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# 2017 STATE OF GLOBAL CUSTOMER SERVICE REPORT

# INTRODUCTION

## EXPECTATIONS FOR CUSTOMER SERVICE CONTINUE TO RISE AROUND THE GLOBE

Customers expect more from brands when it comes to convenience, resolution times, and agent expertise. Evolving customer preferences are tightly linked to innovations in digital technology, and brands must embrace both in order to keep pace with heightened expectations. The good news is that brands that can deliver on expectations are rewarded with higher rates of customer retention and loyalty.

*The Microsoft 2017 State of Global Customer Service* survey polled 5,000 people from Brazil, Germany, Japan, the United Kingdom and the United States. We continue to find commonalities along with distinct differences between locals. And though people in all age groups are embracing new digital trends, millennials especially are shaping the way brands need to think about the future of customer service engagement.

Regardless of industry, service organizations are a customer engagement focal point for brands around the world. Our report reveals that **96%** of respondents say customer service is important in their choice of loyalty to a brand. And because customer experience is a key differentiator, empowering your service organization to deliver personalized and contextual interactions throughout the customer journey is a strategic imperative.

We hope you find these insights beneficial as you continue refining and innovating your customer service strategy.

# BRAND LOYALTY

## BUILD LOYALTY FOR YOUR BRAND WITH EXCEPTIONAL CUSTOMER SERVICE

It's been a few years since the digitally empowered customer first sent customer expectations soaring. And with the march of technology continuing to drive those expectations, and vice versa, this year is no exception: **54%** of respondents say they have higher expectations for customer service today than they had one year ago. This number jumps to **66%** for the 18 - 34-year-olds surveyed.

What do these rising expectations look like? With more and more customers beginning their service engagement online, facilitating a seamless transition from self-help to agent assisted service is critical. A whopping **72%** of respondents expect agents to already know who they are, what they've purchased, and have insight into their previous engagements.

Customer service organizations have the power to drive positive brand sentiment in several ways. For example, **77%** of customers have a more favorable view of brands that ask for and accept customer feedback. And **68%** of customers have a more favorable view of brands that offer or contact them with proactive customer service notifications.

And let's not forget about those millennials – the most technologically savvy generation. While a little over half of all global respondents have a more favorable view of brands that engage via social media, **74%** of millennials say social media responsiveness improves their perception of a brand. Similarly, **79**% of millennial respondents have a more favorable view of brands that offer a mobile-responsive customer support portal.

**96%** of our respondents say customer service plays a role in their choice of and loyalty to a brand. This number is simply too high to ignore – and there's a major pay-off for brands that seize the opportunity. There is a direct correlation between superior customer service and brand loyalty, which means your customer service organization can be a key stakeholder of your customer acquisition and retention strategy.

# BRAND LOYALTY

## HOW IMPORTANT IS CUSTOMER SERVICE TO YOU IN YOUR CHOICE OF OR LOYALTY TO A BRAND?

### UNITED STATES
**Very Important: 69%**
Somewhat Important: 29%
Not Important: 2%

### BRAZIL
**Very Important: 90%**
Somewhat Important: 9%
Not Important: 1%

### GERMANY
**Very Important: 50%**
Somewhat Important: 45%
Not Important: 6%

### UNITED KINGDOM
**Very Important: 57%**
Somewhat Important: 40%
Not Important: 3%

### JAPAN
Very Important: 30%
**Somewhat Important: 61%**
Not Important: 10%

### GLOBAL AVERAGE
**Very Important: 59%**
Somewhat Important: 37%
Not Important: 4%

### AGES 18 - 34
**Very Important: 66%**
Somewhat Important: 30%
Not Important: 3%

### AGES 35 - 54
**Very Important: 56%**
Somewhat Important: 39%
Not Important: 5%

### AGES 55+
**Very Important: 55%**
Somewhat Important: 41%
Not Important: 4%

### MALE
**Very Important: 58%**
Somewhat Important: 37%
Not Important: 5%

### FEMALE
**Very Important: 60%**
Somewhat Important: 36%
Not Important: 4%


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# BRAND LOYALTY

## DO YOU HAVE HIGHER EXPECTATIONS FOR CUSTOMER SERVICE TODAY THAN YOU HAD ONE YEAR AGO?

### UNITED STATES

**Yes: 57%**

No: 43%

### BRAZIL

**Yes: 79%**

No: 22%

### GERMANY

Yes: 42%

**No: 58%**

### UNITED KINGDOM

Yes: 48%

**No: 52%**

### JAPAN

Yes: 45%

**No: 55%**

### GLOBAL AVERAGE

**Yes: 54%**

No: 46%

### AGES 18 - 34

**Yes: 66%**

No: 34%

### AGES 35 - 54

**Yes: 54%**

No: 46%

### AGES 55+

Yes: 42%

**No: 58%**

### MALE

**Yes: 54%**

No: 46%

### FEMALE

**Yes: 54%**

No: 46%

## WHEN YOU CONTACT A BRAND OR ORGANIZATION FOR CUSTOMER SERVICE, DO YOU EXPECT THE REPRESENTATIVE TO KNOW YOUR CONTACT, PRODUCT AND SERVICE INFORMATION/HISTORY?

### UNITED STATES

**Yes: 66%**

No: 34%

### BRAZIL

**Yes: 95%**

No: 6%

### GERMANY

**Yes: 74%**

No: 26%

### UNITED KINGDOM

**Yes: 68%**

No: 32%

### JAPAN

**Yes: 56%**

No: 44%

### GLOBAL AVERAGE

**Yes: 72%**

No: 28%

### AGES 18 - 34

**Yes: 77%**

No: 23%

### AGES 35 - 54

**Yes: 73%**

No: 27%

### AGES 55+

**Yes: 65%**

No: 35%

### MALE

**Yes: 73%**

No: 27%

### FEMALE

**Yes: 70%**

No: 30%

# BRAND LOYALTY

## DO YOU HAVE A MORE FAVORABLE VIEW OF BRANDS THAT ASK FOR AND ACCEPT CUSTOMER FEEDBACK?

### UNITED STATES
**Yes: 78%**
No: 23%

### BRAZIL
**Yes: 97%**
No: 3%

### GERMANY
**Yes: 71%**
No: 29%

### UNITED KINGDOM
**Yes: 66%**
No: 34%

### JAPAN
**Yes: 74%**
No: 27%

### GLOBAL AVERAGE
**Yes: 77%**
No: 23%

### AGES 18 - 34
**Yes: 82%**
No: 18%

### AGES 35 - 54
**Yes: 76%**
No: 24%

### AGES 55+
**Yes: 73%**
No: 27%

### MALE
**Yes: 77%**
No: 23%

### FEMALE
**Yes: 77%**
No: 23%

## DO YOU BELIEVE MOST BRANDS TAKE ACTION ON FEEDBACK PROVIDED BY THEIR CUSTOMERS?

### UNITED STATES
**Yes: 63%**
No: 37%

### BRAZIL
**Yes: 60%**
No: 40%

### GERMANY
Yes: 45%
**No: 55%**

### UNITED KINGDOM
**Yes: 52%**
No: 48%

### JAPAN
Yes: 40%
**No: 60%**

### GLOBAL AVERAGE
**Yes: 52%**
No: 48%

### AGES 18 - 34
**Yes: 58%**
No: 42%

### AGES 35 - 54
**Yes: 51%**
No: 49%

### AGES 55+
Yes: 48%
**No: 52%**

### MALE
**Yes: 52%**
No: 48%

### FEMALE
**Yes: 52%**
No: 48%



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## DO YOU HAVE A MORE FAVORABLE VIEW OF BRANDS THAT OFFER OR CONTACT YOU WITH PROACTIVE CUSTOMER SERVICE NOTIFICATIONS?

