Consumer Edition
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Getting to Know the Connected Consumer:

EXPERIENCES PREFERENCES PERCEPTIONS EXPECTATIONS

Customer Experience Management Benchmark Series

digital roots™

Execs In The Know
a division of M.E.R.

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PREFACE

The 2014 Consumer Edition of the Customer Experience Management Benchmark Series (CXMB Series) has a singular focus — to provide an in-depth exploration and a deep understanding of consumer opinion and behavior as it applies to customer care. Furthermore, it is our hope to do so across channels, across industries and across consumer demographics.

For this year's volume, we went to great lengths to ensure that the findings and conversation were framed similarly to the previous Corporate Editions of the CXMB Series. This means modeling the findings after the four primary channels of support: Traditional Care, Interactive Care, Social Media Care and Mobile Care. In addition to this framework, the study also provides a number of findings and discussion points directed at this year's theme of Experiences, Preferences, Perceptions and Expectations.

When examined in parallel with the findings from the 2013 and upcoming 2014 Corporate Editions, the 2014 Consumer Edition of the CXMB Series provides customer care program managers with powerful context for answering some serious questions: "What do consumers want, need and expect?", "How are we delivering on those wants, needs and expectations?" and "How do we compare to the competition?"

As future editions of the CXMB Series are released, we strive to continue to evolve and strengthen the study's role as a seminal resource for customer care organizations. Until then, it is our hope that this year's study enlightens and empowers its readers.

A NOTE FROM THE STUDY'S AUTHORS

The 2014 Consumer Edition marks the fourth release of the Customer Experience Management Benchmark Series. With each release, we make a conscientious effort to expand the reach, scope and relevance of our findings. This edition is certainly no exception, with the participation of more than 20,000 consumers across nearly 70 survey questions.

This year, we took great pains to dial up the qualification process of survey participants. The result was highly targeted participation, particularly in the sections covering specific channels of care. For example, in the Mobile Care section, results are based largely on the responses of individuals that have actually used the Mobile Care channel for customer service within the past 12 months. For more information regarding survey qualification, please see the Study Methodology section towards the back of the report.

Included in this release is a special commentary from FedEx's Ginna Sauerwein titled, *Prioritizing Consumer Desire For a First Contact Resolution*. The piece provides a rich overview of her organization's approach to satisfying the consumer need for quick issue resolution. We encourage you to take a look for an insider's view of what it takes to transform an organization's priorities in this critical area.

As always, we'd like to thank the many participants in this study, as well as the Google Consumer Survey team. A special thanks to Ginna Sauerwein, FedEx and all our other corporate participants: CIBC, Outerwall, Sony and Travelzoo.

— Digital Roots & Execs In The Know

THE FINDINGS

EXPERIENCES & PREFERENCES

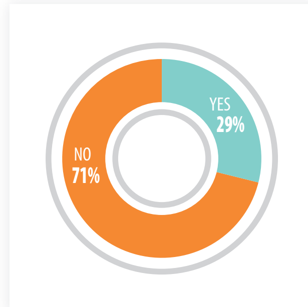
Experience is the greatest shaper of opinion, and consumer preference can only be fulfilled through the offering of choice. Every time a consumer interacts with a brand, it presents that brand with an opportunity to impress. It's reassuring to know that whole companies are now catching on to this and realizing something that customer service departments have long known — customer care is an exercise in brand building.

WHO USES CUSTOMER CARE?

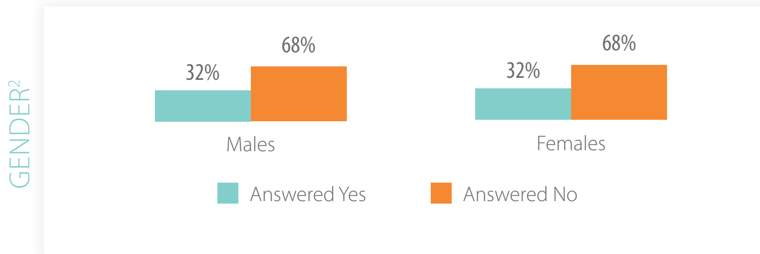
The use of customer care among consumers is quite common. Usage rates range from 20% to more than 90%, depending on the demographic. Of the 2,718 consumers surveyed, 29% said they have had at least one customer service interaction within the past twelve months.[1]

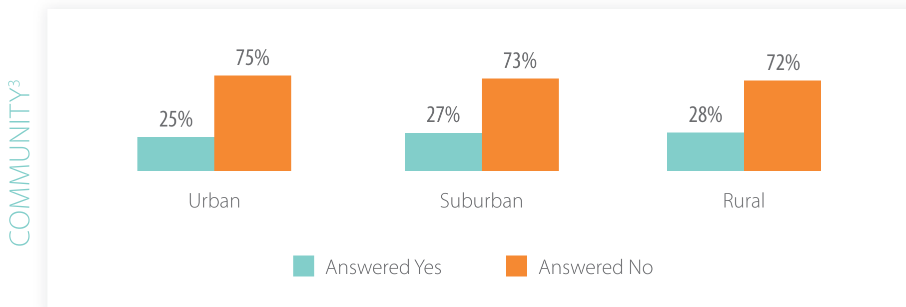
In addition, 38% of respondents having had an interaction with customer service within the past 12 months indicated they experienced six or more individual instances of engagement.

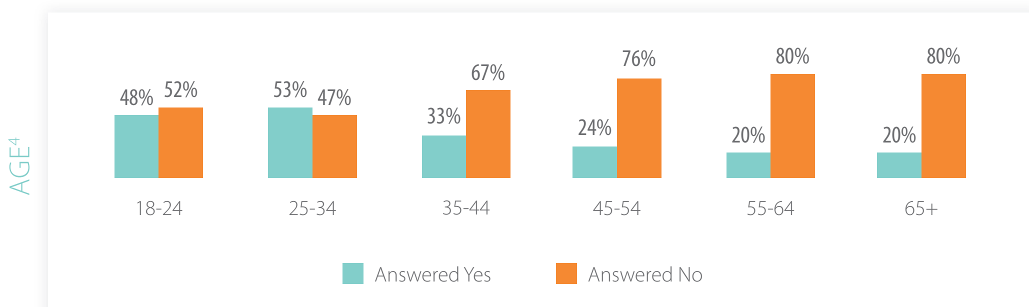
Within the past 12 months, have you had an interaction with a brand's customer service department?[1]

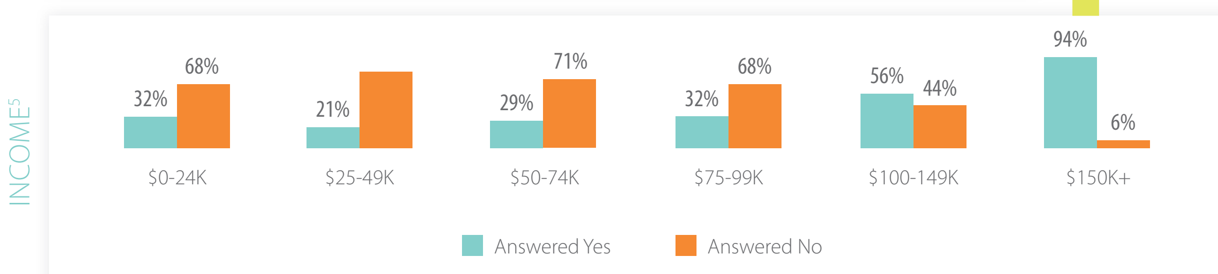


Demographical breakdown of survey participants:









1 Methodology: Conducted by Google Consumer Surveys, April 28, 2014 – May 23, 2014 and based on 2,718 online responses. Sample: National adult Internet population. 2 Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 1,632 online responses. Sample: National adult Internet population. 3 Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 2,386 online responses. Sample: National adult Internet population. 4 Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 1,519 online responses. Sample: National adult Internet population. 5 Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 2,402 online responses. Sample: National adult Internet population.

WHICH TYPES OF CARE CHANNELS ARE BEING USED?

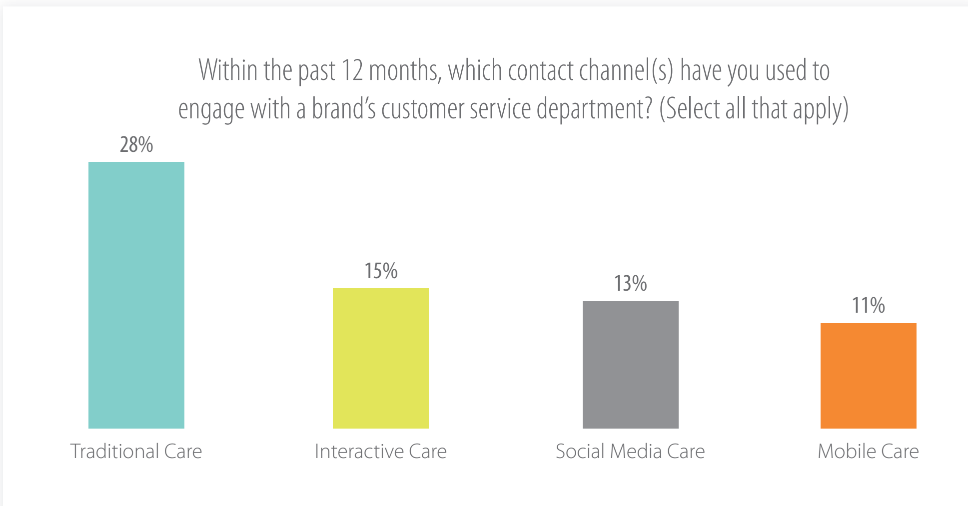
Not surprisingly, Traditional Care still dominates the customer care landscape. More than 80% of survey participants that had at least one customer service interaction within the past year utilized a Traditional Care channel.

At 42%, Interactive Care also proved popular among individuals who had engaged customer service teams within the past year, indicating a large overlap of Traditional Care and Interactive Care with other care channels.

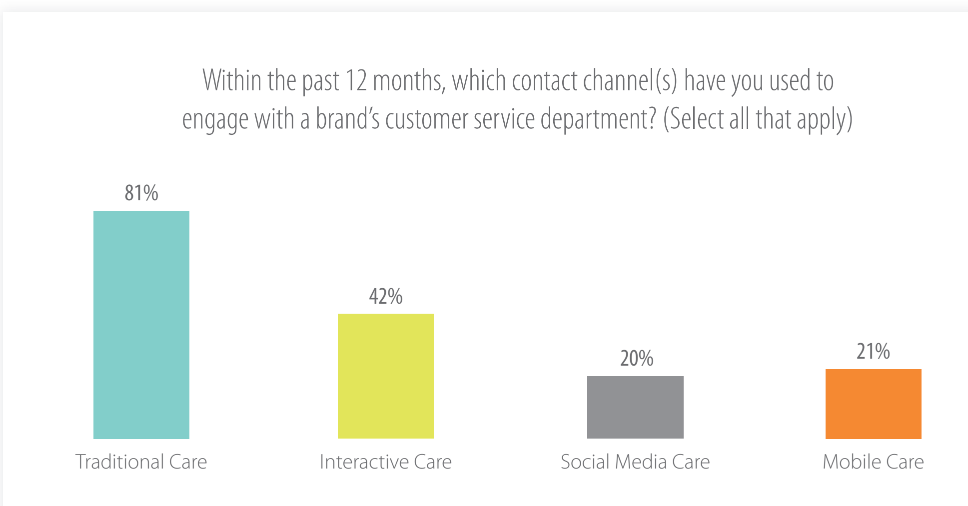
Care channels were defined to survey participants in the following way:

Traditional Care: Phone, Email, In-Person, etc.
Interactive Care: Online/Video Chat, FAQ, Self-Help, etc.
Social Media Care: Twitter, Facebook, Forums, etc.
Mobile Care: Apps, Text/SMS, Mobile Chat, etc.

Channel Use Among the General Population:*



Channel Use Among Those with at Least One Customer Care Interaction Within the Past 12 Months:†



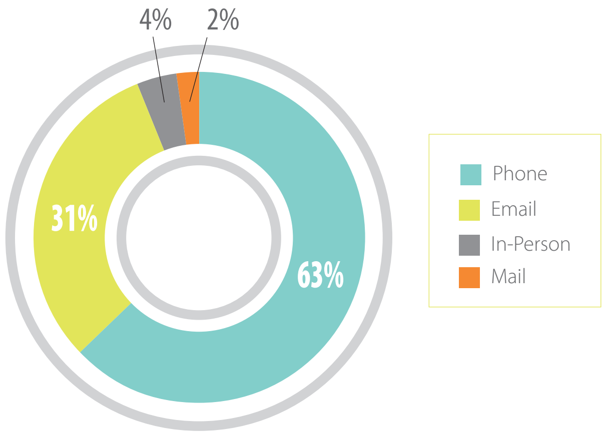
*Methodology: Conducted by Google Consumer Surveys, April 28, 2014 – June 9, 2014 and based on 14,746 online responses. Sample: National adult Internet population. †Methodology: Conducted by Google Consumer Surveys, April 28, 2014 – May 23, 2014 and based on 334 online responses. Sample: National adult Internet population.

WHICH INTRA-CHANNEL SOLUTIONS ARE MOST FREQUENTLY USED?

Along with channel usage, surveying was also targeted to understand the frequency of solution use within specific channels. These findings represent only those who qualify as users of each respective channel type. In other words, 100% of the participants responding to the Interactive Care question have actively used the Interactive Care channel within the past 12 months.

Traditional Care*

Within the past 12 months, which Traditional customer care solution have you used the most to connect with a brand's customer service department?

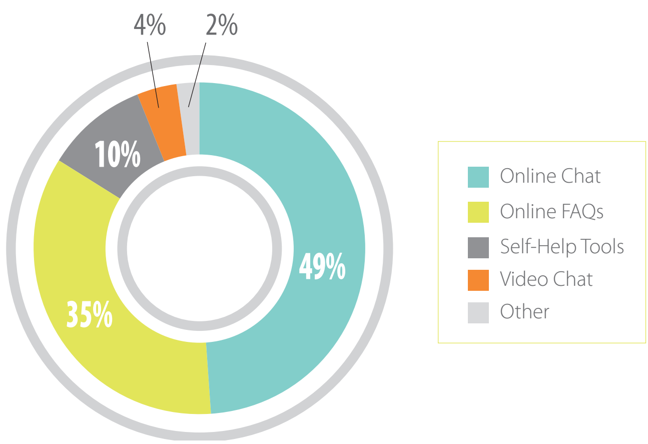


INSIGHT:

ONLY TWO DEMOGRAPHICS ARE MORE LIKELY TO EMAIL THAN CALL ON THE PHONE — THOSE AGES 35–44 AND THOSE WITH HH INCOMES OF $100–150K.*

Interactive Care†

Within the past 12 months, which Interactive customer care solution have you used the most to connect with a brand's customer service department?



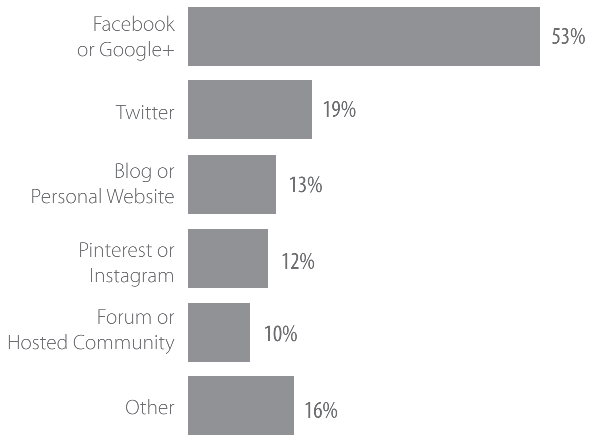
INSIGHT:

MEN ARE MORE LIKELY TO USE ONLINE CHAT AND WOMEN ARE MORE LIKELY TO USE ONLINE FAQs; AT THE SAME TIME, MEN ARE ABOUT 3.5 TIMES MORE LIKELY TO USE VIDEO CHAT THAN WOMEN.†

*Methodology: Conducted by Google Consumer Surveys, May 13, 2014 – May 23, 2014 and based on 211 online responses. Sample: National adult Internet population. † Methodology: Conducted by Google Consumer Surveys, June 03, 2014 – June 4, 2014 and based on 201 online responses. Sample: National adult Internet population.

