



Informed Customer Care

THE ROLE AND OPPORTUNITY
OF SOCIAL TO EVOLVE THE
CUSTOMER EXPERIENCE

SEPTEMBER 2015

Deloitte.
Digital

The Customer Is Always Right. Why Not Listen To Them?

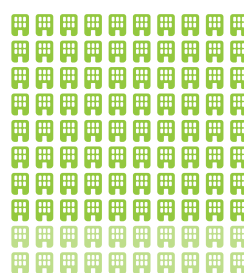
Today, brands are told that listening to the customer on social media channels is a must. That it can help them understand what's going right, what's going wrong, and what to do about it.

Yet, when you talk about social listening with most brands, the conversation isn't about consumer perceptions or customer experiences. Instead, it immediately turns to numbers and metrics, to volume, sentiment, and influencer scores. And if you ask about social listening in terms of customer care, the focus shifts to managed channels—social media profiles controlled by the brand—where customers can be engaged around service and support issues.

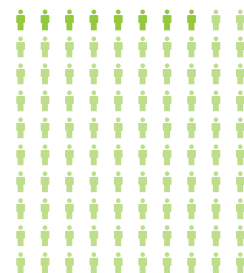
This approach, while helpful, is purely reactive in nature. The company monitors the inbound conversation and, when necessary, responds to specific concerns. In this case, the company can miss the significant potential business value of looking beyond numbers and keywords to discover what customers are actually saying about the business, its products, and its services—and using those insights to inform the way the company engages the customer across touch points. Herein lies a critical distinction: they listen, but they may not actually hear what consumers are saying.

Of course, some companies do hear. They take the time to understand what their customers are saying on social channels, then use that information to gain a greater understanding of how their customers feels, what they really want, and—potentially—how to better meet their needs. They actively use these insights to improve their products or services, but not their customer care: how they actually interact with the people asking about, talking about, and buying the products in question. In other words, how they treat their customers.

Why is this important? Because in a Deloitte study, 75% of respondents said social channels influence their brand loyalty.¹ What's more, while 80% of companies believe they deliver "superior" customer service, only 8% of consumers report those same companies deliver "superior" customer service.²



VS



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In the same way that social listening can be used to help solve brand or product problems, it can also be used to improve customer relationships. That's why rather than thinking of social listening purely in the context of community management and brand or marketing challenges, it is important to use insights from social research to evolve the way companies understand customer interactions—not just in social, but across service channels. Social listening gives brands the power to identify customers at multiple stages of the decision-making process, and to start addressing issues like lower customer satisfaction scores, escalating call center costs, and loss of market share by creating a truly integrated customer care strategy.

¹ Alison Kenney Paul, "Presentation on the new digital divide," presented at the National Retail Federation Convention & Expo in New York City, January 2015, https://www.km.deloitte.com/sites/live/industries/_layouts/DITS.DR.KAMDocumentForms/KAMDisplay.aspx?List=e71e434d-2569-4eee-a461-280b29492d03&ID=112121, accessed on August 6, 2015.

² James Allen, Frederick F. Reichheld, Barney Hamilton, and Rob Markey, *Closing the delivery gap*, 2005, pg. 1, <http://bain.com/bainweb/pdfs/cms/hotTopics/closingdeliverygap.pdf>, accessed August 5, 2015.

Think Like the Customer

What does it mean to create an integrated customer care strategy? It requires thinking about the entirety of the customer experience: not just how customers engage with brand-owned social service channels, but the entire landscape of how and where customers look for help.

