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CUSTOMER SELF-SERVICE:

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Customer Self-Service

These are truly special times. Today I read in the news that 20 percent of all mortgages are underwater; in other words, one in five homeowners owe more than their houses are worth. For every percentage point the housing market declines, another slew of mortgages go underwater. On top of that tension-headache-inducing news, the latest unemployment numbers show that 697,000 additional people hit the unemployment lines in February. Many of the unemployed will have difficulty paying their mortgages in the months ahead. It's no help that the Dow is under 7,000 for the first time in 12 years and I'm fairly sure that many of the billions we've spent or will spend trying to avert disaster will be totally wasted, and we'll have—well, er, disaster.

All I can say is, "Thank God I had a good customer service experience today." I really needed to be treated well and totally understood. I should probably mention at this juncture that my experience was a great self-service experience. It feels so good to actually be in control of something for once!

There's a point to this rehash of today's news and my own mundane experiences: People are desperately in need of being treated well and having their problems understood and taken care of—quickly and without frustration. If you can put in place systems to help customers accomplish

their objectives on their own, you will not only be helping your organization ensure its future success, you'll also undoubtedly be helping alleviate some of our national pain in some small way.

In this supplement, three vendors offer excellent advice on how to actually create some lasting "good" from your customers' interactions with your company. You'll notice that delivering great customer service, "even in a down economy," seems to be a recurring theme. I would take it one step further and submit that it is *essential* that organizations deliver great customer service in a down economy. The average consumers will not only appreciate great service, they'll go off like a powder keg if they're subjected to bad service.

These are indeed special times. There will definitely be winners and losers when the business cycle turns and the dust settles. Whether or not your company has been lucky enough to survive the financial chaos unscathed, your customers' loyalty is still under your control.

Now is the time to stand out, by helping them to help themselves.

Bob Fernekees
VP/Group Publisher
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Self-Service: Transform Your Weakest Link into a Competitive Advantage

Looking for ways to retain customers, gain more wallet share, and minimize operational costs?

Companies need look no further than their IVRs to identify the biggest opportunity for innovation and differentiation that drives customer satisfaction, efficiency, and revenue.

Companies across all industries are being buffeted by historic economic pressures — and while some of these enterprises will undoubtedly fail, others will thrive and come through in better shape than ever.

Savvy executives understand that it's critical to take proactive, strategic action now to not only help their companies ride out the economic challenges of today, but to also position themselves for a competitive advantage well before the economy recovers. One area where real opportunity lies is in the delivery of a more satisfying self-service customer experience that drives loyalty and revenues while simultaneously reducing operational costs.

Read on for a discussion of best practices in next-generation customer self-service

that can set companies apart from their competitors, and result in a stronger bottom line.

TODAY'S REALITY: SELF-SERVICE THAT DOESN'T SERVE

Despite the gains in Web, e-mail, and chat-based customer service, the phone remains the preferred channel for most customers. In fact, for a vast number of companies, the phone is the first and primary contact a business has with a customer or prospect — making it in effect the company's virtual “front door.”

All too often, though, companies are slamming that door in their customers' faces. That's because traditional IVRs have primarily been designed for cost containment. Based on limited information, these systems typically present a confusing maze of choices that only serve to exasperate callers. Achieving resolution of the caller's question or issue frequently requires a zero-out to an agent — defeating the IVR's original cost savings purpose.

The IVR effectively creates a brick wall to deflect customer calls; this obviously does not foster caller satisfaction, nor does it generate loyalty or increase revenue opportunities. Needless to say, any cost containment attained with this type of self-service comes at the expense of the customer experience and competitive differentiation based on service. Companies should ask themselves whether they can really afford to continue disappointing and frustrating

customers — in effect, sending them into the waiting arms of competitors.

Companies are also doing themselves a disservice by not segmenting and servicing their customers based on the value they bring to the business. With IVRs treating every caller exactly the same, companies are missing out on a critical opportunity to interact with their customers more productively. Each customer interaction should be unique to that customer based on their particular history, preferences, and context at that point in time. Just as important, the interaction should be unique to the business and the specific value it places on that customer.

DIFFERENTIATE YOUR BUSINESS WITH A PERSONALIZED, RELEVANT CUSTOMER EXPERIENCE

It's time to take the weakest link in a company's customer service arsenal and turn it into a competitive weapon. That means treating each individual caller in the most relevant and personalized way, so that the overall effectiveness of the business is improved while also meeting the specific needs of the caller.

Creating a personalized, highly relevant experience requires a transition from a transactional self-service model to a conversational one. This means bringing *intelligence* into the way calls are handled. To do this, companies need a way to leverage the wealth of customer information available across the organization in order to make the



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BELGACOM DISCOVERS MANY BENEFITS OF AN iCFD

Challenge:

Reduce the number of incoming operator-handled calls in the contact center by one million per year, while bolstering customer service, boosting sales results, raising employee and customer satisfaction, and enhancing overall operational quality.

