INTERCOM

2021 Report

The Future of Support Has Arrived: It's Conversational

5 TRENDS TRANSFORMING **E-COMMERCE** SUPPORT

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The conversation has changed: the transformation of customer support

Intro from

Kaitlin Pettersen
Senior Director of Customer Support at Intercom

> "Many companies are turning to conversational support to manage high conversation volumes more efficiently and exceed customer expectations."

Today, customer support is undergoing massive, irreversible change.

That change has been greatly accelerated by the COVID-19 pandemic, with the move to a digital-first economy happening faster than anyone might have imagined. And nowhere are those changes being felt as much as in the e-commerce industry, with our own data showing that Intercom is currently powering nearly a million e-commerce conversations daily.

A recent survey* we ran with nearly 600 support leaders revealed that the majority of support teams are struggling to manage increasing conversation volumes. Simultaneously, 73% of support leaders say customer expectations of excellent service are rising, but only 42% are certain they're meeting those expectations.

Until recently, most support teams faced an impossible choice – stay personal with customers, or prioritize efficiency. Staying personal meant offering expensive, unscalable services like 1:1 phone calls or 24/7 real-time chat. Efficiency meant deflecting customer issues through impersonal forms and "do not reply" emails.

This type of "good enough" support is no longer good enough. Today, modern customers expect both fast and personal support. But under the weight of outdated tools of the past, overworked support teams are struggling to keep pace and achieve that seemingly elusive balance. And with the expedited rise of e-commerce, support teams are now also being tasked with adapting quickly to meet the changing needs of shoppers, as well as bridging the customer experience gap between online and offline shopping.

With support volumes increasing so quickly, the ability to strike the right balance between efficient and personal support can, for many,

*Intercom commissioned an independent market research firm to survey a random sample of 593 support managers and leaders, including some working in the retail and consumer-packaged goods sectors. The study's margin of error is +/-4% at the 95% confidence level.

"Even during turbulent times like the COVID-19 pandemic, conversational support is helping support teams enhance their customer relationships, increase their efficiency, and boost their CSAT scores."

seem out of reach. The solution? Conversational support – the new way to deliver support that bridges the gap between what customers want and what our teams can realistically deliver. Conversational support empowers us to deliver efficient, personal support through a messenger-based experience.

For e-commerce companies, conversational support is helping teams to effectively deal with the spike in online shopping the industry is facing, while still maintaining the strong, personal experience shoppers expect. Even as conversation volumes continue to rise, one in every three e-commerce conversations is automatically resolved by bots in Intercom, and we're seeing customers maintain a median CSAT score of 87%.

Our survey revealed that many companies are turning to conversational support to manage high conversation volumes more efficiently and exceed customer expectations. By combining human, self-serve, and proactive support, they're getting ahead of known problems, automatically answering repetitive queries, and quickly resolving complex issues.

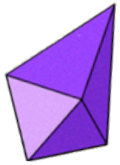
Unlike messenger-based tools of the past, conversational support technology is so much more than "live chat." Powered by a modern business messenger, bots, and automation, it scales your ability to answer more questions from more customers without increasing headcount, budget, or hours logged. Our study showed that even during turbulent times like the COVID-19 pandemic, conversational support is helping support leaders enhance their customer relationships, increase their efficiency, and boost their CSAT scores.

With all of these benefits, it's perhaps no surprise that many support leaders plan to invest more in conversational support capabilities in 2021, including proactive support, chatbots, and automation. There are five key trends leading the charge – in this report, we dive into each one and share our best tips for staying ahead of the conversational curve.

Enjoy!

Kaitlin Pettersen

5 conversational trends transforming e-commerce support



Trend 1 From reactive to proactive support

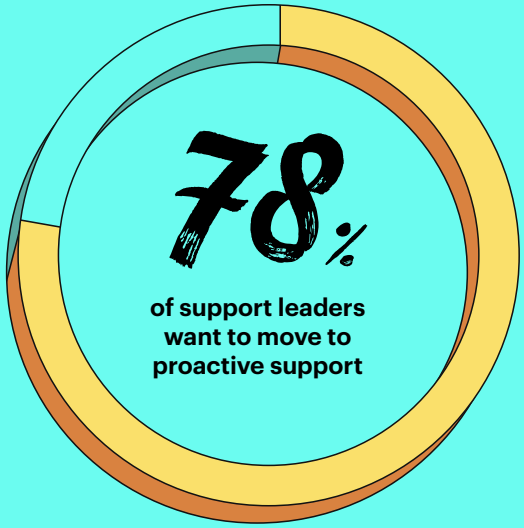
Trend 2 Satisfying customers' need for speed

