

The Insider's Guide to Customer Service on the Web:
Eight Secrets for Successful E-Service

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Executive Summary

The Web seems like the perfect place to do customer service. It's where people go to find answers fast. It provides the basic technology needed to help customers navigate their way through lots of content to the particular piece of information they need. And it's open seven days a week, 24 hours a day. In fact, according to industry observers, Web-based customer service – also known as “E-Service” – is one of the biggest business opportunities on the ‘Net.

Unfortunately, most companies fail to effectively exploit the Web's full potential as a customer service tool. Some fail because they don't recognize just how powerful a business tool E-Service can be. Some fail because they're slow to respond to customer needs. Others fail because they never develop a practical process for capturing the information customers want and quickly getting it up onto their site. Many companies find the potential cost of developing a complete E-Service application too daunting. Others do the development, but leave out some of the key functions that make E-Service really “click.”

There is a cost for such failure. **Companies that don't develop effective E-Service wind up spending far more on customer support than their competitors – as much as 20 times more per incident. Companies with poor E-Service lose customers, since Web users get frustrated quickly and head elsewhere. Without a healthy E-Service strategy, companies can find their call centers swamped when they introduce a new product or experience problems with an old one.** E-Service is also a proven means of boosting Web site traffic, which increases online branding/promotional opportunities and – for sites that run paid advertising – substantially boosts ad revenues.

This white paper distills the experience and best practices of successful E-Service implementers from a wide range of industries. It also provides a simple test that you can use to determine your company's “E.Q.” With this information, you'll be able to plan and implement your own E-Service strategy – and join the ranks of successful E-Service implementers who consistently delight customers while they lower support costs and build a stronger Web presence.

Why E-Service?

As it becomes increasingly popular and well-traveled, the Web is rapidly changing. Just a few short years ago, it was enough for a business to put up a site that had a modest amount of information on its products or services – with a phone number to contact if the visitor wanted to order something or ask questions. This static “brochureware” content treated the Web as a kind of online Yellow Pages, where the main idea was to make sure you were properly listed.

Things have really changed.

Now, the Web has become an intensively interactive medium – really an extension of the business itself. Companies use the Web to buy, sell, recruit staff, solicit bids and make referrals. It’s also a great place to support customers and forge closer relationships with them.

That means it’s also a great place to lose customers, too.

How do you lose customers on the Web? The same way you lose them in the “real” world: you don’t respond to their needs. **Unfortunately, many executives who would have a heart attack if their phone lines were down for ten seconds think nothing of letting an online customer wait days for an e-mail reply.** In fact, according to a recent study by Jupiter Communications LLC, a leading E-commerce market analysis firm, an amazing 42% of top Websites surveyed failed to provide adequate customer service. These companies either took longer than five days to reply to their customers’ e-mail inquiries, never replied or were not accessible by e-mail.

A big part of the Web’s fundamental appeal is immediate gratification. When someone comes to a Website, they want to find the information they need to make a buying decision or solve a problem fast. So Web visitors are particularly sensitive to delays. Statistics indicate that it may be only a matter of seconds before a searching visitor gives up that search and either moves elsewhere or abandons the search entirely.

This not only puts tremendous pressure on Website designers to create sites that are easy to navigate, it also puts pressure on those who contribute to the development of Web content – which can include marketing and customer support staff – to anticipate the possible needs of all type of visitors. Since those visitors can include everyone from clueless newcomers to long-time customers, the range of information that may potentially be requested can be staggering.

And what does a visitor do if they can’t find the content they need? They look for somewhere to ask a question. Typically, this is done with a “Contact Us” button that launches a generic e-mail query. That’s woefully insufficient for a customer with a problem. **Imagine calling a company and having to leave a message in some generic voice-mail box that didn’t even tell you whether it belonged to sales, service or the night watchman!**

The result? Frustrated visitors go elsewhere, get mad at the company, and/or end up having to use the phone – costing the company as much as \$45 per incident more than it would have cost had the issue been resolved on-line.

