Execs In The Know

2023

CX LEADERS TRENDS & INSIGHTS

CONSUMER EDITION

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IN PARTNERSHIP WITH: VXI

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PREFACE

The customer care industry has ushered in plenty of changes over the past few years. Ahead of the global pandemic (early 2020), automation, artificial intelligence (AI), agent versatility, chatbots, and omnichannel were already trending topics. In many ways, the immensity of the pandemic accelerated these transformations. Many brands lost headcount or were walloped by unexpected volume, underscoring the value of Self-Help. This, in turn, injected greater complexity into human-assisted interactions, highlighting the need for upskilled agents. These and other changes have forever altered both contact center operations and consumer expectations.

Today, many brands have settled into a steady state and consumers into newly revised expectations. This year's *CX Leaders Trends & Insights Consumer Edition* results show that the new steady state is met with budding success, particularly in increased resolution rates (including First Contact Resolutions [FCR]), higher levels of consumer satisfaction, and migration to solutions oft-preferred by those who lead contact center operations. This report provides insights into these and other topics, painting a broad picture of the consumer's current experiences and perspectives.

Results in this report are often described by one of four contact channel types. These channel types are defined by the following channel/solution combinations:

Voice-Based Interactions: Phone, In-Person, Video Chat, etc.
Text-Based Interactions: Online or Mobile Chat, Email, SMS, etc.
Self-Help Interactions: Chatbots, Mobile Apps, FAQs, Kiosks, etc.
Social Media Interactions: Twitter, Facebook, Forums, etc.

Highlights from this year's *CX Leaders Trends & Insights Consumer Edition* report:

- Use of Text-Based channels continued to climb for the second year in a row. (page 13)
- Among respondents, "Difficulty in Reaching a Live Person" remains the most frustrating aspect of resolving a customer care issue with a brand. (page 15)
- Multichannel resolution rates continued to improve, standing at 86%. (page 22)
- Twenty-six percent of respondents feel companies are getting better at providing good care. (page 50)
- Sixty-eight percent of respondents would be willing to pay a little more for a product or service if it meant they'd get world-class customer care. (page 51)
- Forty-one percent of consumers feel the most effective way for brands to invest in improving the customer care experience is "Training For Agents and Support Staff." (page 54)

A NOTE FROM THE **AUTHORS**

Our latest volume of the *CX Leaders Trends & Insights Consumer Edition* report leaves the CX industry with lots to be optimistic about. Consumer experiences and perceptions are trending in the right direction, and consumers have found both a renewed acceptance of Text-Based solutions, as well as a new acceptance of Self-Help and AI-powered solutions. Ours is an industry that has lots to be excited about, both now and into the future!

Special thanks to this edition's Practitioner Perspective contributors. The insights provided by these five CX leaders are part inspiration, part roadmap, and sure to be 100% appreciated by our readers.

Practitioner Perspective contributors include:

Ted Stodolka	Toni Keller	Pete Mallot	Todd Sale	Karen Slusher
SharkNinja	Cymbiotika	Microsoft	FleetCor	Azure
(page 14)	(page 15)	(page 20)	(page 29)	(page 55)

We'd also like to extend a special thanks to VXI, our esteemed project partner for this research report. Be sure to check out VXI's special commentary (page 5) titled: Yesterday's Tailwinds & Tomorrow's Headwinds: How Digital Acceleration Has Redefined CX. In it, Neil Rae, VXI Global Solutions Chief Digital Officer, shares how brands can better support their customers through a range of actions, including transformative change. Be sure not to miss this special content.

Kind Regards,

Execs In The Know

Please contribute your voice to the
***2023 CX Leaders Trends & Insights Corporate Edition* report!**

We want to hear your story! Execs In The Know will soon be gathering responses for the 2023 Corporate Edition report, and we could use your help! Your individual responses will never be shared, and your participation will help broaden this year's insights and results.

For information on how you can participate, including contributing a Practitioner's Perspective, please contact Susan McDaniel at Susan@execsintheknow.com.

PARTNER COMMENTARY

PARTNER COMMENTARY

Yesterday's Tailwinds & Tomorrow's Headwinds: **How Digital Acceleration Has Redefined CX**

By **Neil Rae**
Chief Digital Officer I VXI Global Solutions

In recent years, businesses around the world have experienced a mass acceleration of digital technologies. Some of those were necessitated by external forces, such as COVID-19. Others were already on their way.

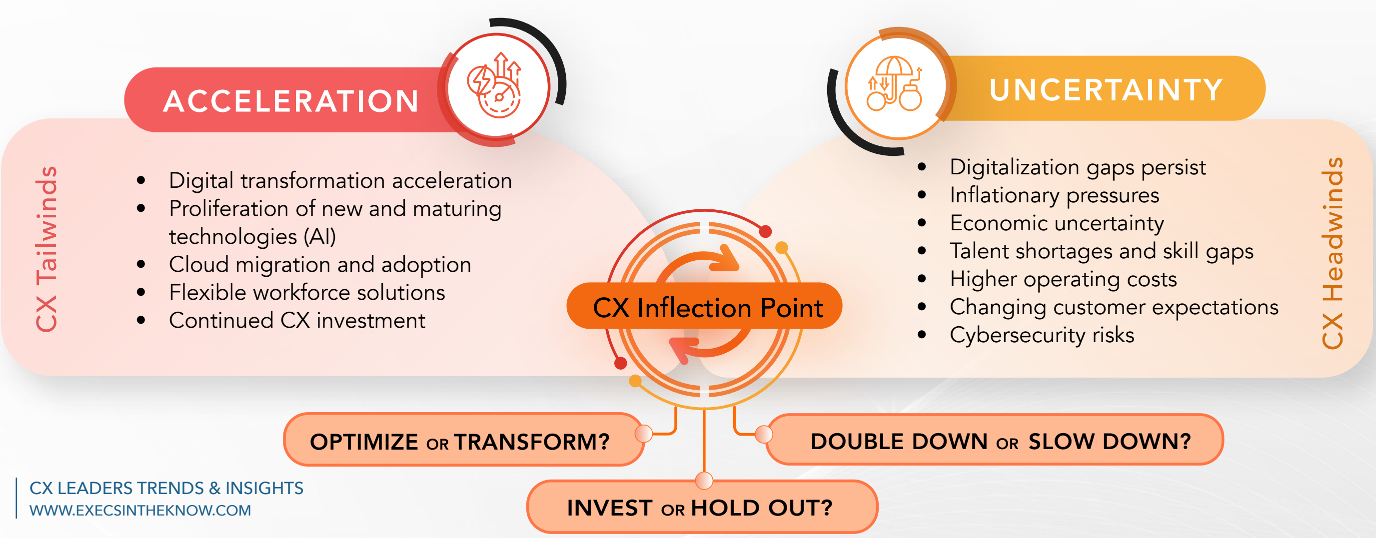
In August 2023, VXI and Execs In The Know conducted a survey that highlights that acceleration and reveals how businesses can capitalize on moments of disruption. By reflecting, resetting, and reprioritizing investments, companies will be in a better position to keep up with continued acceleration and avoid falling behind.

CX TAILWINDS & HEADWINDS

In 2020, a tailwind of digital acceleration spread throughout the globe in the form of a pandemic. Work-from-home operations became the standard nearly overnight, businesses invested in digital technologies at an unprecedented pace, and an emphasis on personalization was heightened. These were just a few of the most visible ways businesses adapted — and consumers and employees thanked them for it.

But with a massive tailwind often comes an equally massive headwind, and businesses are now taking their foot off the gas pedal as quickly as they put it on. If COVID-19 was the catalyst for widespread change, current economic uncertainty, skill gaps, and higher operating costs are inducing brands to pull back their large-scale transformational initiatives, such as AI and personalization.

Service delivery models are reaching an inflection point



But while this headwind has provided a tidy justification for scaling back operating costs, it's far from the only reason companies are doing so. A 2022 report found that around *70% of enterprise digital transformation projects failed or were significantly delayed,* which inevitably had a big impact on the bottom line.

Too often, these failed initiatives begin by overfocusing on the technology rather than on people and processes. Companies that prioritize redesigning processes and mapping out the employee experience prior to layering in new tools will reduce their risks and increase their return on investment. Otherwise, their customers will take note. In fact, the EITK survey found that most consumers feel customer support has gotten more difficult in recent years, not easier. And this is not limited to customers with high expectations — only 25% of CX leaders surveyed think support is getting easier. Clearly, just throwing in technology isn't working.

CHANNEL CHOICE VS. CHANNEL GUIDANCE

Luckily for businesses, customers are clear about the experiences they want: frictionless journeys across traditional channels, such as voice and email, as well as nontraditional ones, such as live chat, AI-enabled chatbots, SMS, and social media. Furthermore, today's customers are unafraid of multichannel support journeys, as indicated by the 80% of survey respondents who say they have taken such an approach within the last year. The way you deliver those experiences, though, may vary. Should you enable your customers to choose their preferred channel (channel choice), or guide them to the channel that's more likely to resolve their issue, even if it's not their preferred one (channel guidance)?

There are several considerations to channel choice or guidance. Your budget, long-term goals, and industry will be major factors in your decision, but so will be the channels that are best for your customers given your specific business. For example, if most of your support calls are due to simple issues that could be more easily and affordably handled on a self-service portal, channel guidance may be the way to go.

Regardless of your decision, keep the process simple and always lead with resolution, experience, and the customer in mind:

- Listen to your customers
- Respond with empathy & understanding
- Take action with better training & optimized channels

Keep in mind that depending on where your business is, there may not be a right answer when it comes to choice versus guidance — but there is a wrong outcome.

> "There may not be a right answer when it comes to channel choice versus channel guidance, but there is a wrong outcome."

"SUPPORT NOMADS"

Gone are the days when your customers had no other choice but to call in for support. Of course, they still rely on you for customer service — on both voice and digital channels. But your brand's official channels may no longer be their go-to. Instead, many are becoming what we're coining "Support Nomads." Empowered by choice, these are the customers who turn to nontraditional channels such as Reddit, YouTube, or other third-party resources. Additionally, 86% of respondents in the EITK survey say that the customer care experience is "important" or "very important" in shaping their opinion of a brand — so, if all else fails and their frustrations hit a boiling point, they may blast your brand on social media.

Support Nomads are unwilling to put up with poor CX for long. If your internal support fails, they'll quickly pivot to third parties to crowdsource their answers. More than 60% of respondents had experienced negative customer support within the last year, and nearly 80% of them shared those negative experiences with others. And, of course, your customers may simply choose your competitor. Today's ease of switching cannot be overstated or underestimated.

Fighting Support Nomads is futile. You'll never convince them that crowdsourcing answers is the wrong approach. But you CAN mitigate negative social commentary by controlling the narrative on social channels, investing more in your CX, and by active listening on social media — rather than relying too heavily on voice and email for insights. And when things do go awry, be proactive: The EITK survey found that 53% of businesses don't attempt to remedy a poor experience. Can you blame them for turning elsewhere?

Support Nomads have the power to enhance or damage your brand reputation. So, design experiences for the customer, not the bottom line — and then reap the benefits.

CANCEL THE COST-CUTTING CULTURE

Today's headwinds have naturally led to cost-cutting for businesses across the board. Layoffs are widespread, and employees are urged to do more with less. However, there are two major problems with this cost-reduction approach. The first is that many typical cost-reduction goals (e.g., caps on Average Handling Time, or AHT) are not the most effective ways to improve experiences for your customers and employees. The second is that contact centers have slowly gutted traditional processes and KPIs over time, which means there isn't much return by continuing to do so.

The best way to increase revenue isn't to reduce costs — it's to optimize them. Start by understanding your customer more holistically: What drives them to

contact you? What percentage of contacts warrant live support? Which low-value touchpoints can you automate to make their journey easier? When you understand them in that way, you can then build your optimal customer journey as your North Star for experience and resolution.

And these optimization efforts do more than drive revenue: When you can tie cost-optimization back to the customer experience, it informs you on better processes, empowers your employees to deliver better support, and ultimately highlights your path moving forward.

DEFINING YOUR BRAND IN THE HEADWINDS TO COME

Disruption comes from within and without. The COVID-19 tailwind was an external disrupter, accelerating digital transformation like never before. Suboptimal CX is an internal one, potentially leading to negative advocacy or sheer abandonment by Support Nomads. And in the headwinds to come, you need to ask yourself how your brand will be defined in the face of future disrupters. Be prepared, and keep your eyes on the CX prize:

- Transform, don't just optimize
- Design for your customer
- Focus on value, not cost

As CX continues to evolve, your engagement strategy should be built on collaboration to transform processes, design experiences, and increase revenue. To accomplish this, organizations are turning to outsourced partners that will help them bridge gaps, drive value, and build a blueprint for the future. After all, the investments you make today will define how you adapt to what comes tomorrow.

Neil Rae
Chief Digital Officer
VXI

As Chief Digital Officer and the Head of VXI's CX Advisory services, Neil Rae leads a team of design thinkers, CX operators, and "hands-on" practice leaders with experience helping contact centers transform and innovate. The CXA mission is to create and deliver differentiated experiences for both customers and agents while remaining focused on value creation for our clients.

As a leading global provider of outsourced customer engagement solutions, VXI offers our clients a winning combination of talent, technology, and purpose to elevate experiences, boost brand value, and uplift our shared communities. VXI is an NMSDC-certified and minority-owned business process outsourcer with over 40,000 employees across 7 countries and 40+ service delivery locations. Our integrated service offering supports next-generation operating models through comprehensive customer care solutions, experience design, digital strategy, and enablement, IT outsourcing, software development, and strategic automation.

Backed by Bain Capital Private Equity, VXI is one of the fastest-growing, privately held business services organizations in the United States and the Philippines, and one of the few U.S.-based customer care organizations in China.

SURVEY **RESULTS**

Methodology

This report, the *2023 CX Leaders Trends & Insights Consumer Edition*, was developed using a multi-module, multi-cohort series of consumer surveys conducted on the SurveyMonkey online surveying platform. Consumer surveying occurred across seven unique survey modules from June 30 through July 5, 2023, using SurveyMonkey Audience, a survey panel targeting platform. Sample sizes for individual questions ranged from 247 to 460. All respondents were U.S.-based individuals, ages 18 years or older.

Platform Note: A Change In Methodology and Its Impact

Prior to 2023, all *CX Leaders Trends & Insights Consumer Edition* reports were built using survey results from the Google Consumer Survey (GCS) platform. Unfortunately, Google made the decision to sunset this product in November 2022, forcing a platform shift to SurveyMonkey. Although SurveyMonkey is a quality surveying platform, such a shift comes with the potential for a break in trends, as is the case for several results in this report, most notably on pages 18, 39, and 62. As readers review these results, it's worth bearing in mind that the GCS platform was primarily public in nature, whereas SurveyMonkey is more targeted to professional survey takers. As such, survey respondents were far more self-selecting about which surveys they participated in on the GCS platform, with the option to opt out if uninterested in a particular survey topic. As such, the switch in platforms has likely impacted results, including surveying screen questions in particular. As with all CX-related research, trends lead to some of the most valuable insights and, in several instances, trend lines are simply resetting in 2023 with introduction of this new surveying platform.

CONSUMER **EXPERIENCES**

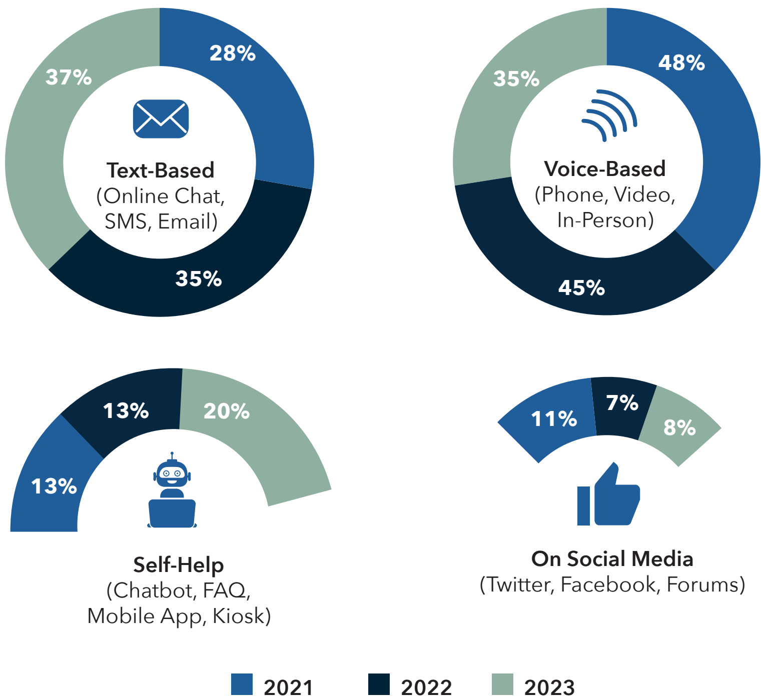
- Consumer Use
- The Multichannel Journey
- The Happy & Unhappy Consumer
- Self-Help Solutions
- AI-Powered Solutions

CONSUMER
USE

CUSTOMER CARE CHANNEL AND SOLUTION USE

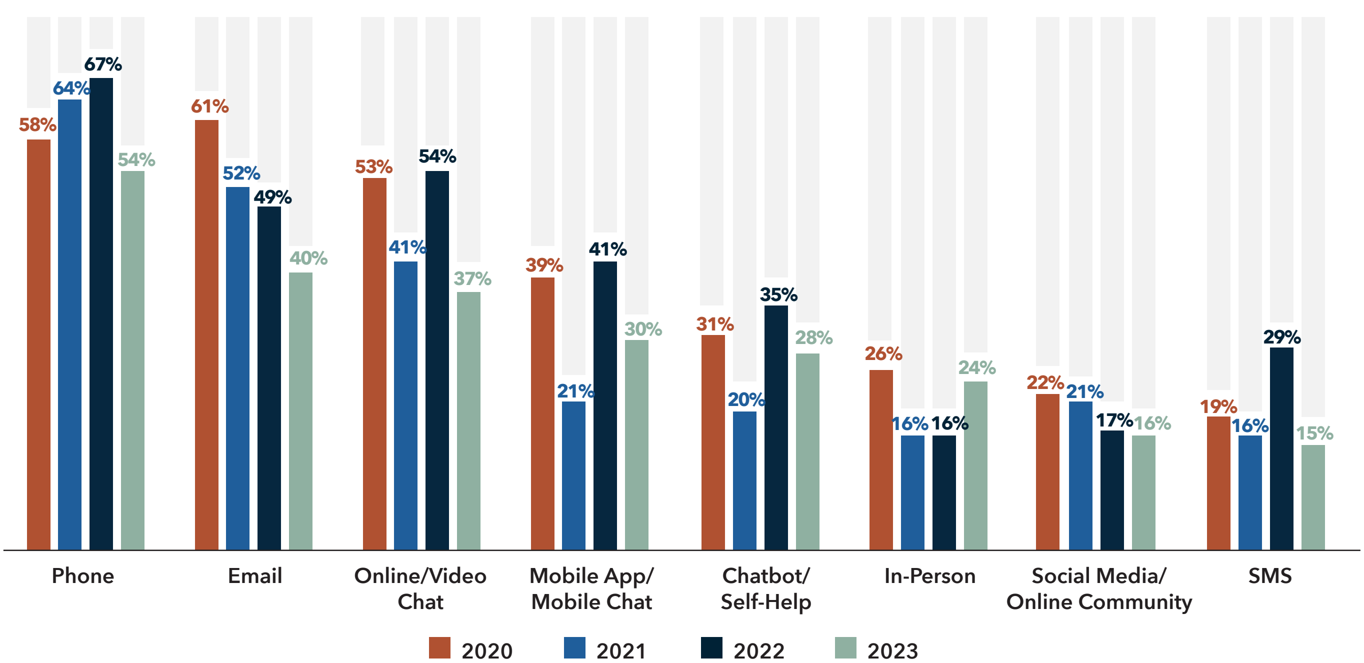
Among consumers, reliance on Text-Based interactions continues to climb, overcoming Voice-Based interactions in frequency of use for the first time in 2023. Equally notable was the rise in the use of Self-Help solutions, gaining seven points year-over-year with much of those gains appearing to come at the expense of Voice-Based interactions, which tumbled 10 points year-over-year.

Within the past 12 months, which method of interacting with customer care have you used the most frequently?



Survey results suggest consumer use of individual solutions consolidated in 2023, with use across all solutions totaling 244% compared to 308% in 2022. Although there was seemingly a reduction in use across all solutions (save In-Person), the order of popularity amongst solutions remained relatively constant, with Phone, Email, and Online/Video Chat remaining the most used solutions.

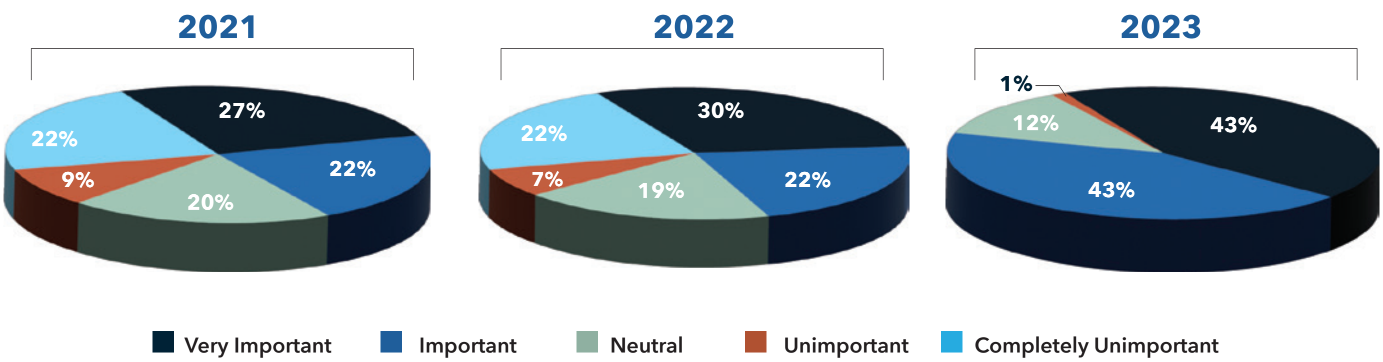
Within the past 12 months, which solution(s) have you used to engage with a brand's customer care department? (Select all that apply.)



IMPORTANCE OF CX IN SHAPING BRAND OPINION

After two years of relative stability, survey respondents expressed a much higher level of importance for how customer care experiences shape their brand opinions. In 2023, 86% of survey respondents said the customer care experience is either "Important" or "Very Important" in shaping their opinion of a brand, compared to a combined 52% in 2022. The Customer Care Experience continues to be an area of primary concern for customers, best exemplified on page 53 where most consumers say brands should focus their improvement efforts on "The Customer Care Experience" versus other areas of CX.

How important is your experience with a brand's customer care department in shaping your opinion of that brand?

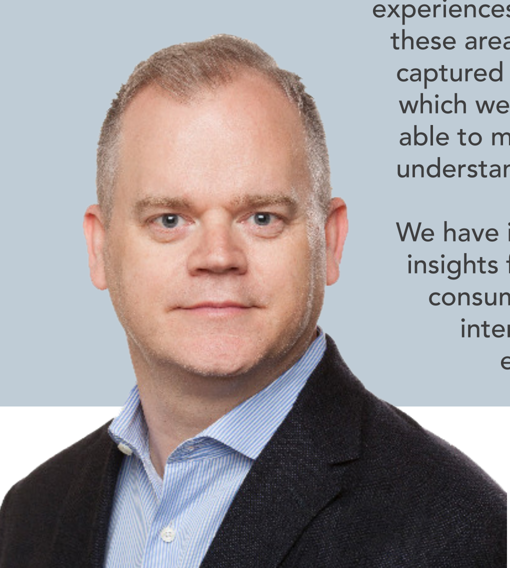


In 2023, there was a shift in how consumers perceive the impact of customer care on brand opinion. What is your brand doing to capitalize on customer care's influence?

