

# Spend to survive

British Airways has kept faith in its online investments, in spite of plunging profits. Simon Clarke takes a look at its strategy

Following the attack on the World Trade Center, call volumes to some airline call centres in the US went up by 400 per cent. As travel agents and consumers flooded the networks, trying to find out the implications for flights around the world, some of the hard-pressed communications networks, struggling to cope with the massive increase, were forced to ask the public to make fewer calls in order to protect the system.

At the time, British Airways was half way through a trial of AskBA, a new online self-service knowledge management system. Predictably, users clogged call centres with enquiries, but those testing the AskBA service were able to log on and find the information they needed easily. If any proof were needed of the trial's success, this was it.

Proof that a service works is cer-

tainly high on the list of the BA bean counters. Even before the US terrorist attacks, market conditions were tough. Now all airlines are suffering. In November 2001, BA announced a quarterly pre-tax profit for the third quarter of a mere £5 million, down from £200 million in the equivalent period in 2000. The figures are expected to get worse before they get better, and cost cutting is the order of the day.

So BA's continued investment in AskBA is all the more interesting. It sounds like the Holy Grail of service-oriented businesses in the wired world: fully-automated customer service delivering accurate and timely information to consumers. And not only is it cheaper than running an extensive call centre network, the claim is that it is also less frustrating for users.

"We're trying to provide customers with intelligent responses to questions they might ask about BA," says Dave Bevan, general manager of e-service at the airline's e-commerce unit. "We wanted to move on from FAQs (frequently asked questions) to a system that can actually become proactive."

The company tried a number of different solutions, including a pure search engine and a natural language search option similar to Ask Jeeves. None provided the functionality it required. Enter Greg Gianforte, the ebullient chief executive





Bevan (centre) with Romanis and Kroon: providing intelligent responses

of RightNow Technologies, and a dedicated advocate of internet-based customer service solutions. JENS MARGOTT

He claims: "E-service fundamentally changes the cost structure of how business is delivered. The benefit is that it is available 24 hours a day. You're not waiting in a telephone queue and you don't have to wait for somebody to respond to an e-mail. You're getting immediate answers to questions. And you're getting the collective knowledge of the entire organisation, not the specific knowledge of an individual."

#### An intelligent service

The key to the success of such an automated service is its intelligence. Despite advances in search engine technology, customer service response of this type is quite a different animal from directory-type searches on the web (see box, p31). There's also the matter of implementation. How does a giant like BA launch such a system without spending millions reworking its entire web-based offering?

Two factors produced an ideal testing ground. First, BA has a number of smaller-scale, niche internet offerings. Second, and perhaps more compelling, RightNow offers a full hosting service, as well as a 60-day trial to prove the system's capabilities.

"The hosting was an attraction for us," says Bevan. "And RightNow seems to have a good track record in supporting customer implementation of this kind."

Two BA sites were chosen for the trial: its Trade Extranet site for UK travel agencies, and its North American Executive Club site, for high value corporate customers.

Setting up the system was certainly quick. The first meeting with RightNow was in early July 2001, and the Trade Extranet AskBA interface went live on 8 August. "With our analysis of the implementation, we think we can now do it quicker than that," claims Ian Romanis, commercial lead for the AskBA Trade Project.

"There was a reasonable amount of extra coding involved in the trade

site, because we wanted to comply with a new set of corporate design standards on BA.com,” adds Martin Kroon, programme director of the Trade Online Programme. “We had somebody working on it for something like eight or nine working days. Having said that, any future rollout will require very little work because all of the HTML coding for things like the header bars and menu navigation will have been done. You could now do it in a day or two, depending on what menu options you want to have.”

#### Demand grew enormously

Originally 15 travel agencies volunteered to sign up for the trial, and until 11 September the number of enquiries was running at a useful, albeit small, level of a few hundred a week. Then came the attack and queries went up 150-fold. “The demand for it just grew enormously because suddenly all these people had a lot more questions to ask,” says Bevan. “So we opened up the trial much more widely and had extremely good feedback.”

