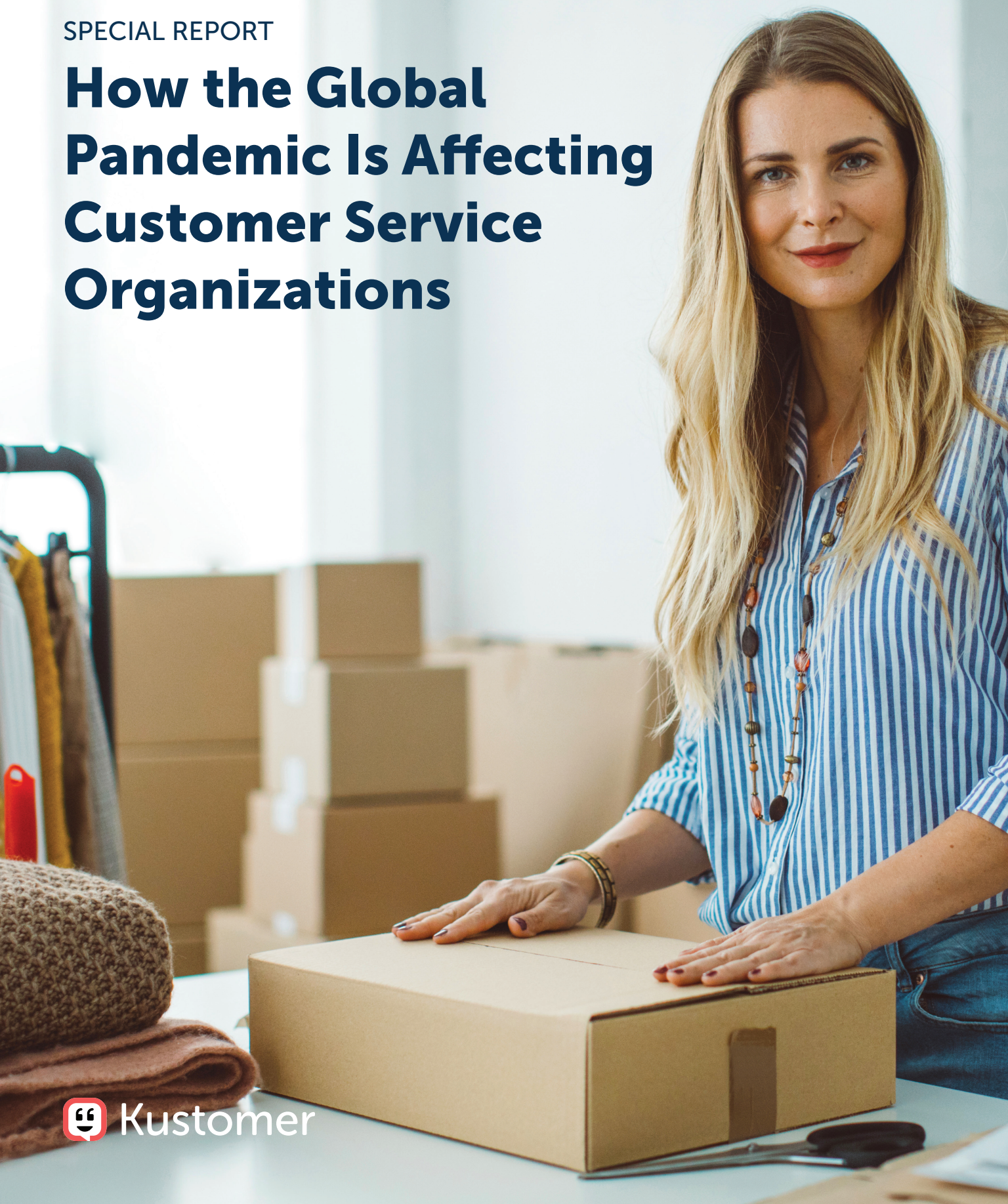


SPECIAL REPORT

How the Global Pandemic Is Affecting Customer Service Organizations



Introduction

“In these challenging times...”

“Now more than ever...”

“We’re in this together...”



Don't worry, this isn't another generic COVID-19 intro. These classic lines are being touted by just about every company amidst the global pandemic, and what makes them even more exhausting is that they're all true. These are absolutely crazy times to live in, let alone work in, and the global pandemic is affecting every aspect of our day to day lives. But what does this all really mean for customer service organizations?

