



Strategies for Success with Online Customer Support

Keynote Research Report

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Executive Summary

This Keynote Research Report reveals that, by and large, companies are failing to meet website visitors' expectations around customer support. In this study, Keynote evaluated the customer support offerings of 42 leading sites in the banking, credit card, retail and travel industries. Key findings include:

- When presented with a hypothetical customer support problem nearly half of users **fail to resolve the problem** using the website
- Over 50% of site visitors **fail to identify the support options available** on the site to help resolve problems and questions
- Satisfaction with customer support has a significant **impact on customer loyalty**, with satisfied customers twice as likely as dissatisfied customers to use the site again
- Customer support satisfaction also **impacts brand perception** -- 85% of those satisfied with a site's customer support options agree with the statement "This site cares about its customers."

The recommendations in this report will help companies take advantage of the tremendous opportunity that the web presents to provide an effective and efficient online customer support channel. Key recommendations include:

- Provide critical support options, including easy access to a real person, fast response times and robust online support sites
- Communicate a commitment to customer support by presenting support options up front, providing high quality support interactions and presenting online support information using customer-centric messaging
- Follow-through on your customer support promise by providing interactions that address customers' support needs efficiently and effectively

In competitive industries, such as those included in this study, consumers rely on company websites to meet their customer support needs. The more a site is focused on transaction-oriented processes, the more important are immediate customer support options. Providing clear, effective, and efficient customer support can greatly reduce the cost per transaction. However, companies should not focus solely on the cost savings that result from offering effective online customer support; another key benefit is the opportunity to demonstrate that the company cares deeply about satisfying its customers.

To help companies understand and continuously improve the effectiveness of their online customer support options, Keynote conducts website evaluations for clients regarding the customer experience on their website and also surveys groups of users about their customer support habits in general.

Keynote recently conducted primary research on users' experiences with customer support across 42 leading websites (19 retail, 11 travel, 5 banking, 5 credit card, 1 brokerage, 1 car-buying). More than 2,800 panelists participated in 45-minute website evaluation studies. These evaluations allow Keynote to capture consumers' interactions with these sites and track every click and comment, revealing what types of interactions, messages and site features are most likely to improve the online customer support experience. Keynote also detects which factors most influence customer satisfaction and which areas of customer support often disappoint or frustrate consumers.

Websites Often Fail Customers on Customer Support

Keynote research reveals that nearly half of users fail to resolve basic customer support problems using a company's website. When presented with a hypothetical problem or issue (e.g., received the wrong product in an order shipment; want to know how to return a product; want to cancel a stock

order), 49% of Keynote panelists failed to determine how to resolve the problem using the site, with 44% finding the wrong answer and 5% simply giving up after being unable to resolve the problem.

Furthermore, site visitors are often unable to even identify what support options are available to them. When asked to spend several minutes identifying all the options available on a site to help resolve any problems or questions, 52% of panelists failed to correctly identify all the options. They either missed options that were available or believed options were available that did not actually exist. Financial services industry websites performed particularly poorly in this area, with 82% of panelists failing to correctly identify all support options.

As panelists searched the sites to determine how to contact customer support, they encountered a number of common frustrations, which are summarized in the table below.

What problems or frustrations did you encounter while determining how to contact customer support?	%
Difficult to find the contact information	14%
Difficult to understand the contact information / options	7%
No contact hours listed (for telephone support)	7%
Had to view too many pages	5%
No contact hours listed (for online support)	5%
Had to download an application to contact customer support	2%
Other	7%

Satisfaction with Customer Support Drives Customer Loyalty

Satisfaction with customer support has a significant impact on customer loyalty, with satisfied customers twice as likely as dissatisfied users to use the site again. Among those who were highly satisfied¹ with the site's customer support, 49% said they were likely to patronize the site in the future (e.g., to purchase products, book travel itineraries, open bank and credit card accounts, etc.). However, among those dissatisfied with the customer support, only 25% were likely to be future customers.

"If it's a bad (customer support) situation, I wouldn't bother trying to resolve a problem, unless they had my money; I'd just switch sites."

Satisfaction with Customer Support Impacts Brand Perception

Customer support satisfaction also impacts brand perception. Among those who were highly satisfied with the site's customer support, 85% said they agreed with the statement "This site cares about its customers." However, among those dissatisfied with the customer support, only 35% agreed with the statement.

