

# The State of Support Services 2016

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# The State of Support Services: 2016

*A Joint White Paper from LogMeIn and TSIA*

## EXECUTIVE SUMMARY

In 2015, TSIA's Support Services discipline members had a level of engagement with TSIA research unlike ever before. The amount of member inquiries, webcast attendance, research downloads, and Support Services Benchmark participation validates that members, now more than ever, are facing large challenges across their support services operations. The challenges go beyond the traditional support services type of questions such as channel mix, support metrics, and customer satisfaction drivers and are now focused on how to adjust their organizations to deliver outcome-based support.

Support executives continue to receive incredible pressure to reduce the cost of delivering support. This pressure, along with the push to deliver outcome-based support, is forcing a certain amount of experimentation on how to reinvent the support services organization.

In 2015, TSIA recommended that support services members focus on key areas of their support operations to include adding the use of analytics, moving to proactive support models, and reducing customer effort. It is fair to say that many members have made progress in these areas, but it hasn't been enough to keep pace with customer demand or the rate of industry change.

As Thomas Lah, executive director of TSIA, writes in his "2016 Service Capability Heatmap" report: "When reviewing current data streams, we predict 2016 is setting itself up to be another year of change and challenge."

Knowing this, support service organizations must focus on support services transformation this year in the four distinct areas shown in *Figure 1*. TSIA Research suggests members create and/or review the following:

- Customer Experience Strategy
- Customer Engagement Strategy
- Support Modernization Strategy
- Technology Adoption Strategy

*Figure 1: Support Services Areas of Transformation*



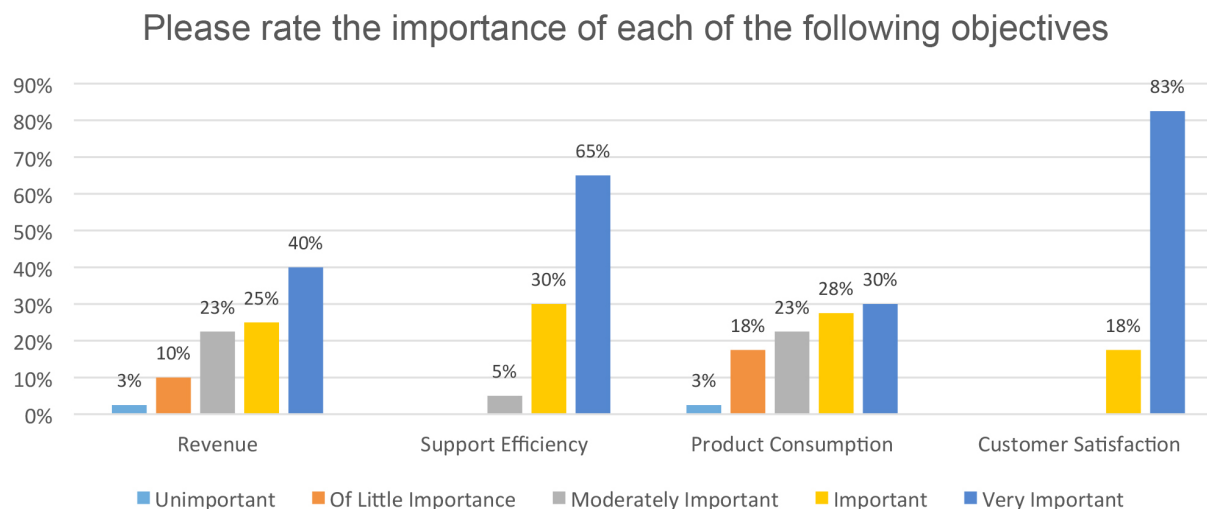
## CUSTOMER EXPERIENCE STRATEGY

There are multiple definitions for the term customer experience. A broad definition is: The customer experience across every touch point in the customer life cycle, crossing marketing, sales, and service over the duration of the relationship. The experience is heavily influenced by the individual's experience, as well as the individual's expectations. Historically, the most successful customer experience strategies are created in partnership with cross-functionally with marketing and sales, and most often, marketing leads the definition of what the customer experience should be, as they own the corporate brand, and the customer experience must reflect the brand. Support organizations that create a customer experience strategy in a vacuum may not be reinforcing the correct corporate image.

