



**14+ tips for rewarding  
employees for great  
customer service**

As a leader, you know rewarding employees for great customer service is important to build a happy, high-performing team. But the truth is that **customer service is often overlooked when it comes to employee recognition.**

In fact, according to Great Place To Work-Certified company O.C.Tanner, **37% of respondents said more personal recognition would encourage them to produce better work more often.** Showing appreciation for your team has been proven to do just that.

But it can be difficult to determine the best way to reward your customer service representatives, and it requires careful planning and communication. That's why we've curated a list of the top ways to recognize your agents, how to implement rewards, and some tried and tested options you can use with your team.



## What is a rewards program in customer service?

In an ideal world, every customer is happy and will never have to go through the process of filing a complaint.

Unfortunately, that's not the case for most businesses. Time and time again customers will have a problem and contact your business about it. **How you handle these customer service complaints is crucial to your business' success** because if handled poorly, you could lose the customer forever while if handled well, they can end up being one of your most loyal customers. And well-trained and motivated agents can do just that.

**A rewards program in customer service is the act of giving an employee a gift or cash bonus for offering great customer service to a customer.**

This is often done after the customer has filed a complaint and then the employee has resolved it in a professional manner. It's also sometimes done as a way to encourage an employee to provide stellar service to every customer each day.



In other words, a rewards program for your customer service team is **a way to give something back to the employees** who have worked hard to achieve their individual goals and overall business goals.

**Rewards for good service are designed to motivate agents, improve their productivity, and help them feel like more valued members of the team.** This can be done by rewarding your team individually and as a whole for achieving great customer service results.

## Why are rewards for good service important?

**A rewards program can improve customer satisfaction, which will ultimately lead to more sales.**

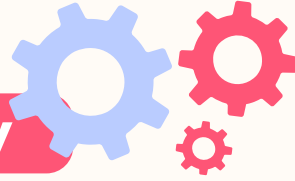
When customers have a great experience with your business, they will return and tell all of their friends about it, which will lead to growth for your business.

**Rewards for great customer service can bring out the best in your staff members.** They will feel appreciated and rewarded for their hard work, which will encourage them to do better work in the future. **Employees are more likely to stay motivated when they feel like their efforts are being recognized by the company they work for.**

In fact, rewarding your customer service representatives is much more meaningful than you might think. According to Deloitte, recognition correlates highly with improving employee engagement, and **a 15% improvement in engagement can result in a 2% increase in profit margins.**

Here's more on the ways an incentive program can be beneficial to your team's performance:

## Increasing productivity



**The right motivation can go a long way with individuals.**

Setting customer service incentive metrics will encourage your agents to be more productive and efficient in their work. If they get rewarded for completing the most tickets, for example, they'll want to find ways to improve their processes to do even more.

Be cautious not to make rewards overly competitive, though, as it could create the opposite effect from what you're hoping to accomplish.



## Lowering agent churn

**Creating an environment where agents are rewarded for their hard work is important for employee retention.**

In fact, according to SurveyMonkey, 63% of employees who are recognized are "very unlikely" to look for a new job.

## Boosting performance



**Deloitte's study also found that companies that recognize their employees have 14% higher employee engagement, productivity, and performance than those without rewards.**

Consistently communicating with your agents to provide detailed quality feedback can help them feel more visible.

**With Kaizo's Scorecards and Coaching Cards, for example, you can easily pinpoint improvement areas in real-time and provide actionable feedback to your agents.**

Helping your people have a clear picture of their performance metrics will make it easier for them to identify opportunities for improvement and earn rewards for good service. Here's what those Scorecards look like:

