

A Focus on Human Needs Places Customers in a Comfortable Decision Environment

*“A view of human nature that ignores the power of emotions is sadly shortsighted ...
As we all know from experience, when it comes to shaping our decisions and our actions,
feeling counts every bit as much—and often more—than thought.”*

Daniel Goleman, *Emotional Intelligence*ⁱ

Online chat, which refers to a type of informal conversation over the Internet, is primarily one-on-one but also refers to text-based group chat, or synchronous conferencing, using tools such as instant messengers.ⁱⁱ As the participation in online shopping has grown exponentially and chat interactions have exploded among the general population, e-businesses have adopted this technology to reach their online customers for real-time interactions, with the goal of converting shoppers into buyers.

Generally, two types of e-business chat options are available: reactive, where the customer clicks to request help, and proactive, where an agent can reach out to a customer when pre-determined business rules trigger a chat intervention.

Chat providers have increasingly focused on creating best practices, like visitor segmentation and targeting, and developed features to monitor online activity in real-time and create databases of previous visits. The express purpose is to track and predict behavior of visitors in order to determine who are most likely to convert/purchase, or increase their order, with the intervention of a live agent at the right time.ⁱⁱⁱ

Agents often have access to these detailed databases that can and are expected to be used during chatting. This practice, while it may aid the agent to move the visitor to an immediate purchase may, in the long run, undermine the relationship the customer has with an e-business. For example, if an agent reveals that he/she was aware that the customer was viewing ‘x’ product yesterday, the customer may initially, or eventually, have a negative response to the fact that the agent has information that they haven’t personally shared. Further, they may resent that the agent is leveraging that information to make a sale. Revealing a customer’s shopping habits to them can be a dangerous proposition. Even if the customer makes a purchase, he/she may, even unconsciously, feel uncomfortable shopping or contacting a human on that Website again.

To further illustrate the point with an anecdote: one customer shared that an agent had even accessed her mother’s account to check on a size of an item. This kind of action, while it will likely satisfy the customer and expedite the immediate sale, also can be viewed as an invasion of privacy. A customer who benefits from this action may be also be reluctant, for example, to input her own jeans size into their database. She may not wish to do business with this company in the future, now fearing that her

own personal information will be breached. When customers don't return, reasons are not always apparent, but the impact to sales is real.

Technology certainly gives companies the capability to gather all kinds of customer information, then sort, categorize, and filter the data, and ultimately produce analytical reports. This analytical process de-humanizes each individual customer but unveils a wealth of valuable information, making this ideal for product design and marketing. It may seem innocuous, even helpful, to make this available to customer service agents. But when they are in contact with the actual people whose entire data history is at their fingertips, including information about unshared shopping trips, it can be socially awkward as people fear being judged by others. The result is that it's not necessarily in the best interest of the company, or even the customer, to present or utilize private or unshared data to make a sale.

To use personal information effectively with a customer who is looking to make a decision, based largely on emotion, takes a great deal of skill and detachment, like that expected of a psychologist or interrogator. Generally, learning about someone with whom you are in contact may be interesting, however, that interest can actually be harmful, tending toward voyeurism. To many customers, access and use of their personal data can be interpreted as e-stalking, where they feel that their every move is being observed and used simply to manipulate them into making a purchase. If just one small detail is exposed that the customer didn't share directly, the extent of the personal knowledge that the agent possesses is often assumed to be much greater than it actually is, which can cause the customer to recoil. This can seriously undermine trust of the agent and thus, the company. Additionally, the agent, who is expected to juggle multiple customers, can get side-tracked accessing this interesting recent and historical data. This distraction can lead to disregarding the main role of their existence, which is to engage the customer as a person.

Sales tactics, from the most passive, i.e. a vending machine, to the very aggressive, as in a used car lot, all work to some degree or other. But whether tactics work or not isn't the only consideration at hand—it's how well they work to the benefit of the organization in the long run.

Sesh.com offers a truly 'customer-centric' chat model for reactive and proactive chats. It is progressive in nature, leading the customer through three levels of interaction based on their need for information, guidance, and comfort level. Our approach returns retailers to their roots, as experienced in brick-and-mortar stores, where the 'human touch' is employed and customers are treated like people, not as 'targets.' They are engaged at every level with respect and as equal participants in the process.

Figure 1 below presents an analogy of 'gear shifting' when moving through the various levels of interaction with customers. Each step in the transition in Figure 1 can be easily understood with an example from a brick-and-mortar shopping experience:

First Gear: I am walking around Home Depot, unsure about what I need, unable to find information or products that I think will solve my problem.

Second Gear: A Home Depot employee walking by sees me staring at the shelf motionless and slides alongside me and asks, "May I help you?"

Third Gear: Upon describing my problem, the sales associate believes she knows what I need and walks me through the aisles, taking me to the proper location.

