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A Superior Web Self-Service and Contact Center Solution: Buy It or Build It?

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Executive Overview

To reduce overall support costs, organizations today need to find ways to improve the quality and speed of customer service and enhance the productivity of contact center agents. Companies rely on advances in knowledge management (KM) to improve customer support. As they investigate their options, they will face a critical decision: whether to buy an off-the-shelf solution or use multiple applications to build a solution. This white paper offers a practical look at the key criteria for making this decision and ensuring that any KM implementation yields the biggest business benefit.

Introduction

Knowledge management solutions have been developed to ensure that customers and agents can quickly and easily find relevant answers. These solutions have evolved to help organizations meet multichannel requirements, ensuring that they are able to deliver an exceptional customer experience across online and call center channels. But the way knowledge solutions are implemented varies, and customers are faced with a “buy versus build” dilemma. Often the debate is driven by a focus on dollars and cents: identifying which approach is less expensive. Although financial considerations are certainly important, they should not be the only criterion for determining whether your organization is better off buying or building a knowledge platform to power customer support.

The buy-versus-build decision should be based on several key considerations, including how well the technology will actually solve the business issue and support key business goals, how well it will respond to the dynamic needs of the company, and whether or not the anticipated cost savings will actually be achieved.

This paper examines the buy-versus-build argument to help you understand

- The likelihood that “buy solutions” or “build solutions” will attain the business objectives of improved customer satisfaction and contact center productivity
- The importance of actionable analytics, which can help continuously refine the user experience
- How dynamic business conditions are necessitating new levels of adaptability and what this means for enterprise solutions
- The hidden costs and risks of building an application, in comparison to leveraging a purpose-built knowledge solution
- New deployment offerings, such as software as a service (SaaS), that are giving customers more price, deployment, and maintenance choices
- Lessons learned from a customer that faced the buy-versus-build decision

The Right Knowledge Management Solution: A Critical Decision

One of the keys to improving the quality, speed, and effectiveness of customer service is to ensure that customers and agents have quick and easy access to the answers they are looking for. Many organizations aim to address this challenge with a KM solution that captures distributed knowledge across the organization and serves it up to interested parties, such as customers and call center agents, by making it easy to find and consumable. However, although the benefits of an integrated knowledge platform that can power online and agent-assisted channels may be clear, companies are not always sure of the best way to help users find answers.

When executives decide to implement a solution, they face a critical juncture when they have to conclude whether it is better to buy or build. Tight budgets and the need to rigorously control costs make it tempting to build with tools such as enterprise search and enterprise content management solutions. Technology directives from enterprise architects and the CIO must also be taken into consideration to ensure infrastructure fit and manageable maintenance costs across the enterprise.

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But the decision to buy or build should factor in more than what technologies you already own or which is the cheaper solution. Several considerations must be taken into account, including the following questions:

- How effectively will the technology alleviate business pains and support your business goals?
- Will the solution keep pace with the dynamic nature of your company?
- Is building a solution really going to generate the cost savings you anticipate?

Other factors, such as how quickly the solution can be brought online and how mature the purpose-built, off-the-shelf commercial products you are weighing are, should also play a part in your decision. You also have to take into account future and changing industry trends. Will a homegrown system be able to keep up with changing support and KM requirements? Here, we examine the key considerations that should influence the buy-versus-build decision.

Meeting Business Objectives

Let's assume that an organization has the common business goals of increasing customer loyalty and reducing support costs by improving the efficiency, proficiency, and satisfaction of agents. When it comes to the crucial need for information and answers, customers and agents have certain expectations against which they judge the quality of their experience. If a company is to achieve the above goals, it must meet or exceed these expectations. The following table summarizes what customers and agents typically want.

