

# Building Loyalty in a Web 2.0 World

A Consona CRM White Paper

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Over the last decade, a radical shift has occurred in the way customers interact with the marketplace. The traditional mode of using defined channels of communication has given way to a broad array of connection points. Along with this shift, today's customers have come to expect a higher degree of transparency from firms providing products upon which they rely. Companies that are unsure how to engage in the new paradigm often meet this expectation of transparency with mixed signals. As traditional channels erode, and a broader community ecosystem emerges, companies must rethink their loyalty equation by understanding how to engage in the new environment.

The new environment can drive even higher degrees of loyalty through enhanced customer involvement in many crucial aspects of an organization, including customer support, product management and engineering and marketing. Forward thinking companies realize that engaging in this new 'web 2.0' world requires more than just enabling new channels of communication, it requires a set of powerful tools to coordinate and manage every relevant interaction while providing intelligent feedback to all participants. Architected to enable this new paradigm, a trusted knowledge management suite can serve as a core technology that drives better interactions with your customer ecosystem by building a collaborative environment in which insights, ideas and knowledge can be shared to the benefit of all. Ultimately, this vibrant knowledge sharing leads to greater customer satisfaction and increased loyalty.

## The Role of the Customer Evolves

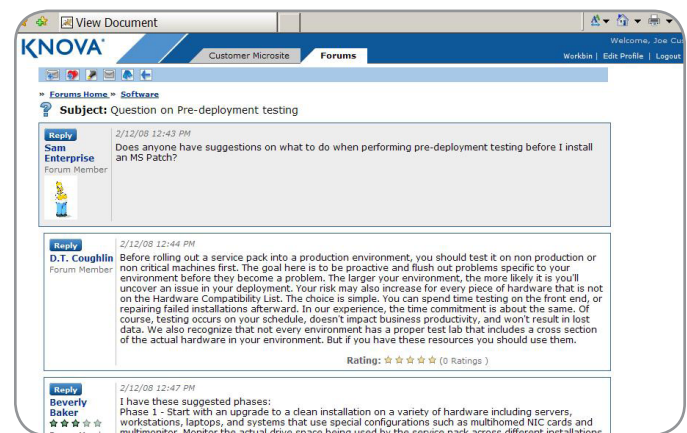
For decades, the support and marketing relationship between a company and its customers was well defined. Companies historically created channels of interaction that enabled customer communication with support, development and marketing. Customers used those defined channels to gain product insights, resolve exceptions and provide feedback to the company. Such a traditional method of relationship management assumed a generally passive customer and a company that was the sole source of expertise regarding its products. Customer to customer interaction was limited, with common examples being company sponsored user groups and mailing lists.

As the Internet began to evolve, the role of the customer began to fundamentally shift. With the rapid expansion of web 2.0 based technologies, today's customer often sees the company as just one of many players in a larger ecosystem around the organization and its products. While companies often remain a dominant player in that ecosystem, they need to understand customer dynamics in this new environment in order to best serve those customers and continue to build loyalty. The formal channels of engagement still exist, but web 2.0 technologies have enabled a new, more conversational aspect of the ecosystem. The most effective way that companies can enable, and carefully guide the conversation, is to deploy community technologies, such as forums.

## Forums Empower the Customer to Build Loyalty

Forums serve the obvious process of bringing together interested individuals into a common environment. Managed correctly, they can serve a company as a powerful tool to deflect many product exceptions, as well as be a major source of new ideas and best practices. As customers' roles increase in a company's knowledge ecosystem, however, it becomes apparent that there are certain risks that companies need to address.

Many companies have struggled with the openness of a forums system, worrying that negative comments will reflect poorly on various products and services. While there are some potential short-term repercussions of forum activity that may raise issues about the company, most customers have felt a greater sense of loyalty to companies that offer higher degree of transparency through open conversations on applications like forums. To keep a high level of trust, and therefore build loyalty, it is important to engage in a moderation process that focuses on eliminating non-constructive, or off-topic, discussions. The short-term impacts of challenging discussions have a longer-term reward in loyalty, as customers value and reward a higher degree of transparency.