Several factors can lead to the existence of unresponsive Websites:

Misunderstanding of visitor requirements

Many managers still think of Websites as electronic brochures or print ads. They fail to adequately consider the dynamic, interactive needs of today's Web user. Often, they are not as avid users of the 'Net as their audience, and don't recognize how the rest of the 'Net experience – which can include chat rooms and highly interactive “community” sites – fosters this expectation of interaction and response. Such companies therefore typically overlook the need to provision content and mechanisms that meet the demands and expectations of the typical Website visitor.

Cost and staffing constraints

Even if a corporate Web team understands that improved content and response mechanisms would significantly enhance a site's value, there may be a lack of resources to do so. Such an effort might mean committing one or more full-time staff members to tracking frequently asked questions, developing appropriate content to answer those questions and modifying or adding new pages as required. For sites with massive numbers of visitors, the task might seem unfeasible regardless of cost – because there simply aren't enough HTML-competent staffers available.

Lack of appropriate tools

When organizations confront the issue of Web response head on, they also often discover that they lack the proper tools necessary to execute a truly comprehensive solution. The functions required to create a dynamically responsive Website cut across various software categories: HTML Web page generation, e-mail “call” tracking, query/search functions, etc. Without a solution that integrates these various components, maintaining a responsive site can become a very labor-intensive proposition.

Despite these impediments, it is clear that smart companies must find ways to make their sites more responsive to the continuously changing needs of their prospects and customers. Those who fail to do so will lose visitors to the competition, reap poorer returns on the substantial investments they've already made in putting up their Websites, and continue to spend more money than is necessary on more expensive customer service resources – such as conventional call centers.

E-Service Innovators: Cases in Point

While the E-Service phenomenon is still in its early stages, many online innovators in a variety of industries have already proven that automated, Web-based customer support works. Here is a sampling of such companies and brief descriptions of their experiences to date:

Turner Broadcasting

Turner Broadcasting uses an E-Service application to support 20 million cable TV customers who subscribe to the company's cable services. Because of the repetitive nature of those customers' questions, **Turner was able to reduce the volume of e-mail going to its general support mailbox by a full 75% in just two weeks.** According to the project's managers, ease-of-use was critical for the success of its online support program, since its customers are not generally "power users."

Ben & Jerry's Ice Cream

Like many successful Web implementers, Ben & Jerry's wasn't prepared for the amount of activity that its site began to generate. The volume of e-mail addressed to the Webmaster reached a point where there was a backlog of over 5000 messages. For a highly consumer-oriented company like Ben & Jerry's, this situation was unacceptable. The company seeded an E-Service support database with just a dozen questions. That content quickly expanded to almost 100 topics – **resulting in a two-thirds decrease in Webmaster e-mail and elimination of the backlog.**

Mindspring

This rapidly growing Internet service provider continues to gain more market share – much of it through acquisition, which puts significant strain on support resources. Mindspring also emphasizes customer responsiveness in its market messaging. As a result, making its Website more effective in responding to customers was an absolute must. The company has built an online knowledge base of over 2000 "articles." According to Mindspring's project leaders, the resulting ability to answer customer questions without human intervention meant that **their E-Service implementation paid for itself in one month.**

Picturetel

Picturetel is a leading worldwide provider of teleconferencing solutions. Because of the technically complex nature of its products, its cost per support call is approximately \$60. **By deploying automated E-Service software, the company was able to reduce its call volume by 32%.** The knowledge base is also used by internal customer support representatives to streamline their own call-handling procedures, resulting in further savings to the company.

Specialized Bikes

Achieving annual growth of over 30% in a no-growth market segment testifies to Specialized's aggressive customer focus. The company's own research indicated that over 85% of customers calling in had Web access, making an online customer support center a logical undertaking. In addition to allowing the company to avoid hiring additional support staff as its support query volume increases, Specialized Bikes also sees E-Service as being an invaluable market research tool – **enabling the company to determine what its customers want and how clearly they understand key marketing messages.**

Eight Secrets for Successful E-Service

Effective E-Service, despite the apparent obstacles, is actually a very achievable goal. As numerous successful implementers have demonstrated, it simply requires the right principles, practices and tools. By surveying today's most effective E-Service practitioners, Right Now Technologies has discovered eight basic attributes that make Web-based customer support work:

1) Make sure your Website “listens”

Every successful salesperson knows the most important part of their job is listening – both for explicit and implicit messages. Websites should do the same. Explicit messages are clear requests for specific information. Implicit messages are patterns of queries or usage that imply a lack of or difficulty in finding some type of content. An effective Web presence requires mechanisms and/or practices that ensure an attentive ear to both types of online customer requirements.