It is no secret that good customer support has long-term impact on customer loyalty. It also has significant impact on company costs, company revenue growth, employee satisfaction, employee attrition, and the list goes on. With this in mind, support service executives must be a major part of driving a renewed focus on the overall customer experience in 2016.

A majority of organizations continue to create processes and programs with an inside-out approach. Most often these programs or processes address internal support operations or cost metrics, but not the overall customer experience. This is often why the customer experience strategy is fragmented in most organizations and frequently consists of some form of satisfaction surveys and not a holistic view of the customer experience journey.

**Figure 2: Support Services Importance of Objectives**



Source: 2016 TSIA Support Services Benchmark Survey.

The TSIA Support Services Benchmark Survey asks members to rate the importance of four objectives within the support services domain—Revenue, Support Efficiency, Product Consumption, and Customer Satisfaction.

### Customer Satisfaction as a Priority

Figure 2 highlights the priority percentage applied to each area as ranked by TSIA Support Services Benchmark participants. The good news is that 83% of members view customer satisfaction as their most important objective. The bad news is the low ranking of importance for product consumption. TSIA research confirms product consumption is proving to be a truer indicator of customer satisfaction and loyalty. Measuring consumption and adoption is the most crucial—customers will not abandon technology they are using on a daily basis.

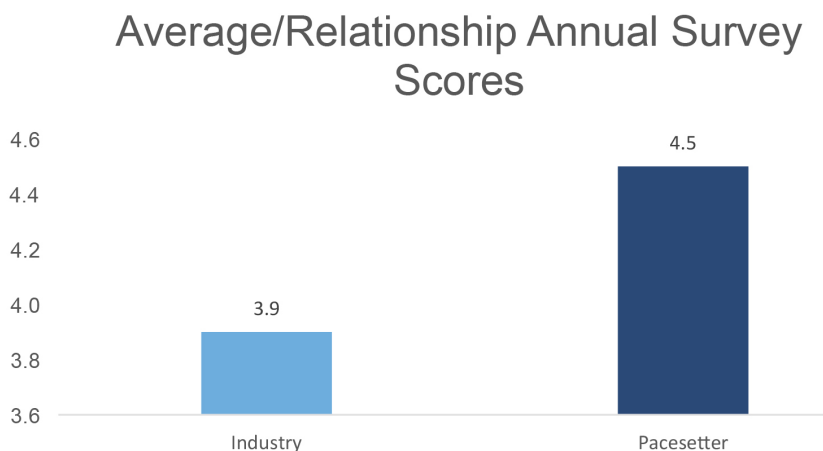
Support efficiencies are very important to building solid channel and technical strategies, which will ultimately grow the customer satisfaction numbers. TSIA recommends that member companies reprioritize the importance of support efficiency and product consumption in the coming months as they design support transformation strategies for the coming year.

Measuring traditional methods of customer satisfaction, such as transactional surveys, annual surveys, and Net Promoter Scores, have a purpose, but they cannot be the only method to measure loyalty; a combination of methods is necessary.



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Figure 3: Industry Average Annual Customer Satisfaction Score



As Figure 2 highlights, 83% of TSIA members view customer satisfaction as their most important objective, yet Figure 3 highlights the industry average annual customer satisfaction score is 3.9 on a scale of 1 to 5. In summary, the industry is not delivering an ideal customer experience.

Source: 2016 TSIA Support Services Benchmark Survey.

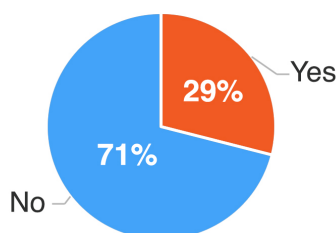
## MEASURING CUSTOMER EFFORT

Member companies must do more to understand the overall customer experience and how to improve it, particularly for support interactions. A consistent message from TSIA continues to be that members need to measure and reduce customer effort. Customer effort is defined as the amount of effort that customers must expend to do business with, or get support from, a company.

