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At Any Time...From Anywhere...In Any Form

Customers prefer to deal with those companies that are the most consistently accessible. Total customer touch ... at anytime ... from anywhere ... in any form. This ease of customer access to a company's brand will be the critical element of global business strategy. Yet our research makes it abundantly clear that not all businesses use customer access as a key component of their business strategy. Of those that have customer contact centers, few deliver the strategic value capable of a contact center. Customer contact centers and Internet access must develop at the core of an overall strategy to allow customer access and deliver customer value – anytime and anywhere.

Customer Access is the New Marketing Paradigm

The marketing engine that defines how we do business still works, but it doesn't work nearly as well as it needs to. In the future the winners will be those who provide customers with access throughout the enterprise. A single corporate brand to customers. A single corporate brand for employees to better serve customers. Customers will prefer to deal with those companies who are the most consistently accessible. Total customer touch ...at anytime... from anywhere...in any form. This ease of customer access to a company's brand will be the critical element of global business strategy. It really is very simple. If you want people to solve problems right now, give them "right now" information. And magically, if you want employees to create an enhanced customer experience (internal and/or external), give them the right information exactly when they need it.

Current competition reduces products to mere commodities difficult to distinguish by design, function, and price. The emerging Internet paradigms are continually challenging a business's ability to differentiate itself. And here is the point – Internet developments have made it increasingly clear that the total transparency of price, product, service, form, and function dictate that the core competency of the near future will be total enterprise accessibility. The battleground

of access is a combination of bricks-and-mortar storefronts, the call center, and the Internet (avalanches of e-mail included). Access will define those companies who do it best because best is what customers are expecting and looking for, and accessibility is what they want. If you don't deliver consistent, attractive accessibility, someone else will.

The call center has emerged as the strategic weapon of choice for customer access in business today. From our benchmark research (visit www.e-interactions.com for more details), we estimate that over 50% of all consumer-to-business and business-to-business interactions will occur through call centers and then the Internet within the next 5 years (see Figures 1.0, 2.0, and 3.0). Incredible advances in the ability to integrate telephone and computer technologies with front and back office functions has made the call center the potent weapon in creating and maintaining long-term customer relations. What makes the call center so important is that it is affordable and available right now for use by both large and small businesses. The Internet is quickly becoming an allied weapon in this battleground for channel accessibility. (The issue of whether the Internet is an allied or alternative is quite interesting. The business that treats them as complimentary channels will just create more opportunities for capturing the market share and the share of the consumer. This is particularly true in a

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global strategy with countries in which telephonic availability is still minimal).

There are some very strong reasons why we feel accessibility is a central issue. But none more important than the simple fact that lack of accessibility turns out to be the prime customer dis-satisfier and reason why consumers desert a company. Research at our Center for Customer Driven Quality at Purdue University has affirmed that over 50% of consumers who desert a company because of bad service experience (Figure 4) and bad service is primarily defined as an accessibility issue (See Figure 5.0.)

In 1998, an article in the Harvard Business Review stated that "customer satisfaction rates in the U.S. are at an all time low." It would certainly be depressing if all we have accomplished since the 1982 publication of Peters and Waterman's, "In Search of Excellence" was the addition of a customer service customer satisfaction statement in the mission statements of our Fortune 500 companies. Five years ago we would have been pleased to state that customer satisfaction is being discussed in the boardrooms and has a chance to become a part of a business strategy. Now this is not enough. Delighting the customer must be a focal strategy. Every business, every executive, and every manager must assess how their "domain" contributes to customer value.

