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2016 NICE-BCG
CX SURVEY

Survey Highlights
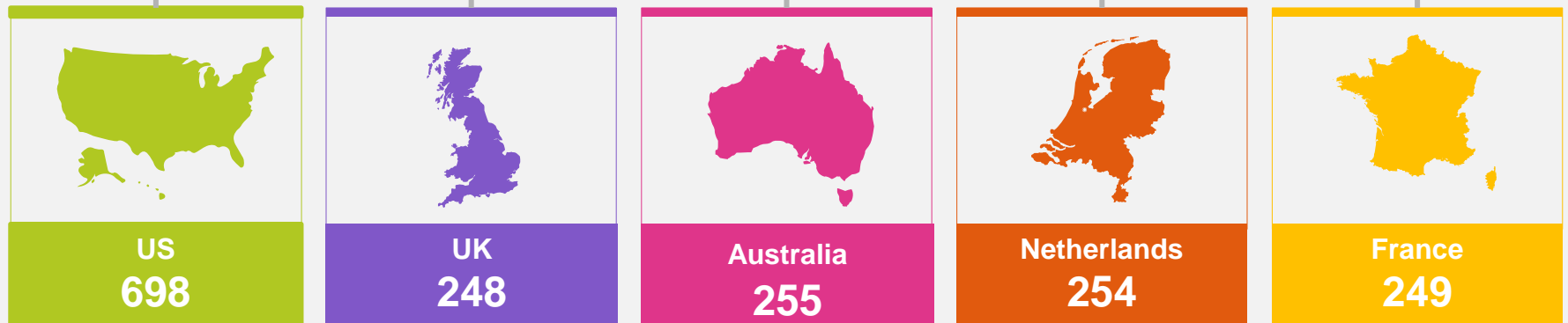
NICE and BCG sponsored a survey to identify the key trends in Multi-Channel customer experience

1,704
Surveys

US	UK	Australia	Netherlands	France
698	**248**	**255**	**254**	**249**

Respondents recruited from online panels of users of 3 types of services

1 Financial services

2 Telecom services

3 Insurance

Data collected
July 30 – August 21, 2015

Required to be between **ages 18-65** and live in a **major metropolitan area**

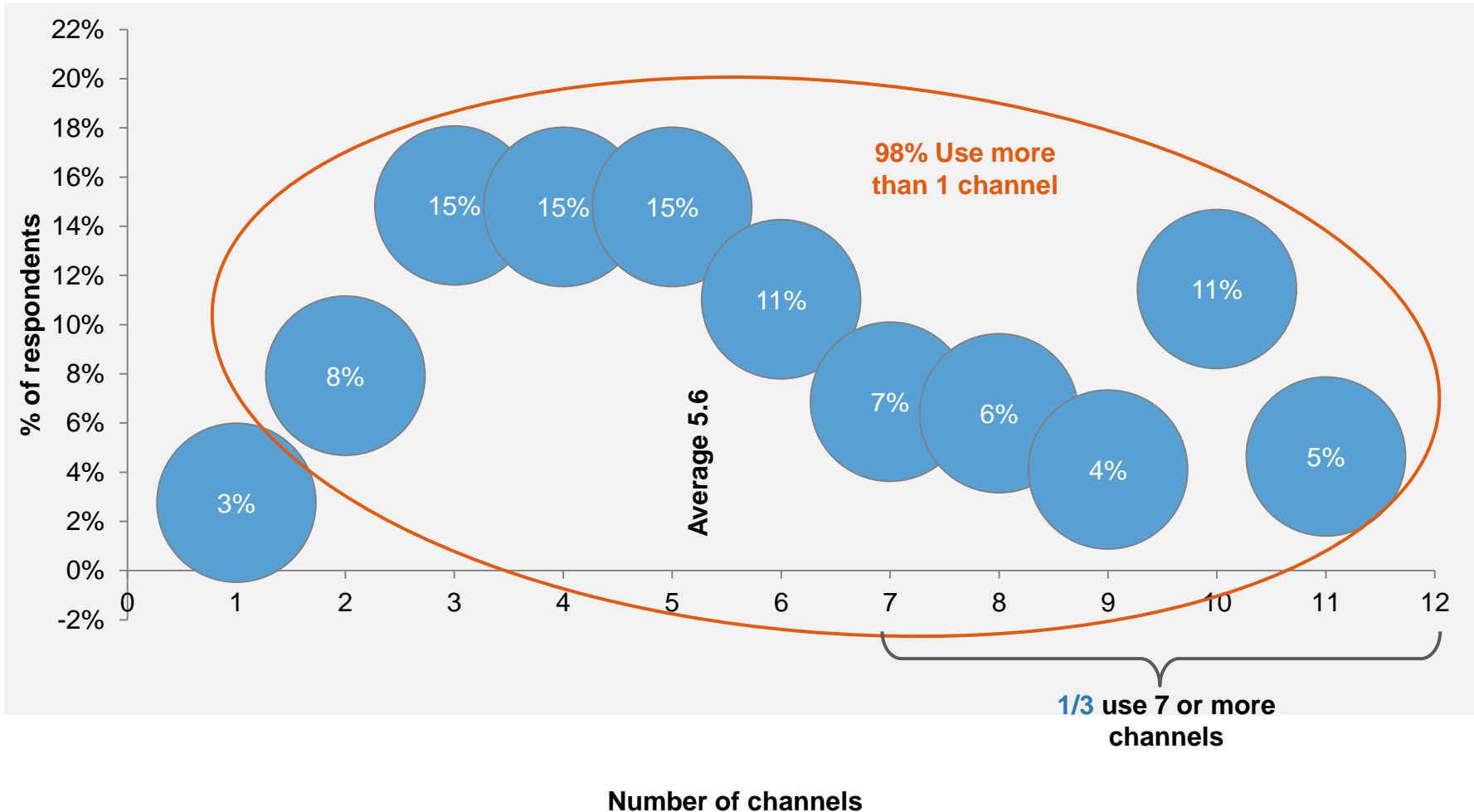**NICE** and/or **BCG** was NOT identified as the research sponsor

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Analyzing the survey responses we identified four trends

