

The Strategic Value of a Superb Customer Experience

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RightNow Technologies

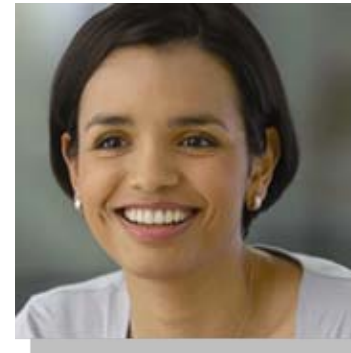


Agenda

- Situation: The Power Shift
- Importance of Customer Experience
- Definition of “Experience”
- Who Is Doing It Well
- Strategic Value of Doing It Right

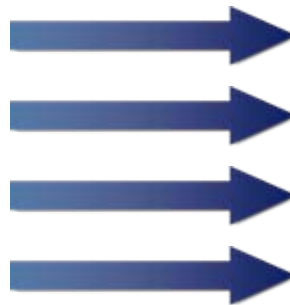


The Power Shift



Company Control

Manage customers
Control markets
Local advantage
Company efficiency



Customer Control

Empower customers
Control decisions
Global choice
Customer efficiency



Customer Control

It's Simple. Comply or Die.

- What I want
- When I want it
- How I want it



Grass Roots Revolt Has Started

- www.complaintcenter.com
- www.gethuman.com
- www.crankycustomer.com
- www.despair.com
- www.consumerhelpweb.com
- www.consumerXchange.org
- www.rawcomplaints.com
- www.complaintzone.com



Word of Mouth Consumer Networks

Angie's list

[Quick Tour](#) | [About The List](#) | [Praise](#) | [Press](#) | [Tips](#) | [FAQ's](#) | [Join](#)

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Sample Reports

Report Date: 3/7/2005

Was Work Done?: YES

* More weight is given to a report where work has been completed.

Hire Again?: YES

App. Cost: \$495

Home Build Year: 1990

*Build Year date helps you locate companies that work on homes that are similar in age to your own.

Overall	A
Price	A
Quality	A
Responsiveness	A
Punctuality	A
Professionalism	A

Description of Work: Keith painted our foyer, stair well and kitchen ceiling where condensation from the bathroom had needed to be patched and textured to match the rest. He painted the walls that we had painted ourselves. He also painted

Member Comments: Keith returned our call quickly and came to our home at 8am and on the stroke of 8 he had the cloths and protected the carpets and walls as he was painting. We are very happy with Keith and his work. Our dog Gracie really liked her too.

Report Date: 4/2/2005

Was Work Done?: YES

* More weight is given to a report where work has been completed.

Hire Again?: YES

App. Cost: \$2200

TIRED OF LOUSY SERVICE?



More than 23,000 Chicagoland homeowners belong to Angie's List!

SO WAS I, so I got together with my neighbors and compiled a list of our favorite service companies. We call it Angie's List. Now when we need a plumber, auto mechanic, painter or any other service company, we call to see who our neighbors recommend. Consumer support lets Angie's List give you unbiased, unvarnished homeowner ratings. If you want to find great service or if you have a problem with a service company, Angie's List can help.

Angie's List[®]
www.angieslist.com

For more information call (866) 778-3947

As featured in *The Daily Herald*, *The Chicago Tribune*, *The Pioneer Press*, *North Shore Magazine*, *Kiplinger's Personal Finance*, *The New York Times*, *the Boston Globe*, *Real Simple*, *U.S. News and World Reports* and on WBBM CBS 2 Chicago, WFLD Fox Chicago, WGN, the CBS Morning Show, The Today Show and Marketplace on NPR.

RIGHT NOW
JULY 11
2006

Relationships are Won or Lost One Experience at a Time

WIN

"99% are likely to recommend your business after a positive customer experience."



LOSE

"80% have quit doing business after a negative experience..."

20% will never return."

Discussion

- Tell me about a bad experience.
- Tell me about a good experience.
- Tell me about a bad experience made right.



What is an “Experience”?

Dictionary → ex·pe·ri·ence

Active participation in events or interactions, leading to the accumulation of knowledge or perception.

