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E-BOOK

The New CX Priorities

Essential strategies for driving customer value in a turbulent economy

Support will be the greatest untapped resource for companies to see forecastable growth in 2023.

Not too long ago, businesses came out of lockdown, excited to return to a new normal. And while 2023 will certainly bring new projects and new adventures, it also brought its fair share of new difficulties and frustrations.

Every industry is preparing for another challenging year as economic uncertainty continues to persist. That uncertainty creates a greater need for stability in other areas, as business leaders and customers alike expect higher and higher levels of efficiency and responsiveness from customer service agents.

As a CX leader, it's important to remember that customer support is not just about solving customer issues but a strategic function with far-reaching potential impact across every level of your company.

From prioritizing spends to optimizing the support experience for both customers and agents and keeping up on the latest artificial intelligence (AI) trends, **CX leaders have a lot on their plate.**

Learn more about what your **top five management priorities** should be to get ahead of the curve in 2023.

We talked to some of the most forward-thinking leaders in the CX space about upcoming priorities; we're sharing the most critical takeaways here for you.

Dan Medina
Director Customer Service Operations at **iPostal1**

Ima Somers
Director of Player Experience at **One More Game**

Ben Segal
Senior Director of CX at **Pair Eyewear**

Brett Frazer
Principal Customer Engagement Consultant at **Arise Virtual Solutions**

Colin Crowley
CX Advisor at **Freshworks,** Former VP of Customer Experience at Freshly

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PRIORITY #1

Scale support with self-service

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Blindly planning for a modest increase in spending will backfire. To come out on top, you'll need more discipline and precision to prioritize investments, trim waste intentionally, and place bold, well-informed investment bets.

$895,451 cost savings realized through deflection to self-service channels.

Source: The Total Economic Impact™ Of Freshdesk

Give priority to self-service and chatbots that allow you to offer the experience that customers expect without needing to expand your existing team. This can help customers get their answers quicker and more efficiently while still keeping costs in check. In fact, according to Freshworks' 'The News Rules of Customer Engagement' report, 76% of global consumers actually prefer searching for their own solutions over contacting customer service.

A self-service portal offers a variety of resources that help customers find the answers they need. Businesses can offer a well-structured and search-friendly knowledge base of Frequently Asked Questions (FAQs) that customers can refer to effortlessly. Apart from displaying these carefully-curated resources on your website, you can also expand access to your knowledge base by adding help widgets on your website, and deploying AI-powered chatbots across in-app and messaging channels.

Whether it's being able to check the time taken for order delivery, searching for advice on a community forum, or browsing through product documentation, a well-organized self-service portal can help customers have the autonomy to solve their problems quickly.

> **Self-service is going to become a critical priority in 2023. Increasing their self-service footprint is what businesses must aspire for to scale their support organization.**

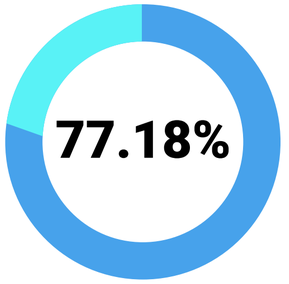
Pradeep Rathinam
Chief Customer Officer at **Freshworks**

Over 50% of Freshdesk customers have set up a self-service portal and companies with 250+ solution articles saw,

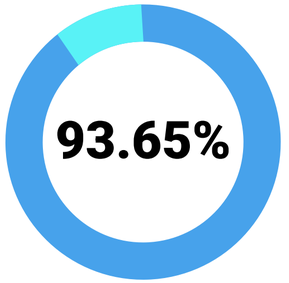
▲ **3.97%** Gain in CSAT

▲ **3.57%** Improvement in Resolution SLA Compliance

▲ **6.36%** Improvement in First Response SLA Compliance



Improvement in Average First Response Time for businesses that use **bots** and agents for chat support vs. email-only support.



Improvement in Average Resolution Time for businesses that use **bots** and agents for chat support vs. email-only support.

Average Resolution Time of businesses that have deployed **chatbots** vs. 39.7 hours taken by email support.

Source: [Freshdesk Customer Service Benchmark Report 2022]

PRIORITY #2

Embrace real-time engagement as the new standard

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There has been a stark rise in customers using messaging channels such as Whatsapp, FB Messenger, SMS, Line, Instagram DM, Apple Business Chat, and more to engage with brands. Customers are now expecting to communicate with customer service agents the same way they contact their family and friends.

54% Of consumers say fast responses is critical while choosing a brand.

55% Of consumers say they stop doing business with a brand due to long wait times on any channel.