Customer Journeys Are Here To Stay

Multi-Channel **Interaction Complexity** Is Growing

Customer Experience Can Be A Key Differentiator

Personalization Is Key For Winning

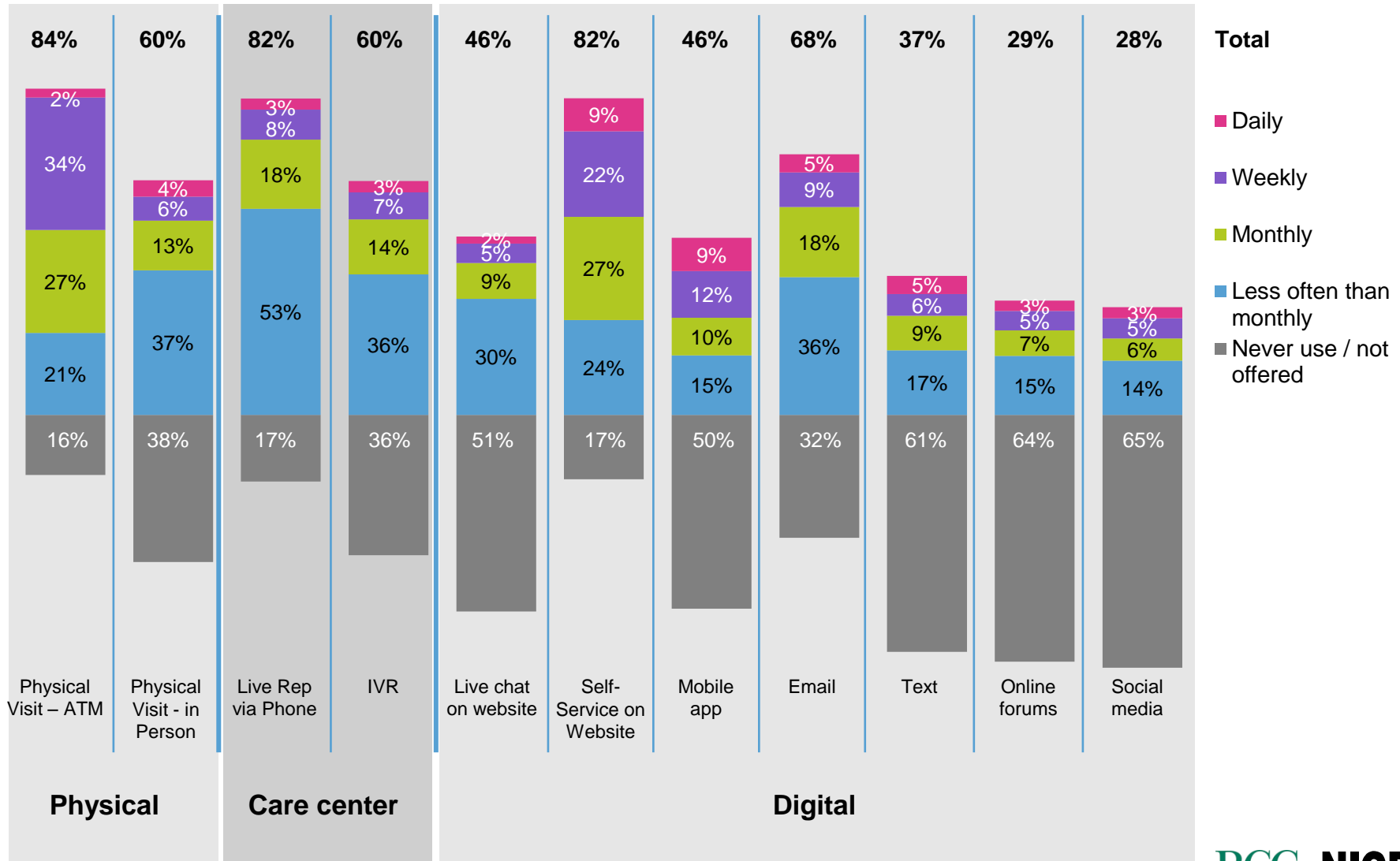# Customers use 5.6 channels on average, 97% of customers are Multi-Channel users

Number of Channels Used (2016 survey)
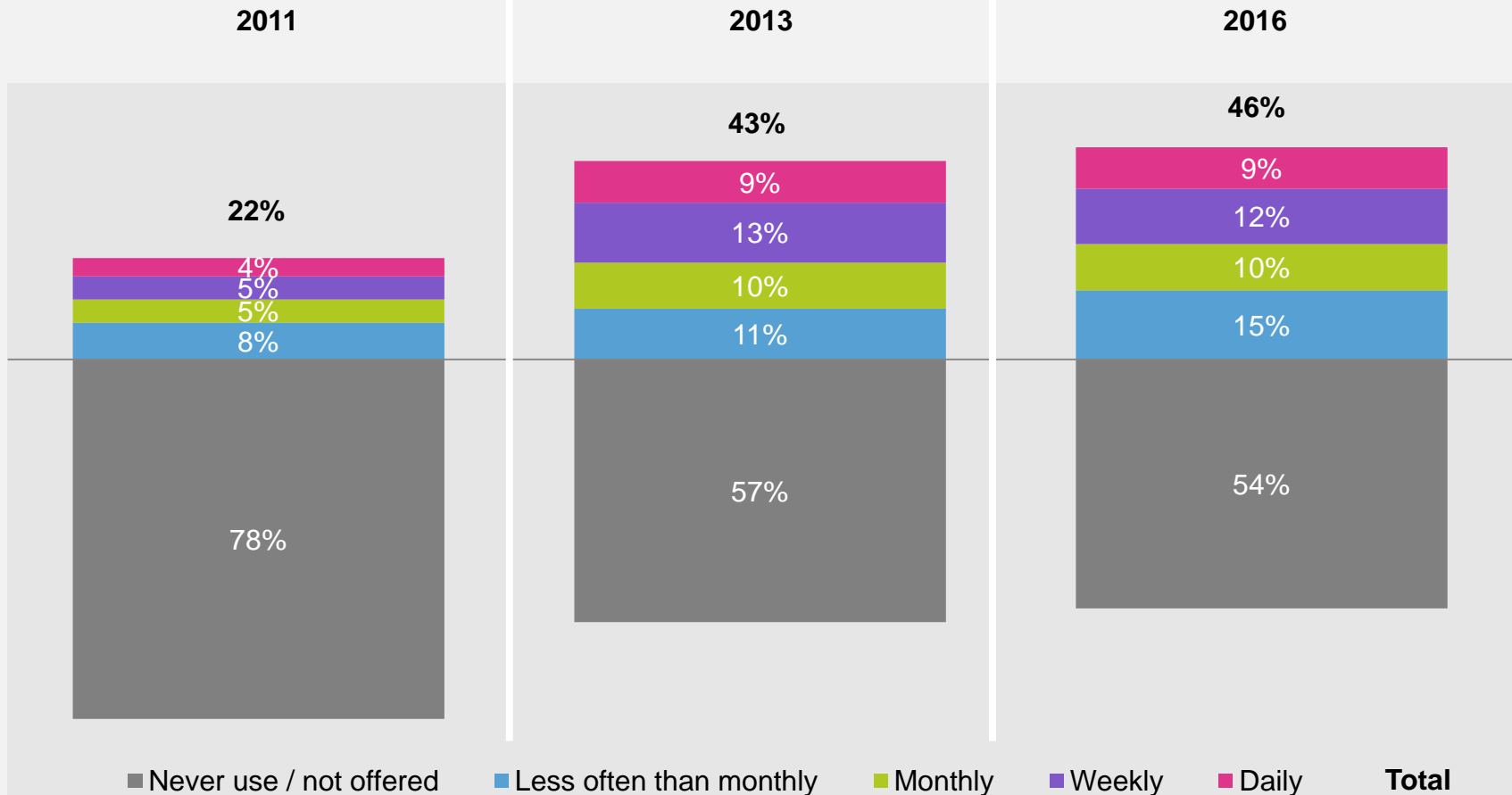
There are wide variations in channel usage frequency

Usage Frequency by Channel
(2016 survey)

	Physical Visit – ATM	Physical Visit - in Person	Live Rep via Phone	IVR	Live chat on website	Self-Service on Website	Mobile app	Email	Text	Online forums	Social media
Total	84%	60%	82%	60%	46%	82%	46%	68%	37%	29%	28%
Daily	2%	4%	3%	3%	2%	9%	9%	5%	5%	3%	3%
Weekly	34%	6%	8%	7%	5%	22%	12%	9%	6%	5%	5%
Monthly	27%	13%	18%	14%	9%	27%	10%	18%	9%	7%	6%
Less often than monthly	21%	37%	53%	36%	30%	24%	15%	36%	17%	15%	14%
Never use / not offered	16%	38%	17%	36%	51%	17%	50%	32%	61%	64%	65%

