Microsoft

2016 STATE OF GLOBAL CUSTOMER SERVICE REPORT

INTRODUCTION

NO MATTER WHERE YOU ARE IN THE WORLD TODAY, ONE THING IS FOR SURE. EXPECTATIONS FOR CUSTOMER SERVICE HAVE GROWN OVER THE PAST FEW YEARS: AROUND CONVENIENCE, SPEED, AGENT KNOWLEDGE AND INSIGHTS, AND BY FAR AROUND CHANNEL AVAILABILITY AND DIGITAL TRANSFORMATION.

This year, Microsoft's customer service preferences and expectations survey polled 5,000 consumers across Brazil, Germany, Japan, the United Kingdom and the United States and found some interesting commonalities, as well as distinct differences between locations. As a bonus to our polling, we also found some fascinating trends related to age groups, and we're excited to share those with you as part of this year's State of Global Customer Service Report.

As customer service and the customer experience become key differentiators for brands and organisations across all industries around the world, it has never been more important to know as much as you can about these expectations, perceptions, preferences and trends so that your organisation can not only move forward, but ahead when it comes to customer service and engagement.

Our *2016 Microsoft State of Global Customer Service Report* shows that 61% of consumers now view customer service as "very important" in their choice of and loyalty to a brand. As a key stakeholder in driving the customer experience, brands can no longer afford to view customer service as a cost centre. Customer service must be viewed as a value and moment of truth centre when a brand's commitment to customer–centricity and the customer experience is tested every hour of every day.

We hope you'll find the data and insights delivered in this report beneficial in improving and innovating for today and the future.

GREAT EXPECTATIONS

Expectations for customer service are changing and increasing just as rapidly as the channels consumers are now empowered with to engage, demanding that brands and organisations either keep up or lose their customers to the brands that can.

When asked how important customer service is in their choice of or loyalty to a brand, 97% of global consumers say it is at least somewhat (36%) or moreover, very important (61%). Brands and organisations must be wary in thinking that maintaining their current customer service efforts is good enough, as 56% of consumers said they have higher expectations for customer service now than they had a year ago. This number jumps to 68% for the 18–34-year-olds surveyed for this report.

A whopping 72% of global consumers now expect a customer service agent to already know their customer, product and service history when they make contact. Proactive customer service is also creating a differentiator for the brands and organisations that can deliver: 77% of consumers have a more favourable view of those brands that reach out proactively with customer service alerts and notifications.

HOW IMPORTANT IS CUSTOMER SERVICE TO YOU IN YOUR CHOICE OF OR LOYALTY TO A BRAND?

BRAZIL

Very Important: 91%

Somewhat Important: 9%

Not Important: 0%

UNITED KINGDOM

Very Important: 62%

Somewhat Important: 35%

Not Important: 3%

GERMANY

Very Important: 52%

Somewhat Important: 42%

Not Important: 6%

UNITED STATES

Very Important: 67%

Somewhat Important: 30%

Not Important: 3%

JAPAN

Very Important: 31%

Somewhat Important: 62%

Not Important: 7%

GLOBAL AVERAGE

Very Important: 61%

Somewhat Important: 36%

Not Important: 4%

AGES 18–34

Very Important: 68%

Somewhat Important: 29%

Not Important: 3%

AGES 35–54

Very Important: 59%

Somewhat Important: 37%

Not Important: 4%

AGES 55+

Very Important: 56%

Somewhat Important: 40%

Not Important: 4%

GREAT EXPECTATIONS

DO YOU HAVE HIGHER EXPECTATIONS FOR CUSTOMER SERVICE TODAY THAN YOU HAD ONE YEAR AGO?

BRAZIL

Yes: 83%

No: 17%

GERMANY

Yes: 43%

No: 57%

JAPAN

Yes: 44%

No: 56%

UNITED KINGDOM

Yes: 54%

No: 46%

UNITED STATES

Yes: 55%

No: 46%

GLOBAL AVERAGE

Yes: 56%

No: 44%

AGES 18–34

Yes: 68%

No: 32%

AGES 35–54

Yes: 54%

No: 46%

AGES 55+

Yes: 47%

No: 53%

WHEN CONTACTING A BRAND FOR CUSTOMER SERVICE, DO YOU EXPECT THE AGENT TO KNOW YOUR CONTACT INFORMATION, PRODUCT INFORMATION AND SERVICE HISTORY?

