playvox

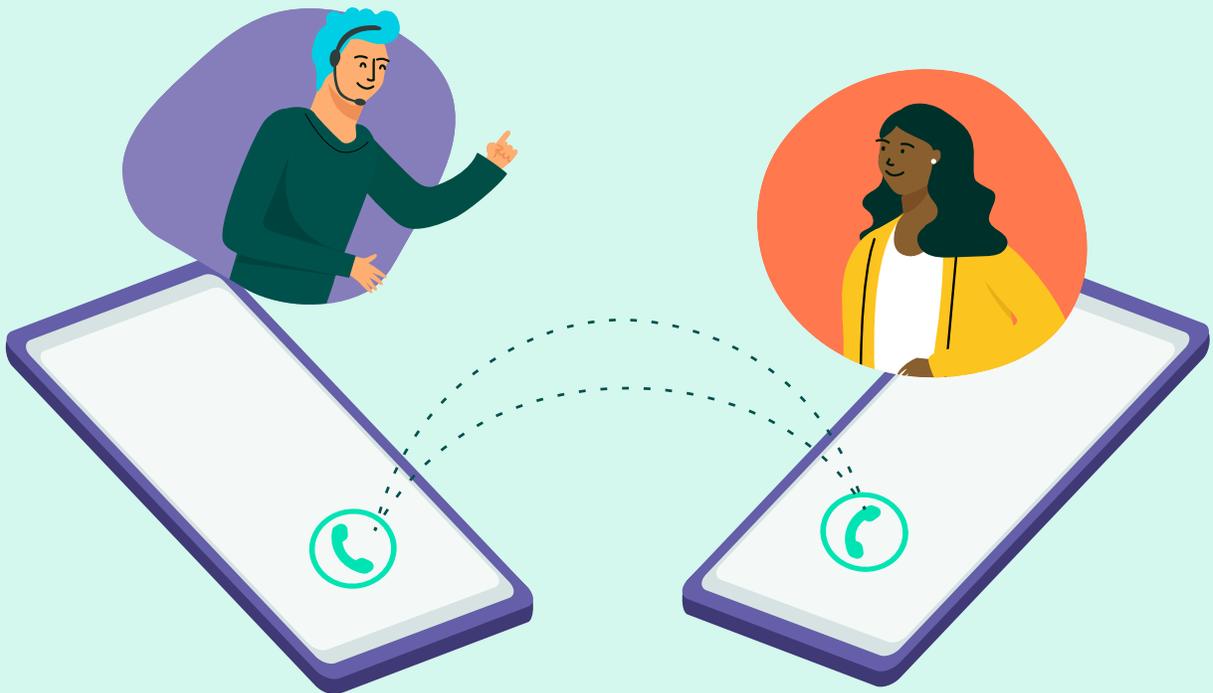# Cross-Selling and Upselling in the Contact Center Industry: Successes, Challenges, and Best Practices

Content

Research Definitions
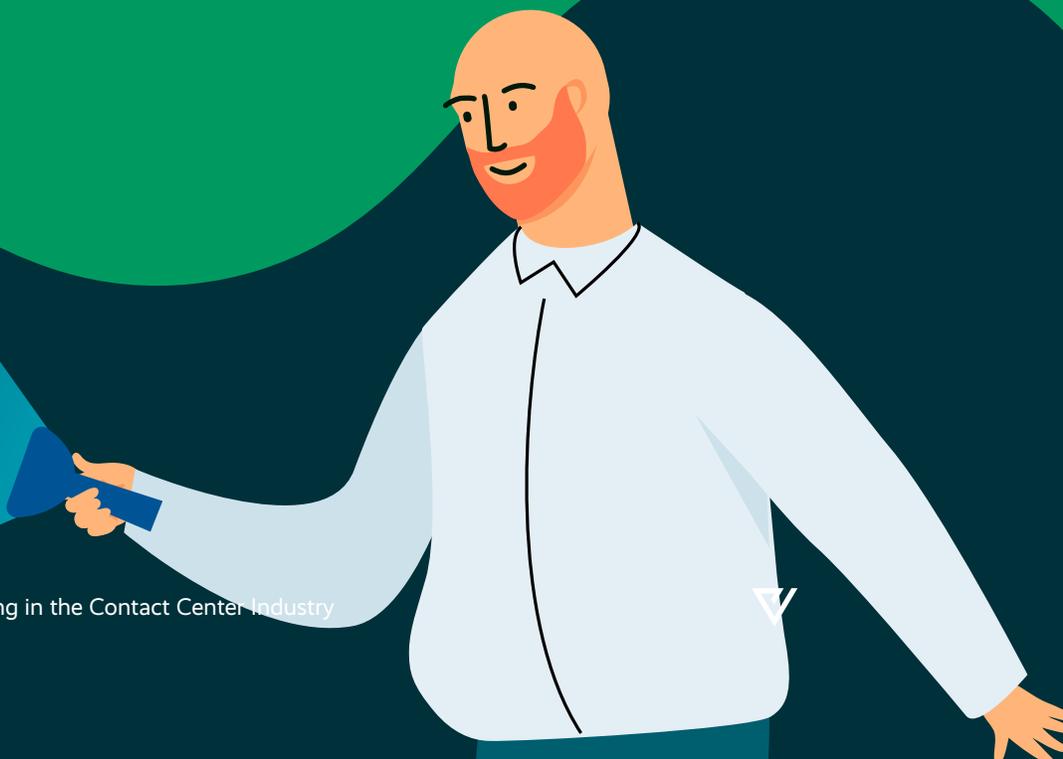
Cross-selling and upselling are defined as sales strategies in which customer service representatives (CSRs) recommend products and services. For example, a CSR can suggest a cross-sell option to a customer such as adding a phone protector screen and headphones to a mobile phone order. For upselling, they could propose the customer upgrade their mobile phone to one that has more memory or a better camera.

Customer service representatives (CSRs) are contact center agents that primarily help customers with questions, place orders, and other support tasks. They can do this through a variety of channels including phone, email, and chat. Their primary responsibility isn't selling products or services.

Cross-Selling and Upselling are Big Opportunities for Contact Centers

As contact centers look for ways to connect with their customers, offer outstanding service, and diversify revenue, adding cross-selling and upselling to customer service representatives' (CSRs) responsibilities is becoming a key focus. However, there's very little information available on contact centers' efforts to implement cross-selling/upselling, which makes it difficult to implement.

