The High Demand for Customer Service via Text Message

2014 U.S. Survey Report

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A Harris Poll on behalf by OneReach
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Overview

As a busy company owner, marketing director, or contact center manager, you are faced with challenges not even imagined a couple of decades ago. In those days, customer service was most often accomplished through a phone system, making for easy calculations of metrics such as ROIs and KPIs. Limited budgets could be allocated toward innovations and enhancements to the phone system, as well as toward phone training for agents.

Those days of the single channel "call center" are gone, however, replaced by multi-channel contact centers. Managers must now allocate their limited budgets to address a myriad of complex, new channels and data points. It can be a challenge to know if you are investing in the communication channels that will provide the most return for your money. One emerging customer service channel—texting via SMS—is turning out to be more important than previously thought.

Up until now, companies have usually incorporated texting into their business strategy by employing uni-directional marketing or reminder blasts, using short codes. However, this is not how people experience texting in their personal lives. Among each other, people expect texting to be part of a conversational dialogue, complete with rich, relational history between both parties. Responses are also expected to be instant and personal. So far, most companies have not even come close to following these conversational rules of texting.

To find out exactly what customers would like most from the customer service text channel, Harris Interactive conducted a nation-wide survey of over 2000 adults on behalf of OneReach.

"Managers must now allocate their limited budgets to address a myriad of complex, new channels and data points."

"One emerging customer service channel—texting via SMS—is turning out to be more important than previously thought."

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Some key overall findings:

64% of consumers with texting capabilities would *prefer to use texting over voice as a customer service channel*.

44% of consumers with texting capabilities would prefer to press a button to *initiate a text conversation immediately, rather than waiting on hold* to speak with an agent.

77% of consumers with texting capabilities aged 18-34 are likely to have a positive perception of a company that offers text capability.

81% of all consumers agree that it is *frustrating to be tied to a phone or computer to wait* for customer service help.

64% would prefer to use texting as a customer service channel

81% are frustrated being tied to a phone or computer for customer service help

Customers Have Power

We are currently in what is being called the "age of the customer." Customers have more power than ever before and their opinion of an organization may ultimately contribute to the success or failure of the business. A poor customer experience that leads to an unfortunate social media post now has the power to impact a corporation's entire brand. If the company responds inappropriately, this impact can be even worse. Plus, customers can very easily compare your product or service to your competitor's. Nothing is hidden.

The result is the necessity for an intense focus on customer satisfaction. In fact, David Cooperstein[1] at Forrester Research believes businesses should move past being customer-centric or customer-focused into being *customer-obsessed*. In this new perception economy, measurements of customer satisfaction and retention are the metrics that matter more than anything else.

While achieving impeccable customer retention and satisfaction take effort and resources, companies that can consistently deliver them will be greatly rewarded. With limited budget streams, it may be tempting to cut corners. However, according to a Customer Experience Impact Report[2] by Harris Interactive, *86 percent of customers will pay more for better customer experience*, and if they don't get that experience, *89 percent will leave and go to a competitor*.

86% will pay more for better customer experiences

89% will leave due to bad customer experiences

Customer Perception

Since delighting customers is a crucial component of any businesses strategy—and perception is king—companies need to pay special attention to how they are viewed by consumers. There are tools that help companies gauge where they stand. The Net Promoter Score,[3] for example, measures the likelihood a customer will recommend a business to a friend. When polled for this report, 64 percent of consumers indicated that they would think positively about businesses that offer text messaging as a customer support channel option.

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Key findings of perception:

"If a company offers text messaging as a customer service channel..."

64% of all consumers are likely to have a **positive perception of the company.**

41% are likely to feel the company **understands their time is important.**

40% are likely to believe the **company is progressive.**

28% are likely to **recommend the company to others.**

23% are likely to **stay loyal to the company.**

21% are likely to **choose the company over others** that do not offer the service.

64%

have a positive perception of text-enabled companies

"They want to be able to text the company back immediately with a response or to initiate a text conversation themselves."

Customer Service Activities & Texting

Currently, businesses commonly use the text channel to send widespread marketing messages or to post reminders. Customers want more, however. They want to be able to text the company back immediately with a response or to initiate a text conversation themselves. When questioned, customers indicated they were interested in doing a number of different activities through text—from simple tasks such as refilling orders to more complex tasks like asking questions for tech support.

