

Customer Service and Its Discontents

How to Turn an Overhead Expense into the Most Important
Tool in Your Business Arsenal

Discontent Defined

- “Restless aspiration for improvement.”
- “Having a feeling that one has been wronged or thwarted in one's ambitions.”

(Merriam-Webster)

- “The nagging feeling that your Customer Service efforts are costing more than they should, unnecessarily absorbing management time, and letting opportunity slip by.”

(The entire IT community)

Tim Uzzanti, Biography

Tim Uzzanti is the President and Chief Executive Officer of SmarterTools Inc, a multi-million dollar Software Development Company and SaaS provider serving 15,000,000 end-users worldwide in over 100 countries.

Tim Uzzanti founded CrystalTech Web Hosting Inc.—at the time one of the world’s largest Windows Hosting Companies—serving as its Chief Executive Officer until it was acquired by a public company.

Tim Uzzanti has operated on boards for various Technology companies, offering his experience in Business Development and Internet-Technology to other organizations.

“The Quality of the customer experience makes and breaks companies. Customers are becoming increasingly demanding and sophisticated, and they’ll take their business elsewhere if you do not deliver the superior service they feel they deserve.”

(“Eight CRM Essentials: An Executive Guide to the Eight Must-Have Elements of Every Successful CRM Initiative,” SalesForce White Paper, 2007)

Benefit from the Effort

Because Customer Service IS necessary; make it as easy, efficient, and profitable as possible—transforming it from an overhead expense into your most valuable business tool.

- Increase employee performance
- Decrease expenses
- Influence business decisions for future products and services from both development and marketing perspectives
- Discover marketing opportunities
- Increase customers satisfaction and customer retention
- Create a proactive vs. reactive sales approach

Efficient, cost-effective, and value-generating Customer Service is the path to increase revenues and profit.

“Eight out of ten dollars you spend on IT is dead because, while it is keeping the lights on, it isn’t directly contributing to your business growth or enhancing your competitive advantage.”

(Gartner Research: “IT Must Think Differently, Act Differently, and Be Different to Drive Business Growth”)

Presentation Objectives

- Recognize the importance of “order” and “flow”—applying the concepts of “process engineering” to the Customer Service cycle.
- Understand the importance of a structural framework to channel that flow into a logical, unified way to save costs and generate efficiency.
- Discover ways to leverage this structure to maximize the value of every agent, Ticket, KB, Live Chat, and incident — data capture.
- Find out how to leverage that data capture into a business decision-making and marketing powerhouse—Data Mining is for everyone.
- Learn how this can all be accomplished with a single tool or through the implementation and integration of multiple tools.

- Introduction
- Part 1: The Customer Service Channels
- Part 2: Aligning the Channels
- Part 3: Leveraging the Channels
- Part 4: Summary, Conclusion, and Q&A