BRAZIL

Yes: 95%

No: 5%

GERMANY

Yes: 76%

No: 24%

JAPAN

Yes: 55%

No: 45%

UNITED KINGDOM

Yes: 68%

No: 32%

UNITED STATES

Yes: 66%

No: 34%

GLOBAL AVERAGE

Yes: 72%

No: 28%

AGES 18–34

Yes: 78%

No: 22%

AGES 35–54

Yes: 71%

No: 29%

AGES 55+

Yes: 66%

No: 34%

DO YOU HAVE A MORE FAVOURABLE VIEW OF BRANDS THAT CONTACT YOU WITH OR OFFER PROACTIVE CUSTOMER SERVICE NOTIFICATIONS?

BRAZIL

Yes: 93%

No: 7%

GERMANY

Yes: 63%

No: 37%

JAPAN

Yes: 81%

No: 19%

UNITED KINGDOM

Yes: 73%

No: 27%

UNITED STATES

Yes: 75%

No: 25%

GLOBAL AVERAGE

Yes: 77%

No: 23%

AGES 18–34

Yes: 79%

No: 21%

AGES 35–54

Yes: 77%

No: 23%

AGES 55+

Yes: 75%

No: 25%

PERCEPTIONS AND FRUSTRATIONS

Increasing customer satisfaction is key to your brand or organisation's success. On a global scale, 60% of consumers say they have stopped doing business with a brand due to a poor customer service experience, and this number increases to 68% for 18–34–year–olds.

So how do you move the needle in the right direction? Making sure customers don't have to repeat their information is a good start. In Microsoft's global survey, consumers list not having to repeat themselves or not being passed from agent to agent as the most important aspect of a good customer service experience.

Addressing top customer frustrations, respondents say the most frustrating aspect of a customer service experience is not being able to reach a live agent when they require assisted service. Rabbit hole IVRs proved to be a key issue here, going against customers' desires for effortless service and for brands to value their time.

For millennial customers, their top frustration proved to be a little different. This age group named not being able to resolve their issue or find the answers they needed online as the most frustrating aspect of a customer service experience.

Consumers are also sceptical as to whether brands are acting on the feedback they provide on improving the customer experience. Almost half of global consumers (48%) say they do not believe that most brands take action on the feedback provided by their customers. Organisations might consider this as an action item: not just acting on customer feedback, but thanking and notifying customers that action was taken based on their suggestions.

WHAT DO YOU FEEL IS THE MOST IMPORTANT ASPECT OF A SATISFYING CUSTOMER SERVICE EXPERIENCE?

BRAZIL

Not having to repeat myself/not being passed to another agent: 42%

First contact resolution: 27%

Being able to find the responses and information I need without having to contact an agent: 16%

A friendly and knowledgeable customer service agent: 16%

Other: 0%

GERMANY

Not having to repeat myself/not being passed to another agent: 32%

First contact resolution: 21%

Being able to find the responses and information I need without having to contact an agent: 9%

A friendly and knowledgeable customer service agent: 38%

Other: 1%

JAPAN

Not having to repeat myself/not being passed to another agent: 52%

First contact resolution: 22%

Being able to find the responses and information I need without having to contact an agent: 12%

A friendly and knowledgeable customer service agent: 12%

Other: 3%

UNITED KINGDOM

Not having to repeat myself/not being passed to another agent: 39%

First contact resolution: 24%

Being able to find the responses and information I need without having to contact an agent: 8%

A friendly and knowledgeable customer service agent: 28%

Other: 2%

UNITED STATES

Not having to repeat myself/not being passed to another agent: 32%

First contact resolution: 24%

Being able to find the responses and information I need without having to contact an agent: 11%

A friendly and knowledgeable customer service agent: 28%

Other: 2%

GLOBAL AVERAGE

Not having to repeat myself/not being passed to another agent: 39%

First contact resolution: 24%

Being able to find the responses and information I need without having to contact an agent: 11%

A friendly and knowledgeable customer service agent: 24%

Other: 1%

AGES 18–34

Not having to repeat myself/not being passed to another agent: 37%

First contact resolution: 22%

Being able to find the responses and information I need without having to contact an agent: 16%

A friendly and knowledgeable customer service agent: 23%

Other: 2%

AGES 35–54

Not having to repeat myself/not being passed to another agent: 42%

First contact resolution: 23%

Being able to find the responses and information I need without having to contact an agent: 11%

A friendly and knowledgeable customer service agent: 23%

Other: 2%

AGES 55+

Not having to repeat myself/not being passed to another agent: 36%

First contact resolution: 29%

Being able to find the responses and information I need without having to contact an agent: 6%

A friendly and knowledgeable customer service agent: 28%

Other: 1%

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WHAT DO YOU FEEL IS THE MOST FRUSTRATING ASPECT OF A POOR CUSTOMER SERVICE EXPERIENCE?

