

### Guide

## An Introduction to Voice of the Customer (VoC) for Mobile Apps

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# A dive into Voice of the Customer (VoC)

#### The expression of product experience



The success or failure of any business depends on its ability to understand its customers — building a product that reflects their needs and finding the right messaging for marketing to attract users with the highest intent. The implementation and use of a Voice of the Customer program helps you do this: collect, segment, and analyze actionable user feedback in a way that's easy to take action on.

However, according to research, though many companies (95%) say they regularly listen to customers and often ask for feedback (84%), only 29% incorporate what they learn into their strategies and roadmaps. What's more, 75% have little confidence that their VoC program is effective in driving decisions.

Why is there a disparity between listening to the customer and getting value from it? The reasons are multifactorial but are mainly about the fundamentals, such as companies implementing a VoC program without knowing what they want to find out about their customers in the first place.

The app market is incredibly competitive — to stay ahead of the game, it's integral that app companies iterate quickly, using customer feedback to help them make these decisions correctly.

With consumers spending more on purchases through mobile, apps across industries need to be looking to improve the customer experience, which is a driver for continued or increased spending. Take this <u>study</u> as evidence for the above — it found that **customers who are highly engaged spend 90% more frequently than unengaged customers and spend 60% more per transaction, with 3 times the annual value of other customers.** 

But to enable this outcome, you need to understand what makes your customers tick and how they feel. This can be discovered through Voice of the Customer (VoC), as you will learn in this guide.

By the time you reach the end, you'll hopefully understand:

- » the value of VoC for mobile apps
- » the steps you can take to implement a solid VoC program
- » VoC best practices
- » the strengths of AppFollow's VoC tool

But first, let's start with the basics...

## How do you define Voice of the Customer?

The best way to understand the Voice of the Customer is to see it as a process of listening to and collecting user feedback. Think of **user feedback as the oxygen to your Voice of the Customer program**. By harnessing VoC, you can build a better app and develop long-term relationships with your customers. At its core, using Voice of the Customer is a brand-building exercise that cultivates consistent growth.



## What are the different types of VoC?

In order for Voice of the Customer insights to accurately reflect how your customers think and feel, you must collect a variety of qualitative and quantitative data. Some businesses may be inclined to put all their eggs into the quantitative basket, but this would be a mistake.

Quantitative VoC helps 'validate' insights, but it does not generate insights, as there's no context or description to the data. You must start by collecting qualitative VoC data and then see if this matches up with the quantitative customer data. What you choose as your data source is highly dependent on where your users are active and what kind of business you have.

# Why is Voice of the Customer so important for apps today?

Consumers today have two expectations for apps today: a good customer experience and something that effectively meets their needs most conveniently. With so much choice on the app stores, they don't need to wait for a current provider to improve.

So with that in mind, for your team to meet this expected quality, every customer interaction or engagement with the product **provides valuable information on the end user** — whether for marketing messaging, the support process, or the product onboarding/experience. The purpose of any strategy in a business is ultimately to gain revenue. The people providing that are obviously the customers, so knowing what they want is crucial to the purpose.

With the plethora of platforms and channels businesses use today, it's not hard to find data — but actually understanding and working out how to take action on it is another thing altogether.

A **Voice of the Customer** program **allows you to translate customer feedback** — both positive and negative — **into actionable insights**. In order to make a best-of-class app, you need to see what's working and what's not when applied to real-life use cases, and this is what a VoC program can provide when used correctly.

Without VoC, a company is doing a lot of guesswork and misses those chances to deepen the loyalty of a happy customer or turn it around for a disappointed one. They're also left without those nuggets of feedback that they can use to provide a better customer experience, strengthen their marketing messaging, or build out a product roadmap with accurate user stories.

"We see our customers as invited guests to a party, and we are the hosts. It's our job every day to make every important aspect of the customer experience a little bit better."

- Jeff Bezos





# 5 key benefits of Voice of the Customer programs

Before you invest in a VoC program, you need to understand the benefits and competitive advantages it can provide your business. A comprehensive program would allow you to:

2 Conduct an analysis of competitors' VoC

Save time and improve supports' efficiency

Improve customer retention & build loyalty

Contribute to marketing campaigns

## The Voice of the Customer process -

what does it look like?



The best place to find customer insights for apps is the review section of the app stores. Divide the reviews up with tags and collect them in separate sheets for each type of feedback (feature requests, bug reports, trouble using something, billing issues, UX problems...).



Look for actionable insights. This is any information that you don't yet know about your product or customer experience. Share them with the relevant teams so that they can set priorities and plan a strategy.



