



## Building Customer Relationships One Interaction at a Time

### Executive Summary

For many years, companies and their customers have had different perspectives. Companies want to establish meaningful long-term relationships with their customers; consumers have simply required that every interaction is as efficient and valuable as possible.

Successful customer-oriented companies have figured out that customer relationships can only be built one interaction at a time, and are re-aligning objectives around just that: the customer interaction.

And they know that you're only as good as your last interaction.

To increase the value of every customer interaction, organizations must be able to adapt and respond continuously to changing circumstances in real-time. Corporations have made impressive strides – and significant investments – in managing customer relationships over the years. However, the real payoff of these investments has yet to come. Achieving first-class status when it comes to handling customer interactions requires that all of an organization's capabilities are selectively and intelligently brought forward to be utilized when it matters the most: during the moment of interaction with the customer.

eglue Business Technologies believes it is time to change the course of customer interactions. It is time to make it possible for companies to achieve the efficient and optimum result during every customer interaction.

This white paper will explore:

1. Why interactions matter
2. The challenge behind delivering an "optimum" interaction every time
3. The need for real-time management of interactions
4. How to achieve optimum interaction results by leveraging, not replacing, existing customer investments
5. How **eglue Business Technologies** is uniquely delivering these capabilities



## It's the Interaction That Matters

In just ten short years, the Customer Relationship Management (CRM) industry has been created, defined, and redefined. It's been viewed from a functional perspective – sales, service, marketing; from a technological perspective – operational, collaborative, analytical; even from an aspirational perspective – 360 degree view, customer experience, customer-centric. What's common to all of the above views is that they describe an organizational perspective of CRM, not a customer perspective.

This approach is certainly valid as a starting point. Companies fundamentally can't manage customer relationships unless they have first made a decision to focus on customer relationships as part of corporate and competitive strategies, and then invested in both the process and technology infrastructure to support these strategies. However understandable it may be, it is only one part of the equation, and not sustainable for competitive advantage and market leadership. The other part – the more important part – is the perspective of the customer.

It is fair to say that any CRM decision should be held up against the litmus test of whether it offers benefits purely to the company, or to customers themselves. This has always been true, but never more so than it is now. The fact is that in the ten years since CRM has been recognized as a significant part of corporate strategy, customers themselves have changed radically. From the simple fact that dozens of product choices are available at the click of a mouse to the proliferation of mobile devices and PDAs which have caused a step-change in communication styles, consumers are empowered in ways they simply weren't 10 years ago, power that will only continue to rise in the coming years. The concepts of "instant gratification" and "personalization" are no longer the exception; they are the rule. If a consumer can't get what they need or want immediately, it's pretty simple to find other alternatives.

So the question becomes – how does all of this impact the way in which consumers interact with organizations?

"Both CRM [Customer Relationship Management] and CEM [Customer Experience Management] are subject to a fatal flaw. Both strategies assume that customers can and are willing to be managed. While there are exceptions to this rule, in general, customers do not want to be managed. Customers want to do business when they want, where they want, how they want and the way they want."<sup>(1)</sup>



The new reality is that consumers expect their needs to be understood and met in every interaction they have with a company. They don't necessarily perceive that they have a relationship with a product or service provider. They do want to accomplish what they want to in any given interaction, and have that experience recognize and incorporate any prior interactions they've had. Organizations that can achieve this – with each and every interaction – will be rewarded by a customer's loyalty. Unfortunately, even one poor interaction can ruin the customer "relationship," even those that have been with you for years.

Research from the Gartner Group shows that "59% of multichannel customers will stop doing business after a single bad experience." <sup>(1)</sup>

For organizations, this means two things:

1. Having accomplished the first part of a CRM strategy as outlined above is necessary, but it isn't sufficient as a market-leading customer interaction strategy.
2. You are only as good as your last interaction.

## **The Challenge behind Delivering an "Optimum" Interaction Every Single Time**

Creating value in every customer interaction is without question a tall order. The reason is that, by definition, customer interactions are both complex and unpredictable. Furthermore, an "optimum" interaction means different things to different people, particularly customers. This section examines each of those components in greater detail.