Potential customers clearly make inferences about the nature of the company based on the ease with which the site facilitates the resolution of problems. Customers also carry these perceptions beyond their interaction with the site, influencing not only their own purchase behavior, but also their willingness to speak well of the company to others. Among those highly satisfied with a site's customer support, 71% said they were likely to recommend the site to a friend—that number dropped to 43% for those dissatisfied with the customer support.

"Customer service is extremely important to me. It looks as though I would be well-looked after by customer service. This makes all the difference in the world to me."

¹ Participants were classified as "highly satisfied" if their satisfaction rating was among the top 25% of all participants. Those whose satisfaction rating was among the bottom 25% were classified as "dissatisfied".

People Prefer Immediate Interaction

When customers have a problem or issue they crave quick and efficient problem resolution. When asked which type of support they would most prefer to use, the most popular panelist response was phone support, followed by live online chat. (See table below)

Which type of support would you most prefer to use?	%
Toll-free support phone number	37%
Live online chat	19%
24/7 support	16%
Online instructions / FAQs	14%
Online forms for sending e-mail messages	13%
Discussion page / Q&A forum	9%
Interactive tutorials	7%

Unique Challenges for Online Customer Support

What consumers want for online support is the same as what they want in any medium: the security of knowing they will be taken care of promptly and happily. However, the web presents two additional challenges to providing good customer support. First, websites create additional needs for customer support because of usability issues, and secondly, websites represent an impersonal barrier between the company and the end user.

Usability issues

Websites themselves have the potential to create new problems and frustrations for customers. As a new medium, many aspects of effective communication and transaction have not been perfected, and have not yet become routine norms for the many newcomers to the web. Because of

the low investment on the part of a customer to visit a website, small frustrations can quickly cause a web visitor to leave and click to a different site. Unfortunately, customer support features, which are intended to solve customer problems, can actually be a source of usability frustrations themselves, thus adding to the initial frustration that drove a customer to seek help in the first place. The first line of attack with online support should be to make sure the site is designed to prevent issues in the first place, and to make sure that all customer support features are communicated and designed effectively.

Technology barrier

People have expressed doubts about trusting their transactions to technology because of a fear that something might go wrong and there will be no human judgment to catch it. When a customer has already experienced a problem or complication and is in need of customer support, he/she may be even less enthusiastic about relying on technology to handle the resolution. Sites need to provide a way for customers to explain their problem to a real person, and they need to reassure web users that the company is committed to customer support and can quickly resolve issues related to their web transactions.

Online Support: Threats and Opportunities

The findings presented above demonstrate that companies must design their websites effectively to communicate the benefits of their customer support options to their customers. A website that offers a positive customer support experience can be a serious competitive advantage, while confusing or poorly communicated customer support options can be a severe liability.

With the increased capabilities around search, FAQ databases, instant messaging, store locators, and data transfer, online customer support has the potential to satisfy customers and improve a company's bottom line. Furthermore, besides damaging valuable customer relationships, Keynote findings suggest that a poor offering for online customer support most definitely has a negative impact on company profitability. People will resist initiating a transaction if they do not feel they will have an easy, fast way to resolve potential problems and complications. If customers have a difficult time or fail to resolve an issue through the site's customer support, they may never return and may generate negative feelings towards the company. At the very least, if customers have a difficult time finding adequate customer support online, they will gravitate toward the more costly option of picking up the phone.

Recommendations to Improve Online Customer Support

Insights derived from the Keynote study revealed many ways in which online customer support can be improved. From these suggestions, it is clear that sites need to provide a variety of support options, make sure the options are working effectively from a customer's perspective, and clearly communicate those options to site visitors.

Provide critical support options

Sites need to provide at least one way to contact a real person since customers perceive this as the most effective customer support option. Ideally, sites should provide several options, as each has its own set of advantages and disadvantages. As always, implementation details are critical to insure the option is effective and meets customer's needs.

Real people

Many panelists expressed that they want the option to contact real people. Most people indicated their reason for wanting to interact with a live person was because they believed it would help them resolve their issue faster. In addition, some people felt access to a real person also provided a sense of safety and a personal touch.

"There has GOT to be a way to contact a live person, otherwise, I will not order. If I have a problem with my order, I want it resolved now, I don't want to have to handle it through email. Too slow, too cumbersome, and too impersonal."

Online chat

In the case of people connecting to the web via dial-up modem, live chat (i.e. instant messaging) is preferred over the telephone so that customers can stay online while solving their problem.

