OUTSTART

CASE STUDY:
OutStart Participate
Social Business Software

Consumer Electronics Pioneer Successfully Implements Social CRM

THE CHALLENGE

In response to rapid customer growth and an ever-expanding set of product offerings, this pioneer and leader in the home entertainment consumer electronics market wanted to leverage an online customer support community to:

- Improve customer service while controlling costs.
- Create a scalable approach that could match its rapid customer growth.
- Tap into the passion of its most knowledgeable customers.
- Establish a dialogue with its customers.
- Track and report on the site's effectiveness.

The company was already providing support to customers through traditional phone and email channels and was contributing to a third-party community site that covered a broad range of home entertainment subjects.

Before proceeding the company weighed the pros and cons. The company saw the following benefits:

- Enable customers to help each other.
- Leverage a group of incredibly passionate and knowledgeable super-users.
- Enable company staff to answer customers' questions on a one-to-many vs. a one-off basis.
- Provide a rich channel for R&D and Customer Support to review key customer issues and concerns.

- Organically grow reusable user-authored troubleshooting content.
- Identify some of its most passionate and knowledgeable subscribers and engage them in dialogue to learn more about their product experiences and preferences.
- Provide a resource to answer customer questions that are indirectly related to the company's products.

Likewise, they identified several risks:

- Negative or inaccurate postings could damage their reputation.
- Inappropriate topics would be discussed that this customer isn't comfortable with or that would cause damage to a customer's machine, e.g., techniques for non-supported modifications.
- Questions would go unanswered, leaving a bad impression with customers.
- A significant amount of time would need to be devoted to moderating and answering questions.

Underlying these risks was the responsibility the company had to its customers – among the most passionate and vocal of any product. In the end, the company decided that the benefits of owning its own customer community outweighed the risks, assuming it could find the right technology and services partner.

> "Within the first year of launch, this customer community achieved robust rates of user adoption including 500,000 visits and 300,000 reads per month – and more than 90% of questions posted received a response within 24 hours."

THE SOLUTION

This company chose OutStart Participate as their platform for hosting this new customer community. Working closely with OutStart's Services group, it also drafted a comprehensive outreach plan and set of active management services designed to both drive user adoption on Day 1 and insure a "clean, well-lighted place" for customer-to-customer interaction for years to come. These services include:

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Hyper-affiliate Plan

A program to encourage experienced product users to volunteer their time to answer new customer questions was deemed essential to the success of this community. Consequently, focus was placed on creating a program that would appeal to these customers through branding and member benefits and then recruiting customers to participate.

Comprehensive User Guidelines

Because there was significant concern about exposing itself to posts that violated its support policies or that veered too off-topic from peer-to-peer troubleshooting, a set of comprehensive User Guidelines were drafted and posted to guide community members on appropriate community content.

Active Community Management

As part of its Software as a Service (SaaS) solution, OutStart offered moderation and community management services to insure customer-authored content complied with the User Guidelines as well as manage its hyper-affiliate program. Additionally, OutStart staff received product training to enable it to answer customer questions that didn't receive replies from other customers within the target timeframe. This moderation was scalable based on tools including allowing customers to flag content, and configurable workflow to identify and escalate posts with sensitive keywords.

These services complemented the Participate social software for business platform that could easily scale to

accommodate its growing community. In addition to searchable customer discussions directly accessible from the homepage by key troubleshooting topic, OutStart Participate offered a full set of quantitative and qualitative reports that helped the company effectively gauge the business impact of its customer community. For example, the platform's built-in reporting enabled this company to determine if customers were receiving replies to their posted questions within their target Service Level Requirements. Other reports identified potential hyper-affiliates based on posting activity and calculated their impact in the community. Additionally, customer workflow identified unanswered questions for escalation to the site moderator and support staff.

THE RESULTS

Within the first year of launch, this customer community met the following quantitative and qualitative benchmarks:

- Robust rates of user adoption including 30,000 visits and 68,000 reads per month – and perhaps most importantly, more than 90% of questions posted received a response within 24 hours
- At least three replies to the average question posted by a customer – a key indicator of a healthy community
- Successful creation of an active hyper-affiliate program that typically accounts for 40% of all responses to customer questions.

Most critically, the customer saw these business results from their investment in this customer community:

- **Reduction in support costs** – Successful adoption of this customer community as scalable support tool enabled this company to turn off email-based support without any negative customer consequences,

- **Call deflection savings** – Based on the customer's average cost to resolve a support issue by phone, this customer needed less than 2% of all content reads to result in a call deflection and break even on their investment. Estimating that merely 4% of all community reads led to call deflections translated to a monthly ROI that exceeded 200%. More realistic estimates such as 5-10% demonstrate that the avoided costs from this customer community easily justify its investment.

- **Customer support training** – This customer isn't just building an organic database of troubleshooting content for its end users; this support community is also searched by the company's customer support agents when they're researching a support issue.

About OutStart

You view knowledge sharing between your employees, partners, and customers as a strategic priority. Their knowledge leads to your success. OutStart's portfolio of inter-related mobile, social, and learning Knowledge Solutions accelerate and broaden access to colleagues and the knowledge they need to respond to business requirements more quickly and make better informed decisions. Together you excel. Recognized as a Visionary in Gartner's Magic Quadrant reports for the last seven years, OutStart is regularly acknowledged for its award-winning solutions including OutStart LCMS; Participate, social business software that integrates social networking, collaboration and knowledge sharing technologies; Hot Lava Mobile to develop, deliver & analyze high impact mobile learning; OutStart LMS, a full featured, configurable learning management system; and TrainingEdge.com an affordable learning & knowledge suite for the Enterprise the extends LMS and traditional elearning to support informal, social & mobile learning.

For insight into customer implementations, best practices, industry news and more, visit the OutStart Knowledge Solutions Blog, and follow us on Twitter @outstart.

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