



HubSpot

The State of Customer Service in 2019

Research Report



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Introductory Remarks

Welcome to HubSpot's State of Customer Service in 2019 research report. This report represents an effort to help us better understand the service industry but also uncover trends, analyze results, and share the findings with the greater business community.

We plan to produce this report every year, and we want to hear what you find interesting and want to see more of. If you'd like to let us know what you think, feel free to fill out the survey in the email you received upon downloading this report.

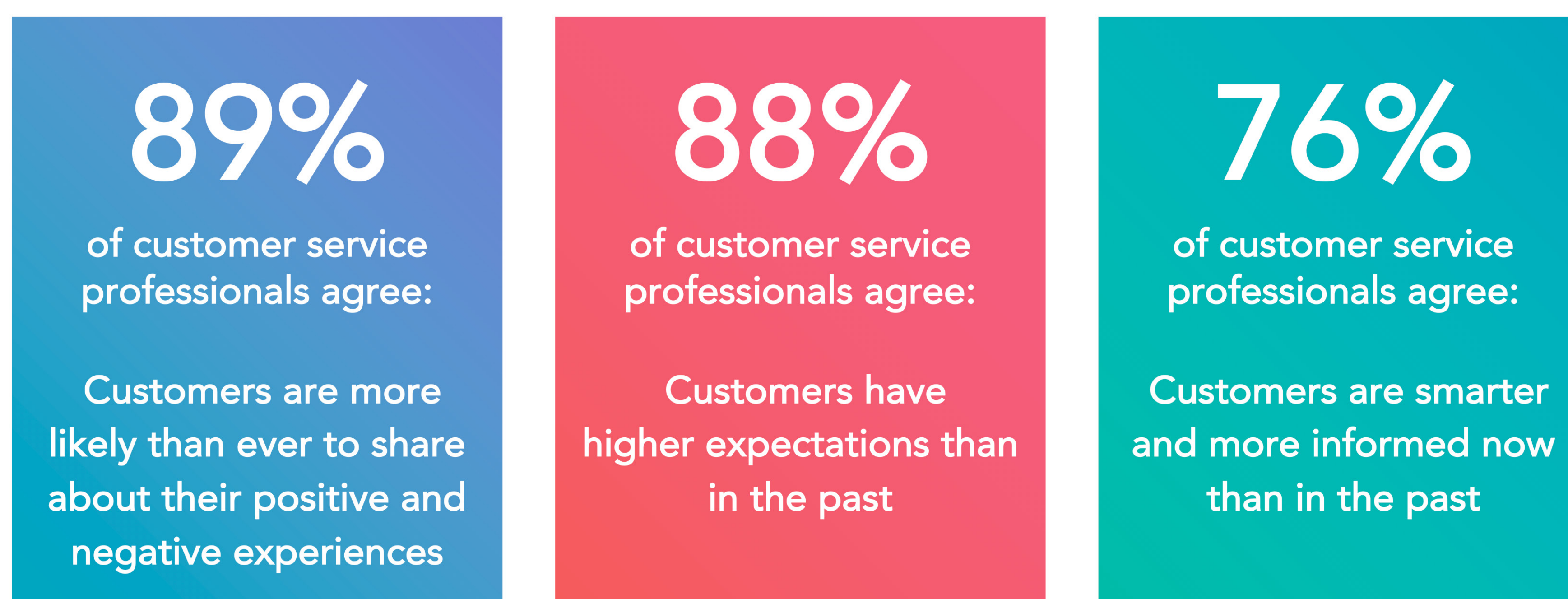
To conduct the report, we connected with people who currently work in the customer service space. Our in-house market research team surveyed over 1,000 customer service agents and leaders in the U.S., the U.K., Canada, and Australia. We asked these folks about the software and tools they use, how their customers have changed, what their teams look like, and much more.



Our findings are wide-ranging, but a few themes jumped out. For instance, we know that businesses who put the customer first win, and we know it's popular today for B2B marketers to use "customer first" messaging. But we were shocked to discover how many companies don't take any action to live up to this motto (only 58% of companies ask customers for feedback). It's hard to put the customer first if you aren't listening to them.

The results also clearly articulated trends we've seen in our own customer base. Overwhelmingly, respondents agreed that their customers are smarter, have higher expectations, and are way more likely to share their experiences, good or bad. Still, most companies aren't equipped to connect with and listen to their customers. They simply haven't adapted to this new, empowered consumer.

Customer service professionals agree: customers have changed. They are more likely to share about their experiences, have higher expectations, and are more informed than ever in the buying process.



At HubSpot, we believe strongly that companies with a customer-first mindset won't just grow bigger, they'll grow better. A sale doesn't mark the end of your customer's journey, but the start of a new relationship between a real person and your brand, team, and product or service. When your customers inevitably reach out to you with a question or concern about your service or product, their service experience will define that relationship. And the companies that deliver an exceptional customer experience will win.

We hope this report can help you learn about the modern customer, identify gaps in your tech stack and team, and adapt and grow for a better future. We encourage you to use this research in your own content and would love to hear your questions and feedback.

Thanks for reading,

Michael Redbord

GM of Service Hub, HubSpot

Chapter 1

**How do customer
service teams
relate to other
departments?**

How do customer service teams relate to other departments?

While most people recognize the importance of marketing and sales to a company's success, many forget the huge impact that customer success teams have on growth. Marketing, sales, and service departments often have different business goals in mind, so we asked survey respondents to indicate which departments their customer service teams reported into.

While customer support generally focuses on immediate, reactive customer questions and issues, customer success is usually focused on working proactively with customers to hear their feedback and help them get more value from the product or service. Together, customer support and customer success teams comprise a customer service department, serving both short-term and long-term needs.

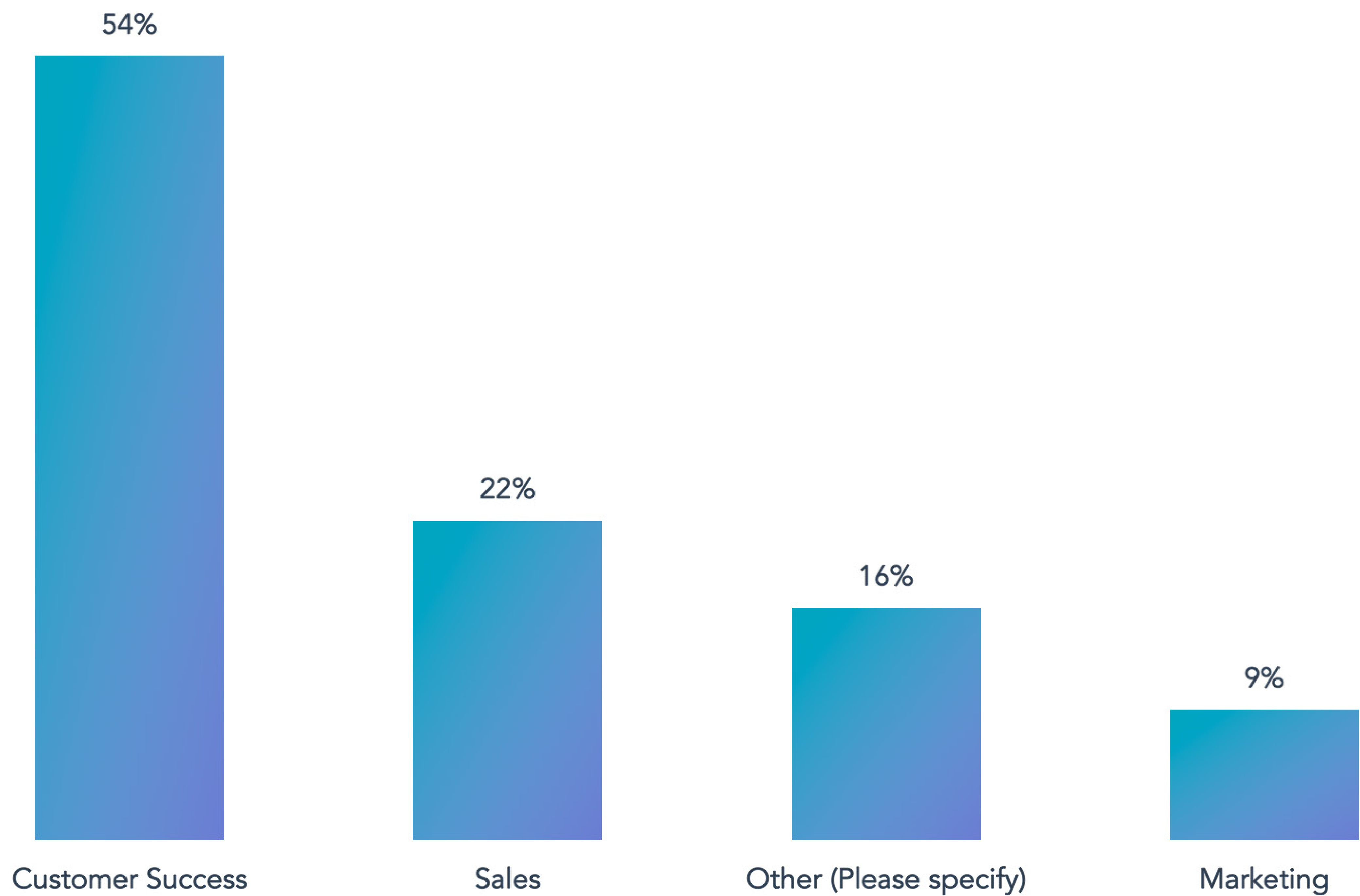
Only 54% of customer service organizations report into a customer success department.



Given the ties between one-off and ongoing support, we were curious to see how many service teams reported into a customer success department.

We were surprised to find that only 54% of customer service organizations reported into a customer success department.

Which department does your customer service organization report into?