Many companies have turned to customer contact center access as a means of delivering enhanced customer experience that results in increased satisfaction and the greater probability of long-term relationship. Yet our research makes it abundantly clear that not all businesses use customer access as key component of a business strategy. Of those that have customer contact centers few of them deliver the strategic value possible from a contact center. Customer contact centers and Internet access seems to be developing piecemeal, and not as central core of an overall strategy to allow customer access and deliver customer value anytime and anywhere. "Your call is important to us. A service representative will be with you in approximately 690 minutes," I was told as I tried to access one of our major airline companies. "Please call our 800 number if you have any

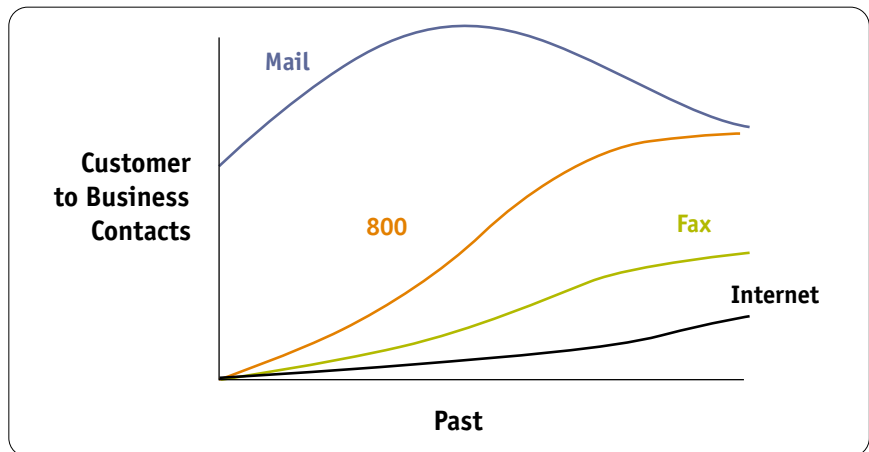


FIGURE 1.0 Consumer to business contact (the past)

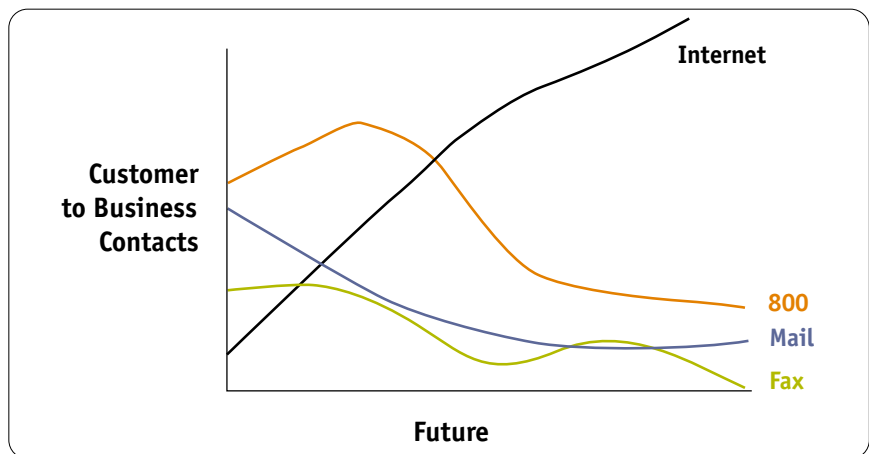


FIGURE 2.0 Consumer to business contact (the future)

