2015 Customer Service Report
What U.S. Consumers Have to Say About the State of Customer Service
10 Takeaways

1. **Consumers are getting fed up** with poor customer service and, as a result, **business livelihoods are at stake.** *(slide 3)*

2. When it comes to customer service delivery, **companies don’t get many chances** to make a good impression. *(slide 6)*

3. Long **hold times hurt** the bottom line. *(slide 9)*

4. **Robotic-sounding agents** are undermining ROI. *(slide 15)*

5. Hold times and an agent’s ability to communicate are important because the **majority of consumers still prefer a phone call.** *(slide 19)*

6. **Consumers don’t hold back** when they’re **angry**, and often **share their experiences** with others. *(slide 23)*

7. Recent **data breaches** have made **consumers more hesitant to share** personal information with brands. *(slide 26)*

8. **Text messaging is taking hold** as an effective means of connecting with consumers. *(slide 29)*

9. **Millennials have the most contact** with customer service, the **highest expectations** and the **smallest amount of tolerance.** *(slide 33)*

10. Despite their frustrations, consumers are **willing to forgive**, but businesses need to make **proactivity a priority.** *(slide 42)*
Consumers are getting fed up with poor customer service and, as a result, business livelihoods are at stake.
When asked which actions they had taken in the past year due to a frustrating customer service experience, 26% indicated they had cancelled service altogether.
Bad experiences can have quite an impact.

48% indicated they had stopped doing business due to negative customer service experiences within the past year.

Another 24% said they only stayed on because they didn’t have an alternate option.

28% grudgingly said they only kept doing business with the company because switching would have been too much of a hassle.
When it comes to customer service delivery, **companies don’t get many chances** to make a good impression.
Given their distaste for dealing with customer service, it’s not surprising that consumers’ contact is limited.

- **29%** had contact only once *per year*
- **24%** had contact once *per month*

*This survey benchmark ranking of ‘typical contact’ has remained consistent for the past 3 years.*
In fact, 52% of survey respondents said they would rather shop with the crowds on Black Friday or go to the dentist than speak with customer service.
Long **hold times** hurt the bottom line.
Similar to 2014 benchmarks results, long hold times were once again noted as a top consumer pain point. And apparently, consumers haven’t seen any improvement...
57% of those surveyed picked reducing hold times as among the top choices for improving service as compared to 49% in 2014.
More than half of consumers surveyed will hang up after waiting on hold for 6-15 minutes.
25% have even less patience, indicating they will cut off the call after just 0-5 minutes.

Consumers are nothing if not consistent on the hold time issue. These rankings and percentages mirrored benchmark results from 2013 and 2014.
While lower hold times would make consumers happier, it also benefits the bottom line.

According to a recent study by ClickSoftware, customer service wait times account for $130 billion in annual expenses for U.S. businesses.
Robotic-sounding agents are undermining ROI.
The robotic agent issue continues to be a pain point that is getting worse.

99% of consumers think agents sound scripted at times, with 86% saying it was often or very often when on the phone.

In 2014, 80% said agents sounded scripted often or very often when on the phone.
This year, 51% said that having agents who speak more clearly and are easy to understand would be among the top ways a business could improve customer service.
25% believe training agents to sound more natural should be a top customer service priority for businesses.
Hold times and an agent’s ability to communicate are important because the majority of consumers still prefer a phone call.
Even in today’s technology-oriented world, **41%** of respondents **picked a phone call** as their top choice for everyday activities, such as paying bills or checking balances.
When they’re really frustrated or upset, that number increases to 56%.
However, some consumers indicated a preference for keyboard communications.

27% said they would use email or a web form

20% would communicate via the company’s website using an online form
Consumers don’t hold back when they’re angry, and often share their experiences with others.
When asked what various actions they had taken within the past year due to a frustrating customer service interaction, respondents picked some or all of the following options:

- 51% requested to speak to the manager
- 40% hung up the phone
- 26% cancelled service altogether
- 18% yelled at the agent
But that’s not all. A large number of respondents also shared their negative experience with others. 49% let family and friends know about it. In addition, 21% wrote a negative online review, meaning businesses are not only hurting the relationship with that customer but potentially numerous others as well.
Recent data breaches have made consumers more hesitant to share personal information with brands.
When asked about the sharing of personal information such as **social security numbers** and **credit card information** with agents:

Only **21%** said these recent incidents have not made a difference

**78%** report hesitating to share personal information with companies

Of that number, **29%** said they never share this information
 Millennials are the most traumatized by data breaches.

57% report they share their information less frequently as a result, and 23% say they never share personal information because of security concerns.

But when there is a breach, consumers want to know as soon as possible. Fraud alerts were the #1 reason consumers want to be contacted via text message by companies.
Text messaging is taking hold as an effective means of connecting with consumers.
77% said they were open to getting text messages from a company they have done business with.
Respondents indicated that they would be willing to receive text messages from companies for the following reasons:

- 56% Fraud alerts
- 32% Account or order information
- 54% Reminders for payments, appointments, reservations, travel status, etc.
- 49% Notification of sales, discounts or special promos
- 23% Surveys or polls
- 42% Identity verification and account confirmation
Despite the growing popularity of texting as a service delivery tool, the survey also pointed to the importance of understanding customer preferences. 23% said that texting was annoying and they’d rather not get such messages.
Millennials have the most contact with customer service, the highest expectations and the smallest amount of tolerance.
**FACT:** Millennials (aged 18-34) are emerging as the nation’s largest living generation and are projected to soon outnumber Baby Boomers.
Millennials are the most likely to contact a customer service department.

Contact customer service 2 or more times a week

- 17% of Millennials
- 13% of Gen X
- 3% of Baby Boomers
- 1% of Seniors
When upset, Millennials are more likely to contact customer service departments through **social media or email** than other generations.

10% of Millennials selected social as compared to 7% Gen X and 0% of both Boomers and Seniors.
20% of Millennials selected email as their preferred means of communication when upset as compared to 18% Gen X, 18% Boomers and 8% Seniors.
Millennials have the most patience when it comes to waiting on hold with a customer service department.

31% are willing to wait more than 15 minutes on hold, compared to Gen X (22%), Boomers (12%) and Seniors (7%).
But compared to their generational peers, Millennials are also among the first to hang up (21%) or cancel service altogether (14%) when it comes to a frustrating customer service interaction.
In fact, Millennials are the most likely to stop doing business with a company after one bad customer service experience (22%), compared to Gen X (21%), Boomers (12%) and Seniors (10%).
If you’re looking to earn back the trust of a wronged Millennial, try giving them free or discounted items.

39% of Millennials picked that option as the top way a company could get back their business.
Despite their frustrations, consumers are willing to forgive, but businesses need to make proactivity a priority.
When asked what effect it had when companies followed up or if they were to follow up, respondents were quite forgiving.

80% said they would be impressed if a company followed up

49% said they would likely continue doing business with a company

31% would mention it to their friends
Respondents said they would be open to the following proactive actions:

- Admit to the mistake and fix it (64%)
- Offer the next purchase for free or at a discount (56%)
- Extend a personalized apology through phone or email (31%)
There is room for improvement in this area. Only 11% said companies always followed up with them.
Demographics

REGION

- West: 19%
- Midwest: 22%
- Northeast: 23%
- Southeast: 26%
- Southwest: 9%
- West: 39%
- Northeast: 61%

RESPONDENTS

- 61%: 1,248 U.S. consumers
- 39%

AGE

- Millennials (18-34): 40%
- Gen-X (35-50): 29%
- Baby Boomers (51-69): 27%
- Seniors (70+): 5%
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