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Social Media and Customer Service: From Listening to Engagement

Few words, terms or technologies (non-Apple that is) receive as much attention as social media. Along with mobile, big data, and customer experience management, social media has been on the top of 'trends to watch' for a few years now. Social collaboration for customer support isn't a new concept. Bulletin boards, forums, and question-and-answer discussion sites were the original social channels where customers and support communities interacted to resolve product or service issues. With the proliferation of platforms such as Twitter, Facebook, and more, the reach of social channels has been exponentially increased and organizations are beginning to strategize around the effective use of social channels for internal collaboration and external customer management.

Customer support organizations have yet to fully embrace the social revolution. In a recent survey conducted by Aberdeen of 169 organizations, only 70 (41%) indicated that their customer service teams were using social tools for external communication and customer management. While this is higher than the 23% of organizations indicating social use in a similar survey in 2011 (Delivering a Seamless Experience with Multi-Channel Support, December 2011), we are still a ways away from the truly social service enterprise. The trend is towards greater social adoption in the coming months and years, partly because social channels provide an effective way of communicating to vast groups of customers while enabling the opportunity for more personalized interaction at the same time. Those factors aside, organizations will continue to increase their social presence primarily because their customers are increasingly active on social channels. This document will highlight key trends in the use of social media for customer service and share practices leveraged by Best-in-Class organizations in integrating social channels into their customer service arsenal.

Was that Introduction 140 characters?

Of 169 organizations polled by Aberdeen, 41% indicated that their service organizations were using social channels to deliver customer service and support to customers (Figure 1). Interestingly, 66% indicated that their customer service teams were using social tools internally to collaborate on service accounts, issues, and resolutions. Therefore these organizations are social savvy, they just haven't figured out the policies or invested in the tools necessary to deliver customer support via social media.

Most organizations are much more comfortable marketing with the aid of social tools, as seen by 86% of respondents, or even selling via social tools as confirmed by 49% of respondents. The challenges (see sidebar on next

Analyst Insight

Aberdeen's Insights provide the analyst perspective of the research as drawn from an aggregated view of the research surveys, interviews, and data analysis

Research Insight

Social tools used for customer support (Percentage of respondents who use social media for customer support, n=70):

- Facebook company page (73%)

- Company blog (59%)

- YouTube (or other video sites) (57%)

- Twitter (Search/Monitoring) (51%)

- LinkedIn Company Page (47%)

- LinkedIn Groups (43%)

- Twitter (Customer Service Handle (41%)

- Company Branded Communities (37%)

- Company Branded Forums (34%)

- Third-Party Message Boards (31%)

- Expert Q&A Sites (19%)

Facebook and Twitter currently see the most traffic as indicated by 49% and 39% of respondents respectively.

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page) tied to delivering service via social media due to technology and resource shortages aren't as restricting to these functions. In addition, organizations aren't as convinced of the potential upside of a social customer service program, or are still fearful of the potential risk and downside associated with customer service conversations occurring in the social sphere.

Figure 1: Not so Social in Service Yet

Yes, 41%

No, 59%
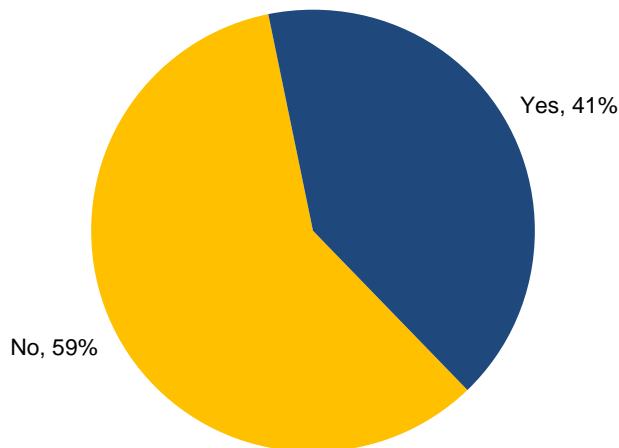
Does your Customer Service Team Deliver Support via
Social Channels, Percentage of Respondents, n=169

