



Teleperformance
**Business
Insights
Lab**

White paper

Unveiling the new dynamics of *consumer satisfaction*



Introduction

Customer engagement is on the upswing as today's brands discover new and innovative ways to cater to customer needs and preferences. But now is not the time for brands to become complacent.

New challenges are emerging, testing brands to rethink the way they view social media, deliver customer support, and address security concerns. Faced with financial uncertainty, political unrest, and a tight labor market, consumers are starting to express concern for their economic outlook, making it more important than ever for brands to remain vigilant and proactive.

Certainly, the pandemic taught brands how to navigate uncertain times and cater to fluctuating consumer demands. But these days are different. Consumer behavior has changed, reshaped by a variety of new trends, including explosive e-commerce growth, issues with product availability, and discretionary spending.

To keep pace with these changing consumer expectations, the Teleperformance Business Insights Lab developed its proprietary Global Insights Survey to help organizations understand and anticipate customer needs. The latest edition of our survey featured consumers from 16 countries across 20 sectors, totaling over 86,000 responses. Through the in-depth analysis of customers' experiences with brands, this paper reveals emerging trends and patterns of customer-brand engagement, generating data-driven insights that will help businesses better adapt to their customers' evolving needs. This report also examines the findings of a 2020 survey and compares the devastating effects of the pandemic to where brands are today, and where they're heading in the future.



The ups and downs of consumer satisfaction

Despite experiencing a downturn in 2020, customer satisfaction is on the rebound, hitting its highest point since 2017.

In 2022, overall satisfaction with brands reached 8.2 on a scale of 0 to 10 – a two percent uptick from 2020 - with 52% of consumers expressing a high level of satisfaction (9 or 10). In fact, only 17% of consumers expressed dissatisfaction (0 to 6) with the brands they use.

Customer satisfaction reached the highest rating in the last five years.

Top 5 sectors with the highest satisfaction

(Average on a scale of 0 - 10 where 0 = lowest and 10 = highest)



Source: Teleperformance Global Insights Survey

The steady rise of advocacy and loyalty

Clearly, dramatic changes in consumer perception and behavior are underway. Among the key indicators of consumers' evolving perception of brands and the customer support they deliver is advocacy. Advocacy reflects the likelihood of consumers promoting or recommending a brand to friends and family.

Today, more than half of consumers can be considered "promoters" (52%), and only 19% can be labeled "detractors", resulting in an Advocacy score of 33%. This figure represents an increase of 7 percentage points since 2020.

Top 5 sectors with the highest advocacy score:

(% Promoters - % Detractors on a scale of 0 - 10 where 0 to 6 = Detractors, and 9 to 10 = Promoters)



Source: Teleperformance Global Insights Survey

Loyalty, another marker of overall customer perception, is also on the rise among consumers. More than half (57%) of consumers intend to remain customers of a brand/company over the next year, resulting in an average brand loyalty score of 8.3 out of 10 – an increase of 3% from 2020.

Consumers' willingness to repeatedly buy from the same brands is good news as studies¹ suggest that, depending on the industry, acquiring a new customer can cost five to seven times more than retaining an existing one. By earning loyalty, brands can better manage customer expectations – and costs.

TOP 5 sectors with the highest loyalty

(Average on a scale of 0 - 10 where 0 = lowest and 10 = highest)



¹ - <https://hbr.org/2014/10/the-value-of-keeping-the-right-customers>

Source: Teleperformance Global Insights Survey

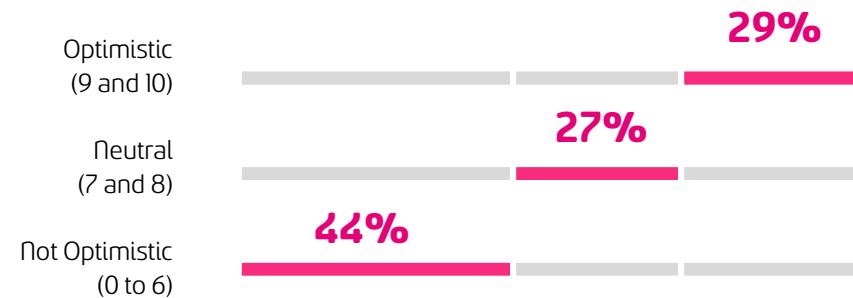
The road ahead

Metrics such as consumer satisfaction, advocacy, and loyalty are not only on the upswing; some are even surpassing pre-pandemic levels. Yet this is no time for brands to maintain the status quo. In fact, 44% of consumers are concerned or not optimistic about their household financial situation as they look toward the next year.