Kustomer surveyed over 150 customer service professionals across a variety of industries to truly understand how their businesses and teams are being affected by COVID-19, and the results are powerful. Fifty-two percent of customer service professionals say the global pandemic is affecting their customer service organization a great deal, meaning massive changes in ticket volume, customer attitudes, or policies. An additional 27% report being impacted slightly less, experiencing significant changes due to COVID-19. Only 1% of organizations reported no change at all.

While some industries, like retail, are seeing a troubling decrease in business, other industries, like healthcare and financial services, are having to solve more

problems than ever before. While this isn't a permanent condition, and hopefully things will go back to a “new normal” soon, there is no doubt that there could be long-term impacts. Teams may need to think about driving efficiencies with less resources, or how to work productively in a remote environment. The only constant is change, and preparing for the future now is the true key to success.

Luckily, customer service organizations play a vital role in times of crisis. **Ninety percent of customer service professionals believe customer service is more important than ever amidst the global pandemic.** With many businesses shutting their storefronts, customer service professionals become the face of the company, and are essential to empathizing with customers and preventing issues before they arise. They are essentially heroes during a customer's greatest time of need.

Read on to learn more about how organizations and industries are reacting to this monumental shift, and gather actionable takeaways that you can put into practice today.

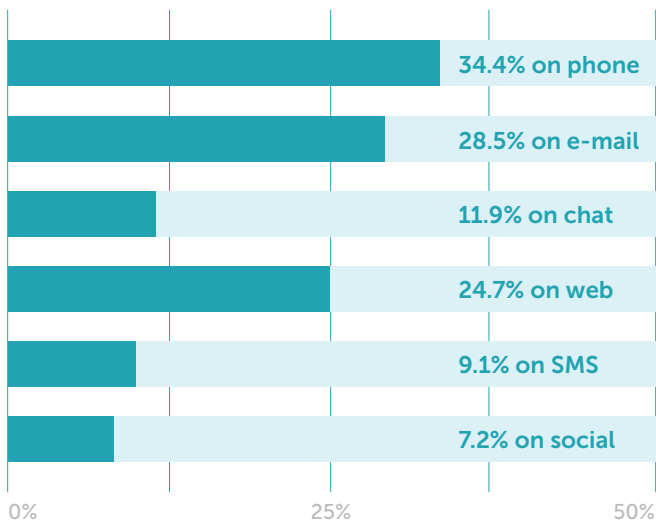
79%

of customer service organizations are being significantly impacted by COVID-19

Customer Service Inquiries Are Increasing

Across industries, customer service teams are seeing a 17% increase in customer service inquiries during the global pandemic. Phone inquiries are seeing the largest increase, with a 34% increase, followed by e-mail (28% increase) and web (24% increase). Social channels are being impacted the least.

Increase by Channel



Not only are companies having to handle more conversations, they are having to do it in a largely remote environment. **Thirty-nine percent of respondents reported difficulty working remotely**, and 23% reported that they did not have the correct tools in place to successfully work in a remote environment.

It's essential to have a customer service strategy, and the correct technology in place, to handle

bursts in activity and enable productive remote work. Look for tools that leverage AI and intelligent automation to power self-service and low-level information gathering. This will free up agent time for more high level and urgent support, while allowing customers to get their questions answered immediately.

Ensure that the technology you have in place allows for collaboration between remote team members, so you can pull in the necessary individuals to solve customer issues quickly. You should also be able to manage your team with confidence, even if you can't be beside them. Having a view into what your agents are working on, and being able to intervene if necessary, is key to a successful remote CS team. And most importantly, your customer service platform should be easily connected to by all of your agents with a basic internet connection and standard browser.



Circumstances Affecting Customer Service Success

Businesses are having to change how they do business and interact with customers during this time. One of the biggest shifts? Adjusting policies. Seventy-seven percent of individuals reported that they have had to learn new policies due to COVID-19. It's essential to arm your team with the information they need to instantaneously service customers. Make sure your technology can intelligently surface relevant information from a knowledge base, so all agents are delivering consistent and high-value service.

Additionally, 64% of respondents reported a need for greater efficiencies during COVID-19, while

57% reported having to deal with more complex issues than usual. It's more important than ever to automate low level support with the help of AI, to free up agent time for issues that are more complicated and emotionally-wrought.



