Best practices

5 Web Self-Service Pitfalls

What Every Contact Center Manager Must Know

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Self-service is "in" among businesses. In the quest for efficiency in customer care, customer service organizations are implementing aggressive self-service processes using web, internet, and phone technologies. Unfortunately, most such initiatives focus solely on departmental goals such as reduction of contact center interaction volume and neglect broader corporate objectives, jeopardizing the most valuable asset of an enterprise—the goodwill of existing customers.

This white paper highlights five myths frequently encountered in the context of self-service strategies and implementations:

- **Myth 1: Self-service is a foolproof way to reduce costs**
- **Myth 2: Self-service means eliminating customer interactions**
- **Myth 3: Self-service is a quick fix**
- **Myth 4: One self-service method fits all my customers and their needs**
- **Myth 5: We deployed self-service and contact center volume went down, so we succeeded…**

We discuss and analyze each myth and offer proven industry best practices to counter them—all set in a pragmatic framework based on hundreds of enterprise implementations. This paper will be a valuable resource for you as you develop, implement, and refine your customer self-service strategy.

Myth 1: Self-service is a foolproof way to reduce costs

The most common reason for customer service organizations to implement self-service is cost reduction. They consider self-service the silver bullet that will help them hit their aggressive cost reduction goals for the year. The objective itself is not a problem. However, taken in isolation and carried to an extreme, it can hurt the organization's most significant asset—customer good will.

To appreciate the risk, let's take a quick look at retail banks and their experience with customer self-service over the past decade. With the onset of ATM technology, banks discovered that they could dramatically reduce cost by downsizing their retail brick-and-mortar presence. After all, they reasoned, if customers could get cash and deposit checks through ATMs, why would they need to or want to communicate with a bank employee? While that was true, what banks overlooked was something subtle and very important. Relationships are built through human interactions. In trying to be efficient, they had bartered away an important customer interaction opportunity for anonymity.

A few years of ATM interactions and the banks had no emotional capital left with customers. There was a surge in retail customer churn rates as customers started to shop for the best CD rate or the least expensive checking account. Banks realized, belatedly, that they had no relationship with the customer. Recently, banks have begun to beef up their customer service organizations (both contact centers and retail operations) to provide more personalized service to complement the self-service technologies they have in place. One bank that has continued to offer good assisted customer service to complement automated service is Washington Mutual. As a result, it has been able to maintain customer loyalty and improve business.

The lesson here is not that self-service is bad for business, nor that cost reduction is an inappropriate objective. The lesson is that self-service must be set in the context of maximizing the value of interactions with customers.

Best Practice: Implement self-service right, or don't implement it all

Customer service is one of the few abiding differentiators that a company possesses. Self-service, then, must be offered as one of the options in the spectrum of service offerings to customers. eGain has implemented hundreds of customer self-service systems for enterprises across different industries. Our first recommendation for a self-service solution is that it should be seen as “fun” and “valuable” by customers. The kind of self-service that Amazon provides, for instance. When you go to the Amazon website to buy books, you find that you enjoy the experience—in fact, there are things you can do on the website that you cannot do in a book store! You can access reviews, you can see what others with similar interests recommend, you can browse by author or by category almost endlessly, and you can buy with one click! A customer self-service solution that delivers differentiated value and fun *will* be adopted by customers.

Another example is ABN-AMRO, a top 10 global bank. eGain worked with them to implement an intelligent self-service solution for their corporate cash management customers. The solution achieved the desired results—customer satisfaction increased as call volume went down. The key in this case was implementing the right self-service technology. They had decided to use a virtual agent (“RITA” for “Real-time InTernet Assistant”) who would respond to customers in a personalized manner and also allow intelligent, seamless escalation to assisted-service channels such as phone, email, and chat, depending on the nature and urgency of the service request.

