

# STUDY



## THE POWER OF LINGUISTICS IN CUSTOMER SERVICE

### CONSUMERS **VS.** AGENTS *CAN THE GAP BE CLOSED?*



# EXECUTIVE SUMMARY

**Whatever industry they are operating in, today's brands are focusing on building stronger relationships with customers, ensuring they meet their needs and delivering the service that they require, on their channel of choice. Otherwise, ever-more demanding consumers will simply desert them, heading to competitors that are often just a click away.**

The rapid growth in digital interactions (across channels such as email, Twitter and Facebook) is putting increased strain on this relationship, with companies finding that their resources are being stretched thinly across more and more channels, handling more and more interactions, while consumers continually expect faster and more comprehensive responses to their queries.

Mutual understanding between customer and company is at the heart of creating relationships, but there is a growing gap between the two sides. Consumers are becoming increasingly frustrated at not being understood, and are voting with their feet by switching supplier, while contact centre agents faced with a tidal wave of emails and tweets empathise but can do nothing to help.

These are the key findings of the 2015 Eptica Study: The Power of Linguistics in Customer Service, research which surveyed both consumers and agents in order to identify the frustrations that are undermining the customer experience offered by UK organisations. Based on the experiences of both agents and consumers the Study highlights a lack of understanding between both sides that is causing customer churn, frustrating agents and costing businesses in wasted resources and lost revenue.

With customer satisfaction levels currently at their lowest level since 2010<sup>1</sup>, urgent action is required if businesses are to rebuild relationships and engage with customers.

*The spread of digital technology has caused the current breakdown between consumer and brand, but applied properly it can repair the damage.*

*Consequently this report outlines some of the ways that technology can be used to address the problem, including the use of linguistics, the scientific study of language, providing a blueprint for better engagement.*

1 Source: Institute of Customer Service "The State of Customer Satisfaction in the UK"

# A FUNDAMENTAL LACK OF UNDERSTANDING

## SIX KEY RESEARCH FINDINGS

We live in a world of increasing choice for consumers, in terms of both companies and channels. Consequently the customer experience offered by a company is vital to attracting and retaining consumers, however they choose to make contact. Brands need to deliver the service that consumers expect, but also have to balance this against finite resources in order to provide efficient, consistent, multichannel responses to a growing number of interactions.

What are the key frustrations in this new world where the customer experience is paramount? To evaluate the complete state of UK customer experience, it is important to look at both sides of the interaction. Consequently Eptica surveyed a combination of consumers and customer service agents, comparing their responses to better understand their frustrations, common trends and differences in viewpoints and ideas.

### 1 LACK OF UNDERSTANDING HOLDS BACK CUSTOMER SERVICE

Consumers' biggest frustrations revolved around a lack of understanding of their query, and a failure to acknowledge their feelings, such as upset or anger. 78% said that receiving a response that didn't answer their query at all, or partially answered it, was one of their two largest frustrations. One fifth (20%), said that a failure to acknowledge their feelings was their biggest gripe.

Agents are equally frustrated at not being able understand consumers. 61% said they found it difficult to grasp what a customer was asking, particularly when they used jargon or slang. When asked to name their top two issues, nearly a third (32%) said they found it hard to recognise anger or upset in digital customer communications (such as emails or tweets).

These findings show that there is an understanding gap between consumers and agents. They may all be writing in English, but the range of vocabulary used and the lack of the visual or verbal clues provided by face to face or telephone contact make it hard to comprehend what someone is asking about, and consequently difficult to give a helpful answer. This gap then worsens the problem – if a customer receives an email that doesn't answer their query, frustration levels rise and they are forced to re-contact the company for clarification. On the company side this adds to workloads, increases stress amongst agents (after all, no-one likes being shouted at), and requires greater resources to solve a customer's problem. Essentially with this vicious circle no-one wins, even if the customer eventually gets the answer that they were looking for.