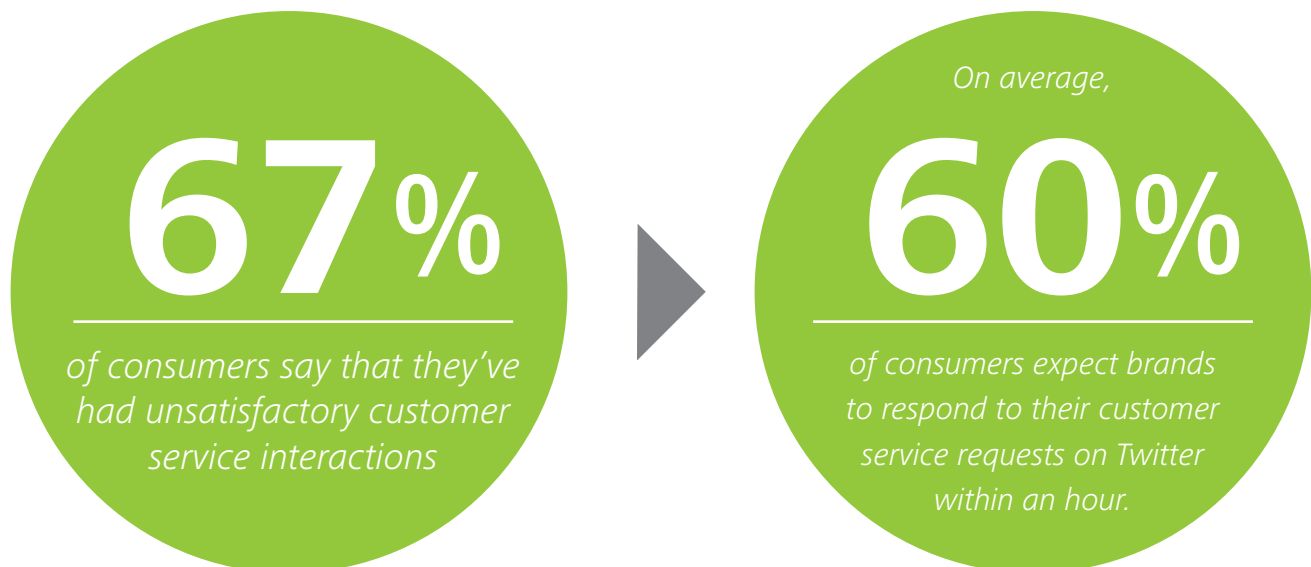
At the macro level, consumers are increasingly turning to online channels—both branded and peer-to-peer—to seek advice and answers, as well as to share experiences and perceptions about brands across industries. In our experience, the amount of information available to consumers has enabled a preference for self-service; many only look to official customer service channels as a last resort.

Web self-service has now surpassed the use of a service agent, based on a Forrester study, with consumers often starting their interactions online. This is due in large part to consumers getting fed up with poor customer service and instead trying to resolve a problem themselves. And for good reason: 67% of consumers say that they've had unsatisfactory customer service interactions in the last 12 months.³

While some of this may be because they are more comfortable using online search to find solutions, it is also driven by the perception that turning to official support channels is not likely to yield results. On average, 60% of consumers expect brands to respond to their customer service requests on Twitter within an hour. In reality, brand response times average 1 hour and 24 minutes.⁴

Given that statistic, it's not surprising that consumers continue to look for self-service solutions rather than official channels for support. With this shift comes a shift in expectations: consumers increasingly expect companies to provide resources for self-service and support, regardless of the approach they take to solve their issue.

After all, if customers are willing to find answers on their own and are unhappy with existing service channels, why not proactively provide the resources and tools they need? This can not only save companies money by diverting traffic from call centers, but it can also provide customers with help in the channels where they are already looking, saving them time and potentially frustrating service calls.



³ Forrester Research, Inc., *Trends 2015: The future of customer service*, 2015.

⁴ Meghann Elrhoul, Research: *Four ways brands can build customer service relationships on Twitter*, Twitter, July 30, 2015, <https://blog.twitter.com/2015/research-four-ways-brands-can-build-customer-service-relationships-on-twitter>, accessed August 5, 2015.

“The chance for customers to get “lost” or drop off due to frustration grows each time they switch channels, and without a strong social listening strategy around the customer service experience, companies may not realize this is even happening.”

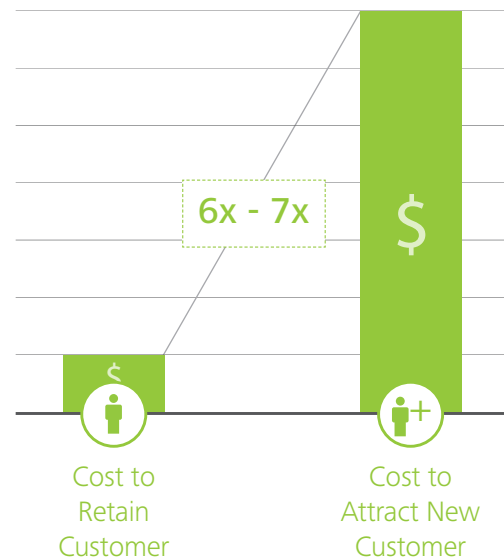
Of course, if customers can't find a self-service solution, they will likely reach out to official channels, so while improving self-service options are vital, it is also important to reconsider what happens when consumers reach out directly to the business. Research shows that if online customer service fails, 75% of consumers will simply move to another service channel to look for an answer, racking up significant additional service costs.⁵

