

THE CORPORATE

# PERSPECTIVE

**Exploring Multi-Channel Customer Care** 



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#### **PREFACE**

Since 2012, when the Customer Experience Management Benchmark (CXMB) Series was first released, the customer experience (CX) industry has undergone tremendous transformation. Along with new tools and technologies, the industry has seen shifting priorities and a renewed focus on the consumer. The mission of the CXMB Series has always been to explore and document these changes, as well as the state of the CX industry at large. The 2015 Corporate Edition does so with more depth and detail than ever before.

This year's survey was composed of 102 unique questions, many with follow-ups requesting additional detail. As in years past, the survey sought to explore new topics and areas of interest. This year, those topics included expeditions into multi-channel support and the balance between autonomous/self-help solutions and live support. These topics were also strongly represented in the previously released Consumer Edition, creating the opportunity for some interesting results comparisons, many of which can be found in the **Consumer Research Comparisons section** (Page 67).

In keeping with the well-established format of years past, the 2015 Corporate Edition of the CXMB Series divides research results into two main parts. The first is typically focused on industry-wide insights in the areas of strategy and program results, while the second part is a channel-by-channel readout, defined and subdivided in the following fashion:

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

As the CXMB Series moves into its fifth consecutive year of publication, every effort will be made to continue to provide the insights and perspectives that can help CX professionals achieve excellence at their respective organizations.

#### A few highlights from the 2015 Corporate Edition of the CXMB Series:

- 79% of Corporate survey participants continue to believe that their companies are meeting the needs and expectations of customers, while only 33% of consumers report having their needs and expectation met
- 71% of corporate participants believe a first contact resolution (FCR) is provided "Always" or "Often," versus 49% of consumers who report receiving an FCR "Always" or "Often"
- Every channel of care experienced net growth in 2015, with Traditional Care continuing to grow the most, based purely on volume
- Nearly two-thirds of companies are diverting focus away from Traditional Care toward self-help/autonomous options, even though there's strong indication that the majority of consumers prefer live interactions to automated/self-help solutions

#### A NOTE FROM THE STUDY'S AUTHORS

The Corporate Edition of the CXMB Series is the culmination of the energy and efforts of many individuals. But the fact is, this report could not be realized without the support and goodwill of our corporate participants. This year, more than 70 individuals shared their time, knowledge and experience by completing our survey; and we gratefully acknowledge and thank them for their invaluable contributions.

The combined results of the 2015 Corporate and Consumer Editions of the CXMB Series saw a number of divergences, strengthening trends and a few new surprises. As we develop our research plans for 2016, we are eager to explore these topics in greater detail, continuing to evolve this series to best position our audience for what comes next in the customer experience space. Additionally, we continue to welcome and encourage any and all feedback and input from the CX community. Knowing what our target audience is impassioned about not only helps us understand if past research aligned with top-of-mind topics, but also helps to shape our future research efforts.

We hope we'll be able to count you among our readers when we release the next installment in the series, the 2016 Consumer Edition, in the fall of 2016.

Sincerest regards,



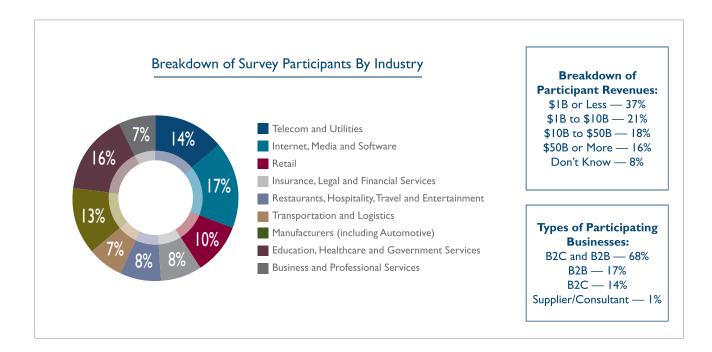


Throughout the report, you will notice a number of different call-outs (referenced below). These are used to indicate findings of particular uniqueness or significance. **Strategic** Survey results focusing on program strategies and priorities. INSIGHT Operational Findings centered on program results and operational indicators. INSIGHT Strengthening Signifies when a result has defined or strengthened a trend in the data. **TREND NEW** Indicates a new survey question for 2015. Question Consumer Highlights profound disconnects between Consumer and DISCONNECT Corporate Edition results.

## **ABOUT THE SURVEY'S PARTICIPANTS**

Survey participants were spread over nine industry sectors, with three (Internet, Media and Software; Telecom and Utilities; and Education, Healthcare and Government) composing 47% of participant companies. Just as in 2014, 25% of this year's survey participants are counted among the most recent Fortune 500 U.S. and/or Fortune 500 Global lists. Like last year, we have partitioned these results to provide additional context and insight.

We are grateful to the many individuals who took the time to contribute their knowledge and expertise to this year's dataset. This report is made possible only through their valuable contributions.



A special thank you to these and the many other brands that contributed their time and effort to this year's benchmark results:















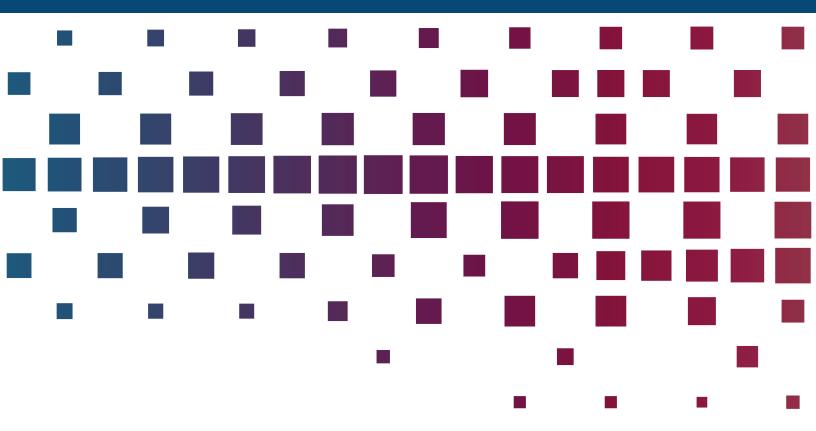








# **SURVEY RESULTS**

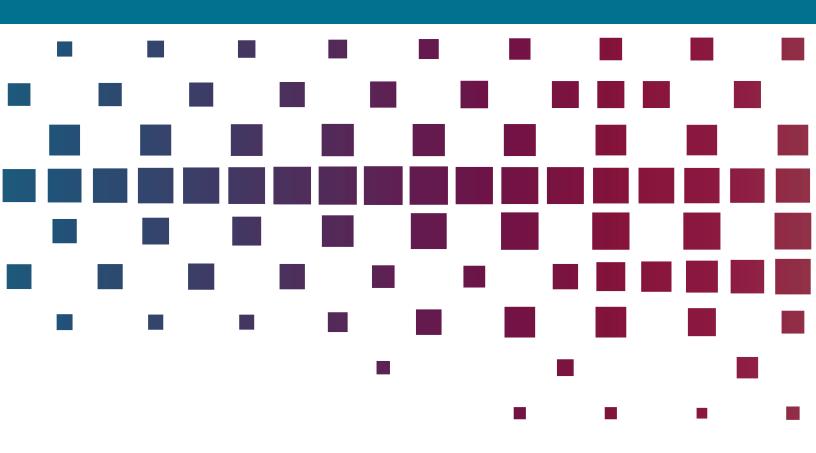


# STRATEGIC AND OPERATIONAL INSIGHTS

■ PROGRAM STRATEGIES ■ OPERATIONAL RESULTS ■ STAFFING



Program priorities. Planned changes. Opinions about consumer preference. These and many other topics are covered in the Program Strategies section, providing keen insight into how customer experience leaders perceive their current programs, and where they see them headed in the future.

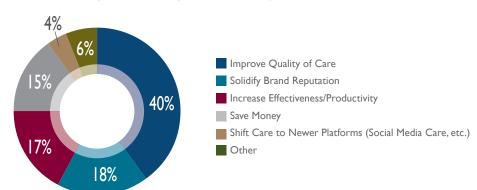


#### PRIORITIES AND PLANS

In 2015, customer experience leaders increased their commitment to improving quality of care, indicating it as a top priority more than any other single area of the business (40%). While improving quality of care was also the top priority last year, this year it represents the overwhelming priority. This is great news for consumers. Among all possible answers to the question below, "Improve Quality of Care" is the option most likely to translate into an improved customer experience.

What was the top priority of your company's leadership regarding customer experience management over the past 12 months?





#### **Top Three Results From Previous Surveys:**

#### **2014 RESULTS:**

Improve Quality of Care: 35%
Increase Effectiveness/Prod.: 31%
Solidify Brand Reputation: 15%

#### **2013 RESULTS:**

Solidify Brand Reputation: **53**% Increase Effectiveness/Prod.: **29**%

Save Money: 13%

#### **2012 RESULTS:**

Solidify Brand Reputation: 41% Increase Effectiveness/Prod.: 24%

Save Money: 19%

Does your company have any plans to shift customer care away from its existing strategy and/or setup?

Responded "Yes" to the above survey question:



**2015: 34%** 2014: 28% 2013: 22%

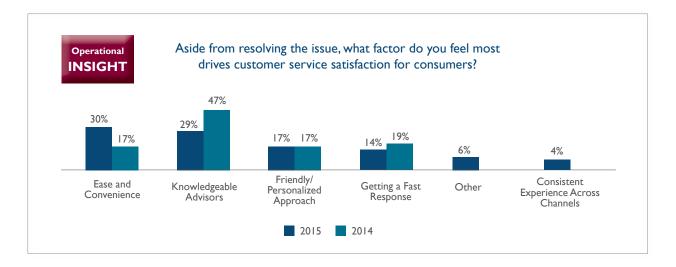
While still not representing the majority of survey participants, the prevalence of change has been steadily increasing since we first asked this question in 2013.

In a follow-up question for those indicating "Yes" to the question at left, we asked for details about the expected shift. Far and away, the most common response pertained to self-help. Nearly half of all follow-up responses indicated the introduction or expansion of self-help and/or automated solutions as an area of focus. The second most commonly noted area of change centered around providing consumers with more channel options — a change that aligns strongly with consumer demand. Updating/reconfiguring CRM systems was also mentioned with regularity.

#### DRIVING SATISFACTION

In a question first asked last year, there was a surge in the number of respondents who pegged "Ease and Convenience" as the top driver of CSAT (aside from issue resolution), now edging out "Knowledgeable Advisors." This represents a year-over-year increase of more than 75%, with all gains coming at the expense of "Knowledgeable Advisors" (-38%).

These results are especially interesting in comparison to findings from the 2015 Consumer Edition.\* In that study, consumers were asked which characteristic of customer service was most important to them. While a detailed comparison can be found in the **Consumer Research Comparisons section (Page 69)**, it's worth noting that consumers indicated "Ease and Convenience" less often than all other options except "Consistent Experience Across Channels." This disconnect emphasizes the point that companies must truly understand the CSAT drivers of their customers, and work to meet those needs.



Has there been a substantial change in any channel that has taken you by surprise?

Responded "Yes" to the above survey question:

**2015: 6%** 2014: 20%

Only a handful of respondents were surprised by any specific channel changes in 2015. These pertained mostly to increased resource demand among alternative channels (social media and online chat), and reduced volumes in Traditional Care volumes specific to email.

As a customer experience professional, do you feel you need more training and development on alternative channels and the strategies to support them?

Responded "Yes" to the above survey question:

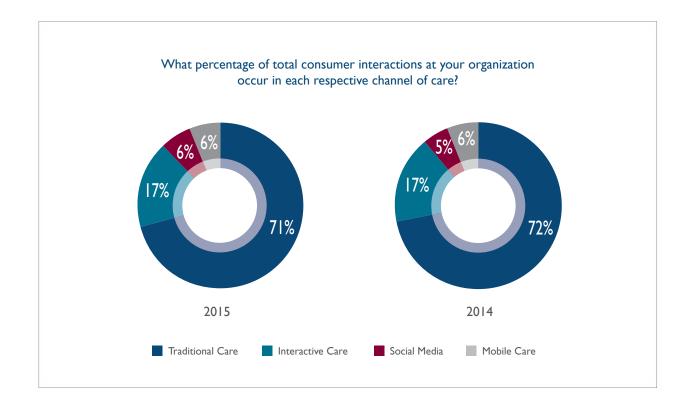
**2015: 45%** 2014: 70%

Alternative channels are increasingly viewed as outdated, so it comes as little surprise that fewer CX professionals feel they need additional training and development in this area. Among those indicating the need for more training/development, top areas of interest included channel best practices, achieving internal alignment, channel integration and gaining a deeper understanding of the available tools and technologies.

\*CXMB 2015 Consumer Edition, published September 27, 2015.

#### INTERACTION TRAFFIC

For the second straight year, survey participants were asked to indicate what percentage of their total consumer interactions occur in each respective channel of care. The responses received in 2015 were strikingly consistent with those of 2014. The bulk of consumer interactions continue to take place within the Traditional Care channel. The second most often utilized channel of care continues to be Interactive Care, with Social Media Care and Mobile Care splitting the balance. Since no small number of firms indicate they are actively trying to shift traffic from email into alternative channels (such as chat or social media), it is logical to conclude that phone traffic may have grown in the past 12 months to maintain balance. Survey results specifically related to growth can be found in the **Operational Results section (Page 16)**.





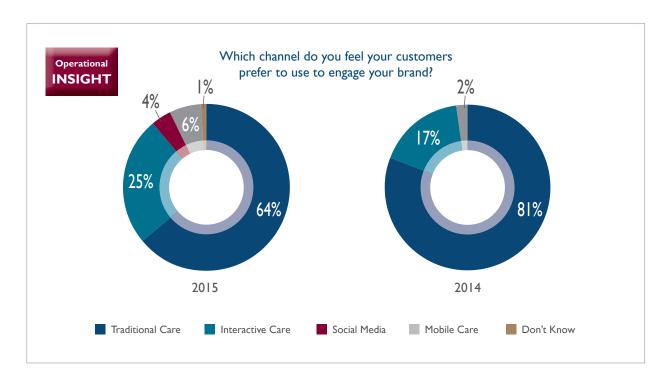
Does your organization utilize a shared CRM system that combines information from all contact channels?

**YES: 49%** 

In a brand new question for 2015, we asked participants to indicate whether or not they utilize a shared CRM system. Developing such systems, as well as tackling disparate data silos, have presented notorious challenges for the CX community in recent years. The good news is that nearly half (49%) of survey participants have managed to overcome these obstacles. This results in a much more seamless and pleasant experience for consumers regardless of whether they take a single- or multi-channel approach to having their customer care issues resolved.

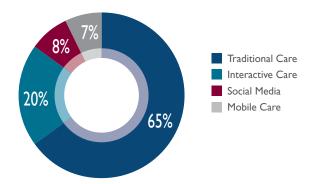
#### CONSUMER CHANNEL PREFERENCE

For a number of years, the CXMB Series has examined the question of consumer channel preference. This has been done both from the consumer and corporate perspectives. This year's combined results are unique in that they are more closely aligned than at any other time in the CXMB Series' history, suggesting a maturation on behalf of customer experience professionals in understanding consumer preference. Also for the first time, the corporate perspective is more closely matched to reported channel volumes (previous Page). Together, these results highlight how important it is for brands to provide a variety of solution channels, while also understanding the channel preferences of their customers.



#### The Consumer's Perspective\*

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



Traditional Care continues to lead the way when it comes to consumer channel preference. The channel actually strengthened its position in 2015, moving from 50% in 2014 to 65% in 2015, representing a strong 30% year-over-year gain. The majority of these gains came at the expense of Mobile Care (-56% YoY) and Interactive (-20% YoY).

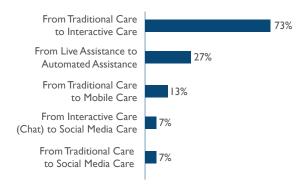
\*CXMB 2015 Consumer Edition, published September 27, 2015.

#### CHANNEL SHIFT AND INTEGRATION

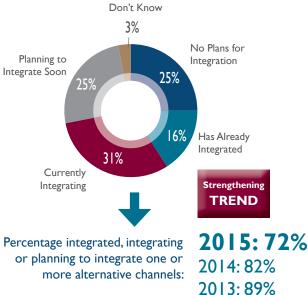
Is your organization actively trying to shift engagement traffic from one channel to another?

YES: 47% **↓** 

#### From where to where? (Select all that apply)



Where does your company stand on integrating alternative channels (Interactive, Social Media, etc.) into the Traditional Care channel?





Do you feel your company is beginning to divert focus away from traditional avenues of assistance into autonomous (self-help) options?

