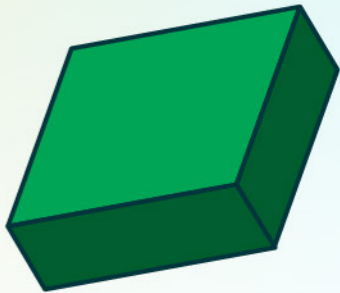
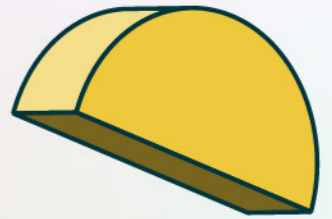
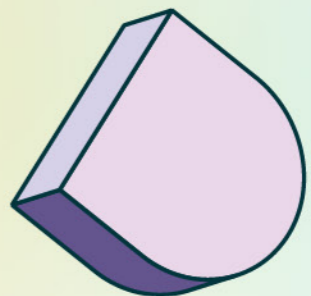
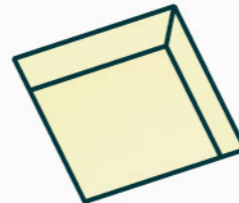
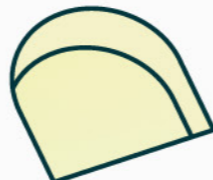
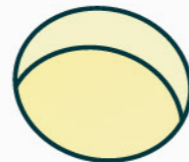
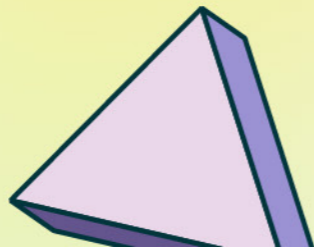
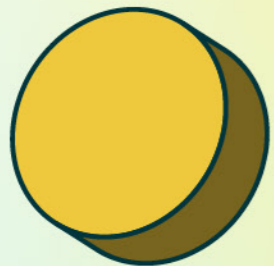


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# CX Trends 2022

Improve your bottom line by  
putting customers at the top



**Make customer  
interactions  
feel intelligent,  
not artificial**

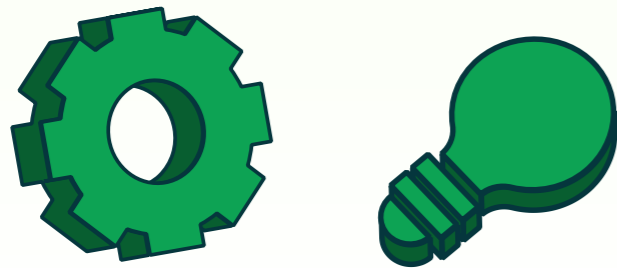


## TECHNOLOGY DEEP DIVE

### AI is redefining what's possible with customer service.

From always-on support to backend systems that can triage tickets faster than any human team, this versatile technology has quickly raised customer expectations on what it means to offer best-in-class service.

But without a smart strategy for AI implementation, many businesses are falling short.



As with each new technology that rewrites the customer service rulebook—the internet, live chat, mobile phones, and AI—businesses must commit to rethinking their mindset and their approach. Anything less and they risk frustrating customers, or worse, undermining their ability to deliver the quality experiences that keep them coming back.

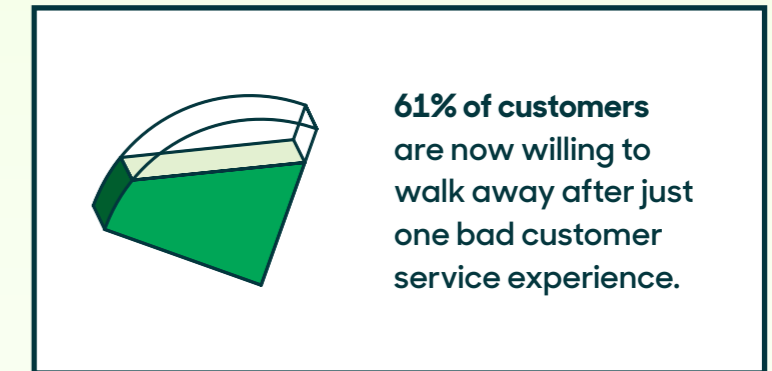
Business leaders already recognize the critical role that AI will play in building the types of customer experiences that drive bottom-line growth. That's why 57 percent plan to increase their AI budgets by at least 25 percent next year. But many have yet to tackle the more difficult task of building out an operation that plays to the strengths of every member of the support team—be it human or robot. Now is not the time to settle for “good enough” service. Customers want the best—and they increasingly see AI as the key to reaching their lofty experience goals.

