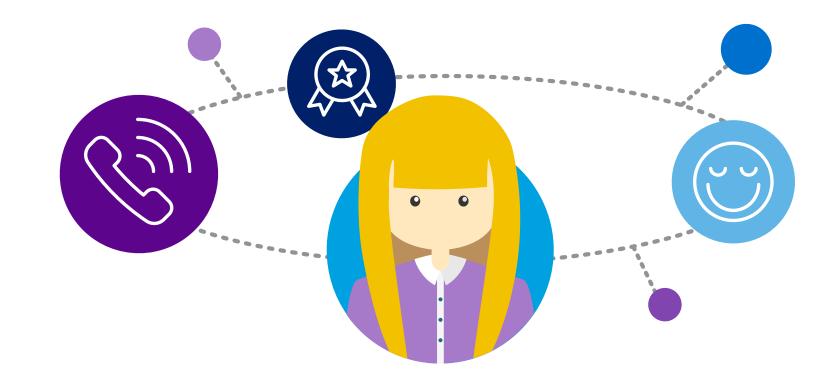
Crossing The Generational Divide: Providing Customer Service for Today's Consumers





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INTRODUCTION

New poll by Desk.com finds consumers know support is within reach, but want choice



Generation Key: Millennials: 18-35 Gen Xers: 36-55 Boomers: 56-65

Today, fast-growing companies everywhere are trying figure out the right recipe for success when it comes to keeping their customers happy and loyal. But when your customer base spans different generations with different service expectations, rolling out the right support strategy to address all your customers' needs can be challenging.

A new survey commissioned by Desk.com looks at how different generations of consumers – Boomers, Gen Xers, and Millennials – perceive and prefer to interact with customer service. And more importantly, how fast-growing companies can apply these insights to their support strategy.



EXECUTIVE **SUMMARY**

Supporting Every Channel Matters

Different generations have different preferences when it comes to how they interact with customer service

- 41% of respondents check a company's FAQ first when they have a question
- Facebook is the preferred social media platform for customer service for 82% of respondents
- 35% of Boomers and Gen Xers still cite phone as their preferred method of customer service, while Millennials prefer to use online chat

Speed is Critical

In today's on-demand world, consumers have high expectations for the speed of customer support

- 67% of respondents expect the fastest support response to come via chat (10 minutes or less)
- 36% of respondents think it would take at least 2 days for a response on social media, but 22% of Millennials expect a response within 10 minutes
- Acceptable wait time for phone support is 10 minutes, though 60% believe it should be 5 minutes or less
- Millennials are willing to wait 5 minutes longer than Gen Xers and Boomers when reaching out to customer service on the phone

Support Interactions are Opportunities for Brand Loyalty

The impact of a negative support interaction can be crippling to a small business – but there's time to adjust

- On average, it takes 3 bad support interactions for customers to stop using a brand
- 22% of Millennials would stop after 1 bad interaction
- Boomers are more likely than Millennials and Gen Xers to share bad experiences with people they know or the brand itself (60%)
- However, respondents are just as likely to talk about their customer service experiences with people they know, whether they're negative (56%) or positive (55%)

EASY DOES IT

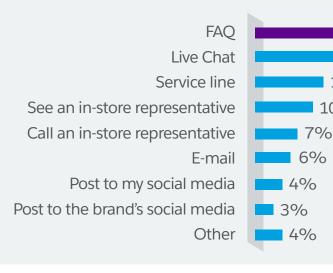
Convenience pushes respondents to answer their own questions about products instead of involving customer service

The First Step: Self-Service Support

41% of respondents would check a brand's website or FAQ as the first step if they have a question about a product or service.

- Far fewer would take a more laborious action like calling the customer service line (12%) or going to a store and asking a representative (10%).
- More Boomers would first call the brand's customer service line (17%) or go to a store to speak to a representative (13%) than Gen Xers and Millennials combined (10% and 8% respectively).

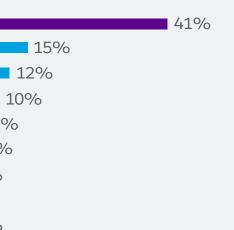
What is the first thing you'd be likely to do if you had a question about a product or service?



Why do you first go to the FAQ page?