"Leaders in the CX community have long known of the importance of customer care in building deep relationships with customers. It's great to see this validated by these insights.

At SharkNinja, the customer is already at the center of everything we do. Our CEO, his executive team, and all associates across the company are obsessed with providing 5-star service to our customers. This obsession allows the CX team to engage in areas of the business that CX leaders in other companies might find difficult to influence, such as product development, packaging, marketing, website design, operations, and post-purchase experiences. In fact, I don't know of an area of the business we don't influence. To influence these areas of our business, we use data-based consumer insights. These insights are captured with new technologies that capture extraordinary detail about our consumers which we then analyze to improve our products and shopping experiences. We've been able to make investments in these tools, and expand our influence, because SharkNinja understands the importance of providing great customer care to grow our brands.

We have invested, and expect to continue to invest, in our ability to glean consumer insights from a variety of sources, including direct and indirect interactions with consumers and consumer reviews of our products. We believe that continued interactions with consumers allow us to understand their needs and desires, enhancing our product storytelling and inspiring purchases."



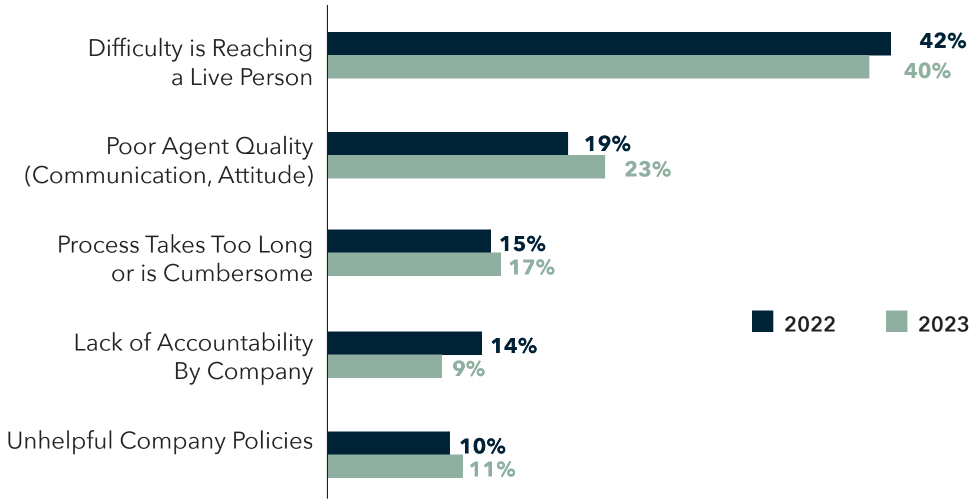
SharkNinja

Ted Stodolka
SVP, Head of Global Consumer Experience

WHAT FRUSTRATES CONSUMERS

Consumers continue to find frustration in the inability to easily reach a live person when trying to resolve a customer care issue with brands. In addition to this mainstay aggravation, 2023 also saw upticks in frustration with agent quality and the overall process in terms of time to resolve and clunkiness. Time and again, consumers indicate they are willing to use automated solutions, but they must be quick and easy, and live assistance must be available and at the ready.

What do you find to be the most frustrating aspect of resolving a customer care issue with a brand?



Consumers continue to value easy access to a live person. What is your organization doing to ensure your customers aren't cut off from live assistance when they need it most?

"Our approach to customer experience is defined by our commitment to omnichannel communication, ensuring that we connect with our customers on their preferred platforms. Our unwavering presence in the office sets us apart, enabling us to provide live assistance — an exceptional rarity in today's business landscape. As a company deeply devoted to health and premium supplements, we understand the significance of creating a dedicated space for our customers. This space not only serves as a beacon of guidance, but nurtures a sense of community, addressing the fundamental need for personal connections and support."

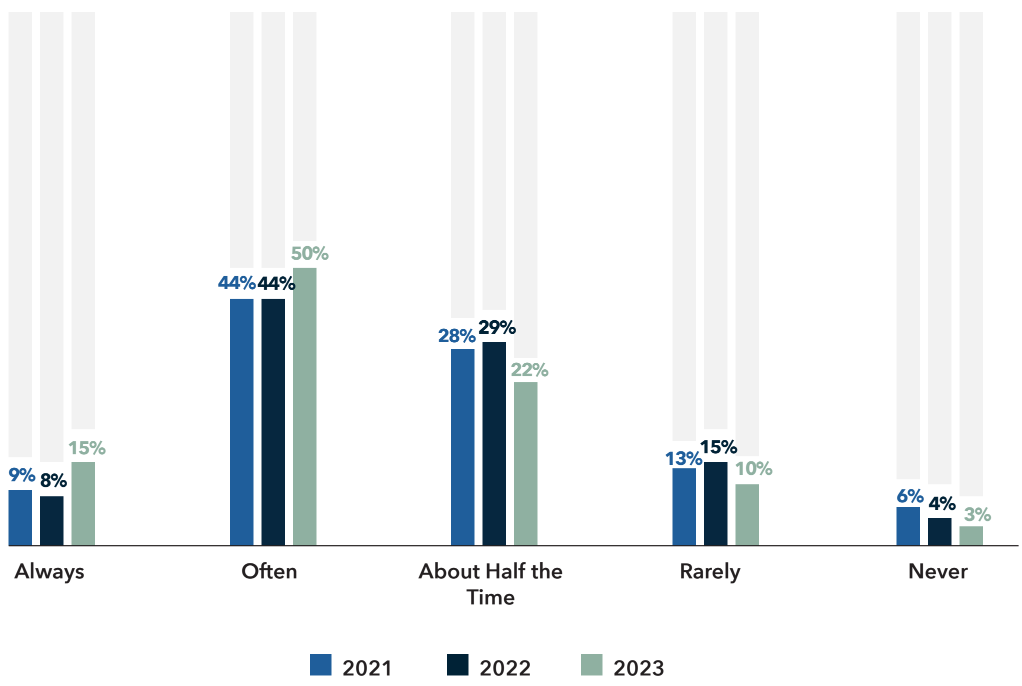
Toni Keller
Director of Customer Experience

CYMBIOTIKA

FIRST CONTACT RESOLUTION

First Contact Resolution (FCR) saw positive movement year-over-year, with the combined responses of "Always" and "Often" totaling 65% compared to 52% in 2022. At least some of these gains are likely due to brands focusing more on agent problem-solving skills as a hiring requirement, as well as improvements in the effectiveness and resolution rates of self-help solutions.

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



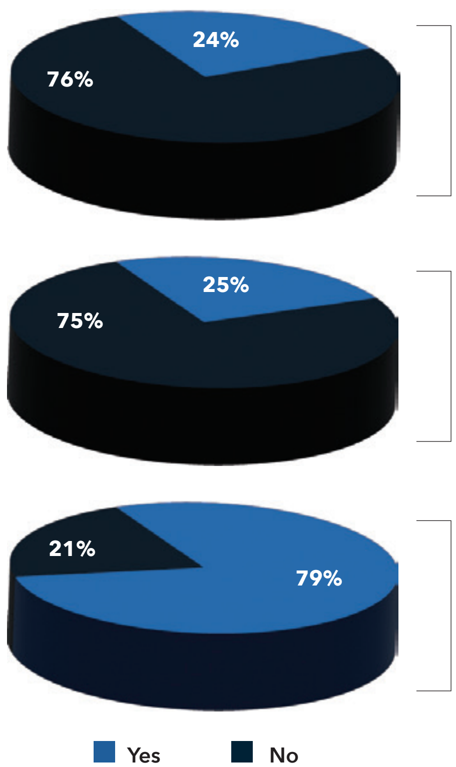
THE

MULTICHANNEL

JOURNEY

USE OF MULTICHANNEL AND CHANNEL SELECTION

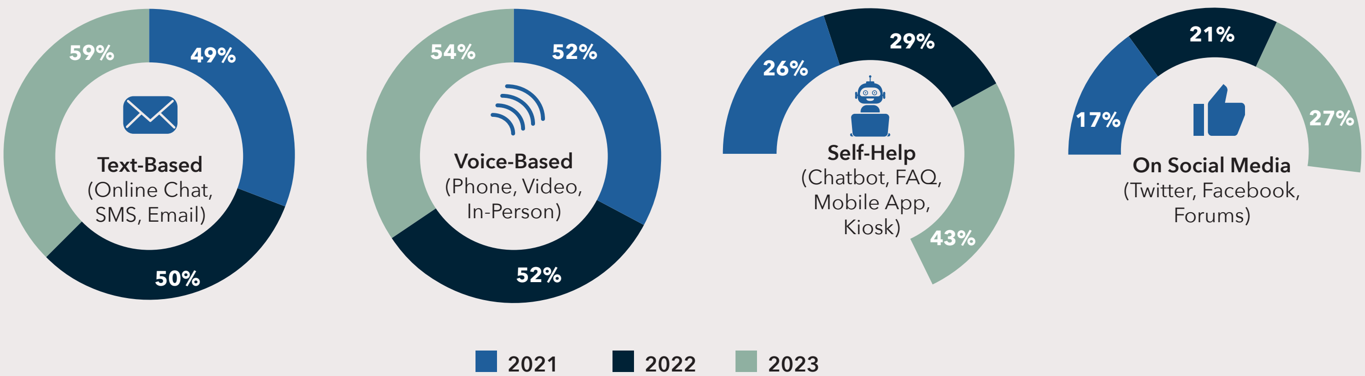
Within the past 12 months, did you use multiple channels (like phone, email and social media) to resolve a single customer care issue?



As highlighted in the Platform Note (page 10), the change in this year's surveying platform has resulted in some titanic shifts in results, particularly as it applies to screening questions. In 2023, nearly 80% of survey respondents indicated they had taken a multichannel approach to customer care within the past year. This is a far more accurate representation of reality than previous results (due to the selectivity of the prior platform), and it demonstrates the importance of getting it right when it comes to creating consistent, seamless cross-channel experiences.

For the first time in the data, Text-Based interactions outweighed Voice-Based interactions as a part of the multichannel journey. Substantial gains were also observed in Social Media and especially in Self-Help engagements. These changes appear to be indicative of industry trends that see brands more heavily relying on Self-Help, and a consumer base that has grown more accustomed to Text-Based communications.

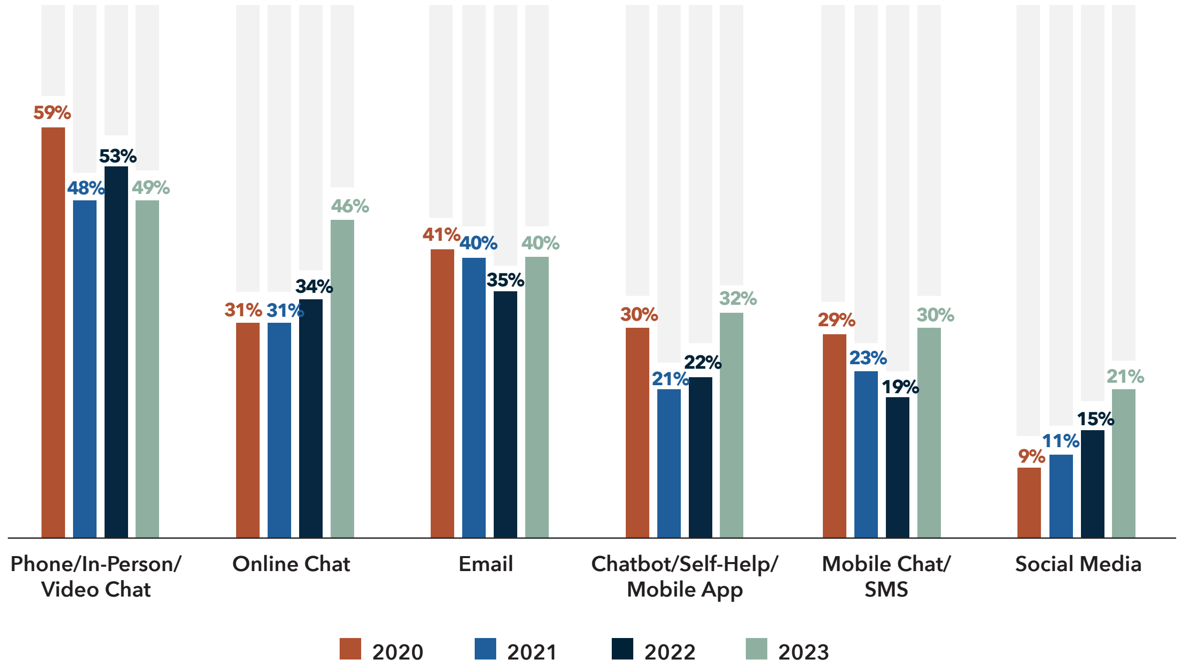
In which ways did you interact with the brand as a part of your multichannel customer service experience? (Select all that apply.)



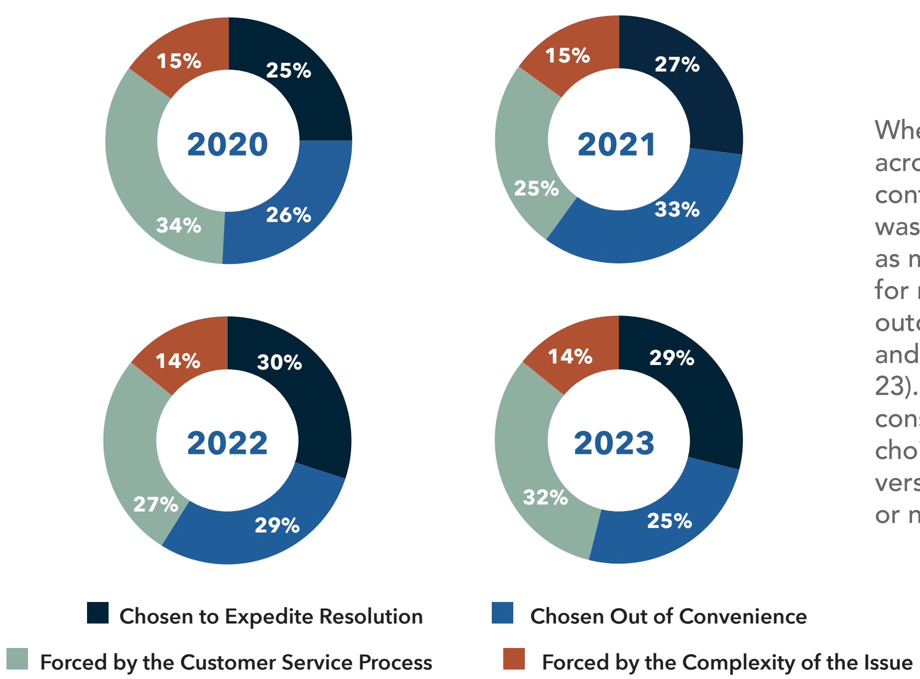
MULTICHANNEL SOLUTION USE AND REASON

As alluded to in the channel use results on the previous page, consumers have retreated slightly in their use of Voice-Based solutions (namely, Phone), while expanding their use of Text-Based solutions. On the Text-Based solutions front, the most significant growth was seen in Online Chat (up 12 points year-over-year) and Mobile Chat/SMS (up 11 points year-over-year). Consumers also continued to expand their use of Self-Help solutions, indicating improving quality among such solutions.

Which specific solutions did you use as a part of your multichannel customer care experience? (Select all that apply.)



Why did the process take you across multiple channels?

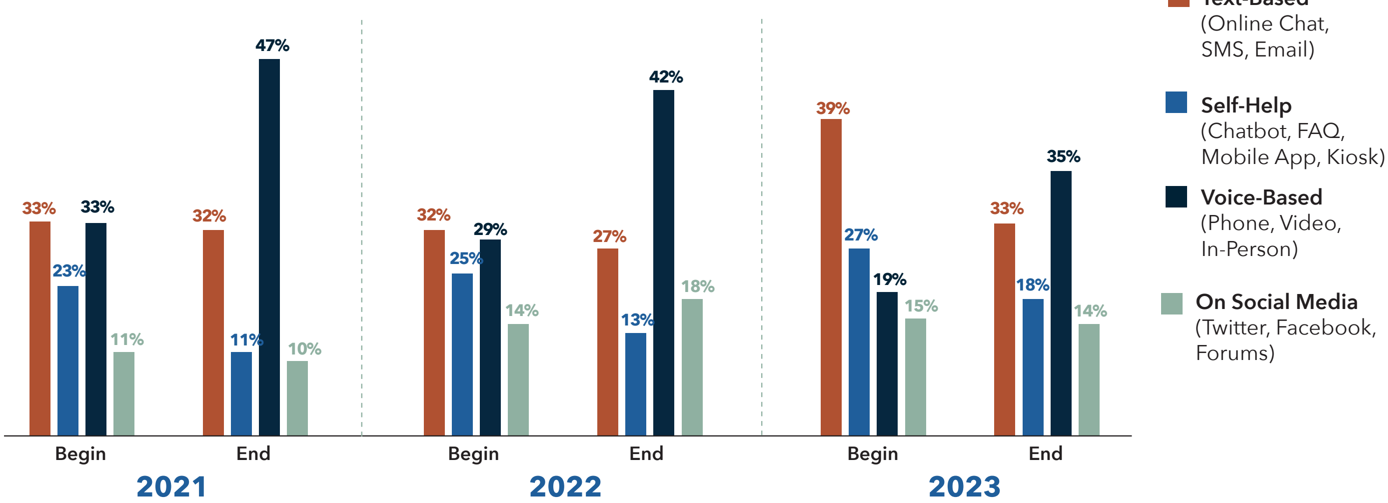


When asked why the process took them across multiple channels, consumers continue to mostly indicate multichannel was a choice. This is a very good thing, as multichannel journeys, when opted for rather than forced into, have better outcomes in terms of both resolution and satisfaction rates (pages 22 and 23). Choice is a core expectation of consumers, regardless of whether the choice is solution-based, between live versus automated assistance, or taking or not taking a multichannel journey.

MULTICHANNEL BEGINNING AND ENDING POINTS

Voice-Based interactions (namely Phone) continued a multiyear downtrend of fewer interactions (both beginning and ending in Voice-Based channels). At face value, this looks negative for Voice-Based solutions, yet the trend of more interactions ending in Voice-Based than beginning there continues, demonstrating the channel's value as a destination of last resort. If brands want to accelerate the transition to Text-Based and Self-Help solutions, the most effective path to doing so is to boost the resolution capabilities of these channels, allowing consumers to start and end their interaction within a single channel, should they choose. These gains are already evident among Self-Help solutions, where the "begin-to-end gap" has been slashed to 9 points from 12 points in 2022, indicating a higher resolution rate and greater channel effectiveness.

In which channel did your multi-channel engagement begin/end?



The resolution capabilities of non-voice-based solutions appear to be on the rise. How does your organization ensure channels like online chat and self-help are able to be just as effective at issue resolution at phone-based support?

"Consumer Support behaviors are evolving in concert with the advent of technological capabilities, making it easy for customers to engage across a range of avenues such as social platforms, mobile devices, and apps. The days of phone-first support are fading fast. With the notion that the best path to customer resolution can often be a "digital first" journey, the opportunities to capitalize on technology benefit the customer and your business. In the area of Self-Help, curating and presenting Self-Help content and solutions can render success ranging from basic "help and how to" solutions to more complex workflows, diagnostic tools, and even self-healing capabilities, particularly when you identify standard, repeatable, and scalable support scenarios.

Utilizing Chat in customer support also has advantages in the digital first journeys that allow companies to provide great experiences utilizing an extended workforce, especially where multi-language scale is essential. The use of chat language translation services allows agent subject matter expertise to transcend language barriers and extend the range of agents to support customers nationally and globally. Concurrency of chat-based engagements (synchronous or asynchronous) can also add operational efficiencies without compromising the quality of the support and solutions delivered to customers. SMS links from IVR and telephony systems can reinforce this transition to chat/chatbot-based support with AI first responses to address the common and repeatable scenarios and advocate chat-enabled secondarily with high quality.

A powerful differentiator in the support spectrum can also include "phone-based support" that is enabled or included with any premium or high value offering. This can encourage customers to unlock the value of premium versus basic capabilities while both Self-Help and chat-enabled support offerings are included universally to all customers. Regardless of Self-Help or chat, a digital first experience where you have the opportunity to know more about the customer at the start of this journey can render a targeted, succinct, and high degree of success in solving the customer issues."

Microsoft

Pete Mallot
Worldwide Support Leader for Modern Life and Business Programs

MULTICHANNEL CONSISTENCY AND OPPORTUNITIES FOR IMPROVEMENT

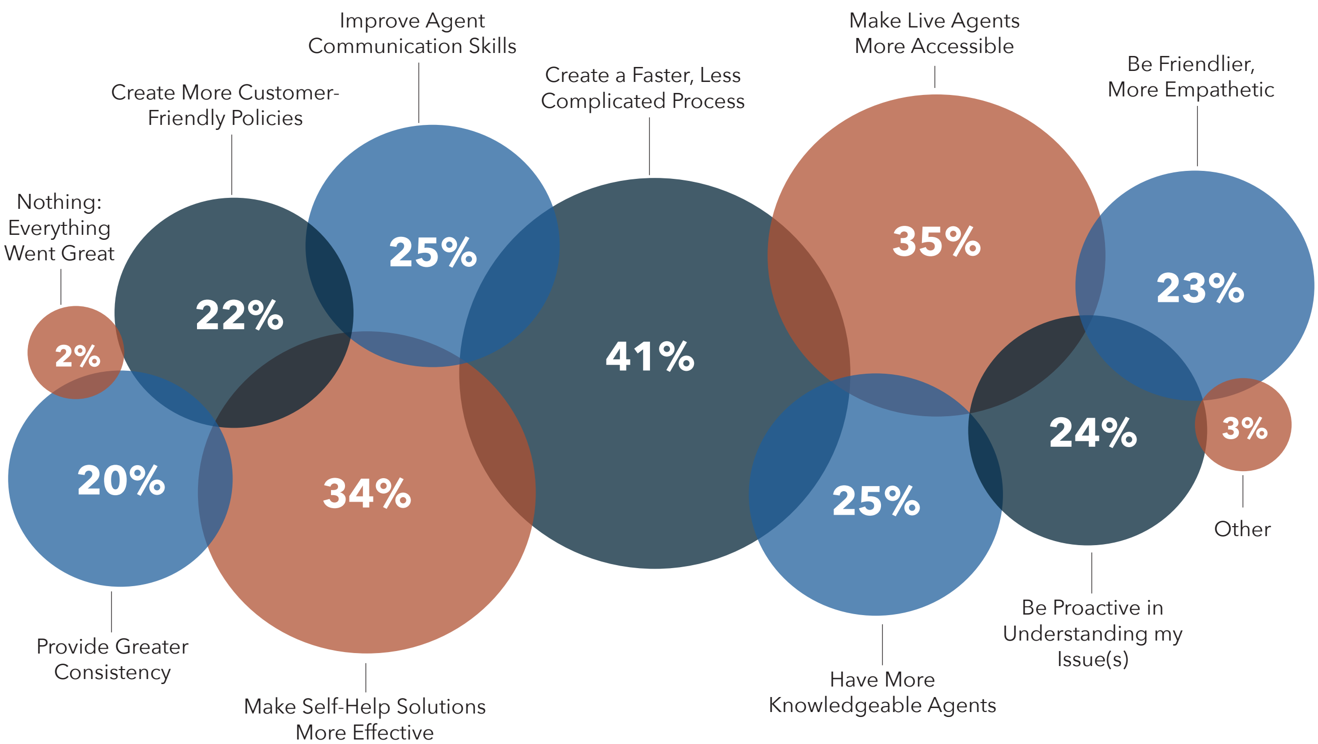
Consumers' impressions of the consistency they received during a multichannel journey improved dramatically year-over-year, increasing by 17 points (up 29%). While consistency is not necessarily the top concern, it is strongly represented when consumers were asked what's most important to them in resolving an issue with a large brand (page 63). Consistency builds trust not only for the brand, but for the specific solution a customer might be utilizing during their customer care engagement.

