



Customer Service Relevance Report 2023

Bad Self-Service Is Worse Than No Self-Service

Customers Are Ghosting You

In a survey of 4,000 consumers who work, we found that customer tolerance is ebbing. Is your organization able to evolve with customers' expectations?



Is your organization equipped for customer retention in 2023?

In an uncertain economy, more pressure is on for organizations to retain — and expand — customers. In this year's Customer Service Relevance Report, we dig deep into where the opportunities and risks are.

What was eye-opening is that ghosting has become more prevalent — and people will now leave your brand after only two negative experiences.

Does this hold true for all cohorts? How do Gen Z and Millennials differ from Gen X and Boomers? And what's most likely to aggravate your customers?

From a survey of 4,000 consumers, we found that the customer service picture continues to transform. Is your organization prepared to ensure its future by winning over younger customers?



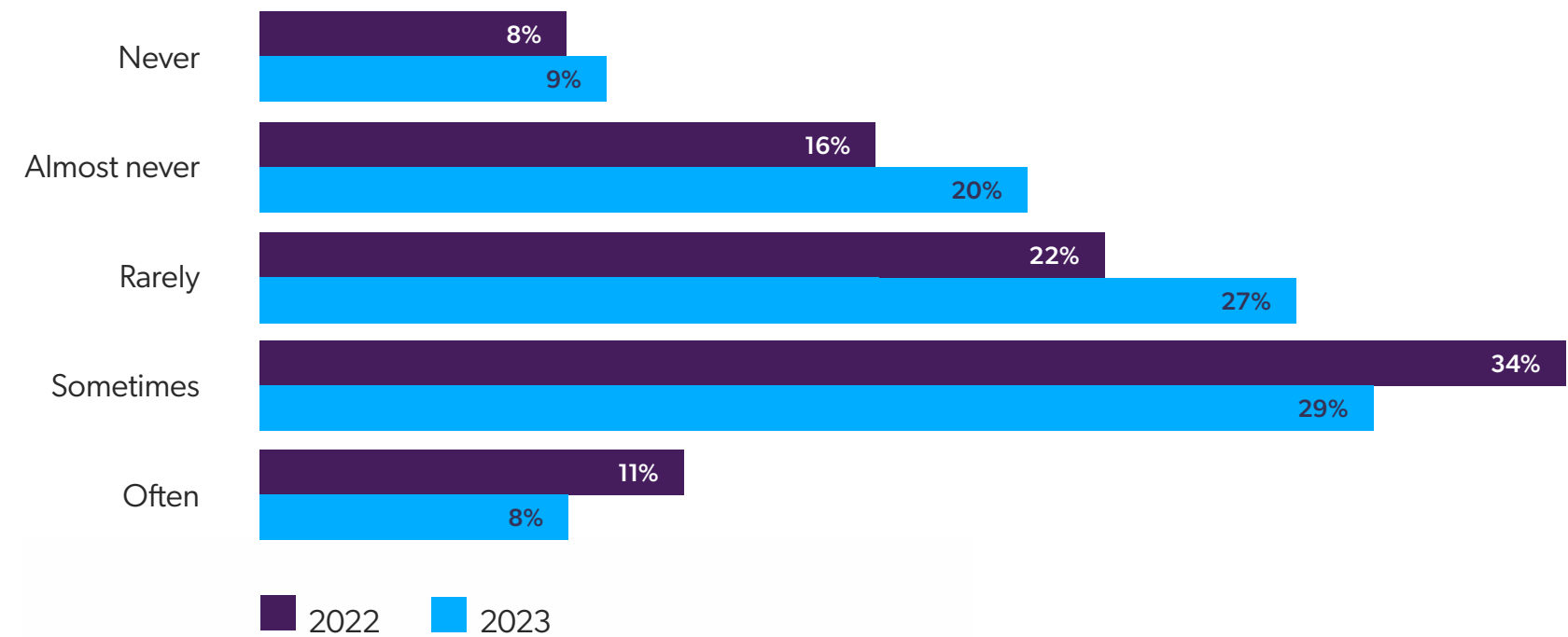
Check out our findings and insights, and use them to inform your digital self-service strategy in 2023.