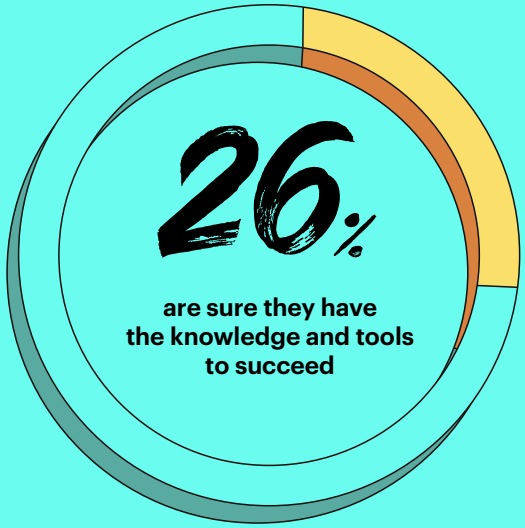
Trend 3 Supercharging team efficiency

Trend 4 Bridging the customer expectation gap

Trend 5 From "cost center" to value driver

Trend #1
From reactive to proactive support





Today, the typical reactive support strategy is to let common issues roll in for support teams to address, but this approach can very quickly overwhelm your team, particularly at high-volume times of the year. It turns out there's a real appetite for that to change.

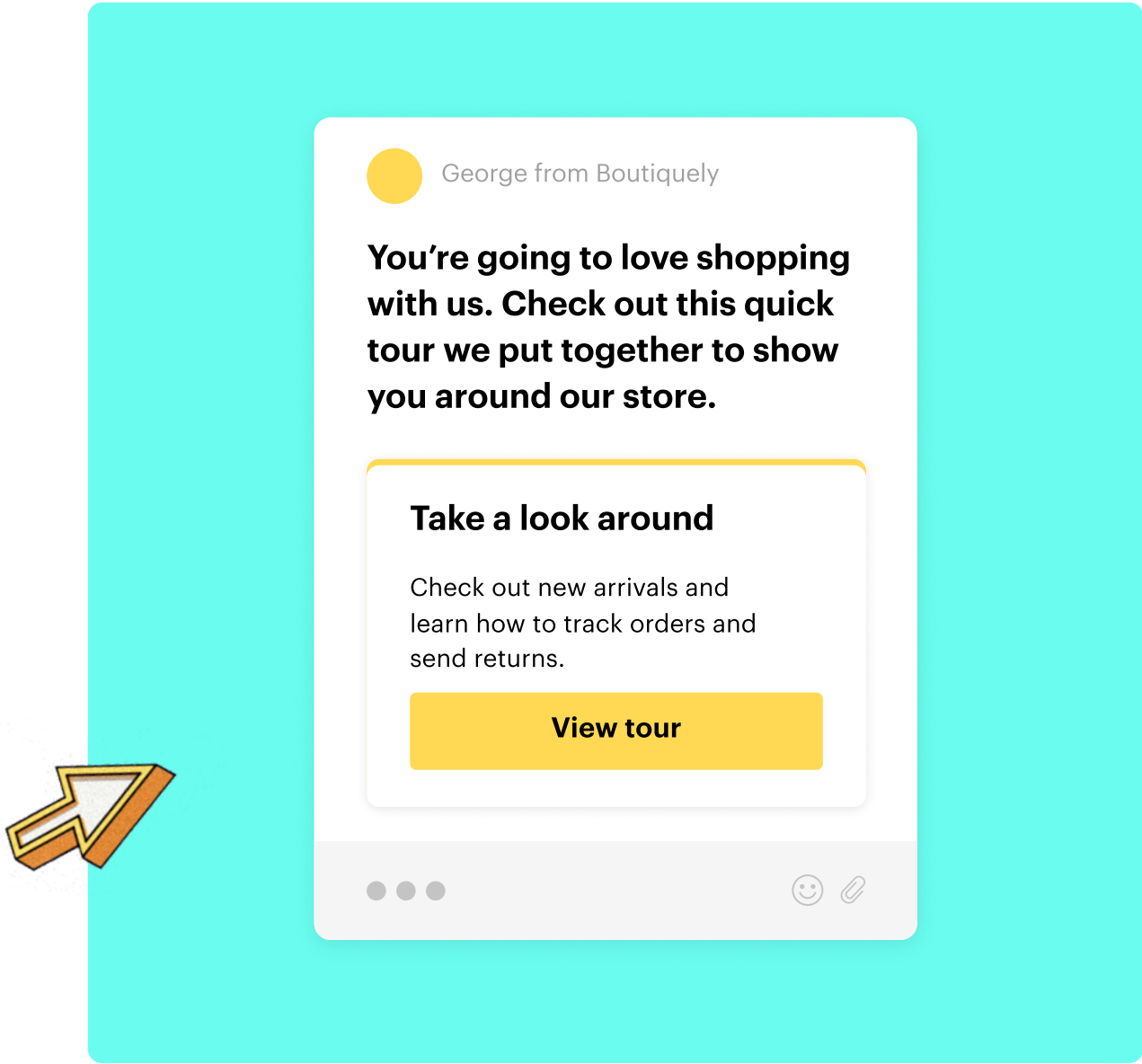
Our survey revealed that 78% of support leaders are keen to move from a reactive to a more proactive approach with their support. It's perhaps no surprise when you consider that proactive support is your first line of defense – empowering your team to preemptively solve known issues before they ever hit your inbox, which also keeps customers informed and satisfied.

Traditionally, proactive outbound messaging may have been seen as the sole domain of marketing teams. But with rising conversation volumes coupled with increased customer expectations, proactive support is a top priority for many support leaders for the year ahead. So, what's been holding them back from taking the leap? Some 74% of support leaders surveyed aren't confident they have the knowledge and tools to succeed.

