

# “Enhance your Customer Service by Addressing Generational Communication Preferences”

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# Goal for today

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Discover effective ways to communicate with customers by adapting generational styles to meet your customer's needs.

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



Characteristics	Maturists (pre-1945)	Baby Boomers (1945-1960)	Generation X (1961-1980)	Generation Y (1981-1995)	Generation Z (Born after 1995)
Formative experiences	Second World War Rationing Fixed-gender roles Rock 'n' Roll Nuclear families Defined gender roles — particularly for women	Cold War Post-War boom "Swinging Sixties" Apollo Moon landings Youth culture Woodstock Family-orientated Rise of the teenager	End of Cold War Fall of Berlin Wall Reagan / Corbachev Thatcherism Live Aid Introduction of first PC Early mobile technology Latch-key kids: rising levels of divorce	9/11 terrorist attacks PlayStation Social media Invasion of Iraq Reality TV Google Earth Clastonbury	Economic downturn Global warming Global focus Mobile devices Energy crisis Arab Spring Produce own media Cloud computing Wiki-leaks
Percentage in U.K. workforce*	3%	33%	35%	29%	Currently employed in either part-time jobs or new apprenticeships
Aspiration	Home ownership	Job security	Work-life balance	Freedom and flexibility	Security and stability
Attitude toward technology	Largely disengaged	Early information technology (IT) adaptors	Digital Immigrants	Digital Natives	"Technoholics" — entirely dependent on IT; limited grasp of alternatives
Attitude toward career	Jobs are for life	Organisational — careers are defined by employers	Early "portfolio" careers — loyal to profession, not necessarily to employer	Digital entrepreneurs — work "with" organisations not "for"	Career multitaskers — will move seamlessly between organisations and "pop-up" businesses
Signature product	 Automobile	 Television	 Personal Computer	 Tablet/Smart Phone	Google glass, graphene, nano-computing, 3-D printing, driverless cars
Communication media	 Formal letter	 Telephone	 E-mail and text message	 Text or social media	 Hand-held (or integrated into clothing) communication devices
Communication preference	 Face-to-face	 Face-to-face ideally, but telephone or e-mail if required	 Text messaging or e-mail	 Online and mobile (text messaging)	 Facetime
Preference when making financial decisions	 Face-to-face meetings	 Face-to-face ideally, but increasingly will go online	 Online — would prefer face-to-face if time permitting	 Face-to-face	 Solutions will be digitally crowd-sourced

\*Percentages are approximate at the time of publication.



## **What is an omnichannel strategy?**

“Omnichannel” customer support stems from its conceptual ancestor: “multichannel” support. Customer support channels include phone support, email, live chat, social media, forums, self-service knowledge bases, etc.

## OUT WITH THE OLD

More than any previous generation, millennials expect their interactions with your business to be not only fast and easy, but personalized. And they're willing to pay more for this type of 1:1 experience. The problem is that most businesses aren't equipped to handle millennials' expectations. The customer-service center was built to be transactional — a customer calls in with a question, the agent creates a case, answers the question, and closes the case. Now when a customer contacts the service department, she expects the agent on the other end to know my entire history with the company — every interaction, spanning the sales, service, and marketing departments.

# LOYALTY

But it's not all headaches — there's an upside. **Millennials are very loyal to brands**, so if you develop a relationship with them early, they'll continue to purchase from you as they get older. Additionally, millennials are vastly more willing than past generations to embrace new technology. They're used to giving up some of their personal data for the sake of a better experience — it's been a fact of life for them since their earliest consumer days.

## SEAMLESS SERVICE

Most of all, customers expect agents to know how to solve their cases — and not to have to transfer them around to department after department as everyone's patience wears thin. As anyone who has been on a service call knows, most service departments continue to operate in a transactional nature, lagging behind what customers, primarily millennials, expect. How big of a problem is this? Millennials are now the largest generation, with \$200 billion in annual buying power. By 2020, that figure is set to double.



