

EBOOK

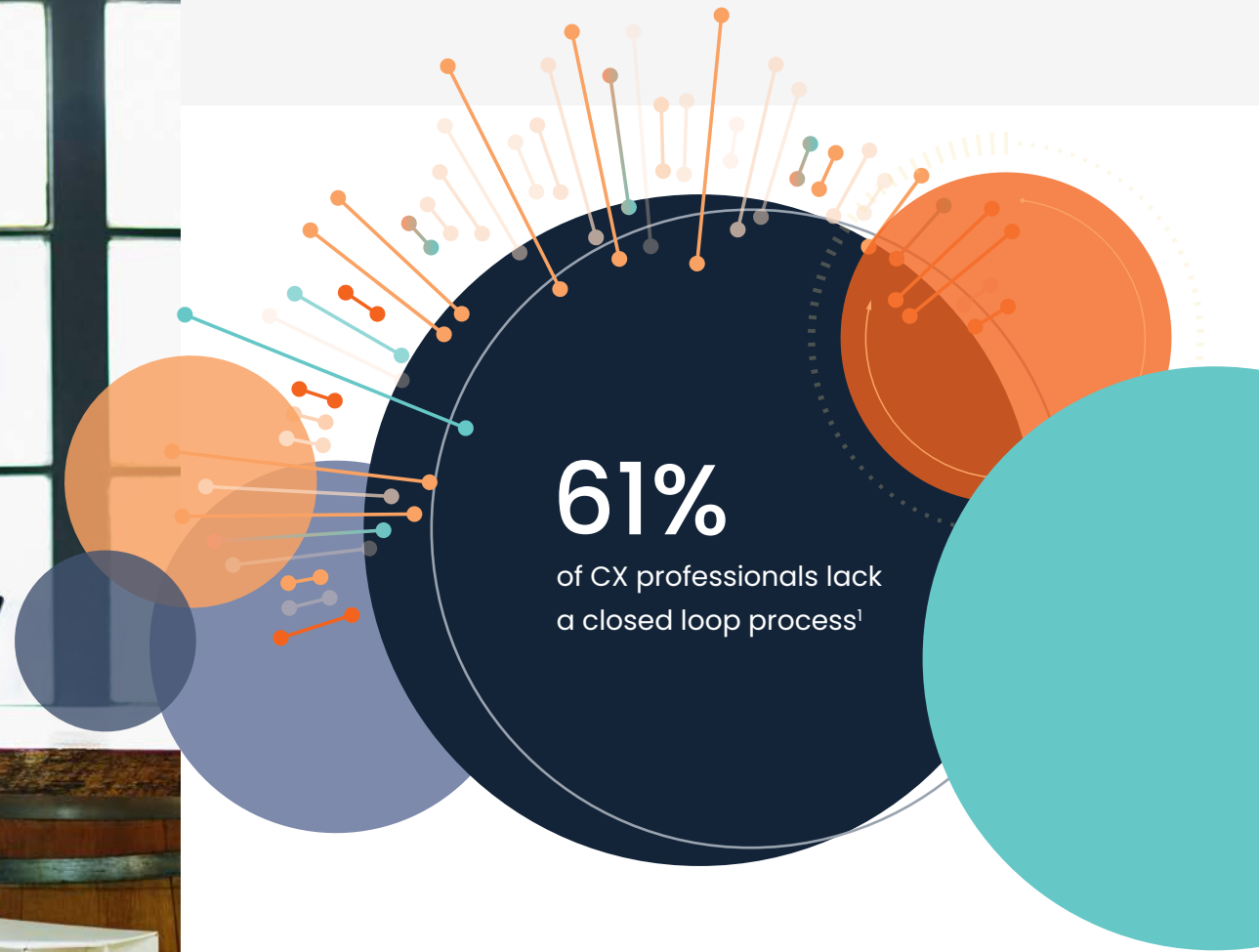
# CX Capability Spotlight: Closed Loop 2.0



stratifyd



Bridging the gap between insights and action is repeatedly cited as one of the top challenges that CX teams face. For most companies, turning insights into actions feels like a daunting process that requires making huge strategic shifts, like product changes or updates to the tech stack. But there's actually a smaller initiative that has a proven, significant impact on customer retention: Closed loop processes.



