



THE FIVE ESSENTIALS OF CUSTOMER EXPERIENCE MANAGEMENT



TeaLeaf
TECHNOLOGY

When was the last time you were unable to buy an item in a store during regular business hours? Or not make a deposit in your bank branch or at an ATM? Or not have your insurance agent write you a new policy in his office? If it's not an acceptable practice for customers to be unable to conduct business offline, why should you treat them any different online?

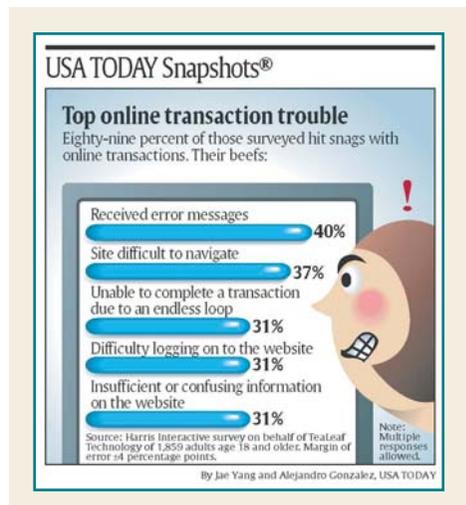
What do you have to lose?

The most catastrophic failures happen one customer at a time. Consider these examples. One missed Ebusiness restaurant supplies order can be equivalent to one week's worth of revenue. A single problem affecting online insurance policy applications can add up to 2,000 failed polices annually—a net negative business impact of \$2.2 million dollars. Now those are expensive problems.

If you are responsible for managing an Ebusiness or for the Web self-service channel of your business, why are you letting these customers down? It takes only one potential customer experiencing only one problem, a single time, to switch to a competitor. Isn't it time to run your Ebusiness like a real business?

Are you underestimating the expectations of your customers?

A recent Harris Interactive® survey revealed in USA Today that a huge percentage of consumers have experienced transaction problems. The same survey further revealed that 34 percent of those consumers will simply switch away if faced with some common issues:



To the customer, problems are painfully obvious. So why are they so hard for you to see? Common transaction problems are often only visible in the customer's browser. But until now, most tools could only track the application infrastructure, leaving a huge gap—a lack of visibility into the actual customer experience—for every customer, every transaction, every time. That's why choosing a solution that captures and replays every online transaction, true "browser-level" visibility, is required for your critical Web applications.

Resolve today to listen to your customers.

TeaLeaf has gained practical insights into the online customer experience from interactions with our customers. This insight is further validated by recent research collected in a consumer survey by Harris Interactive. In this guide we will share the five essential messages your online customers are

telling you every day through their behavior.

These customer messages are powerful. They impact your profitability, customer loyalty, and brand equity. Your customers are talking loud and clear. **Are YOU listening?**

“ *Any flaw in your Web site, from a transaction failure to a link that doesn't deliver on its promise, costs your business.* ”

Bryan Eisenberg, Conversion Rate Marketing Expert, New York Times Bestselling Author, and Co-founder of Future Now, Inc.

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VISIBILITY: “I don’t want to see an error message.”



Companies embrace the dynamic nature of the Web. They push new pages on the fly. Add personalization. Use cross-sell and up-sell functionality. Incorporate dynamic content and multimedia. Connect Web servers to databases, ERP applications, and legacy systems. Yet the input-driven, dynamic, and complex nature of the Web is the reason why everyone experiences problems at one time or another even on the most respected Web sites.

Did you know that nine out of 10 customers have experienced issues when completing transactions online? This doesn't mean that all of your users encounter problems every day, but let's face it, these problems are pervasive.

