


A RESEARCH STUDY:

# Customer Perceptions of the Community Experience





In mid-2020 we detailed our research on customer experience and customer self-support: an overview of customer attitudes towards support and self-support efforts, namely through the use of online communities and knowledge bases.

This year, we wanted to delve further.

We understand that community has been painted as the dream solution for business objectives, and this is something that many community professionals are in agreement on. Community offers brands efficient solutions across the business spectrum: support, success, CX, and marketing objectives can be managed and realized through community.

Separate to that though, what are customers seeking when it comes to CX? What do they consider important when interacting with a brand, and what is the ideal experience they're looking for?

## **Does community align with customer expectations, and further, does meeting these expectations through community change the bottom line of your business-focused objectives?**

We wanted to build on our understanding from our previous research:

Rather than assume that branded communities meet the expectations of the consumer, we wanted to figure out the 'want behind the want'. Do customer expectations around CX align with community offerings?

We surveyed more than 600 consumers to gain an understanding of their perceptions of the community experience.

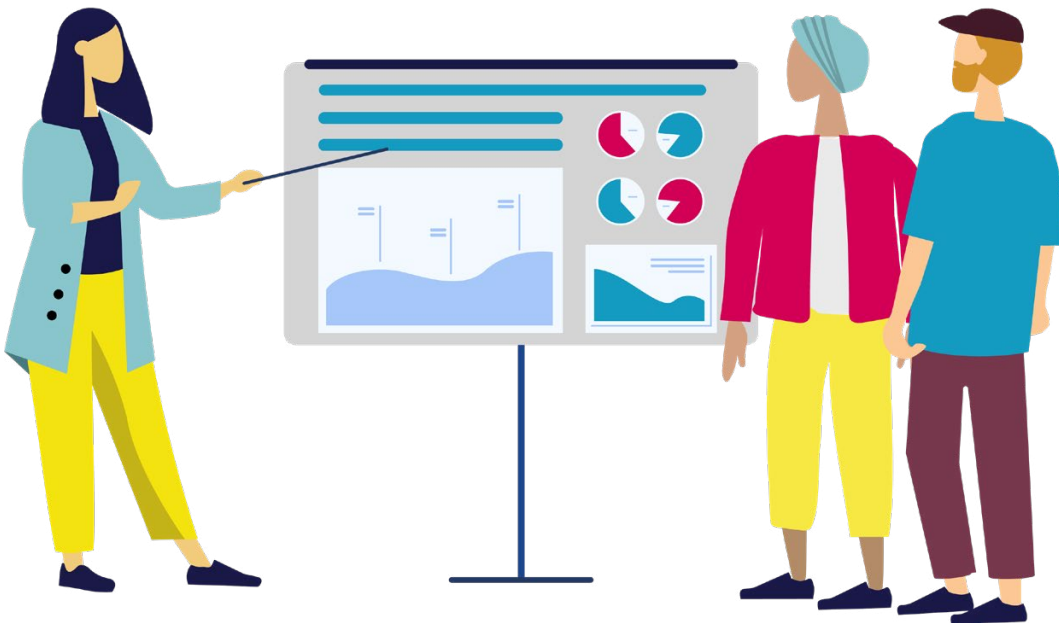
We uncovered what customers expect from CX, and then turned their attention explicitly to community. Our aim? To reveal how community can impact business-focused objectives.

## EXECUTIVE SUMMARY

We interviewed 619 respondents from three major, English-speaking markets, the United States, the UK, and Australia.

The key topics we cover in this report are:

1. What do Customers Expect from CX?
2. Do Customers Perceive Community as a Solution to CX Expectations?
3. How does Community Support other CX Investment Objectives?



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# What do Customers Expect from CX?

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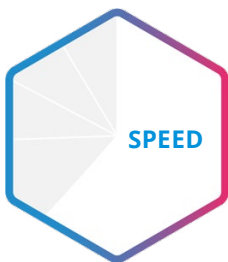
Measuring the Most Important Customer Expectations

PWC recently detailed research in customer expectations when it comes to customer experience and they align pretty directly with ours. There are trends emerging in the CX space that are incredibly important to be aware of. A brand that is not, at the very least, aware of these is going to feel the pinch later on. So, what are the most important trends?

PWC reported that, for US consumers, speed, convenience, knowledgeable help, and friendly service are the most critical elements of positive CX<sup>1</sup>.

