### The Internet : New Languages for Customer Relationships

By Emmanuel Richard, Director of the Business Consulting branch of Activeo



CUSTOMER

ARCHI

The Internet has become a space where "consumactors" —consumers actively share their opinions and other information on the Internet— speak to other consumers. Brands cannot stay away from these interactions and they are getting organized to move back into the Web. A living area is getting organized; interaction and behavior rules are yet to be created ...



#### **TABLE OF CONTENTS**

How the Internet is shifting the frontier between brands and consumers ? 4
From the phone to the Internet, an evolution by trial and error
Design the Web presence differently for the remote customer relationship 10
Design the Internet as part of a customer relationship system by integrating all
channels13
The Internet customer relationship: a space without borders



## How the Internet is shifting the frontier between brands and consumers ?

#### The Internet under the influence of active consumers : "consumactors"

Consulting the Internet has become the first reaction of consumers to find information or reviews about a product. Forums for this information abound, and today reputations can be built and undone almost in real time.

Admittedly, we cannot trust everything that is published on the Internet, and Wikipedia is the perfect illustration. We have plenty of information about all subjects, fueled nonstop by Internet users from all over the globe. Historians, scientists, politicians, and anyone, anywhere can share his or her knowledge, whether it's true or not. This mode of sharing requires us to be informed and critical toward the information we find online.

The ease of interaction over the Internet is a fundamental change in how we communicate, because information can become available instantly without any editorial control. This is unlike any newspaper, book or any other kind of centralized communication that has previously existed.

We must keep in mind that the active Internet users who share reviews and information are a minority compared with all Internet users. In the consumer world, we call people who actively share their views "consumactors" versus ordinary consumers.

#### Companies have different internal clocks than consumers

The low-quality products and services delivered by big brands are often more talked about than successful products and campaigns. It is easy to draw a parallel with TV news, which focuses mainly on bad news and caters to the expectations of the mass market.



Companies cannot overlook the public debate and opinions about their products and services; they must deploy an Internet strategy which allows them to know their customers. By nature, a company is a structured organization with strong inertia. This is due to its ongoing processes to deliver products and services that are reliable and of consistent quality. Its communication patterns are naturally linked with this inertia, and only a crisis can lead to the exceptional spreading of almost real-time information with all its risks.

With the Internet, brands are getting confused due to the spontaneity of Internet interactions. This new phenomenon creates so many unexpected events and conversations that they can no longer be considered exceptional.

#### New communication possibilities emerge for the customer relationship

Are we witnessing the revenge of the consumer? For a long time, consumers have been left to fend for themselves when dealing with multinational companies; their words had no lasting impact on changes of the course of history. With the Internet, consumers gather into strong groups which concentrate on a specific concern at a particular time. They have neither an identified leader nor a structured claim, but they should be a force to think about.

Until now, the dialog between consumers and companies was organized using consumer protection organizations. There was a direct link to companies' consumer services and mediators, all of which was under close control of regulatory authorities.

The arrival of a new generation of consumers, the Y generation, is imposing a new model of the customer relationship on today's brands. Born between 1980 and 1995, these youngsters grew up in a period of deep social and technological transformation, where almost everything becomes possible: globalization, the collapse of the Berlin wall, and the invention of the Internet.



The customer relationship has always existed. The stakes for companies lie in how to treat the interactions with their customers successfully into the realms of the Internet -- beyond the retail store, mailbox and phone -- by developing a communication method that is balanced and respectful of everyone.



# From the phone to the Internet, an evolution by trial and error

The phone, the first interactive channel deployed for the remote customer relationship

The advent of the Internet should not hide the considerable progress made by companies in terms of the remote customer relationship over the last 15 years.

In the 90's, interactions with customers were mostly via mail or in the store, and replies to inquiries would happen after 15 days or more.... Calling the company was impossible, because once one reached the front desk receptionist, the call would be transferred from department to department until the caller gave up.

Priority was given to the development of call centers, the objective of which is to handle customers' calls, take their requests into account, and deliver an adequate reply, either immediately or within defined time limits.

The opening of the telecom market to competition, landline phone, mobile phones, and the Internet accelerated the deployment of call centers to answer questions from a growing number of callers about their accounts' billing and technical issues. Call centers spread to all business sectors, including the public sector, with the aim of answering all customers' questions.

Development of call centers wasn't easy because the following prerequisites were required to insure a well run organization :

- Deliver quality products and services ;
- Handle all calls within a timeframe accepted by the consumer ;
- Give the complete and accurate answer ;
- Provide solutions that exist in other departments at the company.



