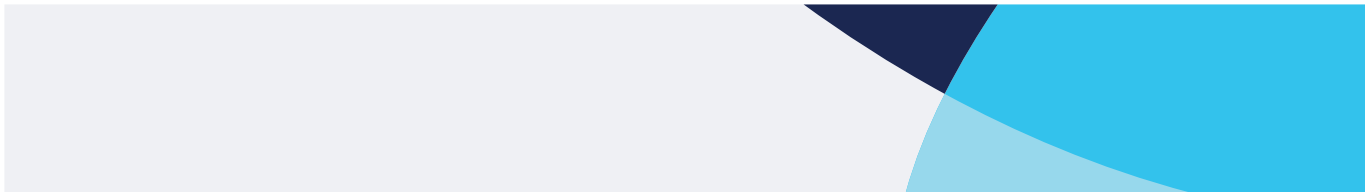


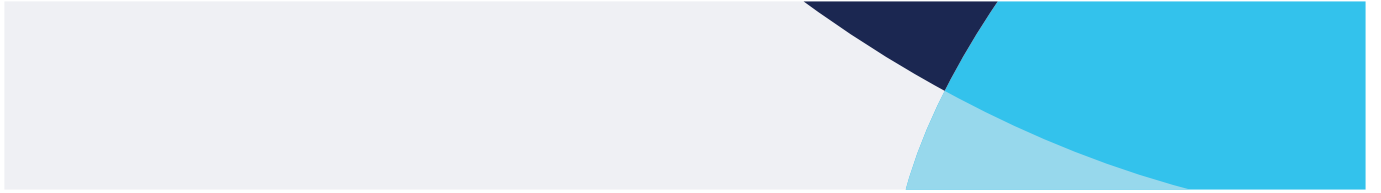


Contact Centers: The Moment of Truth for Your Brand



Key Findings

- 1) The majority of consumers use several digital purchasing channels to interact with brands: 90% through a seller's website, 90% through a digital market place (e.g. Amazon), and 55% via a mobile app
- 2) 68% of respondents who purchase via multiple channels do so via more than one channel for individual brands
- 3) 80% of those who purchase via more than one channel with the same brand report that they do not always have a seamless experience when doing so
- 4) However, 73% of respondents say that it is crucial or very important that brands can deliver seamless experiences across their various channels
- 5) Around three quarters of respondents associate knowledgeable staff (73%) and quick resolution of issues (72%) with good customer service
- 6) Consumers will change their behavior based upon good customer service: 73% would purchase from a brand again, 70% would recommend a brand to friends/family, and 23% would share their experience on social media
- 7) Meanwhile, the majority of respondents associate unhelpful or rude staff (79%), a lack of staff knowledge about products/services (64%), and/or spending too long on hold/waiting when trying to lodge a complaint (59%) with bad customer service
- 8) In the last 12 months, 77% of respondents have had a bad customer experience when interacting with a brand
- 9) 96% of respondents say that they would take some kind of action if they were to receive bad customer service from a brand, including: not purchasing from a brand again (62%), recommending friends/family not to purchase from a brand (56%), and/or sharing a bad experience on social media (26%)
- 10) 77% say that they are more likely to share and remember bad experiences over good ones in terms of customer service



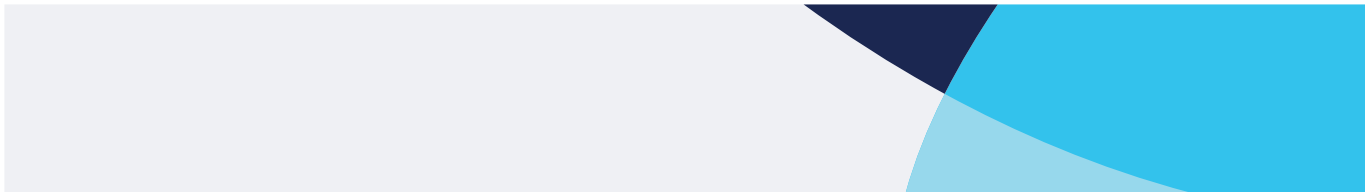
Introduction

It goes without saying that customers have ample choice when it comes to which brands they choose to purchase from and interact with. Every day, new brands come into existence, desperate for customers and looking for every possible avenue through which they can acquire new ones.