3 simple steps to start offering proactive support

1 Preemptively resolve questions with proactive messages

Instead of deflecting queries, you can prevent common issues from occurring in the first place. If there's a known issue, like a delivery delay or a bug in your app, you can send a targeted outbound message alerting customers and providing helpful next steps. You can also welcome new customers with Product Tours, so they have all of the information they need to get started shopping in your store.



2 Identify common pain points and FAQs

Your proactive support is only as powerful as the customer insights that fuel it. With a modern conversational support tool, you'll be able to quickly spot your customers' most pressing questions, and dig into how effective your team is at resolving them. Look out for simple recurring issues that are eating into your team's bandwidth. For instance, if shoppers are encountering delays with their orders, that is exactly the type of issue to address proactively.

3 Partner cross-functionally for maximum impact

Creating a great customer experience is everyone's responsibility in your company – not just support. Make sure your team has open lines of communication with every customer-facing team – from marketing to sales – so you can share eye-opening, critical insights that help drive customer numbers, improve your sales, and more.

TrueCommerce™

"By proactively targeting specific customers who are affected when issues come up, we're able to let them know we're already on it and how they can stay updated. In doing this, we've seen a reduction of almost 80% in the contact rate for temporary issues, as our customers already know how to take action."

Christian Parker, Director of Managed Services at TrueCommerce

Trend #2 Satisfying customers' need for speed

Answering mind-numbing, repetitive queries like "How do I update my password?" or "How do I track my order?" can feel like Groundhog Day for your team. Not only is this time-consuming, it's also a heavy drain on your support team's resources and morale. No one wins when your team is stuck running up an endless ticketing treadmill – especially not your customers! Keeping pace with a constant flow of support tickets means all of your customers will have to wait longer for a response.

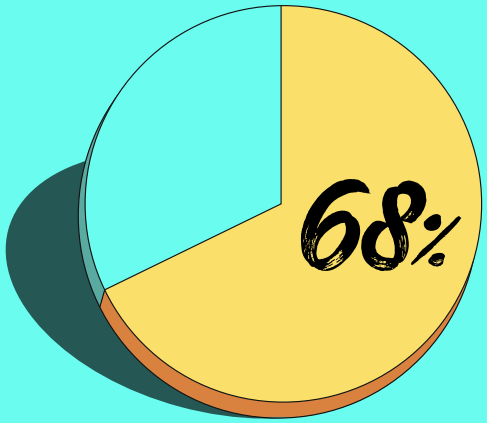
Increasingly, shoppers are used to living in an on-demand world where their every whim can be met 24/7 – think: on-demand fast food, instant news updates, and same-day deliveries. Well-crafted customer service chatbots satisfy shoppers' need for speed and control by providing immediate resolutions at the right time, in the right place. Our survey revealed that chatbots drive significant gains for businesses and customers alike: support leaders who automate support with chatbots are 60% more likely to report an improvement in resolution times and are 30% more likely to report an increase in customer satisfaction, than those who don't. With all of these gains, it's perhaps no surprise that 68% of support leaders who already use bots plan to invest more in them in the coming year.

Support leaders who automate support with chatbots are:

60% **more likely to report an improvement in resolution times**

and

30% **more likely to report an increase in customer satisfaction**

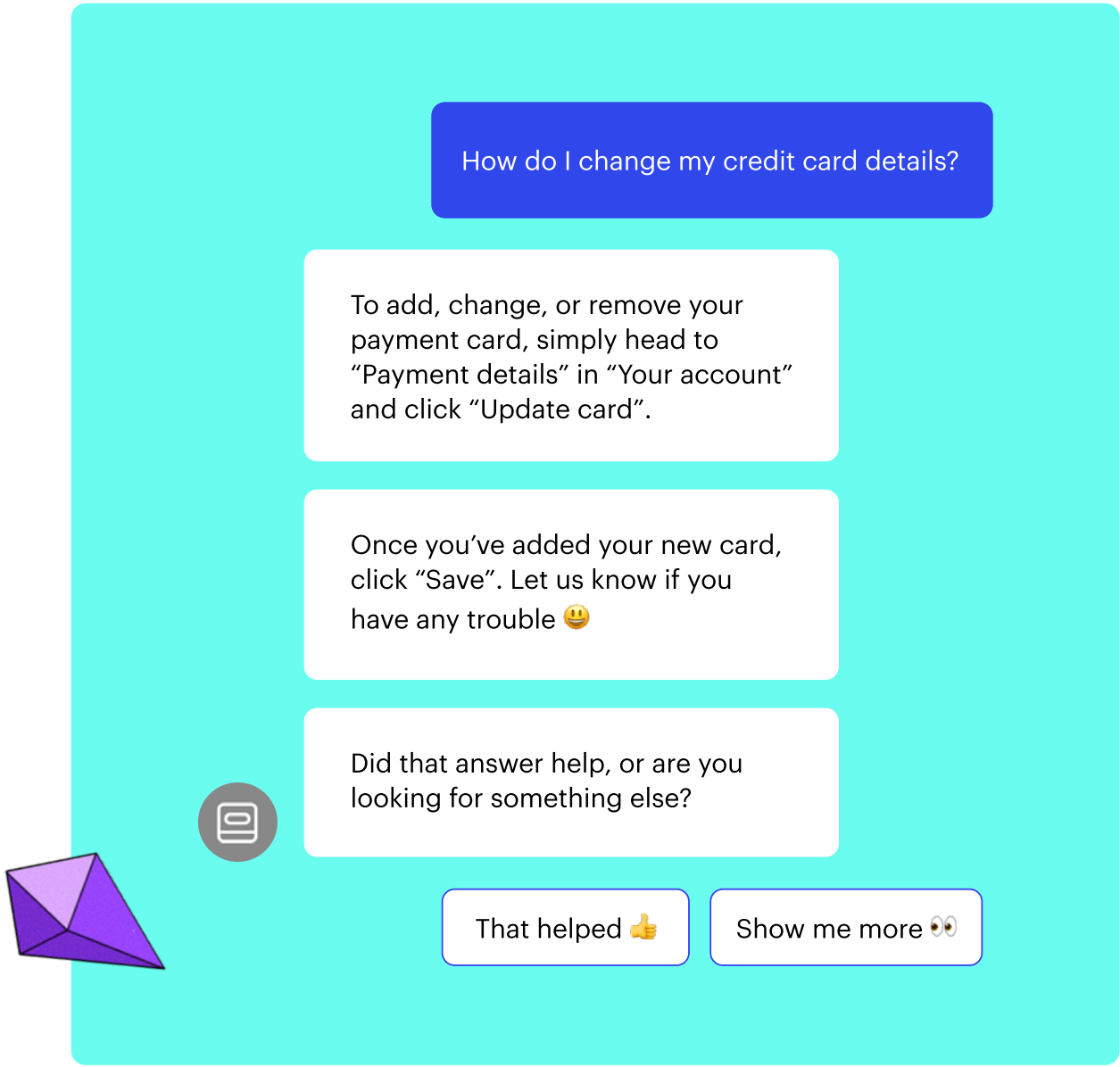


of support leaders plan to invest more in chatbots in the coming year

3 simple steps to start automating repetitive tasks with bots

1 Almost instantly resolve simple queries

When a customer writes in with a quick question, like "How do I change my credit card details?", they expect a close-to-instant response. A powerful way to satisfy their need for speed is to set up a bot that immediately resolves these types of simple, frequent queries. With Intercom, you can use Resolution Bot to speed up self-service even further by surfacing relevant answers based on what customers are typing – before they even hit the enter key.



2 Put your bot to work after hours

Just because your team is fast asleep, grabbing a coffee, or in a team meeting doesn't mean customers will pause their questions. Even after hours, they'll still expect a fast, transparent response. You can set up an out-of-office bot to set customer expectations 24/7 and let them know when you'll reply. Your bot can even follow up with helpful next steps, like encouraging customers to check out your FAQs.

3 Triage issues to the right team

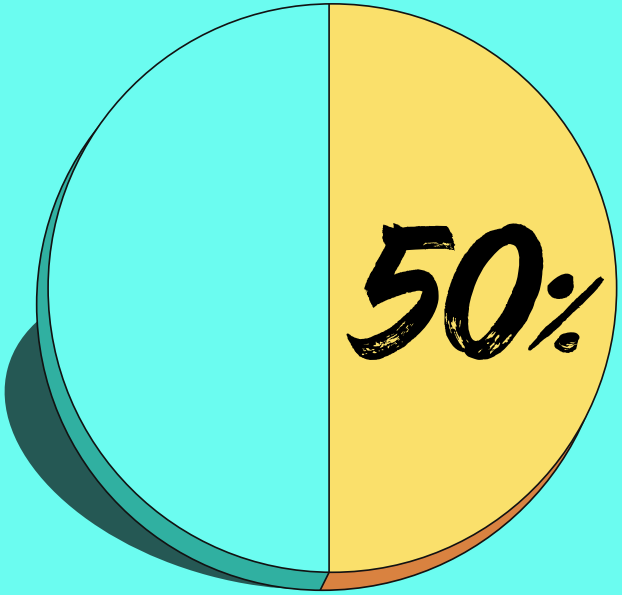
Instead of requiring customers to fill out lengthy emails or forms, you can set up a bot to automatically gather relevant details about who they are and what they need in a way that feels lightweight, faster, and more conversational. Then, the bot can automatically route each query to the right support team. So if someone has an order issue that's high priority, for example, the bot can gather that data and triage the issue to your team.

spocket

"Resolution Bot immediately saved us 40 hours per week in agent time – which totals one agent!"

Kim Yap, Customer Support Manager at Spocket

Trend #3
Supercharging team efficiency



of support leaders plan to invest more in automation to increase their team's efficiency in the coming year.

Your support team may *appear* to possess superhero powers, like the ability to calm angry customers and solve multiple complex issues simultaneously. But they're still human, and being human comes with productivity limits. Unless your team is supported with the right tools and workflows, they could risk burning out.