New feature or marketing messaging built in response to VoC insights is released.

Customer support and analysts are informed beforehand of such releases so they can prepare to monitor and engage with a spike in reviews or tickets as result of the releases.

User Persona

640



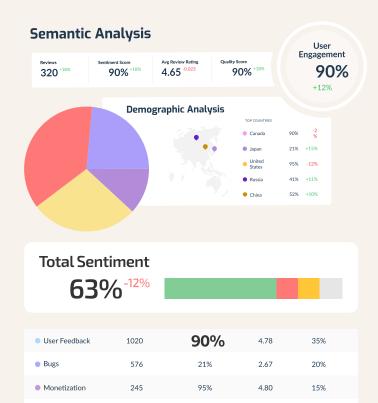
Teams across the business must continuously monitor relevant metrics to see how users or prospective customers are responding to your new campaigns or product features. Lay out what's working and what's not for further analysis. If desired impact has not been achieved, iterate accordingly.

#### **Discovering VoC**

In order to take action on the Voice of the Customer, you first need to know where to find it. This requires implementing the correct infrastructure so you can locate and listen to these insights.

For mobile apps, a rich source for Voice of the Customer is the reviews section on the app stores. They include insights such as general comments about the experience, account and onboarding complaints, anything about payment or price, bugs & crashes, as well as user requests.

To properly collect and analyze these insights from reviews, a VoC tool that enables you to categorize reviews by topics is required. **AppFollow's Semantic analysis automatically categorizes reviews for you** via Semantic tagging, which can be done for both old reviews and new ones as they come in.



41%

4.21

#### **Analyzing user insights**

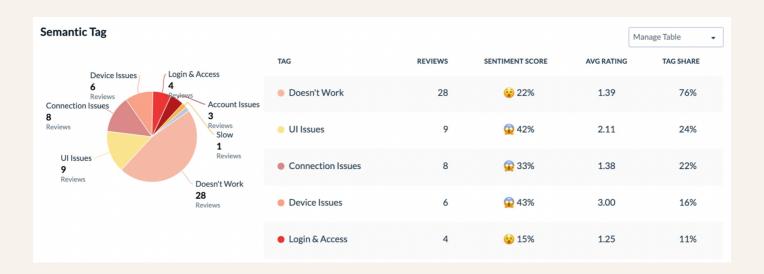
Once you start collecting user feedback from reviews, it's time to analyze them and understand what they're indicating you should do next. You need to look at what you've found in discovery at a granular and macro level.

The granular part of the analysis means breaking down the insights even further - the particular type of information & frequency. With AppFollow's Semantic analysis, **Voice of the Customer from reviews are segmented across topics through tagging**. These areas comprise Bugs, User Feedback, Monetization, and Report a Concern.

By clicking on one of the topics from the AppFollow platform, your analysis can go deeper.

For example, the image below shows how the 'bug' topic section is broken down. The table and chart present how many reviews mention particular topics on product performance, which would be useful for a product team — from device issues to complaints about the UI. It provides information on the user sentiment for each topic, the average rating provided with those reviews, and the topic's percentage share of total tagged reviews.

This will help the business work out where to take the product roadmap, how to formulate marketing messaging, and what in the customer experience needs work.



#### Taking action on the insights

Now you've got categorized, actionable data, it's time to do the work on implementing change. Export the categorized VoC insights and send them to the suitable part of the business — whether that be a particular role or team. Customer-facing teams can help both in prioritizing how, and when, VoC insights should be addressed or resolved. This requires those teams to incorporate a structure that supports this collaboration.

One way to do this is using a **cross-team ticket weighting system**. This works by collecting all reviews with a particular tag and setting priorities for relevant stakeholders based on their frequency in reviews. Let's say all of a sudden a spike in reviews comes in about a particular bug.

This spike will increase the weight of the 'bug' tag in the ticket system, which will subsequently notify other teams that it's become a high priority and something they need to put resources into fixing.

With this in mind, for a VoC program to work effectively, teams should avoid working in silos. Contribution to product development and marketing can come from people across the organization. Customer support can complement product and marketing efforts, as they are always speaking with the customer and know them best. For example, Gram Games reported their success in crowdsourcing new customercentric ideas by opening the door to support agents, who could submit feature requests and customer feedback they'd heard while dealing with customers.

