






Research driven Strategy

2021 Malaysian Customer Experience Report



Overview

	Introduction	... 3
	Voice of the Customer	... 6
	Service Journey Management	... 13
	Channel Strategy	... 21
	Conclusion	... 30



Introduction



Introduction



Raymond Devadass

President

Contact Centre Association of Malaysia

The Contact Centre Association of Malaysia is delighted to bring to you the 2021 Malaysian Customer Experience Report. This research report is the first of many that we will be bringing to you in close collaboration with our Knowledge Partner, COPC Inc. In an effort to create greater value for our membership and the industry, CCAM has embarked on this journey with COPC to bring to you research reports that would give greater insights into the industry. It is our hope that our members will be able to use these research reports as they deem fit; be it to enhance their strategies for a better focus on customer care thus creating an overall positive customer experience or for customer generation or retention.

The data from this report is drawn from the participation of 750+ Malaysian consumers. We are grateful to all who assisted by contributing their valuable time and insights in creating this report.

We also give heartfelt thanks to all our contributors, supporters, and readers who continue to inspire us to conduct this research and publish our findings year after year.



Introduction



Ian Aitchison
CEO Asia Pacific Region
COPC Inc.

Firstly, I'd like to thank the CCAM and COPC Inc.'s CX Research team for delivering this terrific insight into customer experience of Malaysian consumers. There are some interesting themes that the research has covered:

- The vast majority of Malaysian consumers would be willing to pay a little more if they knew they would receive world class customer service.
- 60% of Malaysian consumers have stopped doing business with an organisation because they received poor customer service.
- Resolving issues at first point of contact drives much higher level of satisfaction and creates promoters.

Thinking about these themes in relation to the customer contact industry, it is clear that our industry has the capability to make a huge difference to the way Malaysian consumers feel and that we can really shape the customer experience. I hope you enjoy the information in the report, and that you find some of it useful in helping you to make a difference in your organisation.

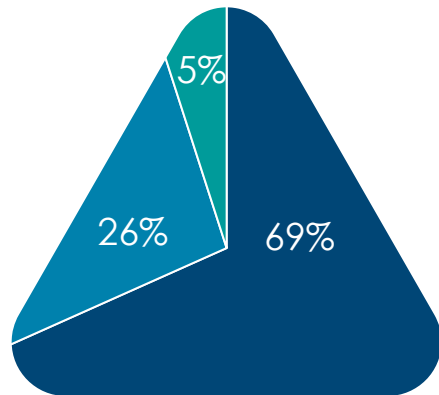


Research Overview



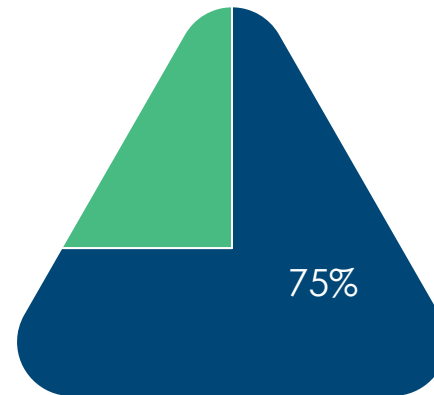
This research has been conducted by the COPC CX Research team in partnership with the Contact Centre Association of Malaysia (CCAM)

Respondents range from 18 to above 45



● 18-29 ● 30-44 ● 45+

13+ industries are represented



75% of respondents provided feedback about the following industries: eCommerce, Telecommunications, Banking, Utilities, Insurance, Government, Airlines, and Consumer Electronics

Feedback was gathered on a range of themes including:



Service Journey Management

n = 764

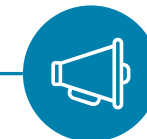


Respondents were asked about their experiences interacting with organisations across a range of channels including digital assisted, phone, email, face to face, webchat and more

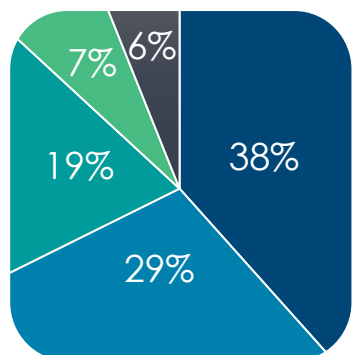
Voice of the Customer



Voice of the Customer



Q. How important is your experience with an organisation's customer service department in shaping your opinion of that organisation?



- Very important
- Important
- Neutral
- Unimportant
- Very unimportant

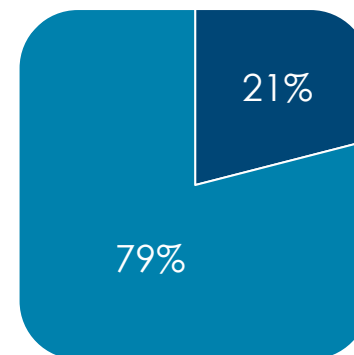


2 out of 3 (67%) of Malaysian customers feel that an organisation's customer service department is 'important' or 'very important' in shaping their opinion of that organisation.



Only 1 in 8 Malaysian customers feel that the customer service department is unimportant or very unimportant.

Q. Would you be willing to pay a little more for a product or service if you knew you would receive world-class customer service as a result?



