



60 Facts and Figures that will make you rethink your customer service strategy

Discover the numbers that matter and find out how to transform them into actionable lessons. Make the best out from your customer service and offer your customers the best experience



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INTRODUCTION

The market is bigger than ever, and customers have more choices than ever.

Having the best product/service on the market isn't enough. To be the best company, companies need excellent service and strong support channels for customers. Consumers want a great product/service and a great experience.

Customers want to interact with a company that solves all their needs while creating an experience that makes them want to return. They are one click away from choosing another product/service. It's about creating an environment for customers to enjoy and feel comfortable. Customers are the best source of marketing. Keep them happy, and the company will be successful.

Customer Service is not just another department in a company. It's an identity. It's a culture. It's an expectation. A company with a poor customer service will not survive, but a company with a strong customer service will thrive.

Below are statistics that prove that customer service is the new frontier in the business.

- Setting the Stage
- It's All in the Numbers
- The Ideal Situation
- What Not to Do
- Behind the Scenes
- Navigating the Channels
- The Millennial Effect
- The Future of Customer Service

In general, **good customer service is able to earn customer loyalty and it's critical to company's success.** In today's competitive business atmosphere, it is important to know the consequences of poor customer service as well as the benefits of an efficient one.

Here are 80 stats that can help companies achieve a higher level of customer satisfaction.



THE CURRENT STATE OF THE ART

Why is customer service important to a business? Are customers thinking about the service over the product?

Fact

84% of customers say being treated like a person, not a number, is very important to winning their business.

Salesforce

The Bottom Line

When it comes to making a purchase, 64% of people find customer experience more important than price.

Gartner

The Bottom Line

76% of customers say it's easier than ever to take their business elsewhere.

Salesforce

Key Point

75% of brands report that they are measuring customer engagement but cannot define what it is.

Esteban Kolsky

Did you know?

While 72% of businesses say improving customer experience is their top priority, only 63% of marketers prioritize implementing technology investments that will help them reach this goal.

Forrester

Data Point

Across the globe, 96% of consumers say customer service is an important factor in their choice of loyalty to a brand.

Microsoft

In the stats

77% of customers view brands favorably if they proactively invite and welcome customer feedback.

Microsoft



"Customer service shouldn't just be a department; it should be the entire company." - Tony Hsieh CEO of Zappos

LESSON #1

It's easier than ever for customers to find the right product/service for them in the marketplace. To stand out from the rest and to succeed in the business world, a company must excel in customer service. Maintaining a great relationship with customers can make or break the company. Understanding the issue and creating a strategy can help the company to succeed. Customer service is more important than ever to generate that longevity and success. With a customer service that can handle any situation thrown at them, a company will be in it for the long run.

IT'S ALL IN THE NUMBERS

How does customer service directly impact the business? Can customer service affect the success of a company?

Data Point

Companies that excel at customer experience grow revenues 4-8% above the market.

Bain & Company

The Bottom Line

A moderate increase in Customer Experience generates an average revenue increase of \$823 million over three years for a company with \$1 billion in annual revenues.

Temkin Group

Fact

86% of consumers are willing to pay up to 25% more for a better customer experience.

RightNow

Fact

An estimated \$41 billion is lost by US companies each year following a bad customer experience.

NewVoiceMedia

Did you know?

A 5% increase in customer retention can increase a company's profitability by 75%.

Bain & Company



The Bottom Line

84% of organizations working to improve customer service report an increase in revenue.

Dimension Data

Key Point

US businesses are losing \$75 billion per year through poor customer service.

NewVoiceMedia

In the stats

Three out of four (74%) consumers say they have spent more with a company because of a history of positive customer service experiences.

Oracle

"Good customer service costs less than bad customer service." - Sally Gronow Head of Customer Service at Dŵr Cymru Welsh Water

LESSON #2

The numbers don't lie! Companies are excelling with great customer service strategies and failing with poor strategies. The market is getting bigger and bigger every year. The competition is growing in numbers and in strength. Investing in a smart customer service strategy will put you ahead of the competition but more importantly it will help you gain loyal customers. Loyal customers create word-of-mouth. This free marketing tool is the number one marketing tool for businesses. With strong customer service, companies can create a brand that customers are loyal to.

BENEFITS OF GOOD CUSTOMER SERVICE

What are the benefits of a good customer experience? How does good customer service drive the business?

Did you know?

When asking consumers what impacts their level of trust with a company, offering excellent customer service ranked number one.

Dimensional Research

Fact

The majority (66%) of adults feel that valuing their time is the most important thing a company can do to provide them with good online customer experience.

Forrester

The Bottom Line

After having a positive experience with a company, 77% of customers would recommend it to a friend.

Temkin Group

Data Point

Customers who had the best past experiences spend 140% more compared to those who had the poorest past experience.