To remedy that, Playvox recently polled contact center professionals about how their organizations employ cross-selling and upselling. One of the key findings is this is a growth area and many contact centers are still in the early stages of implementing it.

The research addressed these topics:

- How many contact centers are currently doing, not doing, or planning to implement cross-selling/upselling
- Percentage of revenue related to cross-selling/upselling
- Perceptions of how successful they are at cross-selling/upselling
- Top challenges related to cross-selling/upselling
- Training methods used, including which are most and least effective
- Techniques for motivating agents, including which are most and least effective
- Quality assurance processes for assessing interactions
- Best practices for implementing cross-selling and upselling

Key Findings

Using CSRs to cross-sell/upsell is new for many contact centers

55% have been cross-selling/upselling for two or fewer years; 42% have been doing it for more than two years. Twenty-seven percent aren't currently cross-selling or upselling, although 64% say they plan to start in 2021.

Revenue generation isn't the top driver

Interestingly, 72% of contact center leaders say their primary goal in cross-selling/upselling is to offer outstanding customer service and 64% use it to introduce products/services with which customers may be unfamiliar. Generating revenue is a key objective for 61%.

Most anticipate cross-sell/upsell revenue will increase in 2021

Even though generating revenue isn't a key focus, 71% say they expect total cross-sell/upsell revenue to increase substantially or moderately this year.

Overcoming CSRs reluctance to cross-sell/upsell is a big challenge

The majority of respondents (39%) say it's tough to overcome CSRs' reluctance to cross-sell/upsell as many CSRs are more comfortable helping customers.

Training is a top priority and challenge

Contact centers recognize that excellent training is key to teaching CSRs the skills they need to cross-sell and upsell successfully. In fact, 58% say it's their top priority for next year while 42% said it's also their top challenge.

Monetary rewards are the most motivating

57% say motivating CSRs to cross-sell/upsell is another top challenge. To that end, 90% of respondents say financial rewards are more effective motivators rather than recognizing CSRs as outstanding performers. Gift cards, ranging in amounts of $5-$100, were cited as the most appreciated monetary reward.

Successes, Goals, & Challenges

Cross-selling and upselling may be a new area for contact centers, but those who are doing it are experiencing a high level of success. Nearly 70% say they're either very or moderately successful at cross-selling and upselling. Most task their CSRs with suggesting add-ons that complement a customer's order or higher-level products or services.

The common assumption is that contact centers ask their CSRs to cross-sell/upsell to generate more revenue. Our research found that this isn't true. In fact, the top reason they're cross-selling/upselling is to offer outstanding customer service (72%) and introduce new products or services customers might be unfamiliar with (64%). 61% said their primary goal in cross-selling/upselling is to generate revenue.

Most contact centers generated between 0-10% of their 2020 revenue from cross-selling/upselling and 71% estimate it will increase in 2021. They also said that cross-selling and upselling positively impacted revenue and customer retention.

"We use cross-selling/upselling to boost customer engagement and retention. It also helps us increase overall customer lifetime value and order rates."
Ben Segal, Director of Infrastructural Efficiency, Freshly

Cross-selling and upselling aren't without their challenges: motivating CSRs and training them to cross-sell/upsell were the top issues. Considering that many of our respondents said their CSRs aren't comfortable cross-selling or upselling, this makes sense. As Jessica Albrecht, Customer Experience Manager at Rhone, a men's apparel retailer, says, "A lot of our reps don't want to feel like they're selling or pushing the customer to buy more."

69% say their contact center is either very or moderately successful at cross-selling/upselling.

How would you rate your contact center's success at achieving your desired results for cross-selling/upselling?

	100%			
	75%	**59%**		
	50%			
	25%		**30%**	
	10%			
	0%			
	Very successful	Moderately successful	Minimally successful	Not successful
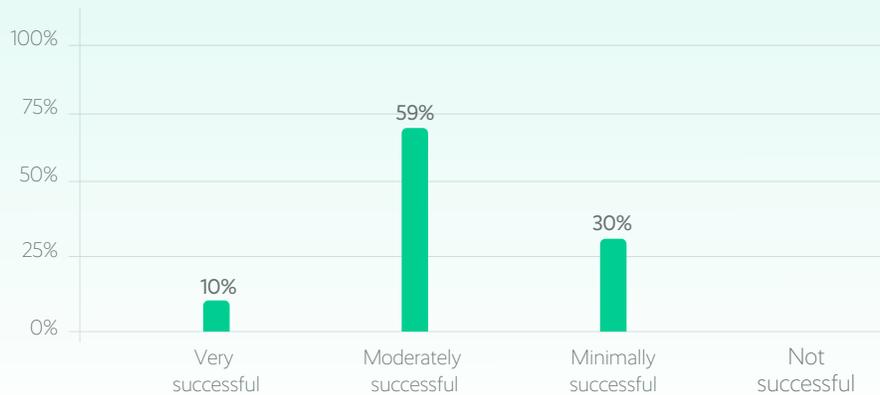
Sample Size: 69 (73% of Respondents)

54% task their CSRs with suggesting add-on products or services related to a customer's order, while 46% say CSRs offer higher-level packages or solutions.

What types of products and/or services do your customer service representatives cross-sell/upsell?

Add-on products/services (e.g. a memory card or carrying case for a new camera)	54%
Higher-level packages/solutions	46%
Shipping options (e.g. faster shipping, free shipping with purchase minimum)	29%
Product warranties/service contracts (e.g. replacing or repairing broken devices)	22%
Branded credit card	10%
Other - Write In	10%
Unsure	3%

0%   25%   50%   75%   100%
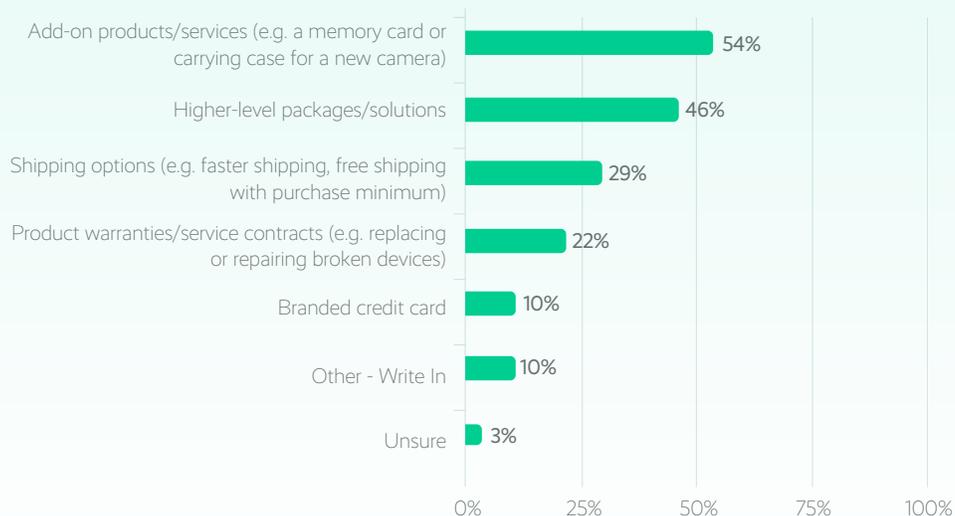
Sample Size: 69 (73% of Respondents)
Note: Respondents could select multiple options.

