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Smart Closed Loop:
The Complete Guide to
Closing the Loop in Real Time

Introduction

For many brands, closing the loop initially means addressing customer problems, responding to customer feedback, and providing feedback to employees. By closing the loop successfully, brands generate significant value for the customer and company. It's a solid start — but customer expectations are changing, forcing us to examine this process and ask ourselves a few questions:

01 **How do we reach beyond detractors, and engage passives and promoters continuously?**

02 **How do we scale closing the loop to apply empathy across the omnichannel experience?**

03 **How should we quantify the impact of the silent audience** — **those having the same experience as the vocal minority** — **to prioritize outer-loop, large-scale CX improvements?**

04 **How should our governance and activation shift?**

05 **How can we maintain a personalized, human experience , at scale?**

We are going to explore these questions and more to help your brand deliver a more impactful Closed Loop Program.

At a glance

What is the Smart Closed Loop concept?
A more scalable and personal way to engage with all of your customers during key inflection points along the customer journey

Why is Smart Closed Loop a must?
Relevant experiences ignite loyalty and growth and are key to unlocking the hearts and minds of customers

Benefits of Smart Closed Loop

- Increase customer engagement through relevant and empathic communication
- Reduce cost to serve by increasing in-channel resolution
- Build long-lasting relationships by delivering experiences that create a meaningful connection between the customer and the brand

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Changing Expectations & Response Criteria

Closing the loop with customers is valuable — those who receive a response to their feedback often turn into promoters, or brand ambassadors. However, loyalty and survey response rates can take a nosedive when customers feel ignored, whether they reached out directly with feedback or not. Closed loop programs need to evolve so all customers — whether they are vocal or silent — can easily solve problems or get answers.

You may be thinking, "I don't even have a basic closed loop program launched, so why would I consider something that sounds more advanced?" Regardless of your program maturity, you can implement a smart closed loop program that better caters to rapidly changing customer expectations.

## Reimagining Closed-Loop Feedback

- **Listen for Feedback Everywhere**
  Listening methods should include direct feedback, speech and text analytics, clickstream data, market research insights, and behavioral data gathered across the omnichannel experience. This is the bedrock for identifying high-value moments to craft a highly effective library of actions.

- **Deliver Omnichannel Relevance, Empathy, and Awareness**
  Medallia enables brands to be better informed about what a customer is experiencing, whether they are engaging in the moment or not. This awareness, coupled with the ability to act before or during an experience, empowers brands to maintain relevance with customers.

- **Preemptive, Proactive, and Responsive Moments**
  Best case scenario, brands can now respond before a poor experience happens or before a customer recognizes an issue. At a minimum, brands can suppress selling efforts when a customer is solving a problem, focusing the experience ecosystem on retaining answers to questions and steps completed along the way, reducing friction and making the customer feel known.

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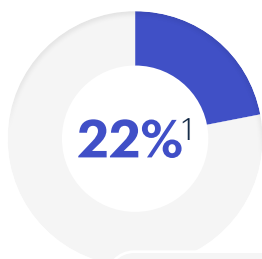
of customers don't do surveys because they do not feel their response will get acted upon

1. Medallia Market Research

Smart Closed Loop Objectives

- **Personally engage with all customers in every channel and every lifecycle stage**

- **Craft engagement strategies that either preempt problems or, when they occur, responsively identify and address their underlying causes with minimal customer effort**

- **Use all forms of feedback to build Next Best Experience strategies across the omnichannel experience**

- **Generate more engagement, longer lasting relationships at a lower cost, promoting positive word of mouth**

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Scaling Closed Loop to Deliver More Empathy & Relevance

Historically, best practices for establishing alert triggers include balancing volume with organizational capacity, and being selective about which alerts lead to action exclusively managed by frontline employees. With Medallia, human capital is no longer a limitation. Brands can create a library of actions to resolve common issues and answer questions that help customers make a final purchase decision in real time.

Closed Loop with Experience Orchestration

Maintain a Human Touch with Real-Time Customer Understanding

No longer do you need to ask questions to understand the customer experience — your brand has the data necessary to understand customer intent, sentiment, affinity, and much more. If questions are asked, a journey-aware survey with contextualized questions will be sent, resulting in higher response rates as well as an opportunity to increase brand engagement.

Real-Time AI-driven Orchestration

An instant response to feedback could be the difference between keeping or losing a customer. Set alert triggers that precisely apply automation and human intervention based on accurate experience signals integrated across all channels. Use the data from your closed loop case management system to create the top 3–5 instant response strategies as your first line of defense to poor customer experiences.

Designate Responsibility Intelligently

If an automated response is not suitable, smart closed loop systems route customers to the employees who possess the authority and skills to efficiently resolve challenges in the customer's preferred channel. Next Best Experience recommendations, interaction history, and AI-powered Smart Response grant employees continuity of knowledge to effectively resolve poor experiences. Alerts can intelligently go up the chain of command to enable different levels of the organization to close the loop.

Real-Time Smart Closed Loop Strategy

How it works:

Customer feedback is captured

Common alert triggers

- Low loyalty scores
- Unresolved problems
- Feedback with noteworthy comments (like "Please contact" or a competitor's name)

Feedback triggers real-time actions that communicate empathy and delivers resolution to your customer

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Silent Audiences
A better way to see, engage, and resolve experiences at scale

Imagine a world where customer experience isn't just about the voices we hear, but about inferring brand performance through advanced listening and autonomously orchestrating journeys. With Medallia, that world is within reach. You can move beyond simply reacting to feedback and proactively engage with a much larger audience that we call the **silent audience.** These are customers who are on the same journey as the vocal minority, but who are at higher risk of churn because they are not willing to provide feedback. By understanding these shared journeys, you can proactively close the loop with these customers, ensuring their experience is smooth and positive.

