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Trusted Advisors to Customer-Centric Executives

# Where Does Support Fit in Your Customers' Lifecycles? Everywhere!

Support Isn't a Stage in the Customer Lifecycle; It's the Engine That Drives It!

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# Where Does Support Fit in Your Customers' Lifecycles? Everywhere!

*Support Isn't a Stage in the Customer Lifecycle; It's the Engine That Drives It!*

By Patricia B. Seybold, CEO and Sr. Consultant, Patricia Seybold Group

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## WHY SUPPORT ISN'T A STAGE IN YOUR CUSTOMER LIFECYCLE

We've seen lots of consultants' and clients' "customer lifecycle" phases. These are diagrams used to map out the stages that prospects and customers typically go through in their relationships with a company's products or services. Consultants, business planners, and technology planners often use these customer lifecycle diagrams to organize their thinking, their marketing initiatives, their CRM initiatives, and even their Web sites.

Recently, we came across a customer lifecycle that looked like this:

1. Awareness
2. Consideration
3. Purchase
4. Usage
5. Support
6. Renewal/Upgrade

At first blush, this sequence of steps seems perfectly rational. The prospect or customer becomes aware that they need a solution to a particular problem, they consider alternative solutions, they select one and purchase it, they use it, they support its use, and, if they like it and want to continue, they renew it and/or upgrade it.

The problem that arose in actually using this lifecycle approach for planning and design purposes was that the support phase was easy to misconstrue as representing the point at which the supplier's own customer support activities would come into play. The misinterpretation of this customer lifecycle diagram was particularly problematic because it placed support at a particular stage in the customer experi-

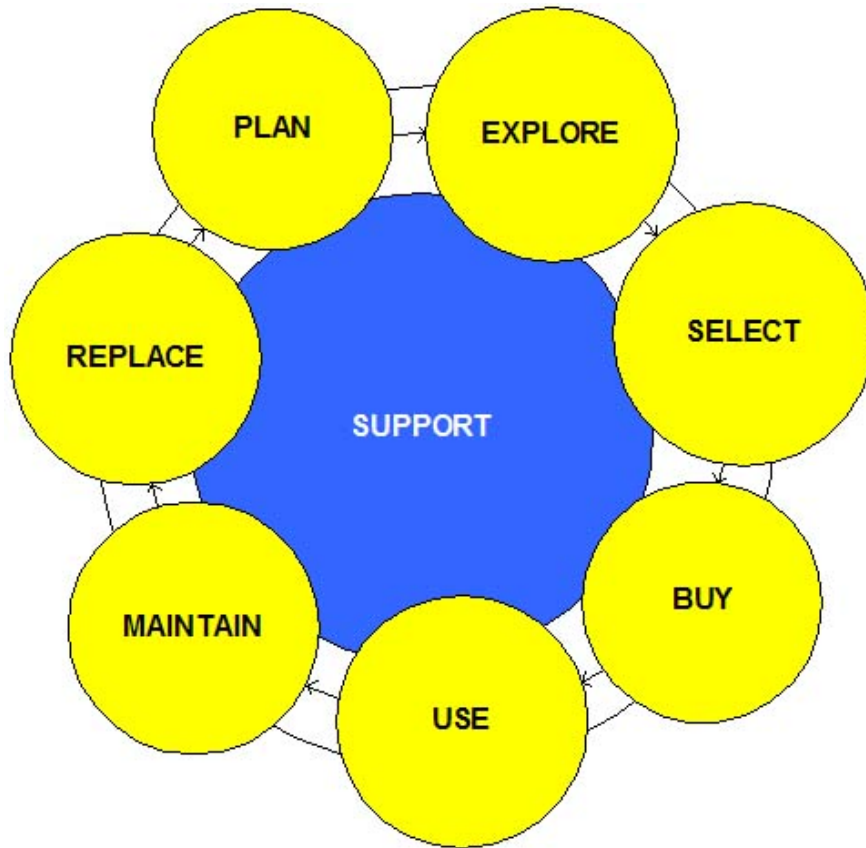
ence journey. Many people in this firm actually thought of support as primarily a post-sales activity—helping customers get their products to work or helping customers administer their products.

