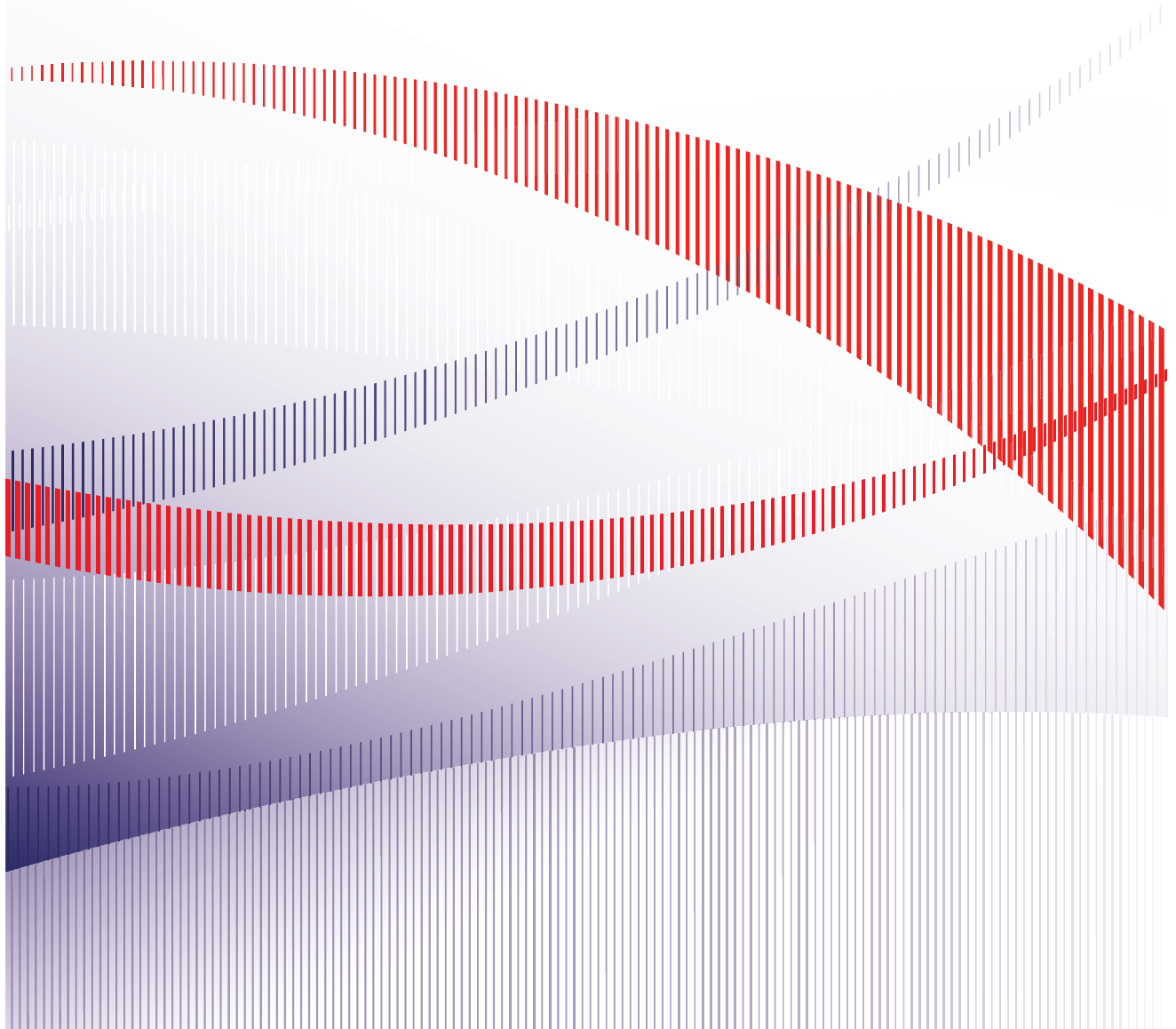


Hardware and Software
Engineered to Work Together

EXECUTIVE STRATEGY SERIES

SERVICE

Customer Experience: Empowering People. Powering Brands.
With Oracle Service Solutions.