2) Give customers what they want

It's not enough to ascertain what types of content users are asking for. That content must also be provided quickly. The atmosphere of the Web is full of a sense of immediacy. Delays in delivering customer-driven content can be deadly. An E-Service solution must therefore capture customer requests and use that information to automatically enhance site content for future visitors.

3) Make responsive content and response mechanisms easy to find and easy to use

It's remarkable how many Website designers allow customers to wind up in places where they can't easily find a way to ask for more information and/or send an e-mail request. On many sites, the “Contact Us” button simply launches a pre-addressed e-mail screen – with no information about how soon they can expect a reply and/or where else to look for information. Many sites don't even provide a phone number if a customer really needs to talk to a human being right away. If customers can't even find the company's phone number, what are the chances that they will be able to find an even more obscure piece of information? **Hidden content is the same as no content at all.** Of course, this is true of all types of content, but it's especially critical for response-related pages. So E-Service must be *EASY* for customers to use.

4) The “80/20” rule

While it's great to make sure that Website content is as comprehensive as possible, the fact remains that – on average – **80% of all site traffic is aimed at 20% of the content.** In other words, a relatively small amount of content can take care of a tremendous amount of business *if* it's the right content. So companies that delay putting up sites because they're trying to make sure they can answer every possible customer question online are making a mistake. It's much smarter to get the most important information up first, and then add to it over time as dictated by customer needs.

5) Get “pushy”

You don't have to rely on customers coming to your site to get them the information they need. **By offering a variety of e-mail notification options, you can turn a customer's e-mailbox into an extension of your Website.** A good way to do this is to ask visitors if they would like to be notified if there is any change in a specified content area, such as a product catalog or a press release

archive. Such notify-on-change “push” mechanisms allow you to leverage your Website and build an ongoing electronic relationship with your customers.

6) Respond fast

As noted in the Jupiter study, many companies make the mistake of being too slow in their response to online information requests. **Once a customer or prospect has been disappointed by how slowly their question has been answered, they are unlikely to try again.** They may even become disillusioned about the company as a whole. So, if you’re going to offer even a bare-bones e-mail contact mechanism, make sure it results in a fast reply – preferably as early as possible on the following working day.

7) Track religiously

Because a large percentage of site visitors tend to have the same narrow set of questions, it’s critically important to track requests for information as they come in. Consistent tracking of such requests allows those in charge of site content to determine where to direct their efforts – allowing for much more efficient use of human and infrastructure resources. Effective E-Service applications perform this tracking automatically and dynamically rank information based on historical usefulness to customers.

8) Automate, automate, automate

All the tasks required to create a truly responsive site – assimilating and analyzing user queries, developing appropriate content and posting it in a well-organized manner, handling ad hoc and “push” e-mail communications, etc. – can be extremely labor-intensive. As site traffic increases, these tasks can pile up even more. **In fact, many sites are spoiled by their own success, as the volume of communications exceeds the resources dedicated to supporting that communication.** So it’s critically important to deploy effective automation tools that can scale to meet rising demands. Such tools significantly increase the return on staff and infrastructure resources invested in the Web. Good E-Service applications automate site maintenance tasks and eliminate time-consuming knowledge collection and engineering functions – functions that, when neglected over time, result in out-of-date content and dissatisfied customers.

These simple principles can make the difference between online success and online failure. And, as so many companies have demonstrated in the past year, online success not only has an impact on how a company is perceived by its customers – but also on how it is perceived by investors, partners and other key stakeholders.

The Benefits of Responsive E-Service Websites

Companies that have built highly response- and service-oriented Web sites have found that excellent E-Service benefits their business in numerous ways – many of them totally unexpected. Here is a sampling of just some of the rewards that E-Service innovators have experienced as a result of making their site more responsive to the needs and behaviors of their customers through dynamic content and greater interactivity:

Reduced cost of customer service

When customers can help themselves at a Web site, instead of having to call a conventional help desk, savings can range from \$10-\$45 per incident. By continuously adding customer-driven support content to the site, the percentage of customers who can help themselves online also increases, dramatically reducing overall customer support costs.