Fourth Gear: The sales associate and I stand shoulder-to-shoulder as we use our hands to gesture, pointing to items and parts of items. We discuss how items will fit my needs and how they are to be used properly.

Lastly, Fifth Gear: ... my brisk walk to the checkout counter as I am confident about my choice.

Shift your Customer from 'Cold Feet to Sale Complete'



Figure 1: Progressive Chat Sesh™ Model

Sesh.com's approach addresses the needs of the online customer for information and comfort in the same way as our familiar in-store experiences. The agent guides customers, as necessary, through the transition from a Chat Bar which doesn't obscure the Webpage, to scrolling and browsing the Website together with the agent, and finally, having the equal ability to facilitate communication using drawing tools for detailed discussions and social gestures.

The Decision Environment that underpins the Sesh.com design is based on human psychological factors that are consistent across all decision-making situations, whether related to personal, business, and even highly charged, life-and-death situations like those experienced by the military, a situation familiar to Sesh's design engineer.

Figure 2 below illustrates the Decision Environment with a Venn Diagram, which interlocks three circles or ingredients of 'Understanding', 'Trust', and 'Social Immediacy.' Features are identified in the circles that support design principles focused on human psychology, which address specific customer needs: sharing the exact same view and being able to equally interact with content to obtain information and instant feedback to gain understanding. Making a personal connection with the agent helps to engender trust, a growing concern in today's business environment. The overlapping areas also show

the combined results displayed in italics—solving problems together, validating one’s decisions and choices, and experiencing a sense of bonding, building loyalty to a business that truly meets their needs.

Opposite these three ‘ingredients’, and outside the circles, are their antitheses. These features and practices are typically found in the e-commerce industry and in chat providers’ solutions. The practices listed outside the circles create ‘factors’ that have flaws, which interfere with meeting customers’ needs and can even undermine them. While these methods can be useful when volume is very high, margins are low, and building repeat business isn’t a concern, these methods have serious deficiencies. Some are even harmful since these practices require the customer to sacrifice comfort and take on risk in their decision making. Often they can have negative effects to your business, especially over time.

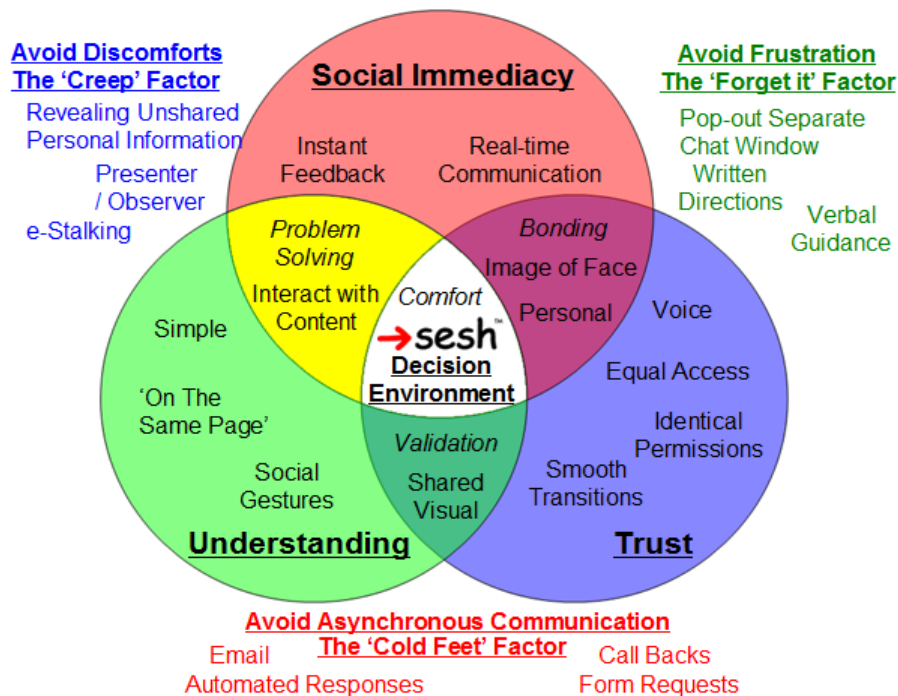


Figure 2: Ingredients of the Sesh™ Decision Environment

Customers have a few basic but critical needs when seeking information, assistance, or making a decision, which are the focus of the Sesh.com Decision Environment. When addressed, these lead to a sense of comfort with the process, the agent, the Website and decisions made.

This brings us to the central issue: *Emotion*. The root of the word *emotion* is *motere*, the Latin verb “to move,” plus the prefix “e-” to connote “move away,” suggesting that a tendency to act is implicit in every emotion.^{iv} Emotional reactions elicited by stimuli are immediate, whether understood consciously or not, and underlie our actions, particularly decisions.

