

Social Knowledge

4 Fundamentals for Using Social Networks to Improve the Customer Experience

By Christopher Hall, Vice President, Marketing, InQuira

With four out of five Americans now using social networks, the era of social networking clearly has arrived—creating significant implications for enterprises. Today, there are compelling rewards for embracing social networks—and potentially severe penalties for putting it off any longer. This e-book outlines four key ground rules for engaging with social networks in order to maximize their potential for improving the customer service experience.

Introduction: The Stick and the Carrot

The customer is always right. If there had been any doubt about the truth of that adage, the social networking paradigm has eliminated it completely. While delivering a satisfying experience has always been important, social networks are making that endeavor more vital than ever. Social networks represent both a stick and a carrot in incenting customer service improvements:

- The stick? They can dramatically exacerbate the impact of a customer service failure, giving dissatisfied customers a means to publicly vent their frustrations, and, in the process spread negative impressions that can reduce trust, loyalty, and sales.
- The carrot? By effectively engaging with customers through social networks, organizations can foster unparalleled loyalty and gain invaluable insights that can improve not only customer service, but quality assurance, product road maps, and marketing—all while building brand equity.

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For those organizations that are plotting their initial foray into the social world, or that are early in the execution of their social networking initiatives, what are some of the key ground rules for social network engagement? This e-book reveals some of the critical considerations for leveraging social networks to effectively maximize their potential.