Social Media Care*

Within the past 12 months, in which social media communities have you had an interaction with a brand's customer service department? (Select all that apply)

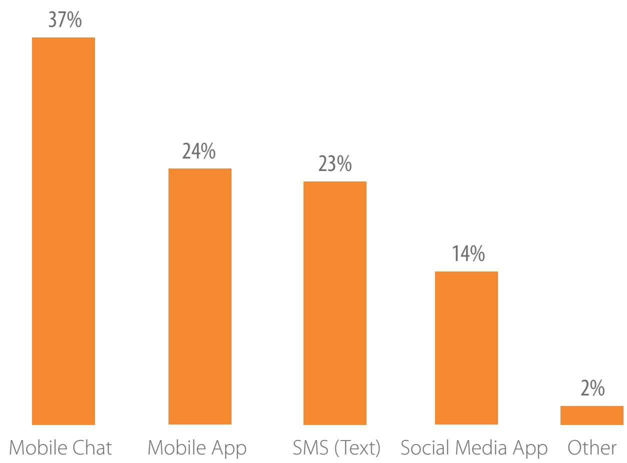


INSIGHT:

MEN ARE THREE TIMES MORE LIKELY TO ENGAGE IN A FORUM OR HOSTED COMMUNITY THAN WOMEN. TWITTER USE IS LOWEST AMONG THOSE AGES 45–54 (4%), AND HIGHEST AMONG THOSE AGES 18–24 (34%) AND AGES 25–34 (30%).*

Mobile Care†

Within the past 12 months, which Mobile customer care solution have you used the most to connect with a brand's customer service department?



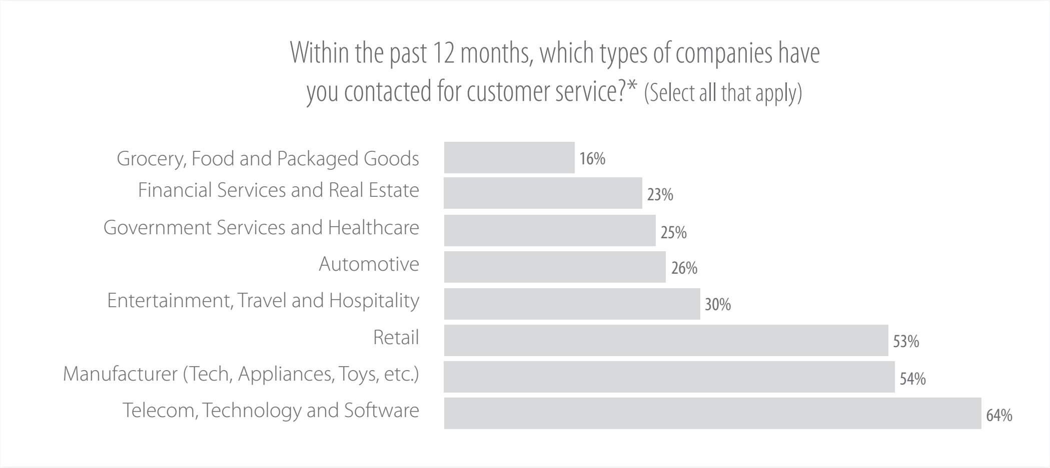
INSIGHT:

WOMEN ARE TWICE AS LIKELY TO USE SMS (TEXT) THAN MEN, BUT MEN ARE MORE THAN TWICE AS LIKELY TO USE MOBILE APPS. BY FAR, SOCIAL MEDIA APP USAGE WAS HIGHEST AMONG THOSE AGES 25–34.†

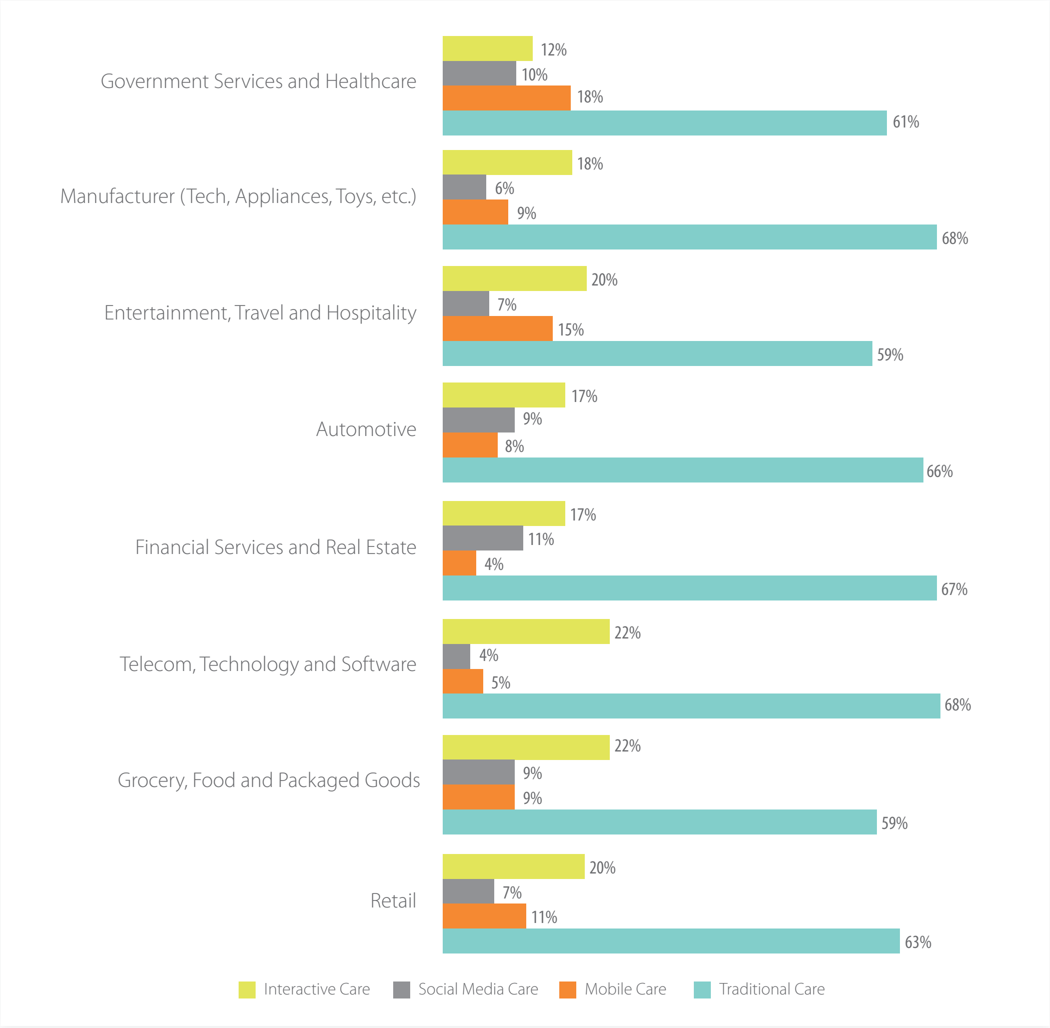
*Methodology: Conducted by Google Consumer Surveys, June 03, 2014 – June 9, 2014 and based on 354 online responses. Sample: National adult Internet population. †Methodology: Conducted by Google Consumer Surveys, June 03, 2014 – June 4, 2014 and based on 201 online responses. Sample: National adult Internet population.

WHICH INDUSTRIES ARE BEING CONTACTED AND THROUGH WHICH CHANNELS?

In surveying 201 individuals that have had one or more customer service engagements within the past 12 months, we found that retailers, manufacturers and technology companies represent the types of industries most frequently contacted for customer care.



Channel Utilization By Industry*

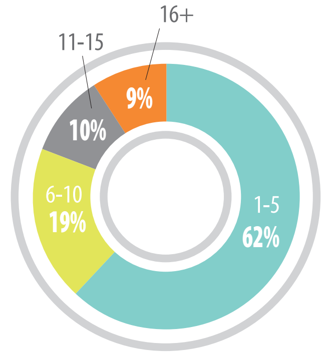


*Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 201 online responses. Sample: National adult Internet population.

INSTANCES OF ENGAGEMENT

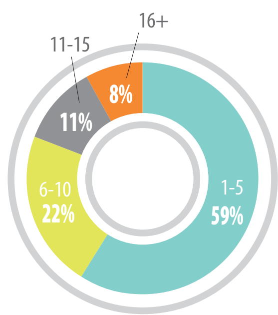
For individuals having at least one interaction with customer care in the past 12 months, we asked how many individual instances of engagement they had across all channels. While the results of this question are not a direct indication of "first contact resolution," they offer some interesting inferences. The assumption is that the fewer instances of engagement, the more likely issues are resolved in the fewest number of engagements. When these inferences are cross-examined by industry and channel of care, they may indicate how effective these segmentations are at early resolution.

Within the past 12 months, how many individual instances of customer service engagement have you had across all channels?*

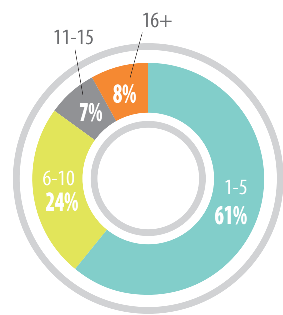


Instances of Engagement By Channel*

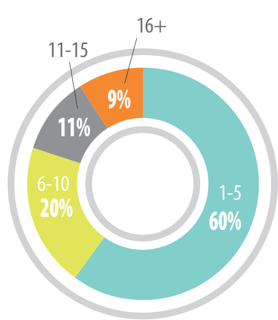
Users of Traditional Care



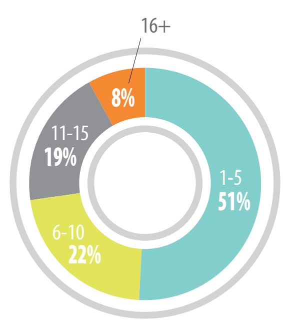
Users of Interactive Care



Users of Social Media Care



Users of Mobile Care



*Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 201 online responses. Sample: National adult Internet population.

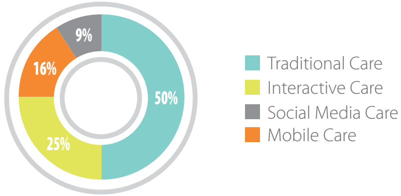
Instances of Engagement By Industry Contacted*

*Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 201 online responses. Sample: National adult Internet population.

CHANNEL PREFERENCE (Assuming Issue Resolution)

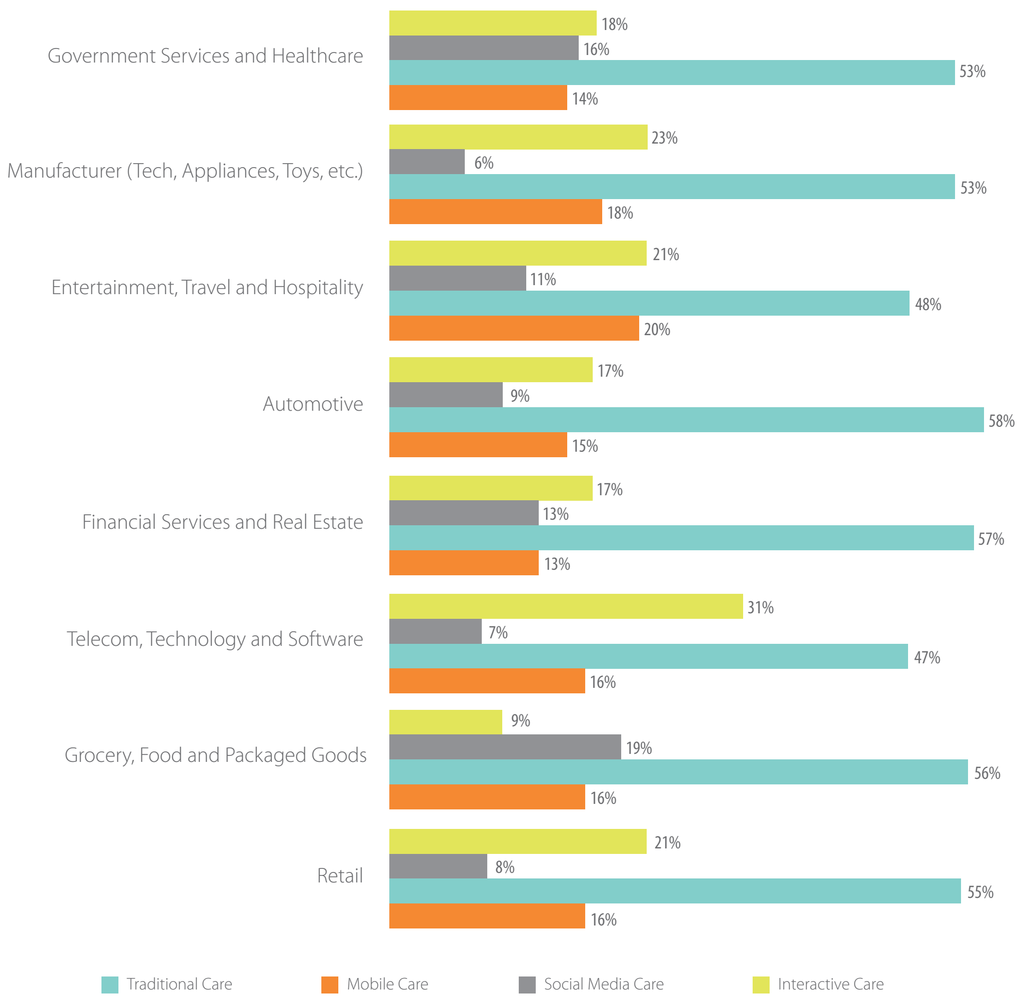
What do consumers really want? We tried to find out by asking a question based on the assumption that the consumer would have their issue resolved regardless of their channel choice. Here's what we discovered:

If you knew your customer service issue would be resolved regardless of method, which would be your preferred contact channel?*



And segmented by type of industry contacted:

Channel Preference (Assuming Issue Resolution) By Industry Contacted*

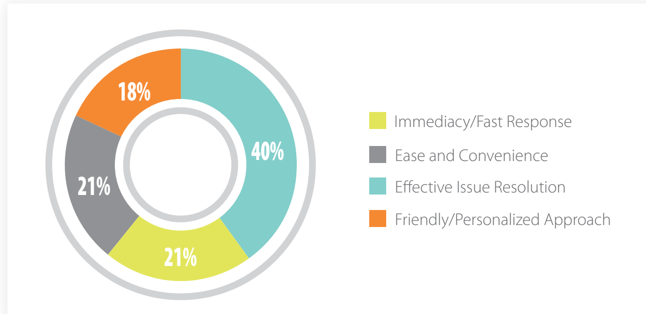


*Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 201 online responses. Sample: National adult Internet population.