### What customers expect with AI

<b>66%</b>	believe it should make life easier	<b>65%</b>	believe it should save time when contacting a company
<b>64%</b>	believe it should keep people from having to repeat things	<b>61%</b>	believe it should improve customer service quality

With 61 percent of customers now willing to walk away after just one bad experience, companies must move quickly to develop an AI strategy that delivers.

We've gathered insights from customers, agents, business leaders, and our own team to show you how the right AI approach can help you earn happier (repeat) customers, better business results, and a competitive advantage in treating customers well.



# Customers need AI to make their lives easier—not harder

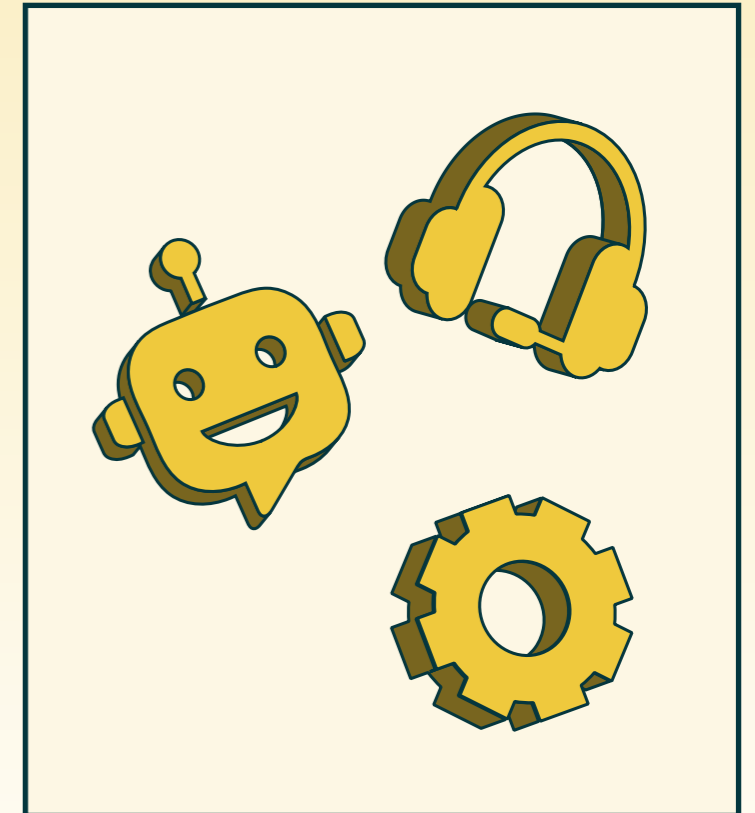
Customers primarily see AI as a force for good—one that can improve their interactions and experiences with businesses.

Done right and 65 percent of customers expect AI to save them time. Another 64 percent say it will prevent them from having to repeat themselves. Looking ahead, 61 percent expect that the majority of their future service interactions with companies will be automated.

Optimism aside, most customers have noticed a significant gap between AI's service potential and its current reality. Instead of making things easier, it often creates unintentional obstacles and in some cases, has actually made it harder for customers to get the answers they need. 60 percent of customers report frequent disappointment with their chatbot experiences.

