



# The 2021 State of Digital Customer Experience Report

The Impact of COVID-19 Pandemic on Consumer  
Digital Behavior and Self-Service

# Foreword

In 2020, COVID-19 restrictions changed consumer behaviors in profound ways and led to a once-in-a-lifetime broad sampling event for digital and contactless services. As a result, contact centers were flooded with unprecedented call volume for routine requests, such as order status, service cancellations, claim filings, or payment updates. As we head back to a new normal, executives are pondering what learnings can be made from the successes and failures of their digital offerings.

The stakes are high. Long-term trends favor businesses that can execute on seamless digital experiences that provide consumers the service they need, when and where they want it.

Based upon a broad survey of consumers in May-July 2021, this report captures attitudes toward digital self-service across a range of consumer sectors. Our goal is to help decision makers better understand how consumers perceive digital services and what they value.

If you would like further information on how you can quickly automate your customer experiences or would like a personalized digital assessment, please reach out to us at [sales@airkit.com](mailto:sales@airkit.com).

To your success,

**John Koo**

Chief Marketing Officer

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# Introduction

Even before 2020, many companies had begun investing in new digital services to increase the scope of their online business. This might have meant adding new channels for customer outreach, such as chat and text, automated appointment scheduling, or AI-powered chatbots as a means to answer customer FAQs.

However, having the right tools and using the right tools correctly are two different things.

A customer might be delighted to see that a business has a chatbot to answer questions after working hours. But, if that chatbot can only tell the customer when a representative will be back online to assist, has it really helped the customer?

## Read customer story



After digitizing its Statement of Health paper process, MetLife improved completion rates by 50%.

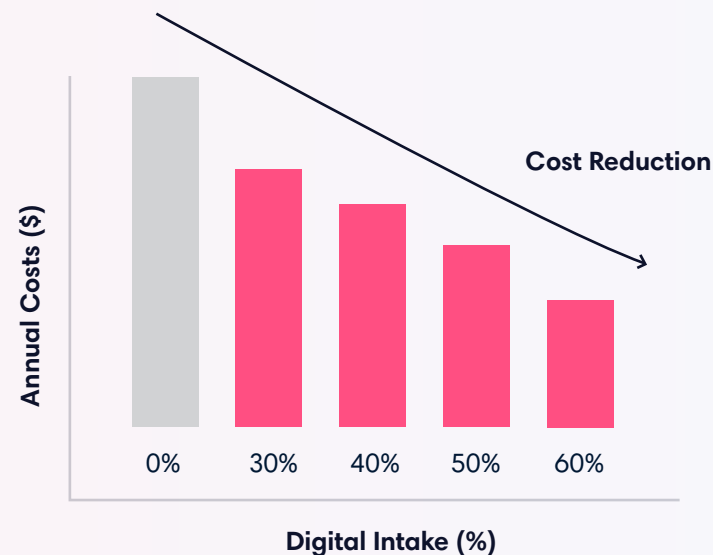
Many Interactive Voice Response (IVR) systems ask consumers to download and use an app. How many customers do you expect to hang up, download an app, authenticate, navigate to the right solution page, and complete their action?

Small friction points in CX implementation directly result in sales or enrollment conversion drop-offs that not only cost the typical brand millions of dollars each year, but also drive your customers back to costly agent-assisted support or in some sectors, to another competitor. By fixing the last mile of CX with digital self-service, you drive customer action while lowering costs by 30-40%.

Let's take a look at the data and dive in.

## Quick Math of Digital Self-Service ROI

$$(\% \text{ Digital Intake} \times \text{Total Call Volume}) \times (\text{Average Cost Per Call}) = \text{Total Cost Savings (\$)}$$



# COVID-19 Accelerated Digital Adoption in Certain Industries

This bears repeating. 2020 moved nearly every business online in one form or another. All of the sudden, and all at once, consumers expanded their domain of digital services, moving from using a few tried and true digital service categories, to adopting entirely new ones. This expansion wasn't evenly distributed across categories, but it was prominent in particular areas.

