

# THE TRANSFORMATION OF CUSTOMER SUPPORT

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Customer support is undergoing a major transformation. The rise of *indirect* support – online self-help, user forums, and help and automation integrated into products – is profoundly affecting the role of conventional *direct* support – person-to-person interactions by phone, email, or chat. Managing direct support, especially across multiple channels, presents support execs with challenges enough. But managing the new combination of indirect and direct support takes those challenges to a whole new level.

Four factors are driving the transformation. First are new technologies such as online communities and knowledge bases that enable indirect support. Second is economics. Indirect support, which is primarily self-service, can be delivered more cost-effectively than people-based support, and allows more customers to be handled by smaller support staffs. Third and fourth, closely related to each other, are convenience and service quality. Customers increasingly prefer to serve themselves whenever and by whatever means they wish. And through online forums, users can engage the aggregate knowledge of many customers at once to get better problem resolutions faster.

The transformation of support raises three key issues for support execs:

- How do we build and maintain customer loyalty in indirect support channels?
- How do we best organize and manage direct support in this new environment?
- What assets do support organizations need to facilitate the transformation?

## **How to Build Loyalty through Indirect Support**

Indirect channels are particularly effective for handling known problems – those that have already been reported by other customers, resolved, and logged in a customer-accessible knowledge base. In the high-tech sector, a high percentage of customers' support experiences are already indirect. Microsoft, Novell, and National Instruments are among the companies that actively monitor indirect support activities and nurture online support communities. The patterns and trends of user activity show these organizations how to improve self-service to increase customers' productivity and further reduce the demand for direct support, while the questions asked and content of the online discussions help identify areas for product improvement. Rich Kaplan, Vice President of Customer Service, Partners and Automation at Microsoft observed that at Microsoft, "Support is one of our best listening systems."

Online user communities are largely self-managing and self-organizing. Vendors are welcome to participate so long as they add value. The communities do not tolerate censoring by the vendor nor do they appreciate marketing hype. The community conversation is in a human voice, often with a sense of humor and reality that can be painful but hugely valuable for the vendor to hear.

Novell, who have paid attention to their online communities for many years, have found that they can identify critical customer issues faster by monitoring online communities than through conventional, tiered support channels. They learned early on that a healthy user community requires nurturing, not managing. The community belongs not to Novell, but to the customers.

Companies who nurture their online communities also discover who their evangelists are. Microsoft acknowledges these users as MVPs (Most Valued Professionals), National Instruments calls them "enthusiasts". It is the support organizations (usually a person or two) in these companies that look after the

user community and recognize the key players for their contribution. Once known, the key players are often invited to participate in the product requirements and design processes. This increases the customer presence in the requirement and design of the products, which is a good thing. And, perhaps more importantly, the key players feel a sense of influence, importance and connectedness – read “loyalty” – with the vendor that ripples through the user community.

More and more, support execs are expanding their goals for indirect channels from merely delivering answers to facilitating relevant connections and interactions that create a continuous flow of value to customers. As a result, online communities are influencing companies’ brands and images. As evidenced by the recent example of Dell, where an onslaught of unfavorable blogs highlighted the company’s support problems – online discussions cannot be controlled or managed by a vendor directly. It is the indirect model at work.

### **How to Adapt Your Direct Support Organization**

With the rise of indirect support channels, direct support organizations have to adapt. As indirect support handles an ever-growing percentage of known problems, direct support channels are finding their workloads shifting more and more to *new* (not yet resolved) problems. Conventional, tiered support organizations are ideal for *filtering* high volumes of problems of disparate types: they quickly recognize the known problems and apply the lowest-cost resources available to address them; and escalate new problems to higher-tier, typically more expensive, resources. Like the wide end of a funnel, first-tier support gathers all of the problems, which are successively addressed or passed-through towards the narrower end of the funnel (higher tiers of support).