Customers Don't Complain — They Just Leave

You're forgiven if you don't hear many customer complaints. For the third consecutive year we see the ghosting trend continue to swell as 56% of respondents (up from 46% in 2022) say they rarely or never complain about a negative customer service experience. Which, when you think about it, isn't that surprising; all they have to do to rectify the situation is open a browser tab and search to find your top ranking competitor.

This was hugely apparent for Gen Z, where 60% say they rarely or never complain to a company when they have a negative digital customer service experience. Your future customer base is abandoning you when you don't proactively support their experience.

How often do you complain to a company when you have a negative digital customer service experience?



Takeaway

Proactively make service content available so customers can understand how to get the most out of the products and services you offer them. In return, you get insight into what they find most interesting (or can't find!). Here, search analytics is your friend. Identify content gaps, what works, and what doesn't, so your content strategy is tailored specifically to give your audience what they want.

Great Products Alone Aren't Enough to Keep Customers

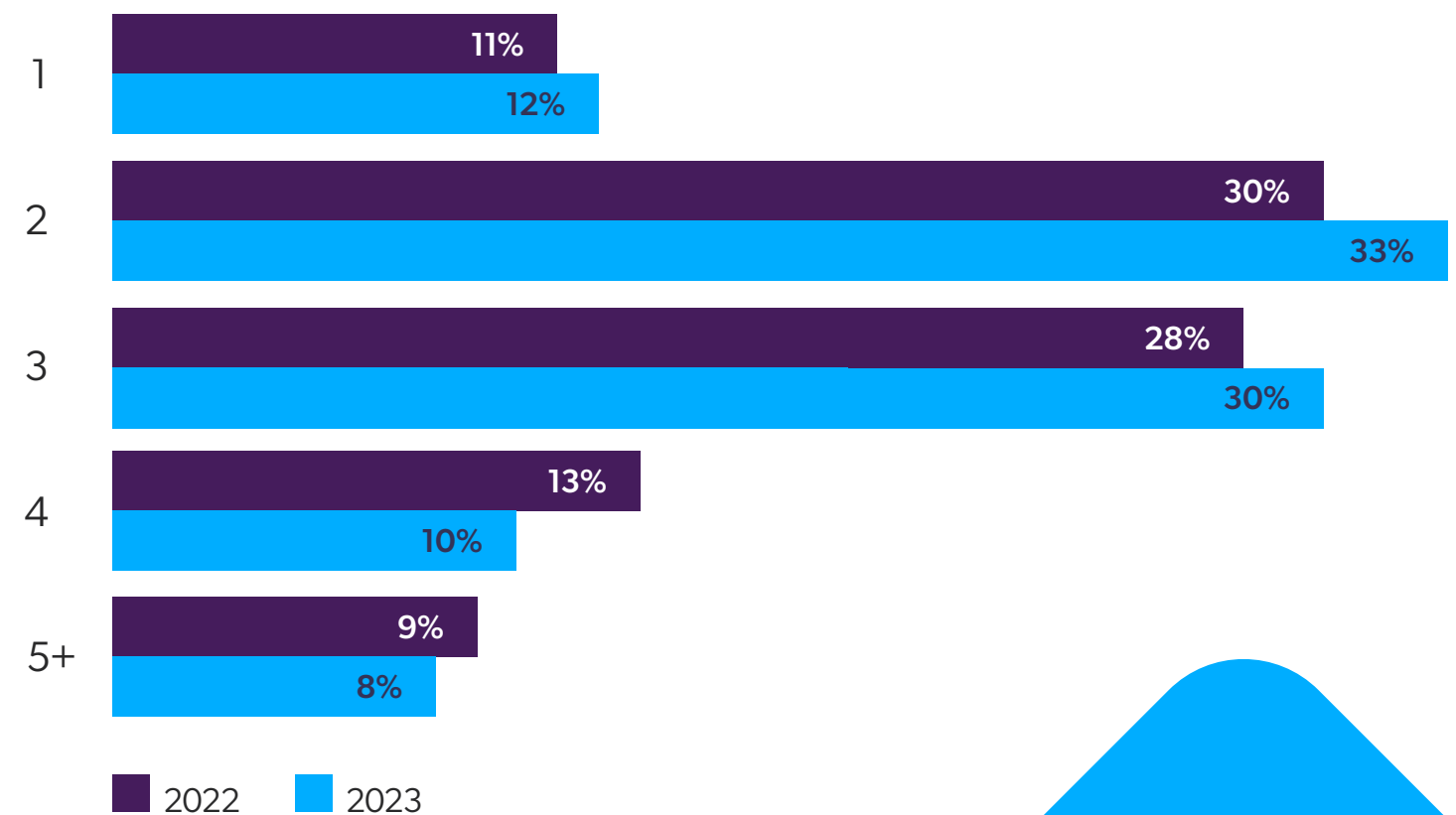
Our respondents shop at affordable stores (60%, with younger generations reporting a higher likelihood to be price sensitive) and identify themselves as less brand loyal (39%) — meaning products alone aren't enough to win them over. In addition, customers are likely to be just as time-sensitive when it comes to resolving issues.

