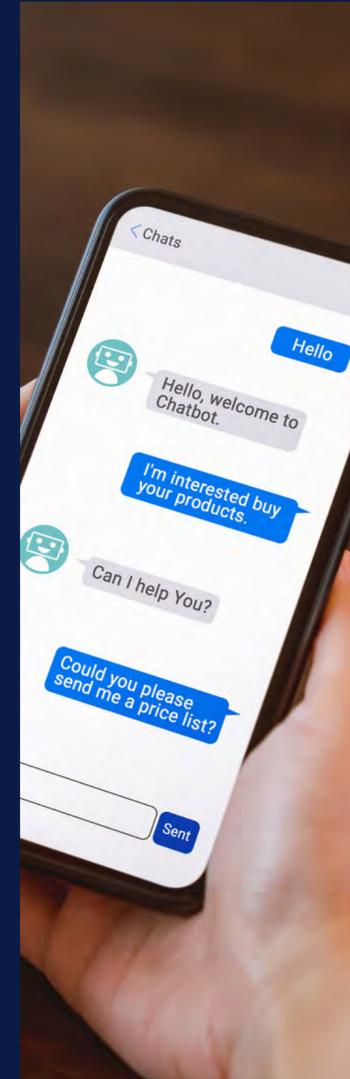


# Five Keys to Future-Proofing Your Customer Service Success



# Why we wrote this

The COVID-19 health crisis revealed an opportunity for organizations to improve customer service. By increasing empathy and adding the right technology and automation, you can retain more loyal customers.



**89% of companies with “significantly above average” customer experiences perform better financially than their competitors.<sup>1</sup>**



**Estimated reading time: less than 7 minutes**

## This information is for you if:

- You want to learn how developing empathy drives customer service success.
- You want to anticipate customer response and resolve issues faster.
- You want to understand how automation can support your people.
- You're not sure your support solution and service agents work well together.
- You want your customer service to use technology and automation.

<sup>1</sup> “The Global State of XM, 2020,” Qualtrics XM, 2020.

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# Customer service has changed, and organizations need to adapt

When the COVID-19 health crisis began, contact centers saw unprecedented spikes in call volume from customers with what, until then, had been unanticipated needs. At the same time, many companies were suddenly changing how and where employees worked, which included deploying new communication and collaboration technologies.

Along the way we've learned that even when conditions are challenging, customers have high expectations. When 80 percent of customers in a nationwide survey say that customer service needs to be more empathetic and responsive, there's clearly something missing.

Customers want one place where they can get their problems solved. Customer service employees, too, want a single place with insights that equip them with the right information at the right time, automated capabilities that help them anticipate issues, and integrated, end-to-end collaboration tools that improve agent and customer experiences.

**In this handbook, we present ways to ensure your business offers the best possible customer service as we move forward. In it we will:**

- Identify changes happening in customer service, as well as changes that are still needed.
- Introduce tools and solutions, both in terms of leadership and services, to help you successfully navigate these changes.
- Provide a plan of action that organizations can use for their customer service operations.

<sup>2</sup> "Customer Support Through the Eyes of Consumers in 2020," Hiver, 2020.

# Key 1

## Empathy is everything



## Frustration levels are high

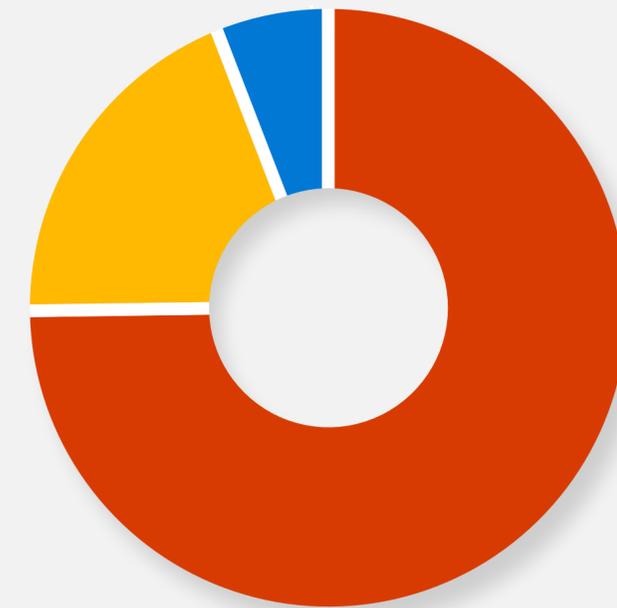
As the challenges due to the COVID-19 health crisis increased, customers reached out to the distributed and isolated-at-home customer service agents who didn't necessarily have the tools and support needed to resolve customer issues. At the same time, many of those customer service agents also realized that they lacked the tools to effectively manage emotionally charged customers.