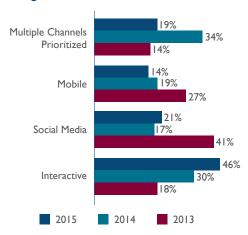
Responded "Yes" to the above survey question:

**2015: 63%** 2014: 55% 2013: 53%

Nearly half of survey participants indicated they are actively trying to shift traffic from one channel to another, with the majority working to shift traffic from Traditional Care to Interactive Care. A number of these companies also indicated that moving from Live Assistance to Automated Assistance was at the heart of their plans. Given consumers' renewed desire to deal with a live agent, brands need to be careful they are not forcing their customers into a resolution journey that's not the preferred path, or into a channel incapable of providing resolution. For more information on consumer opinion regarding live interactions, see the **Consumer Research Comparisons section (Page 71).** 

In 2015, a new answer option ("Planning to Integrate Soon") was added to the question regarding the integration of alternative channels into Traditional Care (left). Regardless of this modification, 2015 saw a continued decline in the number of firms making a move to integrate, while Interactive Care continued to increase its level of integration prioritization among all firms.

Which alternative channel does your company prioritize when it comes to integration with the Traditional Care channel?



## **PROGRAM STRATEGIES - CONCLUSIONS**

#### **KEY FINDINGS**

- Brands have galvanized around improving quality of care as the top customer experience priority
- A third of companies plan to shift away from their current customer care setup, while two-thirds will stand pat
- Nearly two-thirds of companies are diverting focus away from Traditional Care toward self-help/autonomous options

Results from the 2015 survey show that one-third of companies plan to shift their customer care programs away from an existing strategy/setup. That leaves two-thirds of companies with plans to stay the course.

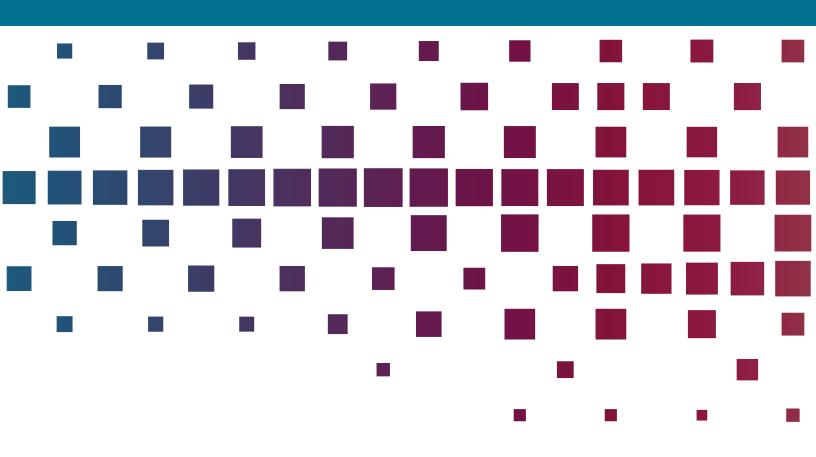
Combine this with a historically low rate of individuals who feel they need more training on alternative channels (45%) and an even lower historical rate of individuals surprised by any specific channel change (6%), and 2015 almost reads like a year for CX professionals to catch their breath. Almost.

In the coming months, the biggest challenge facing customer experience managers is a balancing act. On the one hand, there is a strong push to move toward lower-cost self-help and autonomous solutions. On the other hand, interaction volumes, growth trends and even consumers themselves, all indicate Traditional Care isn't going anywhere. This indicates companies have to be careful about reducing the resources and means available to Traditional Care. The main reason for this: Traditional Care is at the crossroads of virtually every multi-channel journey. This is important because a positive multi-channel experience is often the encouragement many consumers need to rely more heavily on alternative channels. Brands would do well to continue to support Traditional Care like the foundation it is, especially since most alternative channels are still ramping up in functionality and capability.

# CRITICAL QUESTIONS BRANDS SHOULD BE ASKING THEMSELVES:

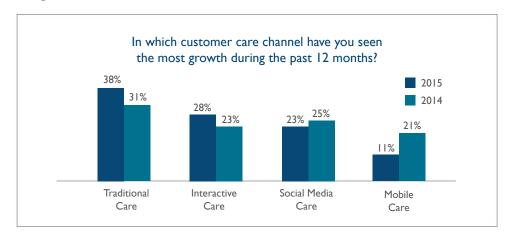
- Are shifts in our program strategy/setup aligning not only with industry trends (technology, processes, best practices, etc.), but also with the needs and expectations of our customers? Do we even understand the needs and expectations of our customers?
- Will our customers' shift toward alternative channels be gradual, and depend heavily upon a positive multi-channel experience? Do most of our customers' multi-channel journeys pass through Traditional Care? If so, are we prioritizing excellence in the Traditional Care channel as an enabler of channel shift?
- Continued focus on Quality of Care is essential, but are our efforts having a positive impact across all of our channels? Are we assuming that improving the customer experience is now a multi-channel discipline?

The results are in, and 2015 saw continued and strong growth across all channels. The Operational Results section explores this growth, and also reflects on operational performance as well as the methodologies and processes for measuring that performance.



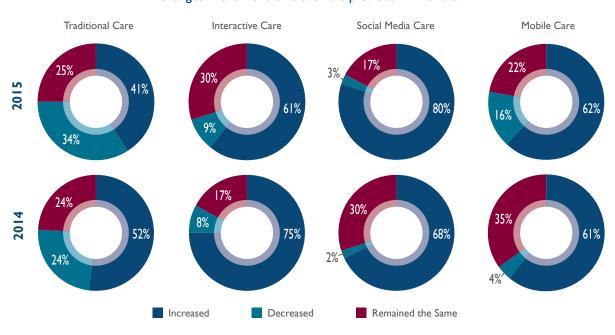
## OVERALL GROWTH AND CHANNEL TRAFFIC CHANGES

Like last year, Traditional Care was designated as the channel of most growth by the highest percentage of survey respondents, even increasing the already sizable margins from the 2014 results. But even with this increase, the largest year-over-year mover was Mobile Care, though to the downside. In 2015, Mobile Care saw an almost 50% drop in the percentage of companies naming it as the channel of most growth, moving from 21% in 2014 to 11% in 2015. Additional data points, such as consumer channel preference, provide additional evidence of a slowdown in Mobile Care growth.



Widespread channel growth continued to be the theme in 2015. Consistent with 2014 observations, Traditional Care continues to see the most overall volume growth (above), while changes in channel traffic (below) show widespread increases among the alternative channels. Social Media Care saw the most widespread growth in 2015, with 70% of respondents indicating an increase in channel traffic, while only 2% of survey participants indicated a decrease, the lowest rate of decrease among all channels.

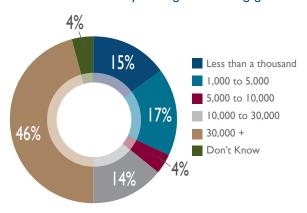
#### Changes in channel traffic over the previous 12 months:



#### TRAFFIC VOLUMES AND SELF-HELP

More than anything else, the question of interaction volume (right) is meant to characterize the size and activity level of **CXMB Series Corporate Edition survey** participants. That said, this year's results were very consistent with last year. Case in point: 2015 saw 60% of participating firms conducting 10,000 or more unique customer care interactions per week. Last year, the percentage of companies that conducted 10,000 or more unique customer care interactions per week stood at 63%. This helps confirm a similar makeup between participant pools, helping to bolster the significance of year-over-year trend lines.

In a given week, how many unique customer care interactions does your organization engage in?

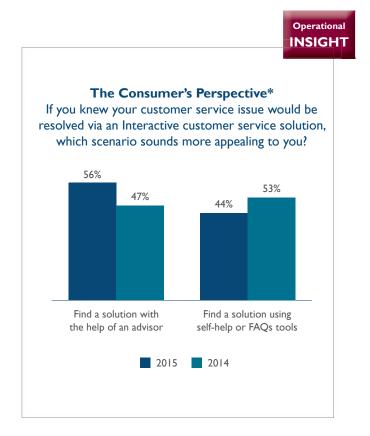


What percentage of your organization's total engagements are automated versus human-to-human?

Automated: 31% Human-to-Human: 69%

In this year's Consumer Edition of the CXMB Series, consumer preference between Automated Assistance and Self-Help proved to be a hot topic. A number of findings seemed to challenge the widely held notion that consumers prefer self-help over live assistance. This raises interesting questions about long-term CX strategies, especially as they apply to traffic shifting and the expansion of automated solutions. Is this trend going to continue? Can future solutions address consumer concerns with the automated approach to resolving issues? How will consumers react to increasing channel shifting?

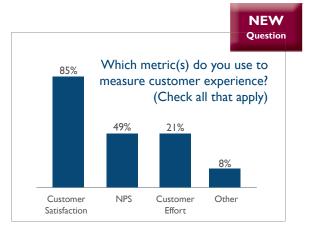
This topic is explored in greater detail in the Consumer Research Comparisons section (Page 71).



\*CXMB 2015 Consumer Edition, published September 27, 2015.

# MEASURING CUSTOMER EXPERIENCE AND MEETING CONSUMER NEEDS

In a new question for 2015, survey participants were asked to identify which metrics they were currently using to measure customer experience. While this question will provide an interesting perspective as it trends out, year one offers evidence of the prominent position of both CSAT and NPS scores in measuring customer experience. Among the 8% who selected "Other," First Contact Resolution (FCR) was the universal write-in answer when participants were asked to clarify.



Do you feel your customer care organization is generally meeting the needs and expectations of your customers?

2015 — YES: 79%
2014 — YES: 88%

The Consumer's Perspective\*

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

78%

67.5%

YES

NO

2015

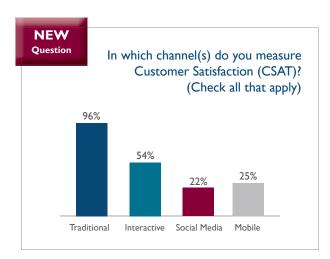
2014

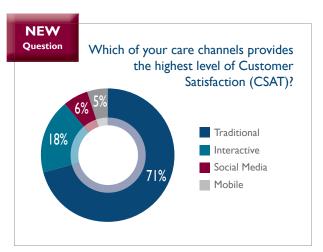
The vast majority (79%) of CXMB Series corporate survey participants continue to feel their organizations are generally meeting the needs and expectations of customers, even with a moderate retreat from 2014 (-10%). In analyzing the 21% of companies that answered "No" to this question, a couple of interesting anomalies emerged. First, only 31% of "No" responders utilize a shared CRM system, compared with 55% of "Yes" responders. Furthermore, only 36% of "No" responders provided an FCR "Always" or "Often," compared to 82% of "Yes" responders. While a shared CRM system and higher FCR rates might not be a pair of silver bullets, the correlations certainly warrant mention and consideration.

It can certainly be said that people are more likely to remember the negative while taking the positive for granted. With this truism in mind, consumer opinion regarding met needs and expectation continues to lag drastically behind corporate perception. An in-depth analysis of this difference can be found in the **Consumer Research**Comparisons section (Page 68).

\*CXMB 2015 Consumer Edition, published September 27, 2015.

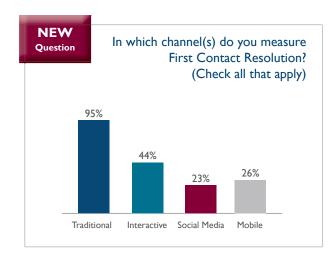
#### CSAT AND FCR

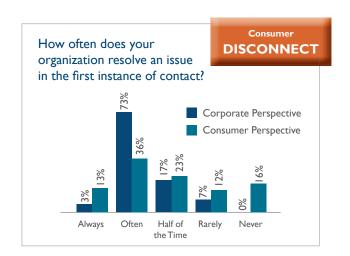




In a set of three new questions (and a previous one), the 2015 CXMB Series Corporate survey explored practices related to CSAT measurement and FCR rates. Alternative channels see fairly low rates of CSAT tracking in comparison to Traditional Care's 96%. Not surprisingly, this translates to a much higher percentage of companies indicating Traditional Care as the channel that provides the highest level of CSAT. To truly understand where each channel stands in terms of delivering CSAT, measurement must become more widespread across channels.

In a fashion identical to what is reported in CSAT surveillance, FCR is monitored in the Traditional Care channel far more often than in alternative channels. This imbalance of monitoring practices presents a significant opportunity, especially when viewed in the context of the huge disconnect between consumer opinion and corporate perception in regards to FCR. With 51% of consumers indicating that they receive an FCR half of the time or less, companies need to step up their measurement of this key driver of CSAT. A deeper analysis of this consumer disconnect can be found in the **Consumer Research Comparisons section (Page 72).** 





#### **OPERATIONAL RESULTS - CONCLUSIONS**

#### **KEY FINDINGS**

- According to results from the 2015 Consumer Edition, brands continue to overestimate their ability to meet the needs and expectations of consumers
- The rates at which CSAT and FCR are measured within alternative channels lag far, far behind the measurement rates within the Traditional Care channel
- Every channel of care experienced net growth in 2015, with Traditional Care continuing to grow the most based purely on volume
- Social Media Care saw the most widespread growth with increases in channel traffic reported at 80% of surveyed firms

With engagement volumes generally increasing across all channels, customer experience managers are faced with tough decisions about where to allocate limited resources. Further complicating the issue, these decisions need to be made based not only on today's utilization levels, but also on where utilization levels might be in 12–24 months.

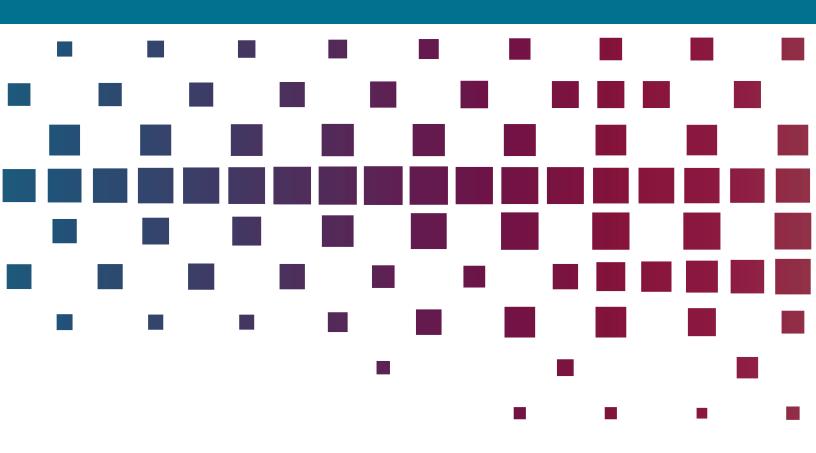
Regardless of where resources are shifted to and why, the central question key decision makers need to be asking is, "What is the impact on our customers?" One of the most effective tools in answering this question is through accurate and consistent CSAT and FCR measurement. With the industry already greatly overestimating its ability to meet consumer needs and expectations, making significant shifts in resource allocation without gauging the full impact could further erode consumer opinion regarding customer service performance.

# CRITICAL QUESTIONS BRANDS SHOULD BE ASKING THEMSELVES:

- Are we doing enough to measure CSAT and FCR across all channels of care? Are we consistent in our application of these measurements, regardless of channel?
- Outside of a formulaic CSAT measurement, do we understand what our customers truly think about the customer experience with our brand? Do we truly know what's working and what's not?
- What logic are we using to determine which channels get additional resources, or have resources reduced? Is it based on current or future channel utilization? Growth? Need? How do changes in the allocation of resources impact our quality or care?

# **STAFFING**

The Staffing section examines questions about cross-channel, program-wide staffing practices. These questions focus on the areas of hiring requirements, recent changes and the availability of simultaneous multi-channel support.

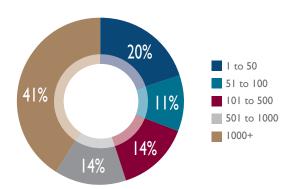


#### **STAFFING**

#### STAFFING OVERVIEW

Companies indicate a year-over-year consistency with the types of resources used to handle customer care engagements. The results from 2015 are identical to those of 2014, with 63% of participating companies utilizing company employees to conduct the bulk of their engagements. In observing the staffing trends among individual channels over the past 12 months, insourcing moves dominated the Traditional and Mobile Care channels, while outsourcing was ubiquitous with the Interactive and Social Media Care channels.

How many Full-Time Employees (FTEs), both internal and external, are employed by your company's customer care organization?



Has your customer care team been staffed in the same way over the past five years or has it changed? (Check all that apply)

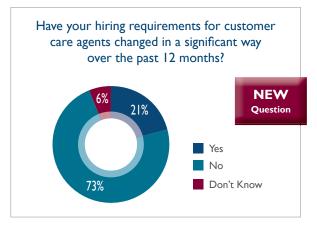
Same (unchanged): From Internal to Outsourced: From Outsourced to Internal: From Onshore to Offshore: From Offshore to Onshore:	26%	2014: 65% 20% 15% N/A N/A	2013: 73% 13% 13% N/A N/A
Don't Know:	0,0	N/A N/A	N/A N/A

Are the bulk of your customer care engagements carried out by company employees or an outside provider?