Respondents said they will abandon a brand **after only two negative experiences** (dropping from three in last year's report).

Fifty-nine percent of Gen Z and 49% of Millennials say they **will give a brand a third chance** before abandoning it. Gen X (40%) and Baby Boomers (32%) aren't quite so generous. It's notable that the digitally native generation has more patience for a poor online experience — but that doesn't mean that Gen Z will offer brands endless chances when it comes to digital self-service.

Let's dig into what they consider a bad experience, and what your organization can do to avoid abandonment.

After how many negative digital customer service experiences do you decide to abandon that brand?

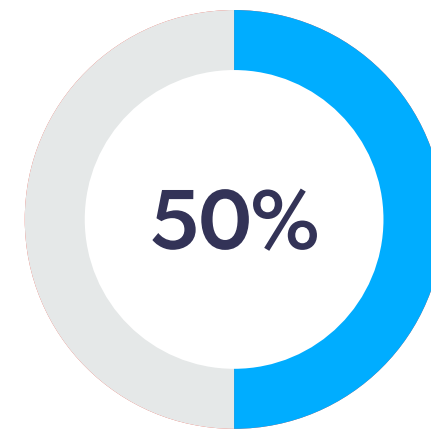


No Self-Service Is Better Than Bad Self-Service

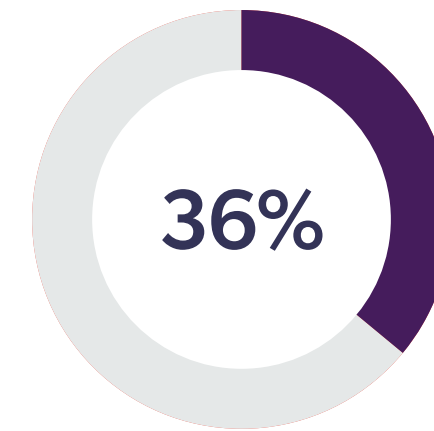
When we asked customers when they were most frustrated when buying from a company, it wasn't the finding, or the transaction — it was post-sale customer support (55%, up from 48% in 2022). This negative sentiment isn't reserved solely for contact centers — half of respondents say they prefer no self-service at all if said self-service is a bad experience.

Surprisingly, this sentiment isn't driven by the customers you'd expect. While Gen Z is still likely to use self-service, even if the experience is poor, older generations are less forgiving. But how long will this hold true? As Gen Z matures and gains responsibilities, will this expectation shift? When they have less free time, how will they respond? We can conclude, based on evidence from older generations, that the clock is ticking.

Would you prefer a bad self-service experience or not to have a self-service option? (single-choice)



I'd prefer no self-service option if it's going to be a bad experience



I'd prefer a self-service option even if it's a bad experience



Takeaway

Proactively offer the most relevant information throughout customers' journeys — which means looking beyond knowledge base or marketing content to include multimedia that younger generations prefer. They want to educate themselves with docs, specifications, and reports (and prevent future issues). This can also be lucrative in luring in prospects, who are now more likely to do copious amounts of research before buying.

