

Agents vs. Self-Service

Which Do Your Customers Prefer?

Study reveals consumer preferences and the need for automation plus agents

Radial and CFI Group recently surveyed 500 online shoppers to better understand their experiences throughout the customer service journey. Here's what we found.

Self-service is your customer's first choice.

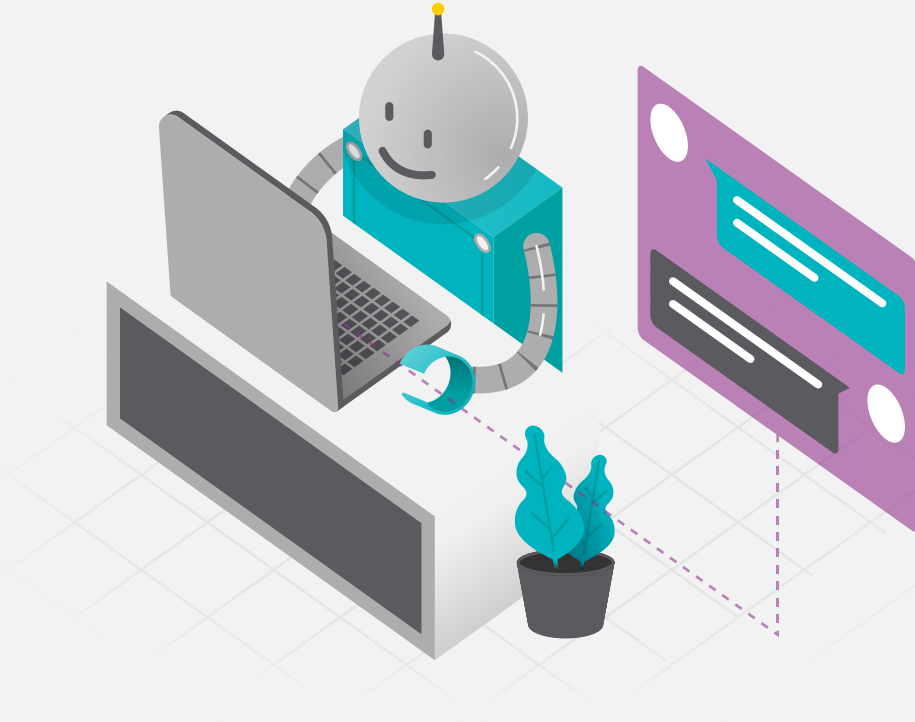
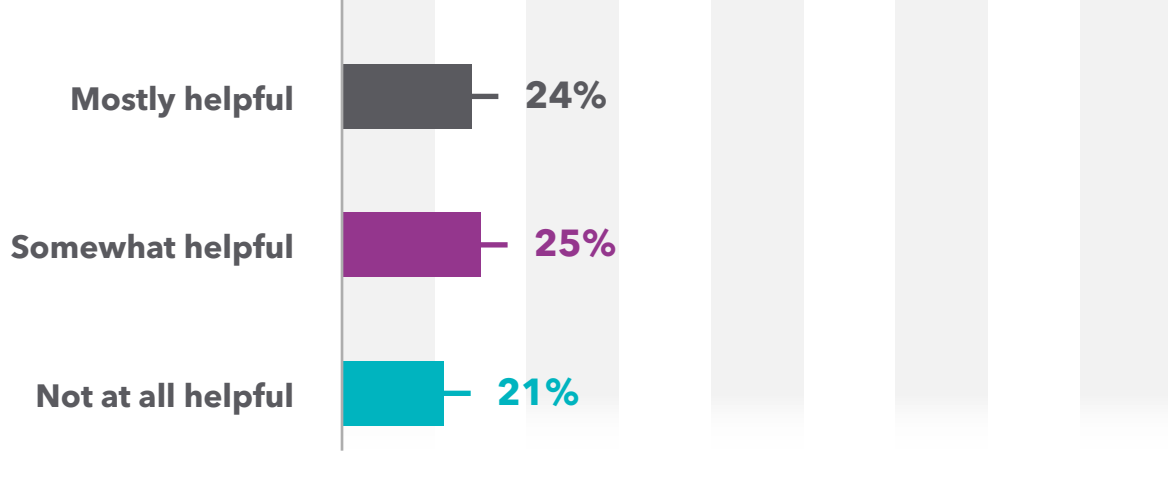
Online and mobile self-service tools are critical for today's customer. The findings underscore the importance of prioritizing your investments in self-service tools and capabilities.

