



THE STATE OF CUSTOMER SERVICE



The Frustrating Reality of
Customer Support in 2022



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A labor shortage, higher expectations and zero patience are creating the perfect storm for customer service

Customer experience has never played a bigger role than it does today. Consumer expectations for effortless, personal and quick interactions, which have already been rising, have increased even more since the pandemic, as the shift to digital has sped up ten-fold. Support is now a top consideration factor and even one poor experience can turn away even the most loyal customers for life.

The rising expectations come at a time when companies across industries have experienced a sharp influx in digital support tickets, making it harder than ever to provide good quality customer service. This is only exacerbated by the fact that there's a labor shortage: it's estimated that there are about 25% fewer customer service agents today than there were pre-pandemic. What's worse: agent attrition hovers around 45%, so even companies that fill their seats often don't do so in the long-term.

This has all led to customer service teetering on the edge of a breaking point. So, we at Netomi set out to see customers' perspectives on the state of customer service. We found that by and large, expectations are far from being met, and customers are reacting, often, poorly. Consumers admit that they have less patience and are often taking their frustration out on agents: **33% of people have screamed or sworn at a customer service agent.** This has the potential of making the pandemic-induced labor shortage a long-term reality as agents are essentially human punching bags. We found that agents, too, are finding it harder to keep their emotions in check: **73% of consumers reported having experienced a customer service agent being rude to them.** The hostile reality is not sustainable for businesses, customers or agents.

Our report revealed the shocking reality of today's customer service landscape and showcases the fact that businesses need to adapt their processes and invest in additional agent training to ensure customer satisfaction.

Methodology

In January 2022, we conducted an online survey of over 1,200 consumers in the United States who were 18+ years old. The gender distribution was split, with 52.46% of respondents female and 47.54% male. We used a reputable third-party survey company to target and secure the answers.



Key Findings

The following are the key findings from Netomi's **The State of Customer Service Report**

- **Customers admit to lashing out: 1 in 3** customers has screamed or sworn at a customer service agent
- **Agents are feeling the pressure: 73%** of consumers reported having experienced a customer service agent being rude to them and **44%** have had an agent become agitated
- **Hang ups are common: 3 in 5** people have hung up on an agent at least once out of frustration
- **The Now Culture: 39%** of consumers have less patience now than they did prior to the pandemic
- **Patience is wearing thin: 30%** of customers will wait a maximum of **2 minutes** for an agent on chat
- **Complaints center around wait times: 43%** of consumers believe long hold times are the most frustrating aspect of customer service.
- **Support is very inefficient: 25%** have had to contact a company **3 or more times** to resolve a single issue
- **The airing of grievances: 53%** of consumers have publicly shamed a company for providing poor customer service
- **Companies are ghosting customers: 62%** of consumers have been ghosted by company's customer service call-back options.

The State of Customer Service

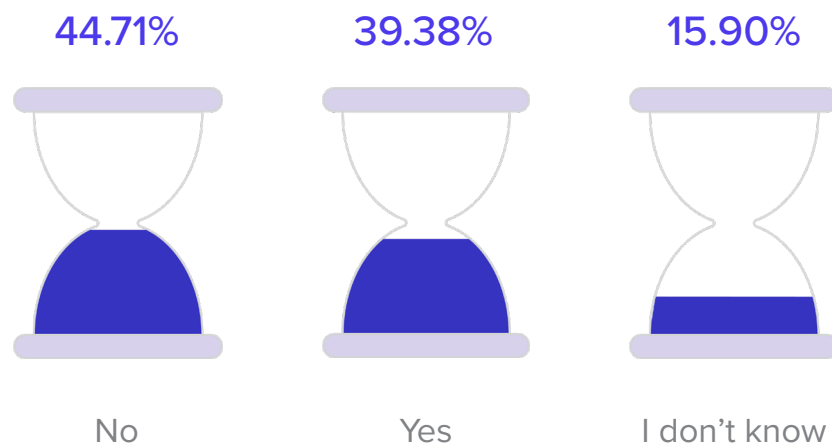
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Patience, zero. 2 in 5 have less patience today than pre-pandemic.