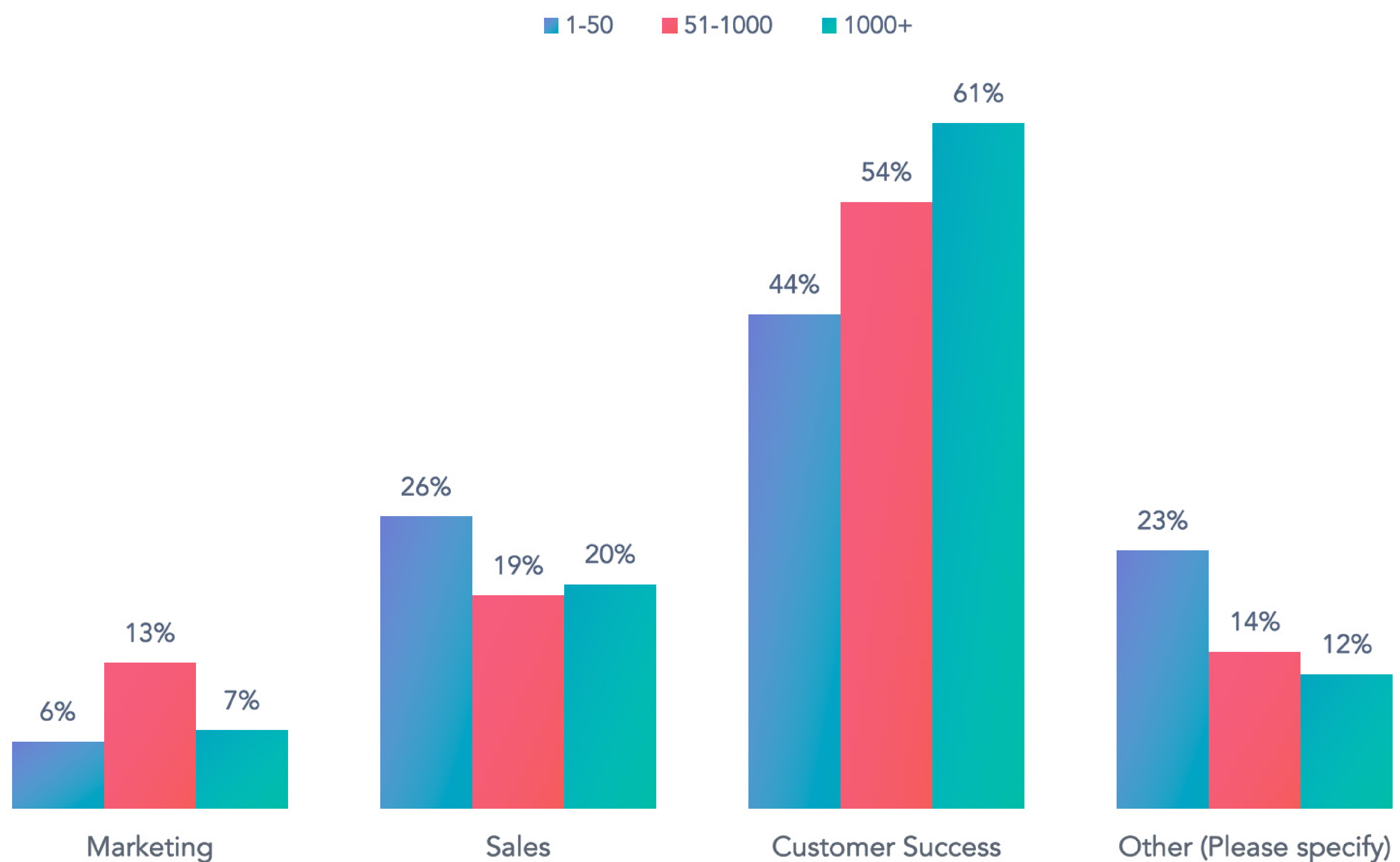


54% of customer service teams report into customer success. 22% report into sales, 16% report into other departments, and 9% report into marketing.

When we analyzed these results by company size, we saw that a higher percentage of support teams reported into customer success organizations at enterprise-sized companies (61%) as compared with medium-sized businesses (54%) and small businesses (44%).

We defined small businesses as having 1-50 employees, medium-sized businesses as having 51-1000 employees, and enterprise-sized businesses as having over 1,000 employees.

Which department does your customer service organization report into?



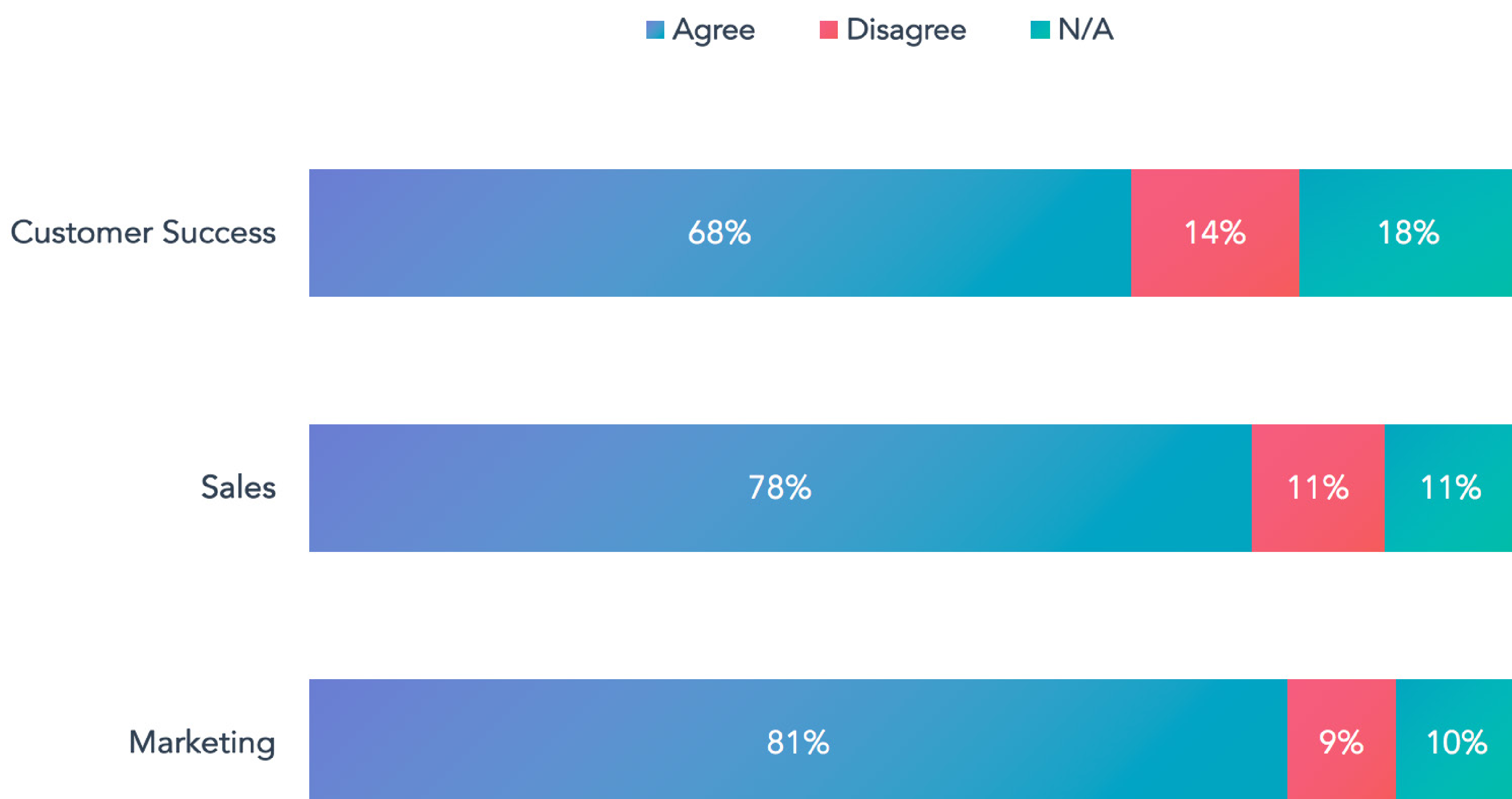
When we broke down responses by company size, we found that enterprise companies (1000+ employees) were more likely to have their customer service organization report into a customer success department than SMBs.

The larger the company, the more likely customer support teams were to report into a larger customer success department. The support teams at small and medium-sized businesses (SMBs) often reported into sales, marketing, and “other” departments. 22% of support teams reported into sales, and 9% of support teams reported into marketing.

How does organizational structure impact employees' perceptions of customers?

Since a department's business priorities can substantially impact the goals of the teams beneath it, it's important to consider where customer support teams fit in the larger organization. Our survey found that the department into which service teams reported was related to representatives' perceptions of customers.

Do you agree or disagree with the following statement? “Review sites, social media posts, or word-of-mouth drives leads for my business.”



Responses are broken down by the departments into which each customer service team reports. Customer service professionals who report into a marketing department agree at the highest rate that review sites, social media, and/or word-of-mouth drive leads for their business.



For instance, 81% of customer service professionals who reported into a marketing department agreed that review sites, social media posts, and/or word-of-mouth drove leads for their business. As compared with their counterparts who reported into sales and customer success (78% and 68% agreed, respectively), customer service professionals within marketing departments more readily agree on the impact of the social proof that those channels provide.

What does social proof have to do with customer service? **Customers are more likely than ever before to share about their customer support experiences.** It's important for customer service professionals to recognize the downstream impact that a remarkably positive or negative customer interaction can have.

Customer service is key to retaining and delighting your customer base. Exceptional customer service allows companies to resolve customer issues, increase cross-sell and up-sell opportunities, and nurture a loyal customer base. **Loyal customers refer new customers, serve as case studies and testimonials, and write positive public-facing reviews. They're essential to your company's word-of-mouth marketing.**

Chapter 2

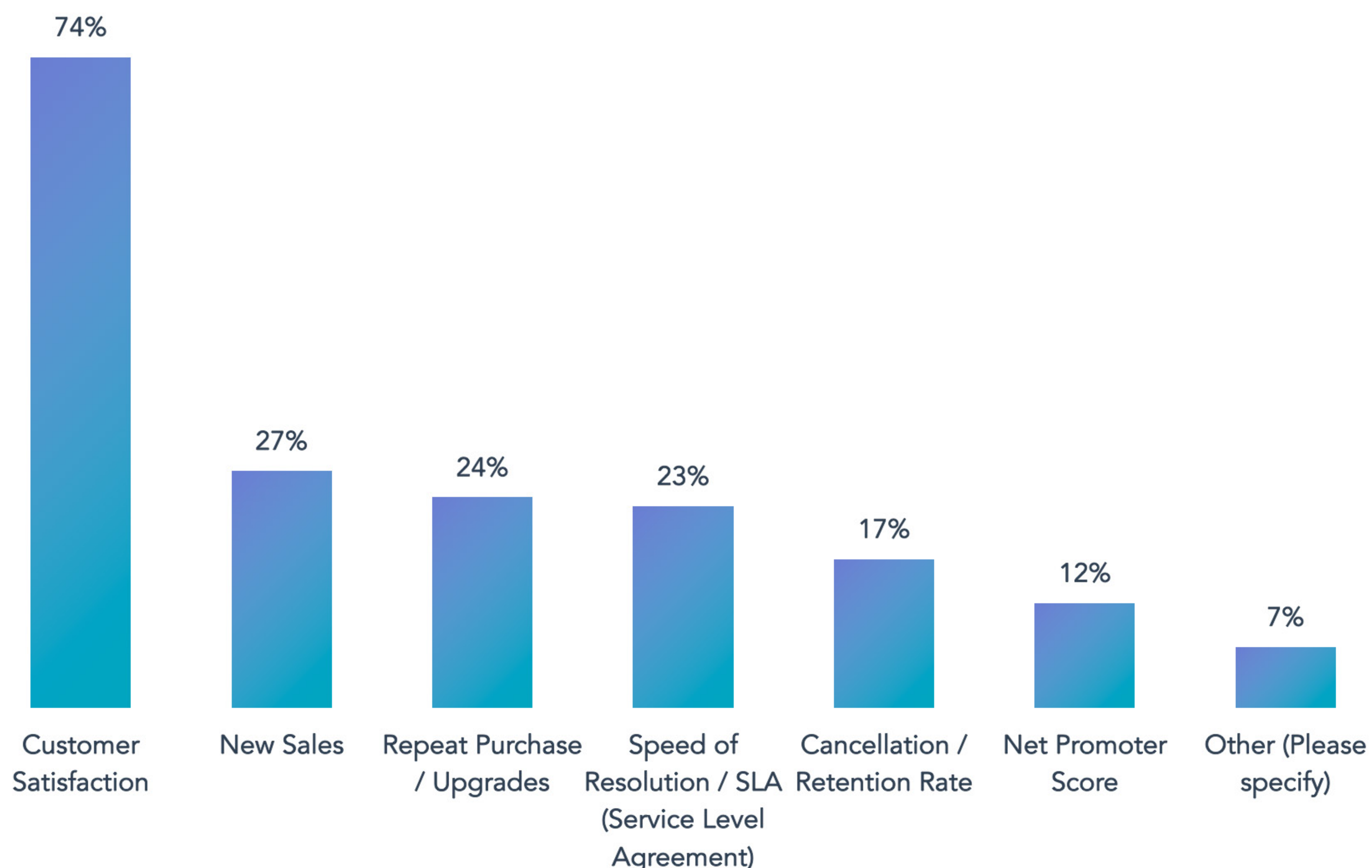
How do customer service teams measure success?

How do customer service teams measure success?

To ensure representatives are delivering a high-quality customer experience, it's important to evaluate customer service teams on a specific set of metrics. The most revealing and important metrics will accurately reveal the quality of a customer's journey with your brand or company.