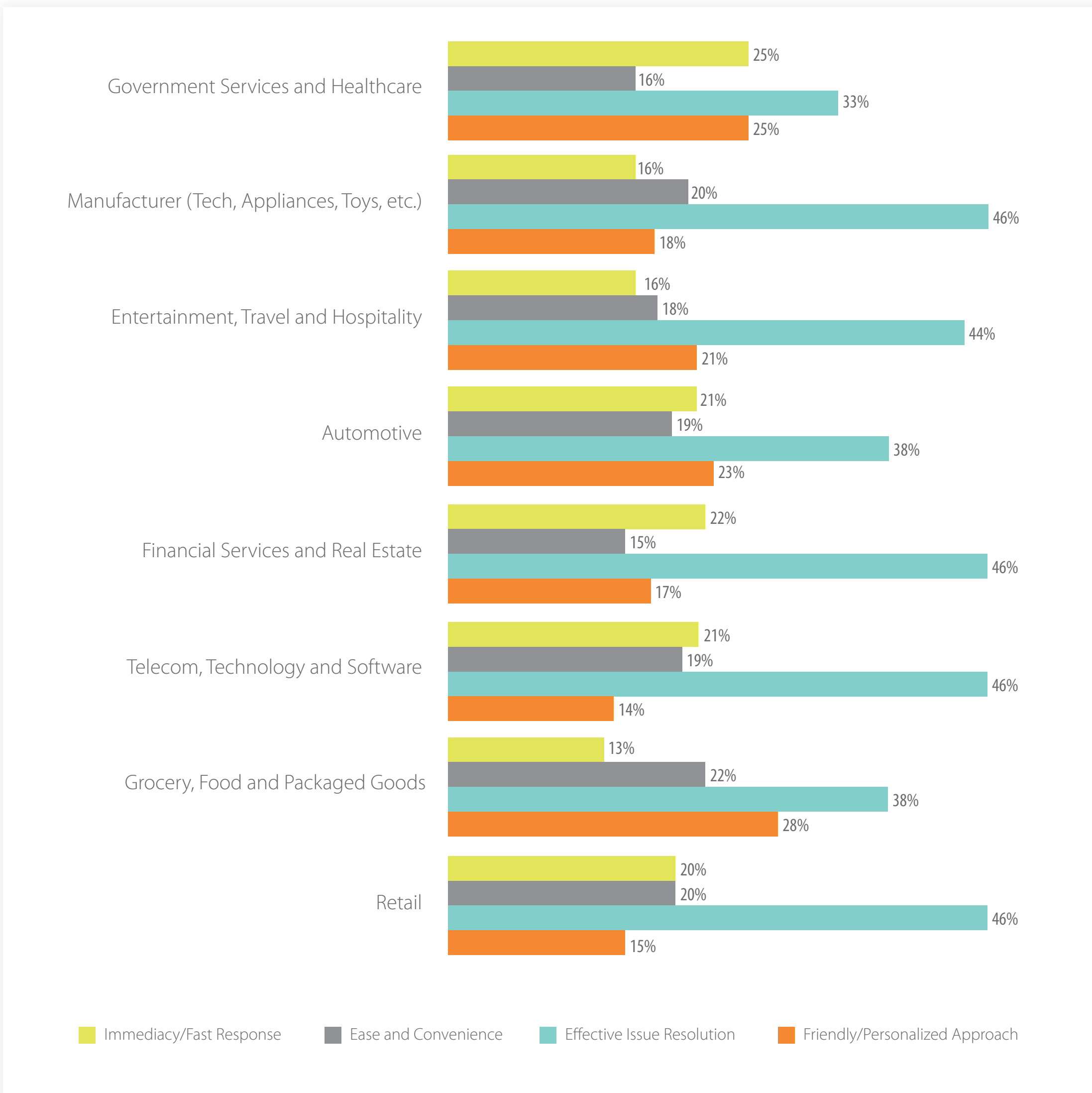
PREFERRED CHARACTERISTICS OF CARE

Consumers want to have their issue resolved quickly, conveniently and courteously. This is a given. But which of these characteristics are most important? Here's what we learned:

Which characteristic of an interaction with a brand's customer service department is most important to you?*



And segmented by type of industry contacted:*



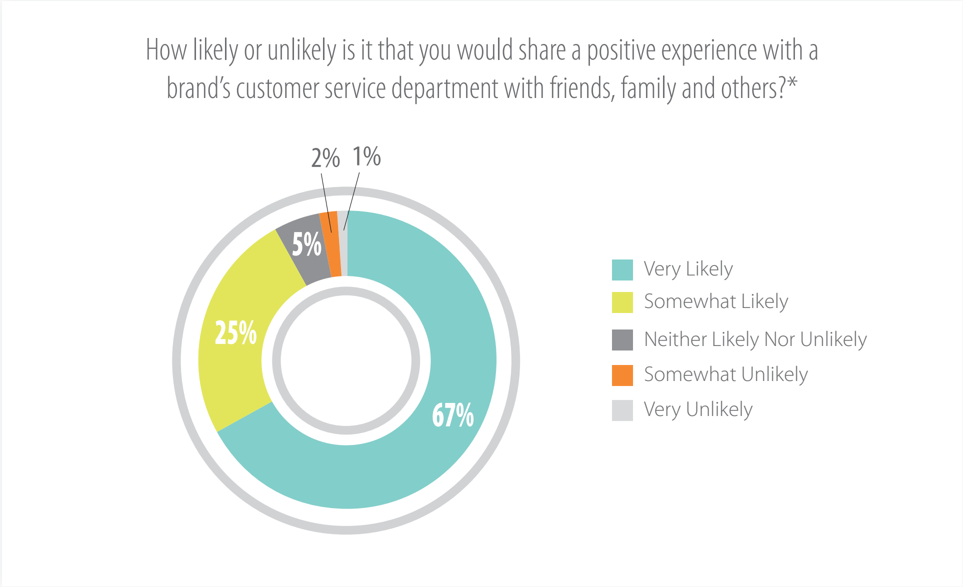
*Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 201 online responses. Sample: National adult Internet population.

SHARING THE CUSTOMER EXPERIENCE

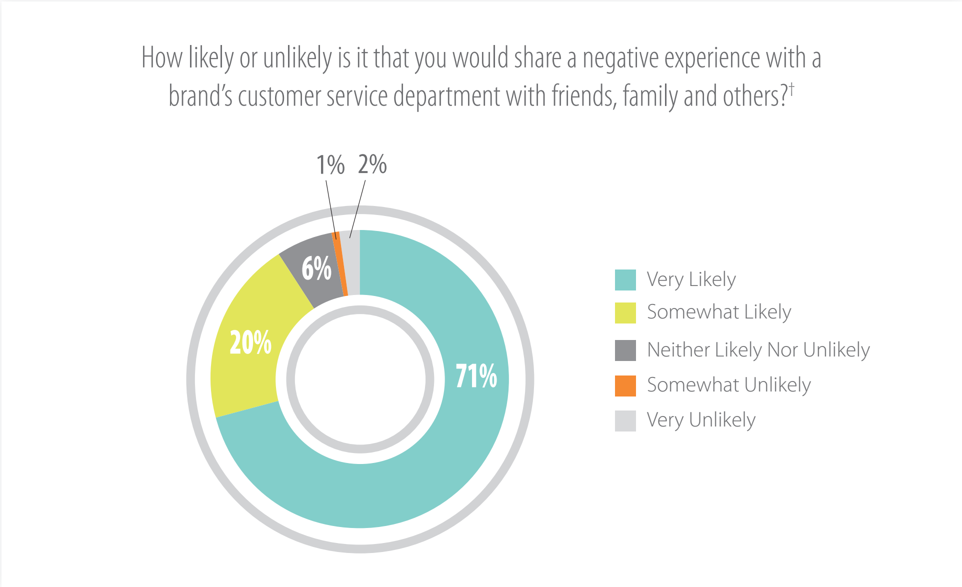
In this day and age, where communication is so convenient and readily available, we were curious about the likelihood of a consumer sharing their experience, whether positive or negative. Overwhelmingly, customer experiences are likely to be broadcast to friends and family, regardless of the sentiment of the experience.

The likelihood of sharing an experience was also affected by gender, as 78% of women were very likely to share a positive experience as opposed to only 63% of men. For negative experiences, 81% of women were very likely to share as opposed to only 69% of men.

Positive Experience:



Negative Experience:



*Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 185 online responses. Sample: National adult Internet population. †Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 212 online responses. Sample: National adult Internet population.

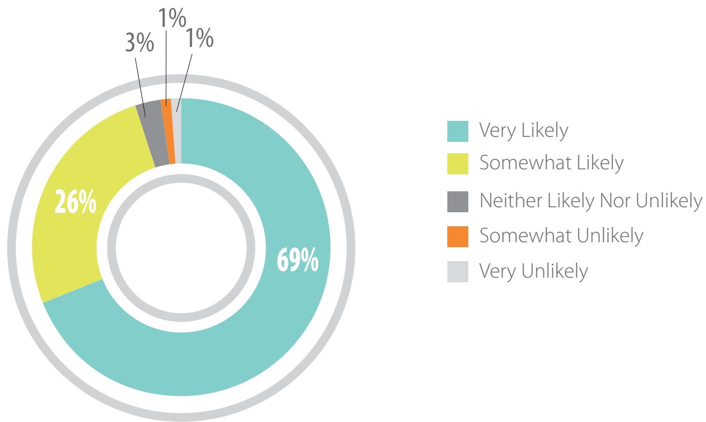
THE IMPACT OF CUSTOMER EXPERIENCE ON FUTURE PURCHASE DECISIONS

While businesses need to be aware of the impact of "word-of-mouth," they also need to understand how a customer service experience can shape future purchase decisions.

Similar to sharing positive or negative experiences, women are more likely than men to have their future purchase decisions affected by a customer service experience. For positive experiences, women were very likely to have their future decisions affected 72% of the time as opposed to 66% of the time for men. For negative experiences, women were very likely to have their future decisions affected 77% of the time in contrast to 61% of men.

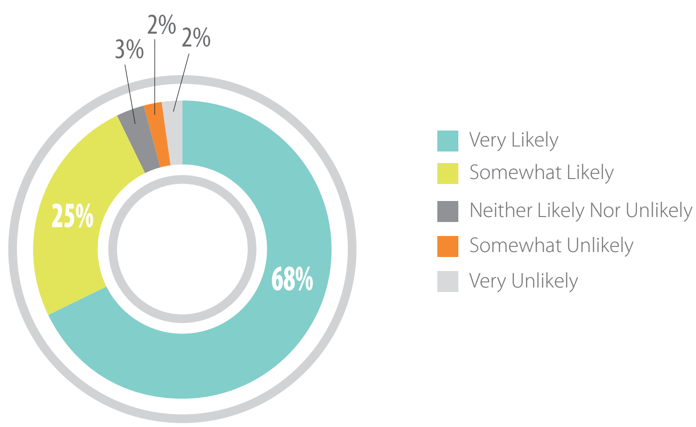
Positive Experience:

How likely or unlikely is it that a positive experience with a brand's customer service department would positively affect your future purchase decisions?*



Negative Experience:

How likely or unlikely is it that a negative experience with a brand's customer service department would negatively affect your future purchase decisions?*



*Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 185 online responses. Sample: National adult Internet population. †Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 212 online responses. Sample: National adult Internet population.

PERCEPTIONS & EXPECTATIONS

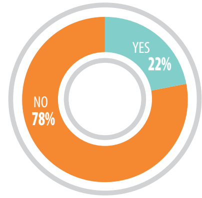
Customer care organizations have their work cut out for them, both internally and externally. In order to "fight the good fight" internally, customer care organizations need to not only learn how consumers perceive customer care, but also understand what is expected from customer care. Only then can companies ensure that the right pieces are in place to meet expectations and begin the work of transforming perceptions.

ARE CARE ORGANIZATIONS MEETING EXPECTATIONS?

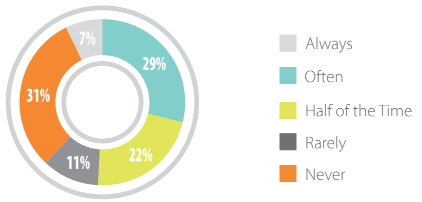
Consumers are becoming increasingly difficult to satisfy, and for a variety of reasons: expectations are changing as swiftly as technology; next-generation brands are constantly setting the bar higher; and when financial times are tough, consumers expect more value out of each dollar they spend.

In a series of questions about meeting expectations, first contact resolution and contact avoidance, we discovered that consumer perception of the customer care center leaves much to be desired. Undoubtedly, the challenge is one part perception shift, and one part performance improvement.

Do you feel that the customer service departments of today's companies are generally meeting your customer service needs and expectations?*

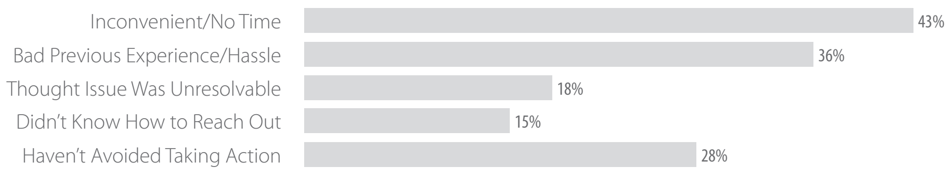


How often are your customer service issues resolved during the first instance of contacting a company's customer care organization?†



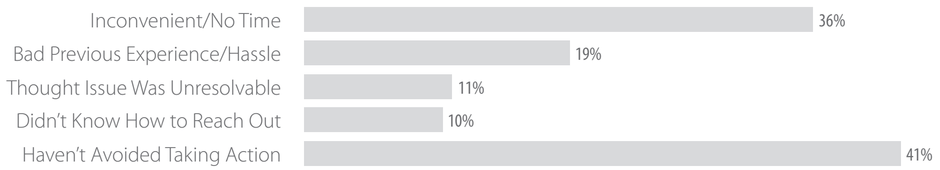
Individuals with at least one customer service interaction within past 12 months:

Within the past 12 months, have you avoided taking action on a customer service issue for any of the following reasons? (Check all that apply)**



Among the general population:

Within the past 12 months, have you avoided taking action on a customer service issue for any of the following reasons? (Check all that apply)††

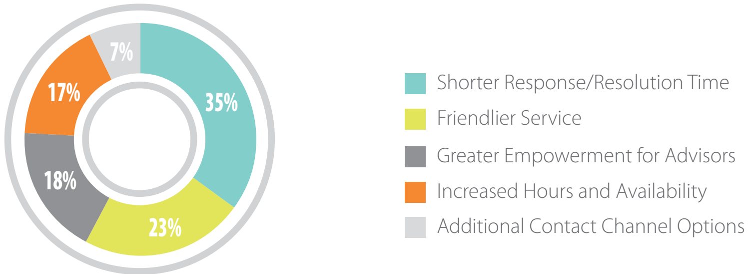


*Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 13, 2014 and based on 244 online responses. Sample: National adult Internet population. †Methodology: Conducted by Google Consumer Surveys, July 10, 2014 – July 12, 2014 and based on 201 online responses. Sample: National adult Internet population. **Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 148 online responses. Sample: National adult Internet population. ††Methodology: Conducted by Google Consumer Surveys, July 15, 2014 – July 20, 2014 and based on 169 online responses. Sample: National adult Internet population.

HOW CAN COMPANIES IMPROVE AT CUSTOMER CARE?

Consumers have some pretty definitive opinions on how companies can improve their quality of care. At the top of the list: shorter response times, friendlier service and less outsourcing.

In your opinion, which improvement would most significantly impact your level of satisfaction when interacting with a brand's customer service department?*



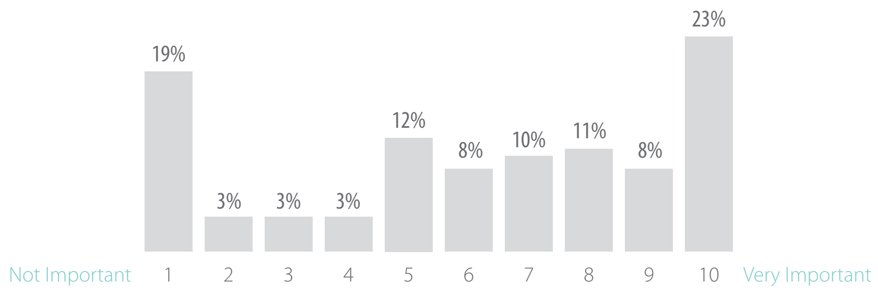
We also wanted to learn what consumers would say if we asked the same sort of question open-endedly. So we asked 200 consumers how the customer service departments of today's companies could better serve their customer care needs.

The majority of answers fell into one of these five categories (in order of commonality)†:

Hire Better Agents (Friendlier and More Knowledgeable)
Less Automation/Use Real People
Be Better Listeners
Staff Locally/Better English
Less Hold Time/Respond More Quickly

Why is it so important for companies to get it right when it comes to servicing the customer care needs of consumers? If the impact on future purchase decisions wasn't enough, here's what else is at stake:

How important is your experience with a brand's customer service department in shaping your relationship with and/or opinion of that brand?**

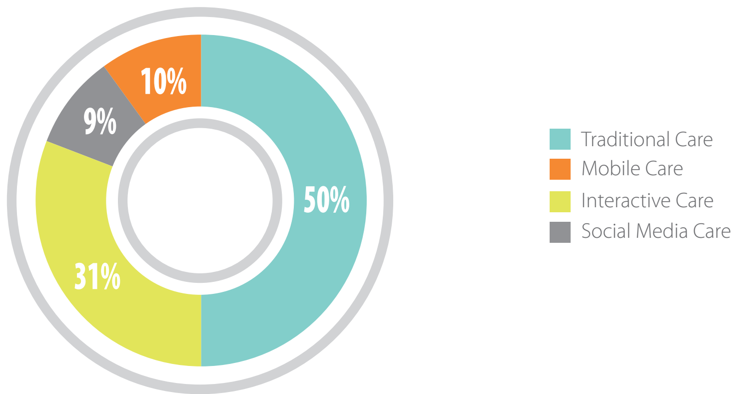


*Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 180 online responses. Sample: National adult Internet population. †Methodology: Conducted by Google Consumer Surveys, July 10, 2014 – July 13, 2014 and based on 200 online responses. Sample: National adult Internet population. **Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 13, 2014 and based on 238 online responses. Sample: National adult Internet population

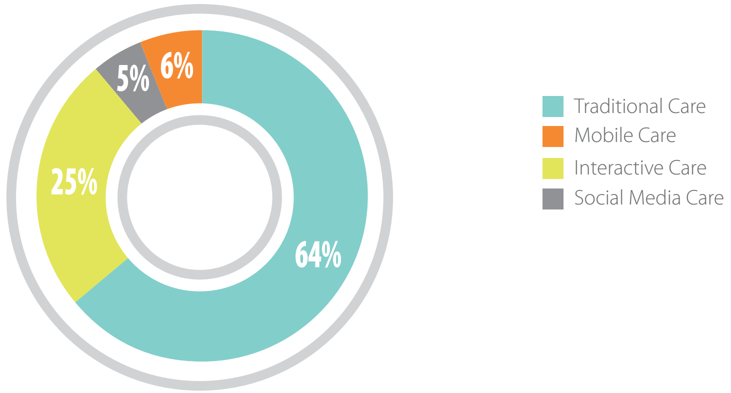
CONSUMER PERCEPTION OF CONVENIENCE AND EFFECTIVENESS

When it comes to what customers expect from a positive customer care engagement, convenience and effectiveness are at the top of the wish list. We wanted to gauge how customers felt about these two aspects of care as they apply to specific channels of care. It's worth noting that, while not necessarily a direct indication of channel preference, these opinions influence behavior to one degree or another. So, if a business intends to alter channel use, it's likely that it also needs to alter channel perception.