Physical — Physical Visit – ATM, Physical Visit - in Person

Care center — Live Rep via Phone, IVR

Digital — Live chat on website, Self-Service on Website, Mobile app, Email, Text, Online forums, Social media

Legend:
- Daily
- Weekly
- Monthly
- Less often than monthly
- Never use / not offered

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Mobile is gaining momentum as preferred channel…

Usage frequency – Mobile app (2011-2013-2016 surveys)

	2011	2013	2016
Total	22%	43%	46%
Daily	4%	9%	9%
Weekly	5%	13%	12%
Monthly	5%	10%	10%
Less often than monthly	8%	11%	15%
Never use / not offered	78%	57%	54%

■ Never use / not offered ■ Less often than monthly ■ Monthly ■ Weekly ■ Daily **Total**

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…while social media buzz is fading

Usage Frequency – Social media
(2011-2013-2016 surveys)

- ■ Never use / not offered
- ■ Less often than monthly
- ■ Monthly
- ■ Weekly
- ■ Daily

2011 — 16%
- 4%
- 3%
- 3%
- 6%
- 80%

2013 — 36%
- 9%
- 7%
- 8%
- 12%
- 58%

2016 — 29%
- 3%
- 5%
- 6%
- 14%
- 65%

Reasons for NOT Using social media
(2016 survey)

Reason	%
Takes too long to address issues	33%
Limited functionality (i.e., can only do a few tasks on social media)	32%
Not feasible for complex tasks	30%
If I need help from a representative, I have to call and start from scratch	27%
No privacy	26%
No click to call/click to chat option available	26%
Cannot reach a successful resolution	24%

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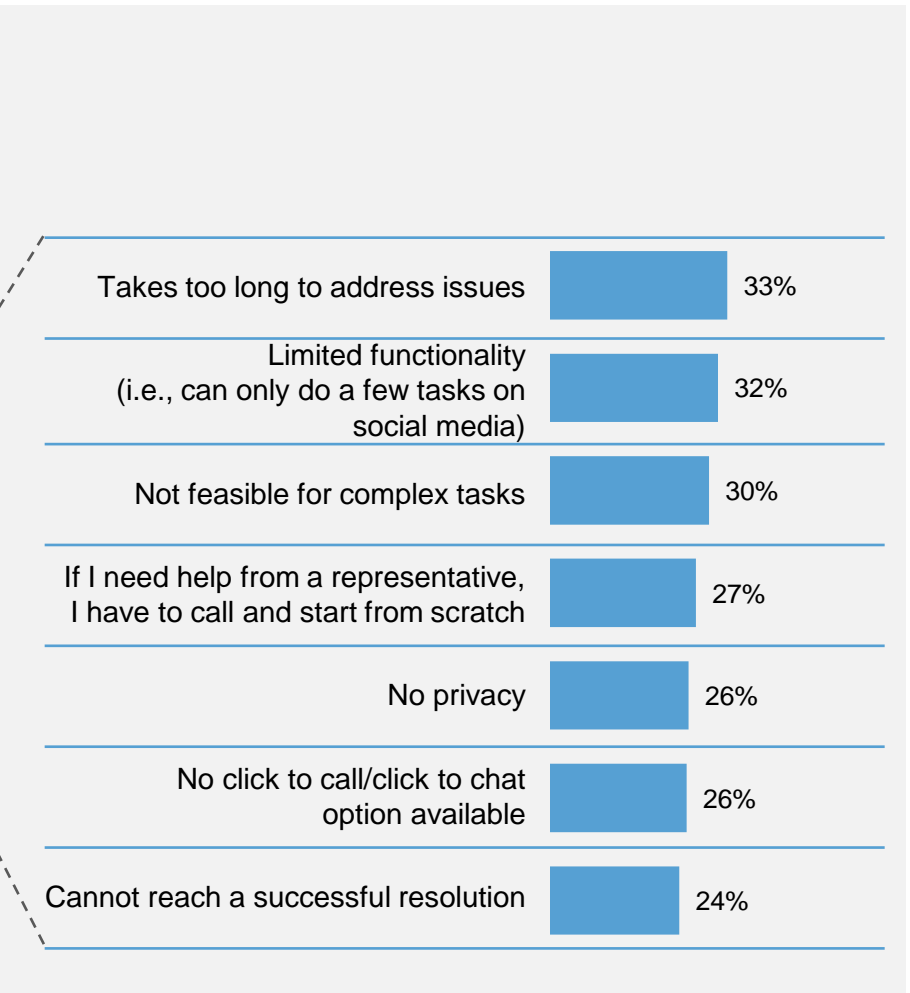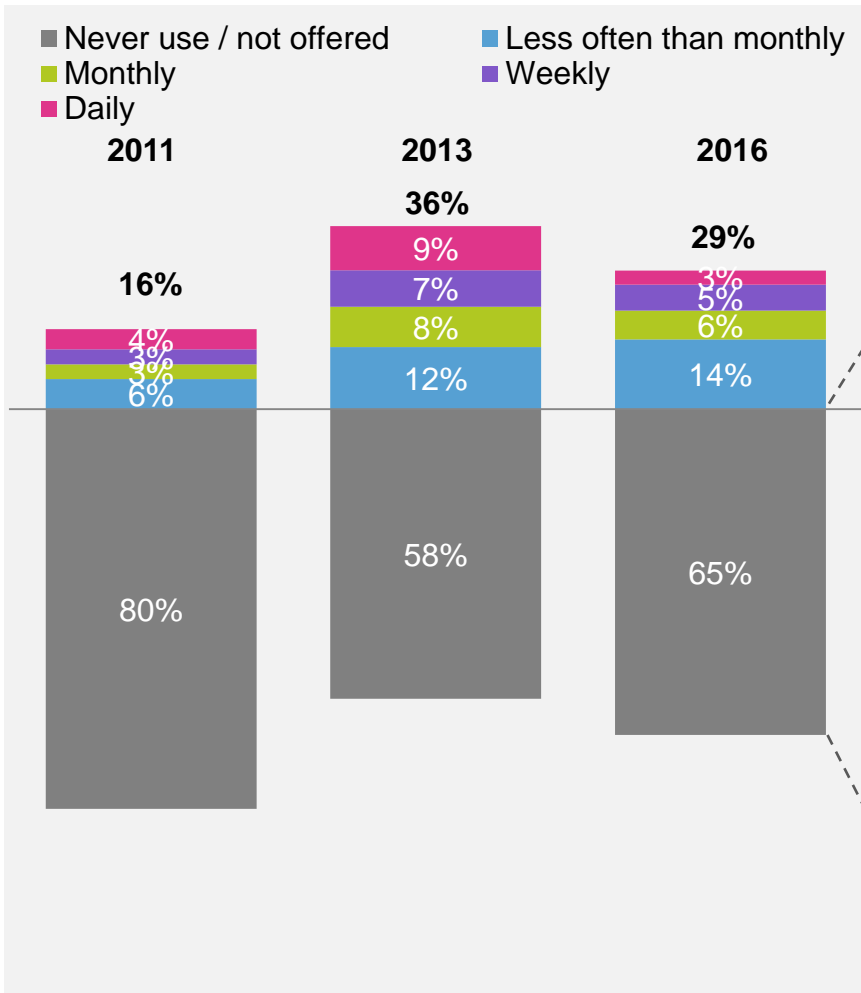
Knowledge of customer journey drives successful experience