51% Of consumers rank at least one form of asynchronous chat in their top three preferred brand communication channels.

Source: 'What Businesses Need To Know About Communication With Consumers' Forrester report

Messaging channels fulfill customer expectations of speed and convenience, giving customers control over the pace of their conversations.

However, **customers want actual conversations and not generic responses that ignore their needs.** In fact, as per McKinsey, 71% of consumers expect personalized interactions.

Businesses should know that to win with real-time engagement, they have to be mindful of holding personalized conversations at scale.

The shift to messaging apps has already happened on the customer's side of things; businesses need to make sure they're equipped to handle this change.

> **Moving as many of the phone contacts to chat, email, or SMS can help customers get their answers quicker while keeping costs in check.**

Dan Medina
Director of Customer Service Operations at **iPostal1**

“

Investing in conversational messaging and real-time engagement makes sense for a trinity of positive outcomes: positivity for customers, for agents, and for organizations.

Brett Frazer,

Principal Customer Service and Engagement Consultant
at **Arise Virtual Solutions**

For **customers**, real-time engagement

- Provide real-time connections with the support team, pairing them with agents who have more context about their previous interactions
- Create a wider response time window with asynchronous conversations
- Offer a digital receipt of the entire interaction for future reference
- Allow for easy access to self-service options

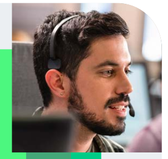
48%

Of queries resolved using bots without human intervention.

50%

Reduction in costs with 66% of Klarna's customers adopting chat.

For **agents,** real-time engagement



- Relieves the immediacy pressure of a phone conversation
- Gives agents time to confirm the information (another positive: not having to subject your customer to irritating hold music)
- Allows agents to work on two or three support interactions simultaneously
- Enables agents to serve customers in their non-native language and have the advantage of utilizing spelling and grammar-checking tools to avoid misunderstandings

50%

Faster average first response time on chat than email support.

Source: **What Your Customers Really Want**

For **organizations,** real-time engagement

- Provides greater efficiency
- Leads to an increase in the total number of tickets handled within a staffing segment and reduces abandoned rates and time to answer

$2.9M

Cost savings on shifting to digital channels like chat and messaging.

Source: **The Total Economic Impact™ Of Freshdesk**

PRIORITY #3

Boost agent efficiency with AI in the back-end

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The job of a customer support agent can be exhausting. Agent's days are often occupied dealing with people in the middle of upsetting and stressful situations. With the rising popularity of a gig economy, agents sometimes balance multiple jobs and part-time roles.

Because of the emotional effort required to produce positive customer interactions, customer support agents who are overworked or feel burnt out about their job are typically associated with lower quality satisfaction and efficiency scores. **Simply put, support agents need support.**

87% Of call center workers report high stress levels.

>50% Of call center workers say they feel emotionally drained from their work.

86% Of agents report experiencing technology that was too slow.

Source: Relationship between management practices and worker stress study by Cornell University

The COVID-19 pandemic and the need for organizations to scale quickly with fewer available agents in call centers sped up most of the technical innovation of AI. Now, it's not only moving the needle on customer experience but also on the agent experience and the overall efficiency and quality of customer support.

> **In a world where cultivating and retaining agents is essential for maintaining customer service quality, investments in agent assist technology is a powerful way to show a company's devotion to the agent experience.**
>
>
>
> **Colin Crowley**
> CX Advisor at **Freshworks**

Automated workflows, also known as **agent assist or agent augmentation**, will ease workloads and enhance job satisfaction for agents. This will also directly benefit the quality of the support experience itself, meaning everyone wins. As AI-powered technologies continue to become more widely deployed, agents will benefit from proactive, automated help in making more intelligent decisions spontaneously.

The long and short of agent-assist AI

Think of agent-assist AI as a helpful, experienced supervisor sitting down with an agent as they deal with a customer inquiry, providing hints and continuous learning while they work.