Part One

The Customer Service Channels



Value Stakeholders

Customers



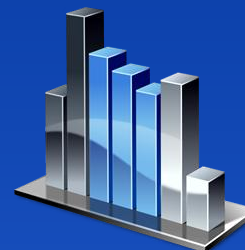
Employees/Agents



Management

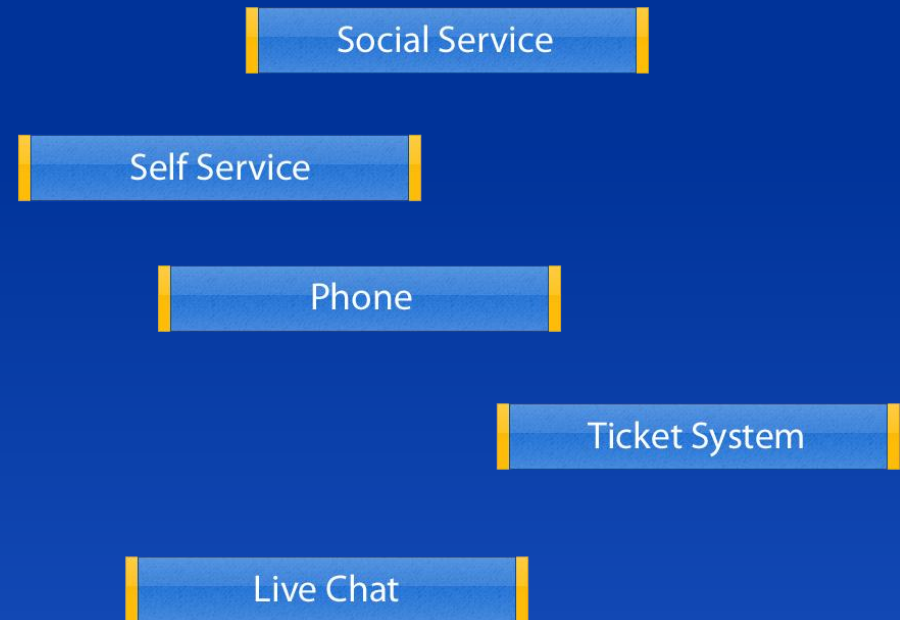


The Business



Unstructured Service Channels

- **Social Service**
(forums, blogs, wiki)
- **Self Service**
(KB, help, white papers, news items)
- **Phone**
(long distance, toll-free, VoIP)
- **Professional Ticketing System/Email**
- **Live Chat**
(requests and invites)



The Challenges

- Companies use some or all of these channels
- Separate applications
- Multiple and unique databases
- Separate, unique, and counter-intuitive interfaces
- Information not shared efficiently across channels
- Consistency

