Dynamic Cross-Selling

With intense competition amid industry convergence and consolidation, financial services enterprises must find strategies that enable them to cost-effectively retain high-value customers and increase share of wallet. Delivering superior, personalized service is critical to both retention and revenue growth, particularly in an industry where product commoditization makes differentiation on quality service imperative for success.

All this makes cross-selling to financial services customers an important, but often poorly executed, business strategy. In fact, most financial services executives tasked with managing an efficient and profitable contact center would probably agree that basic cross-selling and up-selling strategies have failed to deliver against expectations. They would also likely agree that while they are diligently attempting to deploy cross-sell offers in a targeted and efficient way, actual sales capabilities are still built around “one-to-many” offers that most often result in customer annoyance and frustration rather than revenue.

The impact of this dichotomy on financial services enterprises is many-fold: not only are opportunities for revenue missed, operations actually become less efficient while customer frustration increases and agent satisfaction declines. This can be devastating at a time when inbound calls are more valuable to the contact center than ever before.

The solution lies in the adoption of evolving technologies that enable “dynamic selling”—the ability to link the contact center with real-time customer intelligence to deliver targeted and personalized offers. The resulting benefits will transform the customer experience, drive contact center efficiency, and accelerate business innovation toward revenue growth.

### Understanding the current state of selling in the contact center.

#### “Don’t call me, I’ll call you.”

In many places across the globe, the era of outbound telemarketing to generate new customers is fading. In the United States, the national “Do Not Call” registry has allowed customers to opt out from phone sales lists. Over 10 million American phone numbers were added to the registry in the first 72 hours of its existence, and it’s now estimated to contain over 109 million numbers—put there by educated, affluent consumers whom, ironically, represent the most desirable audience targeted by telemarketers for financial services such as credit cards, balance transfers, secured and unsecured lines of credit, mortgage refinancing and purchase loans.

Additionally, consumers now receive record-setting amounts of direct mail and e-mail, resulting in a marked decline in response rates. With over six billion credit card offers being mailed to U.S. consumers in 2005<sup>2</sup> companies are waging war in the consumer’s mailbox. Add increases in postage rates, paper, handling costs, etc., and traditional outbound marketing efforts are more expensive to engage in than ever before.

**Companies that use personalized, targeted offers to inbound callers have an average offer acceptance rate of 3%, as compared with less than 0.5% for traditional direct response offers.<sup>1</sup>**

#### The 80/20 Rule

Based on the well-known Pareto Principle, the business rule that “80% of revenues come from 20% of customers” is still resonant today. Contact centers have to move beyond basic cross-sell capabilities and engage dynamic selling strategies that handle incoming calls based on the customer’s revenue value—the proverbial “20%”. This requires the organization to:

1. The Yankee Group DecisionNote<sup>SM</sup> Trend Analysis: Using Intelligence for Inbound Marketing Opportunities, November 21, 2005.  
2. Synovate press release, “Mail Monitor<sup>®</sup> reports record six billion credit card offers mailed in U.S. during 2005”, April 27, 2006.

# Contact Center Strategy Guide

- analyze and assign a customer's value and build predictive cross-sell models in advance;
- be ready to link that information to the customer when the customer call arrives;
- be able to intelligently route high-value calls to the agent best representing the most relevant skill set; and,
- coordinate delivery of that information with a targeted offer to the agent's desktop.

So, if the value of dynamic cross-selling is so clear, why are financial services contact centers unable to enjoy this level of engagement with every high-value customer?

## Existing technologies aren't nimble.

Traditional contact center technologies make controlling offers very difficult. These components are so rigid in implementation that reprogramming call queues to respond to market opportunities, or even contact center traffic, can be time-consuming and challenging. This rigidity can sometimes be so difficult to overcome, it's not even reasonable to attempt it. The technology then effectively limits or locks down the organization's ability to make cross-selling and up-selling decisions based on real-time intelligence and market trends.