While the use of customer effort scores (CES) as a measurement is on the rise, Figure 4 documents that 29% of TSIA Support Services discipline members are currently measuring CES with their customers.

Figure 4: Organizations Measuring Customer Effort Scores

## TSIA Support Services Members Tracking Customer Effort



Source: 2016 TSIA Support Services Benchmark Survey.



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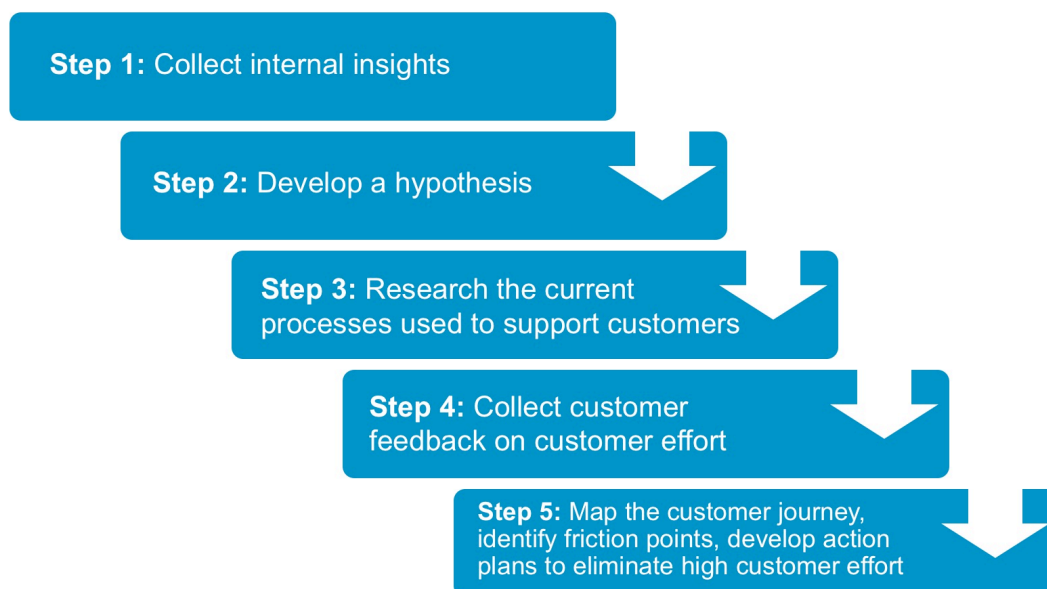
TSIA recommends that members add CES to their overall customer experience strategy, doing so will help identify areas where high customer effort exists and enable members to develop business strategies that reduce or eliminate that customer effort. In return, customer acquisition rates and customer loyalty will increase.

Adding a customer effort question to your transactional surveys or your annual/relationship survey to gather input about the level of effort required to perform basic customer activities is key. Prior to adding this question, make sure the support organization has an appetite to change. Customers are repeatedly asked to give input on what needs to change and frequently do not see changes take place. CES is a single question; however, most TSIA members have found it is the single question that has driven the most process change in their organizations.

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*Figure 5: Steps for Analyzing Customer Effort*

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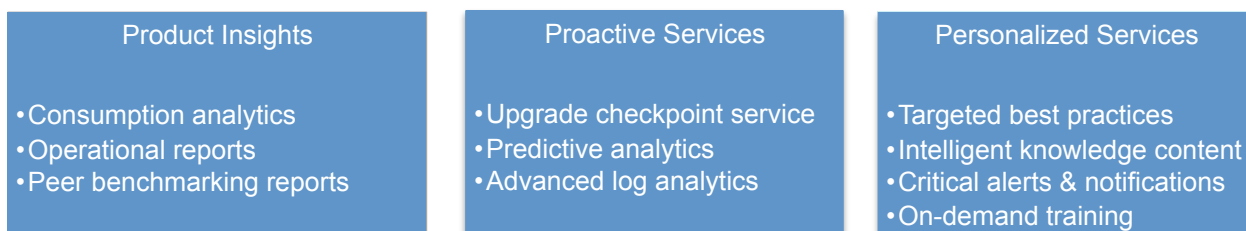
## PERSONALIZED PROACTIVE SUPPORT

Customers today want personalized, proactive support. Whether a customer logs into your self-service portal or speaks to a live agent, ideally they are presented with only information based on products they own. They want support to know what has happened to those products in the past, and they want to receive predictive/prescriptive next steps for those products. They don't want only information for the current issue; they want and appreciate information for issues they may encounter in the near future.