ORACLE®



Introduction

The tide has changed. “Let the seller beware” is the new rallying cry. And with good reason. Your customers are gaining more power over your reputation and influence. With the increase in social awareness, customers have ready access to other customers’ experiences with your service, which may hold more credibility than your corporate messaging.

According to the 2011 Customer Experience Impact (CEI) Report commissioned by RightNow (acquired by Oracle in March 2012) and conducted by Harris Interactive, 89 percent of customers stop doing business with an organization after a single bad experience. With the increased visibility of all brands, customers not only discuss their buying experiences publicly but also discuss how well they are treated after the purchase. Service and support experiences are affected by how well you address customer inquiries and provide a consistent and personal experience across service channels. How you respond to these challenges can differentiate against your competition and determine whether customers continue to do business with you.

In this executive strategy brief, we will explore the role of service and support in creating great customer experiences, the service goals market leaders use related to customer experience, the Oracle approach for empowering new service experiences, and how Oracle’s service solutions can help organizations create and manage their own great customer experiences across all channels, touchpoints, and devices.



The Role of Service and Support

Customer experience is the set of perceptions a customer has with a supplier of services or products throughout that customer's experiences of buying and using what that supplier sells. Positive customer experiences result in customer behaviors that enable businesses to attract more, retain more, sell more, sell for more, and do more.

The RightNow and Harris Interactive study found that the #1 time when customers recommend a company is after they had an outstanding service experience. Of perhaps greater interest is the news that 86 percent of customers claim they would pay more for a better service experience.

On the other hand, and even more staggering, is that 89 percent of customers stop doing business after one bad experience. Sadly, 79 percent of customers who shared complaints online had their complaints ignored. If the complaint gains visibility—or worse, goes viral—it can impact thousands of potential customers, diminish future revenue, and tarnish the value of the brand.

Customer experience is often categorized in three dimensions: retention, efficiency, and acquisition. Let's consider what your company does to provide customer service in those three dimensions:

- **Retention.** Establish trust while building lasting customer relationships through positive service and sales interactions.
- **Efficiency.** Eliminate waste and add maximum value for efforts performed while serving needs in the most cost-effective manner.
- **Acquisition.** Deliver experiences that leverage your customers in growing your business, improving revenue, and adding customers—while selling more products and services to current customers.

Taking a problem situation and converting it into a positive customer service moment will influence a customer's loyalty to your brand. Good experiences often lead to positive social media interactions. According to Harris Interactive, more than one-half of customers broadcast their positive experiences. In this executive strategy brief, we explore how an organization minimizes the negative interactions and increases the positive interactions that drive customers to embrace your products, services, and brand.

Goals for Service Leaders

Organizations that lead their markets in service and support consistently identify several key goals across the three customer experience dimensions:

Retention

- **Improve service quality and reliability.** Increase customer satisfaction (CSAT) and related metrics by combining knowledge, processes, resources, and action to deliver consistent and positive service experiences.

- 
- **Improve cross-channel support.** Improve the Customer Effort Score (CES), a measurement of the degree of customer effort required during a service request, by delivering service that is easier to engage reliably across all channels.
 - **Drive loyalty and advocacy.** Increase the Net Promoter Score (NPS) of promoters to detractors to decrease churn by increasing positive service surprises—not just positive interactions.

Efficiency

- **Improve self-service.** Increase customers' self-service success rate by using the collective knowledge of employees, customers, and partners to resolve more customer issues while driving down support costs.
- **Increase productivity.** Close more cases faster and more reliably by empowering agents with advanced triage and resolution capabilities, thereby reducing cost per phone call, e-mail, chat, or social interaction.
- **Decrease operating costs.** Reduce selling, general, and administrative (SG&A) expenses by reducing reporting burdens and other operating costs.