80% of consumers prefer to first try to resolve their issue online (company website, online forums, mobile app, etc.) before contacting customer service.

60% first visit the retailer's website before contacting customer service.

However, while customers prefer self-serve channels first, they are not completely satisfied with the result. In fact, only 30% say the information they found was very helpful, leaving significant improvement on the retailer side.

Helpfulness of website getting issue resolved



While customers are embracing self-service, automated tools need improvement.

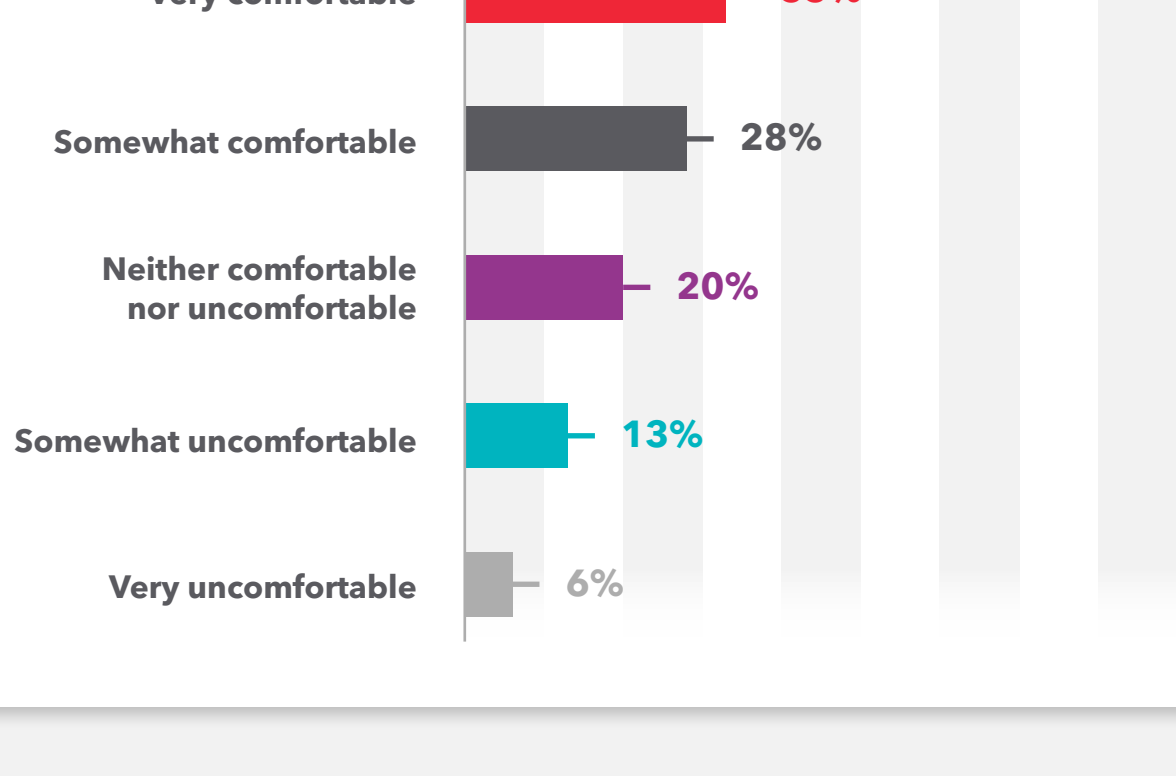
Despite their use of self-service, consumers are generally still dissatisfied with their experiences using automated tools like chatbots and IVR systems.

