The Insider's Guide to Great Customer Service on the Web
Ten Secrets for Delighting Customers and Reducing Costs

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Contents

Executive Summary

Customers are your company's most precious resource. That's why it's so important to provide great customer service. Companies that provide a superlative service experience keep their customers satisfied and loyal. And that's a significant competitive advantage.

It has become particularly important to deliver great customer service on the web. More and more, the web is where customers go to find answers. It's convenient, it's open 24 hours a day, and—ideally—makes it easy to quickly pinpoint information. In fact, many customers now prefer the web to phone or email. They don't want to spend time on hold, call back during business hours, or wait hours for a reply. They want to quickly click their way to the solution they need, any time of the day or night. **That's why great web self-service should be a top priority for every company.**

In addition, web self-service (also known as "eService") yields tremendous cost savings. Every time you answer a customer's question online, you save the cost of a phone call or an email. **An effective web self-service environment can therefore significantly reduce contact center workloads and generate substantial return-on-investment.**

Unfortunately, many companies fail to effectively exploit the web's full potential as a customer service channel. Some fail because they don't recognize how important the web is to their customers. Others fail because they don't implement a system that makes it easy for customers to find answers to their questions online. Often, the problem is an inadequate understanding of exactly what information customers or looking for. Another common problem is poor integration of web self-service with email and voice channels. In other cases, companies neglect capabilities that can make web self-service really "click"—such as store locators or rich content.

There is a cost for such failure. **Companies that don't provide great service on the web lose customers and waste money.** They lose customers because web users who can't find what they need online get frustrated and head elsewhere. They waste money because their contact center costs wind up being much higher than they need to be.

Web-based customer service delivers many other benefits as well. Because it keeps customers coming to your site, it helps you make better overall use of the Internet to sell and inform. Web self-service is also extremely scalable, enabling you to cost-efficiently cope with peaks and valleys in your service volume. And it provides a very effective way to find out what's on your customers' minds—so you can better respond to the evolving needs of your target markets.

This white paper distills the experience and proven best practices from more than 1,400 successful web-based service implementations across a wide range of industries. It also provides a simple test for determining your company's Service Quotient, or "SQ." With this insider information, you'll be able to plan and implement your own online customer service strategy—so you can better satisfy your customers, significantly reduce your contact center costs, and get maximum value out of all your Internet investments.

Why is Great Web-Based Customer Service So Important?

The web has changed radically over the years. At one time, it was enough for a web site to simply provide product information, along with appropriate phone numbers and/or emails addresses to use if a site visitor wanted to order something or ask a question. This static "brochureware" treated the web as an online Yellow Pages, where the main idea was to make sure you were properly listed.

Today, the web has become an intensely interactive medium and an extension of the business itself. The web is where we buy, sell, promote and refer. It has also become a primary channel for serving customers and forging closer relationships with them.

It has also become a place where companies can lose customers.

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 call centers were unresponsive don't show the same concern about having an unresponsive web site.** As a result, many companies have web sites that don't answer their customers' questions. Often, that's because the information isn't there. In other cases, the information customers want is somewhere on the site—but it's too difficult for customers to find it. Sometimes the information on the web site may even contradict the information that's being given over the phone. None of these conditions is conducive to customer satisfaction or retention.

Immediate gratification is a big part of the web's appeal. When customers come to your web site, they want to find the information they need to make a buying decision or solve a problem *quickly*. So web visitors are very impatient. They may give up their search in a matter of seconds—and try looking elsewhere for what they need.

This puts tremendous pressure on the people who develop your company's web site content. They must somehow anticipate the possible needs of all types of visitors, from clueless newcomers to long-time customers. This is clearly a tough job, and in today's resource-constrained business environment, it's not a job that anyone wants to spend a lot of time doing.

Fortunately, you don't have to. **With the right system in place, you can automatically answer more than 90 percent of your customers' questions online without making huge up-front investments in content development.** You can also keep your content fresh and make sure the information you provide online is perfectly consistent with what your call center is telling customers on the phone.

But before we look at how successful companies accomplish this, let's look at who they are and what they've been able to achieve.