Many organizations reported that support agents were not engaging customers with the level of empathy they wanted associated with their brand.

Three-quarters of surveyed customers said the COVID-19 health crisis made customer service worse, and they are frustrated.<sup>3</sup>

<sup>3</sup> "The Results Are in for Our Survey of Customer Service During COVID," NBC Boston, 2020.

## Effects of the Coronavirus Pandemic on Customer Service



**74.7%**  
Made it worse

**19.3%**  
Didn't make a difference

**5.9%**  
Made it better

Study by NBC- and Telemundo-owned TV stations. October-November 2020.

## Customers want to be heard

Customers are dealing with long hold times, uninformed employees, and problems that aren't getting resolved. Half reported never reaching customer service at all, although 78 percent say they tried multiple times. Nine percent reached out by phone or email more than 20 times. Of those that did finally reach customer service, half say they never received any response.<sup>3</sup>

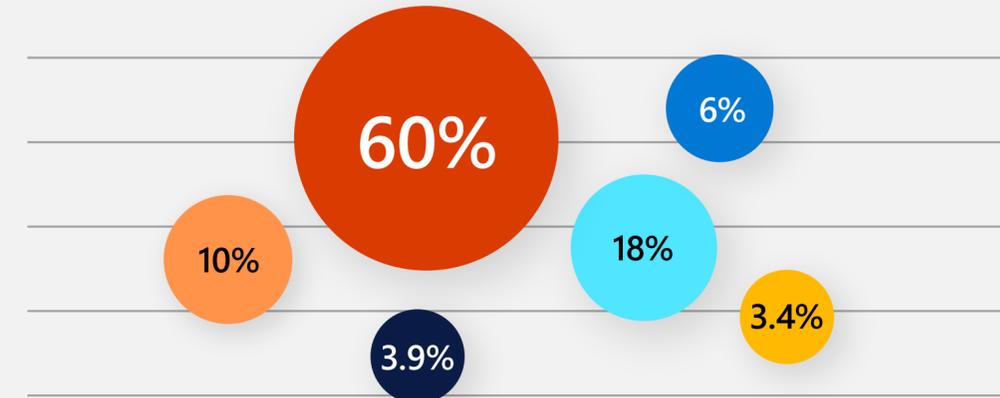
A startling 60 percent of consumers said they'd stop doing business with a brand if they received unfriendly service.<sup>4</sup>

<sup>3</sup> "The Results Are in for Our Survey of Customer Service During COVID," NBC Boston, 2020.

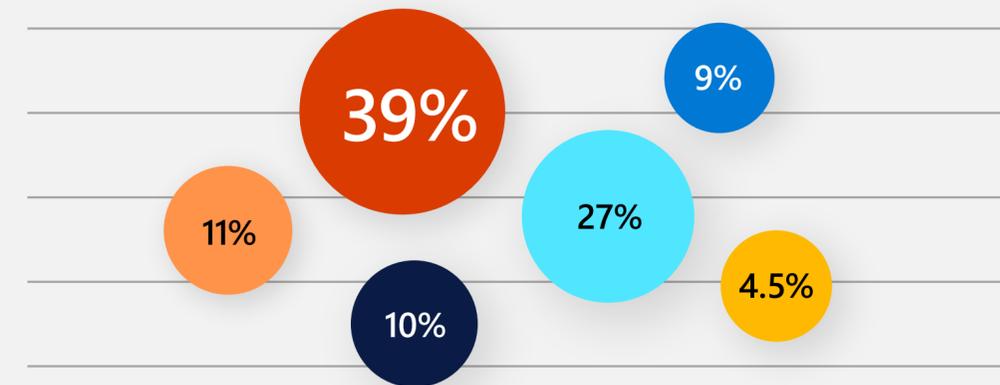
<sup>4</sup> "Experience is everything: Here's how to get it right," PwC, 2018.