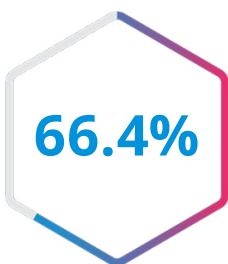
We, however, have gone a little further. The idea that consumers only reside in the US is depreciating the huge scope of consumerism. We have ensured that our research crosses geographical boundaries and have included respondents from the US, the UK, and Australia.

Across these major, English-speaking speaking countries there are CX trends that are common and should absolutely be taken into consideration for your CX strategy.



**The most important factors (in order of importance) are:**


1. Speed
2. Convenience
3. A Person to Speak to
4. Self-Support
5. Appreciation
6. The Feel-Good Factor



### **SPEED**

**66.4% of respondents feel that speed is the most important aspect of CX.**

No surprises here, right? In today's world, a fast response can be the deciding factor in how great or how disappointing your customer experience is proving to be. If you're too slow, you lose customers.



Most customers (**90%**) expect a response in **10 minutes or less**<sup>2</sup>. But, how are you going to scale your support team to meet this expectation? Can you even afford this? The average response time is 12 hours and 10 minutes, but more than half of all customers are going to leave and find another service or product provider if you are not fast enough to offer them an answer or solution<sup>3</sup>.



## CONVENIENCE

**56% of respondents expect assistance whenever and wherever they need it.**

Today, *everything* is available on-demand. Customers believe, strongly, that the information they require to make a purchase should be readily available. Brands need to evolve along with technology: you can press a couple of buttons on your phone, have food waiting at your door, order a car to pick you up and pay for it all without taking your credit card out of your wallet.

Website, mobile application or website, community, social media, - there should be multiple channels available to meet the customer expectation of accessibility. Specifically, mobile access to these channels.

Mobile usage has been trending upwards for several years now; adults spend an average of 4 hours on their mobile device *every day*<sup>4</sup>. Further than that, more than half of mobile users will abandon the page if it takes more than just 3 seconds to load<sup>5</sup>. Bear in mind that just short of **95% of respondents to this survey used a mobile device.**

**In an age where convenience applies to every aspect of our being, customer experience expectations are no different.**

Customers no longer want to come to you - they expect information to be easily available and easily digestible. In other words, they not only want, but *expect* convenience from a brand.



62%

## A PERSON TO SPEAK TO

**62% of people expect that, when they have a question, they will have access to someone to speak with.**

The takeaway point here is *IF* they need it. Self-support options (see below) are almost as important as live chat options, but they can be arduous to a customer who wants to discuss something more convoluted than the next person.

Customers want options in their customer experience. Contact centers in which support staff are available via phone, email, or web chat options are crucial to a great customer experience. There should be options for customers to confer about more complex issues with live people.

Live chat allows customers to engage with your brand on their own terms. They can be direct with you, and they no longer have to wade through a river of less complex information to find a solution to their own problem.



49%

## SELF-SUPPORT

**49% of surveyed customers felt that being able to find information without the help of a representative was important.**

Tacking on from the expectation of live chat options, self-support is a critical factor when it comes to great customer experience.

Similarly, Nuance<sup>6</sup> and American Express<sup>7</sup> both found that 59-60% of customers feel that self-serve options improve their customer experience.

Self-support ties in directly with speed and convenience; being able to find your own answers or solutions can save you time and effort making your experience faster and easier.



45%

## GRATITUDE FROM A BRAND

According to our survey, 45% of customers expect gratitude from a brand.

There are layers to why appreciation from a brand is important. First, almost half of all customers expect it, and second, because happy customers bring more lifetime value to your business.

There is a staggering difference between happy and unhappy customers and the impact they can have on your business. On average, 72% of customers will share a positive experience with 6 or more people. An unhappy customer? They will share their experience with 15 or even more<sup>8</sup>.

Aside from that, unhappy customers are not going to become repeat customers. One bad experience with a brand means that 33% of customers will no longer shop with them.

**Two or three negative experiences with a brand will cause 92% of customers to completely abandon it<sup>9</sup>.**

The obvious choice here is to ensure your customers feel appreciated by your company.

## Feel Good Factor



39%

Generally speaking, customer experience might be associated with the “feel good factor,” i.e. being recognized for loyalty to a brand, or feeling that a brand understands a customer’s history with products etc, and though these things are most definitely important, they do not stand up against the more tangible expectations.



26%

You probably design your CX thinking that people want a loyalty program or a record of their transactions with a brand. Yet, only 39% of survey respondents consider appreciation to be important to their CX experience, and even less than that, 26% expect knowledge of their history with a brand.

If you are concentrating on serving these less-in-demand expectations you are serving a very small minority.



