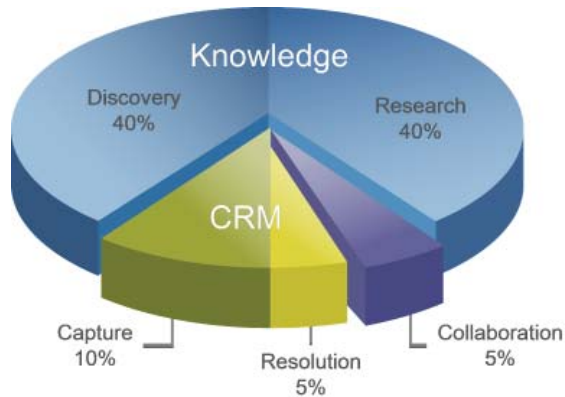


Five Key Benefits of Knowledge Management in Customer Service

Seeking to improve the efficiency and effectiveness of customer service, leading enterprises have turned to knowledge management—and realized significant, quantifiable benefits. This paper outlines five key areas in which knowledge management enables customer service improvements, drawing tangible results from real-world customer deployments.

Introduction

As companies support more complex products and broader product portfolios, the challenges of quickly and efficiently resolving customer issues multiply. The result is fewer cases are resolved with the first call. Even with significant technology investments, Technology Services Industry Association (TSIA) members report a 24% net decrease in first-call resolution between 2003 and 2010¹. Why is this happening?



80% of the time agents spend on the phone is associated with research and discovery.

Contact center investments have focused on telephony improvements, skills-based routing, workforce management, and CRM applications, but the key area that has been woefully under-funded is knowledge management. These other investments, while important, only address 20% of service call times. Most of the time agents spend on the phone is engaged in research, discovery, and communication of their search results to the customer.

In this e-book, we'll discuss several case studies that illustrate five key areas where knowledge management can deliver significant improvements in customer service.

“Even with significant technology investments, Technology Services Industry Association (TSIA) members report a 24% net decrease in first-call resolution between 2003 and 2010. Why is this happening?”

Reducing Research Time

By understanding the customer's intent and delivering accurate and consistent answers to the contact center desktop, you can cut costs, reduce average-call-handle-time, and improve the overall

¹ TSIA member benchmark report for 2010, J. Ragsdale

customer experience. This is easier said than done. Agents typically must find answers to service issues hidden in a multitude of sources, including product manuals, marketing collateral, corporate policies, bug databases, case notes, etc. Requiring agents to sift through multiple applications and thousands of irrelevant and outdated documents takes time and leads to an expensive support call as well as frustrated customers.

A knowledge management system equipped with powerful search that scans the enterprise to bring back only the snippets of knowledge relevant to solving the issue is crucial to reducing research time. Furthermore, an agent should never have to research a query that's already been answered. Through case linking and rapid inline creation of knowledge, enterprise-wide searches can be reduced as the system becomes smarter and more efficient.

As an example, by arming their front-line agents with fast, convenient access to the most relevant information, one InQuira customer has increased their first-contact resolution rates from 40% to more than 65%. In addition, these tier-one agents can now handle more calls because their research time has been reduced by 55%. Plus, they're far less likely to escalate calls to more technical personnel.

“By arming their front-line agents with fast, convenient access to the most relevant information, one InQuira customer has increased their first-contact resolution rates from 40% to more than 65%.”

As their director of global support says, “With InQuira, we can ensure both that we’re providing fast, intuitive access to information, and that we’re delivering the right information. Ultimately, InQuira helps us provide a superior customer experience—while enabling our support organization to be much more efficient.”