Prior to the pandemic, consumers predominantly used digital services in the following sectors:

1. Banking and Insurance (36.5%)
2. Cell Phone and Cable (30.2%)
3. Retail and Grocery (24.6%)

After the pandemic, that landscape expanded. More and more customers used apps and online tools to order food and groceries while streaming entertainment online. Our survey shows that after 2020, **27.2% of customers increased their use of digital services in Retail and Grocery while 20.4% of customers expanded their use of Media and Entertainment digital services.**

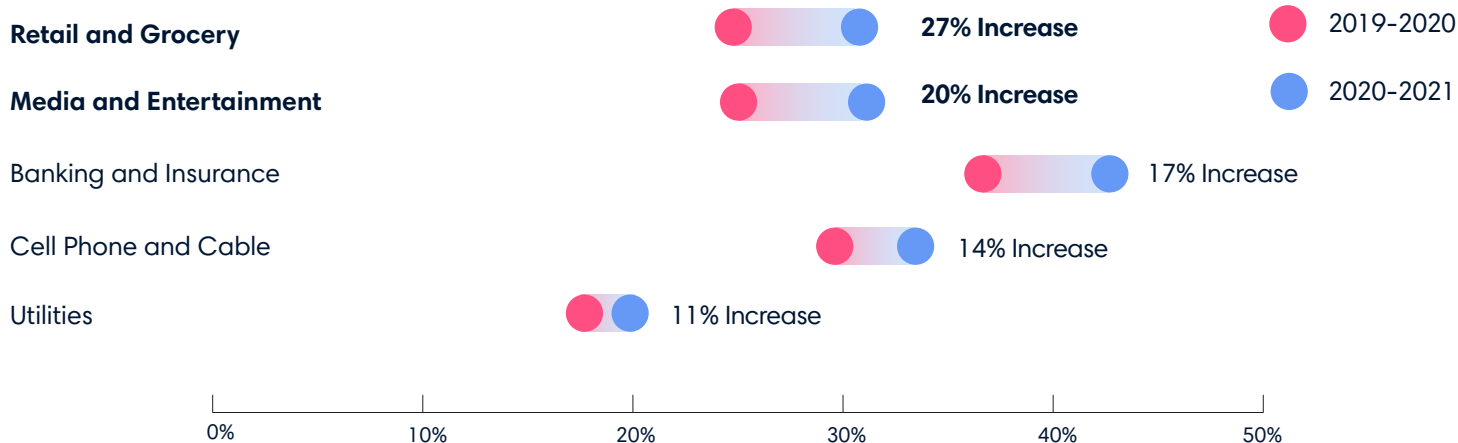
Respondents indicated that change in behavior is likely to stick in the retail and grocery space. **23.2% of customers expect to use more digital options for Retail and Grocery in the coming year than before COVID-19.** Now that consumers know they can order groceries or a new piece of clothing with a few clicks, that habit is formed.

When it comes to Media and Entertainment, that's a different story. As the world opens up and in-person interaction is becoming safer and more common, consumers report they're unlikely to maintain the appetite for indoor entertainment that they had during the pandemic.

**Key Takeaway:**

While some consumers may go back to more face to face service after COVID-19 restrictions are lifted, overall consumer behaviors have shifted more permanently toward digital.

**In some industries, customers are increasing use of digital services options post COVID-19 pandemic.**



## TREND 02

# Consumers are Jumping Ship to Providers with Better Digital CX. Some Industries are High Risk.

There's a cruel irony to phone service providers not being great at servicing customers over the phone. This trend has not gone unnoticed by customers.

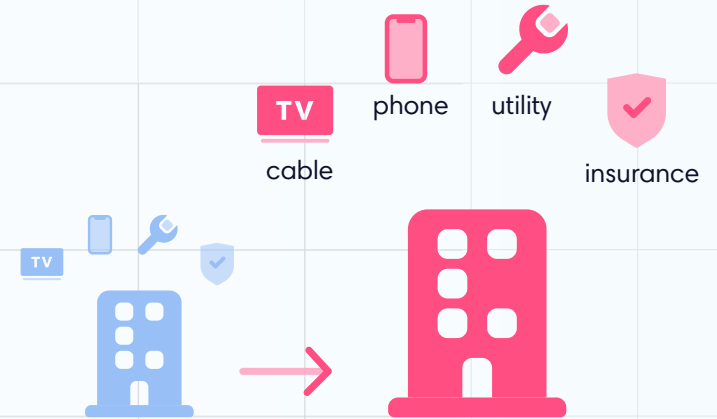
Whether they're shopping for insurance or scheduling a cable install, customers increasingly value the ability to do things digitally.