“ *TeaLeaf allows us to see what our customers are doing as they browse, compare, and purchase so that if something goes wrong, we can immediately diagnose and fix the problem.* ”

Fiona Dias,
President, Circuit City Direct

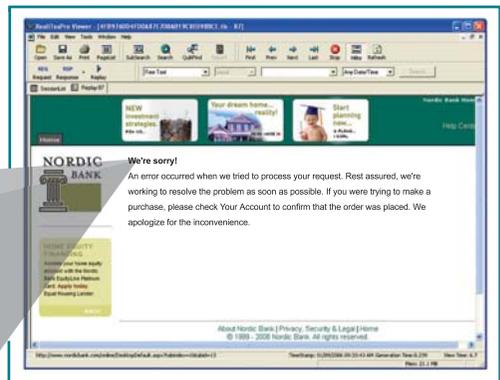
What you can't see will hurt you.

Messages like the example below are often referred to as “elegant error handling.” But from the customer's perspective, simply displaying a browser error message, even in the friendliest terms, will not positively

influence the customer. And there is not just “a” customer; there are hundreds, thousands, or even millions of unique individual customers. What is your error message saying to them?

We're sorry!

An error occurred when we tried to process your request. Rest assured, we're working to resolve the problem as soon as possible. If you were trying to make a purchase, please check Your Account to confirm that the order was placed. We apologize for the inconvenience.



100 percent customer visibility begins at the browser level.

Aggregating user performance and system availability through emulation is no longer enough. If your site is experiencing a widespread system failure, you already know there is a problem. But if one hospital pharmacist in Los Angeles cannot complete an online order with his supplier in New Jersey because of an endless loop condition, how would that supplier know unless the pharmacist calls? And if you are the supplier relying on the customer for awareness, this issue is painful to you. It affects your business. It is painful to the pharmacist, he just needs to stock inventory, and potentially it is life threatening to the patient who may not get his needed medications. Unfortunately for all, this is common because there is a visibility gap between what the actual customer experiences and your ability to understand and respond to this experience. Why?

Among other things, there isn't one variation of a customer experience. If you are the pharmaceutical supplier, you are not just serving one pharmacist in LA. You are serving hundreds or thousands of pharmacists all around the world. And each one is unique—different orders, different hospitals, different medications. True customer visibility starts with an outside-in, browser-level view of every customer's online experience as he or she interacts with your site. You need a customer experience management solution that captures and records what each of those users did and what each of them saw on every Web page across your site. Every customer, every transaction, every time.

Isn't it time to run your Ebusiness like a real business?

A BETTER APPROACH TO VISIBILITY WILL:

- Improve online customer experiences by capturing and recording what each customer is doing and seeing in real time on every page and across the entire session of a transaction.
- Show 100 percent visibility of real customer transactions, not green lights on a network or systems monitoring dashboard.
- Provide demonstrated scalability across different processes and lines of businesses within complex Web applications.
- Validate all customer transactions using your current business practices—without requiring the adoption of new procedures.



Online customer money is just as green as any other customer money. And for some businesses, such as financial institutions, studies show that online customers are the most profitable and loyal. Yet most businesses do not treat their online customers the same as they treat offline customers, even though 82 percent of the individuals surveyed expected the same level of service online as they receive offline. Why is there such a disconnect? Because Web applications are self-service, online businesses often forget the basic principals of business. Nine out of 10 consumers said they had at least one problem transacting online. Why is it virtually never okay for a business to let you fail in a store, yet it is tolerated online frequently?

And what happens when you DO fail? In a store, the last thing a cashier would ever ask is for the customer to help diagnose a broken cash register. However, online customers are asked to be the "diagnostic tool" all the time. Worse, these users are not typically technically savvy and have little tolerance for solving your problems. Their end goal is to quickly finish their business, not remember every step or nuance along the way. We forget this truth when we approach the Web.

Help me, help you.

Imagine the frustration of a customer when she hits an endless loop on a travel Web site. She could pick up the phone and call you, but her first instinct, as with most online buyers, is to simply switch to the competition since they are only a mouse-click away. Even if she did try to reach out to you via phone or email, we force the customer to be the diagnostic tool. Consider this actual email from an Ebusiness:

From: customersupport@company.com
 To: jsmith@xxxxxxx.com
 Subject: RE: Transaction Error on your site

Thank you for your e-mail. We apologize that you have encountered difficulties with our web site.