Most contact centers generated between 0-10% of their 2020 revenue from cross-selling/upselling. 71% say they expect revenue to increase in 2021.

Approximately what percentaje of total contact center revenue was generated from cross-selling/upselling 2020?

26% 0-5%
22% 6-10%
16% 11-20%
12% 20% or more
25% Unsure
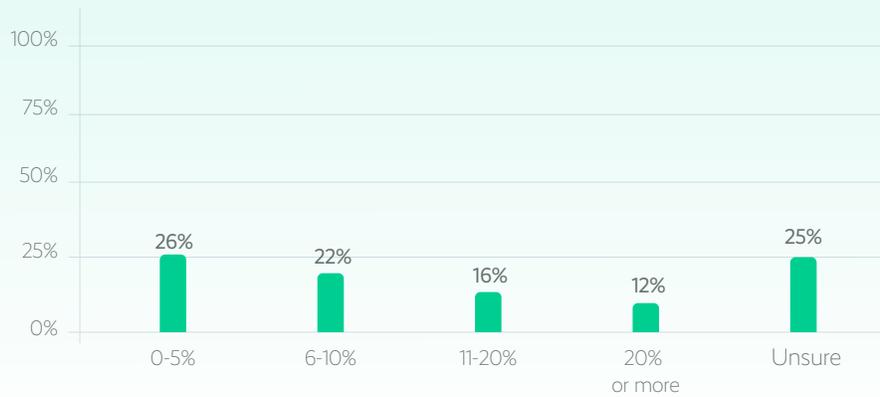
Sample Size: 69 (73% of Respondents)

What are your expectations regarding how total cross-sell/upsell revenue will change in 2021?

19% Increase substaintially
52% Increase moderately
20% Stay the same
9% Unsure
Decrease
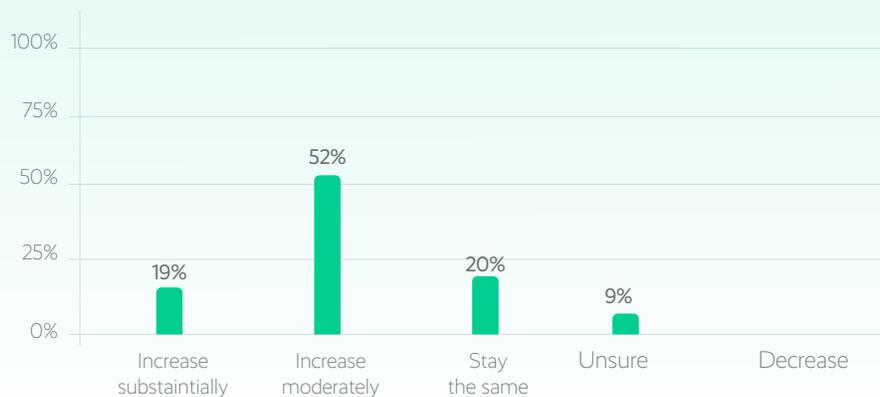
Sample Size: 69 (73% of Respondents)

A common assumption is that contact centers cross-sell/upsell to generate revenue. In fact, nearly three-quarters of respondents say their primary goal is to offer outstanding customer service.

What goals do you have for your contact center in regards to cross-selling or upselling?

Goal	Percentage
Offer outstanding customer service	72%
Introduce products/services to customers that they might be unfamiliar with	64%
Generate revenue	61%
Transform our contact center from a cost center to a profit center	28%
Unsure	3%
Other - Write In	
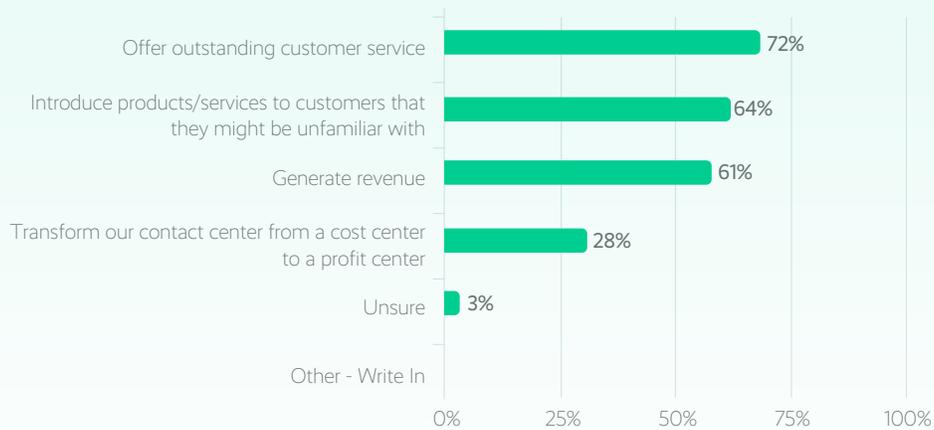
Sample Size: 69 (73% of Respondents)
Note: Respondents could select multiple options.

What impact has cross-selling/upselling had on these metrics?