Over time, services delivered by call centers improved and quality standards were implemented. The last of these was the European Standard [1], which defined requirements related to services delivered by customer contact centers.

#### Early trials of the Internet customer relationship

In the year 2000, we witnessed a technological build-up in the customer relationship field with the launch of multimedia contact centers. The aim of communication companies was to ride the Internet wave and reconfigure their solutions to handle email, reach the call center via voice contact through the Internet (Web Call Through), or automatically place phone calls following a request on the Internet (Web Call Back).

The evolution of technological suppliers we wished for didn't happen, and contact centers stayed on the phone channel. There were numerous hurdles which included the low penetration of ADSL in households, the availability of free electronic communication methods compared with phone services (starting with the numbers 08), and the inability to provide enough flexibility in email handling.

In order to play in this new technological space, brands chose to offer online content centered around the most frequently asked questions (FAQs). These quickly became a mess of unorganized content that was impossible to navigate. In the meantime, companies' email addresses disappeared or were hidden on Web pages, waiting for the day where a solution would be found to manage the channel efficiently and nimbly.

#### Establishing the remote customer relationship at the right cost

The choice of focusing the Internet exclusively on FAQs wasn't a good one, and calls about simple as well as complex issues kept flooding in.



From 2000 to 2008, brands realized that interactions with their consumers were necessary and customer relationship departments were created in order to manage the contact centers with an integrated perspective. The stakes were high and seemingly in opposition: satisfying the customer while controlling costs.

Companies chose different options: to position their contact centers in the provinces or abroad to lower production costs, develop self-service on the Internet to eliminate contact with low added-value for the company, give the responsibility of responding to issues of low quality to a different department of the company, and invest in continuous improvement [2].

[1] European Standard EN 15838:2009 - Customer Contact Centres — Requirements for service provision

[2] The Best Service is No Service - How to Liberate Your Customers from Customer Service, Keep Them Happy, and Control Costs ; Bill Price and David Jaffe, Limebridge, éd. Jossey Bass Wiley, 2008



## Design the Web presence differently for the remote customer relationship

Designing an Internet presence that is interactive and not simply consultative

Interactivity on the Internet opens up a wide range of applications, and the development of e-commerce shows it is possible to manage the whole buying process, the usage cycle of a product or service, and even a product's return.

The customer relationship of traditional brands has entered a new space for interaction where automation completes services offered by retailers and contact centers.

Over the last three years, the evolution has been tremendous: 24/7 access and complementarity with the other channels brings with it the ability to control customer relationship costs. Self-service as well as digitization of mails lead to savings that can be invested in building the expertise of agents positioned to answer value add demand.

Self-service isn't limited to the Internet, and contact centers used interactive voice response (IVR) to prequalify calls, even handled some of them from end to end. The first generation of call automation reached it limits while forcing the caller to wander through confusing touchtone menus: "dial 1, dial 2 or \*...".

The requirements for the Internet as well as for voice services are to offer interactive natural language technology to connect consumers' requests with a virtual agent using artificial intelligence. Only then, we can talk about communication and not only consultation.



#### Mobility is leading a revolution in Internet and telephone usage.

A brand's communication is now based on two main entry points: a voicebased portal and an Internet portal. Complementarity is declared and the automation of the contact for both methods offers broad hours of operation as well as cost control.

This filter aims at differentiating the reason for the contacts and orienting them according to their value for the consumer as well as for the company. It offers the possibility to the customer on the Internet to chat or email with an agent, and to be put through to the appropriate phone agent.

But technological progresses and their adoption by the general public are catching up with us ! Today the phone and the Internet are no longer separable and the craze for smartphones opens the Internet to mobility. While the phone was the solution for mobility and ease of use, smartphones offers a complete alternative with onboard Internet and social media access.

#### The Internet, the new multi-service platform

The logic of an organized online company presence is once again outdated, and the communication which was supposed to be structured and led by the company is partly in the hands of the consumer now.

For the customer, the request is simple. He wishes to easily access information about the brand, get assistance when needed, and take advantage of self-service options when required.

For the company, it means developing a multi-service platform over the Internet which offers all services we can find in a bank: a secure door at the entrance, cash dispensers, a service counter, and agents.

The Internet is becoming a space to be occupied by brands to offer interactions valued by the customer as well as the company. Detection tools can pick up the voice of the customer on the website as well as in



forums; social media are necessary in order to adapt the company relationship system continuously in line with personal privacy.



# Design the Internet as part of a customer relationship system by integrating all channels

Use the voice of the customer as the prime lever of the evolution of the Internet

Understanding the reasons for contact between consumers and the brand is essential to build the interaction and the Internet language.