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# Do Customers Perceive Community as a Solution to CX Expectations?

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Community Offers Expedient Solutions to Customer Expectations



Customer experience expectations are pretty clear. Modern day customers want support, service, and recognition speedily and conveniently.

But, how do these customers' perceptions of community relate to their CX needs? Of our 619 survey respondents:

- 75% have used community
- Of those who haven't, 55% want the option to use community
- 64% have used a knowledge base
- Of those who haven't, 61% want the option to use a knowledge base
- 69% would rather use a dedicated community than interact with a brand in Facebook groups

Unfortunately, there are common obstructions or pain points that impede customer support executives from meeting CX expectations.

- Slow response time
- No dedicated space for documentation
- Inefficient scaling capabilities
- Excess tickets

Our survey findings, without exception, conclude that each of the most valued aspects of a good customer experience is nurtured through community as a solution.

Some of our own customer case studies demonstrate community in action as a response to customer experience expectations; they illustrate perfectly how leveraging community to ensure your CX is meeting your customers' expectations is a no brainer.





79%

## SPEED

**79% of survey respondents agree that Community offers a fast solution to their support needs.**

If you have issues with slow response time, your customers are most likely pretty unhappy. Currently, the average response time for support tickets is about 12 hours<sup>10</sup> (🙄). How can you possibly scale your efforts to meet the expectation of 10 minutes or less?

With a community, customers can find information, FAQs, product information, and use cases from other members of the community as well as moderators, in mere minutes. Offering your customers a one-stop-shop to ask and answer questions not only reduces the load on your support team, but it opens up more time to respond to the questions that cannot be answered within the community.

Before this SSA Solution Provider used community, it was taking several days to respond to comments within its community. [With community they saw huge improvement](#) in most metrics: on implementation, it saw average response time reduce to less than 9 minutes: 8 minutes and 21 seconds to be exact.



81%

## CONVENIENCE

**81% agree that online community allows them to get help with customer support issues when and where they need it.**

**Buyers engage with companies on 13 different channels, most of which are disconnected<sup>11</sup>. This does not spell convenient.**

The customer journey no longer starts with your brand. Customers want convenience and that means being able to start their journey for answers on their chosen browser. Google is the preferred channel for 73% of US adults<sup>12</sup>. So how do you compete with the millions of search results and ensure that you drive your own customer support?

Community is a proven SEO strategy that not only offers you the chance to provide a space for your customers to discuss your



brand, but where you can take charge of the conversation.

Creating a dedicated knowledge base and customer space is crucial for SEO, and improving your SEO and pushing your community to the top position of SERPs is how you can meet your customers.

Within 6 months of the launch of their community, [TSIA had 130,000 page views](#). After the Pandemic hit, TSIA was struggling to offer convenience to their members: “We have some of the largest companies in the world . . . that are using [the community]--they’re asking questions, getting answers, then telling their leadership team that they’re getting answers they need. It’s really helping to support the type of Q&A guidance that we were looking to provide to our members.”

## A PERSON TO SPEAK TO

**84% agree that online community provides them with answers from real people when they need them.**

Conversations with actual people are enormously important to the customer experience. This does not necessarily need to be phone chat or chat bot; it can be real conversations with community members or moderators as well as email or SMS options.

**Customers want to feel as though they are engaging with your brand, not just consuming the information *you* want to feed them.**

A great way to scale your support capabilities is by identifying and leveraging brand ambassadors or advocates through your community; you can expand your support team through non-employees. Introducing features such as gamification can reinforce positive behaviors and interactions between community members and incentivize customers to help each other. It not only leads to more engagement within your community but benefits your brand in the long run.

King turned to community in 2018 with the hope of boosting engagement and retention and creating a peer-to-peer community. [King’s superuser program was a huge success](#); they not only saw a 145% increase in posts but also a 100% increase in super user contributions.



85%

## SELF-SUPPORT

85% agree that online community helps them find the information they need without having to speak to a customer service representative.