Since customer service teams focus on improving customer experiences, it was no surprise that **customer satisfaction** was the leading metric by which customer service teams were evaluated. 74% of customer service teams were measured by customer satisfaction, with little variation across companies of different sizes.

On which metric(s) is your team measured?



74% of customer service teams are evaluated on customer satisfaction.

Employees of companies of all sizes agreed that customer satisfaction was a top priority for customer service teams, so we were surprised to hear that only 58% of companies surveyed customers to get feedback.

Which of the following statements applies to your business? (Select all that apply.)



58% of companies survey customers to get feedback. However, only 17% of companies formalize the process of collecting feedback with NPS surveys.

Without surveying regularly or utilizing hard metrics like NPS, it's difficult to track customer satisfaction. Anecdotal, one-off feedback provides a poor foundation for understanding customer experience across the board. Companies that don't have systems in place to collect reliable data run the risk of making poor business decisions that compromise the customer experience.



**Shep Hyken,
Customer Service &
Experience Expert**

It's not enough to simply say you're customer-focused – you have to put that into practice in every aspect of your business. Start by listening to your customers.

How can you be truly customer-focused if you don't ask for feedback? It doesn't have to be difficult or drawn out. Sometimes just a single question (such as a basic NPS scale) is enough to understand the customer journey and whether or not you need to make changes.

If companies are not seeking feedback from their customers, the data begs this question: How can companies know how satisfied their customers are without soliciting their feedback?

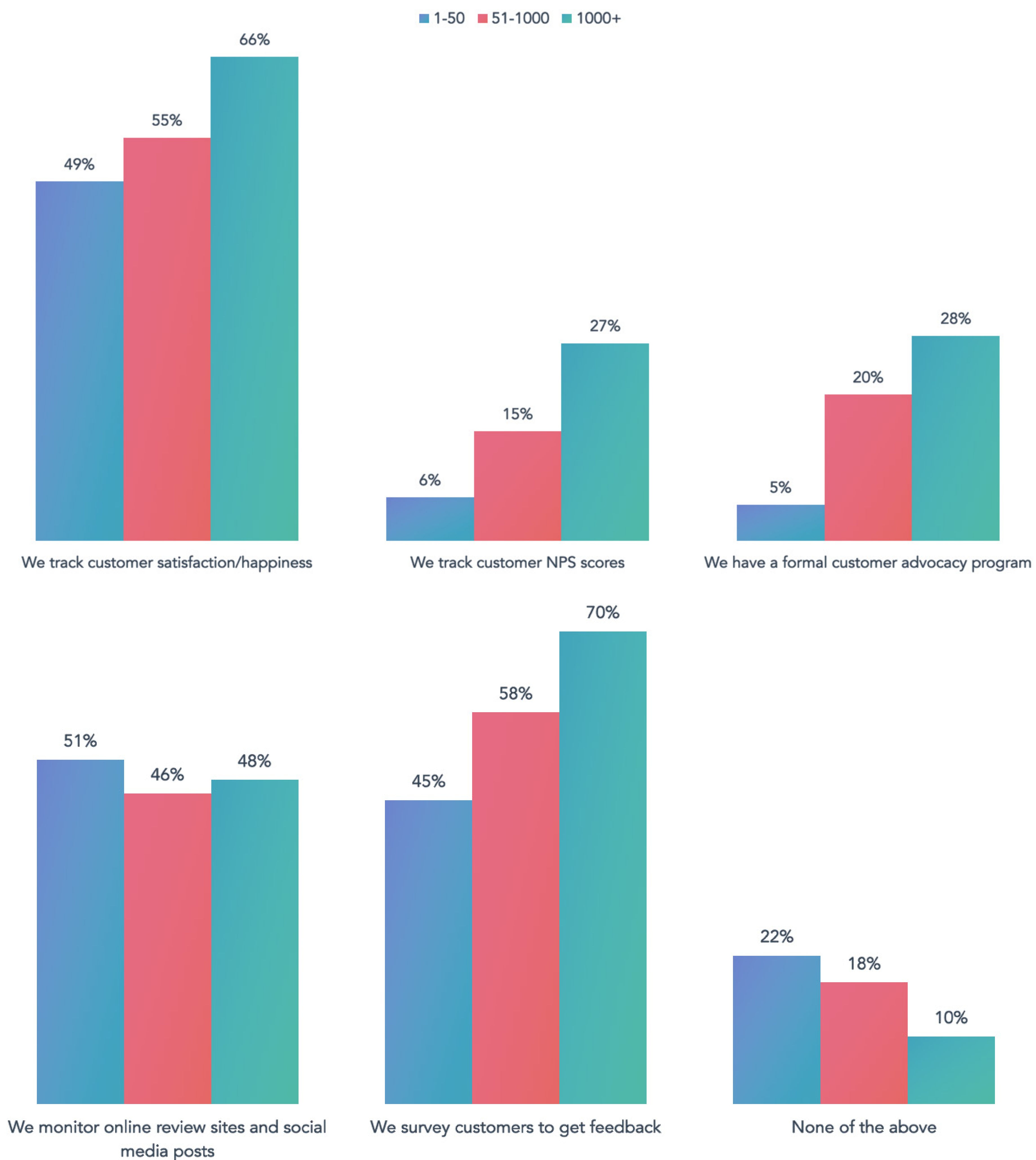
Net Promoter Score® (NPS) measures how likely customers are to recommend your brand to a friend. It measures **customer loyalty** and overall brand perception as opposed to opinions on single interactions.

Our survey found that only 17% of companies use NPS®. For the remaining 83% of companies, there's a significant opportunity to institute a more formalized means of measuring customer satisfaction.

How can companies know how satisfied their customers are without soliciting their feedback?

We looked at attitudes toward customer feedback in companies of different sizes as well. We found that enterprise companies track customer NPS, have [customer advocacy programs](#), and collect feedback via surveys at higher rates than SMBs. And while these systems and processes are more common at enterprise-level companies, SMBs can benefit from the customer insights that come out of these types of programs, too.

Which of the following statements applies to your business? (Select all that apply.)



Enterprise companies track customer NPS, have customer advocacy programs, and collect feedback via surveys at higher rates than SMBs.

At HubSpot, customer service and success belong to the same department to ensure that our company is truly set up to [put the customer first](#). Our customer success team helps customers grow by delivering ongoing, consultative services focused on long-term growth. The customer service team handles general troubleshooting for any questions or issues that arise while using our products. Both customer success and support have one end goal in mind: setting up customers for success by removing their roadblocks and prioritizing their growth.



**Michael Redbord,
GM Service Hub,
HubSpot**

The moment teams specialize into functions -- for instance, support and success -- you start to carve up an abstract concept like "customer experience" into more discrete chunks. How should CS teams function? What does a job well done look like? Metrics like NPS help lend structure to the ambiguity.

Now, should you use NPS specifically? That's a stylistic decision in many ways. I'd say you should get customer feedback, you should do it on a recurring basis, and you should maximize your response rate. The key is to know which customer outcomes you care about and then structure your incentives, metrics, and organization around them. The metrics you are measured on should match your team's priorities.

Chapter 3

How have customers changed in the customer service space?

How have customers changed in the customer service space?

Customers directly engage with a representative of your company on a regular basis via service interactions. Customer service therefore plays a major role in the customer's perception of your brand. An individual customer service representative can significantly impact how a customer feels about your brand and what they'll say to friends and family – as well as online – about you. You don't want to make a poor impression or no impression at all, your success depends on making an excellent impression.

In our survey, we confirmed that customers have a bigger, stronger voice than ever. 89% of customer service professionals agreed that customers are more likely to share positive or negative experiences now than in the past. 88% agreed that customers have higher expectations than in the past, and 76% agreed that customers are smarter and more informed now than they were previously.



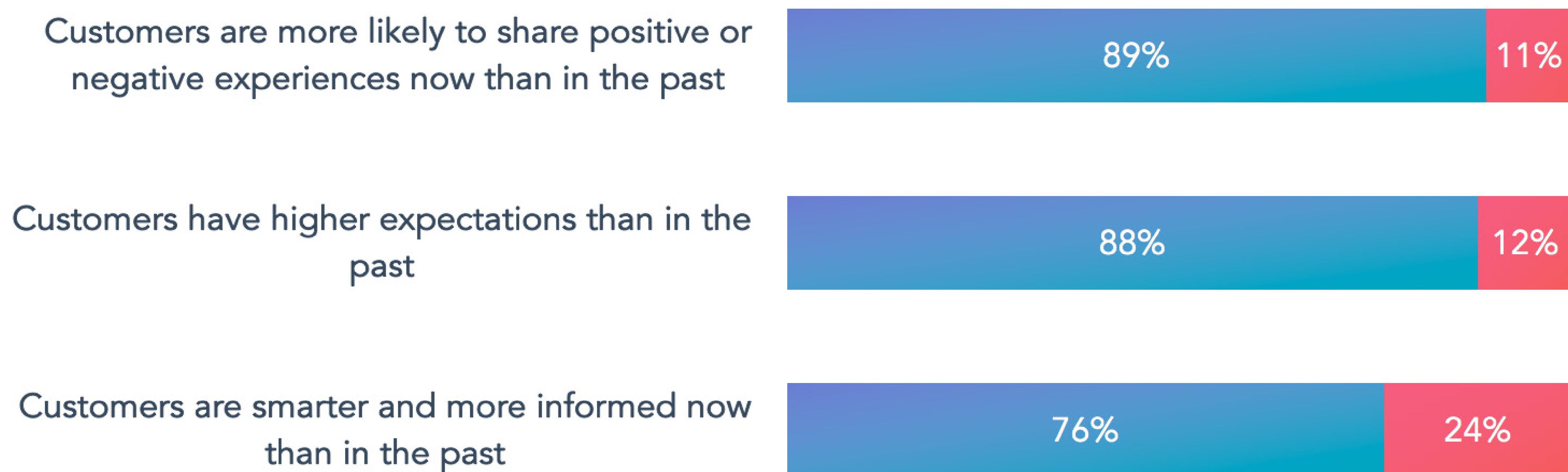
**Jen Spencer,
VP of Sales &
Marketing at
Smartbug Media**

The omni-channel lives we lead today beg us to share our experiences – both positive and negative – with the world. We check out a hair stylist's Instagram account before booking an appointment. We scroll through reviews on Yelp before making a reservation. For higher-risk purchasing decisions, we seek out others who have made that same purchase to learn from their experiences.

For the 30% of companies that don't think word-of-mouth is driving leads for their business, I imagine they just don't have the systems in place to actually track the impact that customer marketing already has on their business.

Do you agree or disagree with the following statements?


■ Agree ■ Disagree



Customers have a louder, more powerful voice than ever. They share their experiences more often, have higher expectations, and are more informed now than in the past.

While the weight of social opinions can be daunting, successful companies today will seize the opportunity to adapt and lean into their customers' willingness to share their experiences.

