

SAP White Paper
mySAP Customer Relationship Management



mySAP™ CUSTOMER **RELATIONSHIP** **MANAGEMENT –** **INTERACTION CENTER**

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INTRODUCTION

The customer is still at the heart of all business activity. Therefore, to set themselves apart from their rivals, companies must continually anticipate changing customer demands and quickly develop tailor-made offerings to match.

To this end, many companies have targeted the customer interaction center as a strategic channel for managing service, sales, and marketing activities. Because of that emphasis, the interaction center has become the voice of the company. During the last 10 years, the traditional call center has evolved from a simple phone operation into a full-service interaction center capable of handling all customer interactions through any communication channel – telephone, e-mail, mail, fax, the Web, mobile devices, and face-to-face contact.

LEVELING THE PLAYING FIELD WITH CUSTOMER SERVICE

The Internet, with its virtual communication portals, makes the global economy accessible to even the smallest enterprises, leveling the playing field and removing obstacles to market entry. New market entrants, in particular, have recognized that a dedicated customer focus can result in significant competitive advantages.

Today's customers expect and demand excellent, consistent service, with nothing less than 24x7x365 access and availability. Your company can only deliver this type of availability by deploying a customer relationship management (CRM) system that supports all customer interaction channels, as well as all types and combinations of sales, marketing, and service processes. Implementing a state-of-the-art CRM solution throughout the enterprise is now a strategic management goal that has top priority.

In addition, your company's CRM solution must model all the possible roles customers may play – because, nowadays, your customer may also be a supplier, a competitor, or even an employee. As a result, effective support for interaction is feasible only if the various roles are correspondingly modeled in the CRM solution.

Nowadays, the interaction center plays a strategic role by connecting the entire enterprise on a single e-business platform – from the front office to the back office. Integration with other company systems is a must, since the interaction center serves as a central hub for your customer interactions. As such, the interaction center has become a critical element to your company's success. What's more, managers need to make informed decisions about staffing, productivity, and training for interaction center personnel, since they play a key role in customer-facing activities. With a viable CRM solution, strong workflow capabilities can be supported to automate activities from the interaction center out to the extended enterprise. In this way, you are able to guarantee service levels. Plus, you can maximize interactions each time your customers touch your enterprise, giving you an opportunity to expand "wallet share."

FROM CALL CENTER TO INTERACTION CENTER

To adapt to the new demands of customer service, conventional call centers must be transformed into leading-edge customer interaction centers.

The call center has traditionally been the key point of contact between a company and its customers. However, phone-based call centers that provide its agents with only rudimentary data on customers are relics of the past and have little in common with the reality of today's customer relationship management.

Today, customers demand multiple forms of interaction. With customer loyalty fast disappearing and the competition only a mouse-click away, the challenge is to make it as convenient and pleasant as possible to interact with your company. This means supporting the full range of activities, such as providing information about products and services, completing transactions, tracking order status, and requesting services.

A full-service interaction center is the key tool for combining all aspects of customer relationship management. Acting as a strategic entry point into the enterprise, customers use the interaction center as a gateway into sales, service, and marketing in a "closed loop customer interaction."

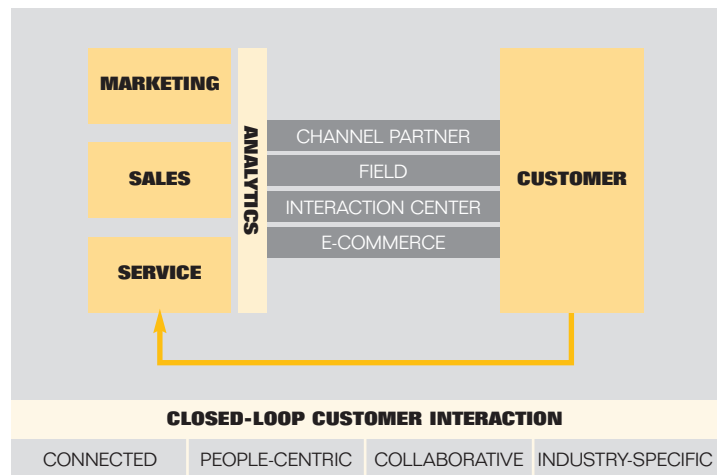


Figure 1: mySAP CRM Overview

The transition from call center to interaction center reflects the general trend in customer relationship management, as Figure 2 illustrates.