# SEAMLESS SERVICE

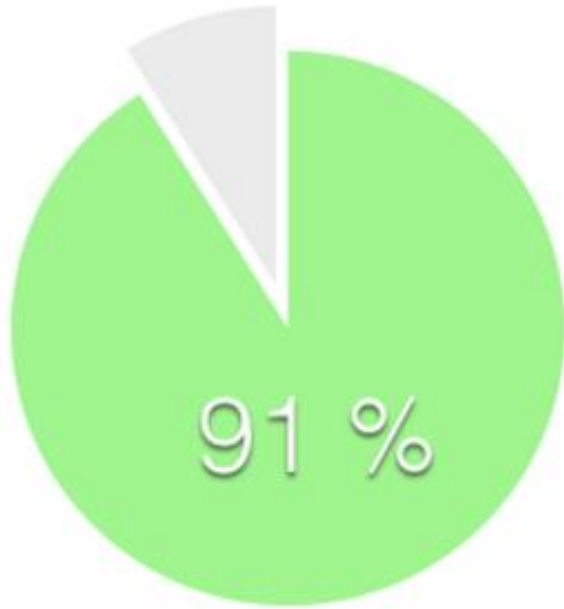
The agent is expected to know if this is a recurring issue or a first-time problem. The customer shouldn't need to give basic customer information and expects to be able to contact the company on whatever channel he prefers — and on whatever device he prefers — and receive the same level of experience.

34% of millennials would rather have their teeth cleaned than call customer service.

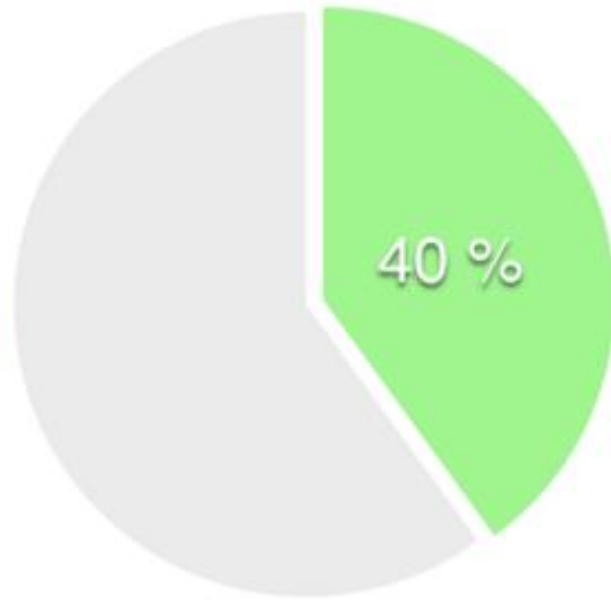
Speaking of pleasing customers, let's talk one of the potentially upsetting customer service trends: the looming specter of Millennials. Both in sheer numbers and purchasing power, Generation Y is in the process of overtaking Baby Boomers and Gen X in the developed world. We are smack-bang in the middle of watching a whole new demographic of consumers flourish.

## **Provide a hybrid support model.**

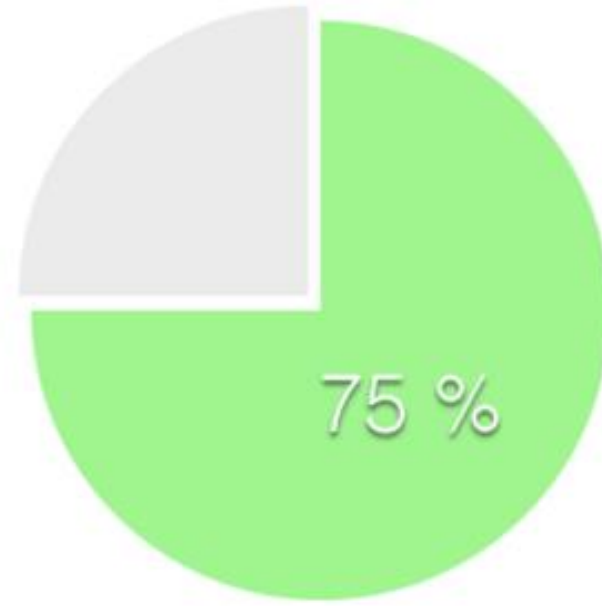
It's increasingly interesting for businesses to ask this difficult question: when will human interaction be helpful and welcome, and when it would just get in the way of a happy resolution? Make sure that the human presence adds value to customer interaction, rather than taking away from it.



of people said they would gladly use a self-service knowledge base if one were available.



of respondents check for a self-service knowledge base before calling a support number.



of people consider a self-service knowledge base a convenient way to resolve a support issue.

This empowers customers, who tend to feel better about themselves and the company they patron if they can manage to solve their problem on their own. Connected customers enjoy self-service because they feel self-reliant and empowered.

## **IoT makes for proactive customer service**

Evidently, customer service is increasingly about providing the proper tools to customers, but also about making sure they know how to get the most out of them. If those tools happen to be a part of the product you sell, all the better. This brings me to a more technological side of customer service trends: the Internet of Things.

