



The Omnichannel Evolution Of Customer Experience

2016 Trends on consumer behaviours
and expectations for omnichannel
customer service solutions

Research conducted by Spider Marketing for Altitude, June 2016



Contents

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| | | |
|-------|---|------|
| 01 | Introduction | p 03 |
| 02 | Executive Summary | p 04 |
| 03 | The Multi-Channel, Multi-Device Customer | |
| 03.01 | Customers today have a portfolio of comms | p 05 |
| 03.02 | Different needs demand different channels | p 07 |
| 03.03 | Mobile is king | p 08 |
| 04 | Customers Expectations Are High | |
| 04.01 | Don't sit on emails! | p 09 |
| 04.02 | Monitor social media carefully and constantly | p 10 |
| 04.03 | Join-up your thinking | p 11 |
| 05 | Brands Prepare For A Punish Or Promote Culture | |
| 05.01 | People share, share and share their experiences | p 12 |
| 05.02 | Reading is believing | p 13 |
| 06 | Conclusion | p 14 |



01 Introduction

This Report has been created by Spider Marketing for Altitude Software, looking in depth at customers' increasingly complex and intertwined interactions with providers of good and services.

We consider not only how customers contact companies in 2016, whether it be face-to-face visits or Facebook, but what they expect of companies in return. Critically, we then present the ramifications for brands if those expectations are not met.

At the heart of the Report is robust data based on interviews with customers in Brazil (1037), France (1028) and Spain (1020). These nationally representative samples were interviewed online between 7th to 17th April 2016.

This Report provides insight of incalculable commercial value to businesses in 2016. Meeting the demands of customers who have a wealth of communication options at their finger-tips, and who live in vast digital networks of like-minded people, has elevated the importance of intelligent, integrated and responsive customer engagement systems to a whole new level.



02 Executive Summary

Customers today are multi-skilled, multi-tooled and very well connected mouth-pieces for brands. Getting their customer experience right is far more complex today with the explosive use of mobile and social media in all parts of the world. This research, focusing on South America, Central and Southern Europe, reveals that customers today are using multiple channels to contact brands and their expectations for a positive experience with every channel is growing.

The omni-channel customer uses a mix of contact solutions with demand for social media solutions growing the most among millennials. Four in five customers, 82%, telephone suppliers of goods and services, with a further three in five (62%) turning to email. Perhaps more striking, however, is the one in five, 20%, who contact suppliers via Facebook; this climbs to 29% of 18 to 34 year olds, highlighting the growing demand for omni-channel contact solutions from your customers of tomorrow as well as today.

The role already played by social media in customers' commercial as well as social lives is clearly too powerful to ignore, as is the power of mobile. Approaching three in five, 56%, of all social media users pick up their mobile when contacting a company in this way, significantly more than via PC or tablet. More customers use their mobile than a landline to telephone a company, similar proportions turning to their mobile as opposed to PC when it comes to email.

One very telling consequence of this instant, on-the-move connectivity, is rocketing consumer expectations of suppliers; after all, if a paying customer is able to contact a supplier anytime, anyplace, in a matter of seconds, why should they not expect the same back? Three in ten customers, 31%, expect a reply to an email within an hour at the very longest; this climbs to four in five, 81%, expecting a response within 24 hours.

When it comes to social media, however, expectations soar! If a customer posts a comment on social media about a supplier, one in two, 47%, expect a response within an hour. And a company simply cannot leave it longer than a day to respond: over 4 in 5, 84%, expect to wait no more than 24 hours to hear back.

This would not be such a pressing issue if the consequences of not listening and neglecting your customer relationships were not so high. Seven in ten customers, 70%, use Facebook every day or most days, with two in every three customers, 63%, saying they're less likely to use a company if they read negative comments about them. While around 73% of customers say they would be more likely to use a company based on positive comments left on social media.

There is no doubt that to not fully embrace all customer touchpoints and demands in today's ultra-close knit world is to invite vast reputational damage to your brand. And getting the customer experience right will reward a brand with earned marketing reach and new customer acquisition.