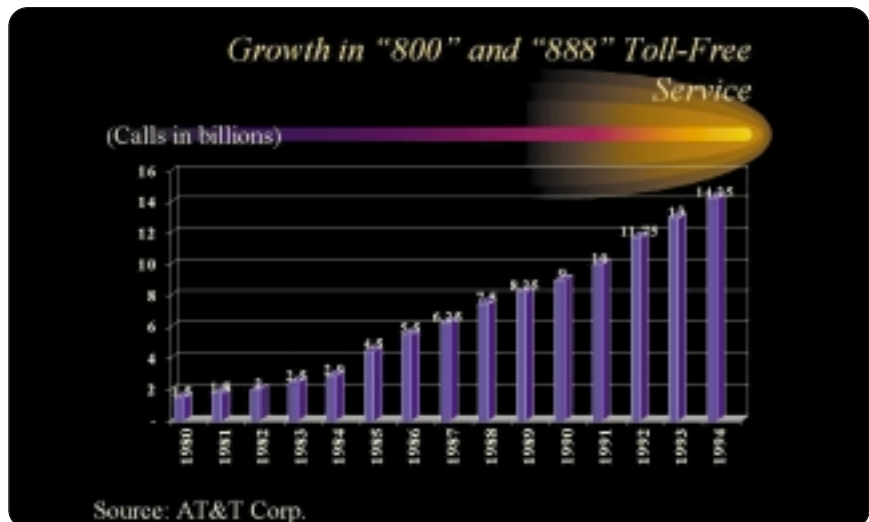


FIGURE 3.0 The growth of 800/888 contacts

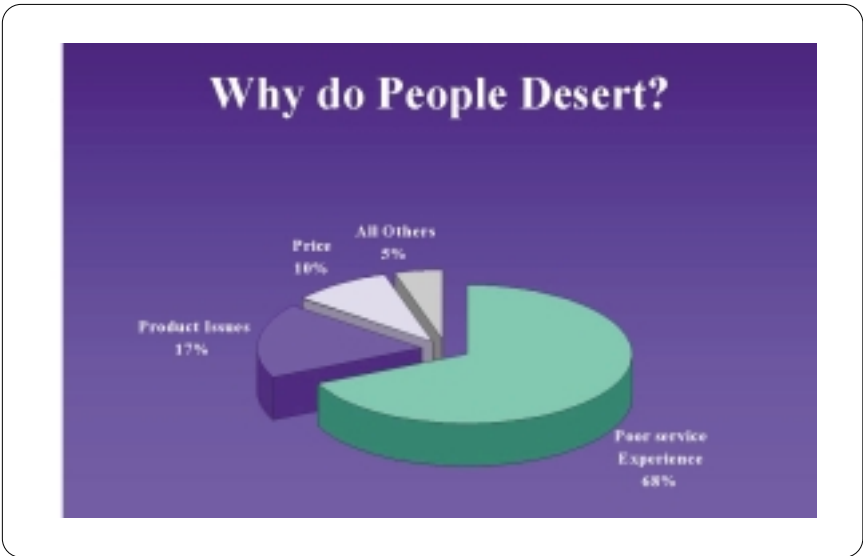


FIGURE 4.0 Why do customers defect?



FIGURE 5.0 What is poor service?

rethinking the entire customer experience from the customer point of view and creating single mindedness in the people and processes that apply to the total customer experience.

In order to support the total customer experience with information and intelligence at all points of contact, we are required to develop systems that can pull information from many differing databases. We require a technology platform that allows for real-time reporting to the business and immediate updating to the customer experience file. Our points of contact must be aligned with all databases. Finally, the people that work in all of the customer access channels (Contact centers, storefronts and Webcenters) need to understand the value that is added at each and every point of customer contact. This requires a re-definition of the role of each person that is acting in one of these contact channels. As an example, storefront people need to be comfortable with the Web and the call center. They need to be aware of how each of these access channels operates. This will require that they have access to these other channels within the store. The company face to the customer is that whatever channel they select, they will be able to conduct the business they want and their contact point will recognize them as a person, not a transaction. No story will need to be told twice. No problem will go unsolved. The customer will be proactively informed of any changes. No question will go unanswered.

So, what does a company need to do? Many companies are rediscovering an old and proven concept, namely Customer Relationship Management (CRM). We define CRM, in modern terms, as

“the seamless accessibility by internal and external customers to mission-critical company information by the integration of a company’s in-store, telephone system, e-mail, Web site touchpoints resulting in satisfying customer service and/or self-service for initial product purchases, targeted up-sells and cross sells, problem resolution and finally, the creation of customer loyalty, value, and profitability.”

problems with your new extraordinary digital telephone,” I was told as I tried to make a new phone answering machine work on a Sunday afternoon. Unfortunately, that center is only operational from 9 to 4 pm East Coast time Monday through Friday. I just wanted the phone to work NOW.