Web-Based Customer Service in the Real World: Cases-In-Point

Many companies are successfully delivering great customer service on the web—and are reaping significant business benefits as a result. Here are just a few examples of companies that use automated, web-based customer service to improve their customer experience and reduce the operational costs.

Briggs & Stratton: $9 Million Saved with Web Self-Service

With over $2.1 billion in sales, Briggs & Stratton is the world's largest producer of air-cooled gasoline engines for outdoor power equipment. The company launched its web-based customer service initiative as part of an overall strategy to support its highly regarded global brand with superior customer service, grow eCommerce revenue, and effectively globalize its web presence.

B&S started generating its online self-service content from actual interactions with customers. It also removed content that wasn't relevant to customers' real-world needs. In fact, during the first year of its initiative, B&S actually *reduced* self-service content by 60 percent and simultaneously *increased* the effectiveness of the site. When it had more than 600 FAQs, the B&S site only received about 8,000 self-service sessions per month. A year later, with only 250 well-focused knowledge items and an improved user interface, the monthly number of self-service sessions skyrocketed to 38,000—while the self-service rate climbed to 95 percent.

B&S went on to translate its self-service knowledge base into eight different languages worldwide and further refine its implementation. **As a result, the company is now answering 89,000+ questions per month via the web and has saved more than $9 million in three-and-a-half years.** The enhancements to its online self-service capabilities have also boosted online sales by making the site "stickier" and reducing abandonment rates.

University of Houston: "Ask Shasta" System Generates 1120 Percent ROI

The University of Houston faced a classic business challenge. The state continued to cut the UH's budget by 5-10 percent annually. Yet, at the same time, UH had to successfully capture and retain students in the increasingly competitive higher education market. It thus became essential for UH to improve the quality of student services while also reducing costs.

And that's just what it accomplished with its online self-service system—dubbed "Ask Shasta" after the name of UH's cougar mascot. **In fact, the system is saving UH around $1 million annually by substantially reducing its phone and email workloads.** That savings—which the university calculates based on the tremendous number of questions the system answers automatically via the web—doesn't include the more difficult-to-quantify financial benefits that result from providing students and staff with faster, better service. But it does add up to an impressive return of around 1120 percent every year on the investment UH made in the necessary enabling technologies.

The system also allows each functional area of the university to manage its own content and its own individual area of the UH web site. And it allows experts in those functional areas to focus on their primary work responsibilities—instead of spending time giving the same answers over and over to UH's front-line staff.

NCsoft: 300 Percent Business Growth and $1 Million Annual Savings

Electronic gaming is a tough, competitive market. To succeed, you have to deliver great products, keep your customers happy, and watch your costs. Web self-service is helping NCsoft—which has seen its North American customer base grow from 10,000 to more than 300,000 since 2001—do all three.

NCsoft is one of the world's leading developers and publishers of online games. The company focuses completely on online gaming—unlike most companies in the business, which specialize in device-based games and only offer online titles as a secondary business. So superb online support is essential for optimizing customer satisfaction and ensuring long-term loyalty.

Using NCsoft's knowledge bases, gamers can quickly look up answers to their most common questions without interrupting their online gaming experience. NCsoft has enhanced the effectiveness of these knowledge bases by providing many "answers" in the form of screen shots that are easy for gamers to understand. Plus, with answers available in English, French, German, Italian, Korean and Spanish, gamers around the world can get the same immediate online support in their native languages.

By automatically answering customers' questions via the web, NCsoft is saving more than $1 million annually. Web self-service also enables NCsoft's staff to devote more of their time to issues that truly require their personal attention and expertise, since such a large percentage of its customers' most common and repetitive questions have been eliminated from their workloads.

Ten Secrets for Successful Web-Based Customer Service

As these companies and others prove, effective web-based customer service is a very achievable goal with significant potential rewards. It simply requires the right principles, practices and tools. By surveying today's most effective practitioners, RightNow has distilled ten basic attributes that make web-based customer support work:

1. **Make sure your web site can "listen" to customers**
   Every successful salesperson knows the most important part of their job is listening to the customer—for both explicit and implicit messages. Web sites should do the same. Explicit messages are clear requests for specific information. Implicit messages are patterns of queries or usage that provide clues about customer needs and

interests. Effective online service requires mechanisms and/or practices that give an attentive ear to both types of messages.

