

NEW TECHNOLOGY FOR A COMPELLING WEB CHANNEL EXPERIENCE

COMPETITION AND SOCIAL WEB PROPEL
RICH INTERNET APPLICATIONS

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Overview

The Web channel is evolving rapidly. While companies are investing heavily in e-commerce and e-service deployments, it's the customer who is in the driver's seat. Customers are influenced by the quality of the Web sites they visit, and their perceptions are increasingly shaped by their experiences in noncommercial applications, particularly social networking sites. To be successful, companies must work with their software vendors to incorporate advanced technologies into their e-commerce and e-service platforms – especially those technologies common in social networking sites for improving ease of use, such as “Rich Internet applications.”

THE WEB CHANNEL'S INCREASING SHARE OF BUSINESS

CUSTOMERS DRIVE E-COMMERCE ADOPTION

It's easy to see why companies want to grow their Web channels. Through deployment of Internet-based applications, firms can achieve greatly enhanced margins and a durable competitive advantage. Companies can steer customers toward interaction channels with lower costs, reach new markets, and gain fresh insights into customer needs through data-based analyses of Web interactions.

Customers Sway Web Channel Adoption

Nonetheless, customers – not companies – are the ones in the Web channel driver's seat. While companies invest big sums in their Web channels, these investments are truly shaped by customers, who hold power through decisions about where they shop.

An increasing share of transactions is shifting to the Internet because customers value the convenience and control that they command in the Web channel. When they shop online, these customers are empowered to research alternatives, compare prices, and purchase the instant they are ready. And when commercial Web sites are built using robust software tools, customers

can evaluate alternatives easily – viewing changes to the colors of a dress, for example, or equipment options for an automobile, or the features of an industrial machine.

Growth of the Social Web

Rising confidence in Web transactions is a growth factor too. More and more, the trust is engendered from customer

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communities rather than the companies themselves. In fact, marketers are often surprised to learn that customers are using the Internet to convey persuasive information about their experiences that is considerably more far-reaching than traditional word-of-mouth exchanges and print media.

This “social Web” is growing quickly. Using microblogging tools such as Twitter and social networks like Facebook, customer forums, and other channels, customers are sharing information with each other in ways that can reach a vast network of like-minded individuals. People are spending time on these sites because of the compelling user experience as well as valuable content – which is increasingly presented in an attractive way using advanced Internet technology.

RICH INTERNET APPLICATIONS SHAPE WEB CHANNEL CHARACTERISTICS

HIGH USABILITY, QUICK INTEGRATION, SUPERIOR ROI

The growth of the social Web is raising the bar for commercial Web site usability. In both business-to-business and business-to-consumer markets, customers expect that commercial Web sites will have a look and feel similar to their favorite social networking sites. These sites have moved well away from static and slow HTML technologies. They increasingly incorporate characteristics of well-designed desktop applications, including highly interactive user interfaces, dynamically changing text-entry fields, and rich media such as videos placed anywhere.

These Rich Internet applications (RIAs) make social Web sites easier to use. In fact, such technologies are increasingly found throughout the Web, in news sites, in online forums, and on a growing number of commercial Web sites. In order to retain customers, entice new buyers, and offer differentiated Web-based experiences that surpass even the in-store experience, companies are working with their software vendors to rapidly incorporate these RIAs into their sites. They want standard applications that deliver a high ROI.

Web Channel Platform – First-Rate Design, High Performance

A robust and stable Web channel platform is vital for supporting e-commerce and e-service applications (see the figure). To overcome the restrictive user interface that adversely impacts the experience with many existing Web applications, a state-of-the-art visual design is essential. These applications incorporate RIA technologies such as AJAX, which is a set of Web development techniques for enabling fast page-fragment refreshes.

