

## Features

### VIEWPOINT: Customer Collaboration Beyond the Help Desk

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In "Small Pieces, Loosely Joined," David Weinberger probes the fascinating phenomenon of online authoritative help that has blossomed with the emergence of Internet communities. He cites three apparently different examples of online expertise--a prolific reviewer of books, a programming guru and a frequent contributor to a Volvo-related Web site. But in fact, all three are very similar: they are unofficial authorities. The book reviews are not commissioned by the New York Times Book Review, the code samples are not copyrighted by Microsoft, and the advice regarding David's questions about various transmission options in Volvo station wagons is not sanctioned by Volvo. All three are self-nominated and community-confirmed experts, providing their expertise to others on a pro bono basis and they are changing the dynamics of authority and knowledge, in the process.

#### Online expertise: official and otherwise

Obviously, it is not just these three individuals or even their extended online communities, but the millions of people asking and answering questions on the Web, every day, everywhere. The smartest companies channel this deluge of information and quantify its usefulness. Amazon, for example, set up the means for customers to reviews of books and was quickly forced to manage the influx of thousands of reviews--so many that it had to add reader evaluations of book reviews.

Now hundreds of people have determined that Harriet Klausner is the number one Amazon reviewer. Penning 3149 reviews has a lot to do with it, but it is the votes of those reading the reviews that has led to this former librarian, now freelance book reviewer, to the top of the Amazon reviewer ladder. This feedback cycle among the Amazon customers themselves creates a self-regulating system from what would otherwise be chaos. The same pattern has emerged at eBay, where reviews of buyers and sellers guide us as we enter into commercial transactions with strangers. The collective knowledge of the group helps the individual to answer a critical question: "can I trust this person to be fair and ethical?"

Businesses have tried to contend with the onslaught of questions that the knowledge-hungry population has thrown at them. An enormous investment has been made in customer relationship management (CRM) solutions for Web interaction--generally referred to as e-CRM--with some significant returns. Some recent studies have suggested that the most positive customer experience comes from electronic interaction--through email, discussion group, instant messaging, or chat styles of interaction. At the same time, Gartner projects that as much as 40% of companies investing in e-CRM solutions will find themselves having to rebuild them.

Perhaps Gartner is too timid--it is possible that nearly all CRM strategy will need to be rethought as a result of fundamental shifts in customer perceptions and behavior induced by Web-based online interactions. The explosive growth of real-time communication will translate into a consumer-driven revolution in customer relationship management thinking: where the customers are both the source of queries and the source of authoritative answers, with the company standing out of the way, listening in for choice product or service ideas or areas for

improvement.

The nature of the Web channels our interactions into highly personal exchanges in small groups. This and has already begun to lead us away from the tender mercies of mass marketing. The most foresighted companies are searching for ways to nurture online communities and support the unofficial voices that personalize the otherwise-mechanical pushing of information in response to mouse clicks.

Information services--such as Gartner--may find their market niches threatened by spontaneous, informal, uncontrolled and often free advice. Perhaps that was the justification for Gartner's acquisition of TechRepublic, an online community of technology wonks. They "monetized" the community interaction, continuing with free membership but lining up sponsorships for various discussion threads, and actively polling the membership for trends, fads and new topics.

### **Its not only inevitable, it saves money**

The value proposition for customer collaboration is not just increased customer satisfaction, but real cost savings. In many organizations support costs can reach 15 percent of revenue. If some issues can be diverted to expert customer volunteers, costs are decreased. Additionally, capturing such contributions for subsequent reuse can dramatically reduce the costs tied to creating support knowledge bases. In many companies today, the cost of online knowledge creation and dissemination is the single biggest inhibitor to successful e-support.

There is a growing groundswell of support for the value organizations can gain through fostering customer collaboration. C.K. Prahalad writes (in a recent Harvard Business Review article, "Co-opting Customer Competence") that collaborating with business partners and active customers is of strategic value as a key source of competence. Facilitating collaboration among customers allows companies to leverage this valuable asset. Others are also convinced that collaboration with customers can lead to accessing a heretofore-untapped reservoir of talent and expertise among customers and partners.