RightNow

The sum total of the interactions that a consumer has with a company's products, people, and processes.



The Experience Spectrum



Necessary Evil

Price, Product, Proximity



Loved Brand

Perception, Preference, Trust

**Where do you want your
customers to be?**



If customers aren't building your business, they are tearing it down

Creators








- "They know me"
- "They always get it right"
- "They did what it took to keep my business"
- "I know they look out for me"
- "They help me with things I didn't realize I even needed"
- "They are where I go"

Destroyers

- "They still don't know who I am"
- "What a waste of time"
- "They couldn't help me"
- "I had to do all the work for them"
- "I'm never going back"
- "I had to talk to 5 different people"

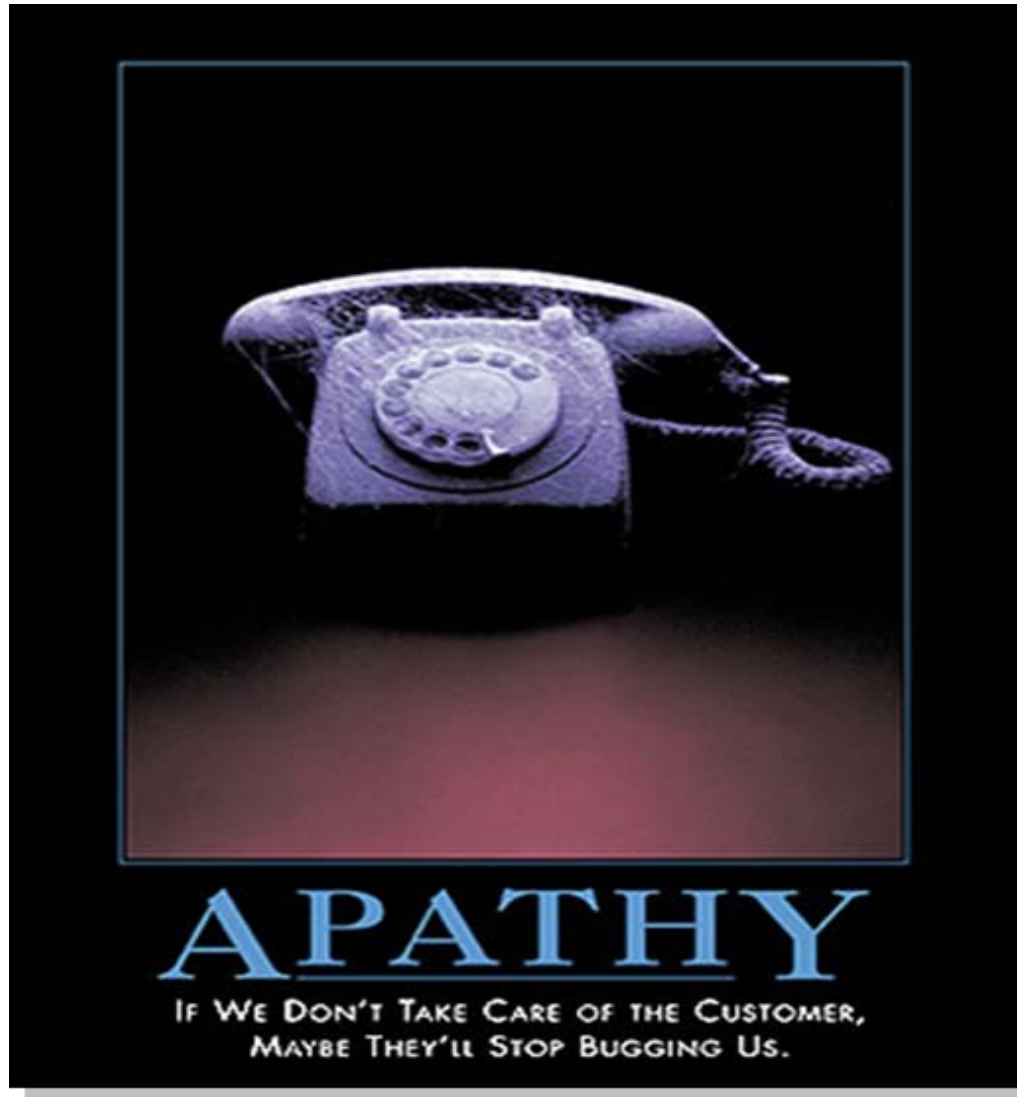


The Good and The Bad

Forum		Topics	Posts	
main				
	gethuman.com general discussion these are topics suggested by the gethuman staff; please jump in to give us your thoughts. Moderator forum moderators	56	106	Thu A
	best customer service experiences tell us your BEST customer support success stories. Moderator forum moderators	22	41	Thu A
	worst customer service stories tell us your WORST customer support horror stories. Moderator forum moderators	93	279	Tue
	small-scale companies post requests and/or contributions here for companies not in the gethuman database. Requests for large-scale, mass companies should be submitted via this form . Moderator forum moderators	66	104	Mon
	utility companies find or share tricks for getting to a human at your local utility companies. Absolutely NO "emergency" tricks permitted here! Moderator forum moderators	28	28	Mon JustW
	gethuman bulletin board feedback feedback on gethuman bulletin boards. Please direct all other site-related feedback to this form . Moderator forum moderators	19	41	Thu
off topic				
	speak your mind (almost) anything goes. Moderator forum moderators	59	121	Mon