When contacting a customer centre:



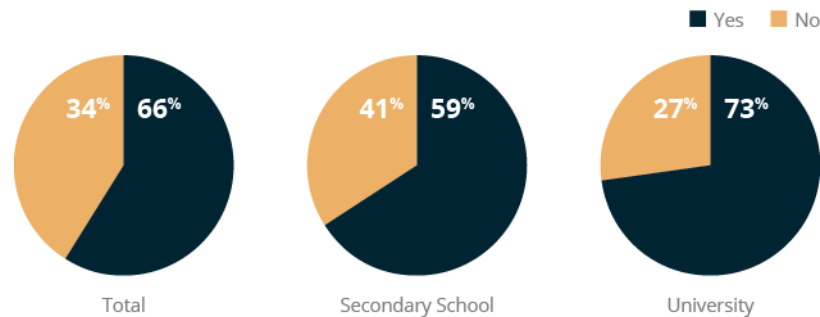
03 The Multi-Channel, Multi-Device Customer

03.01 Customers today have a portfolio of comms channels from which to select

The days of people simply reaching for their phone at home to order something, or popping into a shop to check the price of an item, are long gone. In 2016 customers embrace multiple channels of communication and use just as many devices when getting in touch; for a business of any size to prosper today, this myriad of consumer preferences and demands must be catered for.

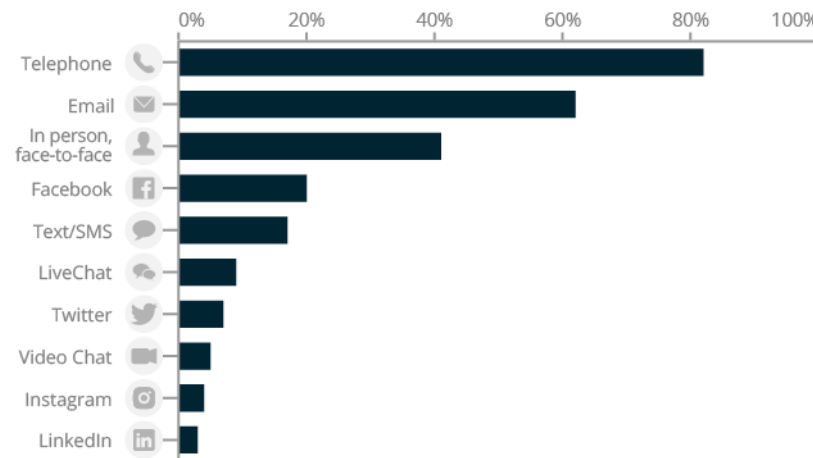
It is maybe not surprising that two in three customers have dealt with a contact centre in the last year. We should also expect the younger age groups (70% of 18-34 year olds, 73% of 35-44 year olds) and university graduates to be the most likely to have dealt with a contact centre:

Fig 1. Whether dealt with call centre in last 12 months



What is eye-opening, however, is the sheer number and variety of other channels used by today's consumer in all age groups, from traditional in-person discussions to the full gamut of social media; and remember this relates specifically to contacting suppliers of goods and services, not friends and family. Brands can expect to see a rise in expectations for multiple channels as younger generations go on-line more often:

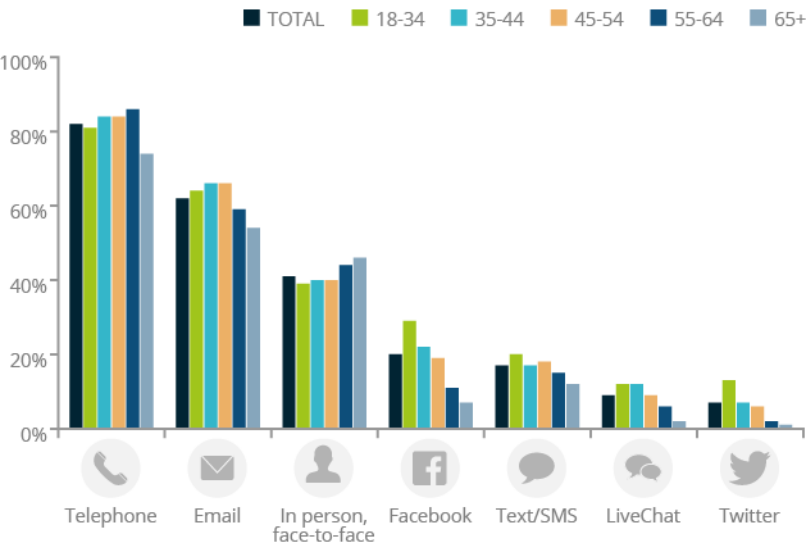
Fig 2. Channels currently used to contact suppliers of goods and services...