Pacesetter member organizations are creating entirely new layers of adoption self-service support platforms launched directly from within their products. These types of product launch platforms are providing customers with the targeted content/services seen in *Figure 6*.

*Figure 6: Product Launch Platforms*



This new level of product-launched, customer-personalized, self-service portal is driving greater levels of product adoption and proactive support. With full integration into the product, member companies not only have insight into product usage, reduced or avoided case escalations, improved customer satisfaction, and improved case resolution time, but one member also reports that their upsell revenue grew over 150%.

## JOURNEY ANALYTICS

A foundational element of a well-designed customer experience strategy will be the strong use of data analytics. Support organizations in 2016 must begin using the data they have to deliver the best support possible; this will be a competitive advantage in today's customer-driven economy. For too many years, support services organizations have had access to customer data; it has been the most valuable unused corporate asset. Analytics will be discussed throughout this document in the remaining sections. This section will focus on journey analytics.

Similar to the definition for customer experience, the high-level definition for journey analytics is defined as an analytical solution that captures customer experience throughout all phases and interactions for all customer touch points, no matter the channels or activity. This could include the phone system, the self-service portal, the company support agents, customer care, billing, customer success, education, marketing, sales, etc.

To best describe how to use customer journey analytics in the most basic of ways for customer experience mapping:

1. Begin to collect data across the customer journey.
2. Begin to apply analytics to get to know your customers.
3. Begin to personalize the customer journey.



4. Begin to apply predictive analytics coupled with machine learning to anticipate key events.
5. Continuously tune using analytics.

Using analytics to guide the service experience by analyzing case data, community engagement, customer satisfaction surveys, and knowledge repositories will be standard process. Using analytics early in the engagement for the sake of routing and entitlement will be standard process. Using analytics in your case quality monitoring will further add to a customer experience strategy.

## CUSTOMER ENGAGEMENT STRATEGY

Ideally, after an organization has collectively defined its customer experience strategy, it can then define the customer engagement strategy to achieve the desired engagement experience for its customers. For those of us with some years in support, we want to call this our channel strategy, but today this means much more. For clarification on the distinction between experience and engagement, John Ragsdale, TSIA's vice president, Research, Technology and Social, sums it up this way: "The customer experience strategy defines *what* the customer experience is, and the customer engagement strategy is *how* the customer experiences it."

The process for creating a customer engagement strategy will also be a cross-functional team process, most often a team made up of marketing, sales, and services. The majority of this exercise will lead by support services, in which they will be defining which channels they wish to use for customer interactions (assisted, unassisted, social, etc). Will there be service-level goals or agreements? If so, what are they? What are the customer satisfaction targets for each channel? Ideally, this planning includes feedback from customers. Include input from surveys, focus groups, case feedback, input from analytics reports, user group comments, phone surveys, social feedback, and any listening post you have available to capture customer preferences and feedback.

For the 2016 State of Social Support, TSIA research asks what the preferred channels are when a customer needs support for a product. As you can see from the results shown in *Figure 7*, customers have a number of preferences and want options. It is not one-size-fits-all, and certainly the self-service options are the preferred channels.