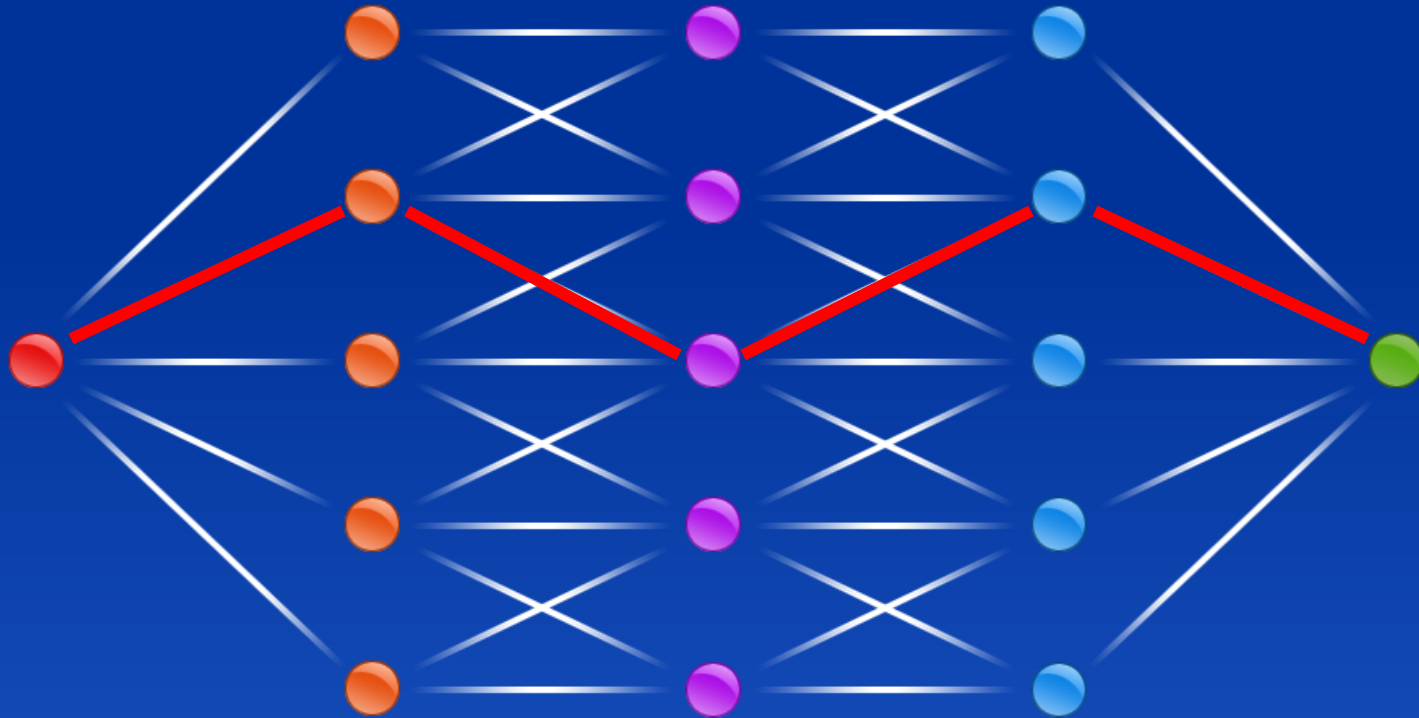
The Linear Environment



The Optimal Path – Low Complexity

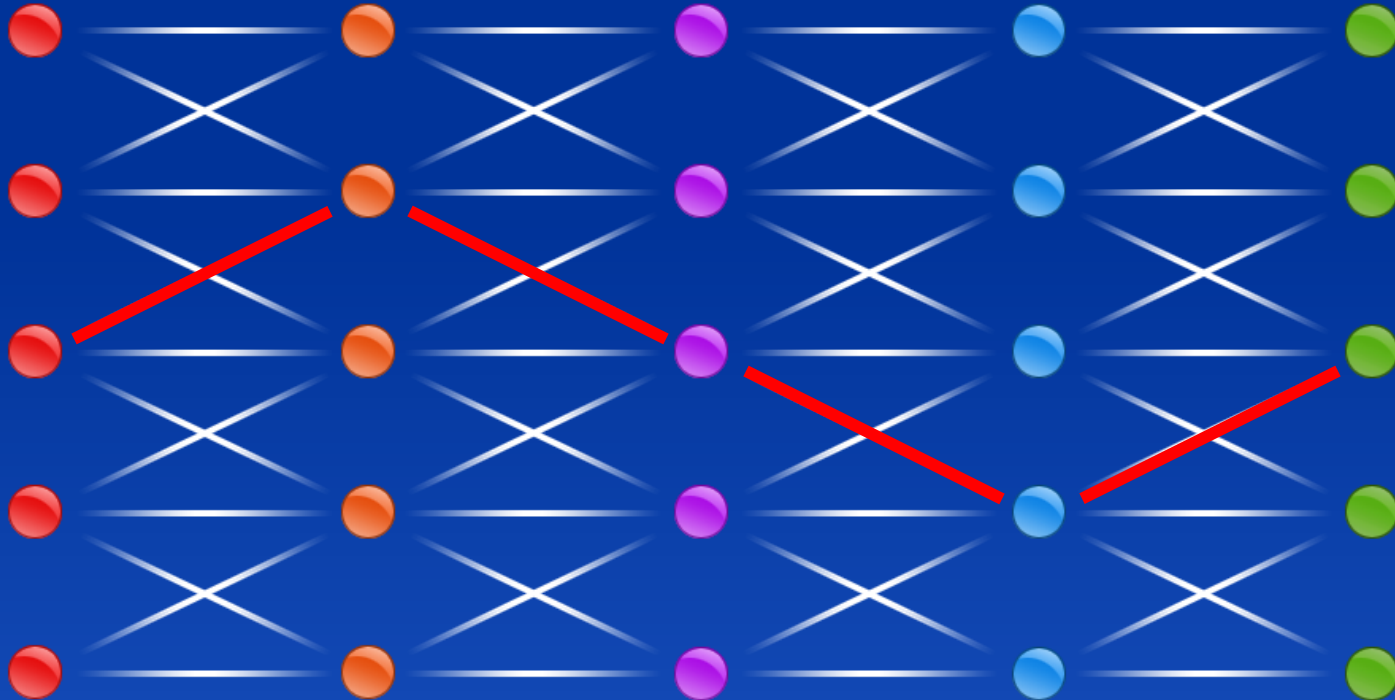
Multi-channel & Multi-product Environments

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125 Possible Paths

As Business Scales—Complexity Grows Exponentially



3125 Possible Paths

Part Two

Aligning the Channels



Aligning Channels for Success

- The alignment of your service channels is a vital first step
- It aligns your service efforts with the customer's best interests and your businesses objectives
- Every company can and should take this step