Company Employees: 63%
Outside Provider: 37%

Like the survey result in the previous section regarding total interaction volumes (Page 17), the results at left serve to provide context for the participants in this year's corporate survey. Last year, 72% of survey participants fielded 100 or more FTEs in support of their customer care operations. This year, that number is 69%, placing this and last year's survey groups very much on par with each other.

While an absence of change continues to typify the landscape of customer care staffing, the percentage of firms that report no change has been steadily declining. There was also an uptick in outsourcing (as well as a decline in insourcing) for the Interactive and Social Media Care channels.



In a new question for 2015, survey participants were asked about changing requirements for agent hiring. About one-fifth of respondents indicated a significant change over the past year. In a follow-up question, those indicating a change were asked to provide details. The primary change was increased screening with a preference for soft skills (such as empathy) and familiarity with digital channels like social media and click-to-chat.

#### **STAFFING**

#### MULTI-CHANNEL SUPPORT

Does your organization deploy agents who provide customer care via multiple channel solutions simultaneously (i.e., via Phone and Chat)?

YES: 52%

NO: 47%

Don't Know: 1%

In a series of new questions for the 2015 Consumer Edition of the CXMB Series, consumers were asked about their experiences when taking a multi-channel path to issue resolution. The topic of multi-channel support has been extended into the Corporate Edition in a series of three questions concerning staffing practices. Initial findings reveal about half of organizations staff multi-channel agents. Participants were also asked to indicate what percentage of consumer interactions were occurring across channels, providing an average response of nearly 30%.

What percentage of consumer interactions resulting in a resolution are conducted across multiple channels?

28%



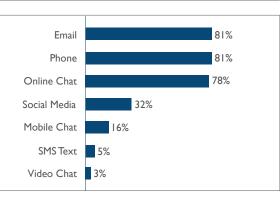


For which channel solutions do your agents provide simultaneous cross-channel support? (Check all that apply)

**NEW** 

Question

Traditional Care channels, as well as Interactive Care (Online Chat), stand at the center of the multi-channel approach. While the exact multi-channel mix of individual agents is unclear, these results provide some insight into which individual solutions are targeted.



#### The Consumer's Perspective\*

With two-thirds of consumers taking a multi-channel approach to customer service issues, businesses need to carefully consider the best model for staffing to help ensure multi-channel efficiency, effectiveness and ease. The Consumer Research Comparisons section (Page 73) offers a breakdown of the channel solutions consumers are utilizing as a part of their multi-channel journey, and provides insights into how businesses can better strategize and prioritize their multi-channel approach.

Within the past 12 months, did you use multiple channels to resolve a single customer service issue?

**67**%

#### Top Drivers of a satisfactory/dissatisfactory multi-channel experience:

#### **Satisfactory**

- Greater options to reach resolution
- Made the process easier
- Quicker resolution
- More convenient and flexible
- Access to more information
- Allowed for resolution on my timing and terms
- Better communication

#### **Dissatisfactory**

- Took more effort and time
- Too complicated and frustrating
- Automated systems were ineffective
- Made it more difficult to reach a human
- Some channels seemed like a waste of time
- Same runaround in multiple channels

\*CXMB 2015 Consumer Edition, published September 27, 2015.

#### **STAFFING - CONCLUSIONS**

#### **KEY FINDINGS**

- Like last year, the majority of survey participants (63%) continue to rely on company employees for the majority of customer care interactions
- Few companies (21%) have significantly changed their hiring requirements for advisors over the previous 12 months
- About half of survey participants utilize multi-channel agents, mostly covering phone, email and online chat
- In aggregate, survey participants indicate that about 28% of all interactions are occurring across channels

By and large, staffing within the customer care space has remained stable over the past 12 months. The most common change to occur was outsourcing/offshoring, but this change was most closely correlated with the Interactive and Social Media Care channels.

The 2015 Corporate Survey included a new question asking about significant changes in the hiring requirements for new advisors. As technology and consumer expectations change in rapid fashion in the near future, this is an area where many firms will take a second look. Furthermore, this is a question that deserves equal consideration, whether new agents are direct hires or come into the program via an outside provider.

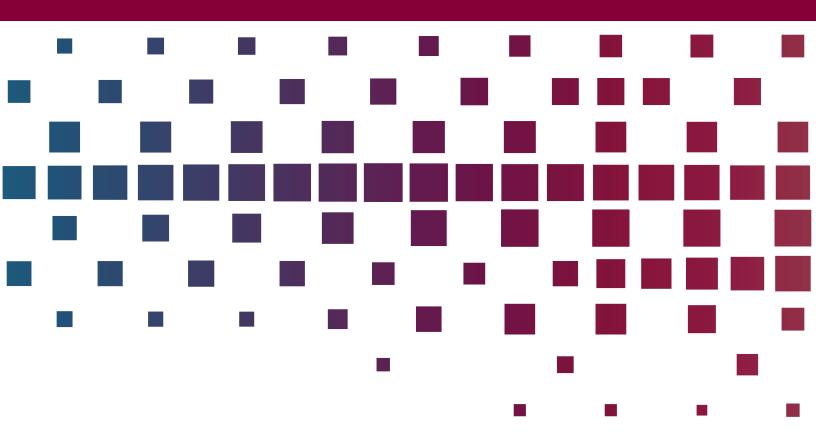
In another set of new questions, 67% of consumers reported to have a least one multi-channel engagement in the previous year. In a related question, when asked what percentage of total customer care traffic was occurring across channels, corporate survey participants provided an average response of 28%. Clearly, this demonstrates that consumers who have taken a multi-channel approach are not doing so the majority of the time. This is sure to change, especially as the multi-channel approach becomes more familiar and effective through expanded capability.

# CRITICAL QUESTIONS BRANDS SHOULD BE ASKING THEMSELVES:

- Given the changes in technology and consumer expectations, do we have the right requirements in place when it comes to hiring advisors?
- If we utilize multi-channel agents, are we utilizing their skills in the best way possible to improve the multi-channel journey? Do we know what they might need or want to help them be better and more efficient at multi-channel support?
- Are we enabling and encouraging our customers to take a multi-channel approach to issue resolution? If so, why? If not, why?

# CHANNEL RESULTS

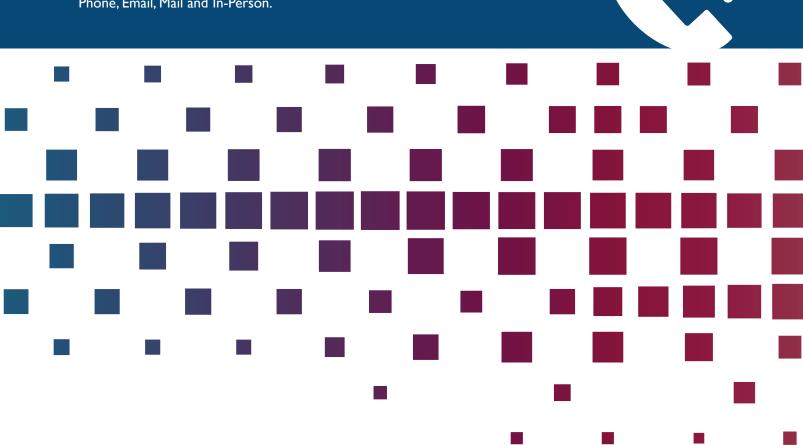
- TRADITIONAL CARE INTERACTIVE CARE
- SOCIAL MEDIA CARE MOBILE CARE



# **TRADITIONAL**CARE

Traditional Care continues to play a central role in the customer care landscape, leading the pack as the channel of most growth in 2015. For the purposes of the CXMB Series, the Traditional Care channel is defined as the following solutions: Phone, Email, Mail and In-Person.

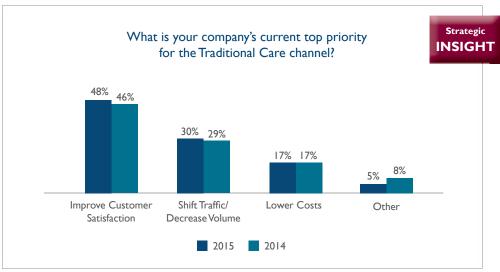


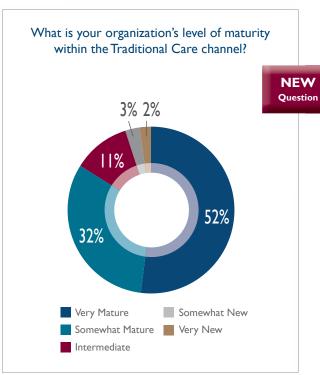


#### TRADITIONAL CARE

#### PRIORITIES AND CHANNEL MATURITY

Traditional Care priorities among customer experience leaders remained largely consistent year-over-year, with "Improve Customer Satisfaction" (CSAT) continuing to lead the way. This is great news for consumers. Furthermore, chief among the write-ins for those selecting "Other" was to reduce customer effort, which could also be viewed to have a direct and positive impact on CSAT. "Shifting Traffic/Decrease Volume" continues to follow up CSAT's lead, with lowering costs registering as the top priority among fewer than one-fifth of all survey participants, though shifting/decreasing channel traffic could certainly be perceived as a priority that inevitably leads to lower costs.





In a new area of exploration for 2015, organizations were asked about their level of maturity across each of the four channels of care. Not surprisingly, Traditional Care saw the highest percentage of companies responding with "Very Mature" and "Somewhat Mature," totaling 84% of responses. To put this number in perspective, here are the percentage of companies indicating channel maturity of "Very Mature" or "Somewhat Mature" across each respective channel of care:

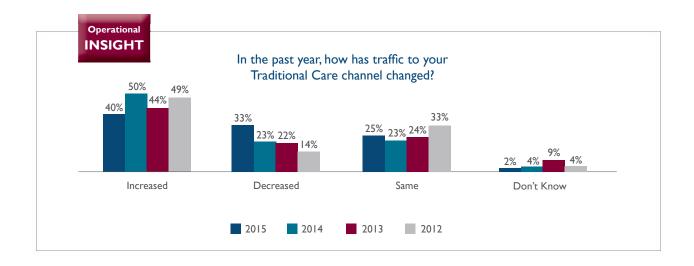
#### **Traditional Care: 84%**

Interactive Care: 35% Social Media Care: 20% Mobile Care: 13%

## **TRADITIONAL CARE**

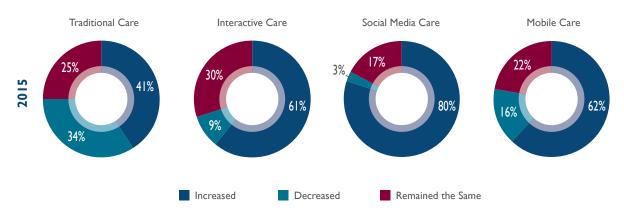
#### TRAFFIC CHANGES

While the Traditional Care channel continued to grow in 2015, there was a noticeable slowdown in that growth. A full 40% of organizations continued to see increases in Traditional Care channel traffic, representing a 20% reduction compared to 2014, when 50% of respondents saw increases in Traditional Care channel traffic. Furthermore, there was a jump in the percentage of respondents that saw a decrease in channel traffic. At first glance, these results might paint a gloomy outlook for the Traditional Care channel. However, it is important to place these results in the context of overall channel growth (Page 16 of the Operational Results section), where Traditional Care continues to be named as the channel of most growth.



When the above question was applied channel-by-channel (results below), interesting observations took shape. The most apparent is how widespread growth is in the alternative channels of Interactive Care and Social Media Care. But when one accounts for the fact that these channels comprise less than 25% of overall program volume (Page II of the Program Strategies section), it is easy to see how traffic increases and decreases in the Traditional Care channel can have an overriding effect. What is certain: I) growth is occurring across all channels; and 2) on a volume basis, Traditional Care accounts for the bulk of all growth.

#### Traffic changes within individual channels over the previous 12 months:



## **TRADITIONAL CARE**

#### **BUDGETS AND STAFFING**

In the coming year, what changes are expected to occur to the budget dedicated to your company's Traditional Care channel?

For the first time in CXMB Series surveying, the budget forecast for Traditional Care saw "Decrease" receive a higher percentage of responses than any other category. While these results seem to run counter to the ongoing story of Traditional Care growth, it's important to bear in mind that these results are forecasts which may or may not be accurate. This is most clearly demonstrated in the accuracy of last year's forecast (below).

#### **Accuracy of Budget Forecasting**

In 2015, budgets allocated to Traditional Care generally surprised to the upside in comparison to forecasts provided in the fall of 2014. While this result compares forecasts and actuals between two separate groups (2014 and 2015 participants), these two cohorts are exceedingly comparable in a variety of ways, including size, activity level and mission.



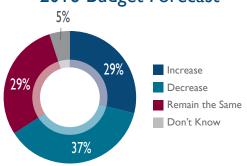
How is your Traditional Care channel (phone, email, etc.) primarily staffed?

	2015:	2014:	2013:
Internally:	48%	49%	38%
Externally:	18%	27%	22%
Mix:	35%	24%	40%

As seen above, Internal (and now, Mixed) staffing models typify the Traditional Care channels found at companies participating in the survey. The greatest year-over-year gains came for Mixed models, which saw a year-over-year growth of nearly 50%.

Significant staffing changes (above, right) were observed at fewer than 20% of participating organizations — a sizable decrease in comparison to 2014 results where about one in three firms saw significant changes to their staffing. Of those companies that did experience change, increased FTEs and Insourcing led the way, with a notable reduction in the number of firms newly providing work-from-home options as a part of their significant staffing changes.

## 2016 Budget Forecast

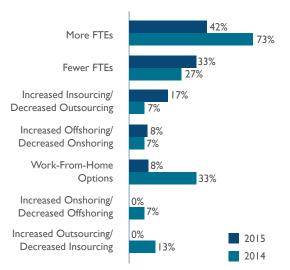


	2015	2015
	Forecast:	Outcome:
Increase:	27%	38%
Decrease:	33%	36%
Remain the Same:	34%	21%
Don't Know:	6%	5%

Has the staffing of your Traditional Care channel changed significantly over the past twelve months?

**2015 — YES:19%** 2014 — YES:31%

# If yes, in what ways has it changed? (Check all that apply)



## **TRADITIONAL CARE - CONCLUSIONS**

#### **KEY FINDINGS**

- "Improve Customer Satisfaction" retained and strengthened its position as the top priority in the Traditional Care channel
- Traditional Care continues to see a net gain in the percentage of companies that see increased traffic volume within the channel
- Despite the net increase in channel volume, 37% of survey participants expect to see their Traditional Care budget decrease in 2016

The Traditional Care channel is at a crossroads in a couple of ways. First, it's the only channel in the 2015 corporate survey that's projected to see a budget cut in 2016. Furthermore, only 41% of firms reported increasing channel traffic in the Traditional Care channel over the previous 12 months, compared to 61% for Interactive Care, 80% for Social Media Care and 62% for Mobile Care. Still, Traditional Care was named more than any other channel when we asked survey participants which channel saw the most growth in 2015.

The second way in which Traditional Care is at a crossroads is more figurative. At some point, nearly every multi-channel engagement passes through the Traditional Care channel. In other words, the channel is literally at the crossroads of just about every multi-channel journey. What this means for the future of the channel is unclear, but what is clear is that the Traditional Care channel plays a central role in setting consumer expectations, especially as they apply to the multi-channel experience.

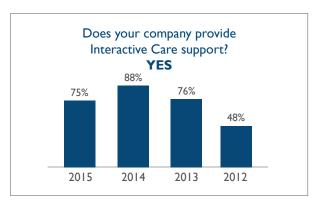
# CRITICAL QUESTIONS BRANDS SHOULD BE ASKING THEMSELVES:

- Do we understand how the Traditional Care channel fits into the multi-channel approach, and what level of support is appropriate based on this understanding?
- When changes occur to the budget of the Traditional Care channel, what is the impact on CSAT, not only in the Traditional Care channel, but also in other channels of care?
- Are we utilizing the talent, experience and expertise of resources from the Traditional Care channel in the best and most effective way possible?

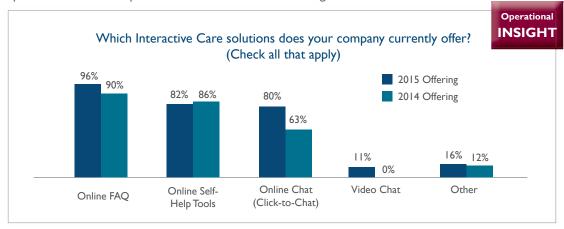
Interactive Care (which, in the context of the CXMB Series, is defined as Online/ Video Chat, FAQ and Self-Help) continues to play an increasingly important role in the area of Customer Care. The channel has found great success over recent years owing to capabilities in both automation and online chat.