TABLE 1. CUSTOMER AND AGENT SERVICE INTERACTION EXPECTATIONS

CUSTOMER EXPECTATIONS	AGENT EXPECTATIONS
<p>Experience personalized and contextual interactions. Understand their needs and deliver relevant and meaningful information.</p>	<p>Use a single, reliable method. There should be one way to find information, regardless of location or whether it relates to pricing, technical specifications, bug fixes, or service disruptions. Not all data in a company will reside in the same location, but agents want to use the same search method for getting to and displaying the information.</p>
<p>Offer service that is easy to use and information that is easy to find. Customers shouldn't have to become experts to find answers.</p>	<p>Keep it simple. Agents want only the precise snippet of information they need, not a long list of results or a 50-page document.</p>
<p>Provide accurate and consistent information. Information should be accurate and consistent across channels: Web, e-mail, retail, phone, and chat.</p>	<p>Listen to me. Customer-facing personnel often have better information than experts and authors. They want to be able to share that knowledge without cumbersome review and publication cycles.</p>
<p>Listen to me. Customers have valuable feedback. They want to be heard and to collaborate with their peers.</p>	<p>Be rewarded for knowledge. Agents are measured in terms of efficiency. When asked to also capture, share, and reuse knowledge, they must be rewarded through peer reviews and by their managers.</p>

The question is, “How well will your chosen technology for knowledge meet these expectations and help you reach your business goals?” If your solution is built with enterprise search and content management technologies, the answer is most likely “not very well at all,” because they provide only limited means to help the user quickly discover a relevant and accurate answer. Traditional search products search by keyword and do not recognize the phrase’s context, favoring quantity over quality. Results can number in the hundreds—if not thousands—and often bear little relationship to the search phrase. Are piles and piles of documents presented in endless results lists really what you want to provide to your users?

But your search technology is just half the answer. How the information is delivered to the person asking the question is paramount in determining the overall experience. When customers ask for prices, they may want to see a quick pricing table, a concierge-style wizard to generate a personalized quote, and a list of available promotions.

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context. Yet, search and content management technologies are simply not designed to manage this level of experience as part of their domain. As a result, companies are left to custom-build the functionality or simply do without.

Finally, once the interaction is over, enterprise search and content management technologies don't "listen" to users. Simply put, these technologies don't recognize if the results match the customers' intent or provide the answer. They don't offer tools or analytics that can detect whether or not the users feel that their question has been answered, nor do they enable them to rate the value of the content or suggest improvements.

Improving the Experience with a Purpose-Built Knowledge Solution

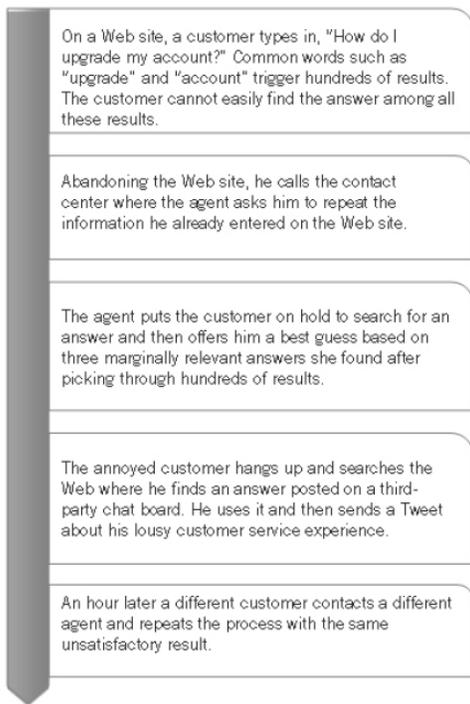
Solutions such as Oracle Knowledge for Web Self Service and Oracle Knowledge for Contact Center are designed to specifically address the knowledge requirements of customers and customer service agents. Advanced solutions such as those from Oracle offer unique capabilities for understanding the *true intent* of the customer's inquiry so that the right answer is returned and delivery is optimized, with pertinent and useful information surrounding each answer. In other words, customers may not know if their question is too vague to get a proper response—but your search engine should know. It should immediately ask the customer for more clarification so the most correct solution can be presented. Capabilities such as combining semantic search and clarifying questions, matching results to context and history, and delivering answers through the user's channel of choice all promote a rich, satisfying experience that directly supports the business goals of the organization.