Considering how fickle customers are, you realize that when brands do manage to get a new customer, the relationship is delicate. Treat the customer well, and they will often choose to purchase from you again. Their loyalty will likely grow and they may recommend your brand to friends and family, or post positively about the brand on social media. But, treat customers poorly or give them an undesirable experience and there could be serious repercussions.

This message rings particularly true when thinking about the customer service function that brands have. Whether a brand's contact center representatives have the knowledge and tools at their disposal to quickly and effectively help a customer with resolving their issues can have an enormous bearing on the relationship between brand and customer.

As this research illustrates, it's something that many brands are not getting right, and therefore something that can wreak havoc on their reputation and bottom-line.



Methodology

Serenova commissioned independent technology market research specialist Vanson Bourne to undertake the research upon which this whitepaper is based. For this research, 3,000 consumers were interviewed in February and March 2018.

Respondents were based in the following countries:

- **US (2,000)**
- **UK (1,000)**

Respondents are aged 18 years old and over, with a good spread captured across age bands, genders, and annual household incomes.

All respondents were interviewed online using a rigorous multi-level screening process to ensure that only suitable candidates were given the opportunity to participate.

Seamless brand interactions

The average consumer will purchase from and interact with a variety of different types of business, and by extension, a number of different brands on a regular basis. Over the past 12 months, respondents purchased from seven different types of businesses, on average, meaning that they would have had interactions with dozens of different brands during this time frame.

It's an absolute must for brands that they give a good impression of themselves to their customers – this will be key to ensuring that they can develop and maintain a good reputation and brand loyalty.

The types of business that respondents are most likely to have purchased from are, unsurprisingly, those that would be considered staples of everyday life – food and groceries (89%), low-value retail goods (73%), hospitality and catering (60%), and utilities (55%).

Generally speaking, consumers approach these purchases and interactions in a number of different ways. All (100%) respondents indicated that they purchase in-store at least occasionally, but that is to be expected. The research also highlights the continuing push towards a more digital and multi-channel buying experience – nine in ten respondents purchase at least occasionally through a brand's website (90%) and/or through a digital marketplace (such as Amazon) (90%), while over half make purchases through mobile apps (55%) at least occasionally.

Channels used by consumers to purchase from brands

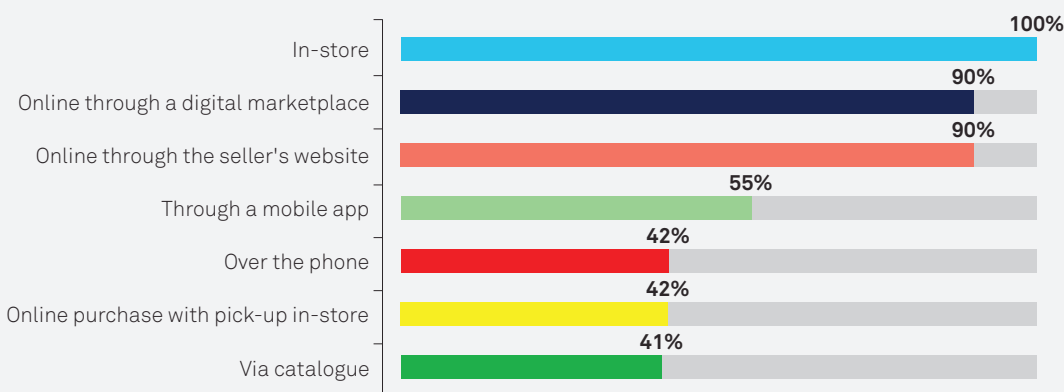


Figure 1: Analysis of respondents who purchase through the above purchasing channels at least occasionally. Asked to all respondents (3000)

Seamless brand interactions

It's also clear that consumers are not tied to using a single purchasing channel for each brand or business type that they interact with. In fact, around seven in ten (68%) respondents who make purchases via more than one purchasing channel state that they also do this for individual brands – so, for example, the consumer may go into a bookstore to pick up a couple of items, but then also using that same brand's app and/or website to make further purchases on a different occasion.

While it goes without saying that purchasing in-store, online (through a website or marketplace) and through a mobile app are very different to each other, it's evident that consumers are looking to interact with brands in this mix of different ways. It's all dependent on whatever is most convenient to them at the time. Therefore, there's a considerable need for brands to be able to deliver the best – and most consistent – possible buying experiences across all of these channels to satisfy these consumer demands.