Technology can create a further barrier because a variety of computing platforms may be represented. Dynamic cross-selling requires linking a vast number of disparate systems, including phones, computers, switches, and the databases where customer information lives. Systems can sometimes be partially or wholly internally built and customized for specific departments, further limiting their ability to integrate into the contact center.

The common flaw virtually all traditional contact center technologies share is they were originally designed with a one size fits all "log-in/log-out" mentality, based on handling traditional call queues on a first-come, first-served basis to the next available agent. These capabilities only enable "one-to-many" style cross-selling strategies because they aren't based on the customer's value, but on the idea that all customers are the same. Bending these technologies to serve the requirements of personalized selling can be a daunting task.

## Customer information is stored and managed away from the contact center.

As every organization becomes more aware of the value of unlocking its silos of business information, it becomes painfully obvious that most companies are made up of "fiefdoms" of customer data stored in different ways in many different locations. This data represents a goldmine of information upon which cross-selling and up-selling offers such as credit cards, auto loans, and non-credit services can be built.

Centralizing its access and management to make it universally accessible is critical if the contact center is to evolve from basic to dynamic selling.

## Strategic decisions are made based on the wrong information.

Because existing technologies limit the ability to view sales results based on what actually happened in a call, network analytics, rather than real-time business situations, are the metrics that are often used to evaluate and plan future selling strategies. A contact center may track call handle times overall, for example, rather than looking at ways to shorten handle times for calls that represent less revenue and evaluating when to lengthen handle times for cross-selling to high-value customers. Another example may have the organization focusing on total revenue per month as a measure of agent sales performance, when a more relevant metric might be the outcome or conversion of calls considered to be high-value.

In addition to hiring and training, more than  
**50%** of benchmarked companies designate sales quotas to convert customer service staff into high-performing service/sales reps.

Source: Best Practices, LLC., 10-15-04

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## Why contact centers must adapt.

When contact centers move their focus to dynamically routing and handling calls based on customer value, a paradigm shift occurs across the entire organization. Its competitive stance is improved by its ability to deliver highly differentiated services that actually drive revenue. Operational efficiencies increase because all components are directed toward better serving customers. And customers enjoy a more satisfactory experience because contact center interactions are delivered based on what they actually need and want.

Financial services enterprises all over the world are seeing the paradigm shift and are now assigning sales quotas to their contact center staff, asking them to evolve from passive support agents to proactive sales representatives. These organizations are removing the barriers that have slowed adoption of dynamic cross-selling strategies in the past. Those that succeed will leap far ahead in capturing high-value customers and the revenue they represent.

## The Six Essential Strategies to Increase Cross-Selling and Up-Selling Revenues

The six essential strategies presented here are intended to facilitate the larger paradigm shifts necessary to bring your entire organization into alignment with dynamic cross-selling and up-selling. Embracing these strategies will help to stop customer frustration, improve business efficiencies, and increase your revenues.

### Strategy #1:

#### Deliver your best service to your highest-value customers.

Delivering excellent service to the customer that represents your highest potential revenue goes well beyond putting your agents on their best behavior. It involves planning for and applying the steps outlined here:

1. Identify your best customers.
2. Handle their calls differently.
3. Be ready to act when opportunity knocks.

For example:

*A customer enters their account or some other identifying number when they first interact with the call queue. The contact center system immediately recognizes that this customer is of high-value. (This can be based on the customer's income, account history, the type of product or service they currently have—whatever meets the unique criteria of your business.) This system takes the customer out of the “first-come, first-served” queue they started in and places them into a specific high-value queue. Concurrently, the system searches for an available agent that also has the right skill set to take advantage of this particular selling opportunity. With a minimum of waiting, the customer is connected with the live agent best prepared to turn a routine service call into revenue.*

The keys to making this kind of dynamic selling possible are two powerful capabilities: data-driven routing and intelligent business routing. Data-driven routing uses customer information to intelligently direct calls within the system, and then attaches that data for delivery to the agent's desktop. This will prepare the agent with the customer's identity

# Contact Center Strategy Guide

and the reason they are calling. Intelligent business routing then matches the caller's specific needs and profile with the right agent, ensuring an optimal customer experience and maximizing the value realized from every interaction. Figure 1 demonstrates the excessive costs contact centers can encounter when attempting to deliver the same level of service to every customer. Figure 2, however, illustrates the reduction in costs that personalized selling provides, along with the increase in revenue potential.

