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"Southwest Bumps Customer Service to First Class"

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Adding Flight Change Notifications 'The Southwest Way.'

Fred Taylor Jr.'s job at Southwest Airlines is to head customer service problems off at the pass. Ideally, he presents customers with a range of solutions before they even know that they have an issue – for example, by calling them to let them know a flight has been delayed or cancelled before they've left for the airport and letting them know their options.

To make that possible even in cases where thousands of passengers are affected in the event of a hurricane or snow storm closing an airport, Southwest has implemented an automated system for placing those calls and relaying the message with a mix of pre-recorded voice clips and text-to-speech software. The application combs through Southwest's operational databases to identify problem flights, looks up information on the affected customers, and sends notifications through Varolii, a service provider that specializes in automated customer communications by phone, text messaging, and email.

"We knew our customers were going into situations we didn't want them to be in, particularly at airports affected by weather," Taylor says. "Then we quickly realized, why does it have to be a weather event? We can notify them other situations as well." So the effort was expanded to include things like gate change notifications.

Taylor's title is senior manager of proactive customer service communications, but a March 2007 New York Times nicknamed him the airline's "Chief Apology Officer" for his focus on reaching out to customers who have been inconvenienced and offering to make it up for them – without waiting for them to complain first.

Yet Southwest was not a pioneer in automating its proactive communications; in fact, it was a little late to the party. Varolii had already signed up many of the other major airlines as customers, and Northwest Airlines was the first to implement real-time integration with the Varolii service. Delta Airlines, which was also a Varolii customer, purchased Northwest in October, and the two are in the process of integrating their flight notification applications (along with the rest of their operations). Other prominent Varolii customers in the industry include JetBlue and Alaska Airlines.

Varolii's Jeffrey J. Read, executive vice president for field operations, says Southwest became much more interested in his company's services following the publication of a Wall Street Journal poll that gave Southwest a relatively low ranking for flight notification services.

Taylor says Southwest prides itself on offering superior customer service and was chagrined to recognize that this was one area where it was falling short. Like most other airlines, Southwest has for years allowed travelers to register for flight status notifications. This system made it the customer's responsibility to request that service and to locate it on the southwest.com website, but it doesn't take much imagination to recognize that any traveler would appreciate getting a heads up that his or her flight has been cancelled.

Southwest wants to add email and mobile phone text message notifications to the application but decided voice notifications were the right place to start. For one thing, the airline's customer database doesn't necessarily contain an email address or a mobile phone number for every passenger – although initiatives to gather that information more routinely are under way.

For example, Southwest would have email addresses associated with reservations made online but not necessarily for those made over the phone."The thing we have for every customer who makes a reservation is a phone number," Taylor says. "So when we looked at what kind of message can we send them, the guaranteed thing is a phone message."

What he didn't want was for that message to sound "canned or robotic," so Southwest worked with Varolii to make sure the automated caller would come across as friendly and natural, clearly introducing itself with something like "this is Southwest Airlines calling" and a quick description of the problem, and then giving passengers the opportunity to talk with an agent. Varolii uses a trademark chime at the beginning of each call as a clue to the recipient that they're talking to an automated system, rather than a person.

While outbound automated "robocalls" from telemarketers and political candidates are often unwelcome, Varolii specializes in a different use of the technology that is more focused on outreach to its clients' existing customers. The automated messages sometimes deliver bad news – e.g., that your flight's delayed or, in another key market segment, banking, that you need to make a mortgage payment pronto to avoid foreclosure. But even with those collection calls, part of the emphasis is on giving customers options for avoiding a crisis – and some bankers say the automated calls are less embarrassing to their customers than having to speak with a human collections agent.

Taylor insists Southwest doesn't give out product endorsements like salted peanuts. "But we're happy to do it when it's earned," he says. When Southwest went shopping for this technology in 2007, it considered five vendors, ranking

them according to 11 criteria, Taylor said. "Varolii not only came out highest on our scorecard overall, but they were highest in each category as well. At that point, it was a no-brainer for us – and they've lived up to our expectations."

That decision was followed by close to a year's worth of development work before the application was launched in August 2008. The complications were mostly on the airline's side of the integration puzzle, in areas like generating the data that would be fed into the Varolii system via a web services application programming interface.

"Southwest has a reputation for doing things 'The Southwest Way,' providing clever, unique ways of providing customer service, and as a result we have a lot of in-house developed applications," Taylor says. Several systems that tracked different aspects of flight, customer, and passenger information had to be reconciled. "The biggest challenge we had was making sure we had captured the right customers on the right flights, and then translating that data into a format that Varolii could use," he says.

"From a technical perspective, most of it pretty straightforward, except that data correlation was a challenge," says Alan Mitzel, a senior manager in Southwest's technology department. This data correlation needs to span both internally developed systems and the Sabre Reservations System.

"Getting good customer data continues to be a challenge," Mitzel says. "As we build out the service, we want to have good home phone numbers, cell numbers, and text messaging options, and we're working couple of other projects help us get that information."

Southwest programmers also created a custom graphical user interface, using Java Swing components, that allows Taylor's department to review every alert before it is sent out and customize the message that will be fed into the Varolii text-to-speech engine. So rather than automating the process entirely, so that notifications are sent the second a flight is recorded as changed or cancelled in the airline's operational systems, Southwest has chosen to inject a little human judgment into the process. "It lets Fred's team decide which messages are sent and which aren't, so that we can baby step into this," Mitzel says.

Taylor says he knows of only one significant misfire, when he got a call from a gate agent complaining that customers were showing up saying they had received a gate change notification that he knew nothing about.

Although Taylor was under the impression that this was the result of a programming error, a glitch in "one line of code," Mitzel says it was more of a timing issue. In this case, the system was generating alerts a little too quickly, based on gate change events recorded in Southwest's systems. Since operations personnel sometimes experiment by recording a few possible gate changes in

the system before making a decision, the problem was corrected by introducing a delay in the notification system so that alerts aren't generated before a gate change becomes official.