## Monitor the response & iterate accordingly

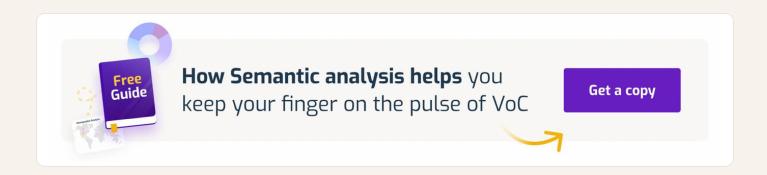
You need to constantly monitor VoC after releasing a new feature or launching a marketing campaign with new messages. Has the feature improved the product experience? Has the bug been fixed? Was there a boost in user acquisition? You can only find answers to these by tracking the right metrics and keeping tabs on app reviews.

Consider this case: an app releases a new version that includes a variety of fixes, new features, and content. It has a large, engaged user base who are known to leave a flurry of new reviews after a release.

It's vital that the customer support team has their finger on the pulse of user activity and share any reviews which discuss the new version to the relevant stakeholders. The insights segmented by topic via review tag & ticket categorization makes it easy for the product team to know how users feel about the features and the fixes and quickly identify any other issues that emerge.

A key VoC metric to keep an eye on is user sentiment and how, or if, it changes in the timeframe from the release of the new version. You can effectively track this using AppFollow's Sentiment analysis.





# How a Voice of the Customer program develops over time in a business



The initial step of launching a VoC program can last a few months and often happens when the business becomes aware of a gap in understanding customer needs or a sudden change of app usage/user behavior.

After a year of getting everything up and running and garnering some initial learnings about the user base, it's not unusual for the VoC program to expand — going from being controlled by one or two individuals to a dedicated team managing it.

You'll want to consider a few things before expanding the program:

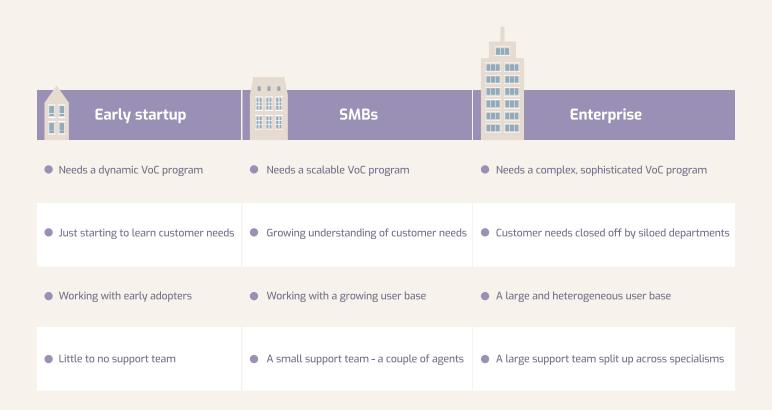
- » How ready is your business to commit a whole team?
- » How do you measure the effectiveness of the program?
- » Where should the program sit, and where in the business will it need to serve?

After a number of years, your business might be at the point with the program where it's almost part of the fabric of how every team works and makes decisions. It influences company OKRs and strategic planning all the way up to the executive level.

The dedicated team running the program has evolved and is now a large, departmentalized group of experts and specialists with a large budget. At this point, you may even have hired a VoC Executive or Head of Customer Experience.

**NPS, CSAT, Retention Rate**, and **Advocacy** are indicators of program success at this point. Of course, from a less measurable standpoint, a measure of success is how much VoC permeates across the business.

# How does Voice of the Customer differ according to company size?



The requirements and makeup of a Voice of the Customer program may depend on the size and maturity of the company. How a VoC program will work in an enterprise with a half dozen departments, a large and diverse user base, and a support team with numerous agents, will differ quite significantly from a startup with only a small team in the whole company, no departments, and working with early adopters.

It's also important to note that company size doesn't always determine the requirements a company will have for a VoC program. For instance, an enterprise may have just determined it has a gap in knowledge about customer needs but isn't ready for a complex program.

Perhaps an SMB may already have a large user base which requires a sophisticated program. An early startup may already understand current customer needs. Furthermore, an enterprise may have a department responsible for a new product or app, which works as a separate entity like a startup.

This is why it's preferable that the makeup of a VoC program be determined by the maturity of the company or app on a case-by-case basis rather than relying on its size to make a decision. But this table helps visualize differences in the application of a VoC program.







#### Voice of the Customer for Startups

Startups are by definition new to the market and often work with finite human resources. This means that either they figure out how to meet customer needs better than others in the market or die trying. This precarious position requires close watching of new adopters of the product and what they think about their experience to make quick decisions on improvements.

The speed at which startups grow and the pivots they'll need to make along the way requires a dynamic voice of the customer program, which is adaptable to such changes. In order for them to keep traveling in the right direction, the startup needs to stay customer-oriented. A VoC program will ensure that changes are made based on customer needs over team vanity.