The complexity of interactions – Organizations maintain massive amounts of information and knowledge about customers. Between customer databases and analytic warehouses, companies can paint very knowledgeable pictures about customers comprised of factual, structured information as well as more subjective qualities based upon either stated preferences or sophisticated, predictive analytics.

The challenge companies have is in synthesizing and bringing this information – or the necessary components of it – to the forefront during interactions with customers. This is further amplified by the reality that customers interact with companies across multiple channels, creating a complicated web of information needs. And last but not least, these interactions are often handled by customer-facing employees, adding yet more layers of



complexity. Which employee is prepared to handle which kinds of interactions? Too frequently companies rely upon customer-facing employees to be the point of integration for all of the above, which simply isn't feasible, given hiring, training, and turnover challenges, and given that organizations often have dozens – if not hundreds – of customer systems. It is this final element, the human involvement, which brings us to the next component of customer interactions: their inherent unpredictability.

The unpredictability of interactions – no matter how well organizations prepare themselves to manage customer interactions, the fact is that circumstances surrounding interactions are always changing. A customer might call with multiple needs in mind, shifting the course of the interaction itself. Your organizational objectives can change from hour to hour: a promotional offer might be relevant one morning, but a supply chain glitch might render it useless that same afternoon. External situations cause interactions to shift as well – witness any insurance company call center in the hours following a hail storm, or an institutional investor website during a drop in the stock market. The point is that regardless of preparedness, and regardless of channel, the interactions that exist between customers and companies are instigated by people, or managed by people, or both. Therefore, they are inherently unpredictable.

The optimum interaction – These realities raise the question: what is an optimum interaction? From the customer's standpoint, it might be the shortest interaction possible, provided it fulfills whatever need it is they have. From the organizational perspective, is the most efficient call the optimum outcome? Getting the right call, to the right employee, on a topic they can support? Perhaps so from the perspective of the customer service executive. But what about those who are tasked with revenue objectives inside a company? They may not care about the duration of any given interaction, just so long as the end result was that a new service was offered and accepted.

These scenarios can appear to be at odds with one another, but the fact is that these are all fair and accurate descriptions of "optimum." And they can all be valid in the course of any single interaction, as people interact, and circumstances shift.

## **Making It Real-Time**

What many organizations find frustrating is that they have developed the tools, knowledge, and processes to manage many types of individual customer interactions. Where they have been limited is in synthesizing the right combination of components, and harnessing that – not before the interaction, or after it, but during it. The ultimate complexity of all of this lies in the combination of these factors. Significant investment and progress has been made in solving many of the individual challenges described herein: managing efficient customer interactions or enabling cross-sell opportunities or training agents or deploying usable self-service websites. Where the struggle still exists is when more than a single objective needs



to be met, during the moment of interaction with a customer. Most companies know that they need to break down organizational silos if they aim to be a customer-centric organization, but too frequently, the decision about which objective to support is left to chance during the interaction. One objective gets traded off for another, time and time again.

While some interactions can be very straightforward, preparing your customer-facing employees and the supporting customer technologies to deliver value in every complex and unpredictable interaction has, to date, required either cost-prohibitive technology integration or levels of hiring and training that simply aren't viable.

But, those moments of customer interaction are too important to be left to chance.

To manage toward an optimum result for each and every interaction, it is imperative to be able to identify and blend a combination of elements:

1. Interpret the events that are occurring during the interaction
2. Decide the best course of action to take, based on both the event itself and the organizational knowledge of that customer
3. In assisted interactions, incorporate factors such as the employee's skill, training and experience
4. Utilize all of the above capabilities to instigate and suggest action continuously throughout the interaction, either directly to customers or to customer-facing employees

### **Bringing Targeted Customer Capabilities Together in the Moment of Interaction**

Many of the limitations in accomplishing the above have been technological in nature. Customer management systems were simply not designed to manage multiple objectives at once, let alone in real time.