A vibrant forums community also reveals your company's most loyal, and most vocal, customers. These key influencers play an important role in nurturing your knowledge ecosystem, and often are more knowledgeable in how your products function in the 'real world'. Seen as experts in the ecosystem, key influencers often have more impact in driving loyalty than marketing campaigns or strong support services. Companies can also harness key influencer affinity by engaging them in early stages of new product cycles. Many companies grant access to beta stage products to these influential players in the knowledge ecosystem to get their insight on improvements and enhancements. As key influencers gain insights into new products, they tend to champion them in the knowledge ecosystem, ultimately driving greater loyalty toward the company. While most companies do not offer financial incentives for assisting on forums sites, many honor key influencers informally through

rewards programs that include public recognition of their contributions to the community.

The benefits of encouraging conversations through a company driven forums system are plentiful. Companies that encourage informal conversation around their products tend to have a customer base that is more loyal, and often times more forgiving, than companies that don't recognize that conversation. Discussions that take place on a company-moderated forum can provide invaluable insight for product management and marketing into customer patterns and behaviors. While single threaded conversations, typically in the traditional support process, are important, forums conversations tend to unearth new patterns of knowledge in the company ecosystem. By creating and maintaining the community, companies retain the power to passively guide the conversation. Ultimately, web 2.0 technologies such as forums serve to bring a wealth of new knowledge into the company ecosystem, and drive greater transparency for existing and prospective customers. The role of the customer evolves from a passive participant in the company's ecosystem, to an active player in support, marketing and product development.

### The Role of Knowledge Management Evolves

Traditional knowledge management applications were created to serve as centralized storage locations for internally created knowledge. These 'knowledge bases' were typically meant for internal access, and served as a source of information for support services and internal development teams. As the demand for support expanded, many companies extended knowledge base access to their customers via traditional self-service portals.

While such portals served as an effective way to manage support demand, they weren't designed to easily incorporate customer feedback on relevant knowledge. Instead of building an optimal closed loop feedback mechanism, traditional self-service portals functioned in the old paradigm where the company pushed knowledge out to customers, and capturing customer insights was at best an ad-hoc process.

That traditional knowledge management approach has evolved substantially in the web 2.0 environment. In the new paradigm of knowledge management, companies have recognized the voice of the customer and its influence on everything from customer support improvements to product enhancements and marketing capabilities. While a strong unified storage system is still central to the modern knowledge management system, this platform now also enables broader information sharing through stronger support feedback mechanisms and robust communities of practice. Companies that enable this flow of information engender a greater degree of trust and understanding within their customer base, which ultimately leads to greater loyalty.

A web 2.0 enabled knowledge environment creates a living system, one that is actively driving knowledge creation, and encouraging participation across the entire company ecosystem. Forums, as described in the section above, play an important part in this new environment, as do interactive self-service portals. In this web 2.0 world, self-service portals are now capable of accepting customer feedback on knowledge, thus closing a critical loop in the knowledge environment. Through feedback enabled self-service, the company can have greater insight on the quality of formal knowledge articles, and customers can be more proactive in improving those knowledge articles.

### Wikis and Their Limitations

At Consona CRM, we're often asked about wikis in the enterprise and their impact on knowledge management. As one of the most talked about web 2.0 technologies, wikis offer a useful collaborative authoring environment where enterprise knowledge can be quickly collected and enhanced. Companies can choose from a number of open source wiki technologies to power collective knowledge creation; however, these technologies only account for a portion of the typical knowledge management requirements needed to drive loyalty.

Most wiki technology that is available today addresses one specific type of content creation requirement, that of collaborative authoring. The inherent strength of wiki technology is that nearly anyone can contribute to an existing article or create a new one. Through a robust version control mechanism, it is easy to monitor the evolution of a given article. While this easy authoring environment is a strength, it also exposes several weaknesses of wiki technology. Since wikis are typically meant to generate this common knowledge source, they are not conducive to capturing conversations in

the way forums can, for example. Often the best knowledge about an issue or an idea is captured through documented, threaded discourse in forums. Instead of just seeing the final article, like in a wiki, forums expose the deeper discussion that often takes place on a given subject. This discourse can serve as an important source of knowledge by providing context around solutions and ideas.

It's evident, too, that most wiki technology also depends on a more primitive approach to query and search. Consona CRM's Knowledge Management application provides a more holistic approach to capturing and maintaining knowledge, one that allows companies to incorporate knowledge created within wikis in a broader knowledge management solution. Articles created in most wiki environments are easily incorporated within Consona's best of class intelligent search technology.