These solutions are also designed to continuously improve the user's experience by communicating a sense of caring about that person's past interactions and providing a variety of tools for contribution beyond traditional authoring and workflow tools. Examples include online surveys for capturing customer content ratings, discussion forums for peer-to-peer support, and workflow to turn social conversations into accepted answers.

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Figure 1 presents for comparison two scenarios: (1) a customer interaction using an in-house solution and (2) a customer interaction using a purpose-built knowledge platform.

Build: Enterprise Search/Content Management



Buy: Knowledge Platform

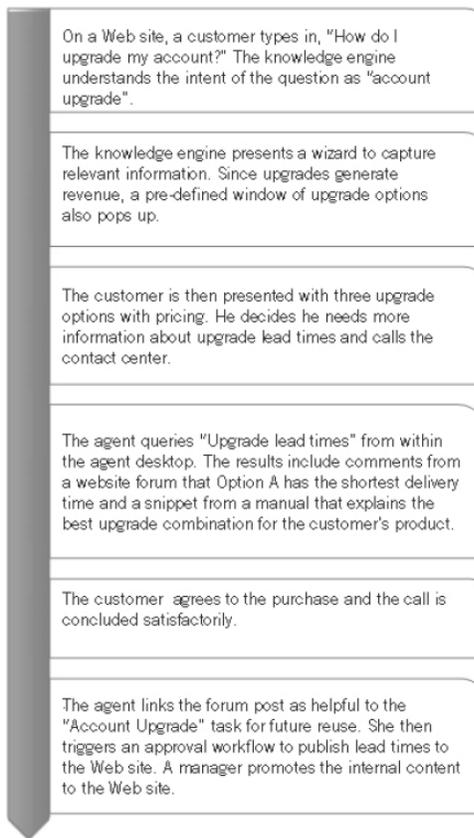


Figure 1. The difference between a solution built in-house and a purchased knowledge platform can be the difference between an unsatisfied customer and a satisfied customer.

Reports Versus Interaction Intelligence

Even when using a KM platform, no company will get every customer interaction exactly right. In our sample scenario, the lead time and compatibility information were not available on the self-service Website. Not until an agent realized that this information was in demand was it added. This is why continuously analyzing and fine-tuning the experience is so crucial.

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This brings us to the difference between reporting (business intelligence) and user experience (interaction intelligence). Most companies already have business intelligence tools, and the temptation is simply to apply them to the task of improving the user experience. Although nearly every technology component product provides reports on usage, most business users complain that this information is not holistic, timely, or actionable.

This has been the common gripe about data warehouses. In a build scenario with an existing data warehouse, an IT department would have to get clickstream analytics from the Website, keyword search analytics from the search engine, content usage analytics from the content management system, and session analytics from the portal. The IT personnel would have to attempt to marry all this data together in a data mart in an effort to understand the overall customer interaction and to produce actionable reports. To do so, they would have to overcome differences in data structures, taxonomies, hierarchies, terminology, and context across multiple disparate products. Although it can succeed, such an effort is costly, slow, and risky. You also stand to lose your streamlined operation as soon as any of the component systems goes through a product upgrade.

A KM platform provides analytic intelligence at the interaction level that not only crosses technical boundaries—meaning that IT doesn’t have to manipulate disparate data from multiple sources—but also encompasses best practices by delivering out-of-the-box reports on the questions companies should be asking. The following table illustrates the differences in the types of intelligence generated by traditional analytics and knowledge intelligence.

TRADITIONAL ANALYTICS	KNOWLEDGE INTELLIGENCE	ACTIONABLE DIFFERENCE
Which keywords appear most often in searches?	What was the customer trying to do before picking up the phone?	Understand which parts of the customer lifecycle, such as billing or new products, are leading to complaints, and target specific areas for improvement.
Which are my most requested documents?	Which types of questions are going unanswered?	Reduce escalations by identifying content gaps and addressing inadequate or unsatisfactory coverage.
How many new documents were added last quarter?	What 10% of my information solves 90% of my customer complaints?	Identify and focus on frequently used and valuable content, rather than wasting time creating and refreshing numerous infrequently used documents.
What is my average case resolution time?	Why are case resolution times longer for upgrade questions?	Understand the root cause to improve key metrics such as case resolution time and transaction conversions.