Circumstances Affecting Customer Service Teams



48%
have seen longer wait times



38%
have seen more upset customers



39%
have had difficulty working remotely



77%
have had to learn new policies



39%
report lack of resources to do their jobs



64%
report a need for greater efficiencies



50%
feel they have the resources to solve customer problems



57%
report more complex issues

How Organizations Are Adapting

The circumstantial changes associated with the global pandemic are causing some real challenges for organizations. In addition to just about every organization adjusting their policies, an additional **81% of customer service teams reported having to reach out to customers proactively**. Whether it is updating customers on safety procedures or notifying them that their shipment may be delayed due to a high volume of orders, proactive outreach can put customers at ease and prevent an influx of customer service requests. Make sure that your customer service technology is able to efficiently segment your customer base and power proactive communication.

Unfortunately, **63% of CS organizations also reported a need to cut costs during the global pandemic**, with 46% reporting a need to reduce staff. All of this means efficiency is incredibly important. Fifty-nine percent of respondents said there is a need to adopt more automation for efficiency, and 56% said there is a need to invest in new technologies. Doing more with less is the name of the game in 2020, so put the tools in place to adjust sooner rather than later.

What CS Teams Need



of CS organizations report the need to cut costs



of CS organizations report the need to reduce staff



of CS organizations report the need to adjust policies



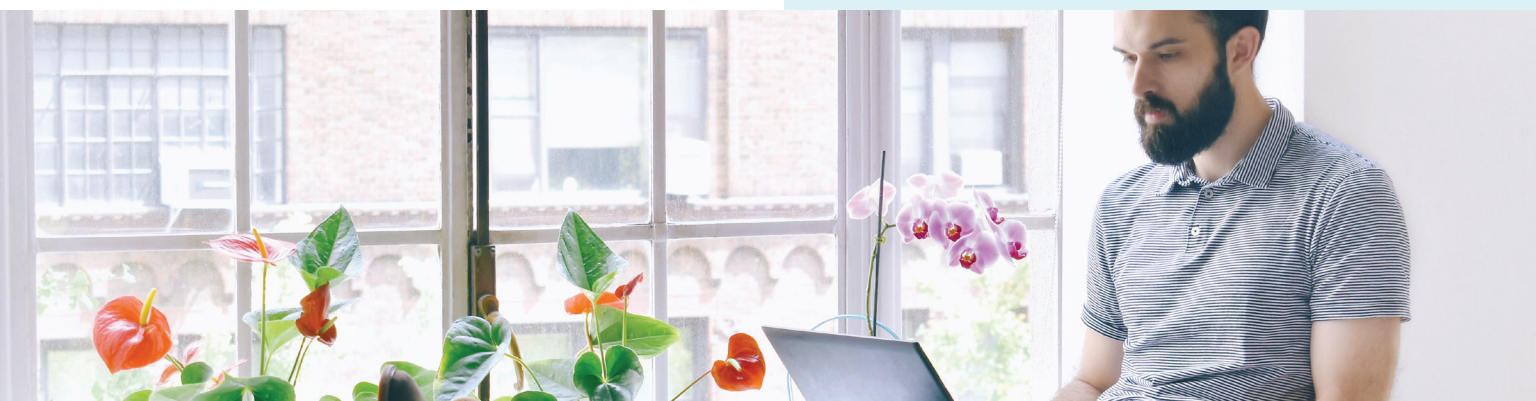
of CS organizations report the need to invest in new tech



