



Self-Service That Really Serves

WHY TRADITIONAL SELF-SERVICE FAILS AND HOW TO GET IT RIGHT

The nature of company/customer interactions has changed—quite dramatically—in the past few years. Internet advances as well as a continued push toward globalization have meant that customers have many more choices now than they did in the past—and they know that. Because of this more competitive landscape, when it comes to Web interactions a corporation has to meet exceedingly high customer expectations. In effect, consumers expect a service, product, or resolution to be delivered efficiently and exhilaratingly.

They're looking for a seamless, accurate online experience that recognizes their status and worth—regardless of the interaction channel. And when they log on, they want a system that quickly acknowledges their individual history and adjusts accordingly. Finally, they want a consistent experience with the brand that saves precious time. At

the same time, companies want self-service that dramatically reduces costs while preserving and growing customer relationships and enhancing their brand. These two objectives are at odds with most self-service systems today.

Though businesses understand the intrinsic value of self-service applications and have purchased them, few corporations have had much success with them. The majority of organizations still grapple with how to increase their self-service adoption levels. According to market research firm Gartner, 65 percent of self-service interactions currently escalate beyond the Web to an agent. While many customers start off on a self-service course, they often are derailed.

Compounding the challenge is the rising number of customer exchanges: Interactions between B2C companies and

their customers, for example, are growing at a rate of 15 percent per year, according to Gartner. Whether it's because of shorter product life cycles, more complex technical support inquiries, or more customer touch points, the reality is that the need for better service has become clear in virtually all industries and all businesses. To meet customer demands, self-service solutions must have *complete* and *fully integrated* E-Commerce, E-Support, and E-Billing systems.

WHAT CUSTOMERS EXPECT

Before companies attempt to fix their self-service problems, they must understand what customers expect. Consumers expect to be empowered. They expect to quickly find their desired information and easily customize their purchases (i.e., build their own photo albums at Snapfish.com and Kodak.com, choose a desired airline seat, request delivery times or service appointments, and manage multiple credit card accounts). Plus, customers want to express themselves and be able to rank pages, rate products, and tailor preferences. The interface has to be engaging, 2.0-rich, rely on leading-edge features, and deliver a cool user experience.

Customers expect a seamless self-service experience that is integrated at every channel. There should be no dropped balls between channels and every channel should have comprehensive, transparent customer knowledge. The online experience should be better than a live interaction and should enable users to accomplish their tasks quickly.

If companies don't offer these elements in a complete and integrated way, their customer interactions will be negatively affected and so will their revenues. "The customer will not limit his field of view to our product lineup or brand. If we don't provide service by helping customers to learn not just about our products but also about the whole variety of ways they can address their needs, then we are simply hiding our heads in the sand and hoping our customers will join us there, at least long enough to give us their money," write Martha Rogers and Don Peppers in the book *Return On Customer*.

STRUGGLING TO MEET EXPECTATIONS

Unfortunately, traditional point solutions fail to meet customer demands. Why? The reasons are many, but they all revolve around a central theme: Most customer relationship management (CRM) self-service solutions lack needed functionality. The bulk of the products are limited in their reach (usually integrating with one or two Web applications but not with important systems, such as E-Commerce). They are hard to deploy, difficult to integrate, not intuitive, and do not support Web 2.0 technologies.

Self-service options emerged as the Internet took hold at the turn of the millennium, and like many emerging technologies, they have slowly been going through a maturation process. While the early systems had potential, they also possessed a great many holes, so a gap emerged between user expectations and system performance.

One reason is advances in Internet technology have changed users' expectations. "Five years ago, self-service meant an FAQ link and a shopping cart," notes Paul Greenberg, president of The 56 Group, LLC, a strategic CRM consulting services firm. Now, customers expect fuller, richer online experiences, those able to take advantage of Web 2.0 technology and integrate items such as social networking into CRM applications.

In many instances, the underlying product designs of self-service systems have been flawed. A self-service solution should provide customers with direct control over all account and product related tasks and enable them to perform a variety of service interactions, such as changing personal information, inputting a product review, or purchasing a desired product or service. However, self-service systems are often unable to deliver such functionality. One problem is the needed data is not stored in a single location, but instead in an ever expanding array of disparate applications, including CRM, E-Support, E-Commerce, and E-Billing systems. In most businesses, a hodgepodge of legacy systems evolved through the years as new products and services arose and these systems were never designed to work together. Customers

expect to be interacting with one seamless, integrated enterprise, but the reality, in most cases, is they are shunted among a variety of stand-alone applications with fragments rather than complete pictures of who they are and how they have interacted with your company.