Solution:

The intelligent Customer Front Door solution based on Genesys and Genesys partner products.

Results:

- Number of incoming calls YoY reduced by 1.1 million
- Overall customer satisfaction increased by 10%
- Average YoY quality of contact rose by 5%
- Revenue generating capacity enhanced by 3%
- Employee satisfaction increased
- Reduced time to market
- Optimized powerful up-selling and cross-selling opportunities

interaction more relevant and effective. When companies use this intelligence together with business rules and well-designed speech applications, interactions become dynamic and extremely sophisticated — creating unique and personalized service strategies.

The Genesys intelligent Customer Front Door™ (iCFD) solution redefines the self-service model from cost containment to innovative customer service by enabling a proactive response that anticipates the caller's needs and provides a branded, personalized, and effective customer experience. With this holistic, customer-centric approach, companies can take customer service to a higher level of quality and efficiency — crucial for competing in today's challenging economy by adding value through services.

Imagine the transformative effect the iCFD can have on your business by:

- Determining the caller's identity and intent in the fewest steps possible
- Leveraging relevant information to make informed, value-based service decisions
- Segmenting callers based on their value to the company to maximize satisfaction and revenue opportunities
- Expediting customers to a self-, assisted, or preemptive service that best matches their needs

GETTING THERE IS EASIER THAN YOU MAY THINK

Your company may already have begun the process of moving to an iCFD and may not be aware of it. Genesys advocates

taking a thoughtful, phased approach to implementing an iCFD. For example, your organization probably has valuable customer data stored in various systems that simply isn't being used to its maximum potential. The Genesys iCFD leverages the data you already have and combines it with unique and innovative capabilities, such as intelligent routing, to realize immediate customer satisfaction benefits, build on intermediate successes, and effectively improve self-service results.

Taking the first step to move to an iCFD solution is crucial because it enables your company to start setting the stage for later improvements that further differentiate your company. Companies that delay their iCFD implementation until the economy rebounds may find that they've waited until it's too late — they may find themselves out of business or too far behind the competition — and no longer able to leapfrog to the forefront.

ACHIEVE BENEFITS EACH STEP OF THE WAY

Each intermediate step towards a full iCFD implementation provides new benefits. For instance, having the ability to be more responsive to callers can have an immediate impact on the quality of customer care, which can drive significant increases in revenue. With improvements in self-service, companies gain more productive agent deployment, more revenue-generating opportunities, and improved close rates and per-call revenues that arise from higher customer satisfaction levels. Companies can also continue to enjoy significant savings in telephony expenses, resulting from reduced hold times and call length. And, finally, making better business decisions about



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how to execute on customer service objectives can pay dividends through reduced customer churn.

Results vary by industry, complexity, and range of services offered by companies, but research conducted by Opus Research showed positive ROI for speech-enabled applications — a key component of enabling conversational self-service. Speech increased success rates by 45%, compared with previous (touchtone-based) solutions. A major component of the positive ROI was also cutting the number of call abandonments.

TWO BUSINESSES THAT CALL iCFD A SUCCESS

Belgacom, a supplier of integrated telecommunications services in Belgium, initially began an iCFD implementation with cost savings in mind. It wanted to completely automate the 300,000 low-value calls that required contact center agent assistance each year.

In the process, Belgacom's executives discovered that its new speech-enabled platform also shortened call times by enabling customers to identify the person they needed to reach without going through a succession of IVR menus. Over time, more than 1.1 million calls into the contact center were eliminated while, at the same time, surveys showed an increase in customer satisfaction.

Wellington-based Telecom New Zealand (TNZ) is a service provider handling eight million calls per month. The expanding number and complexity of products and services was creating more customer service challenges than ever before, resulting in an inconsistent caller experience across numerous toll-free numbers. Customer satisfaction ratings and first call resolution

rates were both dropping, while the percentage of customers "zeroing out" of the IVR was increasing, hitting 45%.

TNZ used integrated self-service technology to consolidate dozens of customer service numbers for a more consistent experience via a brand-reinforcing customer front door. It created 35 self-service topics and more than 200 destinations integrated with skills-based routing and screen pop. Customer satisfaction scores soared. The number of customers zeroing out dropped to 4.7%, with the number of fully self-served customers increasing from 4.3% to 15.4%, which reduced hold times by 3-5 minutes.

THE ECONOMY WILL TURN, WILL YOU BE READY?

As your company is forced to compete in this tough economy on more than just product value or price, exceptional customer service becomes an ever more critical competitive advantage. Moving to a next-generation self-service solution that ensures personalized, innovative, relevant, and mutually valuable customer interactions will set you apart from the competition.