Acquisition

- **Generate more opportunities.** Improve the engagement between the marketing, sales, and service teams—and leverage customer social community interactions—to increase traffic, opportunities, and leads.
- **Drive conversion rates.** Increase conversion rates through streamlined communications, easy access, collaborative selling, and personalized offers.
- **Increase average order size.** Sell more with each order by leveraging customer and product knowledge together. Understand customer intent and increase customer self-service capabilities so you can recommend personalized products and services.

Self-Assessment

To determine the right customer service goals for your organization, it's important to do a self-assessment. That way, you can understand where you are now and where you need to go.

- What activities and metrics have you identified for improvement?
- How do your top business challenges and objectives impact retention (service quality and reliability, cross-channel support, loyalty, and advocacy)?
- How do your top business challenges and objectives impact efficiency (self-service success, agent productivity, and service costs)?
- How do your top business challenges and objectives impact acquisition (opportunity generation, conversion, and order size)?

CUSTOMERS TRUST CUSTOMERS MOST

Customers use social channels to help each other

- Research
- Select
- Use
- Maintain
- Recommend

The Oracle Approach for Empowering New Service Experiences

Consumer and business customers move back and forth through a continuous experience lifecycle, from buying through owning. No longer is it viable to separate the “research,” “pick,” and “pay” moments from the “use” and “maintain” moments. Exceptionally positive customer experiences are seamless across the “buy” and “own” phases. Companies need to integrate their customer touchpoints to deliver seamless customer experiences.



Customers are interacting with one another across differing phases of the customer experience lifecycle. For example, customers in the “own” phase can easily influence customers in the “buy” phase. Customer testimonials—and complaints—are easy to find in the socially networked world. You need processes that amplify positive engagement and turn your customers into promoters to help you increase sales. In addition, today’s connected customers trust other customers and “friends” more than company communications for help or recommendations. The greatest business success comes when customers in the “own” phase connect with and become trusted advisors to the potential customers in the “buy” phase. Finally, expect customers to use multiple channels for customer service issues, such as the company Website, social sites, and the contact center.

Delivering a consistent, connected experience across customer service touchpoints requires investments in systems and processes to ensure that customer data and relevant knowledge are available in real time across the enterprise. We see some organizations spend millions of wasted dollars to keep fragmented experiences and supporting data in sync, whereas other organizations distance themselves from the competition by innovating and responding to customer input. Those who invest in a consistent cross-channel service experience outperform those who simply add more disconnected channels.

“RightNow is a powerful and highly adaptable solution that Nikon has been able to leverage on a global basis to sustain top-line growth, ensure ongoing customer loyalty, boost productivity, and drive down costs. This has clearly been a great investment for us.”

—David Dentry, Senior General Manager, Customer Relations, Nikon



“Oracle Knowledge for Web Self Service, Enterprise Edition empowers our customers to quickly find targeted answers to their questions, providing additional time for our support engineers to focus on complex customer issues and serve thousands of customers effectively and efficiently. It also allows us to better serve a growing install base with more scalable resources.”

—Philip Joung, Senior Manager,
Knowledge Management,
Spirent Communication

COMPLETE SERVICE AND SUPPORT

- Social
- Mobile
- Web self-service
- Knowledge management
- Natural language search
- Contact center
- Real-time decisions and recommendations
- Incident escalation
- Live help
- Warranty management
- Depot and in-shop service (including maintenance and repair)
- Field service
- Preventive maintenance
- Contract and renewal management
- Actionable insight
- Cloud and on premises
- Policy agility
- Decision reporting
- Standards-based integration
- Master data management
- Enterprise-grade security

Oracle Service Solutions

There are three primary goals of an effective service solution:

- Nurture loyalty with every conversation
- Maximize efficiency at each touchpoint
- Create sales opportunities during each interaction

You need a straightforward path that enables satisfied customers to influence potential customers. You need to make it easy for agents to know what customers need. You need to monitor customer interactions to ensure they are having positive experiences throughout the customer lifecycle.

