

---

REPORT

# The CX Need For Speed

How Self-Service and Intelligent Automations Can Deliver on Growing Consumer Demands



 Kustomer

---

# Introduction

The CX need for speed has always been of the utmost importance. When a customer requires help, and may be experiencing higher levels of stress, the worst thing a business can do is disrespect their time, or make it difficult to get their problems solved.

But in the digital age, when consumers are used to having Google at their fingertips, this need for speed has only been magnified. Groceries can be delivered to your doorstep in the click of a button. You can buy a new shirt on your couch, with your information instantly autofilling at checkout. Why should consumers have to waste precious time tracking down a way to get their questions answered?

Kustomer went out and surveyed over 525 US-based consumers over 18 to understand how this need for speed translates into customer service preferences, and the results

are staggering. A whopping 90% of respondents think contacting customer service should be easier, and 85% of respondents think customer service should be faster. Quick service also continues to outrank all other customer service qualities in terms of importance, no matter the demographic.

## Most Valued Customer Service Attributes (in order of importance):

- 1 Quick Service
- 2 Personalized Service
- 3 Empathetic Service
- 4 Flexibility in Policies
- 5 Consultative Service
- 6 Omnichannel Service

**85%** of consumers think customer service should be faster

---

However, the best way to deliver on these expectations is up for debate. Many consumers still expect — even require — personal, human service. But what our research shows is that expectations are beginning to shift across generations, with younger generations preferring more self-service options, and seeing the benefits of intelligent chatbots more clearly.

Read on to learn what your consumers expect when it comes to the CX need for speed, and how technology can play a role in enabling quick, positive customer experiences.

## Table of Contents

---

### **Fast or Furious:**

How slow service can cause businesses to lose customers for life

### **The Rise of Self-Service:**

How changing consumer demands require new options

### **Let's Chat About Chatbots:**

What's now and what's next with our robot friends

# Fast or Furious

How slow service can cause businesses to lose customers for life

That's right, when businesses aren't able to deliver fast service, their customers can become furious. And when we say fast, we mean immediate. According to our research, 72% of consumers expect their problems to be solved INSTANTLY upon contacting customer service. That means that wait times, holds, transfers and searching for information simply won't be tolerated. On top of that, the threshold where consumers start to experience frustration after contacting customer service — meaning the point at which that fury begins to take shape — is at the four minute mark. This threshold was seen across all customer service channels and all industries, meaning that the appetite for quick service is universal, and a speedy response should be consistent across channels and audiences. Additionally, 46% of respondents think businesses don't respect their time, with that number growing to over half

of consumers aged 55+, who may still prefer slower channels like phone.

---

**72%** of consumers expect their problems to be solved INSTANTLY upon contacting customer service

---

While making a customer wait an extra few moments for a response may not seem like the end of the world, it can truly impact a business' bottom line. Sixty-seven percent of respondents said they have stopped doing business with a company due to slow customer service, and 66% reported they wouldn't shop with a business again if they waited so long for a response that they gave up.

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.

**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 based on customer data or request type. 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.



of consumers say they have stopped doing business with a company due to slow customer service

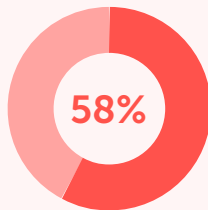
# The Rise of Self-Service

How changing consumer demands require new options

An entire generation of consumers have grown up with the answer to any question in the palm of their hand. And after the pandemic, habits have shifted across all generations. Consumers that may not have shopped online previously, known how to book an appointment online, or had never been on a Zoom call, were forced to become digitally savvy overnight. What this translates to is a large cohort of the population that is willing, able, and even prefers to get questions answered on their own.

More than half of surveyed consumers (58%) reported that they prefer to solve customer service issues on their own versus talking to a company representative. Whether via an FAQ page or through a chatbot, talking to a human and dealing with the roadblocks that can often come with the process, seems to be

falling more and more out of style. This only becomes more true when we break down the data by generation. When asked to rank the top three preferred customer service methods or channels, **consumers under the age of 35 rank self-service amongst their top three.** This means it will only become more important for businesses to invest in self-service tools as this generation ages, becoming the heads of the household and retaining their “help yourself” mentality.



