



INTERACTIVE GUIDE TO ONLINE CUSTOMER EXPERIENCE MANAGEMENT

Practical Advice from Real-World
CEM Practitioners

VISIBILITY. INSIGHT. ANSWERS.



We've all encountered online customer experience problems—whether it's difficulty logging into a frequent flyer account, adding an item to a shopping cart, completing a financial transaction or navigating through a site. Yet few realize how profound an impact these seemingly minor issues can have on a company's bottom line. In the retail industry alone, tens of billions of dollars are lost a year due to these types of website issues.

Online Customer Experience Management helps to solve these problems. It enables you to take a disciplined approach to understanding how customers interact with your business online and removing the obstacles to their success.

In this **interactive guide**, you'll hear directly from customer experience management practitioners, who will share their real-world experiences and some of the steps you can take today to develop an online customer experience competency.

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Tealeaf Customer Experience Management

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EXECUTIVE OVERVIEW



Delivering a better online experience for your customers is fundamental to increasing revenues, ensuring customer satisfaction and retaining a loyal customer base.

Customer Experience Management provides visibility into what customers see and do on a website. Done properly, CEM captures every interaction with every online customer, every time. It then delivers the quantitative and qualitative data you need to make the most of your online channels.

Based on our experiences with more than 400 leading companies across a variety of industries, we've compiled a list of Customer Experience Management best practices. But don't just take it from us—please listen to the experiences of our customers, who give examples of the benefits they've received from:

- 1. Monitoring customer experience key performance indicators (KPIs).** What you can measure, you can improve.
- 2. Proactively examining and responding to known technical issues.** Low-cost fixes can lead to significant improvements.
- 3. Listening to customers.** They are the best source of insights into why your site isn't delivering as much value as you (or they) would like.
- 4. Prioritizing customer experience issues based on business impact.** Armed with that information, you can allocate your resources effectively.
- 5. Observing and reviewing actual customer behavior.** There's no better way to understand the challenges your customers face.

See how quickly U-Haul benefited from using Tealeaf Customer Experience Management solutions.

#1: MONITOR CUSTOMER EXPERIENCE KPIs



How User Friendly is Your Website?

Companies often focus their customer experience efforts on trying to deliver faster online response times and better page performance. But usability is typically the top priority for online customers, including such things as:

- › The ability to compare products and services
- › Straightforward navigation
- › Ease of completing the transaction
- › Confirmation upon completion of the transaction

What you can measure, you can improve.

With a CEM solution, it's easy to track customer experience KPIs, which will serve as a daily baseline for improvement. Remember to create

and monitor customer experience KPIs that are based on your business goals. For example, if customers want an easier way to login to your site, create a KPI to monitor and score how many customers attempt to login more than once.

Are your conversion rates dropping? Do customers have to re-enter key information? Are more customers abandoning transactions at Step 5?

Changes to your KPIs will alert you to website problems. Maybe a technical issue has cropped up. Perhaps customers are struggling because of a usability problem. With a customer experience management process in place, you have the visibility you need to find answers.

See how CafePress uses Tealeaf Customer Experience Management to make web analytics data actionable.

#2: PROACTIVELY EXAMINE AND RESPOND TO KNOWN TECHNICAL ISSUES



Even the smallest glitch can have a big impact on your business.

How do you think your customers feel when they see, “Sorry, please try again later (status code xxxx)”? Or “Invalid SQL”?

Today’s web sites have so much complexity that very few are close to 100% fault-free. Nevertheless, online customers expect your site to work flawlessly—24x7, 365 days a year.

Once you have KPIs in place to alert you to potential trouble areas, you can then be proactive about fixing the technical issues that are preventing your customers from transacting successfully on your site.

You should be able to find, diagnose and fix all sorts of technical issues as soon as they crop up.

See how Hotwire brought quick resolution to a technical issue using Tealeaf Customer Experience Management.

Tealeaf's annual Online Transactions Survey, conducted by Harris Interactive®, illustrates the potential business impact of technical issues:

- › 80% of consumers said that they had experienced difficulties online.¹
- › Almost one-third of online shoppers (32%) would abandon the transaction entirely² if they encounter a problem.
- › 84% of those shoppers that abandon turn to an online or offline competitor.