Was your interaction with customer care consistent across all channels?

	2021	2022	2023
YES	60%	59%	76%
NO	40%	41%	24%

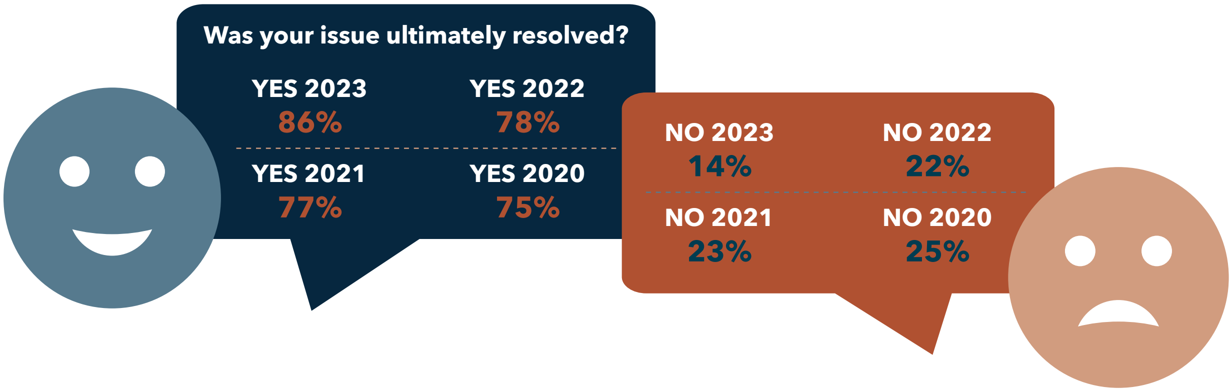
In a new close-ended format for an old question, consumers gravitated toward a faster, less complicated process, more agent accessibility, and greater effectiveness for self-help solutions. The last of these is most interesting because it demonstrates that self-help solutions are top of mind for a lot of consumers, and that they are willing to use such solutions, especially if they were to become more effective.

What could the customer care team you interacted with have done differently to improve your overall multichannel experience? (Select all that apply.)

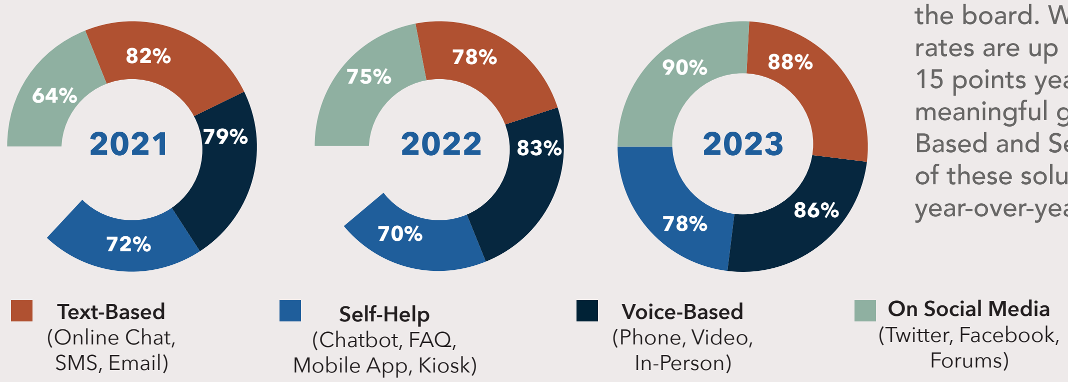


MULTICHANNEL RESOLUTION RATE

Multichannel issue resolution rates, much like FCR (page 16), ticked higher year-over-year, moving up 8 points to an impressive 86% — the highest resolution rate ever in nine years of consumer surveying on this topic. Much of this improvement is likely due to gains made in the effectiveness of Self-Help and, to a lesser extent, Social Media solutions, as demonstrated by the results below and the narrowing gap between the number of interactions that begin and end within the Self-Help channel (page 20).

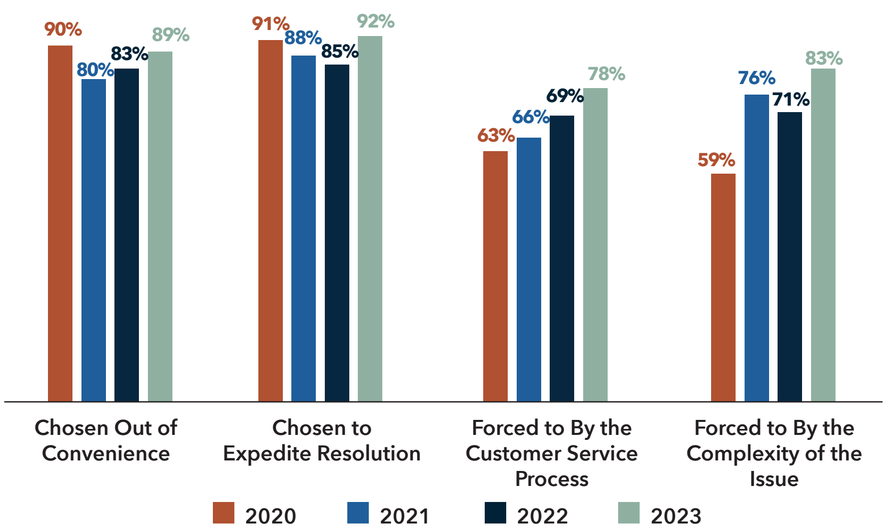


Resolution Rate % Based on the End Point of Multichannel Engagement



As highlighted in both the results at left and above, resolution rates are up across the board. While Social Media resolution rates are up most dramatically (improving 15 points year-over-year), the most meaningful gains have come from Text-Based and Self-Help solutions, as the use of these solutions has notably increased year-over-year (page 18).

Resolution Rate % By Reason For Taking a Multichannel Approach



Taking resolution rate analysis one step further, it's clear that forcing individuals into a multichannel approach has a detrimental effect on the rate at which their issues are resolved. When customers are forced into taking a multichannel approach (as opposed to choosing the approach), resolutions rates are lower by six to 14 points. This is a substantial difference when considering the negative impact of unresolved issues.

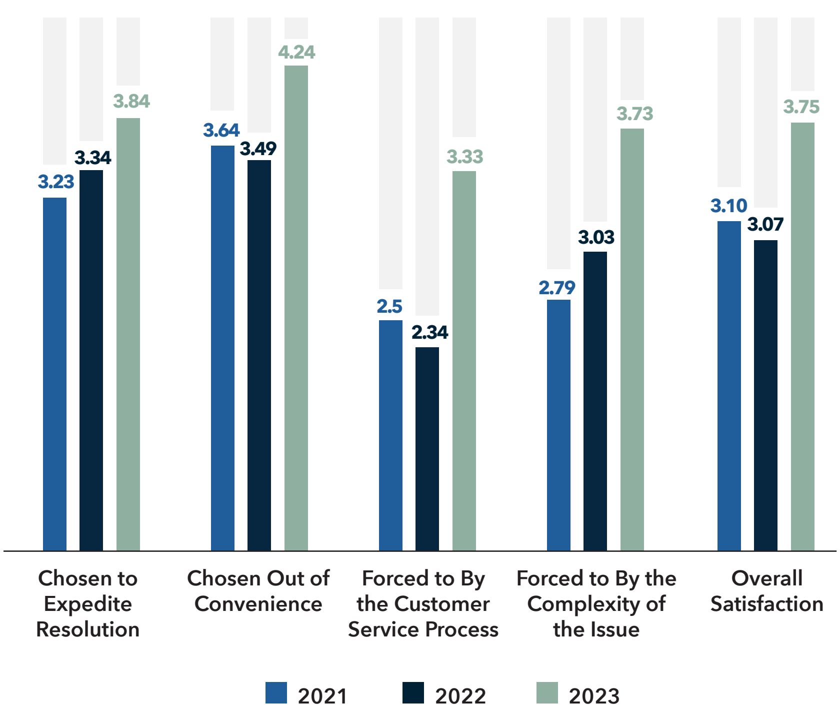
MULTICHANNEL SATISFACTION RATES

Consumer satisfaction with the multichannel approach improved significantly year-over-year, likely influenced by improving resolution rates as demonstrated on page 22. In 2022, 37% of survey respondents indicated they were either "Very Satisfied" or "Satisfied" with their multichannel experience, compared to 66% in 2023. While improved satisfaction is most likely associated with improved resolution rates, it's also likely that improvements in AI-powered solutions and other solution-centered improvement initiatives have played a meaningful role.

Overall, how satisfied were you with the multichannel experience?

	2021	2022	2023
Very Satisfied	14%	14%	28%
Satisfied	27%	23%	38%
Neutral	32%	31%	21%
Dissatisfied	15%	20%	9%
Very Dissatisfied	12%	12%	4%

Average Level of Satisfaction (on a 5-Point Scale) By Reason For Taking a Multichannel Approach

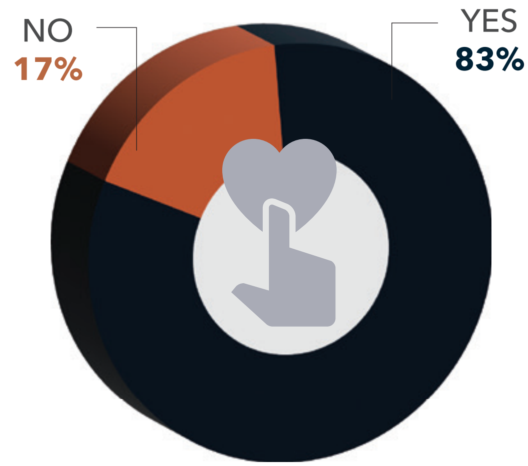


Like resolution rates (page 22), satisfaction rates are also strongly shaped by whether an individual was forced into or choose to take a multichannel approach. Consumers continue to expect and value choice. One way brands can effectively secure their customers' ability to choose their customer care approach is to simplify processes, take a more proactive approach, and work toward greater parity of the resolution capabilities of all channels.

THE HAPPY AND UNHAPPY CONSUMER

RATE OF POSITIVE EXPERIENCES AND CAUSE

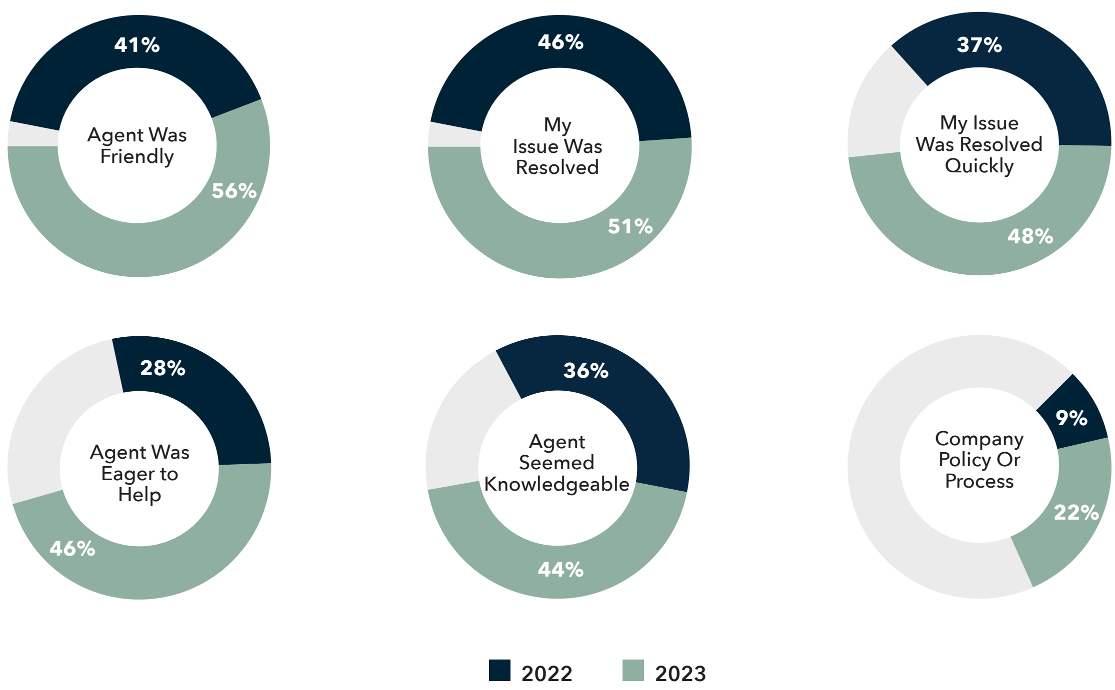
Within the past 12 months, have you had a positive experience when interacting with a brand's customer care department?



In a question designed to focus results exclusively on consumers who have had a positive customer care experience in the past 12 months, the vast majority (83%) of respondents screened positively. These respondents were then taken through a series of questions to understand what made the experience positive, outcomes, and how their experience will impact their future purchase decisions.

Agents have an outsized impact on customer care interactions, as expressed in the responses received when screened participants were asked what made the experience positive. More than half of participants (56%) pointed to agent friendliness as a determining factor for the experience, while a further 46% and 44% of respondents indicated the positive influence of agents being eager to help and being knowledgeable. As more engagements are automated, consumer expectations for agent skills are sure to evolve.

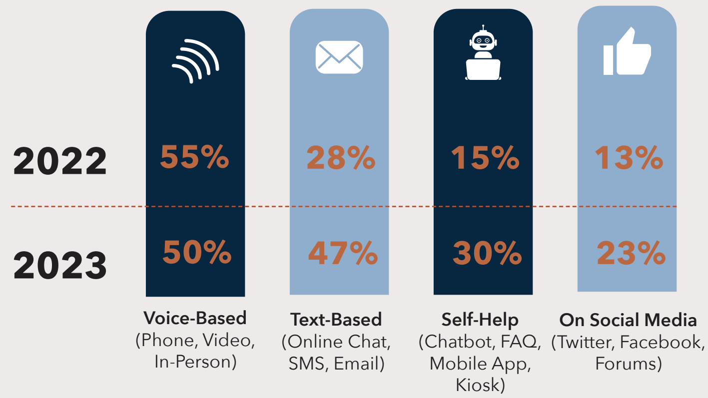
What made the experience positive? (Select all that apply.)



CHANNEL AND SOLUTION USE

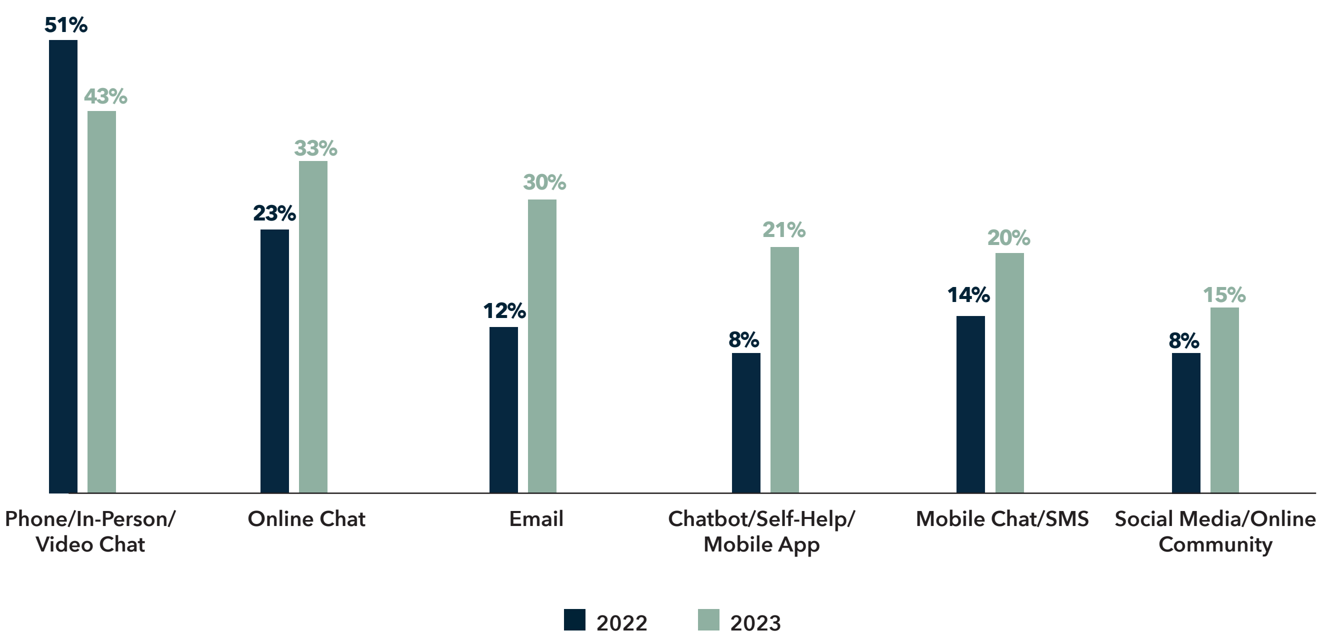
Text-Based and Self-Help solutions saw greater use in 2023, as confirmed by general channel results earlier in this report (page 13). So, it comes as no surprise that these channels would also see accelerated use among consumers strictly having a positive customer care experience. Self-Help solutions experienced especially significant gains in use, doubling year-over-year among consumer survey respondents.

Within which contact channel(s) did the positive experience occur?



As demonstrated elsewhere in this report, Phone continued to slide in use among consumers, yet it remains as the most popular channel among respondents having had a positive customer care experience in the past 12 months. Toward the other end of the spectrum, Self-Help solutions registered impressive year-over-year gains with about 13% of all positive interactions occurring within Self-Help solutions.

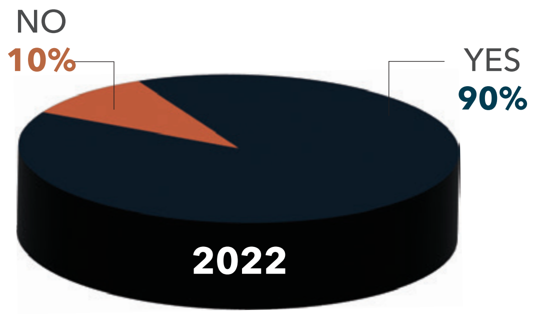
Which specific method(s) of contact were you using when the positive experience occurred? (Select all that apply.)



SATISFACTION AND SHARING THE EXPERIENCE

The resolution rate among happy consumers ticked up slightly year-over-year, increasing by four points. Receiving a satisfactory resolution is a powerful determinant affecting how consumers perceive a customer care experience.

Accepting the customer care experience was positive, was your issue also resolved to your satisfaction?



The percentage of consumers willing to share a positive customer care experience lifted substantially year-over-year, up 23 points (or a 46% increase). Comparatively, this number falls short alongside the percentage of consumers willing to share a negative customer care experience (page 33), which has averaged 78% over the past three years of data.

In terms of how consumers share their experiences, most (75%) do so personally (either in-person or over the phone), though sharing via Social Media (which has an amplified effect) has increased greatly in 2023.

Did you share this positive experience with friends, family and/or strangers?

YES 2023	YES 2022
73%	50%

If yes, how did you share the experience? (Check all that apply.)

	2022	2023
Personally, In-Person or On the Phone	80%	75%
Publicly, Via Social Media	17%	27%
Privately, Via Social Media	10%	26%

FEEDBACK ON EXPERIENCES

Survey results suggest companies are growing more active in providing consumers with opportunities to express their satisfaction following a customer care experience. At the same time, consumers appear to be more willing to provide such feedback. This is good news, as both companies and consumers alike stand to gain from the increased utilization of customer insight data, especially as companies grow more sophisticated in their ability to mine and action these customer insights.

Were you given the opportunity to express your satisfaction via a survey or other feedback form?

YES 2023 78%	NO 2023 22%
YES 2022 57%	NO 2022 43%

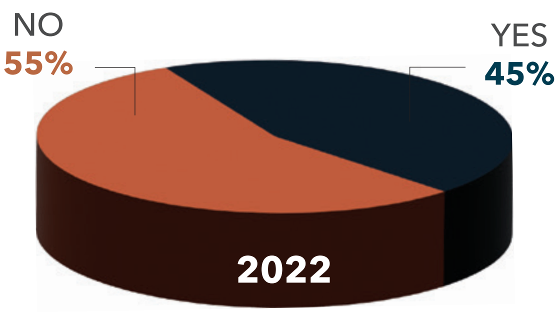
If so, did you take advantage of the opportunity to express your pleasure?

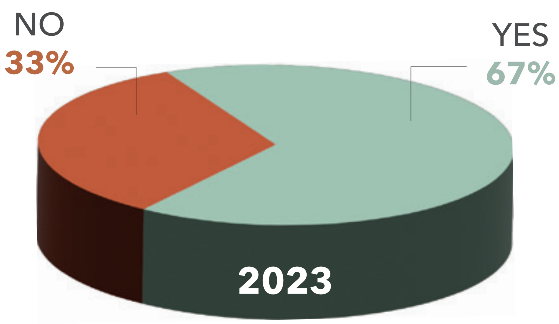
	2022	2023
YES	60%	85%
NO	40%	15%

PROACTIVE CONTACT

Like the greater provision of feedback opportunities (page 28), companies have elevated their proactive contact game in 2023. Unfortunately, proactive engagements are still far more common for positive engagements versus negative engagements (page 35). This begs the question … the chicken or the egg? In other words, are proactive follow-ups more common with positive experiences only because they are the very things that contribute to creating a positive experience?

Following the positive experience, did the brand proactively contact you to ensure your issue was resolved and offer further assistance if needed?





Whether a positive or negative experience, proactive follow-ups are becoming more common. What do proactive follow-ups look like at your organization, what's the goal, and what are the outcomes?

"Fleetcor is undergoing significant shifts in its customer outreach strategies to create even stronger loyalty and encourage increased organic growth. Historically, our focus was on service recovery, but it's now transitioning toward a more proactive, anticipatory, and personalized approach. The goal is to anticipate customer needs and offer personalized support and solutions. By collecting key information and rapidly evaluating it, we are providing timely and relevant support to our customers. This ensures they gain the greatest value from Fleetcor's products and services, while also helping them streamline their operations and lower risk. This evolved engagement aims to both address issues and create deeper connections. As Fleetcor moves from reactive measures to a forward-thinking, personalized customer engagement model, our objective is to cultivate a base of loyal customers who are enthusiastic about making more purchases from our company."

