2015 Global Customer Support Outlook Survey

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The science of conversation™

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Executive Summary

Creative Virtual's 2015 Global Customer Support Survey solicited feedback from customer support professionals across the globe to understand their goals, challenges and strategies for increasing customer engagement and creating more personalized experiences at every touch point. This report explores the role traditional contact channels play in the world of customer experience, as well as how mobile, social media and virtual assistant technology have gained momentum in organizations that wish to provide anywhere, anytime customer service. This report also provides invaluable feedback on how to create more efficient processes that facilitate knowledge management, information sharing and intelligent customer interactions in an omnichannel environment.

Key Takeaways

Customer experience and customer engagement are seemingly at odds with customer support budgets.

Companies worldwide continue to place high value on customer experience, but have focused more intently on customer support as a key driver in their organization. 60% of EMEA businesses said that improving the customer experience is extremely important to them compared to 74% of the respondents in the Americas. However, EMEA respondents were more focused on operational goals like resolving customer inquiries faster (42%) and increasing the usage of self-service channels (38%). For the Americas, increasing customer engagement and resolving customer inquiries were the second and third most important challenges on the list at 52% and 51% respectively.

Yet, communicating the strategic importance of having a customer experience program and a lack of budget serve as major barriers for EMEA and the Americas which seems contrary to the fact that the majority of respondents on both sides of the Atlantic have received increases to their customer support budgets or they've stayed the same. In EMEA, 35% of respondents' budgets have increased and 38% have remained the same. In the Americas, 44% of respondents' budgets have increased while 28% have remained the same. This sentiment may indicate that current budgets are not enough to spearhead successful customer experience programs.

Omnichannel support requires intelligent knowledge management and sharing tools.

35% of EMEA respondents and 40% of respondents from the Americas cited the inability to support a consistent omnichannel experience as a key barrier to customer experience success. Given that customer support volumes are increasing amongst all channels, including newer ones like social and mobile, organizations must have the tools and resources they need to meet customers where they are. However, creating and maintaining consistent information in one system across the organization is the main challenge in EMEA (53%) and the Americas (62%) followed by achieving cost savings and productivity across the departments at 53% and 52%, respectively.

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Social media and mobile as customer support channels are gaining momentum.

Social customer service is expanding throughout both regions. 69% of EMEA respondents currently use social media as a customer support channel and another 9% plan to use it this year. In the Americas, 64% employ social media for customer service and 10% plan to implement it as a support channel this year.

When surveying respondents about mobile customer service, 72% in EMEA currently use mobile to provide customer support compared to 54% in the Americas. In EMEA mobile customer support is primarily provided using SMS, mobile apps and social media. In the Americas, the top three mobile support methods are via social media, mobile apps and live chat.

Virtual assistant technology is no longer a fad.

Virtual assistant technology is gaining wider market recognition and adoption as the technology advances to meet organizational challenges. Almost half (48%) of the respondents in EMEA dedicate up to 10% of their budget to virtual assistant technology; 21% dedicate up to 20%. In the Americas, 66% of respondents have dedicated up to 10% of their budgets to virtual assistant technology while another 21% dedicate up to 20% of their customer support budgets. For those who struggle with organizational adoption, budget plays a big part in the Americas (47%), while demonstrating fit and value is the major challenge in EMEA (36%).

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Key Findings

The Importance of the Customer Experience

A list of likely challenges was presented in the survey and respondents rated the importance to their organizations in 2015. When compared with responses given in the 2013 survey, there were sharp declines in the level of importance for some of these customer experience challenges. The following were all rated as extremely important in 2015.

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- **Customer Experience/ Engagement:** 60% said that improving the overall customer experience is extremely important. This represents an 8% decline in importance from 2013, but when asked more specifically, 35% want to increase customer engagement and 32% want to increase online sales, which is up 7% from 2013.

- **Contact Volumes and Handling Times:** 41% want to resolve customer inquiries faster. While this represents a 14% decline in the level of importance from 2013, 38% want to increase their usage of self-service channels, 28% want to reduce call and chat volumes to live agents and 27% want to decrease average handling time of calls and chats. To that end, 37% would like to obtain better data for measuring customer satisfaction, which is a 4% increase from 2013.

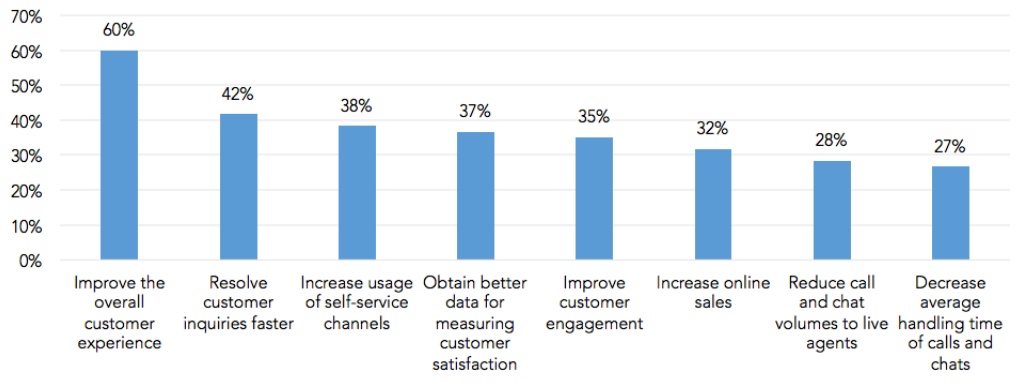

Figure 1: Top 2015 Customer Experience Challenges– EMEA

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- **Customer Experience/ Engagement**: 74% said that improving the overall customer experience is extremely important. While this represents a 5% decline from 2013, 52% want to improve customer engagement and 31% want to increase online sales.

- **Contact Volumes and Handling Times:** 51% want to resolve customer inquiries faster, which is down 9% from 2013. Despite the decline, 38% want to increase their usage of self-service channels, 39% would like to reduce call and chat volumes to live agents, and 26% want to decrease average handling time of calls and chats. Only 41% want better data to measure customer satisfaction compared to 2013's 55%.

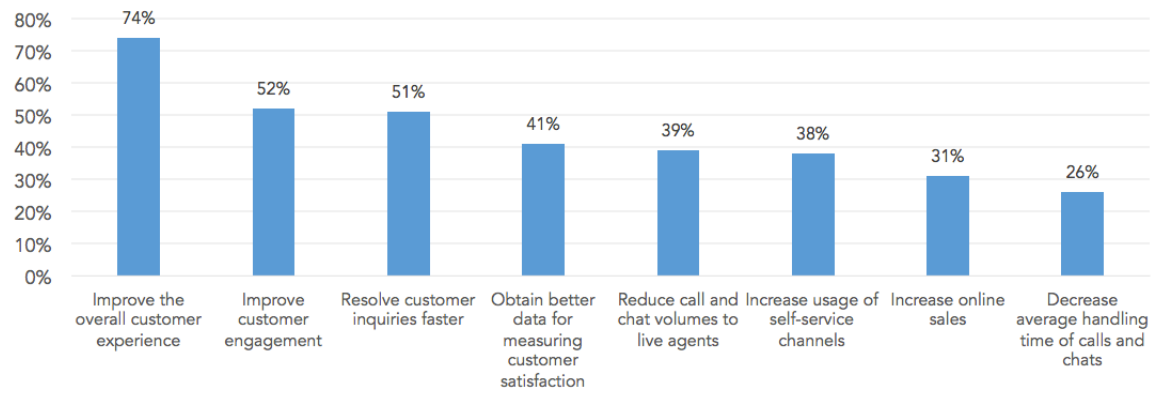

Figure 2: Top 2015 Customer Experience Challenges– Americas

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Building meaningful relationships with customers while trying to streamline operations is a challenge for most organizations. Higher engagement equals increased sales. Therefore, organizations must strike a balance between generating strong interpersonal customer relationships with offering self-service tools that provide engaging, personalized and effortless interactions with their brand. With the right tools, you can achieve both. You can create robust self-service channels that readily and accurately answer customer inquiries based on a comprehensive knowledgebase that leverages your company's wealth of information, which in turn frees up your human resources to deal with more complex customer queries. Furthermore, self-serve technologies that marry intelligent natural language processing capable of understanding customer intent with the right workflow, collaboration and approval processes provide valuable feedback loops for continuous improvement for both live and virtual agents. As a result, companies can reduce handling times and contact volumes to live agents as well as improve the overall level of customer satisfaction for their brand.

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Key Factors Affecting Customer Experience Programs

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In order of importance, 52% of EMEA respondents stated that the number one factor affecting their customer experience programs was lack of budget followed closely by communicating the strategic importance to the organization at 50%. Specific to their customer experience budgets, 38% said that their budgets would remain the same in 2015 and 35% said their budgets would increase.