Metric	Significantly improved	Improved	Minimally improved	No change	We don't measure this
Agent retention	9%	26%	23%	35%	7%
Net Promoter Score®	9%	35%	16%	19%	22%
Customer retention	3%	46%	26%	14%	10%
Revenue generation	13%	41%	26%	13%	7%

Sample Size: 69

● Significantly improved   ● Improved   ● Minimally improved
● No change   ● We don't measure this
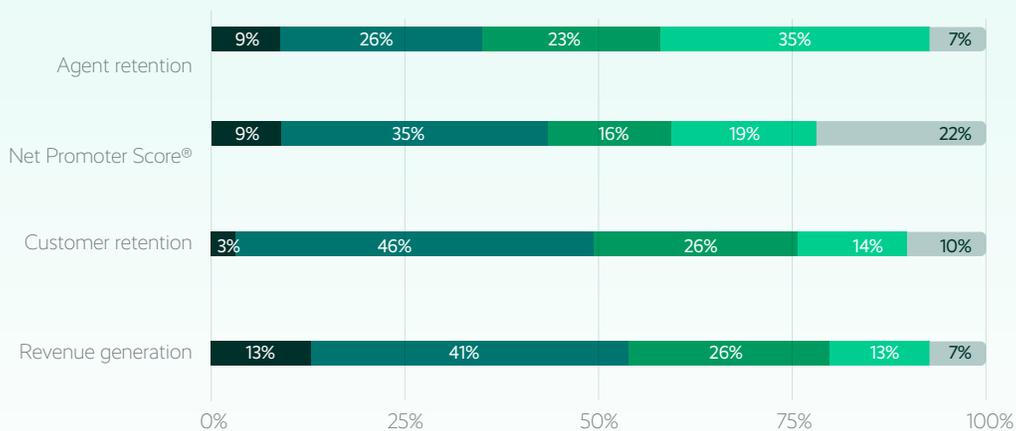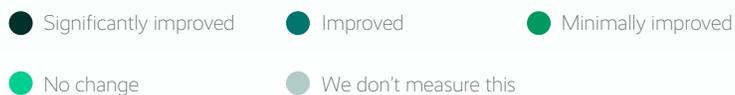
Nearly 60% say their top challenge is motivating CSRs to cross-sell/upsell. 42% say it's tough to train them in cross-selling/upselling skills.

What are your top challenges in implementing cross-selling/upselling?

Motivating reps to cross-sell/upsell	57%
Training reps in cross-sell/upselling skills	42%
Hiring & keeping the right talent	38%
Measuring reps' success	32%
Assesing the quality of agents' cross-sell/upsell interactions	29%
Having the right software tools in place	25%
Rewarding agents when they meet goals	23%
Unsure	1%

0%   25%   50%   75%   100%
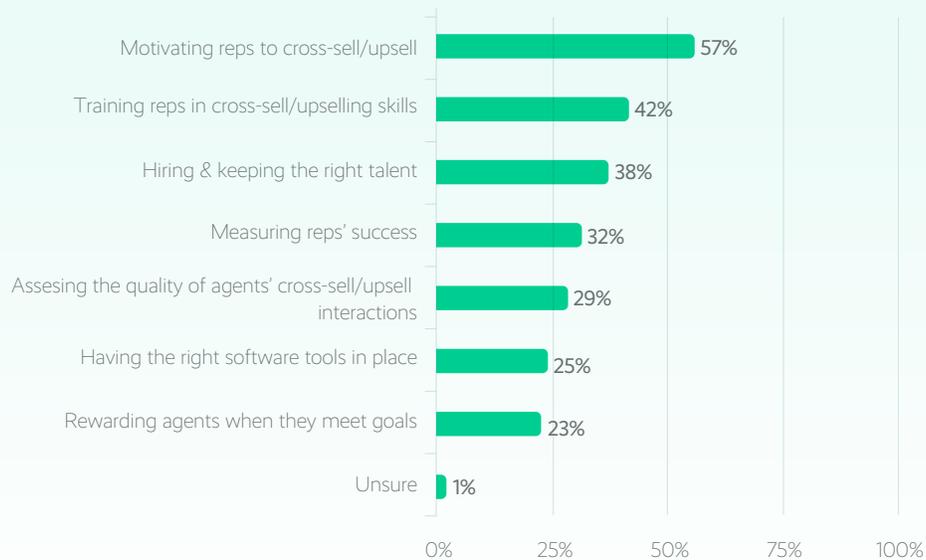
Sample Size: 69 (73% of Respondents)
Note: Respondents could select multiple options.

Motivating CSRs for High Performance

When we asked contact center professionals about their top challenges related to cross-selling and upselling, motivating CSRs came out on top (57%). Qualitative phone-based research confirmed this as contact center leaders said many of their CSRs are uncomfortable cross-selling or upselling. Considering that CSRs are hired to help customers with issues, such as placing an order or addressing questions, this isn't surprising.

Given this issue, we asked contact center leaders how they motivate CSRs to perform their best when it comes to cross-selling/upselling. Monetary rewards were the top technique; gift cards are a favorite among CSRs.

Supervisors also use challenges and gamification to spur friendly competition and to encourage CSRs to perform their best. A respondent said: "We run virtual games to help people stay connected as a team and reinforce the importance of cross-selling/upselling."

"If CSRs hit certain goals, we give out monetary rewards like gift cards."
Head of customer experience, major financial company
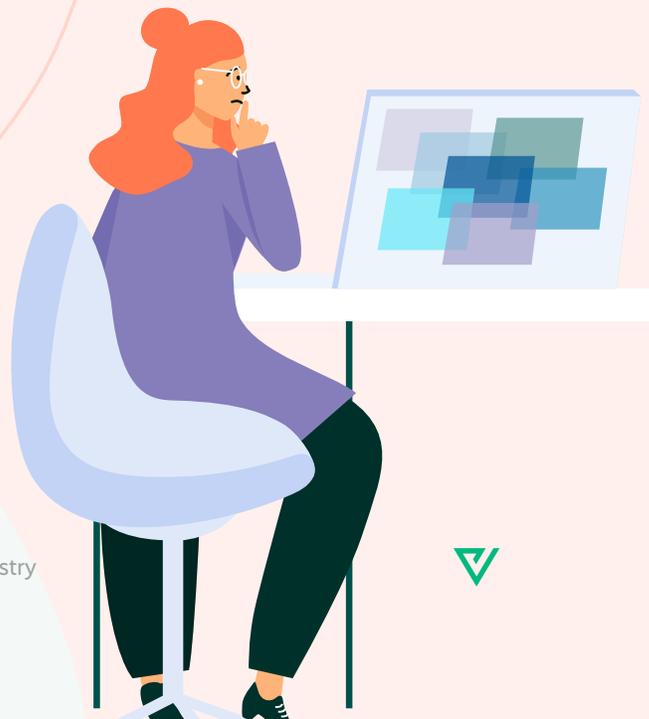
Which of these techniques are most effective in motivating customer service representatives to cross-sell/upsell?

Of those motivations you selected, which have been effective in influencing customer service representatives to cross-sell/sell?