Harvard Business Review

In the stats

Highly engaged customers buy 90% more frequently, spend 60% more per transaction, and have 3 times the annual value compared to other customers.

Rosetta

Key Point

93% of customers are likely to make repeat purchases with businesses who offer great customer service.

Hubspot



The Bottom Line

55% of customers become a customer of a company because of their reputation for great customer service.

RightNow

Fact

A 10% increase in a company's customer satisfaction score leads to a 12% increase in trust from customers.

Institute of Customer Service

"Happy customers are your biggest advocates and can become your most successful sales team." - Lisa Masiello CMO & Owner of TECHmarc Labs, Inc.

LESSON #3

Any company can offer customer service, but companies need to offer an experience a customer remembers. A customer service strategy should increase brand loyalty and create ambassadors. Maintaining a positive customer experience can help a company for the future. It's not rocket science, it's simple human behavior. Treat customers with the respect and dedication they deserve and the company will reap the benefits. Be a company that is remembered for a great product/service, but for an even better experience.

WHAT NOT TO DO

What can companies do to avoid bad customer experience? How can poor customer service affect the company and the customer?

Did you know?

91% of customers who are unsatisfied with service leave without warning.

Huffington Post

Data Point

72% of consumers see having to explain their problem to multiple people as poor customer service.

Dimensional Research

The Bottom Line

47% of consumers have switched brand due to bad customer service.

Microsoft

In the stats

67% of customer churn is preventable if firms resolve issues the first time they occur.

Ameyo

Fact

30% of consumers say not being able to reach a real human is the most frustrating part of a bad customer experience.

Microsoft

Key Point

12 positive customer experiences are needed to make up for a single bad experience.

Glance

"Being on par in terms of price and quality only gets you into the game. Service wins the game." - Tony Alessandra CEO of Assessments 24x7 LLC, author, and speaker

LESSON #4

It's no secret that bad customer service experiences can lose customers. It is easier to retain customers than it is to gain customers. Avoiding bad customer service can help the company sustain great customer service. The market is full of options for consumers. A consumer can find the same product/service from more than one company. The one that will attract them is the one that has great customer reviews. A company's brand is built upon the customers perception of a company. And a company's perception can change within a day. Create a brand that is seen as a trustworthy company. Don't be a company that treats its customers with disrespect.



THE PEOPLE BEHIND THE SCENES

Your customer service reps are your public face. How to make them happy? How to empower them?

Fact

51% of agents who do not use AI spend more time on mundane task.

Salesforce

Data Point

68% of customers said that a pleasant representative was key to their recent positive service experiences, and 62% said that a representative's knowledge or resourcefulness was key.

American Express 2017
Customer Service Barometer

Did you know?

About one in three people (30%) say the most important aspect of customer service is speaking with a knowledgeable and friendly agent.

Microsoft

Key Point

Speed of response (89%), speed of resolution (89%), and friendliness of representative (82%) are seen as the most important aspects of the customer service experience, regardless of channel.

Zendesk

The Bottom Line

42% of service agents are unable to efficiently resolve customer issues due to disconnected systems, archaic user interfaces, and multiple applications.

Aspect

In the stats

Friendly employees or customer service representatives are what make a memorable experience that causes consumer to stick with a brand, for 73% of customers.

Harris Interactive

Data Point

72% of consumers say that when contacting customer service, they expect the agent to "know who they are, what they have purchased and have insights into their previous engagements."

Microsoft

Fact

Companies that make a concerted effort to improve their customer experience also see employee engagement rates go up by an average of 20%.

McKinsey



"The greatest technology in the world hasn't replaced the ultimate relationship building tool between a customer and a business; the human touch." - Shep Hyken, customer service and experience expert and Chief Amazement Officer of Shepard Presentations

LESSON #5

Providing customer service operators with the knowledge and tools to answer any question or comment is easy. The real challenge is creating a positive and efficient environment customer's want to talk communicate to. Once you find the perfect balance, your company will stand out. A company's product/service is seen as the face of the company, but many companies forget that the employees are another part of that face. Companies should have employees who are prepared and dedicated to providing the best service. The dedication doesn't stop at customer support. Customer service plays a big role in satisfying the customer. Implement a positive atmosphere within customer service and the customer will take notice.

NAVIGATING THE CHANNELS

Why should companies have different channels? Which channels are most effective and impactful?

Did you know?

The average wait time on social media is nine hours.

Shep Hyken

Fact

Email is still the most commonly used digital customer service channel - 54% of customers have used email customer service channels in the last year.

Forrester

Did you know?

Customer satisfaction ratings for live chat are often higher than all other support channels, likely because of the speed and conversational nature.

CustomerThink

Data Point

57% of consumers would prefer to contact businesses using digital media like social media and email over voice-based customer support.

Ameyo

Fact

1/3 of all customers use mobile devices to contact customer service.