# A FUNDAMENTAL LACK OF UNDERSTANDING

## 2 COMPANIES NOT ENGAGING WITH CUSTOMERS

The rise of social media and the advent of Big Data has increased the opportunities for brands to engage directly with consumers. Companies have made large investments in channels such as Twitter and Facebook, and in unifying data from across their organisation as they seek to better understand and engage with customers. The aim is to use this relationship to create loyalty, ensure repeat revenues and design new products and services that better meet customer needs.

However this objective is being undermined by a lack of empathy, understanding and personalisation. Nearly a third of customers (31%) said that they were frustrated by responses that don't acknowledge their feelings – and a quarter (25%) said that a lack of personalisation was their first or second greatest bugbear.

Turning to agents, 31% of respondents agreed that a failure to acknowledge feelings was one of the top two reasons for consumers to become frustrated. However, they felt powerless to help. 32% said they were equally frustrated by not being able to understand whether a customer was happy, upset or angry. Agents empathise personally with consumers, but are unable to identify strong feelings from the text interactions that they are presented with.

## 3 CUSTOMERS UNAFRAID TO SWITCH

The growth of choice and increasing competition mean that has never been easier for consumers to switch supplier. Even in sectors such as banking or energy, where it used to be difficult to change, regulations have been brought in to make switching simple, fast and seamless.

Therefore it is no surprise that customers say they will move supplier if they are frustrated. What is more worrying for brands is the scale of the figures. 82% will switch “always”, “often”, or if their problem is not sorted out. On the positive side 41% of consumers will give companies the chance to sort out an issue before switching, but this still means over 4 in 10 consumers won't give a company the benefit of the doubt. Just 18% said they rarely switched supplier due to customer service frustrations.

Again, agents know this. When asked whether poor service made consumers switch, very similar numbers (85%) agreed that they would leave “always”, “often”, or if their problem was not solved.



# A FUNDAMENTAL LACK OF UNDERSTANDING

## 4 AGENTS WANT HELP FROM TECHNOLOGY

As their answers show, agents understand the frustrations that consumers face, but feel powerless to help. Many are being hamstrung by the technology they have available, such as desktop email software or channel-based systems that don't give them the understanding, knowledge and answers that they need.

When asked what would make their jobs easier, over half (51%) ranked technology that analyses incoming questions and automatically suggested answers as their first or second priority. The ability to prioritise based on urgency and tone (such as anger, happiness, sadness) was requested by half of agents. A third (34%) wanted better, centralised knowledge bases where they could find comprehensive, consistent and useful answers.

Underlying this was a need to provide agents with a full, multichannel picture of the customer. 55% listed having a single view of all customer interactions, across every channel as their first or second priority.

Essentially agents want better and more comprehensive tools to deal with the rising tide of digital queries that they are facing. Technology will not just make agents happier, but it will also ensure they are more productive, able to successfully answer more queries per hour and consequently increasing efficiency. This means the return on investment (ROI) on such technology can be measured in short timescales, such as months rather than years.

## 5 EMAIL IS ALIVE AND WELL

When they want to contact a company through a digital channel, email is the overwhelming consumer favourite. 87% said it was their primary written means of communicating with a brand, well ahead of Facebook (6%), chat (4%) and Twitter (4%). This is not surprising – email gives a full audit trail of any conversation, messages can be sent at a time convenient to the consumer, and the explosion in smartphone use means that customers don't need to be at their desk to send an email.

This doesn't mean that brands should neglect other channels. Facebook and Twitter are central to building engagement, and are also very public forums where complaints can quickly escalate, causing substantial brand damage. Chat is also growing in importance, as it provides a real-time conversation, akin to the telephone, but with the advantage for consumers that they do not need to leave their PC or mobile device and pick up the phone.



# A FUNDAMENTAL LACK OF UNDERSTANDING

## 6 AGENTS JUST WANT TO BE THANKED

The research also asked agents for the words and phrases that both made them happiest and most upset. Chief amongst the negatives were being sworn at, abuse, emails in UPPER CASE and just the word 'disappointed.'