IDC Analyst Gene Murray points out that partners, customers and clients sometimes know more about a subject than the people in your company.

Paul Strassmann estimated that Microsoft received a no-strings-attached investment of approximately \$4 billion in the testing of Windows 95 by a community of highly committed and knowledgeable users.

Bill Rose, Founder and Executive Director of the Services and Support Professionals Association, calls customer collaboration "The next big thing in customer support." Twenty years of experience at IBM's support organization taught him that diversity of experience was key to resolving complex technical support issues. Customer collaboration allows the integration of experienced customers into the support team.

And Greg Oxtan, Director of the Consortium for Service Innovation, sees a "web of productivity" emerging around customer community relationships.

### **Compaq Presario support: The power of the community**

There are many good examples of customer collaboration. However, the approach seems particularly effective when the center of attention is the personal computer. Back in the 80s, the PC brought together strangers in local user groups. Compaq saw an opportunity to use this vibrant energy to help Presario users with their questions.

Every week, Compaq has to deal with hundreds of thousands of support inquiries. Now, more than a third are resolved among the 100,000 members of Compaq's "Customer Communities" (<http://communities.compaq.com>).

The most active members of the community, so-called "hyperaffiliates" have answered thousands of questions each. And they are exactly the guys you are looking for: mlcohn holds a certificate in Computer Electronics, msb113 is an eight-year veteran of on-site tech work, and psychocabbage a professional gamer with 210GB of games installed on his machine. If not those three, chances are high that one of the other 99,997 community members will be able to help.

One reason Compaq's Customer Communities are so popular is that the designers decided to spend their time nurturing customer collaboration rather than policing it. Meanwhile, Compaq backup resources only pick those questions that the community isn't able to solve within 8 hours. Customers themselves are the first line of

expertise.

Another reason for success is Compaq's knowledge base technology. Every answer ever provided in Compaq's Customer Communities is stored in a knowledge base. That means that you can look up an answer immediately if a similar question has been asked before. So 90 percent of all standard inquiries are taken care of without even bothering the community. And the community gurus are not bored by simple, repeat questions. Not only are Compaq's customers impressed; In January, CNet sent rated Compaq best in online technical support.

### **Bottom-up is better than top-down**

Human nature is geared to building belief--learning--through personal relationships. And it is no surprise that the customer interactions that are rated most highly are exactly those where human interaction is highest. Hanging on a phone listening to a badly recorded advertisement about the glories of the VCR you desperately want to connect to your TV is not a premier customer experience, even if you get to talk to a live person at the end of a 20-minute wait. The low-paid and not-particularly-well-informed person on the other end of the call may not be able to help and will likely only divert you to some other supposed expert who may seem no more capable.

On the other hand, interaction with self-organizing communities of knowledgeable and interested fellow customers is--even without direct interaction--simply a better way to get the guidance desired. Social interaction leads rapidly to the development of trust networks--paths of recommendations that direct us to trusted authorities. These paths are best built from the bottom-up--by the tramping of many feet--rather than by corporate top-down design.

However, smart companies will step into a new, almost magisterial role. To create an environment in which the spontaneous, bottom-up interplay of customers can amount to something where systematic customer feedback can be accumulated into reviews of experts, ultimately creating well-trodden and well-marked pathways that link the customer community to itself.

Like nearly everything that the Web has touched, customer relationship management has been changed forever. Companies must approach this challenge strategically and develop a customer collaboration initiative to decrease costs and increase customer satisfaction qualitatively and quantitatively. You can learn from what has happened at Compaq, Amazon and eBay, but you need to also learn from--and perhaps collaborate with--informal communities of your customers that already exist online.

No matter where you are in your planning or development of e-CRM, stop and take stock of your plans for customer collaboration. It is likely to be the dominant factor in the success--or failure--of your e-CRM initiative, outweighing technology investments, the level of training of your customer support staff and the content on your Web site. No one knows more about you and your products than your customers--not even you.

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