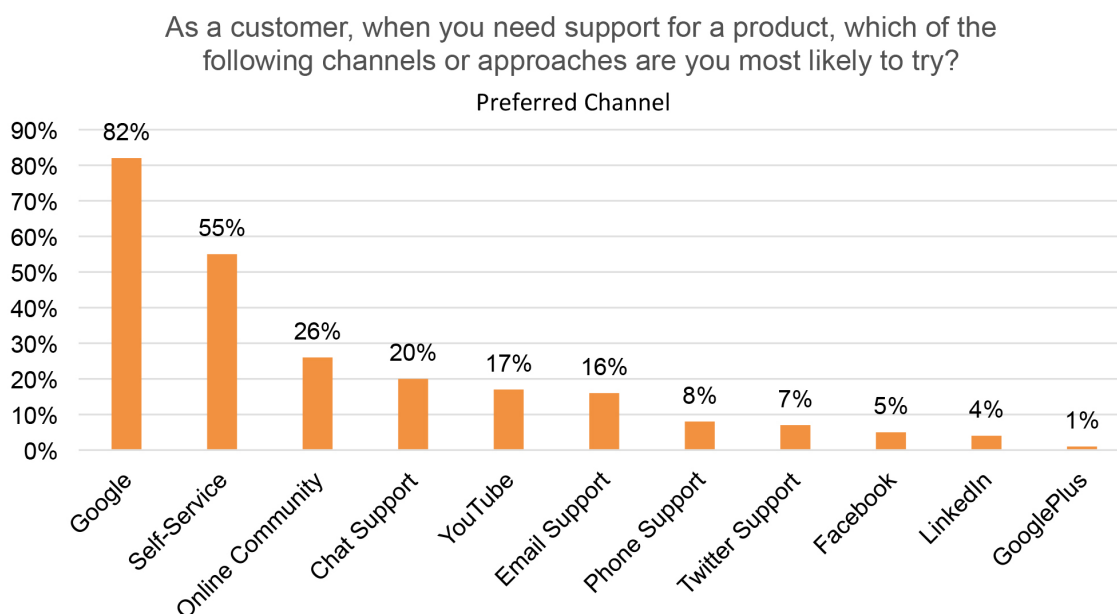




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**Figure 7: Preferred Support Channels**


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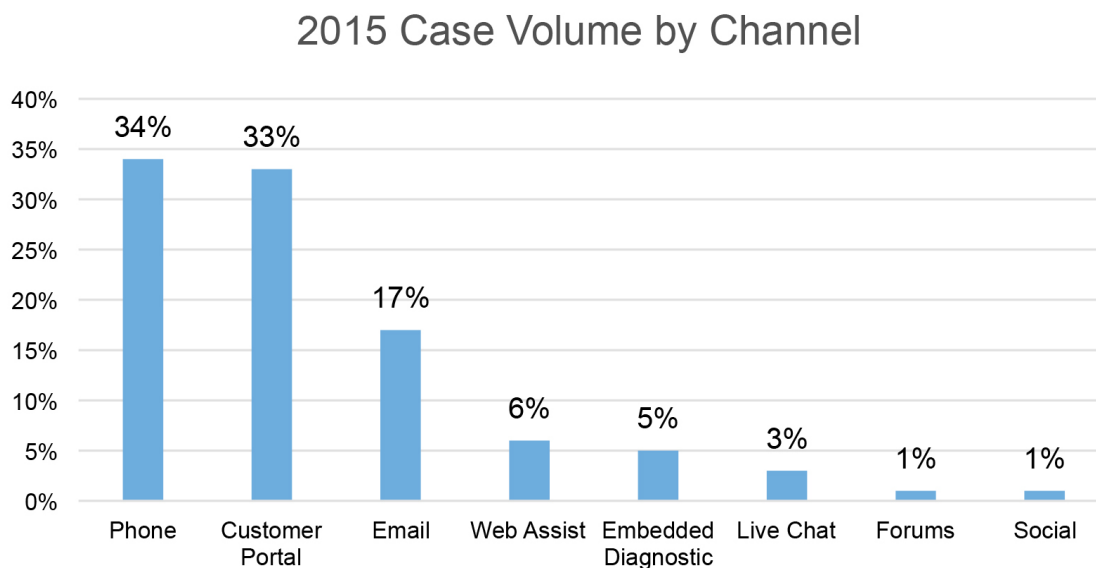
Today a well-defined customer engagement strategy includes a combination of traditional phone, email, live chat, virtual chat, communities, and social support alongside a robust self-service offering that may contain videos, education tutorials, and quick browsing features.<sup>1</sup> It is important to have knowledge content available and consistent no matter how the customer chooses to engage with your organization.