Faster customer service and increased satisfaction

People hate to sit on “hold.” **When they can help themselves on a Website, they can get faster answers to their pressing questions.** They also develop the perception that that company whose site they’re visiting has a good grasp of what common support issues are – strengthening their overall confidence in that company.

Increased customer “bonding”

The more useful a site is, the more likely customers and prospects will see the site as a focal point for the particular community-of-interest the site serves. The company therefore becomes better positioned as a centrally important player in that community.

Increased traffic

A more useful site is also obviously more likely to receive repeat visitors. Such sites get automatically “bookmarked” and even shared with others. Without such content, visitors can become quickly turned off – never to return again.

Increased page-hits per visit

When visitors come across an area of a Website that’s filled with the type of information they’re really looking for, they click through more pages. In fact, according to field studies, **a dynamic database-driven content area generates 8-10 page hits for every hit generated by a page of static content.** Users also spend more time perusing each page of dynamic content than they do easily dated, static material.

Increased advertising revenue and/or mindshare

Having more visitors and page-hits isn’t just a nice statistic. For many sites, those statistics can directly impact the top line with higher advertising revenues. Even for a site that doesn’t generate advertising revenue, getting and holding more visitor “eyeballs” for a longer period of time allows companies to present more of the branding and marketing information they want customers and prospects to see.

24x7 response

Staffing and operating a three-shift customer service desk is an expensive proposition with somewhat questionable ROI. An effective online support facility provides this same 24x7 service with a fraction of the cost – and much greater scalability.

Freeing up staff

One of the main constraints limiting most organizations' E-commerce efforts is a lack of qualified, experienced staff. By automating the generation of site-enhancing content, such staffers can be relieved of the repetitive, time-sensitive tasks that quickly drain a company's IT resources – so they can focus on more strategic projects.

The bottom line? Dynamic, responsive content delivers concrete business advantages, day in and day out. Automating the generation of that content further extends those advantages and can provide the key for Website success.

What's Your Company's EQ?

E-Service quality will continue to become a more and more important competitive differentiator for companies doing business on the Internet. This simple test will help you determine just how healthy your company's E-Service strategy is – and allow you to pinpoint where it could use improvement.

EQ Quiz	Yes	No	Don't know
1. Can your customers quickly find answers to their most-frequently asked questions on your web site?			
2. Can they easily check on the status of the response that they previously requested?			
3. Do you respond to all customer e-mails within one business day?			
4. Does the knowledge content on your site grow dynamically and automatically based on customer input?			
5. Is the most useful and/or commonly requested information presented to visitors first?			
6. Do customers have an easy way to get to a human support staffer?			
7. Do your customers consistently return to your site to get information? Do you have any way of determining whether or not they do?			
8. Can you generate reports detailing the support activities that have taken place on your site on a week-by-week basis? Do those reports help you determine the ROI of the site?			
9. Do you give visitors the option to have updates sent to them automatically by e-mail?			
10. Are you consistently using your Website to capture and publish useful information that's currently only in the heads of your best staff?			
11. Have you off loaded telephone calls to your call center that could be handled without human intervention to your Website?			
12. Do customers ever praise your company because they found your site especially helpful?			

Right Now Web: E-Service Made Easy

Fortunately, there is an effective, easy-to-implement solution for companies who want to make their Websites more responsive – and who want to do it fast. Right Now Web from Right Now Technologies is a proven, scalable interactive customer service solution for the Web that enables companies to gain all the benefits of a comprehensive, integrated E-Service solution with minimum investment of capital and human resources.

Powered by a SQL knowledge base, Right Now Web provides dynamic, automated frequently asked questions (FAQ) generation, keyword searching and a personal assistance utility for customers to dialog directly with support personnel via the Web. Right Now Web thereby transforms Websites into highly effective information resources for customers, prospects and other business partners. With Right Now Web, you can quickly:

- empower your customers to find their answers quickly via your Website
- reduce customer service costs and redundant questions
- track customer service activity and monitor customer needs
- streamline management of inbound email
- increase traffic to your Website
- capture and publish the vital knowledge that's currently trapped in the minds of your most experienced staff members – **knowledge they'll otherwise take with them when they leave**

Unlike other E-Service solutions, Right Now Web is designed for quick and painless implementation. It is highly automated and easily administered from any Web browser – making it a cost-competitive solution that delivers nearly instant results.

