

**The Insider's Guide to Customer Service on the Web**  
**Ten Secrets for Successful Customer Service**

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## Executive Summary

The web is a great place to do customer service. It's where people go to find answers fast. It provides a way for customers to navigate their way through lots of content to find the particular piece of information they need. It's open seven days a week, 24 hours a day. In fact, according to industry observers, web-based customer service is one of the biggest business opportunities on the web.

**Unfortunately, most companies fail to effectively exploit the web's full potential as a customer service vehicle.** Some fail because they don't recognize just how powerful of a business tool web-based customer service can be. Some fail because they never develop a practical process for capturing the information their customers want and quickly getting it onto their site—or they fail to keep such information properly updated. Others fail to adequately integrate web self-service with their email and call center channels. Others leave out some of the key functions that make web customer service really "click"—such as store locators or remote web session control.

There is a cost for such failure. **Companies that don't develop effective Internet customer service wind up spending far more on customer support than their competitors—as much as 20 times more per incident.** That's because, without effective customer service, companies must rely on their over-burdened, high-cost call centers to answer even the most routine and repetitive customer inquiries. Companies with poor service also lose customers, since web users get frustrated quickly and head elsewhere.

Web-based customer service is a great way to habituate customers to using your web site, thereby creating other opportunities to lower transaction costs, execute cross- and up-selling strategies, and otherwise leverage the Internet as a business tool. And, because it's so scalable, web-based customer service offers an extremely cost-effective solution for dealing with the inevitable peaks and valleys in your service incident volume. That's why web-based service has become such a hot topic for business and technology managers alike.

This white paper distills the experience and best practices of successful web-based service implementers from 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 customer service strategy—and join the ranks of successful Internet service pioneers who have significantly lowered their per-incident customer support costs while consistently delighting their customers and strengthening their Internet presence.

## Why Web-Based Customer Service?

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

Things have really changed. Now, the web is an intensively interactive medium and an online extension of the business itself. Companies use the web to buy, sell, recruit staff, solicit bids and make referrals. It's also a great place to support customers and forge closer relationships with them.

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

How do you lose customers on the web? The same way you lose them in the "real" world: you don't respond to their needs. **Unfortunately, many executives who would have a heart attack if their sales and service staffs were unresponsive or ignorant about the company's products don't show the same concern about having an unresponsive or ignorant web site.** Their web sites can't answer customers' questions. They take too long to reply to customer emails—or they fail to reply at all.

Keep in mind that a fundamental aspect of the web's appeal is the immediate gratification it offers. When someone comes to your web site, they want to quickly find the information they need to make a buying decision or solve a problem. So web visitors are very sensitive to delays. It may be only a matter of seconds before a visitor gives up his or her search, and tries looking elsewhere.

This puts tremendous pressure on the two groups who develop web content: marketing and customer service. 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. **Internet customer service innovators have proven that you can answer a tremendous percentage of customers' questions online without spending money and time you don't have.**

But before we look at how they accomplished this, let's look at who they are and what they've been able to do.

## **Web-Based Service Innovators: Cases-In-Point**

As more companies deploy web-based customer service, their successes demonstrate the bottom line business benefits gained by effectively supporting customers online. Here is just a sampling of companies that use automated, web-based customer support to lower operational costs and significantly improve customer satisfaction.

### **Allied Telesyn: Self-Service for High-Tech Questions**

When global communications equipment provider Allied Telesyn entered the home PC networking market, it found itself having to support a large number of novice users. Call center operators had to answer repetitive questions as simple as, "What's an IP address?" Because of the technical sophistication of Allied's operators, support calls cost the company around \$50. Allied needed to reduce these calls while still supporting its new products.