#### Voice of the Customer for SMBs

As the user base grows and a company's structure branches out and becomes more intricate, there will be a new challenge of keeping the company focused on the customer. There's a risk of customer insights getting trapped within the support team and rarely shared across the business. At the point of reaching nearly 100 employees, there will be cliques made up of departments, each with its own way of working and analyzing data.

A VoC program needs to be scalable with the growing pains of SMBs and become the glue for departmental alignment, providing the same customer feedback and customer research across the business in the same way. For example, you want the marketing team to be optimizing the product pages on the stores and using messaging that accurately reflects what customer-facing teams know the user base is talking about in the channels. Similarly, the product team needs to act on the same feedback as support so that support agents are aligned on what is getting fixed so they can offer proper support.

#### Voice of the Customer for Enterprises

Enterprises face the biggest problems in cross-team collaboration as they're so big. Data becomes easily siloed, and parts of the business have just got used to doing things a certain way because: "that's how we've always done it."

Each department will have its own strategy and insights that they want to prioritize, and working together to meet customer needs is rare. A Voice of the Customer program needs to be comprehensive and sophisticated in order to tackle or prevent these problems. This includes a whole team dedicated solely to Voice of the Customer, shared VoC metrics across the business, and buy-in from the top.

# Where does customer support fit into a Voice of the Customer program?



Customer support agents are gurus when it comes to knowledge of the customer. They will have the best ideas about what users are saying, the most common insights, and how to prioritize them. Customer support's involvement in the VoC process should be significant.

Not only do they speak to customers on a daily basis and monitor customer messages and reviews, but they're also responsible for collecting VoC insights from across the mix of channels, sending out customer surveys, and keeping tabs on CSAT. They should be your go-to source for customer knowledge.

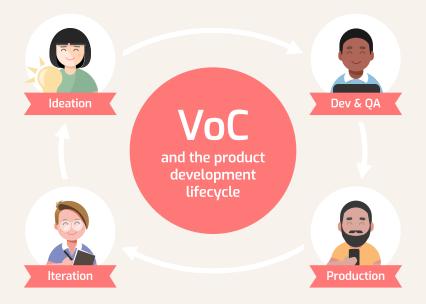
#### **CSAT** - the retrospective metric

CSAT should be included in your VoC program for a number of reasons. Firstly, it indicates how happy your customers are about your product and how well it meets or exceeds their expectations. Secondly, as a calculation of the total number of customers tracked divided by the number of happy customers, CSAT is quantifiable and is a quick way to figure out how well the product is performing. But it can't tell you why customers are happy or not happy with your product. Thus, it can only make up one part of your VoC program's toolbox.

However, if you combine CSAT with insights from customer feedback in reviews, in-app messages, and conversations, you have a holistic view of customer sentiment and needs.

# Voice of the Customer for product development

The product strategy for your app needs to be customer-centric for the outcome to be a success. User feedback is the fuel for your product roadmap. As you research, build, release, and test, customer insights should help drive the process. Take the product development lifecycle — VoC is integral to each step.



#### **Ideation**:

To create new features that reflect customer needs and are not based simply on guesswork, the product team creates 'user stories' from real customer use cases and pain points. One part of ideation for new features should involve an analysis and prioritization of feature requests & comments on experience in user feedback.

#### **Development & QA:**

During development, prioritizing when to release the new features is a significant consideration. Using VoC insights can help here — what is requested most fluently? What new features or updates will help the issues or pain points that are most pressing based on customer feedback?

For the QA side of things, testing the performance of these new versions can be done through a beta release. The reaction is monitored to understand how people feel about it and find any last-minute snags or bugs.

#### **Production:**

This is the main roll-out of the new feature or updates. Customer support watches for spikes in reviews or changes in average ratings. Initial feedback regarding this release **is collected and categorized via auto-tagging** or a support agent and shared with the product team. Customer interviews and surveys regarding the new version were distributed a short time after the day of release.

#### **Iteration:**

Through continuous performance analysis and Voice of the Customer insights, tweak the feature or make further updates if necessary. Customer needs may change over time, or the response to a new feature is 'it's just not working' — requiring a rollback and/or pivot. The important thing is you build on those new learnings from Voice of the Customer and usage data.