**of consumers prefer to solve customer service issues on their own vs. talking to a company representative**

 HELP CENTER

## Type your question here

For best results, use in the form of a question with 3 or more words. i.e. "Where is my order?"



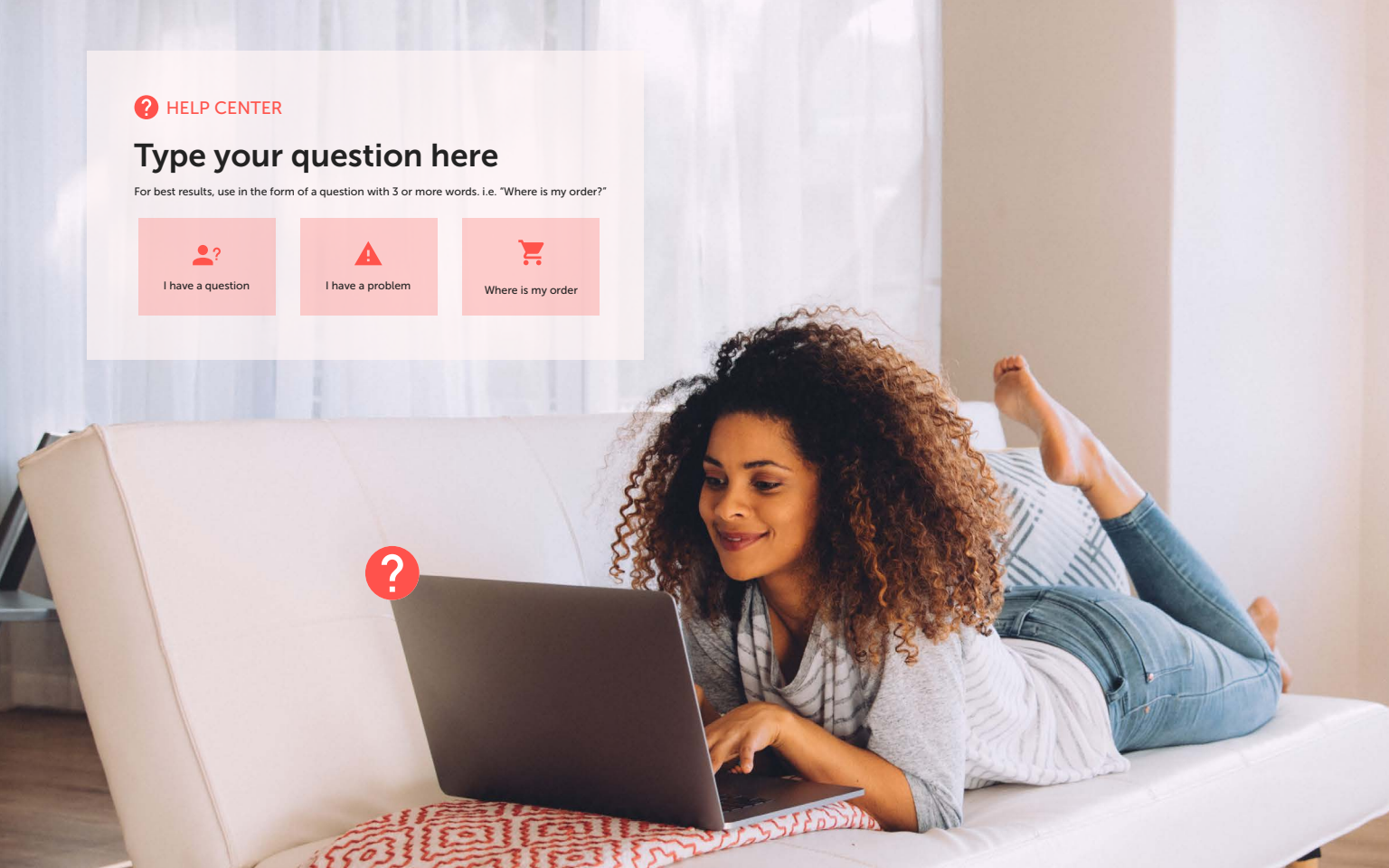
I have a question



I have a problem



Where is my order



# Let's Chat About Chatbots

What's now and what's next with our robot friends

Objectively, the benefits of chatbots are highly sought after by consumers. A chatbot can resolve basic inquiries instantly. They can also respond immediately and gather initial information before sending through to an agent for resolution, saving valuable time for both the customer and agent. Additionally, chatbots provide a form of self-service, delivering information or sending through appropriate FAQ pages to customers without the need to chat with a human.

However, despite all of these qualities, the majority of consumers still don't trust chatbots. **Only 72% of consumers say that they have interacted with a chatbot**, and 41% think chatbots improve the customer experience. In the grand scheme of customer service interactions (and channels) chatbots are still quite new, and oftentimes cannot resolve

more complex or consultative conversations. Because of this, it's likely that a good cohort of individuals may have had a negative chatbot experience in the past. Whether that is because escalation did not occur at the proper time, responses were not relevant, or a proper response was never received, less intelligent and earlier chatbots undeniably frustrated customers.

However, there is a direct correlation between age and appetite for chatbots, with younger consumers valuing them and understanding the best way to interact with them. Almost  $\frac{2}{3}$  of Gen Z consumers think chatbots improve the customer experience, and according to previous Kustomer research, **77% of Gen Z consumers find chatbots to be helpful.**



While this generation is absolutely more digitally adept than older consumers, they also seem to have a better understanding of when and how to interact with chatbots. They prefer to interact with them for more simple inquiries, while older consumers expect chatbots to do everything that a human agent can.

### Top Types of Conversations Consumers Conduct With Chatbots by Age Group:

#### Consumers Under 35

- 1 Resetting Password