Keeping Pace with the Enterprise

Although the needs of customers and service agents are paramount, there are other constituencies that must also be considered in the buy-versus-build decision. Sales, marketing, support, product development, and other groups all have business needs that influence the decision about how to best optimize the customer experience. The following are examples of the types of needs that surface in other departments:

- Engineering just found a critical bug in a new product. The support center will soon be flooded with calls unless the company can quickly and proactively publish a workaround across all customer channels. In addition, knowing every customer who has downloaded the new product will allow for proactive support communication.
- Marketing is offering a new discount, and buyers are eager to learn more. However, without the right information in place, the contact center is soon overwhelmed, creating long delays and loss of business.
- It's the holiday season, and the latest electronic gadget is in the hands of consumers, who are frustrated because they cannot find information on the Website about how to use the product's advanced features—meaning that this experience is less than ideal.

The common denominator: constantly changing business strategies, which necessitate the flexibility to dynamically adjust information presented to customers and front-line personnel. Static technologies such as enterprise search and content management focus on narrow tasks such as document retrieval or keyword search. In doing so, they miss the big picture: the need for fast, contextual, current answers that deliver a better overall experience.

Oracle Knowledge for Contact Center and Oracle Knowledge for Web Self Service ensure that agents, subject matter experts, partners, and even customers can easily contribute knowledge as part of their daily activities. Such solutions also offer a high degree of flexibility for addressing unique and shifting business challenges and ease of configuring and modifying information channels, workflows, roles, dictionaries, reputation models, and analytics. Thus, you can quickly capture and share information, distribute it over appropriate channels, enable users to find it through intent-based search, and then deliver it in a contextual and personalized manner—all while managing who gets access to the content, through centralized permission management.

Meeting Financial Objectives

Even if it were possible to cobble together technologies such as enterprise search, content management, and reporting into a solution capable of meeting the business objectives of a satisfactory customer experience and call center efficiency, is it truly less expensive to build than to buy? The realistic answer is, “probably not,” and when you add in the time required to replicate key capabilities, the difficulty and costs of maintaining and enhancing a homegrown system, and the risks of introducing an unproven solution, you are likely to find you have spent lots of time and money with little to show for it. Following are a few of the most critical points to consider:

- **Cost.** It is no trivial task to re-create the sophisticated capabilities of purpose-built technologies. Building a solution from scratch requires significant effort on the part of IT for custom development, testing, ongoing maintenance, and enhancements. A market-leading knowledge platform and knowledge-infused applications such as Oracle's have hundreds of engineering staff years invested and a large installed base of customers with proven success. In addition, more staff years will be required for solving problems you will be facing in the coming years. Oracle's products

are not stagnant but are being continuously enhanced to better meet your needs. Taking advantage of these new features is often cheaper and easier than trying to add them to a self-built solution.