#### CHANNEL OFFERING AND VOLUME

The percentage of organizations offering Interactive Care support fell slightly year-over-year (-15%), though the percentage of companies providing Interactive Care solutions (75%) remains relatively strong in comparison to other alternative channels of care, such as Social Media Care (62%) and Mobile Care (47%). With such a strong trend of growth proceeding 2015 results, next year's results will provide pivotal information as to the direction of channel adoption.



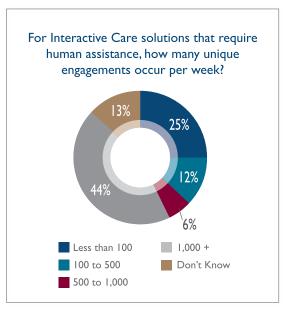
While autonomous solutions (Online FAQ and Self-Help Tools) remain the two most common Interactive Care solutions, Online Chat underwent a notable year-over-year increase, growing by 27% among companies offering one or more Interactive Care solutions. Video Chat solutions have also found a place in the Interactive Care solution mix, a development that warrants special attention and close monitoring in the months to come.



Overall percentage of companies providing live Interactive Care support: 2015: 59% 2014: 59%

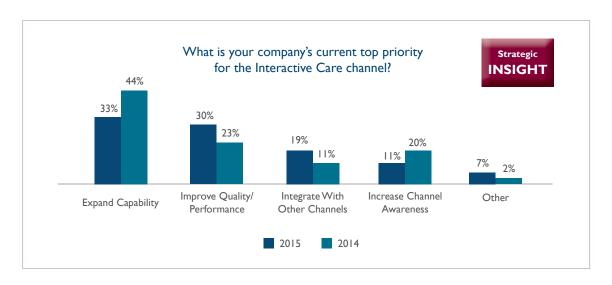
The percentage of all survey participants offering live Interactive Care support (above) remained unchanged year-over-year. Online Chat continues to be the most common "live" Interactive Care solution, provided by almost two-thirds of all survey participants and 80% of those offering one or more Interactive Care solutions.

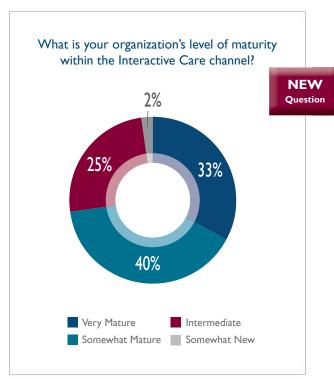
Like other sections, findings that reflect the number of engagements (at right) serve to characterize this year's survey participants. Results from last year saw 42% of programs conducting 500 or more unique weekly engagements compared to 50% for 2016, demonstrating similar size and scope between the programs of the two survey groups.



#### PRIORITIES AND CHANNEL MATURITY

More than the priorities of any other channel, those of Interactive Care saw the greatest amount of deviation year-over-year. "Integrate With Other Channels" made the largest gains on a percentage basis (+73%), followed by "Improve Quality/Performance" (+30%). Counter to these gains were "Increase Channel Awareness" (-45%) and "Expand Capability (-25%). "Expand Capability," which can be interpreted to mean increasing channel functionality, continues to be the most widely selected priority, but its edge on "Improve Quality/Performance" has slipped to only 10%, compared to a margin of nearly 50% in 2014.





Based on the results at left, and those of similar questions asked in each of the other three channels of care, Interactive Care is the most mature of the alternative care channels, though substantially less than Traditional Care.

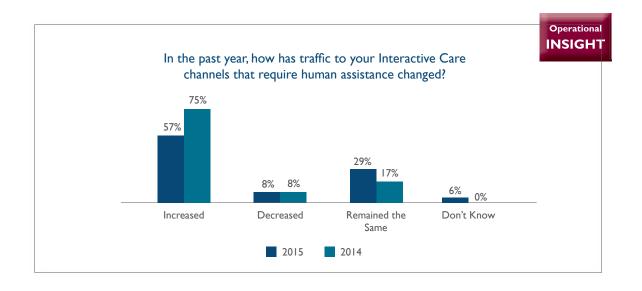
For the sake of comparison, here are the breakdowns of those responding with "Very Mature" or "Somewhat Mature" across each of the various channels of care:

#### **Interactive Care: 35%**

Traditional Care: 85% Social Media Care: 20% Mobile Care: 13%

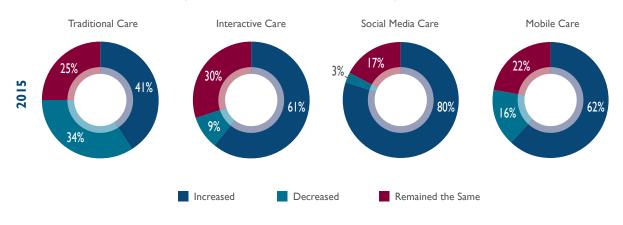
#### TRAFFIC CHANGES

Interactive Care was one of only two channels that saw a deceleration of widespread growth year-over-year, Traditional Care being the other. Last year saw 75% of respondents indicating increased traffic volumes for their human-assisted Interactive Care solutions, with this year's result of 57% representing a 24% decline in channel growth. And while growth has slowed to some extent, the overriding finding is that growth is still robust within the channel, with the strong number of respondents (57%) indicating increasing volumes.



While not quite as explosive as what was seen in 2014, the growth of Interactive Care traffic over the past 12 months has been quite extensive, especially in comparison to the traffic growth of other channels. Only Social Media Care provided a more widespread traffic growth profile, with 76% of respondents indicating growth, compared to Interactive Care's 57%. Interactive Care was also second only to Social Media Care in terms of decreased traffic volumes, with 9% indicating decreased traffic for Interactive Care, compared to only 2% for Social Media Care.

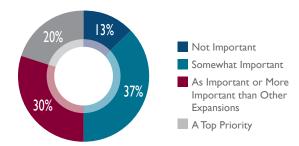
#### Traffic changes within individual channels over the previous 12 months:



#### **EXPANSION**

What level of importance does your company place on expanding and/or developing an Interactive Care channel?

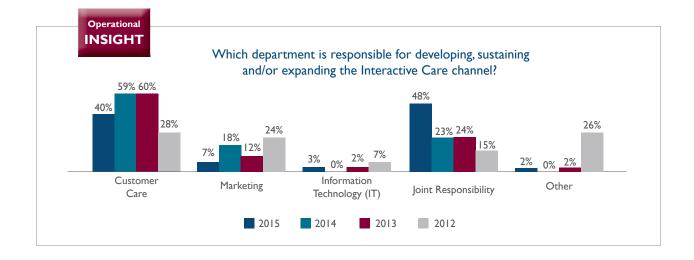




The percentage of respondents that consider expansion and/or development of the Interactive Care channel "A Top Priority" or "As Important or More Important than Other Expansions" remained flat year-over-year. In 2014, this combined percentage was 47%, compared to this year's 50%. Surprisingly, there was an uptick in the percentage of respondents who view the endeavor as "Not Important," moving from 8% in 2014 to 13% in 2015.



This year's results around departmental responsibility for Interactive Care saw sharp year-over-year declines for both Customer Care (-32%) and Marketing (-61%). In contrast to these declines, Joint Responsibility (presumably mostly between Customer Care and Marketing) saw a nearly 110% increase year-over-year. These internal shifts were further evidenced in results from a similar question posed in the **Mobile Care section (Page 54)**.

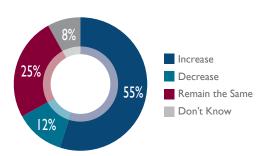


#### **BUDGETS**

In the coming year, what changes are expected to occur to the budget dedicated to your company's Interactive Care channel?

Budget increases are widely expected in the Interactive Care channel, with 55% of respondents expecting additional dollars for the channel in 2016. While budget increases for Interactive Care are more broadly expected in comparison to Traditional Care (where only 29% of respondents expect budget increases in 2016), these expectations are short of Social Media Care and Mobile Care, where 60% and 66% (respectively) of respondents are expecting 2016 budget increases.

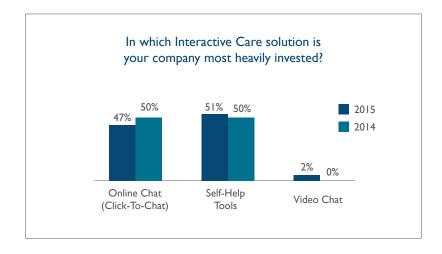
# 2016 Budget Forecast



#### **Accuracy of Budget Forecasting**

As was the case across all channels, the 2015 budget outcome for Interactive Care surprised to the upside. In this case, the overshot of Interactive Care's budget was 23%, compared to 41% for Traditional Care, 50% for Mobile Care and 81% for Social Media Care. Not surprisingly, the broadest budget expansions in 2016 are expected to occur in Social Media Care and Mobile Care.

2015
t: Outcome:
54%
10%
32%
4%



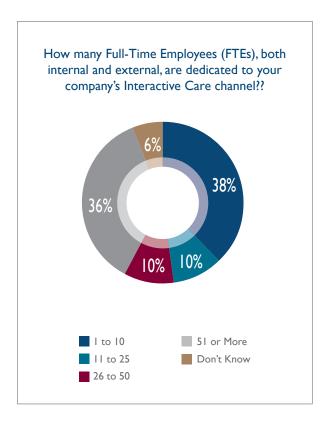
Channel investment continues to be evenly divided across Online Chat and Self-Help Tools, with a small, initial appearance by Video Chat. Given the recent growth of Online Chat, it will be interesting to see how investment priorities unfold over the next few surveys.

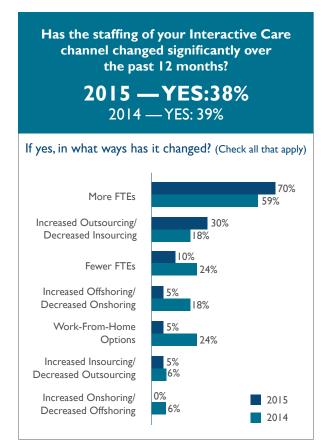
# **INTERACTIVE CARE**

#### **STAFFING**

Staffing changes continue to play a prominent role in the Interactive Care channel. This year's results saw 38% of participants indicating "significant" change over the previous twelve months, closely aligning to 2014's results. This level of change is higher than that of any other channel of support. Comparatively, staffing change within other channels came in at: Traditional Care (19%), Social Media Care (33%) and Mobile Care (21%).

In 2015, "significant" staffing changes in the Interactive Care channel fall into one of two primary storylines: more full-time employees and increased outsourcing/decreased insourcing. Mirroring what was seen in Traditional Care, 2015 also saw a steep decline in the introduction of work-fromhome options. That's not to say that companies are reducing the availability of such options, just that fewer companies introduced work-from-home options as a part of significant changes over the previous 12 months.



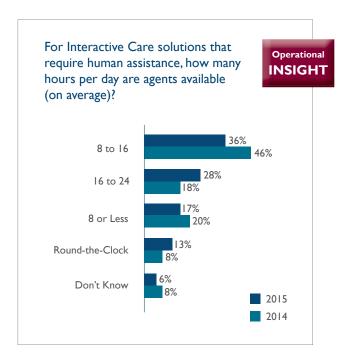


Echoing the increase in FTEs (as illustrated above), there was a jump in the number of FTEs when comparing the participant list of 2015 to 2014. Specifically, the total percentage of participants boasting 26 or more FTEs dedicated to their Interactive Care channel rose from 25% in 2014 to 46% in 2015. Most of this shift came from the "11 to 25" response pool, which went from 27% in 2014 to just 10% in 2015. As more companies initiate new channel solutions (such as Video Chat) and continue to expand existing live agent solutions, it is expected that these numbers will continue to undergo significant and widespread change.

# **INTERACTIVE CARE**

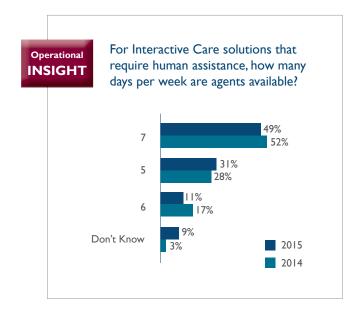
#### OPERATIONAL HOURS

Operational availability of the Interactive Care channel saw significant change on the hourly side, while remaining relatively unchanged in regards to the number of days agents are available per week. In comparison to Social Media Care agent availability, Interactive Care agents are available more hours of the day, but fewer days per week.



The operational hours of human-assisted Interactive Care solutions saw measurable expansion in 2015. This shift took the form of year-over-year contractions in "8 to 16" and "8 or less" responses, alongside sizable expansions in "16 to 24" and "Round-the-Clock." This is great news for consumers, as convenience is a driver of satisfaction for many consumers; and consumers are increasingly preferring the assistance of an advisor as opposed to finding a solution on their own.

When accounting for the increase in the "Don't Know" responses, day of the week availability within the Interactive Care channel is relatively flat at the top end (operations seven days a week), with slight movement favoring five days per week operations versus six days. One explanation for this shift could be that companies are reducing their day availability in favor of longer daily hours, though additional data points will be necessary to prove this out.



# **INTERACTIVE CARE - CONCLUSIONS**

#### **KEY FINDINGS**

- While traffic volumes are still increasing in the Interactive Care channel, the growth profile of the channel is not as aggressive as what was seen in 2014
- Among companies offering Interactive Care solutions, there was a 27% year-over-year increase in the percentage that offered Online Chat (Click-to-Chat)
- Interactive Care saw more staffing changes than any other channel, with most of that change coming in the form of increased FTEs

As evidenced in a number of areas throughout this report, there is a strong push in the industry to move issue resolution traffic from live assistance into autonomous/self-help solutions. Together, Traditional Care and Interactive Care form the epicenter of this initiative. So it's interesting to note that, among all Interactive Care solutions, it was Online Chat (Click-to-Chat), a live assistance solution, that saw the strongest increase in availability year-over-year in the Interactive Care channel. Comparatively, Online Self-Help Tools fell by 5%, while Online Chat (Click-to Chat) leapt forward by 27%.

Interactive Care continued to see more change in staffing than any other channel, with 38% of companies indicating significant staffing changes over the past 12 months. The majority of these changes (70%) involved increased FTEs, with the second most common change (30%) centered on Increased Outsourcing/Decreased Insourcing. Brands will have to be careful that these changes align with their objectives for the channel, as well as overall channel volume trends, especially if these FTEs are intended to be dedicated Interactive Care resources as opposed to multi-channel resources.

# CRITICAL QUESTIONS BRANDS SHOULD BE ASKING THEMSELVES:

- Are we making it easy for our customers to transition to a live assistance solution if they are unable to find what they need through our Online Self-Help Tools?
- Does our Interactive Care channel integrate with out Traditional Care channel in a way that creates convenience and reduces effort for our customers?
- As we increase the number of FTEs dedicated to our Interactive Care channel, are we considering what value these resources might bring as multi-channel resources?

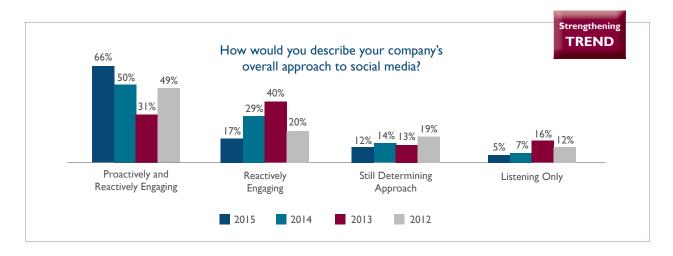
Never before has the Social Media Care channel experienced such widespread support. Results from 2015 revealed the highest level of corporate participation since CXMB research began, with strong results in the areas of growth and planned future investment. Social Media Care solutions occur throughout the social media sphere, but are concentrated in sites like Twitter, Facebook, Pinterest and Instagram, and across hundreds of forums, blogs and hosted communities.