**Over 40% of consumers said they would be "likely" or "very likely" to switch cell phone, cable, utility, or insurance companies for a comparable provider with better digital service offerings.**

Customers want to know that when they have an issue or want an update on their service, they won't have to jump through hoops to get it.

### Key Takeaway:

To attract and retain customers, companies have to invest in digital CX. The stakes have never been higher. New competitors are disrupting the telecom, utility, or insurance space by setting themselves apart with modern service infrastructure and a CX-forward strategy. Great digital CX is now the difference between extinction and survival.



# 40%

of consumers are "likely" or "very likely" to switch cell phone, cable, utility, or insurance companies for better digital CX

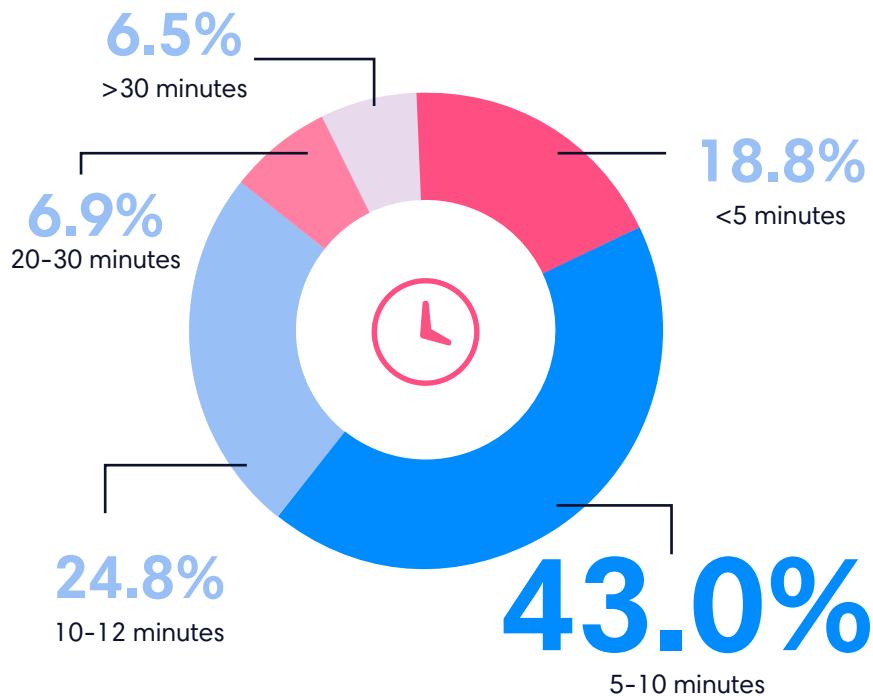
## TREND 03

# Customers Won't Wait On Hold

We've likely all heard the refrain, "Thank you for your patience, an agent will be with you shortly." Unfortunately, that added commentary is not a viable strategy for keeping your customers happy. The most impactful and intuitive way to keep customers happy is to reduce their wait time.

Our survey found that the **average consumer waits 5-10 minutes on hold for customer support**. While this figure may seem acceptable to businesses, customers think otherwise.

## How long do you wait to speak with a live agent?



5-10 minutes is too long to wait on hold. What customers value more than speaking to an agent is having their problem addressed promptly.



[PwC Report](#)

# 32%

of customers will leave a brand they love after one bad experience

MIT researcher [Richard Larson](#) says, "often the psychology of queuing is more important than the statistics of the wait itself." That means companies will bleed customers if they perceive the wait as unexpected, taking too long, or unaligned to value. That's why one in three consumers (32%) say they will walk away from a brand they love after just one bad experience ([PwC](#)).

By using smarter CX strategies that diversify your avenues for customer support, you can reduce wait time while boosting CSAT.

### Key Takeaway:

To start, give customers additional ways to find what they're looking for without requiring them to rely solely on your contact center to offer customer support. By using tools like self-service web flows, email, and automated appointment scheduling, you give your customers the flexibility to choose how they'd like to be served while also reducing the time they spend waiting for that service.

# Your Customers Are Already Omnichannel-Ready

The customer journey spans across channels. To better understand and deliver on your customers' needs, you need to be able to see how their interactions across channels tie together.

