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THE 10 RULES OF ONLINE CUSTOMER RESPECT



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There is no denying the fact that the Internet has become a major part in our personal as well as professional lives. Based on the 2002 UCLA Internet Report, the average user spends 11.1 hours a week online. The Internet is a main tool for customer information and product research. The Cahners Advertising Research Report, 2001 found that 8 out of 10 business professionals are using the Internet for product information and evaluation. 55% access company information to learn more about an organization. 90% of online consumers use the Web to research a purchase and 10% search Web sites to find out where to buy offline. Corporations will spend more than \$76 billion on Customer Relationship Management (CRM) software and services by 2005¹. Currently, 51% of the 67.5 million U.S. households that are online also purchase online².

Yet, despite the increasing importance of the Internet as a communications, service, and sales channel, companies still don't apply the same Customer Respect principles to their online channels and treat their online customers differently than they do offline customers. Here are a few more statistics to support that point:

- ▶ 70% of online customers go to a competitor, if they don't receive a timely response from a company².
 - But only 69% of the 100 largest U.S. companies respond to online inquiries³.
- ▶ 64% of online customers do not use a Web site, if they don't know how their personal data is being used⁴.
 - Still, 10% of the 100 largest U.S. companies have not posted a privacy policy on their site³.
- ▶ Only 22% of online customers return to a site after a negative experience².
 - Brand loyalty is not a given, it must be earned each and every time a customer visits a site.

WHAT IS CUSTOMER RESPECT?

Customer Respect is an organization's treatment of the individuals with whom it interacts. To help companies improve the way they treat their customers online, The Customer Respect Group developed the Customer Respect Index (CRI). Based on a methodology that is borne from interviews with online users and corporations, 3rd party research in the areas of human factor design, site usability, electronic privacy, and general customer service best practices, the CRI provides an objective measure and ongoing benchmark of a customer's online experience.

¹ Source: Gartner

² Source: Forrester Research

³ Source: The Customer Respect Group

⁴ Source: Harris Interactive/Cutnan and Mine



THE 10 RULES...

As you are working on enhancing your customers' online experience, we suggest you keep the following '10 Rules for Online Customer Respect' in mind:

1. What is the most important message you want to get across on your site? Or, what is *the one thing* you want your customers to take away after visiting your site? What do you want them to do?
2. Make it easy for users to locate product, service, and corporate information.
3. Provide users with an online contact method.
4. Ask for permission before sending any kind of marketing communication.
5. Be open and honest about how you use personal data collected online.
6. Provide customers with an easy-to-understand privacy policy.
7. Never, ever share personal data without the customer's expressed consent.
8. Reply quickly and thoroughly to online inquiries.
9. Utilize personalization to customize your communication with a customer.
10. Treat an online customer the same as an offline customer – as if (s)he was your only one!

Let's take a moment to look at each of them in more detail...

1. What is the most important message you want to get across on your site? Or, what is *the one thing* you want your customers to take away after visiting your site? What do you want them to do?

Your site visitors are bombarded with information – from you and others. Chances are you're using many of the buzzwords your competitor is using. Think about the key message you want to get across. If you can only keep someone on your site for 30 seconds, what is it you want them to leave with? Once you've defined what this *one thing* is, make sure your site visitors can get to it easily. Be concise and crisp in your message. If you can capture their attention early, they are more likely to stick around for more. Provide them with *goodies* (whitepapers, special offers, etc.) along the way and give them *a reason why* they should come back to your site. Just imagine you are controlling their mouse – where do you want them to click?

2. Make it easy for users to locate product, service, and corporate information.

Online users have a shorter attention span and it is much easier to click away or enter a competitor's URL than it is to walk out of a store after you just spent half an hour trying to find the place and get a parking space. If your site visitors can't figure out how to navigate your site and find key information, they will leave. Worst of all – you won't even know why they left, or maybe even that they were there in the first place!



3. Provide users with an online contact method.

The Internet is a great communication vehicle. Unfortunately, many companies mainly view it as a one-way communication tool. Your site should have an easy-to-find and easy-to-use method for site visitors to contact your company. If your customers take their valuable time to come to your site, you should reward them with a way to 'talk' to you. You never know who the next visitor to your site may be – it could be that strategic business partner you've been trying to work with for the past year. The Web enables 1-to-1 communication with your customers. Take advantage of it!