Purchasing via more than one channel with the same brands

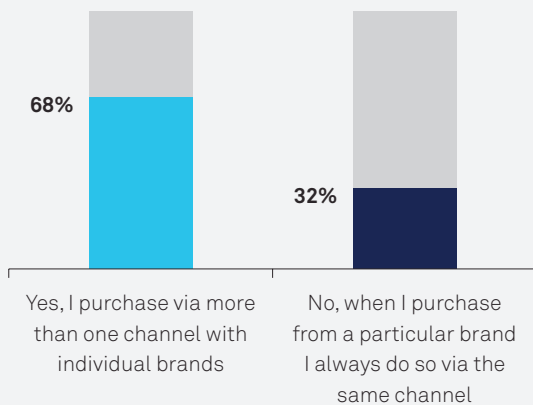


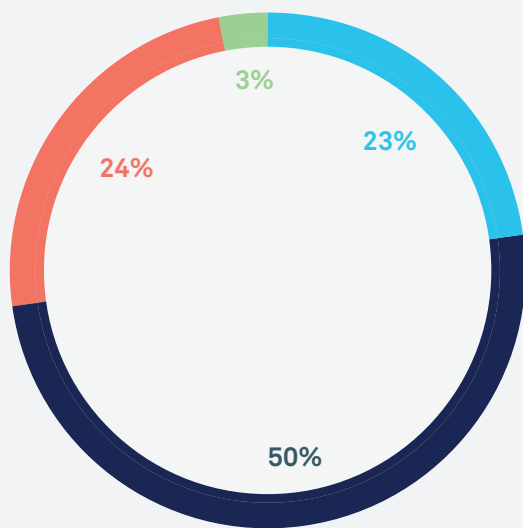
Figure 2: "You have stated that you purchase via more than one purchasing channel. Do you do this with the same brand (for instance purchase online and in-store at the same retailer)?", asked to respondents that purchase via more than one purchasing channel (2901)

So, are brands currently able to deliver seamless experiences to their customers, regardless of the channel that they choose to use?

Well, not really. Actually, the vast majority (80%) of respondents highlight that when they interact with brands via different channels, they have a less-than-seamless experience across the channels used. Around two-fifths (39%) encountered varying speed of service depending on channel, while three in ten (30%) said the same for the level of service that they received. This indicates that the staff or customer service reps at these brands might not be being provided with the tools or information that they need across the board in order to consistently deliver exceptional customer service, regardless of the purchasing channel.

Seamless brand interactions

The importance of a seamless cross-channel experience with individual brands



- It is absolutely crucial
- It is very important
- It is nice to have but not particularly important
- It is not important

Figure 3: "How important do you feel it is to have a seamless experience when purchasing via multiple channels from a single brand (e.g. in-store and online)?", asked to all respondents (3000)

This is a serious problem for brands. Around three quarters (73%) of respondents believe that it's absolutely crucial or very important to be given a seamless experience when purchasing from the same brand across multiple channels. What brands are giving to their customers right now is not meeting expectations, and this could be doing lasting damage to brands' reputations. Instead, it could be a key competitive differentiator for the brands who can do this, helping them to position themselves as the best choice in the eyes of their customers.

The perks of delivering good customer service

So, we know that consumers are not receiving a consistent experience when they purchase from and interact with brands in different ways and – more importantly – we know that this is something that consumers place a great deal of importance on. There are a number of factors that are key contributors to this, including the speed of and level of service that brands offer to their customers, but one thing is abundantly clear: not all customer experiences are created equal.

The vast majority of respondents share this view, with 86% saying that different types of products and services require different levels of customer service, and that their demands change depending on what it is that they are purchasing.



The types of products and services where good customer service and a good customer experience is most commonly considered to be absolutely essential are – perhaps not surprisingly – financial services (53%), home electronics (52%), hotels (51%), and high-value retail goods (51%).

Meanwhile, at the other end of the spectrum, we tend to have products and services that are either lower cost, more frequently consumed, or with less of a 'service' aspect by default. Expectations are much lower here, so for examples such as sport and entertainment (24%), short-haul transport (25%), and low-value retail goods (such as books or clothes) (27%), there are far fewer respondents deeming good customer service to be an absolute essential.

But do consumers' expectations around where there should be good customer experiences align with reality? Apparently not – in fact, there are certain types of businesses that great customer service is a 'must have', which look to be falling some way short in the eyes of their customers.

