

Top customer service frustrations

What customers want – and don't want – in a customer experience.

In the era of instant information, customers expect service to be simple and fast. They want to be able to use whichever channel is most convenient – web, social media, mobile app or phone – and have the interaction be consistently easy. Customer service, or the lack there of, has a much greater influence on buying decisions than ever before.

In fact, nine out of ten (90 percent) consumers report that a company's customer service has a significant impact on their decision to do business with them. And, while a high quality customer experience can turn a first-time customer into a loyal fan, a bad customer experience has the potential to create immediate and significant backlash through channels like social media.

New research shows that customer service departments are often falling short on delivering a consistent and positive experience for their customers. Nuance commissioned a survey of 1,000 American consumers to reveal current perceptions about customer service departments.

For better or worse: customer service leaves lasting impressions

Across all industries, the research shows clear room for improvement when it comes to customer service. The majority of American consumers (74 percent) did not give the customer service they've received in the last twelve months an "A" grade.

On average, consumers report that they contact customer service at companies they do business with four times per year. The industries that were contacted most frequently in the past year include communications companies, such as cable service and telecommunications providers, financial services companies and retail/consumer goods companies. While this comes as no surprise, the research shows that a significant portion of these experiences were less than positive.

State of customer service experiences



One out of every four customer service interactions is a negative experience on average.

The research shows that, on average, one out of every four (26 percent) customer service interactions is a negative experience. Among Generation X consumers – those born between 1965 to 1980 – this number rises to more than nearly one-third (36 percent). Further, more than half (56 percent) of American consumers have cancelled a service or ended a relationship with a company because of a bad customer service experience. More than one-quarter (27 percent) say they have done so more than once.

By contrast, many consumers also report that they respond positively if they receive good customer service. Eighty percent of consumers have taken action after a good experience. For instance, more than one-third (37 percent) of respondents say they have recommended the company to friends and family (37 percent) or conducted more business with that company (34 percent) if it was a positive experience.

Older generations may be the most rewarding customers. Baby Boomers are even more likely, in some cases, to take positive actions than their younger counterparts. One in five Baby Boomers say they have contacted a supervisor or manager about the great service they received – compared to just 13 percent of Millennials who have done so.

While there is clear work to be done, companies that invest in delivering positive customer experiences can expect to reap the rewards. The research sheds further light on what customers want – and don't want – in a service interaction.

Pushing customers' buttons

Every individual has a hot button when it comes to customer service. While the research reveals common complaints that businesses must address, it's clear that a company's customer base cannot be treated as a "one size fits all" group.

Don't waste my time. Across all consumers, the top complaint is not having their time valued. When asked what consumers have experienced in the past 12 months, the top three issues were being put on hold (49 percent); giving the same information or repeating themselves multiple times (38 percent); and getting transferred multiple times (37 percent).

In fact, the majority of respondents (55 percent) feel they would repeat themselves more when negotiating with a customer service representative to resolve an issue, than they would negotiating with a toddler to go to bed (45 percent).

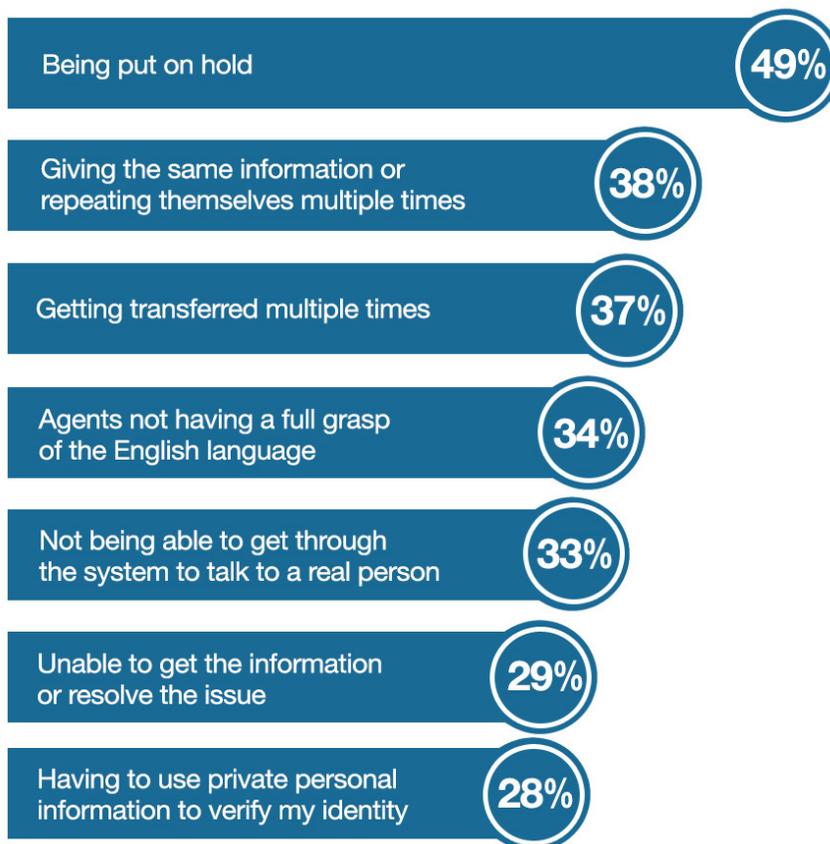
Be consistent. While customer service déjà vu is one issue, lack of consistency is another key challenge for businesses today. More than half (52 percent) of consumers report they frequently receive conflicting information from different customer service channels at the same company.