Something that the pandemic has left in its wake is a complete lack of patience. **39%** of people say they have less patience now than they did before the pandemic. Perhaps this is related to the accelerated shift to digital and most things being always-on and on-demand, as **14%** say their patience for hold times has dropped to zero. As patience has dropped, hold times have risen, with many reports of customers waiting on hold for hours to speak to an agent. This leads to customer frustration that's often taken out on agents.

Has your threshold for customer service wait times decreased since the pandemic?



2



1 in 3 customers has screamed or sworn at a customer service agent

While reports of consumers being agitated and unruly has risen since the start of the pandemic, it seems that increasingly, they are taking their frustrations out on customer service agents. Many consumers have had emotional outbursts with customer service agents, with **14%** having screamed at and **19%** having sworn at a company’s representative. Moreso, **67%** have elevated an issue to a manager. All of these outbursts lead to increased customer service costs, as the attention allocated to resolve a single ticket grows.

Which of the following have you done during a conversation with a human customer service agent?



13.94%
Screamed



18.99%
Sworn



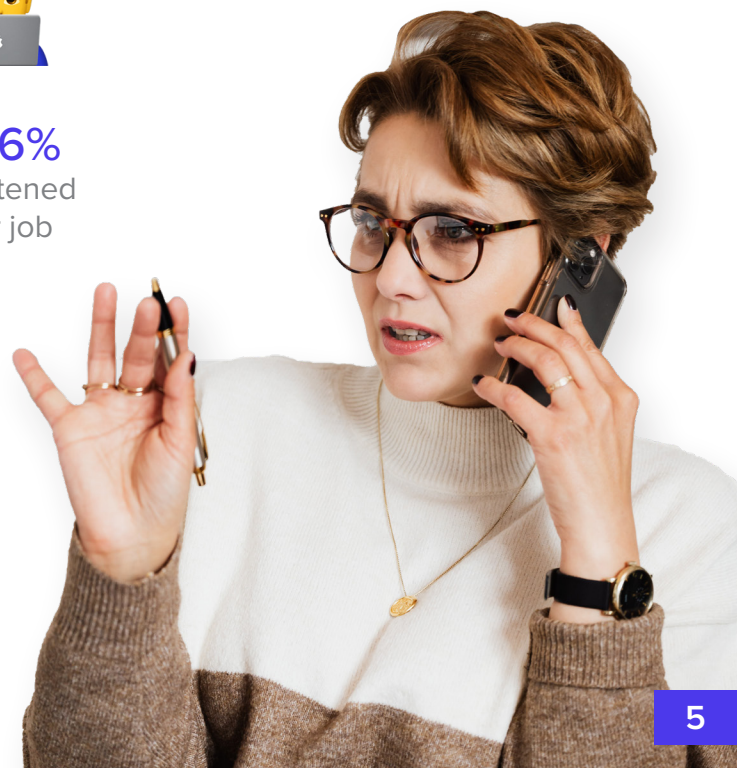
4.56%
Threatened
their job



3.34%
Threatened
them
personally



67.32%
Asked for a
supervisor



3



3 in 4 customers have engaged with a rude customer service agent

As agents are under more pressure to resolve tickets faster, manage multiple tickets at the same time, and deal with increasingly difficult and rude customers, it seems as though they are having trouble keeping their own emotions in check. Nearly **3 in 4 (73%)** of customers have experienced an agent being rude to them, **44%** have experienced an agent becoming agitated, and **38%** experienced an agent becoming upset. Nearly **1 in 4 (26%)** have experienced an agent becoming hostile. While these types of outbursts are certainly inappropriate, customer service agents experience human emotions and are working in tense environments. However, businesses need to train agents on how to remain professional, regardless of the situation.

Have you ever engaged with a customer service agent who became any of the following?