Looking at financial services provides a key example of this. More respondents (53%) consider good customer service to be absolutely essential for this type of product/service than any other, however, only 38% of those to have purchased from this type of business in the last 12 months would place the customer service experience in their top three during this time frame. This indicates a worrying gap between what customers expect and need versus what is being delivered to them in reality, and highlights this as a key industry in which getting the customer experience right could really boost your organization's standing versus your competitors.

Elsewhere, high-value retail goods (63%) and food and groceries (57%) are the types of businesses where those surveyed are most likely to have experienced one of their top three customer service experiences in the past 12 months. However, for these two examples the customer service expectations differ enormously. If you're dealing with a high-value retail goods brand you will undoubtedly expect the customer experience to be of a higher standard than that of your average food and groceries brand.

Automotive goods is an industry that provides another interesting contrast between expectation and reality. You would tend to expect a higher tier of customer service from these brands, as they tend to be more expensive and customer-facing products and services. However, in the past 12 months only around one in three (34%) of those to have purchased or interacted with these types of businesses report having one of their top three customer service experiences there. It suggests that customers of automotive brands might be at particular risk of being underwhelmed and unhappy as a result of the customer experience. This, of course, could result in lost business, unless brands work on their customer service.

The perks of delivering good customer service

SO, WHAT EXACTLY IS GOOD CUSTOMER SERVICE?

A 'good' customer service will invariably depend somewhat on the individual that you're asking, but there are definitely a few key qualities that the average consumer will look for when they're dealing with a brand. The best brands must do everything that they can to tick these customer service boxes.

Having knowledgeable staff is seemingly a must for brands, with around three quarters (73%) of surveyed consumers highlighting this as something that they associate with good customer service – more than any other trait. Alongside this, a similar proportion say that they associate friendly staff (72%) with being a characteristic of good customer service.

While it's easy enough for brands to encourage their staff to be friendly and polite, a much greater challenge exists when it comes to ensuring the customers interact with staff that have the relevant knowledge. Brands need to help their staff and contact center personnel to have access to and effectively utilize relevant knowledge on products and services that a customer might have

purchased, as well as a way to view any issues or complaints that they might have previously raised with the brand.

Even if staff are able to ascertain this kind of information for a customer, how long does it take them to do so? If you are trying to get to the bottom of an issue with a brand, reaching an amicable solution is one thing, but if the brand can help you to get there promptly it can really help to enhance your opinion of that brand. Over seven in ten (72%) respondents echo this sentiment, saying that quickly resolving issues is another factor that plays a big part in whether a brand's customer service is deemed good or bad for them.

Meanwhile, something else that consumers want from brands is the option to contact them through multiple different channels. Over a third (34%) of respondents highlight that this is the case, so brands who can offer all of the above, and do so with consistency across a number of channels (e.g. phone, email, live chat) will be well positioned to deliver excellent customer service.

Traits associated with good customer service



Figure 4: "Which of the following do you associate with good customer service?", asked to all respondents (3000)

The perks of delivering good customer service

THE REWARDS OF ACHIEVING GOOD CUSTOMER SERVICE

But why should brands care about all of this? What does it actually mean to them if they get their customer experience right or wrong? Simply put, consumers are fickle creatures, and customer service could be the deciding factor for them. It could be the difference between them being a loyal customer, spending their money on a brand's goods and services again and again... or jumping ship, and going to a competitor.

If customer service is done correctly by a brand, the majority of respondents report that they would return to purchase from that brand again (73%) and/or recommend the brand to their friends and family (70%). On top of this, over two in five (43%) would be encouraged to buy more from the brand per interaction,

while around a quarter (23%) would shout about their positive experience on social media – this in particular can have a significant ripple effect in terms of influencing other consumers' perceptions of a brand.

If a brand can maintain happy customers, then they stand to gain repeat business, an improved reputation, and an edge over competitors. A crucial factor in making this happen is the brand's contact center staff. Brands must, of course, ensure friendly, polite service as a minimum, but to really enhance the customer experience standards, these staff must also be empowered with the tools to maximize their knowledge and ensure that customer disputes can be quickly and conveniently resolved.