This is also likely to increase consumer frustration, since a recent Forrester survey showed that 58% of companies inconsistently measure or fail to measure their customer's cross-channel journey.⁶ This means that customers are stuck explaining their problem again and again to different service representatives in different channels, each of which may have a different service experience.

The chance for customers to get “lost” or drop off due to frustration likely grows each time they switch channels, and without a strong social listening strategy around the customer service experience, companies may not realize this is even happening.

This is key. Data shows that the likelihood of selling to an existing customer is at least 40% higher than selling to a new prospect.⁷ In addition, providing excellent service creates the opportunity to turn customers into brand advocates.

By sharing positive experiences, the advocates then generate more visibility and brand awareness with potential customers. This is especially important in the digital environment, as it is estimated that 12 positive experiences are needed to make up for only one unresolved negative experience⁸, and that news of bad customer service reaches twice as many ears as praise for good service.



*In the digital environment, it is estimated that **12 positive experiences** are needed to make up for only **one unresolved negative experience.***

⁵ Forrester Research, Inc., *Connect the dots between customer self-service and contact centers*, 2015.

⁶ Forrester Research, Inc., *Trends 2015: The future of customer service*, 2015.

⁷ Paul W. Ferris et al., *Marketing metrics*, 2nd ed. (Pearson FT Press, 2010).

⁸ Ruby Newell-Legner, “Secrets to Keeping Customers Happy” program, interview with the author, August 17, 2015.

A New Problem Solving Paradigm

This shifting service model presents brands with the opportunity to go beyond thinking about social listening in terms of social media engagements and metrics, and instead leverage social to truly understand customer perceptions and interactions across touch points.

Through a combination of quantitative and qualitative research methods, analysts can use the wealth of available social media data to identify trends and themes in conversations, and to understand the emotions, opinions, and ideas that define how people feel about the company and the brand—including their service channels and the overall customer service experience.

This insight can then be used to map the customer journey or experience across both online and offline channels, and then understand customer need-states and expectations across varying stages of this journey.

Social listening not only surfaces answers to those critical questions, but allows for quantitative support for qualification. Rich data on conversation volume over time can not only allow companies to understand customer experiences, but also to contextualize these findings in the broader ebb and flow of conversation.

There are a number of questions to think about when analyzing social media to help identify the customers' needs:



Who is your "true" digital audience?



What are your customers' priorities and expectations around service?



How are they engaging in service conversations with and about you—talking about you or reaching out to you directly?



Where in the process do they devote the most time—what does the customer journey look like?

Leveraging Research to Support the Development of a Customer Service and Maintenance Digital Experience

Five Key Moments of Customer Experience

Customer Engagement Lifecycle in Social
Social Mentions: ~450,000



ISSUE

A large appliance manufacturer approached Deloitte Digital to translate user content across multiple platforms into cohesive customer experience profiles. They needed to understand the customer lifecycle from research to purchase to repair and assess issues that were important to consumers in their decision-making process which led to an entire reframing process.

INSIGHT

The company's sales were challenged by the perceived lack of flexibility when call centers addressed repairs and other service issues. Additionally, customers noted that the staff of trade partners pushed the initial sale, but did not continue helping consumers when they needed to maintain their appliances post-purchase.

Detailing out the customer lifecycle, our researchers found five key touch points in a consumer's experience with the brand. Customers spent most of their time in the research and recommendation phases, followed by shopping, maintenance, and customer service.

IMPACT

By overlaying key challenges for the brand with moments in the customer journey we identified opportunities and made strategic recommendations for countering each pain point. Taking these insights, we helped the company evolve their service technology experience.