As of Q1 2016, the TSIA Support Service Benchmark Survey shows the incoming volume of phone cases at 34%. While this remains the highest percentage across the industry, it has been trending down year over year. TSIA Support Services Benchmark results continue to validate that cost per incident for phone and email cases is still the highest compared to chat and self-service, which are the lowest cost per incident. There are a few reasons these numbers don't align with the numbers in the preferences in *Figure 8*.

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*Figure 8: 2015 Case Volume by Interaction*

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*Source: 2016 TSIA Support Services Benchmark Survey.*

As part of the TSIA Support Services Benchmark, TSIA finds that there is still very low adoption of live chat adoption by member companies. For those members who have adopted live chat, however, both their live chat cost and resolution results are at Pacesetter results. Additionally, the members who have successfully implemented live chat have advanced even further to virtual chat agents on their self-service portals. These members are reporting case deflections of 40% to 50% by using automated chat as part of their self-service solution. Virtual chat support can be available 24x7 at a lower cost than a live agent. It can help give answers about products, services, FAQs, and how-to questions, all the while looking and feeling like a live agent. Support organizations, in turn, need to capture data from these interactions and turn it into content for the self-service knowledgebase.

## Mobile

According to TechCrunch.com (June 2015), there are 2.6 billion smartphone subscriptions globally. If we add tablets, e-readers, and other mobile devices to this number, we can clearly see our customers are mobile enabled. The products we use to support our customers also need to be mobile enabled. Imagine a customer's frustration at trying to troubleshoot a wireless device using a tablet, but the vendor's self-service portal is not enabled for tablets or mobile devices. Today we build our technology solutions to run on mobile devices, and that means we need to build our support products (self-service) to run on mobile devices as well.



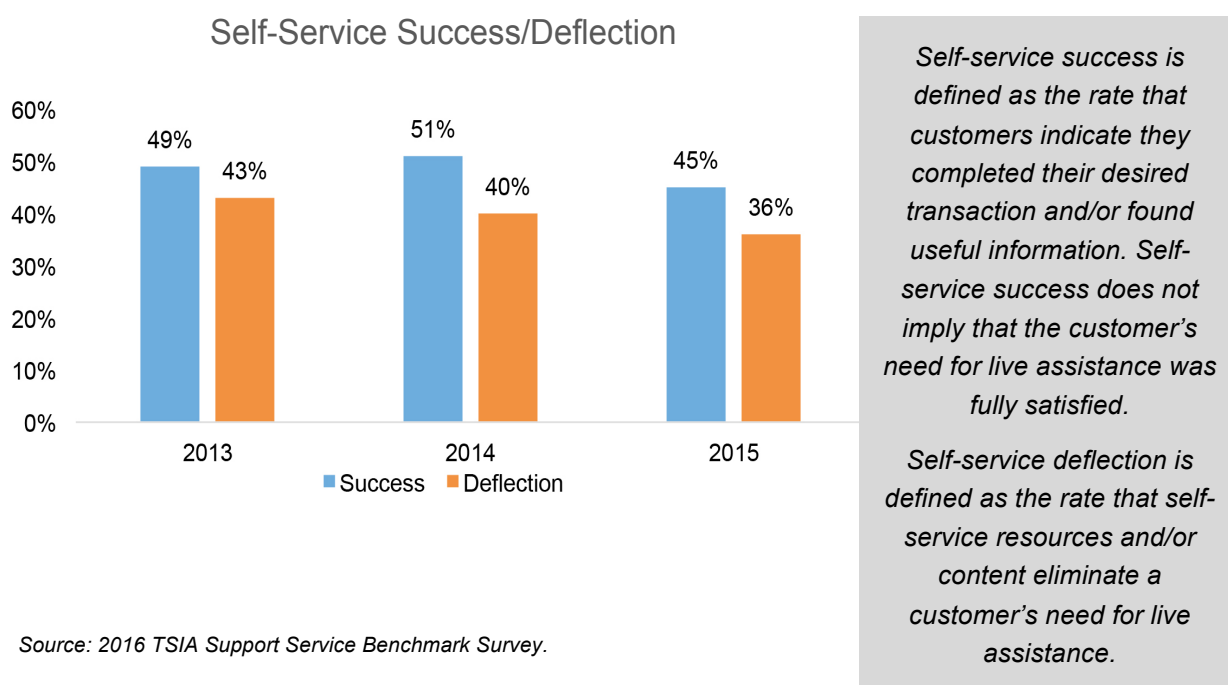
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## Self-Service