73.43%
Rude



43.60%
Agitated



37.73%
Upset



26.00%
Hostile



25.43%
Mad



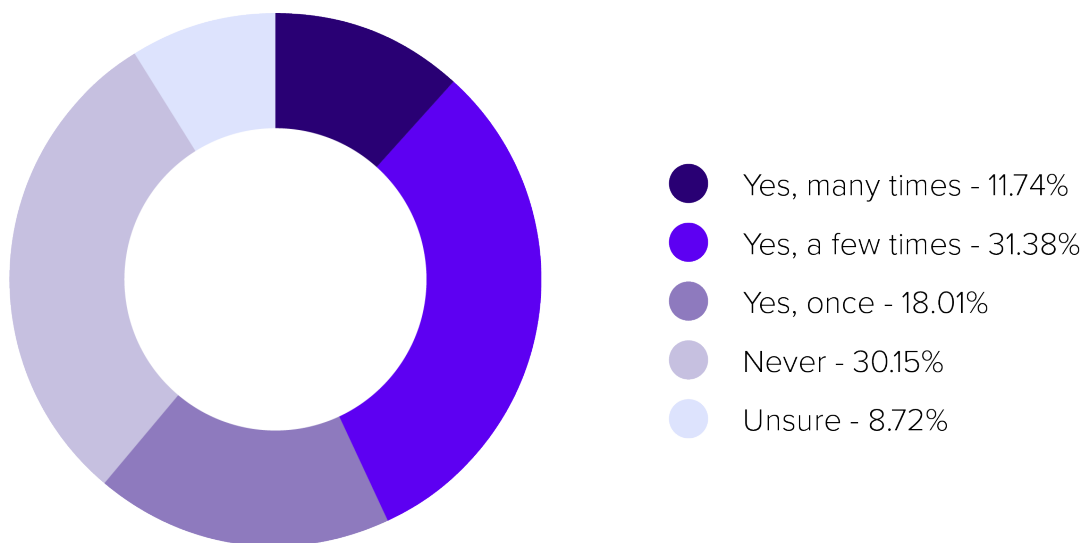
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Click. 61% of consumers have become so frustrated that they hang up on agents.

When consumers feel like an agent is not engaged in helping them find a resolution to their issue, they hang up. While **61%** of consumers have done this at least once, **12%** of consumers have done it many times. This is not only a poor experience for customers, but it drives up ghost contacts, or when a person reaches out multiple times about the same issue, and subsequently, costs.

Have you ever hung up and called right back when the customer service agent you initially got seems unengaged?



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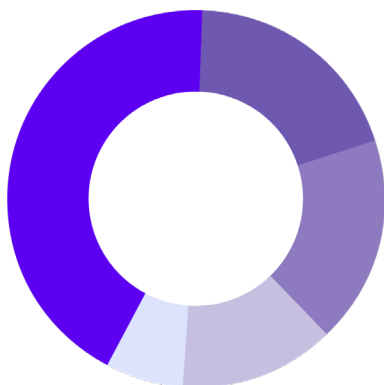


Long wait times are the most frustrating thing about support.

When asked to rank the most frustrating parts of customer service, **43%** of consumers believe it is the long wait times. This is only getting worse in the wake of the labor shortage and ballooning ticket volumes. In fact, **57%** have waited longer than an hour and shockingly, **26%** have waited longer than two hours.

The threshold for wait times, however, is next to nothing. When we look specifically at chat on a company website or in-app, **1 in 10** consumers are only willing to wait up to one minute, if at all, and **30%** will wait a maximum of **2 minutes**. Zendesk found that between 2020 and 2021, chat volume increased **17%**. Companies need to understand that if chat is a supported channel, they need to have the proper staff, or leverage customer service automation like AI-chatbots, in order to not damage the customer experience by having even minutes-long wait times.