| | | |
|---|---|---|
| UNITED STATES | Yes: 67% | No: 33% |
| BRAZIL | Yes: 90% | No: 11% |
| GERMANY | Yes: 55% | No: 45% |
| UNITED KINGDOM | Yes: 58% | No: 42% |
| JAPAN | Yes: 72% | No: 28% |
| GLOBAL AVERAGE | Yes: 68% | No: 32% |
| AGES 18 - 34 | Yes: 73% | No: 27% |
| AGES 35 - 54 | Yes: 68% | No: 32% |
| AGES 55+ | Yes: 64% | No: 36% |
| MALE | Yes: 70% | No: 30% |
| FEMALE | Yes: 67% | No: 33% |

## DO YOU HAVE A MORE FAVORABLE VIEW OF BRANDS THAT RESPOND TO CUSTOMER SERVICE QUESTIONS OR COMPLAINTS ON SOCIAL MEDIA?

| | | |
|---|---|---|
| UNITED STATES | Yes: 46% | No: 54% |
| BRAZIL | Yes: 88% | No: 12% |
| GERMANY | Yes: 52% | No: 48% |
| UNITED KINGDOM | Yes: 40% | No: 60% |
| JAPAN | Yes: 52% | No: 48% |
| GLOBAL AVERAGE | Yes: 55% | No: 45% |
| AGES 18 - 34 | Yes: 74% | No: 26% |
| AGES 35 - 54 | Yes: 58% | No: 42% |
| AGES 55+ | Yes: 33% | No: 67% |
| MALE | Yes: 54% | No: 46% |
| FEMALE | Yes: 57% | No: 43% |

## DO YOU HAVE A MORE FAVORABLE VIEW OF BRANDS THAT OFFER A MOBILE-RESPONSIVE CUSTOMER SERVICE SUPPORT PORTAL?

### UNITED STATES

**Yes: 52%**

No: 48%

### BRAZIL

**Yes: 91%**

No: 9%

### GERMANY

**Yes: 69%**

No: 31%

### UNITED KINGDOM

Yes: 45%

**No: 55%**

### JAPAN

**Yes: 69%**

No: 31%

### GLOBAL AVERAGE

**Yes: 65%**

No: 35%

### AGES 18 - 34

**Yes: 79%**

No: 21%

### AGES 35 - 54

**Yes: 68%**

No: 32%

### AGES 55+

Yes: 47%

**No: 53%**

### MALE

**Yes: 64%**

No: 36%

### FEMALE

**Yes: 66%**

No: 34%

# PERCEPTIONS & FRUSTRATIONS

## ACT ON CUSTOMER PERCEPTIONS AND FRUSTRATIONS TO IMPROVE CUSTOMER SATISFACTION

According to **67%** of our global respondents, customer service is getting better. While this is certainly good news, it doesn't mean that frustrating customer service experiences are a thing of the past. In fact, **56%** of global respondents have stopped doing business with a brand due to a poor customer service experience, and **47%** of those respondents say they made that choice within the past 12 months.

So, what are the biggest dos and don'ts of customer service for 2017? Despite the increasing number of self-service options, customers still seek live-agent support. Frustration spikes when customers are unable to reach a live person for support. In fact, **30%** of global respondents find it to be the most frustrating aspect of a poor customer service experience. And 30% of those polled say the most important aspect of a good customer service experience is speaking with a knowledgeable and friendly agent.

Though more and more customers are solving issues through self-service, the results show that customers still rely on effective agent support when they encounter problems too tricky to solve on their own. These days, agents are likely to connect with customers who have already attempted to resolve their issue through another channel, so an agent's ability to pick up exactly where the last interaction left off – and deliver a personalized and contextual interaction – is key to a positive experience.

The bottom line is this: customers want their experience to feel effortless, regardless of whether it's through self-service or with the help of an agent. Unfortunately, that's not the case when looking at the **80%** of respondents who believe it takes some or even too much effort to resolve their customer service issues. While this number uncovers room for significant improvement globally, brands can seize this as an opportunity to improve customer perception by providing frictionless customer service engagements.



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## WHAT DO YOU FEEL IS THE MOST IMPORTANT ASPECT OF A GOOD CUSTOMER SERVICE EXPERIENCE?

### UNITED STATES

Not having to repeat myself/
not being passed from agent to agent: 21%

Being able to find the responses and information
I need without having to contact support: 13%

**A friendly & knowledgeable representative: 33%**

Getting my issue resolved in a single interaction
(no matter the length of time): 32%

Other: 1%

### BRAZIL

Not having to repeat myself/
not being passed from agent to agent: 28%

Being able to find the responses and information
I need without having to contact support: 14%

A friendly & knowledgeable representative: 25%

**Getting my issue resolved in a single interaction
(no matter the length of time): 33%**

Other: 1%

### GERMANY

Not having to repeat myself/
not being passed from agent to agent: 21%

Being able to find the responses and information
I need without having to contact support: 10%

**A friendly & knowledgeable representative: 42%**

Getting my issue resolved in a single interaction
(no matter the length of time): 26%

Other: 1%

### UNITED KINGDOM

**Not having to repeat myself/
not being passed from agent to agent: 31%**

Being able to find the responses and information
I need without having to contact support: 10%

A friendly & knowledgeable representative: 30%

Getting my issue resolved in a single interaction
(no matter the length of time): 29%

Other: 1%

### JAPAN

**Not having to repeat myself/
not being passed from agent to agent: 36%**

Being able to find the responses and information
I need without having to contact support: 18%

A friendly & knowledgeable representative: 19%

Getting my issue resolved in a single interaction
(no matter the length of time): 22%

Other: 5%

### GLOBAL AVERAGE

Not having to repeat myself/
not being passed from agent to agent: 27%

Being able to find the responses and information
I need without having to contact support: 13%

**A friendly & knowledgeable representative: 30%**

Getting my issue resolved in a single interaction
(no matter the length of time): 28%

Other: 2%

### AGES 18 - 34

Not having to repeat myself/
not being passed from agent to agent: 24%

Being able to find the responses and information
I need without having to contact support: 18%

**A friendly & knowledgeable representative: 29%**

Getting my issue resolved in a single interaction
(no matter the length of time): 28%

Other: 2%

### AGES 35 - 54

**Not having to repeat myself/
not being passed from agent to agent:30%**

Being able to find the responses and information
I need without having to contact support: 18%

A friendly & knowledgeable representative: 29%

Getting my issue resolved in a single interaction
(no matter the length of time): 28%

Other: 2%

### AGES 55+

Not having to repeat myself/
not being passed from agent to agent: 28%

Being able to find the responses and information
I need without having to contact support: 9%

**A friendly & knowledgeable representative: 33%**

Getting my issue resolved in a single interaction
(no matter the length of time): 29%

Other: 1%

### MALE

Not having to repeat myself/
not being passed from agent to agent: 25%

Being able to find the responses and information
I need without having to contact support: 13%

**A friendly & knowledgeable representative: 31%**

Getting my issue resolved in a single interaction
(no matter the length of time): 30%