10,000 Customer Service Requests

Current Service Channel Flow

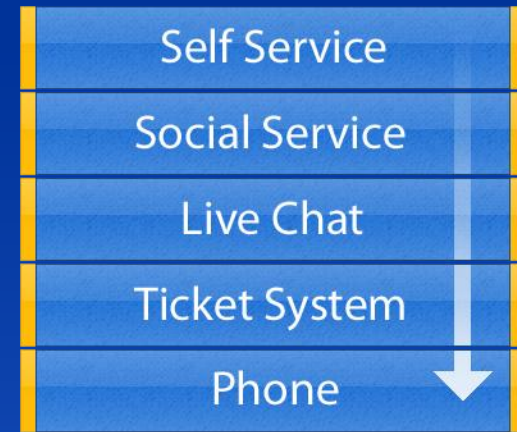
Efficient Service Channel Flow

Requests	Dollars		Requests	Dollars
500	\$ 125	Self Service	4000	\$ 1,000
1000	\$ 500	Social Service	2500	\$ 1,250
2000	\$ 4,000	Live Chat	2000	\$ 4,000
2500	\$23,750	Ticket System	1000	\$ 9,500
4000	\$ 108,000	Phone	500	\$ 13,500
Total	\$ 136,375		Total	\$ 29,250

(Based upon \$.25 per Self Service, \$.50 per Social Service, \$2.00 per Live Chat, \$9.50 per Ticket/Email, and \$27.00 per Phone request.)

Alignment in the Beginning

We have discovered that even this one simple step can begin to bring efficiency by providing customers a logical path to find what they need. Customers naturally find solutions as they progress—reshaping the service cycle.



Agent Effectiveness

- Information continually feeds back into the Customer Service system
- Does not require time-consuming manual analysis or tasks
- Enhances knowledge across teams and agents
- Over time, more and more customers are resolved higher and earlier
- Improved efficiency and utilization
- Scale revenues without scaling costs
- Improves the flow and controls the costs



Agents are more than just “answers” to tickets. Agent performance should not be measured by issues and tickets alone.

“During the last year...clients have experienced decreases in email customer service inquiries and concurrent increases in Live Chat.”

(Internet Retailer, Customer Service, July 2008)

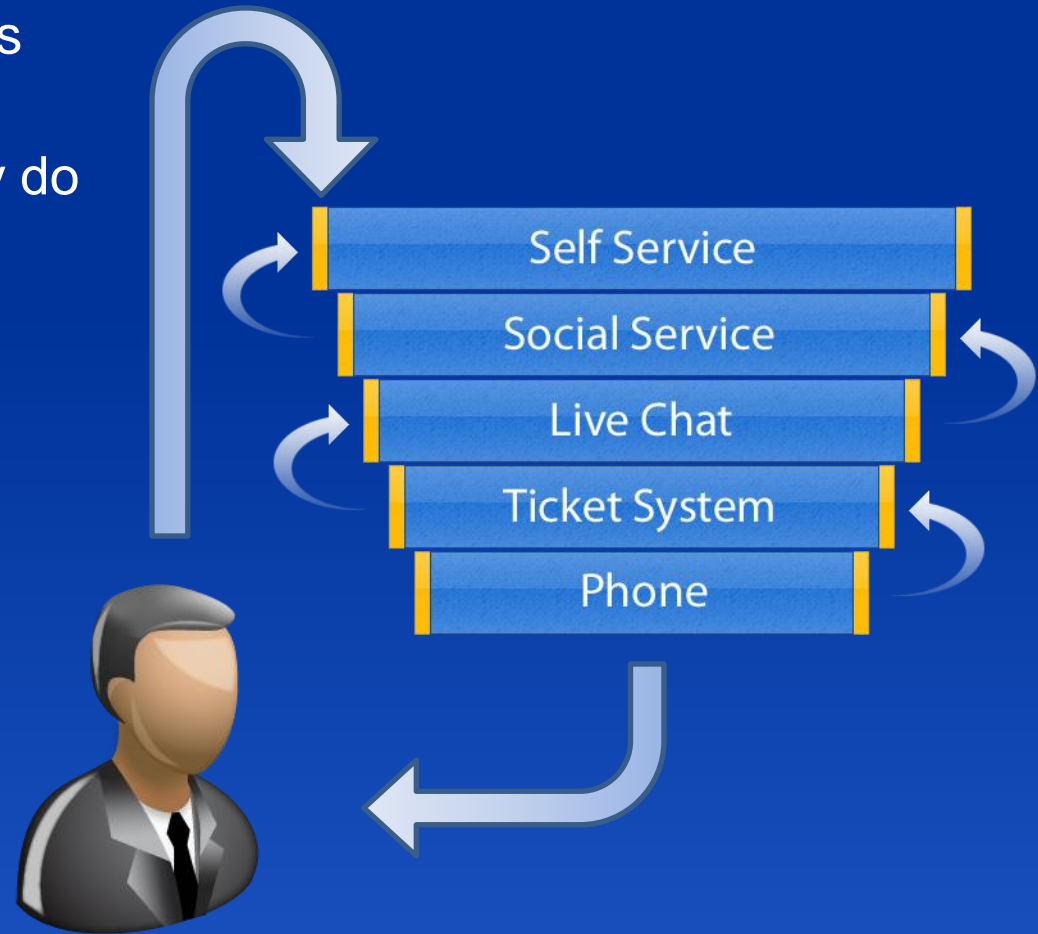
“Our research shows that if you implement a self-service channel, on average your phone traffic is reduced by about 12%....Plus, you get an additional 6% of people using the self-service channel who are new customers.”