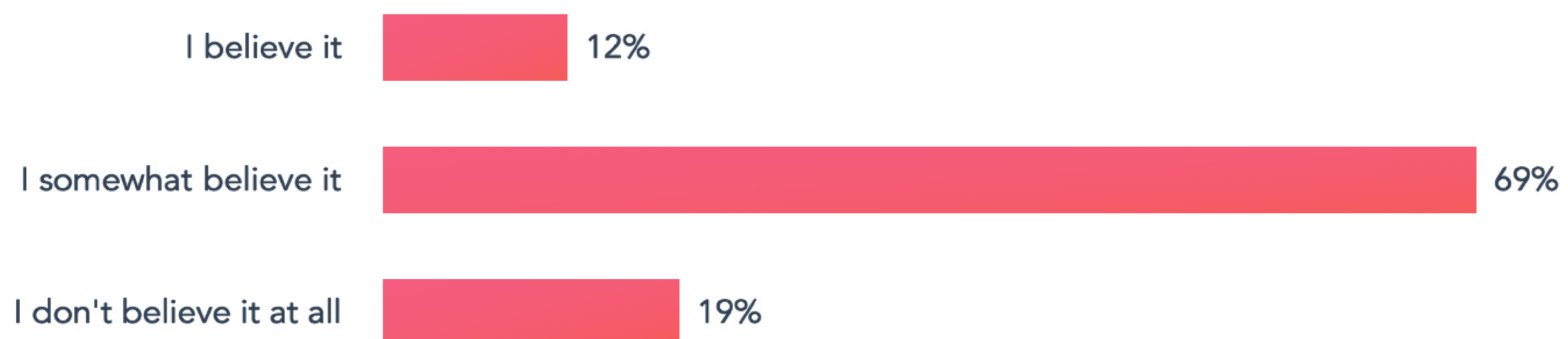
No customer support department can provide perfect interactions 100% of the time. However, companies can still aim to empathize with customers and respond to customer opinions and needs consistently. Aligning with customers and listening closely can turn their negative experiences with your brand into positive ones.



Since customers are more informed now than in the past, their perception of brand messaging has also shifted. In a separate survey, HubSpot asked survey respondents what they feel when a business says they “solve for the customer” or “put the customer first.”

Only 12% said they fully believed companies when they made claims about putting the customer’s needs before their own.

What do you think when a business says it “solves for the customer” or “puts the customer first”?

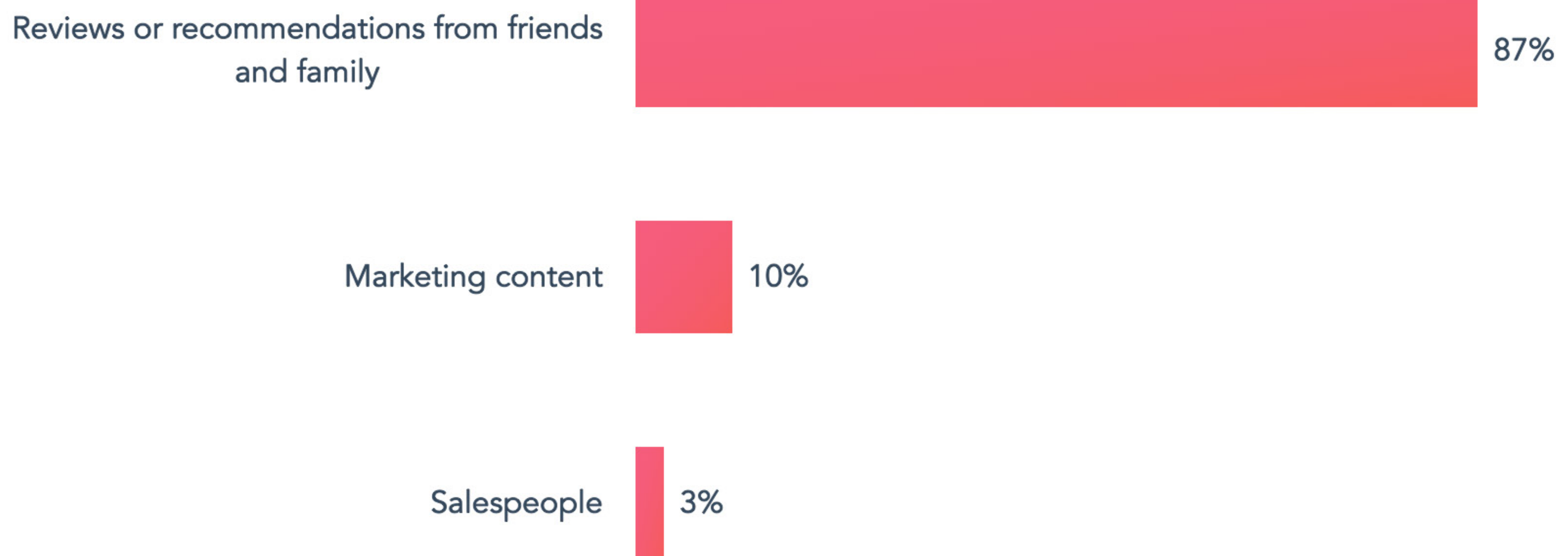


Enterprise companies track customer NPS, have customer advocacy programs, and collect feedback via surveys at higher rates than SMBs.

Customers don’t often believe your messaging about being a customer-centric and customer-first business. That’s why it’s increasingly important to be in touch with your customers and take real action that demonstrates your commitment to delivering the exceptional customer experience your messaging promises.

In another survey HubSpot ran, 87% of survey respondents considered reviews or recommendations by friends and family to be more trustworthy than marketing or sales content.

Compared to ten years ago, which of the following do you consider to be the most trustworthy source of information?



Recommendations from friends and family are seen as far more trustworthy than a company's marketing and sales efforts.





We also asked respondents what types of information they search for when they're in need of a new product, tool, or service. We learned that a majority of people look for product-specific information, reviews and forms of social proof, and discounts and deals.

When you have a need for a new product, tool, or service, do you look for any of the following types of information online?



Many consumers are conducting online research, seeking reviews and social proof from buyers like them.

Product details and pricing are usually available on a company's website; however, fewer companies are publishing case studies and testimonials and investing in their reputations across review sites. In today's competitive landscape, customers examples and case studies strongly influence buying decisions.

According to the survey results, customers are seeking out reviews (44% of respondents who are looking for information do so) more often than they're seeking out case studies (33%). While both offer social proof, case studies are company-created, whereas customer reviews come directly from consumers of the product or service.



Ryan Bonnici
CMO of G2.com

4 of every 5 buyers use online review sites to support their buying decisions. Ultimately, people trust people like them more than they trust businesses.

Millions of active buyers on G2.com have told us loud and clear: when it comes to buying software, company case studies, white papers, and blogs are secondary to verified information from peers and colleagues.

Since happy customers are essential to building out substantial social proof via case studies and reviews, service and marketing teams should work together to identify customers who may be willing to post their positive experiences publicly.

Customers seek out reviews (44% of respondents looking for information) more often than case studies (33%).

Chapter 4

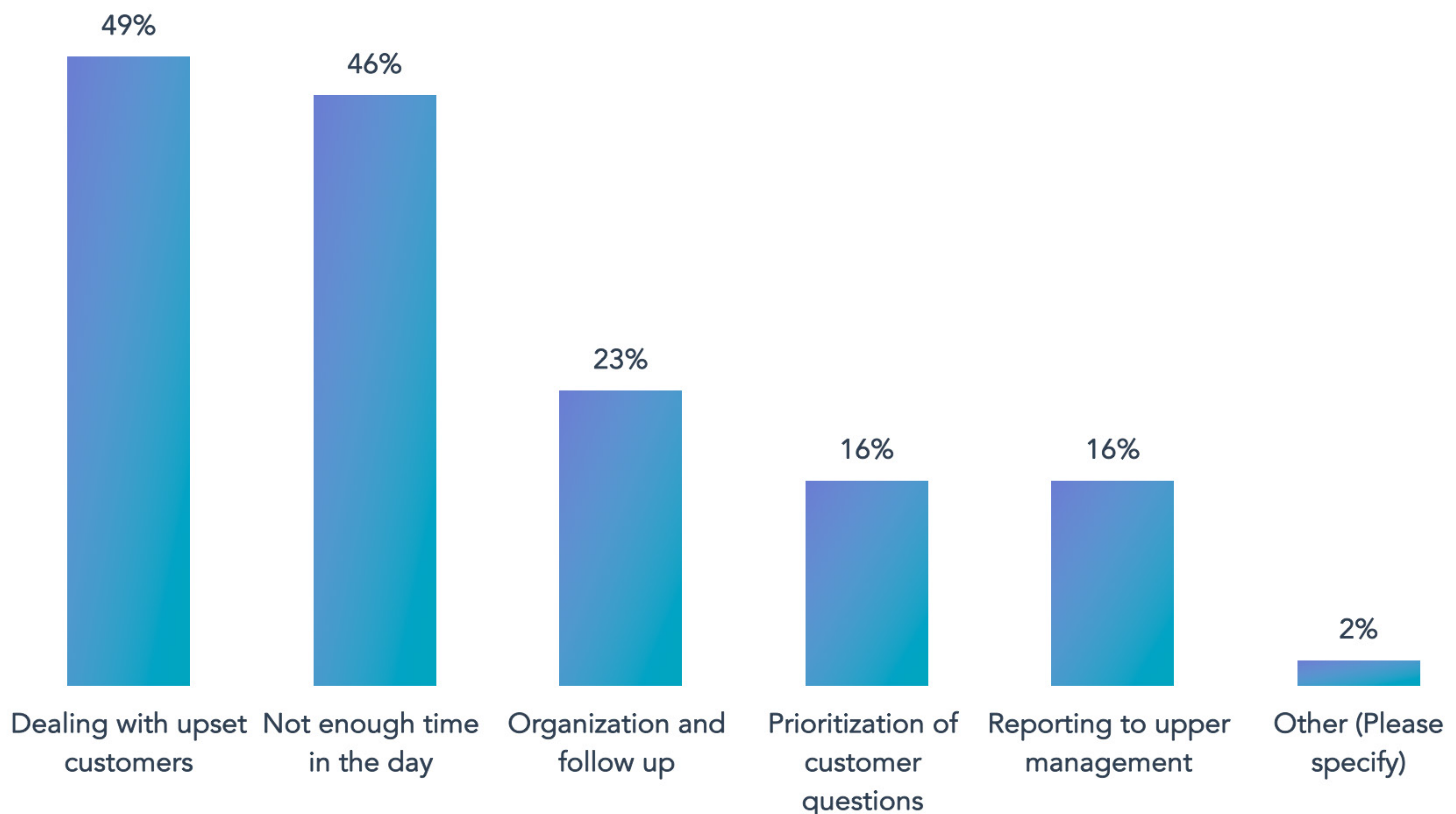
What are the biggest challenges customer service professionals face today?

What common challenges do customer service professionals face?

Every role has its own set of challenges. Marketers want more leads, and salespeople want to close more deals. But what do service agents want?

Customer service agents want happier customers. The customer service role aims to make customers happier by answering their questions and resolving any technical issues that arise. But what happens when customer service interactions turn sour? Nearly 50% of customer service professionals said that dealing with upset customers was their biggest challenge.

What are your biggest challenges as a service agent or leader of services?



Customer service professionals say their biggest challenges are dealing with upset customers, not having enough time in the day, and managing organization and follow up.

Neither the customer nor the customer support representative wants to have an unpleasant conversation. Still, businesses can learn from what upset customers have to say.

Customer support reps are in a unique position because they receive real-time feedback from customers. Although critical feedback can be difficult to hear, it provides helpful insight into ways you can improve your product or service.

Critical feedback provides helpful insight into ways you can improve your product or service.

Additionally, because they're interacting with customers directly every single day, customer service professionals can provide valuable feedback to upper management by reporting on the nature of the cases they're taking. At HubSpot, we know firsthand that better reporting can directly impact a business's bottom line.

Our customer support team did an [internal analysis](#) of previous customer support cases and found that 41% of cases were "solved with a documented solution." This meant HubSpot had spent an estimated \$7M helping customers find answers that were readily available in our knowledge base of help articles. By categorizing cases and reporting the pattern to upper management, our customer service department justified a larger investment in [customer self-service resources](#).



By introducing a new ticketing system and knowledge base at MMLJ, Inc. (MMLJ), Director of Marketing Michael Mashlan resolved common customer pain points before customers called in.