To help us improve our service, please reply with your I.P. address, the nature of the error message you received, at what point in the process it occurred, and the approximate time you were placing your order. Please cut and paste the error message into your e-mail, if possible.

If you have any additional questions, please reply and include all previous correspondence.

Sincerely,

Jane

TRACKING NUMBER: 1234567890

When the 75-year-old grandmother in Omaha is purchasing an airline ticket to visit her grandchildren in Seattle, she is not keeping a detailed log of her online transaction, and she likely would not even know where to find the browser version number. The Web is not just for the technically savvy “early adopters” anymore, it is a mainstream channel with real customers.

Detect problems sooner, fix problems faster.

While companies rely on various awareness methods—customer calls, logged errors, measured trends, Web analytics, or systems management

alerts—they cannot respond fast enough. You need an effective customer experience man-

agement solution that automatically identifies how many and which customers are affected, provide drill-downs to reproducible cases, and offer easy-to-use problem diagnosis capabilities for isolating at-fault functionality. And most important, it must define real-time, session-level events that cross page boundaries to detect business process failures. That way, you can find the problem as soon

as grandma experiences it, fix it before it affects the next user, and no longer rely on the customer to tell you what happened or reconstruct the problem from anecdotal information.

“By utilizing a technology like TeaLeaf, we are able to proactively detect operational problems and bottlenecks that can affect the usability of our site. We are able to better service our guests by ensuring that their experience with StarwoodHotels.com is consistent with the high standards we set for guest experience in our hotel properties.”

Keith Kelly, Vice President of Web Technology, Starwood Hotels and Resorts

A BETTER APPROACH TO PROBLEM IDENTIFICATION WILL:

- Automatically identify functional, performance, and availability problems preventing successful transactions by inspecting the complete online experience of every customer.
- Improve communication about problem prioritization and resolution via a common language for business and technical users.
- Result in best practices that can be adopted to benefit ongoing customer acquisition and multi-product purchase.
- Enable outbound customer support actions to retain individuals impacted by transaction failures.



Ebusinesses are a dime a dozen. Your marketing department touts that your products or services are unique, but don't be blindsided. There are many options available to customers—and their loyalty is easily won, or lost.

One customer lost is another gained for a competitor.

In this fiercely competitive marketplace, 34 percent of all customers who experience even one problem will switch to a competitor, either online or offline. This statistic does not lie. It's obvious that customers have very little patience for a poor customer experience. Let me repeat: very, very, very little patience. How does their behavior influence your Ebusiness?

Please continue to hold.

The need for speed isn't just reserved for race car drivers. Your ability to immediately respond to customer facing issues speaks volumes.

Customers will not give you the benefit of the doubt—more than one-third of them simply take their dollars elsewhere. While you are waiting to find out about and fix issues in your virtual store, the customer is sprinting out your virtual doors. What's a business to do?

“ You can waste a lot of valuable time investigating issues that turn out to be inconsequential. TeaLeaf helps us prioritize and resolve issues that are most significant — those that can impact new sales and those that affect our policyholders' experience. ”

Marj Davies, Director of Internet Operations, Esurance

Immediately quantify the business impact.

Web problems are business problems. It's imperative to quickly isolate and correlate the cause-affect relationships between customer actions and Web application behavior for rapid diagnosis.

Consider the business impact when Tower Records discovered a large number of high value, yet incomplete, transactions on its international Web site. Many of its customers buy a large number of items at one time to save on international shipping costs, but sometimes they were unable to do so. The company was losing upwards of \$3,000 per day on high

volume international orders that were abandoned before they were completed. This is revenue the customer was desperately trying to give them, but there were obstacles. In this case there were application errors that made the site fail when large numbers of items were ordered internationally. Those attempted buyers did not call Tower Records; they just went elsewhere until visibility enabled Tower Records to see exactly what happened from the customer's perspective. They rapidly fixed it so all the buyers who came later were able to do exactly what the Tower Records demand and traffic creation was designed to do—get those high-value prospects to convert.

