
KUSTOMER GUIDE

Prepping for the Holiday Season

Tackling an influx in inquiries
while maintaining a superior
support experience

 Kustomer



The holly, jolly holiday season is on the horizon, but it isn't all gumdrops and lollipops. Along with the gift of increased online shopping, the holiday season also brings a big lump of coal: an increase in needy customers reaching out to your team in need of immediate support.

Nearly half of consumers, 48%, plan to shop early for this holiday season and the big reason is inflation, according to a Gartner Marketing survey. With this impending increase in shopping activity comes an increased need for customer assistance throughout the buyer journey. And the stakes are high. According to recent [Kustomer research](#), 89% of consumers think contacting customer service should be easier and more convenient.

Customers can be your greatest ally during the holiday season or your worst nightmare. With pressure already high, consumers expect businesses to help ease their

stress, not make it worse. An easy and effortless customer experience is necessary during peak shopping periods, but that's often easier said than done.

Many businesses struggle to maintain a high level of support during spikes in activity. They may need to hire a flurry of seasonal employees who have a short training period. They may need to extend the hours of some agents, or give them a heftier workload. Agents may need to be manning more channels than usual, or learn new seasonal policies.

The question becomes, how do you handle the seasonal rush without breaking the bank or disappointing customers? Read on to learn what customers expect, and how to deliver with smart strategies and smarter technology.

The Current State of Affairs



80%

of respondents reported shopping across at least three channels over the last six months, with one in three saying they'd used a virtual reality (VR) channel.

-PWC



Consumers

expect to spend an average of \$770 on gifts in 2022.

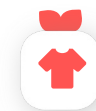
-Ally Bank



Overall

holiday spending for millennials was predicted to be up 11%

-PWC



2022

holiday retail sales are expected to increase 3.3% to \$1.262 trillion in 2022.

-eMarketer



73%

of retailers will be more promotional this holiday season, and 21% say they plan to be "much more" promotional.

-KPMG

Customer Expectations During the Holiday Season

Spending isn't the only thing skyrocketing during the holiday season — so too are customer expectations. And with an uncertain economic landscape, and supply chains continuing to cause issues, things may be challenging this year. Here is what consumers expect from brands during the upcoming holiday season.

Immediate Service

During the holiday season, the turn of phrase “too much to do, too little time” hits a lot closer to home. Between normal day-to-day life, holiday celebrations, traveling and gift buying, consumers don't want more of their time taken up by customer service. [Our recent research](#) showed that 89% of consumers think contacting customer service should be easier and more convenient.

[According to Kustomer research](#), consumers get frustrated after only two minutes of waiting for a response from customer service. The facts are simple: customers demand that you respect their time, especially during the busy holiday rush, and if you don't, they are willing to leave for another retailer. In fact, 90% of consumers would not shop with a retailer again if they provided bad customer service.



Knowledgeable Agents

Speed means nothing if you don't have the right answers. This is especially hard when seasonal customer service agents that may not have sufficient knowledge or training are asked to tackle difficult questions.

Kustomer research revealed that **67% of consumers would completely abandon their purchase if they had a poor customer service interaction during the purchasing process**. Arming your agents with the tools and information they need to deliver exceptional service is imperative during the holiday season, when customers may be broadening the retailers they shop with. Building new, lifelong customers can be at risk if customers don't get clear and satisfying answers to their inquiries.

67%

of consumers would completely abandon their purchase if they had a poor customer service interaction.



Availability on Any Platform

Especially during the peak shopping season – Thanksgiving to Christmas – consumers are on the go. They may be traveling to spend time with family, taking a much needed vacation, or multitasking during the work day. What does this all mean? Customers are more willing and able to reach out on new platforms that are most convenient for them.

While 87% of consumers get frustrated when they can't contact a company on the channel they prefer, availability on multiple platforms isn't enough. **Eighty-five percent of shoppers get frustrated when they have to switch channels or leave the platform they are currently using to get support, and 84% of consumers get frustrated when they have to repeat information to customer service.** This means that if customers switch channels or need to be transferred, they don't want the context of their previous interactions lost.