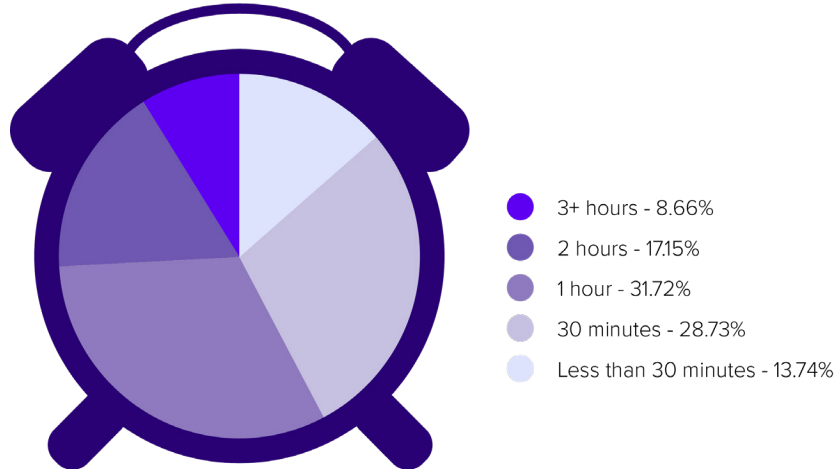
What's the most frustrating aspect of customer service?



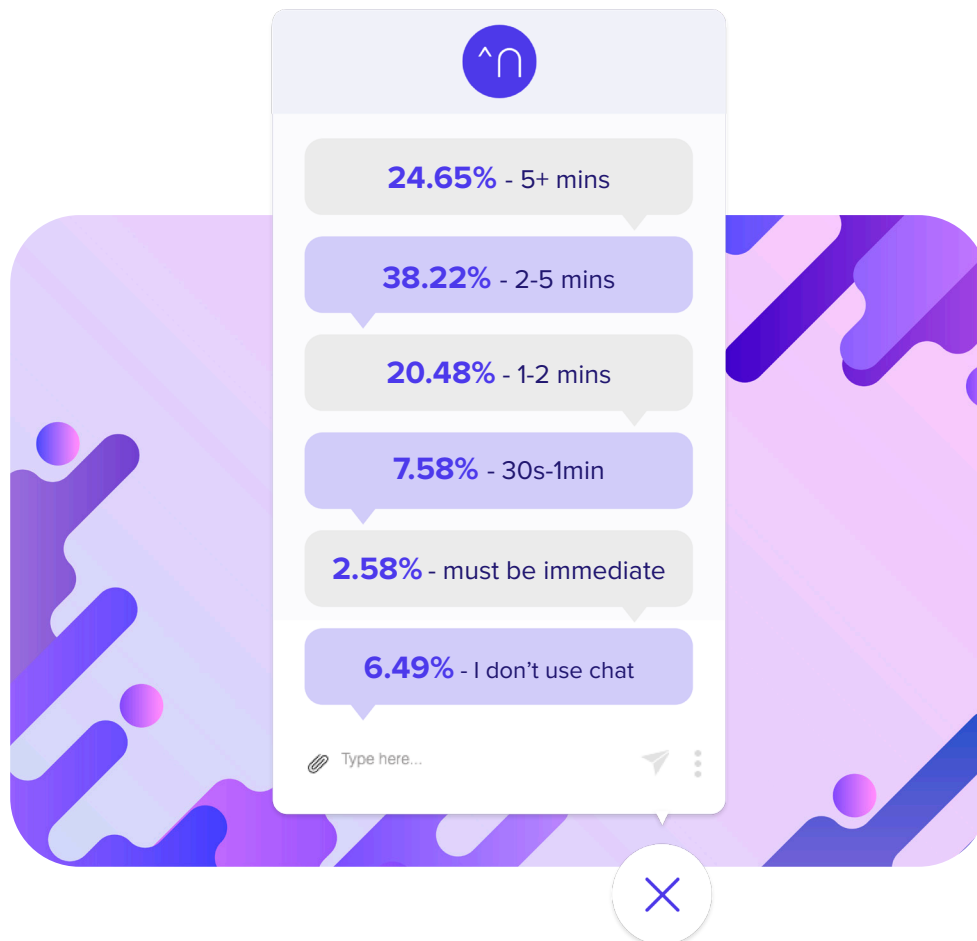
- Long wait times - 42.71%
- Not getting my question resolved in one instance - 19.32%
- Not able to talk to human agents easily - 17.90%
- Needing to speak to multiple agents to resolve a single issue - 13.24%
- Other* - 6.91%

* Includes lack of historical knowledge about myself or my account, ongoing pauses and holds during a live conversation, and having to repeat myself

What's the longest amount of time you've waited on-hold to speak with customer service?