- Yes
- No

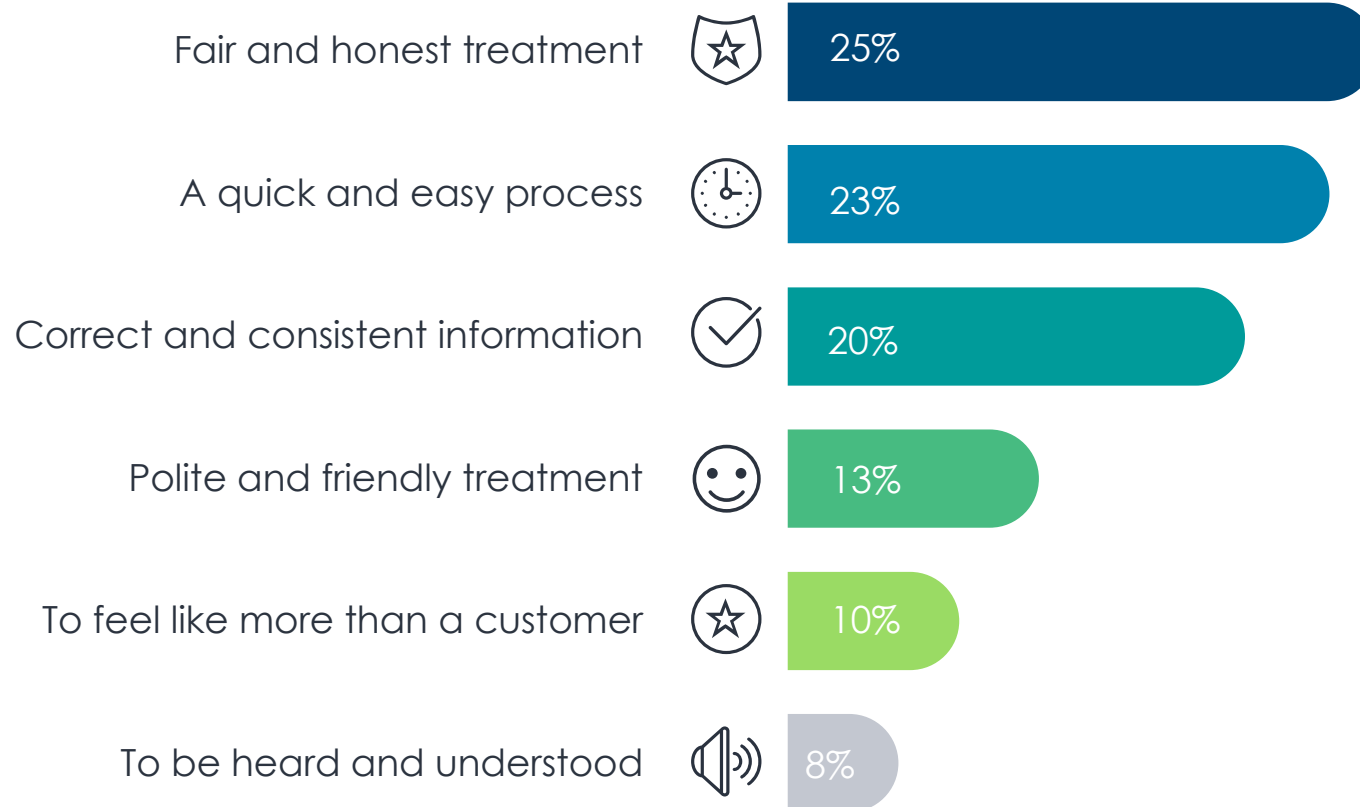


The majority (nearly 4 of 5) of Malaysian customers would be willing to pay a little more for a product or service if they knew they would receive world-class customer service.

Voice of the Customer



Q. Aside from getting your issue resolved satisfactorily, what is most important to you when dealing with an organisation to resolve a customer service issue?

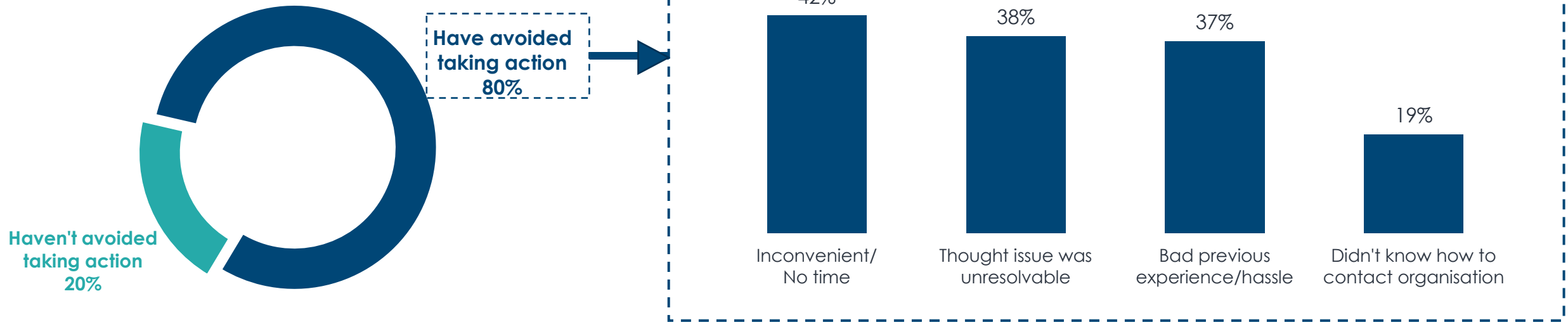


Beyond having their issue resolved, customers list "fair and honest treatment" as the most important factor followed closely by "a quick and easy process".

Voice of the Customer



Q. Within the past 12 months, have you avoided taking action on a customer service issue for any of the following reasons?



4 in 5 customers (80%) have avoided taking action on a customer service issue in the past 12 months.



Of those people that have avoided taking action, 68% indicate that “*inconvenient/ no time*” and/or “*bad previous experience/hassle*” were the reasons why.



38% (nearing 2 in 5) didn't take action because they believed the “*issue was unresolvable*”.

Voice of the Customer



Q. Has an organisation ever lost your business because you received poor customer care?

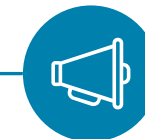


There is a consistent response level across all respondent groups.

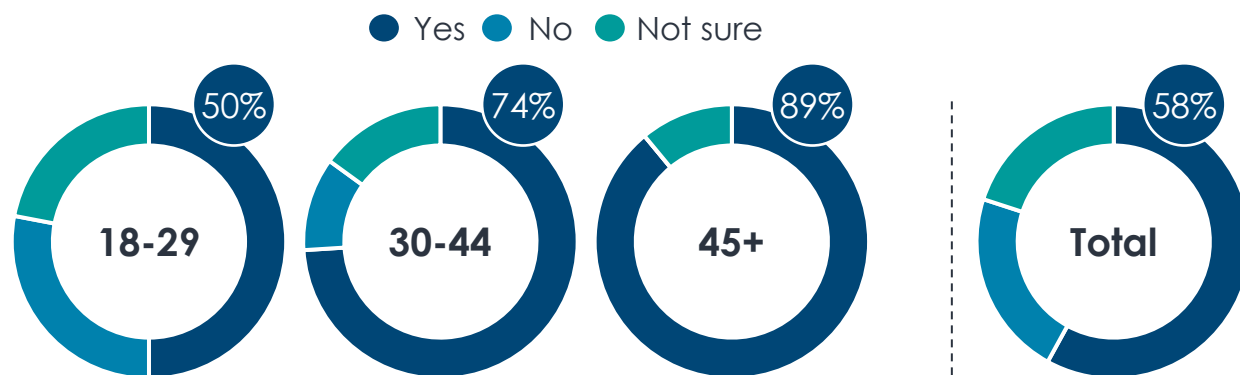
A majority (51% - 67%) of respondents in each group have left a business because they received poor customer service.

Applying this rate (60%) across Malaysia, 16.9 million Malaysian adults have left an organisation as a result of poor customer service.

