



From Red to Green: Turning Critical Client Situations into Revenue Opportunities

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We all face different types of Critical Client Situations but no matter what they're called they all mean the same thing – mobilize everyone and everything to solve the issue to the Client's satisfaction as quickly as possible. These situations often consume an immense amount of time, energy and resources. Therefore, any actions that can reduce them or avoid them will not only save internal resources but also lead to increased productivity and likely higher customer satisfaction.

There is no magic as to how to avoid these situations but there are often some signs that a Client is on a downwards slope. If a Client is ignoring key areas of the product or key concepts, if there are many simple or straight forward support issues logged with no pattern, or even if there are a number of issues logged in a short period of time; all of these can point to something about to go wrong.

In order to potentially avoid some of these issues we need to be proactive and recognize the signs whenever possible. By keeping a close eye on our customers, along with the sales and services teams, and on our metrics, we can begin to sense which clients are heading for trouble.

Once we are able to identify these clients we can begin to turn the tide away from critical to perhaps just unhappy so we can evaluate next steps and action plans. By having a set of offerings available to give clients something beyond break/fix support we can deliver quantifiable, value-added services to clients.

Spin It Around

Even if we're able to proactively identify critical client situations, and begin to offer assistance before things really go downhill, we may not

in this issue

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always be able to convince clients that it's not really a critical situation and that the control to change things lies with the client. However, achieving drastic change is often difficult, especially when dealing with clients in critical situations. Therefore, use your favorite strategy for achieving incremental change and find small things that will start to show the client that the situation is not as dire as they think and that they can take actions themselves to resolve things. Rather than trying to completely reframe a situation simply look for small initiatives to gradually implement change.¹

In a critical client situation the point of change is often showing the client that there is no longer a support situation. Attempt to demonstrate to the client that there are no longer any functional issues or code defects with the product and that the system is stable and functional. Perhaps the problem is related to performance, which would require a more in-depth investigation. At this point be ready with a selection of offerings to present to the client to go beyond the traditional boundaries of support. An olive branch may be necessary to bridge the client to a position where they are more receptive to suggestions. Often one of the olive branches that is extended to Clients are recommendations on how to achieve immediate stability as it is much easier to deal with Clients whose environments are not crashing regularly. However, finding the point of change is just the first part of the equation as you need to have something to offer to spin things around from a critical situation to a revenue opportunity.

Build a Foundation

Before crafting a set of offerings to follow the point of change ensure that your process structure is up to the challenge. Often in a support environment we are not focused on providing revenue generating services so we do not have the infrastructure to process such services. Things like contracts and billing processes need to be in place as well as ensuring revenue flow to the appropriate departments. Afterwards, reporting and tracking on utilization and financial performance will certainly be helpful to show the executive team the success of your ventures. As these activities often involve working with other organizations such as legal, finance and accounting, either within or outside the support organization, adequate time must be allocated to building this foundation. Large companies will potentially have bureaucracy and the challenge of finding the right person as the inhibitors to building this process foundation while small companies may have the challenge that it has not been done before to slow things down. Obviously if there are any other groups close to you, such as services or education, that you can leverage you should start with these teams to achieve a quick start.

Differentiation

Having departments nearby that perform similar activities may be

extremely helpful when setting up your process foundation but may be a challenge when it comes time to market your services and offerings. Think about how you can differentiate from these other teams – most often services but perhaps also solution teams or even sales – so as not to cause confusion amongst your clients or, maybe more importantly, not to create internal strife.

Some ways to explore differentiating yourself from other teams would be in terms of the time or length or scope of an engagement. For example, anything over one month would be a services engagement (if that's who you're trying to differentiate yourself from) while anything under would be your domain. Perhaps you can also scale down an existing services offering to create a "lite" version to offer to clients, as consultants typically prefer longer engagements with larger scopes. Since clients are already in near dire straights they will not have time to consider a full-scale offering anyway. Typically services teams are onsite at customer locations so if you can provide remote service as a differentiation that may be another factor to consider. Finally, the overall cost may be a deciding factor, since all of the above factors tend to influence the cost.

Offering Structure

Once you've built the foundation and decided on how to differentiate you need to create a menu of offerings for your customers. Like any good restaurant you should have your "house special", or "bread and butter" offering. This would be where you showcase your expertise. This is where the full vs. lite offering may come into play as you can offer two flavors of your core offering based on how many deliverables are offered, or the depth of detail in the scope of the offering. If you've delineated your offerings from professional services, for example, based on full vs. lite you could always partner with them on the full offering to increase skill levels and gain respect within the organization.

To complement your core offering, and to keep your team busy and challenged during quieter periods, you should explore some ancillary offerings. There are opportunities to complete short-term engagements in educating clients on best practices around key product areas and concepts such as architecture reviews and best practices. Other opportunities include environment or security audits, migration/upgrade assistance (could be offered either remote or on-site but focused on a short period of time). Finally, consider educating clients on the more complex areas of the product, such as configuring and deploying clustering/replication in a multi-server/node environment.

Benefits

The benefits of following a strategy as outlined above can be evaluated in three different categories – for support, for the company and for clients.

For the support team or organization the obvious benefit is increased

revenue. With support already a major driver to company margins and profits this increased activity will no doubt prove even more beneficial. Customer satisfaction will also be a beneficiary of such a strategy as clients will receive the services and assistance they need in a timely fashion. Finally, upselling clients to other services, such as Premium Support, is a potential benefit as the offerings above can be seen as an entry point, or bridge, to ongoing proactive activities.

For clients they're receiving a value-added offering above and beyond traditional software maintenance and the original software sale/ deployment. After a performance engagement the client often sees that their hardware is more than capable of handling what is needed which may create the opportunity to purchase additional software. On the flip side if the engagement shows that more hardware is needed to support future growth in volumes or other initiatives then that selling opportunity also exists. But above all the client receives an accurate, real-world assessment of their environment and what it can support, giving all levels of management the security of having evaluated and managed their risk.

For the company there are a number of important benefits. The most important is likely that a client that was headed downhill has now been rescued by having been provided services to truly meet their needs. These offerings can also be seen as competitive differentiators by giving clients the assurance that the software is capable of performing to their requirements. These types of services will help ensure that the software "sticks" and is fully deployed. Perhaps there are even upsell and/or cross-sell opportunities as well. For future clients this will also help defend the price points, by providing references and case studies, and reduce the desire to discount.

Summary

Although we cannot completely avoid critical Client situations there are steps that can be taken to alert us to potential situations and allow us to recognize some of the signs when a situation is deteriorating. If we have the ability to easily show Clients that there are easy ways to avoid the situation they're in, and deflect the situation away from a technical support issue, there is a greater potential for success. Focus on establishing a selection of offerings for Clients that offer choice based on time, scope and cost so that there is a clear strategy once you have deflected the situation. By focusing on establishing a strong process foundation and differentiation strategy we can help ensure the success of such offerings and engagements.

1. There are many theories on managing change and, more specifically achieving quantum change on an incremental, or gradual, basis. My favorite is from Gareth Morgan, Distinguished Research Professor at the Schulich School of Business, and can be viewed at <http://www.imaginiz.com/index.html>.

About Steven Godfrey.....

Steven Godfrey is manager of IBM's WebSphere commerce advanced technical services team, and also manages the remote support team for WebSphere Commerce. He has also worked extensively in strategy and process, focusing on strategic initiatives and policy/process improvements for IBM's worldwide support organizations.



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