



Interactive Business Systems, Inc.



## Cutting Costs and Generating a Return From Your Website

### An IBS Business Perspective

Your website is a useful tool that distributes company information, engages clients, entices prospects and promotes your brand. Yet your Website could be doing so much more. A business Website should also be a powerful tool for cutting costs. What kind of costs? The data entry and customer service and support costs that tie up phone lines and keep service teams overloaded.

Simple, strategic and even low-cost improvements to websites can produce impressive ROI. Consider the cost benefits of reducing call volume to service desks or shifting data-entry work from internal staff to customers. “Many businesses grossly underestimate how dramatic the value can be of a few strategic Web enhancements,” said John O’Connell, Principal Consultant for IBS and former CIO of Aon Corporation. “They come to the table thinking of it as a few cosmetic improvements, but are thrilled when they see the ROI numbers.”

Reduced service-demand and administration saves businesses significant money and can be achieved through pragmatic website design and functionality in three areas: 1) usability, 2) self-service and 3) search. Often, a simple assessment of website operations in these areas will reveal how a few modest website improvements can yield serious ROI.

#### Opportunity 1: Improve Usability

Every company wants visitors to use their site with quickness and ease—which is a simple definition of good usability. However, few companies get usability 100% right the first time. Common mistakes include:

- Complex navigation
- Too much or too little information
- Poorly executed ordering, booking or buying processes
- Overwhelming design not reflecting how the user thinks

These mistakes can lead to poor usability, which, in turn, can lead visitors to seek out other resources. And once they’ve left, they are not likely to return.

However, improving a key feature on a website, such as order processing, will yield valuable results. For example, IBS’ client, the Wisconsin Education Association (WEA) Trust, saw a 400% increase in online enrollments for IRA and/or tax-sheltered annuities after simplifying the online application process. The improvement surpassed all ROI expectations within just one week of going live.

Dayton Superior, a leading concrete construction manufacturer, worked with IBS to redesign its website navigation and product-offer look-up functionality to make it easier to use. The design overhaul cut in half the number of clicks required to find a product. Since the website was launched just over a month ago, it’s too soon to share hard metrics, but Dayton Superior expects to significantly decrease its customer service call volume.

To begin improving site usability, it’s important to clearly define the purpose of the site and determine what your end users want. Once that is understood, it’s easy to step back and answer critical usability questions:

- Does the site meet the goals of the target users?
- Are there good reasons for our target audience to come and visit the site?
- Is key functionality missing?
- Does the site meet our goal/purpose?

The goal of a usability assessment is to identify all problem areas and build a plan to address them. Most businesses end up with a fairly substantial list of renovation projects after such a review. “A website is like a house. For it to hold value and do its job, you have to maintain and upgrade it,” said Karen Adkins, Director of IBS’ Microsoft Technology Group. “Prioritize your usability punch-out list based on which enhancements can do the most for your clients and your bottom line. Then tackle them one at a time or as budgets allow, just like a list of home repair projects.”

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## Opportunity 2: Add Self-service Options

In a world where people go online to do everything from purchase concert tickets to file their taxes and buy insurance policies, it's clear that most consumers are used to "do-it-yourself" web work.

Make sure your website takes advantage of this online consumer autonomy by leveraging self-service options wherever it makes sense. For example, it makes good financial sense to engage users directly into service enrollments, adjustments, transactions and support via your website. In an article titled, "Need to Cut Costs? Improve the Website Experience," Forrester Research underscored the higher price tag of delivering services to users over the phone versus online. According to Forrester, the average call centers costs were \$5.50 while the average web self-service transaction only costs \$0.10.

Self-service not only yields impressive differences in costs upfront, but it also reduces further administration expenses by cutting data entry errors. For example, insurance providers and employees will tell you that enrollment errors plummet when applicants are filling in their personal information online.

Accessibility is also an important benefit of expanding self-service. Most businesses cannot stay open 24 hours, but their online offices can. A self-service website creates a 24/7 shopping schedule and expands the opportunity window to attract consumers and sell them products and services.

Here are several examples where self-service automation can be highly effective in reducing errors, processing time, printing and postage costs and call center calls. What's more, they can also provide another source of gaining revenue:

- Sales order entry
- Online applications, enrollment or registration
- Account inquiry or status update (shipping status, back order items, account balances, special pricing, etc.)
- Account self-service for updating personal information
- Ordering merchandise and personalizing items
- Online payments
- Providing online documents, reports and forms
- Product information including data sheets, maintenance information, replacement parts and inventory

While adding self-service functions can be a considerable IT expense at first, the returns that come with a strategic solution are well worth the initial investment. Align General Insurance Agency, a fast-growing general insurance provider and IBS client, developed its business model to leverage a state-of-the-

art self-service portal and minimize traditional person-to-person quote and rate work. Designed for its network of independent insurance agents, the Align portal allows agents to access all quote and rating information directly through the site.

The company, which averages 200 quotes/endorsements a day, reduced the number of calls it receives related to the quotes/endorsements into its call center to just three. This is a remarkable number — one that indicates how dramatically the right site can minimize administrative and service desk workloads. As Kieran Sweeney, President and CEO of Align General Insurance Agency, explains, the self-service portal has created a new, low-cost paradigm for the industry. "What we have achieved is a point of sale to policy issuance process that is entirely paperless and people-less," said Sweeney.

It's important to remember in building self-service solutions that the back end is as important as the new front end. A key aspect of successfully implementing self-service applications for many businesses today is the integration of legacy back-end systems. Retrieving data from these core systems is an essential part of populating self-service applications and making the most of existing user and/or business information. This integration with back-end systems is what reduces or even eliminates the need for customer support/human intervention.

As your business identifies opportunities for self-service on the front end, remember the importance of integration excellence on the back end and how it will determine exactly how successful self-service can be.

## Opportunity 3: Add/Improve Search Feature

Many people mistakenly see the search function as a website plug-in tool used by only a few site visitors. According to the experts, that's just not true. A 2009 white paper from Google, "Maximizing Website Return on Investment," shared this eye-opening statistic from Jupiter Media: 80% of users abandon websites if search functionality is poor. Can any business afford an 80% drop off in traffic?

For many site visitors, especially first-time visitors, the search function is navigational salvation and a primary tool for piloting through big, complex websites. Sometimes people are in too big of a hurry to travel the traditional navigational path, while other times they just get lost. Users that go to search first, rather than traversing the site by way of the established navigation, are intent on quickly finding the information they need.

An effective search function must be simple and fast, allowing users to find what they want without hassle or confusion. However, a poorly implemented search function is as bad, if not worse, than having none at all. Dayton Superior, the IBS client mentioned earlier in the article for the improvements

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they made to their website usability, is also a great example of what small changes to a search function can yield. Prior to their website refinements, the site only had a “Search” button and many customers didn’t realize this would allow them to search for the products they wanted to purchase. By adding a “Find a Product” button to every page of the website, in addition to the Search button, they accelerated the search process and vastly improved their customers’ satisfaction.

Take time to analyze your search capability and how it is serving your business and customers. The most effective search functions will:

- Reduce the number of calls coming into customer service centers for basic information
- Win more time for support personnel to focus on critical issues

If you find your search feature is losing and frustrating customers—or worse you have no search at all—it’s time to make a relatively small enhancement that will have a significant and lasting impact.

### **A Powerful Bottom-line Tool**

A website can be a powerful friend to your bottom-line through smart usability, self-service and search practices. With the right analysis, your business can find multiple ways to improve efficiency via website functions and performance. And in these lean days, that can make your website a goldmine.