BRAZIL

Inability to reach a live person for support: 21%

A customer service agent not having the knowledge or ability to resolve my issue: 28%

Not being able to resolve my issue or find information I need online: 36%

Having to repeat or provide my information to the agent(s): 15%

GERMANY

Inability to reach a live person for support: 31%

A customer service agent not having the knowledge or ability to resolve my issue: 37%

Not being able to resolve my issue or find information I need online: 23%

Having to repeat or provide my information to the agent(s): 9%

JAPAN

Inability to reach a live person for support: 42%

A customer service agent not having the knowledge or ability to resolve my issue: 27%

Not being able to resolve my issue or find information I need online: 16%

Having to repeat or provide my information to the agent(s): 16%

UNITED KINGDOM

Inability to reach a live person for support: 29%

A customer service agent not having the knowledge or ability to resolve my issue: 26%

Not being able to resolve my issue or find information I need online: 29%

Having to repeat or provide my information to the agent(s): 16%

UNITED STATES

Inability to reach a live person for support: 36%

A customer service agent not having the knowledge or ability to resolve my issue: 25%

Not being able to resolve my issue or find information I need online: 20%

Having to repeat or provide my information to the agent(s): 18%

GLOBAL AVERAGE

Inability to reach a live person for support: 31%

A customer service agent not having the knowledge or ability to resolve my issue: 28%

Not being able to resolve my issue or find information I need online: 25%

Having to repeat or provide my information to the agent(s): 16%

AGES 18–34

Inability to reach a live person for support: 23%

A customer service agent not having the knowledge or ability to resolve my issue: 28%

Not being able to resolve my issue or find information I need online: 35%

Having to repeat or provide my information to the agent(s): 14%

AGES 35–54

Inability to reach a live person for support: 31%

A customer service agent not having the knowledge or ability to resolve my issue: 28%

Not being able to resolve my issue or find information I need online: 24%

Having to repeat or provide my information to the agent(s): 17%

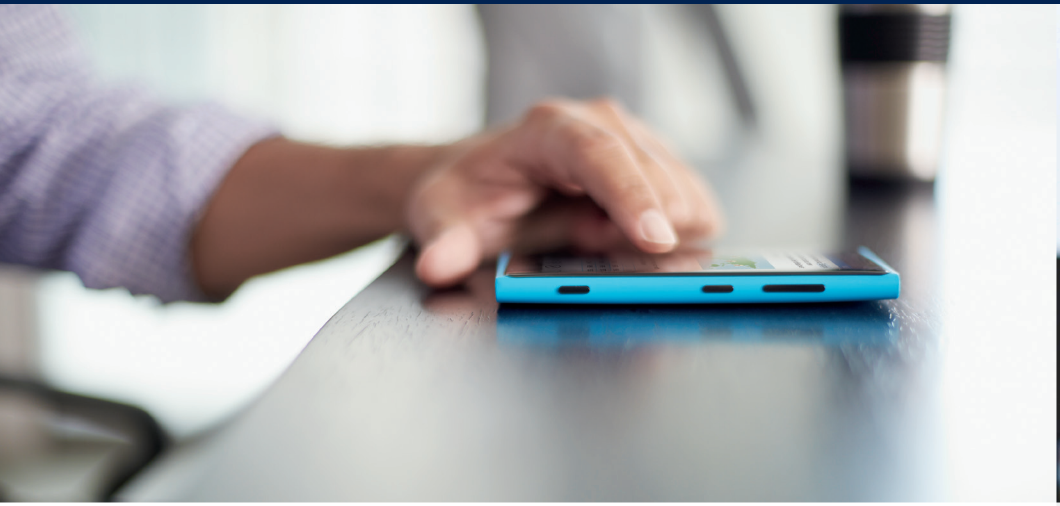
AGES 55+

Inability to reach a live person for support: 38%

A customer service agent not having the knowledge or ability to resolve my issue: 28%

Not being able to resolve my issue or find information I need online: 17%

Having to repeat or provide my information to the agent(s): 18%



OVERALL, DO YOU BELIEVE IT TAKES YOU (THE CUSTOMER) OR A BRAND MORE EFFORT TO RESOLVE YOUR CUSTOMER SERVICE ISSUE OR QUESTION?

BRAZIL
Customer: 31%
Brand: 69%

GERMANY
Customer: 26%
Brand: 75%

JAPAN
Customer: 28%
Brand: 72%

UK
Customer: 72%
Brand: 28%

USA
Customer: 65%
Brand: 35%

GLOBAL AVERAGE
Customer: 44%
Brand: 56%

AGES 18–34
Customer: 41%
Brand: 59%

AGES 35–54
Customer: 44%
Brand: 56%

AGES 55+
Customer: 49%
Brand: 51%

WHEN CALLING FOR CUSTOMER SERVICE, HOW LONG ARE YOU WILLING TO WAIT ON HOLD FOR SUPPORT?