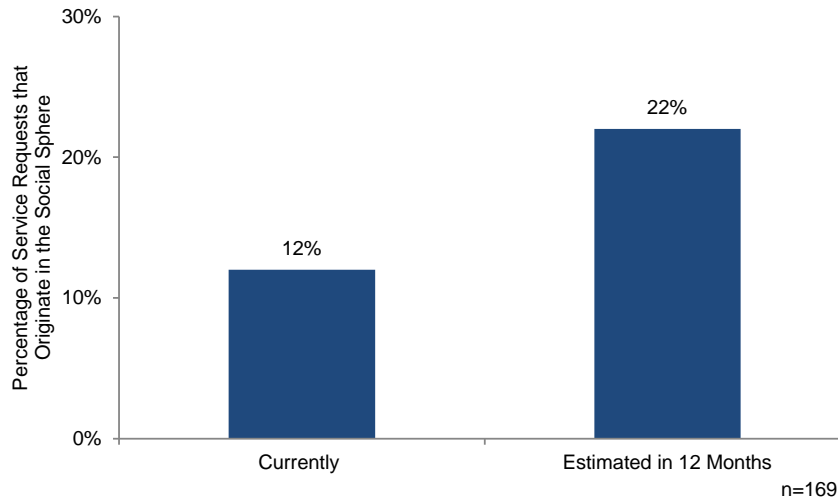Source: Aberdeen Group, September 2012

More and more customers are beginning to resort to social channels as a means to look for information and engage with communities to resolve service issues. These communities can be set up independently by groups of customers, interested parties, or product experts, or can be an organized forum managed and set up by the primary servicing organization. Regardless of the servicing organization's presence, customers are actively seeking information on the social web prior to actually reaching out via traditional support channels. In Aberdeen's Multi-Channel Service research (December 2011), organizations indicated that social media was one of two channels on which they expected the most significant uptick in customer activity and that 53% of these organizations were looking to make new investments in or expand on current investments in social media. In the same research, organizations indicated that 5% of customer service requests originated from discussions in the social sphere. In the current social customer support research (September 2012), responding organizations have stated that 12% of service requests originate in the social sphere and that they expect this number to rise to 22% in the next 12 months (Figure 2).

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Challenges preventing the use of social tools for customer support (Percentage of respondents, n=169):

- Do not have the resources necessary (48%)

- Do not have the technology necessary (45%)

- Security/confidentiality of information shared on social channels (31%)

- Challenges in setting interaction policy (29%)

Figure 2: Customer Service Requests becoming more Social

n=169

Source: Aberdeen Group, September 2012

Nearly 15% of organizations don't know what percentage of requests originate in the social sphere as they aren't programmatically monitoring or engaging in support conversations on social. Whether these organizations decide to invest in or support social as a broader engagement channel might be based on certain internal cost-benefit parameters, but the large volume of service requests originating on social should be incentive enough for these organizations to begin listening to the conversations.

Listening is the first stage of a social maturity model, applicable to service, sales or marketing. With the volume of conversations occurring in the social sphere, it makes sense that a social support program should be invested in listening to customer, prospect, or other discussions regarding product and service issues. These issues might be tied to a specific service problem or could even be a broader discussion about product or service attributes. Listening shouldn't only be limited to customer complaints.

With the aid of listening to a volume of conversations, organizations are also able to ANALYZE (Stage 2) and monitor customer sentiment and trends in the social sphere, areas found to be valuable as seen from Figure 3. Social channels also provide avenues to collect solicited or unsolicited feedback which can then be leveraged internally to improve customer management process, enhance product quality, and even develop new offerings to meet customer needs.
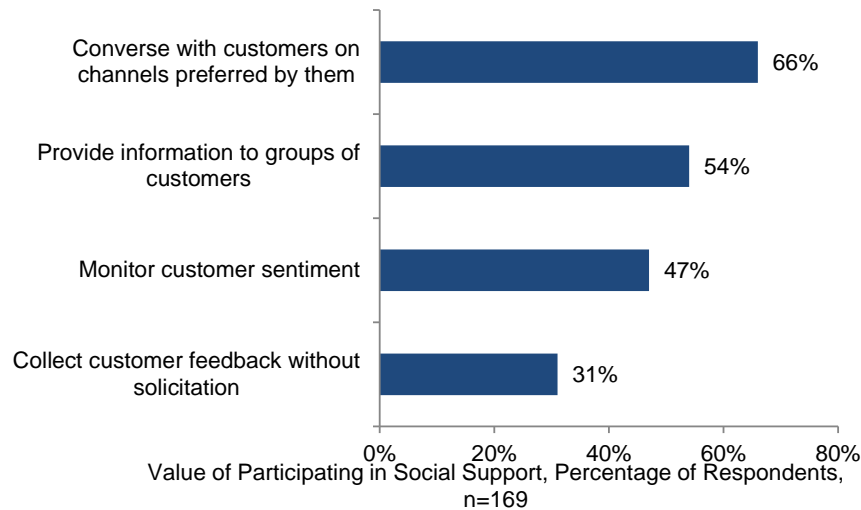
Organizational Perspective

Does your customer service organization use social media to deliver support to customers?