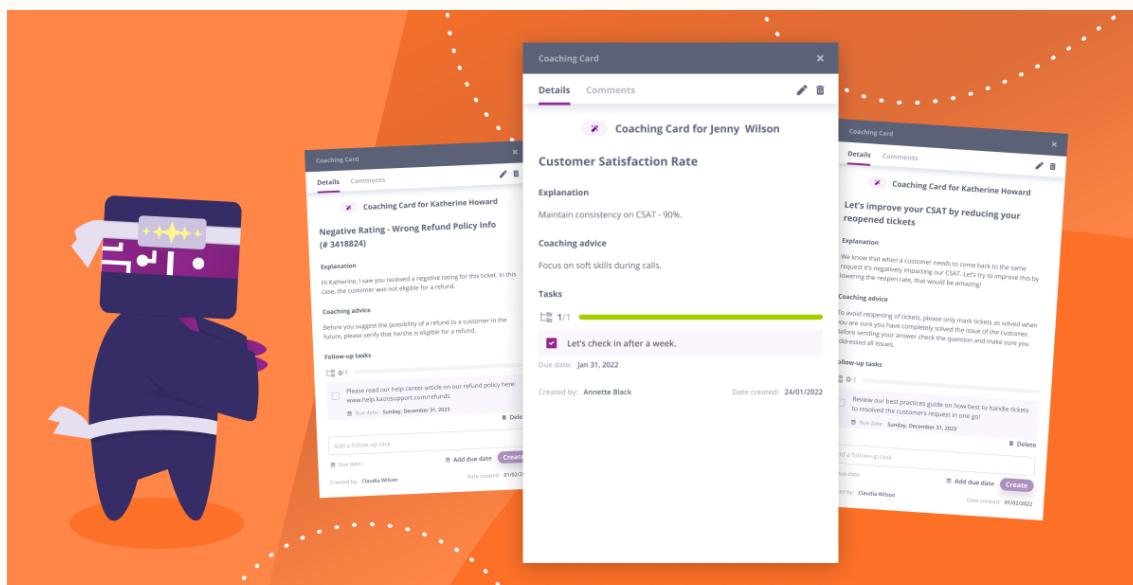
Team View Agent View

Team: 1 Selected: Europe Channel Type: Selected: All Select Date: Jan 18, 2021 - Jan 24, 2021 Search: Search for a user... Export .PDF

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Zendesk Hours			Tickets Solved/h			Total Tickets Solved		
Name	Value	%	Name	Value	%	Name	Value	%
Elizabeth Crane	92h:00m	+ 31%	Elizabeth Crane	19.4	+ 15%	Elizabeth Crane	3124	+ 44%
Pamela Fields	89h:30m	+ 10%	Pamela Fields	18.6	+ 24%	Pamela Fields	245	+ 29%
Benjamin Bell	88h:30m	+ 21%	Benjamin Bell	18	+ 26%	Benjamin Bell	240	+ 24%
Heather Tucker	87h:30m	+ 30%	Heather Tucker	16.2	+ 17%	Heather Tucker	196	+ 20%
Sean Banks	86h:00m	+ 32%	Sean Banks	12	+ 10%	Sean Banks	192	+ 60%
Melissa Price	84h:00m	+ 12%	Melissa Price	11.6	+ 17%	Melissa Price	189	+ 12%
James Ruiz	82h:00m	+ 28%	James Ruiz	11.2	+ 12%	James Ruiz	182	+ 23%
George Washington	77h:00m	+ 44%	George Washington	8.1	+ 7%	George Washington	176	+ 32%
Jean Soto	73h:30m	+ 22%	Jean Soto	7.6	+ 11%	Jean Soto	170	+ 42%
Kevin Kelley	72h:00m	+ 20%	Kevin Kelley	7.5	+ 10%	Kevin Kelley	168	+ 45%
Keith Smith	66h:00m	+ 18%	Keith Smith	6.8	+ 4%	Keith Smith	162	+ 34%

And here's a sneak peek at our **Coaching Cards**:



# Having a happy and healthy team

While this benefit is more difficult to quantify, it's an important one. **A well-rounded and happy team means agents will be more willing to help and support each other.** If you set up an environment where one person wins and everyone feels good about it (or also wins), you'll build a much more supportive team.

## Things to consider before implementing a rewards structure

There are many ways to set up your customer service rewards program. Depending on the organization, the customer support and overall business goals, and your team, there are many structures to choose from. Begin by asking yourself these questions:

Who:

### Team or individual rewards?

**Should you reward the team as a whole or each individual agent?** Determining the differences between whether a reward is split amongst everyone or set for each person will help inform your rewards structure.

What:

### Monetary or non-monetary?

This tends to come down to what your budget is. The truth is, it doesn't matter much to your agents if it's money or something else of value. Ultimately, the **best reward for your customer service representatives is one they actually want so you can offer multiple choices or ask them which they prefer.**



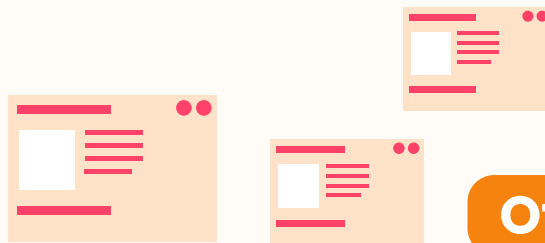


When:

### End of the quarter or when applicable?

You'll need to manage customer service rewards and recognition in addition to what you're already doing, so make sure it's easy for you to maintain. Then you can determine what will motivate your agents the most.