Three in every five customers use email to contact suppliers, one in five utilising Facebook. And these customers are not substituting for more traditional means of contact: two in five still meet suppliers face-to-face, four in five telephoning. Multiplicity of channel usage is the new norm for sure.

And of course there's far more to consider than geographic differences; what ticks the boxes for one generation, for example, is not so well suited to others, and for all that the demographic differences are maybe what we expect to see, they are striking nonetheless:

Fig 3. Channels currently used to contact suppliers of goods and services... (by age group)



What we see here is three in ten 18-34 year olds contacting companies by Facebook; which is significant enough to warrant a social media strategy for customer contact.

Clearly multi-channel solutions are required for customers of today and tomorrow. And getting the mix right means taking into account the differences by age as younger audiences are more willing to use social media and on-line tools like LiveChat.

Expect to see a rise in expectations for multiple channels as younger generations go on-line more often



03 The Multi-Channel, Multi-Device Customer

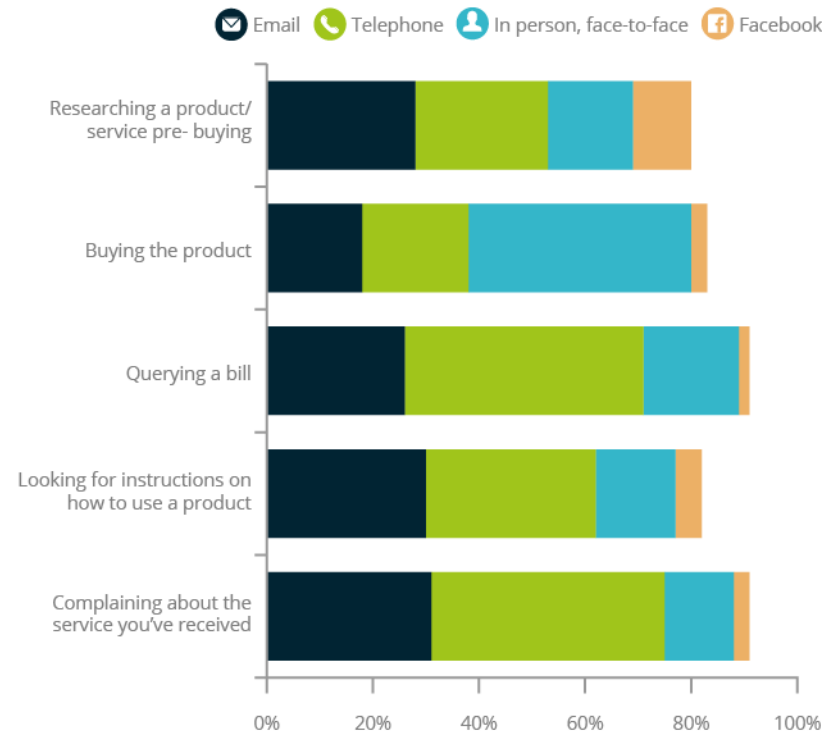
03.02 Different needs demand different channels

There is a further variable to factor into this comms model: do we expect people to reach for the same channel to contact a company, regardless of the nature of their query? The answer is probably not, not when one considers the range of issues customers experience, from simply checking the price of a product to complaining about poor customer service or a faulty product.

What we see here most certainly bears this out. If a complaint needs to be made or a bill queried, a phone call is most often made first, whilst purchasing a product is done in-person. If a product or service is being researched, however, we see a particularly interesting spread of channels, as many as one in nine turning first to Facebook first:

To meet customers' requirements, a good customer engagement system must not only be sensitive to the exact make-up of each customer, it needs to flex to their specific requirements each time they get in touch.

Fig 4. How would you contact a company if you were...



