

WHITE PAPER

Social Customer Service

The Future of Customer Satisfaction

Hootsuite™

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Social customer service is now a major competitive advantage for companies that can deliver seamless assistance and a consistent voice across all communications channels. Today's highly connected customers expect immediate and relevant experiences from brands on whatever channel they choose, and make no distinction between social media accounts owned by Marketing, Customer Service, or any other function.

Therefore, enterprises must organize themselves around the customer, leveraging shared technologies, policies, and processes. By coordinating multiple departments within an overall engagement strategy, companies can provide pain-free, proactive service across all social networks.

Serving the Social Customer

Social media has given organizations an unprecedented opportunity to interact with customers, drive brand loyalty, and increase sales. Bain and Company has found that customers who engage with companies over social media spend an average of 30% more with those companies than other customers.¹ Yet unlike traditional broadcast channels, social media is a two-way street. Customers expect brands to be responsive and accessible when they permit them into the digital spaces where they interact with friends and family.

Social media is not just a marketing outlet, but a basic way for customers to communicate with brands at any time, for any reason. Increasingly, that reason is customer service. In a study of 23,200 consumers who had interacted with companies through social media, J.D. Power found that two-thirds did so for customer

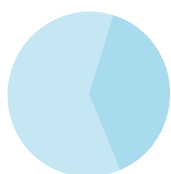
service, and only one-third for social marketing activities.² However, most enterprises are currently unable to respond effectively to the broad range of questions, feedback, and complaints that customers submit through social channels.

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Even companies that are highly active on social media must evaluate their ability to serve customers. One study of major companies in the UK found that just 39% answered customer service questions asked through Twitter — despite 76% being present on the channel. Those who responded to customer service questions were slow in doing so: the average successful response time to a customer service question made on Twitter was 8 hours and 37 minutes.³ This data suggests that most corporate social media programs are not yet organized to provide customer service.

Despite the growing importance of social media as a service channel, a survey by Deloitte found that only 33% of contact centers support social media.⁴ In many enterprises, responsibility for social customer service has fallen instead to Marketing or Corporate

Communications. As the earliest adopters of social media in the enterprise, these business functions have the most experience with social monitoring and engagement. However, they typically lack the resources and knowledge to handle the variety of customer service requests they encounter. They also have their own metrics and objectives that do not always align with those of Customer Service. Issues are resolved in an ad hoc fashion, with social media teams using email and other informal methods to get information from contact center staff or other departments as needed. In a major survey conducted by Social Media Today, 41% of social media professionals said finding the answers to customer questions was a key inhibitor preventing them from responding faster.⁵



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Meanwhile, Customer Service teams usually do not have access or visibility into social channels that are owned by other departments. Companies that seal off social media within departmental silos essentially prevent Customer Service from identifying or responding to issues in the channels where customers are seeking help. Some organizations create designated support accounts on social networks and task the Customer Service department with managing them. Yet such channels can present many of the same difficulties, this time in reverse. Unless the service operation can routinely hand off sales leads, press inquiries, and other opportunities to the correct department, numerous messages may go unacknowledged. Furthermore, designated support accounts rarely eliminate all service requests in an organization's main social channels.

What Customers Expect from Brands

According to NM Incite, a joint project of Nielsen and McKinsey, nearly half of all social media users have employed social media for customer service, with usage as high as 59% among 18–24 year olds.⁶ To satisfy this large and growing segment of consumers, enterprises must provide immediate and consistent service across every social network.



42% of consumers complaining in social media expect a 60 minute response time.

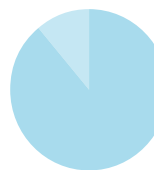
Immediacy

Modern consumers expect a rapid response when they reach out to brands for help on social media. Edison Research found that 32% of respondents who have ever sought social customer service expect a company reply within 30 minutes, and that 42% expect a response within 60 minutes. Furthermore, 57% of those who have attempted to contact brands for social customer service demand “the same response time at night and on weekends as during normal business hours”.⁷ Even when issues can't be resolved right away, enterprises should provide quick replies to show customers that they share their sense of urgency. In the rapid-fire era of social media, consumers see response times as a direct indicator of how highly brands value their business.