On the positive side, it seems that all agents really ask for is to be thanked, with basic phrases such as ‘thank you’ and ‘very helpful’ leading the way”.



# BRIDGING THE UNDERSTANDING GAP

**The Eptica research with both consumers and contact centre agents demonstrates that both sides are becoming increasingly frustrated by their inability to understand each other. This has direct consequences for businesses.**

**Consumers have no compunction in moving to competitors that they feel better understand what they are saying, hitting business revenues. Additionally, the need to re-contact customers to clarify their requests adds to costs and reduces efficiency. Finally, overworked and frustrated contact centre staff may well leave, meaning replacements need to be found and trained, again increasing costs.**

## WHY IS THE GAP THERE?

The number of written contacts between consumers and companies is rising dramatically. Customers have no hesitation in emailing if they feel they have received poor service, and also if they cannot find an answer to their question online. 144.8 billion emails are sent every day<sup>2</sup> – and the growth in smartphones is making it even easier for consumers to dispatch an email while on the move. Nearly 72% of Americans list email as their favoured channel to communicate with brands<sup>3</sup>. This means that even relatively small companies can be receiving hundreds of emails a day, which translates into tens of thousands or even millions per year.

Add to this that written text is difficult to understand fully. There is none of the visual or verbal context that participants can follow when communicating face to face or over the telephone. Individual digital channels also have their own drawbacks when it comes to understanding. Email is not a continuous conversation, but stop/start as messages are sent between consumer and agent, often making it difficult to follow the flow. Any delay can also add to frustrations as the conversation is prolonged. Tweets are obviously limited to 140 characters, which mean it can be impossible to satisfactorily answer a complex query, even if multiple tweets are used.

Digital channels are used by people from across every demographic, and agents often complain that they can glean very little context from an email or other message. You cannot quickly ascertain age or background and, unless they have access to a single view of the customer, agents have very little understanding of the consumer as an individual or their relationship with the company.

*Many companies run different channels as silos, so there is no integration – meaning an agent doesn't know that the angry customer that is now emailing is frustrated because the tweet they sent two days ago still hasn't been answered.*

<sup>2</sup> Source: Brandspeak "Do you know that 144.8 billion emails are sent every day?"

<sup>3</sup> Source: Marketing Sherpa "Consumers: Keep those emails coming"

# BRIDGING THE UNDERSTANDING GAP

## THE BENEFITS OF BRIDGING THE GAP

Brands today are looking to engage with customers, showing empathy and understanding in order to engender loyalty. At a time when competition is at an all-time high, success revolves around providing a consistent, personalised, customer experience if you want to differentiate from other brands.

**Consumers want their time to be valued – clearly, forcing them to go back and explain what they meant in their written interactions directly contradicts this, leading to frustration and churn.**

Therefore it is vital that brands bridge the comprehension gap for five reasons:

- 1 *To retain existing customers by demonstrating a deep understanding of their needs, whether they are angry, happy or sad, and can deliver the service they want*
- 2 *To win new business from rivals by impressing consumers that make contact through your digital channels*
- 3 *To build brand strength – frustrated customers will broadcast their issues on social media, hitting brand reputation and potentially causing major damage*
- 4 *To bring down costs through high First Contact Resolution (FCR) rates that deliver the right experience without the need for multiple interactions*
- 5 *To innovate and create new products and services. Understanding and analysing digital interactions delivers insight into what customers want that can be used to crowdsource new products and services*

# BRIDGING THE UNDERSTANDING GAP

## HOW CAN THE GAP BE BRIDGED?

The good news is that the gap is bridgeable. A combination of technology, training and the right people can increase a company's ability to understand what customers are saying and help provide the right answers, quickly and efficiently. Technology may be behind the rise in multichannel interactions, but it can also help solve the problem that it has created. For example linguistics, the scientific study of language, helps businesses by automatically analysing incoming interactions, prioritising them based on tone, forwarding to the most relevant agent or department and suggesting relevant answers.