"I would have liked to see a live chat link available so I could talk to someone immediately without getting offline."

Additionally, some panelists discovered that live chat had other advantages, such as buffering the interaction from emotional reactions:

"It avoids the emotional side of dealing with real people. I really like "live-chat," I hate phoning and being put on hold or dealing with someone who's had a bad day — it seems to work better via computer."

Speed

Speed was the driving factor behind many people's choice of customer support options. Many expressed doubts about using email simply because of experiences with, or stated policies for a long turn-around time. Most thought speaking with a live person, either via phone or live chat would be the fastest way to resolve their issue:

"The most important thing to me is that emails are answered within 24 hours and I don't have to wait more than 5 minutes to get a phone rep."

24/7 Support

The web offers customers a way to interact with the company at all hours and from across a variety of time zones. As long as the site is open for business, customer support will be needed and appreciated by customers.

"I appreciate the live chat and e-mail options. Sometimes I do my bill paying very late at night and would like to just take care of it right then and there instead of having to wait until an office opens somewhere. This feature enables me to do just that."

Email

Some viewed email as having the advantage of documenting the customer support interaction, and as generally more convenient compared to phone support.

"I want to deal with one person who can access the total picture. I don't want to punch a million numbers on my phone and then deal with someone different each time. I don't mind using e-mail but I want it answered fast."

FAQ's

FAQ's are highly appreciated when done well. People would prefer to look there first, hoping their question or issue is fairly common, rather than put out the effort to call or write. Most complaints around FAQ's are that they are not grouped well for effective searching, and that they do not contain enough information. Many people request a search function to find possible answers more quickly.

"I would much rather have my question answered in a FAQ than having to email or call (and possibly be put on hold.)"

Communicate commitment to customer support

How customer support and help sections are presented on the website can affect ease of use, but also can affect the degree to which site visitors believe the company cares about customer service. The advantages of providing customer support options are lost if they are not effectively communicated to the end user.

Present support information early in process

Whether support options are presented up front, or buried deep in the site, can communicate how much importance the company places on customer support. Placing support links and tabs boldly and frequently insures users will see them when they need support and will serve to communicate the message that the company cares.

"Make [customer support] the first category in the left-hand column. If that's the first category I would feel as if the customer was the most important thing to the company, that the company wanted me to feel I was being taken care of."

Provide service with a "smile"

The way some sites bury toll-free numbers, "gray out" contact information, and use tiny font for help links can convey a feeling that the company provides these services begrudgingly. Users want to know that the company wants to help them.

"I love the statement on the top of their contact us section - "You can contact us anytime, any way you'd like" - they seem very friendly and ready to help!"

Provide access to support from all the likely places

Some people may log on to the homepage expressly to find customer support, or they may be deeply involved in a transaction on the site when they start to look for it. Some people will expect to find support information under "contact us," while others will expect to find it under "help" links. Support should be readily accessible in any case.

"Put [support info] higher on the page and make it into a whole section of links - under a helpful title like Get Help."

Keep the customers' perspective

In the customer support area of a website, it is especially important to avoid making marketing pitches. At these points, people are looking for resolutions to problems, and are not receptive to having their time taken up with "company-centric" messaging.

"I don't quite understand why Online Banking is the first category in the help section. It's not about helping, it's about the online banking services. I selected help for a reason and the reason wasn't to find more information about online banking."

And of course... follow through!

Customers have been burned by almost all customer support options at one point or another: long waits on the telephone, emails that are not returned, customer service representatives who are unable to solve problems and so on. Regardless of the kind of options available, many people expressed skepticism about whether they would get their issue resolved quickly. The main concern was whether there would be enough support representatives with enough knowledge to solve their problem without an investment on the part of the customer.

"[Company] seems easy to reach. If there is actually a pleasant, responsive person with half a brain at the other end, then [company] is in good shape."

Establish a Customer Experience Management program

Companies face the classic issue in deciding whether to concentrate on capturing market share or catering to their most profitable segments. A well-designed website is an inexpensive way to pursue both goals at once, as well as to cut operating costs through increased self-servicing of customer support. If these benefits have not been fully realized, it is often due to poor web design. Although goals for the site may be defined, there are often no formal metrics to ensure the site has hit the mark and to reveal how the site needs to be improved. Websites are more than advertisements or brochures, and are not purely functional software; they provide a unique blend of marketing and customer interaction that can produce strong impact on the site visitor. People can be turned off from a brand very quickly. Websites need to be the ultimate user experience – the very best presentation of the entire brand experience.