With direct support’s new concentration on new problems, the time-honored funnel add less value. Support organizations are thus moving away from

escalation-based, tiered structures to new collaboration-based, team structures. A new technique called *swarming* uses a team of support professionals with complementary expertise to attack a problem at the same time. This collaborative approach to analyzing and addressing new problems is usually faster than the conventional, tiered approach. At the same time, some staff that formerly provided support directly are now supporting the indirect channels full-time. These staffers provide monitoring self-help channels and nurturing of online communities such as described above.

### **Knowledge Moves to Center Stage**

Across both indirect and direct channels, knowledge, networks and collaboration are replacing hierarchies and escalation. Such knowledge-based, collaborative networks require:

- Organizational values and processes that promote persistent learning, especially as byproducts of customer interactions
- Recognition and sensitivity to the cultural challenges of delivering global support through a global workforce
- Supporting information systems that capture knowledge and make it accessible to support staff, partners, and customers.

Four types of knowledge assets must be supported:

1. Resolutions to known problems and questions (knowledge bases)
2. People profiles, detailing who knows what (identity and reputation)
3. Customer-environment information (system configurations, products)
4. Customer profiles (goals and information about business entities).

These assets evolve from the interactions in the network, and contribute to improving the relevance and value of future interactions. Opportunities emerge from the chaos of unbounded communication and information-sharing that is characteristic of a networked organization. Because customers play a key role in

the network, we can identify patterns and trends that will enable us to focus on and address the constantly changing needs of customers.

The table below compares the conventional and transformed support models. In contrast to the conventional, tiered support environment “funnel”, we refer to the transformed environment as the “cloud”, reflecting its encompassing of all stakeholders – customers, employees, and partners – and its lack of conventional hierarchies.

<b>Conventional Direct Model</b>	<b>New Direct and Indirect Model</b>
Cost-based transactions	Value-based interactions
Directive management	Leadership through alignment to purpose
Hierarchical structure (“funnel”)	Network structure (“cloud”)
Processes are linear and escalation-based ( <i>streaming</i> )	Processes are non-linear and collaboration-based ( <i>swarming</i> )
Compartmentalization limits opportunity to contribute	Opportunity to contribute is based on full range of people’s capabilities
Impermeable boundaries which limit learning and innovation	Openness, visibility, reputation and flow enable persistent learning and innovation
Employee satisfaction and loyalty drives customer satisfaction and loyalty	Employee sat and loyalty on the one hand, and customer sat and loyalty on the other, are mutually reinforcing
The illusion of control	The power of relationships

Below, we summarize support’s transformation through ten key points:

1. More and more of the customer experience consists of customers interacting with other customers, not the support center.
2. Customer success on the Web is changing the work coming into the support funnel from “mostly known” to “mostly new” issues, rendering the traditional, tiered support model ineffective.
3. Effective knowledge management is a key enabler of the transformation.
4. Knowledge management quickly increases support capacity.

5. Knowledge made directly available to customers via Web-based self-help will satisfy more demand than conventional support center “funnels”
6. The new support model is a collaborative, based on networks that value shared knowledge and maintain rich profiles of people and content. The network (i.e., cloud) includes employees, partners and customers.
7. Online user forums help us understand customer needs, and let us identify and recognize power users and other valued players in the cloud.
8. Patterns and trends that emerge from these all interactions (support center, web and user forums) are valuable to development in improving products and services.
9. The value created is not limited to support, but extends to customers, internal product management, and development teams.
10. New leadership models and metrics are required to nurture and assess the health of the network and the total customer experience. We cannot live exclusively in the funnel (support center). We must get our heads *into* the cloud!

Consortium for Service Innovation (CSI) members are transforming their organizations by embracing indirect support and evolving direct support. They are learning from the interactions that take place through self-help and online user communities, and discovering how best to replace traditional barriers and controls with openness and nurturing. For more information, please visit [www.serviceinnovation.org](http://www.serviceinnovation.org), and request a copy of our article, “A Demand-Based View of Support,” available at [www.serviceinnovation.org/DemandView](http://www.serviceinnovation.org/DemandView).