Its web-based solution worked. Allied experienced a 15% drop in the first month of its implementation and 20% the second month. Use of the company's online support page climbed by almost 25%, with customers commenting regularly on how much they like being able to go to the site anytime to find what they want. ***The company has saved \$25,000 per month through the reduction of phone calls alone.***

### **New York DMV: The Web Does the Work**

NY Department of Motor Vehicles supports New York State's 10 million drivers with a complete range of services including licensing and vehicle registration. The agency's web site is its busiest "office," receiving almost 16,000 hits per day. Its original goals for self-service were quite modest. If better use of the web could reduce email traffic by 30%, then the agency's investment in self-service would have paid for itself.

But in the first week of deployment, email volume dropped 33%. After a few small changes to the verbiage on the site, the agency achieved another 18% reduction. Further refinements eventually resulted in a total email reduction of 88%.

Just as remarkable as this huge reduction in email volume is the percentage of site visitors who find answers to their own questions without having to send an email or make a phone call to DMV personnel. **A full 99.2% of all site visitors who look for answers are now able to find them without any assistance.** The result: Huge operational cost savings for the agency and significantly improved service to the state's drivers—who can now get immediate answers to their questions 24 hours a day.

### **Wolters Kluwer Health: Saving the Call Center**

International medical publisher Wolters Kluwer Health was moving its business online to cut costs and streamline distribution. Online customers, however, ask lots of questions via email. Wolters Kluwer Health couldn't respond to those emails quickly enough, so customers began picking up the phone. The call center got swamped and customer service began to suffer.

Fortunately, they quickly implemented web self-service to address the problem. Visitors to the Wolters Kluwer Health site were able to successfully find answers to their own questions. **Within weeks, they experienced a 22% reduction in call volume.** That brought phone response times down under a minute—which, in turn, meant that 7,000 fewer calls were being abandoned before they could be answered. That's a huge improvement in the quality of the company's customer service.

## Ten Secrets for Successful Web-Based Customer Service

As these companies and others prove, effective customer service is actually a very achievable goal—even for companies with relatively limited resources. It simply requires the right principles, practices and tools. By surveying today's most effective customer service practitioners, RightNow Technologies discovered ten basic attributes that make web-based customer support work:

### 1. **Make sure your web site "listens" to customers**

Every successful salesperson knows the most important part of their job is listening—both for explicit and implicit messages from the customer. Web sites should do the same. Explicit messages are clear requests for specific information. Implicit messages are patterns of queries or usage that imply a difficulty in finding some type of content. Effective customer service requires mechanisms and/or practices that ensure an attentive ear to both types of messages from customers.

### 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 responding to incoming emails, your service solution must enhance your ability to respond quickly. Don't confuse this with the rapid posting of information marketers want to put on your site. ***Quality customer service requires the rapid posting of customer-driven content.***

### 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 content has to be well-organized into hierarchical "containers" that reflect the way users actually think about and search for content—not how a web site manager guesses they might. It's also important to always give customers the ability to turn to email, live chat or a live operator.

### 4. **Integrate all your communications channels**

Different customers will use different communications channels at different times. ***So it's important to be able to leverage your knowledge base across all channels and to be able to track incidents across all channels as well.*** That way, when customers call you after exchanging emails with you, they won't have to repeat everything they explained in their emails—and vice versa. The result: happier customers and faster problem resolution.

### 5. **The "80/20" rule**

Successful customer service doesn't require the ability 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. ***In fact, studies show that web-based customer service implementers have been able to answer 86% of all customer queries online with a relatively small, focused set of knowledge items.*** It's more important to get started with a web-based customer service solution than it is to develop the "perfect" service/support knowledge base. Smart companies get the most important information up first, and then add to it over time.

**6. Let your customers rate you**

You can't improve what you don't measure. That's why it's important to let users rate the effectiveness of the knowledge items they find on your web site as well as any email replies received in response to their requests for help. Using this feedback, you quickly weed out content that's not helpful—thereby improving your site's effectiveness as a service/support resource for customers.

**7. Leverage your knowledge base**

It's worth creating a knowledge base just for web-based service; but you can achieve even greater return on investment (ROI) by leveraging that knowledge base across all your customer interaction channels (i.e. web, email, chat and phone). For example, the same knowledge base customers use to get their questions answered online can also be used by new call center operators as an information resource—helping them become more productive more quickly.

