Satisfying a Double Standard

How to capture the real self-service opportunity.

by Sean Collins, John Devine, Raj Ganguly, and Jeff Schumacher

Self-service is making a comeback, driven largely by two factors: the ability to reach large numbers of customers at comparatively low cost and the desire to use this efficiency to improve the customer experience. As technology for automating customer interactions has improved and consumers have become more comfortable with technology, organizations are increasingly revisiting, reinforcing, or initiating self-service capabilities.

Yet for all its promise self-service is not being adopted as widely as it could. In many cases, across different industries the use of self-service programs is decreasing. For example, the share of telecommunications industry customer issues resolved by self-service dropped from 7 percent to 6 percent from 2002 through 2006, according to a Purdue Benchmarking Report.

The challenge is to improve costs and experiences in the organization's interaction with the customer. To resolve this apparent double standard, take the following three key steps to help realize the greatest benefit from a transformation to self-service: understand the types of issues driving call volume; determine the share of customers expected to migrate to self-service and size and prioritize the economic opportunities; and design and implement programs to change consumer and call center agent behavior, continuously testing, learning, and refining tactics to maximize the impact over time.

Understand: Develop a rich understanding of what drives customers. There is no substitute for listening to calls from various customers with different issues. This lets you understand the types of issues that drive call behavior, the best practices on resolving customer issues, and what types of issues tend to drive contact behavior versus second follow-on issues. Diagnostic efforts should also include examining IVR completion rates and correlating changes in Web-site functionality with call volume.

Determine: Prioritize the types of calls to automate. While automating the simplest types of calls is most intuitive, it is important to remember that these calls often have the lowest average handle time, and consequently may not drive the largest cost savings. For example, airline companies and Amtrak have attempted to automate high-level calls to self-service. While initially they began with checking airplane and train information, it is now possible to purchase tickets both online and often through IVRs with limited involvement from a live rep. Companies must also consider the value at stake. Wireless providers could create IVR applications to allow customers to cancel the service, but most recognize that the use of a save desk to retain valuable customers far outweighs the potential cost savings.

Design: It's vital to long-term success to treat the transformation to self-service as a long-term event, incorporating front-line change and training programs for staff and for educating customers. Additionally, companies must actively inform customers on new self-service options, from cable companies providing inserts in bills about new on-screen account portals to retail banks promoting online bill pay in branches. Even the most technologically advanced automated tools will suffer from low use without all the stakeholders being aligned.

Satisfying the double standard of attempting to drive customers to lower cost channels while improving the experience is the key to success. This is not possible in all types of companies, but customers can often migrate to higher productivity channels like Web chats, on which the customer service rep can chat with multiple users at the same time. The challenge is to understand, determine, and design programs that meet the double standard.

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