An Outdated Philosophy



The New Perspective

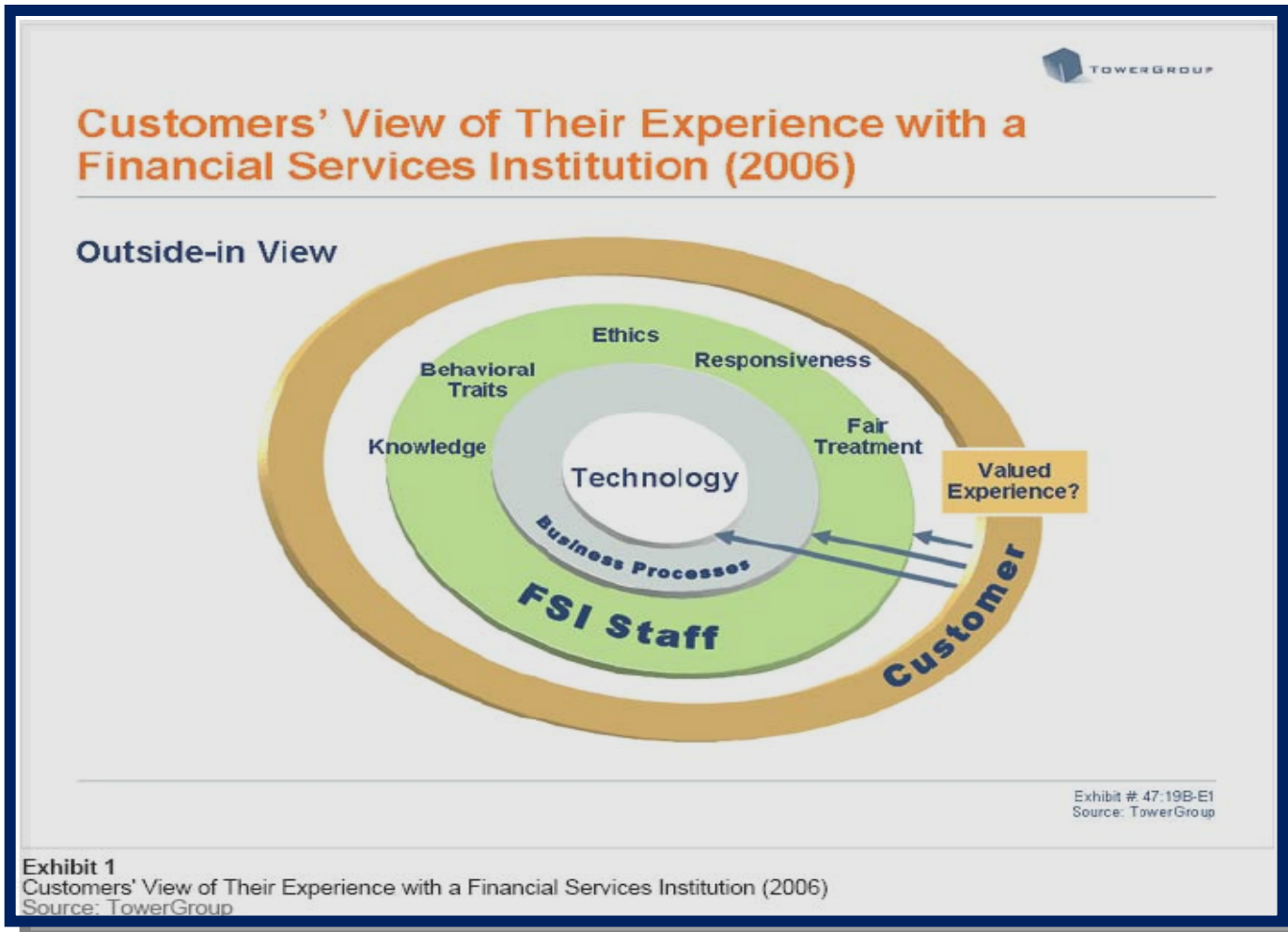
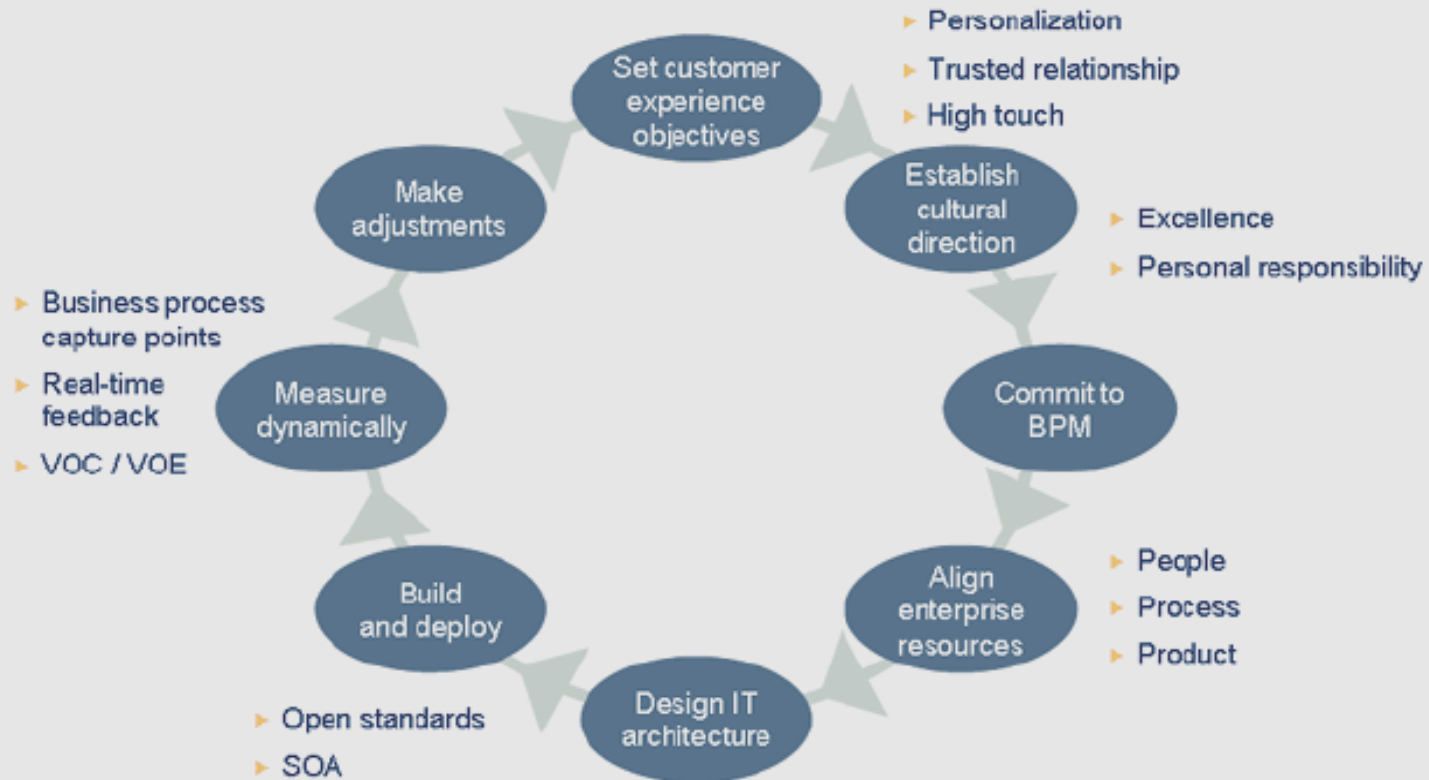


