



The New Customer Service Model

How Being Customer- Obsessed on Social Media Will Grow Your Brand



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Introduction

Woolworths. Zappos. Maybank Group. What do these brands have in common? They deliver exceptional customer service where their customers expect it: on social media.

Whether your customers have complaints, questions—or even praise—[67 percent of them](#) now turn to social media for customer service. They expect fast response times, personalized service, and 24-hour support. Your communication with them is mostly public, viewed by potential and existing customers who expect your brand to deliver on its promises.

Companies that [consistently deliver excellent customer service on social media](#) see much bigger financial growth as a result. Those without a social customer service strategy [lose on profit and brand visibility](#), not to mention miss out on valuable insights and social selling opportunities.

As [Forrester](#) points out, it's no longer enough to be customer-focused. In order to grow your company and differentiate yourself from other brands, you need to be *customer-obsessed* on social media.

In this ebook, we'll look at how key departments in your organization can benefit from being customer-obsessed on social media—and we'll give you actionable tips on how to start making changes.

Chapter 1: Chief executives

The true customer champions

What will be the biggest competitive differentiator for businesses in 2020? It's not your product, price, or even technology. According to [Walker Information's Customers 2020 report](#), it's going to be customer experience.

After all, it is [the age of the empowered customer](#). In order for your company to profit from increasingly powerful customers, you need to let go of outdated processes and focus on being more customer-centric on social. The health of your company depends on it.

Who's doing it right?



Datuk Abdul Farid Alias, Maybank Group President and CEO

Datuk Abdul Farid Alias champions social and digital at his company. Maybank Group was the first company to launch a social media payment gateway in Malaysia and empower its employees to use social to service its customers. The result? [Maybank Group topped the customer satisfaction index in Singapore among banks in 2016.](#)

Customer experience on social is the key to revenue growth.

Businesses with social customer service outperform those without

Companies delivering social customer service see much [bigger annual financial gains](#) (7.5 percent YOY growth) vs. those without (2.9 percent).

Not only do companies with social customer service experience much higher financial growth, but they also see a [5.4 percent annual increase in “social buzz.”](#) Companies without social customer service experience no gains.

The cost of poor customer service is more than you think

Scratching your head over the reason for customer churn? Over [50 percent of consumers](#) quit doing business with a company because of a bad customer experience.

CEOs can influence customers on social

More than [60 percent of Fortune 500 CEOs](#) don't have a social media presence. However, as [Hootsuite CEO Ryan Holmes](#) points out, “Social media, used correctly, can be an executive productivity tool, a global broadcast channel, a source of consumer and competitor intel, and a PR vehicle.”

Essential Reading:

- Understand the impact that social customer care has on your organization. Get started with Forrester's [Competitive Strategy in The Age of The Customer](#).
- Identify key customer service challenges facing your company. Get started with [4 Reasons Why CEOs Need to Pay More Attention to Customer Service](#).

[Companies delivering social customer service see 7.5 percent growth YOY, compared with 2.9 percent for those without.](#)

Aberdeen Group

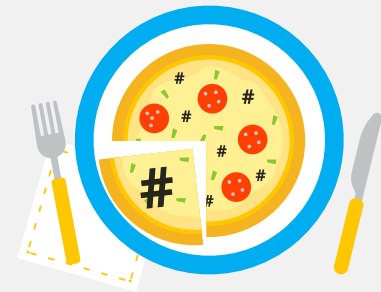
Chapter 2: Product development

Every piece of feedback provides the opportunity for development

When you're building your product roadmap, you can't afford to make uninformed decisions. Customer feedback on social media can offer key insights for product development, as [67 percent of consumers](#) now use social media to give feedback to companies.

When you have an effective system to monitor and gather customer requests and complaints on social, you can identify patterns and then use that insight to build a better product or service.

Who's doing it right?



Domino's, U.S.

When you engage with your customers over social media, you can benefit from customer feedback and use it to build a better product. Domino's is a great example. They recently launched a ["pizzaturnaround"](#) campaign to change their pizza ingredients. They're using the hashtag [#newpizza](#) as a way to get real-time feedback from customers and incorporate that into the development of their new pizzas.

Your customers want to help you build a better way.

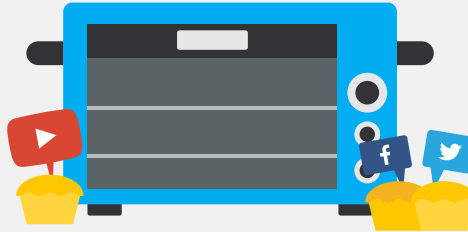
Customers tell you how to fix problems

Feedback from your customers on social media, especially if captured through effective monitoring tools, can help uncover areas for improvement in your business. As research from the [Aberdeen Group](#) shows, “The benefits of social media monitoring tools go beyond solely identifying the relevant social networks and monitoring relevant customer conversations. They also help businesses capture crucial customer feedback data (such as complaints) regarding company products or services.”

Customers are loyal when you listen to, and act on, feedback

By incorporating customer feedback on social media, you will build loyalty amongst your existing customer base—and loyal customers are worth [10 times as much as their first purchase](#). Make sure that you have a system in place to update customers on how you have recognized and actioned their feedback.