One key to providing successful modern-day support service is to have a robust self-service solution. Self-service is clearly a customer preferred engagement method. It is also a vendor-preferred engagement method. The reason for the preference, however, is where the challenge is created. Customers prefer this method because they want low-effort, on-their-schedule resolutions. Vendors prefer this method because it is low-cost, less-live-agent-assistance support. It seems like a win-win, yet next to support cost issues, this is the issue TSIA sees our members continue to struggle with.

Industry best practices have companies measuring metrics such as customer satisfaction with self-service solutions, self-service success rates, and self-service deflection rates.

*Figure 9: Self-Service Success/Deflection*



If we analyze just two of the metrics from the TSIA Support Services Benchmark Survey, we can clearly see the struggle. Analyzing *Figure 9*, there is a downward trend in both self-service success and deflection rates. For the considerable time, effort, and financial investment companies are putting into self-service, companies need and want to see more return for this engagement method.

## Self-Service Satisfaction

TSIA has a number of recommendations for improving self-service—too many for this paper. Let's start with one easy item: A total of 67% of the industry is not conducting self-service surveys to gauge customer satisfaction with self-service solutions. Those that are conducting surveys receive an average 3.5 rating (on a 5-point scale) of all suggested customer satisfaction surveys conducted by



TSIA members. This is the lowest scoring survey. In summary, this means the highest preferred channel by customers is the one they are having the least success with, and the one they are the most dissatisfied with. It is also the one we as an industry want them to use the most and the one we are not asking them about. This is similar to the issue we discussed earlier in this paper: creating processes and programs with an inside-out approach. We need to create the self-service option with more input from the customers who prefer this method.

## **SUPPORT MODERNIZATION STRATEGY**

Sometimes “the more things change, the more things stay the same.” 2016 needs to be the year of “the more things change, the more things change.”

Support services has been operationally focused for a significant period of time. The focus historically has been on internal efficiencies. The metrics and measurements were geared to measure reactive break/fix support and sometimes toward proactive customer enablement. When a support organization took on proactive support it was mostly focused on larger customers.

Today’s technology companies must now become focused on a customer’s successful use of products and services. These companies must have the capability to analyze customer success across the entire customer base, find differentiating practices, and develop service offers that can be replicated across customers. Support services organizations will be key to making this happen for the company and for the customer.

This type of outcome-based support will require monitoring of production adoption and consumption, the ability to identify expansion opportunities within accounts, and the ability to discuss and deliver customer outcomes. Some companies will establish customer success teams and charter them to focus on adoption, retention, or expansion activities. No matter the charter of the customer success team, support’s role in 2016 will need to expand and be more than break/fix.

Support agents today need to be more empowered to go beyond the current ticket they are working. The focus on customer outcomes is driving a new connection to customer experience. Customers expect products to have issues; it’s how we handle them when they have issues that matters the most. Empowering agents to do what’s right is what matters.

## **ATTRITION/EMPLOYEE SATISFACTION**

Support services organizations today are being impacted by voluntary attrition rates that are again in the double digits. Many organizations are not conducting exit interviews on departing support employees. Worse than that, employee satisfaction is not being measured while employees are in-house. Currently only 65% of TSIA Support Services discipline members are tracking employee satisfaction. TSIA recommends tracking support employee satisfaction.