An effective customer experience management solution will capture customer data in real-time

and inspect it against a set of specific user-defined business rules. This means you'll get immediate insight into business process health, customer activity, and application errors, including:

- How many users are affected?
And, which ones?
- How many times has a specific customer encountered a specific application error?
- What is the value of the individual transaction?
- What is its multiplying affect on your business?
- How should you prioritize corrective actions?

A BETTER APPROACH TO PROBLEM ANALYSIS WILL:

- Immediately diagnose issues through problem reproduction, quantification, and isolation.
- Enable rapid problem diagnosis through easy-to-use search capabilities.
- Provide accurate insight into customer transactional failures and successes by measuring frequency and trends across all transactions.
- Save transaction data for extended periods of time to meet business requirements for problem resolution, customer behavior analysis, dispute resolution, and other Web archiving needs.



Many Ebusinesses still consider Web page download speed to be the most important factor contributing to a positive, or negative, customer experience. Remember in the mid-to-late 1990s when everyone used dial-up modems, and slow pages wreaked havoc on Ebusinesses?

But with more people using broadband Internet connections, performance is no longer the most critical issue. In fact, only three percent of those individuals polled said a slow Web page response time caused them to switch to a competitor.

So what is the problem?

It's the hidden, intermittent, and unknown problems prowling in your site that are frustrating customers and contributing to lost revenue. These pesky problems are challenging to reproduce, drain IT resources, and dissatisfy customers.

And who wants to do business on a site when there are errors or obstacles, and the situation doesn't seem to be improving?

If you can't find it, you can't fix it.

Central Insurance couldn't seem to find the needle in the haystack—a glitch within its critical quoting application. Several agents called to report that key information was being lost or corrupted somewhere in the data entry and aggregation workflow. Working only with the information reported by the agents, they were unable to duplicate the error in a test environment. Now where does this leave the company's agents, and most important, its customers?

“*TeaLeaf is invaluable in recreating application failures. Without it, we may never have realized what was causing our application to fail.*”

Larry Streets, Senior Analyst, Web Operations, Central Insurance

Rewind, reproduce, and repair the problem.

Shouldn't it be that simple? The challenge: most sites record discrete system data at various technical locations. There is no customer context and it is very time consuming, if not impossible, to reconstruct the customer's experience. A comprehensive customer experience management solution will empower you to discover and eliminate the toughest problems, from previously non-reproducible incidents to completely unknown issues. It must provide 100 percent visibility into each customer's interaction with your site, including links

clicked, buttons pushed, form inputs populated, and the page-by-page flow experienced by the customer, so you can accurately reproduce any problem. Not only will these capabilities reduce the costs of managing issues, with decreases up to 80 percent, but they'll also help stop your revenue leaks. It's no surprise that reclaiming lost revenue will yield exponential returns over time. And best of all, the concept of the "non-reproducible problem" simply goes the way of 2400 baud modems, dumb terminals, and floppy disks.

A BETTER APPROACH TO PROBLEM REPRODUCTION WILL:

- Reduce support costs and unnecessary escalations by instantly reproducing each customer's step-by-step actions that appeared in the customer's browser.
- Eliminate additional lost transactions and improve customer service through automatic, real-time alerts to critical problems.
- Increase your profitability by proactively repairing issues with minimal effort.



“Make your customer happy,
Make just one customer happy,
And you will be happy, too.”

This twist to a popular Jimmy Durante tune is not a new business idea, but it may be the most important one for your online business.

Consider this example in a recent article written by Glen Fest for *Bank Technology News* about one potential credit card customer for one major bank. “She earns at least \$150,000 a year. Unless she has a credit score lower than the family pet’s, she’s going to be worth as much as

\$2 million over the next 20 years after the bank approves her online application for a silver-level credit card. Yet when the well-to-do customer clicks on the submit button, she’s rewarded with only a transactional error message, with no explanation and no instructions on

how she can fix it. She tries resubmitting her application, only to get another rejection.”