(Johan Jacobs, Customer Service Research Director, Gartner Inc.)

Leveraged Feedback—Data Mining

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- Not just for large organizations
- It is not only what your customers find—it's what they do not find.
- Marketing benefits
- Do you make a profit on this customer or product?
- Total resource usage
- Much more



Cost Savings Realized

Current Service Channel Flow

Efficient Service Channel Flow

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Continually Increasing Efficiency

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Part Three

Leveraging The Channels



“To stay competitive, businesses must ‘mind their metrics.’”

“If you don’t capture it, you can’t measure it.”

(“Eight CRM Essentials: An Executive Guide to the Eight Must-Have Elements of Every Successful CRM Initiative,” 2007)



- How many of you have conducted customer surveys or similar methods to evaluate new services or product offerings?
- How many of you have visited industry sites and forums in attempts to determine the direction of your industry and the interest of your target customer?
- How many of you have hired consultants or contract employees to identify markets or understand opportunities?

Those of you who answered “yes” to any or all of those questions, you are not alone. Companies of all shapes and sizes—across all industries—spend literally millions of dollars per year on these methods. But the truth is, these methods are limited.

- Surveys are limited because answers **always** differ from real life practice—even when answers are completely honest.
- Research is limited because it has to be continually repeated and updated over time—making the process a continuing expense in time and money.
- Consultants and contractors are limited by their own personal biases and experiences.

Companies that you are using today are aware of these limitations and have adopted new strategies to address these questions—these strategies are implemented each and every day in all types of industries.

A Supermarket of Ideas

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How many of you have one of these cards in your wallet or on your keychain right now?

I'll bet that most of us have more than one.

All of these stores provide “points,” bonuses, or special discounts for using these cards. In effect, they “pay” you to use them for only one reason....

Because data has value.



A “Practical” Example

- When I shop at the local Fry’s to purchase toilet paper, I get a discount if I scan my “VIP Club” card prior to making the purchase. They scan the barcode on the back of my card—authenticating me against their database. What is the result?
- They know that I buy toilet paper.
- They know if I buy scented or unscented; printed or plain; single or double ply.
- They know when and how often I buy it.
- And—perhaps more importantly—they know what brands and types I **do not** buy.

As a result of collecting my data and the data from thousands of others:

- Georgia Pacific determines how much Angel Soft, white, double-ply twelve packs to ship to my area.
- I regularly receive promotions and special offers for other Georgia Pacific products that I am not currently buying.
- Fry's knows how much shelf-space to allocate to my favorite product.
- Proctor & Gamble—the makers of Charmin—regularly print out discounts and send coupons because they know that I am a “consumer” of the product category and that I am not buying their product.
- Fry's identifies which promotions might have influenced my buying decision.
- Georgia Pacific monitors my sensitivity to price point relative to competing products.

