

RETAIL

Despite digital advancements, human customer service is irreplaceable

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Consumers prefer to try to solve their customer service issues online first. Image credit: Bloomingdale's

By SARAH JONES

When trying to solve issues with a retailer, 80 percent of consumers are apt to head to a brand's Web site before calling customer service, according to a new report.

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A study by Radial and CFI Group found that consumers are divided over whether or not retailers' Web sites were helpful. With online channels playing a significant role in the customer experience, luxury brands need to ensure that they are offering tools for shoppers that are on par with the rest of their services.

"Live agent customer service is exceedingly important for luxury brands," said Robin Gomez, director of data and analytics at Radial.

"Purchasers of high-end goods and services are accustomed to exemplary service," he said. "Luxury brands, then, should invest capital in hiring top talent for their agents, and technology investments should focus on tools and systems that make those agents most effective.

"Such systems can prioritize loyal and high-value customers, ensuring that the best customers receive priority attention."

The **report** from Radial and CFI Group is based on a survey of 500 consumers.

Service centers

Consumers are seeking digital solutions to customer service issues. While consumers are more apt to connect with a brand's Web site via a computer, 34 percent say they explore options via a mobile device.

About three in 10 consumers say that a retailer's Web site is very helpful at resolving issues. However, 21 percent find brands' online stores to be no help at all.

For those who cannot fix their problem online, the call center is the next step.



Sometimes consumers have to call customer service. Image credit: Gucci

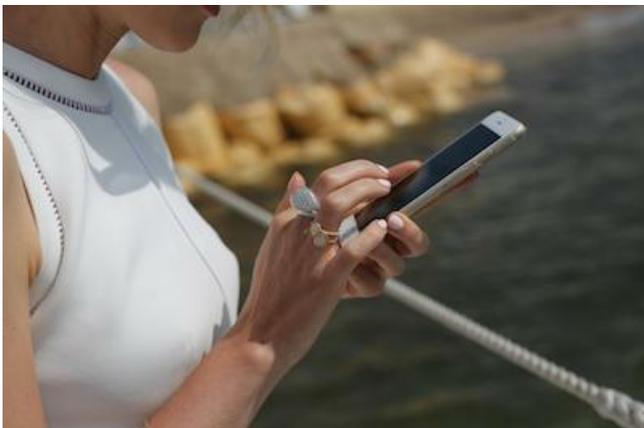
Parts of the call center interaction are becoming automated. When they need to call customer service, consumers are often greeted by chatbots or interactive voice response (IVR).

Some find these tools ineffective or bypass them entirely in preference of a live agent. The survey found that respondents who talk to a live person tend to have higher satisfaction rates than those who talk to an automated system.

One solution for what can be a frustrating interaction with an automated voice lies in visual IVR. Through this technology, consumers interact with visual menus on their mobile phone, avoiding potential voice recognition hurdles.

Live customer service representatives provide a level of service that cannot be achieved through automation, but they need to be trained properly.

Radial and CFI Group found that consumers have higher satisfaction rates when they interact with an agent who is integrated into the company. Positive experiences can also boost consumers' loyalty and likelihood to recommend a brand.



Brands can use visual IVR to help guide consumers through menus. Image credit: Boucheron

"When customers contact customer service, they expect their account information to be at the agent's fingertips," said Sheri Petras, CEO of CFI Group. "Consumers expect agents to have quick access to previous purchases, returns, complaints, inquiries, etc.

"Many retailers fall short by operating in silos, with agents who do not have visibility into a customer's full history," she said. "The opportunity, then, is for retailers to implement systems or partner with third-party firms to deliver this superior cross-platform customer service experience.

"Third-party companies such as Radial operate with sophisticated customized platforms that enable exceptional personalization. These systems allow for personality assessment and matching, connecting customers with agents who are more likely to meet customer needs.

"If a customer tends to call customer service rather than go online, that customer can be automatically matched with an agent more suited as a personal shopping assistant. If a particular customer has a history of calls with complaints, they could get routed to an agent skilled at empathy and handling disgruntled customers. The opportunity for

retailers, then, is to effectively capitalize on development of systems and platforms that enable this superior customer service."

Customer service changes

As retail moves beyond the traditional store and ecommerce outlet, brands need to use every digital tool available to meet consumers' high standards for customer service.

In Astound Commerce's Brand Mystery Shopping Study for 2017, the research showed that retailers are moving beyond simple call centers and other customer service options into more engaging and mobile-friendly channels such as live-chat and communicating with customers through social media. This is important given that 54 percent of consumers expect more comprehensive information and 50 percent expect better prices from a brand manufacturer Web site as opposed to a multi-brand retailer ([see story](#)).

Despite fears of artificial intelligence replacing workers, a new report from the Luxury Institute claims that the technology's real value will be in freeing up employees to focus on what really matters: improving a company's culture and efficiency.

Milton Pedraza, CEO of the Luxury Institute, calls these types of workers "platinum collar workers" as opposed to blue collar or white collar workers, and created a platform called EIX as a means of training these types of employees. With the advent of artificial intelligence automating much of a luxury brand's traditional day-to-day practices, these platinum collar workers can focus on improving company culture and enhancing a brand's moral standing ([see story](#)).

"First, brands must enable self-serve options on all digital properties used by customers," Mr. Gomez said. "Detailed product information, an ample number of high quality pictures, and an easily available live chat option go a long way toward answers common consumer questions.

"Second, integrating the ecommerce with contact center platform empowers agents to answer customer questions quickly and thoroughly," he said. "DIY tools that encourage self-serve, along with an integrated customer service platform that gives agents visibility into all aspect of the customer's activity, enable the retailer to deliver excellence along every step of the customer service journey."

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