Web Strategy Begins With Research

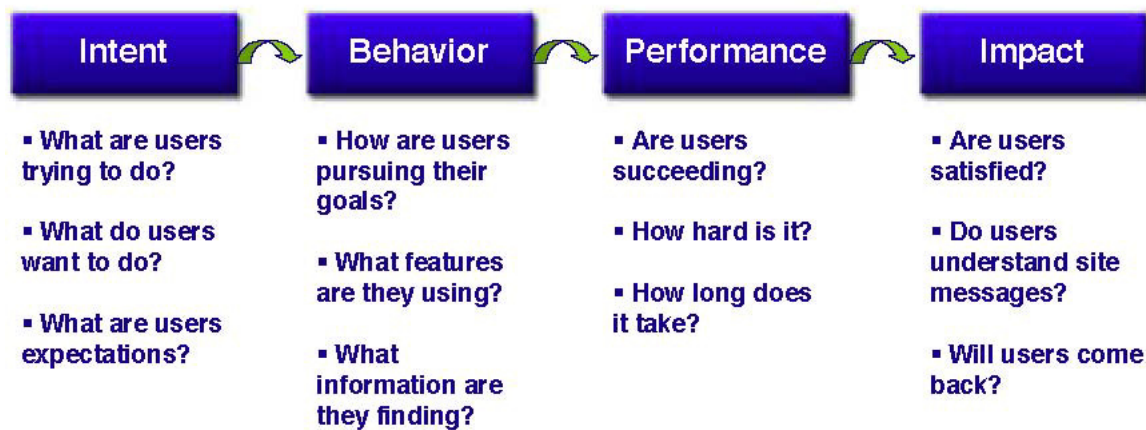
The only way to truly understand how to best build a site and how effective it is once built is to conduct customer research. The first step toward this end is to understand what customers actually experience on the web and which elements most impact overall satisfaction.

Insights into Web Strategy Depend on Reliable Research Methodology

Web customer experience cannot be accurately predicted from self-report surveys, where participants must speculate about their behavior, or from log file analyses, where the motivations for behavior cannot be deciphered. Customer experience should be measured using a multi-method approach that simultaneously captures attitudes, behavior, and perceptions and integrates them into one interpretable picture.

To formulate an effective web strategy, companies need to capture a multi-dimensional view of users' experience on the web, from initial expectations, to interaction with sites, to satisfaction with outcomes (see figure below).

Dimensions of Online Customer Experience



Keynote's Customer Experience Management methodology was developed by researchers with the goal of capturing the full picture of what people think and do when interacting with the web so companies know what sites to build and how to build them. Keynote measures users' initial needs and expectations on the web in addition to capturing user behavior and performance.

The Keynote methodology combines the critical aspects of market research surveys, website analytics, and usability testing to reveal the reasons behind customers' actions and provide clients with a true understanding of the customer experience on their websites.

The Keynote Customer Experience Management solution:

- Delivers statistically significant samples of the target market population
- Provides geographically dispersed samples
- Eliminates moderator bias because panelists interact with sites in their natural environment
- Prioritizes problems instead of simply identifying them
- Relates self-reported customer preferences with actual user behavior

Keynote Methodology

Empirical evidence provided in this paper was obtained from Keynote website evaluations, using Keynote's eXperience Management System (XMS), a technology platform for assessing online customer experience. Keynote customer experience evaluations are designed to provide actionable insights into customer experience to inform strategic business decisions. Keynote evaluates customer experience by collecting detailed qualitative and quantitative data from a large sample of individuals as they attempt a series of real-life tasks on the web. Participants log on from where they normally access the web, Keynote Connector technology records the behavior of each panelist as he or she interacts with the web, and assesses panelist perceptions and reactions by recording qualitative comments and answers to follow-up questions. The Keynote research methodology was developed in accordance with scientific research best practices and is overseen by a team of expert researchers and interaction designers. The method has been refined and tested through over 700 site evaluations.

Insights regarding customer support industry practices and trends come from Keynote website evaluations with over 2,800 adults representing a cross-section of the online population, and insights from the Keynote professional services customer support web strategy group, who have sent thousands of panelists to review online support sites in Keynote evaluations.

Contact Keynote

To learn more about how Keynote can help research and formulate telecommunications e-strategies, please contact us toll-free at 1-800-KEYNOTE or log on to www.keynote.com.