1. Forrester. "The Case For Closing The Customer Feedback Loop." April 11, 2022.

## What is “closed loop?”

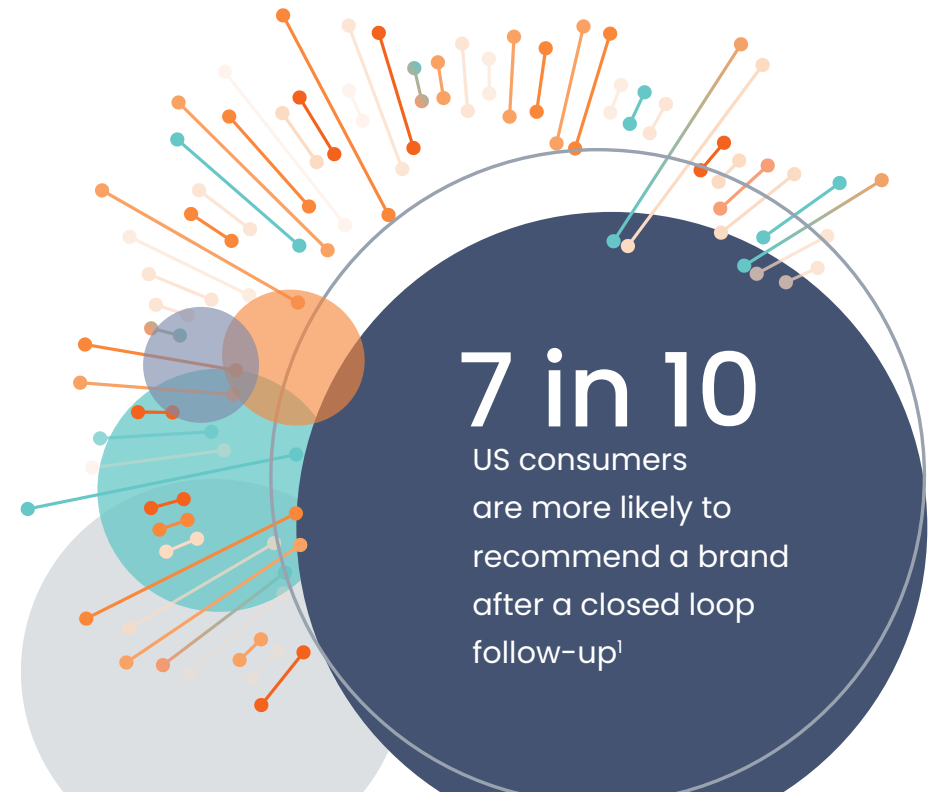
“Closed loop” is the process by which CX teams leverage insights to take follow-up actions after contact with customers; these actions can run the gamut from sending a simple, personalized email to resolve a complaint to sending the customer a gift. In addition to one-on-one closed loop programs, companies will often take customer feedback to make changes to things like product messaging or contact center scripts to improve the experience for all customers moving forward.

## Why does it matter?

According to Forrester Research, closed loop processes can have significant impacts on a business, notably resulting in a 35% increase in revenue and 8% decrease in customer churn.<sup>1</sup> Customers seek to do business with companies they feel care about them and their needs, with 7 in 10 US consumers stating that they’re more likely to recommend a brand after a closed loop follow-up.<sup>1</sup> Companies without a solid closed loop process simply aren’t able to build the customer loyalty and experiences critical to surviving in today’s marketplace.

## What’s considered a “best-in-class” closed loop process?


Although customers today do expect companies to conduct follow-up, their expectations are surprisingly reasonable. For example, customers believe that follow-up within three days is an acceptable baseline. And although pet e-retailer, Chewy, sets a gold standard for closed loop done right by sending personalized notes to customers – along with flowers to express condolences when customers lose their pets – most consumers are happy just to know that their concerns are heard. It’s most important that a business incorporates a closed loop process that’s scalable and consistent; plan to play the long game to build trust and relationships with customers, rather than go big with a program that’s not sustainable.