“Whenever somebody calls in, our tech support creates a ticket so we can track issues. If we see a lot of people having the same problem, that’s a red flag to us -- maybe we need to make an article about that,” explains Mashlan. MMLJ invested in customer self-service and created articles based on previous customer inquiries. As a result, [their customer support team gained hours back to help customers with more difficult support cases.](#)

In a world where call times with customers can be unpredictable, the introduction of customer service [automation and tools](#) is crucial. Customer service software provides a major opportunity to give representatives hours back in their day, organize customer interactions more effectively, and prioritize customer questions.

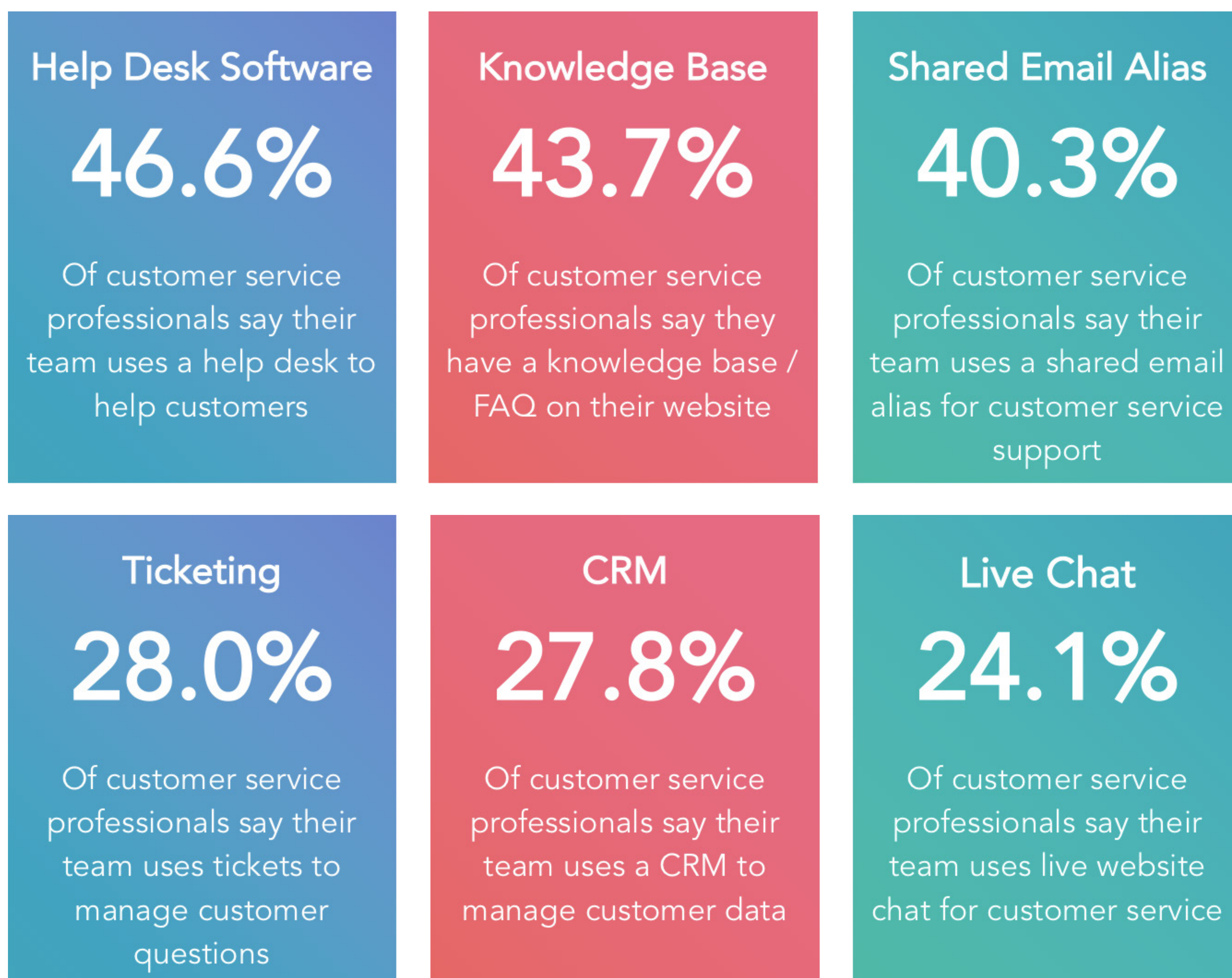
Chapter 5

**What software
and tools are most
effective for customer
service teams?**

What software and tools are most effective for customer service teams?

Considering the efficiency gains that can come from using customer support technology, we were surprised to learn how many teams have missed out on opportunities to automate their processes.

In this section of the report, we'll cover customer service software and tools usage statistics and whether or not the teams that are using these tools find them useful.

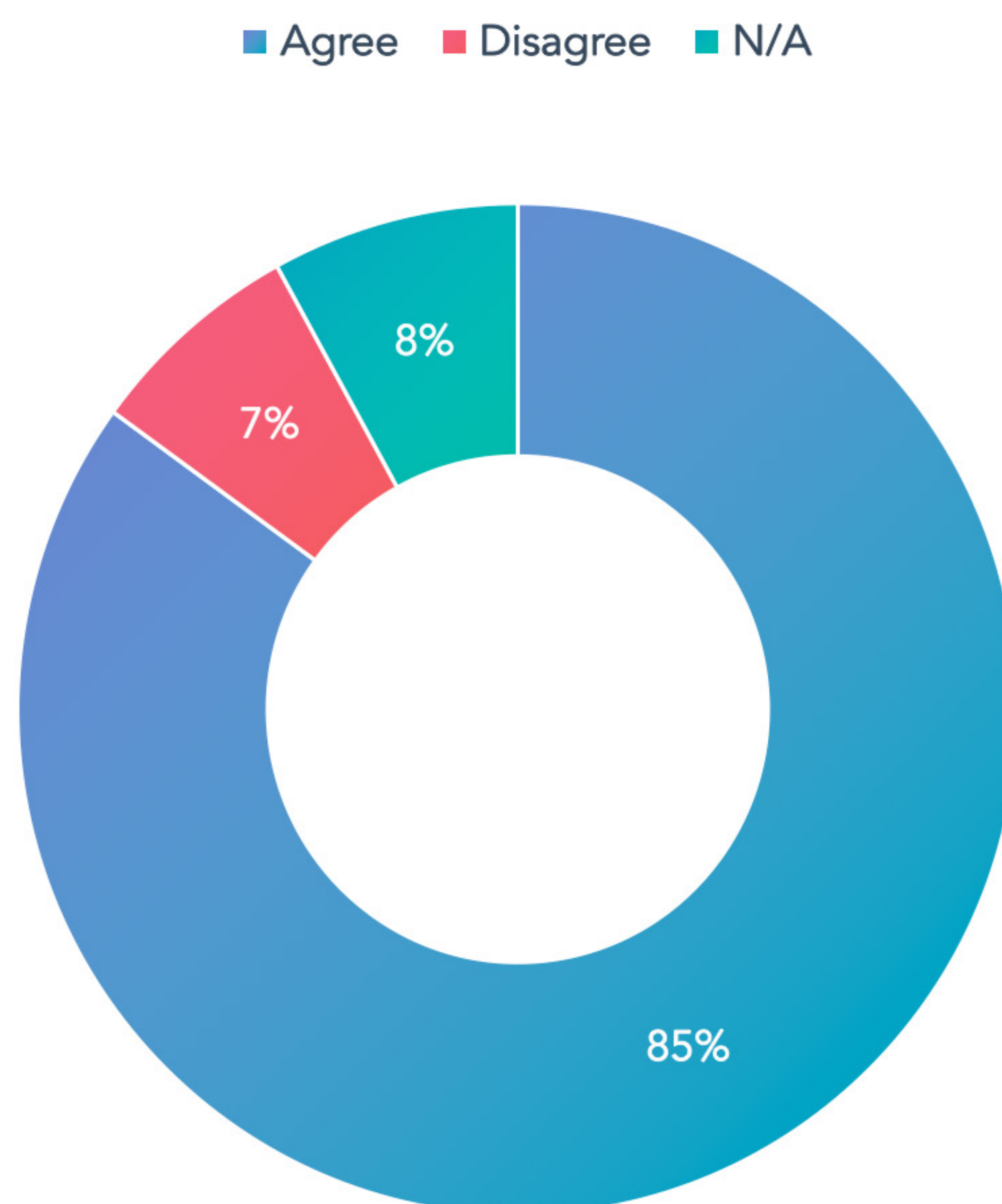


Help Desk

A [help desk](#) is a technology system that allows teams to manage and organize customer questions and issues. A traditional help desk system includes a support ticketing service for logging new service requests, serving as a collection box for customer inquiries, issues, and requests.

A majority of companies reported not using a help desk, with **53.4% of companies saying they didn't have a help desk system. However, 85.36% of those that were using one said it made them more productive.**

Our help desk system increases productivity



Support agents work out of a help desk to manage the entire process of assisting customers, from opening a new ticket to closing it when the issue is resolved. These solutions allow companies to deliver personalized solutions to customers quickly.

If service teams grow without an organizational foundation in place, agents can become overwhelmed easily, compromising your business's ability to deliver answers in a timely fashion. As such, it's important to build systems that scale and allow for consistently seamless customer experiences from the start.

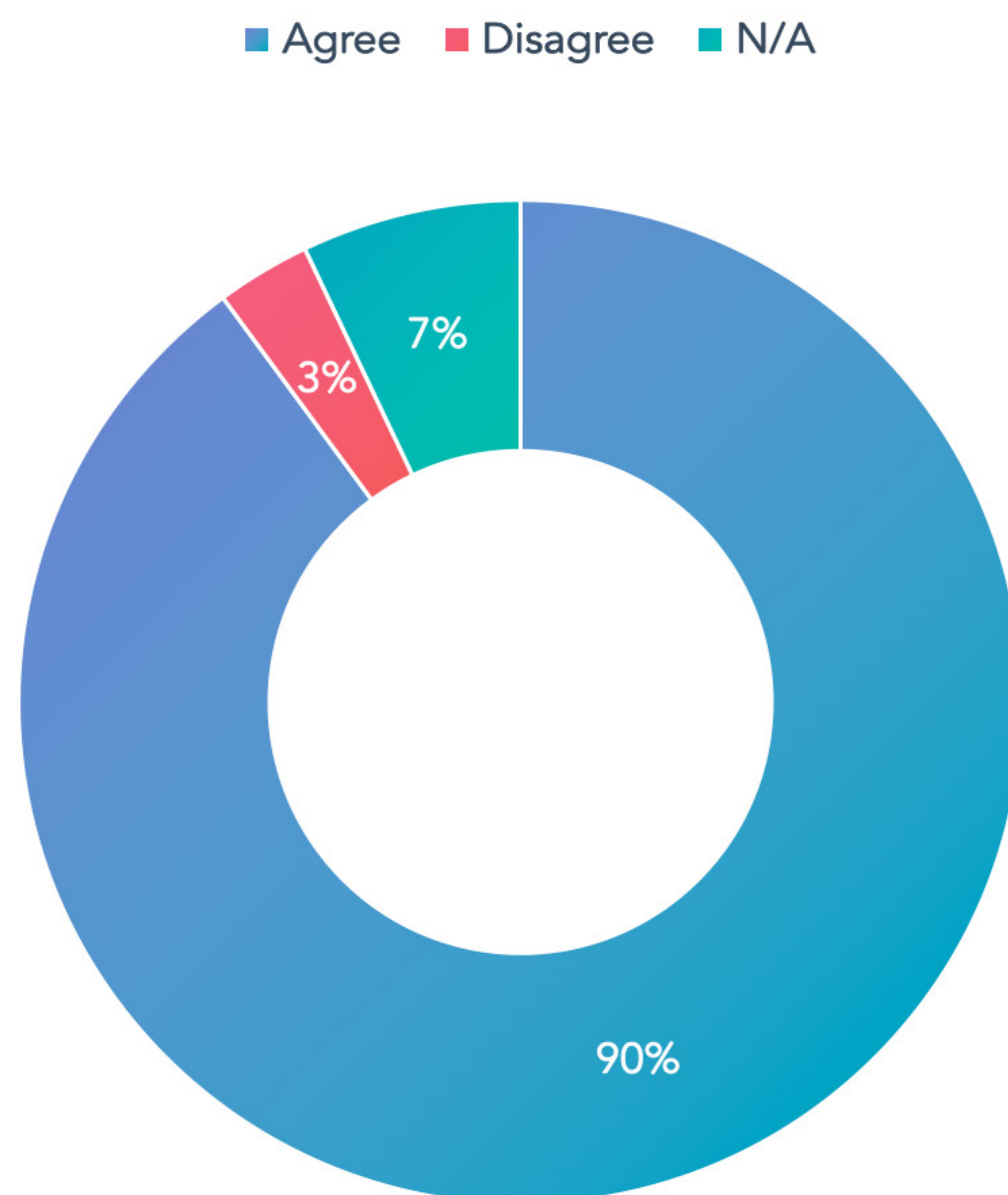
Tickets

Tickets, another feature of a traditional help desk, also have low adoption rates among customer service teams. Customer service agents use tickets to organize and log requests from customers or users. A support ticket generally captures the entire customer interaction, as well as any other context relevant to the support inquiry.