Technique	Percentage
Monetary rewards (e.g., bonus, gift cards)	90%
Gamification challenges (e.g. selling performance vs. peers; giving rewards to those who perform best)	52%
Company swag	50%
Recognize them as an outstanding performer	48%
Soft rewards (e.g., Day off work, lunch with CEO, better parking spot, digital badges, etc.)	45%

Sample Size: 69 (73% of Respondents)
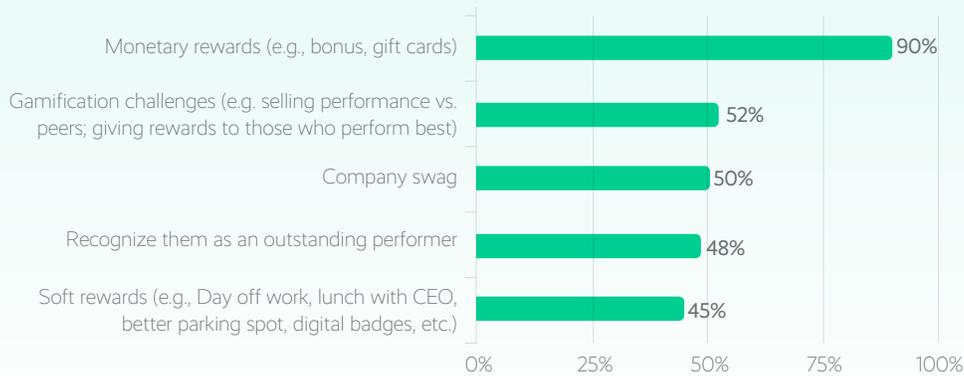Note: Respondents could select multiple options.

Tracking metrics (67%) and monitoring call quality (58%) are the most popular methods for assessing customer service representatives' cross-selling and upselling performance.

How do you assess customer service representatives' performance when cross-seling/upselling?

Method	Percentage
Tracking metrics for a specific time (e.g., monthly sales closed, monthly revenue generated, etc.)	67%
Monitoring call quality (e.g., Are they using appropiate greetings? Are they empathetic and pleasant? Do they recognize cross-sell/upsell...)	58%
Gathering customer feedback on interactions	52%
We don't assess performance	7%
Other - Write In	1%
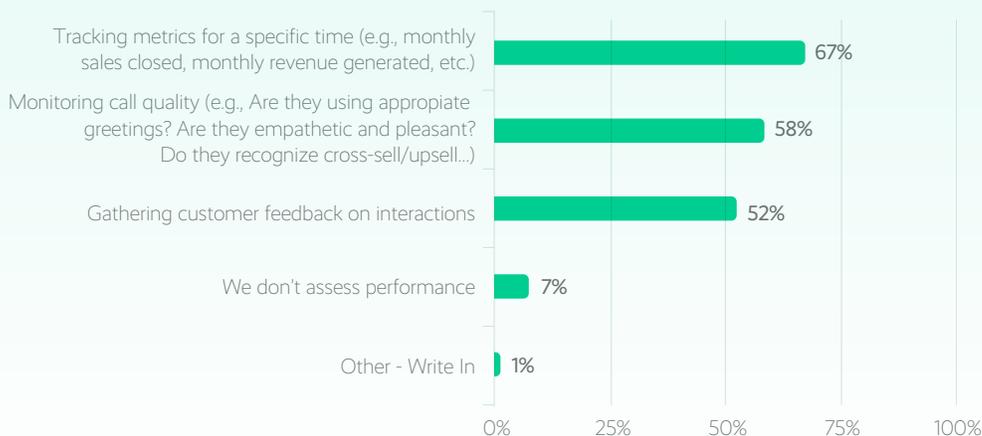
Sample Size: 69 (73% of Respondents)
Note: Respondents could select multiple options.

Assessing Quality in Cross-Sell and Upsell Interactions

Evaluating the quality of interactions is common at most contact centers to ensure CSRs are positively engaging with customers. We were curious if respondents also use quality management tools to evaluate cross-sell and upsell interactions and how they utilize the results.

The findings show that many do use quality management tools to understand if CSRs are identifying opportunities to suggest products and solutions to customers. Ben Segal, Director of Infrastructural Efficiency at meal delivery service Freshly says, "We evaluate interactions and assess if CSRs were as outgoing as they could have been."

"The whole idea is not so much did they make a sale; it's more did they make an appropriate suggestion?"
Training manager for customer service, e-commerce retailer

Most use quality management software to assess interactions; a smaller percentage use spreadsheets to manually track quality. The results are used to determine which CSRs need additional training or coaching. The good news is that most agents are responsive to feedback.

Quality assurance is the most popular method of assessing interaction quality for cross-selling and upselling (62%).

What tools do you use to monitor interaction quality?

Quality assurance software	62%
Spreadsheets	35%
We don't use any tools to monitor interaction quality	14%
Other - Write in	4%

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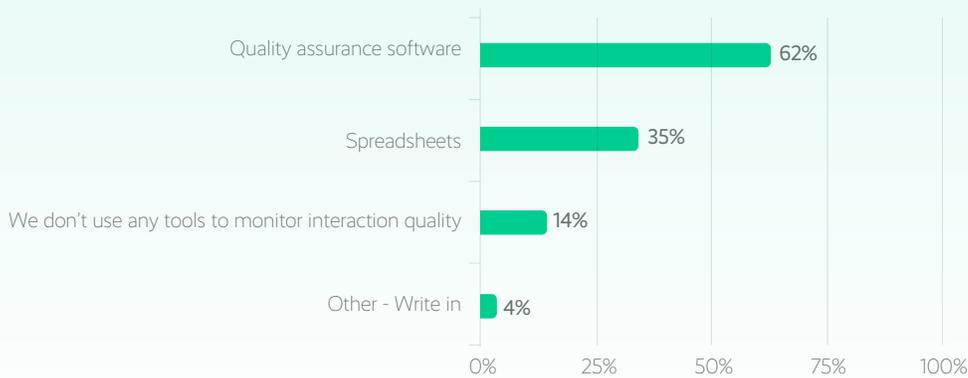
Sample Size: 69 (73% of Respondents)
Note: Respondents could select multiple options.

Contact centers monitor interactions for many different aspects of quality. The top three answers are: assessing if the CSR is responsive to the customer's needs (80%), if they're using a positive tone of voice (76%), and if they're identifying cross-sell/upsell opportunities (71%).

What aspects of cross-sell/upsell interactions do you monitor for quality?