For example, will small daily rewards keep them on track? Or would they prefer a larger, end-of-the-quarter reward to look forward to? If you're not sure, ask them, and whatever you decide, evaluate the time to manage the program and your budget before proceeding.



Where:

### Offline or online?

Depending on where your team is geographically located, you may choose to use only digital or online rewards. However, if you have the resources, four in 10 Americans look forward to checking their mailbox. So **sending a physical letter with a gift card is a great offline rewards option.**

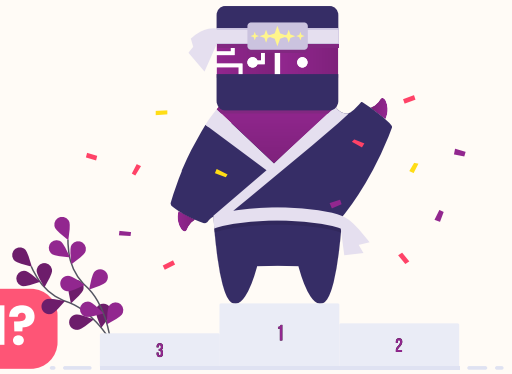
Fortunately, there are many options for both in today's world. Whichever you choose, decide in advance how you'll apply rewards so they're ready for agents and easy for you to manage.



Why:

**Reward the highest**

**achiever or most improved?**



Since there are so many different ways to measure and reward your agents, you'll want to determine what constitutes rewards and why. This way it's clear for everyone from the start.

Will you reward the most First Contact Resolved (FCR) calls or overall resolved tickets? Highest rated feedback by customers or happiest overall customer satisfaction scores? Most valued team member voted by peers? Or most improved CSAT score?

As you can tell, this depends heavily on your customer service goals and KPIs. **Generally, you'll want the reward to align with your department's goals, so focus on what's most important for the team and company.**

How:

**Qualitative or quantitative?**

**You also have the option of choosing how you want to measure your team's performance to base customer service rewards on.** You can analyze hard data like metrics (quantitative) or by objective quality like customer feedback (qualitative).

A mix of both can be great if you're looking to improve overall performance and build a culture of customer obsession..



Additionally, be sure to tick these two boxes:

**1 | Make it transparent:** Your staff needs to know what the rewards program is and how it works. The best way to do this is through a written policy that spells out what behaviors are rewarded and how any rewards will be delivered. That gives everyone something concrete to measure their performance against, which should lead to better overall results — not only in terms of customer satisfaction but also in terms of revenue generation.

**2 | Make sure there's a budget:** If you're going to start a bonus system, make sure it is consistent and there's enough money to keep it running for at least a few months.

## 15 examples of rewarding employees for great customer service

The best customer service rewards for your team might not be the same as your competitors' or industry standards.

**Finding out what type of recognition and customer service bonus plan would make your team the happiest is key, along with aligning reward programs with your company goals.**

Here are 15 examples of customer service rewards to consider:

# Physical rewards

There are a myriad of physical rewards ranging in size and budget that you can give to agents.

**Here are a few ideas to get you started:**



## 1. Cash bonuses and gift cards

An annual or quarterly cash bonus plan based on individual customer service performance and overall sales in the company could be a large reward.

Gift cards are a popular alternative in the physical rewards category — whether it's an Amazon Gift Card or a personalized gift card, you can buy them online in bulk so you'll be ready to distribute rewards to agents.



## 2. Free lunch

Not only is a free lunch a tangible and obvious reward, it means you'll spend meaningful one-on-one time with the winner outside of the office. If it's a team reward, enjoying lunch together can also help build camaraderie among employees.



### 3. Tickets to an event

This could be as simple as tickets to a local fair for the family to enjoy or a concert you know the agent loves. No matter the event, it will likely be an experience for your agent and encourage them to continue their success.



### 4. Gadgets, electronics, and company swag

Gadgets and tech gifts such as wireless earbuds, a wireless phone charger, or a smartwatch are a great way to boost motivation and happiness levels amongst your customer service reward winners.

Company swag can also be a fun way to promote your business and give agents pride in their company at the same time.



### 5. Competition for a trip somewhere

This is a common one for sales teams, but why can't it be for customer service teams too? Keeping customers is just as important (especially financially) to the company as getting them so rewarding your agents with a big trip is a fantastic annual reward.