Exhibit 1
Customers' View of Their Experience with a Financial Services Institution (2006)
Source: TowerGroup



Thoughtful Approach

Model for Customer Experience Strategy (2006)



Note: VOC = Voice of the customer, VOE = Voice of the employee, BPM = Business process management, SOA = Service-oriented architecture.

Exhibit #: 47-19B-E4
Source: TowerGroup



Why is this important?

- Organic growth
 - Existing customers stay with you and buy more.
- New revenue
 - Prospective clients compare you to the alternatives and will select you based on how they are treated, more than on product or price.
- Profitable growth
 - Need to figure out how to deliver this “experience beyond expectation” without breaking the bank. Technology will drive the breakthroughs here.
- Builds brand loyalty
 - It is ok to be known, better to be known for something, but the best to be known for something good.



Who is doing this well today...



RightNow Customers Set the Standard



Online Customer Respect Study

Orbitz



TD Banknorth

#1 in Simplicity



Nationwide Building Society

Europe's Top Customer

Advocacy Bank



Paypal



Symantec

Best Practices in Leveraging Customer Feedback

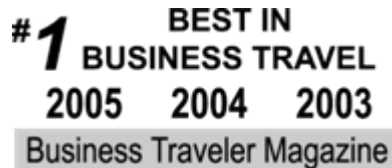


Group Health Cooperative



LeapFrog

One of the Ten Breakaway Brands



Orbitz



Bearing Point

Highest Score

IT Service Provider Scorecard



Anoka-Ramsey Community College

Innovation in Student Affairs Programming



"Highest Customer Satisfaction For Independent Travel Web Sites – Hotels"

Orbitz

FROST & SULLIVAN

BT Global Services

2005 Customer Service Innovation Award



EPA

Federal Computer Week Pioneer Award

Nikon

Business Objectives:

- Consistent customer experience across channels
- Support premium brand with premium service

Challenges:

- Rapidly growing user base
- Resource and costs constraints
- Consistency across geographies



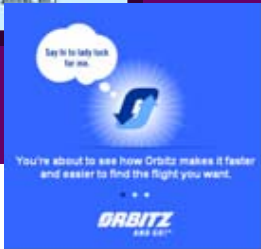
Nikon

Results:

- Fewer calls, faster issue resolution
- Departmental headcount kept flat despite tripling of unit sales
- Consistent, personalized service experience across channels
- Improved customer visibility enhances marketing and product development
- 98% customer satisfaction



Orbitz



- Highest customer satisfaction ranking in online travel industry
- Seamless tier-to-tier workflow for escalated incidents
- Raised incidents closed within one day from 23% to 46%
- Decreased “dissatisfied” survey results from 17% to 4%



Presidential Mandate

President George W. Bush has directed that Government become more market-based and citizen-centric.

At the heart of his message is that Government needs to improve the citizen experience.