With so many channels of communication, including websites, mobile apps, emails, direct mail, text messages, interactive voice response (IVR) systems and customer service representatives, companies must ensure that they aren't providing contradicting information to their customers. This points to a need for a multi-channel strategy that ensures a consistent experience regardless of how the customer receives the information.

Consider specific generational needs. The research also revealed a clear generational distinction when it comes to what annoys consumers most:

- **Millennials** – those born between 1981 and 1996 – are most annoyed by issues related to wasted time. For them, the most maddening factors are being put on hold (32 percent), getting transferred multiple times (30 percent) and giving the same information multiple times (30 percent).
- **Generation X consumers** – individuals born between 1965-1980 – are most frustrated with call center systems and agents that don't understand what they need. Top pet peeves for this group include not being able to get through the system to a real person (35 percent), agents not having a full grasp of the English language (33 percent) and getting transferred multiple times (32 percent).
- **For Baby Boomers** – typically those born between 1946 and 1964, the biggest irritants revolve around being able to have a conversation with a representative that can help them. Their biggest annoyances are agents that don't have a full grasp of the English language (46 percent) and not being able to get through the system to talk to a real person (39 percent).

Top customer service complaints in the past year



Contacting customer service now seen as a last resort

Based on common complaints from consumers today, it's no surprise that many now only contact customer service by phone when they can't find the answer themselves. This places a greater importance on businesses to proactively provide information and make searching websites for specific answers easier.

The vast majority of American consumers (82 percent) agree that they only contact customer service when they can't find an answer online. This is especially true among Millennials versus older generations – 87 percent of this group agree with this statement.

When consumers do reach out, companies have an opportunity to explore new ways to create better customer service experiences. When asked what features consumers want most when interacting with a company to get information or resolve an issue, top requests include the ability to call at any time of the day or night (33 percent) and never having to repeat themselves (29 percent).

Additionally, nearly one in five (17 percent) customers say they most want to avoid providing personal, private information to a representative. In fact, when asked what they would rather do, nearly 30 percent of respondents said they would rather disclose their weight to a customer service agent over the phone instead of their personal security information – such as a social security number or password. This makes the case for alternative authentication options, such as voice biometrics – that allows a customer to verify their identity using their unique voice pattern rather than disclosing personal information.

Automation may hold the key

As companies evaluate how to improve customer experience, many are turning to technology. A majority of consumers are already taking advantage of automated solutions from companies to meet their customer service needs quickly and easily. Nearly nine out of 10 consumers say they have used an automated self-service system to complete a transaction with a company they do business with, such as refilling a prescription or scheduling an appointment.

However, consistent follow-through on those automated interactions may be missing for a large portion of businesses. For example, nearly half (45 percent) of consumers say they have had issues because they did not receive confirmation for a self-service transaction they completed – such as an appointment that was not properly scheduled or a bill that was not paid on time. For Millennials, who are often seen as digital natives, this is an even bigger issue. Fifty-five percent of this group have experienced issues due to the lack of confirmation on a self-service transaction. By contrast, only 39 percent of Baby Boomers say they have experienced an issue.

To fill the void, consumers are doing their own follow up to confirm transactions. Nearly half (49 percent) of respondents say they frequently contact a business to follow-up or confirm the self-service transactions they make. This not only has potential to quickly turn an experience into a negative one, but it causes an additional influx of incoming customer service queries that could have been easily solved with more proactive follow up from businesses.

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Consistent, connected conversations make the grade

The research highlights a potential pitfall for companies who neglect the quality of their inbound phone experience, as well as an opportunity to increase self-service containment.

When consumers rate customer service, they don't differentiate between the quality of individual channels. They judge the experience as a whole. Conversations that begin online will move to the contact center as soon as a question can't be answered or confirmation is required. And the research makes clear that consumer annoyance with IVR applications is universal, from Millennials to Baby Boomers.

To meet growing expectations for quality service, businesses need to offer a consistent, intuitive experience across the self-service continuum, including the web, mobile app and IVR. Missing channels, inconsistent messages and outdated solutions increase the risk of customer churn.

Nuance clients have gone further, creating context for their automated customer interactions by integrating their inbound self-service and proactive outreach capabilities. These connected conversations leverage awareness of recent outbound communication to inform IVR behavior. Transforming the standard greeting "How can I help you?" into "Are you calling about your upcoming flight?" gets customers to the information they need in a fraction of the time. And following a self-service transaction the conversation can be completed with an outbound text, email or voice message confirmation.

By creating meaningful conversations, companies can deliver a strong ROI and create a customer experience that rates an "A" grade.

To learn more about Connected Conversations and how you can integrate your inbound response and customer outreach, visit our [website](#) or [contact us today](#).

About Nuance Communications, Inc.

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