Yet, as we all know, customer support isn't just one stage in the customer's lifecycle. Customer support should be the engine that drives *every* stage in the customer lifecycle. For example, customers who are buying and using software typically need support when they are trying to get something handled, fixed, or resolved in any of the following stages:

- planning, scoping, and budgeting projects
- exploring and learning about options
- selecting and evaluating products; designing and configuring solutions
- negotiating and purchasing products; receiving the correct products and/or changing their minds
- learning to install, test, and use products; customizing, integrating, and deploying products
- maintaining solutions
- replenishing, upgrading, renewing, or replacing products

At each of these steps in a customer's relationship with your products, services, and company, she expects you to provide proactive support. (See Illustration 1.)

### The Customer's Lifecycle for Software Solutions



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*Illustration 1. Here we show a typical customer lifecycle for software solutions. These are the stages that a software buyer (corporate, small business, or even consumer) typically goes through in the acquisition and usage of software products. We believe that customers need proactive customer support at each stage in this lifecycle.*

#### **CAN YOU AFFORD TO PROVIDE PROACTIVE SUPPORT THROUGHOUT YOUR CUSTOMER'S LIFECYCLE?**

Phone support is costly. Online chat support is expensive, too. Email support can be automated, but it may not yield prompt or satisfactory results. Knowledgebases and FAQs are only really useful when the particular answer the customer needs is the first one he or she finds.

#### **You Can't Afford Not To**

Yet, unless you give customers the answers they need when they need them, they'll be out of your life forever. The cost-effective and customer-friendly

solution is not to skimp on support, but to integrate support tightly into every phase of your business, from product design and development, through product merchandising, to fulfillment, usage, upgrading, and even retirement or replacement.

#### **You Need a Continuum of Support Options at Each Phase of the Customer Lifecycle**

There's a continuum of support options available to you. Listed in the order of the least expensive to the most expensive to provide, they are:

1. **Self-Evident and Intuitive Usability.** The best support is not to need it at all. For many categories of products (software, toys, books, con-

sumer electronics, subscriptions, memberships, and even apparel), if your products and your self-service Web site are completely intuitive and self evident, a large proportion of customers (in many parts of the developed world) won't pick up the phone, click on the chat button, or email you for help.

2. **Proactive Email and Phone Notifications.** You can avert a large number of calls and emails by proactively alerting customers about the things they care most about: account updates, bill payment, shipping status, renewals, and so on.
3. **Web or IVR Customer Self-Service.** If the customer knows what they need to know and can quickly find the answers and take action on the Web site or using a touch-tone phone, they'll be happiest. At each phase of the customer life-cycle, you should know what customers' most frequent issues and concerns are and provide fast paths from your Web site. These include popular software downloads and updates and frequently asked questions about product features, functions, pricing, and availability. Internal selling ammunition, such as client lists, customer case studies, and testimonials, fall into this category. So do evaluation tools like customizable side-by-side comparison charts and easy-to-try and -buy evaluation kits.
4. **Guided Computer-Assisted Self-Service.** Natural language search, parametric search, wizards, configurators, recommendation engines, and ROI calculators all fall into this category of tools.
5. **Task-Specific Customer Support.** If you can tell what scenario a customer is trying to complete (product selection, installation, troubleshooting, account maintenance) and what task they're on within that scenario (step three in installing the software, trying to access my company's account information), you can propose solutions to them proactively. Solutions might

*The cost-effective and customer-friendly solution is not to skimp on support, but to integrate support tightly into every phase of your business.*

include presenting the customer with the "right" answers from your FAQs or knowledgebase, offering an online chat option (with the customer support representative having a record of what steps the customer has just been through), or proposing a solution before sending the customer's email and asking if that solves the problem (often referred to as email deflection). These are all proactive solutions that will often delight customers and keep your costs down.

6. **Automated Problem Detection and Resolution.** Of course what most customers would like is for you to avoid and prevent any problems or issues from occurring by knowing where the snafus are likely to arise and automatically monitoring and fixing problems before they occur. You should identify the problem areas that cause the most pain and expense for your customers, make these your highest priority, and invest in automating your monitoring, exception handling, notification, and problem resolution. Examples might include electronic troubleshooting, diagnostics, and recommendation.
7. **Human Problem Resolution.** Getting someone on the phone is the most costly solution for both the customer (in terms of wait time) and for your firm. Yet there are large categories of issues that are most quickly and efficiently resolved by phone on both sides. Don't shy away from offering the human touch. Make it available at every stage in the customer lifecycle, make it easy, quick, and pleasant for the easy-to-handle things (account maintenance, quick trouble-shooting, renewals, order-taking, change orders). Use incident-tracking software to log all customer issues that require resolution and notification. Make sure that customers receive proactive notifications of the status of their incidents, and make sure they can access and update their own problem tickets and escalate their importance.