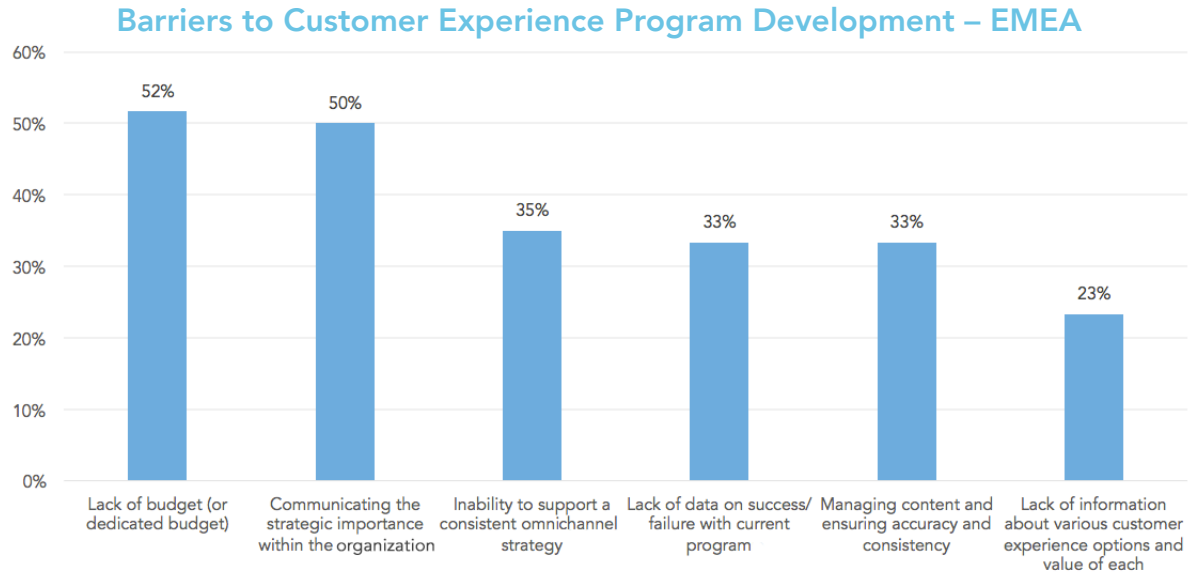

Figure 3: Barriers to Customer Experience Program Development – EMEA

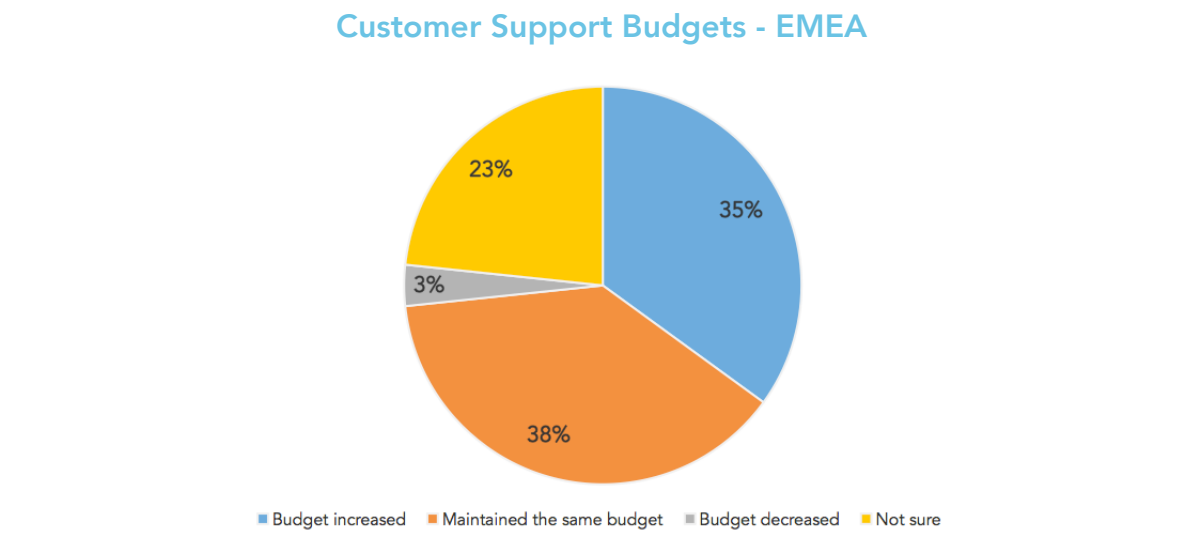

Figure 4: Customer Support Budgets – EMEA

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In the Americas, 46% stated that communicating the strategic importance to the organization was the primary challenge and 45% said lack of budget. To that end, 44% expected their budgets to remain the same in 2015, 28% said their budget increased and 9% said their budgets decreased.

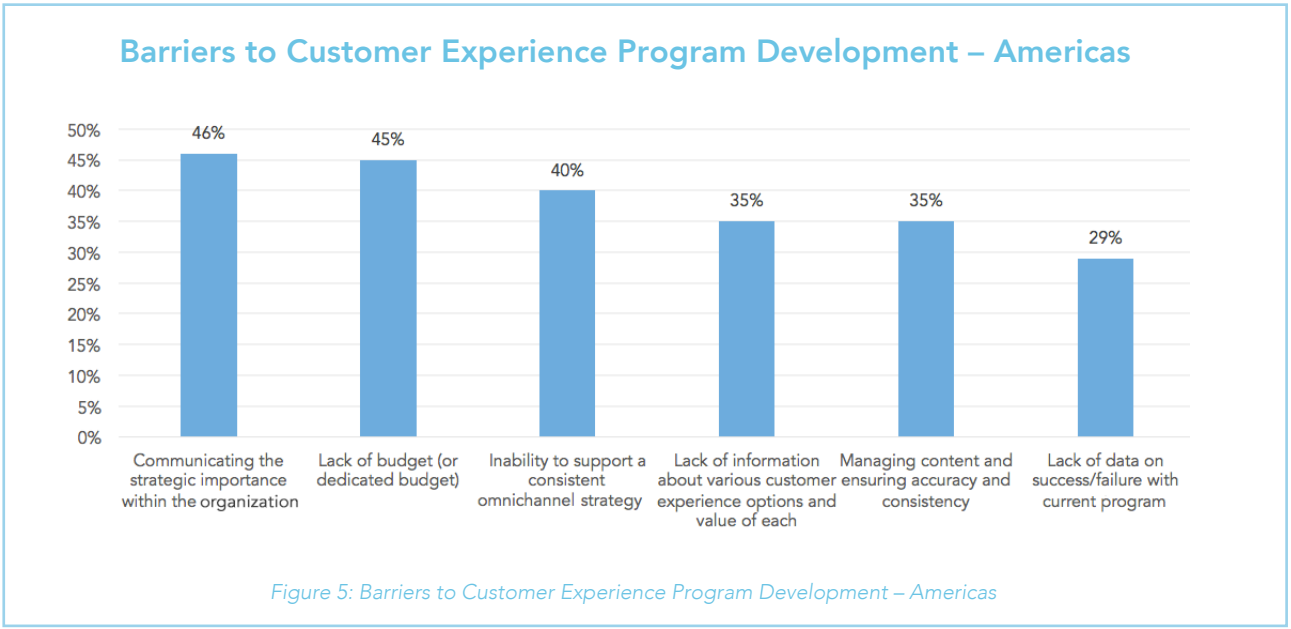

Figure 5: Barriers to Customer Experience Program Development – Americas

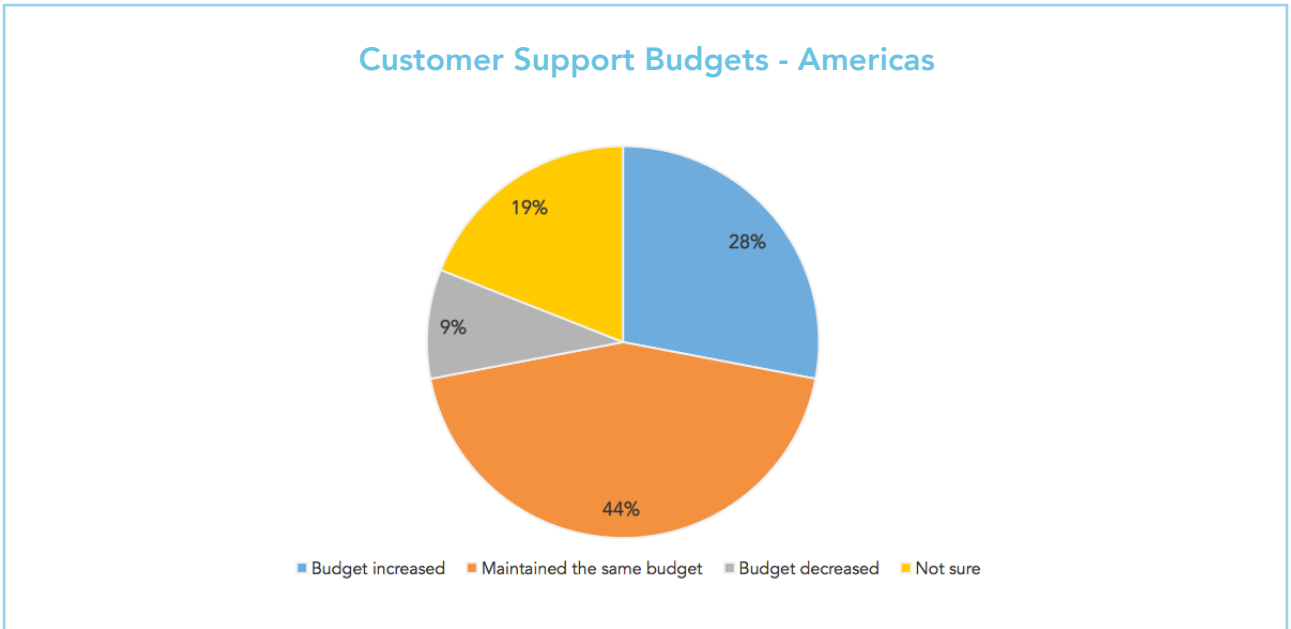

Figure 6: Customer Support Budgets – Americas

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Not to be understated, over a third of respondents from both regions stated that maintaining content and ensuring accuracy and consistency was a challenge to their customer experience program. 35% of respondents in EMEA and 40% in the Americas spoke to their inability to support a consistent omnichannel strategy, and 33% in EMEA and 29% in the Americas said that the lack of data on success rates was a key challenge.