Voice of the Customer

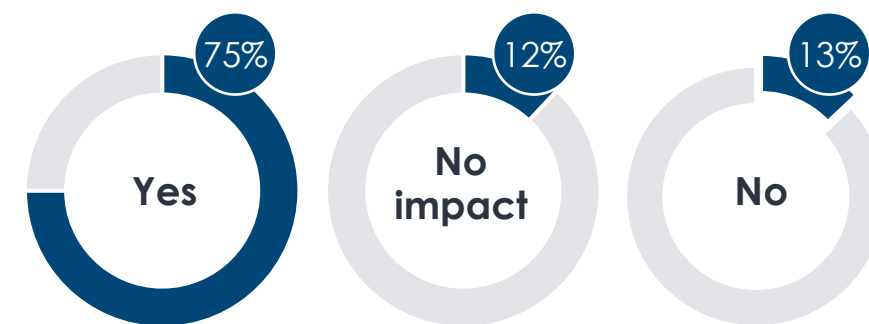


Q. Do you feel the COVID-19 pandemic and any associated restrictions have changed the way that you interact with organisations?



1 in 2 of the 18 to 29 years old state that COVID-19 has changed the way they interact with organisations. Interestingly, this figure increases for higher age groups.

Q. Have these changes been positive for you?



3 in 4 (75%) believe that the change has been positive and an additional 12% state that there has been no impact.



Close to 1 in 5 customers (22%) state that either COVID-19 has not changed the way they interact with organisations



Close to 1 in 8 (13%) have been negatively impacted by COVID-19 in terms of how they interact with organisations.

Voice of the Customer



Q. What do you feel organisations should do differently to help customers avoid having to contact customer service to resolve an issue?



From the customers' perspective, the biggest contact avoidance opportunities (60% for quality of services or products) are outside of the CX operation in areas such as product development.



Within CX operations the focus should be on service design (self service design, policies, processes and proactive solutions) rather than anything that agents have within their control.

Service Journey Management



What is a Service Journey?



The **term Service Journey** describes the engagement that a customer has with an organisation when seeking customer care.

Service Journey

The path taken by a customer, interacting with any combination of company support channels and resources (end to end), required to resolve a customer request or need.

The emphasis is on the operational part of the customer journey, focusing specifically on the time period from their first interaction with the service provider until the issue is completed.

Examples of Service Journeys



- Getting a home loan
- Amending a home loan
- Making changes to repayments



- Resolving a hardware issue
- Resolving a software issue

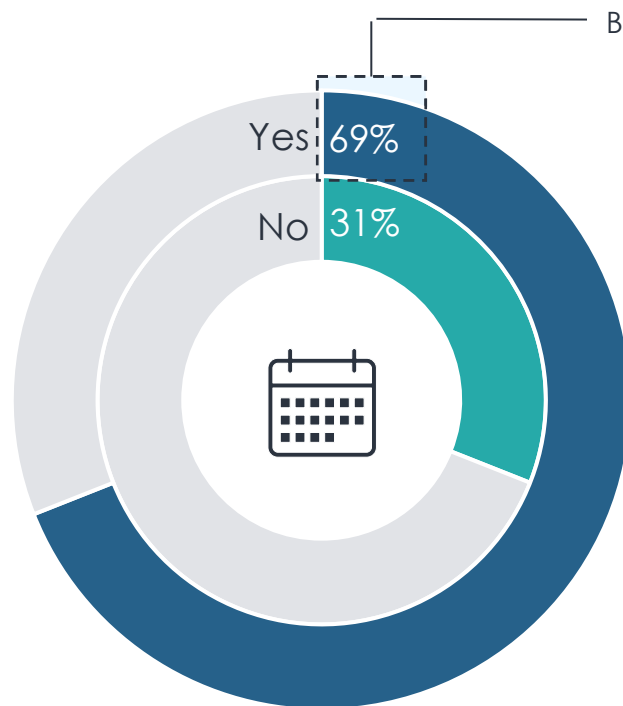


- Becoming a customer
- Making a claim
- Making changes to your policy

Service Journey Management

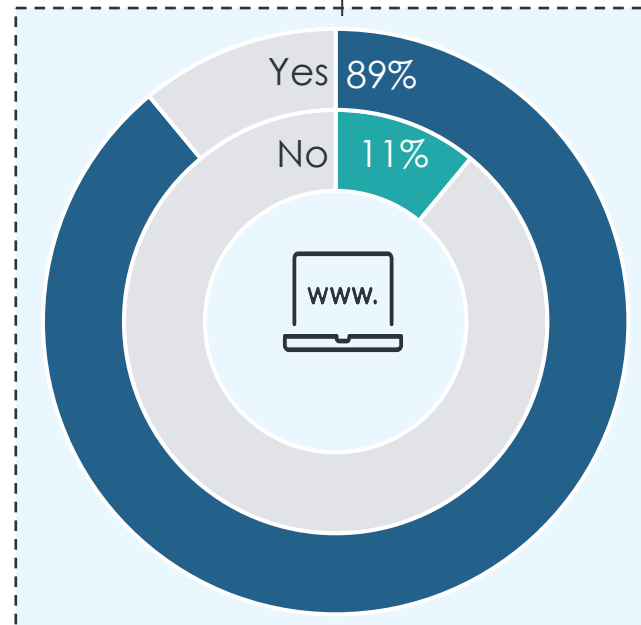


Q. In the most recent three months, have you contacted an organisation regarding a customer care or customer service issue?



Breakdown of 69%

Q. Did you attempt to find the answer to your question yourself online before contacting the organisation?



The majority (69%) of customers have contacted an organisation with a customer care/service issue in the past 3 months.



Approx. 9 in 10 (89%) of them attempted to find their answer online prior to contacting an organisation.