## Be ready.

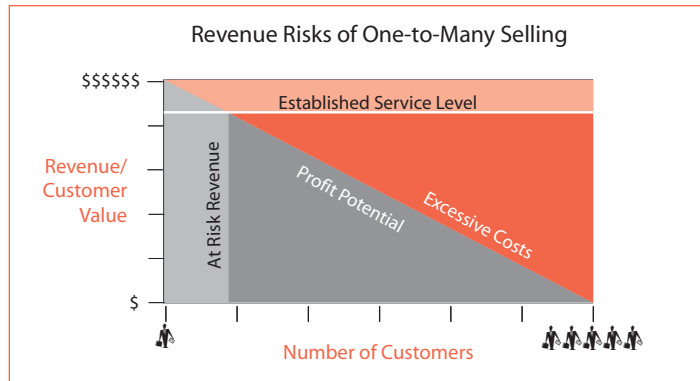
Successful financial services contact centers make it a priority to centralize access to data and apply the analytics required to profile customers based on behavior, profit potential, product or service type, or any other relevant criteria. The result is a series of statistical models that can then be consulted in real-time to intelligently route high-value calls. Having the back-end analysis of value complete *before* the customer calls gives you the ability to serve the specific needs of high-value customers the moment they enter your call queue.

## Strategy #2:

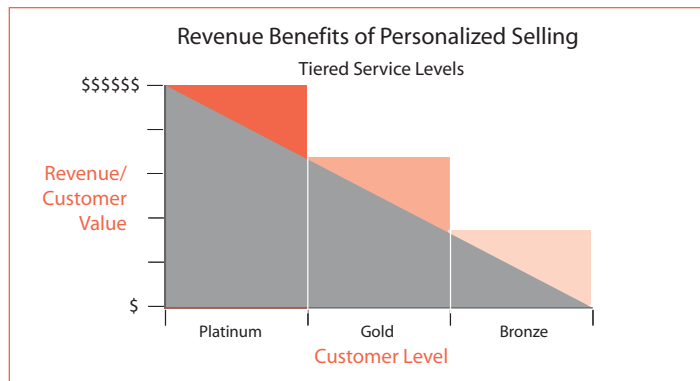
### Link inbound channels with business analytics and customer databases.

Once your customer analysis is complete and your statistical models are in place, you must apply the technologies required to link these models and your customer database to your inbound channels. While obviously including phone calls, with the growing Internet banking trend your system must also be prepared to link inbound communications via e-mail and web forms, and even payment systems. This gives the system the most relevant information upon which to base call routing. In some cases, these may be disparate systems living in unique computing environments, but the imperative to link them together is high.