### Time to reach Customer Service Representative

NBC



Telemundo



Source: Study by NBC- and Telemundo-owned TV stations, October-November 2020.

# Key 2

Frequent and open communication is essential for conflict resolution



## Anticipate customer response

Empathy is an important goal that requires open and frequent communication. Better visibility into customer journeys lets agents anticipate customer needs and personalize interactions. Breaking down technology silos within your customer service department, and outside of it, is another way to improve customer support.

How do you gain better visibility into your customer's experience and what they need? Having the right technology available helps your agents better anticipate needs and personalize how they communicate.



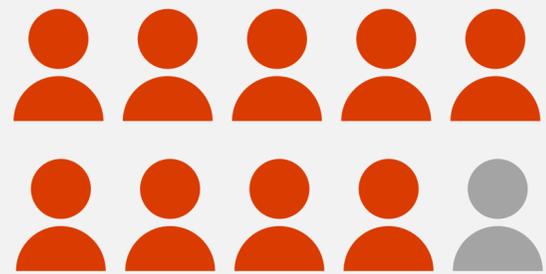
**The future success of customer service organizations rests on their ability to continuously anticipate."**

**Terry Walls**

Former managing director of KPMG.

## Respond and resolve problems faster

Customers want a quick response that resolves their issues efficiently. In a sales conversion study, AutoDeal learned that when its dealers responded to a customer within six hours, they average a 40 percent better conversion rate. Dealers responding within an hour are 48 percent more likely to close the sale.<sup>5</sup>



**90%**  
of Americans use customer service  
as a factor in deciding whether or  
not to do business with a company.<sup>6</sup>

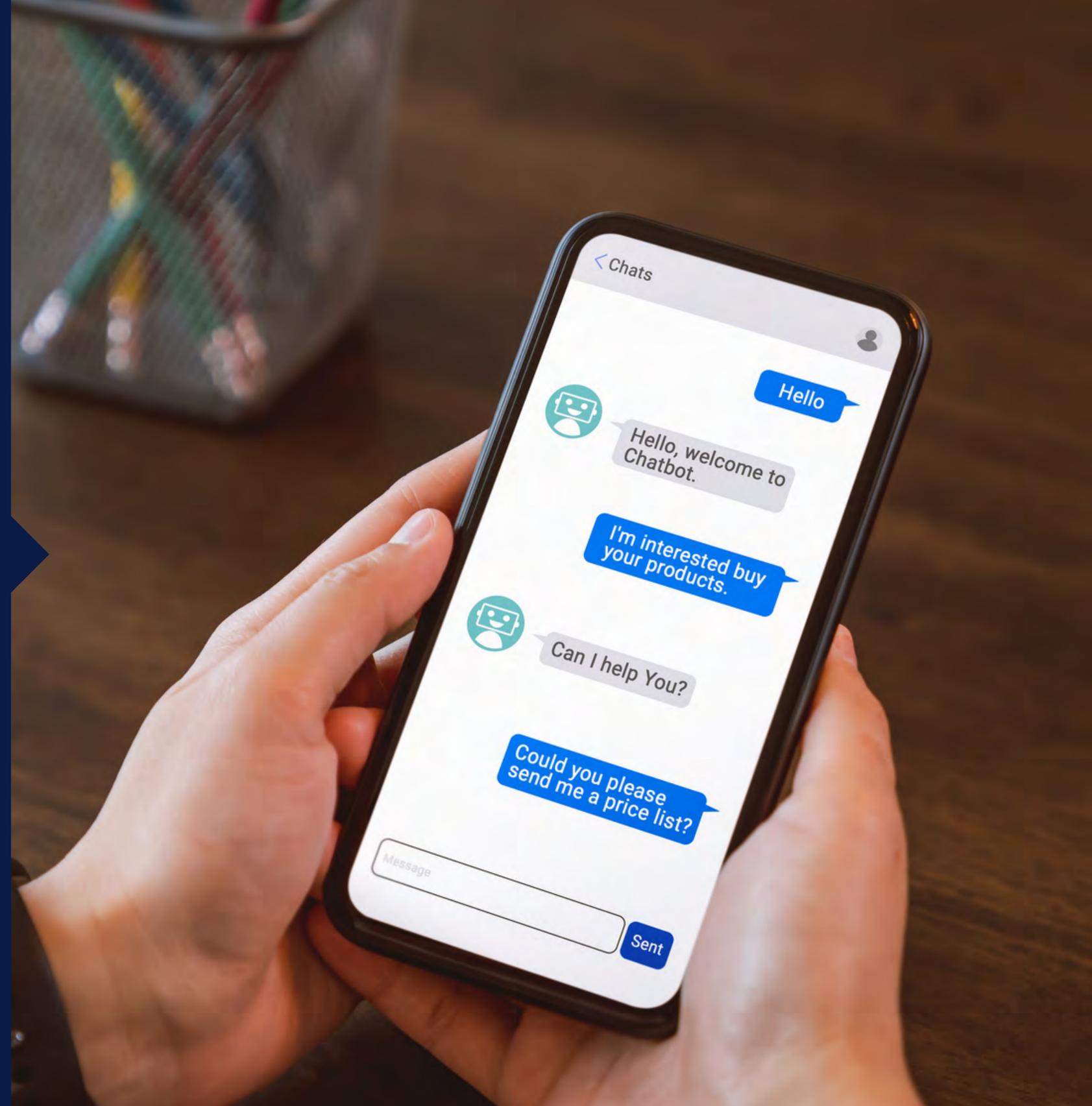
<sup>5</sup> "Sales Conversion remains best for dealers replying in six hours or less," AutoDeal, 2017.