BRAZIL
1–5 minutes: 59%
5–10 minutes: 34%
10+ minutes: 7%

GERMANY
1–5 minutes: 70%
5–10 minutes: 26%
10+ minutes: 4%

JAPAN
1–5 minutes: 69%
5–10 minutes: 23%
10+ minutes: 8%

UK
1–5 minutes: 48%
5–10 minutes: 37%
10+ minutes: 16%

USA
1–5 minutes: 40%
5–10 minutes: 40%
10+ minutes: 20%

GLOBAL AVERAGE
1–5 minutes: 57%
5–10 minutes: 32%
10+ minutes: 11%

AGES 18–34
1–5 minutes: 53%
5–10 minutes: 38%
10+ minutes: 10%

AGES 35–54
1–5 minutes: 60%
5–10 minutes: 30%
10+ minutes: 10%

AGES 55+
1–5 minutes: 57%
5–10 minutes: 30%
10+ minutes: 13%

PERCEPTIONS AND FRUSTRATIONS

HAVE YOU EVER STOPPED DOING BUSINESS WITH A BRAND DUE TO A POOR CUSTOMER SERVICE EXPERIENCE?

	Yes	No
BRAZIL	**80%**	20%
GERMANY	**50%**	**50%**
JAPAN	42%	**58%**
UK	**68%**	32%
USA	**63%**	37%
GLOBAL AVERAGE	**60%**	40%
AGES 18–34	**68%**	32%
AGES 35–54	**60%**	40%
AGES 55+	**54%**	46%

DO YOU BELIEVE MOST BRANDS TAKE ACTION ON THE FEEDBACK PROVIDED BY THEIR CUSTOMERS?

	Yes	No
BRAZIL	**61%**	39%
GERMANY	44%	**56%**
JAPAN	43%	**57%**
UK	49%	**51%**
USA	**62%**	38%
GLOBAL AVERAGE	**52%**	48%
AGES 18–34	**56%**	44%
AGES 35–54	**51%**	49%
AGES 55+	48%	**52%**

CHANGING CHANNELS

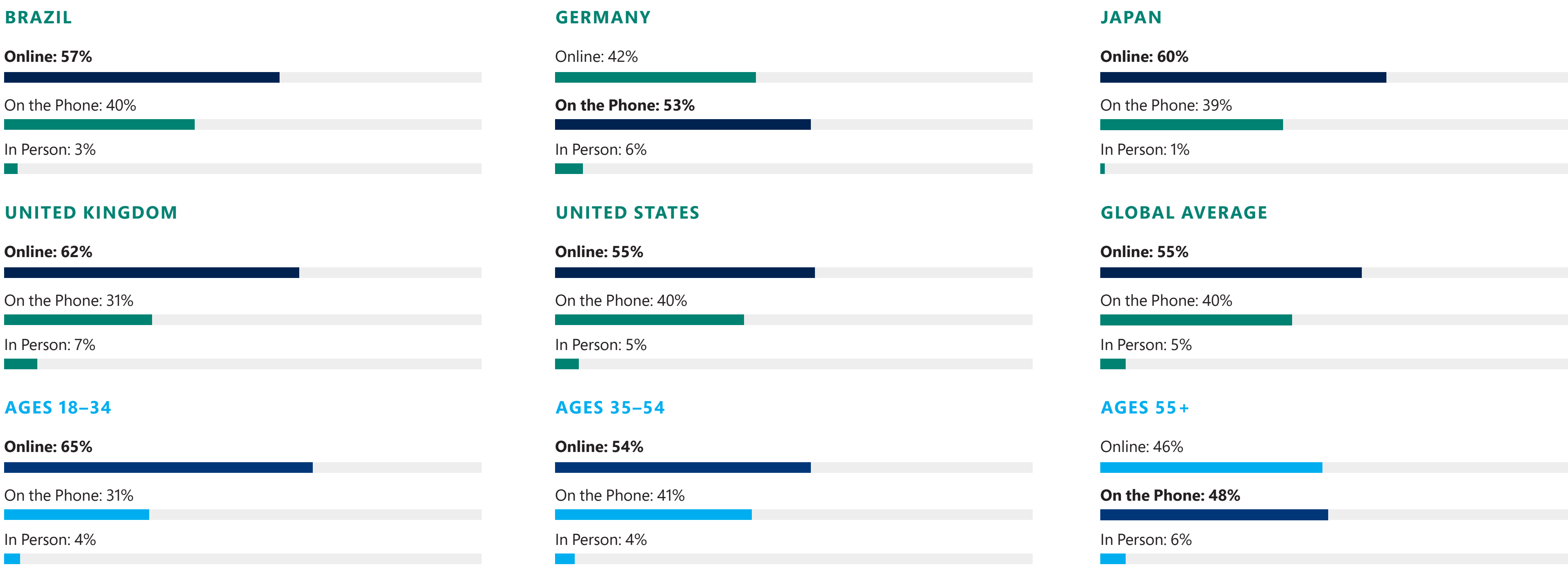
This year's survey shows more and more customer service interactions are now beginning online. In fact, the global average for 2016 shows that more than half (55%) of all customer interactions typically begin online and more than a quarter now begin on mobile devices. When looking at age groups, the change and increase in engagement channels and mobility is striking.