In your opinion, which contact channel provides the most convenience when trying to resolve an issue with a brand's customer service department?*



In your opinion, which contact channel provides the highest likelihood of resolving your issue when dealing with a brand's customer service department?*

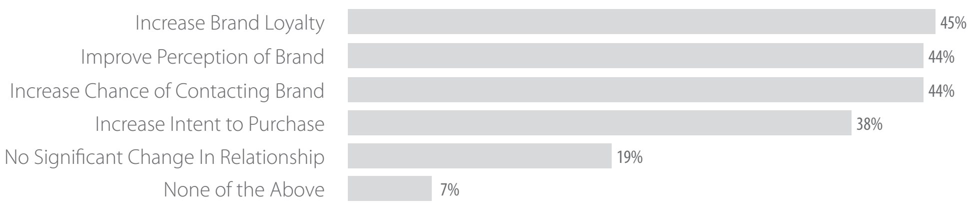


*Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 185 online responses. Sample: National adult Internet population.

INSOURCING CUSTOMER CARE RESOURCES

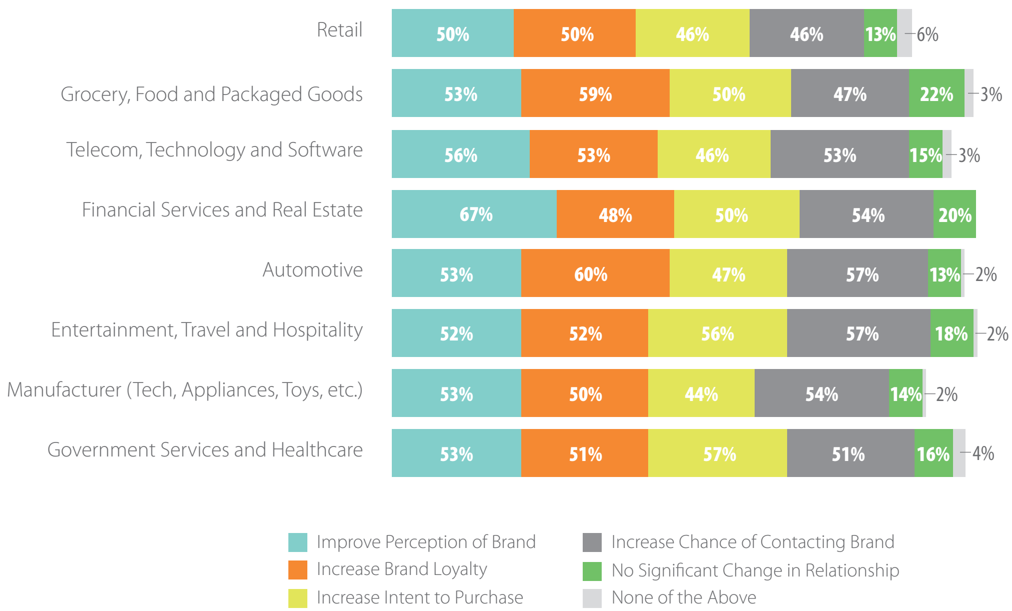
It's no surprise that the practice of outsourcing customer care resources is a significant pain point for consumers. When asked how care organizations can do better, more often than not, consumers said they expect clear communication and quality of care. We wanted to understand what the implications might be if organizations actually delivered in this specific area.

If you knew a company staffed its customer service team exclusively within the United States, how would it impact your relationship with that company? (Select all that apply)*



And the same results segmented by industry, by indication of contact:

If you knew a company staffed its customer service team exclusively within the United States, how would it impact your relationship with that company? (Select all that apply)*



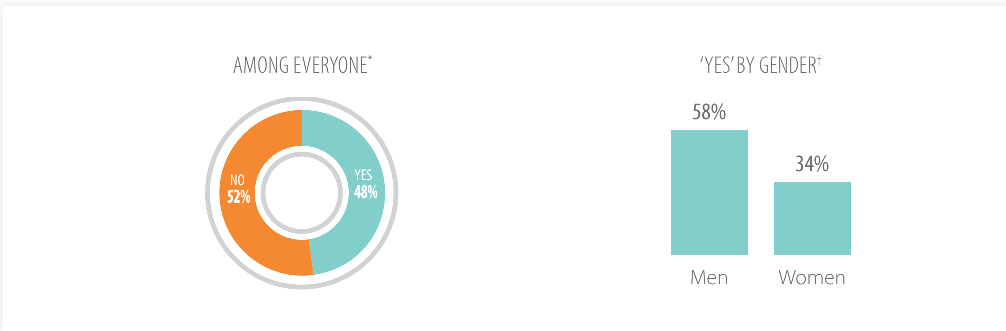
*Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 201 online responses. Sample: National adult Internet population.

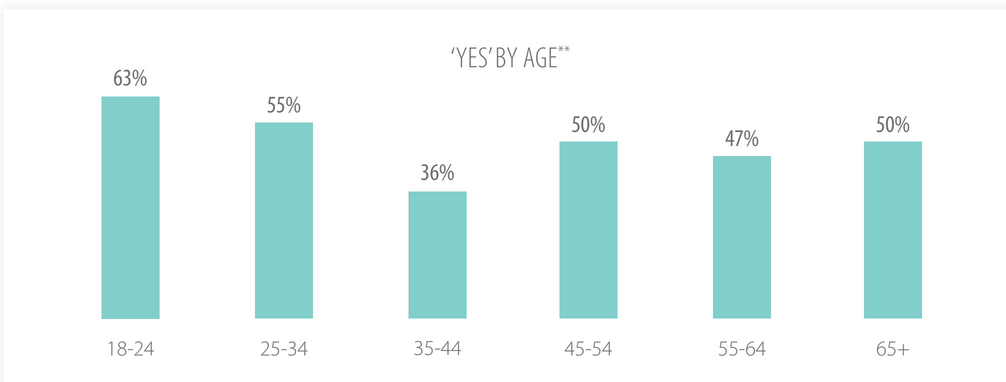
PLACING A PREMIUM ON BETTER CARE

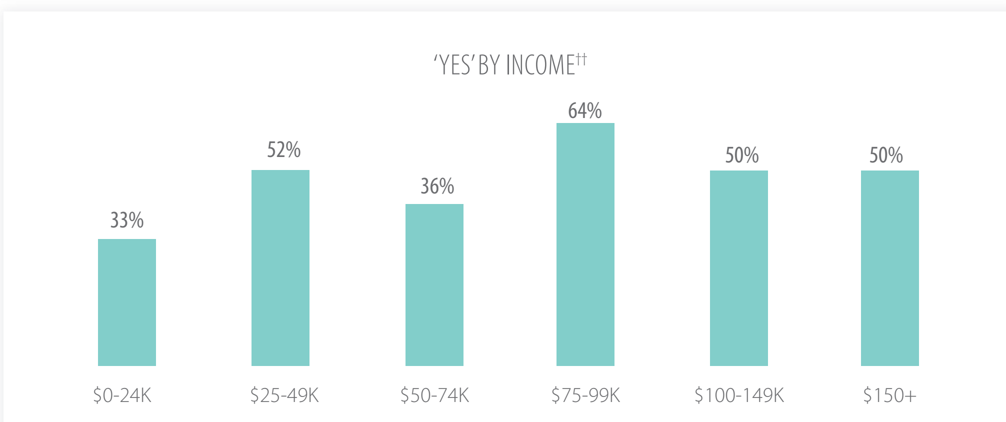
Brands that have been established as customer care leaders have often done so at a premium price point, which begs the question, "Are these companies charging a premium because they offer fantastic care, or do they offer fantastic care because they charge a premium?"

Perhaps the even larger question is, "Are consumers willing to pay a little extra for better care?" We asked a very similar question, and here's what we learned:

Would you be willing to pay a little more for a product or service if you knew you would receive world-class customer service as a result?







We asked 201 individuals which brands, companies and/or industries provide superb customer care. The brands most commonly cited (in order of count) include Amazon, Apple, General Motors, Ford, Walmart, Nike and Costco. However, the answer that was provided more often than the top three brands combined: NONE.

*Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 12, 2014 and based on 205 online responses. Sample: National adult Internet population. †Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 12, 2014 and based on 138 online responses. Sample: National adult Internet population. ***Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 12, 2014 and based on 122 online responses. Sample: National adult Internet population. ††*Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 12, 2014 and based on 204 online responses. Sample: National adult Internet population.

CHANNEL-SPECIFIC RESULTS

"The report shows that customers are already on-line, using social media and mobile and want to use those channels to solve problems. However, they don't trust that customer care will be able to solve their problem through those new channels. The challenge I see for the customer care industry is the need to invest to build infrastructure and content for new channels, while traditional care must also be maintained to meet heavy consumer demand. When consumers don't trust that their issues will be solved in interactive, social, or mobile channels, migration from the traditional is going to be slow. As customer care executives, we must find ways to speed the migration from traditional to new channels in order to justify the investment."

Kathryn McGavick
CVP, Customer Support

TRADITIONAL CUSTOMER CARE

Traditional Care remains the heart and soul of most customer care operations, encompassing service by phone, email, snail mail and in-person. It is also the most commonly used channel for customer care across all industries.

"While it's not surprising that customers say full issue resolution is most important to them (and lots of studies back this up), this means our most important job is to get it right the first time — and this need transcends channel."

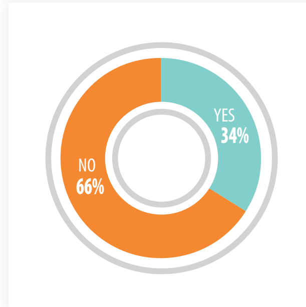
Lisa Oswald
Senior Vice President Customer Service

TRAVELZOO

WHO USES TRADITIONAL CUSTOMER CARE?

In surveying for use of care specific to Traditional Customer Care, we found very similar results when compared to overall care use. In general, use seems to increase with income and decrease with age. Additionally, use appears to be rather evenly distributed among geographical communities, with the female population utilizing Traditional Customer Care slightly more than the male population.

Within the past 12 months, have you interacted with a brand's customer service department via a Traditional care channel such as a phone call, email or an in-person visit?[1]



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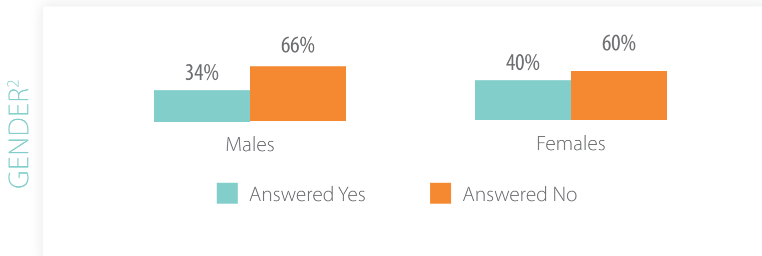
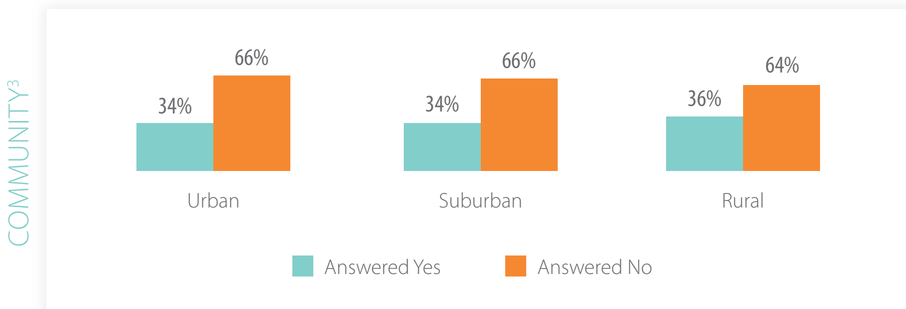
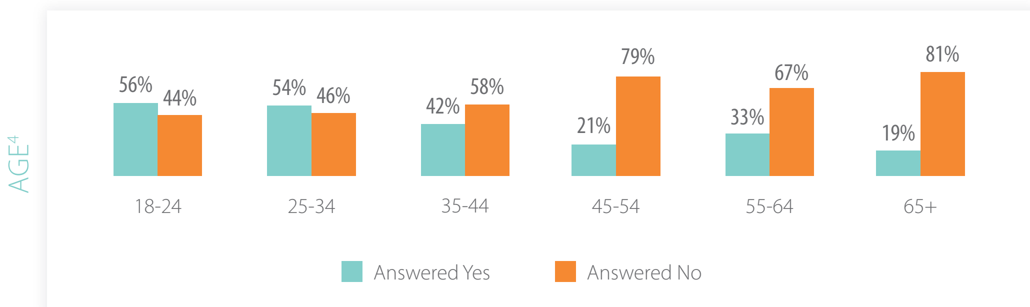
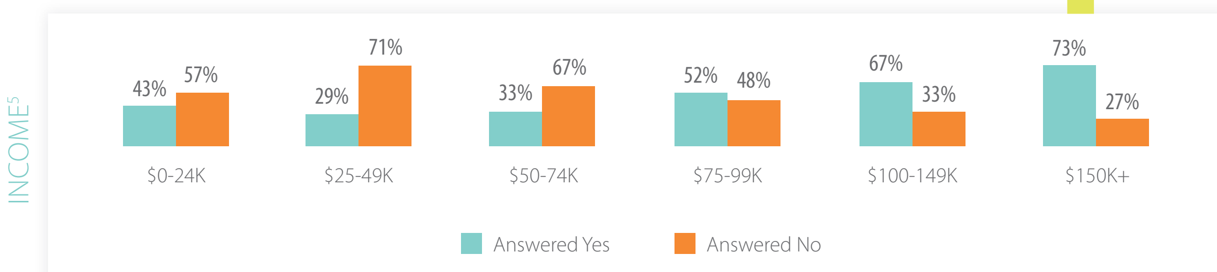






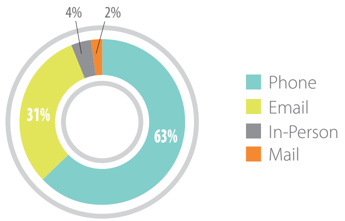


1 Methodology: Conducted by Google Consumer Surveys, May 13, 2014 – May 23, 2014 and based on 985 online responses. Sample: National adult Internet population. 2 Methodology: Conducted by Google Consumer Surveys, May 13, 2014 – May 23, 2014 and based on 827 online responses. Sample: National adult Internet population. 3 Methodology: Conducted by Google Consumer Surveys, May 13, 2014 – May 23, 2014 and based on 969 online responses. Sample: National adult Internet population. 4 Methodology: Conducted by Google Consumer Surveys, May 13, 2014 – May 23, 2014 and based on 774 online responses. Sample: National adult Internet population. 5 Methodology: Conducted by Google Consumer Surveys, May 13, 2014 – May 23, 2014 and based on 978 online responses. Sample: National adult Internet population.

HOW AND WHY CONSUMERS ARE USING TRADITIONAL CUSTOMER CARE

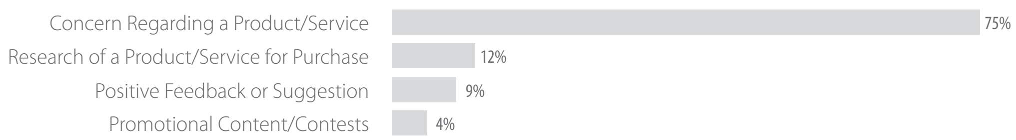
As one might expect, use within the Traditional Customer Care channel falls primarily within phone (approximately two-thirds of traffic) and email (approximately one-third of traffic).