Other: 2%

### FEMALE

**Not having to repeat myself/
not being passed from agent to agent: 30%**

Being able to find the responses and information
I need without having to contact support: 13%

A friendly & knowledgeable representative: 29%

Getting my issue resolved in a single interaction
(no matter the length of time): 27%

Other: 2%

## WHAT IS THE MOST FRUSTRATING ASPECT OF A POOR CUSTOMER SERVICE EXPERIENCE?

### UNITED STATES

- Not being able to resolve my issue or find information online: 18%
- **Automated Telephone System (IVR)/inability to reach a live person for customer support: 34%**
- A representative not having the knowledge or ability to resolve my issue: 26%
- Having to repeat or provide my information multiple times: 22%

### UNITED KINGDOM

- Not being able to resolve my issue or find information online: 14%
- **Automated Telephone System (IVR)/inability to reach a live person for customer support: 33%**
- A representative not having the knowledge or ability to resolve my issue: 25%
- Having to repeat or provide my information multiple times: 28%

### AGES 18 - 34

- Not being able to resolve my issue or find information online: 26%
- Automated Telephone System (IVR)/inability to reach a live person for customer support: 19%
- **A representative not having the knowledge or ability to resolve my issue: 32%**
- Having to repeat or provide my information multiple times: 22%

### MALE

- Not being able to resolve my issue or find information online: 21%
- **Automated Telephone System (IVR)/inability to reach a live person for customer support: 30%**
- A representative not having the knowledge or ability to resolve my issue: 29%
- Having to repeat or provide my information multiple times: 20%

### BRAZIL

- Not being able to resolve my issue or find information online: 25%
- Automated Telephone System (IVR)/inability to reach a live person for customer support: 19%
- **A representative not having the knowledge or ability to resolve my issue: 34%**
- Having to repeat or provide my information multiple times: 22%

### JAPAN

- Not being able to resolve my issue or find information online: 24%
- **Automated Telephone System (IVR)/inability to reach a live person for customer support: 30%**
- A representative not having the knowledge or ability to resolve my issue: 28%
- Having to repeat or provide my information multiple times: 19%

### AGES 35 - 54

- Not being able to resolve my issue or find information online: 20%
- Automated Telephone System (IVR)/inability to reach a live person for customer support: 27%
- **A representative not having the knowledge or ability to resolve my issue: 30%**
- Having to repeat or provide my information multiple times: 22%

### FEMALE

- Not being able to resolve my issue or find information online: 19%
- **Automated Telephone System (IVR)/inability to reach a live person for customer support: 29%**
- **A representative not having the knowledge or ability to resolve my issue: 29%**
- Having to repeat or provide my information multiple times: 22%

### GERMANY

- Not being able to resolve my issue or find information online: 19%
- Automated Telephone System (IVR)/inability to reach a live person for customer support: 32%
- **A representative not having the knowledge or ability to resolve my issue: 33%**
- Having to repeat or provide my information multiple times: 17%

### GLOBAL AVERAGE

- Not being able to resolve my issue or find information online: 20%
- **Automated Telephone System (IVR)/inability to reach a live person for customer support: 30%**
- A representative not having the knowledge or ability to resolve my issue: 29%
- Having to repeat or provide my information multiple times: 21%

### AGES 55+

- Not being able to resolve my issue or find information online: 13%
- **Automated Telephone System (IVR)/inability to reach a live person for customer support: 43%**
- A representative not having the knowledge or ability to resolve my issue: 25%
- Having to repeat or provide my information multiple times: 20%

## HAVE YOU EVER STOPPED DOING BUSINESS WITH A BRAND DUE TO A POOR CUSTOMER SERVICE EXPERIENCE?

### UNITED STATES

**Yes: 59%**

No: 41%

### BRAZIL

**Yes: 78%**

No: 22%

### GERMANY

Yes: 46%

**No: 54%**

### UNITED KINGDOM

**Yes: 61%**

No: 39%

### JAPAN

Yes: 35%

**No: 65%**

### GLOBAL AVERAGE

**Yes: 56%**

No: 44%

### AGES 18 - 34

**Yes: 63%**

No: 37%

### AGES 35 - 54

**Yes: 56%**

No: 44%

### AGES 55+

Yes: 48%

**No: 52%**

### MALE

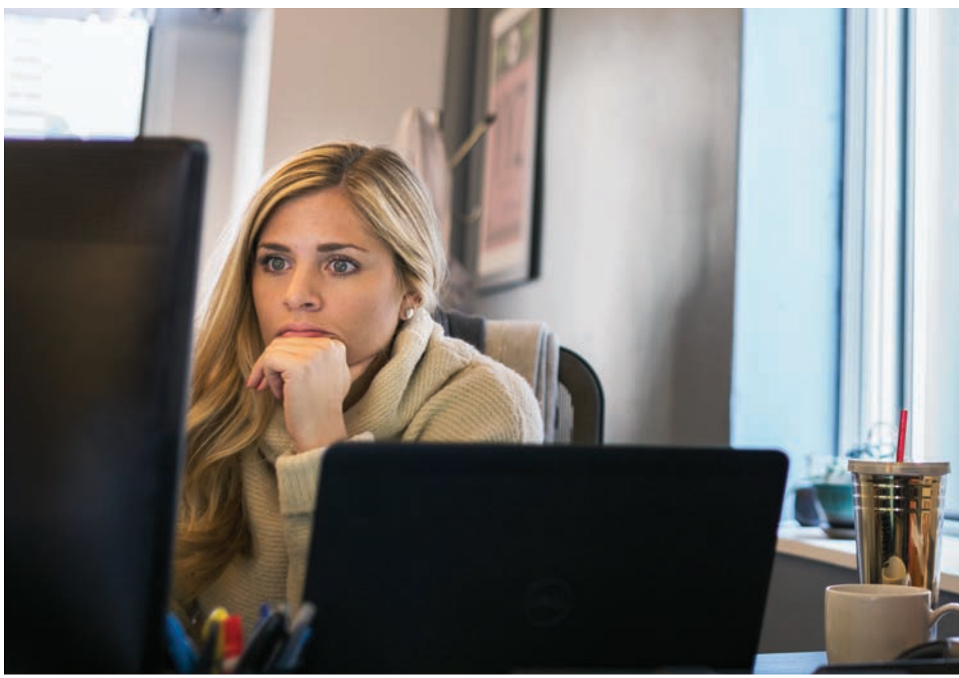
**Yes: 57%**

No: 43%

### FEMALE

**Yes: 55%**

No: 45%



## IF YOU HAVE STOPPED DOING BUSINESS WITH A BRAND DUE TO A POOR CUSTOMER SERVICE EXPERIENCE, WAS IT WITHIN THE PAST 12 MONTHS?