It's Hard To Fix Something When You Don't Know What's Wrong

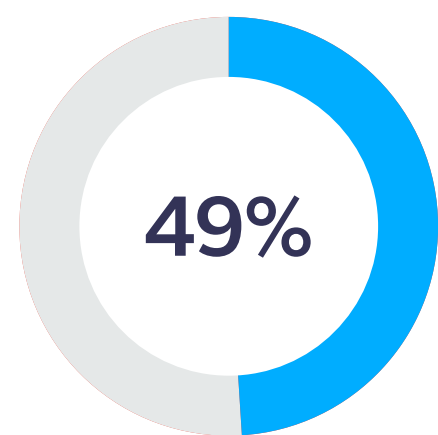
In Their Own Words, Why Customers Abandon

It's hard to fix something when you don't know what's wrong. So we asked our respondents: What makes for a poor self-service experience?

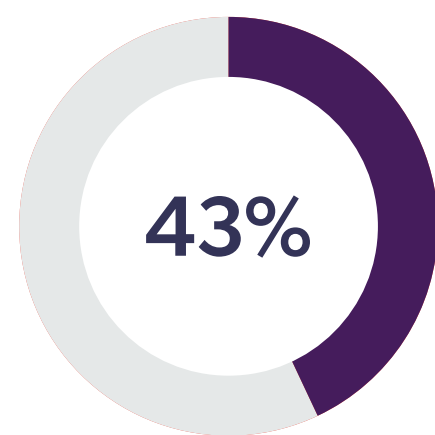
The top-most response is "it's too hard to talk to an actual person" (53%); second is getting conflicting information from customer service representatives (46%); third is not being able to find the information on their own (43%); and fourth is having a different experience across the same company's digital touchpoints (26%).

When broken down by generation, Gen Z's biggest issues are "it's too hard to talk to an actual person" (49%), conflicting information from reps (43%), and not being able to find information on their own (40%).

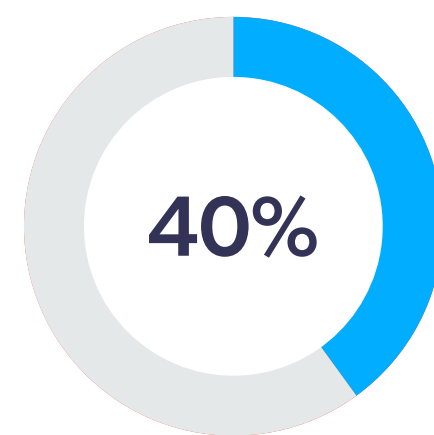
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Takeaway

To prevent abandonment, you must focus on providing more consistent information & experiences, increasing findability through intelligent/cognitive search, and, in the case of B2B high-tech, providing helpful guidance when the customer begins the case submission process.