An access paradigm starts by understanding when and how customers touch your organization. Let’s concentrate on the three primary methods of access to most companies. These are the bricks-and-mortar

storefronts, the telephone, and the Web. Each of these access channels has its subset of methods and components as available tools for handling customer contacts. The most effective companies will offer their brand through any combination of all three access channels in an integrated way. This will require that the technology, people, and processes be aligned to support the whole customer experience. This is not just buying the latest in technology and increasing the efficiency of the contact channel. It is

1) The organization must realize that this is

not simply a technology purchase. This is not just pasting the latest electronic gizmo or switch or software onto your call center or Web site. Technology only enables the organization to enhance the customer experience. Customer Relationship Management (CRM) is not a toolbox; it is a new way of seeing the customer and then using a set of tools to enhance the total customer experience.

- 2) This is a philosophy that requires the company to clearly define the customer strategy and the importance of information in the relationship with the customer. Long-term profit comes from doing business with a customer for a lifetime.
- 3) The company leadership must realize that all that they know today is outdated and that whatever they build tomorrow must be flexible enough to change with customer demand. This means companies must place all existing processes and beliefs at risk so that the new environment allows for freedom to challenge the existing methods and development of new processes and technologies to enhance the customer experience.
- 4) All information systems must be opened to all of the customer contact channels and maintained to offer the most current customer information available. Marketing, Sales, Customer Service and the people within the storefronts must all share one database that can initially be made up of many legacy systems and databases. However, over time the company must establish a comprehensive database. Realize that this database will take time to develop and implement and the benefit of having such a database will be experienced and realized long before the system is built.
- 5) Processes must be revised to support the new methods of handling customers. This requires all customer contact people, no matter which access channel they work in, to understand their role in the experience of the customer. Process design will be from the customer's viewpoint and technical simplicity is the key attribute. The technical capability exists for a customer representative in a call center or a storefront sales associate to type in a cus-

tomers name and get a complete record of every contact and purchase that a customer has had with the company in any period of time (even before the phone is

Rule #1 – Access must benefit the consumer.

Rule #2 – If access does not benefit the consumer or benefit someone who benefits the consumer, re-read Rule #1.

picked up so an agent is ready to go). The technology exists for a call center representative to type in the customer's perception of a problem and get a set of possible solutions with associated probabilities of reaching closure. This comes with a set of recommended questions which when answered develops a solution to the "nth" percent reliability. The representative now not burdened with determining the solution can attempt to cultivate that relationship with the customer that adds to the total consumer experience. This software will be based on neural network technology that will allow the software to meet immediate goals and to develop intelligence that will grow with experience.

In a similar manner, the director, manager, or senior executive will have access to "cockpit-like" analytical tools that will provide her/him enterprise wide access to aggregate real-time information. So while the individual performance of a telephone service representative may not be important to her/him the enterprise wide customer issues being probed in the contact centers are an issue...and this new software provides that information when requested in real time.

- 6) People working within the various customer contact channels will be required to undergo a set of training experiences (as needed anywhere at anytime – look at the extraordinary "Spotlight" system used by Avis to train any of their agents in any of their countries at any time of the day and/or night) that helps them to fully value their role in the customer experi-

ence. This training is beyond the process changes. Management must look at the employee as the primary contact point, one that requires an investment in skills

and a long-term commitment from the company. Employees will be given a very broad view of the customer and it is essential that the opportunity to use this information be leveraged to its maximum.

- 7) **Metrics and measures** must be developed specifically for the Customer Relationship Management (CRM) environment. We cannot use the same old measures that were used in the individual access channels of the past.