Fortunately, Oracle offers a software portfolio that enables companies to:

- Guide their customers to relevant self-service knowledge, while applying the latest company policies as needed such as with returns or exchanges
- Empower employees to serve customers quickly and consistently across any channel and at customer locations—home, business, or in-store
- Develop and leverage insights to improve service delivery performance
- Increase satisfaction with peer-to-peer and self-service support communities and social monitoring

Each solution is configured to fit your end-customer and business, technical, and industry needs. They are also deployed to fit your timeline and budget. Oracle’s service and support solutions help you overcome common business challenges and achieve key goals:

- **Unified service interactions.** Your customers want to experience your company as a single organization that answers their needs regardless of channel, driving consistency up and agent effort down. You need to provide customers with opportunities to share with each other while you stay engaged. In many cases, you can let customers serve themselves (via self-service) and serve other customers (via social communities).

Oracle offers products that unify service interactions across touchpoints, increasing customer retention. By helping agents resolve issues more easily the first time, you increase efficiency. By providing satisfactory support quickly, you open the doors to new purchasing opportunities.

- **Integrated data.** Silos affect your ability to personalize customer treatment at every touchpoint. There’s often a great cultural and informational disconnect between sales and support in organizations with fragmented data silos and multiple versions of the truth. As a consequence, support may upset a customer who is in a critical buying cycle, or a member of the sales team may walk into a support nightmare when he thought he was going on a sales call.

Oracle offers products that are readily integrated with your existing, valuable business processes, systems, and information repositories. This approach allows you to share an accurate, current record of your customer so customer

“RightNow enables us to get the most value out of every communication channel and every contact center agent. It provides a complete, well-automated environment for getting customers the information they need, when they need it—while at the same time providing us with rich insight we need to ensure that all of our business decisions are truly customer driven.”

—Maryellen Abreu, Director of Global Technical Support, iRobot

experiences are consistent and personalized across channels and interactions. Oracle is a leader in the deployment of industry integration standards, which lowers the cost, risk, and effort over products that do not use industry standards.

- **Relevant data.** Allow everyone real-time access to information relevant for their job. Knowing a customer’s purchase and support history when she contacts you can help you better resolve her issues and even identify sales opportunities.

Oracle is a leader in master data management (MDM)—both structured (rows and columns) and unstructured (text and other), both internal and social. These big data capabilities enable you to eliminate duplicate data, clean up impartial or incorrect data, and distribute this data to authorized people across organizations and geographies.

- **Shorter time to resolution.** Delayed answers can lead to increased support costs and frustrated customers, impacting satisfaction and loyalty. Top-tier service organizations implement knowledge and support processes to resolve issues on the first contact.

Oracle’s patented, intent-based knowledge management capabilities help your staff and customers find useful information quickly via natural language inquiries, rather than imprecise keyword searches.

What if you could identify problems before a customer does? Customer profiling and analytics can help you identify issues and opportunities early. You resolve issues before customers become dissatisfied.

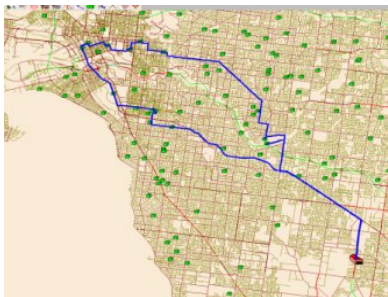
- **Personalized customer experiences.** Customers now expect convenient, personalized responses to complex inquiries. Customers who feel they are getting generic information are more likely to become frustrated ex-customers. Effective, consistent, personalized treatment across channels builds customer confidence and repeat business. Oracle’s policy automation platform enables an accurate and personalized response to even the most-complex inquiries—such as warranty eligibility determinations and service contract calculations—that otherwise may require lengthy live interaction.
- **Fulfilled promises.** Did you promise delivery within a specific period? Have you paid a penalty by showing up late at the customer site? These can cost your organization long-term business. If your representatives are connected to inventory, field agent scheduling, and geographic routing, you can make commitments you can keep. In addition, if you know which services are standard under your warranties and service contracts, you can sell additional services.