Myth 2: Self-service means eliminating customer interactions

Self-service in the context of telephone interactions has certainly earned a bad name among consumers. We all know how to punch the **0** button or, better yet, not punch any button (pretending that we are using rotary phones) to escape IVR hell. Unfortunately, many web self-service systems are implemented with the same mind set. Companies see web self-service as an extension of telephone self-service. That is a huge mistake. Web self-service presents a completely new set of opportunities and challenges. The web-and-a-computer is an infinitely richer interaction medium than the telephone-and-a-touchtone-keypad.

Best Practice: Implement self-service as part of a multichannel service strategy to create more valuable customer interactions

Contact center organizations (telephone-centric) and website owners (typically Marketing) in large companies touch different parts of the elephant. From the call center point of view, web self-service is a tool for limited problem resolution (simple FAQ) and all other service requests ought to be handled by the telephone-based teams that are equipped to handle customer interactions. Website owners, on the other hand, are keen to automate the last ounce of customer interaction through endless webforms and esoteric web content that can be deciphered by few except those who create it—happy residents of Dilbert's world!

Successful companies whom we have helped, however, have taken a fresh approach to self-service, viewing self-service capability from a customer's perspective as opposed to a functional one. Customers use self-service if they can get accurate answers in a manner that is convenient for them—convenience is defined differently by customers with different skills and needs—and if they can get help when they get stuck. These business leaders also recognize that self-service is not a throw-over-the-wall process between the customer and company. Rather it is a collaborative process of increasing efficiency both for the customer and the company through a series of options that allow for coaching, convenience, and escalation. Like a kid with her first shiny bicycle, the customer needs "training wheels" or an adult ready to help. Self-service is new for most customers; they want the assurance of assistance if needed.

One of our customers, a leading financial institution in the US, uses web collaboration as a way to coach and train customers to try out web self-service. It observed that customers are much more likely to use the web self-service capabilities after they have been walked through its capabilities by an agent. Although this coaching can be done over the telephone as well, it is most effective if you use web collaboration technologies such as cobrowsing to escort customers through web self-service capabilities when they call into the call center. Statistics show that customers who have been coached once seem to adopt the self-service solution enthusiastically. The classic example of teaching to fish versus giving fish!

Another best practice that we have seen leading edge companies adopt is to give preference in assisted service to customers who have tried out the self-service capabilities first. They successfully get customers to try out self-service by providing them incentives in the form of better SLAs for escalated assisted service requests.

Myth 3: Self-service is a quick fix

It is said that self-service is a great strategy and a terrible tool. Adding ad hoc self-service capability into an organization that does not have self-service centric processes can be worse than no self-service at all. Many companies view self-service as a quick "band aid' to solve their customer interaction volume pressure. What they ignore is the customer dissatisfaction that such silos of self-service create. For the customer, the company is one entity. Any offering that fragments the customer's perception of a single company hurts the company's brand.

Best Practice: Self-service must be implemented as an "outside-in" strategy across the business; it cannot succeed in a silo within the enterprise

Successful companies that we have worked with view self-service as a way of organizing their business. For them, customer self-service is a critical extension of their enterprise. They see customers as the primary consumers and producers of information and value in their enterprise, so all information and processes in the company are first created for consumer consumption. When viewed in this "outside-in" manner, company processes become customer-oriented. All employees understand that self-service is the eventual goal for every front office process in the company. They are encouraged to assist customers with more self-service wherever possible, always keeping in mind that self-service is not viewed by the customer as a "second-class" option.

A common reason for self-service implementations not yielding measurable and lasting benefits is that over time the self-service capability becomes yet another silo of information that is not connected with the rest of the company's business systems such as back office or customer fulfillment databases. As a best practice, we see many customers planning out a self-service strategy that involves stand-alone self-service implementations in the first phase, followed by integration of self-service capabilities with their back office systems to deliver a 360-degree view of customer interactions to all company employees as well as provide up-to-date information to customers about their accounts and issues through self-service. One valuable insight we have acquired is that a vast majority of integration requirements are really for read-only data. This translates into a much simpler technology solution that does not involve sophisticated transactional integration between back office systems and self-service systems.