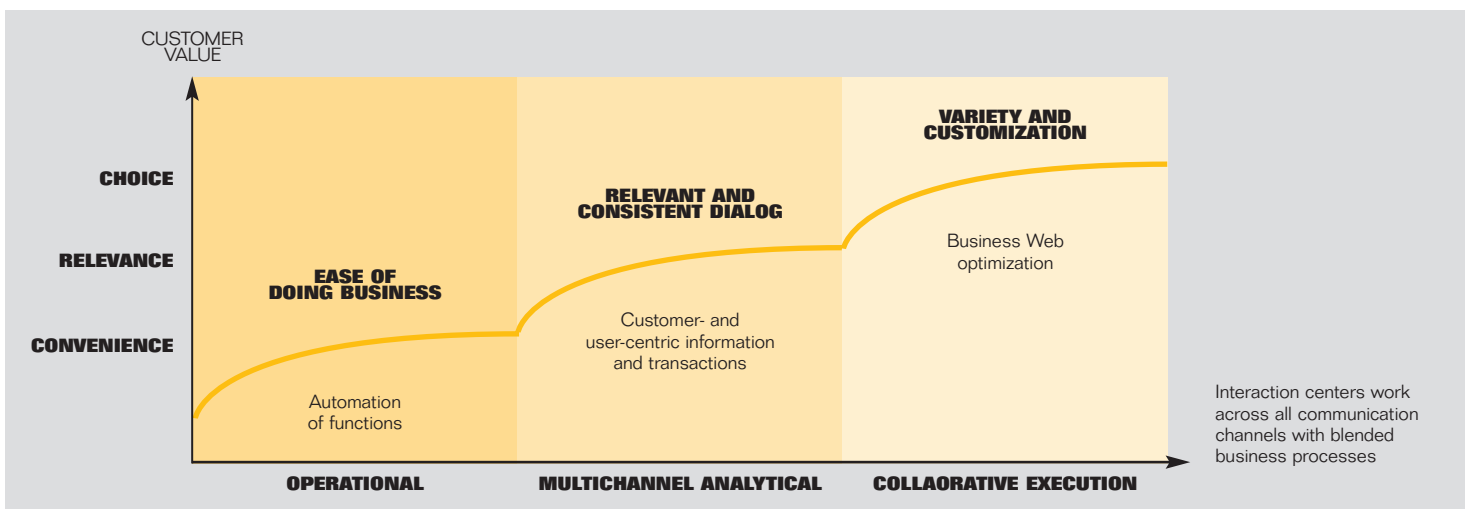


Figure 2: Evolution to Interaction Center

COST VS. QUALITY

Over the past decade, many companies have concentrated their efforts on process automation. This resulted in call centers that were primarily geared toward reducing transaction costs. These call centers were often outsourced, and their success was measured by transaction costs, call duration, and staff turnover.

In the last two years, enterprises have realized that the quality of its call centers is a significant factor in customer satisfaction. The reason is that customer behavior and expectations are changing. Customers who, just a few years ago, were willing to tolerate having to dial different phone numbers for service inquiries, sales support, or placing orders now expect a single agent to handle all these processes – and have all their customer information instantly at hand.

The customer – who sent a fax on Monday, wrote a letter on Tuesday, sent an e-mail on Wednesday, and spoke to a senior executive on Thursday and the sales manager on Friday – expects the agent in the interaction center on Saturday to be fully informed of all these contacts, as well as the agreements that were reached or information that was communicated. The agent must also be able to provide precise information about prices, delivery dates, availability of service personnel, and order status.

In today's interaction center, agents should have extensive knowledge of all business processes – and their customers – and be aware of their responsibility toward the customer. And, while yesterday's call center was a satellite organization, today's interaction center is at the very heart of customer relationship management.