In response, brands must not only be mindful of a challenging economy but satisfy consumers whose purchasing standards and expectations of brands are now higher than ever.

Distribution of respondents by household economic optimism

(Average on a scale of 0 - 10 where 0 = lowest and 10 = highest)



Source: Teleperformance Global Insights Survey



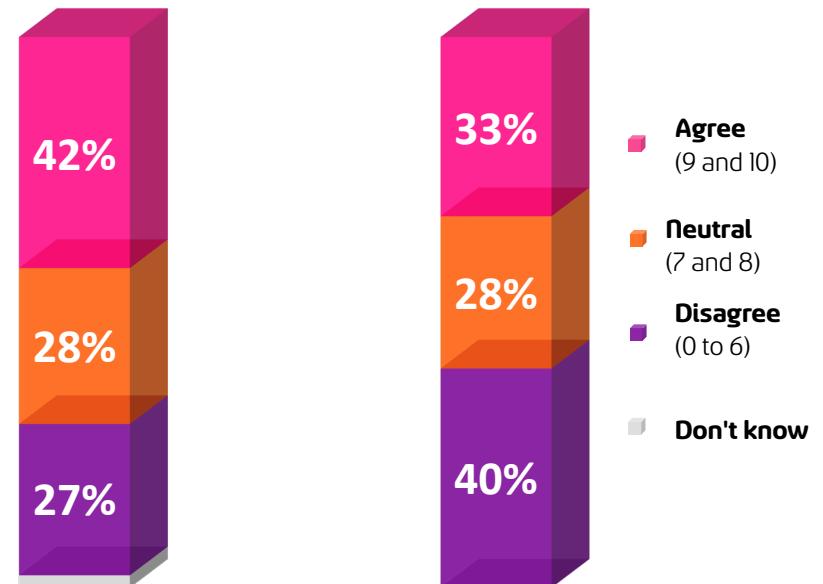
A proactive path forward

So what can brands do to keep customers happy and improve customer support? To start, brands must understand the intrinsic value of customer support. More than two out of five consumers now prioritize good customer support from the brands they buy from. And one in three are willing to pay more for it.



Level of agreement on a scale of 0 – 10

(where 0 = lowest and 10 = highest)



**Try to choose brands with
good customer support**

**Willing to pay more for good
customer support**

Source: Teleperformance Global Insights Survey

The result is a prime opportunity for brands not only to increase overall customer satisfaction but achieve bottom-line benefits. Case in point: Customers who are satisfied with their last contact with a brand are 14% more likely to remain loyal to, or repurchase from, the same brand than those who didn't contact the brand's support. Conversely, brands that fail to provide good support can expect consumers' inclination to buy from them again to decrease by a significant 28%.

Average loyalty according to customer support experienced

9.3
Positive
Experience

Consumers with a positive experience when contacting support have a **higher loyalty intention**

+14% than those not contacting

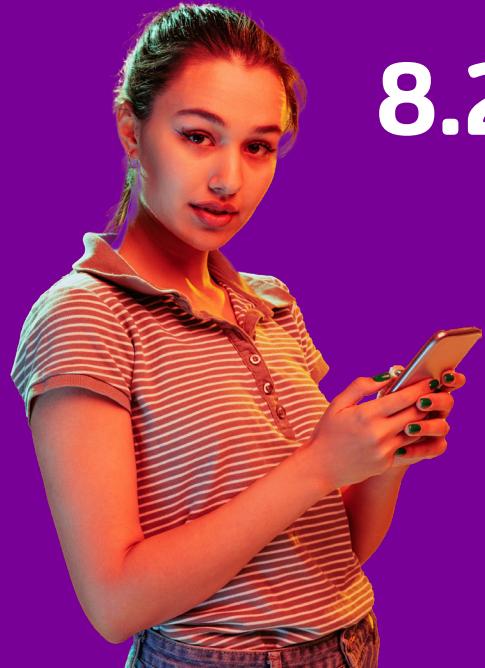
Consumers with a negative experience when contacting support have a **lower loyalty intention**