The average Right Now Web customer:

- is up and running from purchase order to production in just a few days
- reduces telephone support load by at least 25% within 30 days of implementation
- eliminates two-thirds of manual e-mail support tasks by posting answers to customers' most common questions in an easy-to-navigate support area
- increases Website page "hits" by 300% to 500% without any additional labor expenses
- achieves measurably higher customer satisfaction within weeks of deployment
- **gains all these benefits and more for under \$20,000 in software license costs and NO additional professional services fees**

As the number of Internet users increases – and as customer expectations for online service are raised by E-Service innovators – Web-based customer support facilities are becoming an increasingly important competitive differentiator. The market researchers at Frost and Sullivan predict that the Web-enabled customer support category will grow by more than 110%. And Steve Robins, senior analyst for the Yankee Group's Internet Computing Strategies, has stated unequivocally that "Customer service is the next major thrust over the Internet." Companies that want to fully leverage the potential of the growing online business environment should therefore

take a close look at how smart E-Service fits into their overall E-Commerce strategy – and the goals of the business as a whole.

Try Us Right Now

If you'd like a first-hand view of how Right Now Web can help your company improve customer service and transform your Website into a powerful information center for customers and prospects alike, come visit our own site at www.rightnowtech.com. You'll find a free demo of our industry-leading Right Now Web solution, an ROI calculator and links to our active customers' Websites. Or call us at 888-322-3566 and speak to one of our knowledgeable sales representatives. You too can become an E-service innovator – sooner and for less money than you probably think!

About the Author

Greg Gianforte is founder and president of Right Now Technologies and a leading authority on online marketing and customer support issues. A former executive of McAfee Associates (now Network Associates), he has authored several books on related topics.

About Right Now Technologies

Right Now Technologies (Bozeman, MT) develops and markets easy-to-implement solutions that enable Internet-connected organizations to automate customer service and technical support operations. The Company's flagship product, Right Now Web, guarantees to reduce the Web-based customer support expenses of Internet-connected organizations by at least 25%, while dramatically improving the quality and responsiveness of support. Founded in 1997, Right Now Technologies' customers include Turner Network Television, PictureTel, TDK, Vivitar, Nortel and approximately 250 other organizations.

The industry's response to Right Now's innovative approach to end-to-end E-Service has been nothing less than enthusiastic. Here is a sampling of comments from leading analysts and top corporate customers:

"Right Now Web software is an innovative, easy-to-use web-based self-help tool. The software's ability to enable clients to deploy robust web-based customer support sites in under 60 minutes is a compelling differentiator in the customer care industry."

-Christopher Hoffman, analyst, IDC

"In just 12 months, Right Now Technologies has grown to become one of the largest suppliers of Internet customer care application software. Their current installed base of over 250 customers places them among the largest firms in this space."

-Steve Robins, senior analyst, Yankee Group

"Our company has 10 support people responsible for servicing 350,000 customers. Right Now Web enables 90% of customers who visit our Web site to answer their own questions. For those customers who can't find the answers they seek, Right Now Web provides them a direct path to a human."

-Rick Lowe, vice president of customer service and support, Infontent.

"We diverted nearly 80% of our online activity to our Support Central section and it has made tracking and response much easier for online work."

-Tom Linzey, GCC Technologies

"With the Right Now Web, we're able to offer our customers worldwide 24 by 7 support. Automating the construction of our online knowledge base helps us keep our support costs manageable as we grow our business."

-John Weber, VP Sales and Marketing, Software Toolbox, Inc.

“Right Now Web has been working well in our environment. People are searching the knowledge base and finding answers before contacting us directly. We saw a 25% reduction in our electronic support within 30 days of implementing Right Now Web on our Web site.”

-Matt Williams, Webmaster, Turner Classic Movies

“We have been very pleased with the quality of product and service received from Right Now Technologies. Their product helped us broaden the reach of our product support service on the Web.”

-Nick Berberi, Director of Customer Support, Tut Systems

“This past month, after implementing *Right Now Web*, we were able to document a 50% reduction in inbound e-mail.”

-Technical Support Director, TDK Systems

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