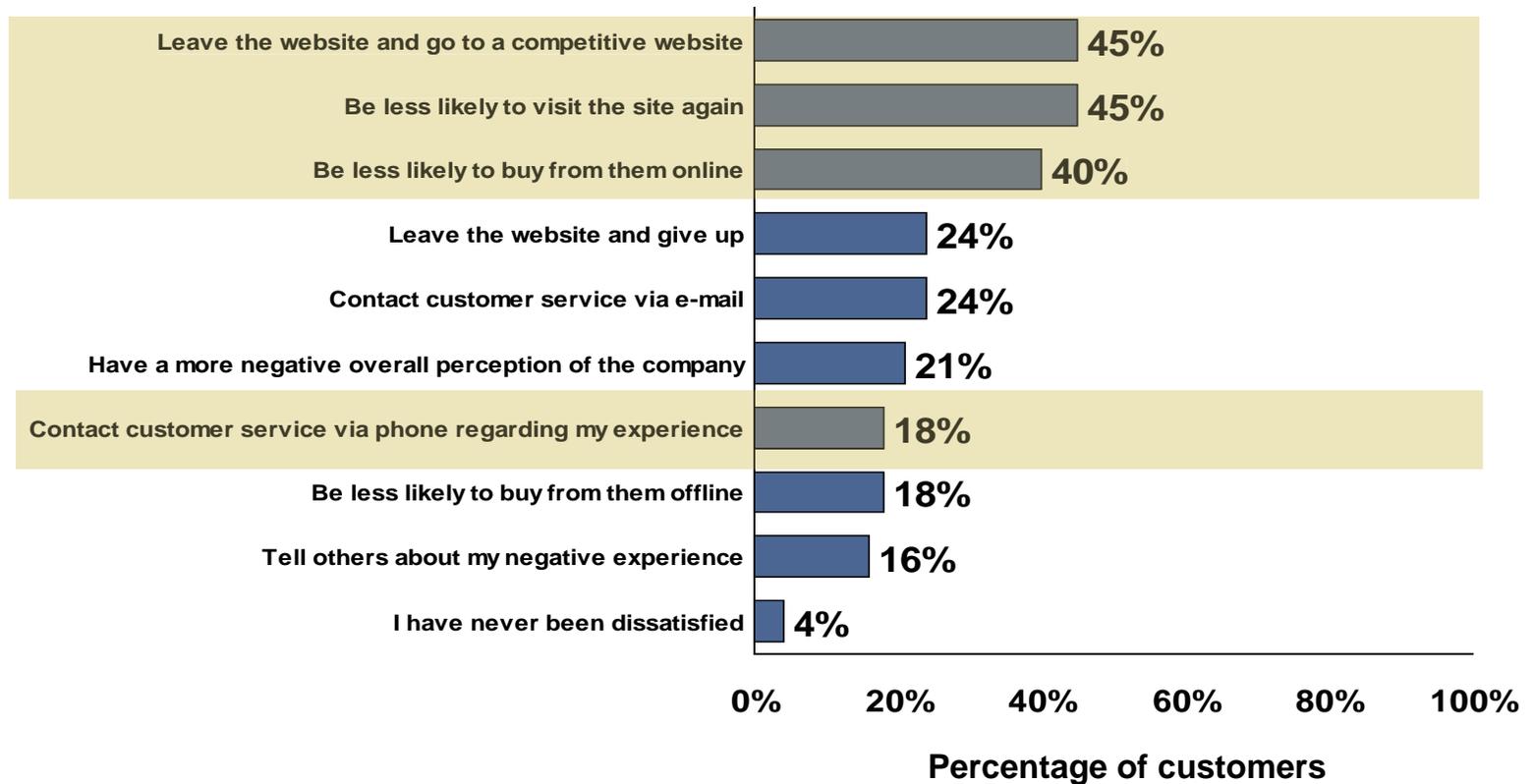


Today, four out of five Americans are using some form of social media.

Source: Forrester, The Growth Of Social Technology Adoption, 2009

Fundamental #1: If Ignored, Social Networks Won't Go Away, but Customers Might

In a very short time, social networks have fundamentally changed the way many customers expect to interact with businesses. In recent years, if a customer had a support question, they'd typically refer to the support site, and, if the answer wasn't easy to find, call the contact center. Now, if a customer goes to the company's support site or customer forum and doesn't quickly get the answer they need, they'll search elsewhere to see if others have encountered the same issue. (See the following chart for an illustration of the negative impact of a negative online experience.) Given the explosive pro-



The negative impact of dissatisfaction with the online experience can't be overstated. If customers aren't satisfied with their ability to find the information they need when first arriving at your businesses' Web site, they are more than twice as likely to visit a competitor's site as they are to make a call to your contact center. Further, these customers are less likely to visit your site again or to buy online from your organization.

Source: JupiterResearch/NPD Consumer Survey, June 2008.

liferation and usage of social networks, these venues are increasingly where people searching for answers end up.

It is important to underscore, when the user makes this move away from company-sponsored sites, the company can be completely removed from the discussion, and irrevocably lose control and visibility over that interaction. In some cases, a company may get lucky, and the customer may find a useful link to an external site that helps address the issue. Even then however, the company loses an opportunity to foster a relationship, and the customer gets “trained” to go elsewhere when they need answers. In a more troubling scenario, the customer may stumble upon an external forum filled with accounts of product and/or support issues that are yet to be resolved—and worse, the appropriate individuals at the company may not even be aware of the forum and the prevalence of these issues. In this case, the potentially harmful nature of social networks can be in full effect, creating a very public, very long term, and very damaging impression of the company for a great number of people.

When ignored, just one customer with an axe to grind can make a service hiccup a very public failure. There are many vivid illustrations of this dynamic; one well-documented example is the “Dell Hell” episode from several years ago. Frustrated by issues with his laptop and the service he’d received, and with no effective way to interact with the company, a blogger posted a series of articles documenting the frustrating experience he’d had. This one blogger spurred thousands of comments, his site received links from a host of other sites, and his story ended up receiving mainstream media coverage—ultimately spreading the word far and wide. As the firestorm grew, Dell was largely silent, which only served to provide

The lesson: Your customers will be participating in social networks to engage in conversations about your company. Ignoring those conversations can be downright dangerous. Joining the conversation can provide a world of benefits.

the company's outspoken critics with more evidence to support their claims of Dell's indifference and slow response.

To Dell's credit, this experience ended up being one from which the company's management team learned a valuable lesson. By many accounts, Dell not only began embracing social networks, but, more importantly, taking the feedback they were getting in these channels and making significant changes—including creating sites to encourage user feedback and ideas, changing how customer service reps' performance was measured, and more.

Ultimately, by leveraging social channels, Dell has been able to significantly strengthen their service levels. In this way, Dell's experience represents a vivid illustration of both the negative and positive potential of social media engagement. For many organizations, the opportunity is there, and by capitalizing on it sooner rather than later, they can enjoy the benefits without incurring the negative implications in the meantime.