Every day, communications that occur in contact centers give us information about consumer requests, issues, comments and suggestions. The tone of the conversation and the emotion associated enlighten us on the importance of this dialog and underscore the attention that should be devoted to feedback.

In parallel, many comments are coming through the Internet via forums and social media where the company is not the prime recipient. However, companies that are aware and use these media will be able to anticipate upcoming contact via the website, contact centers as well as retailers. It can create a positive surprise by being proactive.

The analysis of customer conversations must be enriched by all spontaneous feedback that a brand won't pick up through a general satisfaction survey containing well thought-out questions and answers.

The tools and methods available to analyze customer feedback are numerous. They include focus groups, recordings of conversations, scouring forums, and automated analysis of verbal and written conversations. The challenge lies in the ability to use this information in order to make it actionable, then start short-term and continuous improvement action plan which will correct negative effects and leverage positive ones.



#### A unique knowledge base is inevitable to ensure Internet integration

Interactivity on the Internet has to be built from this experience of interactions, in particular with the phone channel. This is necessary to create a user-friendly space, with virtual agents to some extent, that is able to deliver adequate answers.

The relevance of information delivered over the Internet relies on its comprehensiveness and up-to-date status, brought by a unique knowledge base used by all customer relationship channels. At all times the brand must be able to deliver identical information regardless of the channel the customer is using: Internet, phone, email or mail.

Social media like Twitter or Facebook must lead to a quick adjustment of information in the knowledge base : the common source of information delivered to customers. This need for dynamic information is well known by telecom operators, who often lead frenzied searches for the latest product information in the knowledge base.

The Documentation Française solved this challenge and now offers information accessible from a unique knowledge base by dialing 3939, consulting the website on service-public.fr or by email. The formats of response are different from one channel to another but the source of information is the same.

#### Including the Internet in the multi-channel relationship with the customer

Customers do not rely on a single channel when interacting with and communicating about the brand. Because of this, an interaction started over the Internet by chat can then continue over the phone, and finally conclude by a confirmation email without any loss of information.

During a workshop I hosted recently with companies from all industries, we defined the multi-channel relationship for the customer as:

"To be able to easily express my request and to be identified, through the channel that suits me; also to have the possibility to switch channels and



still get a coherent and satisfying answer. In return, at certain times, this includes being contacted by the company to give me valuable information."

Companies are far from implementing this model today. Initially, they are trying to evolve on two levels: the integration of two channels such as the Internet and email, and experimenting with multi-channel for particular customer needs such as moving of the Internet service to a new home.

To avoid having to manage all possible combinations of channels, the most advanced companies organized customer paths by forcing particular tracks. For instance, some general public electronics stores offer a helpdesk on the Internet. A diagnosis engine consults the unified knowledge base to let the customer find the answers to his questions. If he meets difficulty, he is assigned a ticket number, which allows him to reach an agent, who will have access to his entire search path and resume the diagnosis with him.



## The Internet customer relationship: a space without borders

The Internet: thinking about customer relationships differently, without being exclusive

It has been 10 years since the Internet created a new landscape between the customer and the company. At some point in time we believed that the dialogue between customers and brands would be formalized by emails, face-to-face, mail and phone interaction.

However, the launch of virtual environments like "Second Life" revolutionized our Internet approach by realizing that we could entirely recreate all our living space on this platform.

With the implications of this point, brands understood that the need to be actively present on the Internet and the necessity of thinking differently about the relationship with the customer, to be more interactive and more visible for everyone.

In company communications, the Internet portal will always surpass the verbal communications portal and has become the entry point for most interactions between the company and the brand.

Yet, the Internet should never be the exclusive method of communications because not all customers rely on it. All companies cannot choose their customers, starting with public service ones.



#### The Internet, a space for living and sharing the brand experience

With the important development of social media, a brand's Internet presence should be viewed as an important supplement that keeps the dialogue with consumers wide open.

Top-notch service is a key differentiator, especially when products become interchangeable in terms of price and quality. If you take your neighborhood stores, you'll see they are not always the cheapest, but the employees know you, offer quality products, and give you the proper attention whenever you need it most.

Likewise on the Internet, brands should become integrated with their customer ecosystems in order to always be there at the right moment. It's a new space, where languages are being defined and structured, and also where they evolve. This is where brands as well as customers are finding their new places.



### For more information, please contact :

Emmanuel Richard Director of the Business Consulting Branch ACTIVEO, member of the Limebridge International Alliance Tel : + 33 (0) 1 47 86 17 17 e-mail : <u>erichard@activeo.fr</u>

### or visit our Web Site :

http://www.activeo.fr http://www.limebridge.com