4. Ask for permission before sending any kind of marketing communication.

It is very tempting (and easy) to ask site visitors to register for sweepstakes, downloading a white paper or simply ask for personal information when they send you an inquiry. This data can then be used for further marketing activities. When doing this, you should always ask for permission first though. With the recent rise in spam, online users are very sensitive to unsolicited communication. Half of all the email your customers receive is spam. Make sure you are not part of the problem. By sending information your customers haven't agreed to receiving, you can permanently damage their trust in your company and lose them forever.

5. Be open and honest about how you use personal data collected online.

Did you know that about 64% of your online customers might leave your site or abandon their shopping cart, if you leave them in the dark as to how you use their personal data? To avoid that and build a trusted relationship, you should be open and honest about how you plan to use personal data collected from your online customers. Similar to asking them for permission to market to them, you should also provide them with the capability to "opt-out" of receiving marketing communication.

6. Provide customers with an easy-to-understand Privacy Policy.

The Annenberg Public Policy Center at the University of Pennsylvania recently found that the majority of online customers don't understand the treatment of personal data, even after reading a company's privacy policy. Too many policies are written like legal documents, making it hard for the average user to fully comprehend how their information is being collected and used. A privacy policy written in a friendly style, using bullet points, short sentences, clear section headings, and a conversational style will help in building trust and keep the user on your site.



7. Never, ever share personal data without the customer's expressed consent.

It is hard to imagine that there are still companies reserving the right to do whatever they please with their customer's personal data – but they are out there! Sharing personal information without consent is simply unacceptable. It is almost certain that you will lose that customer, potential revenue, and might even risk a PR nightmare. By default, no personal information should be provided to or shared with anybody outside of your organization. Always be very clear on your data sharing practices and provide customers with options (opt-in/opt-out).

8. Reply quickly and thoroughly to online inquiries.

The responsiveness to online inquiries of the Fortune 1000 companies varies from 50-80 percent depending on industry segment. On average, about 30% of all companies don't respond to questions their customers sent through their Web site! If you provide site visitors with the option to communicate with you, the courteous (right) thing to do is to respond to them. By not doing so, you're sending a clear message: "Go away, customer. I don't care about you." Every question deserves an answer. But don't just send stock answers that don't provide much value. Try to answer all of the customer's questions as much as possible.

9. Utilize personalization to customize your communication with a customer.

When submitting an online inquiry, most companies ask for name, email address, and often much more. Only very few utilize this information though to personalize their communication with the customer. Personalized messages just work better than non-personalized stock answers. They set the overall tone of the communication and make the customer feel valued. Ideally, you should send Autoresponders to acknowledge receipt of an inquiry and provide the user with an estimated turnaround time for an answer. Autoresponders are easy to implement, and should also be personalized. And only ask for information you are going to use – anything else is a nuisance.

10. Treat an online customer the same as an offline customer – as if (s)he was your only one!

Online customers are just as valuable as offline customers. Often times, they can be even more valuable. Nine out of ten online users use the Web for product/service research. One out of ten find-out online where they can buy offline. Only 22% return to a site because it belongs to a favorite brand. You should treat every customer as if it was your only one. Providing them with an overall positive experience and meeting or, better yet, exceeding their expectations will almost certainly ensure future business. Online users tend to be very communicative and spreading the word about one negative online experience can quickly multiply exponentially – without you ever knowing it!



To learn more about the Customer Respect Index (CRI) and the services The Customer Respect Group can provide in your e-strategy initiatives, please visit our Web site at www.customerrespect.com, email us at info@customerrespect.com, or call us at 425-454-4151.

About The Customer Respect Group

The Customer Respect Group is an international research and consulting firm that uses its Customer Respect Index (CRI™) methodology to help companies improve how they treat their customers online. It provides leadership in the objective and scientific measurement of a customer's online experience. Many of the largest U.S. companies have already adopted the CRI methodology to improve online customer satisfaction and loyalty.