Weaving these different systems into a cohesive whole represents a daunting challenge, one that most vendors have failed to meet. Rather than rely on plug-and-play industry standards, most customer care systems have been built on proprietary interfaces. Consequently, companies need to spend a great amount of time and effort to put an infrastructure in place to connect their different applications. In many instances, the integration is limited and in some cases never ending: companies find themselves constantly putting one connection in place but then needing to deliver one or two more. If customer information cannot be collected from various data sources, then it cannot be consolidated and presented to the consumer for viewing via various self-service options.

HOW TO DELIVER HIGH-QUALITY SELF-SERVICE

The self-service system needs to provide customers with many tools to help them answer their inquiries. It must be complete, sophisticated, and support features such as simple search, personalization, flexible reporting, user management, search and knowledge management, service request management, branch locator, Web survey, email, Web chat, videos, online billing, and order status.

When consumers enter the site, they should be greeted with a clean starting point. The self-service system should include extensive preloaded customer data and provide them with immediate access to personalized information. The self-service system should recognize who the customer is and what items are relevant to that inquiry. Because many consumers have similar requests, the online interaction should be designed to address common issues. Companies should be able to identify the top 10 types of calls received in a call center and put sound business processes in place to best handle them

online: for instance, quick links provide immediate access to customers' most common activities, making the online channel their natural starting point for service.

While the canned information can handle many calls, not all inquiries follow a set pattern. Because companies sell so many products and interact with customers in so many different ways, it can be difficult to predetermine every path that a consumer may take. A self-service dashboard puts the customer in control of that process and provides answers to common inquiries with a few mouse clicks. The system provides clear paths for resolution or escalation of complex issues so customers feel confident making the online channel their natural starting point for service.

The self-service system eliminates redundant discovery problems and creates more intelligent interactions by providing visibility into where the client has been. The solution automatically tracks where the customer has been, imprints all interactions, and carries them from point to point. Nothing infuriates customers more than going from one interaction to the next only to begin the information gathering process over and over again. Customers want to give their name and order number one time and be done with it.

Consumers want to complete the transaction themselves but also want to be assured that there is access to other tools, if required. The self-service system should have the ability to have a live agent chime in, when needed. And once a customer enables chat functionality, it should be an intelligent, not dumb, interaction. The chat rep should have views into the history of all previous searches, understand what documents have been downloaded, and know where the user has traveled on the site. As a result, agents can quickly solve customer problems and push helpful solution URLs to the customer with a single click. There should be support for video content, so information can be displayed in a dynamic manner and the system should work with wikis.

The self-service system should also have some pizzazz. Today's consumer surfs the

Self-service capabilities have finally caught up with customer expectations.

Web to connect with friends, to have fun, to be entertained. So users should be able to create their own products, contribute to worldwide forums, network, share, collaborate, and pass whatever they do on to hundreds of colleagues and friends in their professional or social network.

Advertisements for new products should be displayed in places, such as user forums, and the system should quickly and effectively move the customer from the forum to the company's E-Commerce system so a new sale is completed. All of these items will help create a fast-moving, rich, compelling, effective, memorable customer service experience. By delivering such features, companies develop stickiness: customers readily adopt the solution and come back to their Web sites time and time again, which not only enhances customer retention but also increases sales.

A POSITIVE IMPACT TO THE BOTTOM LINE

In addition, self-service provides immediate savings in staffing and manpower costs. For simple inquiries, such as address and phone number changes, self-service deflects a significant number of contact center calls to the Web, which is much more efficient. By improving their systems and adding essential content, companies can reduce their call volumes by 20 percent or more, which results in substantial savings. Research has shown that average call center costs are \$5.50 per call, but some can be as high as \$50 per contact. In contrast, a conservative estimate of the average cost per Web self-service transaction is \$0.10. Also, sending bills costs \$0.44 online versus \$1.10 for a paper bill. Even in small call centers annual self-service savings quickly shoot past the six-figure mark and many enterprises can realize cost reductions in the multimillions.

There are other efficiencies. Companies will never eliminate all of the call center inquiries but they can cut down on the average call time by enabling customers to complete some portion of their interactions on the site before picking up the phone for help from an agent. The overall time that an agent would spend interacting with customers on tedious, repetitive items is lowered. Time made available by customers serving themselves can free up staff to focus their energies on serving customers with more complex, higher value questions. Employee satisfaction increases also as contact center employees are relieved of humdrum tasks and presented with more challenging inquiries.