61% are comfortable interacting with Artificial Intelligence

32% who have used IVR say it was insufficient for their needs

37% bypass the IVR completely to reach a live agent

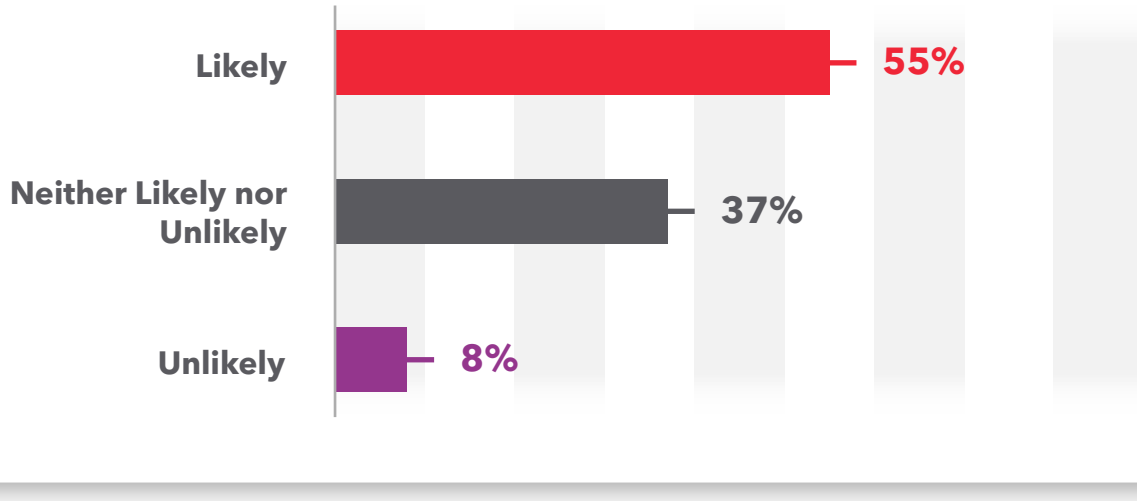
How comfortable are consumers with Artificial Intelligence?



Visual IVR

The good news is that tools like Visual IVR, providing menu options on screen for touch interaction versus voice prompts, are showing promise for improving self-service interactions.

Likelihood to use mobile-visual IVR for service inquiries



Despite the popularity of self-service, our study finds that there's no replacement for live agents. And as more self-serve tools resolve issues for customers, the calls that live agents receive become more complicated, making well-trained, knowledgeable agents even more essential.

A significant drop in satisfaction scores indicates that there's still much room for improvement.

During the past 24 months, agent scores fell for:

Helping you find the information you need

↓ **11%**

Being empowered to address your issue

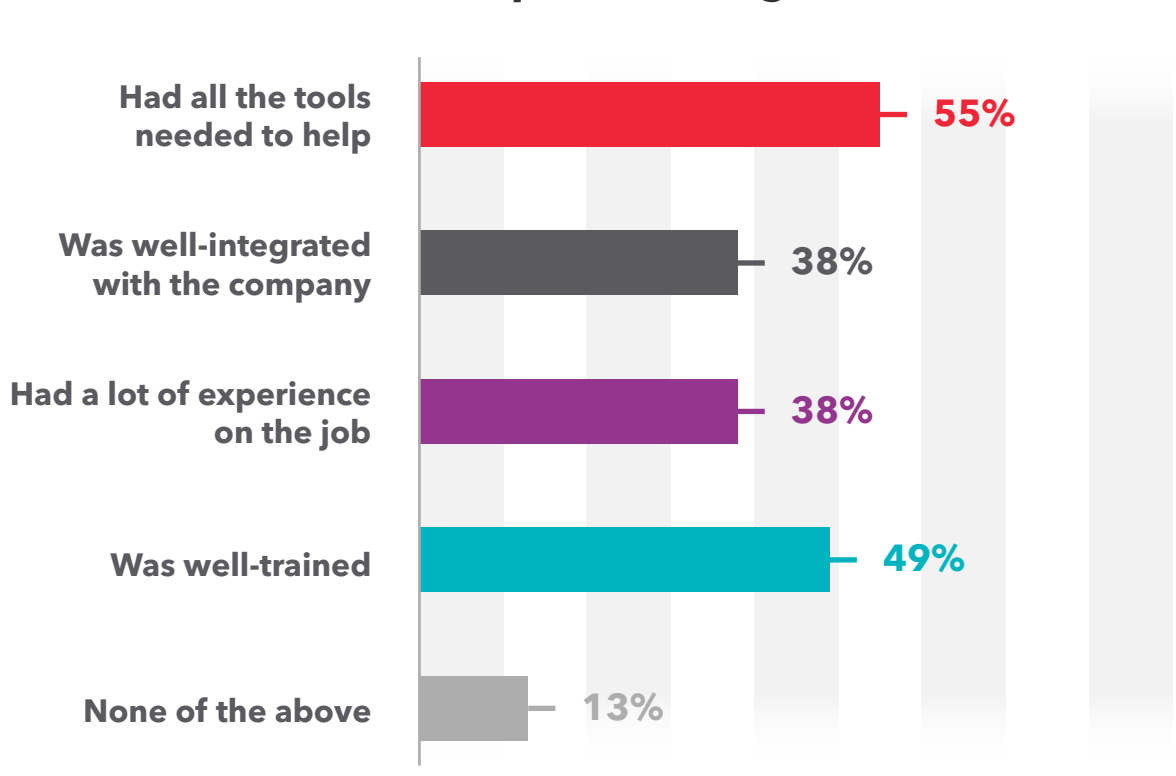
↓ **12%**

70%

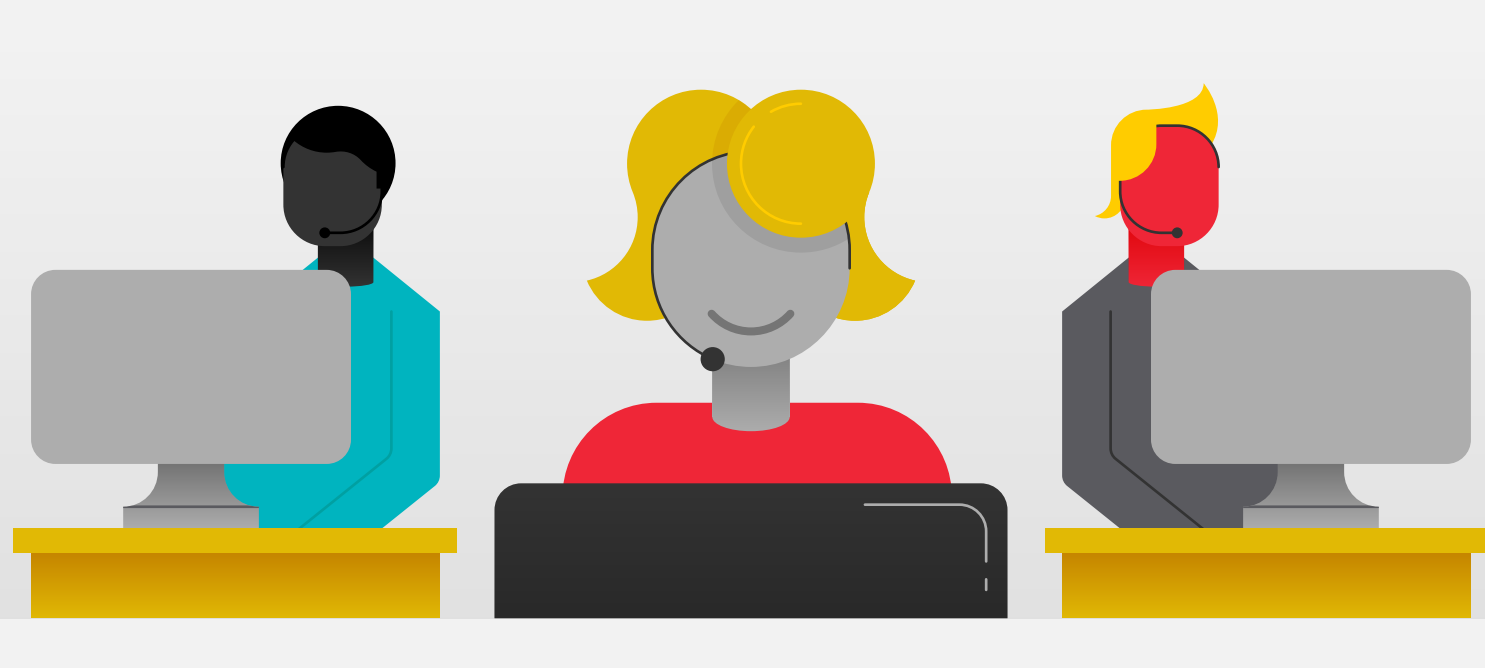
Of respondents expect agents to know their account history

Consumer Opinions on Agent Experience & Capabilities

Customers prefer live agents for...