Respondents reported that tickets helped their teams stay organized and responsive.

While only 28% of companies reported using tickets in their customer service department, an overwhelming 90% of professionals who did use tickets agreed that tickets helped them manage questions and stay organized.

Using tickets to manage questions helps me/my team stay organized



90% of professionals who did use tickets agreed that tickets helped them manage questions and stay organized.



Shared Email Alias

A [shared email alias for support teams](#) is usually a support@ or info@ email address into which customers send inquiries.

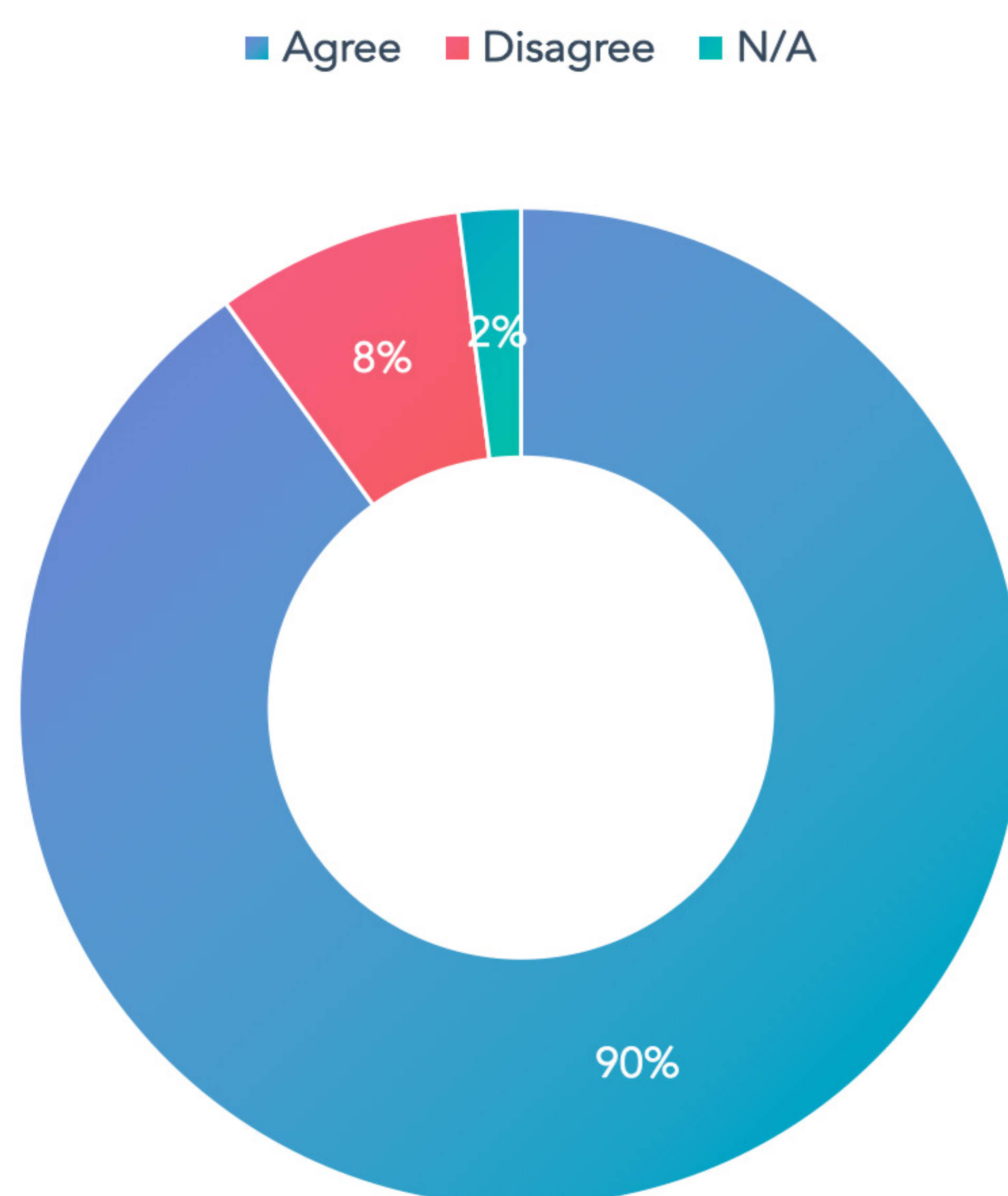
Only 40.3% of customer service professionals said their company used a shared email alias for customer support. However, 90% of teams using a shared email alias for customer support said email was an effective channel for customer service.

When used correctly, a shared support email alias centralizes all customer communications in one place, creating a streamlined approach to issue triage that reduces the chance that customer inquiries will slip through the cracks. Agents can easily find out who has replied

to a given inquiry and look back at previous conversations to judge the urgency of certain requests.

A disorganized approach to email support can cause confusion within your team, and ultimately, it can result in longer wait times for your customers, creating a poor experience. With the right shared inbox tools, though, your team can collaborate efficiently, which will eventually reduce customer frustration.


Email is an effective channel for customer service



CRM

We were also shocked to see that only 28.7% of customer service teams were using [customer relationship management \(CRM\)](#) software to manage customer data. A CRM drastically improves the customer's experience because it centralizes and organizes important customer data that agents can use while helping customers in real time.

A CRM puts the customer's information at your support team's disposal, allowing reps to personalize interactions with customers. For example, they can pull up a customer's



contact record, determine immediately if they've had recent interactions with your support team, and then leverage relevant historical information to provide the right next steps. If the rep is able to see that the customer has recently had poor support experiences, he or she might choose to alert a manager ahead of time. If the customer consistently raves about your support team and gives high NPS scores, you can start tracking their customer loyalty and label them as an advocate for future efforts.

Live Chat

Live chat is increasingly popular among customers as a means for asking questions due to its convenience and efficiency. Customers don't have to drop everything and put what they're doing on hold to call a busy phone line. Instead, they can open a new browser tab, start a live chat with a support agent, and get their issues resolved immediately.

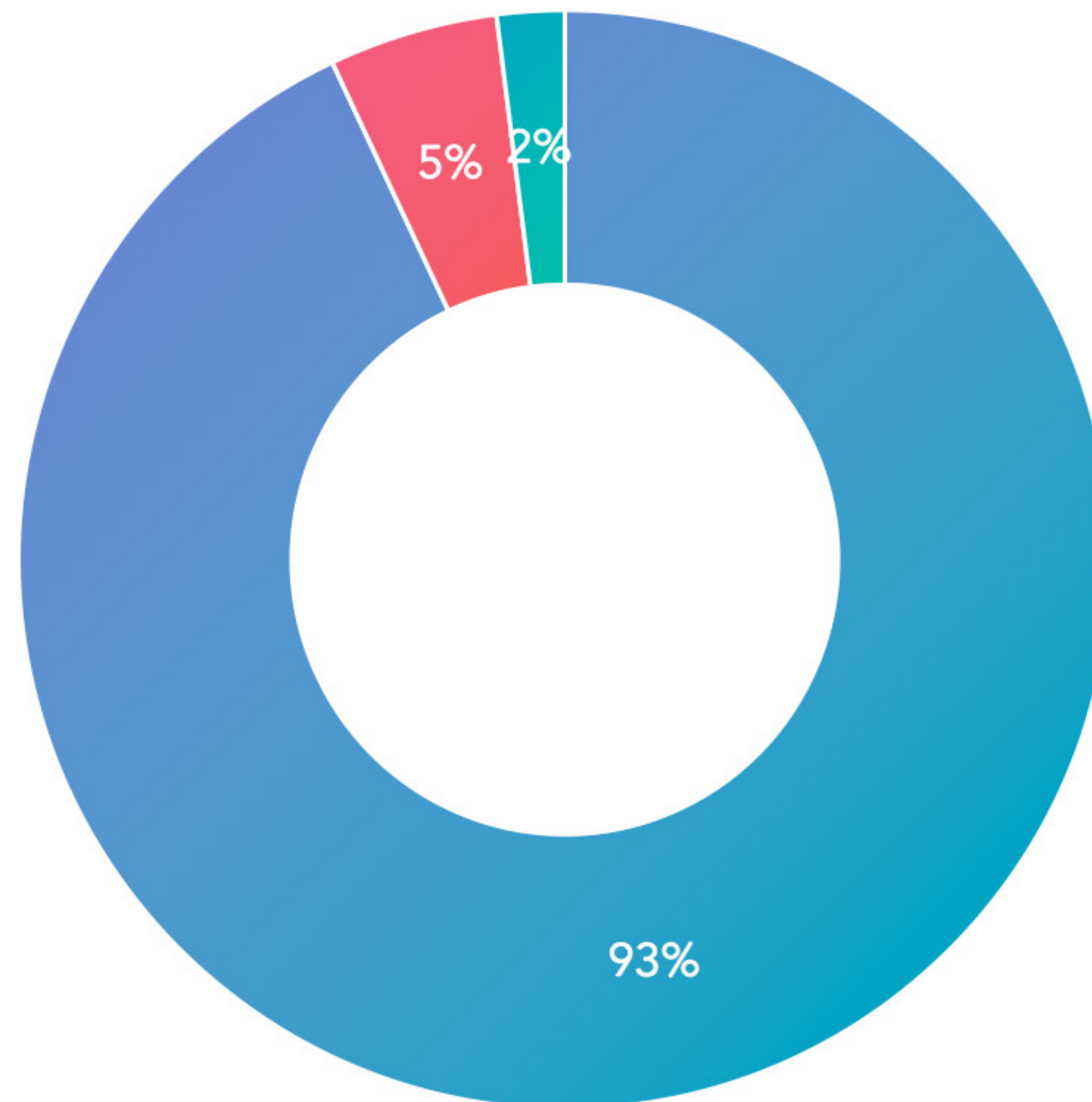
Quick answers can turn a customer's negative experience with your product or service into a positive turning point for their brand perception. Giving the customer a quick resolution and saving time in their day are two simple ways to delight customers seeking support.



Of the companies that had invested in live chat, 93% found it to be a successful channel for helping customers.