Companies like Belgacom and Telecom New Zealand are using iCFD solutions to ensure greater loyalty, higher rates of customer retention, increased agent productivity and satisfaction and, ultimately, a healthier bottom line.

The biggest danger to your company in this economy is inaction. You must position your company for better efficiency and effectiveness now, and create a competitive advantage for when the economy turns. Ensure that your company gets on the road to an iCFD solution now — the destination will be well worth the journey. ■

DRAMATIC CUSTOMER SERVICE IMPROVEMENTS AT TELECOM NEW ZEALAND

Challenge:

Solve customer service challenges created by an expanding number and complexity of products and services.

Solution:

The intelligent Customer Front Door solution based on Genesys and Genesys partner products.

Results:

- Consolidated dozens of customer service numbers for a more consistent experience
- Customer satisfaction scores soared from 16% to 75% while shaving 26 seconds off of initial call handling times
- The number of customers zeroing out dropped from 45% to 4.7%
- The number of fully self-served customers increased from 4.3% to 15.4%
- Reduced hold times 3-5 minutes



Self-Service Effectiveness: Does Yours Measure Up?

A short assessment for taking self-service from "good enough" to "great"

A critical prerequisite for great self-service is effectiveness. This is widely understood in theory, but often overlooked in practice. While effectiveness is a vital service metric for the contact center, it is tracked with less diligence when evaluating self-service.

Against the rising demand for self-service and better customer retention rates, companies must re-assess the effectiveness of this channel to align with customer expectations. Specifically, they must determine if their current offering incorporates and supports all of the essential elements of great customer service as outlined here.

1. Is your self-service delivering clear and specific answers...or long lists of links?

Customers want self-service to be quick and easy, but most search and FAQ-type tools "answer" questions with long lists of irrelevant or generic links and documents. Customers must put forth the time and effort to piece together an answer. They typically become frustrated, seek assistance, or give up altogether. This has tremendous implications for cost management, customer loyalty and retention, and online conversion of website visitors.

Self-service solutions that provide customers a single, accurate response deliver a hassle-free, positive experience that keeps them coming back.

2. Does it understand and serve your customers' needs like a knowledgeable "live" agent?

Many inquiries are specific and personal in nature and have an element of complexity. This is compounded by varying communication styles, phrasing and lack of detail. In the contact center, a knowledgeable "live" agent deals with this by asking questions to clarify and understand the customer's needs. But most self-service solutions are incapable of replicating this process. They cannot dialog. Instead, they respond in one shot – without fully understanding the customer's needs. So unless the question is very common or straightforward, chances are excellent the customer will not be well served.

On the other hand, self-service solutions that leverage natural language dialog and "conversational agents" deliver friendly, "conversational" responses and engage customers in a dialog to understand, diagnose and resolve their issues. Answers are highly specific, contextualized and personalized, greatly reducing escalations to assisted channels.

3. Should customers trust the accuracy of your self-service answers?

A 2008 Gartner study revealed that, despite high expectations for self-service accuracy, many organizations discovered they were unable to exceed 45-50% accuracy rates on to initial questions. Accuracy and consistency challenges are prevalent with most self-service tools because they cannot comprehend a question's meaning or intent. They simply search for matches between keywords in the question and knowledgebase entries. Customers may receive inaccurate or inconsistent answers, eroding trust in your self-service and your company.

Self-service technologies that can comprehend and clarify customers' intent through a combination of natural language processing, linguistics and dialog achieve an exceptional accuracy rate of up to 99%.

4. Can it resolve personal, technical and complex issues with real-time and/or customer-specific information?

Many answers must be personal and specific to be "right." Most self-service solutions push out generic responses that don't meet customer needs or expectations. They are unable to access and leverage specific information that often resides outside the knowledgebase in external documents or data repositories.

Conversational self-service solutions that engage customers in interactive dialogs can gather and leverage customer and product-specific details (account information, model/serial number, and/or membership level) to formulate personalized and detailed responses. With integration to external data and document sources, these solutions can incorporate real-time, customer/user-specific data into responses; effectively addressing many personal, technical and

complex, tier 2, and even tier 3 questions. This can *reduce inbound email volume by up to 80% and costs of phone, email, and chat interactions by up to 33%.*

5. Is it truly reducing interaction costs, or creating additional costs elsewhere?

When executed poorly, self-service jeopardizes the customer relationship. It also increases the overall cost and volume of agent-assisted interactions. Generic, inaccurate, or inconsistent responses prompt the customer to follow up with an email, phone call, or both – adding \$10-\$40 to the interaction cost. Then there's the cost of customer defection—*studies show that 52% of customers who didn't get their issues resolved through customer service after an online failure stop doing business with a company.*

Effective Web self-service solutions resolve issues for about 50 cents per interaction. They reduce escalations and prevent defection.