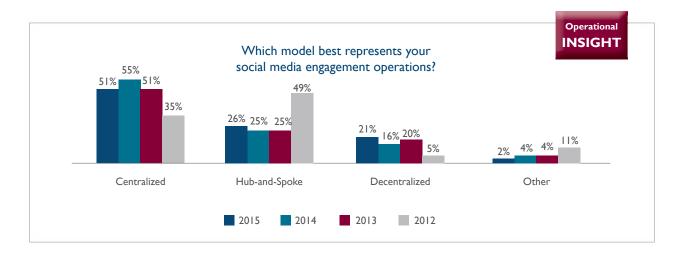


#### CHANNEL MODEL

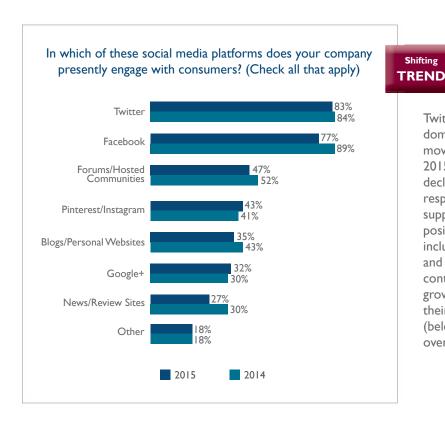
Since the inception of the CXMB Series in 2012, each year has seen a progressively higher percentage of survey participants actively engaging consumers on social media. In 2012, a total of 69% of respondents were engaging consumers via social media, either proactively or reactively. In 2013 and 2014, the numbers rose to 71% and 79%, respectively. This year, the number sits at 83%. This pattern of growth over the past four years represents one of the strongest trends in the CXMB data, highlighting just how important it is for brands to participate within the Social Media Care channel in order to remain competitive.



After three years of consecutive, steady gains, 2015 saw the percentage of respondents describing their social media operations model as Centralized flatten, even dipping slightly. The largest year-over-year gainer among models was the Decentralized model. This follows, since in a question about departmental ownership (Page 45), "Joint Responsibility" saw its highest response rate yet, at 35%.

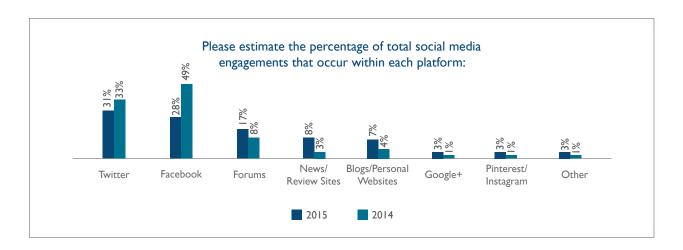


# CHANNEL MAKEUP



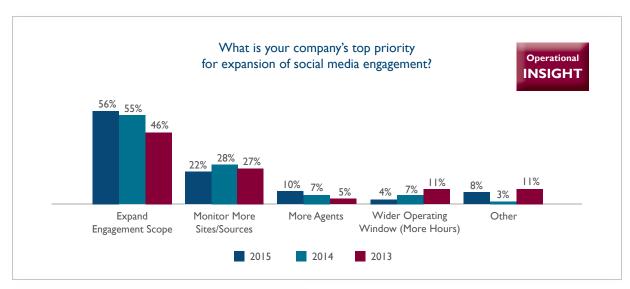
Twitter and Facebook continue to dominate the platform mix, with Twitter moving into a position of leadership in 2015, thanks to a 13% year-over-year decline in the percentage of survey respondents providing engagement support on Facebook. Other strongly positioned social media platforms include Forums/Hosted Communities and Pinterest/Instagram, with the latter continuing its pattern of strong adoption growth. Forums are especially notable for their large expansion in program volume (below), even in the face of a 10% year-over-year decline in platform adoption.

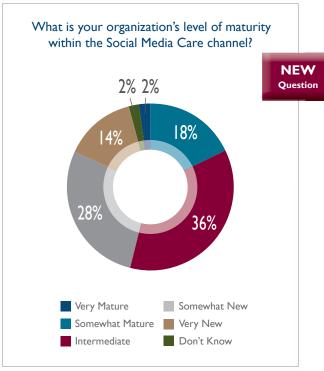
Like program adoption rates (above), Twitter and Facebook continue to comprise the majority of social media engagement volumes, though 2015 saw widespread volume gains in all other platforms. Furthermore, Facebook experienced a significant drop in volume share over the past 12 months. Forums are also notable for their strong year-over-year growth (+113%) and strengthening position in terms of overall engagement volumes.



#### PRIORITIES AND CHANNEL MATURITY

The top priority for expanding social media engagement continues to rest with expanding the engagement scope. For some companies, this might mean transitioning from purely marketing-related activities to resolving customer service issues, while for others it might mean proactive sales. By expanding the functionality of the program, the expectation is that program volumes will also grow. Other avenues for program growth can be found with the addition of more sites or more agents. As further highlighted on Page 47, 2015 saw about one-third of survey respondents adding additional agents to their social media engagement programs, with 10% prioritizing these activities.





This year, the CXMB Series survey contained a new question regarding channel maturity. This question (left) was asked in each of the four channels of care, with the collective results providing unique insight into how companies perceive their channel development. Among the alternative channel of care, the maturity of social media ranked midway between that of Interactive Care and Mobile Care.

For the sake of comparison, here are the breakdowns of those responding with "Very Mature" or "Somewhat Mature" across each of the various channels of care:

#### Social Media Care: 20%

Traditional Care: 85% Interactive Care: 35% Mobile Care: 13%

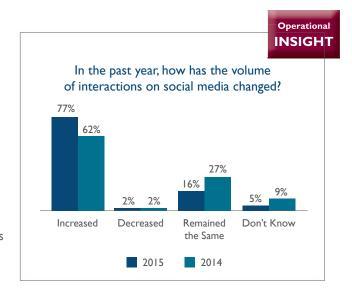
#### TRAFFIC CHANGES

While the sheer volume of growth was not as great as what was seen in either the Traditional Care or Interactive Care channels (see Page 16 of Operational Results), Social Media Care saw increased traffic at more companies than any other channel in 2015. Seventy-seven percent of survey respondents indicated an increase in Social Media Care traffic over the previous 12 months ... a rate nearly double that of Traditional Care, where only 40% of respondents indicated an increase in channel traffic over the same time period. While these results don't speak to the amount of increase, they do show that Social Media Care is growing at the vast majority of companies.

# In a given week, how many unique social media interactions does your organization engage in?

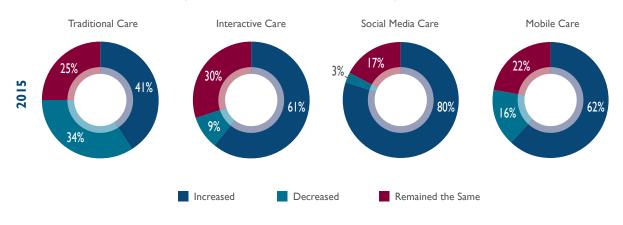
	2015:	2014:	2013:
<100:	39%	38%	56%
100 to 500:	14%	22%	29%
500+:	47%	40%	15%

In a separate Social Media KPI Benchmark survey conducted within the Execs In The Know community in July 2015, the average number of weekly interactions reported by survey participants was 2,400. The survey had 15 participants with an average annual revenue of \$59 billion.



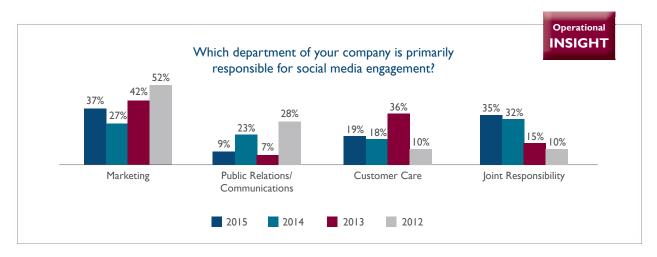
Just like last year, every channel of care saw a net gain in traffic. The difference comes in which channels saw the most widespread growth. Removing "Don't Know" answers from the response pool, 68% of respondents indicated an increase in Social Media Care traffic last year. In 2015, this number expanded to 80%, representing an 18% year-over-year increase. Conversely, both Traditional Care and Interactive Care saw similar moves, yet in the opposite direction. While still a net gain, Traditional Care experienced a 21% decline in the percentage of respondents claiming channel traffic growth, with Interactive undergoing a 19% decline of the same. Complete traffic change results for 2014 and 2015 can be found in the **Operational Results section on Page 16.** 

#### Traffic changes within individual channels over the previous 12 months:

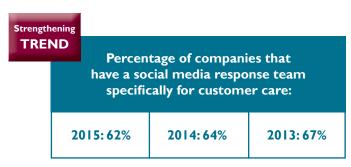


#### PROGRAM OWNERSHIP AND PARTICULARS

After three consecutive years of steady decline, 2015 CXMB results saw marketing departments reasserting their role when it comes to social media engagement. In the question below, marketing saw the most drastic upside move, gaining 37%. Public Relations/Communications saw the largest move, though downward, slipping 61% to claim responsibility for social media engagement at just 9% of participating firms. Customer Care and Joint Responsibility also notched minor year-over-year gains.



Perhaps a reflection of the above results, the percentage of companies fielding a response team specifically for customer care (at right) continues its downward drift. While the strong majority of survey participants still have a response team specialized for care, one can only assume this number will continue to fall as responsibility for social media engagement expands among Marketing, and as a Joint Responsibility.



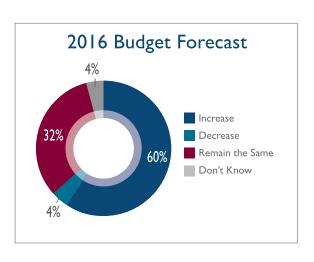
In a series of three questions aimed at characterizing program design, results of select questions carry all the way back to 2012. While there wasn't a great deal of surprise in this year's results, one longstanding trend continued in regard to engagement tool(s): the percentage of companies utilizing a social media tool continues to grow. Correcting for "Don't Know" responses, the percentage of companies using a tool was 52% in 2012, 69% in 2013, 72% in 2014 and 77% in 2015. Since proper tool selection can play a vital role in ensuring program efficiency and effectiveness, observing such gains can only be seen as a positive for the channel.

2015 2014 2013 2012	YES	NO	DON'T KNOW
Does your company have a designated social media "command center"?	38% 50% 36% N/A	55% 45% 64% N/A	7% 5% 0% N/A
Has your company established a hosted community and/or forum?	50% 50% 46% N/A	42% 45% 54% N/A	8% 5% 0% N/A
Does your company use a social media engagement tool(s)?	59% 64% 69% 48%	18% 25% 31% 45%	23% 11% 0% 7%

#### **BUDGETS AND EXPANSION PLANS**

In the coming year, what changes are expected to occur to the budget dedicated to your company's engagement within social media?

When we asked survey participants what they expected out of 2016 budgets with regard to Social Media Care, 60% expect an increase. Among all channels, only Mobile Care saw a higher percentage of survey participants expecting an increase, at 66%. This result is tempered by the fact that Mobile Care also saw a higher percentage of respondents indicating expectations of a budget decrease (7%), compared to only 4% of respondents expecting a decrease in budget for Social Media Care. When one also accounts for the much higher rate of "Don't Know" within Mobile Care results, the expected decrease within that channel looks greater still. The net result is that the budget picture looks bright among all alternative channels, but brightest for Social Media Care.



#### **Accuracy of Budget Forecasting**

While 2015 was marked by upside budget surprises across all channels, no channel forecast was more inaccurate than that of Social Media Care. In the 2014 survey, only 27% of respondents expected to see budget increases over the course of 2015. The results, on the other hand, proved far different, with 49% of 2015 survey respondents observing actual budget increases.

	2015	2015
	Forecast:	Outcome:
Increase:	27%	49%
Decrease:	5%	<b>7</b> %
Remain the Same:	<b>57</b> %	40%
Don't Know:	11%	4%

Percentage of companies with plans to expand or launch social media customer engagement activities:

2015 — 68% 2014 — 66% 2013 — 87% As seen in the results from previous years, the percentage of companies with plans to launch or expand social media engagement activities remains elevated. Given that many of the same companies responded in the same way in the past two years, it is evident that the expansion of the Social Media Care channel is an ongoing process for organizations. As the social media platforms continue to evolve and expand, the programs that support them must also transform on an ongoing basis.

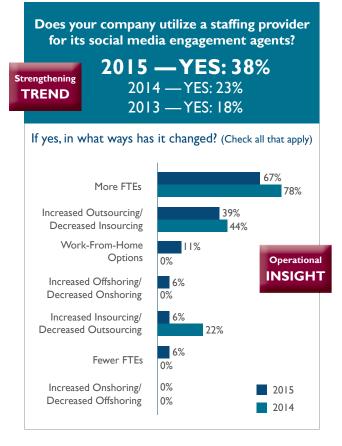
#### **STAFFING**

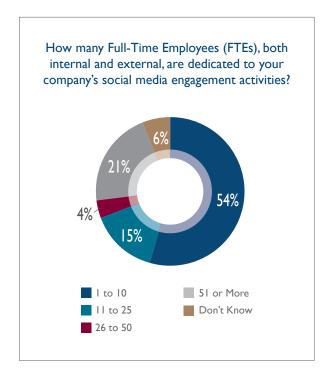
The percentage of companies utilizing outside resources for staffing social media engagement agents continued in an upward trend, now standing at 38% — an increase of 65% over 2014 results. These findings align well with the results of the question below, which explores general staffing changes as they relate to the Social Media Care channel.

Has the staffing of your company's Social Media Care channel changed in a significant way over the past 12 months?

**2015 — YES: 33%** 2014 — YES: 20%

Increased headcounts has been a strong and consistent theme in the Social Media Care channel over the past several years, and 2015 was no exception. A greater percentage of survey participants saw significant change to channel staffing in the previous 12 months, and more than two-thirds of these respondents indicated that "More FTEs" was a part of that change. "Increased Outsourcing" also continues to play a large role in significant channel staffing changes.



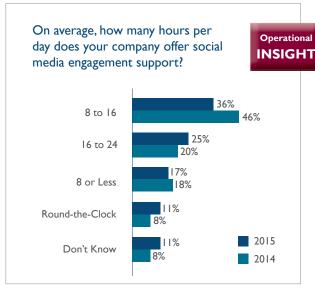


Last year's results to the question at left saw 12% of respondents fielding 26 or more FTEs in support of social media engagement activities. In 2015, that percentage grew to 25%. Not only are companies adding human resources in support of the channel, they are also increasing training for those resources, as demonstrated in the results below. Combined with the budgetary direction of the channel, it's clear that brands see a bright and productive future for the Social Media Care channel.

Does your company provide specific training for social media agents?

2015 — YES: 64% 2014 — YES: 52%

#### OPERATIONAL HOURS AND RESPONSE TIME

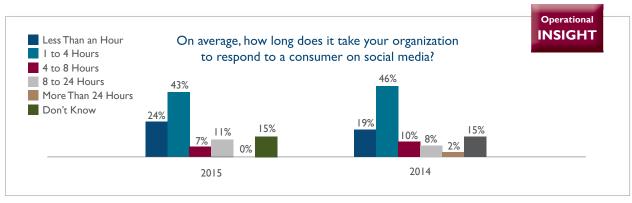


As reflected in a similar question posed in the Interactive Care section, there was a general expansion in operational availability for live engagement support in 2015. Like Interactive Care, Social Media Care saw a reduction in the percentage of companies offering support for 16 or fewer hours per day, combined with an increase in the percentage of companies offering support 16 or more hours per day. The largest percentage gain came for "Round-the-Clock" support, which grew by 38% year-over-year.

Consistent with changes to operational hours (above), 2015 also saw an expansion in the average number of days per week that companies had an active social media presence. There was a 13% increase in the number of companies providing support seven days a week, combined with declines in both five- and six-day support, significantly so in the case of the latter, which saw a 44% decline.

How many days per week does your company have an active social media engagement presence? Operational 7 **INSIGHT** 54% 21% 5 22% 18% 8% 2015 Don't Know 6% 2014

While consumers have tempered their expectations over the years, when it comes to interacting with brands on social media, about half still expect a response within an hour or less. That said, 2015 saw a notable gain in the "Less Than an Hour" response, with nearly one-fourth of all survey respondents meeting that lofty target. Given the importance of a speedy resolution in the minds of consumers, companies should begin by measuring and understanding their response time performance, then ensure it meets the expectations of their specific customers.



# **SOCIAL MEDIA CARE - CONCLUSIONS**

#### **KEY FINDINGS**

- 83% of survey participants have a program with an active approach to social media engagement, the highest percentage since the CXMB Series first began in 2012
- Forums saw the strongest year-over-year growth (+113%) in share of engagement volume, moving from 8% in 2014 to 17% in 2015
- 80% of survey participants indicated an increase in the traffic for their Social Media Care channel over the previous 12 months, the highest rate among any channel
- The percentage of companies with a social media response team dedicated to customer care continues to fall, now standing at 62%

With such high channel participation (83% of survey respondents indicate deployment of an active Social Media Care channel) and widespread traffic increases (80% of respondents saw an increase in channel traffic year-over-year), it's clear that the Social Media Care channel is headed into 2016 with a ton of momentum. Furthermore, the Social Media Care channel also appears to be receiving strong financial support — 60% of respondents expect an increased budget for the channel in 2016.