Let's take the example of an incoming email and show how technology can improve the process for all involved.

### 1. EMAIL ARRIVES, AND IS AUTOMATICALLY ANALYSED FOR:

- A. Language.
- B. Type of query - does it refer to an outstanding order, a delivery, a return?
- C. Tone – is the customer happy, sad, angry?
- D. Other information, such as email addresses or phone numbers that can be used to identify if the email is from an existing customer or not. If so, can it be matched to customer records?

### 2. WORKFLOW THEN:

- A. Prioritises the interaction dependent on the tone or severity of the issue.
- B. Sends it to the best available agent to answer it. This could be based on language, experience or particular team.
- C. Alternatively, if the query is more complex it could be sent to a subject matter expert within the company (such as a product manager) who has the knowledge to provide an answer.

### 3. AT THE SAME TIME THE TECHNOLOGY AUTOMATICALLY SEARCHES THE CENTRALISED KNOWLEDGE BASE:

- A. The most relevant answer is selected and then sent to the agent handling the query as a template.
- B. The agent also has access to the customer record to see the full history of the relationship.
- C. The agent then personalises the answer and sends it to the customer.
- D. The agent can then rate the response the knowledge base provided – was it adequate or does it need additional information adding? If so, feedback is sent and the answer is updated and approved by the relevant manager.

# BRIDGING THE UNDERSTANDING GAP

## 4. INTERACTION ANALYSIS FOR VOICE OF THE CUSTOMER PROGRAMMES:

- A. By analysing incoming interactions companies have a real-time view into the customer experience. How happy are customers? What are they asking about? What words or phrases are repeated – and do they vary from channel to channel?
- B. This can be used as a real-time warning system of problems, such as a network outage at a telecoms company or a fault on a website.
- C. It also flows into Voice of the Customer programmes, providing deep insight that can be used to make longer term, strategic and tactical changes to how businesses operate and the products and services they provide

## USING TECHNOLOGY, PARTICULARLY LINGUISTICS, DELIVERS KEY BENEFITS



LINGUISTICS TECHNOLOGY



- Accuracy of response
- Improved customer satisfaction
- Improved agent efficiency
- Reduced average handling time
- High first time resolution rates
- Reduced cost per contact
- Improved ROI

# CONCLUSION

**The Eptica UK Linguistic Experience Study uncovered a fundamental mismatch between the aim of brands to increase engagement and the inability of contact centre staff to understand the needs and feelings of their customers.**

The risks of this understanding gap are enormous – frustrated customers have no qualms about switching to competitors, often without giving companies the chance to repair their mistakes. Costs rise as it takes an increasing amount of time to answer queries, stretching already thin resources. Agents are equally frustrated, empathising with customers but simply unable to comprehend what consumers want when they contact brands, due to the difficulties of understanding the meaning and tone of digital interactions.

Companies need to engage with consumers if they want to build loyalty and long-term relationships. Understanding digital text and tone is difficult, but technology can help bridge the gap between the two sides, increasing comprehension, driving engagement, reducing costs and ultimately increasing revenues. Brands need to act now to ensure they truly engage with consumers.

## METHODOLOGY

The Eptica UK Linguistic Experience Study combined research with consumers and contact centre agents. 1,000 consumers and 103 contact centre agents were surveyed online in Q1 2015. The following questions were asked:

### CONSUMER

- When you want to contact an organisation in writing, what is the primary digital channel that you use?
- What frustrates you most when contacting a company through email, Twitter and web chat to find out information/get a query answered?
- Has this frustration ever led you to give up and switch to another supplier?

### AGENT

- What frustrates you most when answering incoming text-based messages from consumers (such as email, Twitter and web chat) when working?
- What kind of technology would make your job easier and help you be more productive?
- What do you think frustrates consumers when they contact your company to find out information/get a query answered?
- Do you think this frustration has ever led them to give up and switch to another supplier?
- When reading an email, tweet or web chat interaction, which words or phrases used by consumers make your heart sink most?
- When consumers give positive feedback via email, Twitter or web chat, which words or phrases make you happiest?