-28% than those not contacting

5.9
Negative
Experience

8.2

average loyalty among those not contacting

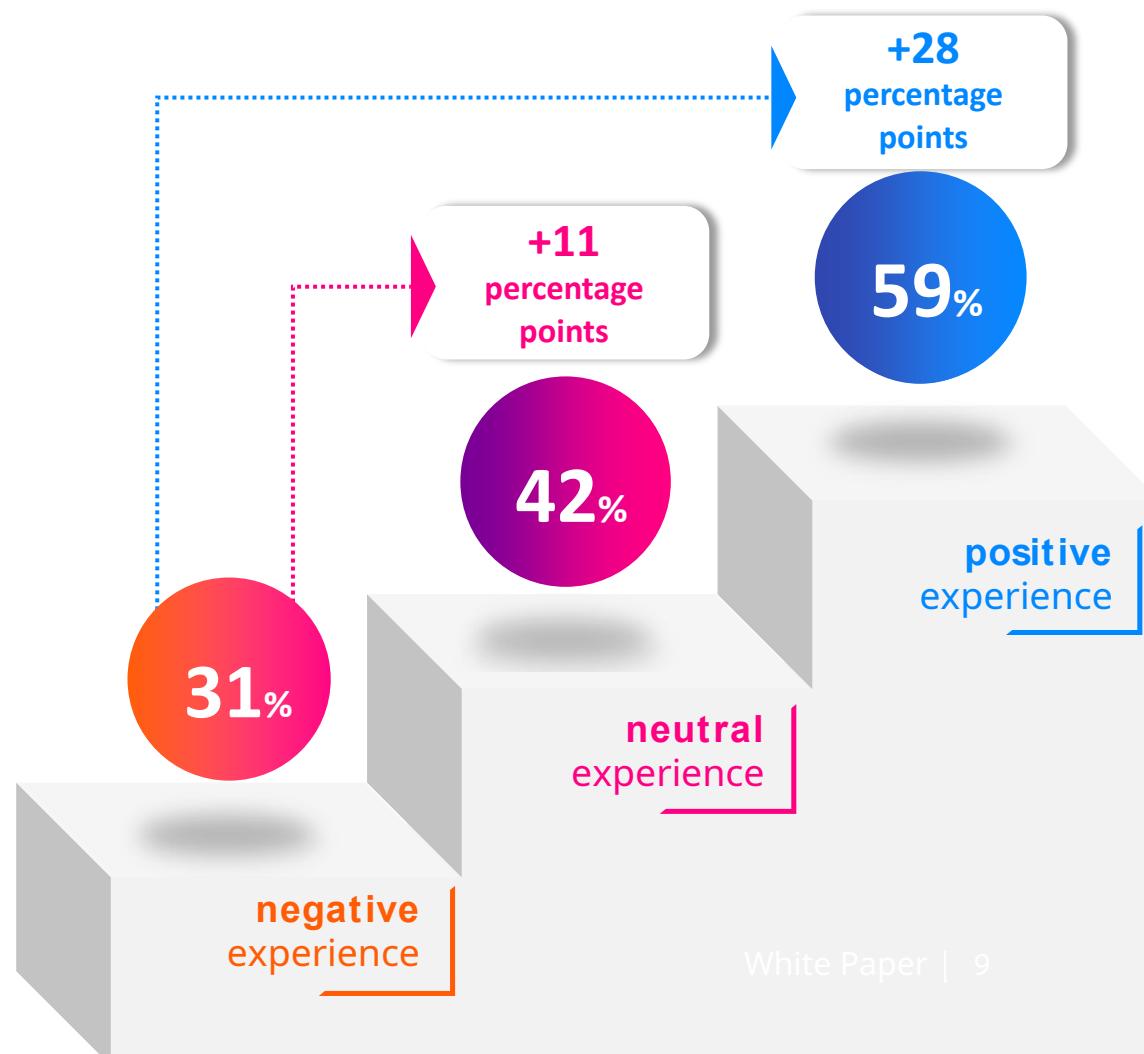


Up-sell and cross-sell opportunities emerge

In addition to retaining customers, good customer support can create opportunities for up-selling and cross-selling products and services. More than half (59%) of satisfied customers (who rated their last contact with a 9 or a 10 out of 10) are glad to hear about other products or services from the same brand during a contact compared to only 31% of consumers who say they've had less favorable experiences (0 to 6).