2. **Give customers what they want—quickly**
Once you've "heard" what kind of information customers want, you have to give it to them—quickly. The web is all about immediacy. So whether it's getting new information posted onto your site or making the information that's already on there easier to understand, you must optimize your ability to respond to your customers' needs with online content. Don't confuse this with the rapid posting of the information that marketers want to put on your site. ***Quality customer service requires the rapid posting of content that is completely customer-driven.***

3. **Make customer service resources easy to find and easy to use**
Great content isn't much use if customers can't find it easily. That's why it's essential to provide customers with highly intuitive search tool that let them pinpoint the answers they need with a minimum number of steps. It's also smart to maintain a "Top 20" list of current hot topics that customers can view as soon as they come to your main self-service page.

4. **Integrate all your communications channels**
Different customers will use different communications channels at different times. You don't want them to get different answers depending on which channel they happen to use. ***So it's important to leverage your knowledge base across all channels.*** Ideally, the information you provide on the web should be exactly the same as what you provide via your live operators, voice self-service, email and chat.

5. **The "80/20" rule**
To be successful at web-based customer service, you don't have to be able to answer every conceivable customer question online. More than 80% of all customer questions are usually answered by just 20% of a support knowledge base. And many companies achieve 97-plus percent self-service rates with relatively limited—but highly customer-driven—content that they've developed over time by learning what customers need. That's why it's more important to get started with web-based customer service than it is to first develop the "perfect" knowledge base. Smart companies get the most important information up right away, and then refine their content over time.

6. **Let your customers rate you**
You can't improve what you don't measure. So the companies that are most successful with web self-service provide customers with a way to rate the quality of the answers they find online. Using this feedback, content that isn't useful can be quickly weeded out—thereby improving the overall effectiveness of the site.

7. **Use rich content wherever appropriate**
A picture is often worth a thousand words. Photographs, diagrams, and animations can therefore be very useful in helping customers solve their most common problems. Creating these types of graphics can help further improve the effectiveness of your online customer service system.

8. **Connect the online world to the real world**
For retailers, banks, and many others types of companies, it's important to link online operations with real-world facilities. ***After all, many customers come to a web site specifically to find a local store, branch office or service center.*** One of the best ways to do this is to provide a searchable database of real-world locations on your web site. It's also a good idea to supplement street addresses with maps and driving directions to ensure that your customers can get where they want to go without getting lost.

9. **Consider a hosted, on demand solution**
Many successful web-based service implementers are taking advantage of hosted on demand solutions in order to eliminate capital costs and ongoing infrastructure management hassles. Hosted systems accelerate time-to-benefit and offload ownership burdens from corporate IT organizations that already have their hands full. Hosted systems also offer advantages when it comes to performance, reliability, scalability and security.

10. **Buy experience along with your technology**
Online customer service technologies can be very powerful. But you have to know what you're doing to get the most out of them. That's why the smart buyers look for a source of substantial customer service experience to complement the technologies they acquire. Best practices like those listed here are extraordinarily valuable. So it makes sense to partner with a vendor who can help you apply those best practices to your company's online customer service initiatives. It's even better when that vendor can help you optimize the rest of your CRM processes as well.

These ten simple principles can make your online customer service initiative a high-ROI success. And they're not hard to fulfill. With the right technology and the right partner, you can take full advantage of the Internet as a medium for superior customer service and reap all the rewards that result from great web-based customer service.

Bottom-Line Benefits of Web-Based Customer Service

Experience has proven that companies benefit in numerous ways—many of them totally unexpected—from their web-based customer service initiatives. The bottom-line rewards generated by these initiatives include:

Reduced costs
When customers help themselves on a web site instead of sending an email or calling a contact center, *savings can range from $10-$45 per incident.* By continuously refining self-service content and site design, you can continuously raise the percentage of customers who help themselves online—and thereby dramatically reduce overall customer service costs.