Within the past 12 months, which Traditional customer care solution have you used the most to connect with a brand's customer service department?*

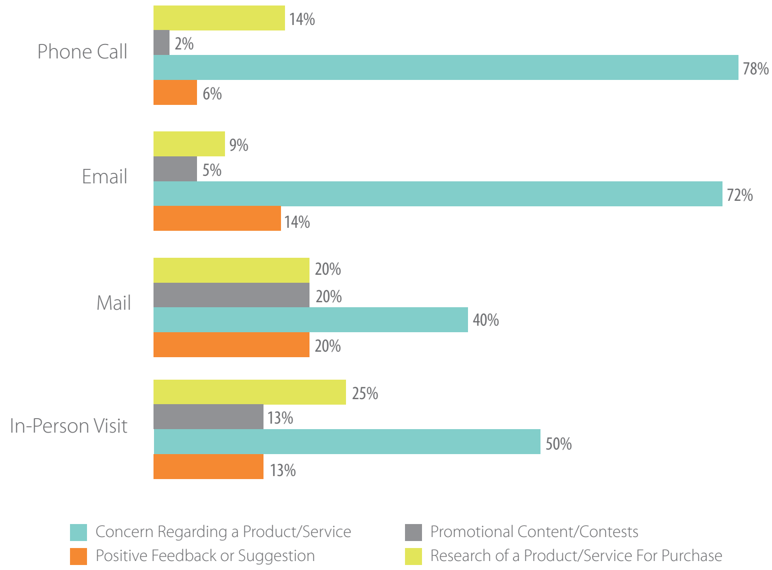


Like Phone and Email, "Concern Regarding a Product/Service" dominated the results when we asked the following question:

Within the past 12 months, which scenario typifies your reason for interacting with a brand's customer service department via a Traditional contact channel?*



For the same question as above by channel of contact:

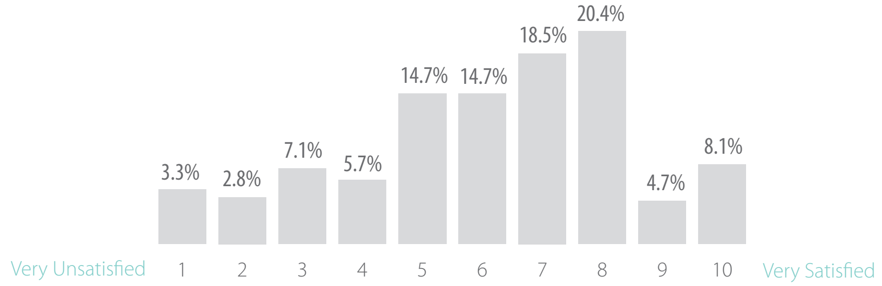


*Methodology: Conducted by Google Consumer Surveys, May 13, 2014 – May 23, 2014 and based on 211 online responses. Sample: National adult Internet population.

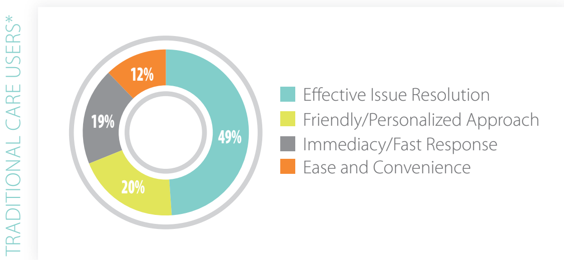
LEVELS OF SATISFACTION AND EXPERIENCE PREFERENCES

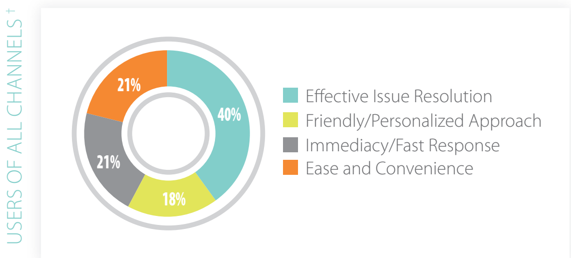
We asked survey participants to indicate their typical level of satisfaction (1 to 10) following an interaction via Traditional Care, and the average of all the responses we received was 6.3. While this places overall satisfaction within Traditional Care on the positive side of the scale, this number was the lowest of three channels. When we asked this same question of Interactive and Mobile Care users, both averaged 6.6.

Within the past 12 months, what was your typical level of satisfaction with a brand's customer service department following a Traditional customer care interaction?*

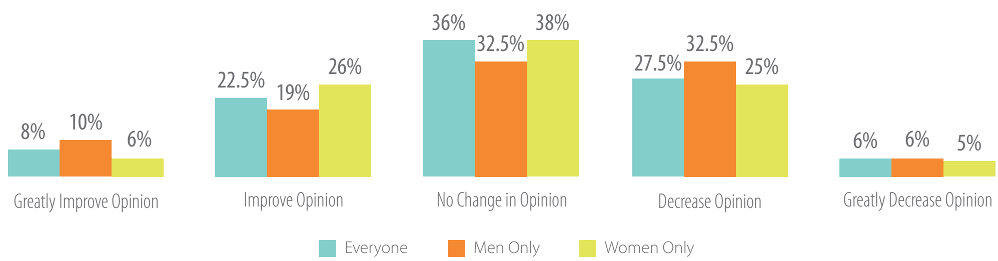


When interacting with a brand's customer service department via a Traditional channel, which characteristic is most important to you?

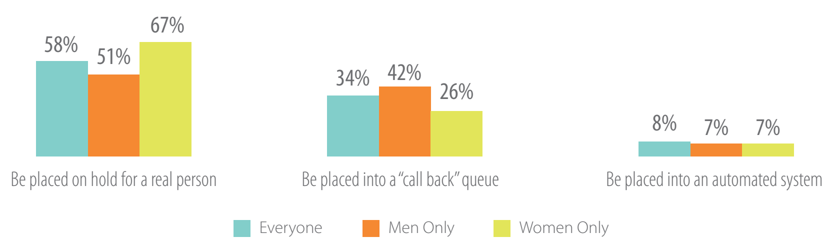




If a brand reduced its call center hours and increased support of channels like social media, mobile apps or online chat, how would your opinion of the brand change?*



When interacting with a brand's customer service department via a phone call, which option sounds the most appealing?*



*Methodology: Conducted by Google Consumer Surveys, May 13, 2014 – May 23, 2014 and based on 211 online responses. Sample: National adult Internet population. †Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 201 online responses. Sample: National adult Internet population.

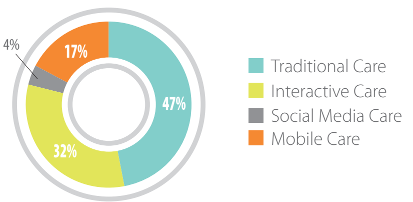
CHANNEL PREFERENCE AND THE IMPORTANCE OF TRADITIONAL CARE

Among users of Traditional Customer Care, there is a channel-loyalty rate of 47%, indicating the channel is of great value to consumers. The only channel that possessed a higher rate of loyalty was the Interactive Care channel at 55%.

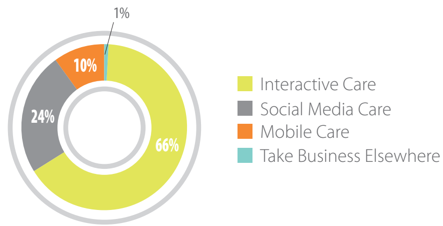
Interactive Care also showed strongly in the channel-shift question. Two-thirds of those surveyed indicated they would look to the Interactive Care channel first if Traditional Care channels were no longer made available.

These findings provide a clear indication that consumers have given the green light for companies to expand Interactive Care support in parallel to Traditional Care offerings, if not in place of. Standing in the way of complete replacement is the strong importance consumers place on the Traditional Care channel (see below). When asked to indicate the importance of offering Traditional Care options on a scale of 1 to 10, responses averaged 8.0. In other words, in the minds of consumers, Traditional Care remains a very important point of contact between themselves and companies.

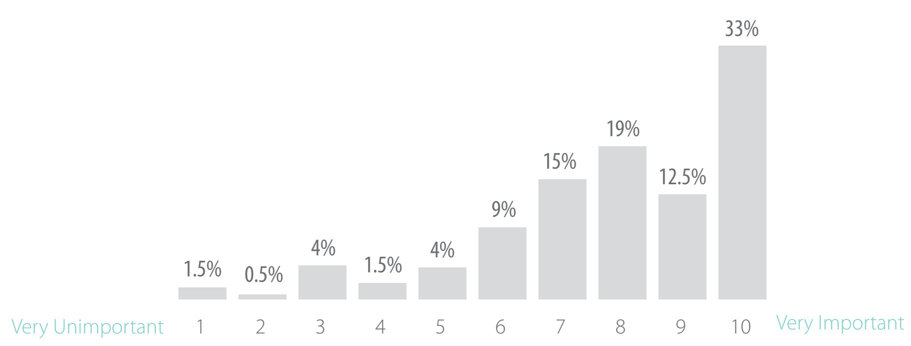
If you knew your customer service issue would be resolved regardless of contact channel, which would be your preferred contact method?*



If a brand's customer service department no longer offered Traditional customer service channels, which alternative channel would you look to first to resolve an issue?*



How important is it for a brand's customer service department to offer Traditional customer service channels such as phone, email and in-person support?†



*Methodology: Conducted by Google Consumer Surveys, May 13, 2014 – May 23, 2014 and based on 211 online responses. Sample: National adult Internet population. †Methodology: Conducted by Google Consumer Surveys, May 13, 2014 – May 23, 2014 and based on 218 online responses. Sample: National adult Internet population.

INTERACTIVE CUSTOMER CARE

Interactive Care is the most widely utilized of the emerging channels. Specific solutions within this channel include online chat, video chat and a variety of online self-help tools such as FAQs.

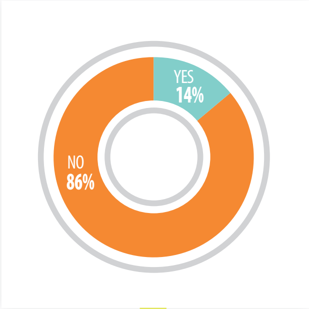
"I'm a big believer in leveraging benchmarking data to help validate our current business direction or to help prioritize an investment in, or an expansion of, a new channel. I see Interactive Care as a significant opportunity, and the benchmarking data certainly gets the message across. It still has relatively low usage, especially compared to traditional care. However, it is the most preferred contact method for resolving customer service issues. In addition, the benchmarking information validated our thinking that there is more opportunity to expand online chat and continue to monitor consumer attitudes towards video chat."

Michael Martin
Senior Vice-President Frontline Support

WHO USES INTERACTIVE CUSTOMER CARE?

Unlike Traditional Care and the use of Customer Care in general, survey results regarding the use of the Interactive Care channel did not reveal any specific trends as they relate to age or income. Across virtually all demographics, use was within 4% of the combined utilization rate of 14%. This means that utilization and acceptance is more evenly distributed within Interactive Care versus any other channel.

Within the past 12 months, have you engaged a brand's customer service department via an Interactive channel, including online/video chat or self-help tools (including FAQs)?[1]



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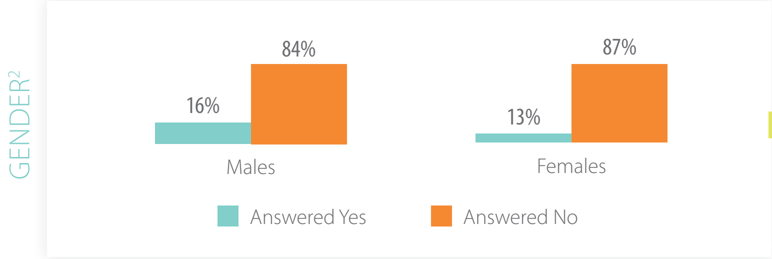
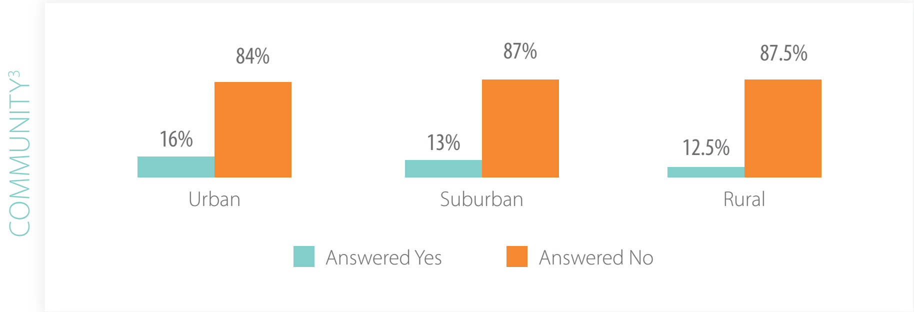
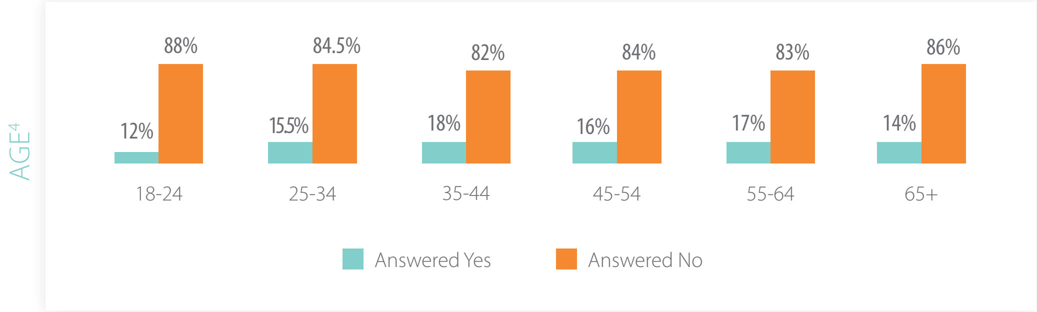
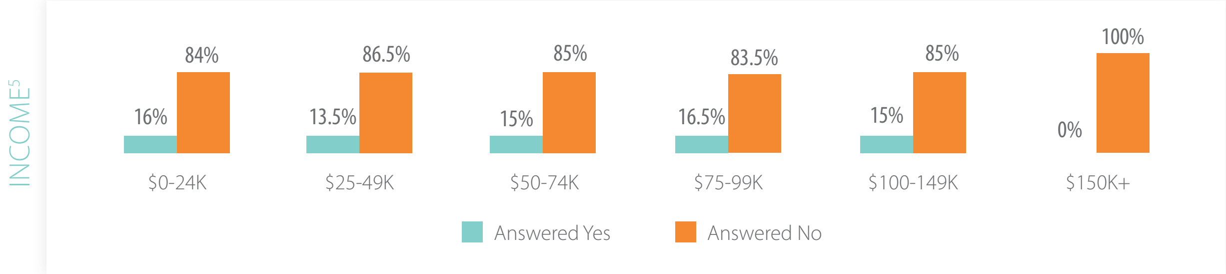






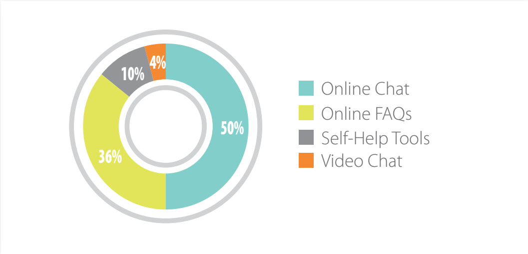


1 Methodology: Conducted by Google Consumer Surveys, June 3 2014 – June 4, 2014 and based on 4,127 online responses. Sample: National adult Internet population. 2 Methodology: Conducted by Google Consumer Surveys, June 3 2014 – June 4, 2014 and based on 2,994 online responses. Sample: National adult Internet population. 3 Methodology: Conducted by Google Consumer Surveys, June 3 2014 – June 4, 2014 and based on 4,060 online responses. Sample: National adult Internet population. 4 Methodology: Conducted by Google Consumer Surveys June 3 2014 – June 4, 2014 and based on 2,618 online responses. Sample: National adult Internet population. 5 Methodology: Conducted by Google Consumer Surveys, June 3 2014 – June 4, 2014 and based on 4,108 online responses. Sample: National adult Internet population.