By funneling wiki articles through Consona Knowledge Management, companies retain the freedom of collaborative authoring, but also add robust features, such as auto-classification, article permissioning and management.

## The Role of the Customer in the Knowledge-Enabled Environment

With a knowledge management platform that extends beyond formal boundaries, the role of customer support also changes. Traditionally, customer support served as the first point of contact for customer exceptions. Customer exceptions had to flow through the normal call center funnel until they reached the right level of expertise to be resolved. Today's customer support organization needs to be more proactive, increasingly engaged in the knowledge ecosystem. As the company's first formal line of interaction with customers, support agents have the opportunity to capture the voice of the customer in diagnosing exceptions. A web 2.0 enabled knowledge management system empowers customer service agents to proactively enhance, modify and create new knowledge. Agents, like customers, take on new roles of active participants in creating knowledge.

Through extending participation in knowledge management, the company drives benefits in several key areas. By encouraging an active role for customers, support costs tend to drop. As customers engage each other to resolve exceptions, companies effectively extend their support structure without increasing costs to support their products. Companies also expand the overall pool of knowledge that is documented for their products. In many instances, new markets are created as customers find new, and sometimes novel ways, to use company products in the real world.

## New Ecosystem, New Loyalty Paradigm

When companies think about developing and maintaining loyalty, knowledge management systems are often not considered in the equation. While traditional knowledge management initiatives were strictly designed to centralize knowledge, in today's web 2.0 environments, knowledge management plays a central role in engendering loyalty. Today's knowledge management environment incorporates information flow across the company's knowledge ecosystem, including internal operations from support to marketing and product management, as well as recognizing the important role that customers play in the knowledge environment. By creating a dynamic environment, a modern knowledge ecosystem encourages participation and conversation. This system encourages a higher degree of transparency, developing a higher degree of trust among customers.

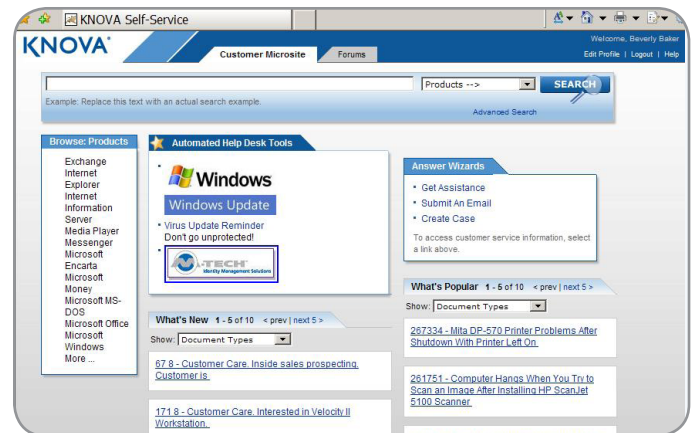
Ultimately, loyalty is driven by a sense of belonging. Satisfaction is a major factor in creating loyalty, but it is not the only factor. Loyal customers may be dissatisfied at any given moment, but their loyalty is driven by participation in a larger community. A web 2.0 enabled knowledge management system can serve as the cornerstone of building this community, and become a central player in developing long-term customer loyalty.

## Take Action With Solutions from Consona CRM

Forward thinking companies realize that engaging in the new 'web 2.0' world requires more than just enabling the new channels of communication, it requires a set of powerful tools to coordinate and manage these interactions, and provide intelligent feedback to all participants. Architected to enable a web 2.0 model for service and support, the Consona Knowledge Management suite can serve as a core technology to drive better interactions with your customers by building a collaborative environment for sharing insights, ideas and knowledge. Ultimately, this vibrant knowledge sharing leads to greater customer satisfaction and greater loyalty.

At the heart of Consona Knowledge Management is a knowledge base that combines enterprise knowledge from authored documents, user manuals, documentation, wikis and other common knowledge sources. Enterprises struggle to maintain a complete and effective structure, organization and integration of knowledge. The content capture classification and delivery process have many potential points of failure, which are heightened by the need for specialized resources to perform updates and tuning. Consona CRM introduces the concept of organic knowledge management which democratizes the capture and improvement of knowledge and provides universal access to all the valuable enterprise content. The system also uses self-learning, auto-classification and in-process analytics for continuous improvement.

