



The Multi-channel Customer Care Report

Meeting the fresh demands of multi-channel customers

2017



Executive Summary

Customers simultaneously want the warmth of human communication and the speed and efficiency of automated service.

It's a paradoxical challenge for companies, one brought about by increasing levels of consumer expectations and the fast changing technical landscape of customer communications.

This important and perplexing challenge is explored in **The Multi-channel Customer Care Report**, with findings based on a recent survey conducted by Loudhouse and commissioned by Zendesk—a leading provider of customer service solutions.

It's a challenge that represents an opportunity for companies which are willing to face it. The increasing number of channels for customer communications—when used as part of a thoughtful, dynamic customer service strategy—can be used to meet increasing consumer demands. While this is not an easy task, the rewards include improved customer loyalty and a significant competitive advantage.

So what do we mean by "multi-channel"?

The days of companies providing a single method of support communication are gone and are unlikely to return. Not only do different customers expect to be able to use different channels for support, many prefer specific channels according to their needs. Some will complain to a company on Twitter, seek simple answers via self-service, and contact customer support through email for complex problems. Another might choose a completely different path, so it's important for companies to provide a consistent experience on all their channels.

Today, a multi-channel support strategy includes a combination of traditional phone, email or live chat solutions, alongside social media, and self-service offerings.



Key Findings

The survey illuminates key trends from which important conclusions can be drawn:

- Multi-channel customers are less patient and expect more than they did five years ago
- Multi-channel use has increased considerably in three years, with more diverse channels available to customers
- Customers are developing distinct expectations for each support channel
- Higher expectations are balanced by a more relaxed approach to sharing personal information—but only if doing so improves service

The report explores these key areas further, providing deep insight for businesses keen to stay ahead of their competition through improvements in their customer service strategies.



Tapping into the Multi-channel Mindset

Consumers demand human interactions on every channel

Perhaps the most striking finding of the survey was that almost two-thirds (61%) of people acknowledged that they are more impatient with customer service than they were five years ago. However, relying solely on automation as an easy solution to this is unlikely to work: 86% saw being treated as a person as more important than benefiting from possible future advances in customer service technology.

These ideas might seem at odds with one another, but not if one takes the time to understand the customer's perspective: they just want great support experiences.

Putting the findings in context, it appears that companies will only be able to rise to meet expectations if self-service strategies and automation tools—such as machine learning—are used as part of a larger support strategy that also includes human interaction.

Furthermore, companies will have to do so across multiple platforms, with 89% of respondents agreeing that brands need to offer a consistent customer service experience across all channels in order to retain customers.

So how is the multi-channel customer service desk going to resolve these complex challenges?

Dynamic channels have created dynamic expectations

Customers don't just want personal experiences; they also want fast support. However, expectations vary by channel:

- The research found that 41% of respondents expect an immediate response when contacting via the phone or in person, with 47% expecting the same via online chat.
- Support via messaging is most likely to be expected within 10 minutes, while responses via social media are expected within two hours. Email response expectations sit within 12 hours.
- Customers appear to understand the difference between the various channels and set service expectations accordingly. Companies must understand this and develop appropriate strategies for each channel.

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Having different ways to contact customer service is important because it gives us, as consumers, options that are convenient for us.



Customer Expectations Are Increasing

Desire for fast service is more demanding than three years ago

Survey participants were asked, "How quickly would you expect to receive a first response when using a particular form of customer service channel?". When looking at a comparative study in 2013 (Fig.1), the first conclusion is that customer opinion has changed considerably over the past three years.

Great service is becoming more of a challenge

Customers are now far less likely to return to a company solely due to a positive customer service experience than they were in 2013 (75% vs 55%). This noticeable shift seems to indicate that consumers increasingly view positive customer service experiences as standard, and are not necessarily willing to reward it with repeat business.