Agent-facing AI,

- Proactively suggests the next course of action based on the query type across multiple channels
- Provides relevant suggestions on ticket responses
- Helps surface relevant knowledge hidden in product guides or articles
- Automatically gives useful comparisons with similar customer service inquiries for faster resolutions
- Eases onboarding and gets agents up to speed quickly
- Is typically less risky than customer-facing AI, where the application of AI technology has a chance of directly and negatively impacting the customer experience (think of a bad, unintuitive AI-powered chatbot). With backend AI, even if the technology doesn't work as intended and requires various stages of iteration, you are not directly impacting the customer as negatively, therefore, have less of a risk involved in experimenting with different AI strategies
- Empowers agents to handle more complex and specialized tasks by removing frequently repeated manual work from the agent's workload, leading to more satisfied agents

Experimenting with ChatGPT is a perfect example of strategically implementing backend AI in agent-facing content. "Observing its success with agent-facing content, businesses may decide to use ChatGPT with external-facing content next," recommends Pradeep Rathinam.

sling

Sling TV has a resolution time of **under 2 mins**, and their resolution rate increased to **85% with agent-assist AI.**

PRIORITY #4

Shift from monitoring moments to evaluating experiences

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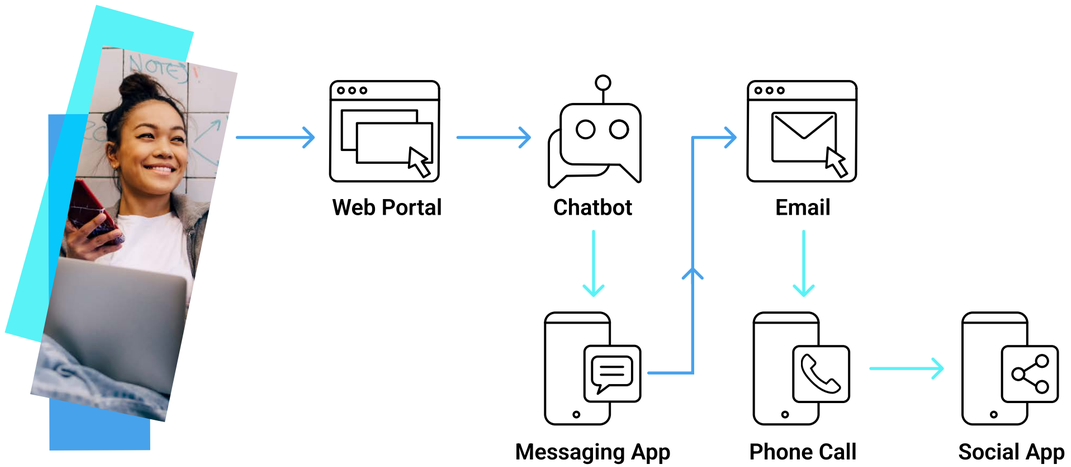
In 2023, customer experience is climbing even higher up the food chain, becoming a differentiator in its own right rather than a secondary selling point.

While bots and self-service automate lower-complexity tasks and customer service agents address more complex issues with a human touch, how well that interaction is received will become equally important. Attention is shifting beyond simply delivering a strong customer experience to how well the customer perceives each of those experiences.



As a CX leader, you'll need to have a greater focus on the quality of engagement, understand the voice of the customer, and make dynamic assessments across multiple touchpoints throughout the entire customer journey.

The voice of the customer will not only matter more than ever before but it will be scrutinized and analyzed in new and unexpected ways.

69% **Of consumers have abandoned a brand because of a negative customer service experience.**

61% **Of consumers have written a bad review after a negative customer service experience.**

Source: ArenaCX

> **One of my priorities is to build effortless customer and employee experiences by finding the right journey for these interactions. This will be critical to satisfy both customers' and employees' expectations of the company.**

Ima Somers
Director of Player Experience at **One More Game**

So, what can you do? Start by focusing on end-to-end customer experience. This shows that a company is going beyond a customer inquiry resolution to evaluate the full spectrum of customer experiences with the brand. The customer's voice, compiled across every available channel, can become a valuable tool to help evaluate their full journey.

Ima Somers believes that there are so many benefits to focusing on the end-to-end customer journey when delivering support:

- You will **improve customer satisfaction** by understanding the journey a customer goes through. "By knowing this information," explains Ima, "you can clearly identify pain points and address them, leading to a better overall experience for the customer."Organizations should also compare customer satisfaction across different channels. Gauging customer sentiment on call vs. chat is a classic example.

- **Increased loyalty** is another plus. Ima believes that when customers have a positive experience, they are more likely to remain loyal to a brand.

- By tracking the customer journey, businesses can glean **better data.** Companies should utilize their customer data to identify trends, predict customer challenges, and fix issues before they are raised. You can also use those valuable insights into customer behavior and preferences to inform future decisions.

Another change to anticipate is the shift from one-dimensional customer satisfaction metrics, such as first call resolution, to a broader experience metric that encompasses a wider lens around sentiment, reopen rates, and a more comprehensive set of KPIs. Customer service leaders can use metrics to transform from a reactive function to a strategic function, with proactive customer service as a key advantage.