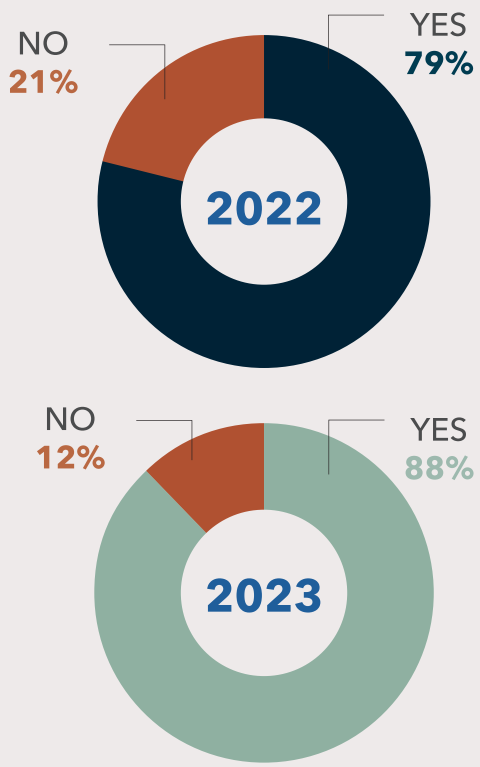
Todd Sale
SVP, Customer Experience Operations

FLEETCOR®

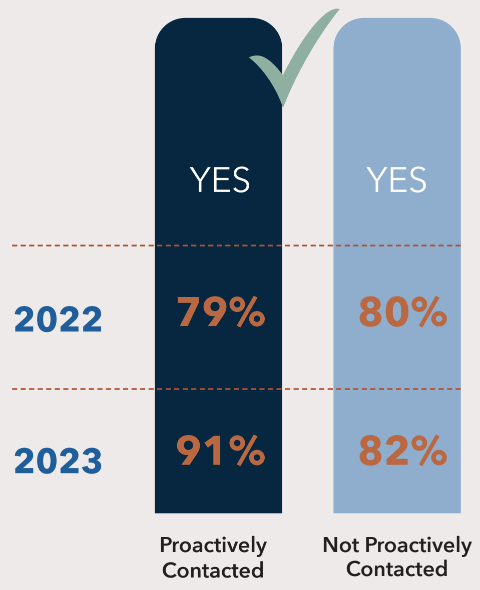
PROACTIVE CONTACT AND ITS FUTURE IMPACT

Positive experiences lead to improved future purchases decisions. No surprises here. But what might come as a surprise is the impact proactive contact can have on improving future purchase decisions. In 2023, 91% of those proactively contacted said their positive customer care experience would positively influence their future purchase decisions compared to only 82% of those who were not proactively contacted. Therefore, proactive contacts not only help improve the current experience, they also help drive loyalty and repeat business.

Will this positive experience positively impact your future purchase decisions?



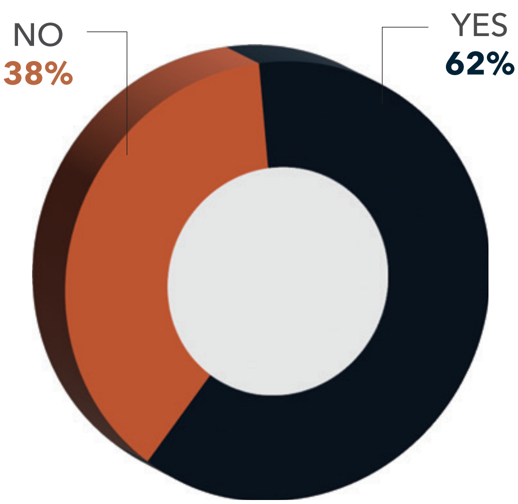
Percentage of consumers who said the overall experience will have a positive impact on their future purchase decisions based on whether they were proactively contacted.



RATE OF NEGATIVE EXPERIENCES AND CAUSE ACT

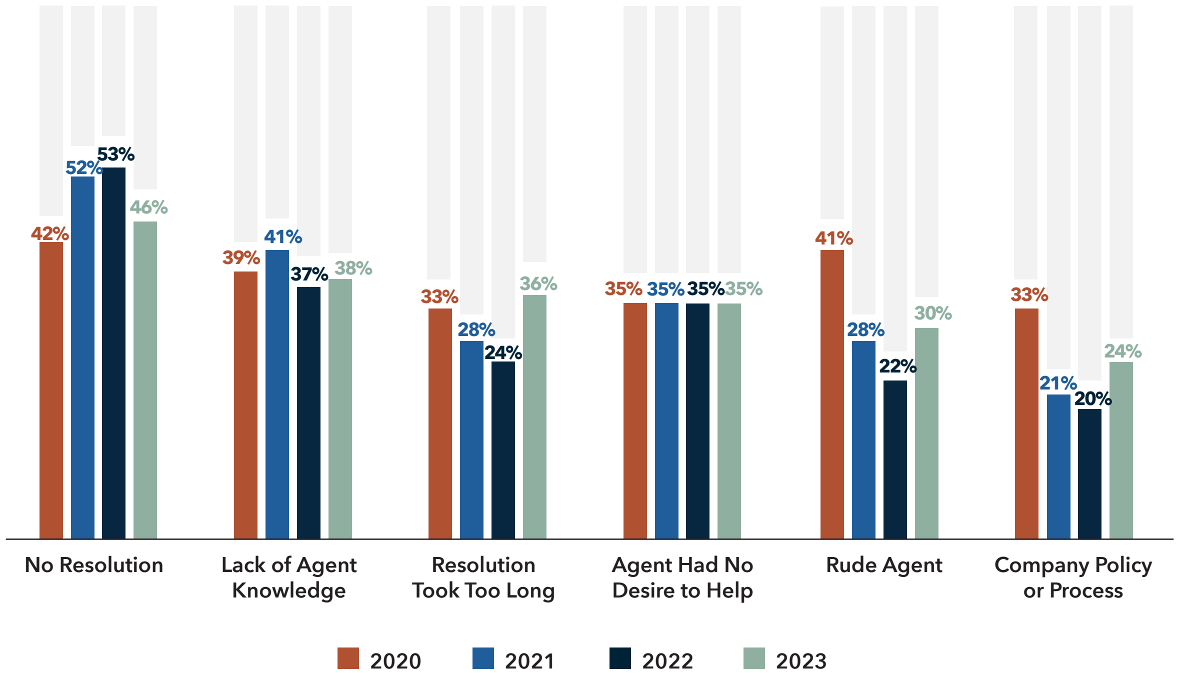
Within the past 12 months, have you had a negative experience when interacting with a brand's customer care department?

About two-thirds of consumer survey respondents indicated they had a negative experience interacting with a brand's customer care department in the past 12 month. Although this is fewer than those indicating a positive experience (83%, page 25), it's a significant number and indicative of opportunity.



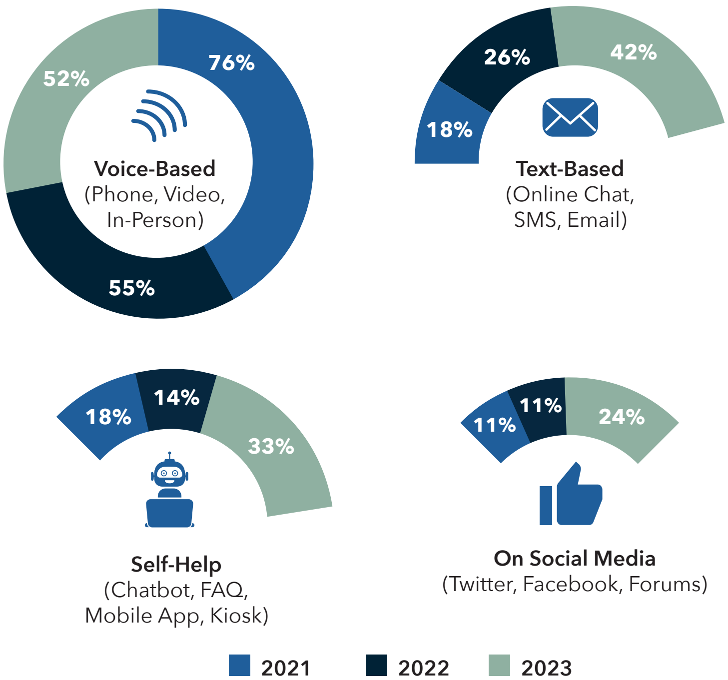
Like past years, "No Resolution" is the primary driver of negative experiences for consumers. Aside from this, agents once again have an outsized impact — just like those having a positive experience (page 25). Lack of agent knowledge (38%), desire to help (35%), and rudeness (30%) are all major factors in influencing experiences in negative ways. While many brands have, for various reasons, already begun transforming their agent recruiting, training, and coaching routines, results such as these emphasize the importance of fielding quality agents.

What made the experience negative? (Select all that apply.)



CHANNEL AND SOLUTION USE

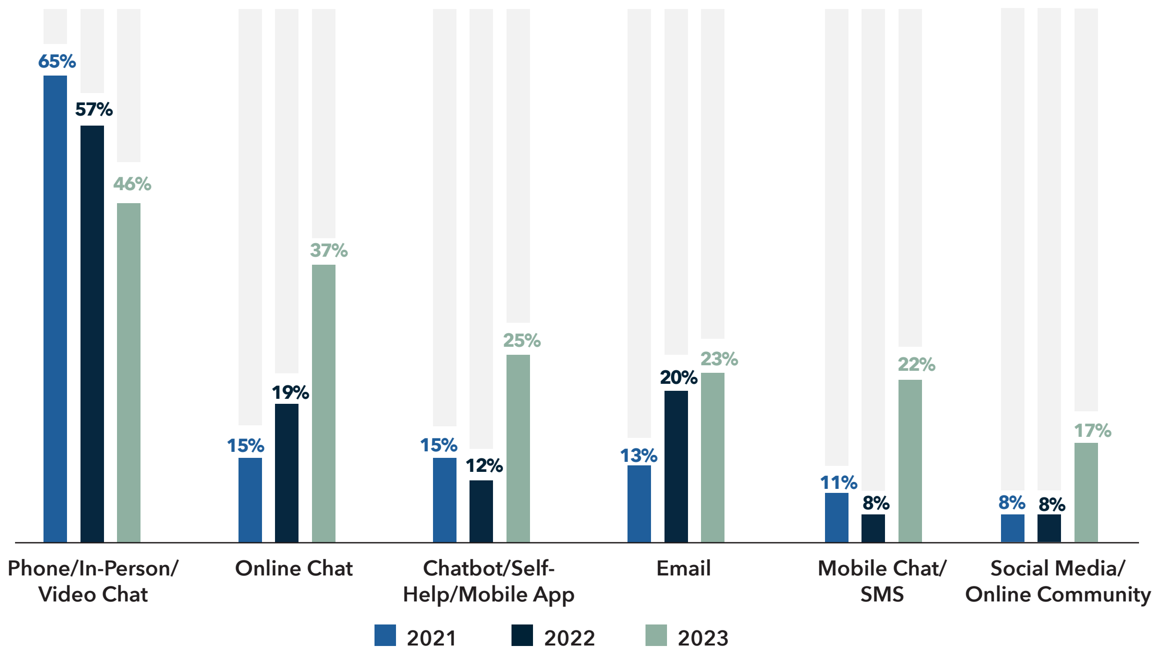
Within which contact channel(s) did the negative experience occur? (Select all that apply.)



Following along with overall changes in channel use (page 13), Text-Based and Self-Help-based solutions saw a substantial increase in the occurrence of negative experiences. This isn't necessarily a strike against the quality of these channels. In fact, results throughout this research suggest improving resolution and satisfaction rates, especially for Self-Help solutions. Rather, these results are indicative of increased volume, driving up both positive and negative experiences among consumers.

Again, negative experiences among solutions seem to track the shift in overall use of specific channels (page 13). Traffic continues to flow out of Voice-Based solutions (especially Phone) and into Text-Based and Self-Help solutions. As these traffic shifts occur, they impact the occurrence of negative (and positive) experiences across the various contact channels.

Which specific method(s) of contact were you using when the negative experience occurred? (Select all that apply.)



SATISFACTION AND SHARING THE EXPERIENCE

Resolution rates among those experiencing a negative interaction spiked year-over-year, increasing over 31 points from 30% to 61%. These results stress the point that several things need to go right to create a positive customer care experience. Eventually solving the issue to a customer's satisfaction isn't enough. The interaction also needs to be quick, uncomplicated, and enjoyable in order to create an overall positive experience.

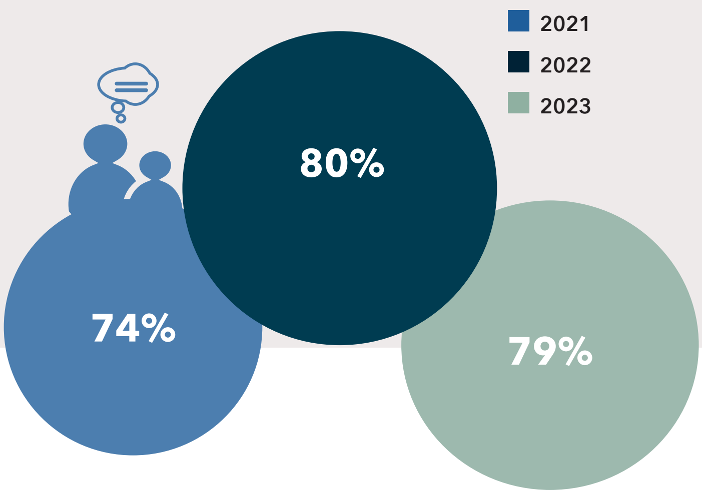
Even though the customer service experience was negative, was your issue eventually resolved to your satisfaction?

YES - 2023 61%	YES - 2022 30%
YES - 2021 31%	YES - 2020 48%

Percentage of individuals who eventually got a satisfactory resolution but said their future purchase decision would be negatively impacted.

2023	2022	2021
85%	68%	68%

Percentage of respondents who shared this negative experience with friends, family and/or strangers.



Consumers who experienced a negative experience are far more likely to share their experiences compared to those who had a positive experience (page 27). In 2023, 73% of consumers having a positive experience indicated that they shared the experience with others, versus 79% having had a negative experience.

While those consumers who had a negative experience were more likely to share the experience, they shared across slightly fewer channels. Even still, negative experiences, when shared, are likely to have a more profound impact than shared positive experiences.

If yes, how did you share the experience? (Check all that apply.)

	2021	2022	2023
Personally, In-Person or On the Phone	86%	70%	70%
Publicly, Via Social Media	17%	16%	23%
Privately, Via Social Media	15%	9%	27%

FEEDBACK ON EXPERIENCES AND FUTURE IMPACT

Were you given the opportunity to express your dissatisfaction via a survey or other feedback form?

	2021	2022	2023
YES	31%	40%	60%
NO	69%	60%	40%

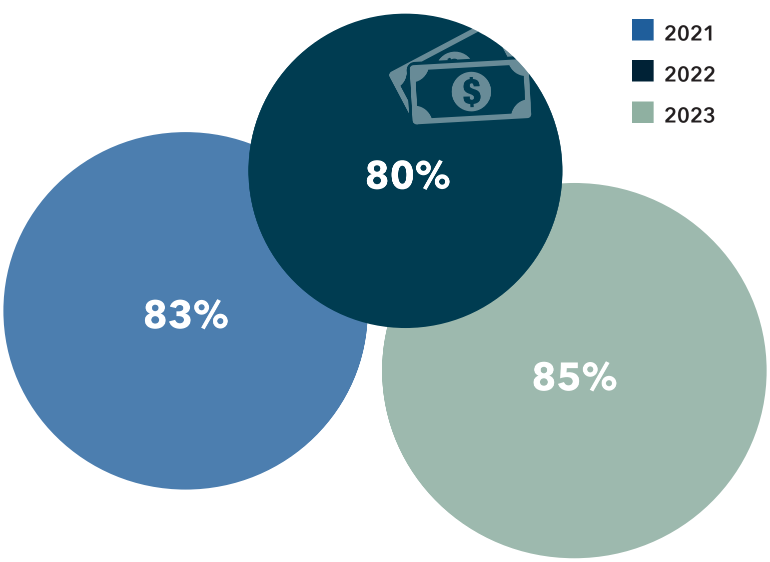
Just as with positive experiences (page 28), the opportunity to express feedback on negative experiences increased notably year-over-year. While there is valuable information in capturing feedback from both positive and negative feedback, negative feedback can provide a greater abundance of actionable insights and help form the basis for an improvement roadmap. And capturing this feedback needn't only be active … there are many ways to passively capture feedback, such as with voice and text analytics and agent reporting.

If so, did you take advantage of the opportunity to express your displeasure?

	2021	2022	2023
YES	61%	65%	72%
NO	39%	35%	28%

Whether an experience is positive or negative, consumers are willing to provide feedback, if only given the chance. In 2023, nearly three-quarters of those afforded an opportunity to express feedback about their negative experience chose to do so. Negative feedback is a goldmine for actionable intelligence, and brands should consider seeking not only active feedback (i.e., surveys), but also passive feedback, like text/voice analytics. It's also important for brands not to ensure randomization when they solicit for feedback.

Will this negative experience negatively impact your future purchase decisions?

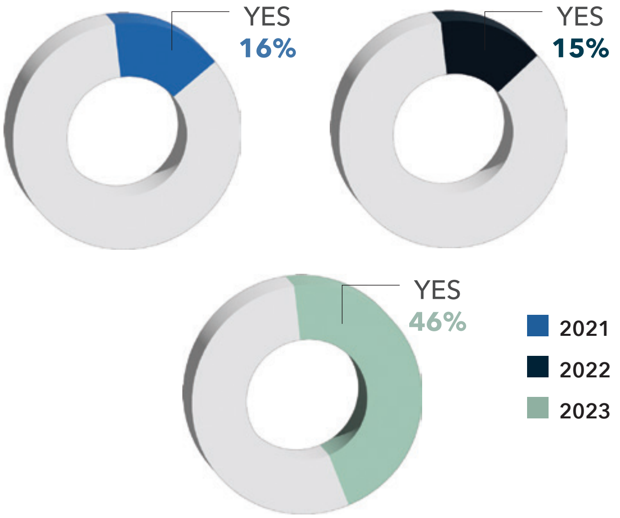


Negative experiences can and do have a powerful impact on future purchase decisions, with negative experiences negatively affecting the future purchase decisions of 85% of survey respondents in 2023. Brands can help mitigate this impact in a few different ways. Steps can be taken to try and reduce the instances of negative experience from the start. But when they do occur, proactive follow-ups have, historically, led to better longterm outcomes in terms of negative impact on future purchase decisions.

PROACTIVE CONTACT AND FUTURE OUTCOMES

While there was an increase in the percentage of consumers who were proactively contacted following a negative experience, the number remains far less than those contacted following a positive experience (67%, page 29). Proactive follow-ups are not only a great way to close the issue loop for customers, they also provide a great opportunity to understand where processes and policies can be improved.

Following the negative experience, did the brand proactively contact you to try to remedy or apologize for the situation?



Although 2023 is a bit of an outlier with proactive follow-ups correlating to higher rates of negative impact on future purchase decisions, the opposite typically holds true historically, as seen in results from 2022 and 2021.

Cross-comparison of consumers who indicated the poor experience will have a negative impact on future purchase decisions based on how they responded to receiving a follow-up:

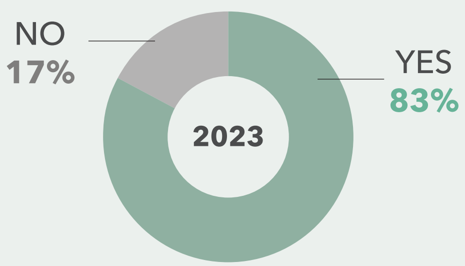
	2021	2022	2023
Among those who received a follow-up	74%	58%	88%
Among those who did not receive a follow-up	84%	84%	84%

COMPARING POSITIVE AND NEGATIVE EXPERIENCES

Among 2023 survey respondents, positive experiences appear to be more prevalent than negative experiences (83% versus 62%, respectively). At the same time, consumers appear to be more willing to share their negative experiences, as has been the case historically. In order to stem the impact of negative word-of-mouth, brands should consider drilling in on the causes of dissatisfaction (and satisfaction), provide customers with opportunities to provide feedback, and explore the advantages of conducting more proactive follow-ups — especially when things don't go well for customers.

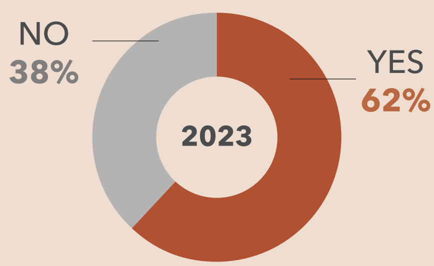
HAD A POSITIVE EXPERIENCE

Within the past 12 months, have you had a positive experience when interacting with a brand's customer care department?



HAD A NEGATIVE EXPERIENCE

Within the past 12 months, have you had a negative experience when interacting with a brand's customer care department?



Did you share this positive experience with friends, family and/or strangers?

YES 2023	YES 2022
73%	50%

Percentage of respondents who shared this negative experience with friends, family and/or strangers.

2023	2022	2021
79%	80%	74%

If yes, how did you share the experience? (Check all that apply.)

Positive 2023	Positive 2022		Negative 2023	Negative 2022	Negative 2021
75%	80%	Personally, In-Person or On the Phone	70%	70%	86%
27%	17%	Publicly, Via Social Media	23%	16%	17%
26%	10%	Privately, Via Social Media	27%	9%	15%

COMPARING POSITIVE AND NEGATIVE EXPERIENCES, CONT.

Just like proactive follow-ups (pages 29 and 35), it appears that opportunities to express satisfaction/dissatisfaction are more commonly offered when things go well for consumers. This seems to suggest that there is more for brands to learn from positive experiences versus negative experiences, yet the reality is certainly the opposite. This year's results also demonstrate the impact positive experiences can have on future purchase decisions, outweighing the impact of negative experiences for the first time (88% versus 85%, respectively). And while proactive follow-ups appear to be negatively correlated with future outcomes (an outlier to be sure), proactive follow-ups are strongly correlated with positive future outcomes when experiences are positive.

HAD A POSITIVE EXPERIENCE

Were you given the opportunity to express your satisfaction via a survey or other feedback form?

YES 2023	YES 2022
78%	57%

If so, did you take advantage of the opportunity to express your pleasure?

	2023	2022
YES	85%	60%

Will this positive experience positively impact your future purchase decisions?

2023	2022
YES 88%	YES 79%

HAD A NEGATIVE EXPERIENCE

Were you given the opportunity to express your dissatisfaction via a survey or other feedback form?

YES 2023	YES 2022	YES 2021
60%	40%	31%

If so, did you take advantage of the opportunity to express your displeasure?

	2023	2022	2021
YES	72%	65%	61%

Will this negative experience negatively impact your future purchase decisions?