of CS organizations report the need to adopt automation for efficiency









of CS organizations report the need to reach out to customers proactively



What Customers Need During the Global Pandemic

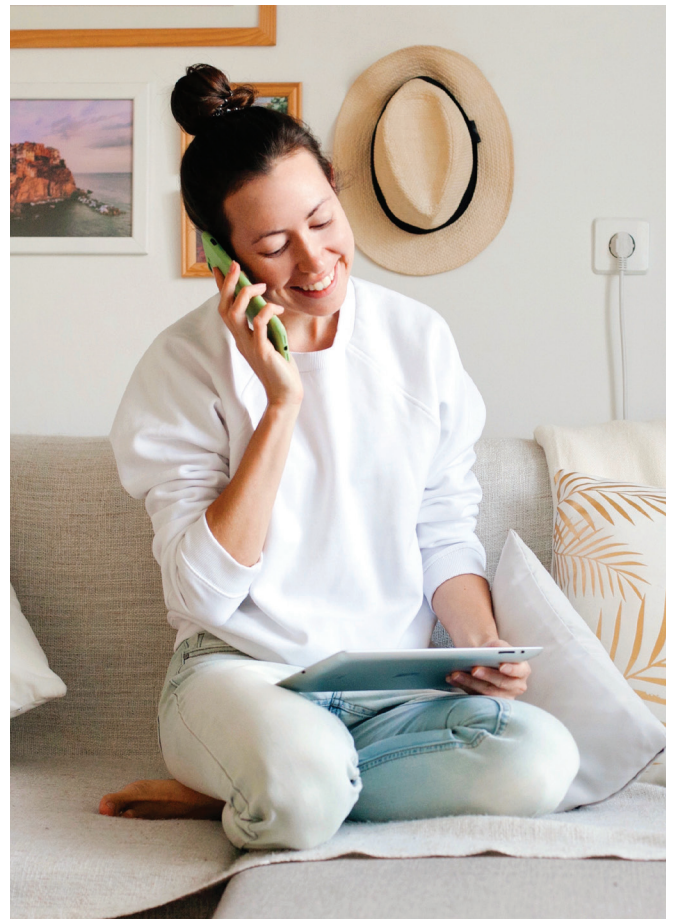
While we are all customer service professionals, we are also consumers, and can understand that everyone is stressed out during this time. CS professionals reported that customers valued the following service attributes most during the global pandemic:

Most Highly Valued Service Attributes (in order of importance)

-  Empathetic Service
-  Personalized Service
-  Quick Service
-  Flexible Policies
-  Proactive Outreach
-  Omnichannel Support

It is abundantly clear that the way we service customers during a stressful and emotional time is different. We simply cannot treat customers as tickets or transactions, we must treat them as valued human

beings with real needs and emotions. Make sure that your team is armed with sentiment analysis, to understand how customers are feeling and prioritize any urgent cases. It's also essential to minimize effort as much as possible for your customers. Don't make them wait in long queues, repeat information or get transferred to multiple departments. Ensure you have technology in place that can surface all historic customer information and preferences in one single view, and that allows for seamless collaboration.



How Success Metrics Are Changing

Luckily, it doesn't seem like customer service success metrics are being significantly impacted by the global pandemic, and in some cases, organizations are seeing improvements. There are large differences from organization to organization, even in the same industry, implying that the way a customer service team handles the current circumstances has a huge impact on how customers react. Improvements in success metrics may be happening for a couple different reasons:

- Customer service organizations are taking extra measures to proactively help their customers and deliver empathetic service
- Customers are more understanding and know that organizations are struggling, so don't have as stringent standards

It's imperative to keep a customer-centric mindset, as loyalty becomes more essential to secure, and continue to measure the success of your team, adjusting accordingly. Make sure you have access to reporting and analytics, and understand where you're falling short and where there are greater needs.

How Success Metrics Are Being Affected

Customer Satisfaction

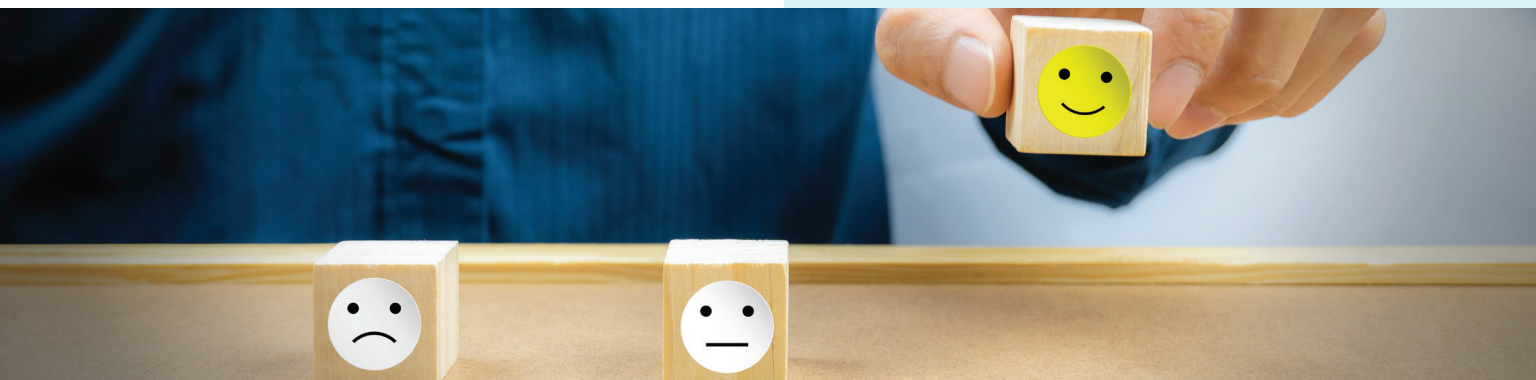
- ☹️ **20%** of orgs have seen worse CSAT scores
- 😊 **26%** have seen better CSAT scores