This clearly illustrates that the view from the top is critical in building out successful programs that are backed with the right technology and budget to properly manage content and analyze data across multiple channels. Today there are robust knowledge management tools and flexible customer experience solutions available that can easily integrate with your existing applications. But if you don't obtain executive level buy-in, it will be very difficult to realize the revenue generating results that are well within your grasp.

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Customer Support Volumes

Organizations are now dealing with an omnichannel environment that includes email, interactive voice recognition (IVR), live chat, mobile, social media, telephone and the web. We asked respondents what their average inquiry volume was in 2014 and how their volumes were expected to change by channel in 2015.

EMEA

When looking at companies with over 1,000,000 inquires in 2014, 13% were made by telephone, 9% via web, 6.5% each via mobile and IVR channels and 4% via email. Virtually none were via live chat or social media. However, companies with volumes less than 500,000 inquiries in 2014 saw inquiries across all of the channels with heavier volumes on email, social media and live chat. IVR is also gaining ground in these same organizations, even surpassing mobile.

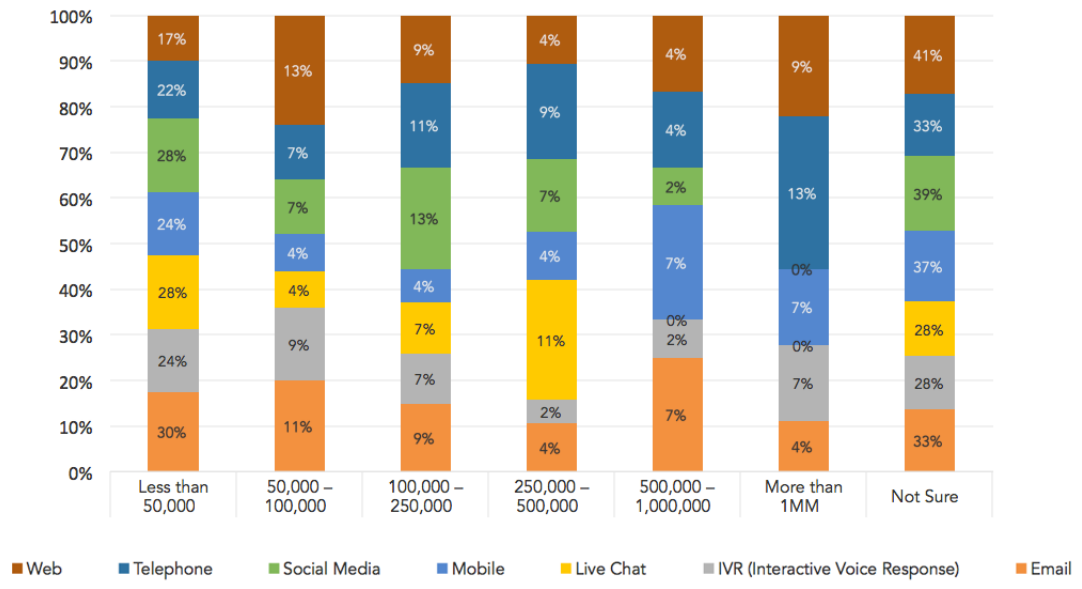

Figure 7: 2014 Inquiry Volumes by Channel – EMEA

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Looking at 2015, 58% expect that volumes will increase or significantly increase on the web. Social media and email are expected to increase or significantly increase by 52% followed closely by mobile at 50% and live chat at 43% as reported by participants. Conversely, 24% expect the email channel and 22% expect the telephone channel to decrease or significantly decrease in volume. 30% believe there will be no change in the IVR channel.

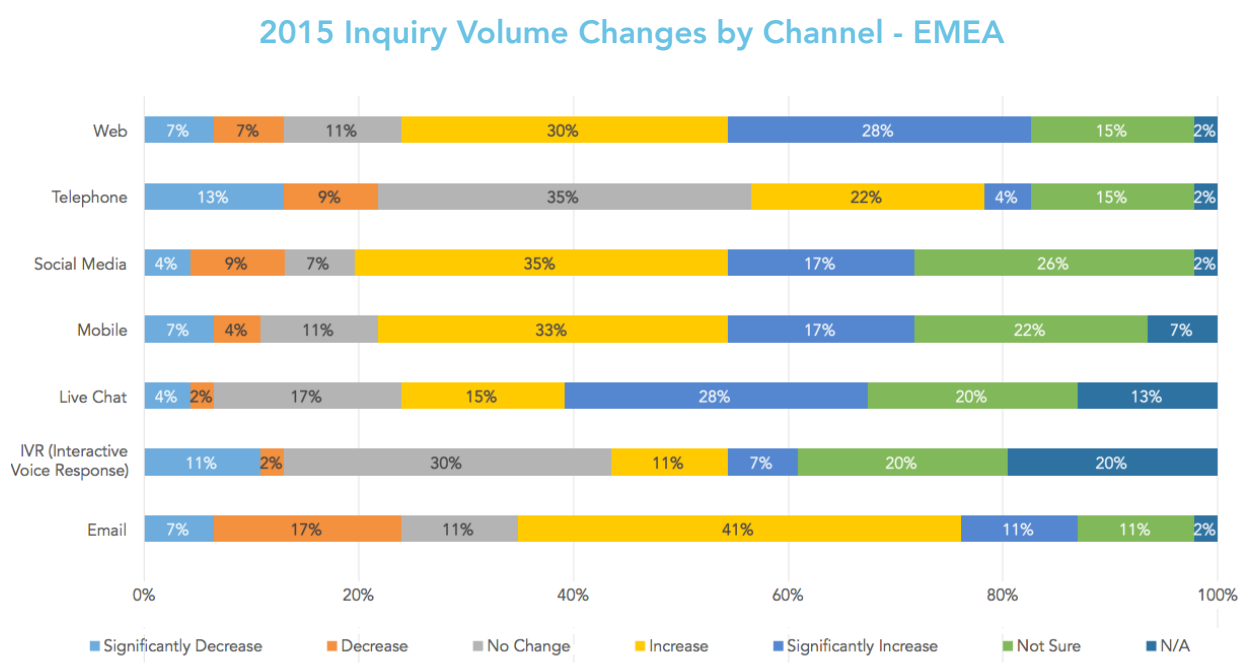

Figure 8: 2015 Inquiry Volumes Changes by Channel – EMEA

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Companies with 1,000,000 inquiries or more in 2014 experienced the greatest volumes in the following channels - telephone (24%), IVR (19%) and the web (17%). Companies with contact volumes under 500,000 in 2014, saw the greatest volumes in the following channels - email (56%), live chat (48%), social media (46%) and the web (44%). Mobile, telephone and IVR followed close behind at 40%, 39% and 35% respectively.