Responsiveness to customer's needs and their tone (e.g., customer's frustration or...)	80%
Customer service representative's tone (e.g. friendly empathetic, etc)	76%
If customer service representative identifies cross-sell/upsell opportunities and asks...	71%
If appropiate greeting/closing is used	64%
Other - Write In	2%
Unsure	2%

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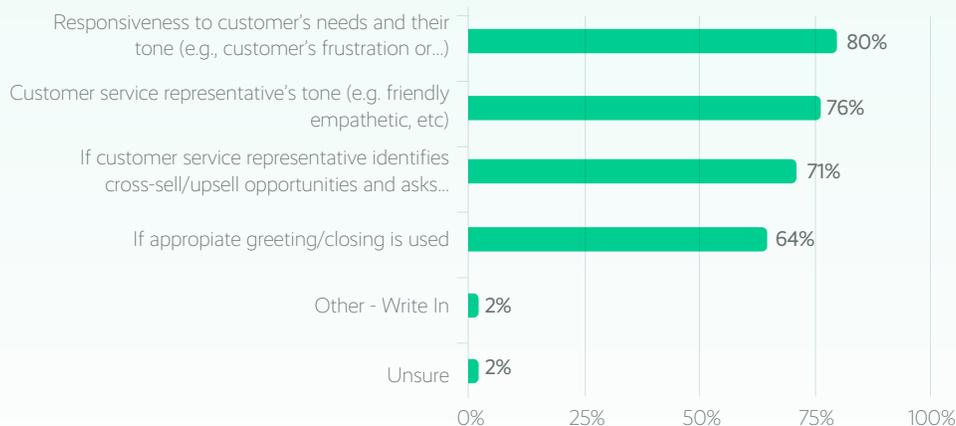
Sample Size: 59 (63% of Respondents)
Note: Respondents could select multiple options.

Quality assurance results are used to identify agents that need additional training (75%) and coaching (71%).

How do you use the results of quality assurance monitoring to assess cross-sell/upsell interactions?

Category	Percentage
To identify agents that need additional training	75%
To coach agents on how to improve	71%
To ensure agent meets goals	56%
To help agents identify cross-sell/upsell opportunities	49%
To reward agents for exemplary calls	39%
Unsure	3%
Other - Write In	

Sample Size: 59 (63% of Respondents)
Note: Respondents could select multiple options.

"We do our live evaluation so we can turn around and give CSRs direct feedback. We can see if they took the opportunity to upsell and, if they didn't, how they can go about doing that in the future."
Jessica Albrecht, Customer Experience Manager, Rhone

The good news is that 41% of CSRs are very receptive to feedback. If they aren't, it's because they don't like their performance being measured.

In general, how receptive are customer service representatives' reactions to quality assurance feedback?

	Very receptive	Moderately receptive	Minimally receptive	Not receptive
%	41%	42%	17%	

Sample Size: 59 (63% of Respondents)

Why do you think customer service representatives may not be receptive to feedback?

They don't like their performance being measured	They feel the quality goals are unreasonable	They perceive the quality assessment process as unfair	They feel like they aren't given the necessary tools or training to be successful	Other Write In
60%	34%	20%	20%	3%

Sample Size: 59 (63% of Respondents)
Note: Respondents could select multiple options.

Training CSRs to Successfully Cross-Sell and Upsell

Training CSRs in cross-selling and upselling is a key success factor. Very few CSRs have experience in it, and they need extra support to do it effectively. Supervisors recognize the importance of training agents to identify cross-sell/upsell opportunities as the top priority for next year. As Jessica Albrecht, Customer Experience Manager at Rhone, says, "Our team has never truly been trained, so we've been looking at opportunities for training in upselling."

What aspects of training are the most difficult? As mentioned before, it's toughest to overcome agents' reluctance to cross-sell/upsell. Organizations have approached that issue differently: Freshly calls cross-selling/upselling being "outgoing" to emphasize that CSRs are still helping customers even when they're suggesting related products or services to buy.
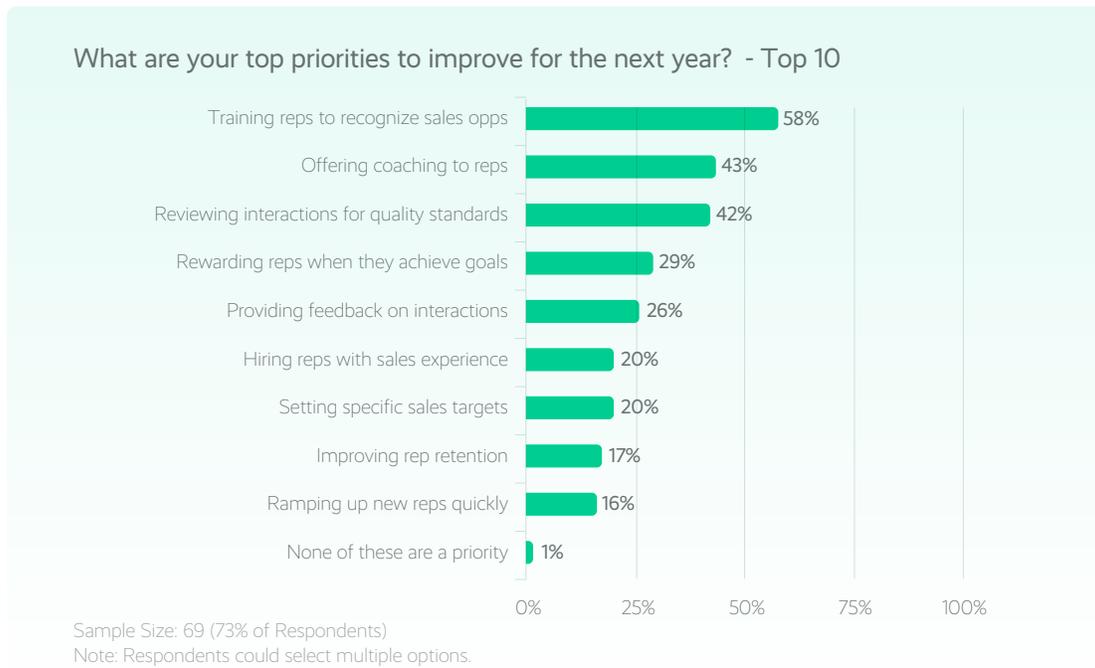
> *"We use outstanding chat conversations and emails as examples. We build them into our training and point out exactly where the upsell was so agents can see real-life examples."*
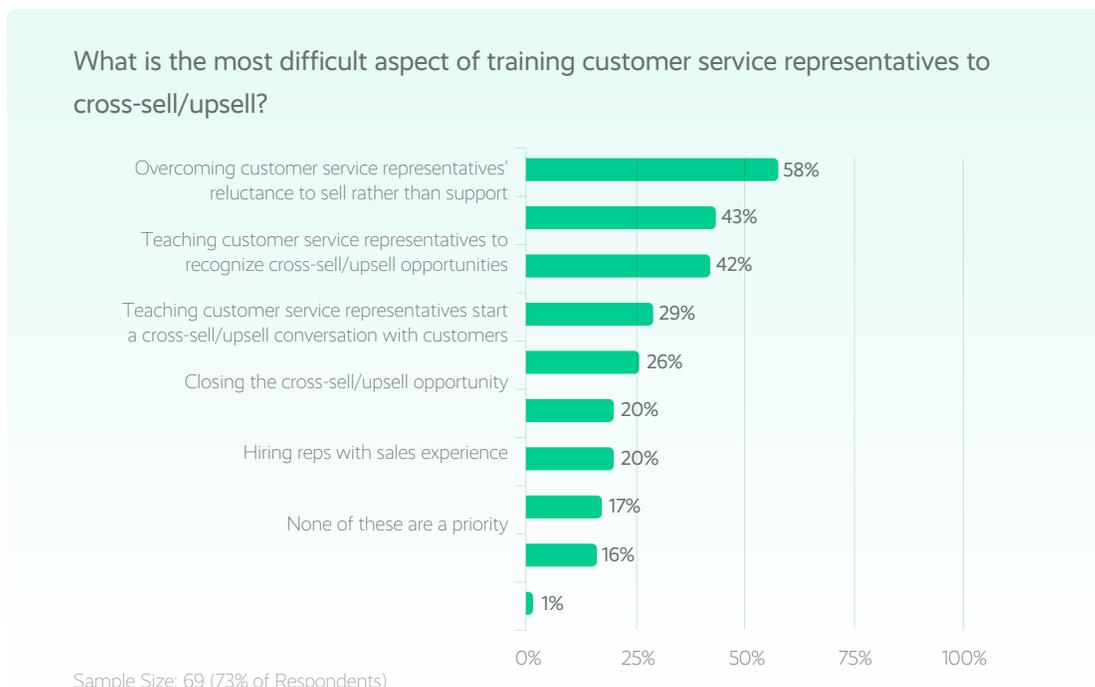> *Jessica Albrecht, Customer Experience Manager at Rhone*