The assumption that a customer must be happy because an agent resolved their ticket will begin to erode. Prepare to see an end to the binary of resolved or unresolved mindset, replaced with a measure of the overall experience rather than the outcome.

MultiChoice
ENRICHING LIVES

Multichoice achieves **95% CSAT scores and 94% first contact resolution rate** after switching to omnichannel support and gaining a 360-degree view of the customer.

PRIORITY #5

Unlock support as a growth lever

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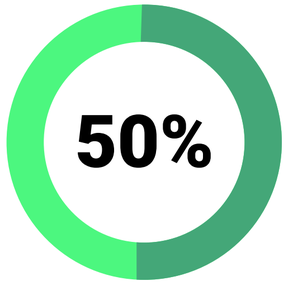
The modern customer journey is no longer a funnel, but an infinity loop. Rather than a one-directional transition with a defined start around product awareness and a specific end that results in a purchase, it's a continual cycle.

Customers engage with brands, learn about their values, buy the products, and, hopefully, become ongoing loyal customers with future purchases.

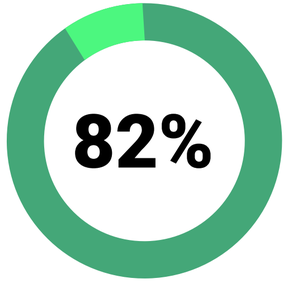
In 2023, customer support teams will have a more impactful role to play in the business' larger customer experience strategy.

> **When a customer feels like they are being genuinely helped and are receiving great service, they are more likely to come back and purchase again.**

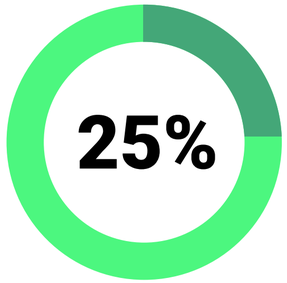
Ben Segal
Senior Director of Customer Experience at **Pair Eyewear**



More likely to sell to existing customers vs converting new customer.



Likelihood of repurchase or renewal with valuable service interaction.



Increase in profit when customer retention increases just 5%.

Source: Invesp, Gartner, Bain and Company

As customer support increases its footprint, we'll also see much greater connection and collaboration with sales, marketing, research and development, and other departments. This will shift the attention from resolving a problem to looking at the entire customer relationship.

Blue Nile

Having a consolidated view of customers' past interactions, purchases, and preferences across sales and support teams **increased sales revenue via chat by 2X.**

> **The learnings that the support teams have are strategic signals given by customers. Organizations can use the learnings of both positive and negative customer experiences to shape their product and brand perception and bring more revenue.**

Pradeep Rathinam
Chief Customer Officer at **Freshworks**

The lines between sales and support teams have blurred. Commerce has moved from the ethos of *everyone is in sales* to *everyone is in customer experience*. In fact, according to the Gartner customer service survey for function heads, 89% of the leaders agree that being a value-driven service and support organization is the most relevant trend this year.

Brands that recognize customer support as a competitive differentiator and a potential revenue driver are sure to reap the benefits.

Conclusion

Today, people are looking for exceptional experiences from their chosen brands and from their workplaces. Good CX is about both client and employee experience. Brands who continue to put human realities and needs at the center of their decisions and investments will emerge stronger both in 2023 and beyond.

Instead of cutting investment, double down. Make sure your executive teams stay closely tied to your CX departments. From employee experience to omnichannel brand experiences, the onus will be on CX teams to measure and relay the business impact of their initiatives. CX teams can provide a measure of stability and connection that customers rely on, and that's a relationship worth protecting.

About Freshdesk

Built to delight customers and employees, Freshdesk offers a unified customer support solution for fast and personalized resolutions across all support channels. Customers will love the quick responses and seamless experiences on their channels of choice, while agents will feel like heroes delivering flawless support at scale. Get up and running in weeks with our easy-to-use, powerful solution that gives you immediate value and supports your growth at a lower cost.

About Freshworks

Freshworks Inc., (NASDAQ: FRSH) makes business software people love to use. Purpose-built for IT, customer support, and sales and marketing teams, our products empower the people who power business. Freshworks is fast to onboard, priced affordably, built to delight, yet powerful enough to deliver critical business outcomes. Headquartered in San Mateo, California, Freshworks operates around the world to serve more than 63,000 customers, including Allbirds, Blue Nile, Bridgestone, Databricks, Klarna, NHS, OfficeMax, and PhonePe.

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