Medallia's power lies in prediction and taking action. By analyzing customer interactions, we can anticipate potential roadblocks before they become frustrating. This allows us to design targeted strategies that address issues preemptively. Think of it as catching a customer who's about to stumble and offering them a helping hand before they even know they need it.

This isn't a one-size-fits-all approach. We can tailor our engagement to each individual based on a combination of history and real-time context, balanced between customer intent and business priority. Medallia empowers you to manage the entire customer experience, no matter where a customer falls on the journey, and delivers a mutually beneficial outcome.

We can now engage all customers in a way that's relevant and personalized to their unique journey.
This is a game-changer for CX programs, allowing you to address the long-standing challenge of directly attributing programmatic change to your program, resulting in long-lasting, more meaningful relationships with every customer.

Dynamic Customer Profiles
Profiles are updated during every interaction or event across all channels, enriching journey visuals organically and in near-real time

Aggregate Views
Deliver business intelligence to operational stakeholders and relevant journey context to customer-facing staff

Live End-to-End Journeys
Dynamic views that reveal high value moments, hot spots, friction points, and promoter, neutral, and detractor moments

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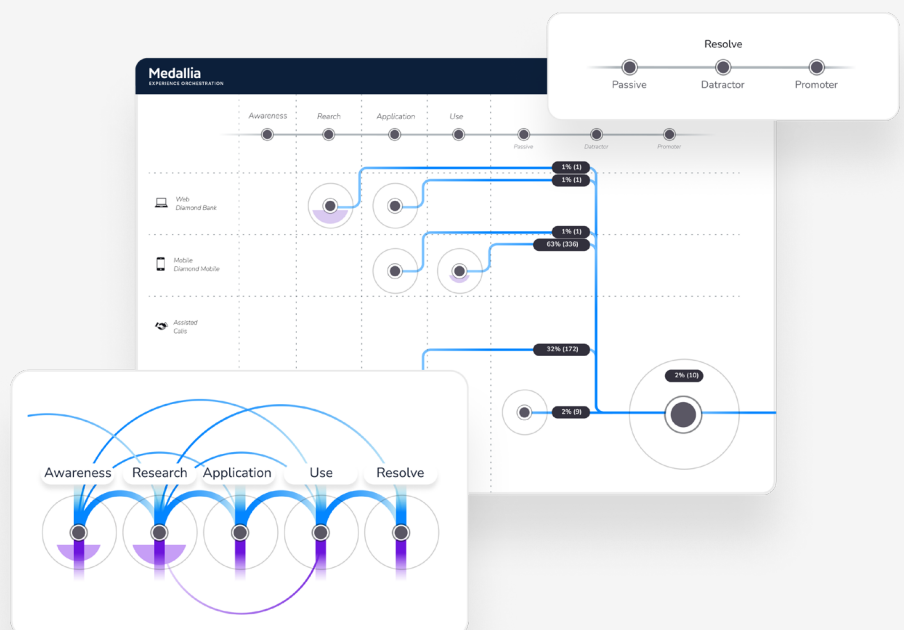
Mastering the Inner & Outer Loop

A response to an individual is the inner loop, which is typically handled by the team that collects feedback, such as the contact center. Analyzing and taking action based on this follow-up with individuals provides data for the outer loop analysis. The outer loop involves structural improvements to people, processes, and technology.

With Medallia's approach, an organization can scale by responding in a timely manner to common promoters, passives, and detractors, engaging with audiences who are on similar journeys, and demonstrating true brand engagement throughout the entire omnichannel channel mix. Outer loop processes can then be optimized as a result.

For the inner loop, brands can convert the most common resolutions typically locked up in case management reports into an omnichannel action library that delivers personalized and relevant responses in the customer's channel of choice, with an option to connect with an agent live when the initial response is not suitable. What is unresolved by an automated response is resolved in real time by an expert and recorded into case management. As new "most common" resolutions surface, the real-time action library is updated and continuously improved.

Both passive and promoter customers are equally engaged, as are all other customers on the same journey, providing guidance to the governance team so that it can prioritize experience initiatives more effectively. By understanding the journey and monetizing orchestrated experiences, the CX team becomes the ideal resource for delivering personalized experiences across omnichannel experiences that drive business results.

Smart Closed Loop is especially useful when individual customer follow-up is not feasible because of resource constraints. In cases where your organization needs to reach a large audience while correcting systemic issues that require long lead times or investments, it is appropriate to communicate a relevant response at key moments of engagement with customers.

To convey closed loop action in one-to-many communications:

- **Explain how feedback is being used across the organization**
- **Broadly communicate positive changes at key moments across the omnichannel experience**
- **Leverage existing channels including the website, social media, newsletters, on-hold messaging, etc.**

By continually analyzing and synthesizing customer data collected from various sources, you can strategically enhance your business operations, leading to more effective and impactful long-term changes that positively influence the overall customer experience.

About Medallia

Medallia is the pioneer and market leader in customer, employee, citizen, and patient experience. Medallia Experience Cloud captures billions of experience signals across interactions including all voice, video, digital, IoT, social media, and corporate-messaging tools. Medallia uses proprietary artificial intelligence and machine learning technology to automatically reveal predictive insights that drive powerful business actions and outcomes. For more information visit www.medallia.com.

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