**8. Connect the online world to the real world**

One of the most important strategic imperatives for retailers, companies that sell through distributors and many others, is to link online operations with real-world facilities. ***After all, many customers come to a web site as a prelude to visiting a store or service center.*** And one of the best ways to do this is to include a searchable database of real-world locations in your online service resources. It's also important 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 hosted applications**

At a time when companies have a limited ability to buy, implement and manage new technologies, many successful web-based service implementers are turning to a hosted model. ***This approach eliminates the capital cost of software and hardware as well as the staffing requirements associated with implementing and maintaining a web-based customer service solution.*** Hosted systems let companies rapidly reap the benefits of web-based service without disrupting their existing IT operations.



## **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 web-based service implementers 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 someone who can apply those best practices to your company's online/offline customer service initiatives.

These ten simple principles can make the difference between successful, high-ROI customer service and a failure to take full advantage of the Internet as a medium for superior customer service. In a market climate where every competitive advantage counts, few companies can afford to miss out on the outstanding bottom line benefits that effective web-based customer service offers.

### **Bottom Line Benefits of Web-Based Customer Service**

Companies that implement effective web-based customer service solutions find they benefit in numerous ways—many of them totally unexpected. The bottom line rewards they've experienced include:

#### ***Reduced cost of customer service***

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

#### ***Faster customer service and increased satisfaction***

People hate to sit on "hold." ***When they can help themselves on a web site, they can get faster answers to their most pressing questions 24 hours a day, seven days a week.*** They also develop the perception that the company site they're visiting has a good handle on its customers' needs—thereby strengthening their overall confidence in that company.

#### ***Increased use of lower cost online transaction channels***

For most companies, sales over the web provide lower transaction costs than those made over the phone or in a retail location. Good customer service encourages customers to use the web site more often, which means they become more likely to use it for transaction and support. Web-based service thus lowers your company's cost of sales.

#### ***The ability to scale to meet peak seasonal volumes***

A big problem many companies with seasonal patterns of buying often face is ramping up to support peak seasonal volumes. 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 customer service solution—especially a hosted one—can easily scale as needed to meet any volume of traffic, without requiring guesswork or potential over-spending on additional infrastructure.**

**Freeing up staff**

One of the main constraints on most companies' online efforts is the limited number of staff members who understand the business and the Internet. By automating the generation and management of online support resources, web-based customer service relieves these precious employees of having to perform many repetitive—yet critical tasks time-sensitive tasks—thereby freeing them to support other strategic projects.

The bottom line? Responsive, automated, service delivers concrete business advantages, day in and day out. Online customer service is also rapidly becoming a competitive necessity, as more and more companies make their web sites a primary channel for low-cost, customer-pleasing service and support.

**What's Your Company's SQ?**

Because web-based service effectiveness has become an important factor in every company's overall business strategy, now is a good time to assess the quality of your own company's Service Quotient, or SQ. This simple test will help you determine just how healthy your company's service strategy really is, and allow you to pinpoint where it could use improvement.

SQ Evaluation Questions	Yes	No	Don't Know
1. Can your customers quickly find answers to their most frequently asked questions on your web site?			
2. Can they easily check on the status of the response they previously requested?			
3. Do you respond to all customer emails within one business day?			
4. Does the content on your site change automatically based on customer input?			

5. Are the most useful and/or commonly requested knowledge items presented first?			
6. Do customers have an easy way to get to a human support staffer?			
7. Do your customers consistently return to your site to get information? Do you have any way of determining whether or not they do?			
8. Are you tracking the activity that has taken place on your site on a week-by-week basis? Do those reports help you determine the ROI of the site?			
9. Do you give visitors the option to have updates sent to them automatically by email?			
10. Are you consistently using your web site to capture and publish useful information that's currently only in the heads of your best staff?			
11. Does your call center only handle queries that couldn't be handled 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. Can you view both the email and call history of any given incident from a single interface?			
15. Are the answers you give your customers on the phone the same as the ones you give them on your web site?			