So, it comes as no surprise that support leaders consider increasing workflow efficiencies to be one of the top three areas for investment in 2021 (it's up there with proactive support and automated chatbot support). Taking mundane, repetitive tasks off your team's hands will add more fuel to their tank and leave them with more time and headspace to manage critical queries that require a specialized human touch.

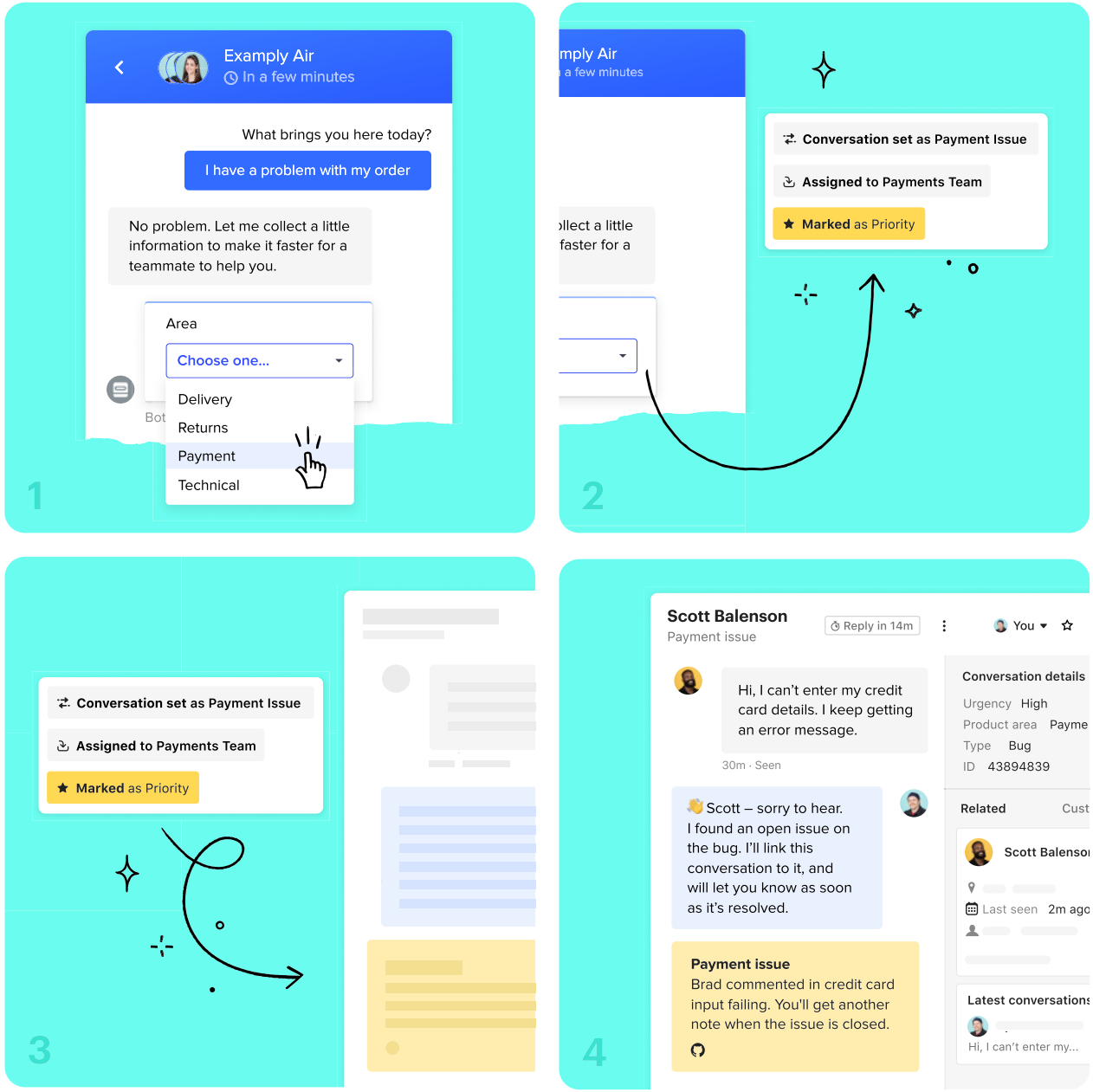
However, increasing workflow efficiencies is also one of the top three reported challenges. So what strategies do support leaders plan to leverage to help stem the tide of incoming queries and reduce the burden on their overworked teams?

Automation is key. Some 50% of those surveyed are planning to invest in automation – like automated workflows and chatbots – to increase their team's efficiency in the coming year.

3 simple steps to begin supercharging your team efficiency

1 Boost your automated workflows with bots

One of the most efficient and personal ways you can boost your automated workflows is with – yes, you guessed it – bots. For example, you can set up a bot to automatically collect relevant data on your customers' queries, route relevant issues to the right team, and escalate the most urgent issues so they immediately reach the top of your priority queue.



2 Create a connected tech stack

Some 61% of support leaders we surveyed said their team hit roadblocks once a month because their support stack isn't integrated with technology from other teams. Whatever tools you're using – whether that's an e-commerce platform, social media, or a call center – make sure your conversational support solution automatically syncs data across systems. This will save your team from switching between tools and searching for siloed information.