Key findings of activities:

"The activities people with text capabilities would most prefer to do via text..."

38% Check order status

32% Schedule or change appointments

31% Make or confirm reservations

30% Ask a question

30% Find a store location

30% Check balances or due dates

29% Refill orders

27% Reset password

0%   40%

#1: Check order status

#2: Schedule or change appts.

#3: Make or confirm reservations

#4: Ask a question

#5: Find a store location
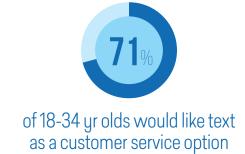
#6: Check balances or due dates

#7: Refill orders

#8: Reset password

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Key Demographics
Age Groups

According to a Pew Research study,[4] as of January 2014, 90% of American adults now own a cell phone. In addition, 81% use their mobile device[5] to send or receive text messages. As might be expected, a high percentage of these (97%) are in the 18-29-year-old age bracket, but a majority of older Americans aged 50-64 (75%) also use their phones to send and receive text messages. That number is bound to rise as mobile phone penetration continues to increase.

71%

of 18-34 yr olds would like text as a customer service option

Key findings of age groups:

- **93%** of 18-34-year-olds use text messaging.

- **86%** of 18-34-year-olds strongly or somewhat agree that it's *frustrating to be tied to a phone or computer to wait* for customer service help.

- More 18-34-year-olds (**71%**) think text would be a convenient customer service option than any other age group.

- *Younger men* are more interested in using texting to achieve more *complex customer service tasks* (like asking questions) versus *older men*, who are more interested in using it for *simpler tasks* (such as resetting passwords and refilling orders).

"Younger men are more interested in using texting to achieve more complex customer service tasks vs. older men, who are more interested in using it for simpler tasks."

Parents with Children

Parents who text and have children in the household are more likely to want to perform customer service activities via text (71%) versus those without children in the household (61%). One possible cause of this may have to do with the fact that many parents in the United States are leading stressful, overworked lives. In an interview with The Atlantic,[6] author Brigid Schulte calls this modern phenomenon—very often among parents—*the overwhelm*, saying "a new cultural value of busyness is now ramping the feeling of overwhelm for everyone." Whether a parent is rushing between commitments or perhaps surrounded by loud chaos at home, the prospect of waiting on hold, sitting at a computer, or shouting into the phone may be viewed with distaste.

"The prospect of waiting on hold, sitting at a computer, or shouting into the phone may be viewed with distaste."

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Key findings of parents:

- **87%** of parents in households with children use text messaging.
- Parents who text and have children in the household are more likely to want to use texting for customer service (**71%**) versus those without (**61%**).
- While **48%** of all consumers agree it would be convenient if a company offered a text messaging option for customer service, this number jumps to **68%** among those with children in the household.
- **72%** of consumers with text capability and who have children in the household are likely to have a positive perception of a company that offers text capability.
- **44%** of parents with children in the household would feel that a company they can easily text for a customer service inquiry is progressive and **44%** would feel the company understands that their time is important.
- **52%** of parents with children in the household would prefer to text with a live agent.

↑42% INCREASE

in desire to text
for parents with children

Students

Students typically inhabit the coveted 18-34-year-old range and are in the midst of forming possible life-long spending habits and loyalties. As such, to a marketing team, students can be a key—and complicated—demographic. According to Entrepreneur.com,[7] students are both transient and skeptical, so communicating with them requires a commitment to mobile strategies and to quick, simple, credible messages.

Key findings of students:

97% of all students use text messaging.

85% of students who text would prefer to use text messaging for any customer service task.

81% of students are likely to appreciate a company that offers text messaging.

62% of students with text capability would press star to initiate a text conversation rather than waiting on hold to speak with an agent.

62%

of students would press to text
rather than wait on hold

Gender

There are some slight variations between genders that might be worth noting, particularly if you market primarily to one gender or the other. Overall, women

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report a greater interest than men in using the texting channel, except for when the task is tech support. Women also tend to get more frustrated when asked to wait for customer support.

