KUSTOMER REPORT

The Modern Age of CX Messaging

The Way We Communicate With Brands is Changing

Find out what the data reveals, and how to prepare for conversations of the future

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Imagine this.

You were born in 1939. The second world war has just begun, and the first TV set has just been demonstrated and sold to the public at the New York World's Fair. Cell phones are a thing of dreams, and the internet can't possibly be grasped, unless you're imagining an other-worldly sci-fi tale.

Now imagine this. You were born in 1997. Steve Jobs has just returned to Apple, and the iMac is on the horizon. By the time you are 10 you have your own smartphone, Facebook has just opened to the general public, and you are taking a coding class at your elementary school.

It's undeniable that the worlds these two individuals were formed by are drastically different. What may be comfortable to one, may be extremely foreign to the other. The same can be said about their buying preferences, and what they expect from the companies they do business with.

During the early days of the pandemic, the digitization of customer interactions accelerated by three to four years,

with three times as many companies saying 80% of their customer interactions were now digital in nature. **And this speed of change shows no signs of slowing**.

The question becomes, how do brands prepare for the future of business conversations, to ensure they stay ahead of the curve and stand out from the competition?

Kustomer went out and surveyed over 3,000 global consumers to understand what changes are occurring in the customer experience landscape. Which channels will grow in popularity, and which will shrink? How do consumers of the future think about their overall customer journey and their relationship with the brands they do business with? What does it mean to deliver exceptional experiences in an increasingly saturated digital marketplace?

Read on to find out — NOW is the time to prepare for the future.

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Right Here, Right Now

We live in an age of instant gratification. From our work pings to our food delivery, we can receive what we want instantaneously, at the click of a button. **The patience that consumers once had for long queues and hold times is no longer existent**. They expect a convenient, speedy response to their questions, without having to jump through hoops.



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While older consumers may still prefer tracking down a customer service phone number and chatting with a call center operator, the channels that consumers have access to are constantly growing, and the **more instantaneous channels are winning out with younger consumers**. Not only do they use them more often, they also seek them out.

Channel adoption by age group





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WhatsApp



22%

45-54

16%



55-64

10%

65 +

2%



The Stickiness of Modern Messaging

Modern messaging channels are successful for consumers and businesses alike. According to a study conducted by The University of California at Irvine, people check their mobile devices once every 43 seconds — totaling 600 times over the typical eight-hour workday. Younger generations have been conditioned to look at those little red notifications as soon as they pop up.

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While consumers report checking their emails most frequently, chronic inbox fatigue can oftentimes hinder business conversations. By 2025 it is predicted that <u>376.4 billion emails</u> will be sent daily, worldwide. That is up by nearly 23% over five years. When measuring average handle time, and ensuring that your brand conversations make it through the noise, email may not always be the smartest choice.

As the data shows, consumers are much more likely to respond to business messages via text than they are via email, multiple times per day.

Consumers most frequently respond to messages on the following channels



Text Messages 52% multiple times per day



Emails 39% multiple times per day



Social 37% multiple times per day

WhatsApp 35% multiple tim

35% multiple times per day





Both checking of notifications and responding to messages on social channels is also significantly higher for Gen Z consumers than any other age range, with 52% reporting they check their social notifications multiple times a day, vs only 20% of consumers 65+. Conversely, less than half of Gen Z consumers say they check their email multiple times a day, compared to 72% of consumers 65+.

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Social





Texts





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Email



The Social-First Future of Commerce

The lines between marketing, sales, support and customer experience are continuing to blur, as the channels consumers use to buy become the same channels they connect with brands on. Social media is the perfect example. While older consumers don't think of social as a place they choose to connect with brands, younger generations undoubtedly do.

Average number of brands consumers follow on social media



Seventy-two percent of Gen Z consumers like brands that are active on social media, and more than half anticipate they will use social messaging to connect with businesses more frequently over the next five years.

Percentage of consumers that like brands that are active on social media



Beyond building connections with consumers on social media, brands also have the opportunity to drive business. Social messaging ranks as the number two choice for consumers 44 and younger to respond to brand offers or discounts, and 79% of consumers report they would appreciate receiving a discount code from a brand they've interacted with on social media.



Percentage of consumers that would appreciate receiving a discount code from a brand they've interacted with on social media



With 64% of consumers reporting they enjoy talking to customer service via the same channels they communicate with family and friends on, and 81% of consumers reporting they like when customer service teams give them a special offer, the commerce opportunity on social media cannot be understated.

64% of consumers report they enjoy talking to customer service via the same channels they communicate with family and friends on.

What a Great Customer Experience Looks Like

As generational preferences continue to shift towards more modern, digital and instantaneous communication channels, it's important to ensure that you aren't just showing up on a channel, but actually building longlasting customer relationships. Here's what the data tells us businesses should be prioritizing, and how to achieve exceptional CX at scale.

Convenience

While 83% of consumers think they should be able to contact customer service on any channel they want, they also expect quick responses and immediate resolution. In fact, 89% of consumers are not happy with the current state of affairs — they think contacting customer service should be easier and more convenient than it is right now.