# Building a Voice of the Customer program: how it's been done



#### **Gram Games**

- » Broke down silos between support and product
- » Shared KPIs across the business from AppFollow - avg. rating, CSAT, SLA
- » Tracked these KPIs across the user lifecycle
- » Used AppFollow's review response mechanism to improve response rate
- » Iterated, using sentiment analysis to monitor response to releases



#### **Amanotes**

- » Customer-facing team used AppFollow's Semantic tags to find product insights in reviews
- » Insights then passed to product analyst to sift through and find actionable feedback on gameplay, content, or monetization
- » Product would put these beside app usage and regularly present the data to the team for an informed decision on how to use it

It's all well and good to talk about how great using the Voice of the Customer is in theory. But how has it gone for actual companies in practice?

Here are two case studies that demonstrate companies successfully building and implementing a VoC program. Here's what they did to achieve it:

#### Why is breaking down silos important?

By avoiding silos between Support and Product teams, Gram Games built a virtual feedback loop that enabled **fresh user feedback to drive product decisions.** 

Why do you need to have a common KPI across the business?

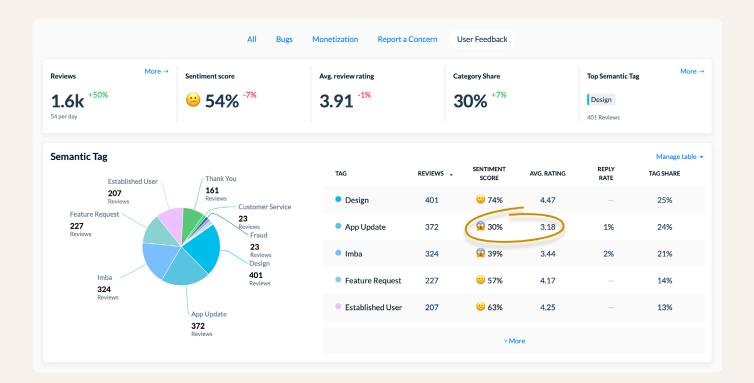
You can't have different teams measuring success in different ways. To be fully customer focused and ensure your whole business is working towards the same goals, you need some commonality on what you're measuring and aiming to achieve — a North Star metric.

For mobile apps, the most used common KPI to measure across the business is average store rating. This is a good general indicator on how users feel about your product or service and focusing on it can help drive company-wide customer obsession.

How do you use sentiment analysis as part of your iteration process?

Voice of the Customer can be easily monitored and evaluated through a customer sentiment analysis tool, like AppFollow's Semantic analysis. Whenever you release a new feature or update based on customer needs, you will want to see how your user base responds to it.

Customer sentiment analysis sorts through hundreds or thousands of reviews in seconds and sorts them into topics. If, for example, you've released a new version of the app, you can perform a deep dive into how reviews tagged under 'App Update' are feeling about the release by the sentiment score and the average rating left by those reviewers under that particular tag.





## Key Insights gained from VoC

(AppFollow's Semantic analysis)

- » Users who don't like adverts won't buy a VIP subscription to remove them
- » Users felt the subscription was too expensive and would prefer a one-time payment to remove all ads
- » Some negative reviews were from angry parents who thought that their children were shown inappropriate ads. Amanotes are working on a solution to prevent this.
- » Users giving a negative review mentioning lack of content were more likely to update their review positively when responded to.

# 7 Voice of the Customer statistics that demonstrate its importance



42% of companies don't survey their customers or collect feedback. (HubSpot)



However, only 12% of customer believe a company when they say they 'put the customer first'. (HubSpot)



86% of buyers are willing to pay more for a great customer experience. (RightNow)



72% of customers will share a positive experience with 6 or more people. (Esteban Kolsky)



92% would completely abandon a company after two or three negative interactions. (PwC)



Customer-centric companies are 60% more profitable than the companies that are not. (Forbes)



79% take online reviews into consideration as much as they do word of mouth when considering an app or product. (Brightlocal)

## Wrapping up



"You can't transform something you don't understand. If you don't know and understand what the current state of the customer experience is, how can you possibly design the desired future state?"

- Annette Franz CX thought leader



Without knowing how your users feel and how they perceive your product, how can you expect to develop something that will attract others like them?

Customers expect companies to provide excellent customer experience and understand their needs. How these expectations are met is fundamental to business success.

By investing in a Voice of the Customer program, you'll be able to understand how your customers are feeling, what's working, and what isn't about your app.

This will allow you to act fast and work on building something that customers love.

As previously mentioned, you can use our <u>Semantic analysis</u> tool, which uses the latest in AI to automatically analyze and categorize thousands of customer voices in app store reviews.

Get the latest feedback about bugs, feature requests, monetization, reactions about new releases, and UX complaints. **AppFollow's Voice of the Customer tool puts your app users at the center of decision-making.** 

Want to learn more about it?

**BOOK A DEMO**