Key findings of gender:

- **78%** *of all women* 18-34 years old who text would prefer to use text for customer service, versus **72%** *of men* 18-34 years old who text.
- ***Women are more interested than men*** in carrying out all customer ***service tasks via text*** except for tech support.
- More women 18-34 years old find wait times frustrating than men 18-34 years old (**89%** versus **82%**).

78% of women would like to text customer service

72% of men would like to text customer service

Customer Habits

Attention to Voicemail

One consumer habit that can be distressing for businesses, especially as it pertains to outbound phone communication, is that of bypassing voicemail. Many consumers admit that they do not listen to a voicemail before returning a call. This can contribute to the "phone tag" phenomenon experienced by agents attempting to accomplish tasks like scheduling or troubleshooting. If your agents are experiencing this cycle, integrating strategic texts into your channel stream may short-circuit the time-consuming—and customer-frustrating—churn.

Key findings of voicemail:

- More and more people (**30%** men, **27%** women) ***don't listen to their voicemails***.
- Those making more than $100k per year are the least likely income group (**32%**) to listen to their voicemails before calling back.
- **40%** of parents with children under 18 return calls without checking voicemail.
- **44%** of all consumers aged 18-34 return calls without listening to voicemails.

29% don't listen to their voicemails

Waiting on Hold

Most people get frustrated being tied to a phone or computer while waiting for customer service help. This frustration is certainly understandable. How many of us have stepped out of a meeting for "just a few minutes" to make a call to customer service, only to find ourselves trapped on hold or listening

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to the tapping of a keyboard as the agent troubleshoots our problem? What about the dilemma we face when we are waiting on the phone and another urgent call comes in? In an increasingly mobile culture, consumers have little patience for being stuck on a phone call waiting for a verbal answer or in front of a desktop computer waiting for a web chat response. With the abundance of available technology options, this type of inconvenience and intrusion seems unnecessary.

Key findings of hold:

"When asked if they get frustrated being tied to a phone or computer to wait for customer service help..."

81% of all consumers agree

86% of all 18-34-year-olds agree

87% of those making over $100k per year agree

90% of students agree

81%

of all consumers
are frustrated being tied to
a phone or computer for
customer service

87%

of those making over 100k
are frustrated being tied to
a phone or computer for
customer service

Conclusion

The findings in this report indicate that customers across a wide range of demographics want to use texting for customer service activities—and are moving their business to companies that give them what they want. They are tired of being tethered to their devices while waiting to be helped and appreciate businesses who give them the option to text instead. Consumers in the 18-34-year-old age bracket, students, and parents are particularly receptive to the idea of using texting as a channel of communication between themselves and businesses, although there is a strong demand in other groups as well. For businesses who are looking to increase customer satisfaction, integrating texting into their channel mix is a great way to honor customer preferences and gain a strategic advantage in the "age of the customer."

"Integrating texting into their channel mix is a great way to honor customer preferences and gain a strategic advantage."

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About the Research

Survey Methodology
This survey was conducted online within the United States by Harris Poll on behalf of OneReach from July 1-3, 2014 among 2,063 adults, ages 18 and older. This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated. For complete survey methodology, including weighting variables, please contact Jill Petersen, jill@onereach.com.

About OneReach
OneReach helps companies have interactive two-way conversations with their customers through multiple channels. Using a combination of automation and live agents, companies can then easily craft a personalized customer experience using the OneReach platform." Created by a team of customer experience experts, OneReach helps companies enhance their customer service efforts by seamlessly incorporating voice, text messaging, email and other communication channels into a single communications system that increases customer loyalty while decreasing operational costs. OneReach easily integrates with any back-end system without the need for development resources.

For more information on OneReach, call or text 303-974-7351, or visit www.onereach.com. Follow us on Twitter @onereach, LinkedIn.

About Nielsen & The Harris Poll
On February 3, 2014, Nielsen acquired Harris Interactive and The Harris Poll. Nielsen Holdings N.V. (NYSE: NLSN) is a global information and measurement company with leading market positions in marketing and consumer information, television and other media measurement, online intelligence and mobile measurement. Nielsen has a presence in approximately 100 countries, with headquarters in New York, USA and Diemen, the Netherlands. For more information, visit www.nielsen.com.

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