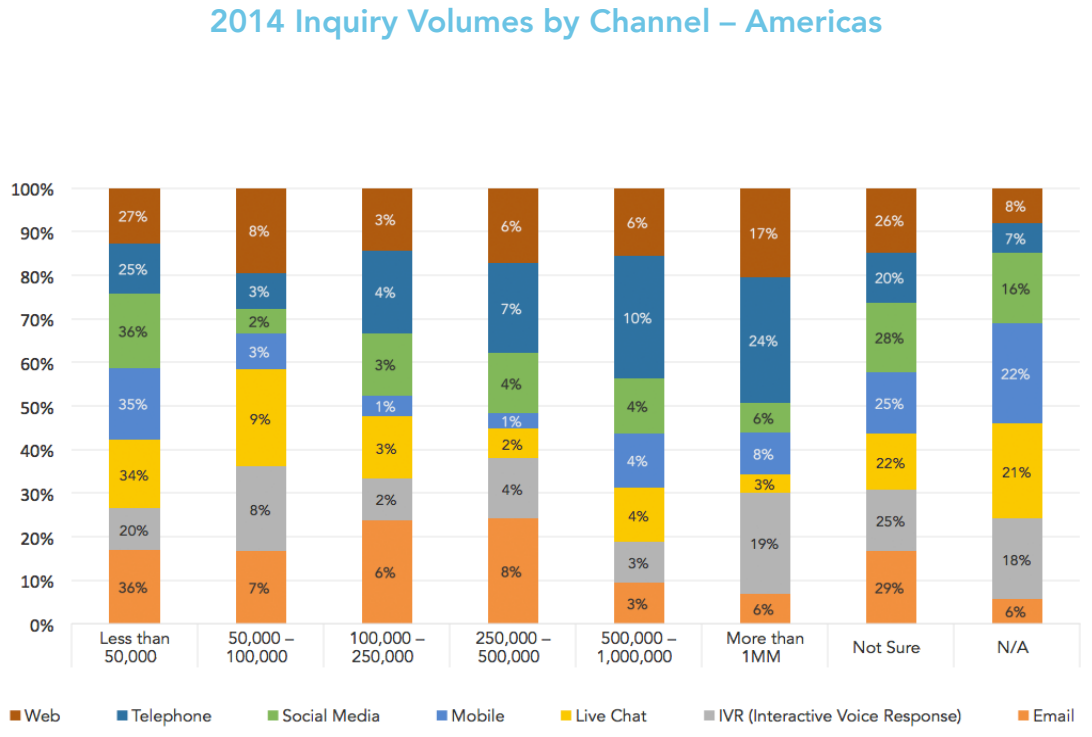

Figure 9: 2014 Inquiry Volumes by Channel – Americas

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Looking at 2015, 30% of respondents expect that their telephone inquiries will decrease or significantly decrease in 2015. However, they expect increases or significant increases in the web channel (62%), both social media and mobile (48% each), email (46%) and live chat (44%). 33% also expect that the IVR channel will experience larger volumes of inquiries.

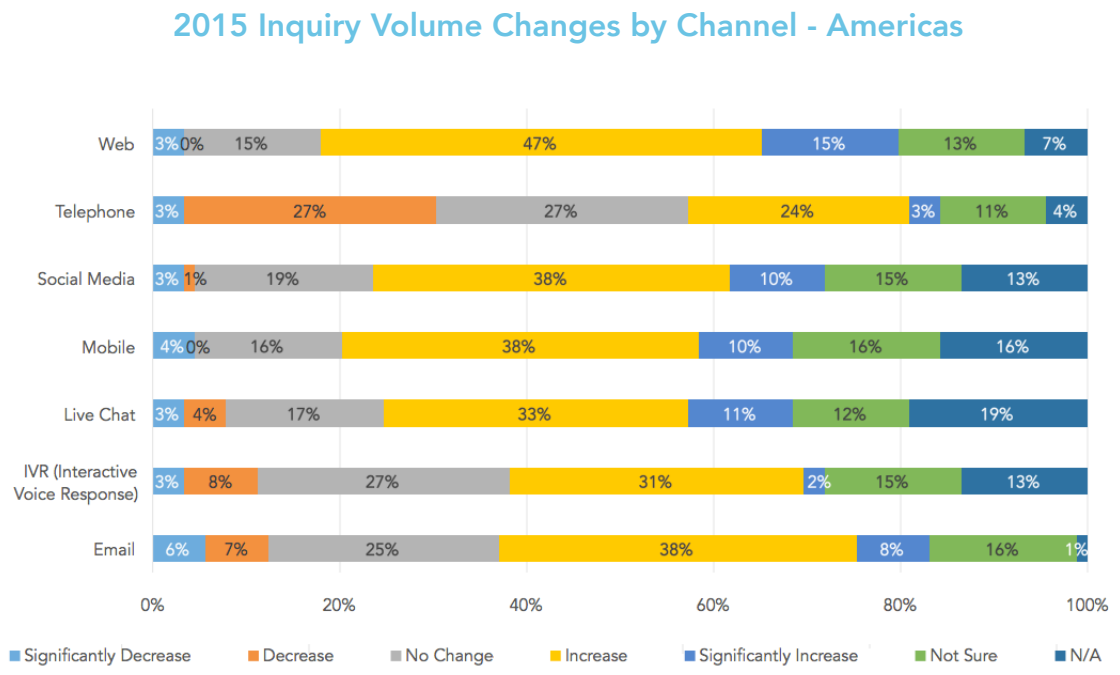

Figure 10: 2015 Inquiry Volumes Changes by Channel – Americas

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This is where customer expectation and technology collide. Organizations must deliver a consistent and accurate experience across channels in order to meet higher customer expectations and build loyalty. Executing against a strategic omnichannel strategy has become an organizational imperative, especially as customer inquiries increase through newer engagement channels like social media and mobile. While email and the telephone will always be core staples of communication, customers are increasingly utilizing other means of seeking quick and accurate answers to their questions. However, the increased use of IVR, particularly in companies with smaller volumes, speaks to the need to balance the telephone (including mobile) with technology.

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Customer Support Management

CHANNELS

EMEA

The development of omnichannel customer support strategies has gained greater ground since 2013. As expected, most respondents currently use or plan to use the telephone, email, and the web to answer customer inquiries. However, the greatest increases, based on current and planned usage, are in the following channels: social media (72%), mobile (67%) live chat (67%), and IVR (57%). Conversely, 22% have no plans to use IVR as a customer support channel in 2015. Live chat and mobile follow at 11% each.

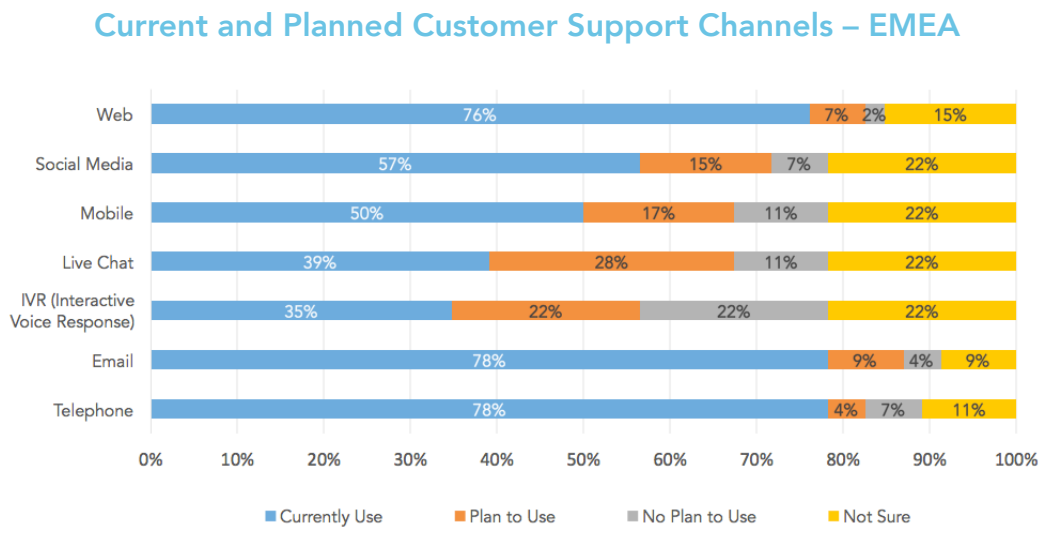

Figure 11: Current and Planned Customer Support Channels – EMEA

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Most companies in the Americas use traditional channels like telephone, email and web, as well as live chat, but more organizations are turning to IVR, mobile and social media. 69% are currently using or plan to use IVR, 64% are using or planning to use mobile and 80% are using or have plans to use social media to answer customer inquiries. However, 18% have no plans to include IVR, 25% won't include mobile and 12% have no plans to include social media into their customer support strategies.

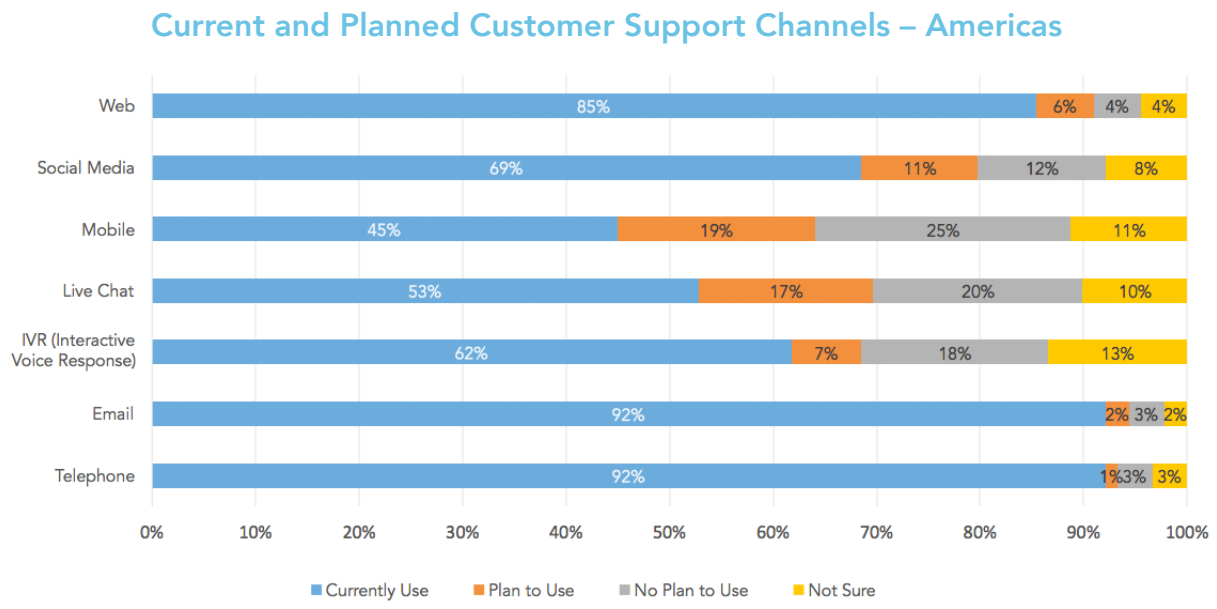

Figure 12: Current and Planned Customer Support Channels – Americas

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SELF-HELP TOOLS

EMEA

When asked which tools they currently use within these channels, 69% of EMEA respondents cited social media followed by site search (60%), FAQs (58%), knowledgebases (42%) and help desk software (40%). When asked which tools they plan to use in 2015, virtual agents and forums/online communities topped the list, both at 27%.