<sup>6</sup> "Global State of Customer Service," Microsoft, 2020.



# Key 3

Mix platforms and technologies to meet customers where they are



## Importance of personal connections

Brands are increasing their investments in technologies like callback and customer-in-control solutions, automating more mundane requests and streamlining responses to more complex needs. Messaging automation is still an important tool, but it should be a means to an end and not used to carry out entire conversations.

As we advance, we need to make sure our technologies support the customer experience without replacing personal interactions.

## Connect automation with people

Customers tend to prefer a self-service chatbot approach for simple and repetitive inquiries. But for more advanced questions and disputes, they prefer to speak with an actual person. A live agent following up on a chatbot interaction may be seen as a hero, swooping in to save the day.



**The focus has to be on building relationships, and the key to that lies in looking at customer happiness as everyone's responsibility."**

**Niraj Ranjan**  
CEO of [Hiver](#)

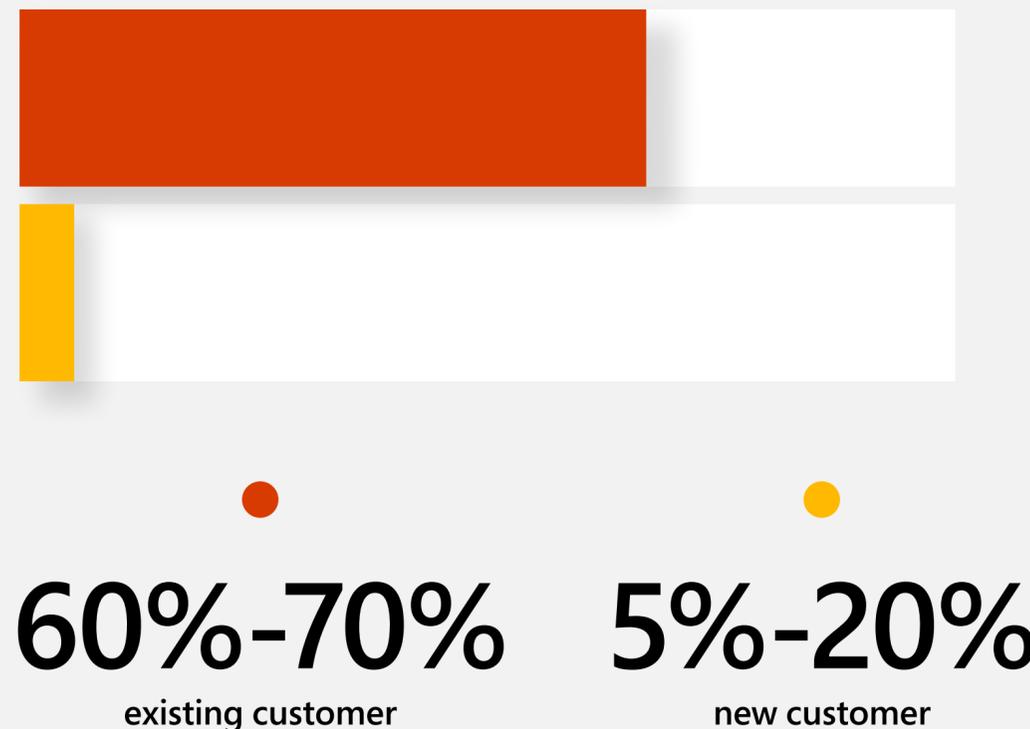
# Key 4

A good support solution/service agent fit creates loyalty and retention



The health crisis elevated the importance of customer service in nurturing, retaining, and increasing consumer loyalty, and growing revenue.

There's a 60% to 70% probability of selling to an existing customer, compared to a 5% to 20% probability of selling to a new prospect.



Source: [Invesp](#)