Respondents emphasize that a comprehensive training program is key to success. "We have some best practice training and coaching methods that we use to do call listening, coaching, assessments, and to share best practices withthe teams," says the head of client experience at a large financial services firm.

While training is a top priority for next year, only 16% are focused on ramping up new CSRs quickly. 42% review interactions for quality standards; that feedback is often used to identify areas where CSRs need more training and/or coaching.

What are your top priorities to improve for the next year? - Top 10

Priority	%
Training reps to recognize sales opps	58%
Offering coaching to reps	43%
Reviewing interactions for quality standards	42%
Rewarding reps when they achieve goals	29%
Providing feedback on interactions	26%
Hiring reps with sales experience	20%
Setting specific sales targets	20%
Improving rep retention	17%
Ramping up new reps quickly	16%
None of these are a priority	1%

Sample Size: 69 (73% of Respondents)
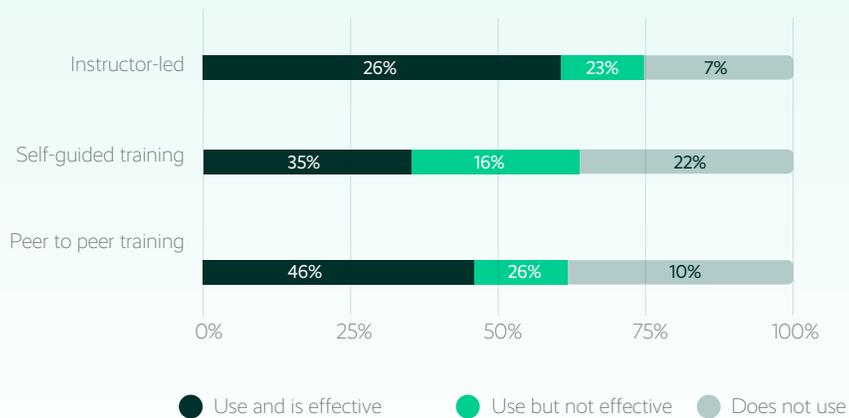Note: Respondents could select multiple options.

Nearly 40% of respondents say the most challenging part of training is overcoming CSRs' reluctance to sell products/services rather than support. 26% find it challenging to teach them to recognize cross-sell/upsell opportunities.

What is the most difficult aspect of training customer service representatives to cross-sell/upsell?

Aspect	%
Overcoming customer service representatives' reluctance to sell rather than support	58%
	43%
Teaching customer service representatives to recognize cross-sell/upsell opportunities	42%
Teaching customer service representatives start a cross-sell/upsell conversation with customers	29%
Closing the cross-sell/upsell opportunity	26%
	20%
Hiring reps with sales experience	20%
	17%
None of these are a priority	16%
	1%

Sample Size: 69 (73% of Respondents)

Not surprisingly, since cross-selling and upselling require excellent soft skills, such as recognizing opportunities to suggest new products or services, instructor-led training is the most effective method (61%) followed by peer-to-peer (46%). Self-guided training is the least effective (35%).

Of those training methods you selected, which are effective in influencing customer service representatives to cross-sell/upsell?

	Use and is effective	Use but not effective	Does not use
Instructor-led	26%	23%	7%
Self-guided training	35%	16%	22%
Peer to peer training	46%	26%	10%

● Use and is effective ● Use but not effective ● Does not use

Sample Size: 69 (73% of Respondents)
Note: Respondents could select multiple options.

Best Practices

What can you take away from this research so your contact center can successfully implement cross-selling/upselling?

Focus on the customer's needs first: CSRs must solve the customer's problem before recommending additional products or services. The goal is to educate and act as a trusted advisor rather than make a sale.

Don't be pushy: Successful companies reinforce to CSRs that they don't want them to be pushy salespeople. This includes not giving CSRs a sales quota. Companies that overemphasize selling risk driving customers away and losing CSRs who aren't comfortable selling.