In the United States alone, retailers who operate in the online channel may have lost more than **\$44 billion**³ over this past year as a result of transaction problems on their web sites.

holidaybreak camping

“BY RESOLVING PROBLEMS WE DIDN'T PREVIOUSLY KNOW EXISTED, WE HAVE INCREASED ONLINE REVENUE, IMPROVED THE ONLINE EXPERIENCE, AND ALMOST ENTIRELY ELIMINATED WEB SITE ERRORS.”

A customer experience management solution helps you track down and reproduce all types of issues that negatively affect customer experience and retention. These issues may include:

- › Broken links
- › Bugs
- › Slow performance
- › Database errors
- › Other intermittent site errors

With customer-centric processes supported by a robust customer experience management solution, you can intervene immediately, before a larger number of customers have the same poor experience. A CEM solution can save a lot of time by providing a visual context for exactly where customers are encountering obstacles.



“BEFORE TEALEAF, WE WERE RELATIVELY BLIND TO THE EXPERIENCES OF OUR ONLINE CUSTOMERS, WHEREAS NOW, OUR ECOMMERCE TEAM HAS TOTAL INSIGHT INTO WHAT IS HAPPENING.”

¹ 2009 Tealeaf Online Transactions Survey, Harris Interactive, September 2009

² 2010 Tealeaf Online Transactions Survey; Harris Interactive, September 2010

³ Calculation based on data from the U.S. Census Bureau, The Harris Poll, and the 2010 Tealeaf Survey of Online Transactions conducted by Harris Interactive.

#3: PRIORITIZE CUSTOMER EXPERIENCE ISSUES BY BUSINESS IMPACT



Not all website issues are created equal. And no web development team has unlimited time and budget. You probably have a long list of issues to address. So do you prioritize them based on the loudest voice in the room or on the expected impact on conversion, revenue or task completion?

Without a way to quantify customer experience issues, many companies fail to prioritize the most important ones.

You should be able to answer these questions:

- › When did this issue start?
- › How many customers per day experience the issue?
- › What is the difference in conversion rates between visitors who experience the issue and those who don't?
- › How much business is being lost every day because of this issue?
- › How does the cost to fix the issue compare to lost profits?

See how Expedia identifies the business impact of customer experience improvements.

How Much Impact Can Usability Fixes Have?

Industry data can help you understand the business impact of website issues. For example, Forrester has documented the business results from fixing some specific usability issues⁴:

- › Adding a tool to let users browse products by fit increased orders by 160%.
- › Offering the ability to save settings and preferences between sessions increased the goal completion rate by 48% and site satisfaction by 28%.
- › Moving the “Narrow your search” tool to a more prominent place on the page increased the use of the tool by 500%, and sales went up 400%.
- › Optimizing the placement of sign-up links, copy, and buttons on the site increased opt-in registrations by 590%.
- › Simplifying the overall site navigation increased product views by 11% while page views per visit went up by 18%.
- › Shortening the order process and adding markers to show users where they are in the overall process increased the conversion rate by 20%.

Don't Chase after Inconsequential Issues

To help quantify the business impact of customer issues:

- › Once you've identified a customer experience problem, use your CEM solution to determine the number of visitors affected and the impact on conversion rates (or task completion rates) for those visitors.
- › Monetize the outcome by using a measure for the average value lost by customers not completing this task. The number of customers impacted during a defined time period, the drop in conversion rates based on the issue, and the average value for these lost transactions will enable you to calculate the approximate overall loss for a given period of time due to this issue.

BLUEFLY™ 

“WITH OUR COMPETITION JUST A CLICK AWAY, TEALEAF HELPS ENSURE WE'RE NOT LOSING CUSTOMERS BECAUSE OF BAD EXPERIENCES.”

⁴ “Fixing Known Usability Problems Pays Off,” Forrester Research, Inc., October 2009.

#4: LISTEN TO YOUR CUSTOMERS



Do you understand the real story behind your customers' complaints?