### UNITED STATES
Yes: 44%
**No: 56%**

### BRAZIL
**Yes: 67%**
No: 33%

### GERMANY
Yes: 40%
**No: 60%**

### UNITED KINGDOM
Yes: 42%
**No: 58%**

### JAPAN
Yes: 24%
**No: 76%**

### GLOBAL AVERAGE
Yes: 47%
**No: 53%**

### AGES 18 - 34
**Yes: 61%**
No: 39%

### AGES 35 - 54
Yes: 44%
**No: 56%**

### AGES 55+
Yes: 32%
**No: 68%**

### MALE
Yes: 48%
**No: 52%**

### FEMALE
Yes: 46%
**No: 54%**

## OVERALL, IS CUSTOMER SERVICE GETTING BETTER OR WORSE?

### UNITED STATES
**Yes: 62%**
No: 38%

### BRAZIL
**Yes: 79%**
No: 21%

### GERMANY
**Yes: 60%**
No: 40%

### UNITED KINGDOM
**Yes: 61%**
No: 39%

### JAPAN
**Yes: 74%**
No: 26%

### GLOBAL AVERAGE
**Yes: 67%**
No: 33%

### AGES 18 - 34
**Yes: 75%**
No: 25%

### AGES 35 - 54
**Yes: 66%**
No: 34%

### AGES 55+
**Yes: 61%**
No: 39%

### MALE
**Yes: 67%**
No: 33%

### FEMALE
**Yes: 67%**
No: 33%

## HOW MUCH EFFORT DO YOU FEEL IT TYPICALLY TAKES YOU TO RESOLVE A CUSTOMER SERVICE ISSUE?

### UNITED STATES

Very little effort: 20%

**Some effort: 64%**

A lot or too much effort: 16%

### UNITED KINGDOM

Very little effort: 13%

**Some effort: 68%**

A lot or too much effort: 19%

### AGES 18 - 34

Very little effort: 23%

**Some effort: 60%**

A lot or too much effort: 17%

### MALE

Very little effort: 20%

**Some effort: 62%**

A lot or too much effort: 18%

### BRAZIL

Very little effort: 22%

**Some effort: 51%**

A lot or too much effort: 27%

### JAPAN

Very little effort: 21%

**Some effort: 58%**

A lot or too much effort: 21%

### AGES 34 - 54

Very little effort: 21%

**Some effort: 60%**

A lot or too much effort: 19%

### FEMALE

Very little effort: 19%

**Some effort: 62%**

A lot or too much effort: 19%

### GERMANY

Very little effort: 23%

**Some effort: 68%**

A lot or too much effort: 9%

### GLOBAL AVERAGE

Very little effort: 20%

**Some effort: 62%**

A lot or too much effort: 18%

### AGES 34 - 54

Very little effort: 16%

**Some effort: 67%**

A lot or too much effort: 18%



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# SELF-SERVICE

## REVOLUTIONIZE YOUR CUSTOMER ENGAGEMENT MODEL WITH SELF-SERVICE OPTIONS

In today's connected world, customers expect to receive service on their own terms – anytime, anywhere. Customers order rides, check in for flights, and even check out at grocery stores online. So, why wouldn't they expect the same convenience from your customer service organization? They do: **90%** of our respondents say they expect brands and organizations to offer an online portal for self-service. And when customers are not able to resolve issues on their own, over half of all respondents say it's because there is too little information online.

Their expectations are in line with how most service engagements begin. **75%** of global respondents have used a search engine to find answers to service related questions before calling an agent, and **74%** have used a self-service support portal. **65%** of global respondents – and **79%** of millennials – have a more favorable view of brands that offer a mobile-responsive customer service portal, reflecting a desire to be empowered to resolve issues wherever and whenever they want.

Your self-service portal is also a great place to build loyalty. In addition to your own knowledge articles, why not let your super-users share their passion and expertise through a support forum? The use of online forums is on the rise, not only for peer-to-peer support, but as a place to engage with subject matter experts or discuss best practices. And innovation communities can foster a sense of ownership as well by giving your customers the opportunity to influence your roadmap.