Live chat is useful for me/my team to help our customers

■ Agree ■ Disagree ■ N/A



Since live chat is highly convenient from the customer perspective, **we were surprised to see that 76% of companies weren't using it. Yet of the companies that have invested in live chat, 93% found it to be a successful channel for helping customers.**

There's also no denying that live chat is a cost-effective support channel for companies. Since resolution times for support cases resolved via chat are shorter, agents are able to take on more cases with live chat. This saves a significant amount of money, especially during busy seasons, for companies who have high support demand. This research shows that live chat is a big opportunity for many companies.

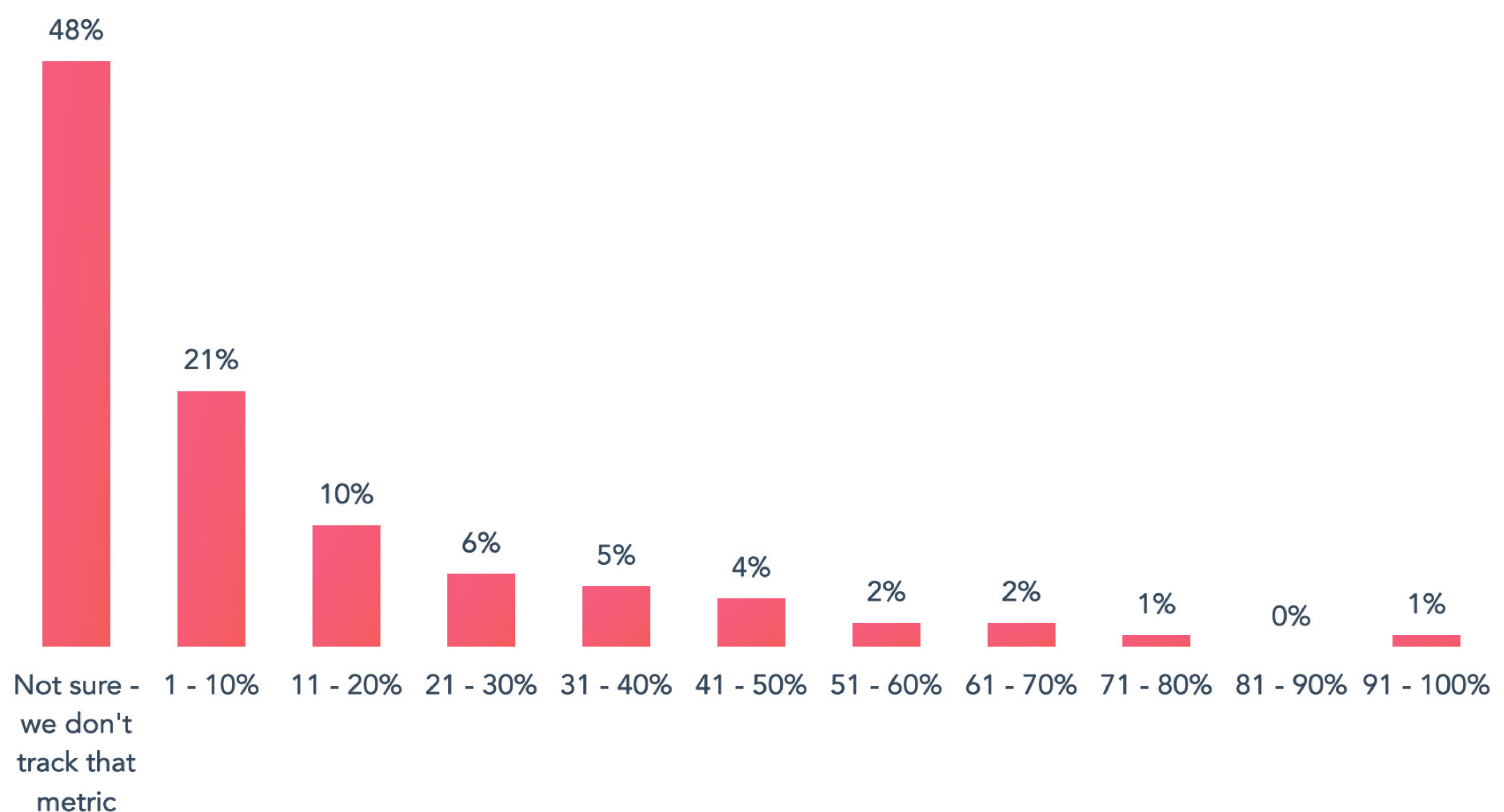
Self-Service Solutions

When we have a technical issue or a quick question, it's often faster, easier, and even preferred if we can help ourselves. Self-service solutions give your customers what they need to solve their own problems, creating a better customer experience and saving you and your customer time.

Self-service solutions, such as [knowledge base](#) or FAQ pages, are helpful for both businesses and customers. Your customers can search Google for their answers, find the information on your website, or read help articles your support team has published. You've proactively provided help by building out your knowledge articles.

Forrester [reports](#) that 70% of customers prefer to use a company's website to get answers to their questions rather than use phone or email to contact the customer service department. Still, 56.3% of companies don't use a knowledge base to help their customers.

You indicated your company uses a knowledge base for customers. **How many service tickets does your knowledge base deflect from your staff (i.e. how many customers self-serve rather than contacting the services team)?** Please estimate the % of total tickets deflected.



Our research showed that **48% of companies using a knowledge base do not track how many tickets are deflected as a result of the self-service options they provide.**

This statistic has the potential to reveal how effective your self-service options are in favor of direct support channels. This metric can determine whether the quality of your self-service options need improvement. For instance, if your knowledge base articles are lengthy and complicated, then you may want to adopt a simple video tutorial format for your customers and users.

Ultimately, self-service solutions can be an incredibly cost-efficient investment for your business, saving your customer service representatives time and allowing them to tackle tougher questions in a more timely manner.



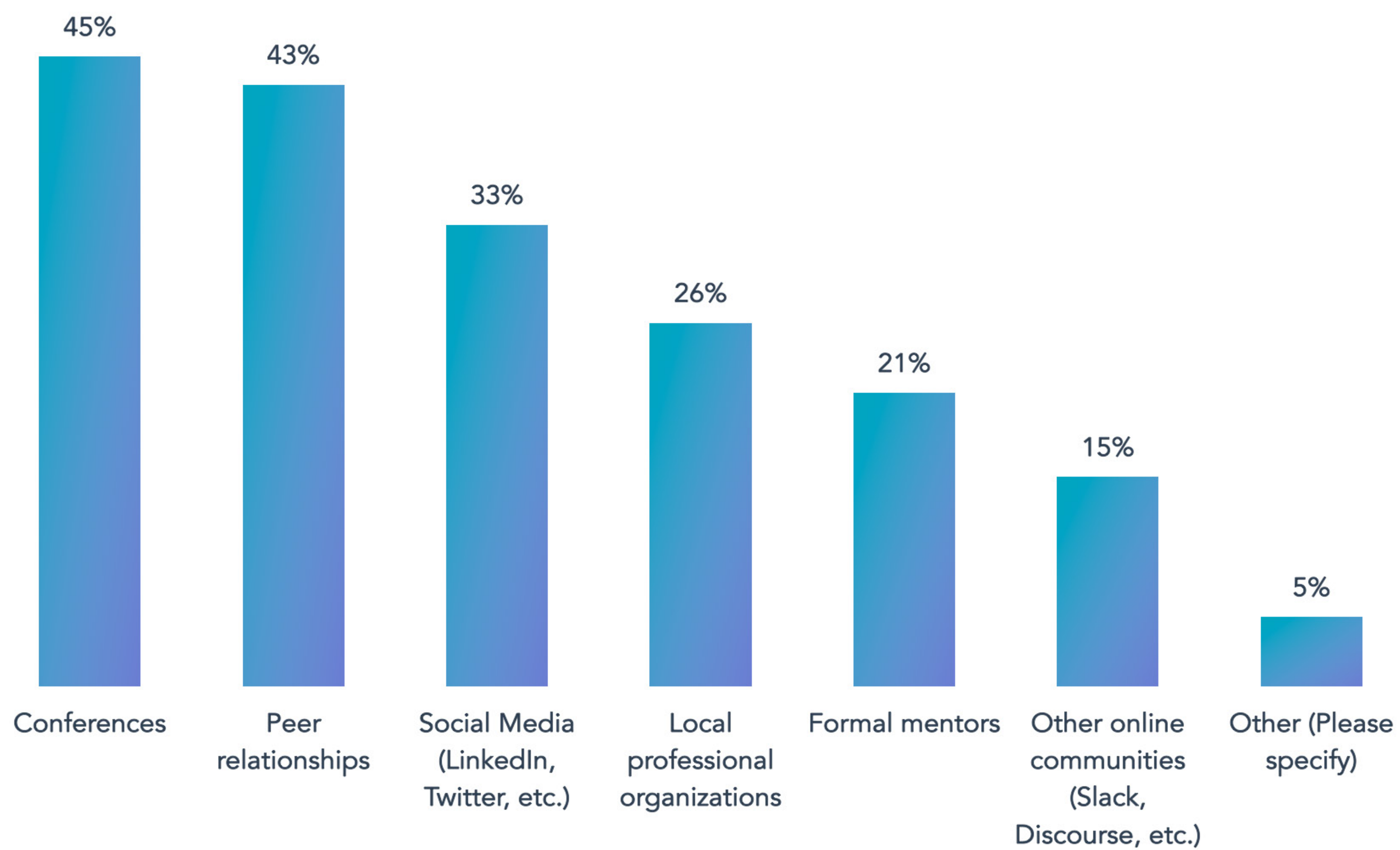
Chapter 6

How do customer service teams learn and grow?

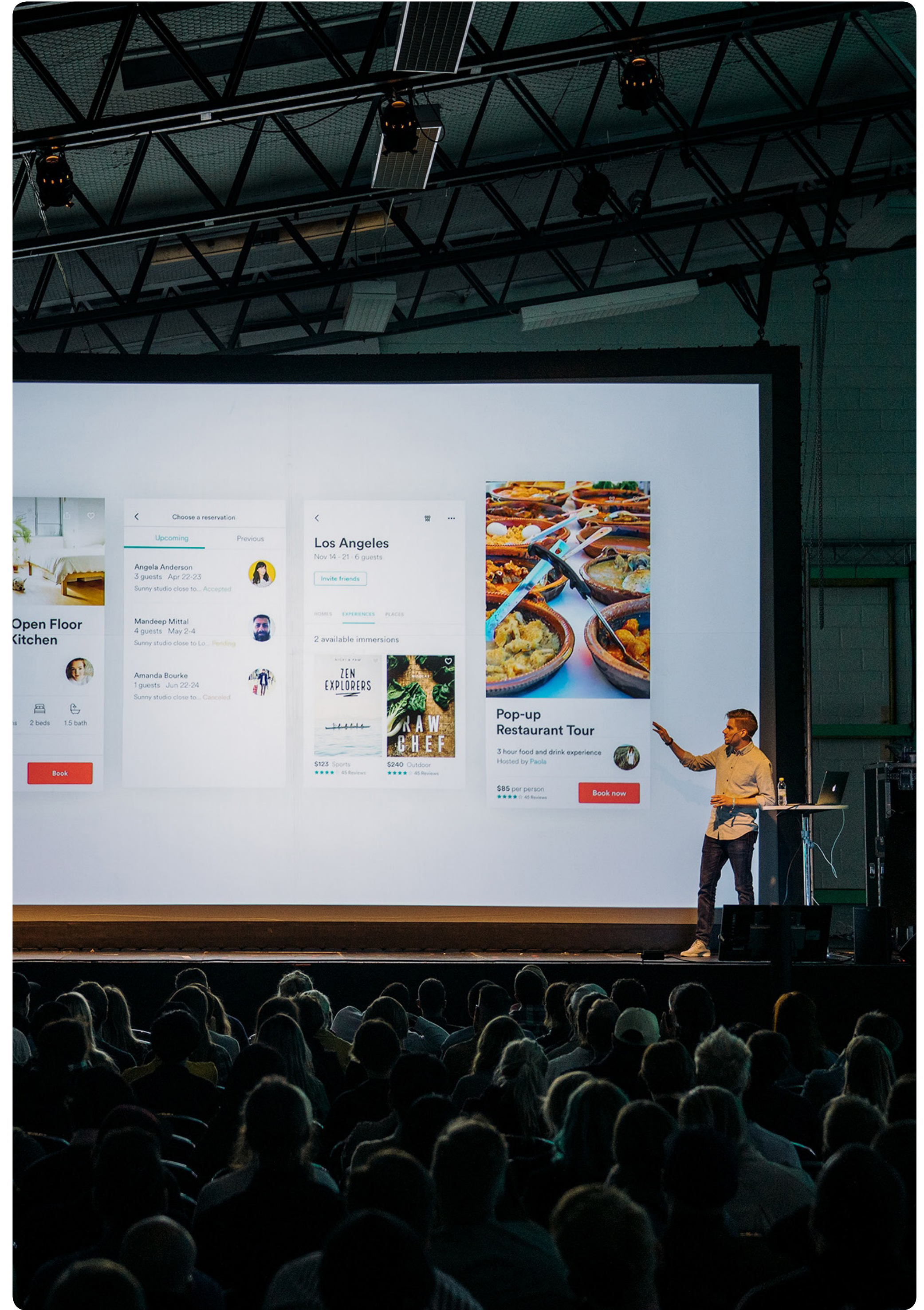
How do customer service teams learn and grow?