3 Streamline your support with apps in the messenger

Another time-saving tip is to use apps in the messenger to streamline tasks you usually carry out with your favorite tools. For example, you can hop on a quick call with a high priority customer, check in on order statuses, and manage returns all from the messenger – without switching tools and losing context. Intercom integrates with more than 250 tools, from Shopify to Stripe to Rich Returns, enabling e-commerce companies to manage the entire shopper lifecycle from right inside the Intercom Inbox.

Connected to 250+ tools

shopify mailchimp stripe Square HubSpot

stuart

"We use the Intercom API to integrate tools in our wider tech stack like Slack and Segment. Enabling these systems to talk to one another helps our support team to have all the necessary context to understand each stage of the delivery lifecycle so they can provide timely, informed support, every step of the way."

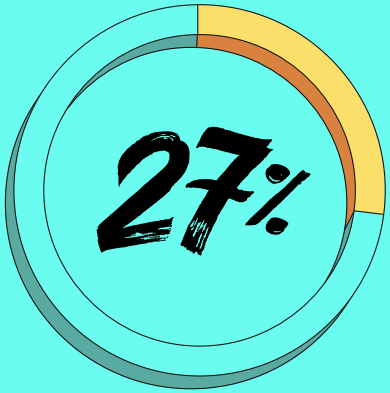
Andrew Baylis, Head of Live Ops and Support at Stuart

Trend #4 Bridging the customer expectation gap

73%
of support leaders say customer expectations are increasing

but only

42%
believe they're meeting those expectations



Support teams that use chatbots to automate conversations are 27% more likely to say they're prepared to meet accelerating customer expectations, compared with teams that don't.

It's no secret that customer expectations are higher than ever before. Our study revealed a huge gap between what customers want and what support teams can realistically deliver – 73% of support leaders say customer expectations are increasing, but only 42% believe they're meeting those expectations.

Improving customer satisfaction (and subsequently loyalty) hinges on a company being able to close the gap between what customers expect – fast and personal support – and what a company actually delivers.

Again, support teams are turning to chatbots to satisfy modern customers' need for speed and control. The good news is that support teams that use chatbots to automate simple conversations are 27% more confident that they're prepared to meet accelerating customer expectations, compared with teams that don't.

3 simple steps to start exceeding customer expectations

1 Set clear expectations

No matter what your business looks like, unmet and unclear expectations are the root of all heartache. A good customer experience is rooted in setting crystal clear customer expectations. When a customer writes in, set up your bot to let them know how long they're going to wait. And if the wait is on the longer side, then make sure to meet that expectation.

Do: Set clear expectations

Hey, I have a question about your returns policy.

Hey there, the team is out of the office right now 🕐, but they'll be back in a few hours.

Just leave your email address and they'll reply as soon as they can.

Email: sara@examplyapp.com

Thanks so much, Sara! 😃

Don't: Leave people guessing

Hey, I have a question about your returns policy.

Awesome, so glad you got in touch. Our team can't wait to reply.

Okay. thanks. When will that be? How will they get in touch?

Hello?

...anyone there?

2 Empathy is about anticipating needs, not saying nice things

We strongly believe automated interactions can still be empathetic interactions – but true empathy isn't necessarily what you think. Designing an empathetic chatbot has nothing to do with making the bot say nice things. It has everything to do with understanding your customers' context and creating bots that accurately anticipate and address their needs.

3 Above all, be personal

Nothing says "I don't value your business" like a canned, generic response. With a modern conversational support tool, you can automatically gather rich context about each customer, like their purchase history and what type of issue they have. Then, when a customer writes in, you'll have all of the data you need to provide a fast, personal, empathetic response.

shopify

"As commerce continues, whether it's online or offline, it is 100% about experience. The brands that are focused on understanding the whole life of their customer and building experiences that meet that customer where they want to be will do well."

Loren Padelford,
General Manager of Shopify Plus

Trend #5
From "cost center" to value driver

Companies that use chatbot technology are 35% more likely to be able to track their support ROI than those that don't.

Today, more and more businesses are realizing the true bottom-line value that incredible customer service brings to a business – customer loyalty and advocacy to name but a few. In fact, customers don't just seek out higher quality service – they're willing to pay more for it.