For ages 55+, 46% of consumers begin a customer service interaction online (as opposed to phone or in–person). For ages 18–34, the percentage for online first service jumps by 19%.

For those online service interactions, 79% of consumers ages 55+ start on a laptop or desktop computer rather than a mobile device such as a smartphone or tablet. For ages 18–34, that percentage drops by 15% favouring mobile first engagement over a desktop or laptop computer.

Channel variation is also increasing for younger consumers. On average, 18–34-year-olds typically use five channels regularly for customer service interactions, while those aged 55+ use three.

WHEN ENGAGING WITH A BRAND OR ORGANISATION FOR CUSTOMER SERVICE, WHERE DOES YOUR INTERACTION TYPICALLY BEGIN?



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WHEN BEGINNING AN ONLINE CUSTOMER SERVICE INTERACTION, WHICH DEVICE DO YOU USE MOST?

BRAZIL

Computer: 63%
(Laptop or Desktop)

Mobile: 37%
(Smartphone or Tablet)

GERMANY

Computer: 68%
(Laptop or Desktop)

Mobile: 32%
(Smartphone or Tablet)

JAPAN

Computer: 79%
(Laptop or Desktop)

Mobile: 21%
(Smartphone or Tablet)

UK

Computer: 76%
(Laptop or Desktop)

Mobile: 24%
(Smartphone or Tablet)

USA

Computer: 75%
(Laptop or Desktop)

Mobile: 25%
(Smartphone or Tablet)

GLOBAL AVERAGE

Computer: 72%
(Laptop or Desktop)

Mobile: 28%
(Smartphone or Tablet)

AGES 18–34

Computer: 64%
(Laptop or Desktop)

Mobile: 36%
(Smartphone or Tablet)

AGES 35–54

Computer: 73%
(Laptop or Desktop)

Mobile: 27%
(Smartphone or Tablet)

AGES 55+

Computer: 79%
(Laptop or Desktop)

Mobile: 21%
(Smartphone or Tablet)

CHANGING CHANNELS

WHEN ENGAGING WITH A BRAND OR ORGANISATION FOR CUSTOMER SERVICE, WHICH CUSTOMER SERVICE CHANNELS DO YOU REGULARLY USE?

BRAZIL

Telephone: 84%
Email: 87%
Live Chat: 71%
Online Support Portal: 64%
Search Engines: 49%
In Person: 41%
Mobile App: 26%
Communities: 18%
Social Media: 40%

GERMANY

Telephone: 82%
Email: 75%
Live Chat: 26%
Online Support Portal: 51%
Search Engines: 59%
In Person: 36%
Mobile App: 6%
Communities: 16%
Social Media: 14%

JAPAN

Telephone: 62%
Email: 66%
Live Chat: 6%
Online Support Portal: 50%
Search Engines: 41%
In Person: 6%
Mobile App: 1%
Communities: 4%
Social Media: 3%

UNITED KINGDOM

Telephone: 76%
Email: 84%
Live Chat: 61%
Online Support Portal: 59%
Search Engines: 47%
In Person: 43%
Mobile App: 8%
Communities: 14%
Social Media: 16%

UNITED STATES

Telephone: 78%
Email: 75%
Live Chat: 59%
Online Support Portal: 57%
Search Engines: 46%
In Person: 46%
Mobile App: 8%
Communities: 11%
Social Media: 3%

GLOBAL AVERAGE

Telephone: 76%
Email: 77%
Live Chat: 45%
Online Support Portal: 56%
Search Engines: 48%
In Person: 34%
Mobile App: 10%
Communities: 12%
Social Media: 17%

AGES 18–34

Telephone: 74%
Email: 81%
Live Chat: 60%
Online Support Portal: 62%
Search Engines: 56%
In Person: 39%
Mobile App: 19%
Communities: 20%
Social Media: 32%

AGES 35–54

Telephone: 76%
Email: 77%
Live Chat: 43%
Online Support Portal: 56%
Search Engines: 48%
In Person: 32%
Mobile App: 8%
Communities: 15%
Social Media: 15%

AGES 55+

Telephone: 79%
Email: 73%
Live Chat: 32%
Online Support Portal: 51%
Search Engines: 40%
In Person: 33%
Mobile App: 2%
Communities: 10%
Social Media: 4%

SELF–SERVICE REVOLUTION

Expectations for and of self–service are growing at a rapid pace. According to Forrester Research's *North American Consumer Technographics Customer Life Cycle Survey*, consumers now say they are using self–service FAQ pages on a company's website for customer service more often than speaking with a live agent on the phone.