Keeping loyal customers, of course, lowers your churn rate and means you spend less on acquiring new customers. Satisfied customers are also likely to spread good word-of-mouth about your company.

**5x-25x** Investing in new customers is between 5 and 25 times more expensive than retaining existing ones.<sup>7</sup>

When changed business conditions suddenly created extreme customer service situations, which affected customer loyalty and retention rates, businesses realized they had to reexamine their approach. They needed to concentrate on retaining customers based on providing engaging and empathetic customer service. They also realized the importance of increased loyalty and retention of their customer service agents.

In addition, they saw that it was critically important for agents to have tools that help them be the best brand ambassadors possible. Exceptional customer service means focusing on both your customer service agents and your support solution and making sure they work well together.

<sup>7</sup> "Customer Acquisition Vs. Retention Costs – Statistics and Trends," Invesp, undated.



**In 2021, companies will orient themselves toward customer value metrics that reflect care and trust.”<sup>8</sup>**

<sup>8</sup> "The Three Customer Service Megatrends in 2021", Callminer, 2021.



# Key 5

Tech and automation make customer service seamless for everyone



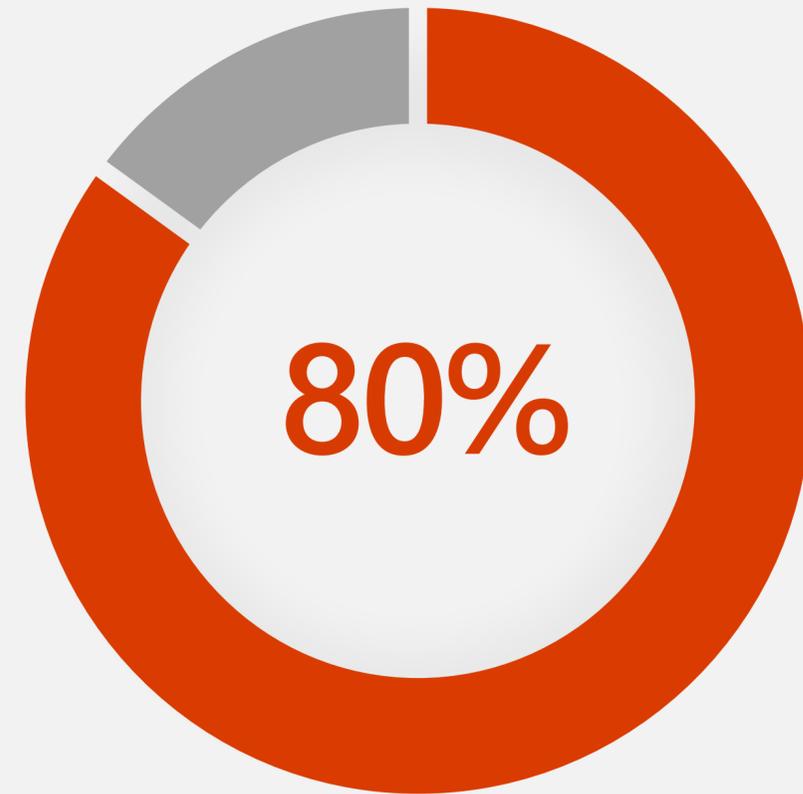
Businesses need [intelligence and analytics](#) tools that support management and agents and ensure that customers receive quick, efficient service. Automation will also play a big role in elevating the customer experience in what [McKinsey](#) calls the “next normal.”