KEY CHALLENGES

The paradigm shift from call center to interaction center could not be more radical in terms of required skills and responsibilities. There are three key challenges to be mastered:

1. The technological transition from conventional analog telephone systems to Web-based multichannel systems
2. The transition from simply taking inbound calls to end-to-end customer support covering all business processes
3. The transition from a low-skilled organization to a highly skilled, team-based service organization

STATUS OF INTERACTION CENTER CAPABILITIES WITH mySAP™ CRM

As a function of mySAP™ Customer Relationship Management (mySAP™ CRM), the interaction center provides its staff with the technology and tools they need to meet these challenges, and to model their enterprise's business processes, so interactions can be handled once and then they are done.

The new version of mySAP CRM, released in October 2002, breaks new ground in the areas of connected and people-centric CRM. By providing portal-based access to all relevant mySAP CRM processes and capabilities, interaction center managers have all the tools they need to effectively and efficiently run their contact center.

A range of new capabilities has been developed for this latest version of mySAP CRM, building on previous multichannel and multifunctional capabilities (telesales, customer service, and telemarketing), knowledge management, and analytics. These include an interaction center manager portal capable of agent planning and scheduling with workforce management, as well as easily creating and automating activities using workflow management.

MULTICHANNEL CAPABILITIES

mySAP CRM facilitates inbound and outbound communications primarily for telesales, telemarketing, and service. Interactions can be blended across channels, including telephone, fax, e-mail, and Web sites. Customer contacts are tracked, monitored, and enhanced for effective multichannel communication. Key multichannel features of mySAP CRM include:

- Multichannel integration with popular universal queue, computer telephony, automatic call distribution, interactive voice response, e-mail management, and text chat systems to allow companies to leverage their existing technology investments
- Screen-pops with contact-attached data for display on agents' desktops, reducing the time required for each customer interaction

- A desktop soft phone that enables hands-free call management
- An e-mail editor and chat box within one desktop allows agents to maintain the context of the contact without having to use separate applications
- Integration with SAP's live Web collaboration capabilities, allowing agents to leverage text chat, VoIP, Web collaboration, Web call back, and e-mail

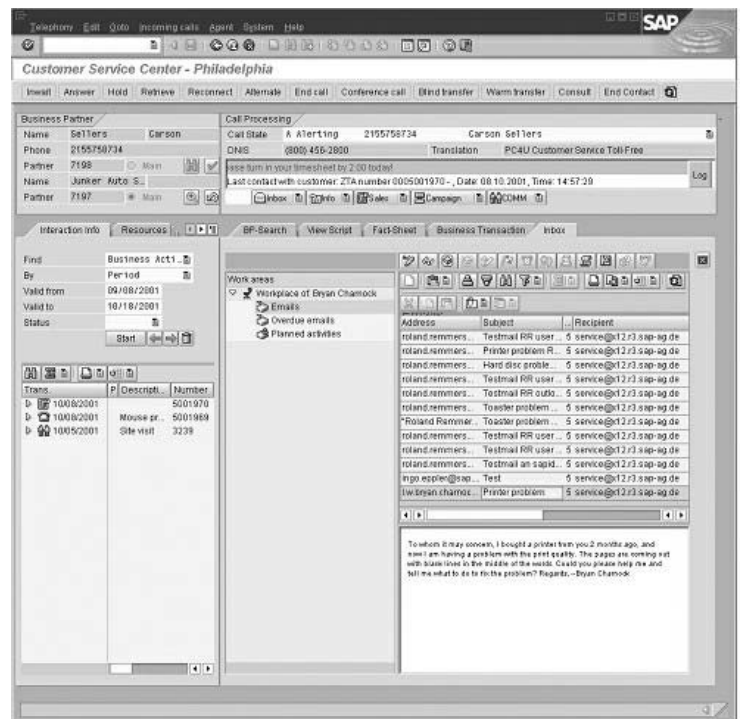


Figure 3: mySAP CRM's Interaction Center – Inbox View

MULTIFUNCTIONAL CAPABILITIES

mySAP CRM's interaction center is the single communication interface for marketing, sales, and service business processes.