When you open a chat on a company website, how long are you willing to wait for an agent before you become frustrated / antsy?



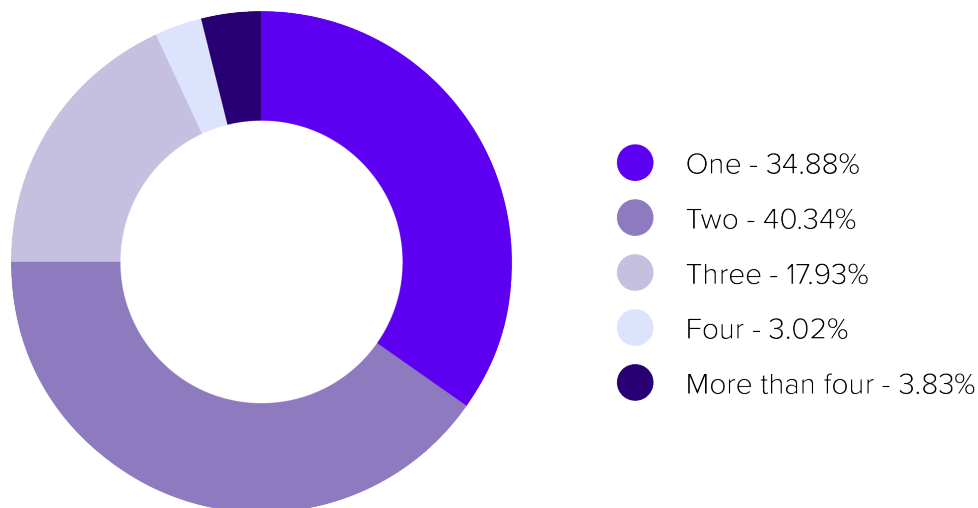
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Issues are resolved in a single interaction just under 35% of the time

1 in 5 (19%) consumers consider not getting the issue resolved during the first interaction to be the most frustrating thing about customer service. Even with consumers giving such a priority to this, **65%** of consumers have to follow up more than once to get their question resolved. That's right. Only **35%** of the time are consumers satisfied with a resolution in the first interaction, leading to a greater number of tickets, and greater customer frustration. What's perhaps more shocking is that **25%** of respondents reported needing **3 or more** calls to resolve an issue. In order to keep costs down, companies need to identify any gaps in their processes and the reason why people are getting back in touch with a company, in order to have a higher first-touch resolution.

How many interactions on average does it take for your issue to be resolved?



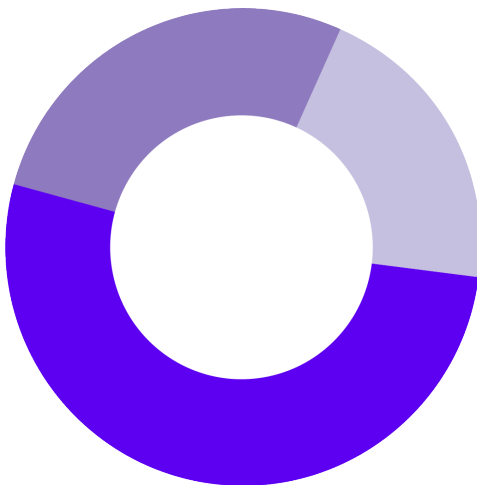
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3 in 4 consumers: Stop the small talk.