Recognize some CSRs will be uncomfortable: Not all CSRs want to cross-sell/upsell. They may feel selling is at odds with assisting customers. One company in the survey calls cross-selling/upselling "being outgoing." Rebranding cross-selling/upselling to a similar term sounds less intimidating.

Hire CSRs who are open to cross-selling/upselling: Previous retail experience, for example, can be helpful. Assess whether prospective hires are open to cross-selling/upselling during the interview process.

Train frequently: Training is a top priority (58%) and frustration (42%) for contact center leaders as they often feel their training doesn't hit the mark in teaching CSRs how to cross-sell/upsell. Best practices to address these issues include having a well-thought-out training plan in place. Instructor or peer-led training also needs to be conducted regularly to reinforce cross-selling/upselling behaviors, teach CSRs about your company's products and solutions, and techniques for spotting opportunities to suggest a product or service.

Offer feedback: Assess interactions with a quality assurance solution to understand if CSRs are identifying cross-selling/upselling opportunities and offer feedback when you recognize areas where they can improve. Multiple respondents said their supervisors meet with CSRs frequently to reinforce behaviors and discuss cross-selling/upselling strategies.

Motivate with rewards: Rewarding CSRs with monetary prizes was frequently mentioned as the most successful technique for encouraging desired behaviors (90%) such as gift cards. Gamification can also promote healthy competition and reinforce the importance of cross-selling/upselling behaviors.

Improve interactions with quality assurance and coaching: Regularly assess CSRs' performance, including if they're identifying opportunities for cross-selling/upselling. Contact center leaders suggest providing regular coaching opportunities such as reviewing quality results in weekly or monthly one-on-one sessions. It's also essential to perform quality checks across channels.

Methodology & Demographics

This research was conducted via an online study that was fielded by Playvox from January 22 to February 4, 2021. The results are from a survey of 94 contact center professionals based in the U.S. who work at contact centers where their CSRs are currently doing some form of cross-selling and upselling. They come from a range of industries and company sizes.

Learn More

Discover three actionable ways your organization can move forward with cross-selling and upselling (add link to stand-alone piece (content below))

Boost your organization's revenue by unlocking your customer service team's hidden talent in this on-demand webinar

Discover how Freshly, an online meal preparation and delivery company with operations across the U.S., improved its CSAT with a robust quality assurance program

Subscribe to the Playvox blog for great information about evaluating, improving, and inspiring your contact center agents' performance.

Check out Playvox for free by taking our trial software for a spin
Schedule a 1-on-1 personalized demo to learn more about Playvox

3 Action Steps for Successfully Implementing Cross-Selling and Upselling

By Kristyn Emenecker, Chief Product and Strategy Officer, Playvox

Are your customer service representatives (CSRs) cross-selling and upselling relevant products and services to your customers? If they aren't, you're missing out on a great opportunity to offer a better customer experience and generate extra revenue.

As more contact centers explore implementing cross-selling and upselling, they're finding very little information on how to do it successfully. To solve that issue, Playvox recently fielded a survey of U.S.-based contact center professionals who have added cross-selling and upselling to their CSRs' responsibilities. Based on that research, we've chosen four action steps you can take now.

For more information about how you can implement cross-selling and upselling, including best practices from contact centers that are currently cross-selling and upselling, I highly encourage you to read the full research report: Download research report (add link)

Emphasize Educating, Not Selling

Customer service representatives are the lifeblood of the contact center, playing a crucial role in building relationships with your customers. Contact centers realize that there's an opportunity to capitalize on these positive relationships by adding cross-selling and upselling to CSR responsibilities. However, smart contact center leaders won't emphasize selling, but rather educating.

As our research found, many CSRs are uncomfortable with selling, and it's safe to say that most customers don't want to be outright sold to when they're calling about a problem with the product they recently ordered. The emphasis should be on customer education rather than hard-selling.

As Jessica Albrecht, Customer Experience Manager at Rhone says, "We don't ever want to be pushy with sales. We're trying to notify the customer what other options are available and see what they're interested in." The head of client experience/quality at a major financial company echoes this: "To be successful with cross-selling and upselling, you must look at your customers' needs. What do they value? What will help them achieve their goals?"

Realize It's a Long Game
If contact center's primary motivation for cross-selling and upselling isn't to increase revenue, then what metric do they hope to influence? Customer lifetime value was a key goal mentioned by our interview respondents.

As Ben Segal, Director of Infrastructural Efficiency at Freshly, an e-commerce meal subscription company, says: "We use cross-selling/upselling to boost customer engagement and retention. It helps us increase overall customer lifetime value and order rates."

The key here is to realize if you're hoping to increase a metric like customer lifetime value, then the greatest payoff from cross-selling and upselling comes over time – you won't satisfy this goal in the short term. The fact that the majority of our respondents are focused on customer education reinforces this point: They're looking to drive long-term value for their customers, not necessarily make more money. If they do generate revenue, that's great, but it's not the primary goal.

Make It Part of Your Culture

The companies that we spoke with that said they were successful at cross-selling and upselling had one key characteristic: they make it part of their culture. This means they consistently reinforce to CSRs the importance of cross-selling and upselling through ongoing training, coaching, and quality assessment feedback.

They're patient in working with CSRs who are reluctant to cross-sell or upsell to help them realize that they're assisting customers rather than hard selling. They work with CSRs on the soft skills, which are the most challenging to teach, to help them identify opportunities and to do it in a way that isn't off-putting to customers.

Ben Segal of Freshly says, "We reinforce that it's part of our culture through training, QA, and one-on-one coaching where we'll dig into calls and offer feedback. We also motivate using them through contests where they can accumulate points and redeem them for days off or gift cards. We also have a weekly newspaper we send out that recognizes agents who did a great job."

Take the Next Step

Cross-selling and upselling are considerable opportunities for your contact center, and our research gives you the tools to start implementing them. Learn more about how to set your team up for cross-selling and upselling success in this on-demand webinar.

How to Effectively Manage a Hybrid Work Environment for Customer Service Agents

READ E-BOOK

Pandemic pressure:
11 Tips to Help Your Customer Service Teams Manage Stress

WATCH WEBINAR

4 Key Contact Center Trends for the Post-Pandemic World

READ E-BOOK

About Playvox

Playvox equips modern businesses and BPOs with a Workforce Engagement Management suite of Quality Assurance, Performance Management, Coaching, Learning, Workforce Management, Voice of the Customer, and Agent Motivation software. Playvox integrates with CRM platforms to empower the entire customer service team with real-time intelligence needed to improve customer experience and revenue generation.

To learn more, visit www.playvox.com.

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