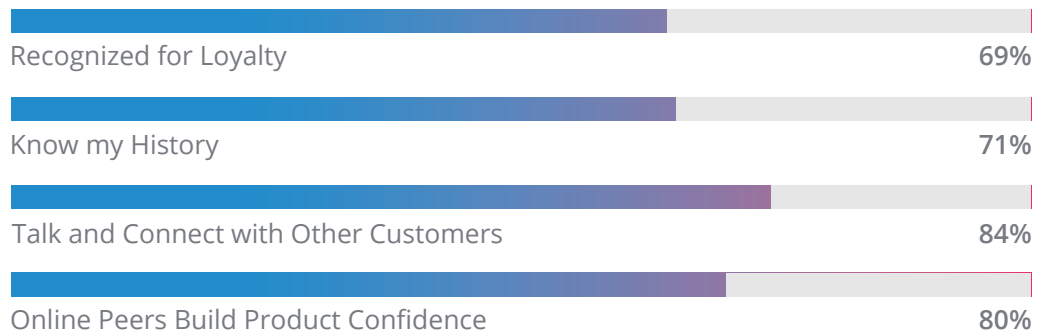
So yes, we just spoke about the importance of live chat options for customers, but more customers feel that self-service options are paramount to their customer experience. In fact, 84% of people want to self-serve and further, 79% expect the option<sup>13</sup>.

As a business, live customer service channels (phone, live chat, and email) cost an average of \$8 per contact. Self-service channels? Only \$0.10 per contact<sup>14</sup>.

Cost-wise, customer expectation-wise, and actually, time-wise, self-support is a gift from the customer support gods: it allows you to repurpose your resources. It may take some time to populate your community with enough information and content that customers can get a comprehensive customer experience but once you do, the money you've saved can be used to improve on other aspects of your support objectives.

Before using a community, Ciseron was receiving hundreds of the same support questions, and answering them one-by-one wasn't sustainable in the long-term. The self-service option offered to their customers led to a 90% ticket deflection. Now, [Ciseron says "our community is able to maintain itself"](#).

## FEEL GOOD FACTOR



Despite the fact that expectations for recognition and knowledge history are on the smaller scale, most respondents to our survey felt that these expectations were served by community anyway.

So while you don't necessarily want to design your CX around these minority-serving expectations, if you can address them simultaneously, it's a no-brainer.




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# How does Community Support other CX Investment Objectives?

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Community Creates Tangible Benefits for Businesses' Bottom Lines



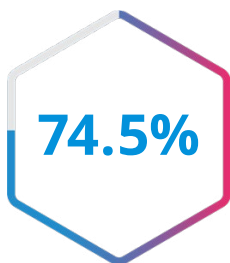
While it's clear that community palpably supports CX expectations, are there tangible benefits in relation to your business objectives? Well, the short answer is absolutely yes.

**In the US alone, \$1.6T is lost every year due to poor customer service experiences<sup>15</sup>.**

On that strand: more than  $\frac{3}{4}$  of customers point to experience, ahead of price and quality, as a factor in their purchasing decisions<sup>16</sup>. A great CX directly ascribes to increased revenue. And we've already established that community contributes directly to customer expectations around good CX.

Community can add value to your brand beyond revenue: customer appreciation, trust, confidence, and loyalty. These factors can directly equate to retention, expansion, and growth.

## **APPRECIATION = RETENTION**



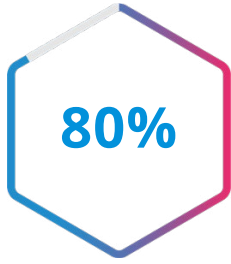
**74.5% of survey respondents agree that access to an online community of customers makes them feel more valued as a customer.**

Creating and maintaining relationships with your customers is crucial to your brand's success. Customers want to feel that the brands they interact with *care* that they are interacting. Along with that, 88.5% of survey takers appreciate companies that provide a shared space for customers to provide feedback and share experiences.

Community can facilitate interaction between your brand and your customers, and you can show them you value their contributions, their customership, and their usership of your platform. How? You can introduce badges, super user programs, and identify and reward the members of your community that contribute the most.

Creating a feeling of appreciation through community will directly increase retention and reduce churn rates - customers who feel valued will come back. Increased customer loyalty can be attributed to reduced churn rates, and reduced churn leads directly to increased revenue. Increasing your customer retention rates by just 5% results in profits anywhere from 25%–95%<sup>17</sup>.





## CONFIDENCE & TRUST = EXPANSION

**80% of survey respondents feel that online community makes them feel more confident trusting a brand with their business.**

Customers who have trust and confidence in your brand are more likely to spend with you, to spread the word about you, and to use more of your products or updates. 75% of people trust user-generated comments in a community more than product reviews on Amazon, Yelp, or other third-party sites.

Showing your community members that you are not only listening to feedback but incorporating it in your business plans or product updates is possible with ideation features. You can directly converse with your users and take their ideas on board. Using these ideas ensures that the customers who contributed are absolutely going to use them hence increasing your expansion abilities.

Not just listening, but understanding and embracing your customers' ideas, thoughts, and feedback on your products can help you grow as a company and further, grow your customers' confidence in you as a brand.