# ABOUT EPTICA

Eptica is a leader in multichannel and multilingual customer interaction management software, covering email, web, social media, web chat and agent channels. Our solution is available on premise, as a Software as a Service (SaaS) or a hybrid solution. The Eptica Customer Engagement Suite™ enables organisations to improve engagement with customers, increase efficiency and drive sales by delivering fast, consistent and personalised responses to their queries, through their channel of choice.

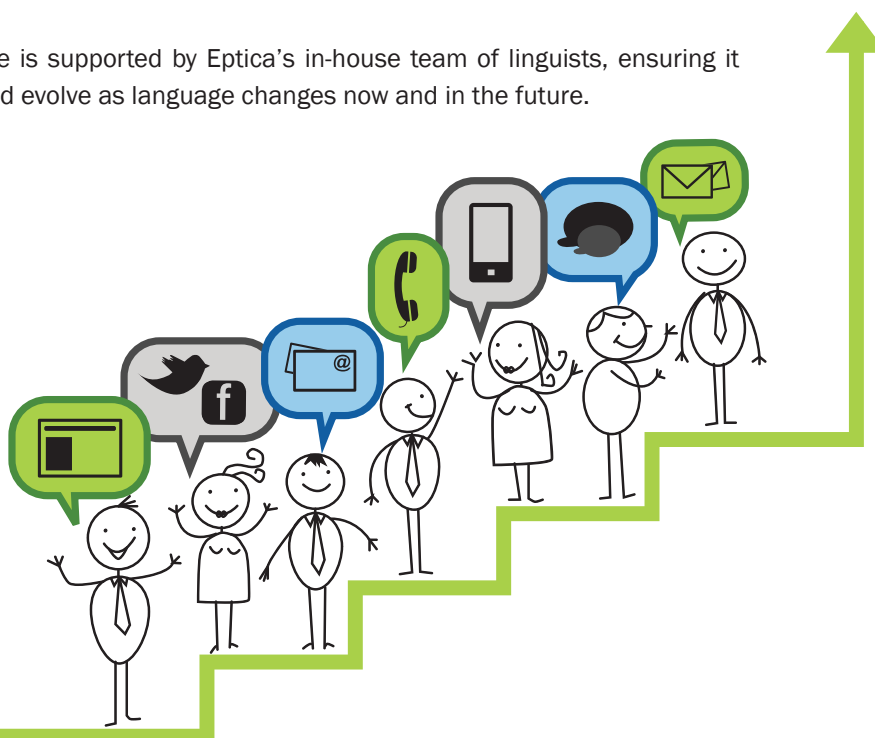
Delivering consistent, rapid and personalised responses to consumers, based on understanding the tone and style of the language they use is critical to customer service excellence. Linguistics helps by automatically analysing incoming interactions, prioritising them based on tone, forwarding to the most relevant agent or department and suggesting relevant answers. This not only increases efficiency but provides unparalleled insight into customer behaviour that can link into Big Data and Voice of the Customer initiatives.

The Eptica customer engagement platform is designed around a central knowledge base, powerful workflow and Eptica Linguistic Services™, advanced linguistic capabilities that enable organisations to quickly understand the tone, sentiment and context of digital interactions and automatically deliver personalised service.

- Our advanced Natural Language Processing automatically analyses incoming interactions to detect key message elements, language and sentiment, enabling queries to be quickly routed to the right agent, along with recommended responses.
- Sentiment analysis of the language used in incoming communications gives immediate insight into how happy an individual customer is - and allows you to prioritise resources accordingly.

By understanding the context of questions asked, our Linguistic Search feature delivers faster, more accurate answers to customers, whatever type of language they use, as well as providing powerful insight into customer behaviour, which feeds into Voice of the Customer programs.

Eptica Linguistic Service is supported by Eptica's in-house team of linguists, ensuring it continues to develop and evolve as language changes now and in the future.





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