Your customers have many ways to provide feedback, but they may not be able to give you a clear description of the problem. And they should not have to serve as your diagnostic tools.

Never before have companies been able to capture so much information about what their customers think. Feedback channels include:

- › Contact centers
- › Site feedback forums
- › Voice-of-the-customer (VOC) surveys
- › Blogs
- › Online forums
- › Social networks

Your customers' opinions are often the best source of insight into why your site isn't delivering as much value as you (or they) would like. And they are already talking to you. You just need a systematic way to turn what may be vague feedback into something actionable.

Take the time to listen to the customer feedback that is captured by tools you have in place. Then use those tools in combination with a Customer Experience Management solution to dig deeper.

- › **In the contact center:** Ensure that agents escalate issues for investigation. Examine trouble tickets to identify frequent complaint areas and then use CEM to replay the actual customer experience that triggered the complaint.

See how Hotwire uses Tealeaf to bring light to its Voice of Customer data.

- › **In feedback forms, surveys, blogs, and public forums,** look for interesting free-text responses or low scores in a particular area.

With a CEM solution, you can then replay representative sessions to look for customer struggles that explain the scores or feedback.

#5: OBSERVE AND REVIEW ACTUAL CUSTOMER BEHAVIOR



There is no better way to understand the challenges that customers face than by actually watching them use your site.

Contact centers routinely monitor their agents' calls. "Mystery shoppers" capture the experience in a retail store. Why not bring this long-established best practice online? With the right Customer Experience Management solution, you can.

You probably have hypotheses about where your site needs improvement. By conducting regular customer experience reviews with key stakeholders from across your organization, you can test these hypotheses with real-life data.

Direct customer observation complements other forms of observation, such as usability testing. And it addresses two key drawbacks—specifically, limited user populations and artificial lab environments.

See how Deluxe Corporation and Quicken Loans benefit from seeing real-world customer behavior with Tealeaf.

TEALEAF CUSTOMER EXPERIENCE MANAGEMENT



Tealeaf is the recognized leader in online Customer Experience Management. Our software solutions enable you to see your customers' actual online experiences, analyze their motivations, gain insight into why abandonment and other site actions occur, and quantify the impact of potential improvements to your site.

Our solutions provide unprecedented enterprise-wide visibility into every visitor's unique online interactions for ongoing analysis and web site optimization. Online executive stakeholders from ebusiness and IT to customer service and compliance are leveraging Tealeaf to build a customer experience management competency across their organizations.

And they are achieving significant results. On average, our customers realize the following business benefits⁵:

- › **3.5% increase** in site conversion rates.
- › **1% improvement** in retention rates.
- › **.5% improvement** in average order value.
- › **60% reduction** in IT and development costs associated with problem reproduction and resolution.

These benefits can result in multi-million dollar improvements to your online channel. And they lead to a remarkably fast return on your investment in Tealeaf.

Watch a four-minute video demo to see Tealeaf in action.

⁵ From a commissioned study by Forrester Consulting, "The Total Economic Impact of Tealeaf's Customer Behavioral Analysis Suite," August 2010.

CONCLUSION



Building an online customer experience competency is an evolving, incremental process—not a one-time initiative. It will transform how your organization thinks about online customers and, in return, bring significant business benefits.

A customer experience competency will unite employees with a common language to talk about customer experience, breaking down department barriers and aligning staff around a shared goal that will change your business for the better.

This may seem like a daunting task. However, as the customer experience management practitioners in this interactive guide have demonstrated, you can quickly achieve success by following industry best practices and investing in the right solutions to support your customer experience management processes.

SEE WHAT CUSTOMER EXPERIENCE MANAGEMENT CAN DO FOR YOU.

CUSTOMER-CENTRIC eBUSINESSES RELY ON TEALEAF



More than 400 of the world's most successful online businesses are making customer experience a priority by using Tealeaf. They include 70 Fortune-class companies, 7 of the 10 largest banks worldwide, more than 40 property and casualty insurance companies, over one-third of the top 100 online retailers, and many more.



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