- 2 Where Is My Order Inquiries
- 3 Processing Refunds

#### Consumers 35 - 54

- 1 Where Is My Order Inquiries
- 2 Asking an Exploratory Question About a Product or Service
- 3 Asking if a Product Is in Stock

#### Consumers 55+

- 1 Asking an Exploratory Question About a Product or Service
- 2 Business Hours
- 3 Helping With a Transaction

Younger consumers likely have a better understanding of what chatbots can help with, and thus find them more helpful, because they have more experience interacting with them. Eighty-one percent of consumers under 35 have used chatbots, compared with only 49% of consumers 55+.

An effective customer service chatbot can communicate with customers and answer important questions, streamlining the customer support process. But businesses have to do it right in order for customers to enjoy the experience. Here are **six simple steps to build a chatbot** that can deliver quick and satisfactory service to modern day consumers.



## Start Simple

---

When you are first getting started, pick one or two simple (but useful) use cases to automate. Then, you can learn and iterate as you discover how your customers prefer to interact with a chatbot.



## Leverage the Agent

---

Your customer service agents are the ones who know how your customers are interacting with the chatbot. Treat the bot like another agent: when you need performance feedback, use its peers.



## Templates, Rules & AI

---

Not all customer service chatbots are “conversational AI”. Very effective bots can leverage rules and simple conditional logic — it all depends on the use case. Either way you should leverage buttons, quick replies, and other conversational templates that help the user move through the conversation quickly and efficiently.



## Know When to Handover

---

A customer service chatbot is not a replacement for a human agent. Chatbots are excellent at fully resolving low-level queries because they often suit the modern customer’s habits of utilizing mobile technology to solve simple issues. However, just because an issue is complicated does not mean a chatbot cannot be helpful. Consider how you can use the bot for information gathering and light triage before routing to the right agent. In these cases, the customer service chatbot helps reduce handle time and expedites the customer’s support request.