## Customers are frustrated with chatbots

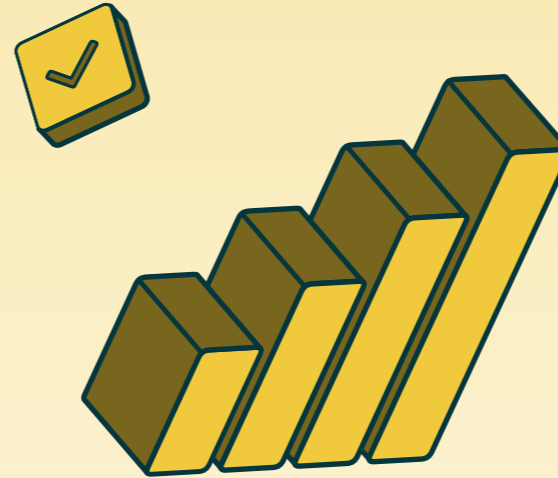
54%	get frustrated that they don't have a choice in human vs. bot at the start of service
54%	say it takes too many questions for the bot to recognize it can't answer their issue
51%	report not getting accurate answers
47%	say it is most frustrating when they have to start all over with a human agent



# AI and automation in action

Companies that use Zendesk to power their support operations are reducing wait times and answering more tickets with AI and automation:


<b>40%</b>	of companies that turned on automation and AI between September 2019 to September 2021 saw a 15% or higher improvement in first reply time
<b>53%</b>	increase in the number of tickets handled by automations and AI-powered chatbots year over year from 2020 to 2021



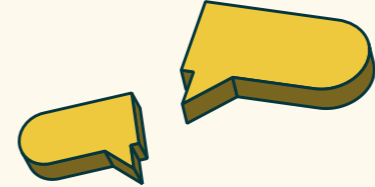
Despite the frustration, customers remain open and hopeful that businesses will turn it around.

The number of customers willing to turn to chatbots for simple issues jumped 13 points compared to the previous year.


And businesses are working hard to improve their performance:



**50% of companies** say they use AI to make recommendations based on purchase or search history

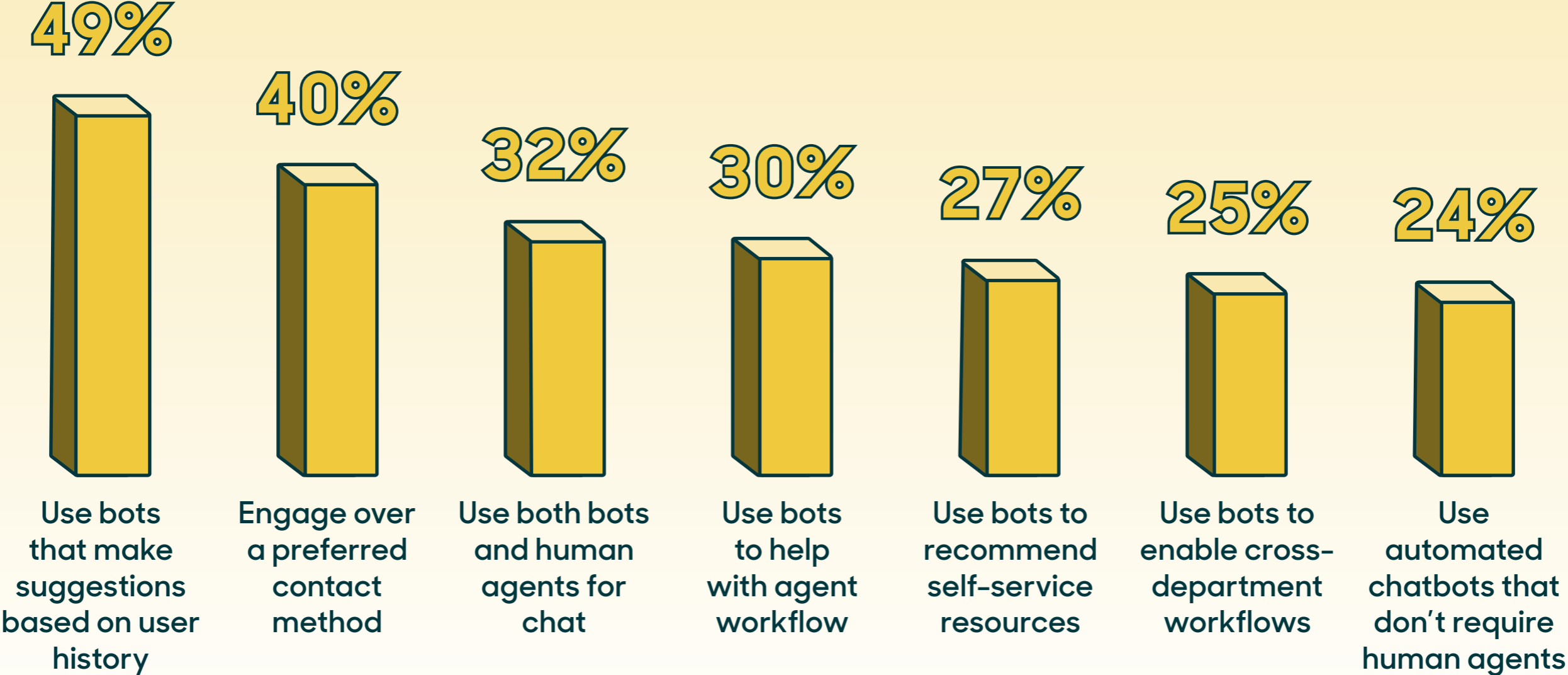


**40% use AI** to engage with customers via their preferred contact methods



**39% use AI** to prioritize customers based on their status or account type

# Businesses have low adoption of AI capabilities



# Smart strategies beat big budgets

## Companies may be upping their AI investments, but challenges with planning and implementation paint a less rosy picture.

Companies are split—with 57 percent saying they’ve had an ad hoc approach to their AI strategy. What’s more, only half can say that their teams are well-versed in emerging AI capabilities, which means they’re largely shooting in the dark.

Without considering the strengths—and weaknesses—of AI, businesses are only going skin deep with their approach. The likely result is a less-than-ideal service experience for all involved. Chatbots can be incredibly effective partners—if they’re part of a well-laid plan that plays to their strengths.

## Here’s where your chatbots should play a starring role, according to customers:



Providing links and information that can help resolve their problems



Offering quicker, more convenient replies for simple issues



Delivering answers and responses outside of normal business hours

It’s a strategy that has helped Tile, a consumer electronics company, go deep with their AI approach. During the pandemic, the support team launched a new chatbot to help the team manage higher-than-normal ticket volumes. “We modified a bit of our workflow with the chatbot to include relevant recommendations to the front of the troubleshooting flow,” said Justin Michaud, senior customer support manager at Tile.

“People would launch the bot and it would help right away. Customers were like, ‘Oh yeah, that worked. Thank you. Have a nice day.’ That was incredibly important in helping us manage the contacts we received on any issue.” The team also uses the chatbot to prioritize and route tickets—resulting in a 40 percent lower handle time and a higher-quality experience overall.