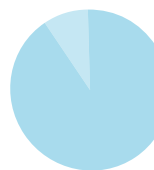
Consistency

Customers expect a consistent level of service across all digital touchpoints. According to the Accenture Global Consumer Pulse Research Survey, 91% of respondents are frustrated by having to contact a company multiple times for the same reason, and 89% by having to repeat themselves to multiple representatives.⁸ Whenever possible, organizations should assist customers in the same social channels in which they air their questions or concerns.

Since no single team can effectively respond to the full range of inbound messages on a given social channel, companies must be prepared to hand-off messages internally to whatever team or individual is best suited for the task. By empowering cross-functional groups to collaborate on a shared platform, organizations can dependably serve customers on every social network.



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The Impact of Customer Service in a Social World

Meeting customer expectations is always important, but research indicates that people are even more sensitive to their service experiences on social media than they are in other channels. Consumers who have received customer service on social media are willing to pay 21% more for excellent service, compared to a premium of just 13% for the general population. This heightened sensitivity extends to poor service as well. More than four out of five people who have turned to social media for service have aborted an intended purchase because of poor service in the past year.⁹

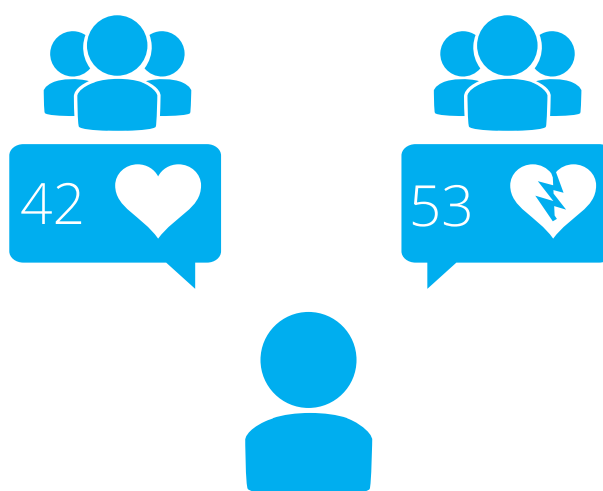


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The consequences of social customer service extend beyond the individual experience. Customers who receive a quick and effective response are more than three times as likely to recommend a brand to others as those who do not receive a company response.¹⁰

Social media users also share their service experiences with a broad audience, both online and offline. According to American Express, people who have received customer service on social media tell an average of 42 people about good experiences and 53 people about bad experiences, while someone in the general population tells just 15 and 24 people, respectively.¹¹ Since anybody who discovers a social customer service story can share or retweet it to an even wider audience, every customer interaction has the potential to go viral.

Companies must also consider the reputational impact of countless low-profile service interactions that do not garner major attention. Most reviews of social customer service are read by colleagues, friends, and family, who are highly likely to be influenced by them. In the United States, a 2014 study of consumer purchasing decisions found that nearly one-third (29%) of social media users get product recommendations from friends and family exclusively through social media.¹² Globally, 45% of active Facebook users and 42% of active Google+ users report having asked friends for opinions about products they are considering buying.¹³



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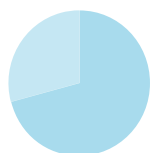
Benefits of Social Customer Service

1. Broaden the Reach of the Customer Service Department

Social media is now the third pillar of customer service, alongside the telephone and email. While these traditional channels remain vital, enterprises must adjust their service capabilities to meet a new set of customer preferences. Thirty percent of social media users would rather receive customer service on social media than contact a company by phone.¹⁴ Social media is also displacing email as the primary online behavior; today, Americans spend more time on social media than any other internet activity.¹⁵ By listening to multiple social channels, companies can capture and resolve an increasing number of service inquiries that would otherwise be missed.