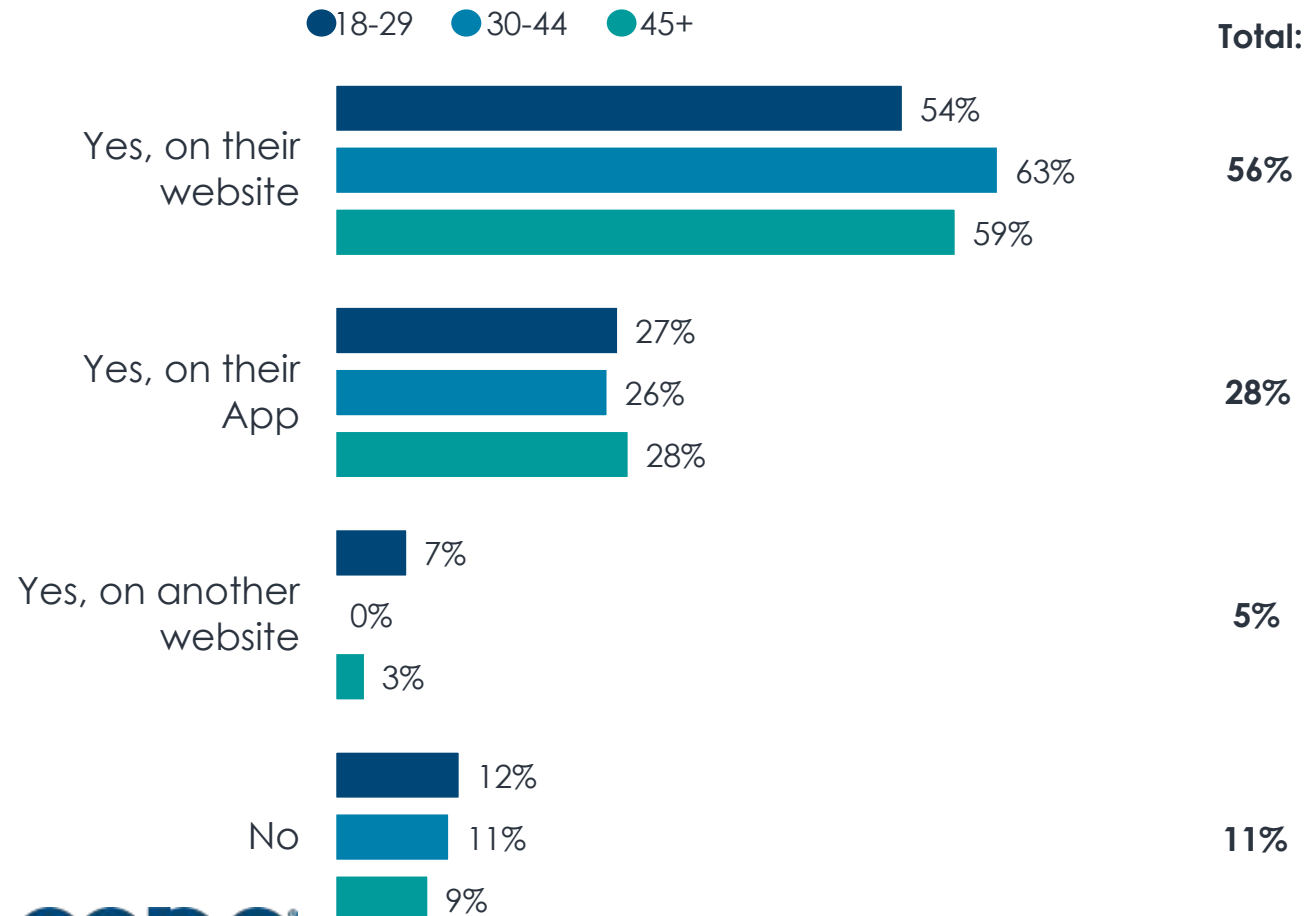


Applying this across the adult population of Malaysia, these rates represent an opportunity to reduce transactions by at least 17.3 million (approximately per month).

Service Journey Management



Q. Did you attempt to find the answer to your question yourself online before contacting the organisation?
(breakdown by resource and age)



The organisation website (56%) is by far the most common point of contact for online support followed by mobile app (28%) and non-organisation website (5%).



Attempts to find answer online by accessing organisation's website is much higher than attempts to look for responses on non-organisation's website

Service Journey Management

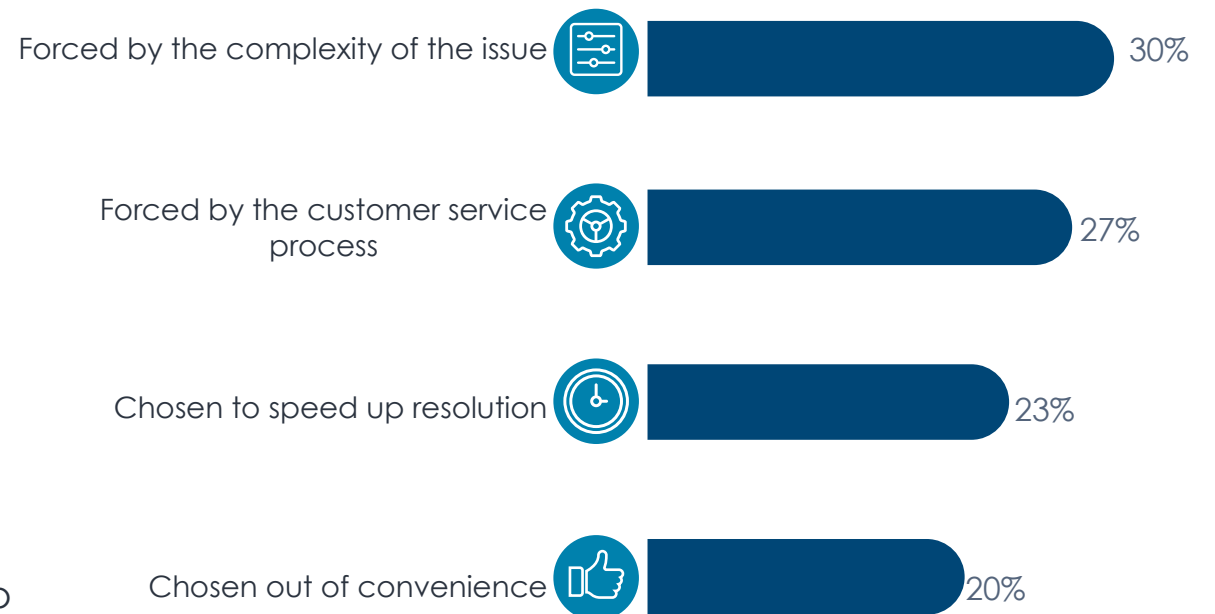


Q. Did you have to use multiple channels (like phone, email and social media) to resolve this single customer service issue?



The majority of customers had to use multiple channels to resolve a single recent customer service issue. While 43% of these customers choose to use multiple channels to “speed up resolution” or “out of convenience”, 57% of customers changed channel because they were “forced” to.

