

SA consumers want to deal with people, not machines

Putting customers first and at the heart of every business was one of the issues discussed at the 60th Global Summit of the Consumer Goods Forum, which took place in Cape Town recently. Customers' expectations and demands are rapidly changing and studies such as the Global Consumer Pulse Research, conducted by Accenture Strategy, have revealed that companies are losing customers as they demand more human interface.



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According to the Global Consumer Pulse Research, 76% of South African consumers prefer dealing with human beings over digital channels to solve customer services issues. The report also found that 79% of consumers have switched service providers in the past year due to poor customer service, retailers, banks, wireless and cellphone companies being the worst offenders. Locally, the estimated cost of customers switching due to poor service is R625 billion.

Global Consumer Pulse Research is an annual study, currently in its 11th year, which gauges the experiences, attitudes and behaviours of 24,489 consumers globally about marketing, sales and customer services practices; 351 South African consumers were included in the sample.

Driving consumers away

“Organisations are over-relying on digital technologies and channels to deliver customer services. This has given rise to 'human-less' customer services, which is driving consumers away,” said Joost de Haas, MD of Accenture Strategy, South Africa.

“Human interaction is a vital component of customer services, even in the digital age. Companies have lost sight of the importance of human interaction in customer services, and make it too difficult for consumers to get the right level of help, support and service that they need,” said De Haas.

Seventy-six percent of South African consumers prefer dealing with human beings over digital channels to solve customer services issues and get advice (77%). Another 56% of consumers say they are even willing to pay a higher price for goods and services if it ensures a better level of service.

Physical or in-store experiences are also highly valued amongst consumers: 66% agree that in-store service is the best channel for getting a tailored experience, and 55% say they are more willing to be sold new or upgraded products when receiving a face-to-face service compared to online. Another 47% say they would rather go to a store first than use digital channels to get advice on the best products and services.

Tipping point

“South African companies have reached a tipping point in their customers' digital intensity and need to re-balance their digital and traditional customer services investments if they want to improve loyalty, differentiate themselves and drive growth,” said De Haas.

“Companies abandon the human connection at their own risk and are facing the need to rebuild it to deliver the varied and tailored outcomes that customers demand.”

The report reveals that there is huge room for improvement in the delivery of today's customer services. Eighty-one percent of consumers admit that it is frustrating dealing with a company that does not make it easy to do business with them. Another 74% expect customer service to be easier and more convenient, and 79% want it to be faster. Complaining on social media about poor customer experience is the norm for nearly half (48%) of consumers who admit taking to social channels in order to vent.

Once a provider loses a customer, 64% of consumers will not go back. But there are measures companies can take to hold on to them. Eighty-nine percent of ‘switchers’ feel the company could have done something to retain them. Seventy-nine percent report that if companies could provide customers with better live or in-person customer service, it would have affected their decision to switch provider.

Organisations that want to re-balance their digital and traditional customer service channels should look to:

- Put the human and physical elements back into customer services: Rethink your investment strategy. The focus should be on delivering satisfying customer experiences – not methods of interaction. Ensure your channel management approach delivers integrated experiences;
- Make it easy for customers to switch channels to get the experiences they want: Build customer service channels that enable consumers to move fluidly from digital to human interaction to get the outcomes they desire;
- Root out toxicity: Define and address the most toxic customer experiences across all channels. These experiences can directly affect profitability. Identify the experiences that have the greatest potential downside and leverage those insights to guide an investment strategy; and
- Guarantee personal data security: Ninety-three percent of consumers say it is extremely important that companies protect the privacy of their personal information. By not selling or sharing customer data with other companies, and guaranteeing that safeguards are in place to protect it, consumers will be more willing to hand over personal information which can be leveraged to deliver better experiences.

Go to www.accenture.com/GlobalConsumerPulseResearch to read the full report. Join the conversation at [#GCPR](https://twitter.com/GCPR).

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