Journey knowledge can improve the bad IVR experience…	…and improve live rep experience through first call resolution

Main motivator to complete transaction with IVR
(2016 survey)

Get me to a specialized rep aware of my IVR journey — 28%

Inform me of remaining waiting time/allow a callback option — 18%

Complete transaction fully through IVR — 15%

Why people don't use live rep via telephone
(2016 survey)

Excessive wait times — 45%

Having to speak with multiple reps and repeat the information every time — 38%

I prefer self-service channels rather than dealing with a person — 27%

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Most organizations provide poor journey experience

Challenges Examples

- The information available to me is inconsistent

- Info, actions, account history don't transfer between methods

- Could cause more than one rep to work on the same issue

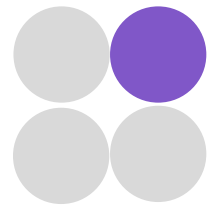- Can slow down the resolution process

24% Switch Channels Seamlessly

76% Experience Challenge Switching Channels

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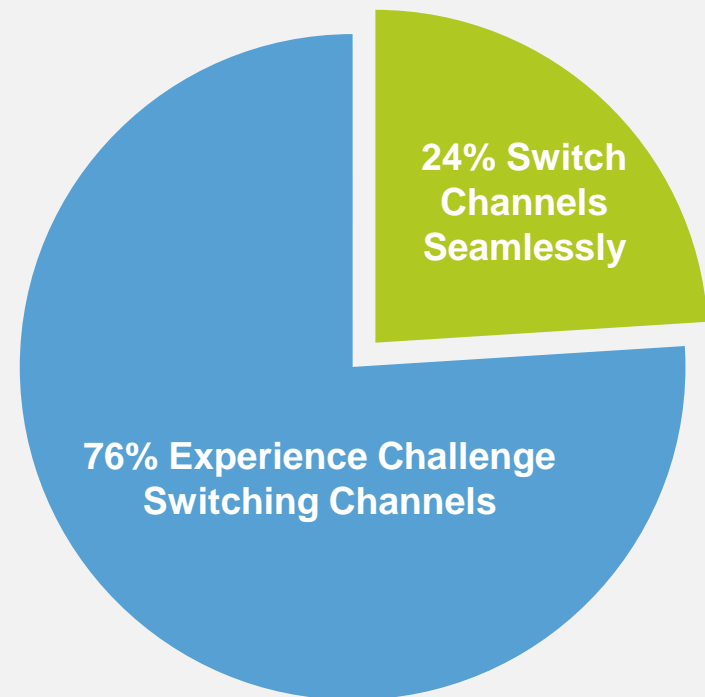
Significant amount of calls to CC are due to unresolved issues in other channels…

Interaction flow if unable to complete task (2016 survey)

Website
6%

Email
15.1%

Mobile app
6.4%

IVR
12.5%

Chat
9.2%

Branch
11.5%

Text
6.8%

Voice
100%

Branch
11.2%

Email
8%

Chat
6.4%

Website
5.6%

Give Up
3.2%

- % in card represents % of customers from total

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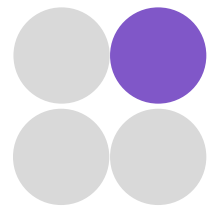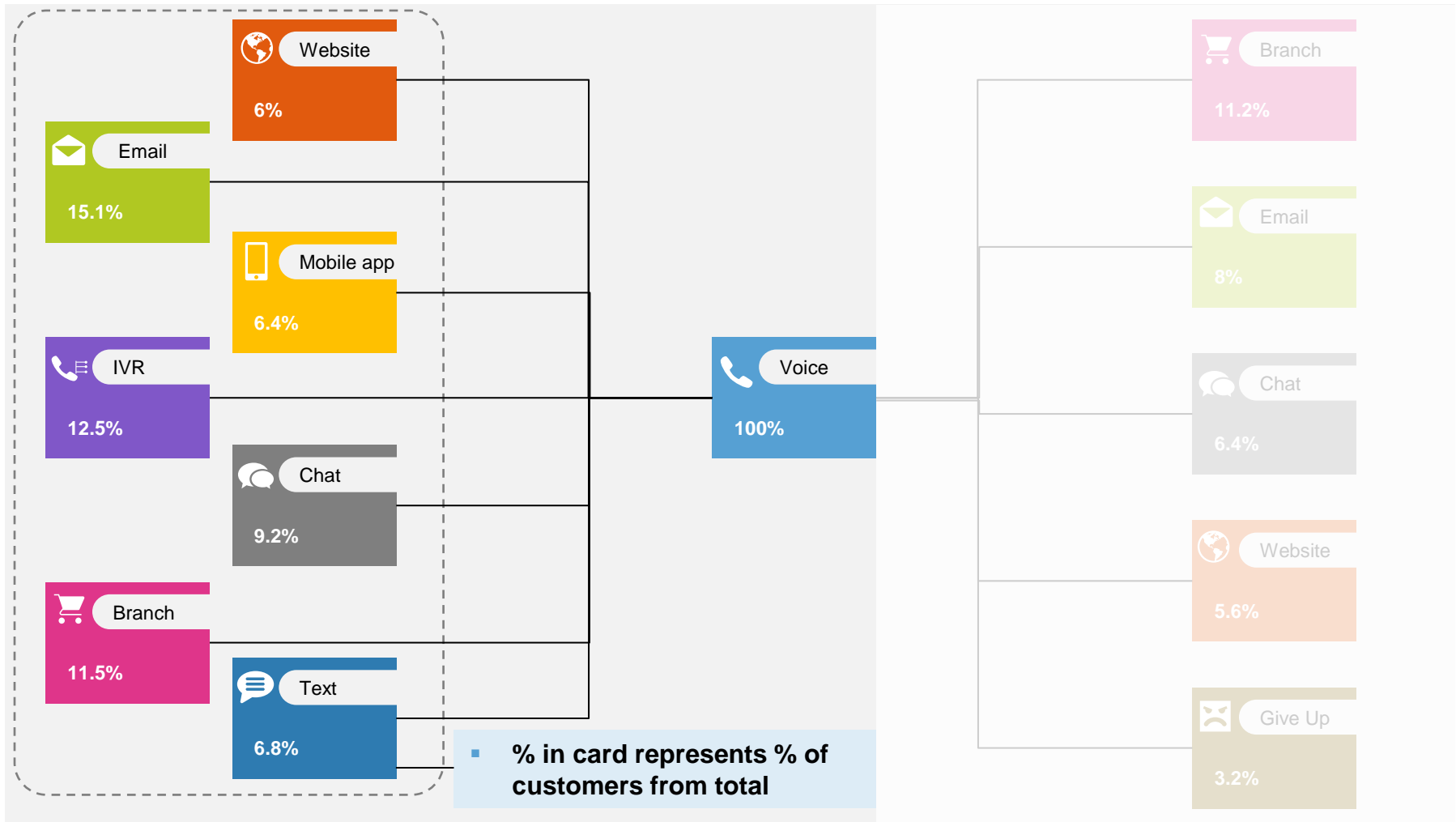
When customers get to a live agent 40% don't achieve successful resolution

