

## REAL WORLD CASE 4

# Continental Airlines: This Call Is Being Monitored

If you've ever placed a call to any big company's customer service department, you've heard the caveat: "This call may be monitored for quality assurance purposes." But is anyone really listening? Someone is—or at least the computers are—at Continental Airlines.

Building customer loyalty has become crucial in the beleaguered airline industry—which is why Continental enlisted the help of Witness Systems, whose call-center software does more than eavesdrop: It records conversations and captures every keystroke, so managers know whether the right actions were taken. And because the exchanges reveal what customers really want, Continental is also mining the data to help craft marketing plans and shape overall strategy. Fortunately for Witness, which saw its revenues jump 60 percent to \$108 million in 2003, that trend is catching on: 53 percent of its clients are now using such data beyond the call center.

Before the software was installed in 2001, Continental's agents were unable to resolve about 6 percent of the 60 million calls they fielded annually. Instead, these problems were routed to an internal help desk. The Witness data revealed that some agents "weren't attempting to look up the answers on their own," says Andre Harris, director of reservations training and quality. New standards were put in place, and within a year, nearly 20 percent fewer calls were being sent to the help desk, saving the company \$1 million. In addition, customer satisfaction rose by 10 percent and e-ticket sales increased by 8 percent.

Harris soon realized that the data could be a treasure trove for marketing and service operations too. "We thought we were just replacing tape recorders," she says, "but it dawned on us that we could use this system to drive business decisions." Now, if enough calls come in on one topic, Continental can respond. For instance, when the company learned that as many as 14 percent of customers were reconfirming flights, it ran a notice in its in-flight magazine to assure fliers that such calls were unnecessary.

To make the call monitoring more effective, Continental added CallMiner, a labor-saving Witness program that automatically transcribes conversations into text. "It gives me more time to analyze the data," Harris says, "rather than just collect it."

Tying speech systems to mainstream corporate IT systems, and the use of Internet-based voice systems such as Voice over IP (VoIP), are making it easier to mine databases

of voice records, much as companies have mined other customer records for years. IVR analysis tools usually can keep track of and report on a caller's choices based on which menu paths the caller has taken. But CallMiner and a few other tools can go into the voice record and look for specific words or word combinations. Continental recorded a sample of its 5 million monthly calls and then used CallMiner to turn the dialogues into text and mine it for certain things. In so doing, it discovered that about 10 percent of the calls contain the actual word *reconfirm*.

Calls to reconfirm a flight are "quite frankly, low-value calls," says Harris. She says she used the CallMiner analysis to justify the deployment of a new IVR system just for flight confirmations.

Continental currently has eight people listening to samples of calls in order to manually prepare a "call-mix report," which is used for analytical purposes by marketers and business planners at the airline. "The pilot test [of CallMiner] helped me realize very quickly that I can do this with one person instead of eight," she says.

And do it better. From the manually prepared call-mix report, Continental could see that it makes a sale on only half of all calls, but it couldn't tell why sales were lost. Telephone agents do try to elicit the reasons, and soon automated call mining will enable the airline to analyze callers' responses, Harris says. It may also save passengers some money the next time they book a Continental flight.

### Case Study Questions

1. What are the business benefits of the CallMiner system? Provide some additional examples beyond those discussed in the case.
2. How can new technologies like CallMiner help companies improve their customer service and gain a competitive edge in the marketplace? Explain.
3. Andre Harris refers to calls to reconfirm a flight as "quite frankly, low-value calls." Why are they classified as low value? Why do you think so many customers are placing such calls?

Source: Adapted from Bridget Finn, "This Call Is Being Monitored," *Business 2.0*, June 16, 2004. Copyright © 2004 by Time, Inc. All rights reserved.