

Five Ways Social Media is Impacting Customer Service

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Wiki defines social media as *"a media designed to be disseminated through social interaction, using heavily accessible and scalable publishing techniques...social media uses Internet and web-based technologies to transform various broadcast media monologues (one-to-many) into social dialogues (many-to-many)...it supports the democratization of knowledge and information."*

Ah, the democratization of knowledge... well, at least it's supporting the democratization of customer service. Previously companies could at least contain, if not hide, most of their customers' frustrations and could limit any real damage to the brand. Not anymore. Customers are now controlling the conversation around customer service. Social media outlets have given them big megaphones to voice their frustrations to an increasingly connected population, and these frustrations have a long shelf life on the Internet. Twitter, Facebook, YouTube and others are rife with customer service stories – most of them negative – and this is having real game-changing consequences for customer service.

Of course, that's the most obvious way social media is impacting customer service and its giving rise to a whole new chapter in reputation management. Read on to see five other ways customer service is changing to accommodate the rise of social media.

1. Level Playing Field

Consumers are now less intimidated by big companies, whether they can turn off cable, cut cell phone service or shut off electricity because of customer service disputes. The number of communication channels available to consumers has continued to grow throughout recent years; we can call, chat, email, use the website... but those channels still tipped the balance of power in the relationship to the company, not the consumer. Social media is changing that and as a result, consumers are more confident. And, as many companies have discovered, confident consumers are not necessarily high maintenance; they can be very loyal when treated well.

2. More Informed Consumers

The advent of the Internet gave rise to a dramatic increase in the amount of information available to consumers, which significantly changed their purchasing habits, particularly for high-ticket products. But that information was often written by the companies selling those products and could be viewed with less trust. Over time sites like Amazon.com put user ratings on their site, which were obviously not authored by the companies manufacturing the products being sold. Now, social media is giving consumers access to even more information, and it is

for the most part unbiased, because consumers themselves are openly sharing their likes, dislikes and experiences with companies and products. While in the past we could ask friends and family for a recommendation on a new camera, for example, social media allows us to get dozens of recommendations on cameras very quickly. For example, a coworker of mine changed her Facebook status to indicate that she was investigating different laptop models. Within an hour, she had seven models recommended to her and a stern warning against one model. It is true that these recommendations are filtered and influenced by personal circumstances and should be read with care, but these are real users sharing their real life experiences and thoughts, which can be very helpful to consider prior to making to big purchasing decisions. This also means customer service representatives are dealing with a more knowledgeable customer base. Those customers expect their needs to be met with structure and issues to be corrected with ease. Customer service programs must keep advancing in both communication and knowledge sharing options to accommodate social media. It also means companies must become smarter in their marketing and to continually improve the quality of their products and services.

3. Less Frustrated Consumers

Did the heading of this section shock you? It's understandable if it did, because the negative customer service stories in the social mediasphere are given so much more attention than the positive ones. But social media also helps consumers stay connected and informed, which decreases frustration. Companies are encouraging their customers to follow them on Twitter, become fans on Facebook and to read their blogs – they are trying to be wherever their customers want them to be. This keeps customers up to date and engaged and, especially from a customer service perspective, reassured that their issues are reported and being resolved. Further, the instant gratification that comes from having the ability to vent to a company via Twitter and get a tweet back with an updated response, is comforting and can reduce frustration, anxiety and the urge to damage a company's reputation in the Twittersphere.

4. Authenticity in Customer Experience

Social media has an organic feel to it, or an authenticity, that other channels do not have. It feels personal and unbiased, not corporate and controlled (even if it is). Companies should harness that power of the various social media channels and use it to better develop relationships with customers. Social media channels also provide more opportunities to make customers feel good. When customers join certain social media sites, they are suddenly "premium" members. Top tweeters see their tweets come up on the home page. The insinuation of exceptional status reassures customers that they are special. In fact, a recent article in USA Today reported that Twitterers believe that they are higher priority than other customers when complaining about customer service issues. If they think they're special, they expect companies to agree... and to see to it that their issues are handled quickly and effectively. So yes, customers feel good but they also carry much higher expectations that companies must meet.

5. Customer Service is (Finally) a Higher Priority

Social media has democratized customer service in another way as well, and that's with the executive office. Elevating and prioritizing customer service is a favorite catch phrase in executive speeches and in annual reports, but we all know it's viewed as a place to cut costs, not invest. They see it as an area where money is thrown down the drain, rather than invested in customer loyalty. We also know executives are famous for viewing their own customer service efforts and results through rose-colored glasses. C-level executives are finally realizing that it's not just enough to balance the cost of adding more customer service reps against irritating some customers. It's about preventing real damage to the brand. Customer complaints are no longer just in the realm of customer service; they're now part of the corporate world of branding and reputation management and that's because social media is forcing these executives to pay attention.

It may be too early to see the entirety of the impact social media will ultimately have on customer service. Like with any new channel, there are upsides and downsides, many of which we've yet to discover. The democratization of customer service has begun but companies should be wary of just throwing together some Twitter accounts and a Facebook page and calling it customer service. Social media lets companies reach out to customers but is not a great venue for listening to customers until it's too late. Social customer service cannot be done properly without a strategy and it cannot be a panacea for already disorganized customer service. Poor customer service has always been detrimental to company brands and other channels are still more widely used. Social media will not cover up poor customer service strategies, it will expose them and cause tremendous brand damage.

About Jacada

Jacada provides solutions that optimize and improve the effectiveness of customer interactions. Jacada unified desktop and process optimization solutions help companies reduce the cost of their operations, drive customer satisfaction and provide a complete return on investment in as little as 12 months after deployment. Founded in 1990, Jacada operates globally with offices in Atlanta, USA; Herzliya, Israel; London, England; Munich, Germany; and Stockholm, Sweden. More information is available at www.jacada.com.

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