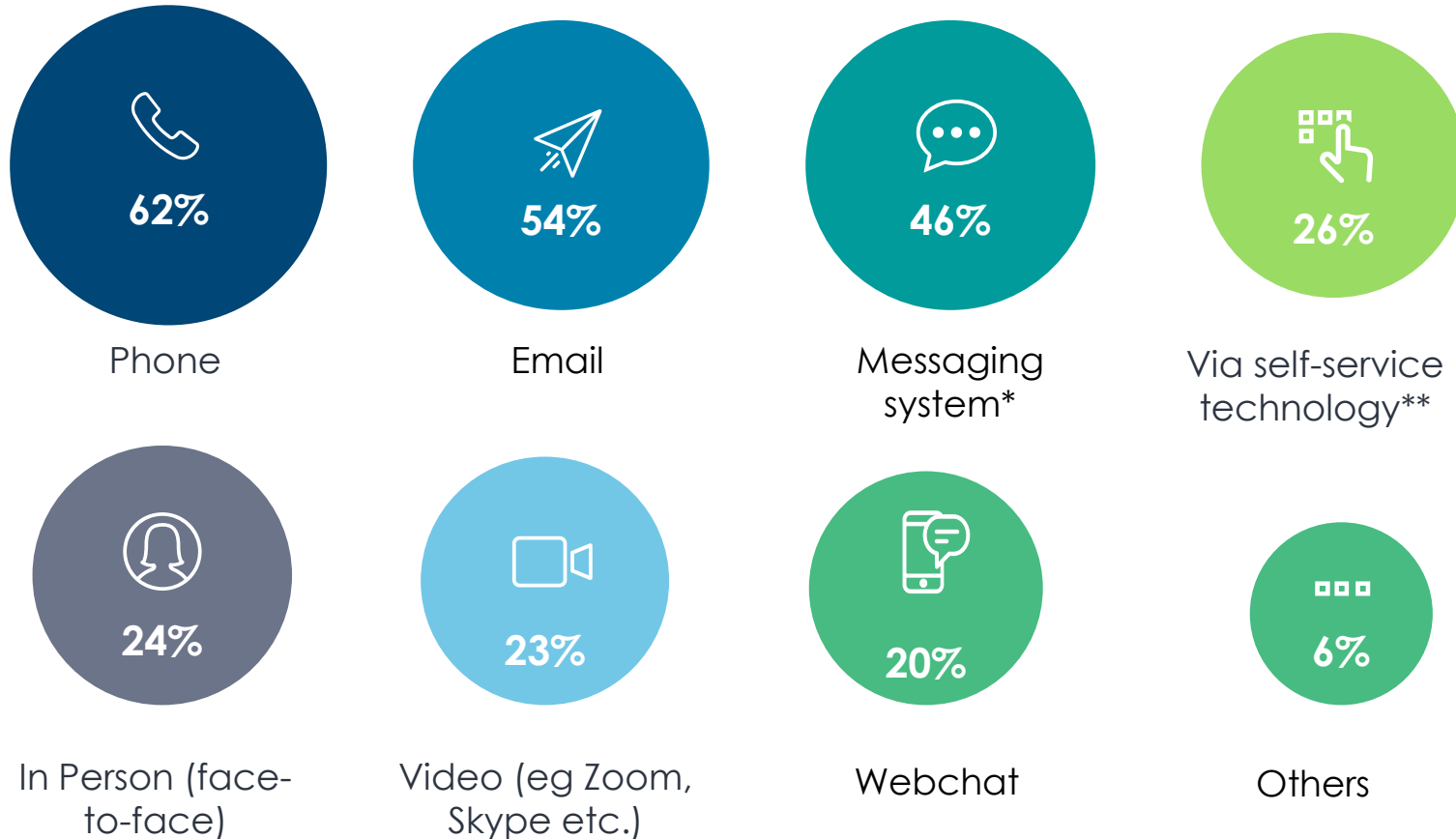
Q. Why did the process take you across multiple channels?



Service Journey Management



Q. Which of the following contact channel(s) did you use to engage with the customer service department?



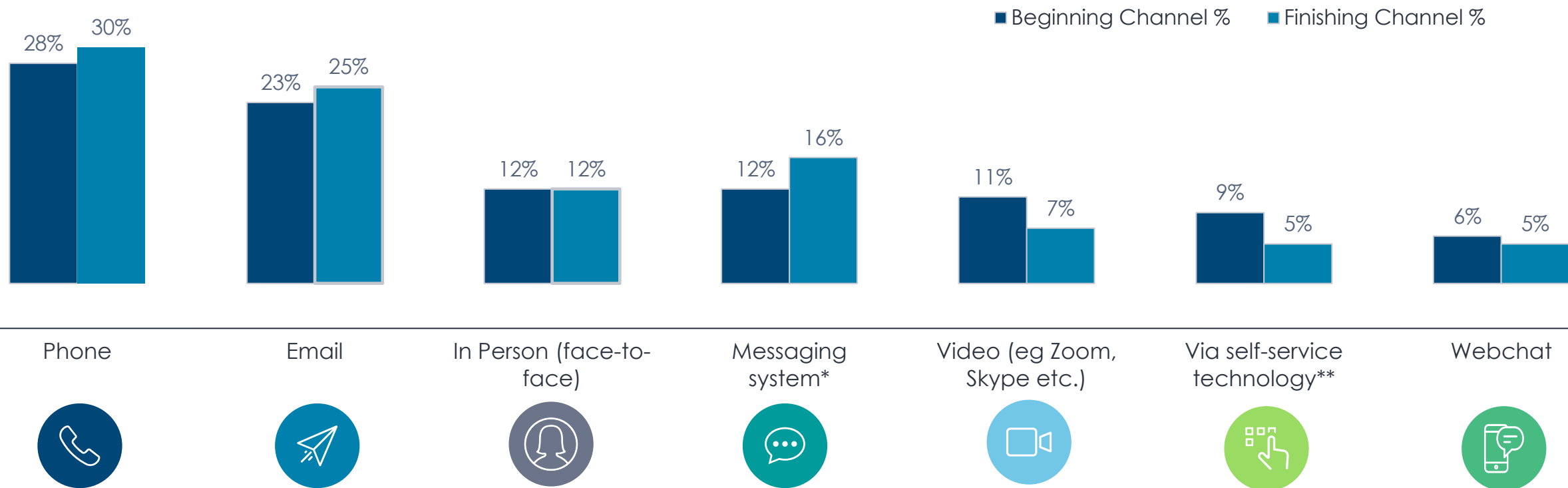
The most common channels are “phone” and “email” which aligns to customers’ stated preferences.

“Messaging system” and “via self-service technology” come in at 3rd and 4th respectively.

Service Journey Management



Q. In which of the following channels did your engagement begin? In which of the following channels did your engagement end?



Unsurprisingly, “phone” and “email” channels are the most common beginning channel (51%) and finishing channel (55%).

Channels with lower finishing percentage (“video”, “self service technology” and “webchat”) are relatively worse at resolving issues and thus customers flow from these channels with a higher finishing percentage (“phone”, “email” and “messaging system”).



* E.g. Facebook Messenger, WeChat, WhatsApp etc. ** E.g. mobile app, online self-service, chatbot etc.