Given the level of internal support for the channel, the most important considerations for the channel are strategic and operational. For a Social Media Care program to differentiate itself and succeed, it must provide a quality experience. Parallel to this, the program must also provide adequate coverage (be where the customer is) and provide the kind of scope and capability to meet consumer expectations. In other words, customers who reach out on social media should expect that they can have their issues resolved on social media, rather than being transferred into another channel of care.

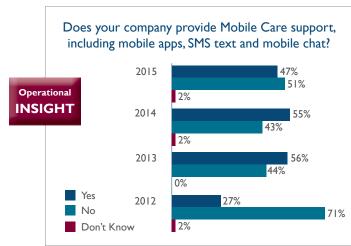
# CRITICAL QUESTIONS BRANDS SHOULD BE ASKING THEMSELVES:

- Do we have a process in place for regularly identifying new social media sources that warrant participation? Is that process owned internally or externally?
- Does our approach to Social Media Care align with the expectations of our specific customers? Does our average response time also meet those expectations?
- Is our program broad enough in scope to extract the most value out of our social media engagement activities? Are we engaging proactively or reactively? Are we using our reach to go beyond issue resolution, into sales support and/or brand management?

The Mobile Care channel continued to grow and evolve in 2015, with SMS/Text establishing its position as an important and transformational channel solution. While not as robust as in 2014, the channel continues to grow and gain in investment and resources. Solutions counted among the Mobile Care channel include Mobile Apps, SMS/Text and Mobile Chat.

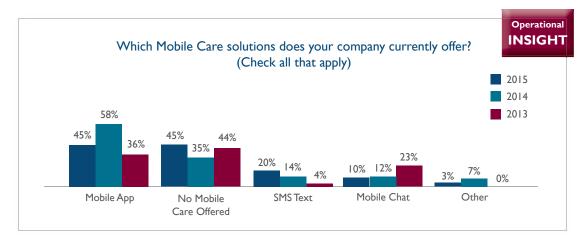
### CHANNEL OFFERING AND VOLUME

The percentage of survey participants offering Mobile Care support has decreased over the past three years, now standing below 50% for the first time since 2012. In review of the channel solution offering (bottom of the page), the main cause of this reduction appears to be due to the drawdown of Mobile Apps and Mobile Chat. In fact, the only consistent gainer over the past several survey results (and a seemingly big part of the channel's future) is SMS Text.



NEW			
Question		2015	2014
Mobil requires huma	companies providing le Care support that n assistance, such as le chat or SMS text?	30%	29%
	panies having a textabled I-800 number?	10%	15%
_	companies providing that utilizes two-way communications?	12%	N/A

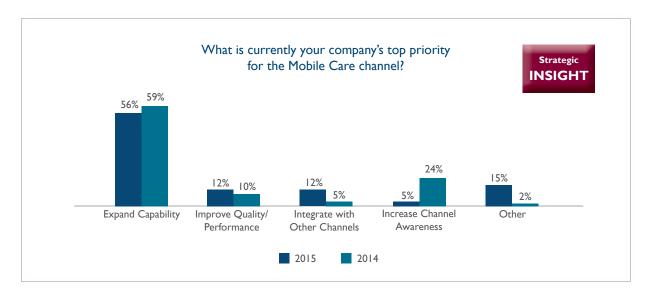
When it comes to interaction-based solutions that allow human-to-human interactions, there was virtually no change year-over-year, with roughly one-third of survey participants continuing to offer such solutions. Text-enabled I-800 numbers, on the other hand, fell sharply year-over-year. This is likely due (in part) to the very low adoption rate, which makes for widely shifting results depending on the specific set of survey participants.

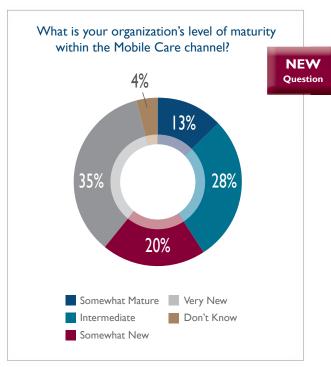


SMS Text continues to be a bright spot within the Mobile Care channel mix. Since 2013, SMS Text has seen steadily increasing rates of adoption among corporate survey participants. This is a reassuring development for the channel, especially in light of findings from the CXMB Series 2015 Consumer Edition\* showing SMS Text as the only Mobile Care channel solution that saw substantial "most-used" growth from 2014 to 2015. Clearly, headed into 2016, SMS Text is a solution that demands much attention.

# PRIORITIES AND CHANNEL MATURITY

In 2015, "Expand Capability" retained its place as the paramount priority for the Mobile Care channel. The only substantive decliner among priorities in 2015 was "Increase Channel Awareness," which underwent a year-over-year decline of nearly 80%. This result is likely related to the "Other" write-ins that were received by the 15% of respondents. The theme among the write-ins: investigate the channel further, and better understand consumer demand. It may be the case that some channel managers are now directing their energies to developing a greater understanding of channel capability and consumer adoption versus drawing channel traffic through awareness.





In a set of new questions aimed at understanding channel development and expertise, Mobile Care saw the lowest levels of channel maturity. In fact, not a single survey participant selected the top box option of "Very Mature" ... something that cannot be said of any other channel. Granted, Mobile Care is perhaps the newest channel to take shape, but this result clearly demonstrates companies still have a lot to learn, and that knowledge should start with understanding consumer needs and expectations.

For the sake of comparison, here are the breakdowns of those responding with "Very Mature" or "Somewhat Mature" across each of the various channels of care:

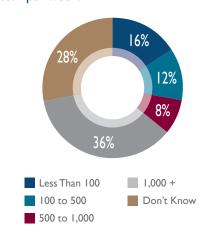
#### Mobile Care: 13%

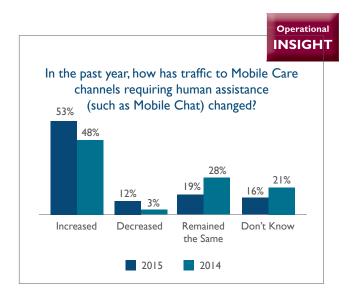
Traditional Care: 85% Interactive Care: 35% Social Media Care: 20%

#### TRAFFIC CHANGES

On the whole, the Mobile Care channel continued to expand in 2015, though there was an uptick in the percentage of companies that saw a net decrease in channel traffic over the past 12 months. When removing "Don't Know" responses from the dataset, 2015 saw 84% of survey respondents observing flat or increasing channel traffic, compared to 96% of respondents in 2014. So, while the growth story is still a positive one, the velocity has slowed over the proceeding 12 months, warranting close observation of future growth patterns.

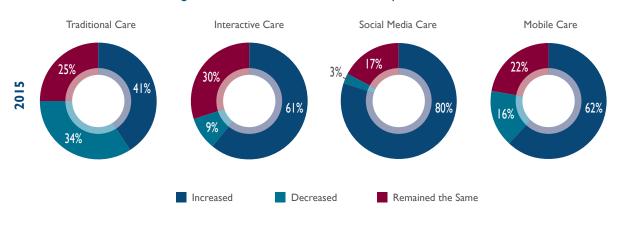
For Mobile Care solutions requiring human assistance, how many unique engagements occur per week?





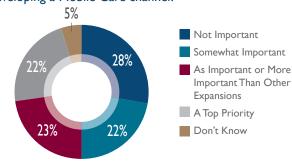
While Mobile Care was named the channel of "most growth" by only 11% of survey participants (by far the lowest of any channel), the majority of survey participants (62%) observed at least some growth in their Mobile Care channel over the previous 12 months. Only Social Media Care saw more widespread growth, with 80% of respondents indicating growth over the same time period. Therefore, while it is true that growth is occurring in Mobile Care, the sheer volume of that growth still lags considerably in comparison to all other channels. It is also worth noting that Mobile Care saw 16% of respondents indicating a decrease in traffic — the highest such rate among all alternative channels.

#### Traffic changes within individual channels over the previous 12 months:



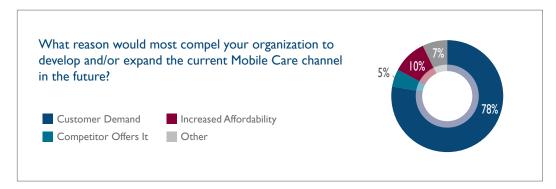
#### **EXPANSION**

What level of importance does your company place on expanding and/or developing a Mobile Care channel?

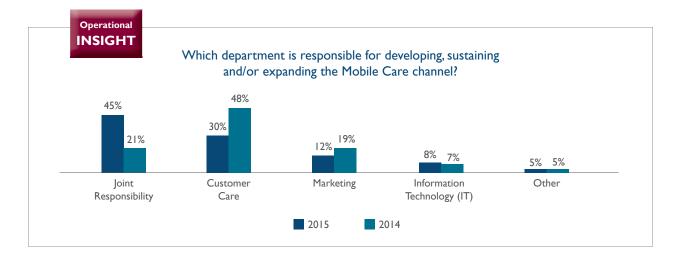


The level of importance placed on expanding or developing the Mobile Care channel decreased far more than any other channel from 2014 to 2015. In last year's survey, only seven percent of respondents indicated that expanding and/ or developing a Mobile Care channel was "Not Important." Results from 2015 saw that number grow to 28%, a 400% year-over-year increase.

Given that "Customer Demand" is the top driver of channel development/expansion (below), one has to wonder if businesses are sensing a slowing of customer demand and/or utilization of the Mobile Care channel relative to previous years.



In 2015, Mobile Care saw a greater amount of change to departmental responsibility than any other channel. This shift came mostly in the form of a decrease in Customer Care and Marketing responsibilities in combination with a massive boost in Joint Responsibility. Given the corresponding de-prioritization of the channel (above), one can only wonder if there is a connection. If so, is the connection that responsibility is now shared because the channel has been de-prioritized, or has the channel been de-prioritized because responsibility is now shared?

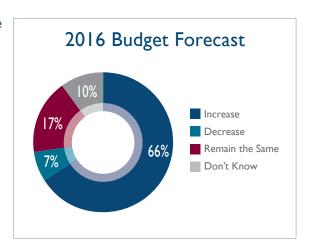


# **INTERACTIVE CARE**

#### **BUDGETS**

In the coming year, what changes are expected to occur to the budget dedicated to your company's Mobile Care channel?

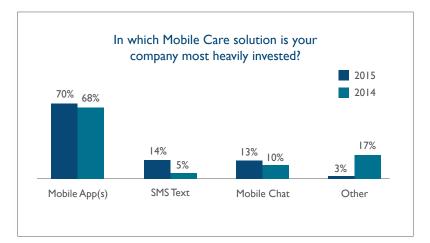
Mobile Care enjoys the strongest outlook for increased budget allocation in 2016, with 66% of respondents indicating the expectation of an increase in dollars in the coming year compared to 29% for Traditional Care, 55% for Interactive Care and 60% for Social Media Care. Given the steady year-over-year increase in the number of businesses deploying a resource-heavy SMS Text solution, it can be surmised that at least a portion of planned increases will be earmarked for development and/or expansion of this critical channel solution.



#### **Accuracy of Budget Forecasting**

While every channel saw 2015 budgets that surpassed the forecasts from 2014, the upside surprise of the Mobile Care channel was greater than that of all other channels, with exception of Social Media Care. Combined with the positive forecast outlook for 2016, channel managers can expect strong organizational support in the near term.

	2015	2015	
	Forecast:	Outcome:	
Increase:	36%	54%	
Decrease:	2%	8%	
Remain the Same:	43%	30%	
Don't Know:	19%	8%	



Mobile Apps are offered by companies at more than twice the rate of any other Mobile Care solution, so it comes as little surprise that the solution would dominate the investment mix. Perhaps the most noteworthy aspect of the results (at left) is the strong year-over-year rise by SMS Text. There was a 180% year-over-year increase in the number of companies naming SMS Text as the channel solution of heaviest investment. This result extends the positive sentiment around the SMS Text solution.

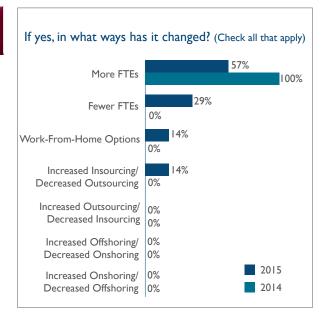
#### **STAFFING**

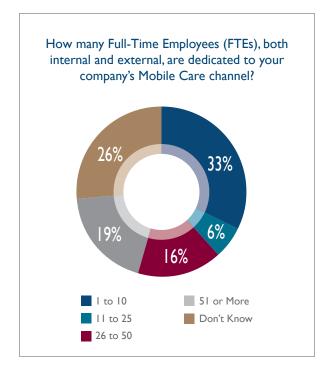
Operational INSIGHT

Has the staffing of your company's Mobile Care channel changed in a significant way over the past 12 months?

**2015 — YES: 21%** 2014 — YES: 12%

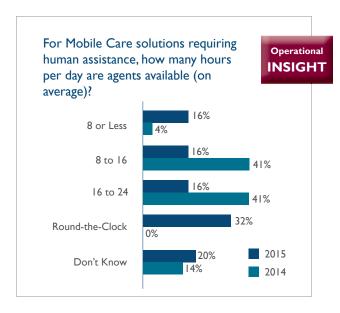
The staffing of Mobile Care saw the least amount of significant change among alternative channels over the previous 12 months, with 21% of firms indicating such. Only Traditional Care had less change, at 19%. But the year-over-year uptick was significant and worth monitoring. As indicated at right, the balance of the staffing changes was represented mostly by increased FTEs, work-from-home options and increased insourcing.





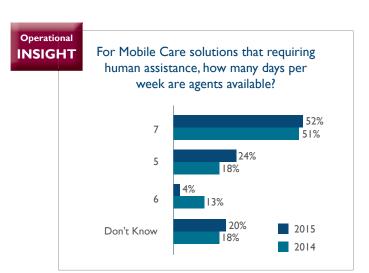
Correcting for the large percentage of respondents that indicated "Don't Know" for the question at left, 2015 saw a vast expansion in the percentage of companies fielding 26+ FTEs in support of the Mobile Care channel. When pooling together "26 to 50" and "51 or more" responses, the combined percentage was 48% in 2015 versus 20% in 2014. This coincided with a large drop in the percentage of companies indicating "1 to 10" channel FTEs, moving from 71% in 2014 to just 43% in 2015. As demonstrated elsewhere in the Mobile Care results, the channel is growing not just in terms of volume and budget, but in terms of dedicated resources.

#### OPERATIONAL HOURS



Of the 30% of survey participants providing Mobile Care solutions that require human assistance, nearly one-third provide "Round-the-Clock" support, seven days a week. Given that not a single respondent in last year's survey provided such extensive live support within the Mobile Care channel, this speaks volumes to the expansion of SMS Text support. Furthermore, 2015 survey respondents provide a higher rate of round-the-clock coverage in Mobile Care versus any other alternative care channel.

While the hours of availability for the Mobile Care channel (above) saw significant change over the past 12 months, differences regarding daily availability were rather muted. The percentage of survey respondents providing Mobile Care coverage seven days per week remained nearly unchanged, with a moderate downshift from six days per week in favor of five days per week. Correcting for "Don't Know" responses, the daily coverage offered by the Mobile Care channel was very consistent with what was observed in the Social Media Care channel.



# **MOBILE CARE - CONCLUSIONS**

# **KEY FINDINGS**

- About half (45%) of survey participants offer no Mobile Care solutions
- Expanding channel capability continues to be the top priority for the Mobile Care channel among the majority of survey participants with Mobile Care solutions (56%)
- In 2015, 28% of survey respondents said their company viewed the development and/or expansion of the Mobile Care channel as "Not Important," compared to only 7% in 2014
- SMS Text continues to expand in availability, now offered by 20% of survey participants that deploy one or more Mobile Care solutions

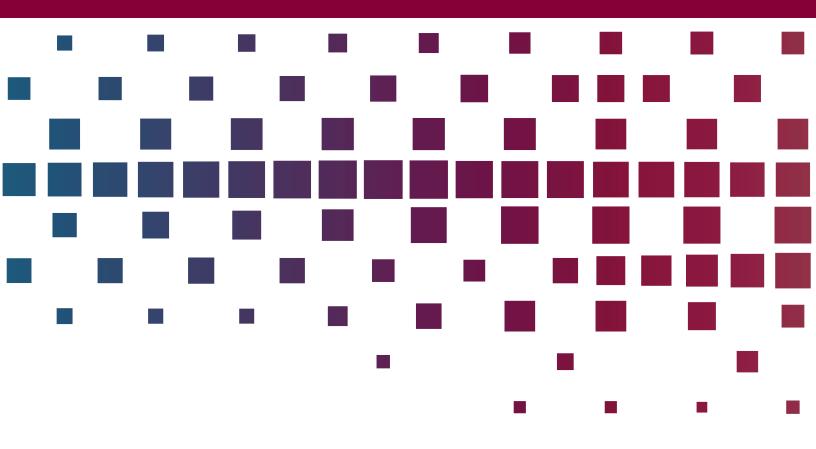
From a number of perspectives, it appears as if the expansion of the Mobile Care channel was placed on hold over the previous 12 months. The percentage of survey participants offering a Mobile Care solution fell slightly year-over-year, and the offering of individual channel solutions also fell (SMS/Text excepted). While channel traffic increased at a majority of firms (62%), this was partially offset by the fact that 16% saw a decrease in traffic — a rate 400% greater than last year, when only 4% of firms reported a decrease in Mobile Care channel traffic.