Although satisfied customers are nearly two times more likely to welcome commercial offers during a contact, any cross-sell and up-sell opportunities are about more than simply achieving a greater return on investment. Rather, in an era of high labor costs and budgetary restrictions, the financial gains of **good service can turn the customer support function from a cost center into a valuable source of long-term profitability.**

Percentage of consumers that would be glad to hear a commercial offer during a contact according to the satisfaction with the last communication



Source: Teleperformance Global Insights Survey

To rave or rant: the power of social media

Long gone are the days of one-to-one interactions between brands and customers. As of 2021, the number of people² using social media reached nearly 4.5 billion worldwide. Facebook, Twitter, Instagram, TikTok – these popular social media platforms are virtual megaphones, empowering consumers to air their grievances, share their customer support experiences, and advocate for brands. In fact, 40% of consumers said they posted about their brand's customer service on social media. The social media pages they use to post include their own personal page(s) (63%), a brand's official social media page(s) (35%), and third-party platforms, such as forums, blogs, or media outlets (14%).

In some instances, consumers who voice their opinions through social media channels are looking for a response from a brand or attempting to force an answer to an unresolved issue or complaint. But in seeking a reaction, they are acting as reflections of a brand, broadcasting their thoughts and emotions to a wide array of friends, family, and followers. In response, brands must carefully consider the power of social media, and create consumer response strategies that will not only keep customers happy but protect their brand reputation.

40% of consumers said they posted about their brand's customer support on Social Media.

Percentage of consumers posting in each page – multiple answer



2 - <https://backlinko.com/social-media-users>

Source: Teleperformance Global Insights Survey

A megaphone that reaches all industries

As social media channels multiply, all industries must strive to maintain positive and healthy relationships with their customers online. The number of consumers posting about their support experiences grew by nearly 20% compared to pre-pandemic times. Today, on average, two-fifths of a brand's customer base is likely to share their experiences on public online channels.

Among the most-targeted industries of social media posts are online travel agencies (58%), online education (58%), food delivery through an app (47%), and airlines (47%). But all industries are likely to discover online posts about their customer service, even electric utilities (23%) and mobile services (30%), despite the fact these sectors tend to offer fewer alternatives.

Younger consumers are also making their voices heard: 52% of Millennials and 46% of Generation Z rely on social media to post about a brand's customer service. As the buying power of these demographics increases over time, brands would be wise to listen to what they have to say and modify their customer service strategies accordingly.

Top 5 sectors with the highest percentage of consumers posting about brand's support



Source: Teleperformance Global Insights Survey

The impact of fraud on customer retention

Consumers trust brands to keep their personal data safe and secure. When this trust is broken, brands not only risk tarnishing their reputation but losing valuable customers.

Fourteen percent of consumers reported experiencing fraud or personal information theft-related issues associated with their brands in 2022, resulting in a 3% decrease in loyalty. And for good reason: the U.S. Federal Trade Commission (FTC) shows³ that consumers reported losing nearly \$8.8 billion to fraud in 2022, an increase of more than 30% over the previous year. Given these losses, consumers need assurances that the credit card information, email addresses, and online passwords they share with brands is safeguarded against hackers and other bad actors.

