



CX ACT CUSTOMER TOUCHPOINT STRESS TEST

Brands Falter on Digital Channel Engagement Leading to Lost Loyalty

The CX Act *Customer Touchpoint Stress Test* is a study examining 50 major brands on customer satisfaction with contacts across four different channels: phone, email, online chat and Facebook. Customers of the companies tested were recruited to evaluate service offered when contacting on simple issues such as billing disputes and product issues.

Why Read...

CX Act's previous research (*TouchPoints: Personal Presence Trumps Digital Decorum for Optimal Customer Experience*) showed that phone is the most frequent and most effective customer service contact channel, but that digital channels are growing in importance, especially among younger demographics. This study identifies how companies are falling short in this increasingly omnichannel world and the loyalty penalty of not meeting expectations.

Who Should Read...

Customer experience professionals, chief customer officers, customer relations and customer service professionals, contact center management and brand marketing executives who want to better and more comprehensively understand how their organization's customer contact handling effectiveness compares to the industry and how that impacts loyalty.

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Key Takeaways...

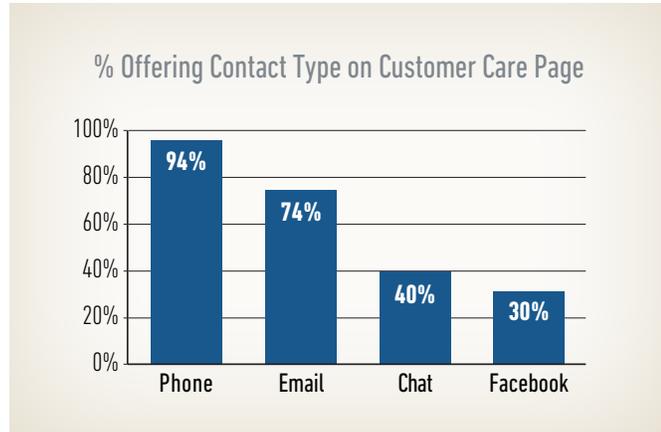
- **Companies don't make it easy to initiate contact** – Only 52% of the testers said customer care information was easy to find; and when they did find it, only one in four found it helpful.
- **Phone response is still king; inconsistency with other channels** - Phone outperformed all channels with 86% of issues resolved vs. an average of only 47% for other channels. Satisfaction varied from a high of 58% very satisfied for phone to a low of 17% very satisfied with response via Facebook.
- **Customer experience strongly impacts loyalty** – Having a positive contact experience resulted in testers being 15 times more likely to say they would definitely buy again than those having a negative contact experience.
- **Email response surprisingly low** – Email is not a new channel, but response fared very poorly, with only 44% receiving a resolution and only 22% very satisfied with the response.
- **Most companies do not offer online chat, yet response is fast**– Out of the 50 companies tested, only 20 offer chat, with 70% able to resolve via chat with the shortest response time (9 minutes).
- **Facebook customer care is more about looking good than being good** - While 96% of tested companies offered Facebook, only 27% of issues posted on the company Facebook site were resolved and only 17% were very satisfied with the response.

Overall Findings

COMPANIES DON'T MAKE IT EASY TO INITIATE CONTACT

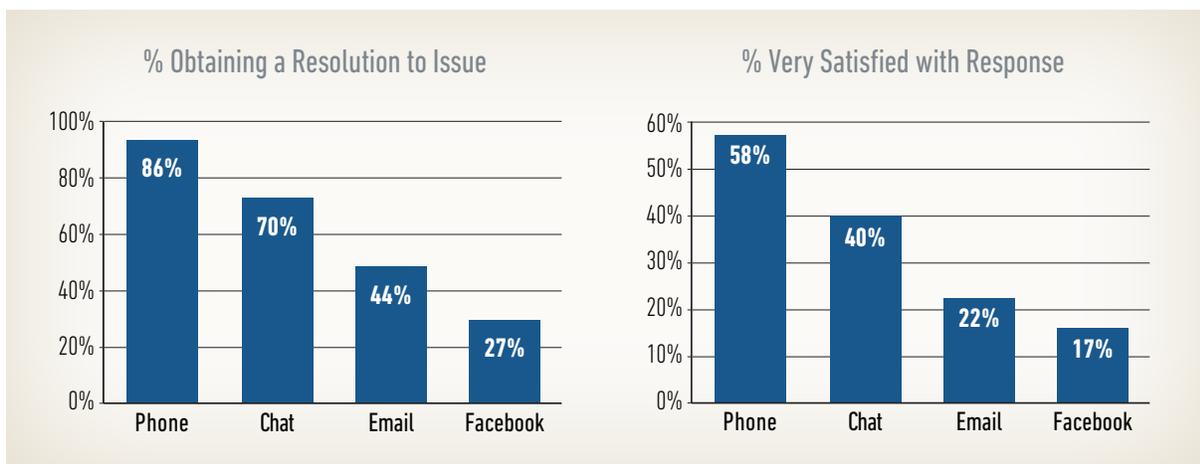
Only 52% of the testers found the customer care information very easy to find and only 24% found the information extremely helpful.