Interaction flow if unable to complete task (2016 survey)

- Website 6%
- Email 15.1%
- Mobile app 6.4%
- IVR 12.5%
- Chat 9.2%
- Branch 11.5%
- Text 6.8%

40% of respondents continued to other channels, which result with only 60% FCR (First Call Resolution)

Voice 100%

- Branch 11.2%
- Email 8%
- Chat 6.4%
- Website 5.6%
- Give Up 3.2%

- % in card represents % of customers from total

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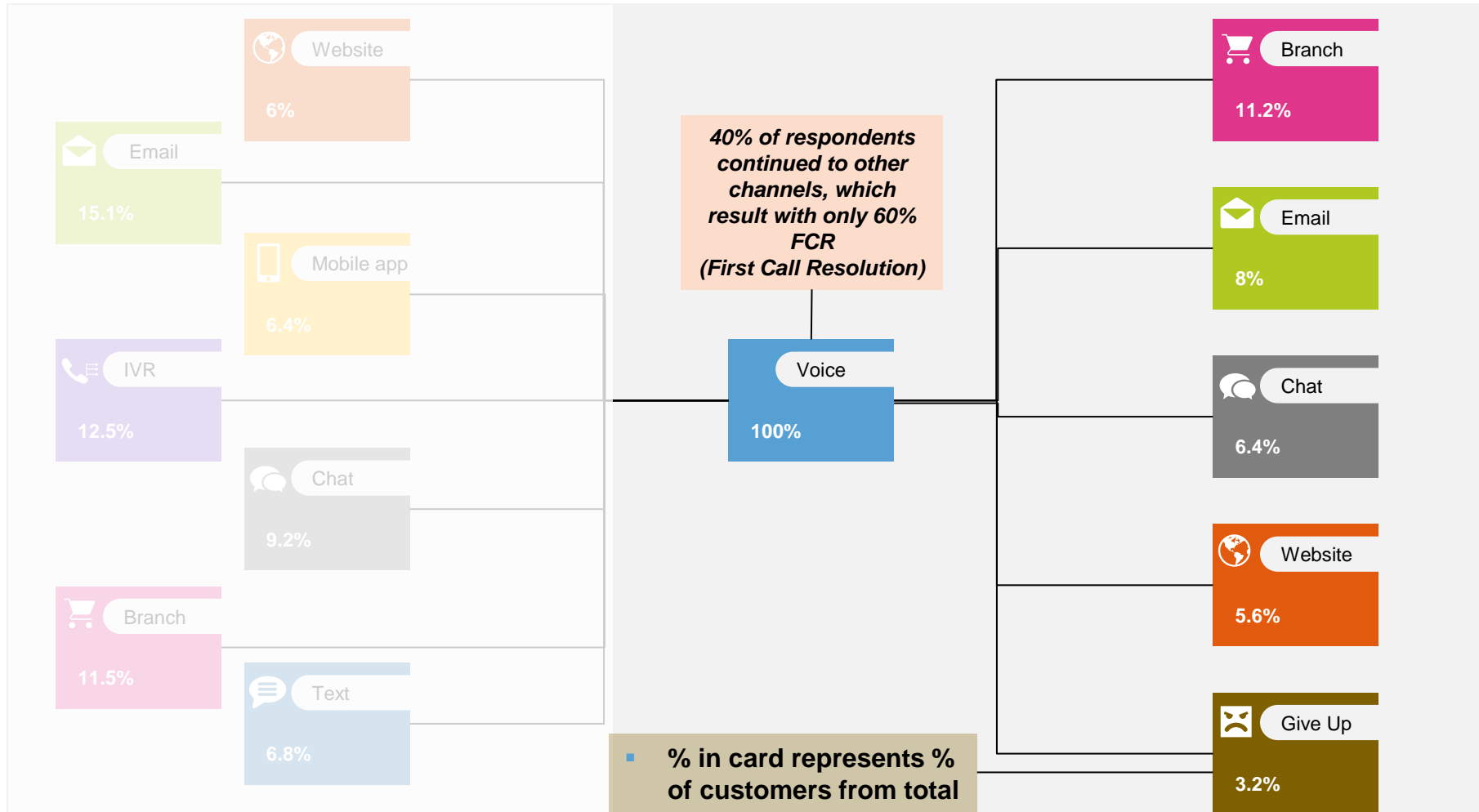
We see correlation between successful problem resolution and customer satisfaction
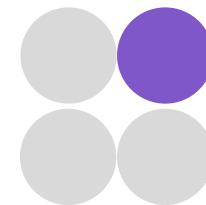
Satisfaction vs. % of Time Successful Using Contact Method
(2016 survey)
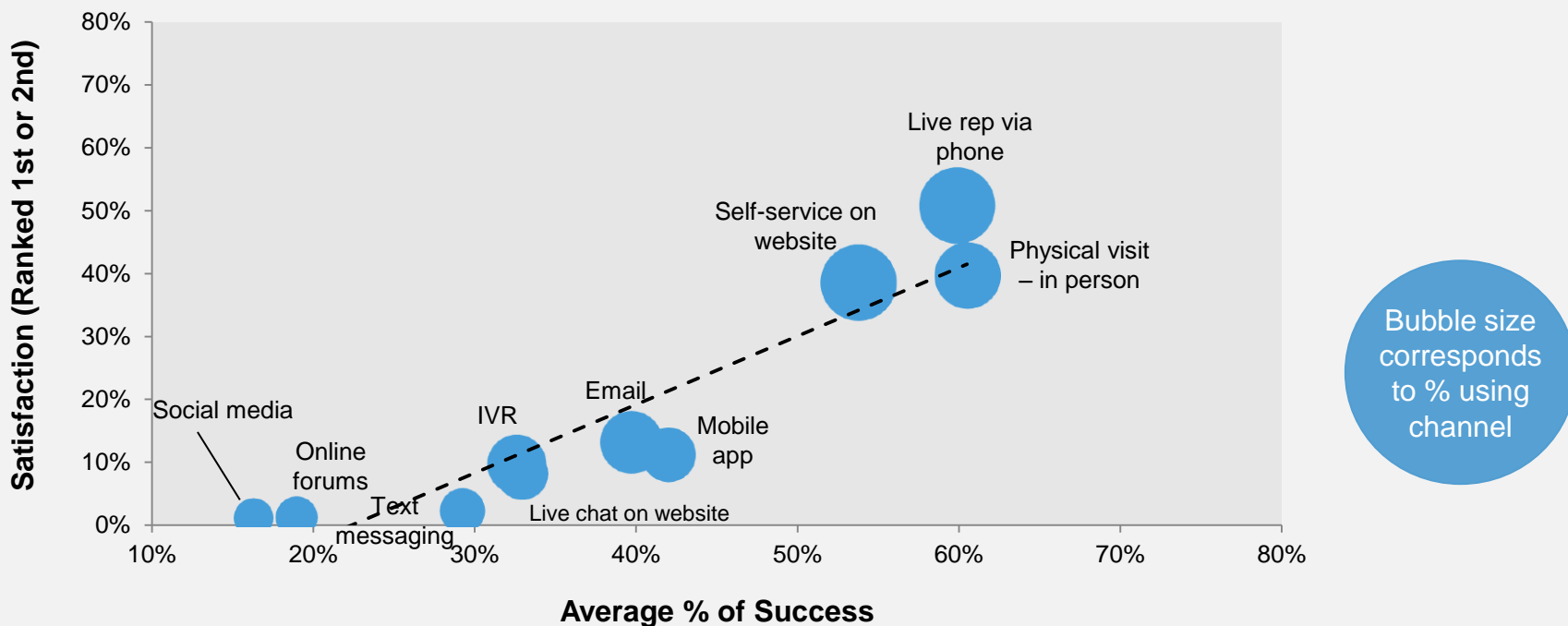
Bubble size corresponds to % using channel