3 - <https://www.ftc.gov/news-events/news/press-releases/2023/02/new-ftc-data-show-consumers-reported-losing-nearly-88-billion-scams-2022>

Top 5 sectors with the highest percentage of consumers experiencing fraud or personal information theft



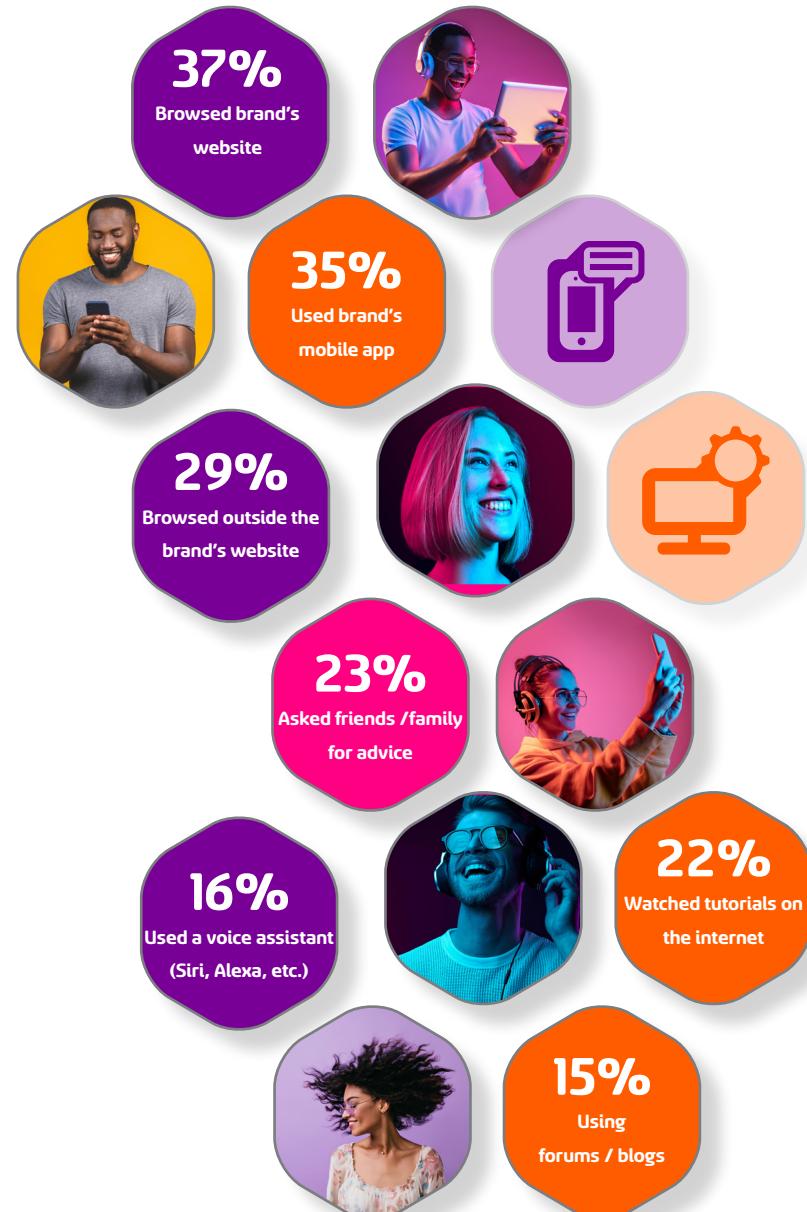
Source: Teleperformance Global Insights Survey

Putting self-service in perspective

Today's modern consumers demand easy access to product information and fast answers to their most pressing questions. In response, brands are stepping up, empowering consumers with innovative self-service tools. In fact, 52% of consumers used self-service to answer questions or address issues they were having with a brand in the last 12 months. Sources range from a brand's website and mobile apps to search engines, voice assistants, and forums.

But there's still room for improvement. Self-service options rank as one of the most poorly rated aspects of customer support, earning a score of 7.6 out of 10. In comparison, professionalism and product/service knowledge earned a satisfaction score of 7.9 in terms of customer service attributes.

What self-service options did consumers use?