I prefer to try to find out the answer myself without anyone's help 34%

*among respondents who first go to the FAQ page if they have a question about a product or service





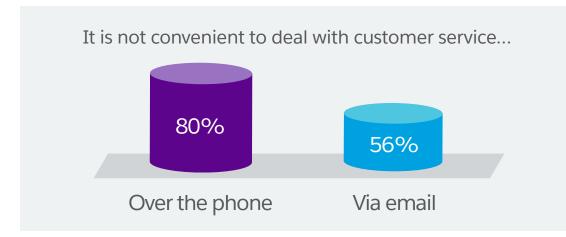
Convenience 33%

DIAL UP FRUSTRATIONS

Respondents encounter more pain when communicating with customer service over the phone than online, and find it isn't always the best way to get issues resolved

Troublesome Communications

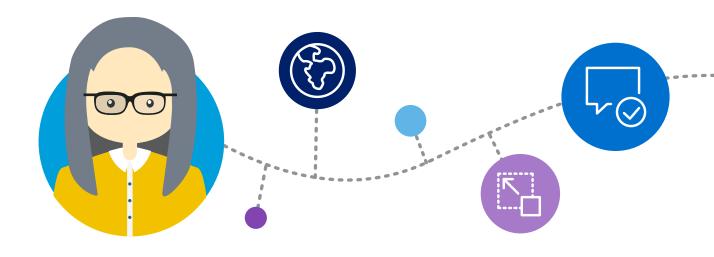
80% of respondents consider customer service over the phone to be inconvenient. Far fewer, 56%, think customer service via email is not convenient.



Dreaded Task

This may be why over one in five never look forward to calling customer service and say the process is frustrating.

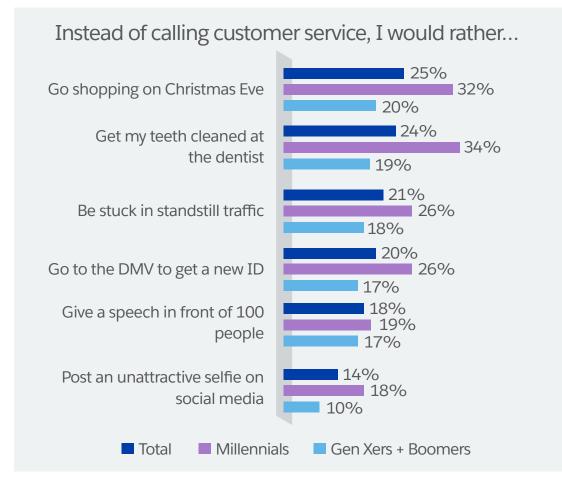
- 26% of Millennials say they never look forward to communicating with customer service over the phone vs. 18% of Boomers and Gen Xers combined.
- And even when they do call customer service for help, nearly three in four respondents (72%) still don't think this is the best way to get their issue resolved.



Anything But This

In fact, calling customer service to deal with an issue is so displeasing that one in four (25%) respondents would rather go shopping on Christmas Eve than make such as phone call.

• For Millennials this is even worse, with 34% saying they would rather get their teeth cleaned that call in to a customer service line.



Sacred Time

On average, respondents are willing to wait to speak to someone on a customer service line for...

However, 60% believe the wait time should be...

Millennials, on average, are surprisingly willing to wait five minutes longer than Gen Xers and Boomers when calling customer service lines







5 minutes longer

OPTIMAL COMMUNICATIONS

Despite lacking ideal qualities, customer service over the phone is the preferred method of interaction

Frustrations Aside

Even though many think calling customer service is inconvenient, three in ten (30%) respondents still agree that their ideal interaction with customer service would be by phone.

• 35% of Boomers and Gen Xers say phone is their preferred method of interacting with customer service, while Millennials (24%) would most likely use online chat as their ideal support interaction.

Communication Alternatives

- 20% of respondents would prefer an online chat
- 19% want their customer service interactions to be in person
- 14% would communicate with customer service via email
- 13% prefer to use a brand's online help center or FAQ page

Preferred Outlet

Facebook (82%) is the #1 social media platform Americans would use to interact with a company's customer service team.



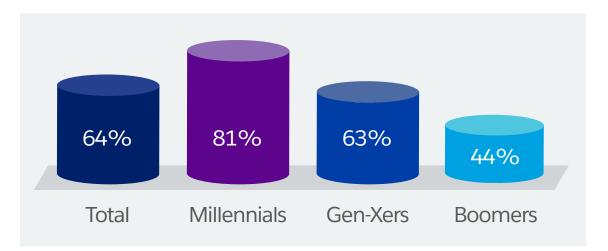
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Millennials	78%	43%	25%	18%	13%
Gen Xers	84%	33%	11%	14%	16%
Boomers	86%	16%	4%	9%	12%

Modern Communication

Close to 2/3 of respondents indicate they would interact with a brand's customer support through their social media channels.