Rewards of getting customer service right

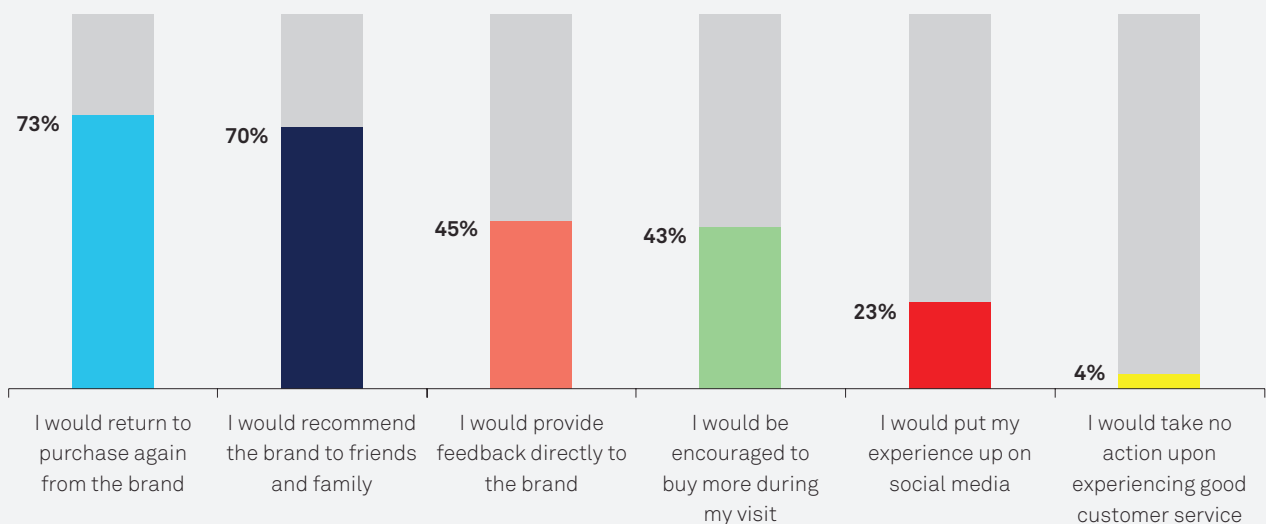


Figure 5: "Upon experiencing good customer service from a brand, what action would you take?", asked to all respondents (3000)

The pitfalls of bad customer service – where brands are getting it wrong

So, we've explored what makes customers happy in regards to customer service, but what about the other side of the coin – what constitutes *bad* customer service in the eyes of consumers?

Once again, staff are central to this. Around two in three (64%) respondents consider it to be bad customer service when a brand's staff lack knowledge about their products and services, while staff who are unhelpful or rude (79%) and/or who don't seem to care about a customer's problems (73%) are also frequently associated with a bad customer experience. It's the people that a brand's customers are interacting with who can have a massive influence on whether customers leave an exchange feeling satisfied or not, and by extension, what customers' impressions of that brand are.

As has been discussed already, it is trickier from a brand's perspective to ensure that a customer service rep is polite rather than rude, or caring rather than dismissive. They can – and will – encourage their staff to be as pleasant as possible, but changing the very nature of their staff members is difficult. What a brand does have far more control and influence over is how useful and knowledgeable their customer service staff are.

To avoid a number of these key characteristics of bad customer experiences, brands need to empower their staff. They need to ensure that when a customer speaks to a customer service rep, the staff member has complete knowledge to hand of the brand's products and services, as well as real-time insights on previous interactions that the customer might have had with the brand, regardless of channel.