Some customers will always want and need hand-holding. Yet at each stage in your customer's

lifecycle, you should focus on providing all seven of these options wherever practical. You'll learn from the issues that send customers from level 1 to level 7 what you need to fix, what you should automate, and what problems you should be able to avert.

Best practitioners monitor customers' online search queries and results, emails (categorized by issue), and phone calls on an hourly basis, looking for places they can improve the customer experience. They also quickly spot problems with the new Web site or IVR scripts that are crippling the usual smooth resolution of standard questions. By catching and fixing issues quickly, they spot product defects, remedy merchandising misses, flag accounting issues, and highlight broken business processes that get in a customer's way. Constant monitoring and continuous improvement prevent customers from needing to drop to a deeper level of support.

### **BIGGEST CULPRITS**

In running through thousands of customer scenarios with customers across many industries, we've learned that proactive status reporting and notification will alleviate customers' most common sources of annoyance.

Bad merchandising and bad product/service design come next as the causes of customer frustration.

The next set of issues typically revolve around the "You don't know my situation and my context" problem.

### **Status Reporting**

The most inexcusable source of customer support calls are the ones from customers who can't determine the status of their interactions with you. The first place to fix customer support is to find every group of phone calls and emails that arise from status inquiries: Where's my product? Has my order been processed? Have you given me credit? Where do you stand in resolving my problem? Then you can automate the proactive notification and Web reporting of status and account updates for each of

these types of status inquiries. Note that new offers and marketing campaigns often bring a new source of status inquiries. Many companies are reactive, rather than proactive, in anticipating these kinds of calls. For example, one colleague who activated her new prepaid cell phone on the virginmobile.com site in response to a "free minutes if you sign up now" offer had to call (twice, because she got lost in the IVR) to ask where her free minutes were, since they didn't appear on her account balance on the Web site.

### **Product Merchandising: Helping Customers Make Decisions About Which Products to Buy**

We never cease to be amazed by how hard it is for customers to select and buy many kinds of products online. There's no excuse for bad merchandising. Merchandising is the art of helping customers make buying decisions. If customers can't find all the information they need to select and buy products from you online, if they need to call to get help in the select and buy process, you have a lot of work to do. You may choose to drive

customers to channel partners or to the phone or to face-to-face sales representatives for business reasons. But if customers can't make and execute a select and buy decision on their own, via the Web, your sales people and your channel partners are also going to have problems doing so. The best approach to making it easy for customers to buy your products is to design for complete customer self-service and provide those same tools (and more) to the employees and partners who assist customers in wending their way through the select and buy scenario.

The most common merchandising issues revolve around confusing product descriptions, lack of price and availability information, and the inability for customers to sort, select and compare products against the parameters and dimensions they care about the most.

Although issues with select and buy show up when customers map out their desired scenarios,

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they may not be showing up as the most frequent issues on your contact center logs. Why? Customers who have difficulty figuring out which products to buy are not likely to pick up the phone and ask. Instead, they'll go elsewhere. Usually, they just go to a competitor's site. We found one customer, desperate to understand the distinctions among different software bundles, who drove to a retail store to read the descriptions on the boxes. That's sad.

### Product Design and Usability

A big driver of customer support calls revolves around product issues. If your products aren't easy to understand, learn, install, and use; if they break or tear; or if they are not completely intuitive and customer friendly, you'll be bargained with customer support calls. The best way to address these issues is to design usability into all products and product-related processes. In the high-tech, consumer electronics world, Apple Computer remains the leader in product design and usability. It sets the benchmark.

*You should always begin your customer data cleansing efforts by letting customers access the information they need about their accounts and their situations, and then make that same information available to your marketing and sales organizations.*

### Customer Account Issues

Another culprit and driver of support issues involves customer information. What can customers find out about their own interaction and transaction histories, and what information do you provide to them (and to those who serve them) about their account profiles, the products they've bought, and the status of everything they've ever purchased?