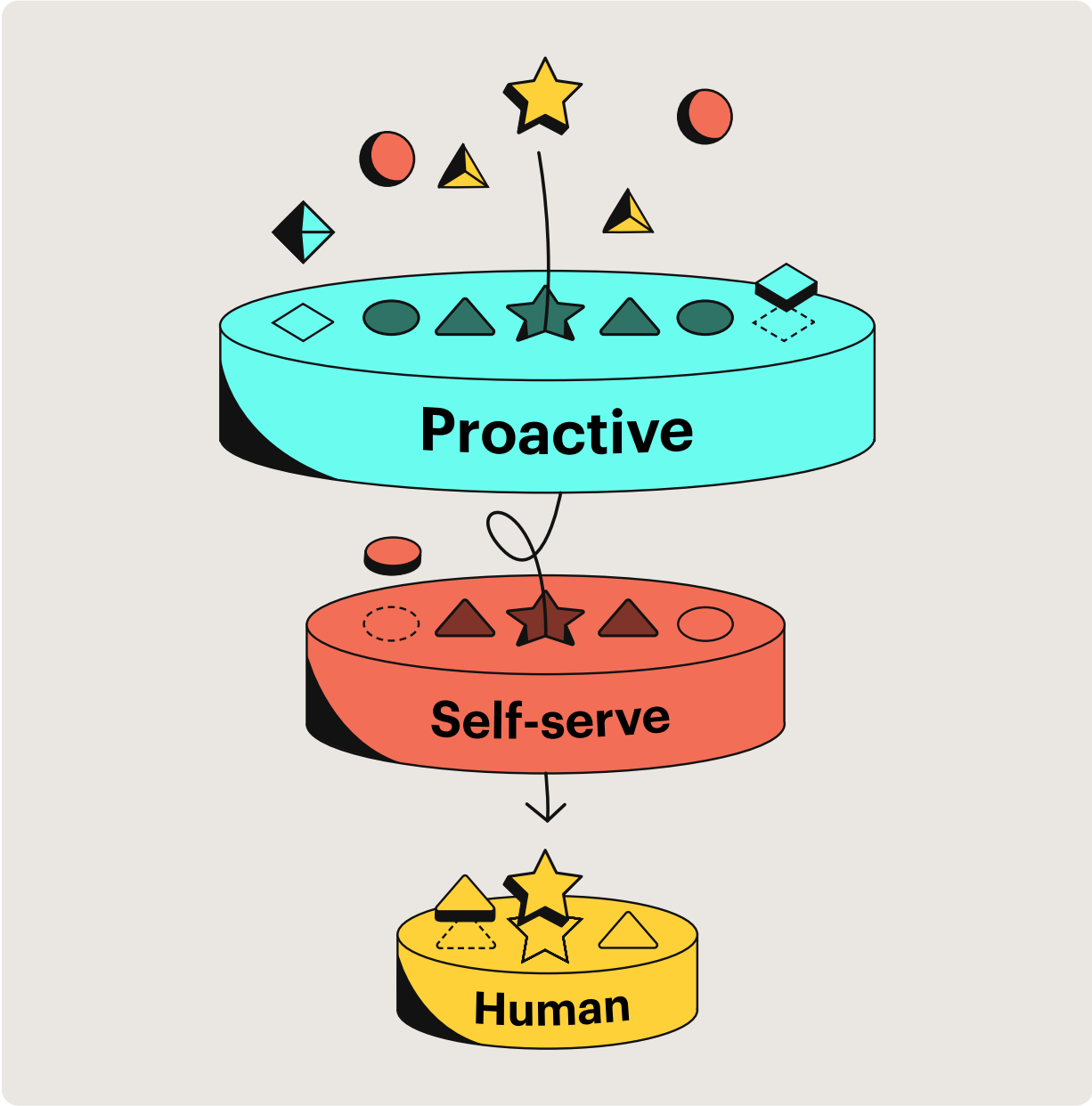
Conversational support can help you elevate the support function within your company, so your team can go from drowning in reactive conversations (the old way) to carving out more time to become strategic, revenue-generating business partners (the new conversational way).

Having a positive impact on revenue generation is something many support leaders are actively working towards. Once again, time-saving bots can help you get ahead of the curve – our data revealed that support teams that use chatbots are 35% more likely to be able to track their support team ROI than those that don't.

3 simple steps to take your support to the next level

1 Win back time with the Conversational Support Funnel

Many support teams get stuck in the day-to-day work of establishing a healthy baseline for customer experience and efficiency, leaving little time to drive business outcomes. By implementing Intercom's Conversational Support Funnel, proactive and self-serve support will resolve shoppers' most frequent queries, freeing your support team to focus on more critical work, like boosting customer loyalty.



2 Focus on moving the needle

No one knows your customers and their pain points better than your support team. They're better placed than anyone else in your business to champion the voice of the customer to help improve your online store and provide a great customer experience at every stage of the funnel, boosting customer loyalty and advocacy. Focus your team's attention on these needle-moving activities.

3 Measure business outcomes

Rather than solely tracking overhead costs, it pays to focus on measuring business outcomes, such as customer retention. After all, what good is a single positive interaction if a customer runs into another issue and shops elsewhere two days later? By tracking bottom-line metrics like retention, you'll be able to prove the long-term impact of your support to the powers that be.

LIVING SPACES

"We're very focused on the experience of our customers. Naturally, buying bigger-ticket items is a big decision, and it can be complicated. There's a lot that goes into the buying experience, and we want to make that as stress-free as possible."