The customer needs to be at the center of the measures. Customers may not really care how long a call is; they want to be sure that when the interaction is completed they have what they wanted and needed. This doesn't mean there are no metrics of productivity, however one must be able to balance the needs for efficiency with the customer requirements for effectiveness. Handle time for each type of interaction is still a key factor but more so that the company can accurately determine the staffing levels to serve the customer in all access channels. Imagine opening a retail store and not having the staff to serve the customer. You would not only alienate your customer, you would also burn out your

WEB LINK



CRM metrics and measurements are also discussed in the following papers:

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employees. You don't want any customer access channel to be understaffed to handle the customer demand. What gets measured and rewarded gets done. What gets measured

history of the customer (or an in-depth understanding of how the top 80% of all interactions proceed using an expert system that learns and changes based on experience).

dor.

Please understand that everything that the electronic process can do can also be done through the interaction with a live person or on the Web site of our company. It should be noted that at any point of the interaction, consumers could opt out and speak to a live agent. Remember that all information is shared across all contact channels. This allows the same customer to contact the company through a different access channel and receive the same consistent enhanced customer experience. Our research is that consumers would prefer this scenario to live experiences equal to their current experiences.

Now let's look at a service experience that doesn't involve a purchase.

In this case we will use the Web site as the primary point of contact.

In order to support the total customer experience with information and intelligence at all points of contact, we are required to develop systems that can pull information from many differing databases. We require a technology platform that allows for real-time reporting to the business and immediate updating to the customer experience file.

and rewarded must be what is important to the satisfaction, purchase, repurchase and loyalty of the customer. For too long we have rewarded behaviors and outcomes that have nothing to do with the survival and growth of the company. A customer relationship-focused organization may force a change in how we measure and reward.

Let's start with a vignette that allows us to see the value of this integrated platform of people enabled by technology and process to deliver the highest quality customer experience.

All telephonic

In this situation, the customer experience is totally electronic and the requirement to interact with a live person is eliminated. It doesn't mean that there is no access to a live person; it means that the customer has chosen to not use that access channel. The customer calls an 800 number and is provided a list of IVR-based selections. Upon indicating that they want to purchase something from a catalog that was received in the mail, they are asked to input their private ID number. This number instantly pulls up a history file that allows the computer to read and understand the types of contacts made and discover any issues that may be outstanding and provide the caller with feedback on these issues. The entire time that the caller is interacting with the computerized access channel, the various selections made are becoming a part of the

After identifying the caller as an active customer, the system can establish that the existing address is correct and can actually make the changes online as the caller speaks their changes, thus insuring that the new address is updated before the call ends. If the caller wants a different address to be the mailing address (in the case of a gift), the system can adapt to this need and build an individual mailing address that is different from the billing address. Once the system has established all of the basic transactional details, it can begin to allow the customer to make their selection. At the point that the purchase has been completed, the technology allows for the transaction phase (use of credit cards, check inventory and indicate delivery dates) to be completed. Next, the system updates the inventory and indicates to the manufacturing operation if more units need to be made. All of the information is treated and delivered on a real-time basis. The accounting function is notified of the transaction and the accounts receivable function is updated. At the same time the customer is offered complimentary products to their new purchase in a soft cross-sell way. If they bought shoes, they are offered discounted socks and shoe trees. If they purchased a car, they are offered oil changes, tires, wax and wash jobs all at a discount through advance purchase. All of these complimentary goods are offered through partners that have aligned with the primary ven-

Through the Web site

As the customer enters the company site to report a problem and find out what the company response will be, the customer ID number is captured. The system can tell if there are other outstanding issues and push information to the customer on their status while the customer is in contact with the company. If this is a new issue and the customer has no previous history, then the system will establish an account for tracking the history going forward. If there is a quick solution to the issue, the system uses its intelligence to respond with a simple answer. If the issue is complex yet part of the 80% of repeat problems and issues the system will ask questions guided by an expert system.

At each question level, the expert system will offer solutions at various levels of probability of solution ("Do you have sound?" "No." "Do you have the red lead coming from Port 1 going to the red lead of the speaker?" "No." "We believe that we have the answer to your problem at the 99% level of accuracy. The solution is...).