# SELF-SERVICE

## HAVE YOU EVER USED A SEARCH ENGINE TO TRY AND FIND THE RESPONSE TO A CUSTOMER SERVICE QUESTION?

### UNITED STATES

**Yes: 72%**

No: 28%

### BRAZIL

**Yes: 91%**

No: 9%

### GERMANY

**Yes: 81%**

No: 19%

### UNITED KINGDOM

**Yes: 70%**

No: 30%

### JAPAN

**Yes: 63%**

No: 37%

### GLOBAL AVERAGE

**Yes: 75%**

No: 25%

### AGES 18 - 34

**Yes: 86%**

No: 14%

### AGES 35 - 54

**Yes: 77%**

No: 23%

### AGES 55+

**Yes: 63%**

No: 37%

### MALE

**Yes: 74%**

No: 26%

### FEMALE

**Yes: 76%**

No: 24%

## DO YOU EXPECT A BRAND OR ORGANIZATION TO HAVE AN ONLINE SELF-SERVICE SUPPORT PORTAL?

### UNITED STATES

**Yes: 89%**

No: 11%

### BRAZIL

**Yes: 98%**

No: 2%

### GERMANY

**Yes: 84%**

No: 16%

### UNITED KINGDOM

**Yes: 93%**

No: 7%

### JAPAN

**Yes: 84%**

No: 16%

### GLOBAL AVERAGE

**Yes: 90%**

No: 10%

### AGES 18 - 34

**Yes: 93%**

No: 7%

### AGES 35 - 54

**Yes: 90%**

No: 10%

### AGES 55+

**Yes: 86%**

No: 14%

### MALE

**Yes: 90%**

No: 10%

### FEMALE

**Yes: 90%**

No: 10%

## HAVE YOU EVER USED A SELF-SERVICE SUPPORT PORTAL FOR CUSTOMER SERVICE?

### UNITED STATES
Yes: 79%
No: 21%

### BRAZIL
Yes: 92%
No: 8%

### GERMANY
Yes: 67%
No: 33%

### UNITED KINGDOM
Yes: 78%
No: 22%

### JAPAN
Yes: 52%
No: 48%

### GLOBAL AVERAGE
Yes: 74%
No: 26%

### AGES 18 - 34
Yes: 82%
No: 18%

### AGES 35 - 54
Yes: 74%
No: 26%

### AGES 55+
Yes: 65%
No: 35%

### MALE
Yes: 75%
No: 25%

### FEMALE
Yes: 73%
No: 27%

## IF YOU HAVE USED A SELF-SERVICE SUPPORT PORTAL FOR CUSTOMER SERVICE, DID YOU FIND THE RESPONSE YOU WERE LOOKING FOR?

### UNITED STATES
Yes: 78%
No: 22%

### BRAZIL
Yes: 87%
No: 13%

### GERMANY
Yes: 81%
No: 19%

### UNITED KINGDOM
Yes: 71%
No: 29%

### JAPAN
Yes: 73%
No: 27%

### GLOBAL AVERAGE
Yes: 79%
No: 21%

### AGES 18 - 34
Yes: 87%
No: 13%

### AGES 35 - 54
Yes: 79%
No: 21%

### AGES 55+
Yes: 68%
No: 32%

### MALE
Yes: 79%
No: 21%

### FEMALE
Yes: 79%
No: 21%

## IF YOU DID NOT FIND THE RESPONSE YOU WERE LOOKING FOR, WHAT WAS THE KEY ISSUE?

### UNITED STATES

**Too little information: 54%**

Too much information: 1%

Outdated information: 9%

Disorganized information: 20%

No search capability: 16%

### BRAZIL

**Too little information: 58%**

Too much information: 6%

Outdated information: 8%

Disorganized information: 16%

No search capability: 11%

### GERMANY

**Too little information: 48%**

Too much information: 4%

Outdated information: 10%

Disorganized information: 31%

No search capability: 6%

### UNITED KINGDOM

**Too little information: 49%**

Too much information: 5%

Outdated information: 4%

Disorganized information: 23%

No search capability: 19%

### JAPAN

**Too little information: 62%**

Too much information: 8%

Outdated information: 5%

Disorganized information: 15%

No search capability: 10%

### GLOBAL AVERAGE

**Too little information: 54%**

Too much information: 5%

Outdated information: 7%

Disorganized information: 21%

No search capability: 14%

### AGES 18 - 34

**Too little information: 57%**

Too much information: 8%

Outdated information: 15%

Disorganized information: 12%

No search capability: 7%

### AGES 35 - 54

**Too little information: 56%**

Too much information: 4%

Outdated information: 6%

Disorganized information: 22%

No search capability: 12%

### AGES 55+

**Too little information: 49%**

Too much information: 3%

Outdated information: 3%

Disorganized information: 25%

No search capability: 19%

### MALE

**Too little information: 52%**

Too much information: 4%

Outdated information: 8%

Disorganized information: 22%

No search capability: 14%

### FEMALE

**Too little information: 55%**

Too much information: 5%

Outdated information: 6%

Disorganized information: 20%

No search capability: 13%

# OMNI-CHANNEL

## OFFER OMNI-CHANNEL SERVICE, ANYTIME AND ON ANY DEVICE

Today's customers interact with brands across a growing number of channels. And they're not picking favorites. When asked how many customer service channels they use, **66%** of global respondents say they actively use **3** or more channels. As customers jump from channel to channel, especially during the course of a single service inquiry, brands must be empowered to transform that collection of unique customer interactions into a single engagement experience.

Customers crave immediate real-time access, and as a result, mobility has become the name of the game. Given the number of people who rely on self-service portals, it's no surprise that **52%** of global respondents – and **63%** of millennials – typically begin their interactions online. But increasingly it's from their mobile device. In fact, **33%** of our respondents – jumping to **43%** for millennials – use their mobile device for customer service engagements. Brands have no choice but to ensure their service experience is optimized for this growing number of users.



Microsoft

## WHEN ENGAGING A BRAND OR ORGANIZATION FOR CUSTOMER SERVICE, WHERE DOES YOUR INTERACTION TYPICALLY BEGIN?

### UNITED STATES

**Online: 49%**

Over the phone: 43%

In person: 7%

### BRAZIL

**Online: 55%**

Over the phone: 42%

In person: 3%

### GERMANY

Online: 41%

**Over the phone: 54%**

In person: 5%

### UNITED KINGDOM

**Online: 60%**

Over the phone: 33%

In person: 7%

### JAPAN

**Online: 56%**

Over the phone: 42%

In person: 2%

### GLOBAL AVERAGE

**Online: 52%**

Over the phone: 43%

In person: 5%

### AGES 18 - 34

**Online: 63%**

Over the phone: 33%

In person: 4%

### AGES 35 - 54

**Online: 53%**

Over the phone: 42%

In person: 5%

### AGES 55+

Online: 41%

**Over the phone: 54%**

In person: 5%

### MALE

**Online: 52%**

Over the phone: 43%

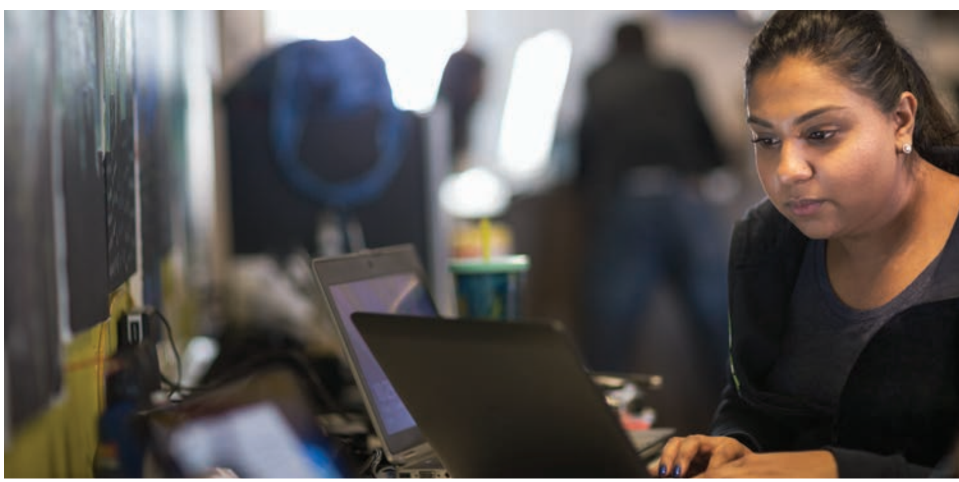
In person: 5%

### FEMALE

**Online: 53%**

Over the phone: 42%

In person: 5%



## WHICH DEVICE DO YOU USE MOST TO START A CUSTOMER SERVICE INTERACTION?

### UNITED STATES

Mobile Device
(Mobile Phone or Tablet): 32%

**Computer (Laptop or Desktop): 68%**

### BRAZIL

Mobile Device
(Mobile Phone or Tablet): 40%

**Computer (Laptop or Desktop): 60%**

### BRAZIL

Mobile Device
(Mobile Phone or Tablet): 33%

**Computer (Laptop or Desktop): 67%**

### UNITED KINGDOM

Mobile Device
(Mobile Phone or Tablet): 29%

**Computer (Laptop or Desktop): 72%**

### JAPAN

Mobile Device
(Mobile Phone or Tablet): 31%

**Computer (Laptop or Desktop): 69%**

### GLOBAL AVERAGE

Mobile Device
(Mobile Phone or Tablet): 33%

**Computer (Laptop or Desktop): 67%**

### AGES 18 - 34

Mobile Device
(Mobile Phone or Tablet): 43%

**Computer (Laptop or Desktop): 57%**

### AGES 35 - 54

Mobile Device
(Mobile Phone or Tablet): 31%

**Computer (Laptop or Desktop): 69%**

### AGES 55+

Mobile Device
(Mobile Phone or Tablet): 25%

**Computer (Laptop or Desktop): 75%**

### MALE

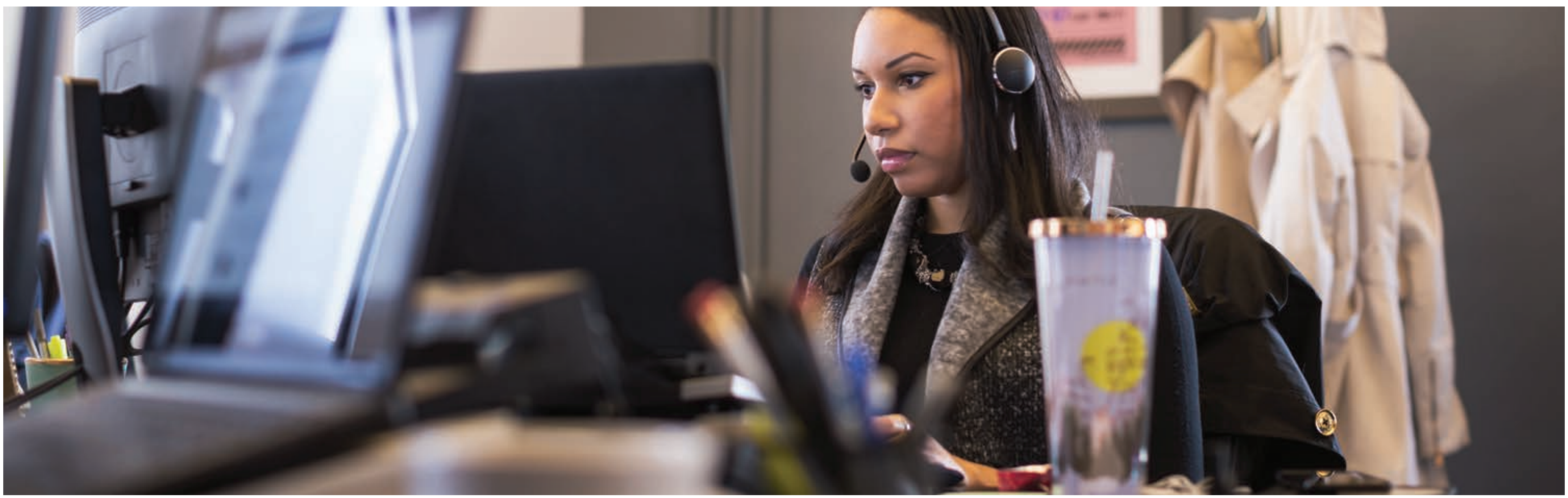
Mobile Device
(Mobile Phone or Tablet): 29%