Most of the time, when a customer contacts a company, the team manning that channel will create a ticket. If the customer then contacts the company through a different channel about the same issue, a second ticket will be created with each team working their respective tickets. This results in a fragmented experience and the unfortunate need to repeat information.



How to Wow Your Customers During the Holiday Season (Without Breaking the Bank)

There are obvious ways to ensure you attract customers and deliver an exceptional customer experience during the holiday season:

- ✓ Launch appealing promotions
- ✓ Offer free shipping and returns
- ✓ Hire a massive team of seasonal employees

But there's one thing all of these strategies have in common: they cost money, and aren't scalable. What are some strategies and technology tools that you can put in place to wow your customers WITHOUT breaking the bank?



1

Prepare Early

There's something to be said about beating your competition to the punch. According to [research by Digital Commerce 360](#), 56% of customers choose where to shop during the holiday season based on past experiences. In addition to common seasonal marketing strategies, delivering a stellar experience NOW can help you drive business in the future.

The companies that are practically synonymous with brand love, and have customers that are loyal to the death, have one thing in common: they have prioritized customer

56%

of customers choose where to shop during the holiday season based on past experiences.

experience since their inception. In fact, customer experience is becoming more important than price and product when it comes to loyalty. Ensure that during busy seasons, when your inquiries and orders quadruple, you can continue to make customers feel just as valued as on the slowest day of the year. By preparing early, you can put the right tools, staff and strategies in place to not only deliver the perfect holiday gift, but also the perfect holiday customer experience.

2

Get a Little Help From Your Robot Friends

Efficiency is always a priority during the holiday season. Technology tools can often ease some of this burden, while still delivering a high level of service to consumers.

When resources are thin, technology can make a huge impact on your team's efficiency. Oftentimes the most

tedious tasks on an agent's plate are manual and repetitive, and may not require human intervention. Luckily AI can handle simple tasks like tagging and routing conversations to the most appropriate agent. And consider the power of chatbots during peak shopping periods. They are growing in popularity with both businesses and consumers. In fact, [77% of Gen Z consumers prefer self-service](#) over talking to a company representative.

Chatbots can be used to collect initial information, provide responses to simple questions, and even complete standard tasks like changing a booking or answering an order status question. While there is always fear of losing personalization when using AI and automation, with the right platform, businesses can actually do the opposite. For instance, if a business leverages customer data properly, chatbots could ask personalized questions based on an individual's purchase or browsing history. These

interventions save time for both the customer and agent, and increase the time spent on the actual issue rather than information gathering and low-level support.

Why Speed Matters:



86%

of consumers appreciate quick responses



87%

of consumers appreciate immediate resolution to their problems



89%

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

3

Provide Agents With the Information They Need

It's essential to arm your team with the information they need to instantaneously service customers. This is especially imperative when new agents are onboarded for the holiday season, and may not have the historical knowledge or context that more tenured agents have. Make sure your technology can intelligently surface relevant information from a knowledge base, so all agents are delivering consistent and high-value service.

AI support technology can also suggest messages to send to customers based off historical conversations and customer attributes, which can become more accurate and personalized over time in conjunction with a machine learning model. Sentiment analysis is another benefit of AI technology. By looking at the words and tone in a

customers' messages, the technology can identify how satisfied, or dissatisfied, a customer is, and escalate the issue accordingly.

Biggest challenges faced by customer service organizations during the holiday season:



49%
Limited Staff



38%
Long Wait Times



30%
Frequent Shipping Issues



26%
Challenging Inquiries



22%
Too many inquiries

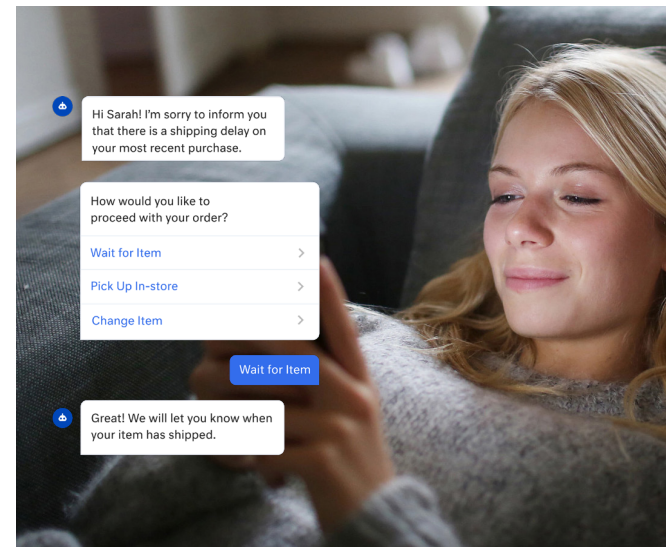
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Get Ahead of Any Issues

When holiday orders aren't delivered on time, you have the very real possibility of upset customers who are angry and embarrassed by missing gifts. And that could mean more than an unhappy customer, it could mean a lost customer for life. Especially as supply chain issues continue to linger, it's more important than ever to get ahead of any potential issues.

According to customer research, a whopping **81% of consumers appreciate proactive support**. Whether it is a winter storm delaying a shipment, a sizing issue with a shirt they ordered, or a supply chain issue they may need to be aware of, proactive outreach is not only a nice benefit, it is now an expectation.

Proactive outreach doesn't just put customers at ease — it can also prevent an influx of customer service requests. Make sure that your customer service technology is able to efficiently segment your customer base and power proactive communication.



5

Provide a Modern, Consultative Experience

According to our research, it appears that both businesses and consumers are starting to adopt a new mindset around the role of CX. Consumers no longer think of customer service teams as post-transaction problem solvers. They also expect consultative support throughout the buyer journey. According to a recent Kustomer survey, 79% of CX professionals think the role of customer service to fuel business growth will become MORE important over the next three years. Commerce and care are more closely tied than ever before — and customer service organizations should take advantage of this opportunity.

The most frequent inquiries that CX teams receive during the holiday season truly spanned the customer journey, with most seemingly coming pre-transaction, when

consumers have questions about products they were considering.

Most frequent inquiries during the holiday season:

- 1 Product questions
- 2 Order status
- 3 Initiating a return
- 4 Policy questions
- 5 Website issues

Over the last few years, the digitization of shopping accelerated rapidly, and consumers leaned more heavily on customer service teams to feel comfortable and confident about their purchases. While post-transaction

support, like order status and return initiation, likely will never subside, CX teams can now take on more of a revenue-generating advisory role, answering product questions or directing customers to better alternatives.

It's important to take this new role into consideration when planning out a holistic CX strategy. These more consultative conversations will require more time and knowledge. Perhaps this means that more busy work can be delegated to technology. Perhaps this means that the "measure of success" for agents must expand beyond just handle time. Perhaps it is necessary to share the information received from customers with the product or marketing teams, to improve the website experience or optimize product development.

Additionally, pre-purchase support can cut down on the impending title wave that is returns season. Retailers

received \$761 billion in returns last year, and many businesses simply cannot afford free shipping and returns in 2022. Ensure you are providing a seamless, consultative experience to consumers before they make their purchasing decisions to save valuable time and money after gifts have been opened.



6

Be Available Wherever Your Customers Are

Omnichannel support shifts perspective from ticket resolution to customer relationship building, which is incredibly valuable during the holiday season, when companies have the opportunity to attract an entirely new cohort of customers. Individuals have the freedom to move between channels throughout their engagement, and are guaranteed consistency, so each conversation starts where the last ended. Agent collision never occurs when communication channels are integrated, because agents can view the conversation and maintain context even as customers engage through multiple channels. If executed properly, omnichannel support provides a consistent experience for customers at every touchpoint.

Ensure you have the right technology in place to integrate

your combination of communication channels in order to capture the free flow of conversations across platforms and display the data in a single screen. A best-in-class solution should create a unified home for all your customer data, regardless of the source, not only the data generated from customer conversations.