Fig.1 Response/Resolution expectation: 2013 and 2016 comparison

	Response		Resolution	
Email: 	2013	2016	2013	2016
	Within half a day	Within half a day	Within half a day	Within half a day
	62%	79%	75%	79%
Phone: 	2013	2016	2013	2016
	An immediate response	An immediate response	An immediate response	An immediate response
	50%	41%	59%	66%
Social Media: 	2013	2016	2013	2016
	A response within 2 hours	A response within 2 hours	A response within 2 hours	A response within 2 hours
	52%	72%	52%	81%

The Right Channel For the Job

Service and channel choice increasingly drive customer expectations

Customers want the care that comes from dealing with a human, but also the expediency associated with service automation at the same time. This influences their choice of customer service channel.

However, another factor is motivating customers when they choose which support channel to use. Amidst a growing multitude of options, consumers also consider the type of enquiry they want to make. For instance whether they want to check a price, get details on a product, place an order, arrange a delivery, or lodge a complaint. It's the nature of the interaction, and the amount of time someone has on their hands, that helps people determine the most convenient channel at any given time.

It's a question of preference

As you can see from Fig. 2, the telephone is still the preferred channel for resolving a query, although its use has dropped slightly, with 47% of respondents opting for it in 2016, compared with 54% in 2013. Emailing is still in favour, but in slight decline, falling from 48% three years ago to 40% now. Meanwhile live chat and click to chat through a website have boomed in popularity since 2013, growing from 18% to 32%.

This trend is broadly aligned with what respondents considered to be their first choice option for general customer enquiry or contact (Fig.3).

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Fig.2 Channels used to resolve a query