When asked about when they prefer to speak with a live agent, **54%** of shoppers state to receive support or file a complaint; and **52%** to resolve a billing issue or question.



Retailers with well-trained service agents see dividends through greater Customer Lifetime Value.

Compared to the average customer, those who experience a professional agent who they feel is well-integrated with the company, have higher customer satisfaction, stronger loyalty, and a greater likelihood of recommending the company to others.

Effects of Well-Trained Agents:

Higher Customer Satisfaction

↑ **19%**

Stronger Customer Loyalty

↑ **17%**

Greater Likelihood to Recommend the Company

↑ **20%**

Successful Omnichannel Customer Service Requires Both Technology and Human Touch

Radial & CFI Survey Online
Shoppers to Identify Preferences



*Consumer Study Reveals Your
Customers' Preferences on Self-Service,
AI & Live Agent Interaction*



CONCLUSION #1

Self-Service is the first attempt for most customers.

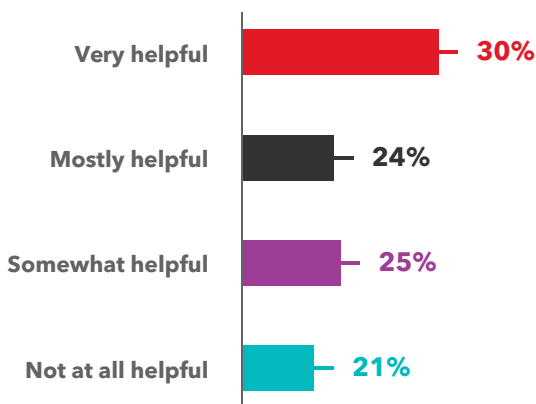
A retailer's set of digital properties is critical in driving successful customer experiences. This study underscores the importance for retailers to prioritize investments in their self-help options, whether online, mobile or automated intelligence.

In fact, 80 percent of customers say that they first try to resolve their issue online most of the time (company website, online forums, mobile app, etc.) before contacting customer service. The remainder of the respondents said they sometimes try self-service first (17 percent); while only three percent never use self-service options.

In regard to where customers turn for self-service, 60 percent say they first visit the retailer's website before contacting customer service. However, while 30 percent of these self-service consumers say that the retailer's website is "very helpful" for getting their issue resolved, 21 percent say the site is "not at all helpful" and 25 percent say it's only somewhat helpful. This satisfaction gap between the groups is a problem for retailers.

Customer service has become a key component of the overall customer journey and more critically, customer lifetime value. Therefore, retailers need to invest in service options to provide choice and convenience to customers.

Helpfulness of website getting issue resolved



While customers turn to self-serve channels first, only 54 percent say that the method they chose was most helpful, leaving significant improvement on the retailer side.

CONCLUSION #2

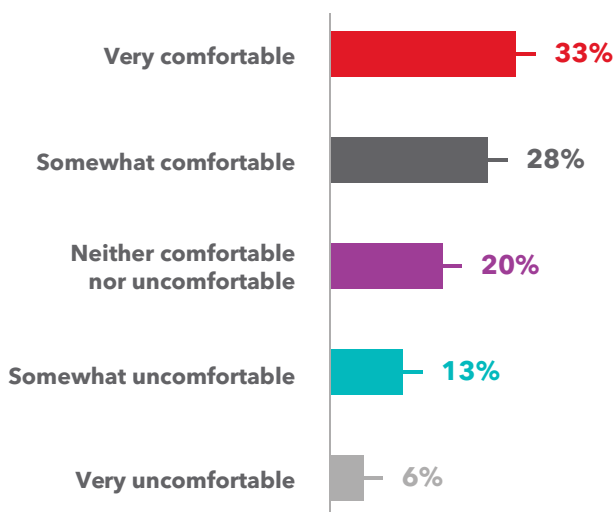
While customers are embracing self-service, automated tools need improvement.

Despite 80 percent of consumers surveyed stating they first turn to self-service, they are generally still dissatisfied with their experiences with automated tools like chatbots and IVR systems.