It’s obvious that this credit card customer will not remain loyal to her bank when she’s unable

to apply for the credit card. All customers, online and offline, display the same behavior—that is why customer satisfaction is so critical.

When survey respondents were asked, “What one factor contributes most to a positive customer experience when conducting a transaction online?” they answered in the following order:

1. Web site security
2. Ease of completing the transaction
3. Confirmation upon completion of the transaction

“ *Providing the best end-to-end customer experience enables you to differentiate yourself. That means quickly identifying and repairing any anomalies.* ”

Danny Peltz, Executive Vice President
for Wholesale Internet and Treasury
Solutions, Wells Fargo Bank

A step in the right direction.

Anything that improves customers’ personal lives or business users’ working lives is valued. A positive customer experience not only improves your profitability, but it increases

customer loyalty and enhances brand equity. How does this translate to an Ebusiness?

One of Priceline.com’s most important features is search. At one point, many site visitors were leaving unsatisfied because of their own

and dispute-free transactions.”

inability to correctly spell their destination city. Priceline.com had previously relied upon pre-production testing tools to anticipate misspellings, but these tools were not solving this customer dilemma—how could you ever anticipate every possible spelling error? In order to better meet its customer needs, Priceline.com turned to customer experience management to anticipate end user behavior based on past user behavior. The end result: Priceline.com more effectively satisfies end user searches despite misspellings. Its customers find cities, airports, and hotels faster and more efficiently.

Every customer, every transaction, every time.

How can you take customer experience management to a new level of excellence? The first step is to acknowledge that customers are

your business. The second step is to care for each customer like he or she is your only customer.

What does this require? You need a customer experience management solution that knows how to identify each unique customer's online transactions, not summarize the aggregated collective experiences of hundreds, thousands, or millions of users. This solution provides browser-level visibility by capturing and replaying any individual customer's session. It reproduces anything that happened to anyone online. It detects problems sooner, so you can fix problems faster. It protects each customer's confidential information.

Isn't it time to run your Ebusiness like a real business?

A BETTER APPROACH TO A POSITIVE CUSTOMER EXPERIENCE WILL:

- Detect the obstacles that prevent customers from successfully using key Ebusiness services.
- Gain customer trust by protecting their confidential information.
- Provide a positive brand association and enhance the future adoption of new products by anticipating and satisfying customer needs.

Parting thoughts

The purpose of *The Five Essentials of Customer Experience Management* is to offer a fresh perspective about online customer experience—the individual experiences of hundreds, thousands, or even millions of unique customers.

Through this guide, we challenged you to consider:

- How to detect the Web errors that cost your business millions in lost revenues
- Why visibility into every online transaction is the key to managing the customer experience
- What your customers expect from their online experiences—and how to deliver it every time

And as this guide illustrates, online customer messages are powerful. They impact your profitability, customer loyalty, and brand equity. You cannot afford to ignore them.

So that you don't forget, we'll repeat these messages one more time:

- 1. I don't want to see an error message.**
- 2. I am a customer, not a diagnostic tool.**
- 3. I will take my business elsewhere.**
- 4. I want to do my business on an error-free site.**
- 5. I have the right to private, secure, and dispute free transactions.**

Remember to listen, and apply, these five essential customer messages, and you'll be on your way to running your Ebusiness like a real business. Now get moving!

About TeaLeaf

TeaLeaf is the leading provider of online customer experience management solutions. TeaLeaf CX solutions provide unprecedented visibility into every user's unique online interactions, revealing hidden problems that affect consumers and cost companies more than any single catastrophic event. By providing a patented, powerful 'outside in view' of each individual customer experience, leading e-business executives across a wide range of vertical industries including retail, banking, travel, insurance, telecommunications, pharmaceutical and transportation can eliminate failures that impact profitability, cause customer churn and ultimately damage brand equity.

For more information, visit www.tealeaf.com or call 415.932.5000.

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