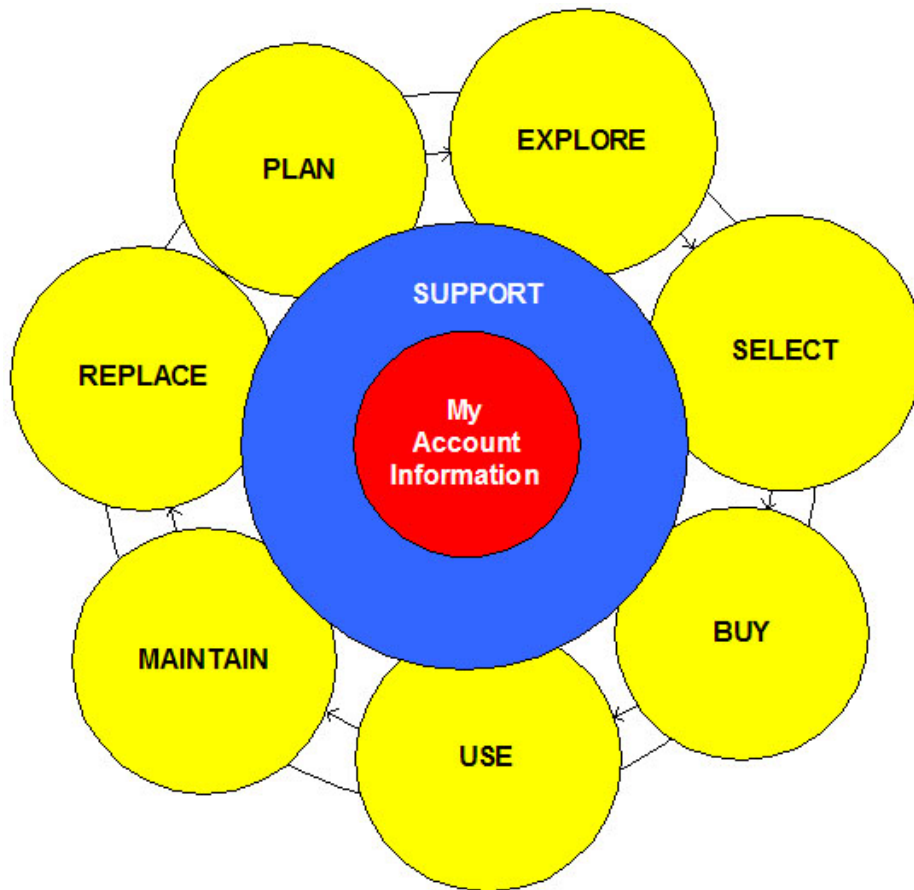
Most companies focus on trying to pull together customer information so that they can market to customers and do a better job of sales opportunity management. What customers typically want is for you to show *them* accurate information about what they've bought, what issues they've had, and where they currently stand. You should always begin your customer data cleansing efforts by letting customers access the information they need about their accounts and their situations, and then make that same information available to your marketing and sales organizations.

What we find is that, as soon as a customer needs help resolving a problem or an issue, they'd like to be able to see the following information about their own situation (ideally on a customer-specific account/profile page) and to deal with people on the phone or in person who have the correct answers to the following questions:

- Do you know who I am?
- Do you know what I do (my role)?
- Do you know my relationship with you?
- Do you know my account profile?
- Do you know my preferences?
- Do you know my assets, inventory, configurations?
- Do you know my history?
- Do you know my current situation?
- Do you know what I care about (in this context)?
- Do you know what I need?
- Do you know how I can get it done?

Since most customers want to see your versions of the answers to these questions and are willing to share a fair amount of context with you when they need help, your customer lifecycle diagram should include customer account management at its core. (See Illustration 2.) The customer information that ideally should be available to the customer and to those serving the customer should provide the answers to the questions above.

### The Core of the Customer's Lifecycle for Software Solutions



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*Illustration 2. Account management should be at the core of your customer support strategy. Customers (both business and consumer customers) need to be able to access their own account profile information and to know what they have bought and installed, when licenses expire, and what the statuses are of any issues or requests that are pending resolution.*

#### **BEST PRACTICE**

#### **Customer Experience and Support Drive the Business**

You can learn a lot about how to use customer support to drive your business processes by watching some of the leading direct merchants. Two of my favorites are Lands' End and L.L. Bean. In both of these companies, end-to-end customer experience drives every business decision, from what products to develop and feature, to how to describe and merchandise them to make them easy to understand and

buy, to fulfillment, returns handling, customer account management, gift-giving, and referrals. Both merchants are very successful multichannel retailers. And, in both company cultures, customer experience and customer support are tightly integrated into everything the companies do.

Every product design, catalog placement decision, change in logistics, marketing offer, and loyalty program—even every in-store promotion—is tested and vetted with the respective company's customer support operations. Both Lands' End and L.L. Bean have a single customer support operation—the same group handles phone support and Web support

issues, as well as online chat and email. Customer support issues are monitored hourly, and changes are made to any business processes that impact customers as quickly as possible.