Key capabilities include:

- Automated alerts and alarms that warn agents of pertinent business issues, such as open service items or payment status, so they can prevent potential problems from becoming actual problems
- Scripts and prompts that guide agents through customer interactions and suggest cross-selling or up-selling options that can turn cost-generating requests into profit-generating orders
- Powerful search tools that provide a wealth of knowledge, ensuring accurate, consistent service
- Access to Web-based, self-help tools (such as FAQ pages) that offload mundane chores from agents and improve customer satisfaction

SERVICE CAPABILITIES

mySAP CRM coordinates the wide variety of corporate systems and resources to streamline all service processes. From a single desktop application, service agents can handle complaints, address customer concerns, answer technical questions, process returned materials, and make exchanges. Key capabilities include:

- Tools to track service requests and the status of open issues, increasing agent effectiveness and productivity
- Validating entitlements and warranties for services like repairs and searching for appropriate procedures to dispatch repair personnel with the right spare parts, equipment, and information
- Issuing credits or vouchers for substitute products and services to turn complaining customers into loyal customers
- Generating alerts and prompts that warn agents of outstanding issues and then walk them through procedures to ensure consistent, professional service that falls within corporate guidelines

TELESALES CAPABILITIES

Giving your staff ample tools to support their telesales activities ensures that these types of interactions are maximized. Key telesales capabilities of mySAP CRM include:

- Scripts and prompts that guide agents through customer interactions and suggest personalized cross-selling or up-selling options – which can directly increase revenue
- Surveys to qualify leads and sales priorities for a direct sales force or for partners
- Tools to track lead and order status, increasing agent effectiveness and productivity
- A global Available-to-Promise (ATP) capability that informs sales reps of the availability of products and services ordered and the delivery time frame
- Real-time tracking of customer orders during order management, manufacturing, distribution, and service processes
- A centralized product catalog that provides easy access to timely product and service information
- Centralized, single-source pricing information that telesales agents can use when discussing discounts, surcharges, rebates, volume-based pricing, tax calculation, and price overrides on a percentage or value basis for all customers and partners
- Centralized quotes, which enable telesales agents to develop, verify, revise, and submit quotes that are tailored to satisfy customer expectations

TELEMARKETING CAPABILITIES

Telemarketing is an adjunct to telesales and provides a channel for delivering information to support campaigns and other marketing activities. Key telemarketing capabilities of mySAP CRM include:

- Marketing campaign management with scripts and prompts
- Marketing campaigns that automatically generate call lists and push them to agents' desktops to ease the execution of marketing campaigns

- Scripts and prompts that guide agents through the sometimes complex elements of marketing campaigns, such as packing and price promotions
- An outbound dialer interface that leverages the benefits of predictive dialers, which creates immediate ROI for multichannel support

KNOWLEDGE MANAGEMENT

Knowledge is power. And instant access to that knowledge is the key to using it effectively. With mySAP CRM's knowledge management capabilities, agents and managers have a wealth of tools to capture and present relevant information to employees, partners, and customers. Interaction center agents have essential information on customers – including profiles, histories, and all relevant details of their communications with the company – so they can handle customer interactions consistently, professionally, and accurately.

Key knowledge management capabilities of mySAP CRM include:

- Fact sheets that contain a customer activity summary, marketing profile, and hyperlinks to relevant business transactions at a glance, providing agents with a clear and consistent context for addressing and interacting with a contact
- Automated alerts and alarms that notify agents of pertinent business criteria like open service items or payment status, which agents can then handle proactively instead of wasting time locating the information manually
- Broadcast messages that notify agents about contact volumes (such as the number of phone calls, e-mails, and chats in a queue), productivity goals, and changes in corporate procedures, which keeps interaction center personnel up to date without productivity loss
- Intelligent search tools that automatically scan the knowledge base for specific, frequently asked questions (FAQs), troubleshooting symptoms, and solutions related to a customer interaction, which enable agents to deliver appropriate responses to customers verbally, through e-mail, or with text chat

ANALYTICS

Today, the market can change in a heartbeat, and you have to change with it. But to do that, you need timely and accurate information. Most managers must rely on data that their staff gathers from disparate systems, which is evaluated manually. Now, with powerful interaction center analytics capabilities, this can mean the difference between profitability and bankruptcy. Using mySAP CRM analytical capabilities, executives can quickly and easily understand the operational environment and financial status of the enterprise, as well as customer satisfaction, loyalty, and preferences.