Traits associated with bad customer service

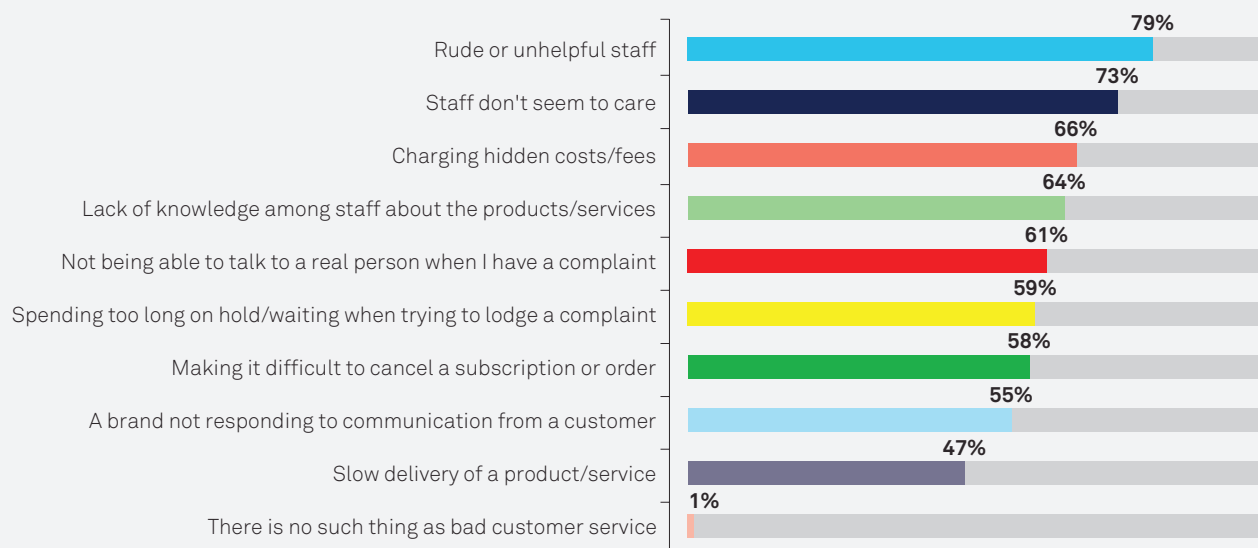


Figure 6: "What does bad customer service mean to you?", asked to all 3000 respondents

The pitfalls of bad customer service – where brands are getting it wrong

Customers are not asking for the world when they interact with a brand, but helpful, knowledgeable staff is something that all brands can and should provide at the very least.

Worryingly for brands, however, is that the poor customer service traits that have been mentioned so far are not one-offs, distant memories, or hypothetical ideas of what bad customer service *might* be – for the majority, these issues have been seen regularly and recently.

Only around one in five (23%) of those interviewed state that they haven't experienced any examples of bad customer service in the past 12 months. The majority (77%), unfortunately, have.

WHAT DOES IT MEAN TO BE A BRAND WITH AWFUL CUSTOMER SERVICE?

It's abundantly clear that when consumers are not happy with a brand, they will make their disappointment known to them – almost all (95%) surveyed consumers would make a complaint to a brand if they felt that it was needed.

And there's not just one go-to route that brands need to be on top of in terms of dealing with this; customers can and will complain in a variety of different ways. The most common channels for complaining are email (82%) and phone (81%), both of which are fairly traditional. Increasingly though, other digital methods are being adopted for this purpose too. Live chat (39%) and social media (15%) are also key routes for customer complaints that brands must be prepared for, and ones which are only set to become more popular over time.

Methods used to make complaints

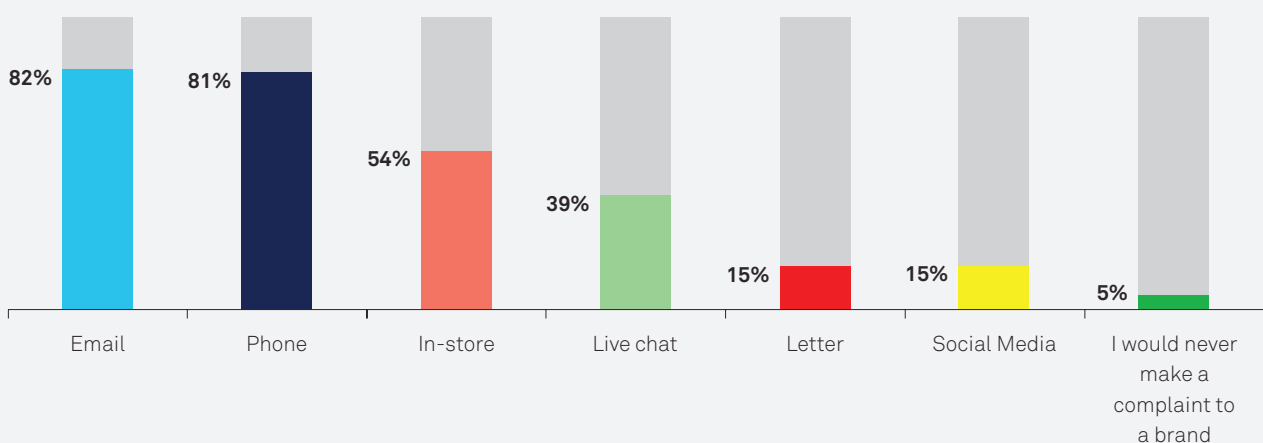


Figure 7: "When making a complaint to a brand, how would you prefer to contact them?", combination of responses ranked first, second and third, asked to all respondents (3000)

The pitfalls of bad customer service – where brands are getting it wrong

Social media, in particular, should be a worry for brands. While the other methods of complaint are 'behind closed doors', a social media complaint could be in plain view for many others, meaning that although fewer consumers are using this approach, it arguably has the greatest potential for damaging a brand.