Service Journey Management



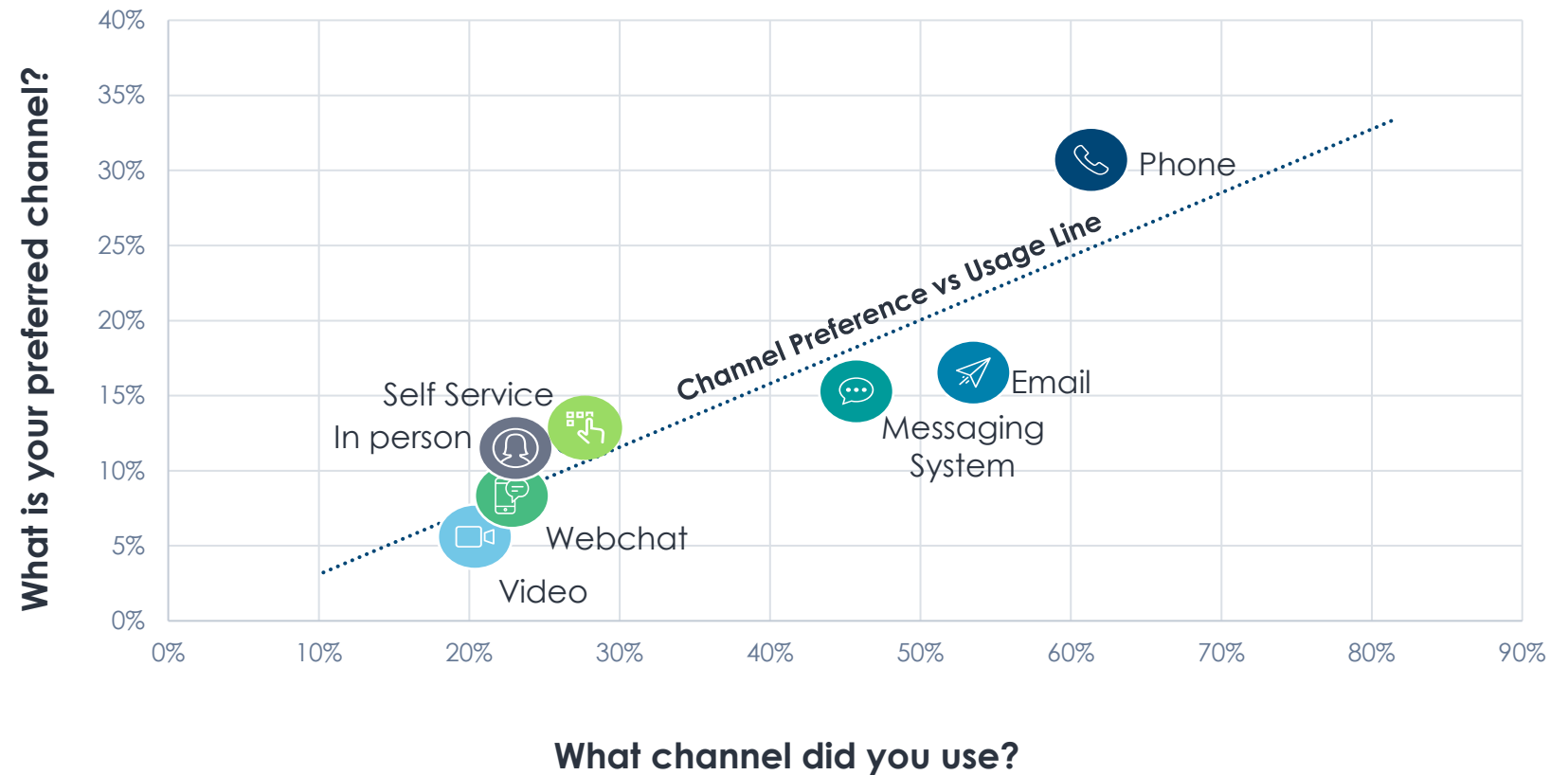
Q. If you knew that your customer service issue would be resolved regardless of contact channel, which would be your preferred contact method? Which of the following contact channel(s) did you use to engage with the customer service department?

This chart compares customers' stated channel preference to customers' actual channel usage.

If an organisation was perfectly aligned to their customers' desires each channel would fall along the "Channel Preference vs Usage Line".

The channels above this line (i.e. "phone", "self-service" and "in person") are channels that customers would prefer to use more than they actually do.

Channels below this line (i.e. "email", "messenger system" and "video") are channels customers would prefer to use less than they actually do.