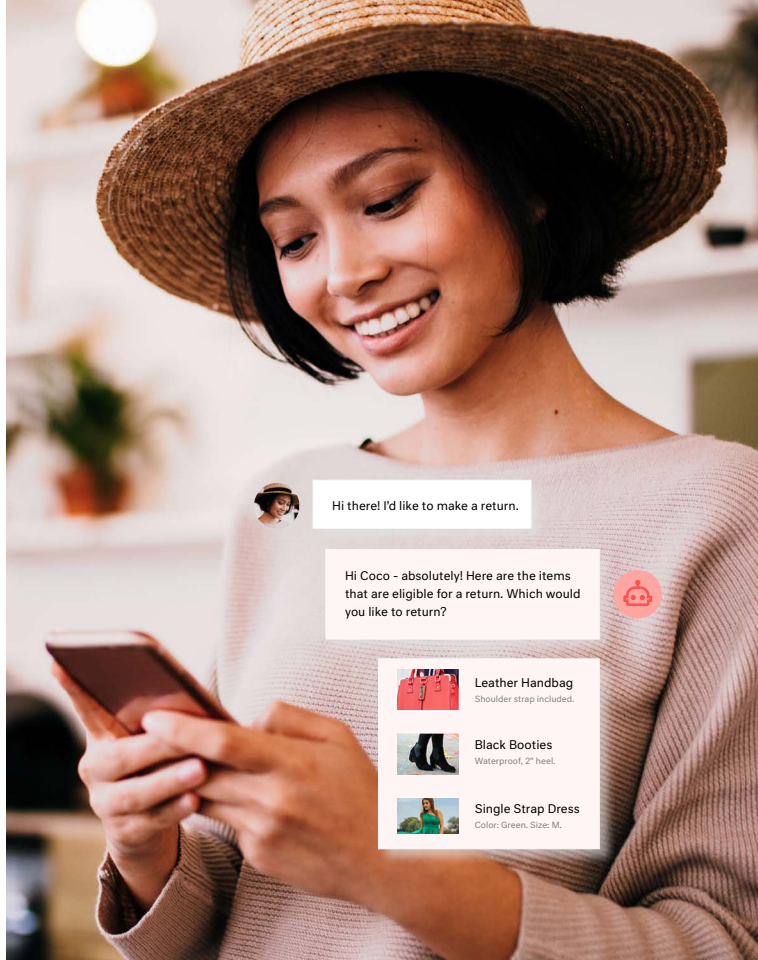
## Automation Happens Elsewhere, Too

Chatbots get a lot of attention when it comes to automation. But consider other ways you can streamline the customer support experience with a chatbot, and leverage additional intelligent services like automatic tagging, routing, and prioritization for the agent.

## Be Customer-Centric

At the end of the day, the success of your customer service chatbot comes down to how well it fits into the customer support journey and cadence strategy you have outlined for your customers. Consider different segments of customers that might prefer automation to “direct human” connection.

Consumer expectations are changing, with speed and self-service continuing to become more important by the day. Ensure that you are investing in the right technology and strategies to deliver a speedy and superior experience, no matter the channel or industry.



## About Kustomer

Kustomer is the top-rated CRM platform for omnichannel customer experience, helping leading businesses create customers for life. With an advanced, AI-powered, omnichannel customer experience platform, Kustomer delivers a unified single view of the customer, automates manual tasks, and scales easily to deliver the efficient and effortless CX that businesses, agents and consumers love. Today, Kustomer is the core platform of top customer-centric brands like Glossier, UNTUCKit, Ring, Glossier and Sweetgreen. Headquartered in NYC, Kustomer was founded in 2015 by serial entrepreneurs Brad Birnbaum and Jeremy Suriel, has raised over \$174M in venture funding, and is backed by leading VCs including: Coatue, Tiger Global Management, Battery Ventures, Redpoint Ventures, Cisco Investments, Canaan Partners, Boldstart Ventures and Social Leverage.

Want to learn how Kustomer can help you deliver quick and effective support? Visit [Kustomer.com/Demo](https://kustomer.com/Demo)