The question becomes, how can you deliver on this need for speed? Support teams are often bogged down with manual, routine tasks that consume agents' time and effort, and result in long response and resolution times that frustrate customers. Currently 50% of customer service agents' time is spent searching for information and performing repetitive, manual tasks. This is no longer sustainable.

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Businesses need to tap into technology tools and AI to eliminate the menial, repetitive, and time consuming tasks, with intelligent automations.

Businesses need to tap into technology tools and AI to eliminate the menial, repetitive, and time consuming tasks, with intelligent automations that can detect intent, collect relevant information, automate agent interactions, and route conversations. Intelligent chatbots are now able to deliver contextual and personalized information that feels human, and can seamlessly hand off to agents when necessary. With the right technology, agents can focus on building relationships with customers and fixing complex issues in a timely manner.

89%

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of consumers think contacting customer service should be easier and more convenient



of consumers appreciate immediate resolution to their problems



of consumers appreciate quick responses



of consumers think they should be able to contact customer service on any channel they want

2 Connection

While speed is always appreciated in customer service interactions, **modern day consumers want to build a connection with your brand**. For simple questions and low level inquiries, self-service may be ideal — especially for younger consumers who have grown up with Google in the palm of their hands. But in a digital-first environment, customer service teams may be the sole, human face of your brand. In fact, 83% of consumers expect customer service reps to reflect the brand's ethos and values, and 82% appreciate when businesses communicate with them in a friendly, conversational manner. **They no longer want to feel like a number in a queue, or a transaction on a spreadsheet**. They want to be a part of a brand's community, and establish a true connection with the business.

83%

of consumers expect customer service reps to reflect the brand's ethos and values

60%

of consumers want to feel like they have a personal relationship with a brand **51%** of consumers like when customer service reps joke with them

56% of consumers like when customer service reps ask about themselves / their day 60% of consumers want to feel like they are part of a brand's community

82% of consumers like when businesses communicate with them in a conversational, friendly manner

3 Continuous Conversations

Many customer experience platforms on the market today are ticket-based, meaning they identify the customer as an attribute of an inbound or outbound message and build the communication around that ticket. These systems prioritize the metric of a "done ticket" over a customer relationship. It is abundantly clear that customers no longer find this acceptable.

Eighty percent of consumers expect customer service agents to know about their orders and history, communicating it to them, and 69% of consumers appreciate being able to switch customer service channels without losing context. This number only grows when we look at younger consumers.

Percentage of consumers that appreciate being able to switch channels without losing context



And consumers don't want the conversation to end once a ticket is closed. Eighty-one percent of consumers report that they appreciate proactive support, and 73% of consumers appreciate followup after their problem is solved. interaction. A single and full view of the customer, and an integrated data system, gives you the complete context of that customer's history so that you can take the right next action, at scale.

Businesses must leverage a modern day customer service CRM, that focuses on the customer at the center of each



What Lies Ahead

A few things are clear: consumer preferences are continuing to change, modern messaging channels are becoming more essential to business success, and younger consumers won't jump through hoops to get their questions answered.

While 51% of all consumers report that they've stopped doing business with a brand because they weren't available on their channel of choice, this number skyrockets among younger consumers. Percentage of consumers that have stopped doing business with a brand because they weren't available on their channel of choice



If half of winning is showing up, successful companies need to meet customers wherever they are, whenever they can. This means being available on multiple channels at all times — and sharing the information and conversations from those channels in one place.

Right now, most companies are available on various online platforms — from email to Instagram to live chat — but they aren't collecting the information from the different platforms and organizing it in one place. As a result, they treat customers like items on a to-do list, addressing each of their issues in a silo. If a customer calls about an issue with an order and later DMs the company about a delay, that information isn't stored in a common location and causes agent collision — when different agents from different teams are unaware they're fielding the same issue and offering different resolutions.

As a result, the customer ends up confused and likely has to contact the company more often, repeating the same information to each new customer service agent and explaining the issue again and again. And **this wastes everyone's time**. But there's a solution. Creating a true omnichannel presence allows a company to see the whole picture, aggregating customer interactions across platforms and allowing agents to solve a customer's issue with context. When a company adopts an omnichannel approach, they free the customer to contact them whenever, however, and on whatever platform is convenient — and to switch platforms at any time without having to start the conversation over from scratch. With omnichannel customer service, all the information is right at the agent's fingertips. This not only solves a customer's issue faster and more effectively. It also turns the interaction from a transaction to a relationship, and the problem from a ticket into what it should be: **an ongoing conversation with the customer**.

About Kustomer

Kustomer – now a part of Meta – helps businesses grow by delivering exceptional customer service via phone, email, chat, text, social, messaging and more. Kustomer enables fast, personalized, and efficient customer and agent experiences using complete customer visibility, seamless omnichannel conversations, intelligent automation and easy, no-code customization to adapt to change. See why growing brands like Hopper, Ring, Glossier, Stella&Dot, Rappi, Sweetgreen, and others use Kustomer to build the enduring customer relationships that drive better business results. To learn how Kustomer can help you deliver an exceptional experience across modern channels, <u>request a demo here</u>.