Who's doing it right?



Hasbro, U.S.

Toymaker Hasbro made a significant change to its Easy-Bake oven, thanks to customer feedback on social media. After a young customer gained major support on [YouTube](#) and [Change.org](#) requesting that Hasbro throw out its “girls-only” branding, Hasbro released a gender neutral version of the toy. For the first time in its 50-year history, the Easy-Bake oven no longer suggests that baking is a female activity. It’s a fantastic example of how customers can help make a company better.

Essential Reading:

- Develop a system to communicate customer insights to your entire organization. Get started with Harvard Business Review's [How GM Uses Social Media to Improve Cars and Customer Service](#).
- Identify major themes in social customer feedback to create a better product. Get started with Zendesk's [The Customer Service and Social Media Revolution](#).

[67 percent of consumers use social media to give feedback to companies.](#)

J.D. Power and Associates



Chapter 3: Marketing

Investing in happy customers on social could be your most successful marketing strategy

When it comes to your brand image on social media, your customers hold all the power. They're talking to you on a public platform, a place where over [57 percent of consumers](#) go looking for information about your company.

By creating happy customers through positive experiences on social, you're more likely to increase revenue, build trust, and produce better campaigns.

Marketing is easier when you have happy customers.

Good experiences create brand loyalty

What you say about your brand matters, but the customer experience matters more. Consumers rated [customer service as the most important factor](#) affecting brand loyalty and trust. Brand [trust has a major influence](#) on your customers' purchasing decisions.



Happy customers become advocates

Great customer service creates happy customers that are invaluable to your business. [42 percent of online customers](#) recommend a brand to friends or contacts based on a positive customer experience. When customer service and marketing work collaboratively, your organization can shepherd grateful customers into formal brand advocacy programs to drive referrals and sales.

For example, we use our [award-winning brand ambassador program](#) to channel our community and share the love for Hootsuite. We've grown our ambassador program from 55 to 1,400 people in less than three years.

Positive word-of-mouth generates revenue

Your customers' purchase decisions are heavily influenced by their online peers. [Positive word-of-mouth](#) is more likely to convince consumers to try a new company than any other form of advertising. When customers encounter positive social customer service, they are nearly [three times more likely](#) to recommend a brand. Opinions from participants in social communities influence purchasing decisions for [74 percent of online shoppers](#).

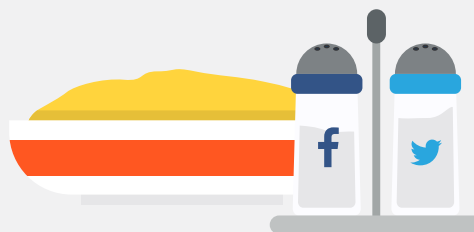
Negative feedback on social can become good brand PR

Negative comments are inevitable on social media. However, they present a great brand opportunity when handled in the right way. Make sure you have a tool in place to identify all the conversations about your brand.

Customer feedback makes engaging content

Social media provides an opportunity for you to discover customer feedback and engage with your customers through more relevant, meaningful content. For example, in Hootsuite's [Mean Tweets](#) campaign, we used customer feedback as a way of acknowledging shortcomings in our product interface—demonstrating that we're listening—while announcing our new design. In the video, Hootsuite employees read out Tweets from our customers in the comedic style of Jimmy Kimmel's segment, "[Celebrities Read Mean Tweets](#)."

Who's doing it right?



Woolworths

In dealing with a customer complaint on Facebook about mouldy hummus, Woolworths diffused the tension with lighthearted humor while resolving the issue. The customer was delighted by Woolworths' witty response and great service, which landed them a story in [SmartCompany](#).

Essential Reading:

- Mobilize your biggest fans on social media by creating an advocate marketing program. Get started with Influitive's [Advocate Marketing Playbook](#).
- Monitor customer conversations happening around your brand. Get started with Hootsuite's [Powerful Social Media Monitoring Tools](#).

42 percent of online customers recommend a brand to friends or contacts based on a positive customer experience.

American Express, 2014 Global Customer Service Barometer



Chapter 4: Sales

Relationships are the heart of every sale

Social media has radically changed the buyer-seller relationship. Customers expect engagement [within hours of asking a question](#) about your product or service. They want your guidance leading up to, and long after, they've made a purchase.

Great customer service on social is your sales department's best ally. Without it, you lose your competitive edge: over [50 percent of customers](#) will abandon their online purchase if they don't find or receive an answer to their question.

Build more meaningful and long-lasting relationships.

Referrals convert into sales

Referral leads are typically the highest converting lead source. As [Influitive](#) points out, "Leads generated by B2B advocates are 4 to 10 times more valuable than regular leads, resulting in shorter sales cycles, increased win rates, and larger order sizes." Consumers are [71 percent more likely to buy](#) based on a social media referral.

Who's doing it right?



Zappos

After having a bad user experience with one of Zappos' Facebook ads, [social media influencer Ted Rubin complained about it on his blog](#). Without tagging or calling attention to them in the article, Zappos picked up on it and offered him a free pair of shoes. The shoes arrived only a few days after the discussion. It's an excellent example of how you can turn a disgruntled customer into a brand advocate through social customer service.