Myth 4: One self-service method fits all my customers and their needs

Self-service is self-service is self-service. This is like saying that all your customers are the same. We all know that they are not! At any rate, most large companies have elaborate ways of segmenting their customer base into categories based on demographics, psychographics, and other characteristics. The same segmentation approach to self-service yields interesting results.

Best Practice: Some customers prefer self-service—find out who and why

One of the insights that we derived from working closely with a market research agency for one of our largest banking customers was a surprising and illuminating one. Working with our customer, we jointly set out to survey the adoption of self-service among the bank's retail customers and also to understand their preferences.

Customer surveys showed that one of the main reasons for preferring self-service to calling a customer service agent was that customers felt that they might be perceived as "slow" or "stupid" by the agents for asking "obvious" questions. An unusual reason, and an extremely compelling one! However, they also universally wanted to have the option of reaching a customer service agent if they could not help themselves adequately through self-service. The second point was not a revelation for us as much as a concrete validation through a controlled study of customer behavior and expectations from self-service systems.

We have, in the course of helping many companies with self-service strategy and implementation, learnt that customers want different access methods to self-service depending on their skill level and where they are in the customer life cycle. Based on these experiences, we have broken down a typical customer life cycle into five stages, with appropriate access methods for each stage.

Stage 1: Introduction—virtual agent

When customers visit a company's website for the first time with a view to learning more about the company, they want to get a thumbnail sketch of the company quickly. They are not looking to spend lots of time researching. A virtual agent that provides personalized self-service through a natural-language conversation and guides the customer through the website, pushing relevant content, can be a great tool to implement. It provides a friendly meet-and-greet capability that brands the company favorably in the mind of a prospect.

Stage 2: Information gathering—natural language search or browse

When prospects are looking to gather information about the company's products, they are open to spending more time on the website. They are also willing to browse through options and search through segments of the website. Natural language search combined with intelligent browsing capability (content personalized and categorized by preference or relevance a la Amazon) can be relevant self-service offerings at this stage.

Stage 3: Product comparison—guided Q&A with collaboration

Very often the prospect is confused at this stage if there are lots of possibilities to choose from and compare across different companies. A product recommendation capability can be offered through guided Q&A built using artificial intelligence technologies such as Case Based Reasoning (CBR) that allow the company to capture an expert sales person's techniques into self-service.

The value of the potential transaction, the probability of conversion (can be historically calculated), and the cost of collaboration should influence your choice of escalation options during the product recommendation phase. Remember, seamless escalation to assisted service is like a set of "training wheels" on a bicycle—customers will rarely use the option, but they will be more comfortable with the self-service option if they have the choice to escalate.

Stage 4: Transaction—webforms with live chat assistance

In the transaction phase, we see innovative companies moving more and more towards some form of in-band escalation (either through web chat or cobrowsing). One of our enterprise customers, a top 10 online retail presence in the US, saw shopping cart abandonment rate drop by 20% after it implemented web chat and collaboration escalation in the shopping areas on its website.

Stage 5: Problem resolution—FAQ, search, browse, guided Q&A

Finally, problem resolution in the product support phase should be handled differently depending on the type of product and demographics of the customers. In our experience with large enterprises serving millions of customers, we have noted that the best implementations are the ones that offer multiple access methods (FAQ, search, browse, guided Q&A) to the same underlying knowledge base. They let customers decide what access method they want to use. A successful strategy is to provide fewer options to novice customers and direct them to more structured forms of problem resolution like guided Q&A. A leading global technology manufacturer that we worked with discovered that customers got satisfactory solutions from the knowledge base 30% more often through guided Q&A access rather than FAQ access! This fact underlines the need to let customers choose from multiple knowledge base access options, depending on their sophistication and needs.