**Computer (Laptop or Desktop): 71%**

### FEMALE

Mobile Device
(Mobile Phone or Tablet): 37%

**Computer (Laptop or Desktop): 63%**





Microsoft

## WHICH OF THE FOLLOWING CUSTOMER SERVICE CHANNELS HAVE YOU USED?

| | UNITED STATES | UNITED KINGDOM | BRAZIL | JAPAN | GERMANY | GLOBAL AVERAGE | AGES 18 - 34 | AGES 35 - 54 | AGES 55+ |
|---|---|---|---|---|---|---|---|---|---|
| Email: | 62% | 73% | 73% | 47% | 60% | 63% | 62% | 64% | 63% |
| In person: | 41% | 35% | 36% | 5% | 29% | 29% | 30% | 28% | 30% |
| Live chat: | 47% | 55% | 61% | 6% | 29% | 40% | 48% | 40% | 31% |
| Mobile app: | 12% | 7% | 25% | 2% | 7% | 11% | 19% | 10% | 3% |
| Telephone: | 74% | 69% | 78% | 56% | 73% | 70% | 65% | 70% | 75% |
| Self-service support portal: (Support or FAQ page) | 48% | 54% | 59% | 34% | 35% | 46% | 48% | 47% | 43% |
| Search engine: | 43% | 46% | 43% | 39% | 57% | 45% | 49% | 47% | 40% |
| Social media: | 15% | 18% | 41% | 4% | 17% | 19% | 33% | 18% | 6% |
| Online community: | 18% | 21% | 27% | 6% | 22% | 19% | 29% | 18% | 9% |
| SMS or text message: | 11% | 10% | 20% | 5% | 5% | 10% | 13% | 11% | 6% |
| Chat bot: (automated voice or chat response) | 10% | 9% | 16% | 4% | 7% | 9% | 15% | 8% | 4% |

# OMNI-CHANNEL

## HOW MANY DIFFERENT CUSTOMER SERVICE CHANNELS HAVE YOU USED?

### UNITED STATES

1 - 2 channels: 27%

**3 - 5 channels: 47%**

6 or more: 24%

None of these: 2%

*Average number of response: 4.05*

### BRAZIL

1 - 2 channels: 15%

**3 - 5 channels: 46%**

6 or more: 38%

None of these: 0%

*Average number of response: 4.96*

### GERMANY

1 - 2 channels: 32%

**3 - 5 channels: 45%**

6 or more: 20%

None of these: 2%

*Average number of response: 3.76*

### UNITED KINGDOM

1 - 2 channels: 23%

**3 - 5 channels: 47%**

6 or more: 26%

None of these: 3%

*Average number of response: 4.25*

### JAPAN

**1 - 2 channels: 46%**

3 - 5 channels: 35%

6 or more: 2%

None of these: 17%

*Average number of response: 2.50*

### GLOBAL AVERAGE

1 - 2 channels: 29%

**3 - 5 channels: 44%**

6 or more: 22%

None of these: 5%

*Average number of response: 3.95*

### AGES 18 - 34

1 - 2 channels: 24%

**3 - 5 channels: 41%**

6 or more: 31%

None of these: 4%

*Average number of response: 4.46*

### AGES 35 - 54

1 - 2 channels: 29%

**3 - 5 channels: 43%**

6 or more: 23%

None of these: 5%

*Average number of response: 4.00*

### AGES 55+

1 - 2 channels: 34%

**3 - 5 channels: 50%**

6 or more: 12%

None of these: 5%

*Average number of response: 3.37*

### MALE

1 - 2 channels: 28%

**3 - 5 channels: 44%**

6 or more: 22%

None of these: 5%

*Average number of response: 3.98*

### FEMALE

1 - 2 channels: 29%

**3 - 5 channels: 44%**

6 or more: 22%

None of these: 4%

*Average number of response: 3.92*

# DIGITAL & EMERGING TRENDS

## LEVERAGE DIGITAL TRENDS TO ENHANCE CUSTOMER ENGAGEMENT

There are a few other things to keep in mind when thinking about your omni-channel strategy. Every day customers are finding new ways to interact with brands. For example, new social channels, chatbots, and connected devices are becoming more prevalent in people's daily lives and will play an even greater role in the future. Paying attention to emerging digital trends is critical to your business.

Take, for example, social care. Listening to customers on social media is no longer optional. As mentioned above, over half of our global respondents have a more favorable view of brands who respond to complaints and questions via social media. Millennials, especially, believe social media is an effective channel for customer service. But for social care to be effective, brands must respond quickly: **66%** of those polled expect a response within 24 hours or less.

And artificial intelligence (AI) isn't just for science fiction. Brands should consider tapping into the potential of automated customer service bots as part of their engagement strategy. Intelligent machine to human interactions layered on top of the immediacy and availability of self-service have the potential to increase CSAT scores while taking pressure off your agent assisted channels.

Similarly, brands should explore opportunities to leverage the Internet of Things (IoT) to provide predictive support for connected devices. **31%** of our respondents — jumping to **45%** for millennials — have a connected device. In many scenarios, service organizations can detect, troubleshoot, and resolve issues remotely, preempting any negative impact to the customer.

Emerging digital trends have the potential to maximize the positive impact of customer service by creating more immersive, more personalized experiences.