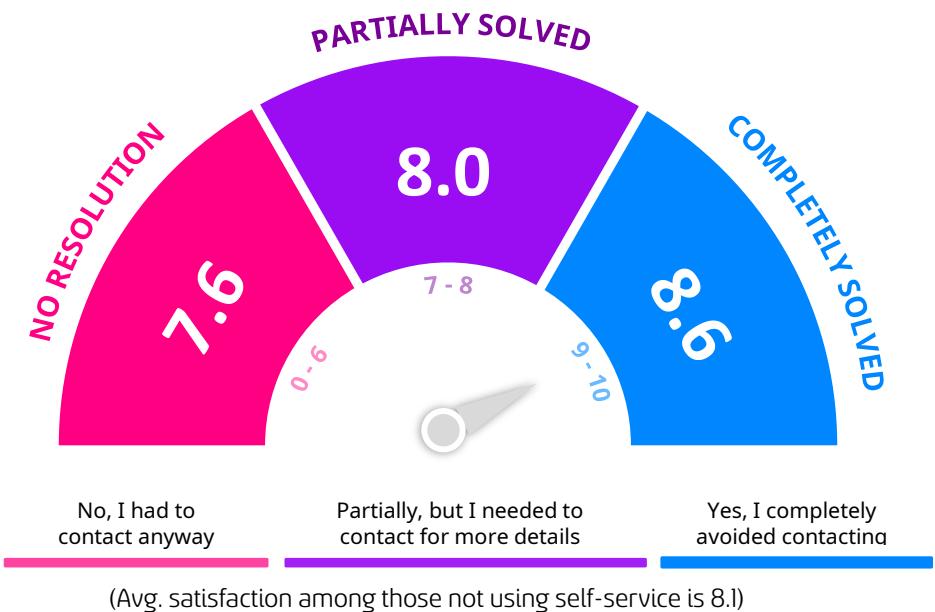
Strike a balance with self-service

Moreover, despite the wide array of self-service tools available today, nearly half (47%) of consumers who used self-service ended up contacting a brand to reach a resolution. Complicating matters is the fact that while consumers who use self-service successfully are more satisfied with their brands, those whose needs aren't met through self-service channels tend to be less satisfied with a brand than those who don't try at all.

Given these complexities, the challenge becomes how to empower consumers with self-service modules while, at the same time, ensuring they receive the same quality and speed of service they would from a live agent or any other service module.

Average brand satisfaction according to self-service resolution

(Average on a scale of 0 - 10 where 0 = lowest and 10 = highest)



Successful self-service users are more satisfied with their brands, while unsuccessful users score worse than those who don't try it all.

Source: Teleperformance Global Insights Survey

A call for greater empathy

In these times of economic and political volatility, human connection, emotions, empathy, and personalization are now more important than ever. In fact, displaying empathy and care toward consumers is a critical element in achieving better overall brand satisfaction. Case in point: Consumers rating their brands high (9 or 10) on empathy and care are 14% more satisfied, while those expressing low levels of empathy and care in the support they received (0-6) are 19% less satisfied.

In the same way brands had to advocate for consumers in the face of economic hardship during the pandemic, today they must prioritize human connections as an aspect of customer support that is as important as speed of resolution.



In Conclusion

Comparing the latest survey results to previous editions of the Global Insights Survey, it's clear that consumer behavior and expectations are changing, requiring brands to rethink their customer support strategies. With financial uncertainty on the horizon, consumers are already exhibiting concern. In response, brands must develop a deeper understanding of the key elements that contribute to consumer satisfaction, advocacy, and brand loyalty. These include:

- Understand the intrinsic value of customer support and how prioritizing customer care strategies can drive loyalty.
- Take advantage of the up-sell and cross-sell opportunities that can emerge from excellent customer support.
- Carefully consider the power of social media and create consumer response strategies that will not only keep customers happy but protect brand reputation.
- Assure consumers that the information they share with brands, such as credit card information, email addresses, and online passwords, is safeguarded against hackers and other bad actors.
- In the event of a security breach, respond quickly, communicate clearly with consumers, and find a fast resolution.
- Empower consumers with self-service options while, at the same time, ensuring they receive the same quality and speed of service they would receive from other channels.
- Anticipate when there is a need to migrate consumers from self-service channels to human agents and ensure this transition is fast and seamless.
- Prioritize human connections as an aspect of customer support that is as important as speed of resolution.

By understanding these pivotal elements, and connecting them to consumer expectations, brands can better adapt their customer support strategies and navigate the challenges of a maturing global landscape.



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