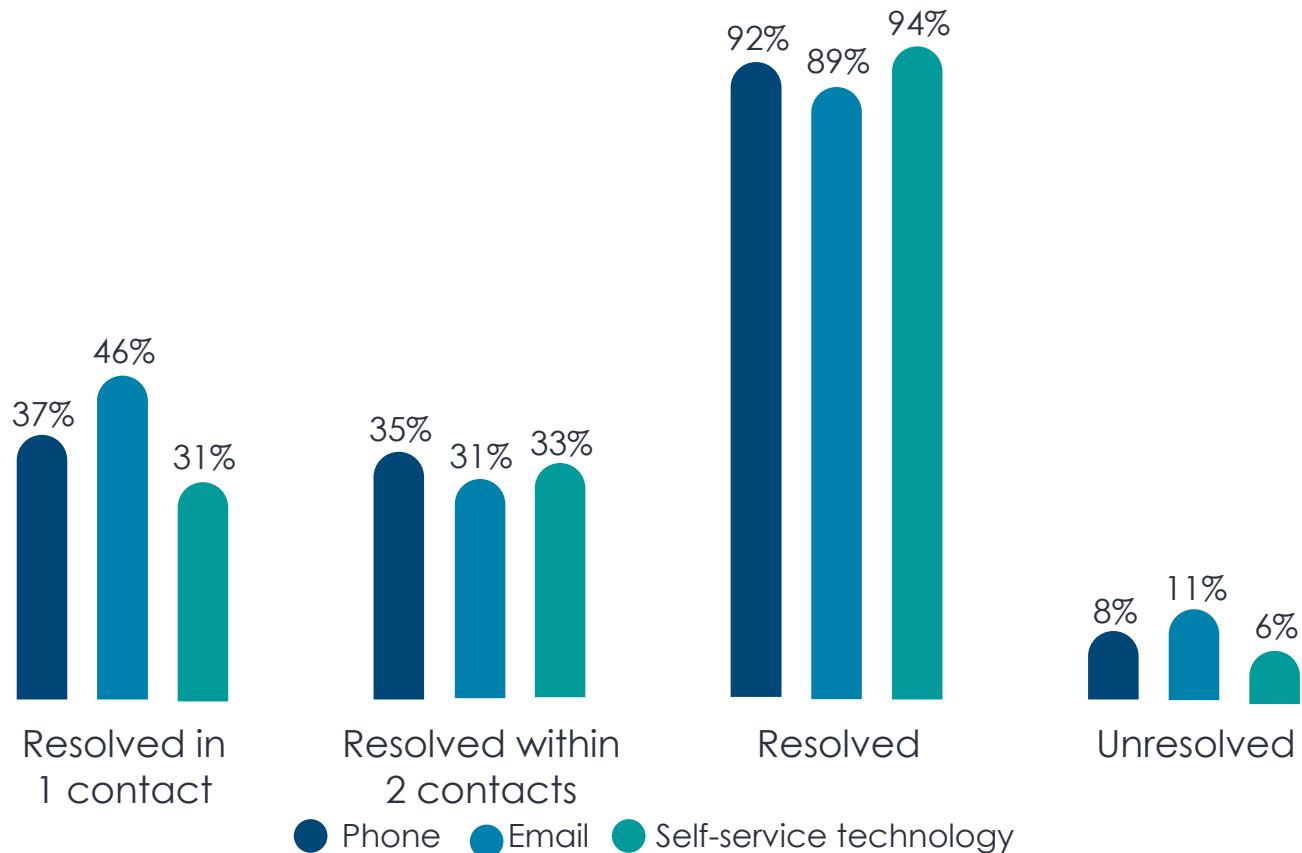
Channel Strategy



Channel Strategy



Q. Considering your most recent experience, has your issue been resolved? How many separate interactions did you have with the organisation before your issue was resolved?



Across these channels 92% of customers report their issue being eventually resolved however only 37% were resolved after one contact.



While resolution rate in case of Email was slightly lower, Email had the highest first contact resolution.

Channel Strategy






Q. Based on your most recent interaction with them, overall, how satisfied are you with the organisation?

% of customers "Very Satisfied" or "Satisfied"



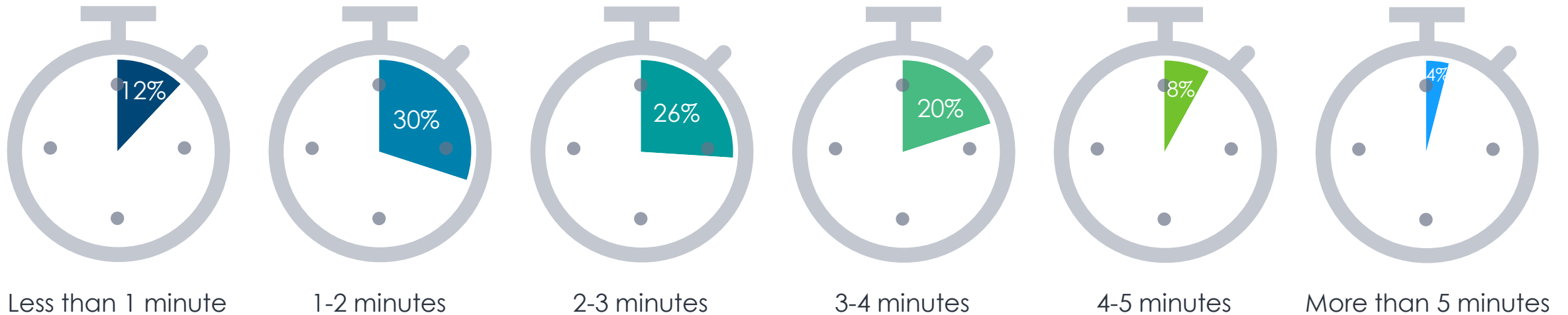
Customer Satisfaction is strongly linked to ease of resolution.

-  When issues were resolved with one contact overall satisfaction was 92%.
-  This drops to 78% for customers that required 3 or more contacts to have their issue resolved.
-  It drops again to 33% for those customers whose issues remain unresolved.

Channel Strategy



Q. When interacting with an organisation's customer care department through **phone**, how quickly do you expect them to initially answer your enquiry?

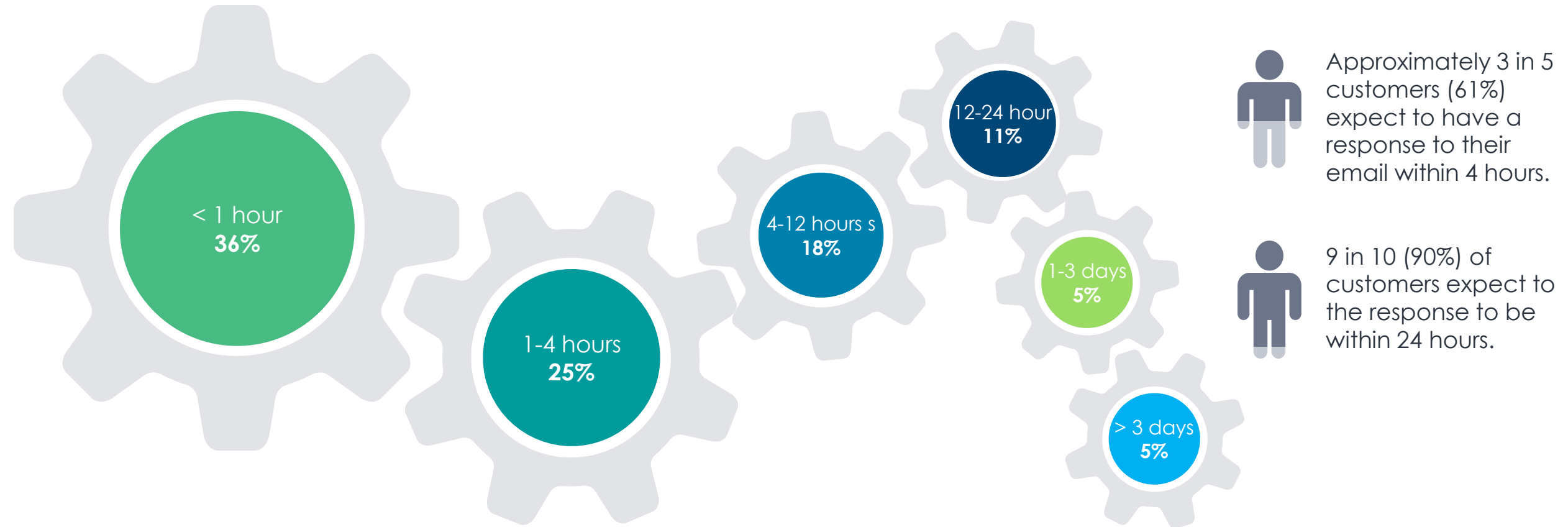


12% of customers expect to be answered in less than a minute. A majority (56%), expect to be answered between 1 to 3 minutes. While nearly 1 in 3 customers expect to be answered in more than 3 minutes.

