

## How does digital impact on customer service?

Customer service is becoming increasingly automated. Digital interactions are now happening across all channels with rising use of technologies such as automated telephony, AI enabled webchat, FAQs on websites and self-service checkouts.

Digital interactions generally cover easy enquiries or simple payment transactions. The question is, does this mean that customer service skills are not as important as they used to be? Or does this make human interaction even more important for customer service?

What is left, beyond basic queries and transactions tends to be more complex and thorny, involving greater skill in understanding and in relating to customers. It might include complaints, complicated problems, difficulties in understanding, essentially all those issues which cannot be easily 'boxed'. This inevitably requires more knowledgeable staff and more trust. These are the interactions which cannot be handled by machine learning or AI.

### The customer experience

Digital experiences do increase expectations of timeliness because people are getting used to instant answers, but this can also lead to frustration when the automated answers do not produce the result the customer is looking for.

The emotional experience the customer has when they make human contact probably influences buying decisions and impacts on profit margins more than other types of contact. At the same time, customers have more power to undermine reputations via online reviews and social media posts. As expectations intensify and customers engage in increasingly complex ways, the bar is raised for those companies competing to provide the very best service levels. To retain loyalty, we think companies will not only have to remember that real time interactions matter more than ever, but they also need to be put front and centre.

### How to adapt to the changing demands of customer service

You might think that digital interactions give you more time to concentrate on other elements such as products, pricing and marketing but actually, automation means you have to focus on every way in which the customer interacts with you and how this happens across time. It's the long-term experience that really creates value.

You need to ensure your automated channels are working efficiently and making it easy for the customer to solve small problems but you also need to ensure your customer facing staff are more skilled and empathetic so they can deal with complex problems and complaints without losing the customer's loyalty.

In this instant world, going the extra mile with traditional customer service, when needed, provides more memorable experiences which are likely to result in your customers returning and recommending your business to others. So, providing customers with a great experience is still what sets customer service leaders apart.