2023	2022	2021
YES 85%	YES 80%	YES 83%

Cross-comparison of consumers who indicated their positive/negative experience will have a positive/negative impact on future purchase decisions based on receiving a proactive follow-up:

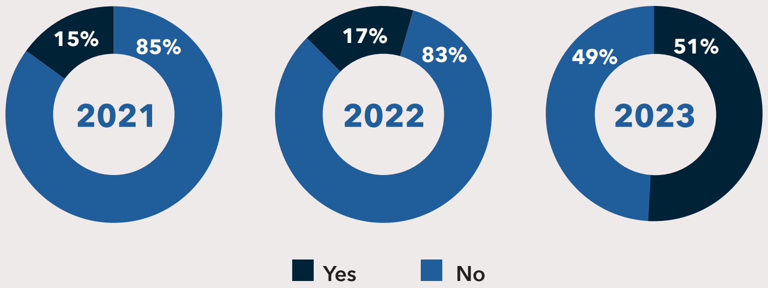
Positive		Negative
91%	Among those who received a follow-up.	88%
82%	Among those who did not receive a follow-up.	84%

SELF-HELP
SOLUTIONS

UNASSISTED USE AND REASON FOR USE

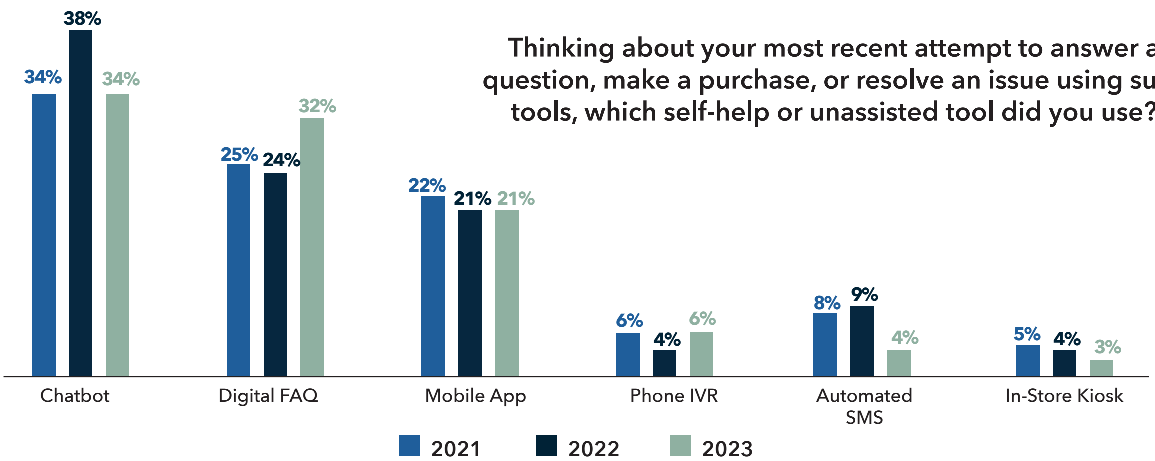
In another screening question likely impacted by the shift in surveying platform (as explained on page 10), more than half of respondents indicated that they had used one or more Self-Help solutions within the past 12 months. Even without the impact of changing surveying platforms, overall channel use suggests consumers have become far more receptive of Self-Help solutions as of recent, particularly those powered by AI.

Have you used a self-help or unassisted tool (like a chatbot or an online FAQ) to find an answer, make a purchase, or resolve a customer care issue within the past 12 months?



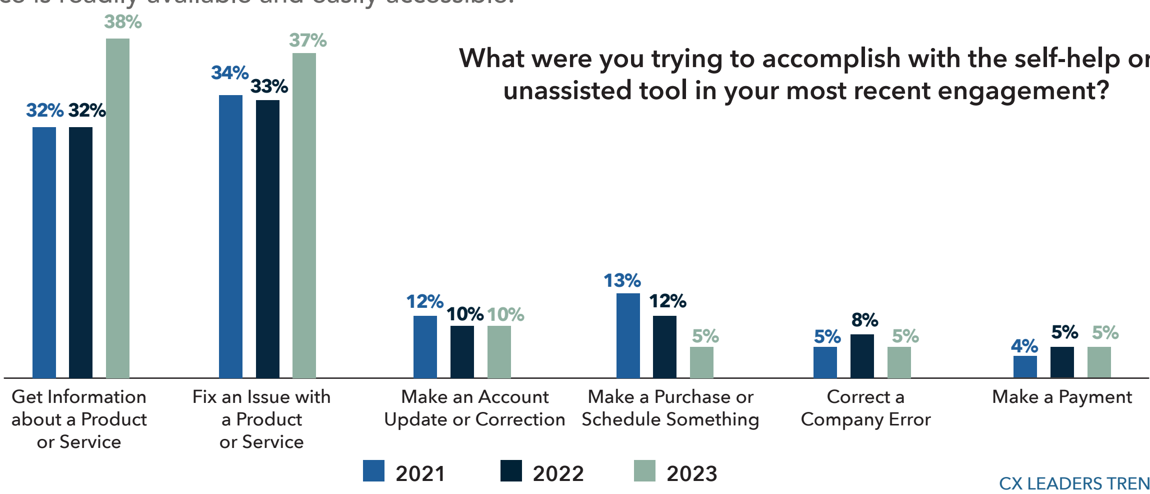
Among specific solutions, Digital FAQ services saw an 8-point year-over-year increase, while most other solutions remained very near their historic range of use. Chatbots remain the most popular form of Self-Help solutions, though by a slim margin in 2023. The only other change worthy of note is the 5-point slip in the use of Automated SMS.

Thinking about your most recent attempt to answer a question, make a purchase, or resolve an issue using such tools, which self-help or unassisted tool did you use?



The reasons for why consumers use Self-Help solutions remained constant year-over-year, with simple inquiries and issue resolution remaining as the top interaction types. If brands hope to cultivate greater adoption for such solutions, they'll need to ensure Self-Help solutions can resolve for a wide range of engagement types, from the very complex to the very simple. And when Self-Help cannot complete the task, it's important to ensure live assistance is readily available and easily accessible.

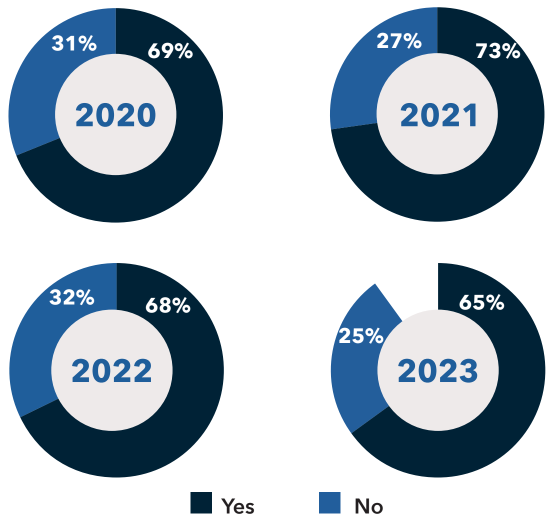
What were you trying to accomplish with the self-help or unassisted tool in your most recent engagement?



RESOLUTION AND SATISFACTION RATES

Self-Help completion rates slipped a tiny amount in 2023, though they hung within a tight range established over the past few years. While the completion rates of Self-Help solutions have remained consistent, they are substantially below the resolutions of other solutions and journeys, most notably multichannel, which boast a resolution rate of 86% (page 22). Obviously, the higher the likelihood of resolving using Self-Help solutions, the more likely consumers will be to use them.

Were you able to complete your transaction or find the information you were looking for using the self-help or unassisted tool?



Consumer satisfaction with Self-Help solutions lost a fair bit of neutrality in 2023, with much of the reduction flowing to Dissatisfaction. These results, which look exclusively at consumers who have had a Self-Help interaction in recent months, stand in stark contrast to results that seem to suggest Self-Help solutions have gotten easier or remained the same in recent years (page 42). Regardless, only about half of consumers (49%) are "Very Satisfied" or "Satisfied" with the current Self-Help experience, and the low completion rate is likely a significant factor.

What was your overall level of satisfaction with your most recent use of a self-help or unassisted tool to find an answer, make a purchase, or resolve a customer care issue?

	2020	2021	2022	2023
Very Satisfied ★★★★★	17%	22%	21%	24%
Satisfied ★★★★☆	43%	32%	23%	25%
Neutral ★★★☆☆	14%	21%	28%	10%
Dissatisfied ★★☆☆☆	16%	13%	14%	23%
Very Dissatisfied ★☆☆☆☆	10%	12%	14%	18%

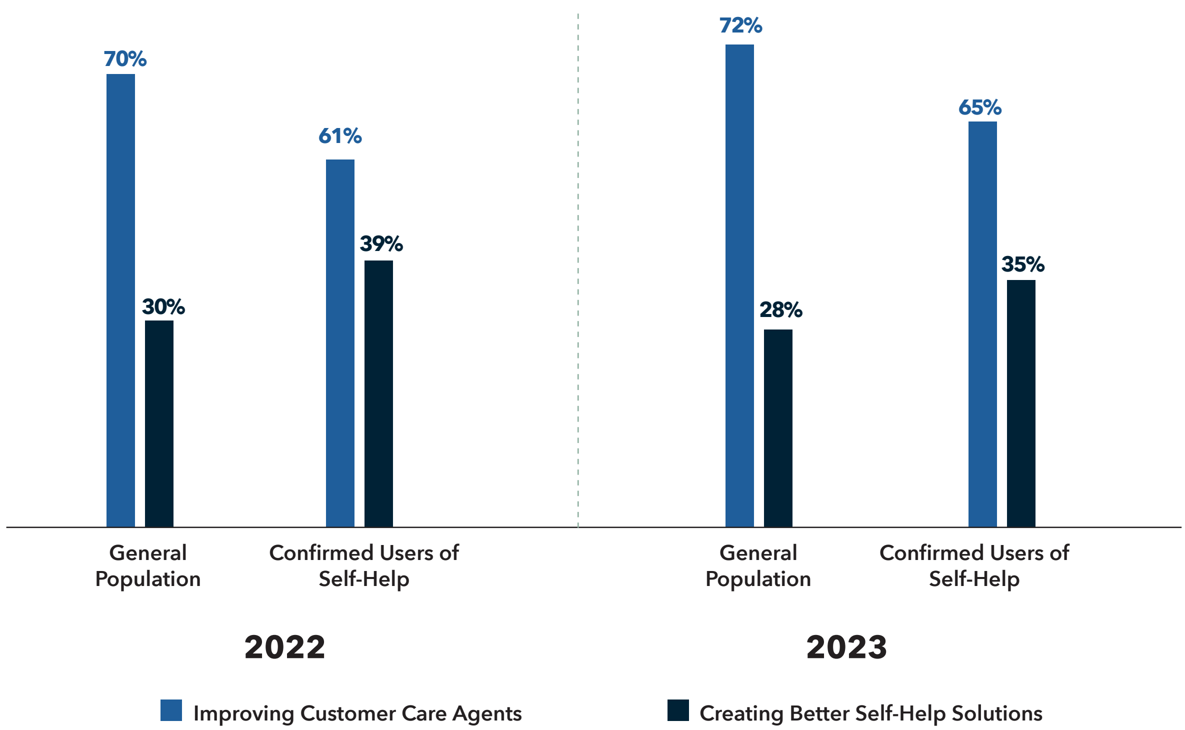
GETTING BETTER OR WORSE AND WHERE TO FOCUS

In a new question for 2023, 35% of survey respondents shared their feelings that Self-Help solutions have gotten "Much Better" or "Better" in recent years, compared to 19% who feel they have gotten "Much Worse" or "Worse." Undoubtedly, improvements in Self-Help solutions largely have to do with improved issue resolution rates, greater ease, and improved flexibility.

Have you noticed whether self-help solutions have gotten better or worse in recent years?

Although consumers widely acknowledge the strides made in improving Self-Help solutions (above), most are still of the opinion that companies should focus their improvement efforts on customer care agents. This is especially true of the general population, but also applies to confirmed users of Self-Help solutions. When it comes to agent improvements, consumers are primarily looking for more knowledgeable, better communicating agents (page 54).

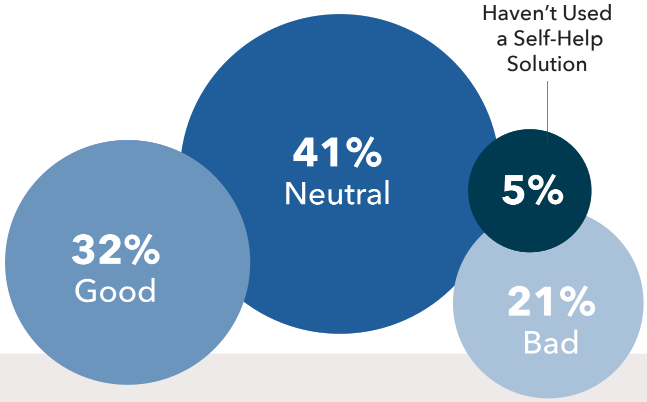
In your opinion, should companies focus more of their resources on improving their customer care agents or on creating better self-help solutions?



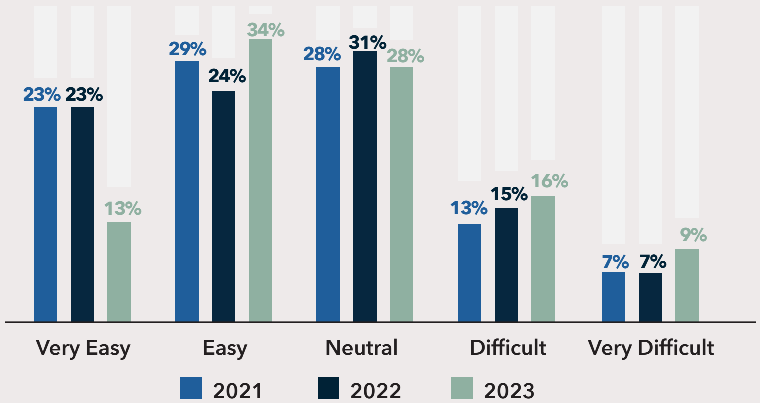
EXPERIENCE AND EASE OF USE

Please describe your recent experiences using self-help and/or automated solutions (chatbots, IVRs, FAQ, mobile apps) to resolve customer care issues.

In another new question and among the general population of consumers, about one-third describe their recent experience with a Self-Help solution as "Good," while about one in five describe the experience as "Bad." Bad experiences with Self-Help solutions typically equate to difficultly in using the specific solution and/or the solution's inability to solve for a particular issue.



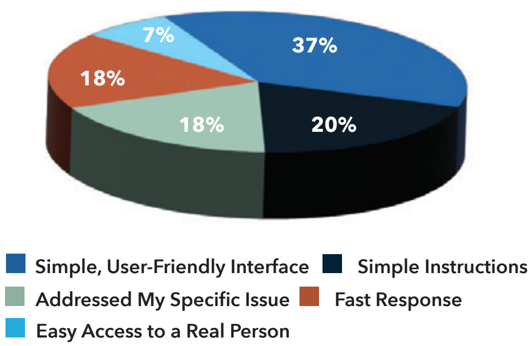
How difficult or easy was it to use the self-help or unassisted tool to attempt to accomplish your intended objective?



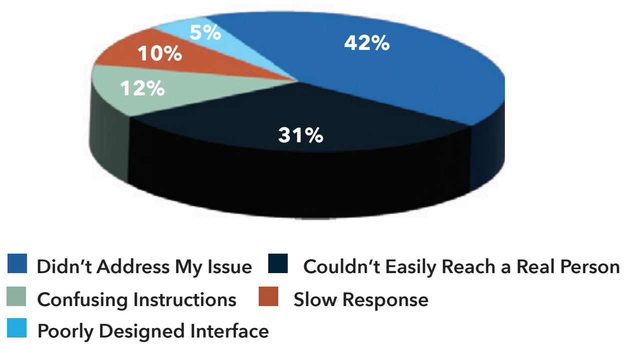
In looking specifically at ease, there was no year-over-year change in the number of respondents who indicated that the Self-Help solution was either "Very Easy" or "Easy" to use — in both 2023 and 2022, this number came in at 47%. At the opposite end of the spectrum, there was a slight increase in the percentage of consumers who answered, "Very Difficult" or "Difficult," increasing 3 points from 22% in 2022 to 25% in 2023.

When survey respondents were asked to pinpoint what made the Self-Help solution difficult or easy to use, the positive experiences revolved around ease, while the negative experiences mostly focused on lack of effectiveness and difficulty in reaching a live person.

Thinking about the previous question, what made the self-help or unassisted tool easy use?



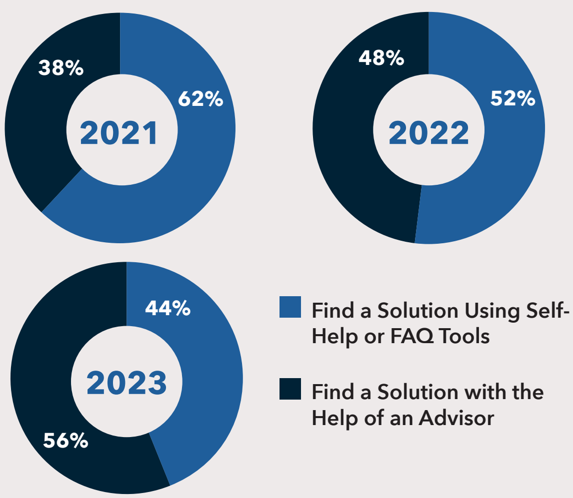
Thinking about the previous question, what made the self-help or unassisted tool difficult use?



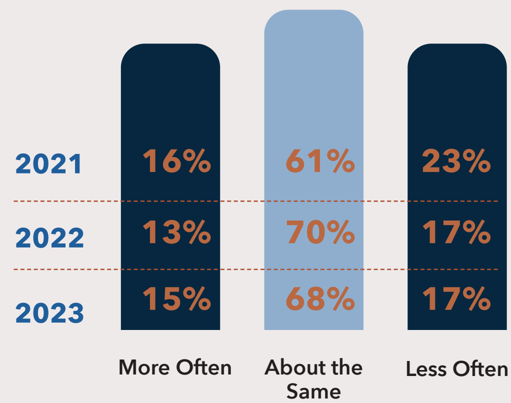
PREFERENCES, IDEAS FOR IMPROVEMENT, AND FUTURE USE

Even though about one-third of survey respondents feel Self-Help solutions have gotten better in recent years (page 41), that hasn't halted the rise in consumer preference for live assistance. One of the ways brands can curb this trend (and encourage customers to use Self-Help tools more often in the future) is to make sure live assistance is always easily accessible. Greater content flexibility, effectiveness, and ease of use can also help consumers find greater satisfaction with Self-Help solutions, thus encouraging their future use.

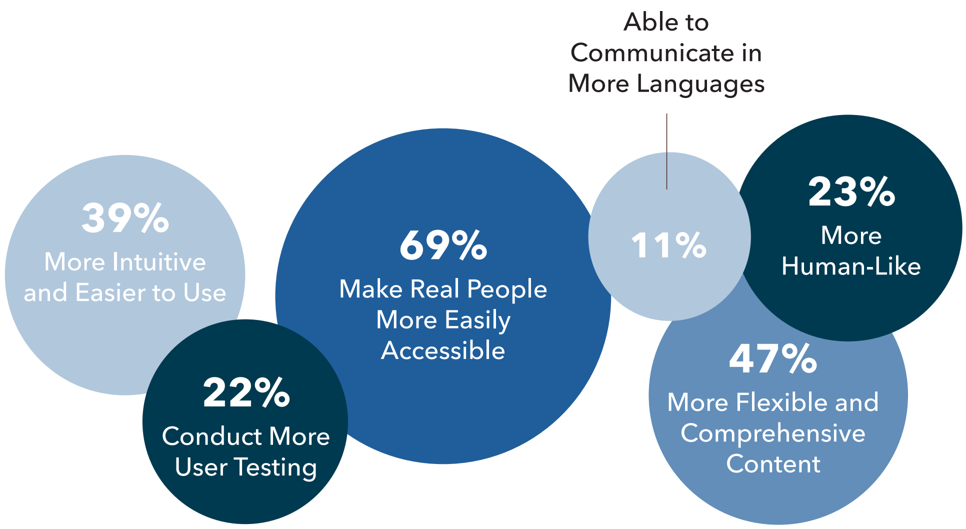
If you knew your customer care issue would be resolved, which scenario sounds more appealing to you?



Do you plan on using self-help or unassisted tools more often or less often in the future?



What can companies do differently with self-help and unassisted tools to make them better, easier, and more enjoyable to use?

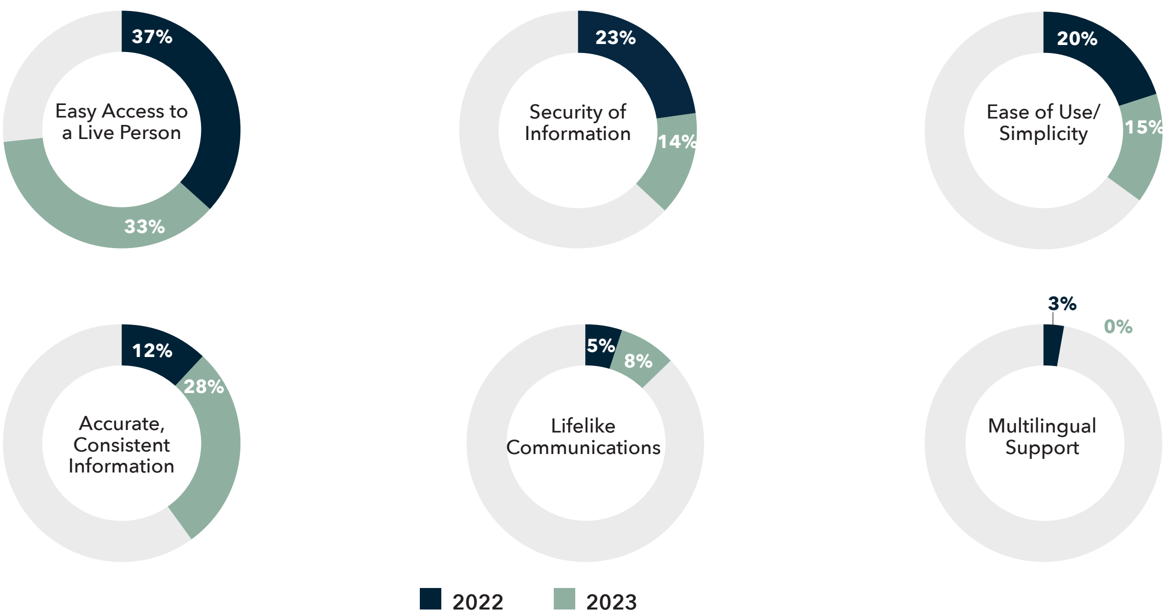


AI-POWERED
SOLUTIONS

WHAT'S IMPORTANT AND CONCERNS

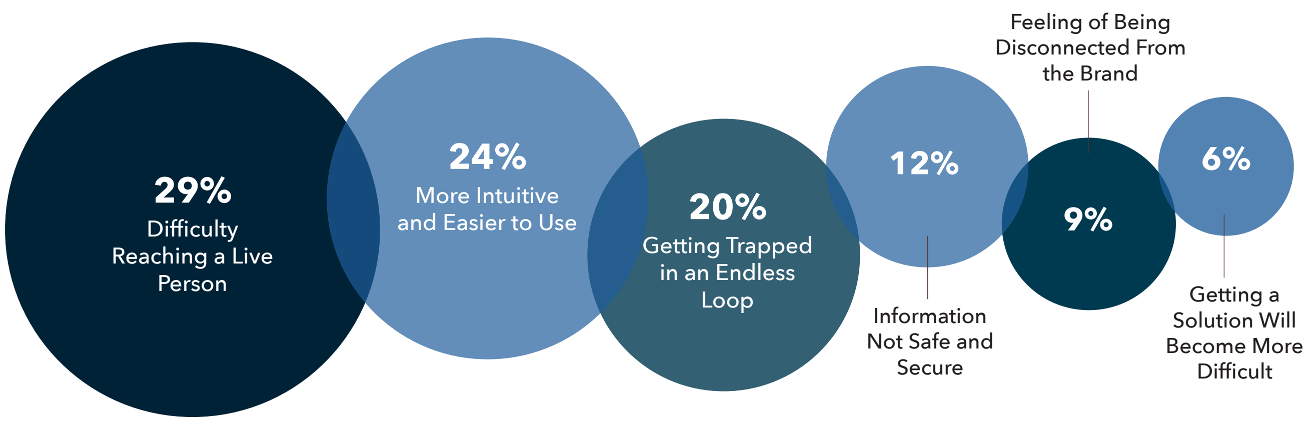
Once again, consumers express the importance of easy access to a live person in relation to utilizing an AI-powered self-help solution. "Accurate, Consistent Information" also grew significantly in importance year-over-year, gaining 16 points, moving into a top consideration. Among decliners, "Security of Information" fell nine points, and "Ease of Use/Simplicity slipped 5 points. The data shows age plays a role, with 45% of those 60 years of age and above indicating "Easy Access to a Live Person," compared to only 33% of those 18 to 29 years of age.