Key analytics capabilities of mySAP CRM include:

- Benchmarks for the performance of personnel, operational systems, scripts, campaigns, and incentive programs so managers can evaluate interaction center effectiveness and identify areas that need improvement
- Tools to assess customers' buying habits and perspectives about product quality, which can then be analyzed to develop new products and increase revenue
- Tools to compare the cost of operating an interaction center with the revenue generated by interaction center programs, which can ensure that service levels are in line with corporate profit margin targets

INTERACTION CENTER MANAGER PORTAL

The new manager portal integrates mySAP CRM with public information and third-party data, such as computer telephony statistics and quality-monitoring updates. With the manager portal, an interaction center manager can monitor channel statistics and agent efficiency in real time to ensure that the interaction center meets service levels. And because managers can coordinate pertinent information stored in other systems within one common portal, they can spend time making decisions instead of gathering data. And since manager's can download additional content from SAP's iView Studio (www.iviewstudio.com), they have the flexibility to select the information most relevant to them.

Key accessibility capabilities include:

- Access to information, including real-time statistics from third parties, agent planning and scheduling, call lists, processes, and setup design, and customization templates
- Instant visibility into information on resource usage
- Central portal to sources of information, such as statistics about the volume of contacts (including number of calls, e-mails, and chats in progress), from the communications infrastructure and third-party quality monitoring systems

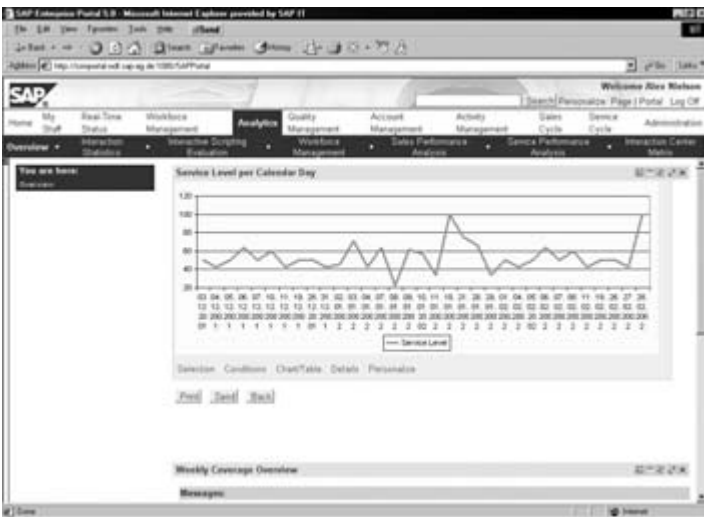


Figure 4: mySAP CRM's Interaction Center Manager Portal – Analytics View

WORKFORCE MANAGEMENT

Companies must make the most of their interaction center. The comprehensive workforce management capability of mySAP CRM gives interaction center managers a full suite of features for staff optimization, ensuring that the right agent with the right skills is available at the right time. New features include tools for short-term staffing forecasts, skill-based assignments, and powerful reporting in multichannel environments, along with the freedom to allocate resources to adjust for seasonal shifts in employee availability.

The new interaction center workforce management capability in mySAP CRM was built from the ground up to include multichannel support – unlike retrofitted, phone-only third-party systems. Managers access the workforce management capability from the manager portal.