One in two customers who post a comment on social media expect a response within an hour

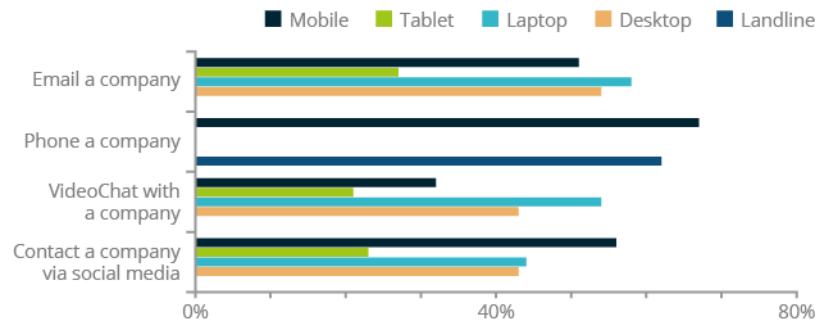
03 The Multi-Channel, Multi-Device Customer

03.03 Mobile is king

This wide array of media through which customers contact suppliers, and the vast spectrum of circumstances triggering contact, bring with them the need for multiple means of access. In this respect, what we see below is telling indeed; simply put, the need for access whilst on the move is absolutely critical.

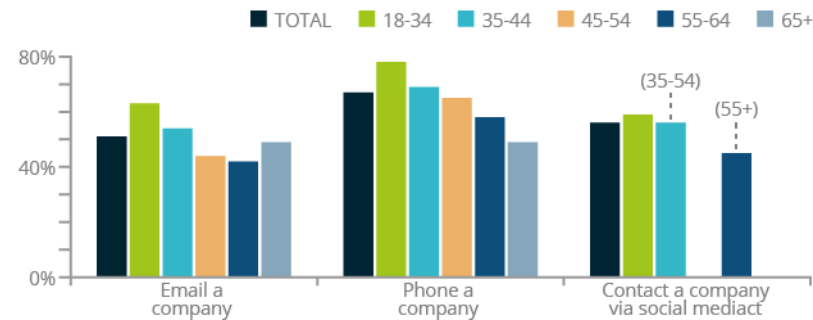
More people use their mobile phone to call a supplier than a landline, and the mobile is the most used device for engaging through social media. Even for email, very similar proportions use their mobile as use a desktop, and when you factor in the role played by tablets and laptops, being equipped and configured for mass mobile comms becomes a no-brainer:

Fig 5. Devices used to...



Again it is the customers of the future, the younger age groups, who typically reach for their mobile before anything else: 63% of 18 to 34 year olds email companies on their mobile, compared to 32% of 65+ years, a clear pointer to the future.

Fig 6. Usage of a mobile phone... (by age group)



Perhaps most surprising is the growing use of video as a contact channel with companies; with 32% of customer using their mobile phone to VideoChat. The future of customer contact has clearly gone mobile, and not just for phone contact as video and social media become preferred channels as well.



One in four customers use their mobile phone to VideoChat with a company



04 Customers Expectations Are High

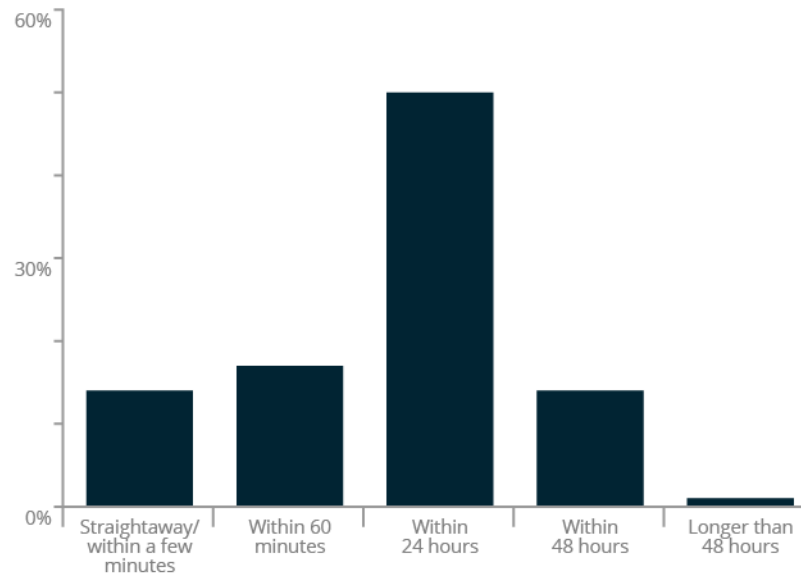
04.01 Don't sit on emails!

Armed as we are with such an array of technology and channels of communication, customers' expectations of businesses are high. 24-hour access to email and social media, whether at home or on the move, has raised the bar hugely for today's suppliers; responding to customers' queries must not only be quick, it has to be cohesive, acknowledging all the different points of contact between customer and business.