# Service providers experienced a drop in successful resolution rates across channels
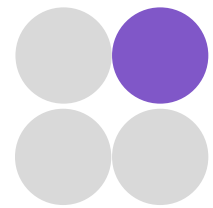
Satisfaction vs. % of Time Successful Using Contact Method
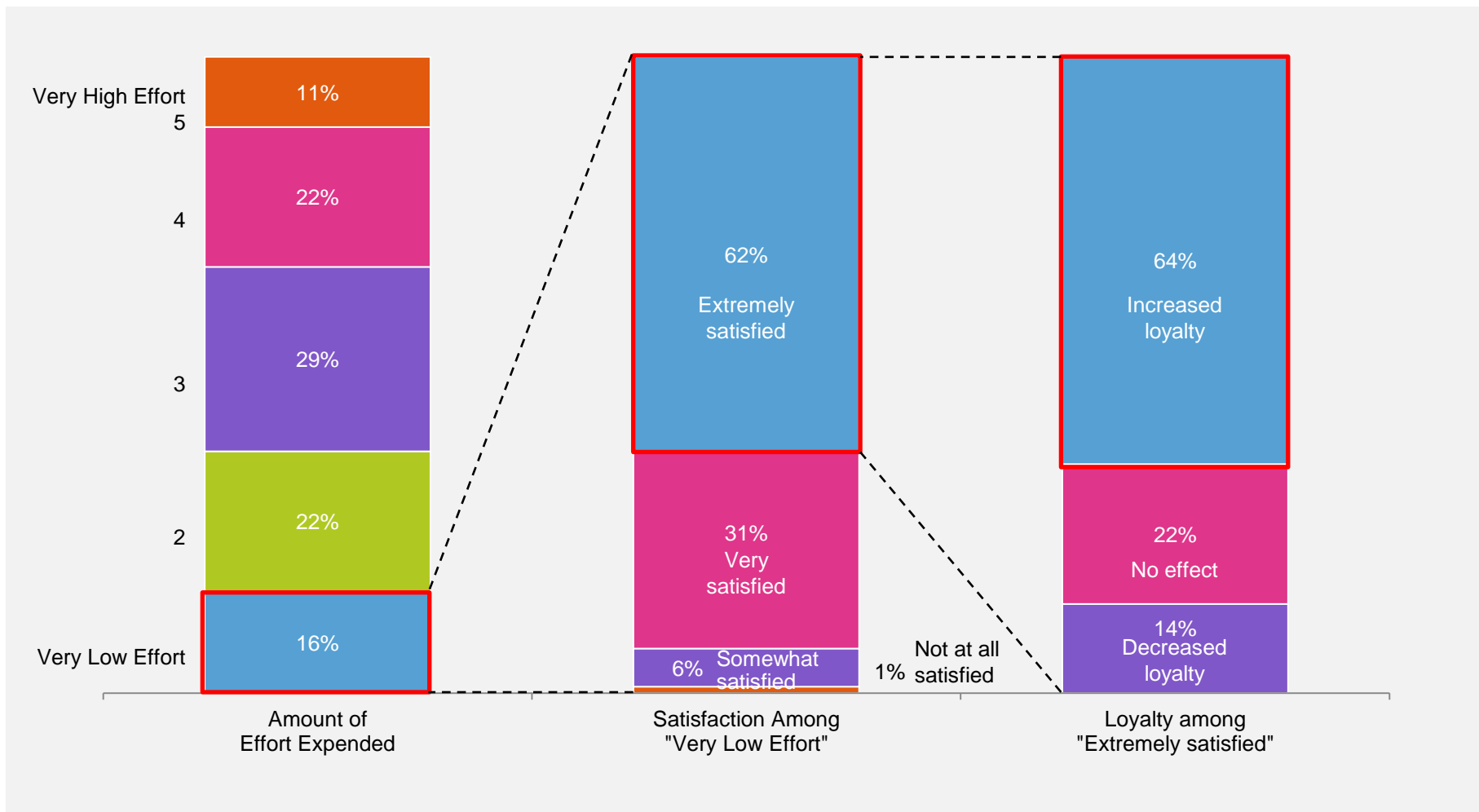(2013 and 2016 surveys)
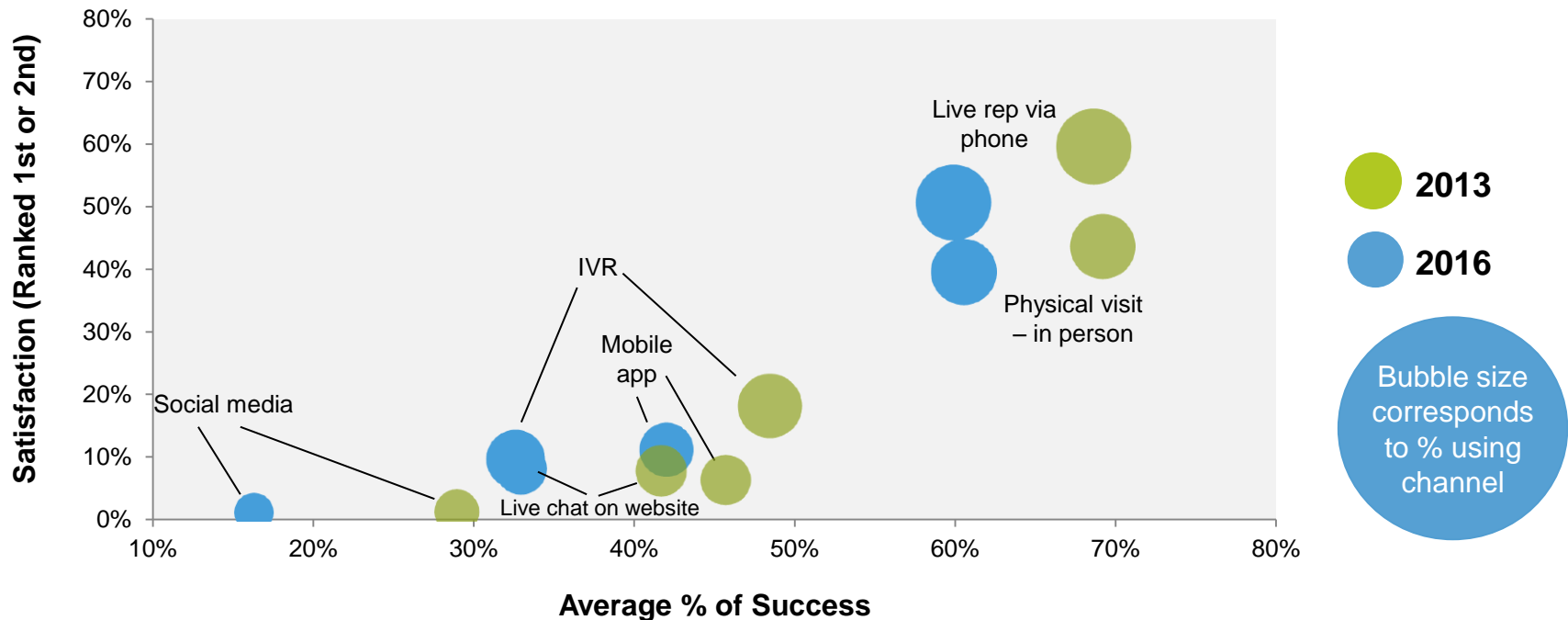
The drop in success rates is consistent across countries and verticals, but appears to be mostly driven by Gen X and Y males.
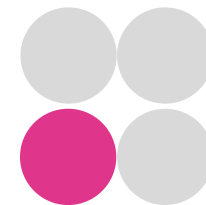
Strong ties between customer effort, customer satisfaction and customer loyalty
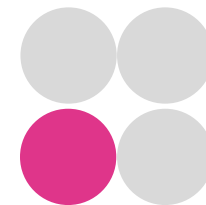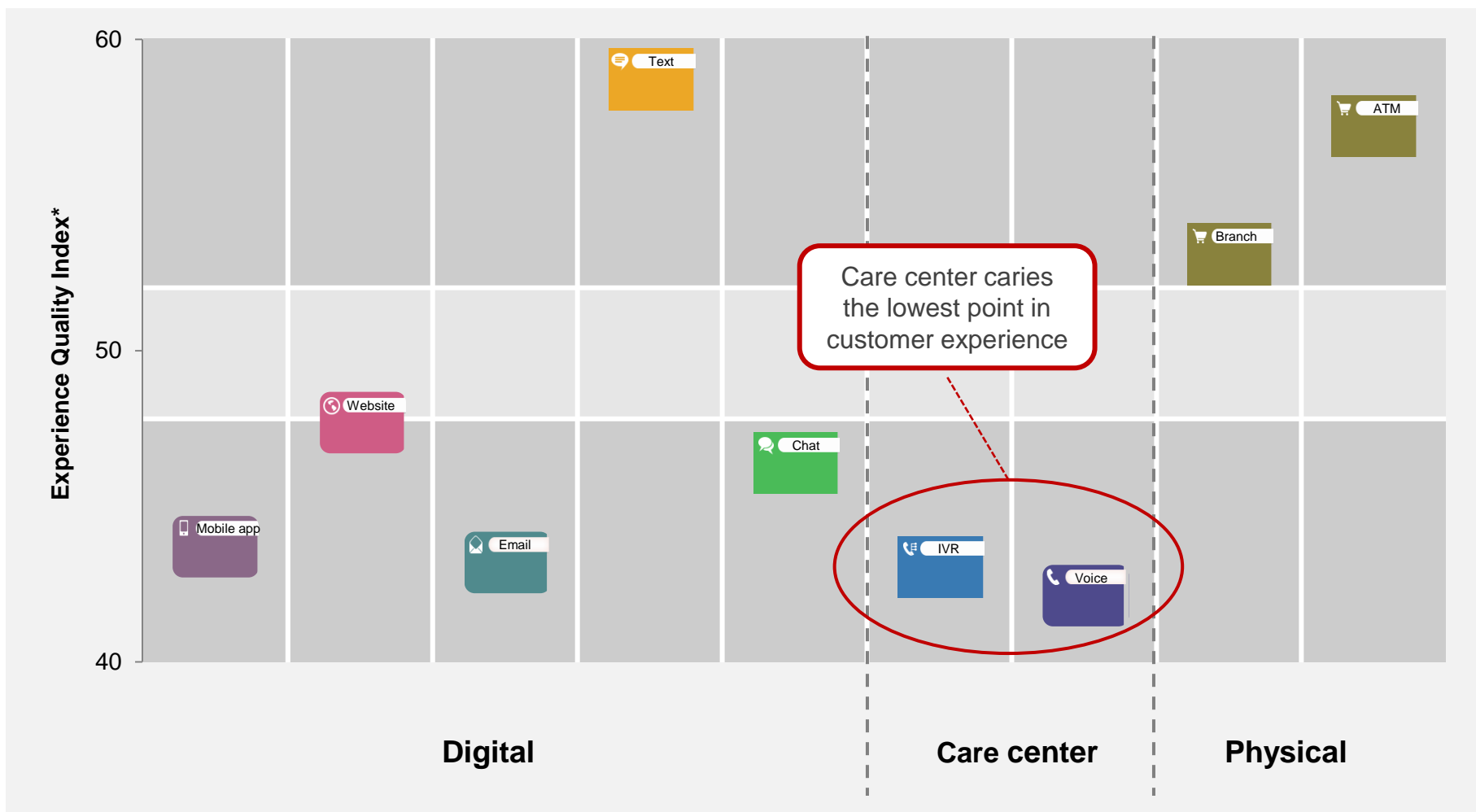
Effect of customer effort on satisfaction, and effect of customer satisfaction on loyalty (2016 surveys)