Business-to-Business - 35%
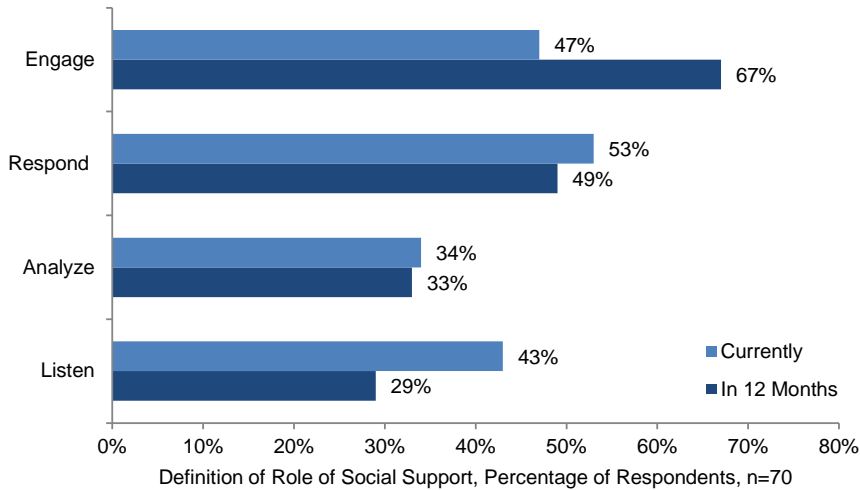Business-to-Consumer - 56%

Figure 3: Social Values

Note: Top 3 Requested Source: Aberdeen Group, September 2012

Listening to and analysis of customer sentiment allows organizations to RESPOND/PARTICIPATE in direct discussions with their customers as per a specific service request or a broader area of discussion around a particular product or service. A good understanding of service trends and potential future issues can also enable the organization to ENGAGE its service or social community through proactive alerts which can eliminate the occurrence of future service issues. Engagement can also lead to an additional stage in the social maturity lifecycle around the building of communities wherein customers, prospects, or individuals with similar interests can be connected with each other to discuss and build a reference-able knowledgebase around a particular product or service. While not reflected in Figure 3, 27% of respondents believe that the value of participating in social media is to enable customers to connect with one another.

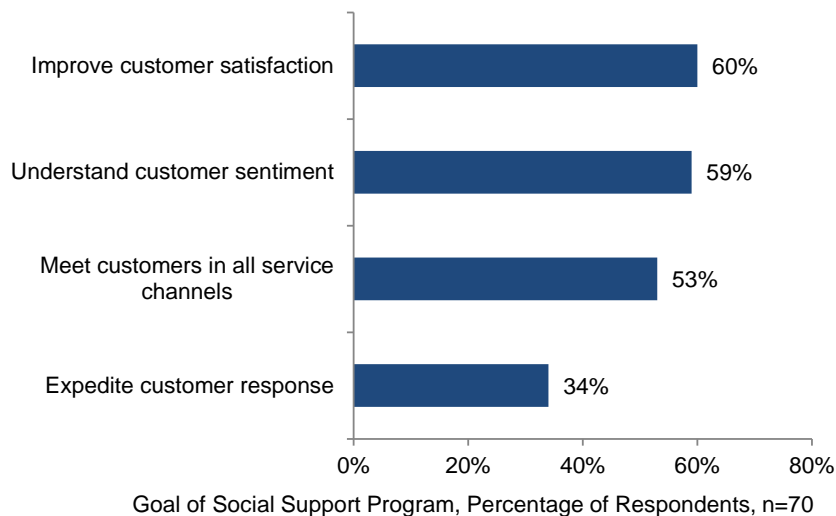**Figure 4: Maturing Role of Social Support**

Engage — 47% (Currently), 67% (In 12 Months)
Respond — 53% (Currently), 49% (In 12 Months)
Analyze — 34% (Currently), 33% (In 12 Months)
Listen — 43% (Currently), 29% (In 12 Months)

Definition of Role of Social Support, Percentage of Respondents, n=70

Note: Top 2 Requested for both Timeframes Source: Aberdeen Group, September 2012

Numbers are Good, but Where is the Money

In addition to engaging with customers on preferred channels, organizations are looking for quantifiable improvements in customer satisfaction and response times as primary goals for their social support programs (Figure 5).