Microsoft

## HAVE YOU EVER USED SOCIAL MEDIA TO PRAISE A BRAND OR ITS CUSTOMER SERVICE?

### UNITED STATES
Yes: 41%
**No: 59%**

### BRAZIL
**Yes: 67%**
No: 33%

### GERMANY
Yes: 31%
**No: 69%**

### UNITED KINGDOM
Yes: 33%
**No: 68%**

### JAPAN
Yes: 14%
**No: 86%**

### GLOBAL AVERAGE
Yes: 37%
**No: 63%**

### AGES 18 - 34
**Yes: 55%**
No: 45%

### AGES 35 - 54
Yes: 36%
**No: 64%**

### AGES 55+
Yes: 20%
**No: 80%**

### MALE
Yes: 36%
**No: 64%**

### FEMALE
Yes: 38%
**No: 62%**

## HAVE YOU EVER USED SOCIAL MEDIA TO COMPLAIN ABOUT A BRAND OR ITS CUSTOMER SERVICE?

### UNITED STATES
Yes: 33%
**No: 67%**

### BRAZIL
**Yes: 60%**
No: 40%

### GERMANY
Yes: 24%
**No: 76%**

### UNITED KINGDOM
Yes: 26%
**No: 74%**

### JAPAN
Yes: 12%
**No: 88%**

### GLOBAL AVERAGE
Yes: 31%
**No: 69%**

### AGES 18 - 34
**Yes: 50%**
**No: 50%**

### AGES 35 - 54
Yes: 30%
**No: 70%**

### AGES 55+
Yes: 14%
**No: 86%**

### MALE
Yes: 31%
**No: 69%**

### FEMALE
Yes: 31%
**No: 69%**

## HAVE YOU EVER USED SOCIAL MEDIA TO ASK A CUSTOMER SERVICE QUESTION?

### UNITED STATES
Yes: 28%
**No: 72%**

### BRAZIL
**Yes: 65%**
No: 35%

### GERMANY
Yes: 28%
**No: 72%**

### UNITED KINGDOM
Yes: 29%
**No: 72%**

### JAPAN
Yes: 18%
**No: 82%**

### GLOBAL AVERAGE
Yes: 34%
**No: 66%**

### AGES 18 - 34
**Yes: 55%**
No: 45%

### AGES 35 - 54
Yes: 33%
**No: 67%**

### AGES 55+
Yes: 13%
**No: 87%**

### MALE
Yes: 31%
**No: 69%**

### FEMALE
Yes: 36%
**No: 64%**

## DO YOU BELIEVE SOCIAL MEDIA IS AN EFFECTIVE CHANNEL FOR CUSTOMER SERVICE?

### UNITED STATES
Yes: 39%
**No: 61%**

### BRAZIL
**Yes: 76%**
No: 24%

### GERMANY
Yes: 34%
**No: 67%**

### W KINGDOM
Yes: 40%
**No: 60%**

### JAPAN
Yes: 45%
**No: 55%**

### GLOBAL AVERAGE
Yes: 47%
**No: 53%**

### AGES 18 - 34
**Yes: 65%**
No: 35%

### AGES 35 - 54
Yes: 49%
**No: 51%**

### AGES 55+
Yes: 25%
**No: 75%**

### MALE
Yes: 43%
**No: 57%**

### FEMALE
**Yes: 50%**
**No: 50%**

## WHAT IS YOUR EXPECTED RESPONSE TIME FOR SOCIAL MEDIA QUESTIONS OR COMPLAINTS?

### UNITED STATES
Less than an hour: 18%
**24 hours or less: 41%**
48 hours or less: 8%
I don't expect a response: 33%

### BRAZIL
Less than an hour: 26%
**24 hours or less: 58%**
48 hours or less: 13%
I don't expect a response: 3%

### BRAZIL
Less than an hour: 17%
**24 hours or less: 56%**
48 hours or less: 9%
I don't expect a response: 18%

### UNITED KINGDOM
Less than an hour: 15%
**24 hours or less: 43%**
48 hours or less: 13%
I don't expect a response: 29%

### JAPAN
Less than an hour: 16%
**24 hours or less: 44%**
48 hours or less: 13%
I don't expect a response: 28%

### GLOBAL AVERAGE
Less than an hour: 18%
**24 hours or less: 48%**
48 hours or less: 11%
I don't expect a response: 22%

### AGES 18 - 34
Less than an hour: 20%
**24 hours or less: 57%**
48 hours or less: 14%
I don't expect a response: 10%

### AGES 35 - 54
Less than an hour: 19%
**24 hours or less: 52%**
48 hours or less: 11%
I don't expect a response: 17%

### AGES 55+
Less than an hour: 15%
24 hours or less: 35%
48 hours or less: 8%
**I don't expect a response: 41%**

### MALE
Less than an hour: 19%
**24 hours or less: 46%**
48 hours or less: 10%
I don't expect a response: 25%

### FEMALE
Less than an hour: 17%
**24 hours or less: 50%**
48 hours or less: 12%
I don't expect a response: 20%

## IF YOU HAVE USED SOCIAL MEDIA TO ASK A CUSTOMER SERVICE QUESTION, DID THE COMPANY RESPOND?

### UNITED STATES

**Yes: 84%**

No: 16%

### BRAZIL

**Yes: 89%**

No: 11%

### GERMANY

**Yes: 81%**

No: 19%

### UNITED KINGDOM

**Yes: 84%**

No: 16%

### JAPAN

**Yes: 85%**

No: 15%

### GLOBAL AVERAGE

**Yes: 85%**

No: 15%

### AGES 18 - 34

**Yes: 85%**

No: 15%

### AGES 35 - 54

**Yes: 87%**

No: 13%

### AGES 55+

**Yes: 81%**

No: 19%

### MALE

**Yes: 86%**

No: 14%

### FEMALE

**Yes: 85%**

No: 15%

## IF YOU HAVE USED A CHAT BOT FOR CUSTOMER SERVICE, HOW EFFECTIVE WAS THE CHAT BOT AT RESOLVING YOUR ISSUE?

### UNITED STATES
Very effective: 30%

**Somewhat effective: 58%**

Not at all effective: 12%

### BRAZIL
Very effective: 44%

**Somewhat effective: 48%**

Not at all effective: 9%

### GERMANY
Very effective: 25%

**Somewhat effective: 58%**

Not at all effective: 17%

### UNITED KINGDOM
Very effective: 29%

**Somewhat effective: 52%**

Not at all effective: 19%

### JAPAN
Very effective: 17%

**Somewhat effective: 69%**

Not at all effective: 14%

### GLOBAL AVERAGE
Very effective: 33%

**Somewhat effective: 54%**

Not at all effective: 13%

### AGES 18 - 34
Very effective: 39%

**Somewhat effective: 49%**

Not at all effective: 12%

### AGES 35 - 54
Very effective: 29%

**Somewhat effective: 56%**

Not at all effective: 15%

### AGES 55+
Very effective: 22%

**Somewhat effective: 65%**

Not at all effective: 13%

### MALE
Very effective: 34%

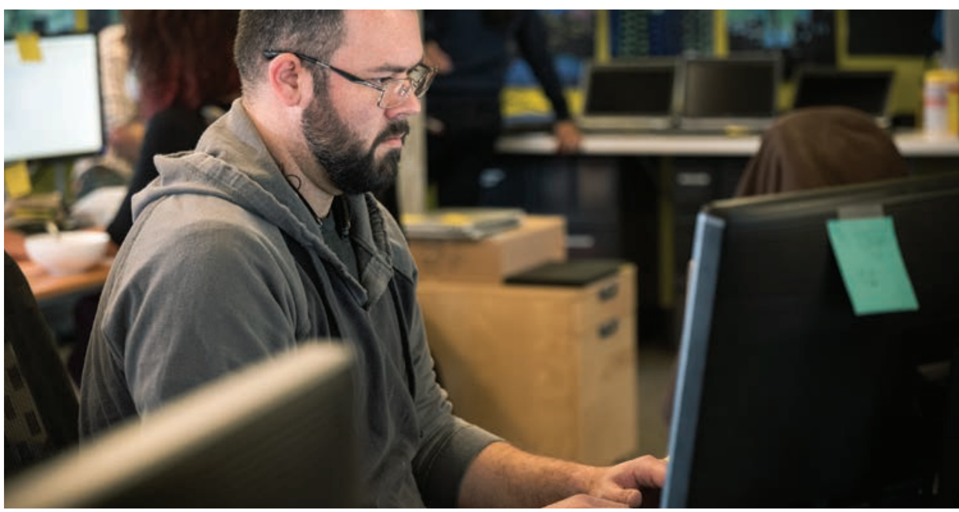
**Somewhat effective: 54%**

Not at all effective: 13%

### FEMALE
Very effective: 32%

**Somewhat effective: 54%**

Not at all effective: 14%

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## ASIDE FROM YOUR SMARTPHONE OR PERSONAL COMPUTER, DO YOU OWN ANY OTHER CONNECTED DEVICES (I.E. CONNECTED APPLIANCE, CONNECTED CAR OR CONNECTED HOME ALARM SYSTEM)?