Only **27%** of respondents value instances when customer service agents engage in small talk with them. This compares to **73%** of consumers who ascribe no value to agents engaging in small talk when fixing their issue. This signals that customers prefer a quick resolution over everything else. Friendly banter, which has been used to create a more human interaction, is unnecessary, or even viewed as a burden in today's goal-driven society. Support teams need to get to the point, and get to the point quickly.

Do you like when customer service agents engage in small talk?



- Yes - it makes the interaction more friendly and personal - 27.23%
- I don't mind it, but it's not necessary - 52.29%
- No, I just want my issue resolved as soon as possible - 20.48%

"What's the weather like where you are today?"

"TGIF right?"



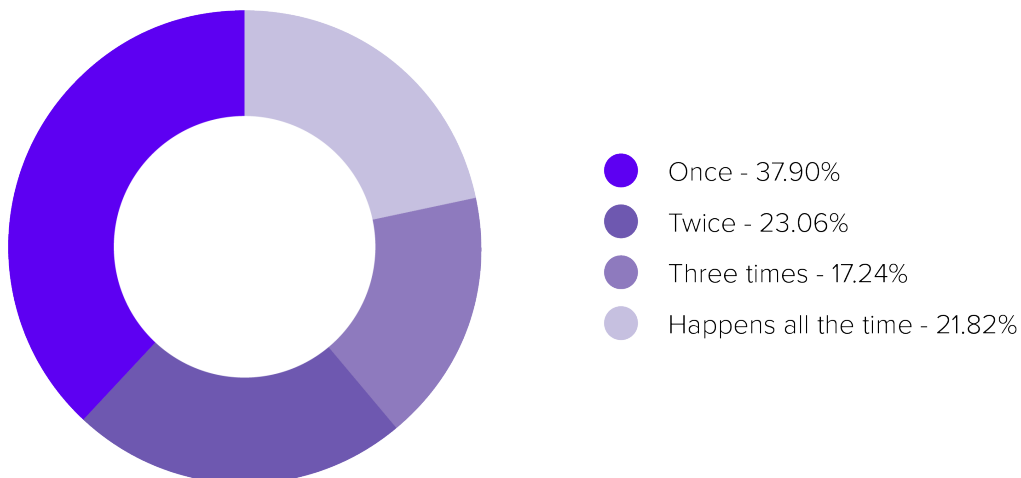
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Companies are ghosting consumers who request call-backs.

Instead of making customers wait on hold, about **40%** of businesses have implemented “call back” features in recent years. Designed to eliminate the painstaking activity of waiting for an agent, companies adopted these systems with the best of intentions. Unfortunately, it seems like these systems are actually causing even more friction and frustration. That’s because **62%** of consumers have been ghosted by company customer service call-back options more than once, and **22%** of consumers report this happens to them all the time. So while people have thought they’ve added themselves to a telephony queue, after being ignored the first time around, they either have to reach out on another channel or call back.

Have you ever selected a call back option (versus waiting on hold) and then never received a call back?



9



Telecom is the industry dreaded the most to contact

53% of respondents reported that Telecommunications companies are the most dreaded customer service calls they must make. Wireless companies took the lead with **27%** of consumer votes and cable companies came in at a close second at **26%** of respondents. Health insurance is the third worst category for consumers, with **16%** agreeing they are the most dreaded customer service call, followed by airlines (**11%**).

Which type of company do you dread contacting for customer service the most?