Sending an email to a company when travelling to work, for example, is a quick, everyday task for millions of customers, so why should the response not be as quick and hassle-free? People expect emails to be replied to within 24 hours at the absolute longest. In fact, approaching one in three, 31%, expect a reply within the hour:

One could argue that such expectations are easier to ignore if it were customers with the least spending power that were particularly demanding. This, however, is not the case, with one in three (31%) of university graduates expecting a reply within an hour. The vast majority of customers (92% overall) expect a reply by email rather than a telephone call, for example, but they expect it quickly.

Fig 7. Expected speed of response to an email...



People expect emails to be replied to within 24 hours



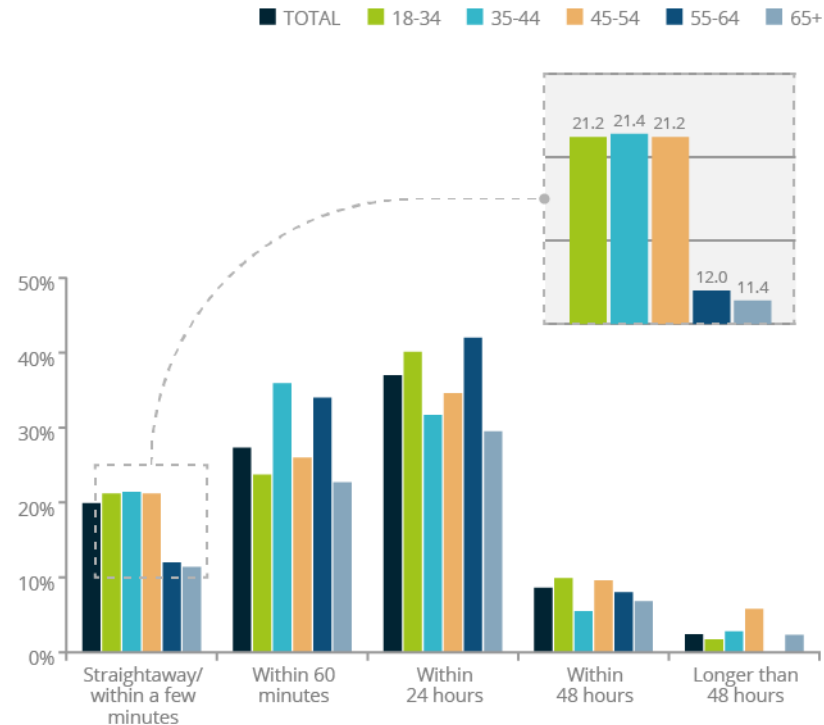
04 Customers Expectations Are High

04.02 Monitor social media carefully and constantly

It is tempting to think that speed of response is only an issue when customers send an email, and that monitoring social media is something only for the massive global corporates. This couldn't be further from the truth; not only do social media users overwhelmingly expect a response to comments made on Facebook, for example, they expect it quickly:

What we see here is the instantaneous world of social media translated to the relationships customers have with their suppliers, their 'extended social network' if you like. One in two social media users expect a comment made to be picked-up and replied to within the hour and the highest expectations are with 35-44 year olds, 36% expect an answer in one hour.. As with email, the way in which a reply is dealt with is less of an issue (four in five say by social media is fine) but a quick reply is a must.

Fig 8. Expected speed of response to a comment on social media... (by age group)