Microsoft

Key Point

In 2017, 35% reported reaching out in social channel, up from 23% in 2014 and 17% in 2012. Of those who have used social media for customer service concern, 84% say they have received a response or resolution, up significantly from 64% in 2014.

American Express 2017 Customer Service Barometer

The Bottom Line

48% of consumers expect a response to social media questions and complaints within 24 hours.

Statista

In the stats

As the complexity of the issue increases, such as with payment disputes or complaints, customers are more likely to seek out a face-to-face interaction (23%) or a real person on the phone (40%).

Live Chat Benchmark Report 2017

"If you make customers unhappy in the physical world, they might each tell 6 friends. If you make customers unhappy on the Internet, they can each tell 6,000 friends." - Jeff Bezos, CEO at Amazon.com

LESSON #6

Having a strong online presence is critical in the business world. There are several different ways customers can stay connected to a company. Customers want to be able to reach company's anytime of day and on any channel. Having a strong and reliable channel is important in providing solid customer support. Companies need to find a way to regulate the influx of customers online. Customer service is a big part of satisfying customers online. Companies need to make sure they are equipped with the increase in online customer service and the different channels. Online has since been the future of the business world. Implementing a strong online presence can help any company.

THE MILLENNIAL EFFECT

How can customer service impact the largest consumer segment? Why are millennials an important generation for businesses? What is the benefit of having millennials as supportive customers?

Fact

63% of millennials begin their customer service interactions online.

Microsoft

Data Point

74% of millennials report that their perception of a brand improves when it is clear the company responds to customers' social media inquiries.

Microsoft

Did you know?

Chat is the preferred support channel of Millennials.

Comm100

Did you know?

One in two millennials have complained about a brand on social media.

Microsoft

In the stats

66% of 18-34-years-olds say their customer service expectations have risen in the last year.

Microsoft

Fact

79% of millennials prefer to purchase from brands with mobile-responsive customer support portals.

Microsoft

Key Point

As a group, Millennials are willing to spend the most (21% additional!) for great customer care.

American Express 2017 Customer Service Barometer

Did you know?

65% of consumers aged 18 to 34 say social media is an effective customer service channel.

Microsoft



"A brand is no longer what we tell the consumer it is-consumers tell each other it is" - Scott Cook, co-founder of Intuit, a director of eBay and Procter & Gamble

LESSON #7

Millennials are powerful segment within the market. What makes millennials so important to consider is their influence. Their influence can affect the buying behaviors of other millennials and other generations. Word-of-mouth is the number marketing tool for companies, and millennials are a key demographic for many companies. If companies can successfully attract the buying behaviors of millennials, companies will thrive. Millennials make up a big portion of the market but are unlike any other segment in the marketplace. Treat them how they expect to be treated and they will reward you.

THE FUTURE

What will customer service look like in the future? How should companies prepare?

In the stats

By 2035, AI technologies are projected to increase business productivity by up to 40%.

Accenture

Did you know?

Experts predict that by 2020, 85% of all customer service interactions will be handled without the need for a human agent.

Hubspot

Fact

69% will use online communities as a support channel by 2020.

CXM World

Data Point

25% of Customer Service Operations will use virtual customer assistants or chatbot technology by 2020.

Gartner

The Bottom Line

63% of marketers say that social media will become the top customer support channel by 2020.

V12

Key Point

By 2020, customer experience will overtake price and product as the key brand differentiator.

Walker

"Customer service is the new marketing." - Derek Sivers, Founder, CD Baby

LESSON #8

The power of great customer service should not be overlooked. The future is bright, and companies need to capitalize now. Customer service is not just another department within the company. It is the company. Customer service is becoming more than just a help desk, it's a lifeline for customers. It's a way for the company and customer to interact with each other. The world is always changing. Customer service is the future and companies need to stay ahead to be a part of the future.



CONCLUSION

Customer service has changed dramatically following recent advances in digital and communication technologies; social media interactions between customers and businesses, particularly, have driven engagement to new levels.

Likewise, customers expectations have changed. Customers want to talk to real people to fix real problems. A company should not rely on technology and chat boxes to solve every problem.

These new technologies means must not be seen as substitutes for real humans, but as a valuable tool in the hands of people who can make customer experience unforgettable. Training and providing tools for the representatives will allow companies to achieve quicker response times.

Being able to **utilize Artificial Intelligence is only one aspect of great customer service**. The other is human interaction. Finding the perfect balance between the two will create a strong customer service department.

As the market changes, customer service needs to be able to **keep up with the changes**. What was once a time where companies needed to have the best product/service has passed. It much more than that. Companies need to have the best product/service with the best customer experience. Customers crave a company that understands them. Creating a positive and lasting impression will create a loyal customer.

AI has to be the added value on the side of Customer Care Representatives. Together, they will put in place the best Customer Experience ever.



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mundane tasks. Let Stip's AI do that

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