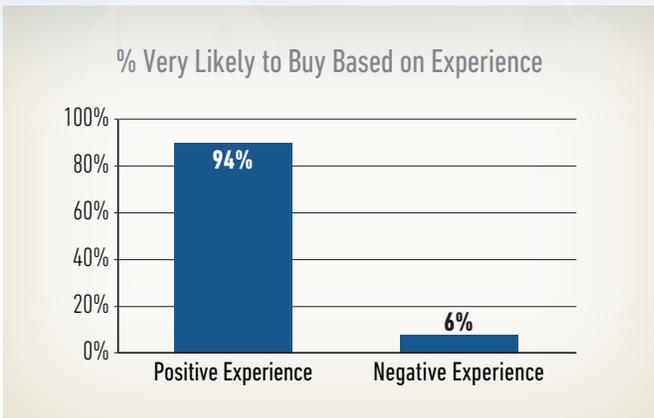
Most tested companies listed a phone number on the customer care page on their website, with less than half listing an option for chat or Facebook. Some companies offer customer service channels not featured on the customer care page.



PHONE RESPONSE IS BEST; INCONSISTENCY WITH OTHER CHANNELS

Phone was the highest performing channel with 86% resolution rate and 58% of testers being very satisfied with the resolution. But even high performing companies on phone did not fare well with other channels, with less than half obtaining resolution and only about one fourth being very satisfied with the response.





CUSTOMER EXPERIENCE STRONGLY IMPACTS LOYALTY

Having a positive contact experience resulted in testers being 15 times more likely to say they would definitely buy again than those having a negative contact experience.

EMAIL RESPONSE SURPRISINGLY LOW

Surprisingly, since this is not a new channel, email response fared very poorly with only 44% receiving a resolution and only 22% very satisfied with the response.

Testers had specific suggestions about acknowledgements and timeliness.

"I did not receive a reply to my email, not even an auto form to tell me they got the email and would respond soon."

– Retailer

"The initial automated acknowledgement email made me feel valuable. The more than 24 hours for a response made me feel they need more customer service representatives."

– Supermarket

MOST COMPANIES DO NOT OFFER ONLINE CHAT, YET RESPONSE IS FAST

Out of the 50 companies tested, only 20 offer chat, with 70% able to resolve via chat with the shortest response time (9 minutes). The biggest issues with chat were lack of response clarity and personality.

"The Tech was very vague with his responses, causing me to have to ask additional questions."

– Consumer Electronics

"The rep I spoke with was very scripted. Kind of like a copy and paste type. I feel as if the rep needs to work on treating each customer they chat with differently and personalize their time together."

– Consumer Electronics

FACEBOOK CUSTOMER CARE IS MORE ABOUT LOOKING GOOD THAN BEING GOOD

While 96% of tested companies offered Facebook, 27% of issues posted on the company Facebook site were resolved with only 17% were very satisfied with the response. Testers took companies to task with their performance, requesting a more streamlined, personal and faster response.

"The representative asked me to email the help desk. It would have been more convenient to have not had to go through this step."

– Insurance

"Include a name in the response to personalize it a little more."

– Retailer

"Quicker response time, and once a conversation begins on Facebook, stay with it. It was hours between responses even once I had the initial response."

– Cable Operator

How to Improve Customer Experience Across Channels

CX Act recommends six key actions to improve the customer experience across all contact channels:

- 1. Empower reps to resolve issues** – Employees who are encouraged to use their unique skills, abilities and creativity to resolve the customer’s issue are more satisfied and engaged and provide a better customer experience.
- 2. Add personality and personalization** – While scripts and templates are great for guiding an appropriate response, leave room for personalization and letting reps “make it real and authentic.” Creating an emotional connection is especially critical with digital responses, but voice tone can also make or break a customer interaction with phone response.
- 3. Timeliness counts** – Especially with the digital channels, a long delay between posting and response significantly degrades the customer experience. Having chat available or placing your company in the social media arena isn’t enough. How quickly you respond and engage is what creates a great customer experience.
- 4. Acknowledge and empathize** – Automatic acknowledgement of online form/email contacts helps reassure the customer that their request was received and sets expectations for response time. When responding, reps should be trained to always, in all channels, acknowledge and genuinely empathize with the customer’s situation. The customer needs to know they “were heard” before they will be ready to hear any response.
- 5. Stay within the channel** – Customers who contact via chat, online form/email or social media have selected their contact preference. Focus on addressing their needs within this channel and try to avoid moving to a different channel for final resolution.
- 6. Stay focused** – Especially with digital channels, customers expect short and succinct responses. Keep it positive. Focus on the customer’s situation and what you **can** do; no excuses or rationale.

Next Steps...

Identify directly how your company fares across all touchpoints by conducting your own “stress test” and learn what actions you can take to significantly improve the customer experience, customer satisfaction and loyalty.

50 COMPANIES TESTED

Airlines

American Airlines
Delta Airlines
Southwest Airlines
United Airlines

Car Manufacturers

Ford
GMC
Honda
Toyota
Volkswagen

Financial Institutions

American Express
Bank of America Corp.
Wells Fargo
Citigroup
SunTrust Banks

Insurance

Blue Shield
Humana Group
Allstate
American Family Insurance
Group
Progressive
Chubb
Erie Insurance

Cable/Internet

Comcast
DIRECTV
DISH Network
RCN Corp.
Time Warner Cable

Consumer Electronics

Amazon (Kindle)
Apple (iPad)
Microsoft (Surface)
Samsung (Galaxy)
Sony (Wide Screen TV)

CPG

Clorox
Procter & Gamble
(Crest)
L'Oréal (Garnier)
Johnson & Johnson
Frito Lay (Lay's)

Retailer

Walmart
Best Buy
Kmart
Macy's
Neiman Marcus
Target
Meijers

Supermarket

Trader Joe's
Whole Foods Market
Harris-Teeter
Mrs. Green's Market
Safeway Inc.
Publix
Kroger