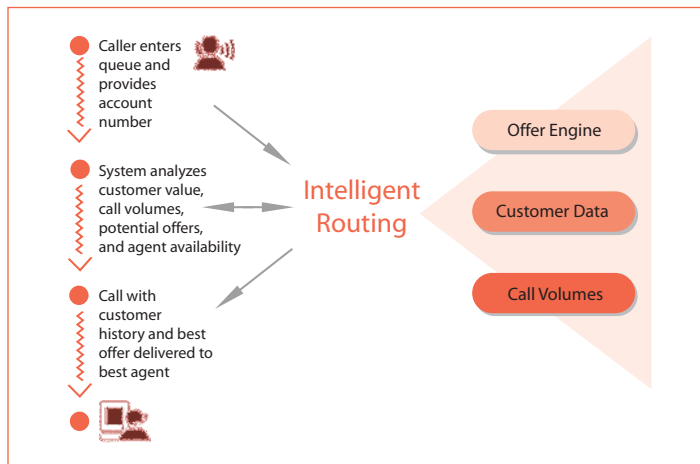
Linking multiple incoming channels with customer databases enables the customer's complete account and contact history to be delivered to the agent's desktop via a pop-up window. This is critical to reducing the likelihood that the customer will be asked to repeat any information or account numbers—the number one source of customer frustration. It allows the agent to rapidly solve the original service issue or inquiry, create a favorable impression, and quickly move the conversation into a selling environment.



**Figure 1:** One-to-many offers assume a service level that is the same for all customers. Costs increase while profit potentials decrease.



**Figure 2:** Personalized selling based on customer value increases cost efficiencies while capturing higher revenues.



**Figure 3:** Intelligent call routing uses customer data to link personalized offers with the best agent to close the sale.

# Contact Center Strategy Guide

Bringing your statistical models into the process enables the system to further target the experience by suggesting relevant offers for this particular customer (Figure 3). This “offer engine” makes the most of the customer’s most recent data by comparing it to the list of currently available offers and analyzing how they match with offer profiles. The system can then present sales scripts for the targeted products and services within the agent’s display.

## **Make business decisions based on real-time intelligence in real time.**

Creating predictive models, centralizing customer databases, and linking them to inbound channels requires solutions that work across disparate systems, but the effort to make these connections happen will provide a significant return in customer satisfaction, operational efficiency, and revenue generation.

## **Strategy #3:**

### **Match callers and cross-sell opportunities to the best agent.**

One of the most valuable benefits enabled by linking inbound channels with customer data is the ability to intimately understand your customer’s sales preferences. As discussed in Essential Strategy #2, it allows you to personalize offers based on their history. However, it also enables you to apply an even more potent strategy: the ability to increase success rates by intelligently matching the caller and the offer with the agent best suited to close the sale.

#### **Linking Inbound Channels for Intelligent Routing: America First Credit Union**

Founded in 1939 and headquartered in Riverdale, Utah, America First Credit Union serves more than 340,000 members and represents assets of over \$2.7 billion. In 2003, rapid growth in membership taxed the resources of its 200-agent call center. Staffed by representatives taking up to 4,000 calls a day, the call center’s reporting capabilities were rudimentary at best. America First had no way to forecast call volumes, match customer data to IVR inputs, or take advantage of cross-selling opportunities.

The credit union embarked on a phased approach to apply data-driven and intelligent business routing capabilities to its inbound calls, enabling them to attach a “cradle-to-grave” stream of data to the call as it was routed through the system.

When a customer service call comes into America First today, members routed for agent assistance are asked for their account and PIN numbers. Data-driven routing of the call is then applied: the system integrates with and scans customer data from America First’s CRM solution, selects the appropriate agent based on the member’s value and account history, then intelligently delivers the call to the selected agent while pushing potential cross-sell offers and a history of all transactions in the past 120 days to the agent’s desktop.

America First’s investment in a solution with centralized reporting features now enables them to track data and uncover trends that drive greater operational efficiencies across the board. Staffing decisions are now made based on predictive call volumes, hold times have decreased, and cross-selling rates have improved with the introduction of more targeted offers.

Identifying your best agents is a process that echoes Pareto’s Principle once again—who are the top 20% of your agents that are responsible for generating the highest percentage of your revenue? These are the agents you want to spend your valuable time training in preparation for linking them to your high-value customers.

And it doesn’t stop there. Once this premier tier of agents has been identified, you must be prepared to move on to evaluate more subtle agent qualities that can make or break your sales quotas. For example:

- Do your customers respond more favorably if the agent has the same native language or local dialect?
- Are agents of one gender more successful at selling to portions of your audience than the other?
- If an agent can be conversant about activities or events that are local to the customer, does it impact response?