Myth 5: We deployed self-service and contact center volume went down, so we succeeded…

Many businesses claim to have successful self-service capability on their website. Since deploying self-service their assisted service interactions went down, they say. And they consider that a success. Does that sound familiar? Yes, most retail banks in the nineties had the same sense after deploying ATMs and shutting down or decimating their branch networks. What the banks were missing then and these companies are missing now is that customer service interactions with the company, whether through self-service or through assisted service, are the single-most important vehicle for building customer relationships and gathering customer feedback on products and services.

Best practice: Monitor and analyze self-service interactions for customer insights

View web self-service not as deflection, but as intelligent automation. Closely observe the activity of customers: Are they finding answers? Where are they getting stuck and frustrated? Are they able to escalate easily when they get into trouble? These are the questions that a sustainable self-service implementation must answer on a near real-time basis for the business.

Web self-service, in fact, presents a rare opportunity for companies. Given its richness and potential for interactivity, it allows companies to ask customers for feedback and their perceptions about company products while they are focused on the company's products and services. And that data is priceless, in terms of fidelity and quality. Industry statistics show that the quality of customer feedback goes down exponentially as the feedback and experience get farther apart in time. Moreover, this feedback is much more accurately transmitted through self-service than when your customer service agents ask for feedback and record it on behalf of the customer.

The best businesses that we work with value customer self-service feedback and activity pattern. These companies fully use self-service reports and trends to improves their offerings to customers. To them self-service is not a "fit and forget" option; it is an opportunity to connect directly with customers and invite them to be partners in building value in the enterprise through collaborative processes enabled by the web.

Best Practice: Self-service is also a very good opportunity to sell, not just solve problems

Another myth is that self-service is only for helping customers solve their problems. Industry statistics show that cross-selling is most effective when you have just helped a customer solve their problem. They are receptive to your suggestions at that time because you have earned their trust by helping them. That opportunity is wasted if there is myopic focus on self-service cost reduction alone.

Conclusion

Customer self-service over the web presents great opportunity for businesses that take an outside-in view to self-service and implement organization-wide strategies to embed customer-oriented self-service processes through out the company. Of course, these strategies must be implemented in stages, but the end goal must be clearly articulated to customers and employees alike by the senior managers for the implementations to align with the broad strategy of a self-service driven business.

Keep the demographic and psychographic needs of your customers in mind when designing and building customer self-service capabilities. Implement phased self-service projects that address the most important stages of the customer life cycle—introduction, information gathering, transaction etc. Finally, remember not to think of self-service as cost reduction alone. While cost reduction can very well be a primary objective for any self-service implementation, you must consider the impact of self-service on customer satisfaction and avoid repeating the mistakes in the IVR world—you must integrate your web self-service capability with your back-office systems, offer options to escalate to assisted service, and provide appropriate self-service access methods depending on the needs of your customers.

About eGain

eGain (OTC: EGAN.OB) is a leading provider of customer service and contact center software for in-house or on-demand deployment. Trusted by prominent enterprises and growing mid-sized companies worldwide, eGain has been helping organizations achieve and sustain customer service excellence for more than a decade. 24 of the 50 largest global companies and growing medium-sized businesses rely on eGain to transform their traditional call centers, helpdesks and web customer service operations into multichannel customer interaction hubs, and to extend their service-based competitive advantage.

eGain Service™, the company's software suite includes integrated, best-in-class applications for web self-service, email management, knowledge management, live web collaboration through chat and cobrowse, automation of fax and paper-based service interactions, case management, and service fulfillment. These robust applications are built on the **eGain Service Management Platform**™ (eGain **SMP**™), a scalable next-generation framework that includes end-to-end service process management, multichannel, multisite contact center management, and certified out-of-the-box integrations with leading call center, content, and business systems.

Headquartered in Mountain View, California, eGain has an operating presence in 18 countries and serves over 800 enterprise customers worldwide. To find out more about eGain, visit www.eGain.com or call the company's offices: United States: 800-821-4358; London: 1753-464646.

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