Figure 5: Goals for Social Customer Service

Improve customer satisfaction — 60%
Understand customer sentiment — 59%
Meet customers in all service channels — 53%
Expedite customer response — 34%

Goal of Social Support Program, Percentage of Respondents, n=70

Note: Top 4 Requested Source: Aberdeen Group, September 2012

Nearly 30% of organizations are also looking to reduce the cost of support by enabling more self-service options via social media, in contrast to the

more expensive and traditional support channels in the contact center. In Table 1, we see some of the results that organizations have been able to capture in key service metrics with the introduction of social media in their customer support programs.

Table 1: A Benefit Statement for Service KPIs

Metric	Percentage	
	Organizations seeing IMPROVEMENT with use of social media	Average change since use of social media
Customer satisfaction	45%	3.3%
Customer retention	39%	2.7%
Time to response	37%	-0.3%
Cost / transaction	31%	-2.1%

Source: Aberdeen Group, September 2012

Depending on the individual organization, the average changes highlighted above could be significant enough to warrant additional investigation of or investments in a social customer support program. It's important to note that between 40-50% of organizations with social programs don't know what changes their social participation has on these key metrics. They have taken the first step of becoming more social due to competitive or internal organizational pressures, but haven't invested in the systems or resources to truly monitor the change that is being driven from their social investment.

There are a couple of other scenarios worth mentioning when highlighting or evaluating the benefits of social support. Forty-eight percent (48%) of organizations with social programs highlight that since the inclusion of social media in their support plans the request burden on traditional channels has been reduced or become more manageable. This is accomplished either by an increase in social requests with total requests remaining constant (29% of respondents), or an increase in social requests matching the increase in total requests thereby keeping a consistent request burden on other channels. Also worth noting is that another 21% indicate that total requests across all channels have increased since the use of social tools, thereby indicating that customers are having more and more conversations with their support teams as a result of the avenues available to them; a data point that can be viewed positively or negatively depending on the goal of your social investment.

Finally, it is also important to note that while social channels are a great way to funnel or deflect discussions, performance or a lack of performance on these channels can have serious customer-related and financial consequences.

- **17%** of organizations have lost a customer due to a negative experience on social media

- **36%** have won back a customer due to a positive support experience on social media

- **33%** of organizations indicate that positive mentions on social channels have driven new business

Notes from the Best

Before presenting the steps to building a successful social program, or one in the image of the Best-in-Class, it is important to highlight the metrics that were leveraged by Aberdeen to determine Best-in-Class performance. In the case of this social support research, there are two levels of leading performance. One is tied to the success of the organization as a broader provider of service and support to customers, regardless of channels selected. Those results and metrics are highlighted in Table 2 revealing a combined tabulation of current performance with 12-month improvement.

Table 2: A Look at Best-in-Class Performance

Metric	Average Result	
	Best-in-Class	**All Others**
Customer satisfaction	91%	72%
Customer retention	91%	67%
12-Month Increase in Total Revenue	23.4%	5.8%

Source: Aberdeen Group, September 2012

It is worth noting that while not considered or used to determine Best-in-Class, leading organizations were able to outperform all others in metrics tied to customer loyalty, overall service productivity, and perhaps of most importance in increases seen in revenue per customer over the previous 12 months (13.9% vs. 3.5% for all others).

The second level of performance differentiation comes from excellence in resolving service requests originating in the social sphere. While this classification isn't necessarily the mark of overall service excellence it is worth noting how organizations are able to improve their resolution rates across social channels. For this, the best-performing group (leading social performers) is considered to be those organizations that have a social support program in place and resolve 76% of social requests within the social sphere when compared to a 17% resolution rate for all other organizations (All other social performers).

Best-in-Class service organizations are neither more nor less likely than all others to be leveraging social tools for the delivery of service and support

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to their customers (40% vs. 41% for all others). They do however take a more strategic view of social as a piece of their overall support programs. Those aspiring to be Best-in-Class or looking to achieve stellar social support performance must:

Unite Social Customer Management under an Executive or Customer Management Team. Fifty percent (50%) of Best-in-Class organizations, compared to 23% of all others, provide their executive team or a customer management team with oversight of social media as a customer engagement channel. Other organizations are more than two times as likely (47% vs. 20% for the Best-in-Class) to have marketing oversee social media as an engagement channel. While marketing continues to be the primary user of social media tools for customer interaction, it is vital that the social outreach across customer management functions is coordinated. Even in the social sphere, customers will have very little patience for marketing, sales, or service outreach that doesn't take the customer's history and status into account.

Focus on Social (and Performance on Social) as a Competitive Differentiator. Executive oversight of social media as a customer engagement channel can be gained when the organization truly believes in the value and scope of social media. Best-in-Class organizations are more than two times as likely as all others (45% vs. 18% of all others) to view social media and performance on social media as a strategic differentiator. As teams begin to look into the scale of social discussions, customer preferences for communication channels, and the financial impact of social performance (or lack of performance), they will begin to focus on social as a core component of their customer support toolkit.