Georgia Pacific and Proctor & Gamble pay for this privilege because the data has real, measurable value for their business.

Realize the Opportunity

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Change the way you think about Customer Service requests. At the start of every request and throughout the service cycle:

- Your customers will authenticate themselves by signing in to receive service.
- These real people are going to enter important information about themselves and their systems in the normal course of interaction to get the information and assistance that they want and need.
- They will enter this information honestly because that is the only way to get what they want or need.
- They are going to enter it at no cost to you other than what you would normally incur in the course of the Customer Service cycle.

- Determine which new services to offer—and which ones to phase out.
 - Gather incidents and search results to refine your product offerings.
- Pinpoint staffing requirements.
 - Adjust staffing to the times and days where demand peaks, determine training needs, move agents to the channels and incident types they are suited for, create more effective SLAs.
- Actively forecast future demand for specific products or service by inquiry trends.
- Discover the topics and issues that your customers are not finding or resolving.
 - A real example from our experience: IIS Log Files

- Determine Customer Service costs by department, channel, and agent.
 - Agent “1” earns \$40k per year and produces \$30k of work and Agent “2” earns \$50k and produces \$60k worth of work. Which agent is more productive?
- Understand Customer Service costs by product or service.
 - Service plan “X” generates \$2000 in revenue and \$500 in support costs—Service plan “Y” generates \$1800 in revenue and \$200 in support costs. Which is more profitable?
- Determine costs per customer and type of customer.
 - For every \$100 in revenue, Customer “A” costs \$12.00 in support and Customer “B” costs \$5.00 in support on the same sales. Which customer is more valuable?
- Understand Service costs specific to your business.
 - Determine costs related to individual workstations, facilities, data centers/individual servers, manufacturing plants, individual supplies, date ranges, and more.

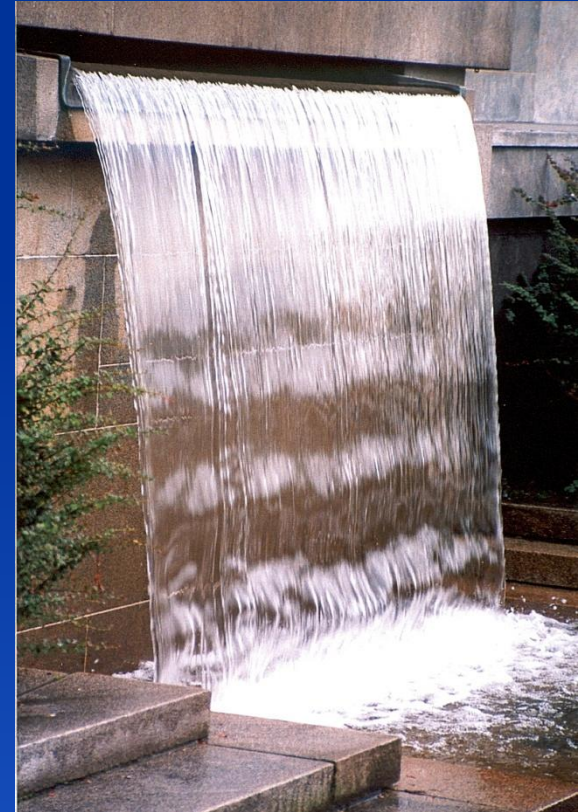
There is no limit to the analysis you can perform.

You Can Accomplish This Now

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All of the information you need to accomplish all of these objectives is flowing through your organization right now.

You need nothing more than the right tools and mindset for organizing and tapping this invaluable resource.



Part Four

Summary, Conclusion, and Q&A

Summary

- Organize your Customer Service Channels
- Create a flow and guide your Customers through it
- Capture data at every step
- Leverage that data into relevant reports
- Feed the data back into the Channels
- Act upon the results
- Leverage the new structure into new opportunities

- Present this unified solution to your Customers as...

