

Case Study: eBay

World's Leading Online Auction Site Keeps Up with the E-mail Using KANA Response



THE COMPANY

Internet auction pioneer

THE CHALLENGE

Respond to exponential growth in e-mail inquiries while keeping costs down.

THE SOLUTION

KANA Response

THE RESULTS

12 hour response time to most e-mails; headcount requirements vastly reduced; better business decisions guided by analysis.

With average response time cut in half, agent productivity leaps 75%.

Internet personal trading leader eBay counts on KANA Response to keep up with its flood of e-mail inquiries. 90% of the 125,000 to 150,000 e-mails eBay receives every week are responded to within twelve hours. eBay's CSR staff of 425 is able to keep up with this demand and has actually shrunk response time, even though the pre-KANA staff of 40 was stretched to reply to just 500-800 inquiries per week.



CSR productivity jumped by 50% to 75% immediately after KANA Response was introduced. KANA Response paid for itself quickly through reduced headcount requirements alone. Information determined by KANA Response analysis has proved indispensable to executives for improving business decision-making. Consistency is up and CSR training time is down.

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Keith Antognini, Director of Customer Support

Founded in 1995, eBay has developed an efficient and entertaining trading community that is available 24x7. eBay has more than 10 million registered users and had more than 12 million unique visitors to www.ebay.com in March 2000. Currently, there are more than four million items listed for sale, and 600,000 new items are added daily in over 4,000 categories including antiques, coins and stamps, jewelry and gemstones, sports memorabilia and toys.

The challenge for Keith Antognini, Director of Customer Support at eBay, can be inferred from the eBay mission statement: "We help people trade practically anything on earth." It is Antognini's team of Customer Support Representatives (CSRs) that is responsible for providing the "help" emphasized in that mission statement. With eBay's soaring popularity and the extremely diverse nature of its constituency, Antognini and his team have a daunting challenge.

Three years ago, eBay's customer support team received a volume of approximately 500-800 customer support inquiries per week. Their system was largely manual, using a variety of e-mail clients, a manual routing process and a largely ad-hoc tracking mechanism. "It was very tedious," Antognini recalled. The old system also incurred a huge administrative cost. Anticipating what eBay's rising success had in store for his group, Antognini began looking for a solution that would allow customer support to scale effectively.

Initially, Antognini's quest was frustrating as vendors tried to sell him tools built around a call center model. eBay's model centers on e-mail as the communication medium. Other vendors pitched customer self-service solutions, not the approach eBay wanted. When Antognini saw KANA Response, he knew immediately it was the right solution. He arranged a demo for eBay executive staff members and recalled, "They were quite impressed. The decision was really very simple."

Immediate Productivity Gains of 50 to 75%

When introduced to the eBay support team, KANA Response received a warm welcome. "We saw an immediate 50 to 75% improvement in productivity," reported Antognini. "After only one week of using the product, the average response time per message was cut by more than half. The KANA product allowed us to become more organized and efficient." For eBay, consistency is another huge benefit KANA Response provides. Prepared response templates are maintained centrally. With simple mouse clicks, CSRs can quickly locate and insert accurate boilerplate into their personalized responses. The auto-suggest feature can even suggest the appropriate response template based on message content analysis. The wealth of knowledge in the category hierarchy automates information-sharing among team members and reduces the training burden for new employees.

After less than two months of using KANA Response, the impact on eBay's bottom line was apparent. Antognini reduced his head-count projections and intentionally slowed the pace of hiring. "KANA definitely enabled us to lower our headcount expectations through increased efficiency. No doubt about that," Antognini reported, "I knew it would pay for itself in no time."

eBay Customer Support Representative Dan Shire commented, "It just gets easier all the time. Each week, it's easier to move faster and faster." Shire is the current eBay record-holder for number of customer responses in a single day—more than 500—five times his average daily throughput before KANA Response.

Better Decision—Making

Antognini regularly presents information and analysis from KANA Response reports to the eBay executive team, who find the information indispensable. "Our ability to closely monitor and interpret customer metrics with KANA Response is incredibly important. In today's business environment, retaining customers through world-class service is an absolute requirement," Antognini observed.

eBay CSRs provide critical input to product teams on emerging customer needs and concerns. With KANA Response, they can do so more comprehensively, with less effort and increased validity. “The real win,” said Antognini, is this ability “to report, with real scientific evidence, the issues that are coming from the customer. We’re using that data to drive product enhancement and future product development.”

About 425 CSRs comprise eBay’s 24x7 customer support operation, spanning 27 states and all four U.S. time zones. About 5% of them work remotely, an operation that exacerbated the problems and bottlenecks in the past but was easily resolved by KANA Response.

Two months after adopting the system, when the e-mail volume was already at a substantial 20,000 messages per week, Antognini’s team leveraged KANA Response to attain a very respectable 24-hour turnaround on most inquiries. Two years later, with volume approaching seven times that amount—125,000 to 150,000 each week—they have cut response time in half. The team now maintains a 12-hour service level at least 90% of the time. KANA Response will play a key role as eBay continues to grow the business with new customer support centers around the world.

Thanks to KANA Response, Antognini is able to maintain and even increase the level at which eBay delivers on its dedication to service and support. Is he happy with his decision? “Absolutely,” he said, adding, “The service and support have been really, re-ally incredible. From A to Z. And I’m a tough customer.”

What do the users think? As KANA Response user and eBay Customer Support Supervisor Laura Gifford noted, “We don’t remember life before KANA.” Quipped team member Shari Cates, “That’s because we don’t want to.”

To learn more about how the KANA suite of intelligent multi-channel solutions can help you create customers for life, call **1-800-737-8738**.