

Predictions 2021: Customer Service

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At A Glance

- While the pandemic inconvenienced nearly everyone, it devastated a wide swath of the population. In 2021, customer service leaders will transform their operations to provide proactive and empathetic service to new “critical needs” customers.
- Customer behaviors and communication preferences have permanently shifted; in 2021, brands will see a 40% increase in digital customer service.
- Despite increased digitization, voice will become the channel of choice for the ever-increasing number of interactions that require human empathy. [Schedule an inquiry](#) to learn more.

In 2021, Customer Service Will Focus On Those Devastated, Not Just Inconvenienced, By The Pandemic

COVID-19 dominated customer service in 2020, and customer service in 2021 will continue to operate primarily in reaction to the crisis. Customer service has long been concerned with the workaday inconveniences of consumer life: malfunctioning dishwashers, unexpected charges on phone bills, boots arriving from a retailer in the wrong size. But the pandemic ensures that customer service will no longer be just the domain of the inconvenienced; 2021 will see a new focus on serving the needs of folks in true distress. In addition, the crisis has significantly increased consumer use of online commerce and digital channels — while at the same time forcing brands to rethink the core labor models that had powered their contact centers for decades. In 2021:

- **Customer service will become a lifeline for 33 million devastated consumers.** The US unemployment rate [peaked at 14.4%](#) in April 2020, with 10% of the US population truly devastated by the pandemic. Meanwhile, millions of other essential workers, [70% of whom do not have a college degree](#), balance their livelihood with the risk of infection. These consumers require financial assistance and guidance to navigate changing government regulations and services. To serve these consumers, customer service organizations must elevate customer service to a critical role,

map new customer journeys for those in financial distress, and then implement new self-service tools, processes, and strategies to increase the effectiveness of their agents. They must proactively inform customers about available resources and the steps they need to take to get assistance, extend after-hours support, use asynchronous chat, and accommodate more languages so that essential workers can engage more conveniently.

- **Digital customer service interactions will increase by 40%.** The pandemic ushered in [new consumer digital behavior](#), such as online shopping, online banking, and virtual healthcare. There's a class of customers who are now just beginning to use digital channels as the first — and often the only — point of contact with brands for customer service. Forrester predicts that customers who used digital channels for the first time during the pandemic will continue to do so — and drive a 40% increase in the volume of digital interactions. In addition, organizations will [increase the number](#) of customer service channels they deploy, from eight to 11, to encompass a broader range of asynchronous messaging channels. More mature brands will leverage customer signals to proactively — and even preemptively — engage with customers to deflect inquiries, contain costs, and increase conversion and revenue.
- **Voice will be the channel of choice for service as empathy takes center stage.** Voice tends to be the channel of last resort due to high costs for enterprises and customers' desire to avoid waiting in line. The pandemic has stimulated consumer use of digital channels, but voice still provides a higher level of empathy and interactive problem solving. For example, during the COVID-19 crisis, Forrester clients have told us that customers who need to revise their payment plans for utilities, loans, and other critical services due to job losses have driven up voice volumes by as much as 50%. Voice is also a universal channel due to the ubiquity of the technology required to make a phone call. Customer service leaders must further refine the design of cross-channel customer journeys and ensure that the transition to a voice interaction provides agents with as much information as possible about customer identity, intent, and context.
- **Three major brands will move their entire agent workforces home.** Work-at-home (WAH) agent models began as a pandemic response for business continuity, but they're transforming into long-term customer service strategies. Economies of cost and workplace safety regulations outweigh the costs of WAH technology upgrades. Pandemic-fueled innovation in the customer service tech stack is bringing rapid improvements to contact center interaction analytics, workforce optimization, digital adoption platforms, and cloud contact center models. Forrester predicts that three global enterprises that run more than 70% of their customer service operations from home will go nearly 100% WAH in 2021. Large customer service teams experimenting with WAH should [gauge the maturity](#) of their customer service operations and factor in employee preferences before they go all-in.
- **Retailers and banks will create hybrid “store-contact center” rep positions.** Due to the pandemic, some brands with brick-and-mortar presences, such as retailers, banks, and tax preparers, moved the lion's share of their businesses online. Although some in-person commerce has returned, consumer behaviors are permanently altered: We aren't going back to the old world.

Savvy brands like Apple took advantage of the expertise of their retail employees and [tasked them](#) with answering questions via digital channels or voice. Northwest Community Credit Union [reassigned branch employees](#) to manage messaging interactions. Forrester predicts that at least 30% of contact centers in industries with physical locations will follow suit in 2021 — changing the work of bank tellers and retail associates to include responding to customers' online queries. If your industry has made a significant shift online, start evaluating how to incentivize branch employees to take on this new role.