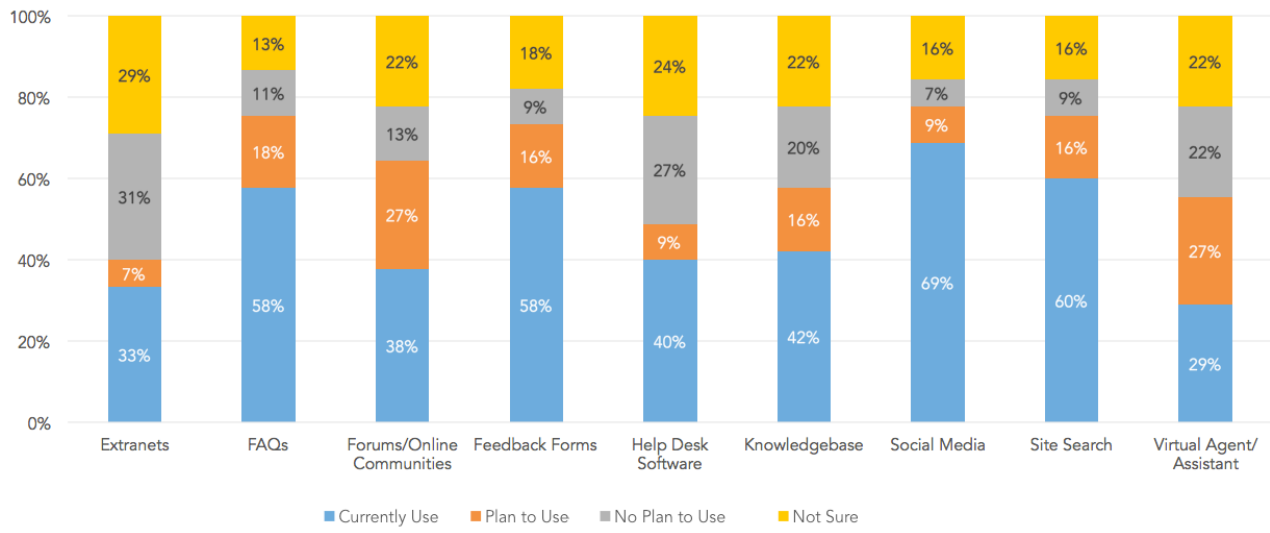

Figure 13: Current and Planned Customer Support Tools – EMEA

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AMERICAS

In the Americas, 74% of respondents currently use FAQs followed by site search (72%) and social media (64%). 19.5% plan to use virtual agents in 2015 followed closely by knowledgebases (18%) and forums/online communities (15%).

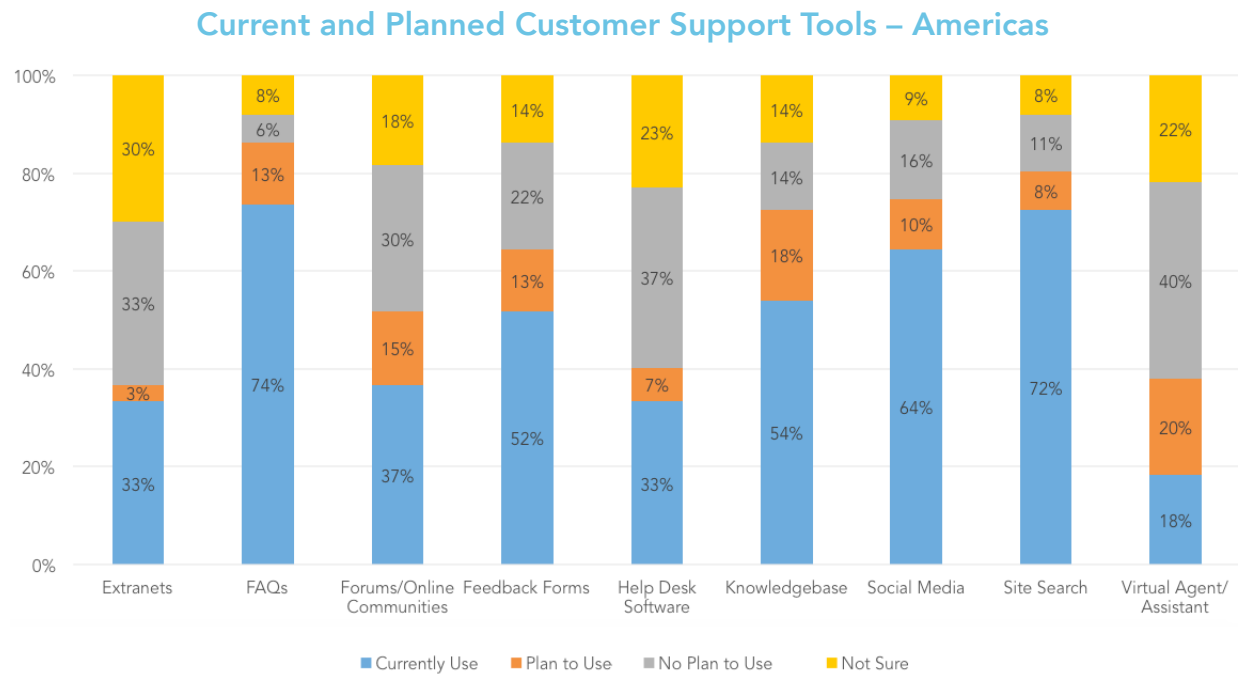

Figure 14: Current and Planned Customer Support Tools – Americas

THE OPPORTUNITY

Understanding how customers engage with your brand will help organizations optimize traditional support channels and tools while leveraging newer channels, such as social and mobile, that meet customers where they are. The use of knowledgebases is increasing which means that organizations understand the need to provide information across channels. However, timely and accurate delivery of that information creates the need for more robust omnichannel knowledge management tools that can power FAQs, site search, and other self-help tools while arming live and virtual agents with the content they need to answer customer questions. The flexibility of today's virtual assistant solutions makes it possible to integrate this technology with site search, community forums, feedback forms and personalized account information, as well as other existing backend systems (e.g. contact center and CRM systems), in order to give customers one place to ask their questions.

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Channel Expansion

MOBILE

Mobile as a customer service channel is expanding rapidly as devices become the go-to technology for brand engagement. For those respondents that are currently using mobile as a customer service channel, many are leveraging its capabilities by employing various tools to enhance the customer experience.

Comparatively speaking, 72% of respondents from EMEA currently use mobile as a customer service channel while just 54% in the Americas report doing so. In EMEA, SMS (43%), social media (35%), mobile app (35%), live chat (33%) and push notifications (26%) are part of their customer service strategy. In the Americas, social media (29%), mobile app (27%), and live chat (22%) are top contenders in mobile customer service strategies.