When resolving a customer care issue using a solution powered by artificial intelligence (AI), which is most important to you?



AI-powered and Self-Help solutions share several similarities as it applies to consumer concerns, most notably in reaching a live person and in a solution's ability to address specific issues. While ease in reaching a live person has become tables stakes for automated solutions, brands should consider in what ways they are identifying and addressing gaps in the effectiveness (resolution rate, specifically) of their AI-powered solutions. Although AI-powered solutions cannot be expected to be as flexible and nimble as a live agent, processes should be in place for identifying which types of engagements such solutions accelerate and struggle at resolving.

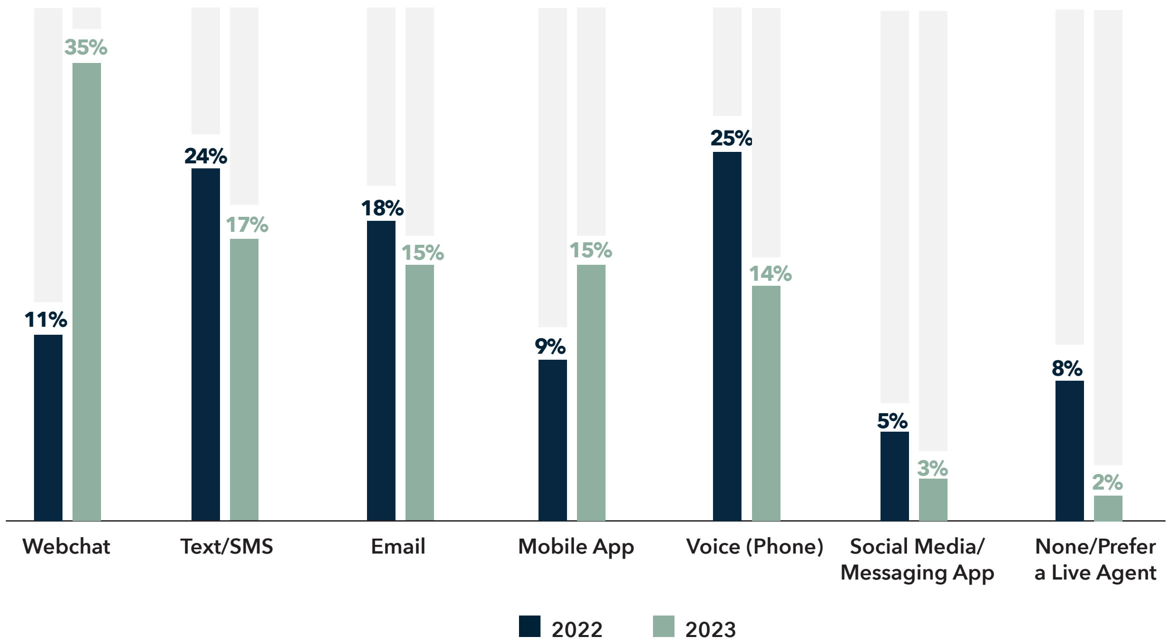
What's your biggest concern with companies increasingly relying on AI solutions for customer care?



SOLUTION PREFERENCE AND FUTURE IMPACT

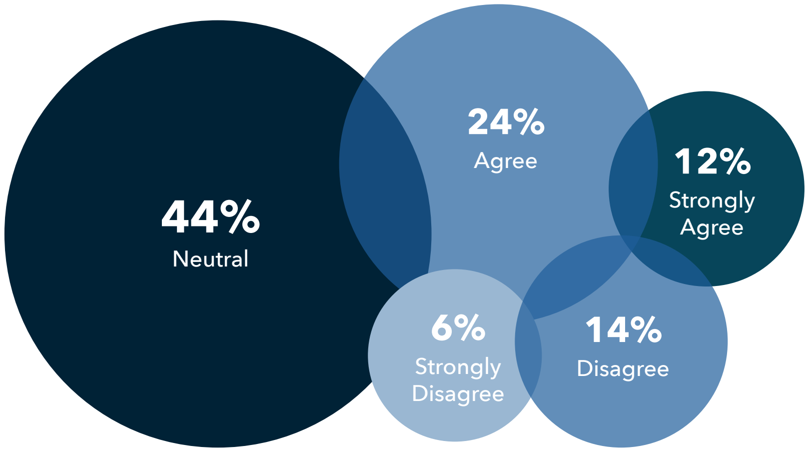
When thinking about which customer care solutions best suit an AI-powered agent, consumers strongly shifted toward Text-Based solutions (namely Webchat and Mobile Apps) and away from Voice-Based solutions. That said, some Text-Based solutions also slipped, including Text/SMS and Email.

If you had to engage with an Artificial Intelligence (AI)-powered customer care agent (non-human) to resolve an issue, which would be your preferred method of engagement?



In a new AI-related question, a significant percentage of consumers (36%) either "Strongly Agree" or "Agree" that AI-powered solutions are destined to be a beneficial part of interacting with customer care in the future. At the same time, only 20% of consumers "Strongly Disagree" or "Disagree." Once again, age plays a particularly potent role in this opinion, with only 13% of those ages 60 years and above responding "Strongly Agree" or "Agree," compared to 37% who indicated that they "Strongly Disagree" or "Disagree."

How much do you agree or disagree with the following statement: AI-powered tools and solutions will greatly benefit my customer care interactions with brands in the future.



CONSUMER EXPERIENCES — **CONCLUSIONS**

Key Findings:

- Eighty-six percent of survey respondents said their experience with customer care is "Very Important" or "Important" in shaping their opinion of a brand — the most ever. (page 14)

- Use of Text-Based channels continued to climb for the second year in a row, finally overcoming Voice-Based channels as the most frequently used channel type among consumers when interacting with customer care (though Phone remains the single most popular solution). (page 13)

- Multichannel resolution rates continued their trend of steady improvement with 86% of respondents indicating their issue was ultimately resolved using a multichannel approach, the highest rate in nine years of data. (page 22)

- By far, "Difficulty in Reaching a Live Person" remains the most frustrating aspect of resolving a customer care issue with a brand. (page 15)

Customer care has never been more important to consumers. In 2023, not only have a record 86% of survey respondents agreed with the notion that the Customer Care Experience is important in shaping their opinion of a brand, 52% think brands should focus their improvement efforts on the Customer Care Experience as opposed to other customer experiences like the Shopping and/or the Purchase Experience (page 53).

At the same time, consumers have grown more accustomed and accommodating of CX technologies that were only emerging not too long ago. Text-Based solutions (including Mobile Text/SMS, online chat, and email) have become the go-to channel of care, especially among younger consumers. Self-Help and AI-powered solutions have also gained in popularity (page 13) and, presumably, function. Together, these factors appear to have led consumers to a rising satisfaction with the current Customer Care Experience, especially when compared to the experiences of two to three years ago.

And while the above may be true, there are still some shortcomings left to address. Specifically, consumers are still concerned (and often times frustrated) by the lack of easy access to a live person when working to resolve a customer care issue. Although Text-Based solutions have made marvelous strides in usership, Phone still remains the most popular single solution, and consumers still prefer Phone for the most complex of customer care issues. This fact is worth noting as brands consider how much automation and Self-Help are too much. For the time being, people still want people, but the current environment is rife with opportunity to win consumers over to an entirely new way of interacting, especially if it is made easy, quick, and enjoyable.

CONSUMER **PERSPECTIVES**

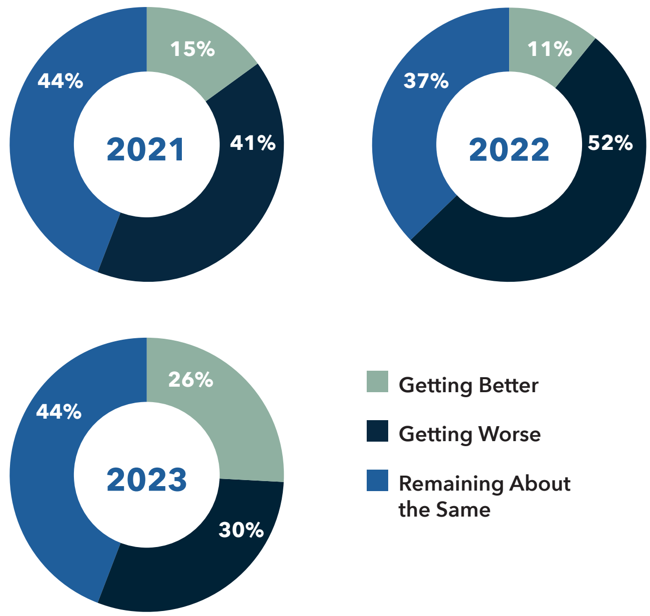
- Opinions
- Preferences
- Expectations

OPINIONS

BETTER OR WORSE, EASIER OR MORE DIFFICULT

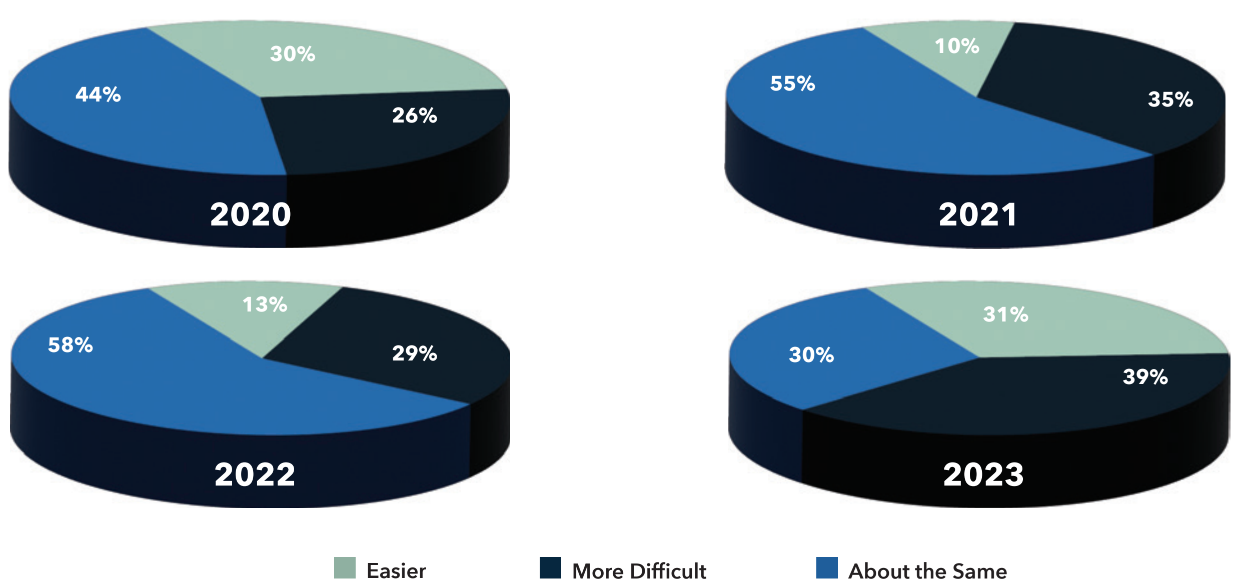
Consumers had a more favorable impression of customer care in 2023, with a 15-point increase (up 136%) year-over-year in the percentage of respondents who said companies are getting better at providing good customer care. This result is not surprising given positive trends in several areas, including multichannel consistency and satisfaction (pages 21 and 23) and improved perception of brands better meeting consumer needs and expectations (page 62).

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



In yet another data point supporting an improving trend in consumer impressions of customer care ease, there was a significant jump in the percentage of consumers who claim resolving customer care issues has gotten easier in recent years. This 18-point increase was somewhat tempered by a 10-point increase in the percentage of consumers claiming resolving issues has gotten more difficult; and overall, there are still more consumers claiming "More Difficult" over "Easier," but sentiment is generally trending in the right direction.

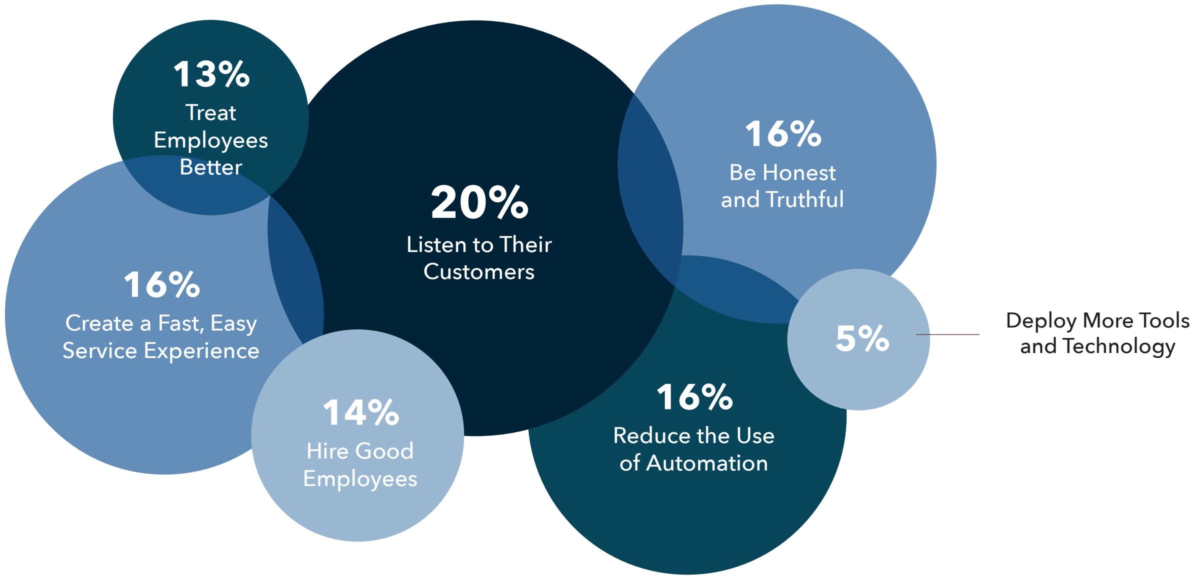
Do you feel that resolving customer care issues with brands has gotten easier or more difficult in recent years?



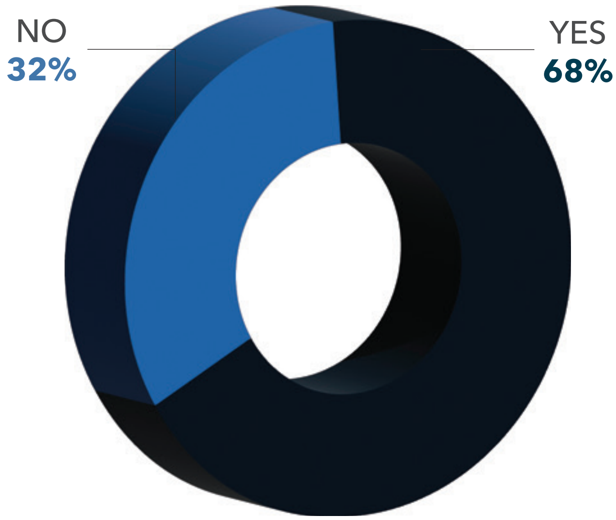
CREATING AN EXCEPTIONAL EXPERIENCE

In a brand-new question that attempts to ascertain what consumers want in order to have an exceptional customer care experience, responses were broadly spread. This result truly demonstrates how diverse expectations are among consumers, exemplifying the fact that companies need to exceed in many areas to create an experience that's universally viewed as exceptional.

What do companies need to do right in order to create an exceptional customer care experience?



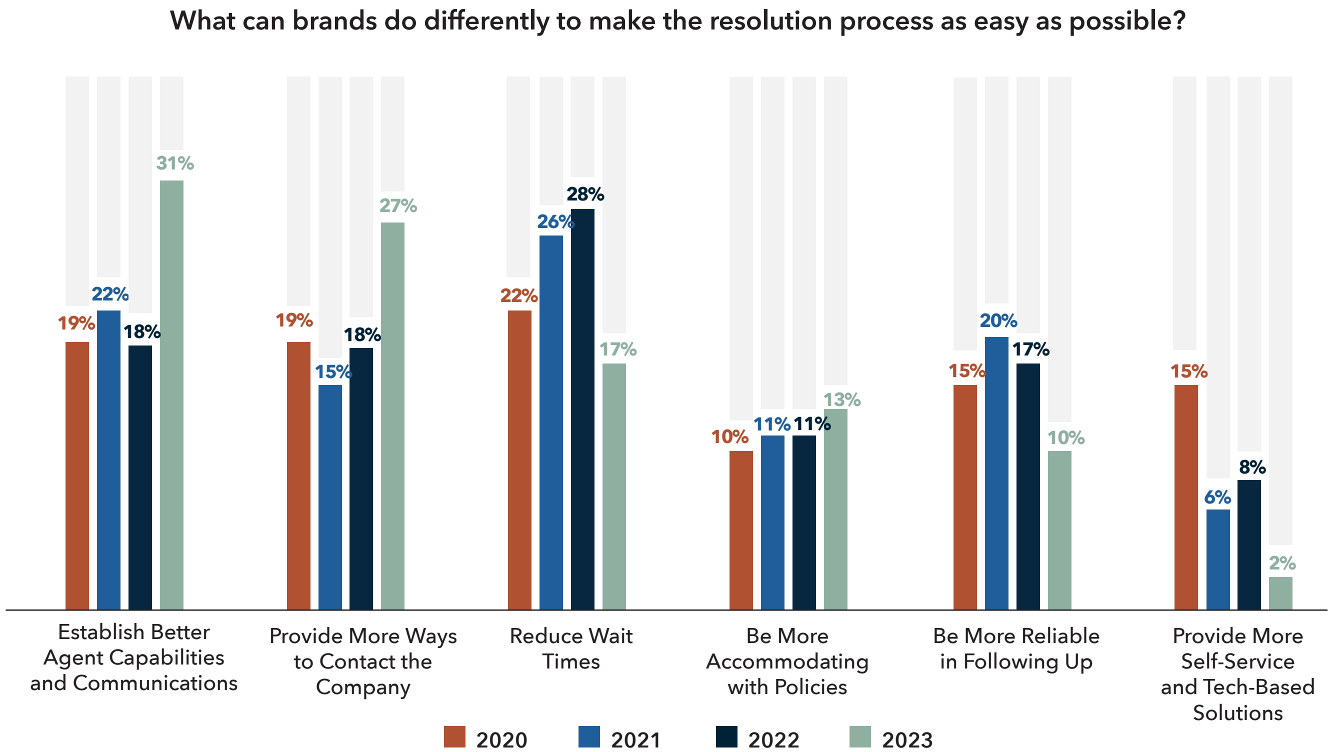
Would you be willing to pay a little more for a product or service if it meant you'd get world-class customer care support?



Undoubtedly, consumers have high expectations for brands to excel in every phase of the customer care game. But at the same time, most consumers (68%) are willing to pay for that exceptional care. And while this is a new question for this research, this same question was asked as part of CXMB Series, the predecessor to the CX Leaders Series. From 2014 until 2019, an average of 51% of survey respondents answered yes, showing consumers place increasingly greater value on world-class customer care.

MAKING THE PROCESS EASIER

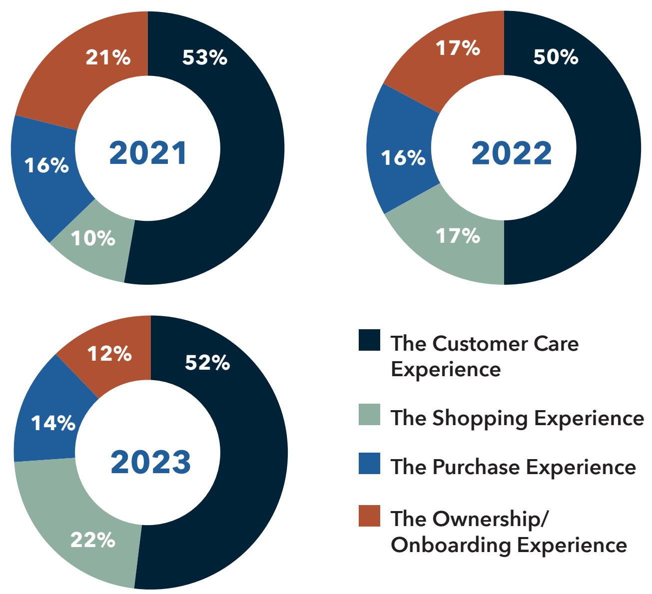
In several survey results, including the one below, consumers place greater emphasis on agents and their impact on the overall customer care experience — be it process, experience, or ease. Interestingly, consumers, at the same time, reduced their emphasis on speed, with "Reduce Wait Times" shifting from the top answer in 2022 to third most popular response in recent surveying.



WHERE TO FOCUS IMPROVEMENT EFFORTS

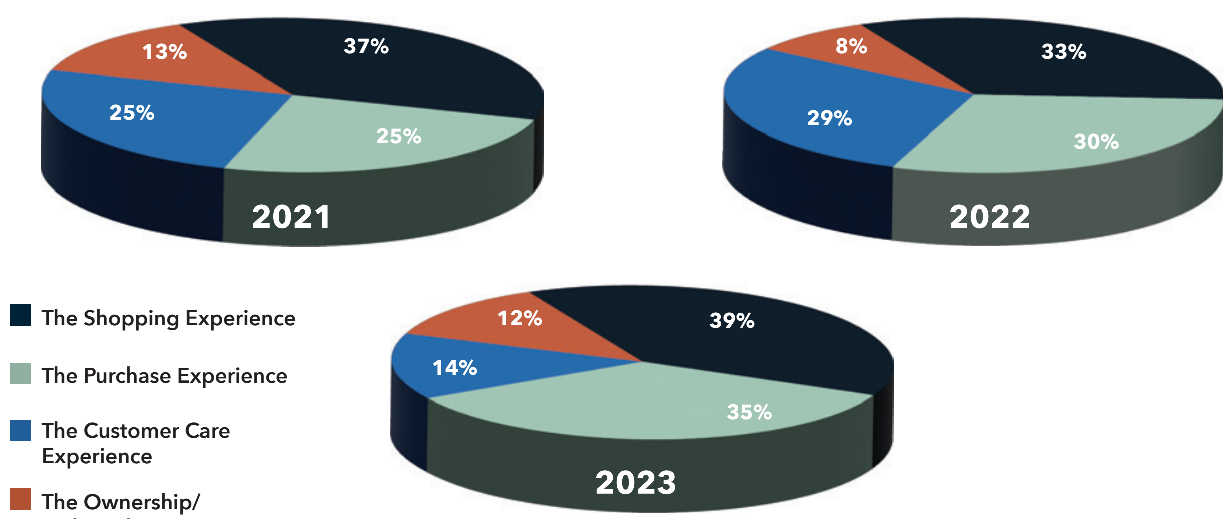
Consumers continue to see value in "The Customer Care Experience," with the category once again being the top response when consumers are asked where brands should direct their improvement efforts. "The Shopping Experience" also continued to gain year-over-year, while "The Ownership/Onboarding Experience" continued to slip.

In general, where should brands focus their improvement efforts?



At the same time, consumers see "The Customer Care Experience" as being one of the areas with the least amount of improvement in recent years. Only 14% of survey respondents felt "The Customer Care Experience" was an area of most improvement compared to 39% and 35% for "The Shopping Experience" and "The Purchase Experience," respectively. Results on pages 52 and 54 provide an instructive roadmap of where consumers would like to see brands improve upon the current Customer Care Experience with much focus on agents.