According to our survey, **40% of consumers have used three or more conversation channels to engage customer service**. Here are the top channels:

1. Phone
2. Live Chat
3. Website Inquiry

Adding support for these channels is a great start. However, it doesn't address a common pain point customers face — silos. The most common customer complaint in regards to contacting service was that their conversations across various channels were not connected.

**Customers became frustrated with having to repeatedly re-identify themselves on each channel of engagement.**

Businesses need to rise to meet customers' expectations of having a consistent experience across channels.

## Key Takeaway:

CX leaders are adopting digital CX platforms that unite all their communication channels from live chat to email to SMS to IVR, so they can get a 360-degree view of their customers' needs. The difference with Airkite is you can orchestrate digital experiences that preserve session state and flow uninterrupted across channels without losing context – down to the keystroke.

83%

Phone

56%

Live Chat

42%

Website

14%

Texting (SMS)

16%

Mobile App

17%

Automated Chatbot

**Which communication channels do you use to interact with customer service?**

## TREND 05

# Lackluster Digital Service Can Do More Harm Than Good

Let's say a company's digital offerings were not up to par with customer expectations. After wrestling with live chat or another online experience that didn't meet their needs, customers will still default to calling customer support. As we saw in the previous section, 83% of survey respondents still engage with customer service over the phone.

**Between 20-33% consumers rated their provider's digital service offerings from "needing improvement" to "horrible."** That means there's major room for improvement in the CX space. Companies should be monitoring the quality of customer interactions using platforms that can provide metrics that indicate CSAT. No survey score should be a surprise to a modern business.

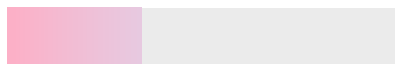
**Additionally, 64% of consumers reported that they were unable to get help or solve their problem through customer service.** Given the influx of call volume and long wait times at call centers, customers shouldn't be forced to speak to a live agent, especially when they are already comfortable with digital self-service options. **55% of consumers said that they are familiar with real-time order updates and 40% are familiar with self-service appointment scheduling.**

### Key Takeaway:

The lesson here is that having more channels (app, chat, text) available for customer service isn't enough. You need to make relevant answers and self-service available on these new channels, or you're really just adding friction to what will eventually be another call center interaction.

**Your customers prefer self-service. Make the switch to digital.**

**20-33%**



of consumers rated their provider's digital service offerings from "needing improvement" to "horrible"

**64%**



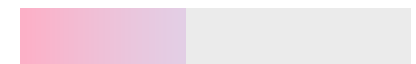
of consumers reported that they were unable to get help or solve their problem through customer service

**55%**



of users are familiar with real-time order updates

**40%**



of users are familiar with self-service appointment scheduling

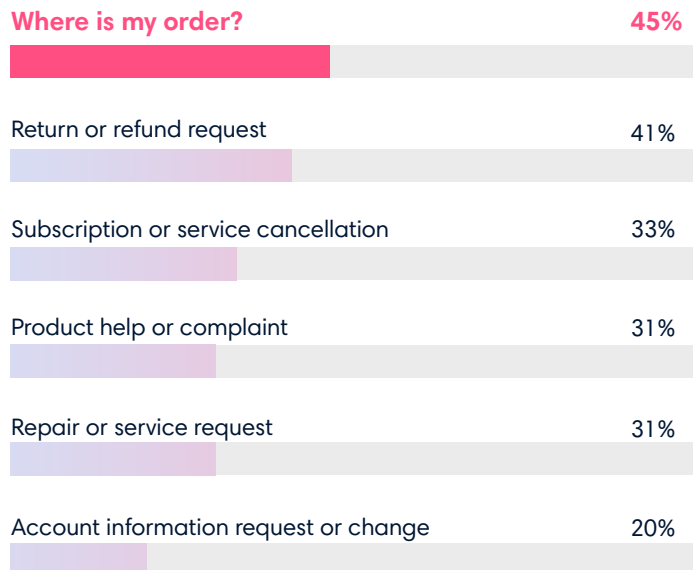


# You Should Be Automating Order Updates

Your support team and contact center staff field one type of customer request more than any other — order updates.

**In our survey, nearly half of survey respondents said their most common customer service need was to request an update on an order they had made or report an issue with that order.**

## What are your top 3 most common customer service calls?



For example, if you're running an e-commerce business that sells physical goods, these requests will likely scale in tandem with your success. The more your business booms, the more you'll have to address customers' appetite for updates in a sustainable, friendly way.