Fundamental #2: Create a Vibrant Customer Forum—If Not Today, Yesterday

No one likes to reinvent the wheel. That's why, when we as consumers run into questions or issues, it's our natural inclination to see if others have run into the same issue and what they did to resolve it. Given this, a company-sponsored customer forum can be a great focal point for customers as they seek to get questions answered.

If you create a vibrant customer forum, your organization will gain a lot of near-term and long-term benefits. Specifically, these forums are where a lot of customers would start when they need answers. The better experience they have there, the more likely they are to repeatedly engage with your organization in that venue.

What are some of the keys to setting up an effective customer forum? Following are a few:

- **Moderate by exception.** Forums need to be a place where customers can quickly post inquiries and search for answers. Rather than acting as a gatekeeper to the conversation, forum moderators need to facilitate this open dialog. Rather than being in a position to approve each post, moderators simply need to monitor the activity, and enable users to report abuse.
- **Establish reputations.** Finding high-value contributors, recognizing their efforts, and encouraging continued participation is essential in building valuable forums. To do so, you should leverage reputation models and rating systems that allow community participants, including company moderators, to rate or otherwise identify high-value content and translate those ratings into a points program that builds a reputation for each contributor.
- **Promote community conversations.** Give moderators and those users who establish expertise an easy way to promote conversations that will be useful to others.
- **Give users control.** Make it easy for users stay up to date on areas that matter most to them. Offer subscription capabilities so users can get RSS feeds or email alerts when new posts on a topic of interest appear. Suggest topics to users based on past interactions and highlight content that has been posted or updated since their last visit.
- **Monitor forum quality.** Moderators should actively monitor the quality of forums by monitoring sample discussion threads, tracking system analytics, and doing periodic surveys.

The Lesson: When done right, company sponsored forums can be the first, and best, place for customers to go when they want questions answered. With effective moderation, reputation models, and flexible control, customer forums can deliver significant value to the enterprise and customers alike.

Fundamental #3: Don't Treat Social Networks as a Silo

One of the tremendous opportunities presented by social network engagement is that, by participating in community conversations, organizations can gain a wealth of insights—insights that can be leveraged to foster improvements in product development, quality control, marketing, and other areas of the business as well. Following are some keys to making the most of these insights.

Leverage Conversations across Contact Channels

Engaging with customers in forums and other social sites is a critical first step in terms of starting a dialog. Organizations that treat these social interactions separately from the rest of their organization's support and communication channels will be significantly limiting the potential benefits to be derived from social networks. On the other hand, by broadly leveraging these conversations, organizations ultimately improve the customer experience in all their interactions with and about your organization.

The answers that arise from community conversations can be incubators of knowledge that can be fed not only into future forum conversations, but also in other support channels, such as Web self service and contact centers. As a result, a search on a Web self-service portal can yield relevant discussion topics as well as other content sources. Likewise, new relevant solutions and articles from support can be linked from or referenced in applicable community conversations. This content, coupled with sophisticated natural language search capabilities, can ultimately yield improvements in customer experiences across all support channels.

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Integrate with Knowledge Management

If you already have strong knowledge management in place—with processes and systems that effectively support the identification, development, and location of answers that drive customer interactions—social media can be viewed as the next logical extension of that knowledge management platform, simply another channel for both gathering and sharing knowledge.

If you don't have effective knowledge management in place, that's the first place to start. Without the core knowledge management infrastructure in place, attempting to engage in new social media can be a recipe for disaster. Namely, if a support organization is contending with multiple, disjointed knowledge bases, agents have difficulty getting the answers they need to resolve customer issues, and Web self-service channels aren't delivering satisfactory interactions, adding social networks into the mix may only exacerbate these issues.

In the past, many organizations sought to build knowledge management capabilities through the integration of Web search, content management, and analytics—and seen very little improvement in the customer experience. This is true for two fundamental reasons: First, these products weren't intended for knowledge management. Second, they lack the essential capabilities team members need to truly understand and optimize the customer experience. Now there are sophisticated, mature knowledge platforms that integrate all the vital capabilities required for knowledge management—including sophisticated, natural language search; easy-to-use, workflow-based authoring capabilities; and robust analytics. By leveraging these solu-

The Lesson: Social engagement can't be a standalone, piecemeal effort. To fully maximize the potential benefits, organizations need to leverage the knowledge drawn from social media across all contact channels. Further, social network engagement needs to be integrated with sound knowledge management.

tions, organizations are equipped to develop the best answers, and ensure all users can quickly and easily get the answers they need.