Set up monthly benchmarks to identify who's on track for the big trip. Then hold a rewards ceremony in your department to announce the winner at the end of the competition. You'll likely want to make sure the winning agent can enjoy their trip with a friend or family, so make sure you build this into your budget.

# Job Perks

**We spend half of our lives in the office or working.**

Why not make that time a little more special and enjoyable? Try out some of these rewards for good customer service to boost your team's productivity and happiness:

## 6. Bonus vacation days

It may not technically be monetary, but it's worth emotionally more than a full day's pay to receive an extra day off for the year. At little or no cost to the company, you can make an agent's entire day with this job perk to reward a job well done.



## 7. Early finish or late start

Whether your individual agents are morning people or night owls naturally, being able to choose shifts will give them the option to come in later or leave earlier. Let them decide which they prefer and allow them to alter their schedule for a full week or month.





## **8. Get out of work free card**

As long as it doesn't interfere with a busy period or new project, giving agents a "get out of work free" card with a certain amount of hours they can take off any time they want will let them take a last-minute break without judgement, punishment, or stress.



## **9. Pet day**

Barring someone with an allergic reaction to animals, pet day is beloved by most people. Allow the winner to bring in their pet for a day. This can boost everyone's mood and productivity along with the winner.



## **10. Designated winners office or parking spot**

Having our name on something makes us feel special. This is especially true for a designated winners trophy, corner office, or VIP parking spot. Identify something of inherent value that people will be excited to get.

# Accomplishment recognition

**Everyone wants to be recognized for their accomplishments, and some people even want public recognition.**

But before announcing rewards for great customer service openly, ask for permission from the recipient. They may be more comfortable with something low-key like an email instead of a big ceremony.



## 11. #achievements Slack channel

**One way to encourage supporting your teammates is to enable them to praise each other.**

If you use Slack as your internal communication channel, you can create a channel called **#achievements**. Every time someone notices something great their colleague has done, they can mention it in the channel.

Facilitating this positivity encourages people to look for the little things, support their teammates, and feel good when they receive praise. It's an all-around mood lifter any time of day.





## 12. Gamification

**Gamification in customer service is a great way to take some stress off your agents, turn their daily routine into an enjoyable and incentivized process, and make it easy for them to set and achieve their goals.**

This, in turn, will give them a feeling of accomplishment and reward for the job well done.

For instance, with Kaizo's gamified Missions and personal ninja avatars, you can engage agents by instantly quantifying and gratifying their successes. It will also be much easier for you, as a manager or a team lead, to understand who deserves recognition for what achievement and what kind of guidance they could use in future.

## 13. Quarterly awards ceremony



**Awards ceremonies don't need to be a massive formal affair.** You can have a small departmental event celebrating wins by presenting rewards to winners at the end of each quarter.

For example, you can make a fun tradition out of presenting the rewards at an off-site location for a change of scenery.



## 14. Well-rounded 1:1 meetings

When meeting with your agents individually to provide feedback, it doesn't have to be only about customer service performance metrics.

Make your meetings a well-rounded experience by providing praise, asking for feedback, and discussing areas for improvement from both sides.



## 15. Employee of the month

Each month someone will stand out from the crowd. Whether they've been praised numerous times on your Slack channel or they've hit all their goals, they made a mark.

**Recognizing a different agent's performance each month will raise their motivation to earn an employee of the month status.** You can also make this a team-building exercise by having employees make the nominations.



# Start rewarding employees for great customer service

**Whether you're an employee or a business owner, improving customer service is a key part of creating a successful company.**

If you want to set your company apart from the competition, you need to not only offer excellent service, but also show that you appreciate employees who go above and beyond to help customers.

The customer service industry isn't the same as it was 10 years ago. Today's consumers demand more attention and they are more knowledgeable about their rights. This means companies have to work harder than ever before to keep customers happy and retain their loyalty.

**Rewards are obviously not required for good customer service, but they do help motivate your employees to do more than what is required of them.** Rewarding your employees for great customer service can help you solve some of the problems facing businesses today.


At its core, recognizing agents and providing them with customer service rewards and incentives comes down to being data-driven. You can utilize the insights to improve service and you'll learn what the best rewards for your customer service representatives are.

Then, with happier, more motivated employees comes better customer service and happier, more loyal customers.



With Kaizo we increased our output by 30% in just a few months, and have cut our First Reply Time by 50%. Highly recommend for any teams looking to take their support to the next level.

**Daniela Healy**

Operations Manager at  CreditRepair Cloud



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