Sending routine order update requests to your call center is both costly

and inefficient. A customer shouldn't have to wait on hold for information that's already ready to be sourced directly from your CRM or backend tracking systems.

### Key Takeaway:

Using a digital CX platform like Airkit's, you can connect self-service experiences to your CRM and backend systems, giving customers the ability to access the order information they're after at any time. Now, when a customer calls support to request an order update, they could opt to be sent an SMS with a link to a web-based self-service experience in which they can enter their order number and check on its status instantly.

### Read customer story



50%

Decrease in average handle time (AHT)

13%

Increase in CSAT score

Turo uses Airkit to build call deflection digital self-service to automate late call returns and accelerate resolution times.

# 5 Recommendations for Action

As we head back to a new normal, we offer five recommendations to help you execute seamless digital experiences that provide consumers the service they need, when and where they want it.

## 1 ASSESS YOUR CUSTOMER JOURNEY

Understand how your customer converts from lead to paying customer, how they onboard, how they dispatch service, and how they expand. By understanding the customer journey, you can identify quick areas of improvement, volume of engagement, and resulting business impact of doing nothing. This exercise will help you prioritize what customer touchpoints can be digitized to improve customer satisfaction.

## 2 DEPLOY DIGITAL DEFLECTION

Your customers won't wait 5-10 minutes on the phone, and many of these requests may not require human intervention. Assess your cost to service, call volume, and call handling times to see what types of calls can be deflected to digital self-service. For example, customers calling in to make common, high-volume requests can be deflected to self-service without agent intervention. Customer calls in, receives a SMS with a link, clicks on the link to securely update account information - all done in less than the average 5-10 min waiting time.

## 3 OFFER DIGITAL PROACTIVE SERVICE

Use your customer data from your backend systems (CRM, contact center, transaction systems, etc.) to serve personalized 1:1 digital experiences to your customers. For example, if a customer has made a purchase, serve them a SMS to notify her on order status. Consider another scenario in which your systems have identified a slice of customers that will be impacted by a pending issue. Rather than using manual intervention, trigger a digital experience to notify customers of a pending service outage and a digital form to collect any additional information.

## 4 ENSURE YOU'RE OMNICHANNEL-READY

Your customers use multiple channels so ensure you're able to meet them where they are. Use omnichannel nudging (text, chat, email, voice) to nudge a customer to complete a journey (i.e., remind them to complete their enrollment process). Ensure that you can sustain context, so customers can swap channels and start where they left off. For example, if a customer switches from tablet to mobile to text, information provided by the customer is retained and carried forward to the next interaction.

## 5 MEASURE, TEST, AND OPTIMIZE

As you're launching new digital experiences, use real-world data to optimize for a better conversion rate. Don't be afraid to test different variations across channels. For example, weave in SMS into your digital experience to test higher conversion rates. Research shows that SMS has 5-7x higher open and read rates vs. email.

Customer experience is the heartbeat of your business. To meet customer expectations and exceed your company's goals, you need the right platform on which to build.

Airkit is a digital CX automation platform that unites the channels you use to engage customers and allows you to quickly deploy self-service experiences, working with the technology you already have.

Get started with **Airkit** and take your digital CX to the next level today.



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Founder + CEO  
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While the pandemic caused businesses to accelerate their adoption of digital technologies, customer expectations were high, but their patience wasn't. Many of those same customer experience expectations (fast, convenient, effortless, personalized) existed prior to COVID, but the fact that every business moved online amplified the need for brands to meet or exceed those expectations – immediately. While everyone is eager to return to normal, this customer expectation will not be reversing course, so brands need to wisely take the time to listen to customers, understand their needs and expectations, ensure they've got quality data, and then design an experience – digital or otherwise – that helps customers accordingly.



**LILIANA PETROVA**  
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Great brand experiences must be channel agnostic. Today's customers engage across environments – both physical and digital. They expect brands to meet their expectations consistently wherever they are. What organizations call omnichannel brand experience ultimately is a monochannel customer experience.

## METHODOLOGY

From May to July of 2021, Airkit commissioned a study of 1000 adults in the United States. The goal was to better understand consumers' experiences with automated self-service options across a variety of industries and how behavior changed as a result of the pandemic.