Most CRM applications were largely developed to manage individual functions or interaction types: customer service, marketing automation, field service, order management. Even within those broad functions there exist multitudes of smaller functional requirements and capabilities. In the early to mid phases of the CRM industry's development, hundreds, if not thousands, of software solutions were developed to meet these needs. As well, many organizations chose to develop their own solutions.



Certainly there was some commonality to the manner in which these applications were developed: each was built on a database containing its own version of a customer model. A proprietary front-end GUI was designed for that particular application type or end-user, and the whole thing was then capped off with batch analytics or reporting. The unfortunate reality this created is threefold:

- 1) The most pertinent information these systems can provide about customers is delivered in batch form, after the interactions have occurred.
- 2) The data and information that is gleaned from these systems is organized for specific end-users in the corporation, not for customer benefit.
- 3) That managing more than one type of interaction has required companies to spend significant amounts of time and money to integrate these applications themselves.

The fact remains, however, that companies have already invested millions in these customer systems, and those investments cannot and should not be abandoned.

The question becomes then: how can these investments be preserved? How can they be utilized more fully to create value for every customer interaction?

The answer lies not in changing anything about those systems themselves, but rather, in finding a way to selectively pull the data necessary from each of them, wherever they may reside, into the moment of the customer interaction. By then adding to that an understanding of what's unfolding real-time in the interaction itself. And by then responding to all of that with guidance – targeted, actionable guidance that is powered by the full strength of your organization's existing customer processes and systems.

Welcome to eglue.

## **Inspiring Every Interaction**

For the past six years, eglue has been helping mass market companies overcome these obstacles in millions of individual customer interactions. eglue makes it possible for companies to achieve the efficient and optimum result during every customer interaction, by continuously adapting and responding in real time to both changing business circumstances and the unpredictability of the customer interaction.

Fortune 500 customers have achieved results such as:

- Increased sales through service interactions by 25%
- Boosted lead generation by as much as 31%



- Cut down average handling time (AHT) by 9%
- Shortened training time by as much as 15%

**eglue's** mission is to help its customers accomplish two goals:

1. To inspire every interaction, for its customers and their customers.
2. To accomplish goal #1 by leveraging the existing investments its customers have already made.

**eglue** accomplishes these goals by making it possible for companies to interpret every customer interaction from start to finish, continuously taking actions and advising decisions as needed with personalized callouts, within their existing environment.

**eglue's** patent-pending technology intelligently pulls and analyzes data from both the interaction itself and from all available data sources – without requiring actual integration – and combines that with an interaction rules engine that can be easily and rapidly modified by business users.

With eglue, your organization can:

1. Manage changes to business objectives that arise from the interaction itself.
2. Simultaneously attain both the business and operational objectives of every customer interaction.
3. Capture new ROI from existing investments by focusing the capabilities of all customer systems on the moment of interaction.

The result is that your organization can handle any combination of circumstances, in any zone of customer interaction, based upon the objectives that are most important to you at that point in time.



## Conclusion

Successful customer-oriented companies have figured out that customer relationships can only be built one interaction at a time, and are re-aligning objectives around just that: the customer interaction.

Given this reality, imagine an environment where you could personally direct the outcome of every single customer interaction, start to finish. Where you could drive towards revenue goals, and manage to efficiency objectives, or to switch back and forth between those needs instantly, based upon which customer is calling or how high your call queue is.

Imagine having customer-facing employees who understand those changing objectives and are empowered and inspired to respond accordingly, in the moment, with the customer.

Imagine being able to direct all that activity from your own desk, guiding the dynamic nature of all those interactions, simply by creating or modifying business rules in the moment. As you need to, when you want to.

Best of all, imagine customers who walk away from every single interaction they have with your organization feeling satisfied.

With eglue, you don't have to imagine.

**eglua Business technologies – Inspire every interaction™**

*eglua is a global software company who provides unique real-time customer interaction solutions for mass market companies. For more information about eglua or its suite of business applications, eglua Interact™, visit [www.e-glue.com](http://www.e-glue.com) or call 201-217-0022.*

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  - II. "Improving the Customer Experience: Expectations, Delivery and Feedback", Ed Thompson, Gartner Group, March 2007