## THE REALITY IN MOST ORGANIZATIONS

### Support Is Fragmented and Separated in Silos

We work with many companies in lots of different industries. While each of our clients wants to provide a great customer experience, there are usually organizational roadblocks and functional silos that continue to get in the way.

### Today's Support Organizations Are Fragmented and Specialized

All too often, we find that customer support organizations are chartered with supporting specific parts of the customer's lifecycle. There are often separate after-sales support and pre-sales support groups. There are different support groups for addressing problems with specific products. There are distinct customer support groups to help with billing, returns, or renewals. There are usually other support teams helping salespeople or partners move the customer through the sales cycle, from planning and learning through purchasing.

### Fragmented Customer Support Can't Handle Customers' End-to-End Scenarios

Yet what we've found is that customers' scenarios typically cross these areas of expertise. A customer who is having difficulty getting a product to work correctly may want help diagnosing the cause, may try a recommended solution, and then decide to replace or upgrade with a new product. A customer who wants to get ballpark pricing for budgeting purposes may also have difficulty when downloading and installing a trial version. A customer who wants help transacting a purchase may also need help understanding how to customize and integrate the new solution into her current environment.

### Today's Ebusiness Organizations Are Often Distinct from Contact Center Operations

We never cease to be amazed that the majority of ebusiness organizations, Web site teams, customer portal projects, and ecommerce sites still operate independently from their organizations' call centers. In fact, most ebusiness sites still have their own separate and distinct contact center support—a group with the job of assisting online customers. Yet the majority of customers' scenarios typically zigzag back and forth from the Web to the phone as the customer moves from her office to her car, or calls to make a change to an order she placed online. Many ebusiness sites are accommodating customers' cross-channel scenarios by adding online chat functionality to sections of their Web sites. But too few ecommerce/ebusiness groups are run by the same folks who run the contact center support operations. The

Web site is typically viewed as a marketing and/or sales arm, while the contact centers are often seen as customer support, telemarketing, and order-taking operations. Yet from your customers' points of view, your Web site and phone support should be completely integrated.

Customers' phone issues should drive daily Web updates and fixes as well as product development and business process changes.

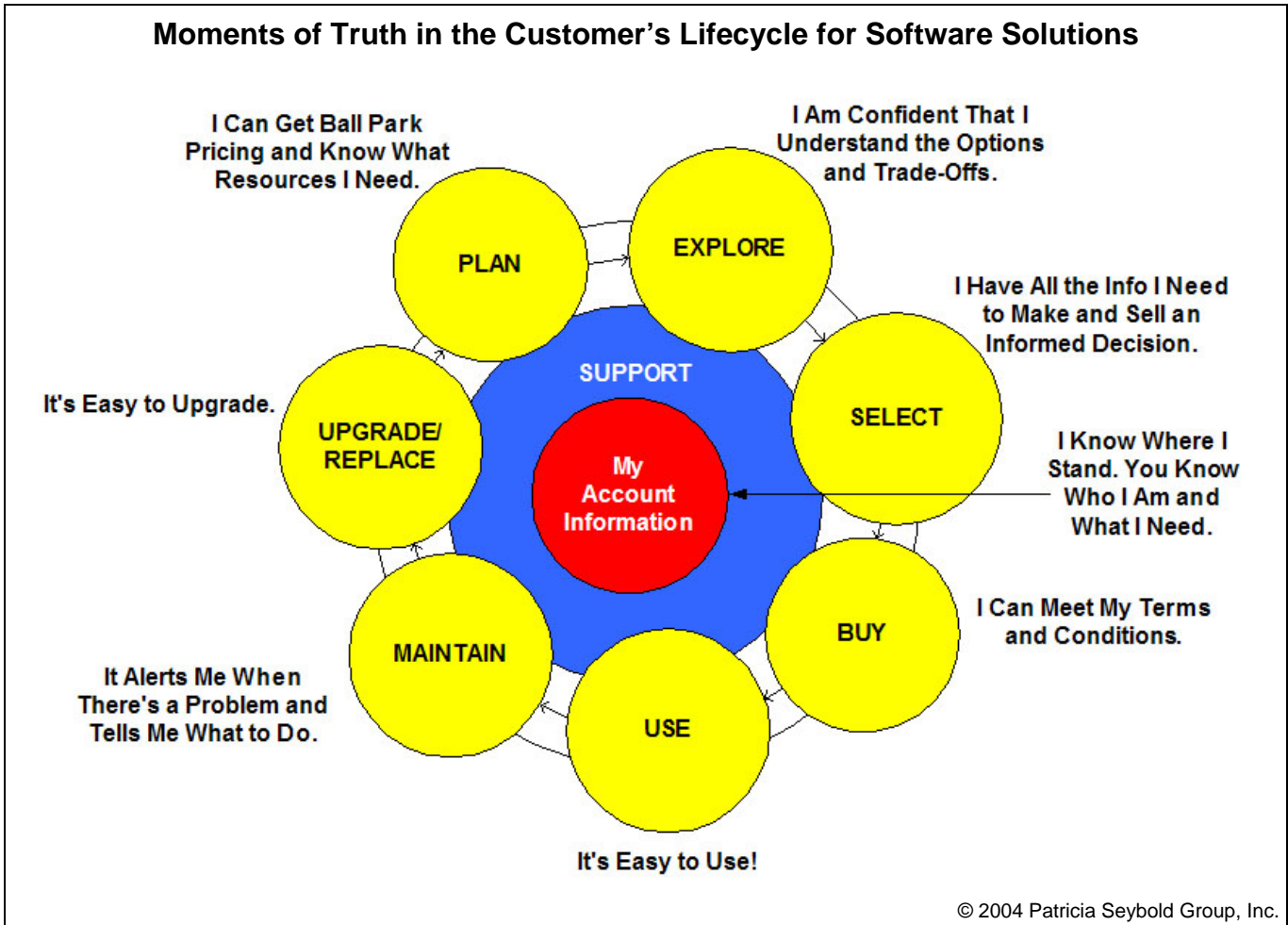
### Today's Online Product Catalog Is Often Separate from Pre-Sales and Post-Sales Support