- **Time to market.** The time required to build a solution as well as the cost of delay must be factored in. Business stakeholders tend to be impatient, and long solution development times and delays can result in a loss of business attention or sponsorship that can jeopardize the success of any project. Whereas buying a packaged product can lead to short deployment times, many companies, including Oracle, also offer on-demand or SaaS models, which facilitate rapid implementation and offer the flexibility to grow the deployment as your business evolves—and to pay as you go.
- **Inflexibility.** Maintaining a solution with multiple different moving parts—each with its own timelines, maintenance needs, and upgrade costs—is challenging. The knowledge of how products are integrated is often trapped in the heads of the people who built them, whose sole task now becomes their upkeep. When those employees leave, organizations stop touching these products, for fear of causing business disruption. The technology is frozen in time—an all-too-common experience in many IT organizations.
- **Risk.** Building a KM solution that incorporates proven technology, capabilities, and best practices requires deep expertise and experience that are not likely to be found in the IT organization. Implementing an unproven solution to support the mission-critical job of interacting with customers introduces an extraordinarily high degree of risk. Market-leading Web self-service and contact center solutions such as those from Oracle have the credibility and the proven stamp of a happy and successful installed base of industry leaders in financial services, manufacturing, retail, telecommunications, high technology, healthcare, and the public sector.
- **Opportunity costs.** The fact of the matter is that most applications can be built. For example, a customer relationship management (CRM) application is simply the combination of a database, business process templates, workflow and reporting technologies, a portal, and security mechanisms. But nobody would ask for the budget to build a CRM or sales force automation (SFA) application rather than buy Oracle On Demand, Oracle's Siebel Customer Relationship Management (Siebel CRM), or a solution from another reputable vendor. When a mature and proven solution is available, the build argument becomes less relevant, especially when packaged solutions can be configured cost-effectively to fit your specific business goals, enabling IT resources to be deployed for higher-value purposes than trying to re-create a proven solution.

The Alternative: Knowledge on Demand

The good news here is that you do not have to choose between buying a packaged solution and building your own. With integrations such as that of Oracle CRM On Demand and Oracle Knowledge products, you can gain all the capabilities offered by a mature knowledge platform while eliminating the costs associated with buying and maintaining the application.

A SaaS solution, Oracle CRM On Demand provides enterprise-grade scalability, security, reliability, and flexibility at a predictable cost. Application administration, hosting, monitoring, and software updates are taken care of for you, so you can focus on your business—not your technical operations.

A Buy-Versus-Build Case Study

The biggest drawback of homegrown KM systems is that they end up being difficult and costly to enhance, and user needs quickly outstrip the capabilities. This was the experience of a San Francisco-based provider of software for the investment community. This software company used an in-house KM system that enabled employees and clients to create and locate information. Unfortunately, call times were rising, call volume was dropping, and resolution rates were not acceptable.

The company realized that KM vendors were offering capabilities it could not mimic. “We wanted better search—the rank-by-relevance function returned too many results to be useful, for example—and we wanted a streamlined authoring system to make it easier for content authors to create and update the knowledgebase,” said the quality and service resolution manager.

The company turned to Oracle Knowledge for Web Self Service and Oracle Knowledge for Contact Center to gain these capabilities. It has taken advantage of the Oracle solutions’ ability to provide knowledgebase access in a timely and contextual manner and to integrate this access into day-to-day activities. In addition, the extensive analytics in Oracle Knowledge for Web Self Service and Oracle Knowledge for Contact Center enable the company to fine-tune its processes and content, because users can now find and fix content without resorting to e-mails and trouble tickets.

As leaders at this technology company discovered, purchasing a solution proved to be the right choice. The four-month implementation was on time and on budget. Once the installation was complete, the company experienced a jump in first-call and same-day resolution as well as in agent ready time and Web usage. Talk time and total calls decreased. The company has increased content output by 20 percent and fully leverages the content throughout its customer-facing Website.

Conclusion

When a company evaluates all the options in acquiring a knowledge management platform, evaluating the pros and cons of building a solution or buying a packaged one—or, for that matter, using a SaaS product—can be overwhelming.

Decision-makers must be sure they evaluate options holistically across financial and nonfinancial objectives and endeavor not to lose sight of the key business goal—whether that be to increase customer satisfaction, lower contact center costs, empower new agents, improve the customer self-service experience, or increase deflections. When business goals guide the technology decision, you can better evaluate software products in light of their ability to help you achieve these goals rather than become mired in a basket of features and functions. The result will be not only the right technology choice but also happier business stakeholders and executives—and a compelling ROI.



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Oracle Corporation
World Headquarters
500 Oracle Parkway
Redwood Shores, CA 94065
U.S.A.

Worldwide Inquiries:
Phone: +1.650.506.7000
Fax: +1.650.506.7200

oracle.com



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Hardware and Software, Engineered to Work Together