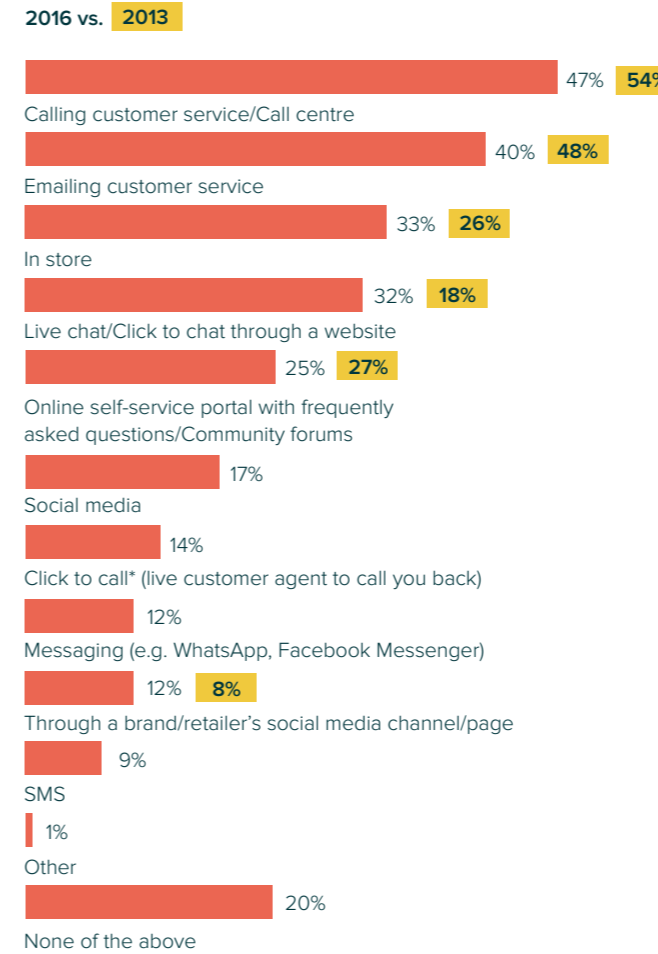


Fig.3 First choice of method for contacting customer service

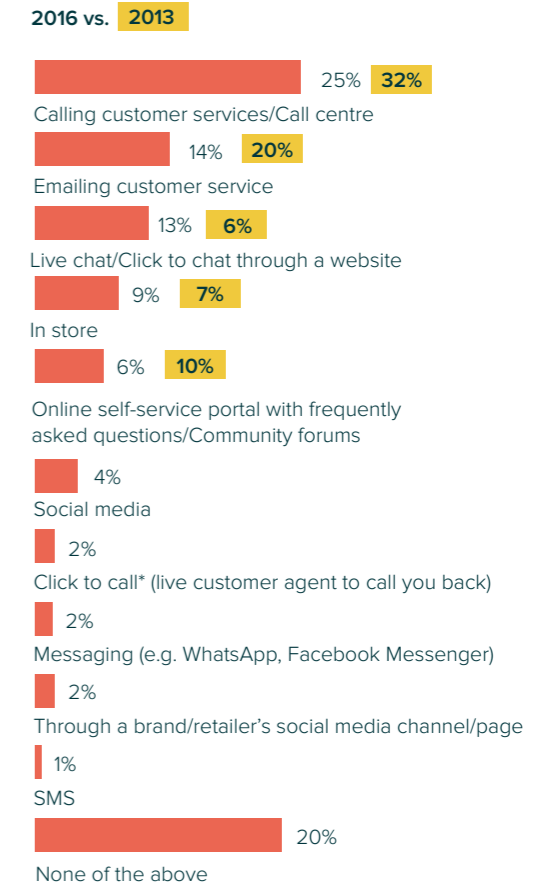
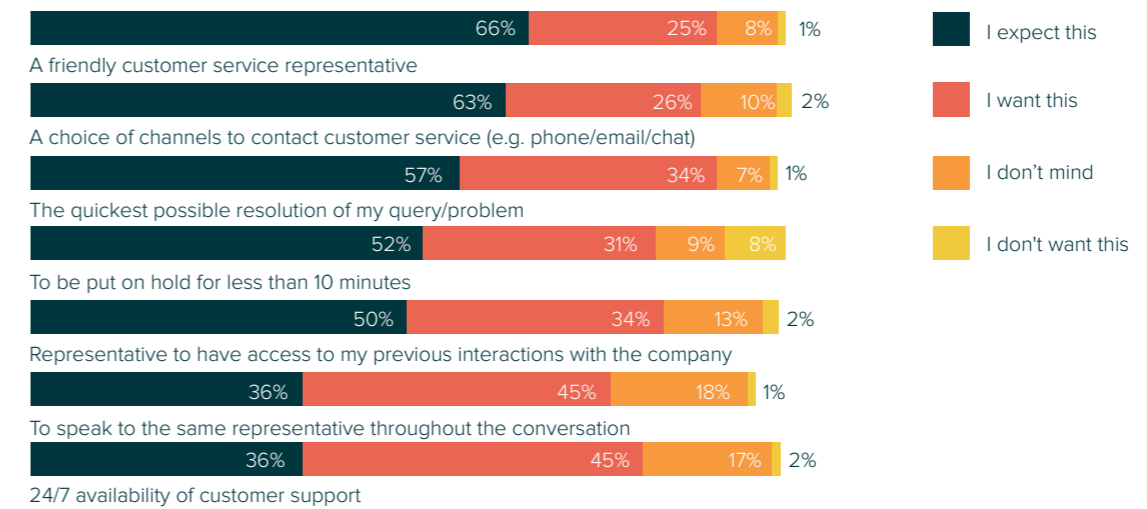


Fig.4 Customer service expectations



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Many respondents' answers indicated that they experienced difficulty getting through to a company's customer service department.

Customer expectation is high

Brands must work hard to earn customer loyalty. A sizeable 83% of survey respondents agree that they expect more from customer service than ever before.

As Fig. 4 shows, a friendly representative is most likely to be expected (66%) when contacting customer service. Followed by a choice of channels (63%), the quickest possible resolution (57%) and "to be put on hold for less than 10 minutes" (52%).

Furthermore, people "want", rather than expect, to speak to the same representative throughout the conversation (45%), and 24/7 availability of customer support (45%).