tile

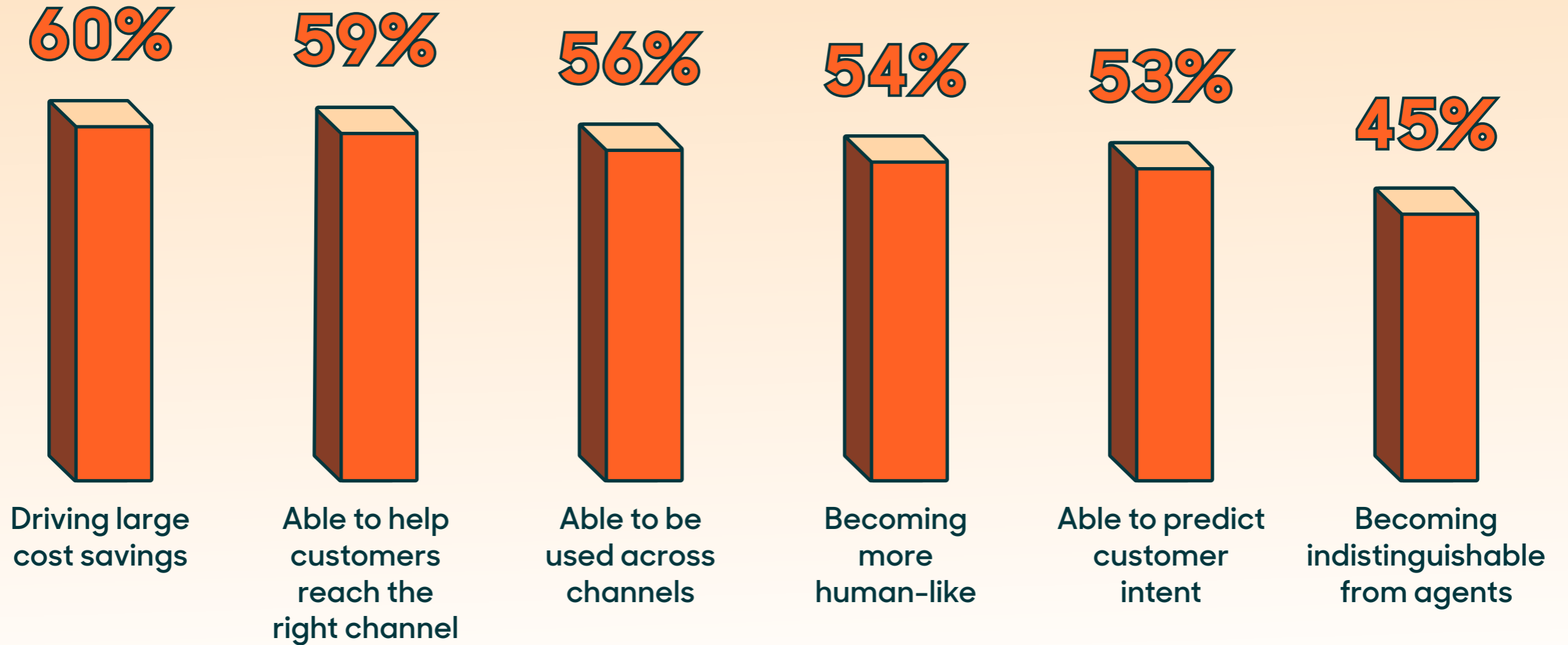
CUSTOMER STORY

### Support and leadership in lockstep

During the pandemic, the Tile support team launched a new chatbot to help the team manage higher-than-normal ticket volumes.

[Learn from Tile](#)

## Businesses leaders believe chatbots are:





# Take an intelligent approach to AI

**With so much riding on treating customers well, businesses must put together a smart AI strategy that lets everyone put their best foot forward.**

Chatbots shouldn't be trying to solve problems that require human involvement. "If you're doing that, you've created a far worse customer experience," says Aniano. Similarly, agents shouldn't be bogged down trying to triage tickets or responding to customers who need to reset their password, look up their username, or check on the status of their order.

Here are some tips for building out an AI-powered customer service strategy that's top of the class:

**Start by identifying your top customer service issues by volume.**

These should include self-service queries and tickets handled by customer service agents. If you're a smaller business, concentrate on your top 10; larger firms should initially try to narrow their focus to a more manageable geography or business unit.

**Review the issues and group them based on whether they**

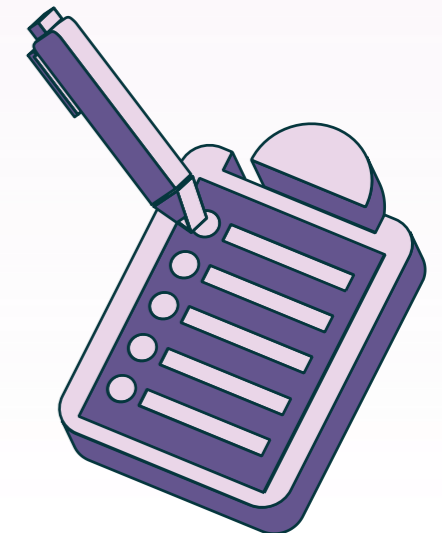
1. Need a human
2. Can be fully automated
3. Require some combination of the two.