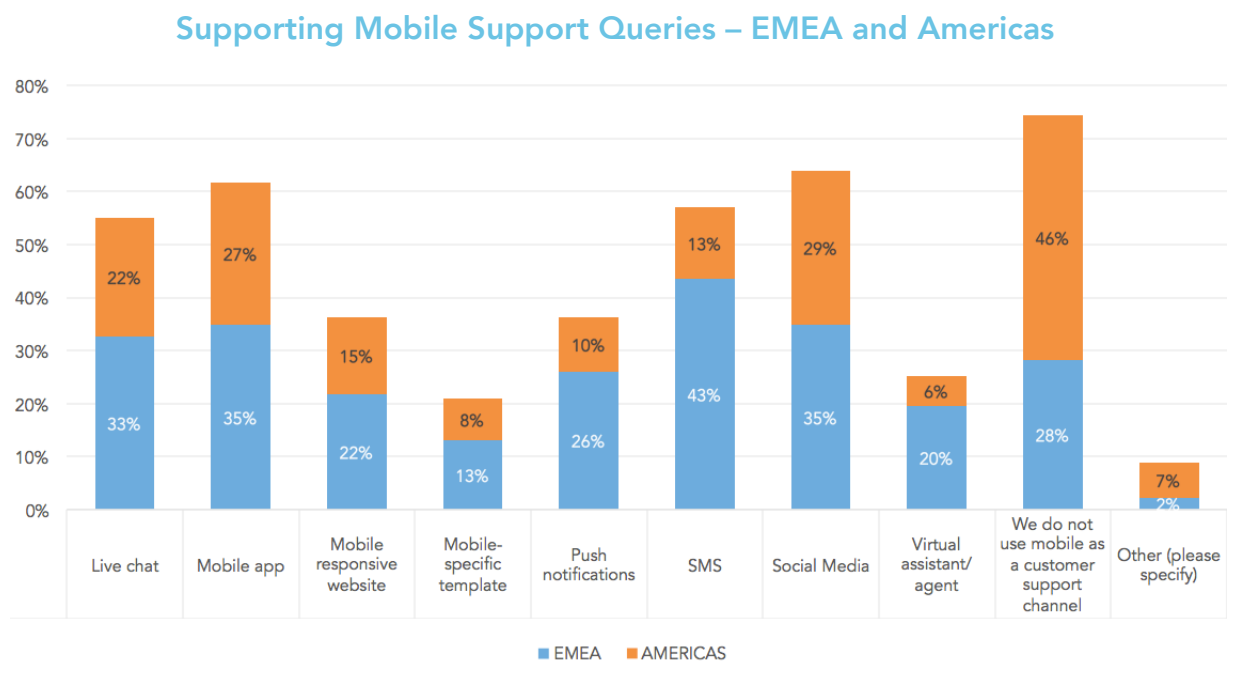

Figure 15: Supporting Mobile Support Queries – EMEA and Americas

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CONTENT AND KNOWLEDGE MANAGEMENT

Most of the companies surveyed experience challenges when trying to manage and deliver relevant content to their audiences. In EMEA, 62% say creating and maintaining consistent information in one system across the organization is the main challenge. 53% cite that achieving cost savings and productivity improvement across the department proves challenging, while 51% say proving the overall ROI of the solution is a barrier.

The Americas cite similar challenges. 53% say creating and maintaining consistent information in one system across the organization is the main challenge followed by 52% citing cost savings and productivity improvement across the department. However, ease of use and support round out America's top three challenges at 49%.

Factors Affecting Content & Knowledge Management – EMEA and Americas

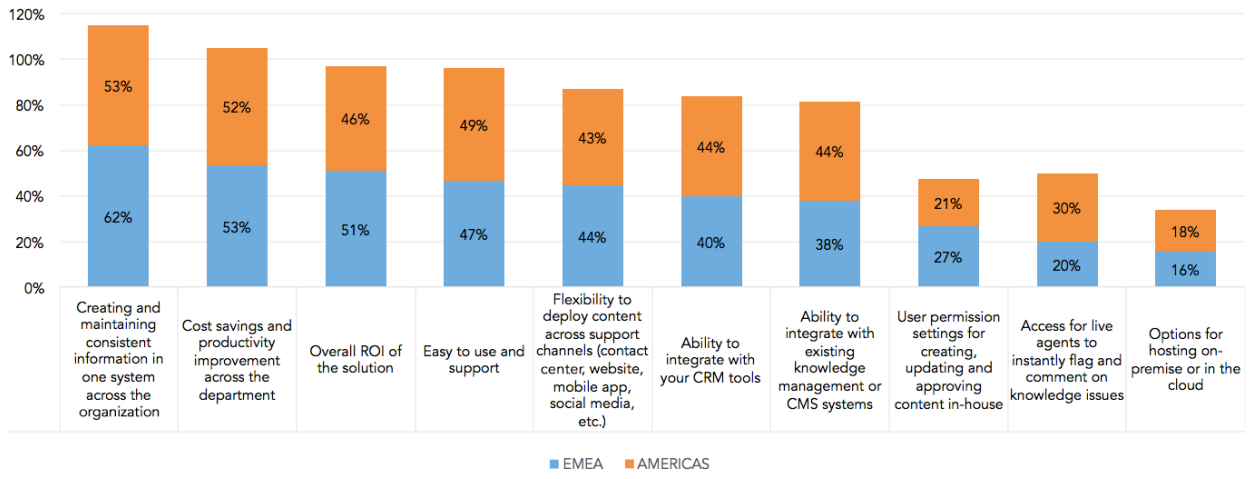

Figure 16: Factors Affecting Content & Knowledge Management – EMEA and Americas

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VIRTUAL ASSISTANT/AGENT TECHNOLOGY

Virtual assistant technology continues to grow since it is a flexible customer support tool that can be used across all channels. Of those respondents that currently employ virtual assistant technology in EMEA, 36% use virtual agents in the contact center to support live chat. However most use virtual agents on their website, specifically their home page (34%), customer service pages (34%) and product pages (29.5%).

IMPLEMENTATION

The Americas rely on virtual agents more heavily for their traditional contact center channels – live chat (31%), telephone (26%) and email (18%). However, 20% of respondents are currently using or plan to use virtual agents to support mobile inquiries via smartphones and 15% via tablet.

Current & Planned Usage of Virtual Assistant Technology – EMEA vs Americas

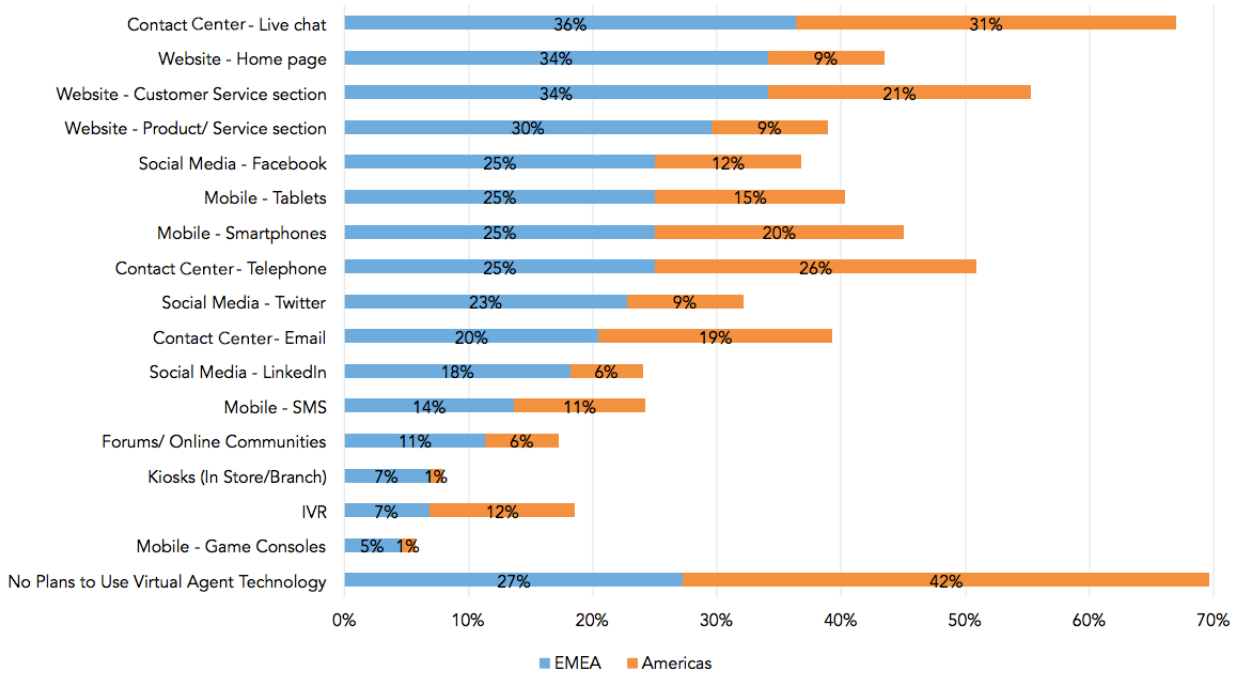

Figure 17: Current & Planned Usage of Virtual Assistant Technology – EMEA vs Americas

BUDGET

To support this increased usage, 48% of EMEA respondents have dedicated up to 10% of their budget to virtual assistant technology. 21% have dedicated 11-20% of their budget and another 17% have dedicated 21-30% of their budgets. In the Americas, 66% of respondents have dedicated up to 10% of their budgets. Another 21% have dedicated 11-20% of their budgets to virtual assistant technology.