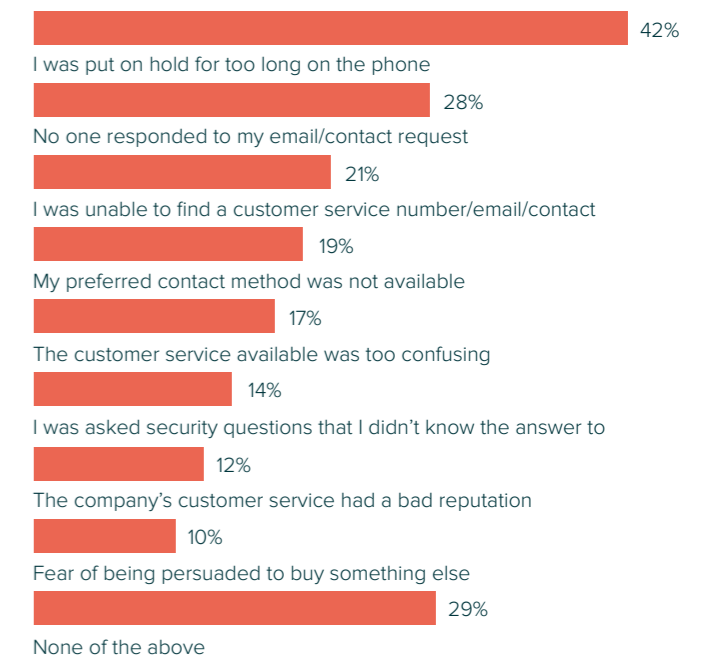
"Seven out of Ten customers have faced service challenges in the past 12 months"

Despite the fact that many consumers seemingly view a positive customer service interaction as standard, some respondents' answers indicate that they experienced difficulty getting through to a company's customer service.

A worrying 42% of people said they were put on hold for too long on the phone and 28% said they were let down by having no one reply to their email or contact request, while 19% said their preferred contact method was not available. See Fig. 5 for other instances where the path to customer service didn't run smoothly.

Not surprisingly, only 29% of respondents experienced no obstacles in contacting customer service over the past 12 months.

Fig.5 Barriers to getting through customer service



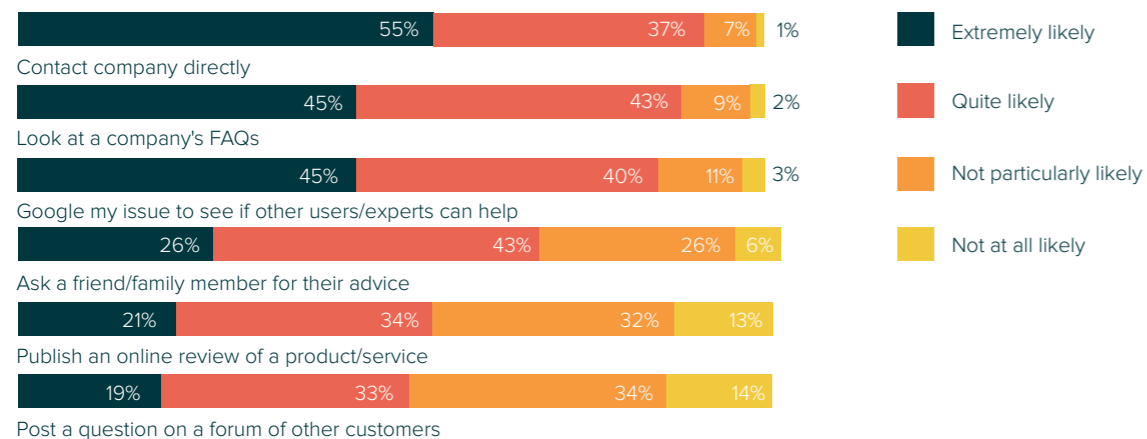
The changing routes to resolution

Self-service continues to be a significant trend in 2017, which consumers are seeing permeate their everyday lives. Customers appear to be seeking to inform themselves fully or to resolve their own issues either before, or in conjunction with, contacting customer service.

This is why "Looking at a company's FAQs" (88%) and "Googling my issue" (85%), along with contacting the company directly (92%), are widely cited by respondents as routes to informing or resolving an enquiry (Fig.6).

Companies should expect customers to come armed with information that they've either found out for themselves or asked their family and friends about for advice (69%).

Fig.6 Plan of action when contacting customer service



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Speaking to a "real human" is most likely to be expected (55%) when interacting with a company's customer service function.