### UNITED STATES
Yes: 30%

**No: 70%**

### BRAZIL
Yes: 49%

**No: 51%**

### GERMANY
Yes: 32%

**No: 68%**

### UNITED KINGDOM
Yes: 29%

**No: 71%**

### JAPAN
Yes: 15%

**No: 85%**

### GLOBAL AVERAGE
Yes: 31%

**No: 69%**

### AGES 18 - 34
Yes: 45%

**No: 55%**

### AGES 35 - 54
Yes: 30%

**No: 70%**

### AGES 55+
Yes: 17%

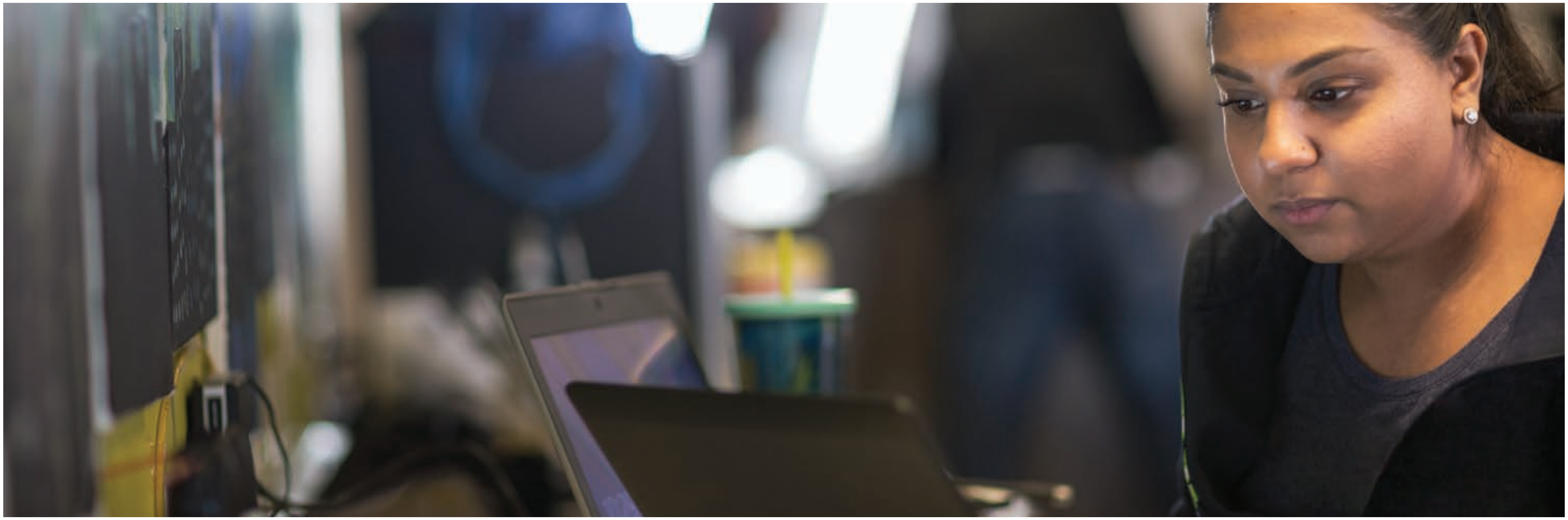
**No: 83%**

### MALE
Yes: 33%

**No: 67%**

### FEMALE
Yes: 29%

**No: 71%**





Microsoft

# TAKEAWAYS & CONCLUSIONS

Wherever you sit in your organization, you are aware of the growing importance of customer experience when it comes to increasing your brand's competitive edge. One of the greatest daily influences on the engagement experience comes from the quality of your customer service. Once considered a cost center, it now needs to be viewed as and invested in for what it is – an engine that drives wallet share, brand loyalty, the future of your business. The *Microsoft 2017 State of Global Customer Service Report* indicates that:

## 1. CUSTOMER SERVICE IS A KEY DRIVER OF CUSTOMER LOYALTY

Customer expectations are rising, and it's critical for organizations to keep pace with those expectations in a way that's innovative and provides a differentiated experience. Our findings reveal that there is a direct correlation between delivering superior customer service and brand loyalty. In fact, **96%** of respondents say it's important in their choice of and loyalty to a brand.

This presents an opportunity for brands across the globe. There are strategies you can embrace that will drive favorability ratings of your brand, such as asking for customer feedback, engaging via social channels, and providing proactive and predictive support. Brands that deliver on heightened customer expectations are rewarded with higher rates of customer retention and loyalty.

## 2. SELF-SERVICE IS GROWING RAPIDLY, BUT KNOWLEDGEABLE AGENTS ARE MORE IMPORTANT THAN EVER

Self-service options that enable customers to resolve issues on their own should be an essential part of your service strategy. Most customers begin their service engagement online, and rely on agents when they can't resolve issues on their own. They engage and receive service across multiple touchpoints, such as email, chat, and social channels, but are embracing emerging channels, such as chat bots and connected devices, as well. As a result, emerging digital trends can quickly become important considerations in your digital customer service strategy.

Though more and more customers are relying on self-service, customers still care deeply about agent support when they encounter problems too complex to solve on their own. When a customer encounters a service issue that self-service can't resolve, they continue to rely on live agents to deliver a knowledgeable, effective solution. Providing an effortless experience with seamless transitions between self-service and the agent assisted experience will lead to more impactful customer engagement and long-term customer loyalty.

## 3. GLOBAL CUSTOMERS OF ALL AGES ARE DRIVING THE DIGITAL EXPERIENCE

The digital revolution is here. It spans every region and every generation. Our global respondents are engaged across multiple channels. They are mobile, and they embrace emerging technologies. That said, watch your millennial customers carefully. As early adopters and influencers, they will play a key role in your evolving customer service strategy. Remember, your customers are in the driver's seat, and it is incumbent on you to keep them engaged and satisfied.

# DISCOVER INTELLIGENT CUSTOMER SERVICE

Microsoft

Microsoft Dynamics 365 is the next generation of intelligent business applications that enable your organization to grow, evolve and transform. These applications unify CRM and ERP capabilities with purpose-built applications that work seamlessly together to help manage specific business functions and allow your organization to transform to meet customer needs and capture new opportunities.

Service organizations are at the epicenter of a company's ability to deliver differentiated and consistent engagement experiences. Microsoft Dynamics 365 for Customer Service helps organizations digitally transform their service experience to more effectively engage their customers, empower their agents with the tools they need to deliver differentiated levels of support, optimize their business processes, and find new ways to provide value to their customers. Our industry leading technologies, including machine learning, IoT and advanced analytics, give our purpose-built service solution the breadth and depth necessary to address this transformation. Our solution uniquely positions brands to capitalize on the new service economy, while building advocacy and loyalty through effortless service experiences.

**Learn more at: https://www.microsoft.com/en-us/dynamics365/customer-service**

**Contact us to discuss your unique needs: 1.888.477.7989**

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