HOW AND WHY CONSUMERS ARE USING INTERACTIVE CUSTOMER CARE

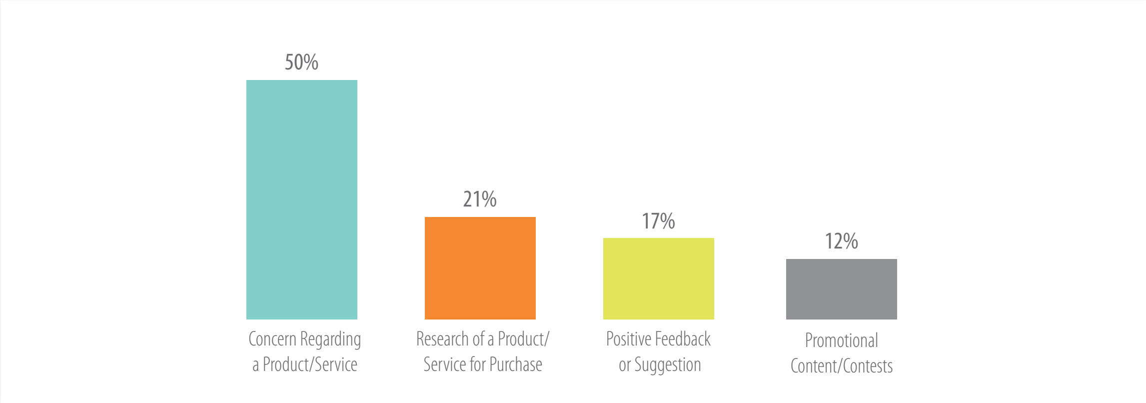
Survey results indicated that the most used Interactive channels over the past 12 months were Online Chat and Online FAQs, capturing all but 14% of users. However, as more Video Chat options become available, that distribution is expected to shift.

Within the past 12 months, which specific Interactive channel have you used the most to connect with a brand and/or customer service department?*

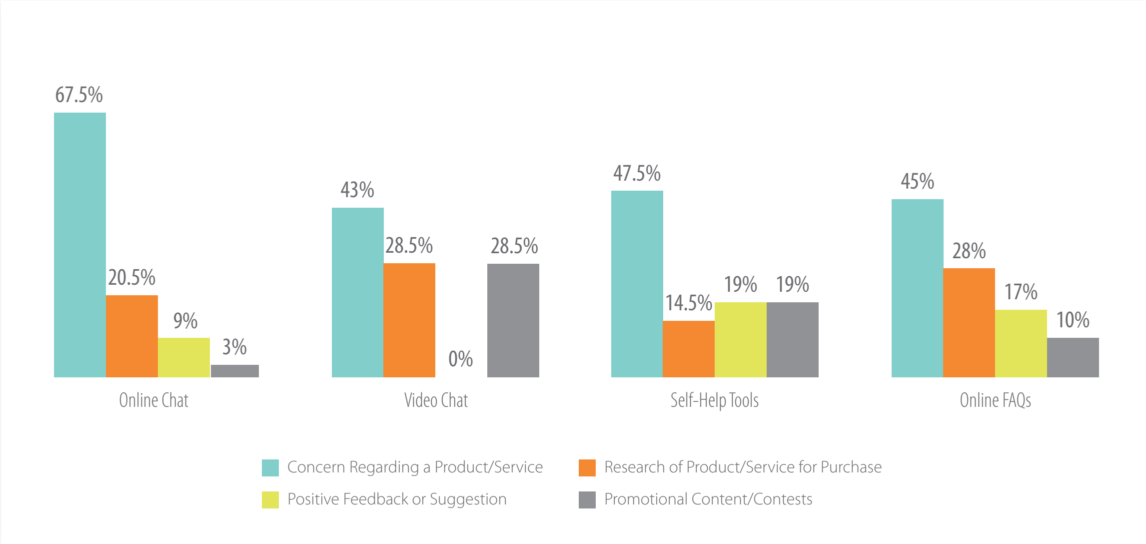


Use scenarios were much more evenly distributed in Interactive Care versus Traditional Care, with the majority of activities still falling within "Product/Service Concern" and "Purchase Research":

Within the past 12 months, which scenario typifies your reason for interacting with a brand's customer service department via an Interactive contact channel?†



For the same question as above by channel of contact**:

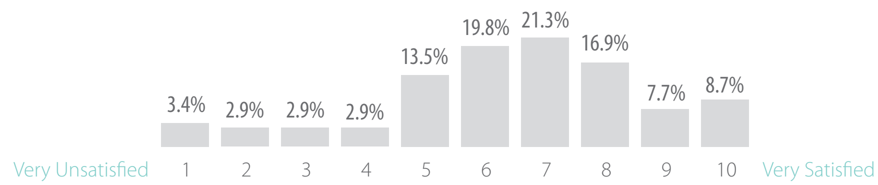


*Methodology: Conducted by Google Consumer Surveys, June 03, 2014 – June 4, 2014 and based on 201 online responses. Sample: National adult Internet population. †Methodology: Conducted by Google Consumer Surveys, June 03, 2014 – June 4, 2014 and based on 311 online responses. Sample: National adult Internet population. **Methodology: Conducted by Google Consumer Surveys, June 03, 2014 – June 4, 2014 and based on 197 online responses. Sample: National adult Internet population.

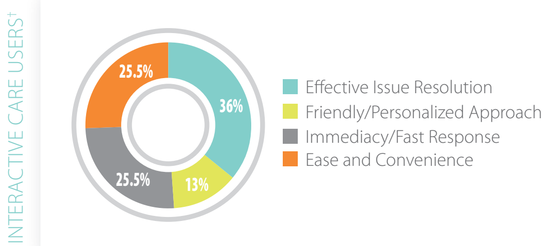
LEVELS OF SATISFACTION AND EXPERIENCE PREFERENCES

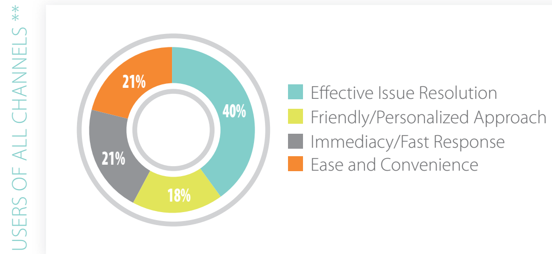
On a scale of 1 to 10, the average level of satisfaction among survey participants following an interaction via Interactive Care was 6.6. This number was higher than the average satisfaction level within Traditional Care (6.3), and was tied with average satisfaction level within Mobile Care (6.6).

Within the past 12 months, what was your typical level of satisfaction with a brand and/or customer service department interaction via an Interactive channel?*



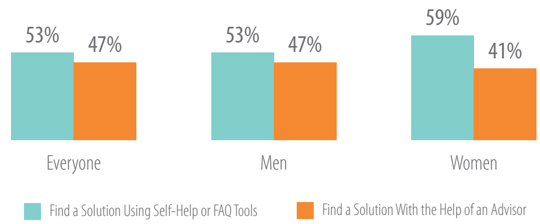
When interacting with a brand's customer service department via an Interactive channel, which characteristic is most important to you?



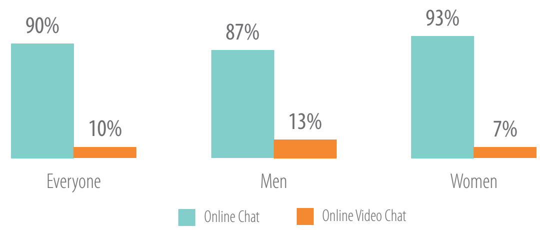


While consumer behavior leans toward interaction with an advisor (50% of all Interactive use is Online Chat), consumer preference leans slightly toward Self-Help, with women leaning toward Self-Help more often than men. Women were also less likely to utilize Video Chat than men.

If you knew your customer service issue would be resolved via an Interactive customer service solution, which scenario sounds more appealing to you?†



If a brand's customer service department offered both online chat and online video chat help options, which would you more likely use?†

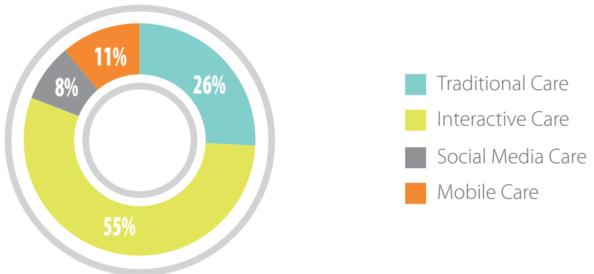


*Methodology: Conducted by Google Consumer Surveys, June 03, 2014 – June 4, 2014 and based on 207 online responses. Sample: National adult Internet population. †Methodology: Conducted by Google Consumer Surveys, June 03, 2014 – June 4, 2014 and based on 201 online responses. Sample: National adult Internet population. **Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 201 online responses. Sample: National adult Internet population.

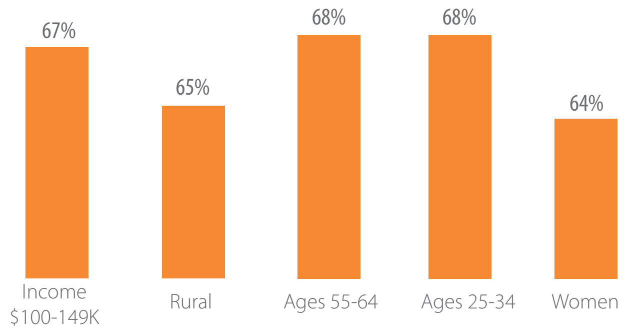
CHANNEL PREFERENCE AND THE IMPORTANCE OF INTERACTIVE CARE

At 55%, users of Interactive Care indicated more loyalty to their channel of qualification than any other channel, including Traditional Care (47%). In an effort to understand which demographics were driving such strong loyalty to Interactive Care, we extracted any particular demographics that indicated loyalty of 60% or greater (see below).

If you knew your customer service issue would be resolved regardless of contact channel, which would be your preferred contact method?*

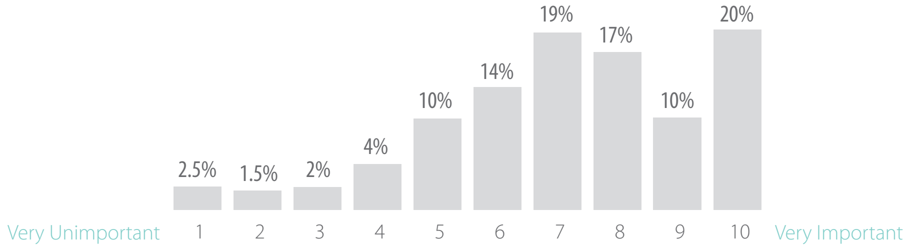


Demographic Most Loyal to Interactive Care*



While the importance of offering Interactive Care help options did not top that of Traditional Care (with an average rating of 8.0), the channel still had a very strong showing, averaging 7.2 on a scale of 1 to 10, with 10 being "Very Important."

In your opinion, how important is it for a brand's customer service department to offer help options via an Interactive channel, including online chat and self-help?*



*Methodology: Conducted by Google Consumer Surveys, June 03, 2014 – June 4, 2014 and based on 201 online responses. Sample: National adult Internet population.

SOCIAL MEDIA CUSTOMER CARE

Social Media Care utilizes online communities (often third-party sites) as a channel of communication between brand and consumer. While brands engage consumers across literally thousands of sites, some of the most popular communities include Twitter, Facebook, Google+, YouTube, online forums and blogs.

"At Sony we invest significant time, not only in looking at our own customer interactions through Social Care but also examining customer interactions across industries to identify emerging trends. We agree with the report findings illustrating the percentages of customers who connect with Care via social media, along with reasons for contact and outcomes. What isn't always noted is the variation of interaction based on social or community platform."

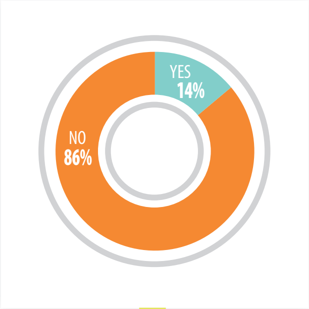
Phil Petescia
Vice President CRM and Customer Care
Post-Sales Support and Promotions

SONY

WHO USES SOCIAL MEDIA CUSTOMER CARE?

Upon surveying the use of customer care specific to Social Media, we discovered some definitive trends, especially as they applied to age and income. Not surprisingly, the use of Social Media as a channel of care was highest among those 18–34 years of age, trailing lower as age increased. In terms of income, use was highest at the top and bottom of the scale. Additionally, use appears to be equal between the sexes.

Within the past 12 months, have you had an interaction with a brand's customer service department via social media, including Twitter, Facebook, Blog, Forum, etc.?[1]



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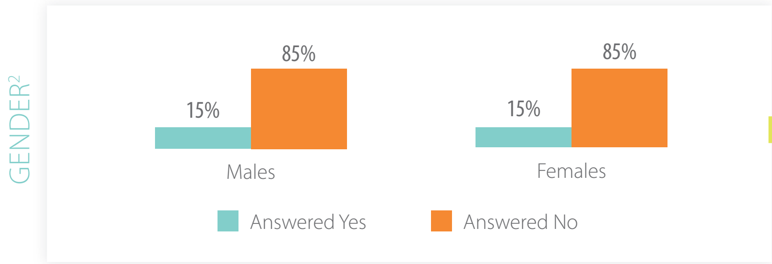
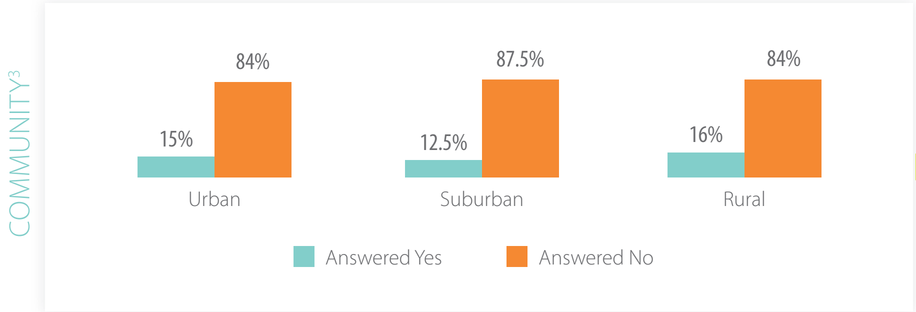
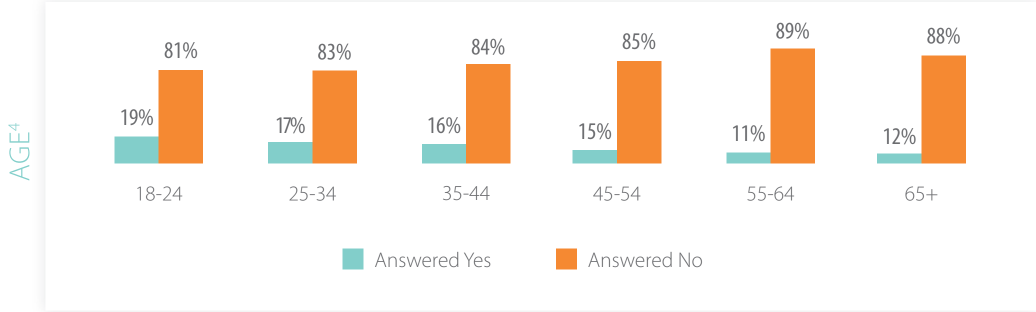
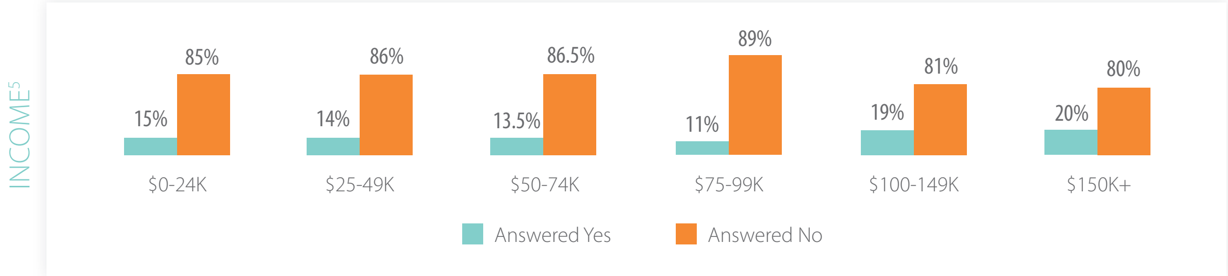






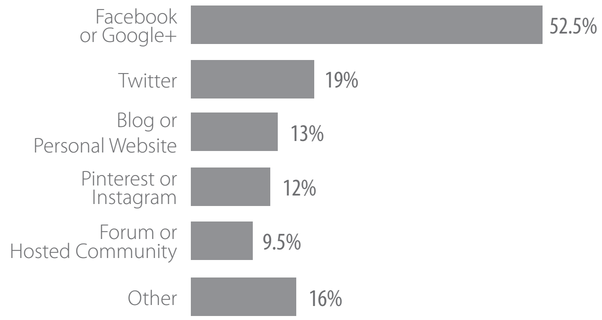


1 Methodology: Conducted by Google Consumer Surveys, June 3 2014 – June 9, 2014 and based on 5,190 online responses. Sample: National adult Internet population. 2 Methodology: Conducted by Google Consumer Surveys, June 3 2014 – June 9, 2014 and based on 3,687 online responses. Sample: National adult Internet population. 3 Methodology: Conducted by Google Consumer Surveys, June 3 2014 – June 9, 2014 and based on 4,964 online responses. Sample: National adult Internet population. 4 Methodology: Conducted by Google Consumer Surveys June 3 2014 – June 9, 2014 and based on 3,208 online responses. Sample: National adult Internet population. 5 Methodology: Conducted by Google Consumer Surveys, June 3 2014 – June 9, 2014 and based on 5,027 online responses. Sample: National adult Internet population.