Pete Franco, VP of E-Commerce at Living Spaces

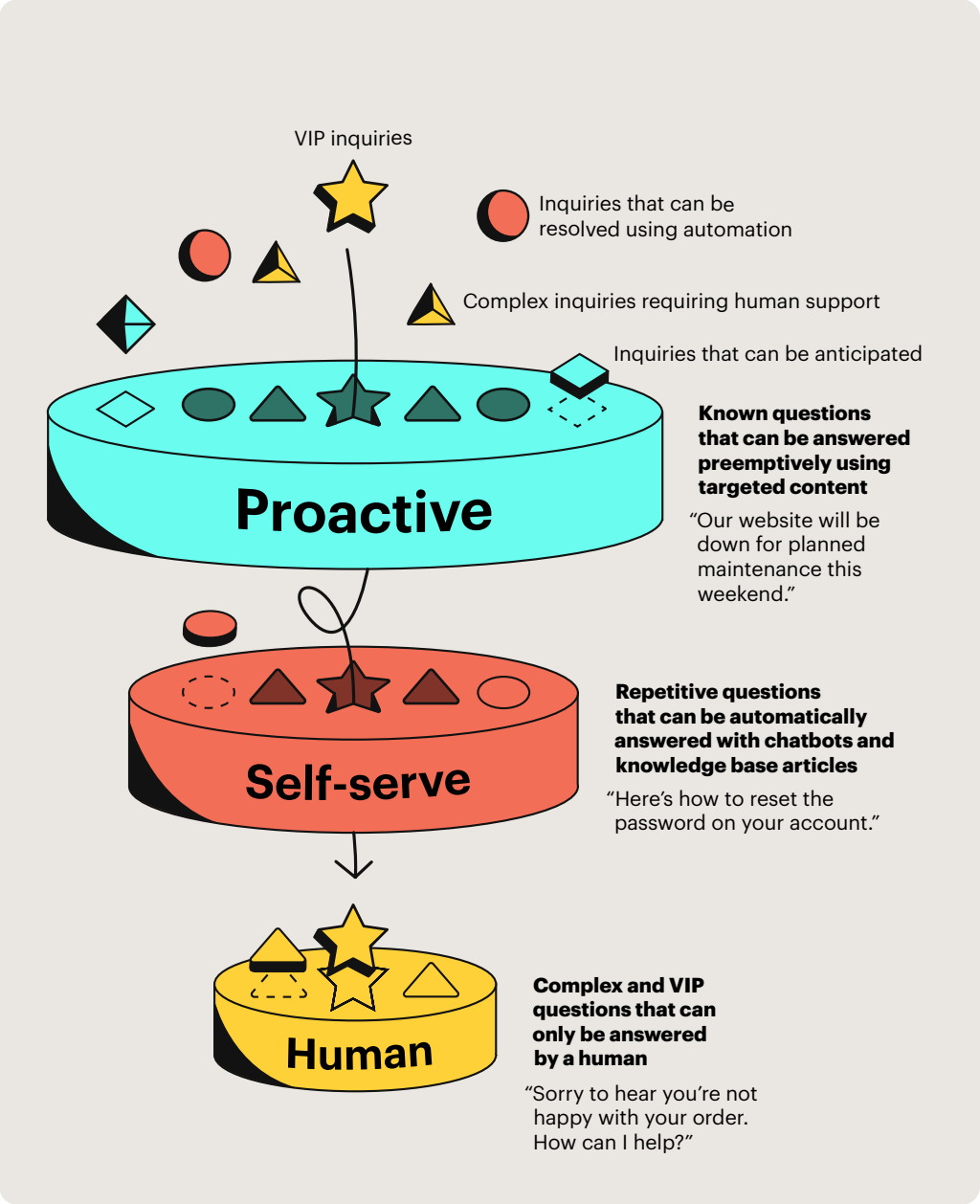
Get the framework: Intercom's Conversational Support Funnel

Some support teams are worried that by adopting a conversational support approach, they'll open the support floodgates. That fear is completely valid if all you do is add a messenger to your website and let your support team manually answer every question that rolls in, regardless of priority. Of course, this approach is a recipe for conversation overload, which will result in longer wait times and customer dissatisfaction. Not to mention team burnout!

Instead, what you need is a clear framework that helps you scale conversational support. That means that no matter how much your conversation volume grows or whatever resources you have on hand, you can still excel and provide customers with the fast, personal support they deserve.

At Intercom, we use a framework called the Conversational Support Funnel that combines three support layers:

- **Proactive support** helps you get ahead of known problems before they arise using outbound messages and product tours.
- **Self-serve support** resolves simple, repetitive queries through automated bots and contextual help content.
- **Human support** helps you resolve complex and VIP issues seamlessly with apps and automation.



The funnel is the most effective, efficient way to deliver a great customer experience, at scale.

Each layer (proactive, self-serve, and human support) excels at different tasks, with each one interacting seamlessly with and boosting the others.

The Conversational Support Funnel is the modern way that the most customer-focused organizations are efficiently harnessing the power of messenger-first experiences. Why not join them before your competitors do?

Where proactive support excels	Where self-serve support excels	Where human support excels
• Preemptively answering known questions • Educating customers on your store • Flagging critical issues and updates • Reducing conversation volume	• Automatically resolving common questions • Reducing hold times • Quick routing to the right place • Reducing conversation volume	• Managing complex questions • Solving technical problems • Managing high-value orders • Handling emotionally charged conversations
Better efficiency and a better customer experience		

You can learn all about the Conversational Support Funnel and how to get started with it **here**.