Sixty-one percent of respondents indicate they are comfortable interacting with Artificial Intelligence. AI is transforming customer service as we know it. Over time, AI leverages insights to improve reasoning and deliver better service, faster, to support today's rising consumer expectations. Chatbots are probably the most recognizable AI applications – virtual agents that can answer the more basic questions like order status and account balances. These virtual agents can provide fast service for customers and a more cost-effective option for the retailer. However, 32 percent of customers who contact customer service and reach an IVR system say they try to use it but that it was insufficient for their needs. Another 37 percent bypass the IVR menu altogether to reach a live agent, a telltale sign that IVR systems need improvement. Some IVRs are cumbersome and require multiple questions to get down to the detail needed, providing a poor user experience, and therefore, resulting in a frustrated customer. With the fast pace of today's customer lifestyle, having to listen to and enter menu prompts for five minutes isn't satisfying.

The good news is that tools like Visual IVR are showing promise for improving these self-service interactions. Instead of waiting to listen to voice prompts to navigate service options, Visual IVR displays the menu on the customer's smartphone screen, allowing customers to quickly skip irrelevant information and tap the relevant option. This is especially important to today's hyper-mobile customers; providing a much faster and frictionless support experience. Currently, 18 percent of those contacting retail customer service are already familiar with Visual IVR, and 55 percent say they are likely to use Visual IVR with a retailer for service inquiries if given the option.

How comfortable are consumers with Artificial Intelligence?



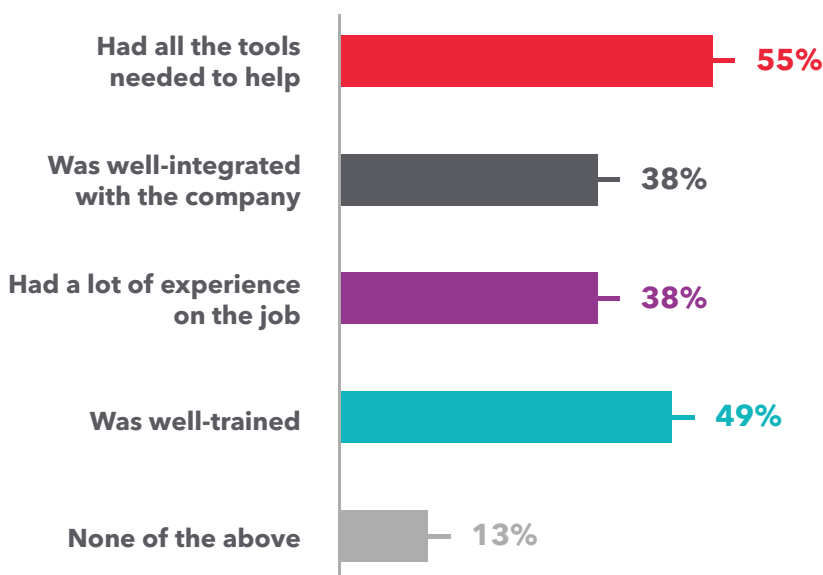
CONCLUSION #3

Live agents that are integrated with the company are paramount to driving customer satisfaction.

Despite the popularity and promise of self-service tools, our study indicates that there's still no replacement for live agents. While more self-serve tools resolve issues for customers, live agents are still the first choice for more detailed questions or complicated issues – which also means that well-trained, knowledgeable agents are even more essential.

A significant drop in performance scores indicates that there's still much room for improvement in empowering live agents with the tools and resources needed to drive a positive customer interaction, like having a complete view of the customer history, to effectively resolve customer inquiries. The study shows that agent scores for “helping you find the information you need” and “being empowered to address your issue” fell 11 percent and 12 percent, respectively, during the past 24 months.

Customers prefer live agents for...



Seventy percent of respondents indicate that they expect agents to know about them and their account history. While the expectation varies by shopping channel, retailers need to leverage their customer data across the board.