What this all means from a brand's perspective is that they are having to juggle multiple channels through which customers can and will make complaints and sometimes, inevitably, customers will follow up on the same complaints or grievances via different channels. This too is something that brands must be prepared to deal with.

ARE BRANDS ABLE TO DEAL WITH AND RESOLVE CUSTOMER ISSUES QUICKLY ENOUGH?

When making a complaint via phone, respondents report that having to wait seven minutes or longer, on average, is too long. If they choose to complain through an online channel (such as via email), then they deem 20 hours to be too long for a response. What's clear here is that it is not enough for brands to resolve a customer's issue... they need to ensure that they can do this *quickly*.

Looking at the last 12 months alone, 69% of respondents have had to wait on hold for too long when contacting a brand via phone, and a similar proportion (64%) have had to wait too long for a response when contacting a brand online, suggesting that customers are not getting the quick resolutions that they place a high value on.

THE CONSEQUENCES OF BAD CUSTOMER SERVICE

We know that these negative experiences are affecting large proportions of consumers, but if this is such a frequent occurrence for them then brands have nothing to worry about, right? Perhaps there is safety in numbers and lower expectations across the board from consumers means that there is little need to improve for the brands themselves?



Absolutely not. The vast majority (94%) of respondents say that customer service impacts whether they would make the decision to move from one brand to a competitor, so it's of paramount importance that brands take all of this on board and invest in solutions that can help them to improve their customer experiences.

The most common trait which would have customers running from a brand to one of their competitors is – not surprisingly – unhelpful or rude staff (59%). This ought to be a real concern for brands, as this is one of the deal breakers that respondents highlighted as being something that they have experienced in the past 12 months.

It really begs the question – how many customers have brands lost in the last year alone as a result of their staff not having a smile on their face, or having enough knowledge about a product or previous complaint?

Brands simply must work harder to give their customer service reps the tools they need to stay both engaged and informed when they help customers.

We have seen already that happy customers will generally tend to do something about this satisfaction, in the form of recommendations and public declarations, and the exact same thing applies when they experience poor customer service.

Approaching two thirds (62%) of respondents wouldn't purchase from a brand again if they had a bad experience with them, while over half (56%) would recommend that their family and friends do the same.

The pitfalls of bad customer service – where brands are getting it wrong

Consequences of bad customer service

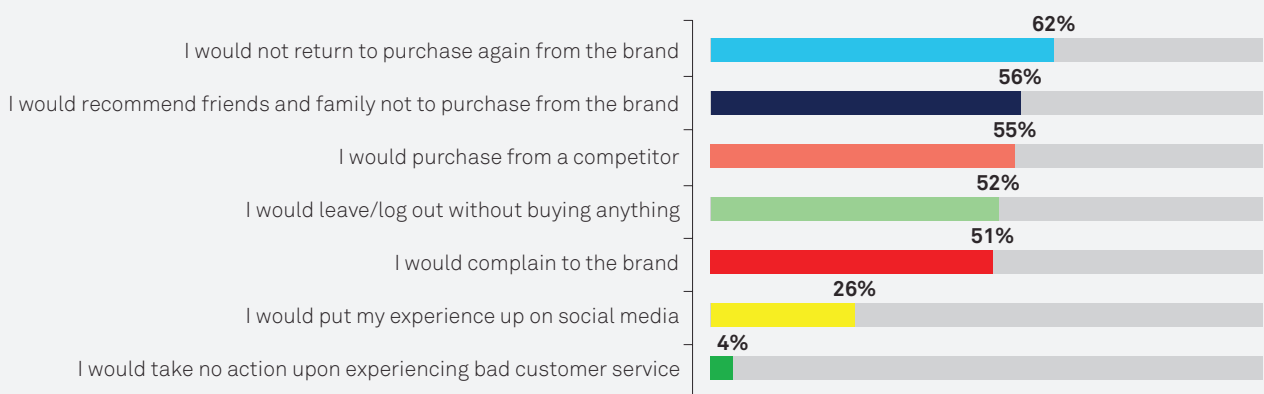


Figure 8: "Upon experiencing bad customer service from a brand, what action would you take?", asked to all respondents (3000)

What's perhaps more concerning is that over a quarter (26%) say that they would put their experience up on social media – as mentioned previously, the potential repercussions of this could be widespread and far reaching if the customer service is not handled well. There are plenty of recent examples illustrating how damning this can be for a brand's reputation in these such instances.