## What are the challenges in implementing a closed loop process?

Organizations are heavily reliant on survey data – to their own detriment. Although only 16% of CX leaders believe that surveys enable them to identify the root causes of customer issues, a whopping 90% of closed loop programs are based only on survey and social media data.<sup>2</sup> When you consider that contact center calls and chats account for more than 95% of all voice-of-customer data volume in most companies, it's easy to understand why most leaders don't find much ROI in their closed loop processes: They're leaving way too much valuable customer information on the table. What's more, much of the data that companies do have is fragmented and difficult to access. Without a full picture of the customer experience, it's almost impossible to holistically and accurately measure the customer experience, and – consequently – to develop strategies to for improved customer feedback management.

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 **90%** of closed loop programs are based only on survey and social media data<sup>2</sup>

2. Forrester. "The State of VoC and CX Measurement Practices, 2022." December 28, 2022.

3. McKinsey & Company. "Prediction: The future of CX." February 21, 2021.

4. Based on industry estimates conducted by Stratifyd.



## How does Stratifyd's Connected intelligence improve the closed loop process for organizations?

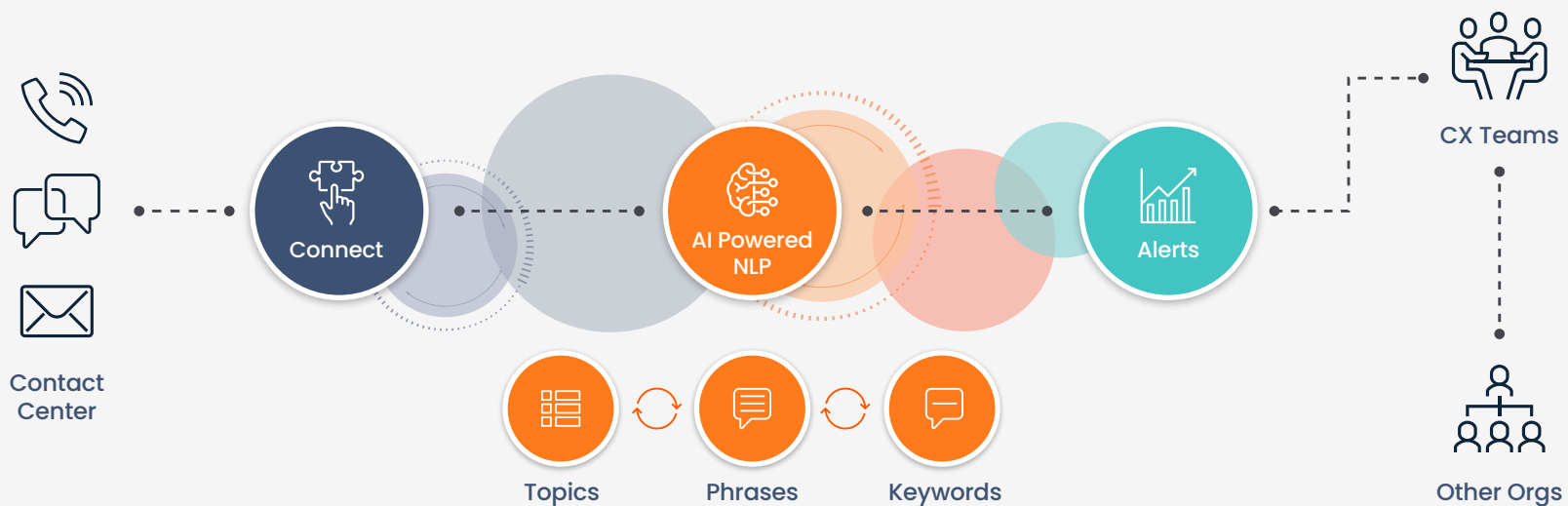
Stratifyd empowers organizations to bridge the gap between insights and actions by ingesting all structured and unstructured data for a holistic analysis that applies both supervised and unsupervised learning. From there, stakeholders receive in-app alerts and messages to prompt follow-up and take action on interactions and trending issues that require immediate attention.