Expect agent to know account history

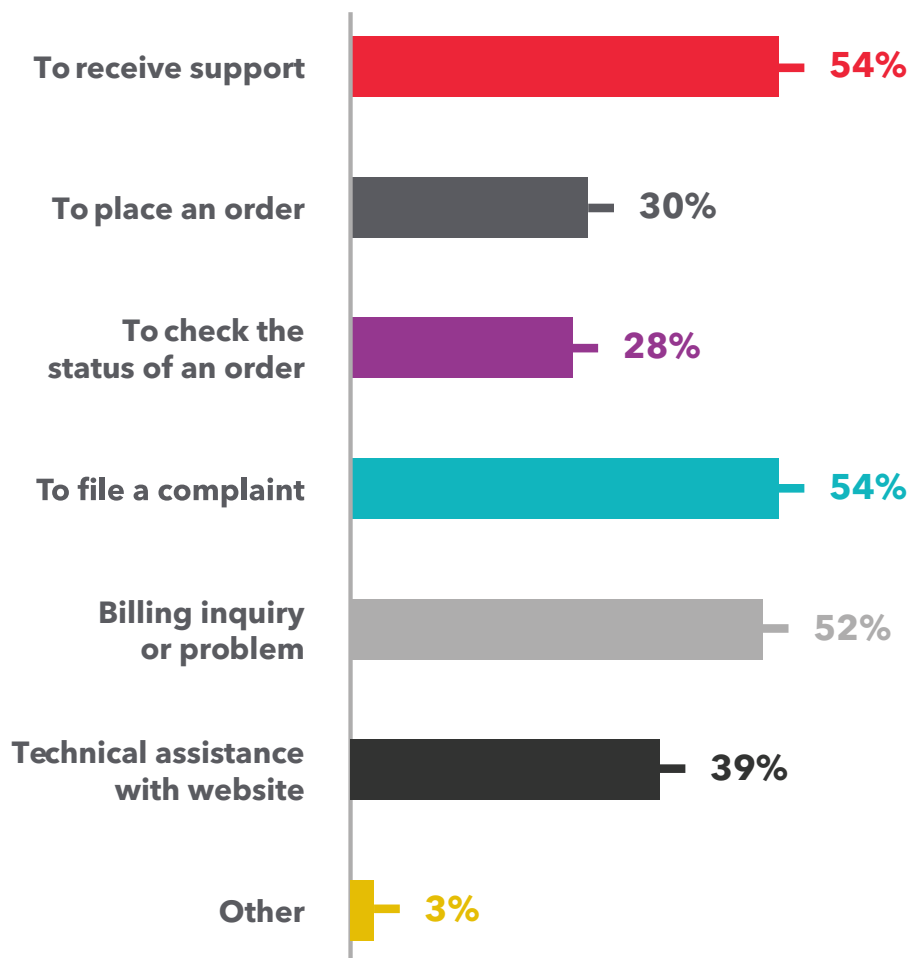


While customers cannot directly assess the tools and experience of an agent, they do form opinions based on their interaction with agents:

- 38% say the agent was integrated with the company
- 38% say the agent had a lot of experience
- 49 % say the agent was well trained
- 55% say the agent had the tools needed to help

The most common scenarios when consumers prefer to speak with a live agent are to receive support or file a complaint (54 percent) or to resolve a billing inquiry or problem (52 percent).

When prefer live agent over automated system



CONCLUSION #4

Retailers with service agents that are well-trained and integrated across the company can expect to see dividends through greater Customer Lifetime Value.

While we see that self-service is critical and widely used among today's consumers, this in no way takes the place of live agents. Self-service has its uses, especially for more routine inquiries like order tracking and account balances; however, agents are still the cornerstone of customer satisfaction. And with higher CSAT comes higher customer lifetime value, something all retailers strive for.

Compared to the average customer, customers who experience a professional agent who appears to be well-integrated and educated about the products and company have higher satisfaction scores.

Higher Customer
Satisfaction

↑19%

Stronger Customer
Loyalty

↑17%

More Likely to
Recommend the Company

↑20%

Live agents provide more personalized experience and are better suited to handle more complicated interactions for customers. Things like product descriptions, recommending complementary products, or providing direction on like-products to replace discontinued or unavailable items require live, knowledgeable agents. And with the tools available to access customer interaction and shopping history, they're ready to make these determinations on the fly.

In a nutshell, customer service is no longer a mere cost center, it has become a profit center. In fact, *Harvard Business Review* reports that reducing customer effort is the most important factor for driving loyalty, and also notes that customers who have the best experiences spend 2.5 times more than those who do not. The key is to find the right combination of automation, AI and live agent interaction for your customers. You then need to continually optimize your technology and service options to drive CSAT and revenue for your business.