**For those that can be fully automated, determine if AI or automation could create a better experience than the one currently provided by a human.**

This includes agent workflows or processes that could be streamlined or enhanced.

**Prioritize issues that can be fully automated** and also provide a tangible business benefit (such as cost savings or an opportunity to upsell).

**Once done, shift to the remaining issues that, if fully automated, could improve the overall customer experience** even if there's no direct business benefit.



## Methodology

Data in this report comes from two sources: surveys (one survey of consumers and one survey of business respondents) and Zendesk Benchmark product usage data.

We surveyed more than 3,511 consumers and 4,670 customer service leaders, agents, and technology buyers from 21 countries and organizations ranging from small business to enterprise during July and August 2021. Results from each survey were weighted to remove bias from the survey samples.

Countries surveyed include: Australia, Brazil, France, Germany, Japan, Mexico, United Kingdom, India, Singapore, South Korea, Benelux (Belgium, Netherlands, Luxembourg), Nordic (Denmark, Norway, Finland, Sweden), United States, Spain, Italy, and Canada.

Zendesk Benchmark product usage data came from over 97,500 Zendesk customers worldwide who participate in the Zendesk Benchmark. Account activity criteria were applied to filter out data from inactive accounts. Zendesk Benchmark data is based on product usage from July 2020 to July 2021.

We also explored what separates companies that excel at CX from everyone else. These High Performers were recognized in our surveys based on their selecting the top choice across a range of customer service criteria. Their performance is contrasted with those who selected no top options across the same criteria.

### Business survey median length: 14:53 minutes

#### Business survey countries:

- United States **(35.4%)**
- Canada **(2.9%)**
- France **(4.6%)**
- Germany **(6.7%)**
- United Kingdom **(4.9%)**
- Benelux **(5.5%)**
  - Belgium **(2.7%)**
  - Netherlands **(2.3%)**
  - Luxembourg **(0.5%)**
- Nordic **(11.2%)**
  - Denmark **(1.8%)**
  - Norway **(1.6%)**
  - Finland **(4.1%)**
  - Sweden **(3.7%)**
- Spain **(2.3%)**
- Italy **(3.3%)**
- Australia **(2.5%)**
- Japan **(8.4%)**
- India **(4.8%)**
- Singapore **(0.6%)**
- South Korea **(2.8%)**
- Brazil **(2.3%)**
- Mexico **(1.9%)**

#### Business survey roles:

- Business leaders **(38.8%)**
- Agents **(25.8%)**
- Managers **(35.4%)**

### Consumer survey median length: 9:31 minutes

#### Consumer survey countries:

- United States **(18.5%)**
- Canada **(2.3%)**
- France **(3.6%)**
- Germany **(5.0%)**
- United Kingdom **(4.2%)**
- Benelux **(1.8%)**
  - Belgium **(0.8%)**
  - Netherlands **(0.6%)**
  - Luxembourg **(0.4%)**
- Nordic **(1.6%)**
  - Denmark **(0.4%)**
  - Norway **(0.4%)**
  - Finland **(0.4%)**
  - Sweden **(0.4%)**
- Spain **(2.9%)**
- Italy **(3.1%)**
- Australia **(1.5%)**
- Japan **(8.1%)**
- India **(28.6%)**
- Singapore **(0.4%)**
- South Korea **(3.4%)**
- Brazil **(10.2%)**
- Mexico **(4.9%)**

#### Consumer survey age groups:

- 18-24 **(11.8%)**
- 25-39 **(41.7%)**
- 40-54 **(24.3%)**
- 55+ **(22.2%)**



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