U.S. Census Bureau

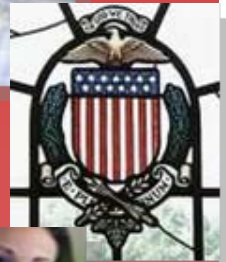
Challenges:

- Needed to replace outdated system with self-service
- Automate manual processes

Results:

- Improved citizen experience
- 99.3% self-service rate
- Intelligent workflow rules & surveys ensures the other .7% is satisfied
- Proactive service notifications inform customers about new or delayed products
- CSLIC Best Practice expert

U.S. Census Bureau



How to do it well...



Rules of Thumb

- Invite customers in
 - Make it easy
 - Make it relevant and personalized
 - Make it meaningful



Invite them in: Cabela's

FIGURE 1

Relative Ranking Across All Capabilities



Source: Cisco IBSG, 2006

Rules of Thumb

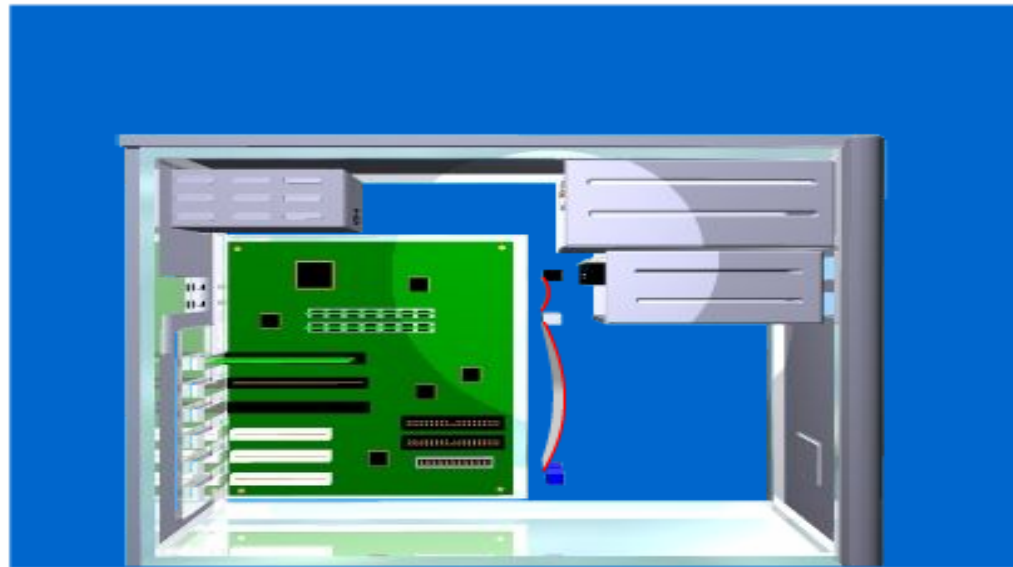
- Invite customers in
 - Make it easy
 - Make it relevant and personalized
 - Make meaningful
- Give them a choice and control
 - Multi-channel – how/when/what they want
 - Don't assume they want or need a human
 - Your hours: M-F, 9 a.m.-5 p.m.
 - Their hours: M-F, 6 p.m.-7 a.m. and weekends



Maxtor: Picture Worth Thousand Words

http://service.maxtor.com - mqjg_sa_ver8b - Microsoft Internet Explorer

Max



**Configuring an ATA Hard Drive as a Master or Slave
using the Cable Select Method**



Next

[Please provide us with your feedback.](#)

Rules of Thumb

- Invite customers in
 - Make it easy
 - Make it relevant and personalized
 - Make meaningful
- Give them a choice and control
 - Multi-channel – how/when/what they want
 - Don't assume they want or need a human
- They will typically gravitate to interactions that are easiest for them and least expensive for you
 - Ex. Airline check in