- Over four in five (81%) Millennials would use social media to interact with a brand's customer service, vs. 63% of Gen Xers and 44% of Boomers.
- Even 40% of those who don't currently use social media would interact with customer service this way at some point.

Respondents who would interact with customer service through social media



Advancement Needed

Brands communicating with customers digitally have room for improvement. Few respondents believe they would get the premier outcome by interacting with customer service through digital means, such as online chat (13%), email (11%), or online help center or the brand's FAQ page (5%).

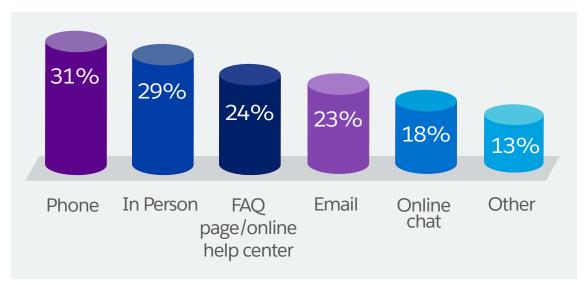


Important Offerings

Brands should take notice of these personal preferences, as being able to communicate with representatives the way consumers want is crucial.

- One in four (25%) would go so far as to not make a purchase if a brand did not offer their ideal method of interaction with customer service.
- Not having access to their preferred method of customer service interaction would prevent over one-third (35%) of Boomers and nearly one-quarter (20%) of Gen Xers and Millennials from making a purchase.

Respondents who are unlikely to make a purchase if a brand didn't offer their ideal method of interacting with customer service



NEED FOR SPEED

Online chats are seen as the quickest way to get a response from customer service; social media is the slowest, yet still attractive

Set the Timer

More than 2/3 of respondents (67%) would expect a response within 10 minutes when reaching out to customer service via online chat.

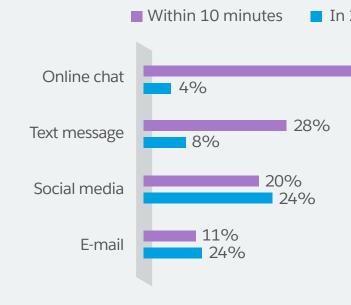
- Far fewer think they would get this response time from other channels, such as text message (28%), social media (20%), or email (11%).
- 30% of Millennials vs. 26% of Gen Xers and Boomers believe. they would get a response within 10 minutes after reaching out to customer service via text.

Still Waiting

In fact, nearly one in four think it would take at least two days to get a response from customer service if they reached out through social media.

• 27% of Gen Xers and Boomers think that it would take at least 2 days to receive a response via social media, while more Millennials (22%) expect a 10 minute response time on this channel.

I would get a response in this amount of time if I reached out to customer service through...



In 2+ days

67%

CAREFUL CONSIDERATION

The task at hand determines channels used to interact with customer service

Personable Exchange

More than one-third (34%) think they would get a better outcome from customer service over the phone than any other channels of communication. The same amount (32%) say this about in-person customer service.

 More Boomers than Gen Xers and Millennials expect better results to come from customer serviced via phone (38% vs. 32%) or in person (37% vs. 30%) than any other channel of interaction.

A	ctivity		Preferred Channel			
Re	eset a Password		 33% of respondents online help when rese 			
Sł	nipping Issues		 52% call customer se shipping issues 			
Re	eturning an Item		55% of respondents service for returning a			
Lo	og a Complaint		44% look to email wh logging a complaint			
Te	echnical Support		 31% of respondents p technical support via of 			
	35% of Millennials vs. 29% of Gen Xers would choose chat for technical support					

look for DIY setting a password

ervice for

s seek in-person an item

hen

prefer to get online chat

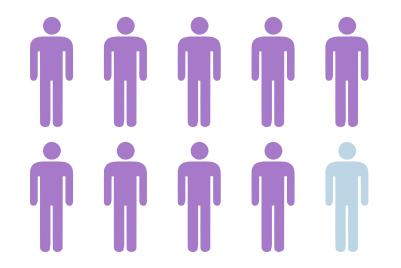
1/3 of consumers turn first to FAQs because they want to find the answers on their own

Boomers are more likely than Gen Xers and Millennials to call customer service for shipping issues (59%) or technical support (56%)

IMPACT OF SERVICE EXPERIENCES

Seamless procedures and more professional representatives would turn bad customer service experiences around

89% of respondents admit they've had at least one negative customer service experience in the past



What caused you to have a negative customer service experience?