## Turning insights into actions

One new customer service opportunity takes advantage of in-the-moment alerts triggered by acoustic measures, such as a customer’s agitation or an unusual block of silence during a call. The real-time alert provides the agent with a smart solution based on a customer’s specific circumstance or suggests automatically routing a call to a supervisor, if appropriate.

## Helping service agents be more empathetic

Customer insights, collaborative workspaces, agent guidance, and desktop automation allows space for customer service agents to build trusted customer relationships. When automation handles the simple, repetitive tasks, service agents have time and energy to handle complex interactions with empathy.

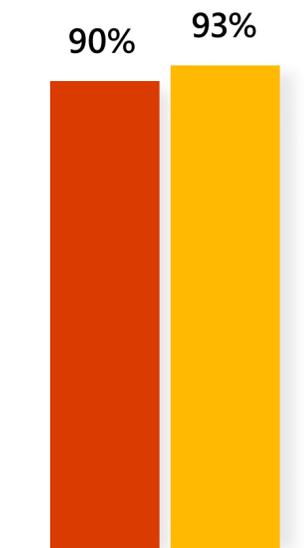


**Nearly 80% of surveyed customers across 20 industries will forgive a bad experience if they rate the service team as “very good.”<sup>9</sup>**

<sup>9</sup> “ROI of Customer Experience, 2020,” Qualtrics XM, 2020.

## Improving outcomes and driving business improvement

Better engagement brings stronger customer loyalty, particularly in terms of retention, enrichment, and advocacy. That can positively impact top-line revenue and help elevate contact centers to a more strategic company role.



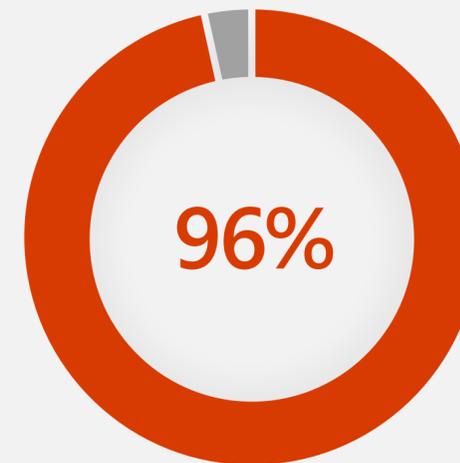
Happy customers want to support the businesses they love. HubSpot found that 90% of consumers are more likely to purchase more, and 93% were more likely to be repeat customers, at companies with excellent customer service.<sup>10</sup>

<sup>10</sup> "The Hard Truth About Acquisition Costs (and How Your Customers Can Save You," HubSpot, 2018 (updated 2021).

<sup>11</sup> "The Three Customer Service Megatrends in 2021: Post-Pandemic Customer Service Excellence," Forrester, 2021.

## How AI-powered self-service technologies provide service without friction

AirAsia saw questions about refunds increase 285% month over month in the early days of the pandemic, and the company's bot successfully handled 96% of those inquiries. Qapital, a personal finance app, resolves 25,000 issues per month; less than half require agent support.



The company's bot successfully handled 96% of those inquiries.

# Earn customers for life with Microsoft Dynamics 365 Customer Service

Microsoft Dynamics 365 Customer Service is an end-to-end solution that delivers consistent, connected support across all channels. Its self-service support, including AI-powered virtual agents, means your customers have direct access to your knowledge base, and can also access knowledge through community portals.

Using its 360-degree view of your customer, you can personalize customer service engagements, provide omnichannel support from one desktop, and anticipate customer needs.

Dynamics 365 Customer Service empowers teams with AI-powered tools for increased productivity.

Its built-in AI helps your team detect emerging trends and automation opportunities, understand real-time customer interactions using sentiment analysis, and deliver proactive service with IoT.

Dynamics 365 Customer Service also provides a connected and engaging experience with Microsoft Teams, featuring a unified digital workplace for collaboration across your entire organization. Dynamics 365 and Teams work together so you can work from just about anywhere, and better engage with customers for more personalized experiences.

**Get started today with Dynamics 365 Customer Service**

[Try it for free](#)

[Learn more](#)