Your system must be able to deliver this level of visibility into your call results. Using this intelligence to increase the opportunity of a successful sale on a high-value call is essential to reaping the revenue benefits of dynamic cross-selling.

## **Take advantage of every opportunity for cross-selling success.**

Maximize your ability to extract the most from high-value customers by getting them to the right agent to implement the sale. Program your business rules to account for such variables as gender, language, and geography. With the right agent selected, be certain your push of customer data and product offers to the agent’s desktop includes sales

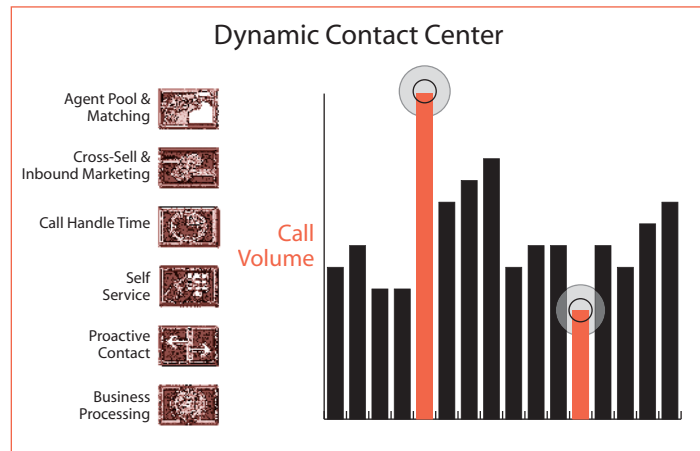
# Contact Center Strategy Guide

scripts that can be consulted and utilized as the situation requires.

## Strategy #4: Set business rules to automatically respond to changes.

The advantage of dynamic selling is that it provides much more in-depth information upon which business rules can be established. This kind of ability enables the design of rules that can create real process efficiencies and drive operational costs down by keeping your execution nimble. For this reason, it's critical that you be able to apply your business rules to automatically respond to the changing contact center environment.

Staying responsive requires your system to intelligently evaluate current call volumes and wait times and automatically tweak selling activities to maximize overall efficiency. As illustrated in Figure 4, when volumes are high and handle times need to be shorter, the system can recognize the volume increase and automatically turn off cross-sell offers. As volumes shift, the system will adjust and enable a layer of cross-selling that is best for those conditions. When volumes are low, the system can compensate by routing more customers into selling situations. Because the system automatically looks for and responds to these rules, the contact center is in a constant state of optimum use.



**Figure 4:** The dynamic contact center intelligently evaluates current call volumes, wait times, available offers, etc., and adjusts selling activities to maximize overall efficiency.

## Engage in cross-selling when your call volume allows it.

The ability to automatically respond to the changing environment is critical to creating process efficiencies that save money. Not only can you flexibly apply very advanced data customizations around offers, geographies, services, etc., it's an essential component in keeping satisfaction high by avoiding selling when call volumes could impact your customer service levels.

## Strategy #5: Rapidly apply new business rules to respond to evolving market strategies.

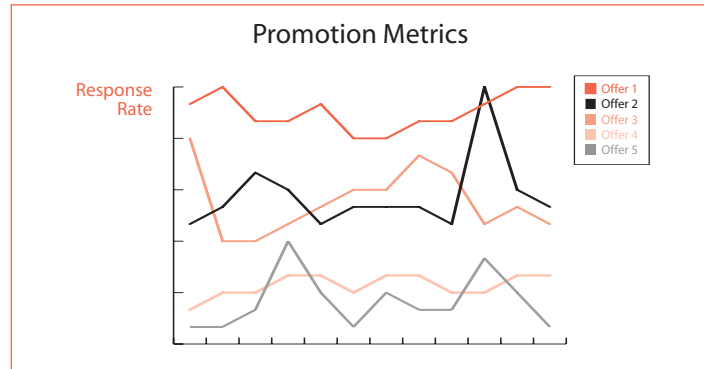
Hand in hand with keeping your contact center responsive to call volume and environmental changes on a real-time basis, true competitive ability requires being able to tune and apply refinements to your business rules and selling mechanisms as the market and competitive landscape changes. This means committing to technologies that let you start and stop campaigns easily, and that allow fast reprogramming of business rules to respond to competitive changes in your market.