Faster customer service and increased customer satisfaction
People hate to sit on "hold." *When they can help themselves on a web site, they get faster answers to their most pressing questions 24 hours a day, seven days a week.* They also develop the perception that the company they're visiting has a good handle on its customers' needs—thereby strengthening their overall confidence in that company. Just as important, by reducing workloads in your contact center, online service helps you answer your phones and respond to your emails more quickly.

Increased use of lower-cost online transaction channels
For most companies, sales over the web carry lower transaction costs than those made over the phone or in a retail location. Good customer service encourages customers to use the web more often, which means they become more likely to use it for transactions. Web-based service can thus help lower your overall cost of sales.

The ability to scale to meet peak seasonal volumes
Many companies have to ramp up their customer service capacity to deal with seasonal peaks in volume, such as those that occur after the holidays. Usually, this means adding call center operators temporarily. But how many do you add? If you add too many, you'll waste money on excess capacity. If you add too few, you won't be able to respond in a timely manner to your customers. An effective online customer service environment—especially a hosted one—can easily scale as required to meet any amount of volume, without guesswork or the risk of over-spending on additional infrastructure.

Re-allocation of staff to higher-value tasks
One of the main constraints on any company's business performance is staff productivity. By automating customer service and streamlining the management of online content, a good self-service system eliminates the need to devote people to low-value, repetitive tasks—thereby freeing them to focus on assignments that truly require their skills and personal attention.

The bottom line? Responsive, automated online customer service delivers concrete business advantages, day in and day out. Effective web-based self-service has also become a competitive necessity, as more and more companies have transformed their web sites into powerful, customer-pleasing resources. That's why every company needs to continually evaluate how well it's using the web and determine where it can improve.

What's Your Company's SQ?

Because effective web-based customer service is important to every business, it's a good idea to assess your own company's Service Quotient, or SQ. This simple test will help you determine just how healthy your company's online service strategy really is, and allow you to pinpoint where it could use improvement.

SQ Evaluation Questions	Yes	No	Don't Know
1. Do you have a way of ensuring that the answers on your web site address your customers' most common problems?			
2. Do you provide customers with an easy, intuitive way of finding the specific answer they need?			
3. Are the most useful and/or commonly requested knowledge items automatically presented first?			
4. Can your self-service interface guide customers to useful information anywhere on your site and/or on other relevant sites?			
5. Do you respond to all customer emails within one business day?			
6. Is your call center meeting its service-level targets?			
7. Does the number of customers coming to your site for service increase every month?			
8. Are you tracking the activity on your self-service system and using that insight to drive business decisions?			
9. Do you give visitors the option to have updates sent to them automatically by email?			
10. Are you consistently able to capture knowledge from your top subject-matter experts and publish it on your site where customers can easily find it?			
11. Are you substantially reducing your call center workloads by answering questions automatically on your web site?			
12. Do customers ever praise your company because they found your site especially helpful?			
13. Can customers find local retailers or distributors on your site—complete with maps and/or directions?			
14. Are you posting rich, graphical "answers" on your site			

to help your customers solve problems?			
15. Are the answers you give customers on your web site the same as the ones you give them on the phone?			

If you were able to answer "Yes" to ten or more of the questions above, you're well on your way to becoming another self-service success story. If not, then it's probably time to re-evaluate how you're using the web to support and service your customers—before your competition gets too far ahead of you!

RightNow Service: The Proven Leader

Fortunately, there is an effective, easy-to-implement solution for companies that want to make their web sites more responsive—and who want to do it fast. RightNow Service™ is the industry's most complete solution for assisting customers via web self-service, chat, email, and phone. It is the only Internet customer service solution to leverage a single knowledge base and a common incident tracking system across all communication channels—enabling companies to gain a true 360-degree view of the customer and ensure a consistent, high-quality service experience.

RightNow's patented, intelligent knowledge base management technology keeps online content fresh, customer-driven, and easy-to-find. It also provides a wide range of critical capabilities including natural language searching, automated answer ranking, Smart Assistant® (which scans the text of incoming emails and automatically suggests appropriate answers), and co-browsing.