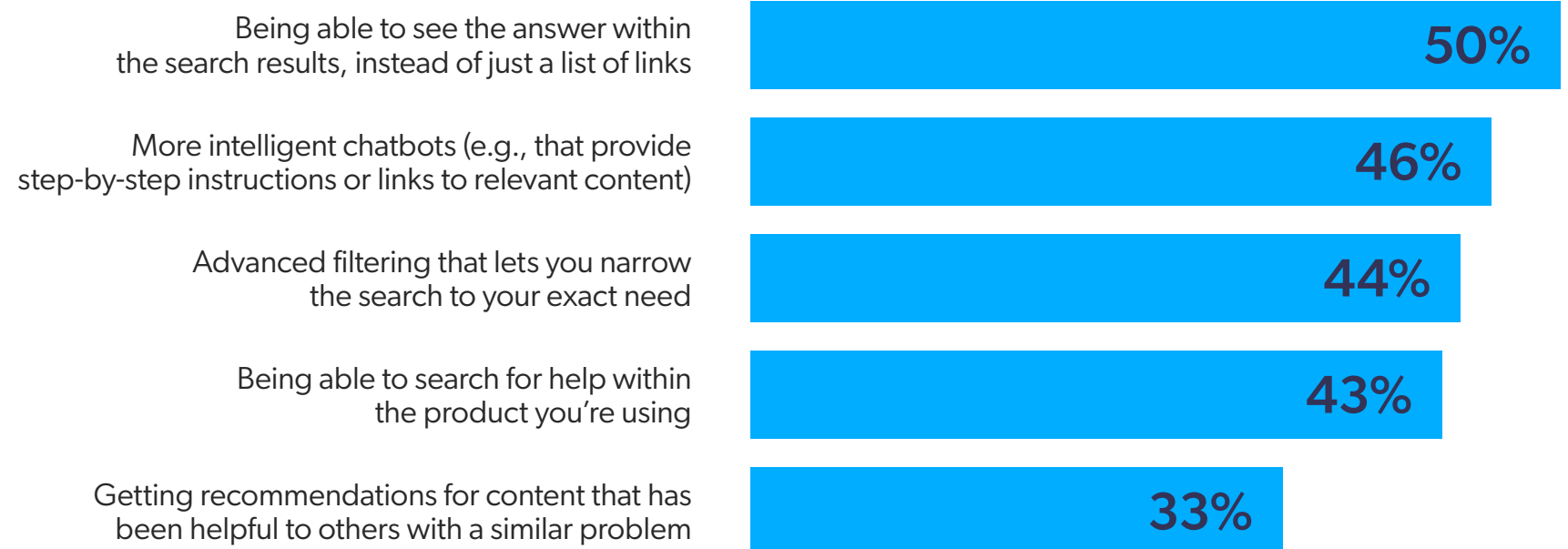
Don't Overcomplicate It

When asked what makes a self-service experience better, a majority (50%) say they want to be able to see the answer within search results — instead of just links. Meaning they want the actual *answer* served to them rather than having to dig on their own.

Other multiple choice answers include more intelligent chatbots (46%), described as ones that provided step-by-step instructions or surfaced relevant content; advanced filtering (44%), allowing searchers to narrow results to an exact need; the ability to search for help from within the product itself (43%); and content recommendations that were deemed helpful by other users (33%).

When it comes to unearthing the right kind of content, younger generations appreciate value enhancement. Gen Z say they wanted to find supporting content (manuals, instructions) that lets them get the most out of their purchase (55%), followed closely by Millennials (52%) and Gen X (48%).

When resolving an issue online, which of the following would improve your self-service experience? (all respondents)



Takeaway

Customers value ease and convenience above all else. When there are simple questions, don't make the customer dig through long documentation to get an answer. Otherwise they'll just have your (high cost) rep just read them the documentation — or abandon you altogether.

According to Customers, Who Has the Worst Service?

Which industry is struggling the most with poor customer service?

At least in the U.S., online retail maintains the dubious honor for the second year in a row (36%). Utilities/service providers come in second (33%), with health insurance third (29%), and technology providers fourth (27%).

In the UK, utilities/service providers beat retail for worst customer service (38% and 37% respectively).