According to Microsoft's own *Global State of Customer Service Report*, 90% of the 5,000 consumers surveyed say they now expect brands and organisations to have a customer self–service offering. And 66% have a more favourable view of those organisations whose self–service offering is mobile-responsive. This percentage catapults to 81% for customers ages 18–34. In addition, three-quarters (75%) of consumers have used a search engine to try and find the answer to a customer service question. That number rises to 89% for customers aged 18–34.

The polling here suggests a self-service revolution which brands and organisations must adapt and cater to in order to gain and retain customers who would prefer to serve themselves.

HAVE YOU EVER USED A SEARCH ENGINE TO TRY TO FIND THE ANSWER TO A CUSTOMER SERVICE QUESTION?

	Yes	No
BRAZIL	Yes: 92%	No: 8%
GERMANY	Yes: 81%	No: 19%
JAPAN	Yes: 65%	No: 35%
UK	Yes: 70%	No: 30%
USA	Yes: 69%	No: 32%
GLOBAL AVERAGE	Yes: 75%	No: 25%
AGES 18–34	Yes: 89%	No: 11%
AGES 35–54	Yes: 76%	No: 24%
AGES 55+	Yes: 60%	No: 40%

DO YOU EXPECT A BRAND OR ORGANISATION TO HAVE AN ONLINE CUSTOMER SELF-SERVICE PORTAL?

	Yes	No
BRAZIL	Yes: 98%	No: 2%
GERMANY	Yes: 83%	No: 17%
JAPAN	Yes: 84%	No: 16%
UK	Yes: 94%	No: 6%
USA	Yes: 90%	No: 10%
GLOBAL AVERAGE	Yes: 90%	No: 10%
AGES 18–34	Yes: 93%	No: 7%
AGES 35–54	Yes: 90%	No: 10%
AGES 55+	Yes: 86%	No: 14%

SELF-SERVICE REVOLUTION

HAVE YOU EVER USED A SELF-SERVICE PORTAL FOR CUSTOMER SERVICE?

BRAZIL
- Yes: 93%
- No: 7%

GERMANY
- Yes: 65%
- No: 35%

JAPAN
- Yes: 50%
- No: 50%

UK
- Yes: 78%
- No: 22%

USA
- Yes: 79%
- No: 21%

GLOBAL AVERAGE
- Yes: 73%
- No: 27%

AGES 18–34
- Yes: 84%
- No: 16%

AGES 35–54
- Yes: 72%
- No: 28%

AGES 55+
- Yes: 63%
- No: 37%

IF YOU HAVE USED A SELF-SERVICE PORTAL FOR CUSTOMER SERVICE, DID YOU FIND THE INFORMATION YOU WERE LOOKING FOR?

BRAZIL
- Yes: 88%
- No: 12%

GERMANY
- Yes: 81%
- No: 19%

JAPAN
- Yes: 75%
- No: 25%

UK
- Yes: 72%
- No: 28%

USA
- Yes: 78%
- No: 22%

GLOBAL AVERAGE
- Yes: 79%
- No: 21%

AGES 18–34
- Yes: 87%
- No: 13%

AGES 35–54
- Yes: 79%
- No: 21%

AGES 55+
- Yes: 69%
- No: 31%

IF YOU DIDN'T FIND THE INFORMATION YOU WERE LOOKING FOR VIA SELF-SERVICE, WHAT WAS THE KEY ISSUE?

BRAZIL

Too little information: 57%
Too much information: 3%
Outdated information: 14%
Disorganised information: 19%
No search capability: 7%

GERMANY

Too little information: 36%
Too much information: 9%
Outdated information: 8%
Disorganised information: 42%
No search capability: 5%

JAPAN

Too little information: 57%
Too much information: 6%
Outdated information: 6%
Disorganised information: 23%
No search capability: 8%

UNITED KINGDOM

Too little information: 53%
Too much information: 3%
Outdated information: 9%
Disorganised information: 22%
No search capability: 12%

UNITED STATES

Too little information: 64%
Too much information: 7%
Outdated information: 6%
Disorganised information: 13%
No search capability: 10%

GLOBAL AVERAGE

Too little information: 54%
Too much information: 6%
Outdated information: 8%
Disorganised information: 23%
No search capability: 9%

AGES 18–34

Too little information: 56%
Too much information: 8%
Outdated information: 8%
Disorganised information: 22%
No search capability: 5%

AGES 35–54

Too little information: 53%
Too much information: 4%
Outdated information: 10%
Disorganised information: 26%
No search capability: 8%

AGES 55+

Too little information: 55%
Too much information: 5%
Outdated information: 7%
Disorganised information: 21%
No search capability: 12%

DO YOU HAVE A MORE FAVOURABLE VIEW OF A BRAND THAT OFFERS A MOBILE-RESPONSIVE CUSTOMER SELF-SERVICE PORTAL?