Amount of Effort Expended
- Very High Effort 5: 11%
- 4: 22%
- 3: 29%
- 2: 22%
- Very Low Effort: 16%

Satisfaction Among "Very Low Effort"
- 62% Extremely satisfied
- 31% Very satisfied
- 6% Somewhat satisfied
- 1% Not at all satisfied

Loyalty among "Extremely satisfied"
- 64% Increased loyalty
- 22% No effect
- 14% Decreased loyalty

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The level of experience across channels is inconsistent

Experience Quality Index*

60

50

40

Text

ATM

Branch

Care center caries the lowest point in customer experience

Website

Chat

Mobile app

Email

IVR

Voice

Digital

Care center

Physical

* Experience quality index – a comparative measure of customers experiences, based on BAI (Brand Advocacy Index) methodology. Calculated as sum of % reporting perfect experiences and % reporting good experiences, net of % reporting sub-standard experiences (weighted 1, 0.5 & 0.5 respectively)

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Telecom providers create inferior experience across geographies
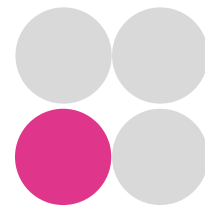
Actual quality of experience index* – by industry and geography (2016 survey)

	US	UK	Australia	Netherlands	France
Financial Services	58	43	41	41	54
Telecom	35	34	33	31	41
Insurance	51	45	46	39	60

* Experience quality index – a comparative measure of customers experiences, based on BAI (Brand Advocacy Index) methodology. Calculated as sum of % reporting perfect experiences and % reporting good experiences, net of % reporting sub-standard experiences (weighted 1, 0.5 & 0.5 respectively)

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Customers have become significantly more skeptical about the effects of their feedback
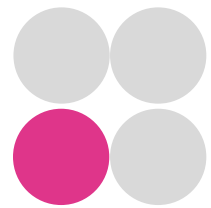
Perceived Likelihood Service Provider Took
Action Based on Customer Feedback

2013

Positive perception: 49%   Negative perception : 21%

| 20% | 29% | 31% | 13% | 7% |

2016

Positive perception : 31%   Negative perception : 33%

| 10% | 21% | 36% | 23% | 10% |

↓   ↓   ↑   ↑   ↑

■ Extremely likely   ■ Very likely   ■ Somewhat likely   ■ Not very likely   ■ Not at all likely