RETURN ON INVESTMENT

Effectiveness drives great self-service, creating multiple pathways to ROI. It increases adoption rates of the self-service channel, while deflecting escalations to your higher cost channels for ongoing savings. Delivering the right answer, every time, reduces risks, liabilities and negative word of mouth. Most importantly, it improves customer satisfaction and retention – safeguarding current and future revenue streams. ■

ABOUT ASTUTE SOLUTIONS' REALDIALOG™

RealDialog is a conversational self-service solution that provides highly effective, convenient, and personalized experiences. It delivers clear and specific answers to your customers' questions with up to 99% accuracy, and engages customers in a dialog to provide personalized answers and solutions for a wide variety of issues. It ensures a positive customer experience, improves issue resolution and significantly reduces overall interaction costs. Learn and download more at www.astutesolutions.com/selfservice



Customer Self-Service: A Key Differentiator in a Down Economy

In this down economy, customer service is more important than ever. As you are forced to streamline operations and reduce costs, how do you distinguish your company from the competition? Is it possible to gain strength in the midst of a recession? The answer is yes. Adding a self-service front to your customer service provides compelling benefits while reducing your service costs.

REDUCE COSTS AND IMPROVE EFFICIENCY

Studies indicate that self-service can reduce your support costs by up to 70% and still provide value to both your business and your customers. A 24x7 online self-service solution will lower your support calls, emails, and routine repetitive questions. Your support staff is then available to focus on cases that need human assistance.

A well maintained and up to date knowledge base provides your support staff easy access to answers that are consistent for everyone. Your knowledge base can also be leveraged as a training tool for new employees, getting them up to speed quickly. Additionally, it preserves your company's knowledge when an experienced employee leaves.

PROVIDE A MULTI-CHANNEL EXPERIENCE

Today's self-service solutions have evolved from being simple knowledge base searches and online FAQs. Customers now expect fast resolutions from different sources and multiple service channels. Effective self-service includes knowledge base with intelligent searches, interactive answers, customer portals, feedbacks, web chat, targeted downloads, email escalation, and diagnostic tools. A flexible set of access methods helps your customers find information based on their preference. In a successful self-service offering, different channels should work seamlessly with each

other while providing quality and relevant information that can be easily accessed.

ENGAGE AND INCLUDE YOUR CUSTOMERS

In a lean economy, it usually takes more time, money, and hard work to get new customers. Yet it's just as important to hold on to the customers you already have. An easy-to-use and well maintained self service portal will provide your current customers with a convenient resource, timely and relevant information, and an overall a better customer experience. Use analytics and reports to measure customer loyalty and behavior and to gather feedback from integrated surveys. These types of self-service solutions will increase your transparency and maintain your customer's trust.

GENERATE MORE REVENUES

An often overlooked benefit of self-service is its ability to generate revenues. A self-service solution with analytics and reporting capabilities can give you crucial insights into your customer behavior resulting in up-sell or cross-sell opportunities. By reducing incoming calls and emails, it frees your support staff to take on revenue generating activities or more complex tasks.

CHOOSE A SELF-SERVICE SOLUTION THAT WORKS

Look for a solution that is built from the ground up for the web and is robust enough to meet your needs. A comprehensive, self-service solution that is integrated with a customer portal gives you a real benefit in the long run. Look for solutions with next generation intelligent search capabilities and sophisticated interactive Q&A tools to give customers a virtual agent experience. The solution should also provide rich media support and a configurable review and publish process by which information is

presented to the audience. Multiple channel support is a must with seamless "Click to Chat" and "Click to Email" escalation tools and ticketing capabilities. The solution must also have built in analytics and reports to measure usage and search patterns.

DECIDE BETWEEN ON-DEMAND AND ON-PREMISE

With low start-up costs and no IT investment, on-demand self-service solutions have gained popularity for businesses with constrained budgets. However, some of the on-demand CRM vendors also offer a host-to-buy (or rent-to-buy) option— combining the best of both the on-premise and on-demand worlds. Host-to-buy allows you to start your CRM solution as a hosted system and then convert it to an on-premise system at any point in the relationship.

Using host-to-buy, costs and risks are minimized in the short-term because of the smaller investment up front. In the long-term, operating costs are also minimized. For example, a 25 user host-to-buy system saves 14.9% over a hosted solution and 18.1% over an on-premise solution at the end of the 4th year (assuming a \$60.00 per user hosting fee per month). From the 5th year onward, the savings is a staggering 157.6% over a hosted solution! ■

ABOUT SOFFRONT

A CRM pioneer since 1992, Soffront spans the enterprise with integrated CRM: sales, marketing, customer service, self-service knowledge base, helpdesk, project management, defect tracking and more. Soffront CRM is flexible, powerful, and affordable. It is designed to readily adapt to your processes, workflows, and users. Soffront is privately held, debt-free, and profitable. To learn more, visit www.soffront.com.

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