While the common belief is that decision-making is primarily a rational process, it has become increasingly clear that emotion plays a significant, if not a primary role. Customers actually make decisions more on their emotional reactions to agents, products, information, and a Website's practices. This behooves e-businesses to adopt an environment that is supportive to customers (and agents) and, therefore, supportive to successful decision making.

The trend over the past ten years has been to move customers to self-service channels to reduce costs. However, 45 percent of consumers still prefer to speak with an agent on the phone, according to Natalie Petouhoff, senior analyst and lead author of a Forrester Research report "Why Talking to Customers is Ruining Your Business," a seemingly incongruous title which speaks to how poorly verbal interactions with customers are currently conducted. Several examples are given of the ineptness encountered by customers, one being the clumsy transition from self-service to live service. Consequently, the study notes, "most walk away from customer service agent interactions disillusioned, disappointed, and disgruntled."

The report finds, surprisingly, that while you might expect that younger generations should prefer self-service channels, actually people of all ages prefer this *same* level of service. Petouhoff writes, "Boomers, Gen Xers, and Gen Yers all prefer talking to an agent to get service more than any other channel." She goes on to say, "Consumers expect to speak with a human who is knowledgeable, patient, friendly, courteous, informed, easy to understand, and responsible for resolving issues."^v

In response to the Forrester report, Colin Shaw, Founder of Beyond Philosophy, who asserts that the report is "somewhat superficial" and states "... To get to the real reason you need to look at the deep-seated motivation of Customers and this can only be gained by understanding peoples physiological make up. Customers are human beings and as such they are driven by emotions. In a recent blog, we described how Customer emotions are evoked. It is in this detail that you find the answer. Customer[s] want to Trust the information they received they believe the best way of achieving this is talking with a person, not a machine."^{vi}

The above triggered this response by the author of "Can I Please Speak with a Live Agent?" who agrees: "...nothing has more emotional impact with customers than the genuine power of a real human voice. It has always been at the heart of one-to-one interactions. For building rapport, strengthening relationships, building trust and conveying captivating enthusiasm, the human voice reigns over IVRs, email, and even web chat ... Because the influence of the 'human touch' can have such a dramatic impact and lasting memory on the customer experience, this is an area that should be central to every organization's customer experience strategy."^{vii}

In summary, while the phone conversation is the avenue of choice for many consumers, chat is the second-best alternative to make a connection with a person. It is important to note that chat is the *only* method which supports proactive customer assistance. Further, for any type of chat to be effective, people need to believe they are interacting with a real, live person.

To address both of these methods of communication, Sesh-com's Reactive and Proactive chat solutions, including our 'Magic Word' solution for audio-to-visual (agents over the phone), lead to the creation of a Sesh 'room' on your Website with equal permissions for participants. Participants interact in real-time with each other and with content on the same Webpage. Screens are automatically sized so both view the exact same content, vital to clear communication.

Sesh.com further facilitates communication with real-time free drawing tools to focus attention on images, specific parts of images, text, or just to express emotion about the content. One example of a design decision relative to drawing: logic has been built into the use of tools so that when a drawing is being conducted, the other participants are temporarily fixated on that location and cannot move the scroll or change the Webpage by clicking on a link, so as not to interrupt this type of communication.

All of Sesh design decisions tap into the inherent knowledge we have about human psychology: how we think, how we interact successfully when face-to-face, and what we need to support fruitful interactions. Replicating how people like to be treated in the real world in the online environment was central. To support our goal, we work to ensure that agents stay focused in the current moment and tend to the customer with respect.

It's acknowledged that the technical and product-knowledge skills of agents are basic to success. While agents are not expected to be psychologists, the evidence presented here stresses the importance and criticality of interpersonal skills. Sesh software solutions create a compatible environment to clearly address the psychological needs of customers—the real driving force behind decision-making and closing sales. Sesh.com offers e-businesses an overall Decision Environment of 'Comfort' for the customer, a factor which must be first and foremost whenever making business decisions about your Website's environment.

ⁱ Daniel Goleman, Emotional Intelligence: Why It Can Matter More Than IQ, (New York: Bantam Dell, a Division of Random House, Inc., 2005), p. 4.

ⁱⁱ http://en.wikipedia.org/wiki/Online_chat

ⁱⁱⁱ http://solutions.liveperson.com/docs/whitepapers/whitePaper_3rdGen.pdf
"Criteria for a Third-Generation Chat Solution" White Paper, April 2008

^{iv} Goleman, Emotional Intelligence, p. 6.

^v <http://contextrules.typepad.com/transformer/2008/10/can-i-please-sp.html>
"The Perfect Customer Experience Can I Please Speak with a Live Agent?" by Randy Saunders, posted October 09, 2008

^{vi} Posted response to iii: [Colin Shaw - Beyond Philosophy](#) | [October 26, 2008 at 06:23 AM](#)

^{vii} Posted response by author of article iii: [Randy Saunders](#) | [October 26, 2008 at 07:30 AM](#)