BRAZIL
Yes: 91%
No: 9%

GERMANY
Yes: 72%
No: 28%

JAPAN
Yes: 66%
No: 34%

UK
Yes: 50%
No: 50%

USA
Yes: 52%
No: 48%

GLOBAL AVERAGE
Yes: 66%
No: 34%

AGES 18–34
Yes: 81%
No: 19%

AGES 35–54
Yes: 65%
No: 35%

AGES 55+
Yes: 53%
No: 47%

SOCIAL MEDIA EVOLUTION

Social media may not have seen a meteoric rise to the top of the preferred customer service channels as many analysts predicted, but that doesn't mean it doesn't have a place. For frustrated customers, it is a place to make your frustrations known to the world. For brand loyalists, it is a place to engage and be engaged in praise, conversation, photo and experience sharing. And now social customer service continues to evolve as bot and messenger services look to grab a spot in customer service and engagement.

Microsoft's 2016 report provides a glimpse of social customer service present and future as expectations begin to rise based on age groups. Overall, just 31% of the global consumers polled for this report have used social media to ask a customer service question. Jump to the 18–34 age group responses, however, and that percentage rises 21 points to 52%.

Gauging expectations for response on social, more than half (67%) of global consumers interacting with a brand for customer service on social media expect a response within 24 hours. For ages 18–34, however, it's another double-digit rise to 78%. Should brands continue to invest in social media for customer service? You bet. While just 45% of our global population believes that social media is an effective channel for customer service, 64% of those ages 18–34 say they believe it is. Keep an eye on this space for service, sentiment and proactive alerts to take action on trending issues.

HAVE YOU EVER USED SOCIAL MEDIA TO COMPLAIN ABOUT A BRAND OR ITS CUSTOMER SERVICE?

	BRAZIL	GERMANY	JAPAN	UK	USA	GLOBAL AVERAGE	AGES 18–34	AGES 35–54	AGES 55+
Yes	**61%**	19%	9%	28%	30%	29%	47%	28%	12%
No	39%	**81%**	**91%**	**72%**	**70%**	**71%**	**53%**	**72%**	**88%**

HAVE YOU EVER USED SOCIAL MEDIA TO PRAISE A BRAND OR ITS CUSTOMER SERVICE?

	BRAZIL	GERMANY	JAPAN	UK	USA	GLOBAL AVERAGE	AGES 18–34	AGES 35–54	AGES 55+
Yes	**70%**	29%	9%	33%	39%	36%	**55%**	34%	20%
No	30%	**71%**	**91%**	**67%**	**61%**	**64%**	45%	**66%**	**80%**

Microsoft

SOCIAL MEDIA EVOLUTION

HAVE YOU EVER USED SOCIAL MEDIA TO ASK A CUSTOMER SERVICE QUESTION?

BRAZIL
Yes: 63%
No: 37%

GERMANY
Yes: 24%
No: 76%

JAPAN
Yes: 15%
No: 85%

UK
Yes: 26%
No: 74%

USA
Yes: 27%
No: 73%

GLOBAL AVERAGE
Yes: 31%
No: 69%

AGES 18–34
Yes: 52%
No: 48%

AGES 35–54
Yes: 29%
No: 71%

AGES 55+
Yes: 13%
No: 87%

DO YOU BELIEVE SOCIAL MEDIA IS AN EFFECTIVE CHANNEL FOR CUSTOMER SERVICE?

BRAZIL
Yes: 75%
No: 25%

GERMANY
Yes: 30%
No: 70%

JAPAN
Yes: 41%
No: 59%

UK
Yes: 40%
No: 60%

USA
Yes: 39%
No: 61%

GLOBAL AVERAGE
Yes: 45%
No: 55%

AGES 18–34
Yes: 64%
No: 36%

AGES 35–54
Yes: 44%
No: 56%

AGES 55+
Yes: 27%
No: 73%

Microsoft

WHAT IS YOUR EXPECTED RESPONSE TIME FROM BRANDS ON SOCIAL MEDIA FOR CUSTOMER SERVICE QUESTIONS, PRAISE OR COMPLAINTS?