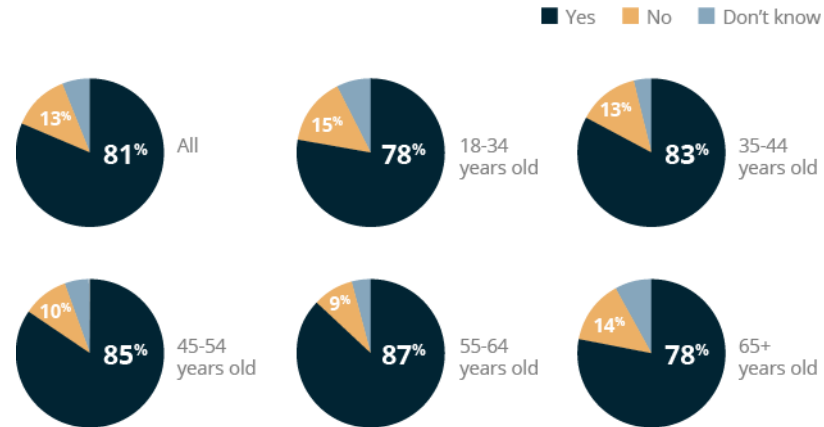
04 Customers Expectations Are High

04.03 Join-up your thinking

Getting back to customers speedily is patently a hygiene factor for businesses today, but there's more to a great customer engagement system than speed. Customers demand cohesive, integrated comms from their suppliers: if someone has contacted a business by email, for example, and then tweets about that same supplier, he or she expects each point of contact to be joined together. In fact, 81% of all customers expect a company to know their contact history. Customers expect to be treated as people with on-going relationships with their suppliers, not as disparate, unconnected 'queries' to be dealt with one by one.

We are beginning to see a very clear picture indeed developing here. Today we live in an omni-channel world, comprised of vast networks held together by instantly shared experiences and shared interests. This way of life is bleeding at pace into what we expect of the businesses from which we buy goods and services; never has the 'relationship' aspect of customer engagement systems been so pertinent.

Fig 9. Should who you're dealing with know about all your queries... (by age group)



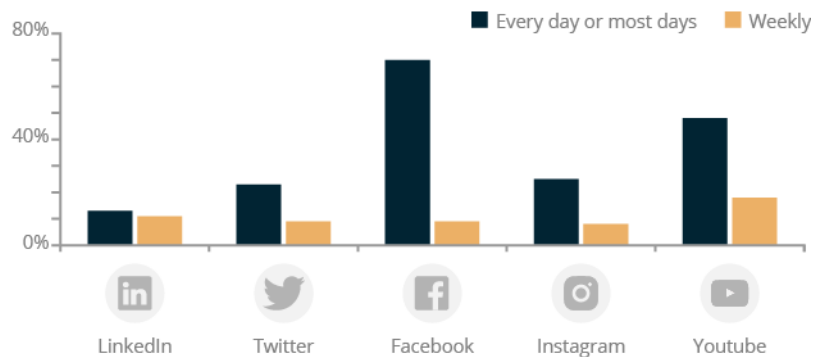
05 Brands Prepare For A Punish Or Promote Culture

05.01 People share, share and share their experiences

For all that the picture is clear, does it really matter? In such a fast moving world, with so many messages and tweets going backwards and forwards, will businesses' best efforts simply get 'lost in the noise'? For those with inadequate customer engagement systems, this is wishful thinking in the extreme.

We've focused so far on the comms between customers and their suppliers, and whilst this is vitally important, it is in some respects the tip of the iceberg. We need to appreciate also just how prevalent social media has become as a means of customers spreading the word:

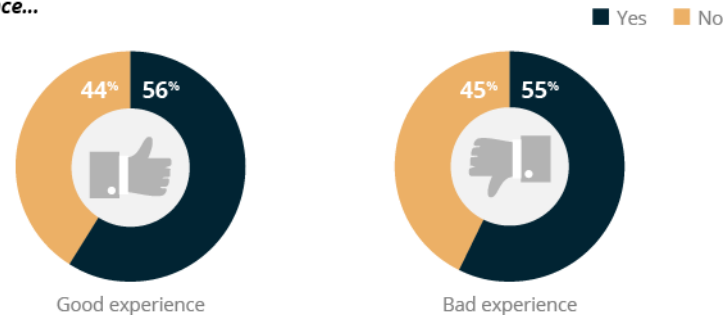
Fig 10. Frequency of using...



A staggering seven out of every ten people use Facebook every single day or most days. For Youtube it's one in two people, with Instagram, Twitter and LinkedIn all playing significant roles. And as we would expect, Facebook is the domain of choice for younger people in particular, 60% of those 18-34 years using Facebook on a daily basis.

So what do people discuss through social media and should we be concerned about it? When it comes to interactions with companies, the answer to the latter is a categorical 'yes! Nearly half of all people in will comment on social media if their experience with a company is good or bad.

Fig 11. Wether a customer would comment on social media after a good or bad experience...