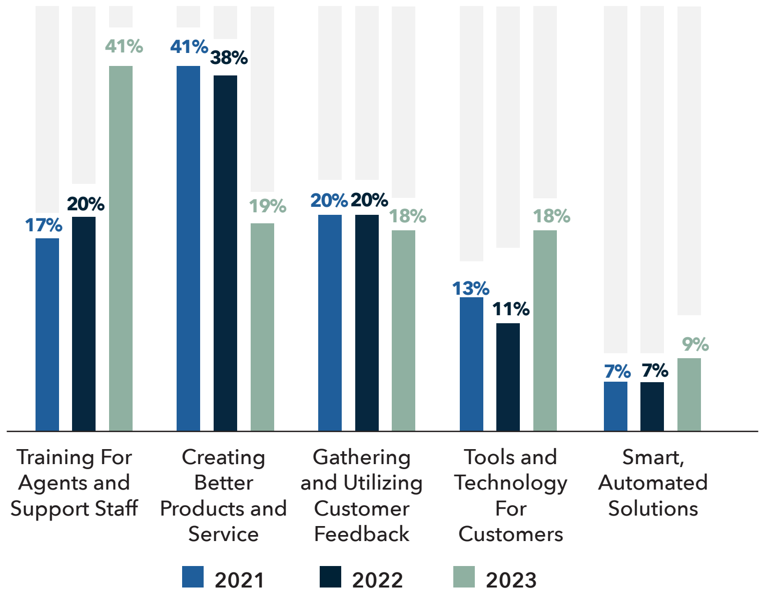
In recent years, which area of the customer experience do you think brands have been able to improve most?



WHERE TO INVEST

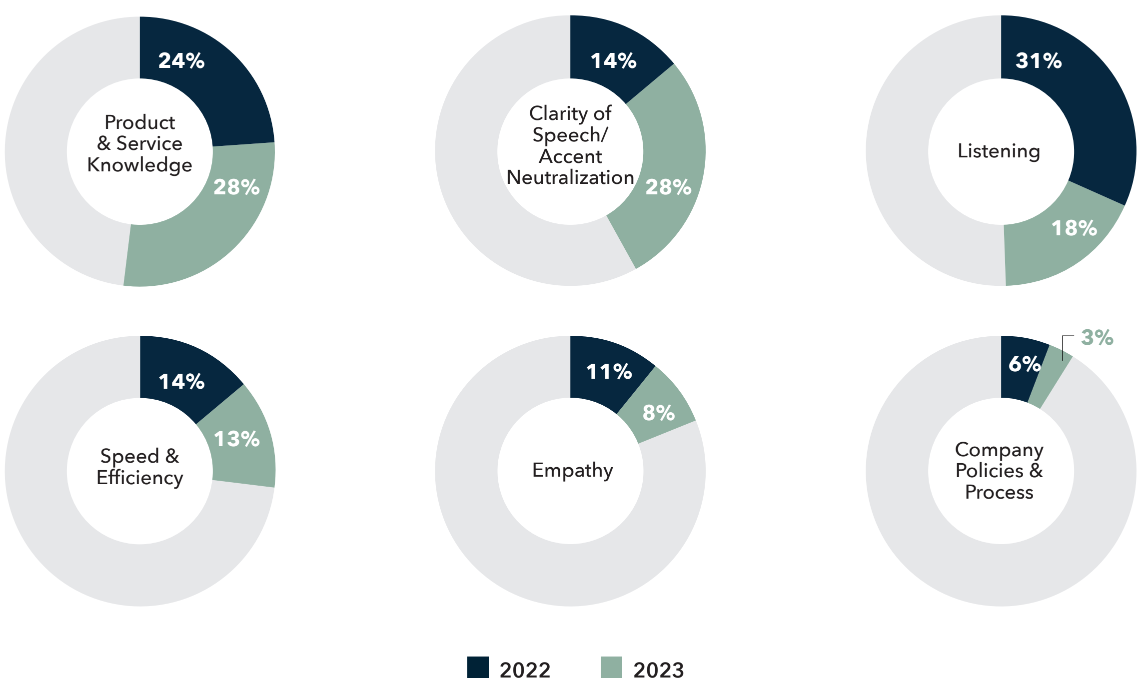
In 2023, consumers dramatically shifted their focus away from the idea of better products and services and toward improved agent quality. It's likely that consumers will increasingly be focused on agent attributes (especially communication and problem-solving) as simple interactions are further automated, while more complicated interactions are left to agent-assisted channels and solutions. Results on the next page indicate exactly where consumers think brands should focus when it comes to upskilling customer care agents.

In your opinion, where should brands be investing in order to most effectively improve the customer experience?



Results from 2023 saw a couple of key shifts in terms of where consumers think companies should focus their training efforts, with those shifts having to do with communication. In 2022, most consumers thought brands should focus their agent training on "Listening," followed by "Clarity of Speech." In 2023, "Listening" has taken a backseat to both "Clarity of Speech" and "Product & Service Knowledge." The desire for more clear communications could be reflective of the shift to more complex issues as more basic engagements are increasingly being automated.

In which area should companies focus their resources when it comes to training customer care agents?



IMPORTANCE OF AGENT PASSION

Consumer support for passionate customer care agents grew year-over-year, with 68% of survey respondents indicating they either "Strongly Agree" or "Agree" with the notion that it is important for agents to be passionate about the brands they represent. Passionate agents don't only reflect positively on brands, they also emit enthusiasm, job satisfaction, and an eagerness to help — all conducive to creating a great experience for customers.

How do you feel about the following statement: It is important for customer care agents to be very passionate about the brands they represent.

	2022	2023
Strongly Agree	31%	34%
Somewhat Agree	27%	34%
Neutral	28%	25%
Somewhat Disagree	9%	5%
Strongly Disagree	5%	2%

Consumers don't only want great brand representatives – they want passionate ones. How is your organization cultivating brand passion within the front line?

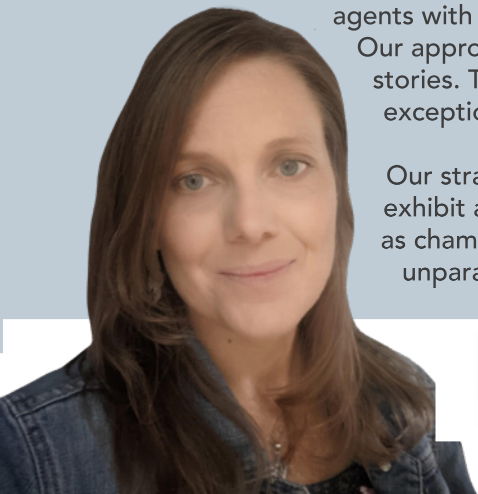
"Azure Standard's Customer Interaction Department is actively shaping fervent customer care agents who ardently uphold our core values and enthusiastically aid customers on their journeys toward health and abundance. As trailblazers in the organic and natural foods sector, we've curated a strategy that seamlessly blends unwavering commitment to our values with a relentless dedication to customer contentment, resulting in a powerful formula for attracting exceptional talent.

Our values take center stage in job postings and permeate the interview process, which spans three pivotal stages. Candidates engage with the department directors and managers, and culminate with a comprehensive interview led by the Chief Experience Officer.

We strive to hire agents who epitomize empathy, adeptly guiding customers on their wellness journeys.

Our quest for excellence extends into immersive training: a three-week virtual program led by dedicated trainers, followed by hands-on learning within a focused environment, complete with direct management support. Thorough onboarding equips hires for peer support groups. We equip agents with streamlined yet comprehensive resources to effectively address customer inquiries. Our approach includes empowering agents with avenues to exchange insights and customer stories. This collaborative framework ensures they possess the essential tools to deliver exceptional service and elevate the Azure brand.

Our strategy attracts customer care agents who wholeheartedly embrace our values and exhibit an unwavering dedication to service. This approach not only reinforces our role as champions of premium organic products, but elevates our commitment to delivering unparalleled customer experiences."



AZURE Standard of Healthy & Abundant Living

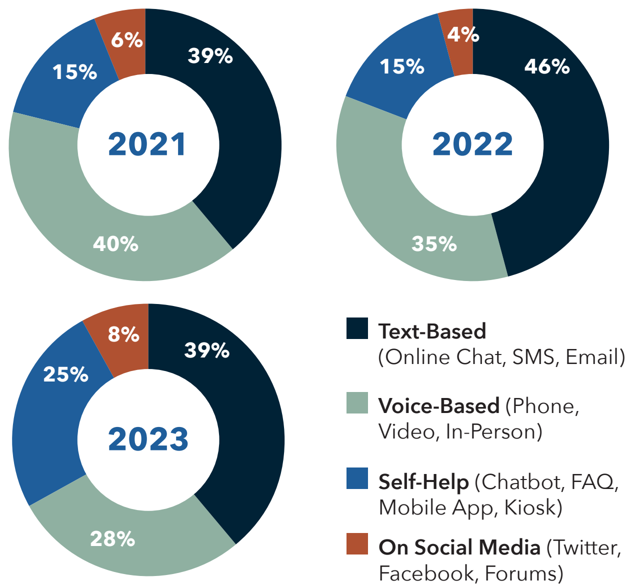
Karen Slusher
Chief Experience Officer

PREFERENCES

CHANNEL PREFERENCES AND FACTORS OF DETERMINATION

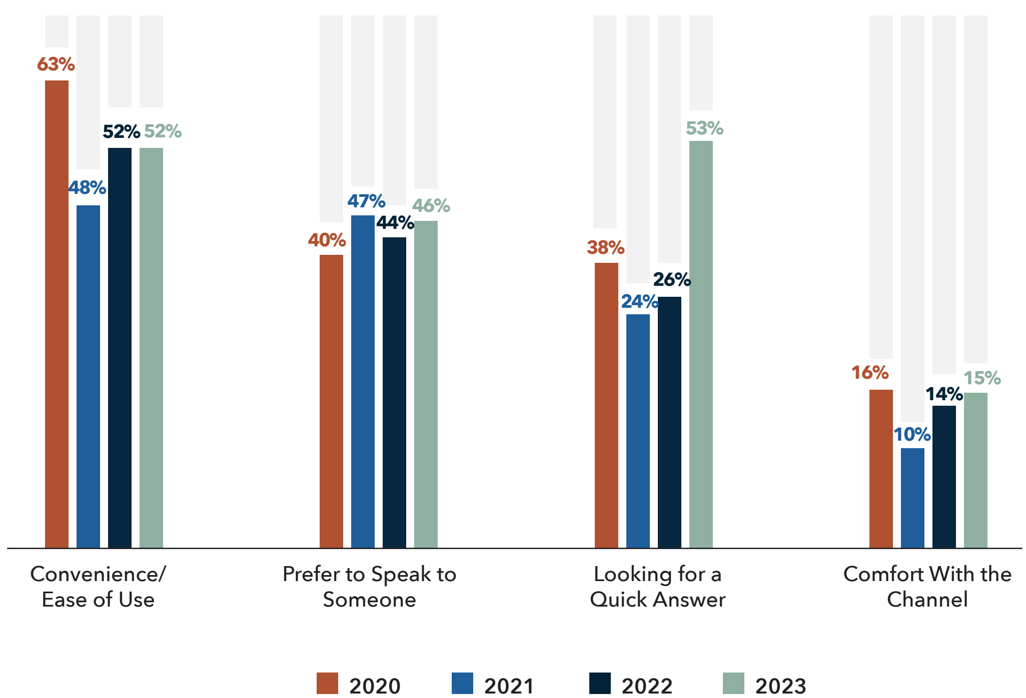
In 2023, consumer preference for Text-Based solutions (first established last year) maintained, while preference for Voice-Based solutions fell for a second year in a row. Moreover, preference for Self-Help solutions blossomed, increasing 10 points year-over-year, now nearly rivaling the consumer's preference for Voice-Based solutions. Though looking deeper into these numbers, it should be noted that there is a strong age bias, with 39% of those ages 60 and above preferring Voice-Based solutions compared to only 23% of those ages 18 to 29. Furthermore, 33% of those ages 18 to 29 prefer Self-Help compared to only 13% of those ages 60 and above.

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



Along with the sudden rise in preference for Self-Help solutions, "Looking for a Quick Answer" also spiked in this most recent surveying, up 27 points year-over-year, or an increase of more than 100%. Self-Help solutions are often associated with speed and ease of use. And while consumers have indicated they are willing to use Self-Help solutions more than ever before, they are quick to stress the value they place on being able to easily reach a live person, should they need to. (page 43)

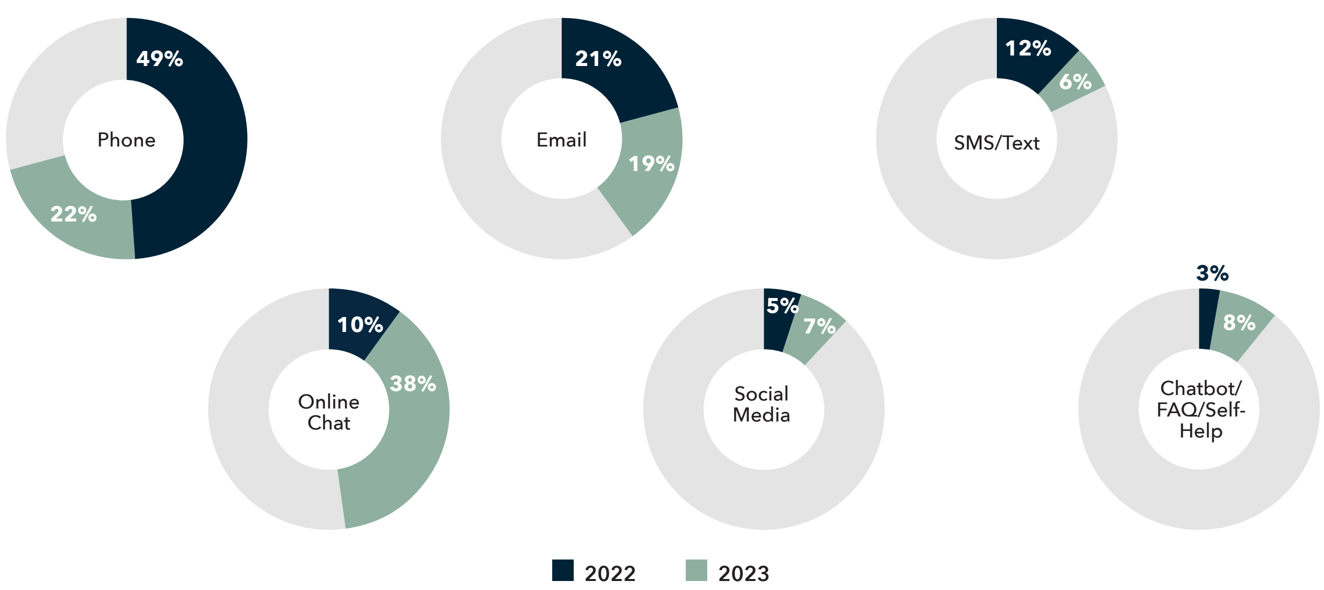
What are the biggest factors in determining your preferred channel of care? (Select all that apply.)



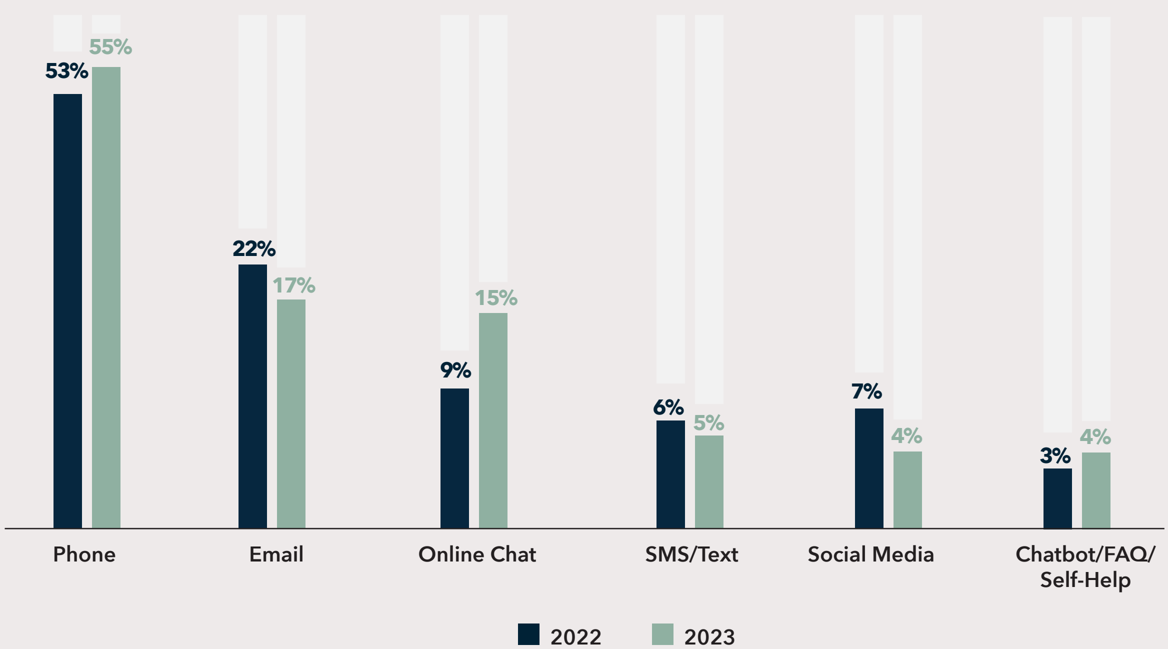
CHANNEL PREFERENCES BASED ON COMPLEXITY

Consumer survey results from 2023 saw a sizable drop in the percent of consumers who said they'd prefer to transact by Phone in the pursuit of resolving a simple issue. When it comes to complex issues, on the other hand, not only was the drop absent, preference for Phone grew slightly, as did the preference for Online Chat. Brands have become far more efficient at resolving simple customer care issues with Self-Help and other automated solutions. As brands become efficient as resolving more complex issues using Self-Help and other automated solutions, it's likely the numbers will converge between Simple and Complex scenarios.

If you had a simple, transactional customer care issue to resolve with a brand, which is your preferred channel of care?



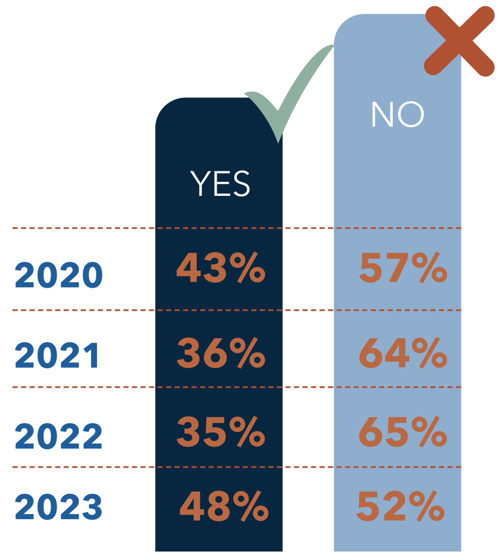
If you had a complex customer care issue to resolve with a brand, which is your preferred channel of care?



CHANGES IN CHANNEL PREFERENCES AND CAUSE

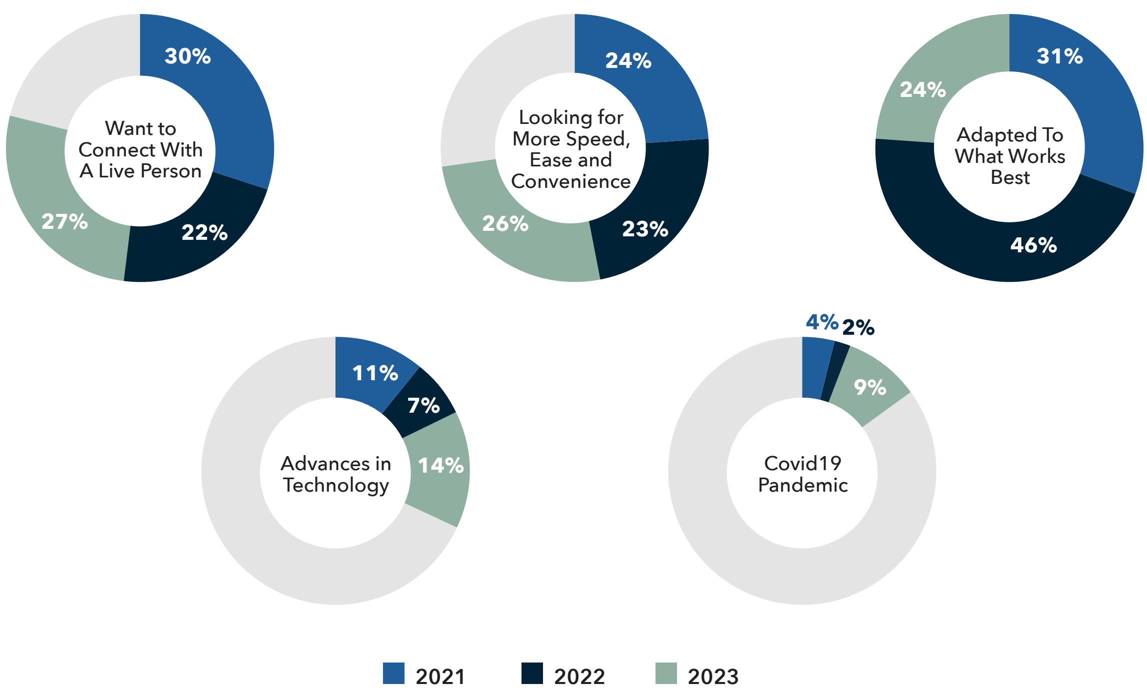
Changes in consumer contact preference hit an all-time high in 2023, with 48% of consumers indicating a change in recent years. Prior to 2023, the response to this question averaged 38%, stretching back to 2018. Given results elsewhere in this research, it's reasonable to assume much of this shift in preference has been the result of consumers shifting from Phone to channels like Online Chat and Self-Help solutions.

Has your preferred contact method changed in recent years?



The cause of preference changes were once again evenly balanced, with the desire to connect with a live person, the need for more speed and ease, and adapting to what works best taking top spots. "Advances in Technology," which alludes to Self-Help and AI-powered solutions, also doubled in responses from 7% to 14% year-over-year.

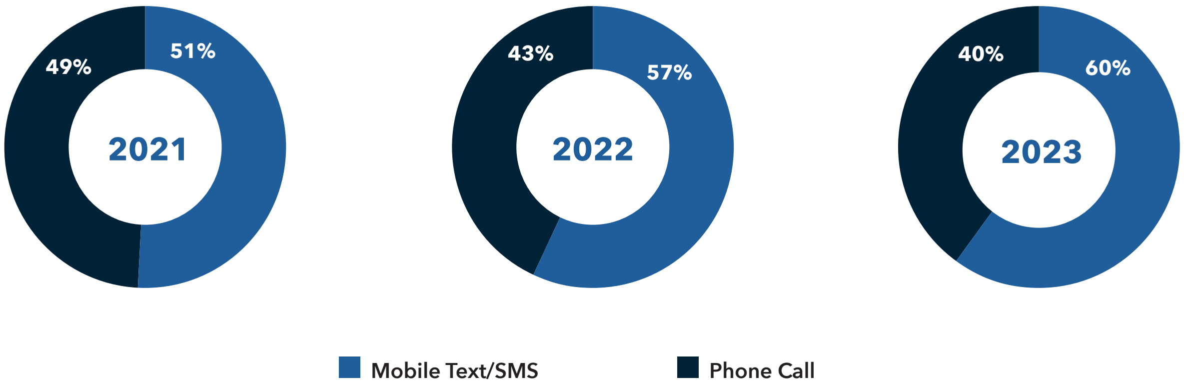
What caused your preferred contact method to change?