Once effective knowledge management is in place, following are some steps for integrating with social networks:

- **Leverage all kinds of community forums**, such as developer networks, idea exchanges, and peer-to-peer support discussions. Make the content of these forums available as knowledge sources in the self-service process.
- **Foster unstructured content creation**. Make it simple to recommend social knowledge content for cultivation, and allow the community to rate the quality of all forum posts.
- **Make the transition from idea to reusable knowledge seamless**. Integrate the content suggested by these social networks with existing knowledge workflows for content development, reviews, approvals, and publication.
- **Ensure your strategy for social networks is tightly integrated with a centralized knowledge management platform**. By harnessing a single platform and streamlined process, organizations can maximize the utility of social networks, while minimizing associated costs.

Fundamental #4: Social Involvement Yields a Bigger Haystack— Findability is Key

Even without social networks in the picture, the challenge of navigating server directories, intranets, Web sites, email folders, etc., to find useful information can already be pretty daunting. Adding customer forums and other social networks into the mix can threaten to overwhelm internal and external

users with noise, rather than meaningful information.

To combat this challenge, organizations need sophisticated search capabilities that derive the real intent from each search. It is important to realize that this requires very different search capabilities than Web search platforms such as Google or Yahoo!; it requires enterprise knowledge management that features an integrated combination of natural language processing, information lifecycle management, and analytical insight into user behaviors.

No doubt, Web search can be useful for more casual surveying when customers want to browse around for products and options. Enterprise knowledge management on the other hand, is far more effective at providing rapid advice and pinpointing the right answer. When customers want information to answer a specific question, resolve a problem, or complete a business transaction, enterprise knowledge management is the better solution because it is best suited to the primary objective: determining the customer's true intent, and then immediately delivering the most relevant answer based upon this understanding.

By using a search methodology based on intent, delivering directed answers, and closely integrating inquiries with content, enterprise knowledge management increases the “findability” of information—in other words, it helps the user discover a relevant answer in the shortest amount of time. These capabilities, while always vital, are even more so in a social networking paradigm. With them, you can create a richer, more meaningful experience for users and can significantly reduce the time it takes to find the best answer.

The lesson: Already drowning in information, internal and external users can be overwhelmed by the volume of information generated by social networks. To ensure users quickly find the right answer, organizations need to harness an enterprise knowledge management platform.”

By integrating social networks with a robust enterprise knowledge management platform, organizations can ensure that internal and external user searches turn up both approved content from social networks as well as the most relevant content from other established support channels. To further boost efficiency, federated search results should use icons to display the content source, and offer filtering mechanisms to search by content source, to enable users to pinpoint the results.

Conclusion

The proliferation of social networks has presented enterprises with a huge opportunity, a new way to communicate with and learn from customers, in a fashion that they have embraced and are accustomed to. By interacting with customers in this way, organizations can realize significant improvements, not only in customer service, but in product development, quality assurance, marketing, and virtually every other area of a business. By taking a strategic, knowledge-based approach, organizations can most fully leverage the potential of social networks to truly enhance the customer experience and improve business performance in a range of areas.

About the Author

Christopher Hall has over twenty years of business experience as a senior marketing and product strategy professional in the enterprise software industry. Prior to joining InQuira, Hall was the Vice President in charge of the global product strategy initiatives at KANA Software. Earlier, Hall was Vice President of Worldwide Marketing for Chordiant, where he pioneered the company's customer experience (Cx) branding, and he was Senior Director of Product Management for Silknet Software, which launched a successful IPO in 1999.



About InQuira

InQuira Inc. is a leading provider of enterprise knowledge solutions that connect people to the answers they need. Companies around the world rely on InQuira solutions to increase customer satisfaction and loyalty with personalized interactions through Web self service, agent-assisted contact centers, and knowledge intranets. InQuira was founded in 2002 and is headquartered in San Bruno, Calif. More information about InQuira is available at www.inquiracom.com.