HOW AND WHY CONSUMERS ARE USING SOCIAL MEDIA CUSTOMER CARE

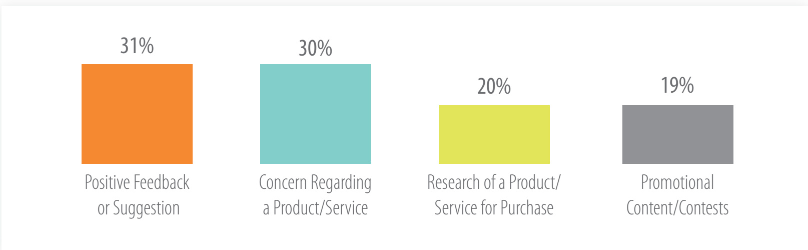
According to survey participants, Facebook, Google+ and Twitter accounted for more than 70% of the total social media-based customer care/ brand contacts over the past 12 months.

Within the past 12 months, in which social media communities have you had an interaction with a brand and/or customer service department? * (Select all that apply)

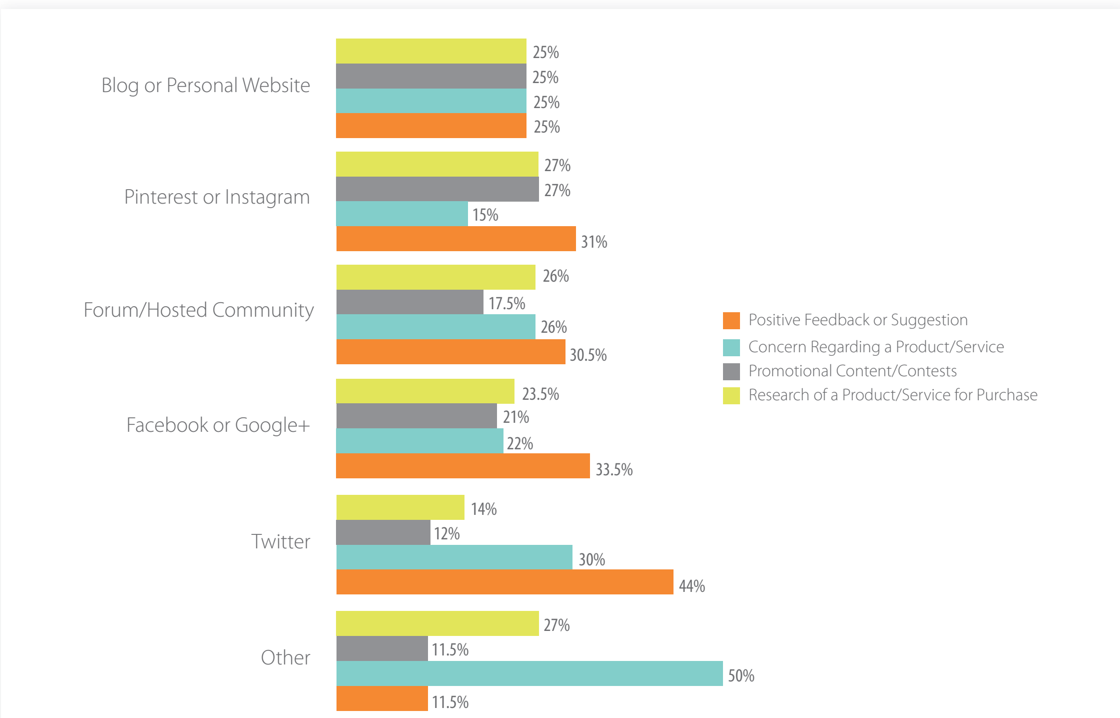


Unlike all other channels, "Positive Feedback or Suggestion" topped the list for reason of contact (31%), indicating just how social the social media channel can be:

Within the past 12 months, which scenario best describes your reason for a social media interaction with a brand and/or customer service department?†



The same question as above by channel of contact**:

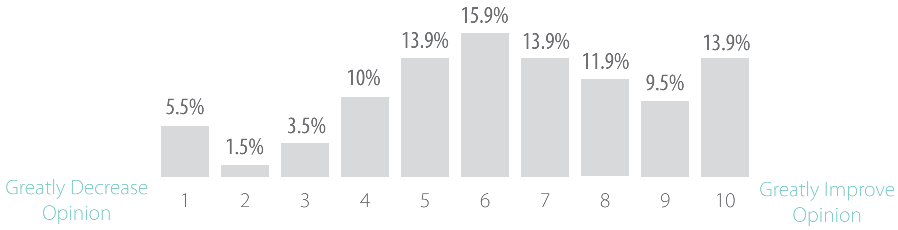


*Methodology: Conducted by Google Consumer Surveys, June 03, 2014 – June 9, 2014 and based on 354 online responses. Sample: National adult Internet population. †Methodology: Conducted by Google Consumer Surveys, June 03, 2014 – June 9, 2014 and based on 421 online responses. Sample: National adult Internet population. **Methodology: Conducted by Google Consumer Surveys, June 03, 2014 – June 9, 2014 and based on 263 online responses. Sample: National adult Internet population.

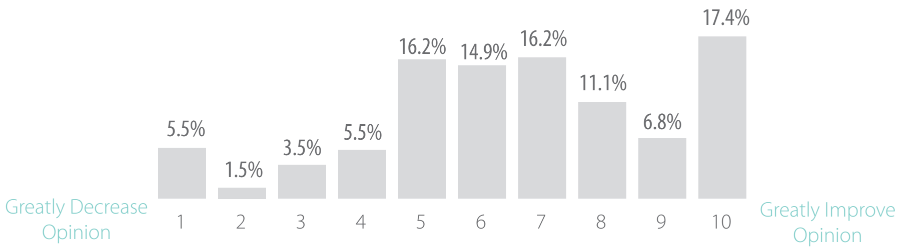
PERCEPTIONS REGARDING PROACTIVE AND RESPONSE EXPECTATIONS

Overall, consumers indicated that the proactive engagement activities of brands had a positive impact on brand opinion. In addition, consumers were slightly more open to proactive communications regarding product/service concerns (6.5 average) than they were regarding purchase decisions (6.4 average).

How would your opinion of a brand be affected if it proactively reached out to you to assist in your purchase decision of a product/service within social media?†

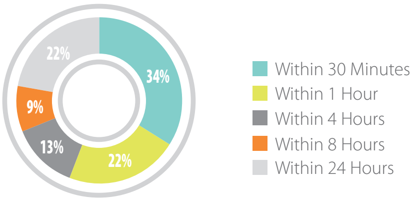


How would your opinion of a brand be affected if it proactively reached out to you regarding a product/service concern within social media?†

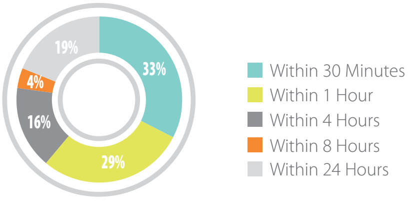


Across channels, about 1 in 3 consumers expect a response within 30 minutes. We also found that women were significantly more patient about getting a response compared to men. On Twitter, for instance, 67% of men expected an answer within an hour compared to 58% of women. For Forums, Facebook and Blogs, 63% of men expected an answer within an hour compared to just 48% of women. Rural residents also expected a quick reply, with 80% expecting an answer within an hour for Forums, Facebook and Blogs, and 72% expecting an answer within an hour for Twitter engagements.

When interacting with a brand and/or customer service department in a social media community like a Forum, Facebook or Blog, how quickly do you expect a response?†



When interacting with a brand and/or customer service department on Twitter, how quickly do you expect a response?†

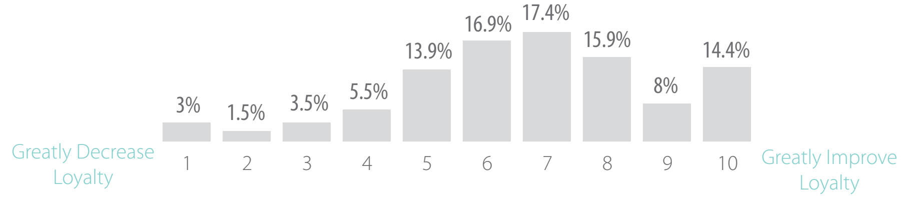


*Methodology: Conducted by Google Consumer Surveys, June 03, 2014 – June 9, 2014 and based on 235 online responses. Sample: National adult Internet population. †Methodology: Conducted by Google Consumer Surveys, June 03, 2014 – June 9, 2014 and based on 201 online responses. Sample: National adult Internet population.

BRAND LOYALTY, EXPERIENCE AND CHANNEL PREFERENCES

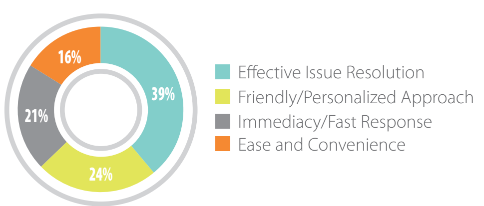
We asked a question about the impact of observing third-party engagements within social media. With an average response of 6.9, we discovered that the loyalty implications of observation were just as significant as those of participation, proving once again that social media is an effective avenue for building loyalty for brands, products and services.

When you observe a company engaging customers or prospects within social media, what effect does this have on your loyalty to that company's brand, product or service?*

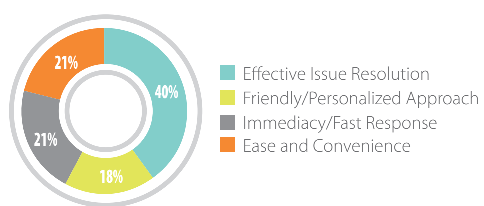


When interacting with a brand's customer service department via a Social Media Care channel, which characteristic is most important to you?

SOCIAL MEDIA CARE USERS**

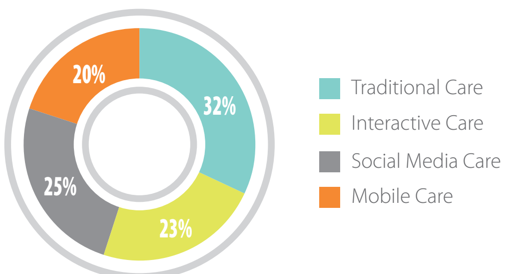


USERS OF ALL CHANNELS†

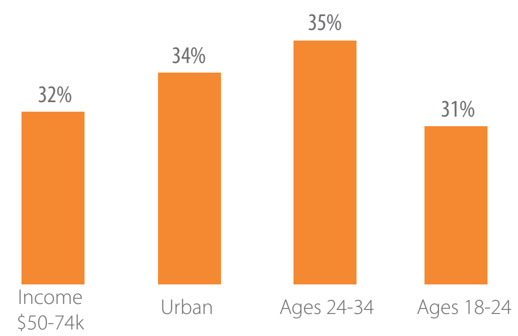


While loyalty to social media as a channel for customer care was not as strong as observed in either Interactive or Traditional, there were pockets of loyalty, particularly in urban and younger demographics.

If you knew your customer service issue would be resolved regardless of contact channel, which would be your preferred contact method?*



Demographic Most Loyal To Social Media Care*



*Methodology: Conducted by Google Consumer Surveys, June 03, 2014 – June 9, 2014 and based on 201 online responses. Sample: National adult Internet population. †Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 201 online responses. Sample: National adult Internet population.

MOBILE CUSTOMER CARE

Mobile Care, perhaps the most recent of the emerging channels, is the use of a mobile device as a means of resolving a customer care issue. The most popular vehicles for engaging customer care via a mobile device include apps, mobile chat and SMS/Text.

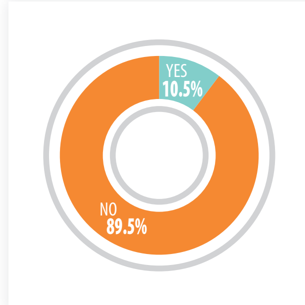
"At FedEx we strive to treat every package like the 'golden package,' and this includes all information and transactions associated with the package. So it was no surprise to me to find that the 2014 Consumer Edition revealed customers want effective issue resolution, immediacy/fast responses, ease and convenience and a friendly/personalized approach. Respecting customers' time and showing appreciation for their business means always striving to be better."

Ginna Sauerwein
Managing Director FedEx TechConnect

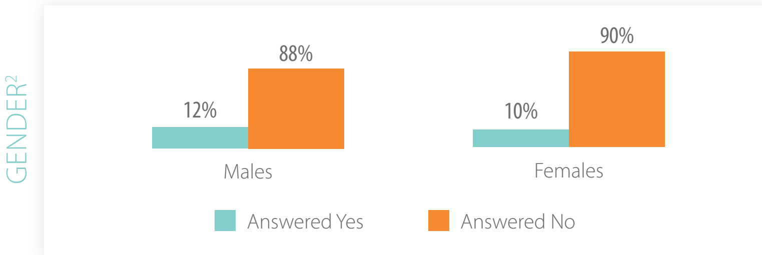
WHO USES MOBILE CUSTOMER CARE?

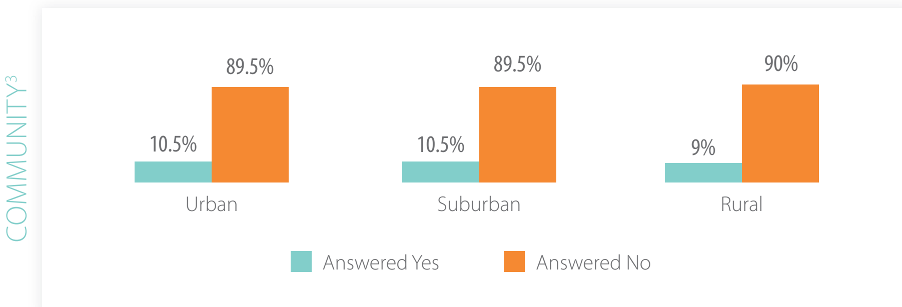
More than any other channel of care, use of Mobile Care was evenly distributed across all demographics. Only at the highest levels of income was there any noticeable divergence of use; but this is tempered by the fact that these results represent a small sample size (only 82 respondents had incomes at $100K or above).