...The Customer Service Portal

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Customer Portal Language: English (en)

User Login [Forgot Login?](#)

Username:

Password:

Remember Me

Recent News

Tuesday, July 01, 2008
SmarterTrack 3.5 Public BETA Now Available

Monday, June 30, 2008
SmarterTools announces SmarterMail 5.5 BETA release

Wednesday, June 18, 2008
SmarterTools releases SmarterStats 4 x Public BETA.

Live Chat
 LIVE CHAT
ONLINE

Knowledge Base
Find answers to common questions

Submit a Ticket
Send a new Ticket to a department

News
View latest news and announcements

Community Forum
Talk with a community of SmarterTools

PARATURE SUPPORT CENTER

Support Home Online Support Request Support My Support Community

Search Words:

Knowledge Base
Browse or search the Knowledge Base for a

Most Popular Topics

1. Parature System Status Update
2. How can I link one Knowledge Base Reference to another?
3. How do I add a broadcast message to pre-pop announcements?
4. How can I provide external links to specific areas of my Support Center?
5. How can I use Parature to send mass email mailings to groups?
6. Parature Expert Article: Six Tips to Get The Most Out of Your Support Center
7. How can I set up Parature to automatically convert my support tickets to my CRM?
8. What is the SoftLogic demo?
9. What is the difference between the Email Notification and the Parature System Status Update?
10. What is the best way to organize the content in my Knowledge Base?
11. How can I get a list of selected Ticket information by account?
12. Parature Expert Article: Creating a Long Term Knowledge Base
13. How do I sort the contact list?
14. How do I create a private Knowledge Base Folder for internal use?
15. How do I change the text, banners and layout on my Support Center?
16. How do I change the text, banners and layout on my Support Center?

Most Recent Topics

1. How do I create a shortcut to the Parature Service Desk?
2. How do I search an operator console?
3. How does Parature integrate with Salesforce?
4. How can a contact get a list of all tickets for their account?
5. How do I use the Merge Dimensions feature in Premium Reporting?
6. Why do New tickets not appear in the New Ticket queue?

Recent Items

- Jeff Kosterman
- Sheila Hibbard
- Carrie O'Brien
- Nate Quersich
- Sandy Lewis
- Ted Vincini
- Andrea Dale
- Mark Henderson
- Lloyd Schaffer
- Mike Ware

Recycle Bin

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Search:

CONTENT INDEX FILTER

Search For: Code Products (All) Press Releases

FILTERED INDEX

- Index
- Add Content
- What's New
- Top 10 Items
- Content Types: Filtered
- Press Releases
- iCenra CODIE Award Finalist
- Clear Search Results
- Save Search Criteria

iCenra CODIE Award Finalist (39 KB)

iCenra iCenra has been named "Best Customer Relationship Management Solution" finalist in the prestigious 2006 SIIA CODIE Awards. The 21st Annual CODIE Awards continue the tradition of honoring the best of the software, information and education technology industries," said Ken Wasch, SIIA President. "Being named a CODIE Awards finalist is a significant achievement."

View | Publish to iCenra | Generate exLink | Email | Email Dynamic Link | View Statistics | Download | Send Feedback to Author | Add to Binder | Add to Favorites

Added: 2/1/2006 | Owner: Craig Nielsen | Update

Home | iCenra | Campaigns | Leads | Accounts | Contacts | Opportunities | Contracts | Cases | Solutions | Products | Reports | Dashboards | Forecasts | All Tabs

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“A knowledge management infrastructure incorporating effective workflow, focused, highly edited content, and sophisticated search mechanisms greatly streamlines agents’ jobs, allowing for timely retrieval of information that makes these applications flourish.”

“57% of respondents say they’ve integrated at least some of their channels through such initiatives as common knowledge-bases, integrated contact management platforms, or a unified view into customer interaction data.”

(Improving Customer Service Using Web-based Support Tools, SupportIndustry.com and CRMindustry.com White Paper, May 2008)

Thank You

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SmarterTools would like to invite you to visit us at **Booth #601** in the exhibit area for Brawndo Energy Drinks and additional information.

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