RightNow thus transforms web sites into highly effective information resources for customers, prospects and other business partners. **Just as important, RightNow's powerful self-learning capabilities and hosted delivery model enable companies to reap the quantifiable benefits associated with effective online service without extensive up-front investments in content development and IT infrastructure.**

With RightNow, you can:

- achieve contact center efficiencies that reduce costs while improving service.
- create a consistent, unified customer experience across all channels.
- dramatically improve "one-and-done" contact resolution rates.
- accurately measure performance with powerful reporting and service analytics.

The average RightNow customer:

- is up and running from purchase order to production in just a few weeks.
- reduces call center workloads by at 25 percent within 30 days.
- reduces email workloads by 50 percent within 60 days.
- automatically answers 86% of customers' questions on the web without escalation.
- achieves measurably higher customer satisfaction within weeks.

As Internet use continues to grow—and as customer expectations for online service grow as well—companies in all markets must make sure that their web-based service capabilities fulfill or exceed those expectations. Companies that want to retain customers and control costs must therefore remain aggressive about customer service on the web—and integrate web-based service into their overall CRM strategies.

Try Us RightNow

If you'd like a first-hand view of how RightNow Service can radically improve your company's customer service and transform your web site into a powerful information center for customers and prospects alike, visit us at www.rightnow.com. You can request a free demo of RightNow Service and see how our customers are already using it on their web sites. You can also call us at 877-363-5678 to speak with one of our knowledgeable sales representatives. You too can become a web-based service success story!

What They're Saying About RightNow

RightNow is widely recognized as the market leader and top innovator approach in Internet customer service. Here is a sampling of comments from leading analysts and top corporate customers:

"RightNow offers one of the most comprehensive and well-rounded solutions, along with the best overall marks for financials and market presence."
-Forrester Research

"RightNow Technologies has grown to become one of the largest suppliers of Internet customer care application software. Their current installed base of over 1000 customers places them among the largest firms in this space."
-Yankee Group

"RightNow is one of the best solutions we've ever purchased. It immediately revolutionized the way we provide customer service without requiring us to make inordinate investments of either effort or capital."
-Edmunds.com

"RightNow is a tremendously cost-effective tool for providing technical support. It has allowed us to build and leverage a very comprehensive knowledge base that saves both users and support staff a lot of time."
-Siemens

"RightNow is absolutely an integral component of our Internet service strategy. It represents everything that's good about eGovernment—in terms of improving services to the citizens of New York State, making the state a better place to do business, and reducing the cost of government operations."
-State of New York Department of Motor Vehicles

About the Author

Greg Gianforte has led RightNow from its founding in 1997. His market vision, leadership, entrepreneurial philosophy and commitment to ethical business practices has enabled RightNow to consistently grow—during a period when many other software companies have stumbled—and to achieve remarkable levels of customer loyalty and satisfaction.

Greg founded Brightwork, a pioneering developer of network management applications, in 1986. He sold the company to McAfee Associates in 1994 and was retained by McAfee to run its North American sales operations. During Greg's tenure, McAfee was selected by *Fortune Magazine*—based primarily on its Internet selling approach—as one of the "10 Coolest Companies in America."

Ernst & Young awarded Greg Pacific Northwest 2003 Entrepreneur of the Year. Greg is also the author of *Bootstrapping Your Business: Start and Grow a Successful Company with Almost No Money.* He holds a BE in electrical engineering and an MS in computer science from Stevens Institute of Technology.

About RightNow Technologies

RightNow (NASDAQ: RNOW) provides organizations with industry-leading on demand CRM solutions to build customer-focused businesses. RightNow's acclaimed technology, comprehensive services and commitment to customer success deliver high returns on investment for its customers. More than 1,400 organizations worldwide use RightNow solutions including British Airways, British Telecom, Cisco Systems, Continental Tire North America, John Deere, Nikon and the Social Security Administration. Founded in 1997, RightNow is headquartered in Bozeman, Montana, with additional offices in North America, Europe and Asia. For further information, please visit http://www.rightnow.com/.