Have a Dedicated Strategy for Social. Best-in-Class organizations are nearly three times as likely as all others (64% vs. 24% for all others) to have a dedicated strategy for social media that stretches across all customer engagement channels such as service, sales, and marketing. This aligns with the fact that social is owned and managed by a customer management team. In fact, the same proportion of leading organizations, compared to 42% of all others, also have a strategy and plan in place to respond to a crisis in the social sphere. It is also worth noting that the leading social performers are nearly two times as likely as others to have a dedicated social support strategy in place that is built on the overall social engagement strategy.

Empower Social Agents, Don't Leave them on an Island. The key to removing the perception, particularly from a customer's point of view, that social is an isolated and disjointed customer support channel is to provide support agents manning social discussions with the necessary tools and information to actually resolve customer issues. As a result the Best-in-Class, and the leading social performers, are more likely to provide their social agents with the ability to:
- Create service tickets without further action from customers (47% vs. 27% for all others)
- Escalate social discussions to another channel (64% vs. 56% for all others)

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What Channels are Social Requests Escalated to: (Percentage of Respondents with social support program, n=70)

- Phone (40%)

- Email (21%)

- CRM/Ticketing System (20%)

Does the agent handling the escalation have access to the social component of the interaction?

- Always - 40%

- Sometimes - 41%

- Never - 4%

- View past social interaction history (49% vs. 36% for all others)
- View past customer service history across all channels (31% vs. 9% for all others)

Share Customer Feedback Captured on Social across the Organization. Sixty-four percent (64%) of the Best-in-Class, compared with 47% of all others, share social service interactions, feedback, and sentiment with sales, marketing, and other customer-facing teams in a frequent and systematic manner. This enables greater co-ordination in customer management activities and allows these groups to specifically tailor their messages to the needs and desires of the customer in particular.

Measure Social-Specific KPIs. To truly understand the value of social media as a toolset or engagement channel, it is vital to track and monitor KPIs tied to social engagement, social sentiment, and more. More so, it is vital to look into areas such as:
- Customer expectations regarding response times on social (unknown to 39% of survey respondents)
- Actual social response times (unknown to 21% of respondents)
- Customer service requests originating in the social sphere (unknown to 13% of respondents)
- Actual impact on key metrics due to service delivery on social media
- Customer loss, win backs, or referrals as a result of social support interactions

Get to Know Your Social Customers. Eighty-three percent (83%) of all organizations do not analyze the demographics or profiles of the customers that are active or influential on social media. Nearly one half of the Best-in-Class are looking to dig deeper into their background, history, and profiles of their social customers in the next 12 months. Based on this information, organizations are able to:

- Determine appropriate customer management and escalation protocols based on customer history, importance, or influence
- Develop personalized messages and offers to customers based on their social history
- Determine the type of service information to make available on social channels tied to the demographics or needs of customers active on those channels
- Provide incentives to customers to align themselves as subject matter experts on social channels (In place at 20% of organizations). These incentives, in the spirit of the current interest in gamification, are most likely to be non-financial and much more status based, such as expert, super user, or otherwise. These incentives, when targeted at appropriate demographics, will enable the development of a vibrant support community and drive up resolution times and self-service rates.

Summary

While social is still an emerging channel in the realm of customer service, it offers a unique medium for organizations to interact with a vast network of

customers, while allowing for a more personal understanding of unique customer wants and needs. Those organizations that are successful in social support and in broader customer service management share numerous capabilities (highlighted above) and continue to drive towards:

1- The use of social as a broader engagement channel vs. a listening channel

2- The increased integration of social media information, feedback, and performance with the existing service infrastructure tied to:

- Leadership and Performance Management - Providing Chief Service Officers with access to overall service performance across all channels

- Processes - Developing standardized customer management processes to ensure consistency and efficiency across channels (especially if a request is handled across multiple channels)

- Feedback Management - Ensuring that social sentiment and feedback is integrated with current voice of the customer programs

- Technology - Incorporating social sentiment, feedback, and history within existing customer relationship management platforms.

For more information on this or other research topics, please visit www.aberdeen.com.

Related Research	
Social Selling: Best-in-Class Targeting for the Right Message, at the Right Time, for the Right Person; July 2012	*Measuring Social Media Marketing*; April 2012
Understanding Social Media in the UK; July 2012	*SoMoClo Business Transformation: from Challenge to Opportunity*; April 2012
Search Meets Social; May 2012	*Delivering a Seamless Experience with Multi-Channel Support*; December 2011

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