Based on 2015 survey results, the bright spot for the channel appears to be found in SMS/Text. The percentage of companies offering SMS/Text as a solution continued its trend of steady growth, moving from 4% in 2013 to 14% in 2014 to 20% in 2015. As this solution commands a much larger portion of the channel's live resources, businesses will need to consider how SMS/Text contributes to the multi-channel experience.

# CRITICAL QUESTIONS BRANDS SHOULD BE ASKING THEMSELVES:

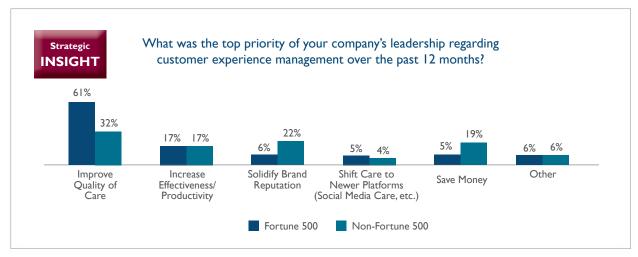
- As we work to expand the capability of our Mobile Care channel, do we understand how our customers use the channel versus how they'd like to use the channel?
- Do we currently provide SMS/Text as a solution and a text-enabled 1-800 number? If not, do we understand how our customers would respond to such an offering?
- How does Mobile Care fit into the current/future multi-channel journey?
- Is our model of internal ownership of the channel having an impact on how Mobile Care is prioritized, developed and/or sustained? Is this impact positive or negative for our customers?

First introduced in last year's report, the Fortune 500 Findings section returns in 2015. These results, which compare the responses from Fortune 500 and Global 500 survey participants with those from other survey participants, are intended to highlight how different-sized companies approach customer experience management.



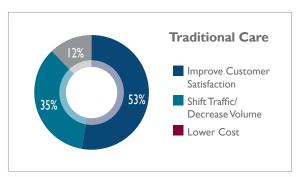
#### **PRIORITIES**

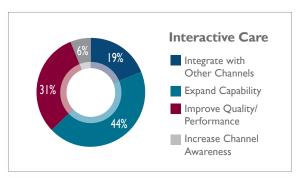
While non-Fortune 500 companies occupy themselves more often with solidifying brand reputation and saving money, Fortune 500 brands are mostly focused on improving the quality of the care they offer consumers. On the whole, this is excellent news for consumers, especially if Fortune 500 brands are able to develop and share best practices aimed at improving quality.

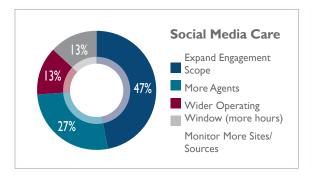


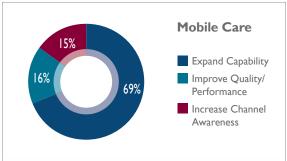
On a channel-by-channel basis, Fortune 500 companies place much greater emphasis on expanding channel capability for alternative channels (Interactive Care, Social Media Care and Mobile Care), while continuing to mostly focus on improving CSAT within the Traditional Care channel.

#### Fortune 500 Priorities By Channel:

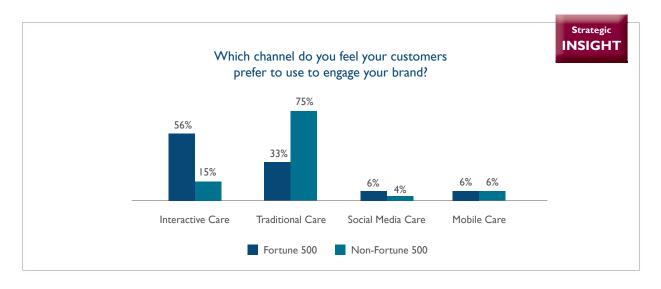




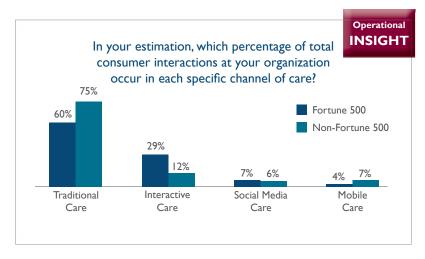




# CONSUMER PREFERENCE AND CHANNEL VOLUMES



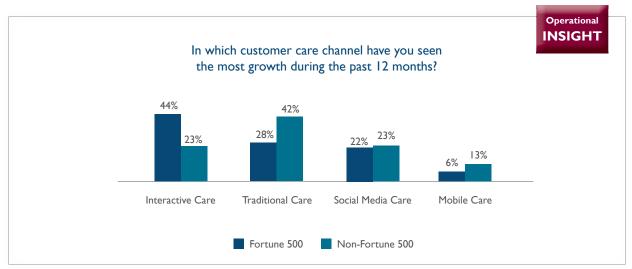
Fortune 500 brands demonstrated a much more progressive attitude toward consumer channel preference, especially in the area of Interactive Care. This is likely due to the channel resources that larger brands have available for things like advanced self-help tools and resource-heavy solutions like Click-to-Chat. Ironically, actual consumer preference fell somewhere in the middle between Fortune 500 and non-Fortune 500 perspectives. Results from the 2015 CXMB Consumer Edition\* saw 65% of consumers select Traditional Care as their preferred channel, versus 20% for Interactive Care. In other words, non-Fortune 500 respondents appear to be slightly more in tune with the consumer in terms of channel preference. See Page 70 of the Consumer Research Comparisons section for additional analysis.



Fortune 500 companies tend to see heavier traffic in their Interactive Care channel. Again, this is likely due to the resources they have at their disposal, as well as their higher rate of adoption for a wider variety of Interactive Care solutions. In fact, 89% of Fortune 500 companies that participated in this year's survey indicated they offer Interactive Care solutions, versus just 70% of non-Fortune 500 brands. Undoubtedly, this plays a major role in where customer care interactions take place.

# CHANNEL GROWTH, TRAFFIC SHIFTING AND PROGRAM PLANS

Echoing the reported traffic volumes and attention paid to Interactive Care on the proceeding page, it comes as little surprise that Interactive Care would lead the way as the channel of most growth among Fortune 500 companies. Fortune 500 companies also experienced considerably less growth in the Mobile Care channel. This could be due to the release cycle of things like Mobile Apps; many larger companies are on the second and third generation of their mobile apps, while some smaller firms are just now introducing first-generation interactive mobile apps.



Operational INSIGHT

Percentage of organizations actively trying to shift engagement traffic from one channel to another?

FORTUNE 500: 72% NON-FORTUNE 500: 43%

Nearly three-quarters of the 2015 Fortune 500 survey participants had designs on shifting traffic from one channel to another. The strategies behind the shift were even more universal — 100% of the companies that detailed out their plans specifically mentioned moving traffic from Traditional Care (phone and email) into Interactive Care (self-help and online chat). The same strategy — shifting from Traditional Care to Interactive Care — also broadly applied to non-Fortune 500 firms, though as a percentage, not as many had plans to shift traffic.

Strategic INSIGHT

Does your company have any plans to shift customer care away from its existing strategy and/or setup?

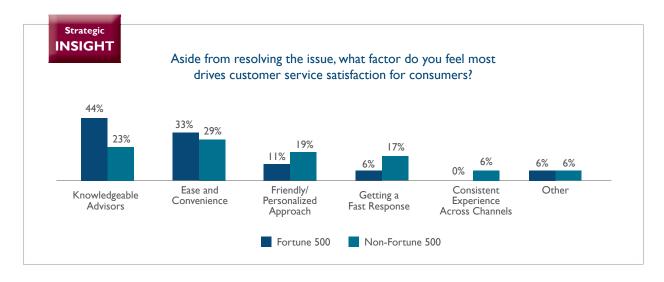
Responded "Yes" to the above survey question:

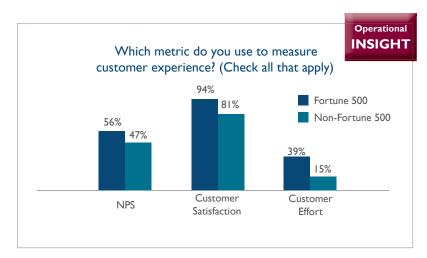
FORTUNE 500: 39% NON-FORTUNE 500: 35%

The percentage of companies planning to change their existing customer care program was roughly equal between Fortune 500 and non-Fortune 500 companies, with a little more than a third of each planning an imminent shift in either strategy or setup. The planned changes among Fortune 500 was all over the board, from more insourcing and more outsourcing to increased emphasis on measurement and improving productivity. Among non-Fortune 500 companies, plans placed greater emphasis on channel integration and updating CRM systems.

### CSAT DRIVERS AND PROGRAM MEASUREMENTS

Almost half of all Fortune 500 respondents placed the advisor at the forefront of customer satisfaction, a rate almost twice that of non-Fortune 500 companies. Both sets of organizations saw the value of "Ease and Convenience" in equal proportions, but there was little similarity elsewhere. An interesting expression of these results might be seen in how these two groups approach agent hiring and training. Understanding the differences and similarities between these two activities could prove beneficial for both groups of companies.

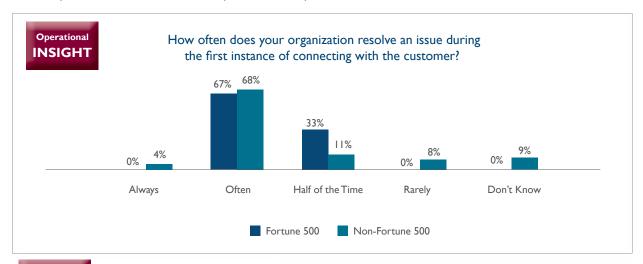




Regardless of whether a company was a Fortune 500 firm or not, the mix of CX measurement tools was roughly the same, with CSAT the most common, followed by NPS and Customer Effort. The main difference was the rate of use, which favored Fortune 500 companies by a moderate margin. The most drastic difference was in the Customer Effort measurement, surely owing to its complexity and cost. Smaller companies should take pains to understand the approach taken by larger companies in measuring Customer Effort, and find ways to customize these approaches for their customers.

#### FCR AND INTEGRATION

In a question exploring First Contact Resolution (FCR), Fortune 500 companies fell into just two buckets of performance: "Often" and "Half of the Time." Comparatively, non-Fortune 500 companies matched the rate in the "Often" category, but were otherwise scattered, with one in ten not even knowing how often they provide an FCR. Given the importance among consumers of receiving a timely, hassle-free resolution, FCR measurement and improvement is a key opportunity for non-Fortune 500 companies, as well as an area where one-third of Fortune 500 companies could stand to make improvements in performance.

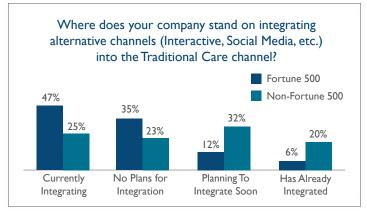


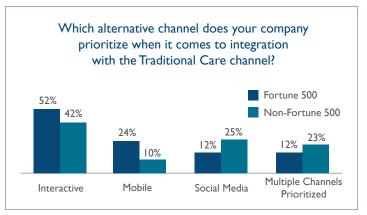
Operational INSIGHT

Percentage of organizations that utilize a shared CRM system that combines information from all contact channels:

FORTUNE 500: 39% NON-FORTUNE 500: 53%

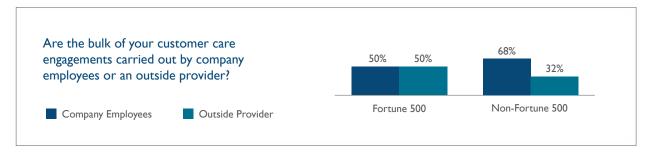
Surprisingly, non-Fortune 500 companies seemed to hold an edge in terms of channel integration and shared CRM systems. While 53% of Fortune 500 companies indicated they were currently integrating or had already integrated compared to 45% of non-Fortune 500 companies, 35% of Fortune 500 companies had no plans for integration, compared to only 23% of non-Fortune 500 companies. Integration is one of the most direct paths to a seamless omni-channel experience. If companies, large companies in particular, want to deliver an exceptional experience — even if the journey takes the consumer across multiple channels integration is a transformative first step.



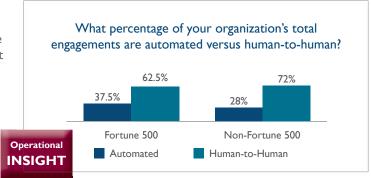


#### PLANS AND CHANNEL TRAFFIC

While non-Fortune 500 companies conduct their customer care engagements using internal employees by a rate of nearly 2 to 1, Fortune 500 companies were very balanced between the use of internal and external resources. Whether the cause of this is cost-related or otherwise, companies that are considering making a staffing move, either toward insourcing or outsourcing, should be deliberate in their strategy, perhaps even seeking to gain insight into the benefits and challenges of such a move from companies that have been there.



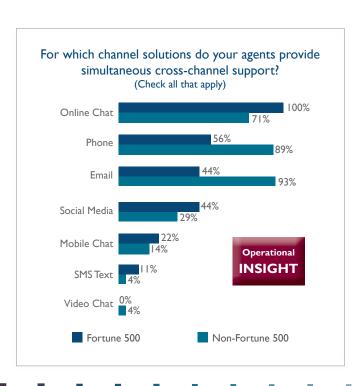
The ratio of automated to human-to-human engagements is fairly consistent across Fortune 500 and non-Fortune 500 companies. The slight edge in automated engagements demonstrated by Fortune 500 companies (37.5% versus 28%) is to be expected given the greater focus on shifting traffic from Traditional Care solutions (like phone or email) to Interactive Care solutions (like self-help).



Percentage of organizations deploying agents that provide customer care via multiple channel solutions simultaneously:

# FORTUNE 500: 50% NON-FORTUNE 500: 54%

About half of Fortune 500 and non-Fortune 500 companies deploy multi-channel advisors. While Fortune 500 multi-channel advisors are more concentrated in alternative channels (namely Online Chat and Social Media), it appears as if a greater percentage of non-Fortune 500 agents are actually multi-channel agents. While these survey results don't exactly indicate the precise channel mix of individual agents, greater channel overlap among non-Fortune 500 agents (as seen in Online Chat, Phone and Email) could be interpreted to mean that non-Fortune 500 agents typically handle more simultaneous channels compared to their Fortune 500 counterparts.



# **FORTUNE 500 FINDINGS - CONCLUSIONS**

#### **KEY FINDINGS**

- Fortune 500 companies are focused on "Improving Quality of Care" as a top customer care priority by a ratio of two-to-one compared to non-Fortune 500 companies
- Fifty-six percent of Fortune 500 companies feel their customers prefer to engage their brand via the Interactive Care channel, compared to only 15% of non-Fortune 500 companies
- Seventy-two percent of Fortune 500 companies are actively trying to shift channel traffic, compared to only 43% of non-Fortune 500 companies

Significant differences between Fortune 500 and non-Fortune 500 participants were focused in three specific areas: priorities, traffic shift and perceived channel preference for consumers.

61% of Fortune 500 companies named "Improving Quality of Care" as a top customer experience priority, compared to only 32% of non-Fortune 500 respondents. While establishing brand reputation and saving money are sensible priorities for smaller companies, it is important to circle back to the types of priorities that have a direct impact on the customer.