Engagement creates stickier relationships

Engagement on social can help you identify potential customers, build relationships early on, and help make sales that otherwise wouldn't happen. As social selling expert [Koka Sexton says](#), "The more engaged you are with [buyers], the harder it is for them to break with you...If you engage through social media throughout the year, at year-end, they know you."

Retention is your most effective sales strategy

Social customer service is key to customer retention. Resolve your customers' complaints and they will do business with you again [70 percent of the time](#). To sell more, focus on making existing customers happy. The probability of selling to an existing customer is [60-70 percent](#), while selling to a new prospect only [5-20 percent](#).

Essential Reading:

- Identify the best ways to incorporate social media into your existing sales process. Get started with Hootsuite's [Social Selling Toolkit](#).
- Implement a system to proactively identify leads and other customer conversations on social. Get started with Zendesk's [How Live Chat Helps Businesses and Consumers](#).
- Enable and engage customers with relevant content. Get started with Aberdeen Research Group's [Social Selling with Content: How to Enable Advocacy Over Urgency](#).

Consumers are 71 percent more likely to buy based on a social media referral.

Hubspot



Chapter 5: Customer service on social

Customer service is happening on social. Make sure your team is set up to impact the whole organization.

The [social media boom](#) has revolutionized customer service. Customers expect companies to be available across multiple channels 24/7. By 2020, [60 percent of consumers](#) will expect all brands to chat on social. [More than half of consumers under the age of 45](#) already use social media to engage in customer conversations.

To keep up with the demands of your customers and provide a consistent experience across channels, you need to invest in social customer service.

Social customer service is the way forward.

Proactively identify issues and opportunities

Unlike voice support and email, social media is a public, two-way channel. You don't have to wait for a complaint before engaging with customers. By using a solution like Hootsuite, you can monitor conversations around your brand and engage with them.

Be more efficient and keep more customers

Research by [Enkata](#) found that proactive service on social can reduce call volumes by as much as 30 percent, while increasing customer retention rates by 3 to 5 percent. Make sure that you're set up to provide a seamless experience. According to Forrester, [89 percent of customers](#) are frustrated by having to repeat themselves to multiple representatives.

Respond to customers in real time

More than [50 percent of customers](#) expect a response on Twitter within two hours; on Facebook within the day. In order to meet these expectations, you need a dedicated social customer service team and social media monitoring tools to alert you of new comments and questions.



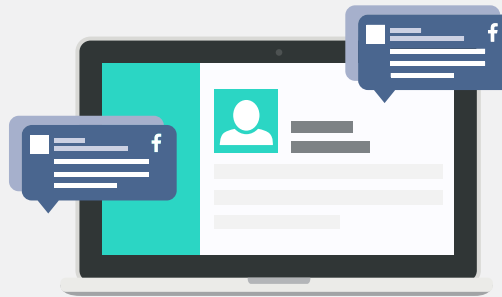
Improve social customer service with data

According to [a study by Forbes Insights](#), 29 percent of companies using data analytics significantly improved their customer service. To make the most of your customer data, measure volume, response rates, and customer satisfaction. Set up reports that identify common customer queries, and proactively share content that answers these questions.

Manage multi-channel support with CRMs

By integrating your social networks with customer relationship management (CRM) platforms, your customer service channels can feed into a central system that has a unified set of processes. When customer tickets arrive through different channels, you can maintain a consistent brand voice.

Who's doing it right?



Optus, AUS

Optus, Australia's second largest telecommunications provider, delivers excellent customer service. It was recently nominated for a [Shorty Award](#) for how it handled a sensitive customer complaint on social. In the week following the complaint, Optus experienced a [60 percent increase](#) in engagement and positive sentiment. Despite the huge influx of comments, they still managed to respond to [67 percent of customers](#) within one hour.

Essential Reading:

- Evaluate social customer service trends most relevant to your industry. Get started with [Forrester's Top 10 Customer Service Trends for 2016](#).
- Identify customer service teams that would benefit most from social media. Get started with Zendesk's [Customer Service and Lifetime Customer Value](#).
- Roll out a dedicated team for social customer support. Get started with Forbes' [5 Tips to Scale Soft Skills Training for Your Customer Service Team](#).
- Use data-driven reporting tools that make it easy to measure and improve your customer satisfaction. Find out how you currently rank with [Zendesk's Benchmark tool](#).

[By 2020, 60 percent of consumers will expect all brands to chat on social.](#)

Walker Insights

Putting it all together.

Create a winning customer service team with Hootsuite and Zendesk

Social customer service offers a way for customers to have more personal conversations with brands—faster. And for brands to tap into a wealth of information about their audiences. By investing in it, you open the door to better customer experiences and benefit from a competitive differentiator that will significantly grow your business fueled by a loyal (and growing) customer base.

With Hootsuite and Zendesk, you can better manage multi-channel support and provide faster, more personalized service to your customers.

Take the next step

Contact [Hootsuite](#) and [Zendesk](#) to request a demo.