The main challenge facing IoT, which experts agree, remains in its infancy, is that of connected devices successfully “talking” to one another. Integrating devices with each other would mean a seamless dialog between one’s utilities, and a unified method of customer care



# **Customer Service = Customer Experience**

Generation X interacts the most with customer service, and Baby Boomers interact the least with customer service. In fact, Baby Boomers interact with customer service 20% less than Generation X! (Do you think it's because Baby Boomers saved all those instruction booklets?) If you consider all of the groups that interact with customer service, Hispanics interact with customer service the most. Is your customer service offered in Spanish? If not, it should be.

# Customer Service = Customer Experience

How important is customer service to America? Really important (if that weren't clear enough already). In fact, 76% of Americans view customer service as a “true test” of how much a company values them.

How strongly do Americans like or dislike interacting with customer service?

Almost a third of America—that's over 100 million people—would rather clean a toilet than interact with customer service. A quarter of America would rather change a dirty diaper than interact with customer service.

## **Customer Service = Customer Experience**

Over 69% of Americans said that they are more loyal to organizations that “make me feel like they know me when I contact their customer service people.”

Surprisingly, the group that feels most underappreciated and least integrated into customer service? Not Millennials. It's Baby Boomers. In total, over 60% of all generations feel underappreciated when it comes to customer service.

# **Communication Preferences Drive Customer Experience Expectations**

What drives differences in customer experience expectations and, as a result, customer satisfaction? It turns out that each generation wants something different when it comes to experiencing great customer service.

## **Communication Preferences Drive Customer Experience Expectations**

Millennials, more than any other generation (77%), think that customer service should be available in a wide variety of communication styles—10 points higher than Baby Boomers. Curiously, more females than males in every generation expect customer service to be provided in multiple channels. Going further, we found that 40% of Millennials would prefer purely online customer service.

## **The Future of Customer Service is Self-service**

The majority of Americans, of every generation, say that their customer service expectations have increased over the last three years. Customer service expectations will change even more quickly as technology improves. Across every generation, online customer service is currently the most preferred type of customer service.

## **The Future of Customer Service is Self-service**

Yet America still wants more from the customer experience than most companies are prepared to give. Customers today want to know that *you* know there is a problem before they discover it. Over 80% of America want and expect companies to notify them in advance of a problem. This strong position cuts across generation, gender and geography.