83% of consumers think they should be able to contact customer service on any channel they want



51% of consumers have stopped doing business with a brand because they weren't available on their channel of choice

7

Create a Personalized Experience Customers Will Remember

While the modern day customer does have high expectations, they can also empathize with the stress businesses are under during this busy time of year. Perhaps personalization is lower on the priority list when efficiency is key, but the opportunity cost of treating customers like tickets is too high to ignore.

Customer research shows that 77% of consumers like when businesses communicate with them in a proactive and personalized way, and 80% of consumers think customer service agents should know about their orders and history. To create these meaningful relationships, companies need to adopt technology that allows them to see customer history, issues and behavior in context, no matter the platform. By leveraging automation for tedious and manual

tasks, customer service agents can provide consumers with prompt and personal service, including individualized and proactive outreach.

CX professionals believe consumers value the following service attributes the most during the holiday season:

- ✓ Quick Service
- ✓ Personalized Service
- ✓ Empathetic Service

80%

of consumers think customer service agents should know about their orders and history.

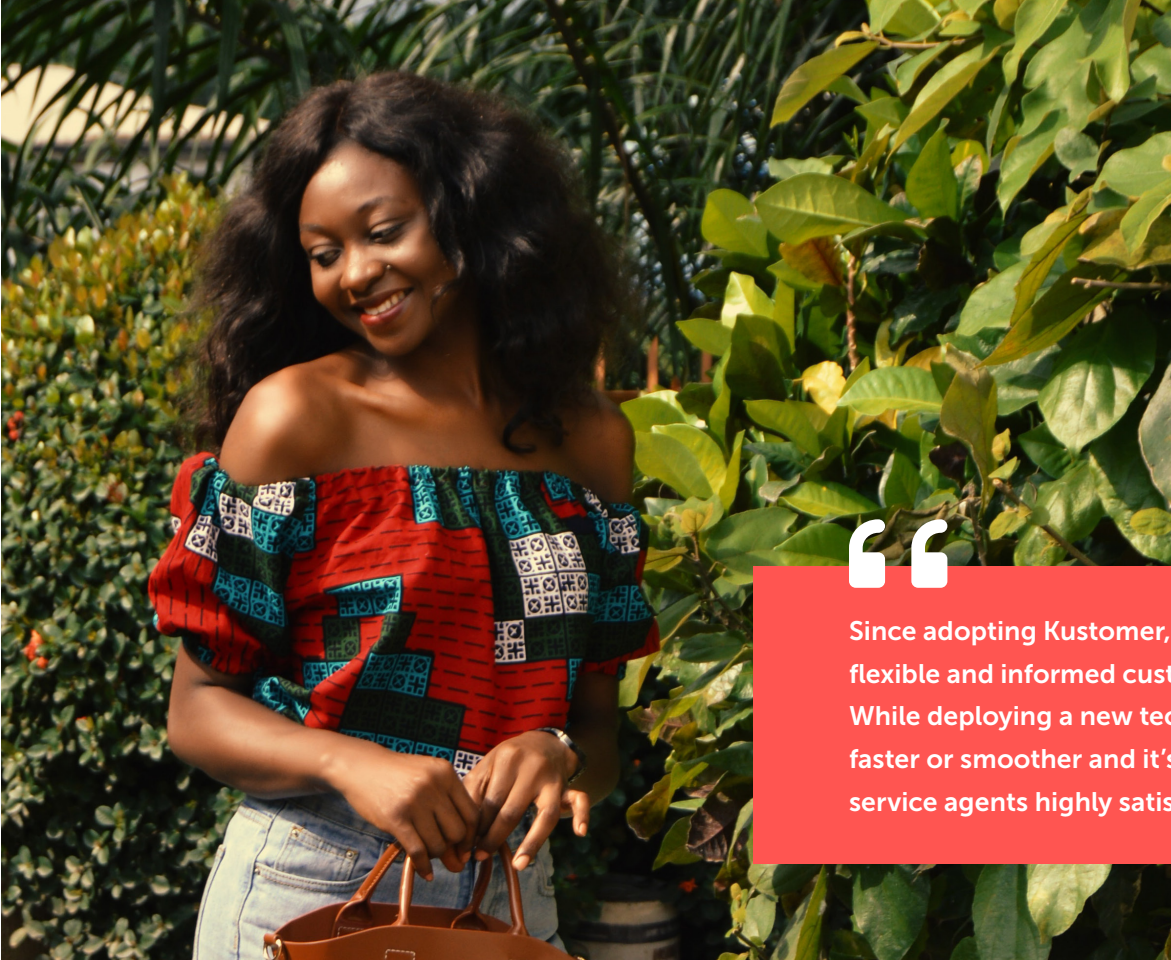
Customer Spotlight

Rainbow Shops

The Challenge

Rainbow Shops, a billion dollar fashion retailer with more than 12,000 employees worldwide, made the call to replace their helpdesk software just weeks before peak holiday shopping season. The company's e-commerce business was thriving and that meant an increase in customer requests for the staff of 20 customer service agents.

Rainbow Shops' customer service centers are an integral part of their business, servicing its e-commerce channel and more than 1,000 stores with a staff of just 20 agents. These agents, who are the lifeblood of Rainbow customer service, were reporting difficulties obtaining access to customer insights, trapped in siloed data stores and