Customer Effort Scored

- 😊 **25%** of orgs have seen better CES
- 😊 **10%** have seen much better CES

Customer Sentiment

- 😊 **35%** of orgs have seen better customer sentiment
- 😊 **11.7%** have seen much better customer sentiment
- ☹️ **29%** have seen worse customer sentiment



Industry Deep Dive

Financial Services

As customers struggle to pay their bills, mortgages and employees, financial institutions are being impacted heavily.

- 100% report the need to adjust policies
- 82% proactively reached out to customers
- 76% report the need to adopt more automation for efficiency
- 70% have longer wait times
- 65% have more unhappy customers
- 65% have more complex problems to solve



Top three most valued client service attributes in financial service: **Empathetic service** | **Personalized service** | **Quick**

Government

Government organizations are working on overdrive, and running into issues being efficient and working remotely.

- 93% report the need to adjust policies
- 67% report the need for greater efficiencies
- 60% report the need to proactively reach out
- 60% have more complex problems to solve
- 53% have difficulty working remote



Top three most valued service attributes in government: **Flexible policies** | **Quick service** | **Empathetic service**

Healthcare

It's a no brainer that healthcare organizations, whether online pharmacies or local doctor's offices, have more patients to service than ever before.

- 87% have had to adjust policies
- 81% have had to proactively reach out to patients
- 71% strongly agree patient service is more important now
- 71% report the lack of resources to do their jobs
- 67% report the need to adopt more automation for efficiency
- 64% report the need to invest in new tech
- 55% report more complex issues to solve



Top three most valued patient service attributes in healthcare: **Empathetic service** | **Personalized service** | **Proactive**

Differences by Business Size

Small Businesses

(100 employees or less)

Small businesses are taking a personal approach to customer service during this time, but also struggling deeply with resources.

100% proactively reached out to customers

100% report a need for greater efficiency

75% don't have tools to solve customer problems

75% don't have the resources to do their jobs right now

Top three most valued customer service attributes for small businesses:

- 1 Flexible Policies
- 2 Quick Service
- 3 Personalized Service

Medium Businesses

(101-1000 employees)

Medium-sized businesses are relying on customer service to treat tricky customers inquiries with empathy, while remaining lean and efficient.

94% think customer service is more important than ever

88% have reported a need to adjust policies

59% report dealing with more complex issues

58% report the need to cut costs

Top three most valued customer service attributes for medium businesses:

- 1 Empathetic Service
- 2 Personalized Service
- 3 Quick Service

Enterprise Businesses

(Over 1000 employees)

More than smaller businesses, enterprise companies are reporting the need to invest in new technology to keep up with the rapid changes in today's environment.

78% are being significantly impacted by the global pandemic

91% have reported the need to adjust policies

79% have proactively reached out to customers

65% reported the need to invest in new technology

Top three most valued customer service attributes for enterprise businesses:

- 1 Empathetic Service
- 2 Quick Service
- 3 Personalized Service

About Kustomer: Founded in 2015, Kustomer is the customer service CRM platform empowering businesses to succeed in today's customer-first world. Kustomer's comprehensive solution provides a single view of the customer journey, seamless omnichannel communications, and the ability to automate complex business processes and knowledge management. The company is powering satisfaction and loyalty for some of today's most iconic, people-first brands, including Glossier, Ring, Sweetgreen, Glovo, Away, Capsule and Delivery.com.



To learn how Kustomer can help you provide exceptional customer service, visit [Kustomer.com/Demo](https://kustomer.com/Demo)