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Have you taken a flight recently? Chances are you found your flight, picked out your seat, checked in, and added your boarding pass to your smartphone. You did it by yourself and online, right? At the airport, you may even have printed your own luggage claim ticket before boarding.

If you're like most people these days, your travel planning and flight purchase get done at your choice of timing, not just when some airline call center or travel office is open. Your seating matches your preferences, not the airline's. And it all gets done without requiring any other person to be involved.

This is the new customer experience model and, increasingly, it is a model that has customers doing everything they want themselves.

One 2015 study found that nearly 75 percent of consumers preferred to solve customer service issues without a customer service representative (CSR). The same study found that 65 percent of all consumers and 69 percent in the millennial age group report feeling good about themselves and the company they're dealing with when they can resolve a problem without CSR intervention. In fact, nearly a third of survey respondents said they'd rather clean a toilet than talk to a CSR.[1]

Statistics like these – and there are plenty of them – demonstrate the business need for robust customer self-service channels. That's a big part of the business case. Following are some other ways to profit from self-service solutions.

Analyze Your Data

The big costs involved in a self-service portal accrue when you first get it up and running. Because a large portion of your business justification comes from cost savings, it's wise to focus on the most common service requests that now hit your call center. The goal is to drive usage of your self-service technology quickly and defray upfront costs.

To do that, begin your customer portal project with analysis of company data that is already available. Examine why customers call in, what business they're conducting, how long the average call keeps a CSR on the line and what might speed up the interaction.

At a large, Canadian municipal utility serving some 730,000+ customers, one organization did this and quickly prioritized the requests CSRs managed that could easily be transferred to a self-service channel. One was related to account changes: move-in/move-out calls or changes in contact information. Other common requests that were well suited to self-service included bill payment, account history questions and how to sign up for automated payments.

Such issues guided the design of the company's customer self-service portal. Now that this portal is complete and online, the end result is a website that's highly personalized and enables users to manage their accounts from any device. Account details, such as current balances, payments, payment history and due dates, are accessible at a glance. All account information can be downloaded or printed for manageability. Billing features include pre-authorized disbursement using a highly secure and robust payment engine.

Within one year of launching the portal, the utility had exceeded its portal-registration goals by 110 percent and had seen an increase of approximately 20 percent in self-service use. The call center, which previously received approximately 614,000 calls per year, saw a 65-percent reduction in call center traffic, resulting in operational savings.

Numbers like this come from taking an outside-in approach and clearly meeting customer requirements as identified by customer behavior.

Turn Outages into Opportunities

After an initial launch aimed at meeting top reasons for customer calls, the utility noted above began to enhance functionality. One project involved a mobile-first outage reporting solution that was built in 2.5 months.

The solution gave customers the ability to report an outage on any device from any location, which minimized the number of calls coming into the call center. It also helped customers report outages even when the power was out at their premises. Finally, the solution enabled automated messaging for customers who signed up to receive alerts about outages in their areas.

Benefits from a solution like this extend far beyond call-center savings. For instance, if your utility doesn't have advanced metering infrastructure in place, every call or online outage report helps you restore power more quickly. That's because each customer contact becomes another data point your outage management system can use to triangulate the fault location on your distribution system.

Rapid outage restoration has been correlated with higher customer satisfaction scores, according to researchers at The Brattle Group, a firm that provides consulting services and expert testimony in economics and finance to many utility regulatory agencies.

What's more, results from the most recent J.D. Power and Company survey of residential electric-utility customers indicates that proactive outage communications can be a powerful satisfaction builder. The survey found that increasing numbers of utility customers are getting information about outages – such as the cause, number of customers affected and estimated restoration time – via alerts. Fifty-nine percent of customers got such information 2016, and that number jumped to 66 percent in 2017.

Overall satisfaction among customers who receive such information is much higher than among those who do not receive those outage details. Customers in the know gave their utilities an average score of 716 out of 1,000 possible points versus 683 for customers who didn't get any outage insights.

And, here's another reason making an outage reporting solution mobile-first is a good call. The 2017 J.D. Powers survey also found that 35 percent of utility customers are now accessing their utility's website either by a mobile phone or by a tablet. That's a 15 percent increase over 2016 figures.[2]

Given all these J.D. Powers results, it's little wonder that an outage reporting self-service option can pay off well in call-center savings. Before implementing its outage-reporting mechanism, the utility mentioned above received about 96,000 calls annually from customers reporting outages or wires down. Despite an increase in outage events and numbers of people impacted by them, the utility still saw a 25-percent reduction in call-center volume in the year after implementing its self-service outage reporting tool.

Let Customers Solve a Problem

Another utility has justified self-service with a simple customer-related problem: the cost of mailing out bills.

Around the time this utility was looking at increasing its paperless billing adoption, a benchmarking study on e-billing was conducted by a consulting firm specializing in strategic research for financial services organizations, utilities and other large billers. That study found that utilities averaged only 12 percent adoption of paperless billing.[3] This utility's adoption was in that range, and the company decided to target a 20 percent adoption rate.

The utility reached that goal and more in the first year after launching a comprehensive self-service portal that gave customers the ability to view their account histories, update account information, request services, set up e-billing and more.

The utility also saw a 20 percent reduction in call-center volume. All told, managers estimated some $10 million in savings annually.

Implementing self-service portals can be even more cost effective when you follow best practices. Here are a few to remember:

Hire the Whole Package:

A customer self-service portal isn't a marketing project, although you'll want to have your marketing people involved to maintain brand integrity. Still, while it's tempting to look at website developers, you really need to hire portal experts, companies that understand how to take back-end activities and bring them into the front-end where customers can interact with them.

Put another way, self-service portal projects typically require deep integration knowledge across multiple types of legacy systems, including Microsoft, IBM, Oracle, SAP, home-grown software and more. The average call center agent has to access 19 different systems to complete a customer interaction. A portal requires customers to complete tasks using those same disparate systems, which means that this software must be seamlessly connected. There won't be a representative on the phone to fill the wait with chitchat while the computers do their processing.

Manage Your Data:

Research from Microsoft indicates that the quality of customer data hinders 48 percent of company managers who want to better adapt customer care to customer needs. Nearly one in three chief marketing officers cite technology capabilities as a major challenge to delivering the experiences their customers expect.

When you look for a portal-project consultant, look for an organization with data cleansing expertise and understanding of source or master data best practices. The quality of your customer portal experience will only be as good as the data supporting the functionality.

Build, Measure, Learn, Improve:

Usage volume is what pays off in portal deployments, so you need to do everything you can to drive adoption. One way to do that is to work in an agile, incremental way, delivering applications in phases and validating them every step of the way with users to make sure the portal will serve customers well.

Once you launch your new applications, monitor user and system behavior to drive continuous improvement. After all, your customers are constantly evolving. You need to keep up with them. And, today that doesn't mean more service. It means self-service that puts customers in control.

ABOUT THE AUTHOR:

Vikas Mukhi is an enterprise architect at Navantis, a Datavail company with 15+ years of successful leadership and experience in business processes, complex applications and secure enterprise-class solutions necessary for 24/7 business operations. His responsibilities include solution strategy and implementation for business operations and has been recognized as a customer-trusted advisor throughout the project life cycle.

[1] https://www.aspect.com/uk/company/news-and-events/press-releases/customer-serve-thy-self-new-study-reveals-millennials-desire-for-self-service-digital-interaction-to-change-customer-service-forever

[2] Ibid.

[3] https://www.fiserv.com/resources/wp-state-of-paperless-billing-2011.pdf