If you were able to answer “Yes” to ten or more of the questions above, congratulations. You’re well on your way to becoming another 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: Customer Service Made Easy

Fortunately, there is an effective, easy-to-implement solution for companies who want to make their web sites more responsive—and who want to do it fast. RightNow Service is the industry's most complete and efficient solution for assisting customers via web self-service, chat, email and phone. It is the first Internet customer service solution to deliver a single knowledge base across all of those communication channels—enabling companies to fully leverage a single, comprehensive support information repository. It also provides a common incident tracking system across call center, email and chat channels.

Powered by a patented, intelligent knowledge engine, RightNow Service provides dynamic, automated content creation—along with other important features such as automated email workflow, keyword searching, recognition of emotional content in customer queries and a personal assistance utility for customers to communicate directly with support personnel while they're still on your web site.

RightNow Service transforms web sites into highly effective information resources for customers, prospects and other business partners. ***Just as importantly, because of RightNow's powerful self-learning capabilities, companies realize these benefits without requiring extensive up-front investments of time and effort.***

With RightNow Service, you can:

- implement 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.
- quickly measure performance with powerful reporting and service analytics.

Unlike competing CRM solutions, RightNow Service is designed for quick and painless implementation. It's a hosted, fully web-based system that doesn't require you to make extensive upfront investments in infrastructure or take on long-term management burdens. So you can start reaping the benefits of more responsive and cost-efficient customer service right now!

The average RightNow customer:

- is up and running from purchase order to production in just a few weeks.
- reduces telephone support load by at least 25% within 30 days of implementation.
- successfully answers 86% of customers' questions on the web without requiring escalation to a human call center operator or salesperson.
- eliminates 66% of manual email support tasks by posting answers to customers' most commonly asked questions in an easy-to-navigate support area.
- achieves measurably higher customer satisfaction within weeks of deployment.

As the number of Internet users increases—and as customer expectations for online service increase as well—companies in all markets will have to seriously re-evaluate their customer service strategies. Companies that want to fully leverage the business potential of the Internet must move ahead quickly and intelligently with web-based customer service or risk losing customers to competitors who have already done so.

### **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](http://www.rightnow.com). You can request a free demo of our industry-leading RightNow Service solution and links to our active customers' web sites. Or call us at 877-363-5678 to speak with one of our knowledgeable sales representatives. You too can become a web-based service innovator—faster and for less money than you probably think!

## Industry Response

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

*"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

*"With RightNow's bi-lingual capability, Air Canada immediately extended its online service offerings to an entire nation and completely flattened the growth of its incoming email."*

- Air Canada

*"There is little or no incremental cost to us whether we have 40 customers looking for the answer to a particular question on our site or 400. RightNow provides the scalability we need to support any amount of query volume."*

- LeapFrog

*"RightNow has proved to be a valuable asset to our IT department. We have eight level three technicians handling incoming IT questions from about 800 level two technicians, with about 3,100 inquiries going through RightNow. RightNow allows us to focus on critical matters and improve the service we are providing Sprint."*

- Sprint

## About the Author

Greg Gianforte is founder and CEO of RightNow Technologies, the world's leading provider of hosted customer service and support solutions. Greg holds a BE in Electrical Engineering and an MS in Computer Science from Stevens Institute of Technology. He has taught Computer Science at Montana State University as an adjunct professor. Greg co-authored *Reducing the Cost of LAN Ownership and The Business of Running a Network* published by Von Nostram. Prior to RightNow Technologies, Greg was founder and CEO of Brightwork Development, a LAN Management software pioneer acquired by McAfee (now Network Associates) in 1994.

## 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 1,100 organizations worldwide use RightNow solutions including British Airways, British Telecom, Cisco Systems, Continental Tire North America, The Dow Chemical Company, 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 [www.rightnow.com](http://www.rightnow.com) or send an email to [info@rightnow.com](mailto:info@rightnow.com).

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