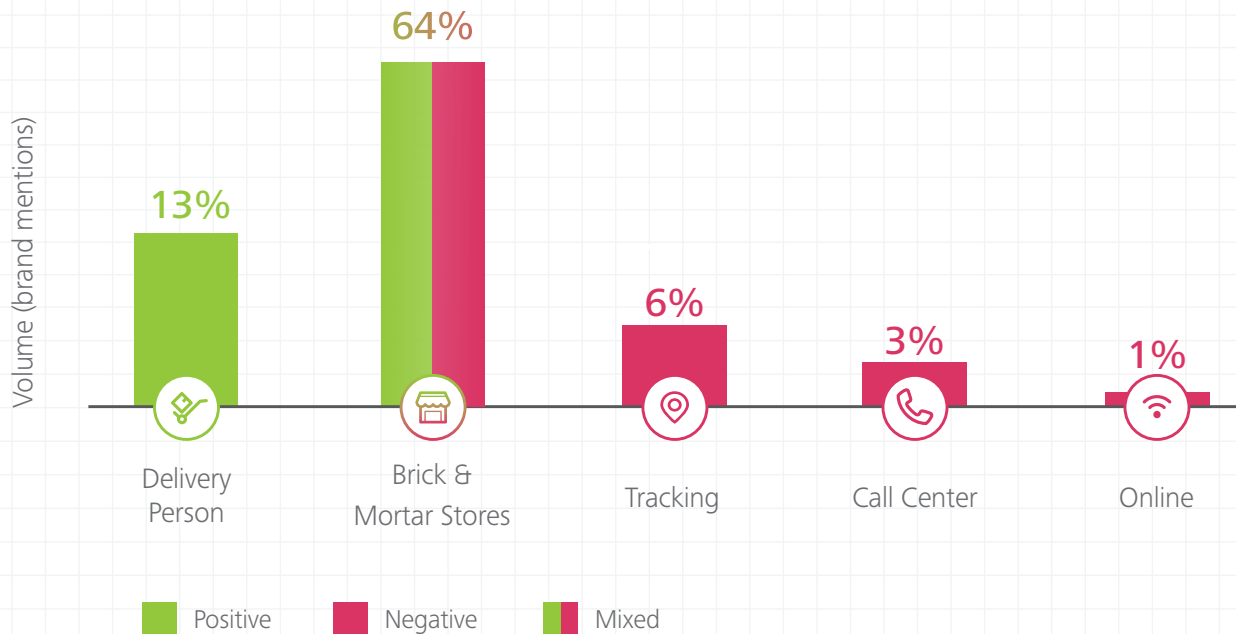
The resulting implementations lead to greater brand knowledge, more positive customer service reviews, and an overhaul of the call center experience. As the company re-envisioned the call center experience the surrounding negative conversation declined sharply.

Additionally, research findings guided the development of a web and mobile experience to increase efficiency and customer satisfaction.

Surfacing Unofficial Customer Care Outlets for Strategy Formulation and Product Enhancement

Customer Experience In Key Touch Points

Brand Touch Point Volume + Sentiment in Social
 Social Mentions: ~1,250,000



ISSUE

After a challenging holiday shipping season, a major shipping carrier recognized the need for enhanced social media analytics capabilities. They engaged Deloitte Digital to diagnose key customer service issues, surface priority topics for trainings, and predict volume to inform a strategy addressing the next peak period for customer service issues. Researchers then set out to identify threats, discover opportunities, and inform future initiatives that would help drive growth in the company's package business.

INSIGHT

The client had active, organic advocates online that spanned a variety of groups including current and former employees and small businesses. People were chiming in on a variety of unofficial customer care outlets to answer consumer questions or make recommendations, which aided our client in avoiding call center contacts and negative social media conversation.

Personal connections with delivery persons and their mobile app were two particular areas where the brand excelled, as evident through social medial conversation. Customer experience perceptions were mapped against key touch points to evaluate what worked well and what needed improvement.