The customer support role is both technical and soft skills-based. In support roles, there are opportunities to improve communication skills and grow in one's technical product knowledge. We asked customer service professionals how they learn about new service strategies.

How do you learn about new service strategies?



The two leading ways in which customer service professionals learn new strategies are a) attending conferences and b) leaning into peer relationships.



Most customer service professionals are learning about new service strategies by attending conferences (45%) and leaning into peer relationships (43%). Companies can capitalize on the knowledge sharing at conferences by instituting a program where top customer service agents can apply to attend customer service conferences. Sending customer service employees to conferences can boost company morale and provide networking opportunities.

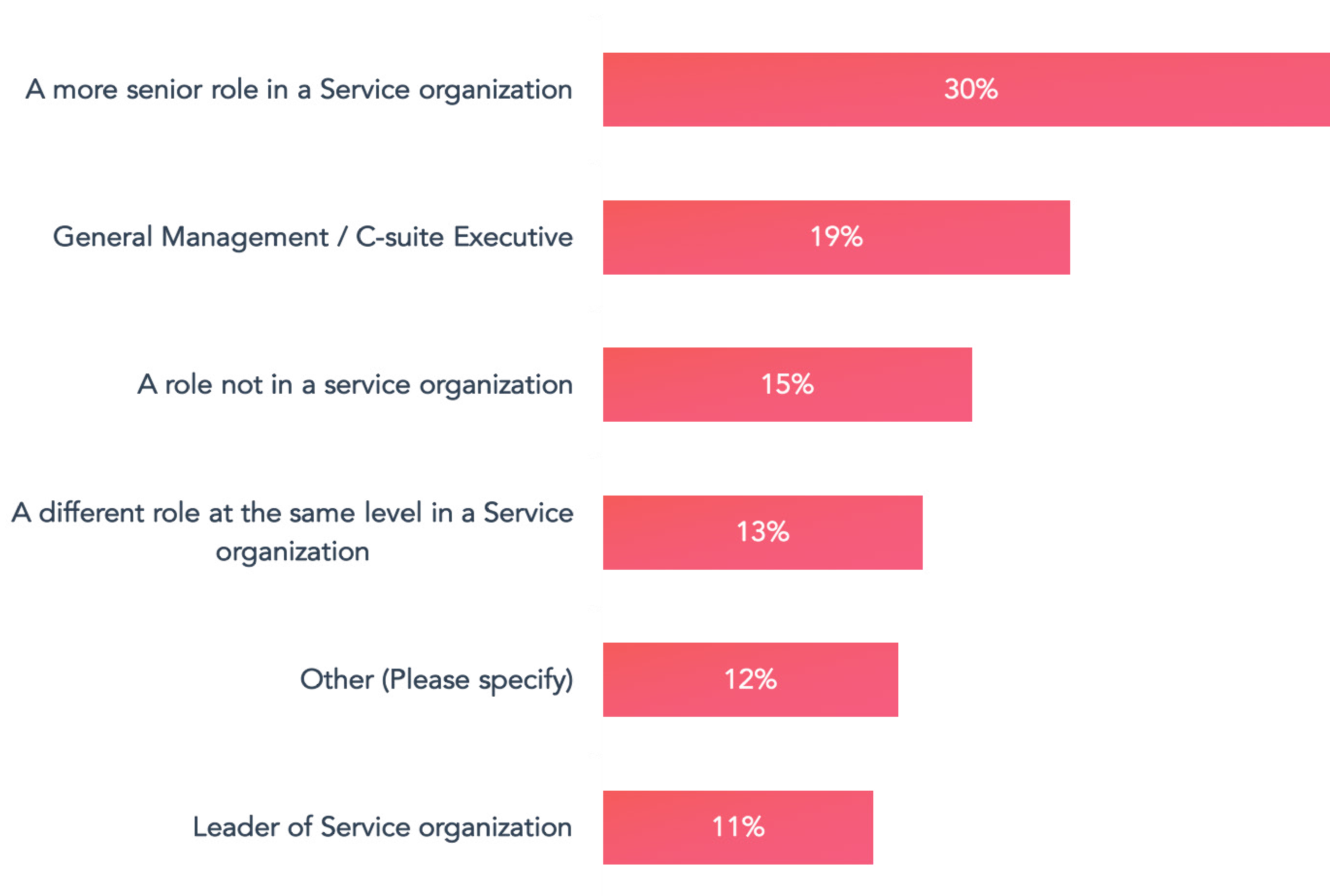
[Here](#) is a list of the top customer success, support, experience & service conferences in the world.

Considering the importance of peer relationships and formal mentors in customer service skill development, senior management should consider formalizing peer mentoring programs within customer service departments. Most customer service teams have agents

with a wide range of tenure and technical knowledge. Employees can also host workshops to guide their colleagues through a deep-dive into their specialty or hold peer office hours for service representatives who are seeking advice. With ongoing peer learning, management can effectively foster community and trust within support teams while promoting career advancement.

We asked what role people in customer service departments wanted in five years. **30% of customer service professionals said they wanted a more senior role in a service organization**, while only 15% said they wanted a role outside of a service organization.

What job do you want in 5 years?



Around 1 in every 3 customer service professionals wants a more senior role in a service organization.

By asking the same of your customer service team, you can help them improve in their current role and set them up for success.

Customer service professionals are firm believers in their company's dedication to customer service. 71% of customer service professionals disagree with the idea that their company views customer service as an expense, not an opportunity to grow. 78% agree their company puts as much effort into customer service as they do with marketing and sales.

Do you agree or disagree with the following statements?



Customer service professionals tend to believe their companies value the customer service team and the impact that customer service has on the business.

Most people can agree that businesses must offer support in some way to go on as a viable business. However, these statistics reflect that brands today understand that offering a delightful customer experience is not just a nice-to-have, but a necessity for company growth. Businesses are actively investing in customer service as a way to grow new business, not merely to mitigate losses.

Concluding Thoughts

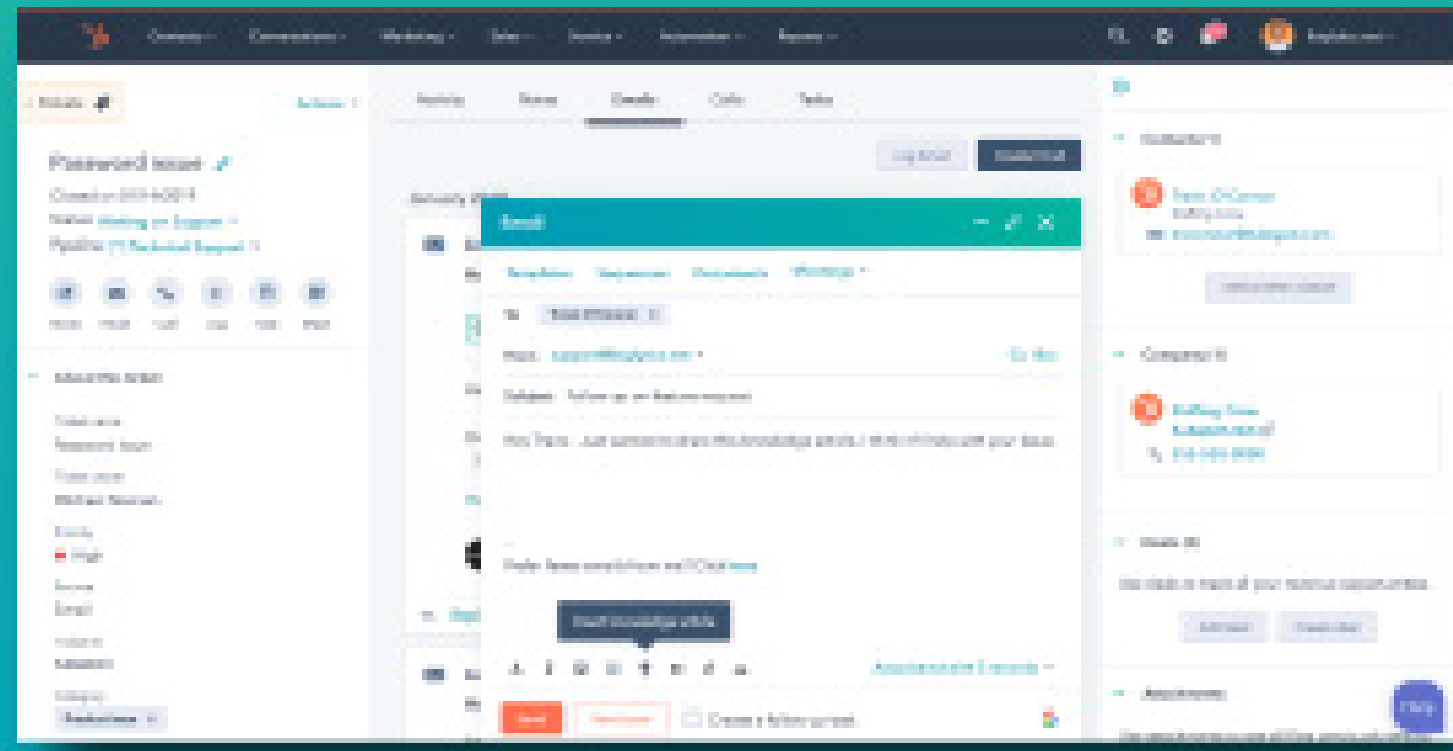
Concluding Thoughts

We hope that you've found the data within this report insightful and helpful in understanding trends in the customer service industry. The quality and efficiency of customer service are true differentiators in today's competitive business environment.

Companies that invest in customer service for the sake of improving customer experience will create a superior experience for their customers. Delighted customers become evangelists of your brand. And since word-of-mouth is increasingly important to attracting new customers, creating a flawless experience for your existing customers has become essential to your future success.

It's not easy to provide a seamless, enjoyable customer experience at every touchpoint. Customers have higher expectations than ever when it comes to customer service. Not only do you need to provide the right answers, you need to produce those answers quickly and with all of the surrounding context on each customer. However, with the right systems and processes in place, support teams can perform more efficiently and deliver better results.

Happier customers are the direct result of exceptional customer service and an amazing customer experience. Continue to focus on your customers, prioritize their questions and concerns, and action their feedback. Delivering an exceptional customer experience is every company's greatest challenge and strength.



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