BRAZIL

Less than 1 hour: 25%

24 hours or less: 61%

48 hours or less: 11%

I don't expect a response: 3%

GERMANY

Less than 1 hour: 15%

24 hours or less: 54%

48 hours or less: 11%

I don't expect a response: 21%

JAPAN

Less than 1 hour: 17%

24 hours or less: 42%

48 hours or less: 10%

I don't expect a response: 31%

UNITED KINGDOM

Less than 1 hour: 16%

24 hours or less: 47%

48 hours or less: 12%

I don't expect a response: 26%

UNITED STATES

Less than 1 hour: 16%

24 hours or less: 41%

48 hours or less: 11%

I don't expect a response: 32%

GLOBAL AVERAGE

Less than 1 hour: 18%

24 hours or less: 49%

48 hours or less: 11%

I don't expect a response: 23%

AGES 18–34

Less than 1 hour: 19%

24 hours or less: 59%

48 hours or less: 13%

I don't expect a response: 9%

AGES 35–54

Less than 1 hour: 19%

24 hours or less: 49%

48 hours or less: 11%

I don't expect a response: 21%

AGES 55+

Less than 1 hour: 15%

24 hours or less: 37%

48 hours or less: 9%

I don't expect a response: 39%

IF YOU HAVE USED SOCIAL MEDIA TO ASK A CUSTOMER SERVICE QUESTION, PRAISE A BRAND OR COMPLAIN, DID YOU RECEIVE A RESPONSE?

BRAZIL	GERMANY	JAPAN	UK	USA	GLOBAL AVERAGE	AGES 18–34	AGES 35–54	AGES 55+
Yes: 83%	**Yes: 84%**	**Yes: 86%**	**Yes: 81%**	**Yes: 86%**	**Yes: 84%**	**Yes: 83%**	**Yes: 85%**	**Yes: 80%**
No: 17%	No: 16%	No: 14%	No: 19%	No: 14%	No: 16%	No: 17%	No: 15%	No: 20%

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TAKEAWAYS AND CONCLUSIONS

Whether you are the CCO, the CMO, CIO, CFO or CEO, you have read about the growing importance of customer experience when it comes to separating the business leaders from the laggards. One of the greatest daily influences on customer experience comes from the quality of your organisation's customer service. Once considered a cost centre, service must now be viewed, invested in and empowered to be a positive differentiator for your brand or organisation.

In relation, Microsoft's *2016 Global State of Customer Service Report* shows us that:

1. CUSTOMER EXPECTATIONS ARE RAPIDLY RISING.

This not only includes speed of service and first contact resolution, but expectations for service online and on smartphones—and beyond that for predictive, proactive service where the brand or organisation reaches out before the customer is even aware of an issue.

2. CHANNELS ARE CHANGING CUSTOMER SERVICE, BUT SO IS THE AGE OF THE CUSTOMER.

Today, more customers are using online self-service than the telephone, but other channels are rising as well including chat and communities. Customer service must continuously innovate to keep up. For the first time in the history of this report, we broke out the data according to age groups. As you continue to review and share this report, take note of the differences in the preferences and expectations of the 18–34 age group. This will give you a keen idea of where customer service is heading and where your organisation needs to be.

3. SERVICE IS BECOMING A KEY DECISION POINT IN CUSTOMER ACQUISITION AND RETENTION.

When asked how important customer service is in their choice of or loyalty to a brand, 97% of global consumers say it is at least somewhat (36%) or moreover, very important (61%). Sixty percent (60%) of consumers say they have stopped doing business with a brand due to a poor customer service experience, and this number rises to 68% for 18–34-year-olds. It is on average six times more expensive to attract a new customer than it is to retain an existing one. Service must become a top focus equal to and collaborative with sales and marketing, not just to entice new customers, but to keep existing ones so that the brand survives and thrives.

In today's world where price and product can be easily matched, it has never been more important to marry people, processes and technology to serve and engage the customer. Look to the preferences, expectations and trends in this report to not only move forward, but lead, in service and engagement.

DISCOVER INTELLIGENT CUSTOMER SERVICE

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Service organisations are at the epicentre of a company's ability to deliver differentiated and consistent engagement experiences. Organisations empowered by our intelligent customer service solution increase advocacy and loyalty to their brands by creating effortless experiences across self and assisted service channels. Our industry leading technologies, including machine learning, IoT and analytics, give our purpose-built solution the breadth and depth necessary for your organisation to meet the challenges of an evolving customer service landscape—and position your brand to capitalise on the new service economy.

Microsoft Dynamics 365 for Customer Service can help you earn customers for life through personalised omni-channel service, increased productivity, actionable insights and adaptive service models—and Microsoft is leading innovations and investments in the future to empower every person and every organisation on the planet to achieve more.

Learn more at: https://www.microsoft.com/en-gb/dynamics365/customer-service

Contact us to discuss your custom needs: 1.888.477.7989

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