MOBILE DEVICE INTERACTION PREFERENCES

Consumer preference for Text/SMS over Phone strengthened for a second straight year in 2023. Another result heavily influenced by age, 63% of those ages 60 and above would prefer to connect by phone, whereas 40% of those ages 18 to 29 and 33% for those ages 30 to 44 would prefer to speak by phone. This is another result that's sure to evolve as demographics shift and the development and adoption of technology changes over time.

If you knew your issue would be resolved easily and to your satisfaction, which method would you prefer when interacting with a brand's customer care team?

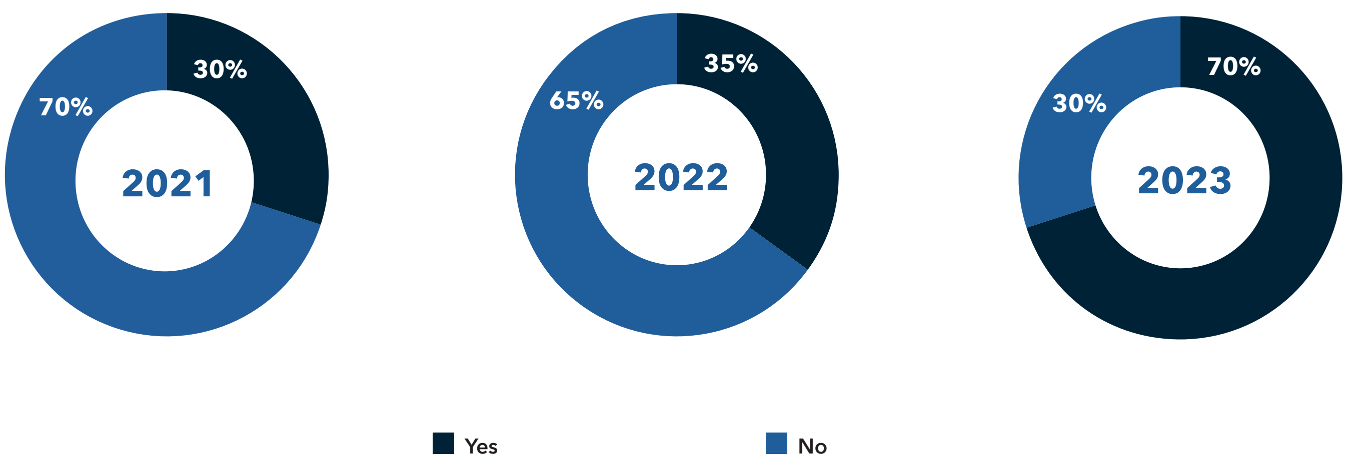


EXPECTATIONS

MEETING NEEDS AND EXPECTATIONS

In another result that's likely to be somewhat influenced by the shift in surveying platform (see page 10), 70% of survey respondents feel that the customer care departments of today's companies are generally meeting their needs and expectations. To put this result into historical context, this same question has been asked eight times since 2014 with an average "Yes" response of 34%. While consumer perception of customer care has generally improved in recent years, future data points will be instrumental in confirming what this particular result suggests.

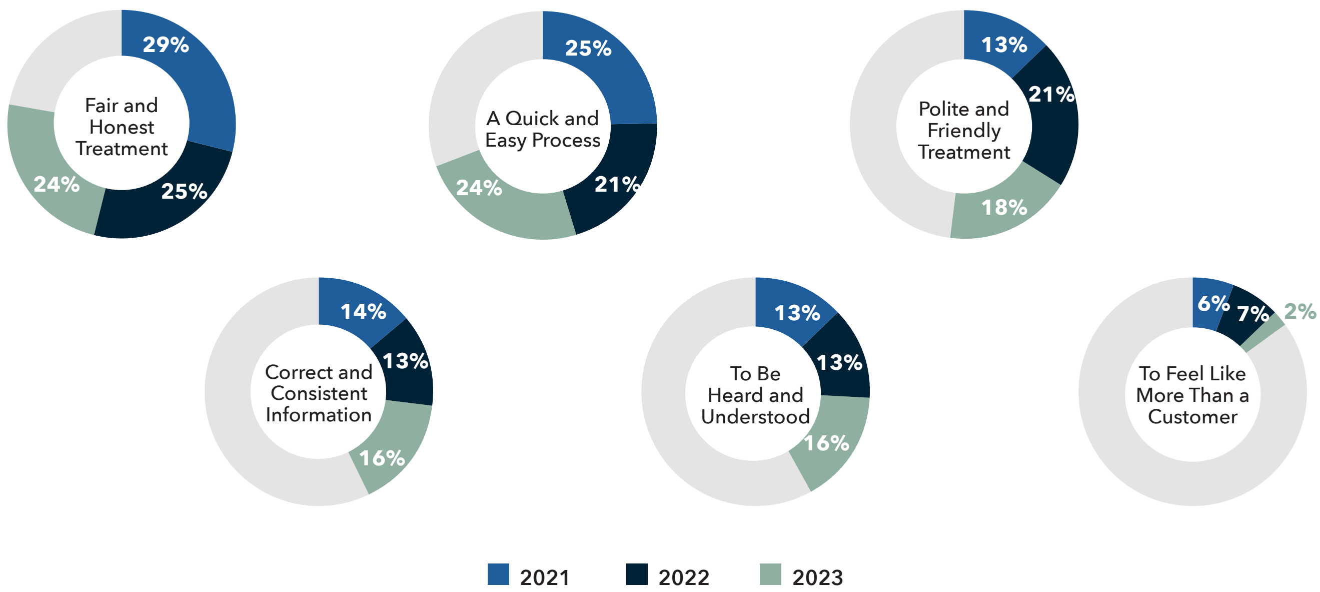
Do you feel that the customer care departments of today's companies are generally meeting your customer service needs and expectations?



WHAT'S MOST IMPORTANT

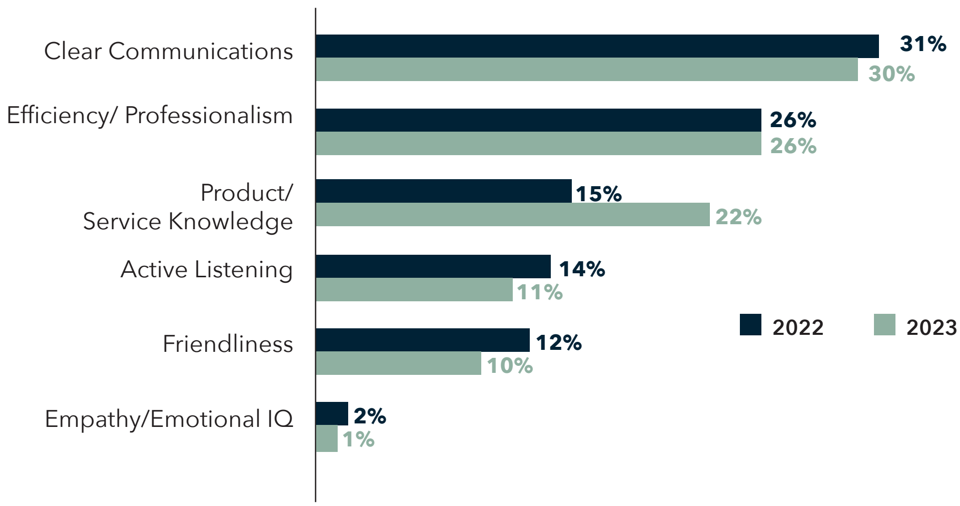
For the third year in a row, consumers named "Fair and Honest Treatment" as a top consideration in dealing with large brands to resolve customer care issues. The desire for "A Quick and Easy Process" again ranks high, followed by "Polite and Friendly Treatment." Fair and honest treatment speaks directly to company policies, and brands should consider gathering customer insights that might provide insight into how customers feel about those existing policies and tweak, as necessary.

Aside from getting your issue resolved satisfactorily, what is most important when dealing with a large brand to resolve a customer care issue?



When it comes to agents, consumers continue to value "Clear Communications" and "Efficiency/Professionalism," with more than half of all survey respondents (56%) selecting one or the other when asked what's most important when talking to a customer care agent. This result is consistent with results to a question in which consumers were asked to identify where companies should focus agent training efforts (page 54), where communication and knowledge notched the top three spots.

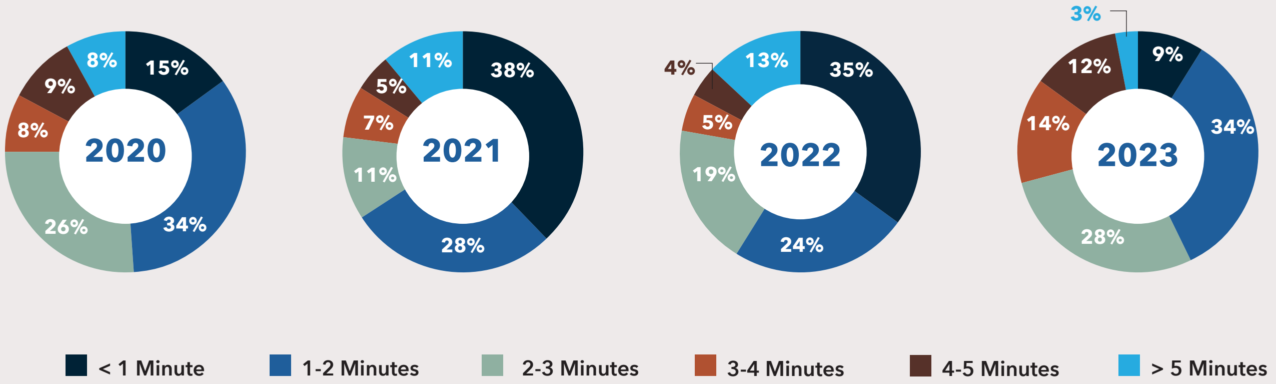
When talking to a customer care agent to resolve an issue with a product or service, what's most important to you?



RESPONSE EXPECTATIONS FOR PHONE AND EMAIL

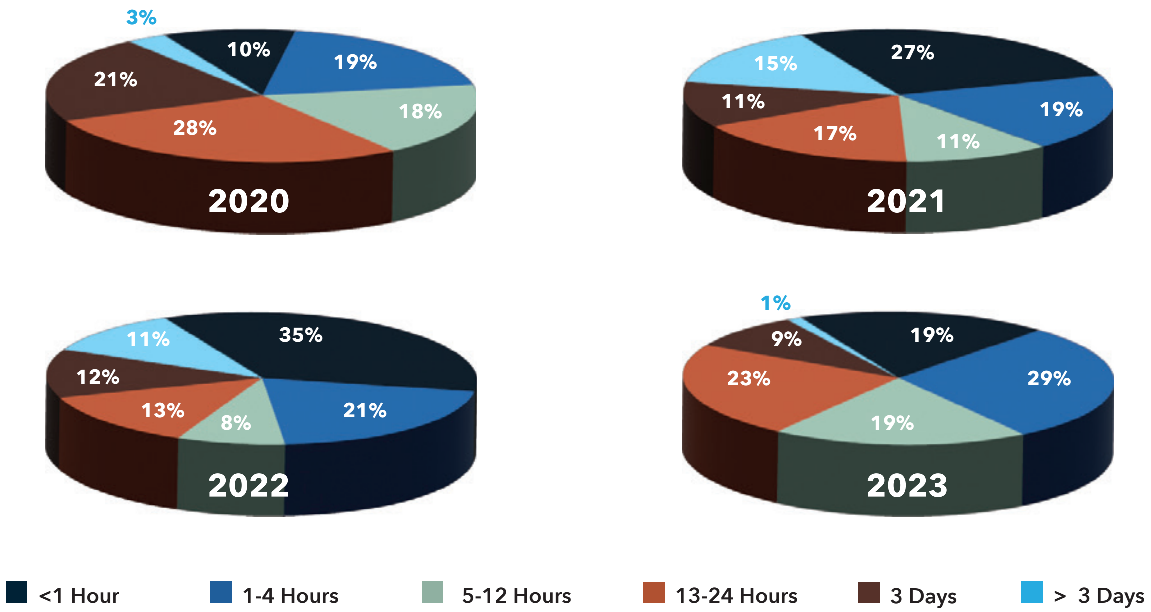
In 2023, consumers became more forgiving in their response time expectations across all solutions. No shift was more pronounced than that of Phone, where there was a 26-point drop year-over-year in the percentage of respondents who expect to be speaking with someone within one minute of their call being answered. In 2023, brands would be meeting the expectations of at least 57% of survey respondents if able to connect within 2 minutes, compared to 41% in 2022.

When interacting with a brand's customer care department by phone, how quickly do you expect to be speaking to someone?



Consumer expectations for Email responses within one hour fell precipitously year-over-year, dropping 16-points to 19%, while expectations for a response in the one-to-24-hour time frame grew. While many brands have made efforts to phase out Email as a customer care channel, it remains among the most popular contact channel for consumers, rivaled only by Phone and Online Chat.

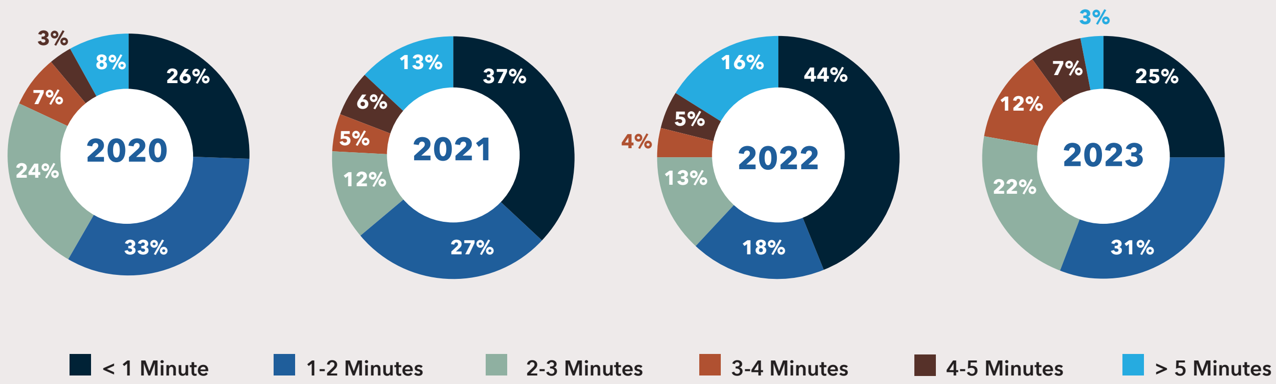
When interacting with a brand's customer care department by email, how quickly do you expect them to initially answer your inquiry?



RESPONSE EXPECTATIONS FOR ONLINE CHAT AND SMS

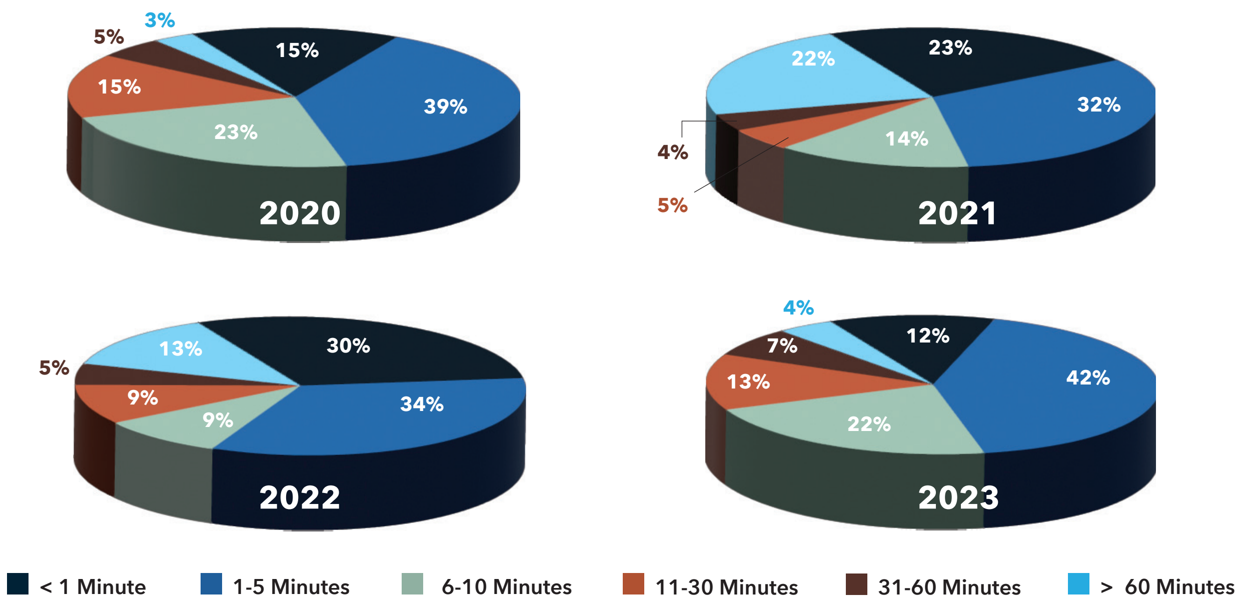
Like other channels, expectations for the speediest responses for Online Chat (under one minute) lessened, while expectations for responses within the 1-to-4-minute range grew. Understanding response expectations for Online Chat is especially important, as brands/BPOs have significant control over how many chats agents concurrently handle and are able to adjust accordingly.

When interacting with a brand's customer care department by online chat (e.g., via computer), how quickly do you expect to initially be chatting with someone?



In 2023, SMS response expectations fell for the quickest response time (under one minute fell from 30% to 12%), while mid-range times (one to 30 minutes) ramped up year-over-year. By responding in six minutes or less, brands would be meeting the response expectations of no less than 46% of their customers, increasing to 88% if responding in one minute or less.

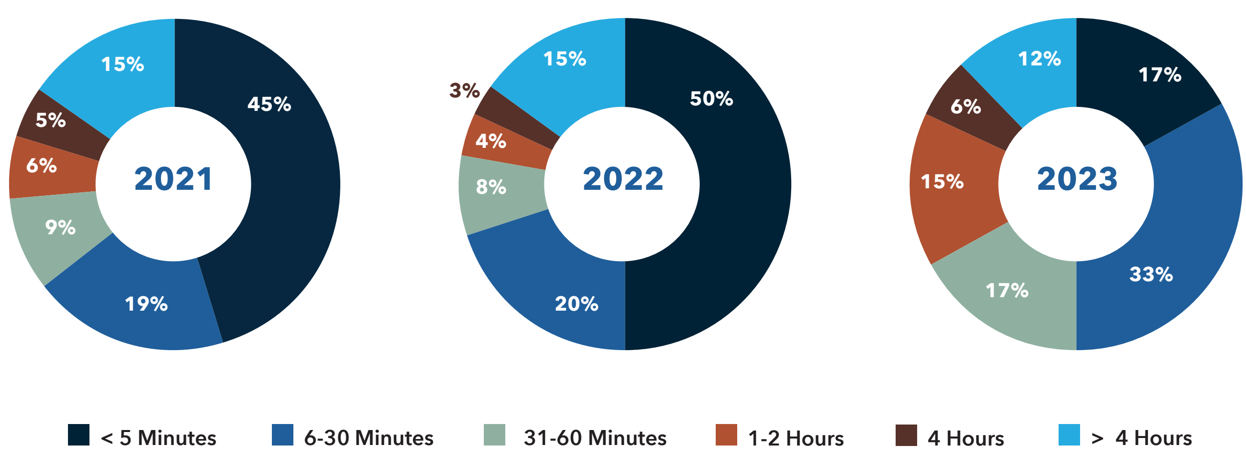
When interacting with a brand's customer care department by SMS, how quickly do you expect them to initially respond to your inquiry?



RESPONSE EXPECTATIONS FOR SOCIAL MEDIA

Social Media saw a dramatic fall in the response category of less than 5 minutes, falling from about half of all respondents to fewer than one in five. Based on these results, if brands were able to respond to Social Media inquiries in no more than 30 minutes, they'd be meeting the response expectations of no fewer than 50% of consumers. By responding in no more than 6 minutes, the percentage of consumers who'd have their response expectation met increases to 88%.

When interacting with a brand's customer care department via social media or an online forum/message board, how quickly do you expect an initial response?



CONSUMER PERSPECTIVES — **CONCLUSIONS**

Key Findings:

- Twenty-six percent of respondents feel companies are getting better at providing good customer care, a 15-point year-over-year improvement. (page 50)

- If issues could be resolved easily and satisfactorily, 60% of consumers would prefer to interact via Mobile Text/SMS versus 40% who would rather interact via a Phone Call. (page 60)

- Sixty-eight percent of respondents would be willing to pay a little more for a product or service if it meant they'd get world-class customer care. (page 51)

- Forty-one percent of consumers feel the most effective way for brands to invest in improving the customer care experience is "Training For Agents and Support Staff." (page 54)

The headline is bold and positive: Consumers feel companies are getting better at customer care. This conclusion can be reached in analysis of several results across both the Consumer Experiences and Consumer Perspectives sections. Consumers are claiming care is getting better and easier (page 50), and their needs and expectations are being better met (page 62). And it's not only that expectations are being better met — they also appear to be changing. This is most evident in the "response expectations" results (pages 64-66), where consumers have reduced their expectations across the board for the speediest response time categories. In other words, consumers are more patient with the care they receive.

Consumers have also changed their preferences for how they'd like to interact with brands. While Phone still rules as the single most popular channel of care (especially for complex issues), this may not be the case for long. Consumers already prefer Mobile Text/SMS over a Phone Call, assuming both are equally capable of resolving the issue, and Text-Based solutions continue to be preferred over Voice-Based, assuming a resolution in both instances.

Finally, it looks like consumers are willing to pay more for exceptional care. Furthermore, they think the surest path to exceptional care is more and better training for agents and support staff. Specifically, consumers think agents need training for better communication and improved product/service knowledge. Clear communications, fair and honest treatment, and speed and ease continue to be heavily valued by consumers, regardless of channel of care.

ABOUT
EXECS IN THE KNOW

Execs In The Know brings together customer experience (CX) leaders from across industries in an effort to advance the conversation and set a new agenda for delivering amazing experiences for consumers. As a global community of the brightest minds in CX, Execs In The Know provides opportunities to learn, share, network, and engage to innovate. Operating under the motto, "Leaders Learning From Leaders," Execs In The Know facilitates many opportunities for community engagement, such as its bi-annual national Customer Response Summit and private, online community, Know It All "KIA." There are also exclusive, laser-focused engagements like industry briefings and executive roundtables. Execs In The Know also guides and informs the industry with a rich tapestry of CX-related content that includes *CX Insight* magazine, industry research, webinars, blogs, and much more.

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ABOUT
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As a leading global provider of outsourced customer engagement solutions, VXI offers our clients a winning combination of talent, technology, and purpose to elevate experiences, boost brand value, and uplift our shared communities. VXI is an NMSDC-certified and minority-owned business process outsourcer with over 40,000 employees across 7 countries and 40+ service delivery locations. Our integrated service offering supports next-generation operating models through comprehensive customer care solutions, experience design, digital strategy, and enablement, IT outsourcing, software development, and strategic automation.

Backed by Bain Capital Private Equity, VXI is one of the fastest-growing, privately held business services organizations in the United States and the Philippines, and one of the few U.S.-based customer care organizations in China.

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