Many organizations separate product marketing and shopping from customer support. Yet we've found that customers buy products as part of other activities. They are trying to repair or replace something. They are trying to get a project accomplished. They are trying to plan a strategy or a roadmap.

As you refine your product merchandising, don't make the mistake of separating product decision-making information from the other phases in the customer lifecycle. Customers will want and need product information, attributes, characteristics, and descriptions throughout their lifecycles.

*Too few ecommerce/ebusiness groups are run by the same folks who run the contact center support operations.*





*Illustration 3. In redesigning your customer experience and your business processes from the customer back, use customers' moments of truth to guide you. At each phase of their own business processes, customers will tell you what they care about the most. Here's a summary of the kinds of moments of truth we typically find for product evaluators, end users, and maintainers as they move through the software ownership lifecycle.*

Ideally, the information you use to *sell* your product should include all of the information customers need to *use* your products and services.

### **THE REALITY IN MOST ORGANIZATIONS**

#### **Functional Silos Raise Customer Support Costs and Lower Customer Satisfaction**

Accounting, purchasing, fulfillment, product development and design, marketing, merchandising, sales, partner sales and support, and operations all impact your customer experience. Your internal functional specialization is the enemy of supporting seamless customer processes. As you redesign your

internal business processes and/or gather customer requirements for new initiatives, you should assemble teams across these functional silos and have them work with customers to map out customers' ideal processes—what we call Customer Scenarios®. That's the fastest way to pinpoint and prioritize all the issues that need to be streamlined across and within functions.

The best way to improve your customer experience and to lower your customer support costs is to let your customers' ideal experience drive the business process improvements you need to make to streamline your own operations.

You must tackle customer experience and customer support end-to-end by understanding and

streamlining customers' business processes. And you must do this for each customer role that needs to interact with your firm (evaluator, technical support, procurement, end user, business decision maker, etc.). If you don't, you will continue to have high support costs and high customer dissatisfaction.

## THE SOLUTION

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### **Customer Experience and Customer Support Should Drive Your Business Initiatives**

Integrated customer support is the engine that should be driving process improvement in your business. Yet most companies still put product de-

velopment or sales in the driver's seat when it comes to setting business priorities. Our experience in working with companies that are willing to redesign themselves from their customers back is that sales increase, profits improve, and operational effectiveness improves. There are also major corporate culture benefits. If everyone in your organization is aligned around customers' business processes—your customers' Customer Scenarios—it's much easier to gain consensus across departments and divisions about funding and staffing priorities.

Start your customer experience and customer profitability improvement process today by increasing the strategic importance of customer support to your business. End-to-end customer support is the engine that drives customer loyalty.