## Deploy, track, analyze, and refine.

At all times, you must be prepared to respond to competitive threats by rapidly implementing new promotions that keep you competitive. Engaging in regular tracking and analysis of offers, such as those tracked in Figure 5 on the next page, as well as the performance of your entire system, will give you the information you need to keep your offers fresh and in alignment with your products and services on a real-time basis. It's critical that you stay ready to fine-tune cross-sell programs to respond to new

# Contact Center Strategy Guide

**Figure 5:**  
Real-time reporting  
enables effective  
management of offers  
based on response  
rates over time.



information, and keep data profiling and routing rules responsive to customer behaviors.

## **Strategy #6:** **Keep your technology nimble and your systems agnostic.**

Keeping your solution cost-effective requires leveraging existing investments in equipment and database architectures. Any new technologies that you bring on must not only integrate with the widest variety of equipment, software, and components, they must remain easily extensible and scalable in the future. This requires you to identify call center software that is built on open platforms. Software applications that are hardware or vendor dependent may lock you into a system that won't offer the nimbleness required to adapt to and take advantage of inevitable market changes.

Look at it this way: the technologies that enable dynamic cross-selling and up-selling have only recently evolved, and obviously these evolutions will continue. Make sure you keep the doors open for future technologies by planning for extensions to your existing resources, and you won't get stuck with depreciating capital investments on outmoded equipment.

### **Stay responsive and cost-efficient.**

Leverage existing resources with platform agnostic software solutions that enable the links between hardware and databases. The result will be a dynamic selling solution that increases business efficiencies while delivering a lower Total Cost of Ownership.

## **Realizing the Benefits of Dynamic Cross-Selling and Up-Selling**

The primary benefit of adopting these six essential strategies is in focusing the contact center organization—people, process, and technology—around the value of the customer relationship. Dynamic selling transforms the customer experience from a routine, sometimes frustrating phone call to a thoughtful sales experience. It links a vast quantity of hardware, software, information, and processes into a unified and cost-efficient whole. And it accelerates business innovation by enabling advanced cross-selling and up-selling opportunities that focus on revenue growth, leveraging existing investments to deliver dramatic results.

### **Stop customer frustration, drive contact center efficiency, and accelerate business innovation.**

Financial services organizations no longer need to be asked to trade excellent customer experiences for operational efficiencies or the creation of new revenue streams. Dynamic selling is now well within reach of every contact center that wishes to leverage these essential strategies to stay competitive and profitable.

## About Genesys Telecommunications Laboratories, Inc.

Genesys, an Alcatel-Lucent company, is the only company that focuses 100% on software to manage customer interactions over the phone, web and in e-mail. The Genesys software suite dynamically connects customers with the right resources – self-service or assisted-service – to fulfill customer requests, optimize customer care goals and efficiently use resources. Genesys software directs more than 100 million customer interactions every day for more than 3,500 companies and government agencies in 80 countries. These companies and agencies can leverage their entire organization, from the contact center to the back office, to improve the overall customer experience. As a result, Genesys helps stop customer frustration, drive efficiency, and accelerate business innovation. For more information, go to [www.genesyslab.com](http://www.genesyslab.com) or visit the industry blog at [www.betterinteractions.com](http://www.betterinteractions.com).



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To learn more about Genesys solutions, please visit [www.genesyslab.com](http://www.genesyslab.com)