Customers also benefit as confusion is reduced. Inefficiencies in business processes, such as misapplied payments and lengthy dispute resolution processes, drive up costs and breed customer dissatisfaction. Because of highly manual, error-prone processes, payments from business customers can have an error rate of between 30 percent and 50 percent, with data being applied to the wrong account or in the wrong amount. Sound E-Billing systems can dramatically lower these numbers.

When customers can do more by themselves, they feel more content and have a more positive image of your company and brand. Consequently, they will not pick up the telephone and call to complain—or worse, call a competitor to switch their service or find another product. Analytics should enable companies to optimize offerings, further reducing the potential for customer churn.

In addition, the opportunities for cross-selling and upselling increase. When customers pay their bills online, they can navigate to a site promotion that may be going on. Because their experience is positive, the

likelihood increases that they will conduct more business with your company.

PUTTING THEORY INTO PRACTICE

While most businesses view such capabilities as a future possibility, one wireless telecommunications company is realizing such benefits right now. The wireless voice, data, information, and entertainment services provider has overhauled its self-service system, cut its operating costs, improved its contact center efficiency, enhanced customer care, and increased revenue. The carrier, which has 80 million customers in the United States, deployed Oracle Self-Service E-Billing to empower businesses and consumers to manage their service and buying activities online. The deployment was quite effective and efficient. Customers were also happy: The change dramatically lowered customer churn and increased revenue per user.

The wireless telecommunications company has implemented two self-service components. The company's self-service center enables consumers to examine, modify, and expand their network services. They are able to request repairs, change personal information, and check on the status of an order. It has proven to be so popular that customers use it to complete about 1.5 million transactions every day. The company's self-service system, which is seamlessly woven into its Web site and offers the same look and feel as its applications, has ties to the company's E-Commerce system. Consequently, consumers can order new bundles, such as calling services, Internet access, and television service.

The self-service system also enables businesses to change their service, add a new phone line, or modify their service because of changes in usage. The flexibility of Oracle's system enables the telecommunications company to present users with exact duplicate copies of their bills rather than computer generated summaries. Seventy percent of the eligible

companies have now signed up for the service. "The Oracle system allows us to seamlessly integrate complex business transactions and extend them to our customers through a single online experience. [Our] focus on data integrity and consolidating disparate data systems allows us to achieve 80 percent automation rates on these traditionally high-cost, offline transactions," states a company representative. Businesses using the self-service system are content with its features: The churn rate for them is 20 percent lower than those that don't use the self-service system. In addition, because of the self-service system, companies purchase more business services, Web conferencing, three-way calling, and remote call forwarding.

The move to self-service has had a positive ripple effect on the telecommunications company's brand. The company has used its self-service features to dramatically reduce its paper and resource usage and emerged as one of the nation's leading environmentally friendly forces. Since deploying the system, the company has realized the following benefits:

- 598 tons of paper saved (23 million pages of bills!);
- 1,196 tons of trees saved;
- 9,834,434 gallons of water saved;
- 1,160,403 pounds of waste prevented;
- 35,870 pounds of air emissions avoided; and
- 3,023,864 pounds of greenhouse gases averted.

The green movement has one other effect. "The success we have had in saving our natural resources has tightened the bond that we have with our customers," says another company representative. "Today, customers want to do business with companies working to protect our environment."

The telecommunications company isn't the only business recognizing such benefits. A large energy company implemented

Oracle Self-Service E-Billing to create a consolidated and feature-rich electronic billing and payment platform. The system simplified enrollment in the company's electronic bill presentation and payment program and expanded online functionality, enhancing customer service and satisfaction. The product increased customer enrollment in the energy company's electronic billing program by 50 percent only 13 months after deployment of the new platform. Consequently, the utility realized savings of \$520,000 annually in payment processing costs and \$720,000 annually in paper and printing costs. In addition, there was an 85 percent reduction in customer support requirements via an email channel. In sum, the company achieved a return on investment within one year.

Though still young, the self-service market has been rapidly evolving. While many organizations have not been satisfied with most systems' ability, self-service capabilities have finally caught up with customer expectations. The result is significant savings for the company and a more satisfying interaction for the consumer. With Oracle's help, companies are realizing these benefits. If your corporation does not, chances are your competitor will and your customers may soon become their customers. ■

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