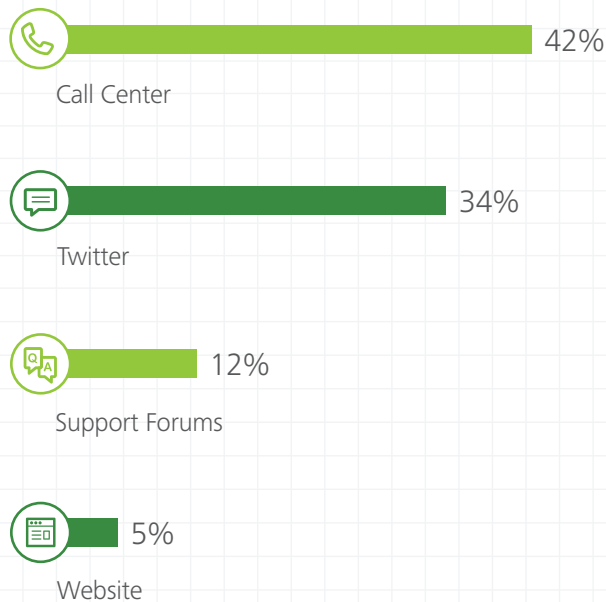
IMPACT

Insights from this study informed strategic recommendations about how to plan and build a comprehensive, long-term digital strategy. The strategy included a detailed roadmap for building an in-house social analytics practice. The data served as a base for crafting a holiday customer care plan designed to avoid issues from the previous year, including staffing and workflow recommendations.

Developing Key Areas of Opportunity for Evolving Social Customer Care Touch Points

Support Channel Sentiment

Social Mentions: ~70,000



Impact of Portal Redesign On Company Ratings

Within 10 months post-launch of redesigned experience



ISSUE

A respected technology company had made minimal investments in its Web Support capabilities and architecture since 2003, leading to an inconsistent user experience. Customers found the site difficult to use and were unable to locate the information they were looking for to solve their problems. This left the site underutilized in favor of more expensive support options for the company. At the time of our project, the company’s Customer Dissatisfaction (DSAT) was at 27%⁹ and Net Promoter Score (NPS) at -7%¹⁰. Their Support team recognized the issues with their online support, and began the process of a redesign and re-launch of its support site to address them. They came to Deloitte Digital to determine how they could improve, inspire, and influence customers to ultimately be seen as a thought leader and provider of quality customer care.

INSIGHT

Consumer issues with brand-owned support channels centered on the lack of experience, knowledge, and communication skills of call center employees. Furthermore, difficulty in finding the information they were looking for on the company website and support forums proved frustrating and time-consuming.

The support provided on Twitter, however, was a highlight for customers, in some cases ameliorating a negative experience with another support channel. Business customers’ experience with phone support differed sharply from the average consumer, and was more favorable.

IMPACT

The findings from this research informed key areas of the portal redesign. Furthermore, consumer insights informed the design of campaigns related to the re-launch of the client’s Support Portal.

⁹ Deloitte Digital, E-service campaign proposal, March 13, 2014.

¹⁰ Deloitte Digital, E-service campaign proposal, March 13, 2014.

Don't Just Check the Box

In today's social media environment, negative customer experiences can no longer be written off or siloed. Each post, each review, each conversation can be amplified and reaches more people faster. Digital footprints can leave a legacy impacting both real-time and future searches.

Customer care is no longer just the call center or a brand-managed Twitter handle—it's about really listening to the customer to be able to provide them the help they need, when and where it's most convenient. It's about being proactive by developing and improving the customer service experience to retain their business in the future. Social listening presents companies with access to a 360-degree view of their customers across the customer service journey. Companies should leverage this information to ensure they are delivering great customer care across all of these touch points.

Social listening can present vital opportunities and challenges, but it should be considered within the broader context of customer care within the organization. It is critical that social listening is integrated with the existing customer service operating model. Without doing so, organizations run a high risk of creating a fragmented service channel, having an incomplete view of customer interactions, and ultimately an inconsistent customer experience. Listening is a key to mapping the entire customer experience, not just isolated interactions on social media channels.

*“Customer care is no longer just the call center or a brand-managed Twitter handle—it's about **really listening to the customer** to be able to provide them the help they need, when and where it's most convenient.”*

In order to fully realize the potential of social media listening, companies should evolve their understanding of social media in their business practice from a “checking off the box” mentality to a rich understanding of how data analysis can bring to light true business challenges and opportunities – and more importantly, how to surface these insights internally to impact the broader organization.

As social listening continues to evolve, so do the possibilities for understanding customers and developing innovative approaches to caring for them in an effective manner. Enhancing customer experience often results in tangible, financial benefits. With better customer experience comes operational cost reduction, revenue growth, and customer satisfaction improvement which can lead to retention and advocacy.

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