disjointed systems. They couldn't see vital information like the customer profile, their order history, order status, refunds, and other details.

The Results

As peak holiday shopping season closed in, Rainbow Shops kicked off the migration to Kustomer. Rainbow's Director of E-Commerce, Michael Hoffman, knew and trusted the Kustomer team and platform, so there was a level of confidence the project would prevail. And Michael's trust was rewarded. Within three weeks of the project kickoff meeting, the Kustomer platform was operational, and the team at Rainbow recorded a **60% reduction in cart abandonment rates.**

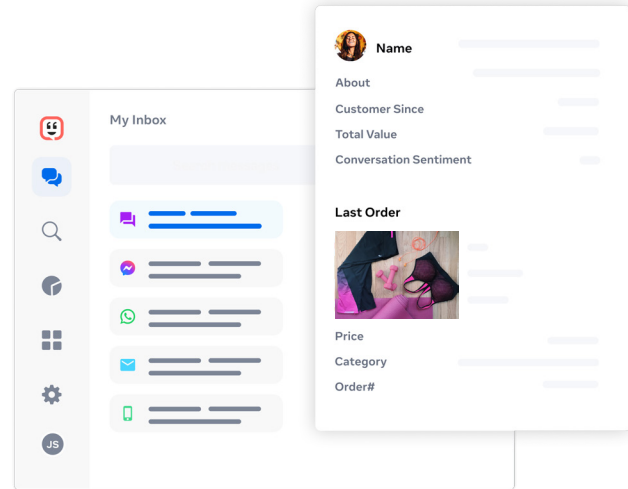


Since adopting Kustomer, I feel we are well on our way to providing our customers with the real-time, flexible and informed customer service they expect during one of the most critical times for retail success. While deploying a new technology so close to the holiday shopping season was risky, it could not have gone faster or smoother and it's already paying off in a big way, keeping both our customers and our customer service agents highly satisfied." - Michael Hoffman, Director of E-Commerce & Customer Service, Rainbow Shop

How Kustomer Can Help

For better or worse, solving a customer's problem is no longer the only job of a customer service organization. During the holiday season and beyond, customer service is increasingly being thought of as a revenue driver and not a cost center, and customer service insights are being leveraged throughout the organization to inform larger business decisions. Keeping a consistently high level of support even during the busiest times of year could be the difference between rocketship growth and stagnancy.

All of this makes finding the perfect customer service CRM platform imperative. Delivering on growing customer expectations at scale, whether that means personalized and proactive support or true omnichannel experiences, is not optional. With Kustomer's customer service CRM platform, businesses are able to have a single



view of the customer journey, seamless omnichannel communications, and the ability to automate up to 40% of all conversations, without compromising quality.

[Click here to start a free trial of Kustomer](#)