# **Five Actions You Can Take Now to Create Greater Customer Experience with Millennials and Every Generation**



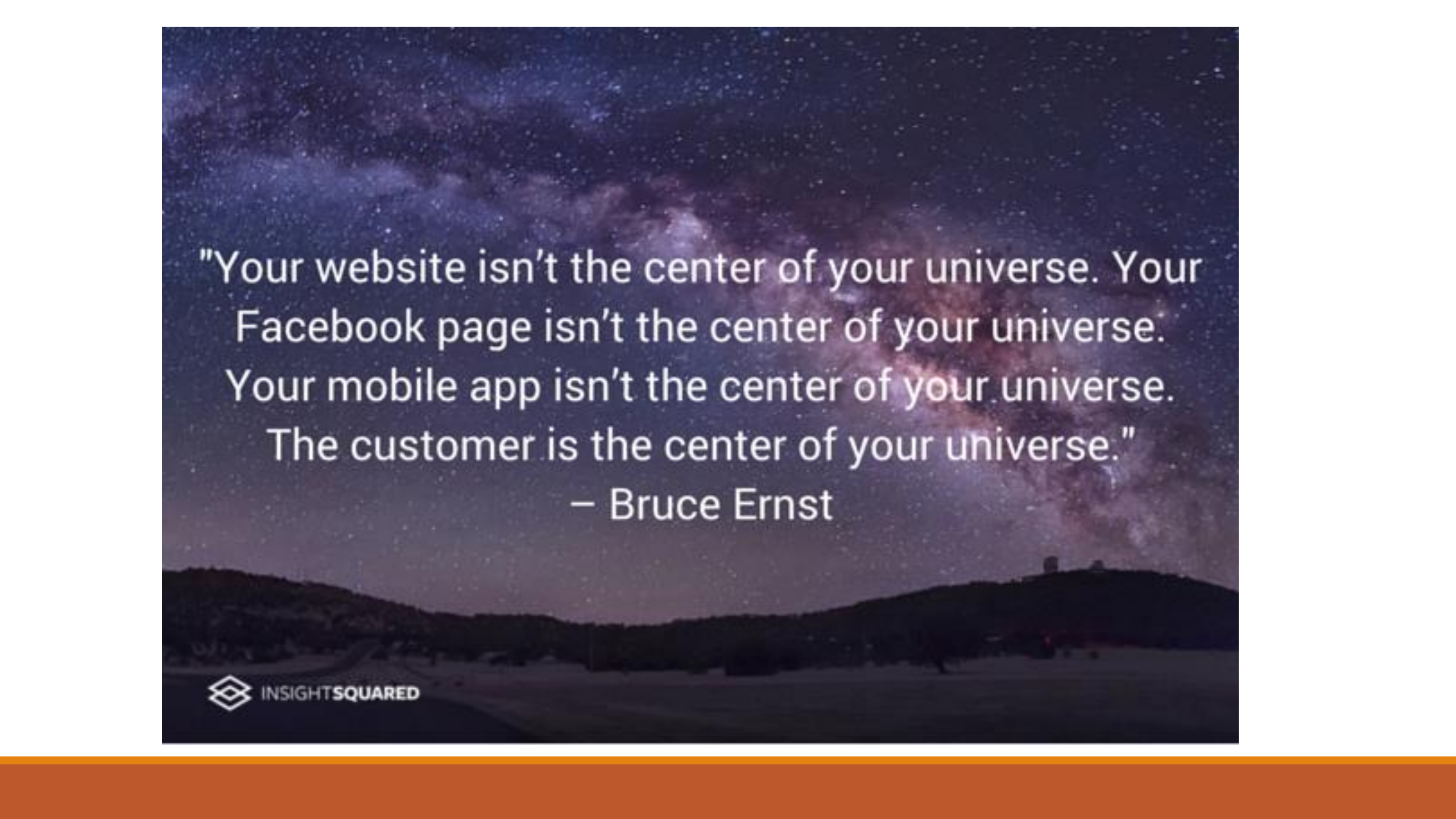
1. Quit the self-centered self-service, and develop an omni-channel self-service strategy where your customers can seamlessly conduct an interaction with you on one channel and pick up where they left off on another without having to repeat themselves. Most customer self-service today is difficult to navigate and frustrating to experience, mainly because it is designed with a company cost-savings mindset. If the research findings tell us anything, it's that self-service, when done right, is a preferred means of engagement for all generations. Because your customers want to try to solve their problems on their own first, give them the chance to do it. And do it in ways that are engaging, mobile and connected to the rest of your interaction channels so that if they get cut off or they can't get a resolution, they can easily pick up where they left off when they talk to a live person.

2. Shop yourself as if you were a Millennial. Go through your entire purchasing pathway as if you were between the ages of 19 and 37. This would include searching for your brand, product or service online. Then go through the entire buying process with as little direct human contact as possible. Determine which steps are cumbersome, need to be omitted or need to be added. If you're not sure how Millennials go through an experience, you can always hire a small group (think college kids) who are unfamiliar with your sales experience and let them report on what worked well for them and what didn't.

3. Interact with customer service as if you were a Millennial. Pick a product, service or offering, and go online to see if you can get your question answered. Start with online self-service, and then try using social media and texting. When you find that customer service doesn't work through these channels, consider adding them or creating obvious workarounds that show Millennials that you know that they're looking for those pathways, and you've got alternatives for them.

4. Create a self-help video library that is easy to navigate. Start by reviewing the most common questions or challenges that customers bring to you, and then create a simple video that shows how to solve each one. This could be how to set up an online account, how to replace a battery or how to exchange something previously bought. Use very clear names for each video so that customers can type in a specific question and get recommendations that match their query. The key is that the videos should include simple step-by-step instructions and be easily viewed on any mobile device. If you want to go even further, invite your customers to upload their own how-to videos and give prizes for the best ones.

5. Go to the customer service extreme. Imagine that you could no longer solve customer service problems with a phone call or in-person answer. What do you have to do differently to be able to quickly and easily help your customers get their problems resolved? Think through each channel, including social media, SMS and online search, as well as crowdsourcing. Going to the extreme will help you prepare now when that customer service situation becomes a reality.

A night sky with the Milky Way galaxy visible, stretching across the frame. The foreground shows a dark, silhouetted landscape with hills and a small structure on a ridge.

"Your website isn't the center of your universe. Your Facebook page isn't the center of your universe. Your mobile app isn't the center of your universe. The customer is the center of your universe."

– Bruce Ernst