69%

## LOYALTY = GROWTH

69% of respondents said that online community around a product makes them feel more loyal to a brand.

The number one objective of a brand is growth. If loyalty contributes to growth then understanding how to achieve customer loyalty is incredibly important to your business objectives.

We're not talking loyalty reward programs: these do not offer the same sense of brand affinity as community can. Customers are not looking for monetary bonuses, they want to feel seen and heard by you.

More than  $\frac{2}{3}$  of our survey respondents claim that online community breeds brand loyalty. When customers are offered a space that acknowledges and responds to their ideas, problems, and general conclusions it is a fail-safe way to get them to return.

It's not only cheaper to retain existing customers than acquiring new customers, but existing customers are a greater source of revenue. Compared to new customers, existing customers are 50% more likely to try new products and spend 31% more<sup>18</sup>. Ensuring your customers feel loyal to you means they will stick around, continuously growing and spending with you.



## CONCLUSION

With ever-changing customer behaviors and expectations, brands need to understand the experiences customers value the most, and how these can impact their business outcomes.

Customers resoundingly view community as a solution to their CX expectations; each aspect that is highly valued can be resolved through community as a solution.

A great customer experience means a fast, convenient, accessible experience and modern-day customers will not settle for less. They demand better service, better support, and genuine interactions from the brands they shop with; all of these things can be achieved through community.

So now, you have an overwhelming knowledge of what your customers expect from you. How do you plan on achieving it?

Meeting each of these expectations as a separate function will be time, money and resource consuming. Killing all of these birds with one stone on the other hand, is a possibility with community as your solution.

Brands that focus on their customer experience expectations can be guaranteed a return that goes above and beyond the investment. Even though customer experience may sound like one small aspect to the overall business objective, failing to address customer expectations could be risking your brand's success as a whole.





## ENDNOTES AND RESOURCES

- <sup>i</sup> <https://www.pwc.com/us/en/services/consulting/library/consumer-intelligence-series/future-of-customer-experience.html>
- <sup>ii</sup> [https://go.forrester.com/blogs/16-03-03-your\\_customers\\_dont\\_want\\_to\\_call\\_you\\_for\\_support/](https://go.forrester.com/blogs/16-03-03-your_customers_dont_want_to_call_you_for_support/)
- <sup>iii</sup> [https://go.forrester.com/blogs/16-03-03-your\\_customers\\_dont\\_want\\_to\\_call\\_you\\_for\\_support/](https://go.forrester.com/blogs/16-03-03-your_customers_dont_want_to_call_you_for_support/)
- <sup>iv</sup> <https://www.bondcap.com/report/itr19/#view/title>
- <sup>v</sup> <https://www.fullstory.com/blog/trends-digital-customer-experience>
- <sup>vi</sup> [https://www.nuance.com/content/dam/nuance/en\\_au/collateral/enterprise/white-paper/wp-millennialization-of-customer-service-en-us.pdf](https://www.nuance.com/content/dam/nuance/en_au/collateral/enterprise/white-paper/wp-millennialization-of-customer-service-en-us.pdf)
- <sup>vii</sup> <https://about.americanexpress.com/all-news/news-details/2017/WellActually-Americans-Say-Customer-Service-is-Better-Than-Ever/default.aspx>
- <sup>viii</sup> <https://www.superoffice.com/blog/customer-experience-statistics/>
- <sup>ix</sup> <https://www.superoffice.com/blog/customer-experience-statistics/>
- <sup>x</sup> <https://www.superoffice.com/blog/response-times/>
- <sup>xi</sup> <https://blog.hubspot.com/sales/live-chat-go-to-market-flaw>
- <sup>xii</sup> TSIA 2021 Channel Preference Study
- <sup>xiii</sup> <https://pages.vanillaforums.com/research-study-customer-experience-self-support>
- <sup>xiv</sup> <https://www.gartner.com/en/newsroom/press-releases/2019-09-25-gartner-says-only-9--of-customers-report-solving-thei>
- <sup>xv</sup> <https://newsroom.accenture.com/news/us-companies-losing-customers-as-consumers-demand-more-human-interaction-accenture-strategy-study-finds.htm>
- <sup>xvii</sup> <https://www.clickz.com/cx-is-as-important-as-product-or-price-says-new-report/260845/>
- <sup>xvii</sup> <https://hbswk.hbs.edu/archive/the-economics-of-e-loyalty>
- <sup>xviii</sup> <https://www.invespcro.com/blog/customer-acquisition-retention/>