A perfect example of the power of social media in highlighting the poor customer service of a brand is the 2017 United Airlines scandal, where a customer was unfairly – and dramatically – ejected from a flight. Video footage of this went viral across a number of social media platforms within a day, and had a crushing impact on UA's reputation.

Almost three quarters (73%) of respondents report that they would be less likely to purchase from a brand if a friend or family member had a bad experience with them, but the same applies to some extent with strangers on social media. It's definitely in a brand's best interest to try to avoid dealing with the potential ripple effects in the first place by improving their customer service.

And customers, by their very nature, don't like to be scorned more than once. Around four-fifths (77%) say that they are more likely to remember and share bad experiences over good ones, so if brands can't get this right the first time with their customers, then they give themselves a serious uphill battle to get those customers back on their side.

With all this in mind, it's clear that it just won't cut it if a brand doesn't invest the time, money and effort into making sure that it can deliver the best possible customer service to customers. The repercussions of not doing so are clear, both in the short-term and long-term.



Conclusion

Modern consumers are, inevitably, buying a whole range of different products and services from a whole range of different brands, and more so than ever they do this through a variety of different purchasing channels – through traditional offline methods, but increasingly via online methods too.

However, brands are not delivering the seamless experience that their customers want and need across different channels – they need to do this to maintain the good customer experience that they should be striving for.

The role that customer service plays in consumers' impressions of a brand simply cannot be exaggerated enough – it's a real make or break "moment of truth" in terms of the experience that a customer has with a brand. Getting it right can bolster a brand's market position and lead to greater sales, while getting it wrong can do all the wrong things for a brand's reputation and bottom-line.

Considering how quickly and easily customers can move to a competitor or write a scathing review of a brand online – some of which can go viral in a matter of hours – this is something that brands simply must address.

So, what do brands need to do to dodge this bad customer service bullet?

Staff play a key role. They need to be knowledgeable, both about the products and services that their brand sells and about any complaints that a customer is throwing at them, but they also need to be friendly. While ticking both of these boxes, they also need to have the tools that they need to solve customer issues quickly.

For brands who can achieve all of this, the future is bright and they can really get an advantage over their competitors.

Where the right contact center solution can help:

A lot of this comes down to the contact center that a brand has at their disposal, helping to solve their customer experience issues on a daily basis. Supervisors need to have insights relating to the knowledge, competency and satisfaction of their agents, ensuring alignment with the contact center's needs.

Contact centers also need to provide their agents with necessary, up-to-date information, guidelines, and required scripting to support customers through their interactions, regardless of which method a customer may use to reach out to a brand.

Some key things to consider when evaluating a contact center's solutions are:



Is it omnichannel?

Contact center reps should be able to interact with a customer problem-free, regardless of the channel that the customer uses – phone, email, web chat or social media



Does it provide context about previous interactions?

If a customer has interacted with a brand in the past, is all information about these previous interactions stored, and easily accessible for any agent if the customer reaches out again



Is it clear and simple from the contact center personnel's perspective?

A clear and easy-to-use workspace, with real-time scripting to guide interactions, will enable agents to focus on quickly solving customers' problems and empower them to offer the seamless experience that customers want most



Appendix:

ABOUT SERENOVA

Serenova simplifies every aspect of the customer experience to make life easier for you, your customers and your employees. The world's most passionate, customer-focused brands achieve better interactions, deeper insights, and more meaningful outcomes with Serenova's contact center solutions. Headquartered in Austin, Texas, Serenova also has operations in California, Canada, the United Kingdom and Australia. Learn more at www.serenova.com. For live updates, follow @SerenovaShine.

ABOUT VANSON BOURNE

Vanson Bourne is an independent specialist in market research for the technology sector. Their reputation for robust and credible research-based analysis is founded upon rigorous research principles and their ability to seek the opinions of senior decision makers across technical and business functions, in all business sectors and all major markets. For more information, visit www.vansonbourne.com



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