Customers Are Happy to Share Data

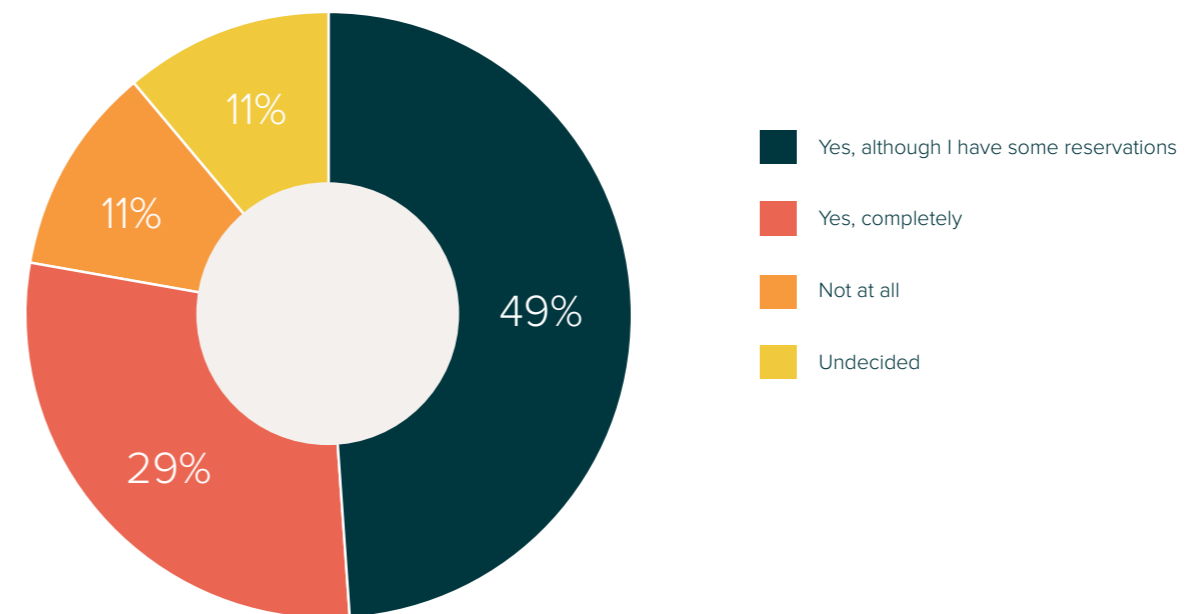
There's a new flexibility with personal data, if it improves service.

78% of people say they would be willing to share all relevant/required data with companies if there was some benefit in doing so. Namely, that the personal data shared could enable businesses to provide an enhanced experience, more personalised communication, and better recommendations.

This flexibility with personal data is also notably influenced by the age of the customer. The research reveals that customers aged 18 to 24 years (34%), and 25 to 34 years (35%), are more likely to be "completely willing" to share their personal information. Customers aged 45 to 54 years (23%) and 55 to 64 years (22%) are a bit more guarded.

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Fig.7 Willingness to share all relevant/required data





Key Findings

Making the most of multi-channel support

As confidence in using new channels has grown, customer expectations have increased. People ask for a better experience from the brands they favour.

Customers want service that is fast and human. And while those two ideas might seem at odds with each other, achieving both is possible with a multi-channel support strategy that factors in the strengths and limitations of each channel, as well as how customers prefer to use them.

There's a clear need to preserve the "human" angle to customer service interactions as much as possible. But that doesn't mean companies should abandon self-service and automated support options, because customers clearly prefer using these for specific issues. Those same customers will probably prefer the immediate and personal support made possible with channels like chat and voice. Understanding this, and giving customers the option to choose how they wish to interact with support, is critical.

To learn that a positive customer experience doesn't necessarily guarantee repeat purchases or steadfast customer loyalty should not be confused with a lack of interest or a decline in importance of these services. Service levels and real customer engagement and interaction must remain high just to maintain a brand's standing in the marketplace.



It is notable that the telephone enquiry still dominates service preferences.

Research methodology

Here's who we got to know better..

The Multi-channel Customer Care Report 2017 was commissioned by Zendesk and conducted by Loudhouse Research.

More than 3,000 consumers took part in the online survey. These people identified themselves as having purchased a product or interacted with a brand's customer service offering at least once during the past six months.

Respondents were sourced from Australia, the United States and the United Kingdom.

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