Conversations with members often reveal the number one reasons employees say they are leaving is for lack of automation on the back end. Employees are doing too much work that they know could be automated. The best example is sending two mechanics to diagnose a problem with a newer automobile. One shows up with a wrench and one shows up with a mobile/tablet device. Both may come to the same conclusion. One is just going to work much harder to get there and, more than likely, take a lot longer. It's time to listen and remove barriers on the back end. Look at tools to automate work that can be automated. Use analytics to put information at support's fingertips. These tools no longer cost what they once did. The amount of repeat work in support is still 70% for a number of companies. This alone can be a drain on morale and resources. It's time to lift that weight and really move it off in order to transform into the outcome-focused organization support will need to be.

### **Collaborative Support**

Support organizations have traditionally hesitated to shake things up when it comes to tiers and levels of support. Collaboration/swarming continue to show positive results for members. If your organization hasn't piloted a collaboration model, this could be the year to do it. TSIA has a number of member studies and presentations on this model and the benefits for your organization.

### **TECHNOLOGY ADOPTION STRATEGY**

That brings us to the final strategy area to explore—technology adoption. TSIA has said for a number of years that support services will only be able to scale by embracing an attitude of extreme automation. This is now becoming critical. TSIA believes now, more than ever, that it is time for support services organizations to look at in-house tools and evaluate what is and what isn't relevant to the operations. Entirely new stacks of products have entered the support space. Older products have matured and are now integrated unlike ever before. We now see more end-to-end solutions in the support service space than in years past.

Due to the amount of merger and acquisition activity by so many of the software and hardware companies over the years, many technology support organizations now have back-end support systems that are mixtures of pieces pulled and pushed together from this vendor and that. Many companies have rightsized or downsized IT departments and no longer have dedicated individuals taking care of their systems. This has left critical systems in jeopardy. It is also why so many self-service and knowledge management systems are struggling.<sup>2</sup>

A common theme throughout this report has been analytics. TSIA cannot stress enough that support organizations today will need to rely on analytics to automate their journey to transform—analytics to automate agents' time, workflow, quality review of casework, routing, scheduling, mining for customer sentiment, and the list goes on.



Taking the time now to step back and review what tools are being used throughout the support organization and what tools have entered the landscape in the past few years that other member companies are using will be worth your time.

## ABOUT LOGMEIN RESCUE

LogMeIn Rescue delivers powerful on-demand remote support to users and devices anywhere, anytime, and from more devices than any other remote support solution. Intuitive, innovative, and customizable remote diagnostic tools provide a seamless user experience and enable technicians to tackle both simple and complex issues easily and effectively. Rescue is an enterprise-grade cloud platform, built with the power, security, scalability, and reliability a large professional help desk expects, with 99.99% uptime.

## ADD A NEW TOOL TO THE TOOLBOX

Rescue Lens is a feature of LogMeIn Rescue via which end users can use their smartphone or tablet cameras to stream live video back to the support technician.

Running both Android 4.4+ and iOS 7+, Rescue Lens is included with Rescue v7.6 and above, all your end users have to do is quickly download an app from Google Play or the iOS App Store, enter a pin code to ensure security, and start the camera rolling.

With this new information stream, your support technicians will be able to diagnose and resolve issues, without having to rely on inefficient (and often erroneous and incomplete) verbal and written descriptions of what's going on. Its real-time interactive video gives your technician a clear view of the problem at hand, and the ability to help a customer solve it by leveraging:

- Smart Whiteboarding: Support technicians can annotate on screen, on any device. This annotation stays in place, even if the device is moving.
- Adaptive Video Quality: Streaming remains fluid, regardless of the strength of the Internet connection.
- Auto Focus: Support technicians can easily focus on exactly what needs their help.

And best of all, Rescue Lens is fully integrated into LogMeIn Rescue. Your technicians get another view of a support situation, and the Rescue Lens session is captured along with all of the typical session details, including video recordings when needed. In addition, all of the information can be synced into any integrated ticketing systems.

To learn more or start a free trial, visit [www.LogMeInRescue.com](http://www.LogMeInRescue.com).



## ENDNOTES

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<sup>1</sup> For more information on social media channels used by TSIA members, see “The State of Social Support: 2016,” published January 26, 2016.

<sup>2</sup> For more information on the technology recommended for support services organizations, see “The 2016 Support Services Technology Stack,” published December 15, 2015.



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