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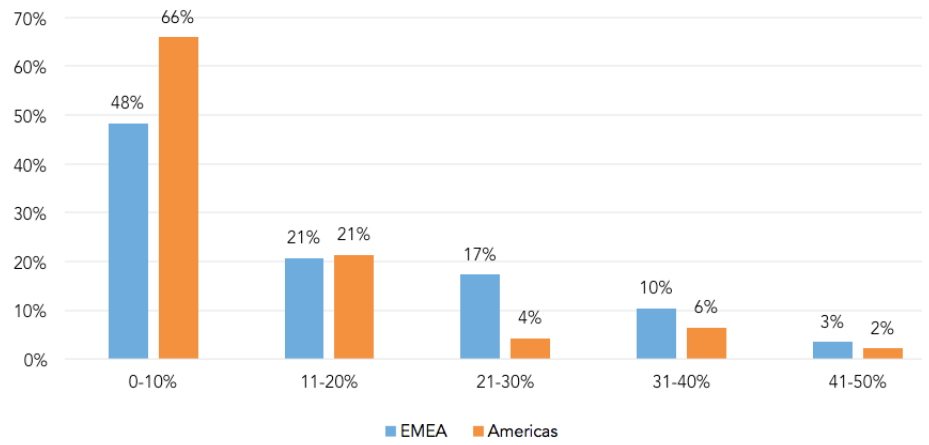

Figure 18: % of Budget Dedicated to Virtual Assistant Technology – EMEA vs Americas

DEFLECTION RATES

When it comes to deflection, 59% EMEA respondents saw contact deflection rates of 20-30% in the telephone, email and live chat channels. In the Americas, 39% achieved up to 10% deflection rates and 28% achieved 20-30% deflection rates when using virtual assistant technology.

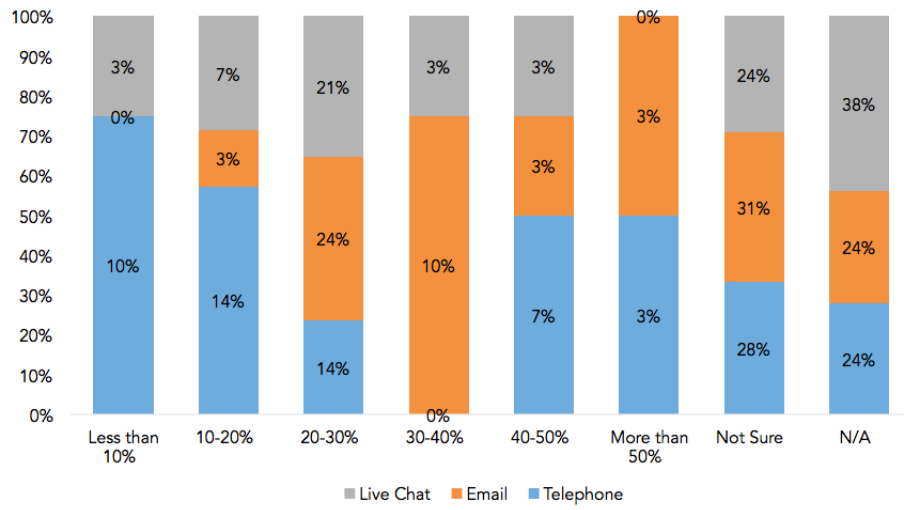

Figure 19: Virtual Assistant Deflection Rates by Channel – EMEA

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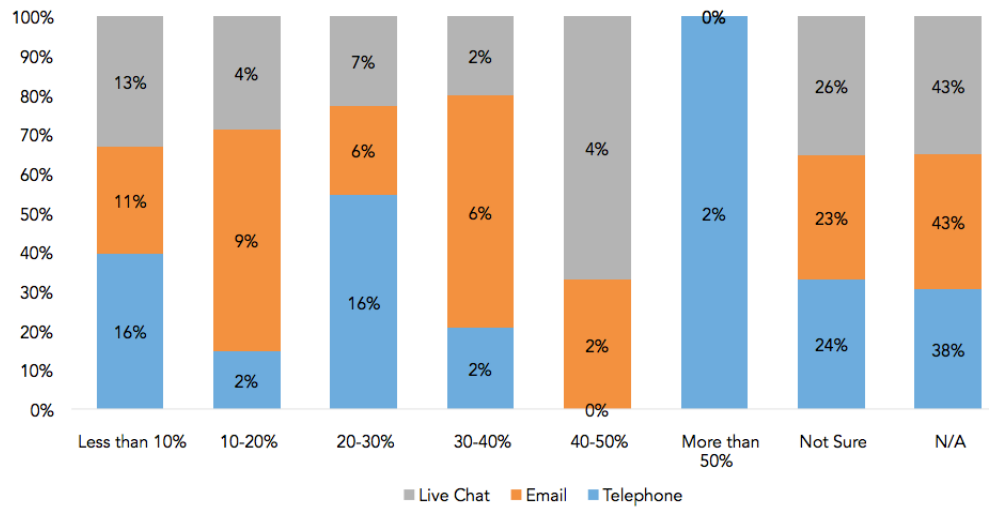

Figure 20: Virtual Assistant Deflection Rates by Channel – Americas

BARRIERS

Some respondents have no plans to use virtual assistants this year. In the EMEA, the primary reason was that 36% believe that virtual agents were not a good fit for their organization. In the Americas, 47% respondents cited lack of budget for the technology as the primary factor preventing them from implementing the technology.

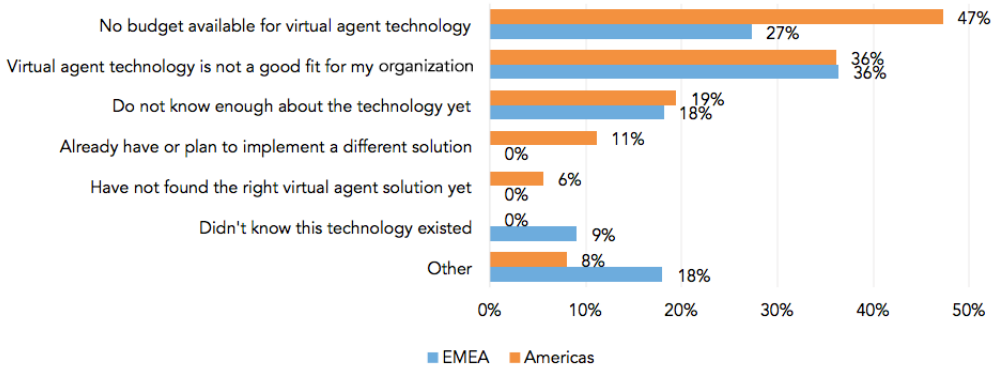

Figure 21: Barriers Against Virtual Assistant Technology Usage – EMEA vs Americas

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Contact channels are rapidly expanding in customer support environments and as such, organizations must adapt their systems and applications to break down traditional barriers and create new opportunities for customer engagement. Mobile channels provide one-to-one support for customers, and virtual assistants can provide support on a variety of levels using intelligent speech and text to augment both traditional and new channels for customer interaction. Backed by a powerful knowledge and content delivery system, organizations now have the ability to focus squarely on the customer experience without the need to manage multiple tools or worry about increased customer support costs.

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Conclusions

In 2013, our findings revealed that customer engagement was becoming the cornerstone of customer support strategies across the globe. This prompted the need for departments to work cross functionally to connect with customers across multiple channels. Catalyzed by this need, organizations must now employ the right tools to enhance the customer experience no matter where and how customers choose to engage. When developing your customer experience strategy, customer support professionals must do the following:

- **Focus on breaking down departmental and information silos.** Employ powerful knowledge management tools to efficiently and accurately deliver content across channels and gather valuable insights into customer behavior. Knowledge management tools serve as a central repository of information and provide robust reporting that will aid you improving processes, delivering channel-appropriate content and identifying opportunities to improve the overall customer experience at every touch point.

- **Make it easy for customers to get answers.** With social and mobile quickly gaining traction as customer service channels, organizations need to focus on delivering the right-sized content in these anytime, anywhere environments. They must go beyond providing simple FAQs and site search to help customers find information. Instead they need tools like virtual assistants to provide intelligent, personalized and contextualized help that is accessible 24/7 year-round.

- **Deliver content on-demand.** Interactive tools like virtual assistants, live chat and IVR are more important than ever as customers rely on mobile devices to interact with brands on the web, by telephone and through social media. Look for solutions that can be seamlessly integrated into mobile and social apps. They should allow for personalized interactions and readily answer customer questions in multiple formats and multiple languages. Virtual assistant technology paired with powerful knowledge management tools can break down barriers to customer engagement via the self-service channel.

In order to drive meaningful and relevant customer experiences, organizations need to secure executive buy-in and budget to purchase solutions that will aid them in creating efficiencies and driving satisfaction that meets customer expectations. Companies must focus on developing and enhancing self-help tools that satisfy the customer's demand for instant information and support, and balance that with knowing when to escalate to live agents to resolve inquiries faster and ideally at the first point of contact. Customer experience management is now a strategic imperative when building loyalty and driving customer satisfaction.

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Methodology & Demographics

GEOGRAPHY

Creative Virtual surveyed 221 respondents via an online questionnaire fielded between March and April 2015. 40% of the respondents represent companies from EMEA (Europe, the Middle East, and Africa) and 60% represent companies from the Americas (Caribbean, Central America, South America and North America).