The consumer works through these guided solutions until resolution or until the system tells the consumer what to do next. If, however, the issue is complex, the system will determine if there is a need for a live representative to get involved and at the appropriate time engage a person with the cus-

tomers. The system allows for the company's representative to review the issue and helps the representative find the best solution, then connects the customer via the Web site.

concern, whether it is about a jet engine, MRI machine, or a light bulb. And they do this 24 hours a day, 7 days a week, 364 day a year. Systems must be open and easily integrated.

Processes must be revised to support the new methods of handling customers. This requires all customer contact people, no matter which access channel they work in, to understand their role in the experience of the customer.

Having clarity on both sides before engaging the company representative ensures that the interaction will be productive for both parties and the time spent in resolution will be well invested. Once connected to a live person, either by phone or through a chat room, the customer can be treated as an individual. The representative has the opportunity to ensure that the customer is having their expectations fulfilled to the point that as the contact is completed the system helps the representative identify an opportunity to cross-sell a product that the customer will find useful. It has been proven that the best time to up-sell is at a point that a problem has been resolved. Once again our research shows that consumers would prefer this method to their current experience. Oh yes...both this Web-based system and the previous telephonic-based system would be preferred by business because of the cost differentials per contact.

We have looked at a couple of scenarios that allow us to see the value of the single, company-wide information system. Such a system will always seem to be a huge undertaking. And indeed, when defined as an expense, it would be an awful lot of money. However, when seen as an investment, the ROI is incredible.

So companies must remember to keep the customer at the focus of the decisions and solutions. Systems must be based on processes and technology that allow for simplified customer relationship management. General Electric has over 200,000 products across more than 80 industries, but only one number to call with a question, problem or

The news is that this version of the future is already available with technology (and it will only get better and cheaper and easier). The bad news is that, although having a single vendor that has all of the components seems to make sense, having all of the technology and processes tied to one company, places the business at a risk of a single point of failure. Also, finding a single source for all CRM components will be limited. Finally, if a company chooses to use a single provider, it will not be receiving the best of each component in the broad field of CRM tools.

Perhaps the most critical but undervalued aspect in creating **total enterprise access** will be the development of a layer of technology infrastructure called middleware. This middleware is critical for integrating the information now housed in separate and disparate databases. These databases grew independently and were not originally designed for integration. This "plumbing" does not get the attention it deserves. It is not glamorous or fashionable, partly because it is difficult to get a handle on, and it represents separate and distinct territories each protected by herds of executives and workers who have a vested interest in its development and survival. Middleware is the bridge between these databases. It is the piece that prevents the customer from hearing "I am sorry but the system does not allow me to do that" (heard often at airline counters), or I don't have access to that database here (heard often at banks). These are the kinds of things that frustrate consumers and drive them elsewhere." Why is it so hard for you people to get the order right?"

Accessibility is clearly a business issue. Dell has recently moved past Compaq computer as the leading PC producer in the United States, and Dell doesn't sell a single computer in the store. Intel and Cisco will book more from direct Internet orders than all the business to consumer sales that have happened up until now. We can check inventory levels, place orders, track these orders and delivery dates from these companies anytime we want to from our desk (as well as answer or have answered any of the questions we might have).

Accessibility is a "control issue." Our ability to track our FedEx and UPS packages gives us power (and satisfaction). Imagine my smile when the recipient of a report I sent to FedEx was claimed not to have been received and therefore my "bonus" for doing the work at that date would not be forthcoming only to have me (while we were speaking) access the very signature that signed for the FedEx package exactly one hour before the due time (signed by this gentleman's secretary). Can you all see the smile?