I was passed around to multiple representatives or departments

The representative was unfriendly

I never got my question answered

I had to repeat my information or situation multiple times

The representative was unknowledgeable

The wait time to talk to a representative was too long when I called

The representatives and I didn't speak the same language

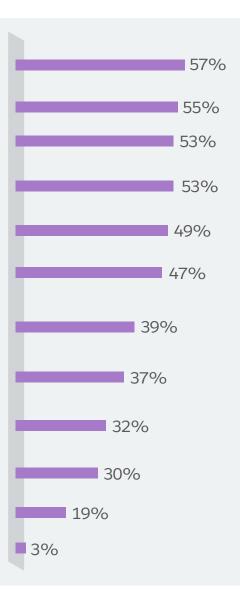
I didn't like the solution that was presented to me

The wait time in line at a store to talk to a representatives was too long

The response time when I reached out to the brand was too long

I tried to solve the issue myself

Other



Cease and Desist

Over four in five (82%) Americans would stop using a brand due to negative customer service experiences.

• More Boomers than Gen Xers and Millennials (88% vs. 78%) would stop patronizing a brand after a bad encounter with customer service.

Three Strikes

Brands have few opportunities to impress before customers will move on to a competitor. On average, respondents would cease their relationship with a brand after three bad encounters.

• For Millennials, this is amplified with 22% indicating they would stop patronizing a brand after just one bad encounter with customer service.

Fair Game

While 37% of social media users would post about a positive customer service experience, nearly the same amount, 34%, would do the same about a negative service encounter. So don't be afraid of social media – take your lumps and use it as an opportunity to turn a customer's experience.

I would post on social media about a customer experience that was...*





Telling it as it Is

Similarly, respondents are just as likely to talk about their customer service experiences with people they know, whether they're negative (56%) or positive (55%).

- However, far less respondents only 38% would share a negative customer service experience with the brand itself.
- Boomers are more likely than Gen Xers and Millennials to share negative customer service experiences with people they know (60% vs. 54%), and the company itself (43% vs. 36%)

I would tell people I know about a customer experience that was...*



Positive

55%





*among social media users



Talk about it with people I know (55%)

Sign up to receive their special offers (36%)

- Share it with the brand (30%)
- Subscribe to their newsletter (18%)

Share it with my social media network* (37%)

Participate in their loyalty program (43%)

Purchase from other brands that are owned by the same company (32%)

FUTURE OF CUSTOMER SERVICE

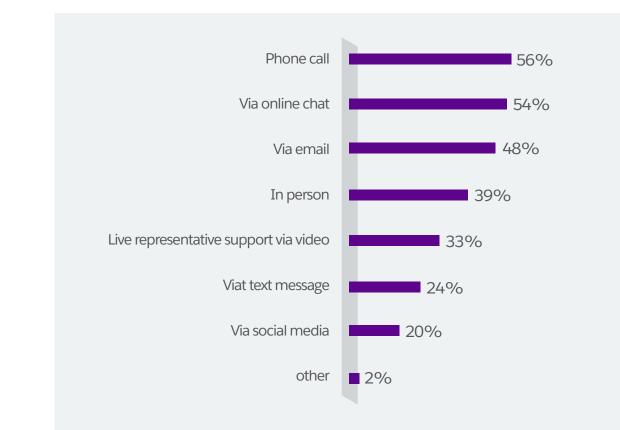
Communication channels used today will remain for years to come, but new methods will gain in popularity

Today and Tomorrow

Despite the inefficiencies many experience, more than half of respondents still expect to interact with phone (56%) and online chat (54%) in ten years

 Boomers think they will increase their interactions with customer service through digital means such as email (49%), live video support (30%) and texts (22%) over the next decade.

How do you think you will interact with customer service in 10 years?



About The Survey

The Desk.com Customer Service Survey was conducted between April 29th and May 12th, 2015 among 2,007 nationally representative Americans ages 18-65, using an e-mail invitation and an online survey. Quotas are set to ensure reliable and accurate representation of the entire U.S. population ages 18-65.

> Margin of Error = +/- 2.2 Percent Sample = 2,007 Nationally Representative Americans ages 18-65

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