79% of the respondents from EMEA were from Europe, 8% from the Middle East, 7% from Africa and 6% were from other EMEA territories. Of that total 54% were from the United Kingdom. Overwhelmingly, 95% of the respondents from the Americas were from North America. Of that total, 89% were from the United States and 7% from Canada.

INDUSTRY AND JOB LEVEL

The majority of respondents from EMEA were customer service or support professionals (22%) and online/ digital marketers (14%). 32% were managers or senior managers and 22% were representatives or specialists.

For those in customer support roles, 38% described their roles as being involved in customer experience/ customer engagement, 19% client relations, 13% were in call/contact center, and another 13% in knowledge management.

The top five industries represented in this survey were Financial Services/Banking (26%), High-Tech (10%), Retail (8%), Telecommunications (8%) and Insurance (6%).

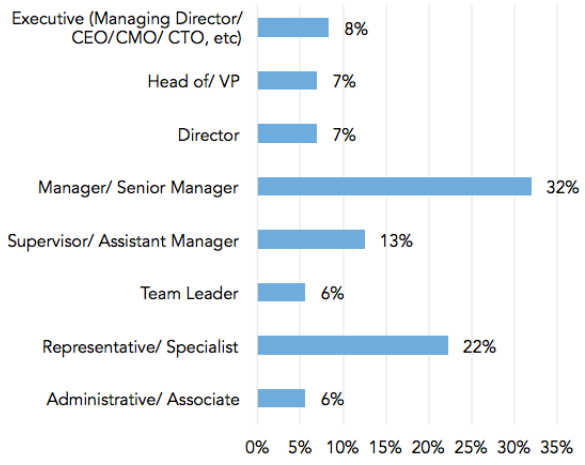

Figure 22: Job Level – EMEA

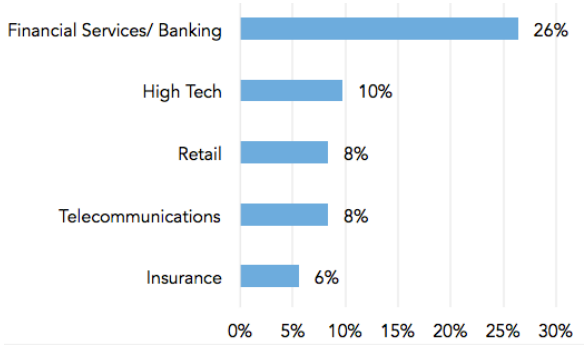

Figure 23: Top 5 Industries – EMEA

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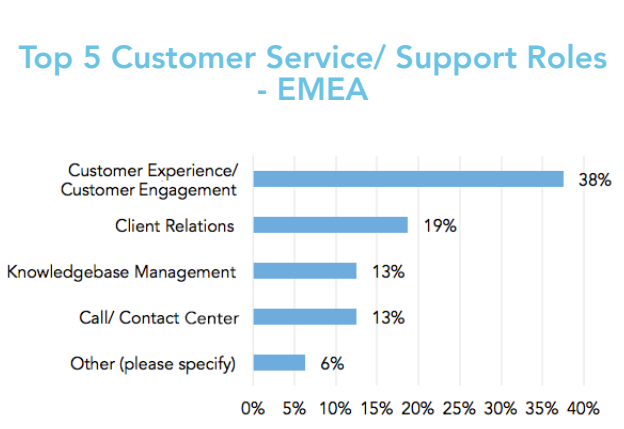

Figure 24: Top 5 Customer Service/ Support Roles - EMEA

In the Americas, most respondents were customer service/support (24%), and IT/Engineering professionals (15%). 32% were managers or senior managers, and 21% were directors.

For those in customer support roles, 43% described their role as call/contact center, 25% as customer care/ e-care, and 14% as customer experience/customer engagement. 11% of respondents who selected other said their roles encompassed a series of customer support responsibilities. The top five represented industries were Financial Services/Banking (21%), Telecommunications (14%), High-Tech (13%), Insurance (7%), and Retail (5%).

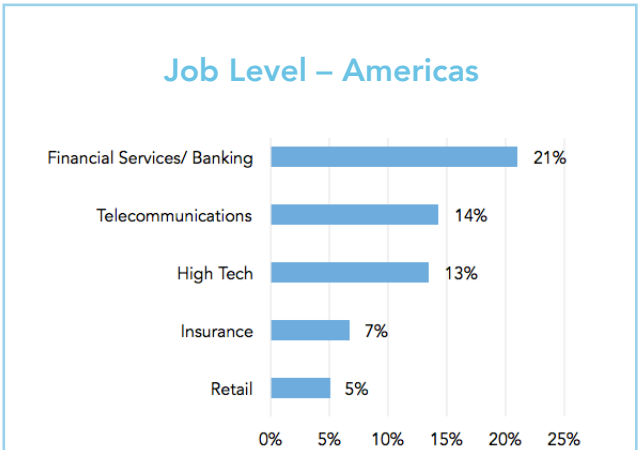

Figure 25: Job Level – Americas

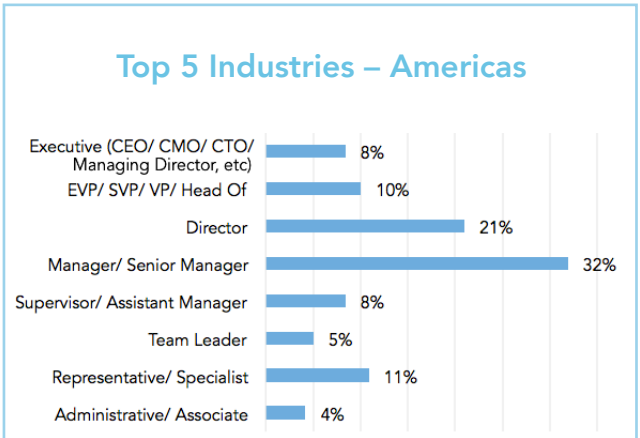

Figure 26: Top 5 Industries – Americas

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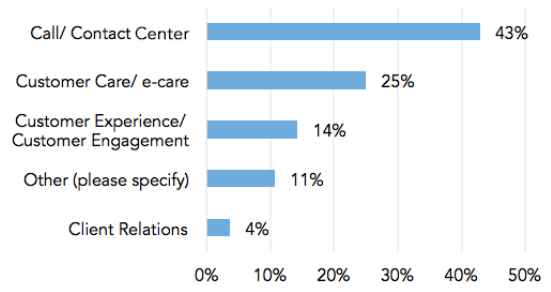

Figure 27: Top 5 Customer Service/ Support Role - Americas

ANNUAL REVENUE

Of the EMEA respondents, 18% have annual revenues of more than £2B (GBP) and another 18% have annual revenues £6M-£125M (GBP). However, 31% were not sure of what their annual revenues were. In the Americas, 35% have annual revenues of more than $2B (USD) and another 19% have annual revenues of $501M - $2B (USD). 31% were not sure.

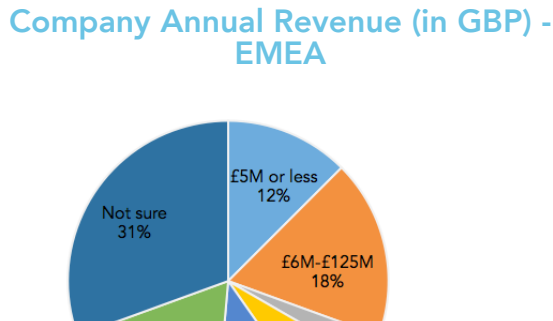

Figure 28: Company Annual Revenue (in GBP) – EMEA

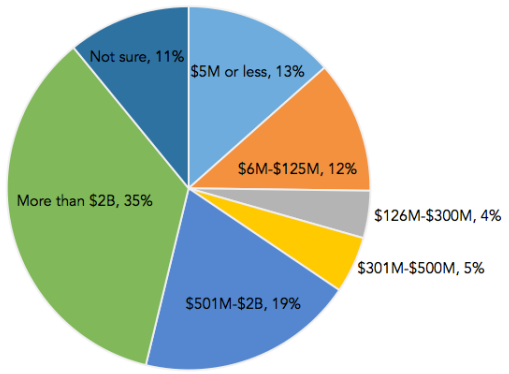

Figure 29: Company Annual Revenue (in USD) – Americas

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About Creative Virtual

Creative Virtual is a world leader in self-service customer engagement solutions with global organizations, including HSBC, Verizon, Chase, Lloyds Banking Group, InterContinental Hotels Group, Autodesk and Tesco, relying on our technology to improve their customer support experience, increase sales, reduce costs and build brand loyalty.

Since 2004, Creative Virtual has built award-winning, critically-acclaimed technologies in knowledge management, natural language processing and virtual assistants to deliver businesses with omnichannel Smart Help tools. Backed by an experienced, expert team and our innovative knowledge management, workflow management and business intelligence reporting platform, our solutions empower brands to provide customers with consistent, accurate, personalized and seamless engagement across web, mobile, social, SMS, contact center and IVR channels. Delivering call deflection of up to 50% and increased first contact resolution, our platform is the most compelling self-service product in the world today.

For more information about Creative Virtual solutions and products, please visit our website at www.creativevirtual.com.

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