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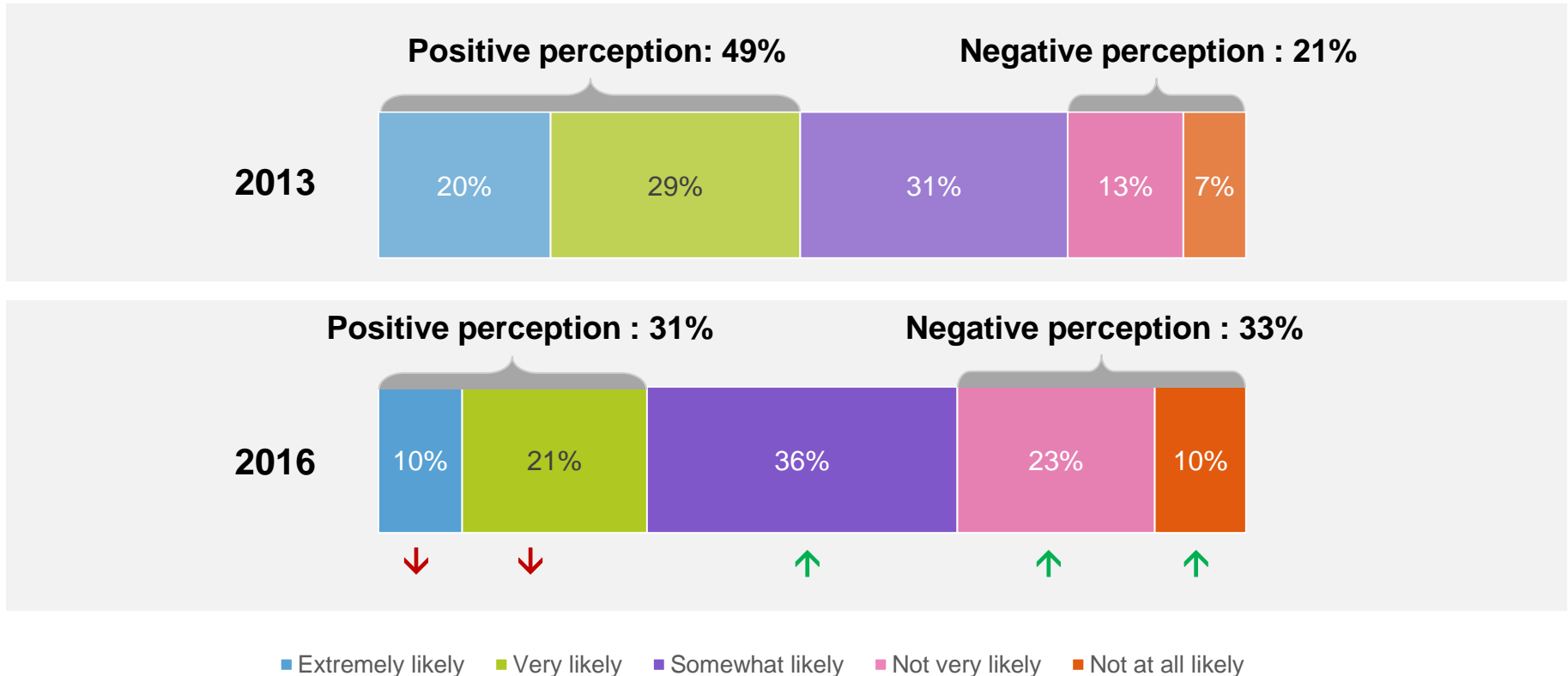
Customers are selective about their preferred channel per interaction reason

Preferred channel to research products or offerings – By vertical (2016 survey)

Financial Services
- Other: 12%
- IVR: 3%
- Live rep: 14%
- Text: 1%
- Email: 3%
- Social media: 3%
- Mobile app: 4%
- Live chat: 4%
- Self service on website: 35%
- Physical visit - in person: 21%

Telcom
- Other: 11%
- IVR: 11%
- Live rep: 12%
- Text: 3%
- Email: 4%
- Social media: 5%
- Mobile app: 4%
- Live chat: 4%
- Self service on website: 32%
- Physical visit - in person: 14%

Insurance
- Other: 7%
- IVR: 10%
- Live rep: 14%
- Text: 2%
- Email: 8%
- Social media: 4%
- Mobile app: 5%
- Live chat: 7%
- Self service on website: 33%
- Physical visit - in person: 10%

Legend:
- Other
- IVR
- Live rep
- Text
- Email
- Social media
- Mobile app
- Live chat
- Self service on website
- Physical visit - in person

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Individual customer journey information and prompt action drives perfect experiences

Top 5 service elements that create perfect experiences

The rep already knows what I need and provides me with an immediate solution

49%

My routine needs are answered proactively

40%

My issue is resolved immediately

51% ✓

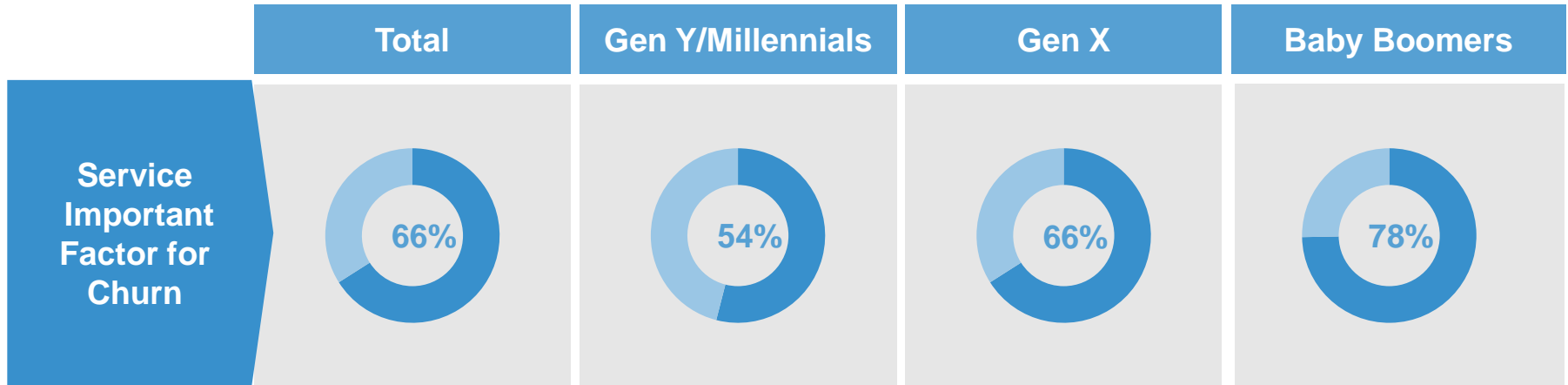The rep knows what I already did in a self-service channel

42%

My information / actions are forwarded from department to department

42%

Service importance varies by age – one size doesn't fit all

	Total	Gen Y/Millennials	Gen X	Baby Boomers
Service Important Factor for Churn	66%	54%	66%	78%

Top customer service-related reasons to **stop doing business with a provider**

45%
Rude, unknowledgeable or inexperienced representatives

45%
Cannot reach a successful resolution

34%
Excessive wait times

32%
Having to speak with multiple reps and repeat the information

Thank you

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