**Consona Self-Service** is the core application that delivers personalized self-help to the online audience through your customer service website.



Achieving true personalization requires understanding the customer, the context of the query and ability to deliver a specialized experience that matches the user's specific needs. A key part of an adaptive customer experience is recognizing that different groups of customers need access to different segments of knowledge.

Microsites are customer portals that enable branded and personalized support based on factors such as products owned, geography, profile and preferences. Context-sensitive pagelets can be proactively generated in the course of a search to provide relevant news, alerts and offers for products and services. This allows for highly targeted selling options, seamlessly guiding the user to marketing content or even a live agent. Each customer can also benefit from a search method that adapts to the nature of his/her query. Consona CRM offers multiple search methods including guided search, directed answer and natural language which are dynamically applied based on inquiry.

Consona CRM enables segmentation and personalization to be as fine-grained or as coarse as your objectives require.

**Consona Communities** add a new dimension to the web 2.0 experience by connecting valuable forums content to the knowledge base and delivering results through Self-Service interactions. Most forums are highly stand-alone, but by integrating forums content with the service resolution process, Consona CRM offers a unique opportunity to add third party expertise and knowledge to the self-service experience.

Forums are integrated to the suite at the level of content, reputation, business process and customer experience. The insights, posts and responses from the user community can be leveraged as answers for customers on the self-service site. The same reputation engine that tracks and identifies best users pushes the most appropriate content from the forums for resolution. Questions from users that are asked on the self-service site can be escalated to experts in the forums as well as escalated to the contact center and managed through business processes.

Embedding forums within a web site allows companies to offer a rich and dynamic customer experience. Consona Communities has comprehensive functionality to build, moderate and manage forums. Moderators can promote users to various expert designations across the site, or at a skill or forum level. Consona Communities tightly integrates with our Self-Service and Agent Advisor solutions for a customer experience that can be optimized around users, search, business process and overall site experience.

**Consona Agent Advisor** is the core application for your support agents, allowing them to interact with the knowledge base throughout each customer contact. When a call comes in, Consona Agent Advisor guides the agent through a dynamic, adaptive experience specifically targeted toward solving each customer's issue. The resolution workbench provides patented adaptive search and navigation with comprehensive capabilities including interviews, collaborative support and response templates. The resolution experience is optimized through the resolution flow engine to raise the overall quality and effectiveness of service that your agents deliver.

A common corporate goal is to shift service-oriented calls into new revenue opportunities. However, providing world-class service can be diminished when cross-sell and up-sell initiatives are not appropriately woven into the overall customer interaction. Consona CRM tracks context-sensitive knowledge in the course of each interaction. This allows highly-tailored enterprise-driven recommendations to be pushed to agent at the appropriate point in the service interaction to achieve natural cross-sell and up-sell opportunities.

With Consona Knowledge Management, agents can capture new knowledge as a natural part of their resolution process. The search experience can be improved automatically through usage. In addition, Consona CRM analytics leverage this usage-based data to get past simple categories and keywords to help you understand not only what happened, but why. The result is root cause analysis that makes products more useable and more serviceable to keep incidents out of the support center. The result is root cause analysis that makes products more useable and more serviceable to keep incidents out of the support center.

Consona CRM has robust integrations with case management systems to provide a seamless service resolution experience across the customer service or help desk process. The case information and customer profile from an incident management system is used to drive the resolution process. Case notes, resolution session information and new resolution solutions are then captured as part of the case.

### About Consona CRM

For companies with vital and multifaceted customer relationships, and those offering complex or technical products/services, Consona CRM offers a wide range of fully integrated CRM and KM solutions. These highly-scalable and configurable products are available in pre-defined product bundles or as stand-alone solutions that span service and support, sales and marketing functions.

Over 1,300 customers across more than 50 industries worldwide are using Consona CRM solutions to manage process efficiencies, drive revenue, increase customer satisfaction, and enable extraordinary customer experiences. For more information, visit us online at [www.consona.com/crm](http://www.consona.com/crm), e-mail [info@consona.com](mailto:info@consona.com), or call (888) 8 CONSONA.