A dozen or so answers to obvious questions were quickly supplied, and these turned out to answer some 80 per cent of the enquiries. So successful was the trial, and so positive the response, that the decision was quickly made to move to a full rollout. The specialist sites, comprising the Travel Trade Extranet and the UK and North American Executive Clubs, are all scheduled to have a full launch by sometime in January or February. Plans for the system to be extended to the generic BA.com site are “well-advanced”, although no date has been set for launch.

The biggest issue for BA has not been technical, but managerial. “There are some technical integration issues, such as how we integrate the e-mail capability of RightNow with our own e-mail tool,” says Romanis. “But we don’t think there are huge problems. The issues are obviously vastly reduced because we’re having the tool hosted, and so don’t go to the timescales you expect in a normal big project.”

### British Airways facts

## World’s favourite airline?

■ BA is the world’s biggest international airline, carrying more passengers from one country to another than any of its competitors, but because its US competitors carry so many passengers on domestic flights, it is the fifth biggest in overall passenger carryings (in terms of revenue passenger kilometres).

■ In the last year, more than 48 million people chose to fly on the 529, 807 flights that it operated.

■ Eighty passengers checked in every minute around the clock, with a British Airways flight taking off or landing every 30 seconds.

■ Some 30 million of these passengers flew internationally – representing around one in every 15 people flying from one country to another worldwide.

■ BA ranks as the seventh biggest cargo airline worldwide. The airline also carried more than 897,000 tonnes of freight and mail last year – equivalent to 62 lbs (28 kgs) loaded every second.

■ British Airways’ worldwide route network covers some 263 destinations in 97 countries (including franchises, subsidiaries and partners).

■ The group employs more than 60,000 people in around 100 countries worldwide.

■ British Airways operates 348 aircraft – one of the largest fleets in Europe.

■ BA is the world’s second largest operator of Boeing 747s, with 72 in service.

■ BA’s mainline fleet also includes 38 Boeing 777s (with seven more on order), 22 Boeing 767s, 51 Boeing 757s, 83 Airbus A318/319/320s in service or on order, and 58 Boeing 737s.

[www.britishairways.com](http://www.britishairways.com)

The real task is to manage the flow and publishing of information. “In the past, each department has decided how it wants to own and manage its data independently,” says Bevan. “We have recognised the need for a common role of ownership and editorial responsibility across the company.” Strategies include standardising the career path for a data manager or editor in different departments, and establishing corporate roles and responsibilities for these.

“A number of people within BA are coming to us asking to set up a

**Clients say cost was the prime reason for purchase, but customer satisfaction is the top benefit**

Greg Gianforte  
RightNow Technologies

site for their customers,” he adds. “While it’s simple enough to perform segmentation, the question is how much of it needs to be different and how much needs to be common – I don’t know the answer yet.”

Maintenance of the data is also of vital importance. Broadly speaking, information will fall into two categories. The first is tactical dynamic information with a defined shelf-life, for example information supporting specific promotions. More static data will include information about brand specifications – things



Gianforte: you get immediate answers

that may change in the future, but which have a clear standard at the time they are included.

The system can assist in the handling of time-sensitive data automatically. “One of the features in the back end is a date and time function,” says Romanis. “So if I wanted to enter some information relating to a promotion today which needed to come down next Tuesday I could set the time period. On that date it would take that item out of the live database automatically and then forward or send me an e-mail as the assigned owner to ask what I want to do with it – update it, reassign it or restore it.”

A similar procedure can be applied to other brand information. “For the static information we’ve put in some processes and ownership using some of the functionality of the tool to be able to have it monitored on a regular basis, updated,



## AskBA How it works

and sense-checked so it stays accurate," says Romanis.

Other procedures aim to minimise the need for human communication with customers. "If someone sends us an e-mail we filter it through the database and present people with what I call the anti-escalation page," adds Kroon.

This is a page suggesting a number of answers based on the e-mailed question. "We know that people click on those and on some occasions find the answer they were looking for," he says. It's a useful defence to prevent people sending an e-mail without bothering to search the database at all.

### Anger detection

The automatic e-mail capability is another feature of the RightNow system. Not only can it detect, from 15 different languages, the language that an e-mail is sent in, but it is clever enough to understand how angry a customer is when they send it. "We have a vocabulary list of words that have emotional connotation, and the system then does a natural language analysis," says Gianforte. "It would be easy to detect someone whose e-mail says 'I am angry', but if someone's message says 'I am not happy', our system is smart enough to pick that up."