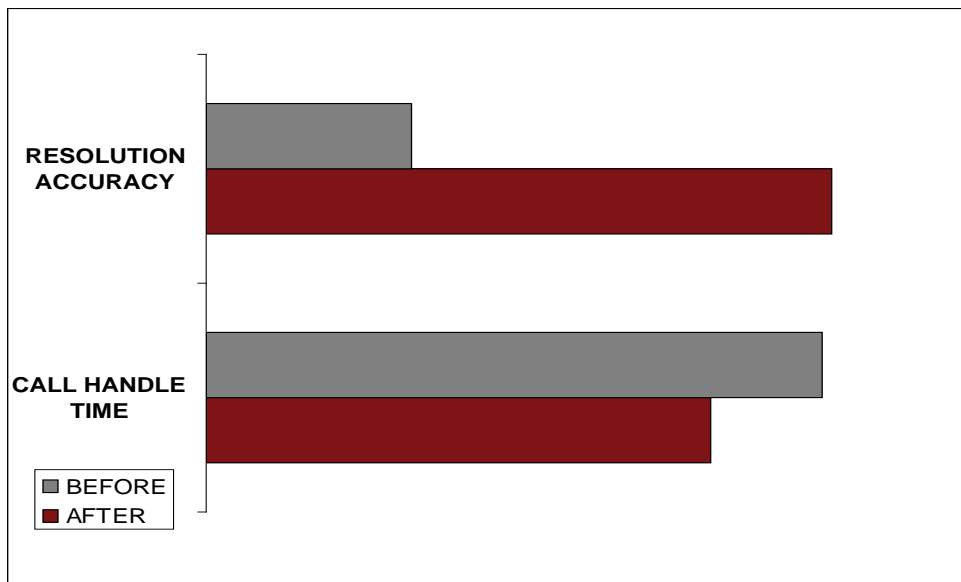
Increasing Resolution Accuracy

Most questions can be asked in a multitude of ways, such as “upgrade service,” “how do I upgrade,” “what are my upgrade options,” etc. But traditional search and content management engines interpret each word in these questions separately, bringing back hundreds if not thousands of irrelevant results. A knowledge management solution that understands customer intent—including special terms such as product names and industry jargon—and maps the inquiry to pre-defined results, or that uses intent to intelligently navigate enterprise content, is the only way to guarantee a high degree of accuracy.

“After implementing InQuira, the resolution accuracy of the first search by contact center reps increased to over 85%.”

When the success of your insurance business demands that accurate answers be delivered to more than 70,000 independent agents as they write new policies, there is truly only one solution: knowledge management.

A well-respected specialty insurer discovered that their contact center representatives were struggling, achieving only a dismal 28% accuracy rate in their response to agent inquiries as they scoured PDF documents and regulations that were stored in multiple databases. As the independent agents depending on this critical informa-



After implementing InQuira, a specialty insurer realized significant improvements in accuracy and speed.

tion could write policies for a number of competitive carriers, this metric was certainly not encouraging new business.

After implementing InQuira, the resolution accuracy of the first search by contact center reps increased to over 85%. As an added benefit, call times were reduced by an average of 22%. These improvements in support consistency and research accuracy led to a 35% increase in the number of new policies written over a one-year period.

Reducing Training Time

Training and nurturing contact center agents is a critical step in building customer satisfaction and loyalty, but it's also expensive and time consuming. Agents are the “face” of your company, so it is vital that they are seen as intelligent and responsive.

Agents must be trained not only on your products and services but also on how to access information. Time spent learning how to navigate multiple applications where content may be stored—and the individual search terms, tips, and tricks for each application—can add days if not weeks to training. A single knowledge management platform with an intuitive interface dramatically reduces this type of training time.

One of the world's leading research and development enterprises discovered these uncomfortable truths as their help desks, call center agents, and sales divisions gradually became less and less effective. The implementation of a centralized, comprehensive knowledge base powered by InQuira helped turn these factors around, reducing technical service agent training time by 20% and cutting retention-related costs by more than 3%. At the same time, customer satisfaction ratings increased by 10%.

“The implementation of a centralized, comprehensive knowledge base powered by InQuira helped turn these factors around, reducing technical service agent training time by 20%.”

The global project manager who led this initiative had this to say: “With the help of InQuira we can deliver a knowledge management tool that will better enable our employees, both new and experienced, to quickly get the information they want and need.”

Managing Increasing Service Volumes

As industry consolidation and acquisitions build the customer base for many survivors of the recent economic downturn, the need for more efficient customer support is rapidly surfacing. One InQuira customer experienced this effect first hand. Following a key acquisition of one of their competitors, this company saw their call volumes triple, while agents struggled to access siloed information stores and isolated support resources. Their previously profitable service offering quickly became a cost center and the support experience for their customers deteriorated to the point where their e-mail servers were filled with “hate mail”.

“By allowing customers to effectively search for consistent and accurate answers via the Web channel, they saved \$5.8 million in the first year.”