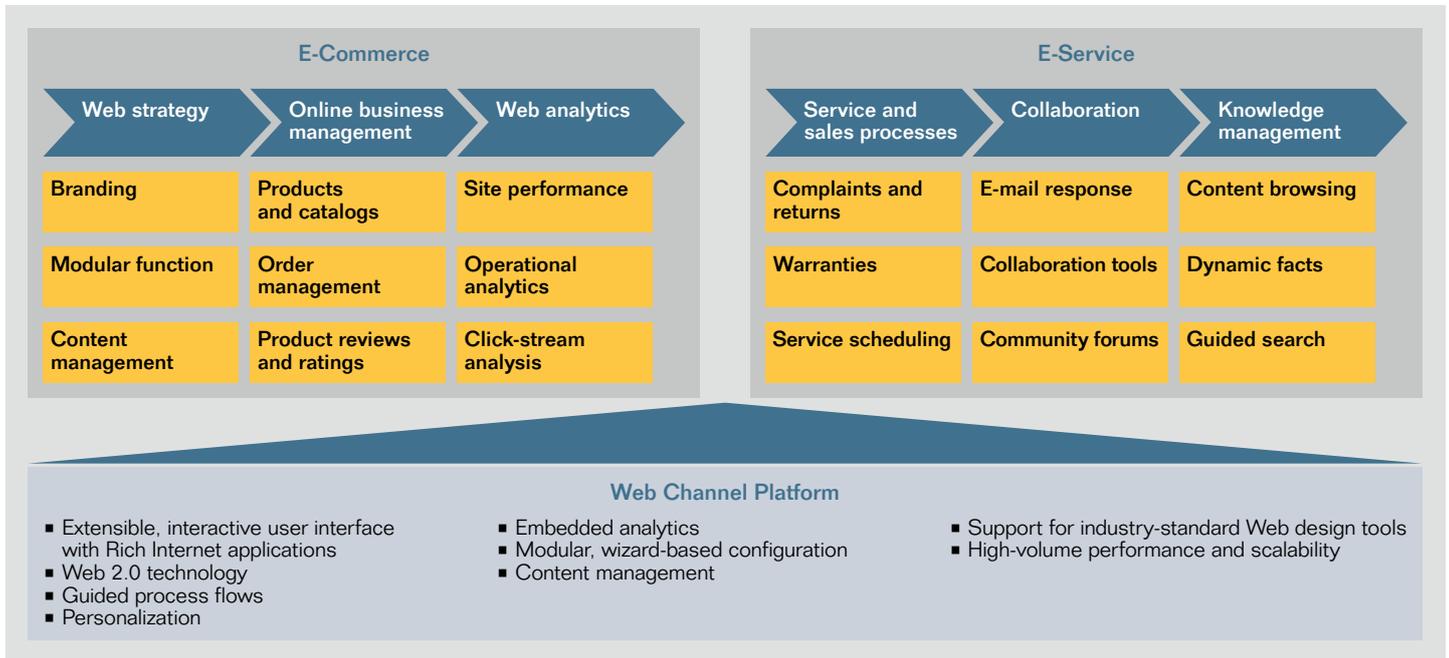


Figure: Supporting E-Commerce and E-Service with a Robust Web Channel Platform

They also include Web 2.0 technologies such as “mashups” (to assemble content from many sources) and widgets, which are miniapplications rendered within the user interface of a larger application.

Since Web site performance is of paramount importance, the Web channel platform must allow for substantial growth in the number of transactions. Ease of tailoring and configuration are also important considerations. To this end, the Web site should provide wizard-based setup, extensibility with new applications that can be assembled from different functional modules, and integration with Web site design tools already in use within the company.

E-Commerce – Flexibility and Personalization

When seeking a vendor to provide standard e-commerce applications, look for functionality that covers business management, marketing, and sales. These applications should include catalog functionality, order capture, and checkout, which can be provided in a general way and then adapted for the individual business. Specific social networking functionality can also be included, such as features to gather product reviews and ratings and to collect information from aggregators

that consolidate updates from social media sites. Moreover, standard e-marketing features may include loyalty management, campaign monitoring, and integrated analytics. All of these can be enhanced with RIAs – for example, to enable floating product-catalog views and dragging and dropping items to facilitate comparison.

E-Service – Enhanced Usability, Social Web Look and Feel

As with e-commerce, standard e-service components should be provided in such a way that they can be adapted for any implementation. The vendor should offer traditional functionality supporting service scheduling, collaboration, e-mail integration, and knowledge management capabilities. These applications should be enhanced with RIAs to facilitate the creation of community forums, self-service functions, and other features that have the look and feel of social networking sites.

Guided flows for defined business processes, which support users in the completion of complex service-related tasks such as scheduling on-site services, can be supported by e-service vendors. Components in this area offer visual cues for easy navigation, a fully functional knowledge base to facilitate

guided solution search and categorization, and reusable process templates.

Uniting the Web with Marketing, Sales, and Service

For many reasons, including the drive toward a seamless experience across all Web applications, e-commerce and e-service applications will increasingly merge. In line with this trend, specific marketing, sales, and service applications will be modularized and made available for customization in an integrated fashion. Such applications will better enable capabilities that cross marketing, sales, and service functions (for example, to allow up-selling of a warranty or cross-selling of a product). This integration trend means that custom development will be significantly reduced in favor of core vendor-provided applications, leaving only the need for tailored development of solutions intended to differentiate your business.

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BEST PRACTICES FOR ENHANCING THE WEB CHANNEL

INNOVATION, ENABLING LEGACY PROCESSES

Some believe that RIAs and other new Web technologies will primarily improve the usability of applications for existing processes. Many others see these technologies as enabling entirely new processes and business models. Both assumptions are correct.

Many legacy processes – such as those for booking orders – have evolved over many years to achieve excellent transaction handling. These processes are enabled by existing customer relationship management and enterprise resource management software systems and must be preserved when undertaking any advanced implementation.

It's also crucial that you take steps to ensure the consistency of the customer experience and your brand message across all channels. All your graphics should have the same look and feel, pricing must be consistent, and agents need to have complete visibility into all customer interactions.

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Above all, it's important to remember that when adopting Rich Internet applications and other advanced Web channel technology, you're not just altering customer-facing processes. You're changing your customers' behavior as well, since they're finding new ways to interact with your company and with their like-minded peers. By building on both your existing transaction foundation and the latest Web channel innovations, you can create superior customer experiences, reinforce your brand, and achieve sustainable growth.

Find Out More

To learn more about how SAP can help your company use new technology to create a more compelling experience for Web channel customers, please call your SAP representative today or visit us on the Web at www.sap.com.

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