It also knows that if people are typing in capital letters they're probably shouting, and it can detect any use of devices such as emoticons. "It's not foolproof," he admits. "Typically the detection rate is a high 70 per cent in terms of accuracy. But if you can detect 70 per cent of your angry customers and take corrective action you're still much further ahead."

BA's implementation is still in the very early stages, although the system already shows signs of proving its worth. Inbound e-mail is down, although BA doesn't specify how much, and usage figures demonstrate its value to users. But Gianforte claims that companies implementing the software see a 50-75 per cent drop in inbound e-mail, and telephone call volume reduction of between 20 and 30 per

## Useful stuff floats to the top

Traditional search engines just sift through piles of information for answers, while more complex knowledge-management systems rely on manual compilation of information. A knowledge-based system starts with a "seed" of knowledge – the answers to between 15 and 50 key questions frequently asked by users, and then "learns" from how users interact with it.

"If they can't find their answer, our system makes it very easy for them to move on to a human," says Greg Gianforte, chief executive of RightNow Technologies. "In the process of that human answering the question, the incremental content or knowledge is captured and published back on to the web."

Simply publishing the information would quickly lead to overload, the usual problem with search engine-based information systems. The solution comes with some clever software to organise both the data and the user's relationship with it.

Each time customers come to the web site, use e-mail or telephone a call centre, the self-learning knowledge base learns what information is useful to those asking certain questions, letting the system predict what

will be useful to the next visitor. "Essentially the good stuff floats to the top and the chaff sinks to the bottom," says Gianforte.

This is achieved in several ways. Most basically, a one-click survey asks: "Did this help you?" – a simple check on efficacy. More complex techniques involve using something called Bayesian clustering to organise the information according to its relatedness – making sure all related answers are gathered up for the user to choose from.

Clickstream data (the record of the user's activity on the internet) is analysed to understand how well the information answered the queries of previous users, and to predict its usefulness in future. "We build links between knowledge items that have been viewed in the same session," says Gianforte. "Relatedness is done strictly through clickstream, not according to their votes as to how useful it is."

There are a fair number of algorithms involved. If someone goes through the knowledge base and ends up at a knowledge item, an assumption is made that this was useful because they left the site afterwards (although clearly a very dissatisfied visitor could have simply quit in disgust at that point). Such points are known as nodes. If a knowledge item is viewed and then the user carries on, it is not a node and so is not as valuable. How long a visitor spends on an item is also a factor.

Finally, the system makes it easy for users to escalate their enquiry to a human if they can't find their answer by clicking an Ask Me button or sending an e-mail. Once the answer has been provided, it can be edited for publication in the knowledge base.

[www.rightnow.com](http://www.rightnow.com)



RightNow: uses "seeds" of knowledge

cent. The US Social Service Administration, for example, saved a little matter of over \$16 million in 2000 by using the system.

Yet Gianforte maintains that the main benefits are not cost savings. "One would think that would be so," he says. "And the prime reason people purchased the system was for cost reduction. But when we surveyed our clients they said the number one benefit they got was higher customer satisfaction."

This is confirmed by BA's Bevan. "There is an element of cost saving

and that's clear," he says. "But one of the things that is endemic in the airline industry is that you will always have spikes of great demand. September 11 was the dark side of that, with huge demand for questions and queries. A more positive thing would be a BA promotion where we get a huge surge of demand. If we can develop the tool correctly we will be in a much better position to maintain customer service through such peaks."

BA's own survey shows a hefty 94 per cent of users preferring the e-self-service route to get their information. And while these are trade and executive customers, Bevan believes the general public will be as keen. "The vast majority of people will have internet access over the coming years," he says. "People are prepared to use the internet to make significant purchases and certainly a very large number of people are prepared to use the internet to get a whole pile of information from BA."

How large a pile remains to be seen, although the sky could be the limit. "I've got this awful feeling that it's never going to end," he adds. "If RightNow carries on developing the intelligent capability, we've certainly got more than enough information – we'd love to be able to put more and more dynamic information in, so I don't think it's the end of this yet." □