Accessibility is not simply a marketing issue but an enterprise one. The story of how Avis trains its people better and more efficiently is the story of accessibility. Avis had the goal of consistent training across all employees anywhere anytime in the organization. Avis developed a system called Spotlight. This virtual multimedia learning center can be accessed in any of the 15000 offices across 1210 countries. After a greeting and motivation talk by the CEO and learning the basic Avis skill set, the new employee meets a customer who takes them through the most common problems (representing 80% of all the escalated customer dissatisfaction issues). There are multiple lessons of

WEB LINK



Read more about total enterprise access at the following CRM Project links:

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accessibility here. First anyone in the organization has immediate access to training. Classes do not have to be scheduled. Trainers do not have to be trained. The associate in Asia can access the training as can an associate in New York City. This training is infinitely repeatable. But less obvious is the accumulation of customer information so that employees can know and learn from the top consumer problems, questions, and difficulties in an almost real-time process. While Avis is training to their specific situation the competition is talking about general issues of customer dissatisfaction/satisfaction. Accessibility of information has led to specificity of "attack."

Accessibility is an inventory issue. Accessibility between vendor, manufacturer and retailer will lead to automatic replenishment. The complex accessibility between Dell, FedEx, and many manufacturers results in FedEx managing a just-in-time delivery of all the parts needed to build that special PC that was just ordered today by the consumer. At the end of the day, the system will tell us what we have on hand compared with what we want. If there is a difference, the difference will be ordered and the system will learn about proper inventory levels so that differences will be less likely in the future. In other words, the system learns from its experiences today and adjusts for tomorrow.

Accessibility is a retooling issue. Retooling a company for customer access is a reengineering of the technology and the people.

Most importantly whatever the bottom-line impact of accessibility is to running a better business, the effect on consumers is key. Accessibility enhances the customer's total experience. Accessibility builds customer and employee relationships with the company that empowers them to change the enterprise and the enterprise to change them.

A market never bought anything. Customers do. Achieving legendary status among customers becomes the most formidable piece of marketing hype you can do. The "legend" of Nordstrom is not probably apparent in the treatment of all the people who shop in their 103 stores, but everyone knows the legend. The legendary status of

Nordstrom infuses every shopping trip with positive expectations, positive definitions, and positive self-fulfilling power.

Accessibility will build your "legend" as

pen, no matter what businesses do, is somewhat naïve. It is in that naivete that the greatest executive challenge lies. The executive who sits back and expects the market to

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it builds your brand. If you are selling a commodity, you will lose. Anything a consumer finds indistinguishable will be found in side-by-side comparisons by Internet shopping agents. Unless you are controlling costs so that even at its least expensive you will be making a profit, you will lose. Consumers are finding accessibility as a differentiating brand value.

Accessibility can create "delight" – the difference between the just satisfied and the "wowed." And today is the differentiating opportunity. Those companies that are not thinking about total enterprise accessibility today will be thinking about it tomorrow. Those companies who are thinking about it today will be planning it tomorrow. Those who are planning it today will be creating it tomorrow. Those who are creating it will be implementing it. And those who are implementing it will be perfecting it. And those companies will be the winners of tomorrow.

Final Word

Customer access is everything. But first senior executives must agree that providing customers with a consistent, thoughtful, and value-added total customer experience at any and all touchpoints is vital to their retention and loyalty and future acquisition.

Although we believe that in the end the invisible market place hand will direct the businesses which fulfill our vision for total customer and employee access to win, we will not be blind to the fact that even in free markets business decisions are ideological as well as economically rational and logical. Thus, to simply say that total access will hap-

work and her or his organization to tend toward what the market wants is fooling themselves.

Things are not that simple. While we certainly believe that movement toward total access is and will happen (with accelerating speeds in the near future), we also believe that decisions that executives are making right now are either improving or impairing the process. There will be winners and losers in your competitive race. The winners will be the ones whose sometimes difficult decisions put their organizations on the road to access NOW without being able to totally envision what that will mean for their organization. Success will be with those who make decisions and act today. This will allow their organizations to be moving toward a yet-to-be-defined level of enhanced total enterprise access for employees and customers – which will enhance the employee and customer experience – which will create loyal and long lasting employee and consumer relationships with your company – which means happy customers, happy employees, happy senior executives, happy shareholders, happy bankers, and of course, happy consumers.