Additionally, Stratifyd provides a single-source-of-truth for organizations seeking to eliminate the data sprawl that plagues businesses. Via an easy-to-use platform and best-in-class reporting capabilities, business units across an enterprise – including marketing, operations, and customer experience – have access to company-wide insights to drive better corporate decisioning at every level.

### BENEFITS:

- Analyze all available data in one place to capture the actionable insights that surveys are missing
- Find emerging themes weeks before they show up in surveys
- Identify actionable CX issues that contact center analytics regularly miss
- Leverage AI to automatically surface the most actionable intelligence
- Train existing contact center rules to improve accuracy by more than 50%

## Unlocking contact center intelligence with Stratifyd



CASE STUDIES

# Closed loop 2.0 in action





CLOSED LOOP 2.0 IN ACTION

## Digital experience

Resolving impact to a critical customer touchpoint

Customers sought help in chat for an error preventing them from using online bill pay in the mobile app.

### Existing business perspective



Contact center missed it because their rules didn't include the unique error messaging; digital ops hadn't built monitoring capabilities for the error.

### Result with Stratifyd



Digital ops quickly fixed the error within 24 hours of Stratifyd flagging the issue.

**New monitoring processes were implemented that enabled the contact center to proactively identify it in the future.**



CLOSED LOOP 2.0 IN ACTION

# Operations

## Addressing unexpected impacts of process change

A subscription-based retailer experienced customer churn because the return process for a new program took too long, creating lags in refunds of hundreds of dollars per transaction.

### Existing business perspective



Contact center only tracked “return” at a high-level with no granularity, so the product team was unaware of the rapidly escalating issue.

### Result with Stratifyd



Product team caught the churn issue early with Stratifyd and was able to implement a process to provide customers with earlier refunds for returns.

**The organization estimated that this change contributed to an ROI equal to 2-3x the investment in Stratifyd.**





CLOSED LOOP 2.0 IN ACTION

# Customer journey design

## Identifying friction in customer onboarding

New checking account customers with a large financial institution weren't funding their accounts without first receiving debit cards, but the process required an account be funded before a debit card was mailed.

### Existing business perspective



Product, marketing and CX knew that 50% of new customers weren't funding their accounts, but could not determine why.

### Result with Stratifyd



Once Stratifyd flagged the disconnect, messaging for agents and in digital channels was updated to clarify the process, ensuring that customers understood the need to fund accounts. Debit card shipping was also expedited to reduce the number of unfunded accounts.

**These changes resulted in recapturing millions of dollars in lost revenue.**



CLOSED LOOP 2.0 IN ACTION

## Marketing campaign

Proactively addressing revenue at risk

Around 20% of new customers eligible for a business' bonus incentive program contacted customer service via phone and chat expressing confusion over how to qualify.

### Existing business perspective



Marketing lacked visibility into the issue and the contact center didn't notice the problem because it wasn't listed as a call topic.

### Result with Stratifyd



Insights obtained via Stratifyd drove further research that revealed 50% of new customers were unaware of qualifications for the incentive program. Marketing adjusted the campaign messaging and content for agents.


**This enabled the organization to avoid missing half of the campaign's revenue opportunity.**


Want To Learn More?





Drop us a line at [hello@stratifyd.com](mailto:hello@stratifyd.com)  
or visit [www.stratifyd.com](http://www.stratifyd.com)



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### About Stratifyd

Stratifyd's connected intelligence solution bridges the gap between insights and outcomes through a powerful engine that unifies all structured and unstructured data sources, surfaces hidden themes, and provides actionable intel. Unlike competing solutions, Stratifyd leverages augmented intelligence to apply AI analysis, enabling users to identify the "unknown unknowns" buried within their data. Fortune 500 companies worldwide turn to Stratifyd to optimize medical insights, customer intelligence, brand management, and contact center, product, and employee experiences. To learn more, visit [www.stratifyd.com](http://www.stratifyd.com).