Key workforce management capabilities include:

- Forecasts of workload and the distribution of interaction center employees, which ensures companies meet customer expectations regardless of which communications channel they choose
- Advanced scheduling techniques that support multiple sites, ensuring that the most qualified personnel perform specific operations when needed
- Planning capabilities that enable managers to staff according to volume, skills sets, activity, corporate goals, and customer expectations

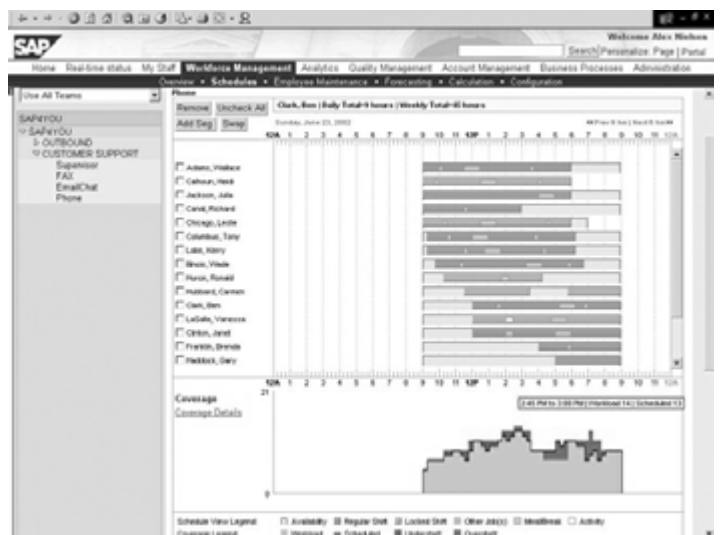


Figure 5: mySAP CRM's Interaction Center Manager Portal – Workforce Management View

THE BENEFITS OF mySAP CRM'S INTERACTION CENTER

WORKFLOW MANAGEMENT

Companies must automate as many processes as possible to reduce costs and ensure service levels are met. The new workflow modeler within mySAP CRM provides an easy-to-use design tool for interaction center managers to create routing rules, ensure service escalation, and optimize operational efficiency.

Key workflow management capabilities include:

- Graphical, drag and drop design tool for easy deployment of workflow without requiring a project consultant
- Logical workflow-enabled objects (which is preset code that operates specific functions) helps ease configuration and modification, and prevent automation errors
- Modeling techniques that are provided to ensure syntax is always correct

mySAP CRM's interaction center unites the front and back offices into a single, enterprise-wide office that enables all members of the enterprise to manage customer relationships across any customer communication channel. And because it provides interaction center managers and agents with access to every customer interaction across the entire enterprise, companies can align customer acquisition and retention goals with its corporate cost and revenue objectives. Today, when customer satisfaction and loyalty are critical to business success, mySAP CRM's interaction center provides a collaboration and communication platform for telesales, telemarketing, and customer service and support to ensure that success. Now, no matter how customers contact the company, agents can handle their requests quickly and consistently.

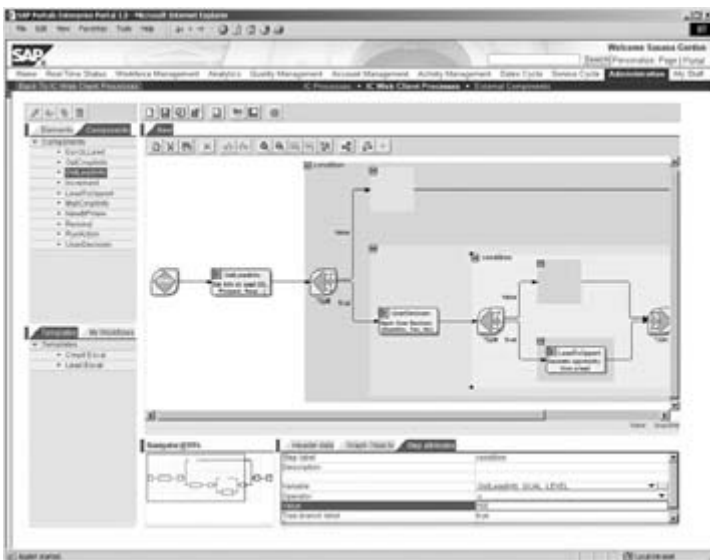


Figure 6: mySAP CRM's Interaction Center Manager Portal – Workflow Management View

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