Getting it right the first time

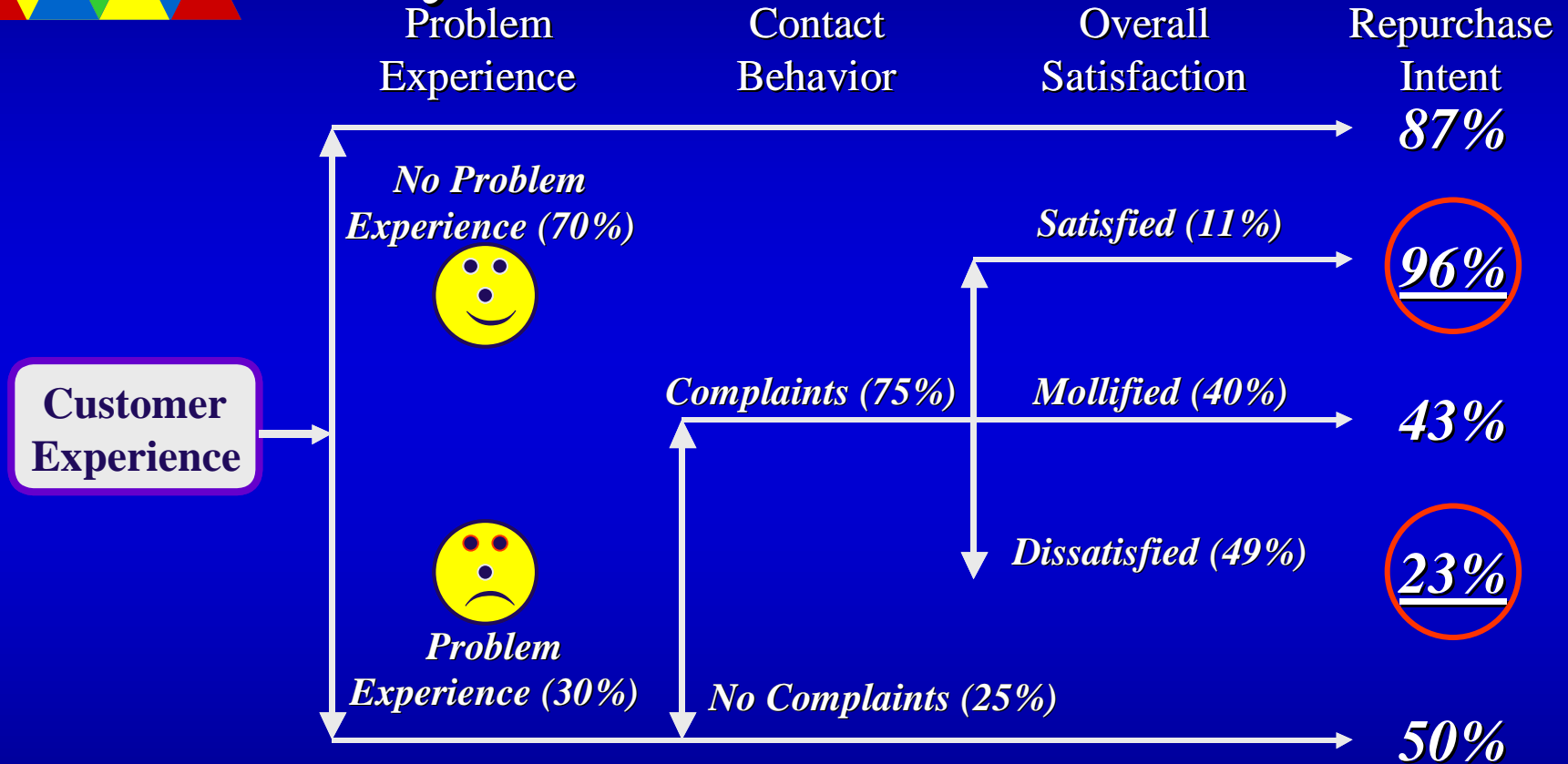
Sales & Marketing: More than 90% of prospects change their opinion about a company based on the way company deals with them on the phone.

Customer Service: Consumers spend an average of 6 minutes on hold and speak to an average of 2.6 CSRs to resolve issues—the most frustrating aspects are hold time and repeating information.





Recovery Behavior



Source: TARP's White House Study

Delivering Experiences Beyond Expectation

- Live and drive a customer-focused culture
- Evaluate and act on internal “experience gaps”
- Know your customers
- Deliver on the basics flawlessly
- Foster co-creation with your customers
- Build and serve customer communities



Final Thought

The rules have changed. It's not about profit or market leadership, it's a fight for survival.