Knowledge management can help scale existing agent resources to handle increasing volume by helping them work more efficiently. Through the knowledge management platform, inexperienced agents learn from institutional knowledge. It can help reduce the time it takes even top agents to do research while improving their accuracy and their access to distributed knowledge sources.

One year after implementing InQuira, this organization’s customer support Web site was named one of the “Top-Ten Web Support Sites” by the Association of Service Professionals. In addition, by allowing customers to effectively search for consistent and accurate answers via the Web channel, they saved \$5.8 million in the first year.

In a second example, one of the UK's leading wireless telecommunications providers has shown that call deflection can not only save significant money in the contact center, but it can also reduce customer churn. When they started on this journey, it required an average of eight calls to resolve customer issues with some of the newest smart phones. With the help of InQuira, they have adopted online customer discussion forums that handle more than one million hits and resolve as many as 7,000 cases per month. As the head of e-services notes, "If we had to staff for this volume in the contact center, we would need to hire 19 additional agents." Not only has their effort paid off in cost savings, but their discussion forums have created a self-help community of users that have a greater sense of loyalty to the provider and their fellow customers.

"The number one advantage that a comprehensive knowledge management platform can provide is insight."

Creating Service Insight

The number one advantage that a comprehensive knowledge management platform can provide is insight. This type of service insight can be used to push more interactions to the Web channel by improving answer delivery and consistency. It can help you pinpoint where online-to-assisted channel escalations are coming from and how to prevent them. It can show you where you may have knowledge gaps and where to take corrective action. And it can show you emerging service issues through the moderation of discussion forums.

By enabling ongoing learning and easy authoring and editing, effective knowledge bases can foster improvements in every front-line interaction. By analyzing Web sessions and presenting the results to a representative's desktop along with an escalation call, the agent can focus on providing new information, rather than repeating the answers a customer may have already tried. This type of multi-

channel integration not only reduces call handle time, but also improves the customer's experience.

When the CSR discovers the right answer for the customer, he or she can easily add that content to a knowledge article or recommend the solution to the technical authors for review and adoption. Once published in the knowledge base, this new solution can be quickly utilized by others in the contact center as well as on the Web self-service site and in customer discussion forums.

"We have over 1500 technicians worldwide, and any one of them can start a document and submit it to a global document flow process. You need a strong tool to facilitate that. That's why I'm excited about partnering with InQuira," says the director of global online services.

The One-Second Productivity Increase

You may have already invested heavily in a CRM or contact center desktop application. Even with all the proven productivity increases you've read above, you're probably asking yourself, "Why should I put knowledge management on the CSR desktop? My agents are already overloaded with Alt-Tab functions and myriad system log-ins."

The good news is that you don't have to add to that burden. InQuira has created deep integrations with the most popular CRM applications, including Siebel, Oracle Contact Center, Oracle CRM On Demand, and SAP CRM. Your agents do not need to switch applications or log in separately to gain the benefits of knowledge management. InQuira answers can be easily linked directly to the customer's case and re-used by others in the contact center to solve similar problems.

This integration significantly reduces the time-to-resolution for novice agents as well as more experienced representatives. As shown in the equation below, the savings of even one second can have a

tremendous affect on contact-center economics:

- Average cost per call = \$8.162
- Average call time: 7.56 min² (454 seconds) = \$0.02/second
- Average calls per agent per day: 72 x 500 agents = 36,000 calls per day
- Save one second per call per day and you can save \$262,000 per year

So, can having a knowledge management application integrated into your existing CRM desktop save you one second per call? How long does it take you to switch applications on your desktop and get acclimated to the new interface? I'm betting it takes longer than a second.

Conclusion

Looking ahead, the challenges of customer service and support will only get more complex and more demanding. Reducing research time, improving search accuracy, cutting agent training requirements, managing increasing service volumes, and gaining service insight will all be instrumental in helping to build your brand value while simultaneously managing the costs of your customer support operations.

Whether your focus is on reducing costs or improving the customer experience, there has never been a better time to investigate the benefits and productivity improvements enabled through the implementation of a complete, comprehensive knowledge management platform.

2 Benchmark Portal, Purdue University, Center for Customer Excellence

For More Information

If you would like more information about InQira solutions, please contact us at (650) 246-5000 or visit our Web site at www.inqira.com.

About InQira

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



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