3 in 4 people (75%) agree they're more likely to use a company if they've read positive things about them on social media

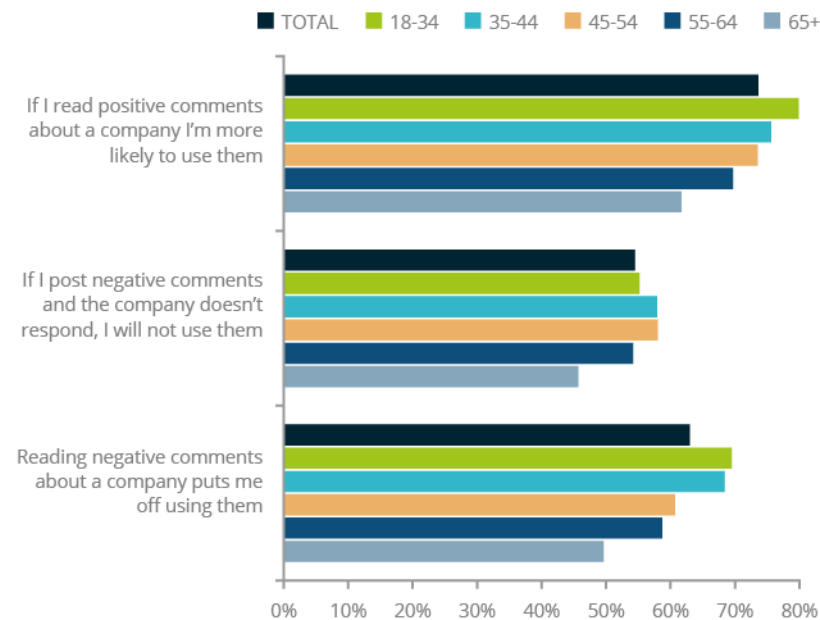


05 Brands Prepare For A Punish Or Promote Culture

05.02 Reading is believing

We only need be concerned of course if people actually take notice of these shared experiences and opinions, good or bad; what we can say for sure, is they do:

Fig 12. Do you agree or disagree that... (by age group)



Herein lies the real power of social media: not only do huge swathes of customers engage with it very regularly, they use it to comment on good or bad experiences with suppliers and they take notice of what's said: 3 in 4 people (75%) agree they're more likely to use a company if they've read positive things about them on social media.

One in two, 55%, go so far as to agree that if they posted a negative comment on social media, yet received no response, they would not use that company again. Even higher, 62%, agree that reading negative comments about a company on social media puts them off using them.

This presents us with a real double whammy: if a business upsets a current customer by not responding to a Facebook post they could well not use them again, whilst negative comments in their own right put off potential customers! And getting positive comments on social media has the potential to bring in new customers, that's free marketing for brands. There's no room for complacency whatsoever.



06 Conclusion

So let's work this through:

- Customers today are users of multiple comms channels and are entirely at ease turning to them via a range of devices, not least mobiles.
- Customers today have extremely high expectations of those from whom they buy goods and services. Responses to queries and requests not only need to be quick, they need to acknowledge the on-going relationship between customer and supplier.
- Customers today are not shy, certainly not in the digital world! They share experiences, good and bad, and they fully take on board what is shared; at a time when Facebook is reaching saturation point, this is a startling wake-up call for businesses.
- Armed as we are with such an array of technology and channels of communication, customers' expectations of businesses are sky-high.

Brands of all sizes need to prepare now for a personalised, integrated and mobile ready customer contact experience. Those that do will see their brand influence on-line and off soar, those that don't could face the wrath of the next generation customer who will punish a bad experience using on-line channels for all to see.





About Altitude Software

Altitude Software (www.altitude.com) is a global provider of omnichannel solutions to deliver great customer experiences. Its solutions help companies and organizations unify all customer interactions and become more customer-centric. Altitude uCI (Unified Customer Interaction) is a robust, modular software platform that handles all customer interactions and unifies all touch points, in the contact center and throughout any organization. More than 300,000 users in 1100 customers in 80 countries use Altitude uCI solutions to manage in real time enterprise functions like Customer Service, Telemarketing, Debt Recovery; Help Desk; Citizen Attention, etc. Altitude Software has a track record of 22 years of customer and industry recognition and has won dozens of awards for innovation and tangible results with customers in key markets worldwide. It has 12 offices in four continents, a 160-strong worldwide partner network and is ISO 9001 certified for its worldwide support. Altitude Software can be reached at [+351 21 412 98 00](tel:+351214129800) or emailed to info@altitude.com



About Spider Marketing

Spider Marketing is a boutique content marketing and strategy agency who create original marketing campaign assets to generate engagement across multiple platforms and channels. Through developing in-depth original pillar research and reports they help brands build a unique voice in the market so conversions and engagement soars.

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