26.73%

Wireless Phone Carriers



25.75%

Cable Companies



16.46%

Health Insurance



10.68%

Airlines



7.66%

Other



6.85%

Banks



5.87%

Retail

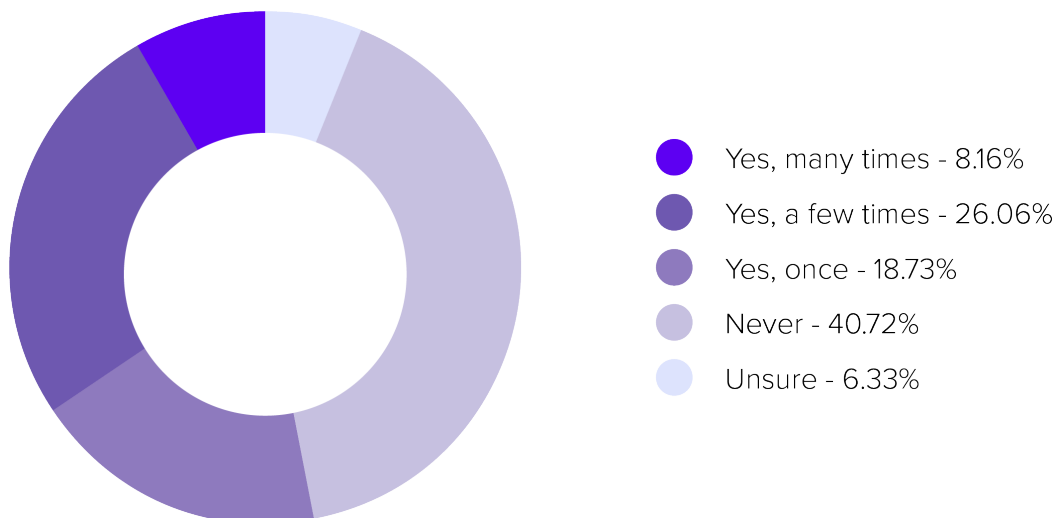
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Trending: The act of public shaming following bad customer experiences

More than half of consumers (**53%**) have publicly shamed a company following an instance of poor customer service, while **34%** of consumers have done this multiple times. As business is increasingly conducted online, these negative reviews can be a deterrent for customers trying new brands, an activity growing in prominence during the pandemic. McKinsey found that **73%** of U.S. consumers have changed stores, brands or the way they shop and **25%** of consumers have tried a new private-label brand. Poor reviews of customer service, though, could lead customers to try a competitor instead.

Have you ever publicly shamed a company for providing poor customer service?



Conclusion

Customer experience is now no longer just impacting a brand's reputation, but also its bottom line. Because of this, CX leaders now have a seat in the boardroom, and the pressure is on even more to deliver superior customer experience.

Netomi's State of Customer Service report found that consumers are not getting the support they expect, are growing frustrated by instances such as long hold times and in many cases, are taking out their frustrations on agents. This will only make the labor shortage in the industry more long-lasting as attrition for agents is already high and the reality of dealing with more irate and agitated customers is making the role of support agent less desirable.

Customer service leaders need to arm their agents with tools that make their lives easier, while impacting the customer experience in a positive way. AI-powered chatbots are one such tool that can have an immense impact on support organizations, including:

- Automatically resolving repetitive, everyday tickets which offloads mundane work from agents and provides customers with immediate resolutions (no hold times)
- Triaging tickets before handing them off to an agent, including gathering information from customers or back-end systems and even suggesting responses to help agents work more efficiently
- Routing tickets based on sentiment to ensure angrier customers aren't routed to agents who have just had a difficult call (and could therefore have less patience and empathy for their next customer)

Human-only support workforces are no longer attainable or sustainable. Companies that don't adopt AI in their workforce will struggle to keep up with customer's rising expectations and see customers churn to competitors. It's the teams that leverage a combination of artificial and human intelligence that will effectively compete on customer experience.

About Netomi

Netomi is a provider of AI-first customer experience that creates unprecedented brand access and intimacy in the Relationship Economy.

Netomi's Relationship Operating System automatically resolves **80%** of customer service inquiries, decreasing resolution time, increasing customer satisfaction and support quality, while reducing costs. The patented, no-code platform works across messaging, chat, email and voice, and understands 100+ languages. Netomi is based in San Francisco and has offices in New York, Toronto and India. Investors include WndrCo, Eldridge and Fin Venture Capital.



HARRY ROSEN

Interested in how AI can dramatically improve the customer experience while also positively impacting the agent experience? Get in touch today for a custom demo!

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