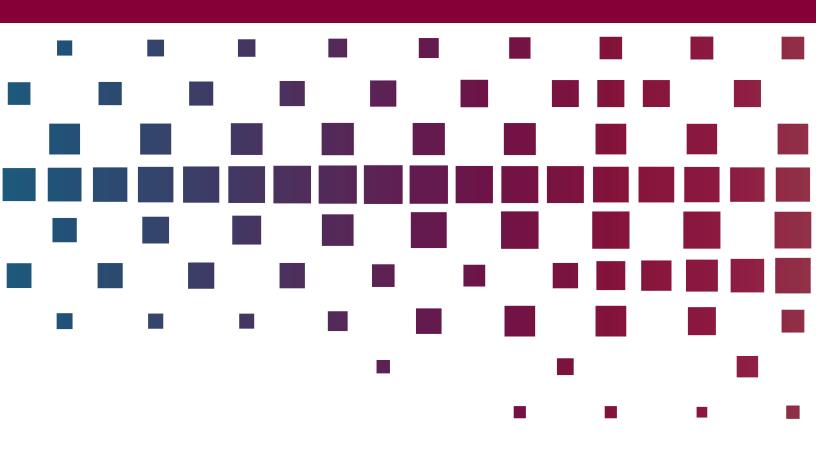
Interestingly, an inverse relationship appears in the data between channel shifting and having a shared CRM system. Regardless of whether a company was a Fortune 500 brand or not, having a shared CRM system meant a company was 35% less likely to be actively trying to shift traffic from one channel to another. This begs the question: Are companies working to shift traffic to overcome a gap in program technology, or because it is in the best interest of their customers?

Finally, non-Fortune 500 companies appear to be more in tune with consumers regarding channel preference. When asked which channel they felt their customers preferred, the top channel choice among Fortune 500 participants was Interactive Care, at 56%. The top choice of non-Fortune 500 companies was Traditional Care, at 75%. The top choice among consumers — Traditional Care at 65%, based on results from the 2015 Consumer Edition\* of the CXMB Series.

# CRITICAL QUESTIONS BRANDS SHOULD BE ASKING THEMSELVES:

- Do our priorities take aim at enhancing or improving the experience our customers have when interacting with our brand?
- As we make decisions about whether or not to actively shift traffic and/or deploy an integrated CRM system, are we considering the impact on customer experience?
- Do we truly understand the channel preferences of our customers? If so, do our strategies support those preferences, or act to dissuade them?

Like the Fortune 500 Findings, the Consumer Research Comparisons section returns in 2015. Expanded and enhanced, the Consumer Research Comparisons section highlights the contrasts and consistencies found in results from the 2015 CXMB Consumer and Corporate Editions.



#### MEETING EXPECTATIONS

With more than two years' worth of data from both the corporate and consumer perspectives, 2015 saw an interesting evolution. Corporate sentiment was tempered, and consumer outlook improved. The differences between the two viewpoints remain an ongoing issue, to be sure, but the trend is headed in the right direction.

This year's results suggest a couple of encouraging developments. First, corporations are getting better at understanding the customer experience from the consumer's point of view. And second, corporations are putting in place practices and processes that are having a real and positive influence on the customer experience. Still, the chasm remains vast (a 46 point difference), and brands have a great deal of work ahead in addressing consumer needs and expectations.

#### The Corporate Perspective

Do you feel your customer care organization is generally meeting the needs and expectations of your customers?

2015 - YES: 79% 2014 - YES: 88%

What's more important to customer experience than meeting needs and expectations? From 2014 to 2015, companies dialed back their bold assertion of success. The survey results of 2015 saw 10% fewer corporate participants proclaiming success in generally meeting the needs and expectation of their customers. From the consumer's point of view, there was a 50% increase in the percentage of consumers that felt that their needs and expectations were being met. While a gulf still exists, it's closing. Considering that twice as many consumers feel companies are getting worse at customer care versus better, it needs to close a lot faster.

#### The Consumer's Perspective\*

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

2015 - YES: 33% 2014 - YES: 22%

In general, do you think that companies are getting better or worse at providing good customer service?

**BETTER: 17% WORSE: 34%**SAME: 49%

# If getting better, in what way? If getting worse, in what way?

#### Verbatim of Consumers Who Said "Getting Better"

"More personalized. More channels to connect. More information."

"More personalized access to help."

"Quicker response times."

"Attention to customer satisfaction."

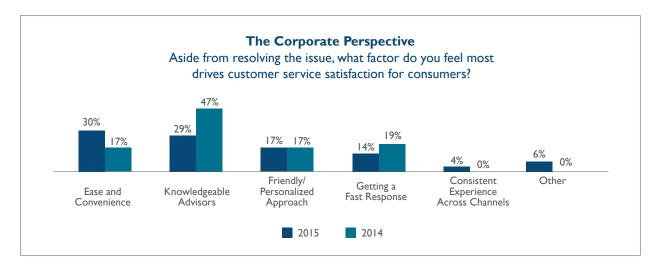
#### Verbatim of Consumers Who Said "Getting Worse"

"It seems to be getting harder and harder to get in touch with an actual human being and most of the time when you finally do, you have reached a call center in India, or wherever."

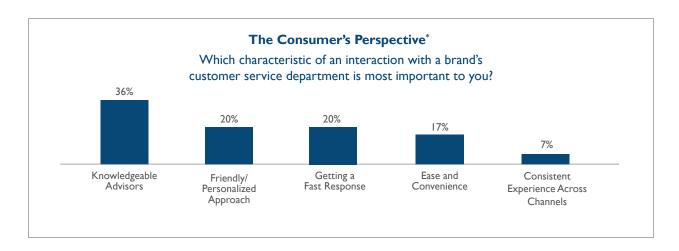
"Too much phone automation. I want a real person to talk to."

"Lack of training ... customer service reps have no power to do anything and don't want to escalate anything."

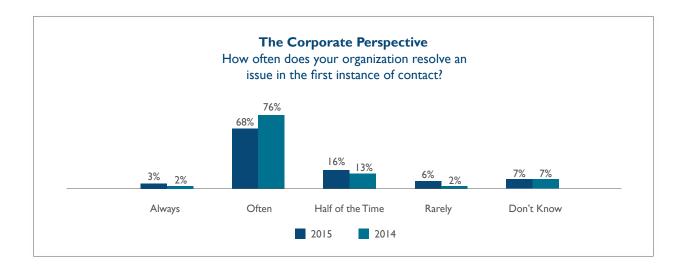
#### CSAT DRIVERS



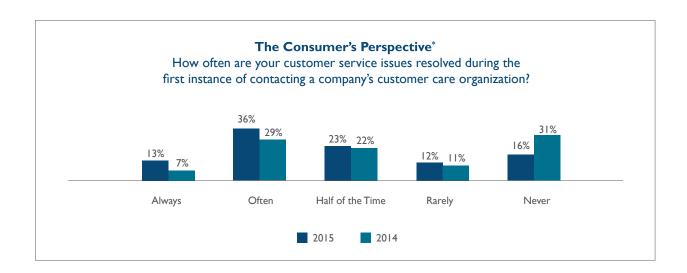
CSAT Drivers proved to be an area where corporate survey participants were more in tune with consumers in 2014. Knowledgeable Advisors, the most important characteristic of an interaction for consumers, relinquished the top spot among corporate participants in 2015. Last year, almost half of corporate participants named Knowledgeable Advisors as the top driver of customer service satisfaction. This year, that rate fell to 29%. Perhaps the biggest lesson to be learned from the consumer results (below) is that performing perfectly in only one area isn't going to please everyone. For every consumer who values getting a fast response, there are just as many who value a friendly, personalized interaction. In other words, consumer expectations are high and multifaceted, and they are only going to get loftier. More than ever, consumers want it all, and companies must work hard and smart to find ways to deliver.



# FIRST CONTACT RESOLUTION



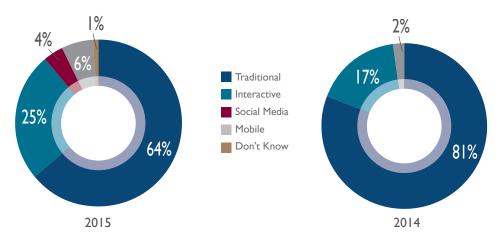
In yet another 2015 Corporate Edition result, this time in reference to First Contact Resolution (FCR), we observed corporate perceptions coming into closer alignment with those of the consumer. That said, the expanse between corporate and consumer points of view remains, with 71% of corporate participants saying FCR occurs Always/Often, compared to only 49% of consumers. While it's true that consumers rarely give companies the benefit of the doubt, this should not be cause to dismiss the entirety of the differences in perception. Instead, businesses should truly seek to understand the disconnect, to explore mechanisms for improving FCR rates and develop better ways to measure those rates.



# CHANNEL PREFERENCE

#### **The Corporate Perspective**

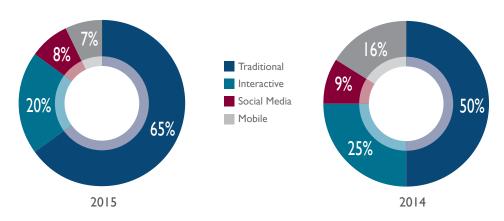
Which channel do you feel your customers prefer to use to engage your brand?



Nailed it! In 2015, corporate survey participants' reading of their own customers' channel preferences were nearly identical to the results of a general poll among consumers. While not an exact apples-to-apples comparison (the corporate question [above] is referencing the majority of an individual company's customers versus the channel preference of individual consumers [below]), the result shows that companies understand there is a wide variety of channel preferences among consumers. These results also show that corporations are understanding and assigning the appropriate value to alternative channels.

#### The Consumer's Perspective\*

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



### AUTONOMOUS/SELF-HELP VERSUS LIVE ASSISTANCE

#### The Corporate Perspective

What percentage of your organization's total engagements are automated versus human-to-human?

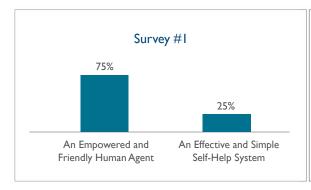
Automated: 31% Human-to-Human: 69% Do you feel your company is beginning to divert focus away from traditional avenues of assistance into autonomous (self-help) options? Responded "Yes" to the above survey question:

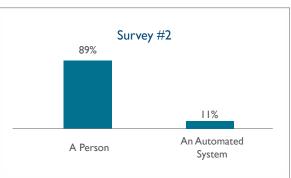
**2015: 63%** 2014: 55% 2013: 53%

One of the more interesting findings to come out of the 2015 Consumer Edition research was the consumer's overwhelming preference for live interaction versus an automated solution. The problem lies in the fact that this preference is counter to so many of the recent and ongoing CX initiatives at a wide variety of companies. The mantra has been: More self-help, increased automation and lower costs. This isn't likely to change. So the best companies can do is to understand what the turnoffs are for automated and self-help solutions. The CXMB Series consumer research provided a glimpse into this, and the two themes that emerge are empathy and flexibility. For years, businesses have understood the importance of flexible, empowered advisors. Now, they are going to need to figure out a way to bring that same level of flexibility, functionality and empowerment to their automated solutions.

#### The Consumer's Perspective\*

In the event of a customer service issue, which would you rather interact with (assuming both are equally capable of resolving the issue)?





#### Please indicate any specific reasons for your preference ...

- "Machines don't have feelings ... empathy is key when resolving a customer issue."
- "Real people can intuitively resolve problems. Automated systems cannot."
- "Because not everything can be scripted."

- "The automated systems do not offer enough flexibility limited options."
- "I feel like people are more helpful, reliable and relatable."

#### MULTI-CHANNEL SOLUTIONING

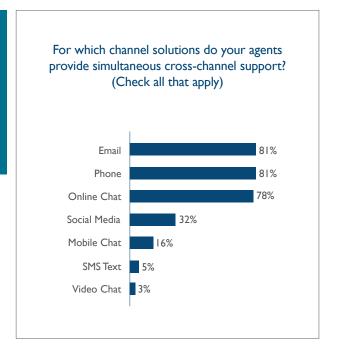
#### The Corporate Perspective

Does your organization deploy agents who provide customer care via multiple channel solutions simultaneously?

YES: 52% NO: 47% Don't Know: 1%

What percentage of consumer interactions resulting in a resolution are conducted across multiple channels?

28%



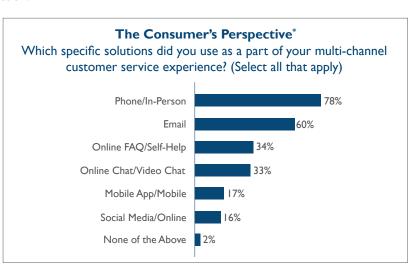
The multi-channel path to issue resolution is here to stay. In fact, its popularity is expected to rapidly grow. The question is, how can businesses accommodate this reality and create the best possible customer experience in the process?

So far, the answer seems to be a threefold approach involving channel integration, shared CRM systems and cross-channel agents. Of these, the first two are absolute slam-dunks in terms of their effectiveness. But the third, cross-channel agents, brings with it a host of considerations and caveats. In order for cross-channel agents to be effective, they need new skills, enhanced training, better tools and, above all else, greater empowerment. Once deployed, companies need to carefully monitor the impact of fielding these hybrid agents, especially in terms of productivity, effectiveness and directional influence on customer satisfaction.

Within the past 12 months, did you use multiple channels to resolve a single customer service issue?

**67**%





# **CONSUMER RESEARCH COMPARISONS - CONCLUSIONS**

### **KEY FINDINGS**

- 79% of corporate survey participants continue to believe that their companies are meeting the needs and expectations of customers, while only 33% of consumers report having their needs and expectation met
- 71% of corporate participants believe a first contact resolution (FCR) is provided "Always" or "Often," versus 49% of consumers who report receiving an FCR "Always" or "Often"
- Though most consumers prefer to speak with a human to resolve an issue, 63% of companies are diverting focus away from traditional avenues of assistance and into autonomous/self-help solutions

In examining the CXMB Series in whole, perhaps the most profound discovery is the ongoing disconnect between companies and consumers in regards to meeting customer care needs and expectations. In 2015, the gap shrank slightly, but a 46 point difference remains. Whether this is due to distortions in consumer perception or a miscalculation in how companies gauge satisfaction, it is incumbent upon businesses to address this discrepancy in viewpoints and find ways to affect change.

The other notable disharmony between consumer and corporate results dwells in the consumer's preference for speaking with a live agent. The subject, which first arose in the 2015 Consumer Edition, is significant in that it appears as if a widespread corporate strategy (shifting traffic from Traditional avenues into self-help/autonomous solutions) runs counter to the consumer's strong desire to interact with a live agent. Perhaps the key to resolving this disconnect is the development of self-help/autonomous solutions that more closely mimic what attracts consumers to live interactions, such as greater empathy and more flexibility. Regardless, companies are going to have to consider the tradeoffs of their strategies, especially in the context of clear consumer preference for live interaction.

# CRITICAL QUESTIONS BRANDS SHOULD BE ASKING THEMSELVES:

- Are we closing the loop between our perception of what our customers are experiencing and what they claim to be experiencing?
- How well do we understanding our customers' issue resolution journey with our brand? What is the easiest way to reach us? What is the most effective channel for issue resolution? Which channel is the most capable and produces the highest CSAT and FCR?
- Are we diverting engagement traffic into self-help or autonomous solutions? If so, are we doing it for the right reasons, and is it resulting in a better customer experience?

# **ABOUT THE STUDY'S METHODOLOGY**

The 2015 Corporate Edition of the Customer Experience Management Benchmark Series was developed using the results of a custom online survey. Consisting of 102 questions, the survey was privately and exclusively solicited by email invitation. These invites targeted individuals responsible for managing the customer experience and customer care programs of large B2C and B2C/B2B organizations in the U.S. and Canada, with the majority of survey participants holding the title of Vice President or higher. Survey answers were gathered from October 22 through December 2, 2015.

# **ABOUT THE STUDY'S AUTHORS**

#### **Execs In The Know**

For over 15 years, Execs In The Know has built a reputation of excellence in the Customer Management Industry and a worldwide community of over 50,000 Customer Experience Professionals. Execs In The Know connects people to engaging industry content, thought leadership, current trends, peer-to-peer collaboration, networking and industry employment opportunities. Examples of this can be seen at their Customer Response Summit events, roadshows, webinars, workshops, Blog Talk Radio segments, Industry Benchmarking Series, blogs, thought papers and social communities.

To learn more about Execs In The Know, visit www.ExecsInTheKnow.com.

#### COPC Inc.

COPC Inc. is an innovative global leader that empowers organizations to manage complex customer journeys. With a focus on driving improvement, the company provides consulting, training and certification for operations that support the customer experience. With improved operational performance, COPC Inc. clients create loyal customers and achieve increased revenue and reduced costs. Founded in 1996, COPC Inc. began by developing the COPC® Family of Standards and helping call centers increase their performance. Today, the company works with hundreds of leading brands worldwide to optimize key customer touch points and deliver a seamless experience across channels. COPC Inc. has conducted assessments in more than 70 countries, and has operations in North America, Europe, Middle East, Africa, Asia Pacific, Latin America, India and Japan.

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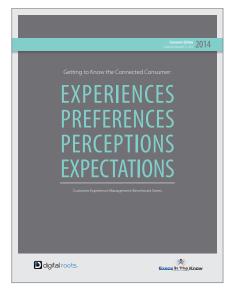
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**2015 Consumer Edition** 



**2014 Corporate Edition** 



**2014 Consumer Edition**