Oracle is a leader in enabling service beyond the call center and out into the field. For example, a company’s call center agent can check if a customer’s product is covered under warranty or contract and dispatch a field service technician with the proper parts and a realistic promise time, and then bill for parts and services.



“Oracle’s Siebel Customer Relationship Management is helping us to take our customer service to a whole new level. We can respond faster and more thoroughly to pharmacy customers’ inquiries, expedite service and parts requests, and make more targeted operational decisions utilizing the analytical tools of Oracle Business Intelligence Enterprise Edition.”

**—Gary Johnson, Vice President,
Customer Support, McKesson
Corporation**



Why Oracle?

Oracle is uniquely qualified to support the complete customer experience lifecycle. Rather than offer disconnected solutions to narrow business problems, Oracle helps you with every phase you are trying to improve in the buy/own lifecycle. By delivering exceptional customer experiences, your company can realize business value much like other Oracle customers:

- **Retention.** Improve service quality and nurture loyalty with every conversation, driving brand loyalty and downstream revenues. With Oracle, Nikon raised customer satisfaction scores above 95; Cumis achieved 87 percent first-call resolution; Dell reduced repeat dispatch rate by 25 percent; and eHarmony increased retention rates for the trial subscription by 300 percent.
- **Efficiency.** Maximize efficiency at each touchpoint, increasing agent productivity and decreasing operating costs. Using Oracle, 40 percent of Real Networks customers resolved their problems online without an agent; the City of Sacramento saved US\$700,000 in labor costs; Presbyterian Healthcare Services increased call center productivity by 25 percent; and the U.S. Army reduced agent training time by 50 percent.
- **Acquisition.** Create opportunities during each interaction, raise conversion rates, and increase order value. Oracle’s solutions helped ABN AMRO increase sales leads by 50 percent; IFFCO increase agent-sold revenue by 200 percent; and Telecom New Zealand raise sales conversion to 21 percent using live chat.

Oracle’s service and support solutions include:

- Oracle Knowledge Management
- Oracle RightNow CX Cloud Service
- Oracle’s Siebel Contact Center
- Oracle WebCenter

Oracle Service solutions help companies create great customer service experiences by helping them:

- Engage their customers at the point of need with a consistent, connected, and personalized experience across all digital and human interactions
- Create an efficient fulfillment and service operation, setting accurate customer expectations, anticipating support needs, proactively engaging customers across social networks, and reducing costs across channels
- Convert prospects to customers and move them along the customer continuum from one-time buyers to company advocates
- Effectively manage customer data and interactions; deliver personalized content, information, and recommendations; mine data to uncover hidden



Contact Us

To learn more about Oracle customer experience solutions, please visit oracle.com/cx or call +1.800.ORACLE1 to speak to an Oracle representative.

OUTSIDE NORTH AMERICA

Visit oracle.com/corporate/contact/global.html to find the phone number for your local Oracle office.

opportunities and provide actionable insight to optimize operations; increase effectiveness; and reduce costs

Summary

We have now entered the age of the customer, in which customers are making decisions that often bypass your employees and interact directly with their peers and social channels, while researching on their own via mobile devices. Your customers expect a consistent, relevant, and personalized service experience, and internal applications and systems need to support it. Oracle's customer experience solutions support every step of the customer journey by delivering interactions that are more relevant and efficient, whether for internal use or Web self-service.

Creating great customer experiences starts with knowing exactly who your customers are and their needs, and providing the best recommendations based on their history with your company, as well as what you have learned through their social presence. You need to connect and personalize their experiences as they travel across touchpoints and engage with your brand.

With a comprehensive suite of solutions and technologies for commerce, service and support, sales, insight, loyalty and marketing, and social media, Oracle can address the entire customer lifecycle. You will be able to simultaneously connect and engage customers, learn more about them, and make it easy and rewarding to do business with you. Oracle's customer experience solutions enable you to deliver great customer experiences and profitable customer journeys.



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