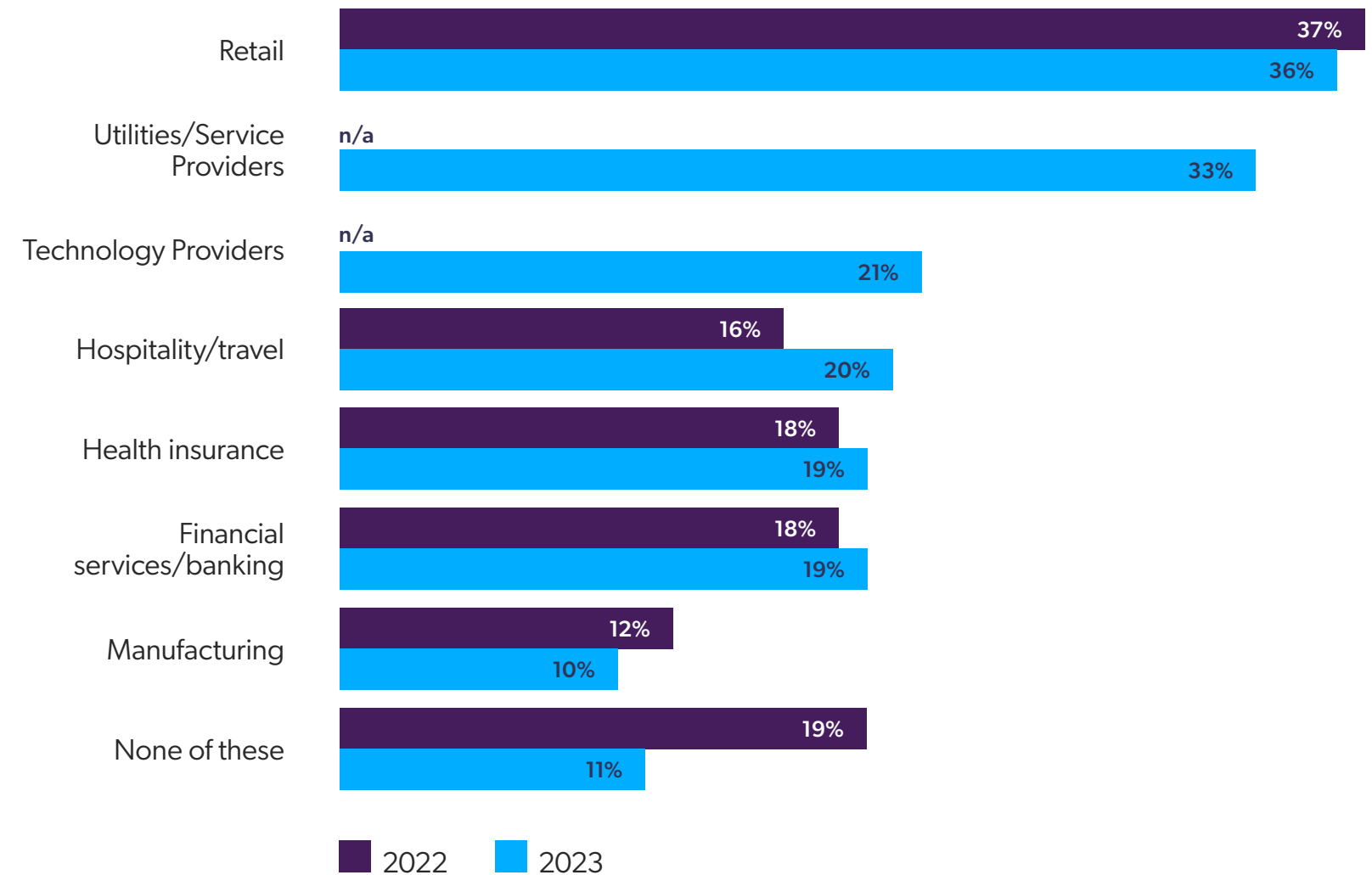
Across demographics, mentioning specific industries declined with age — with the exception of utilities/service providers, which increased (Gen Z 27%, Gen X 37%).



Takeaway

Service and support expectations vary by industry. This means building and maintaining a feedback loop with your audience is more important than ever — and digital avenues are a great way to analyze what your customers want.

In which of the following industries do businesses consistently provide the most negative digital customer service?



Is Your Support Experience Aligned With Evolving Expectations?

While offering great customer service should be table stakes, many companies still miss the mark (and spend too much money) on doing everything except the fundamentals. Our report shows that customers want answers — is your company equipped to supply them?

Because customer expectations are constantly evolving, you need to build an experience layer that works across all channels. That experience layer must sit on a flexible foundational platform that includes search and machine learning that allows you to meet your customers — wherever they are.

Deliver the proactive experience your customers seek, and save money doing it.

Research Methodology

Arlington Research conducted an online survey of 4,000 adults across the U.S. and UK aged 18+ who use a computer as part of their work in companies with 250+ employees. Responses were captured between January 12-25, 2023.

Due to rounding, not all percentage totals in this report equal 100%. All comparison calculations are made from total numbers (not rounded numbers).

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