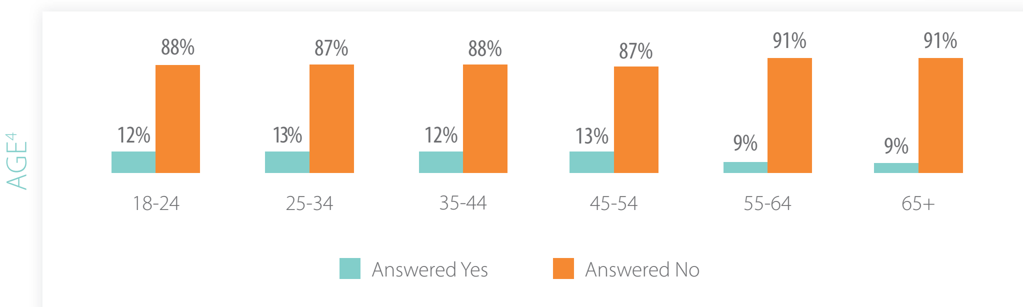
Within the past 12 months, have you had an interaction with a brand's customer service department via a Mobile care solution such as an App, SMS (Text) or Mobile Chat?[1]

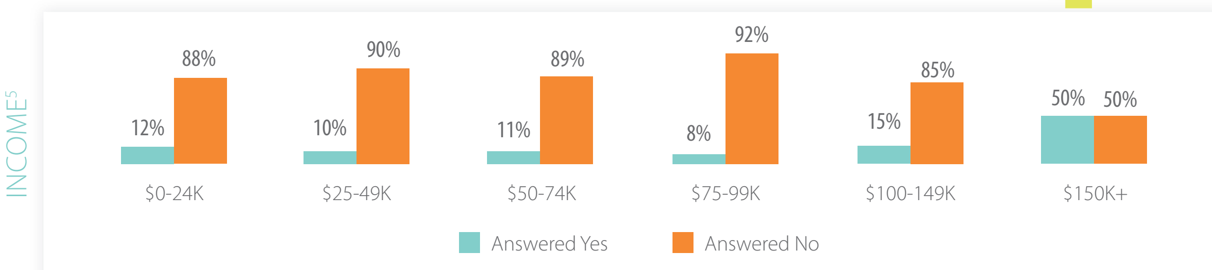


Here are the details:







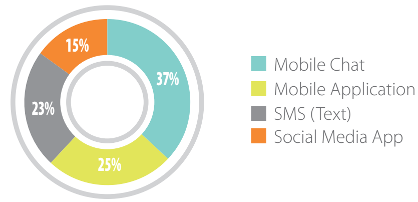


1 Methodology: Conducted by Google Consumer Surveys, June 3 2014 – June 4, 2014 and based on 5,505 online responses. Sample: National adult Internet population. 2 Methodology: Conducted by Google Consumer Surveys, June 3 2014 – June 4, 2014 and based on 3,895 online responses. Sample: National adult Internet population. 3 Methodology: Conducted by Google Consumer Surveys, June 3 2014 – June 4, 2014 and based on 5,403 online responses. Sample: National adult Internet population. 4 Methodology: Conducted by Google Consumer Surveys June 3 2014 – June 4, 2014 and based on 3,505 online responses. Sample: National adult Internet population. 5 Methodology: Conducted by Google Consumer Surveys, June 3 2014 – June 4, 2014 and based on 5,477 online responses. Sample: National adult Internet population.

HOW AND WHY CONSUMERS ARE USING MOBILE CUSTOMER CARE

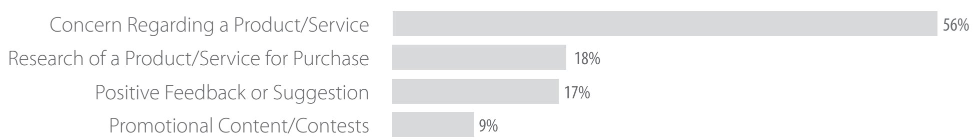
In combination, Mobile Apps (including Social Media Apps) were named by 40% of survey participants as the Mobile Care channel used most often over the past 12 months. With Social Media Apps counted as a stand-alone channel, Mobile Chat was the most prevalently utilized channel, with 37% of respondents indicating it as the Mobile Care solution they used most often.

Within the past 12 months, which Mobile Care solutions have you used the most to connect with a brand's customer service department?*

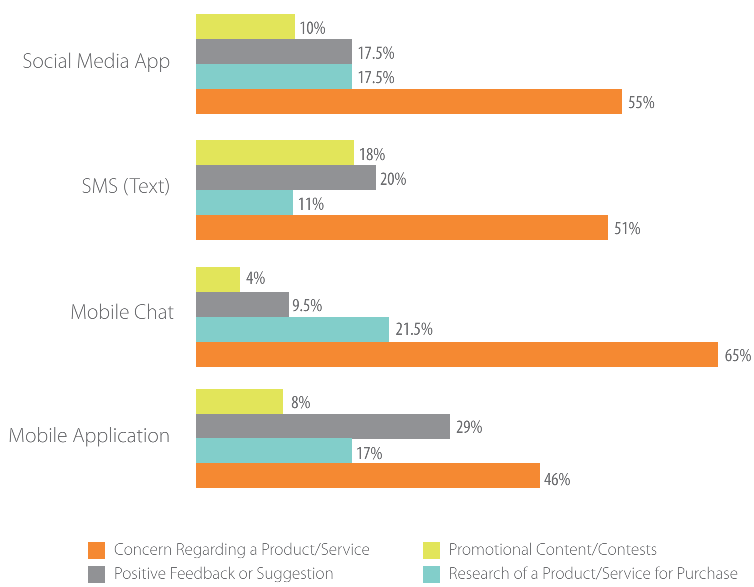


Consistent with most other channels of care (except Social Media Care), consumer engagements via the Mobile Care channel were mostly conducted with intention to resolve a "Concern Regarding a Product/Service":

Within the past 12 months, which scenario best describes your reason for a Mobile Care interaction with a brand and/or customer service department?*



For the same question as above by channel of contact*:

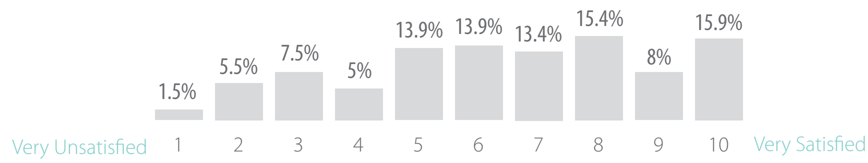


*Methodology: Conducted by Google Consumer Surveys, June 03, 2014 – June 4, 2014 and based on 201 online responses. Sample: National adult Internet population.

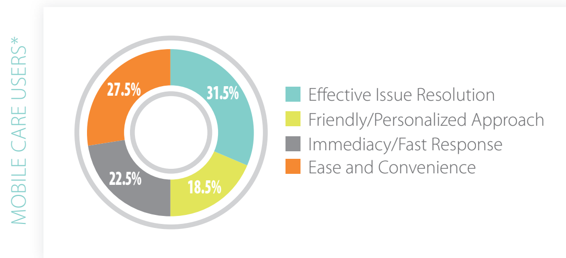
LEVELS OF SATISFACTION, EXPERIENCE PREFERENCES AND RESPONSE EXPECTATIONS

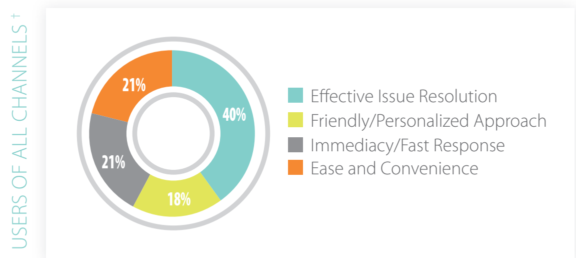
When asked to indicate the typical level of satisfaction (1 to 10) following an interaction via Mobile Care, the average response of survey participants was 6.6. This places overall satisfaction within Mobile Care on the positive side of the scale — higher than average satisfaction with Traditional Care (6.3) and tied with Interactive Care (6.6).

Within the past 12 months, what was your typical level of satisfaction with a brand's customer service department interaction via a Mobile Care solution?*



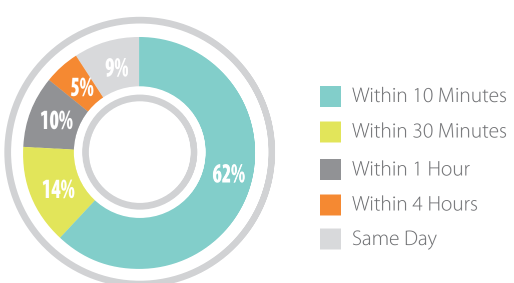
When interacting with a brand's customer service department via a Mobile Care channel, which characteristic is most important to you?





Similar to the Social Media Customer Care channel, we wanted to understand what consumer response expectations were for the Mobile Care channel. In the majority of demographic, expecting a response in 10 minutes or less polled at 58% or higher. The one exception was in the 18–34 age group, where fewer than 50% of respondents expected a response as quickly.

When interacting with a brand's customer service department via a Mobile Care solution requiring a human response, how quickly do you expect that response?*



If a brand offered a Mobile Care app that was helpful to you, would you be open to receiving information about new products and services as a part of that app?*

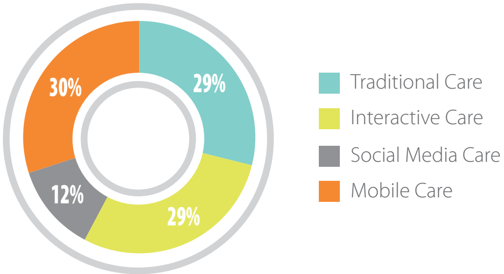
YES **59%**	NO **41%**

*Methodology: Conducted by Google Consumer Surveys, June 03, 2014 – June 4, 2014 and based on 201 online responses. Sample: National adult Internet population. †Methodology: Conducted by Google Consumer Surveys, May 12, 2014 – May 23, 2014 and based on 201 online responses. Sample: National adult Internet population.

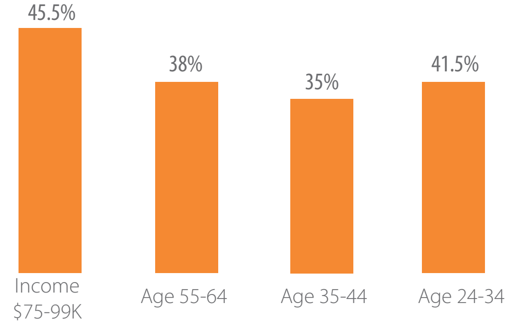
CHANNEL PREFERENCE AND THE IMPORTANCE OF MOBILE CARE

If they knew their issues would be resolved regardless of contact channel, Mobile Care users preferred using Mobile Care only slightly more than alternative channels. Only Social Media had a lower channel loyalty rate at 25%. The strongest pockets of loyalty were seen at middle- to high-income levels, and within two age groups — 25–34 years and, surprisingly, 55–64 years.

If you knew your customer service issue would be resolved regardless of contact channel, which would be your preferred contact method?*

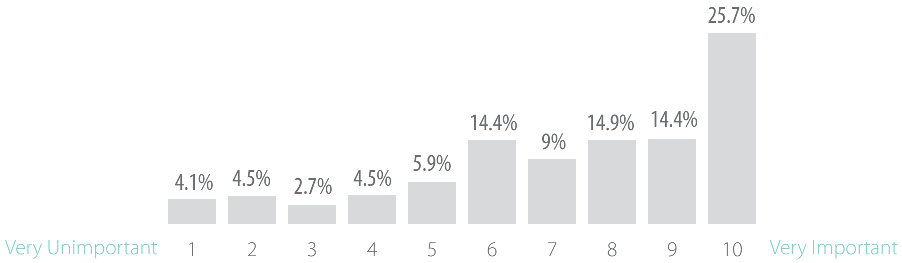


Demographic Most Loyal To Mobile Care*



Users of Mobile Care placed significant importance on a brand offering its customers help options via a mobile device. The importance of offering Traditional Care options was the only question that revealed a higher percentage of responses of 10. Like Interactive Care, the average of all responses indicating the importance of Mobile Care was 7.2, compared to 8.0 for Traditional Care.

In your opinion, how important is it for a brand's customer service department to offer help options via a mobile device such as Apps, SMS (Texting) and/or Mobile Chat?*



*Methodology: Conducted by Google Consumer Surveys, June 03, 2014 – June 4, 2014 and based on 201 online responses. Sample: National adult Internet population.

PRIORITIZING CONSUMER DESIRE FOR A FIRST CONTACT RESOLUTION

By Ginna Sauerwein, Managing Director, Customer Services
FedEx TechConnect

Meeting the expectations of customers has never been more challenging than it is today. Forty-two percent of consumers in the Consumer Edition of 2014 Customer Experience Management Benchmark Study indicate that their concern is "Never" or "Rarely" resolved in the first contact. This provides savvy companies with an opportunity to differentiate their brand and enhance customer loyalty by ensuring that all contact channels are convenient to use, as well as providing a good service experience, including resolving difficult issues.

At FedEx, not only is First Contact Resolution (FCR) a priority, we also focus on and measure our representatives' abilities to resolve every activity on every call, email, chat, etc. (all channels). We named this measurement the Activity Resolution Rate (ARR). If a customer places one call to track a package, book a pick-up and order supplies, this would be three separate opportunities to WOW the customer and resolve their three separate requests in a one and done fashion.

We knew we needed to do more than just communicate FCR to reap the benefits for our customers, so we changed our processes and business rules and started measuring and reporting on ARR. Awareness of the concept and its importance is a way to reduce customer effort and improve the customer experience. It also has a side benefit of improving individual and corporate performance.

We first had to determine the best definition of FCR for our organization. Our focus was on the customer experience and how we could improve. We also had to create something we could effectively manage and measure. We identified our measurements knowing it would not be "perfect," as there is no perfect measurement in large customer contact environments. We also did not let "best" get in the way of "better," and used the data and information we had to develop a measurement that would benefit our customers.

ARR has helped us identify systemic opportunities. It has also helped to identify business rules, policies, processes and practices that are driving repeat contacts rather than eliminating them. We have removed some barriers that don't make sense and removed some processes that were handicapping our contact center employees. ARR has been a win for both our customers and employees. The opportunities identified by ARR have led to improvements through prescriptive coaching, and the changed behaviors have led to a better customer experience.

Organizations wishing to improve their FCR must take a holistic view of their operations, processes, measurements and feedback, and come to the realization that this is an ongoing and never ending process of continuous improvement.

Ginna Sauerwein *is the director of Customer Service Operations at FedEx TechConnect. Based in Irving, Texas, Sauerwein oversees multiple customer contact centers including reps working remotely from home. The centers provide 24x7 multilingual customer information services for all the FedEx operating companies. Through her direction Sauerwein inspires the agents and customer advocates to provide superior customer service and uphold the FedEx Purple Promise to "make every FedEx experience outstanding." In addition, Sauerwein is responsible for defining Premier Programs and implementing new channels including social media, chat, video-chat, technical services support for .com and support for FedEx Office. Through her leadership, FedEx has implemented industry leading specialized routing systems to create improved productivity and increased customer satisfaction. Before assuming her current role, Sauerwein played a key role in the planning and implementation of a Spanish customer service module in El Salvador designed to serve the growing number of Spanish-speaking customers.*

Since joining FedEx in 1984, Sauerwein held a number of positions in Operations before moving to Customer Service in 2002. Her experience managing Domestic Ground Operations and Air-Ground and Freight Services both domestically and internationally has given her a comprehensive understanding of the nuts and bolts of FedEx, an understanding that serves her well in her Customer Service work.

ABOUT THE STUDY'S METHODOLOGY

Google Consumer Surveys reports on the inferred age and gender of anonymous respondents based on the websites users visit, as well as their location based on IP addresses. Income and urban density are then approximated using census data for particular geographic regions. Inferences, as they related to these categories, may not be available for all survey participants.

Please note that it's possible that Google Consumer Surveys may mis-categorize people. For example, if someone visits websites that are usually frequented by younger people, they may be categorized as younger than their actual age. Similarly, if a household uses a shared computer, we may categorize that "user" based on the combined interests of the household.

Provided the complexities of qualifying for this survey, we present un-weighted findings. When targeting an audience representing the U.S. Internet population, Google Consumer Surveys attempts to find respondents that match the distribution of people in the U.S. by age, gender and location as reported in the U.S. Census Current Population Survey (CPS). When outliers were observed in the data as they relate to the inferred age, income, gender and urban density, we made an effort to highlight these findings.

ABOUT THE STUDY'S AUTHORS

For over a decade, Execs in the Know has built a reputation of excellence in the Customer Experience Industry and a worldwide community of over 40,000 customer experience professionals. They advocate excellence in the Customer Experience which is only possible through knowledge, drive and the power of people. You will find these people in the Execs in the Know Community.

Execs in the Know connects people to great industry content, thought leadership, current industry development, peer to peer collaboration, networking and industry employment opportunities. The Customer Response Summit, Blog Talk Radio, Industry Benchmarking and blogs are a few of the ways that Customer Experience leaders take advantage of the knowledge and power in the Execs in the Know Community.

For more information, visit *ExecsInTheKnow.com*

Driven by innovation, Digital Roots provides industry leading solutions that power efficient and effective customer engagement strategies across the social sphere. Our software is backed by proprietary technology that collects, analyzes and distributes more social engagement data than any other provider. By offering strategic support, creative consulting and resource management, Digital Roots is more than just a software tool — we're an end-to-end solution that ensures measurable success and a strong ROI. We've made it our mission to work with clients to retain customers, increase revenue and enhance their brand's online reputation.

Since inception in 2009, Digital Roots solutions have powered the social care programs of numerous large, enterprise operations — supporting brands that are recognized as leaders in the social media engagement space. Digital Roots currently supports dozens of brands, 80% of which are counted among the Fortune 500. This success has helped place Digital Roots at #567 on INC 5000's 2014 list of America's fastest growing private companies.

For more information, visit *DigitalRoots.com*