2. Improve Customer Satisfaction

A significant number of complaints on social media are the result of poor service in traditional channels. Some customers feel motivated to let off steam by publicly airing their grievances, while others simply want to get a company's attention through a different channel. Regardless of the motivation, social customer service is often a brand's last chance to recover a customer relationship. One analysis of 2000 online complaints made across 10 industries found that 71% of complaints stemmed from failures in traditional customer service.¹⁶



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Many companies dread negative social comments from dissatisfied customers, but these messages are powerful opportunities to convert detractors into loyal customers. A study conducted by Harris Interactive found that when retailers replied to negative reviews on social media and online ratings sites, a third of customers either deleted their original negative review or replaced it with a positive review. Nearly a fifth of them went on to become loyal customers and made another purchase.¹⁷

3. Cultivate Brand Advocates

Brands can also capitalize on positive service experiences by cultivating thankful customers into dedicated brand advocates. Among consumers who received customer service on social media, 48% have praised a company for a great service experience.¹⁸ In the past such praise might have been shared offline with family and friends or buried in letters in the company mailroom, but social media allows an organization to quickly recognize promoters, thank them publicly, and amplify their positive feedback to a wider audience. If the Customer Service and Marketing functions work collaboratively under a common engagement strategy, the organization can shepherd grateful customers into formal brand advocacy programs to maximize their social influence.

4. Delight Customers with Proactive Service

By monitoring social channels, organizations can proactively identify customer feedback that is not directly communicated to official accounts. Proactive monitoring of brand mentions and other keywords, including misspellings, allows enterprises to resolve nascent issues before they escalate. For example, if a social message indicates that a customer is experiencing an addressable issue, an organization can provide advice even before an explicit request for help. Such unexpected service can delight customers, inspire brand loyalty, and reduce customer turnover. In a study conducted by Accenture, 55% of customers who switched brands in 2013 reported that their decision to switch would have been impacted had the company "contacted me proactively to let me know about ways to enhance my experience with them."¹⁹

5. Gather Intelligence to Inform Service Operations

The openness of social media allows brands to listen to their customers in real time and on a massive scale. Numerous marketing teams have begun to collect customer insights from social media, but the Customer Service function has generally relied on traditional channels for gathering feedback. Enterprises that blend customer service objectives into their social intelligence programs will gain a significant advantage over their competitors. Using social media analytics, these organizations will deepen their understanding of the customer service experience and proactively recognize trends in sentiment around specific products and services. These insights will inform training and resource allocation across all service channels.

Customer Service in the Social Organization

Multiple Business Functions Must Share Responsibility

Customers don't see departments, only brands. In order to make that perception an operational reality, organizations must eliminate internal barriers and create seamless customer service handoffs between teams. Whether responsibility for monitoring is centralized into a social media hub or shared among multiple departments, every enterprise should be able to route customer messages internally and provide rapid responses.

In order to successfully implement social customer service across the organization, a comprehensive strategy is required. The strategy should define:

- **A common social relationship platform (SRP).** An enterprise SRP allows cross-functional teams to collaboratively monitor and engage with customers on social channels.
- **A triage process.** The organization should draft a unified business process map that designates responsibility for:
 - monitoring comments, replies, and brand mentions on every social channel
 - filtering, prioritizing, and escalating customer service issues
 - proactively identifying customer feedback that is not directly communicated via official accounts
- **Cross-functional handoffs.** Using a shared platform, marketing teams and other social media operators can routinely and reliably assign social messages to Customer Service teams and subject matter experts for resolution.
- **Employee education.** Customer Service teams should be trained for the specific requirements of social media, including:
 - cross-functional processes
 - platform certification
 - brand guidelines and voice
 - regulatory compliance and data protection
 - the unique characteristics of various social channels

With a consolidated plan for social engagement, enterprises can effectively communicate with customers across multiple social networks, increase customer satisfaction, and drive revenue to new heights.

For more information, watch for Hootsuite's upcoming guide to implementing social customer service across the enterprise.

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About Hootsuite Enterprise

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We help organizations create deeper relationships with customers and draw meaningful insights from social media data. Innovating since day one, we continue to help businesses pioneer the social media landscape and accelerate their success through education and professional services.

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