Channel Strategy



Q. When interacting with an organisation's customer care department through an **email, how quickly do you expect them to initially answer your enquiry?**

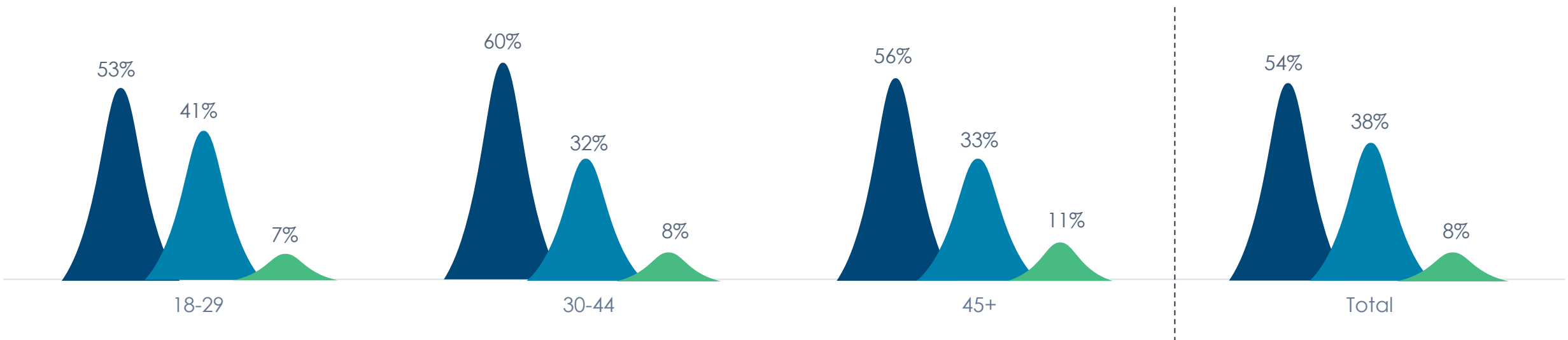


Channel Strategy



Q. If a company had a self-service technology solution that could easily and effectively resolve a future issue, how would you feel about that company guiding you to that solution?

▲ As long as my problem is resolved, then great ▲ I'd like to know about it, but prefer to have more options ▲ I'd rather just choose a solution on my own

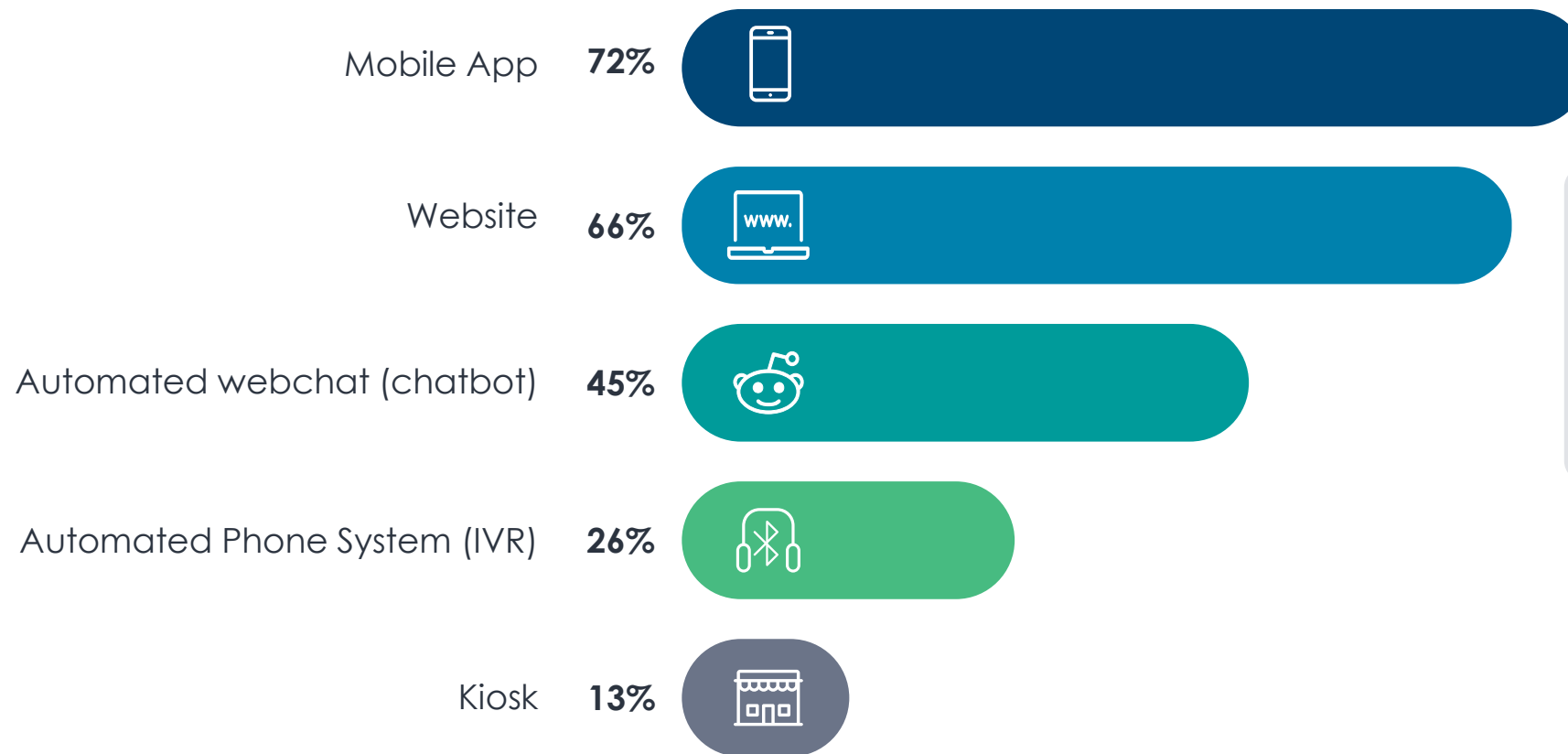


The vast majority of customers (92%) are open to learning about self-service technology that could “*easily and effectively*” help them in the future. This insight is consistent across all age groups with only a slight drop from 93% for younger customers (18 – 29) to 89% for older customers (45+).

Channel Strategy



Q. What self-service technology have you engaged with in the past 3 months to handle a customer care enquiry/issue?



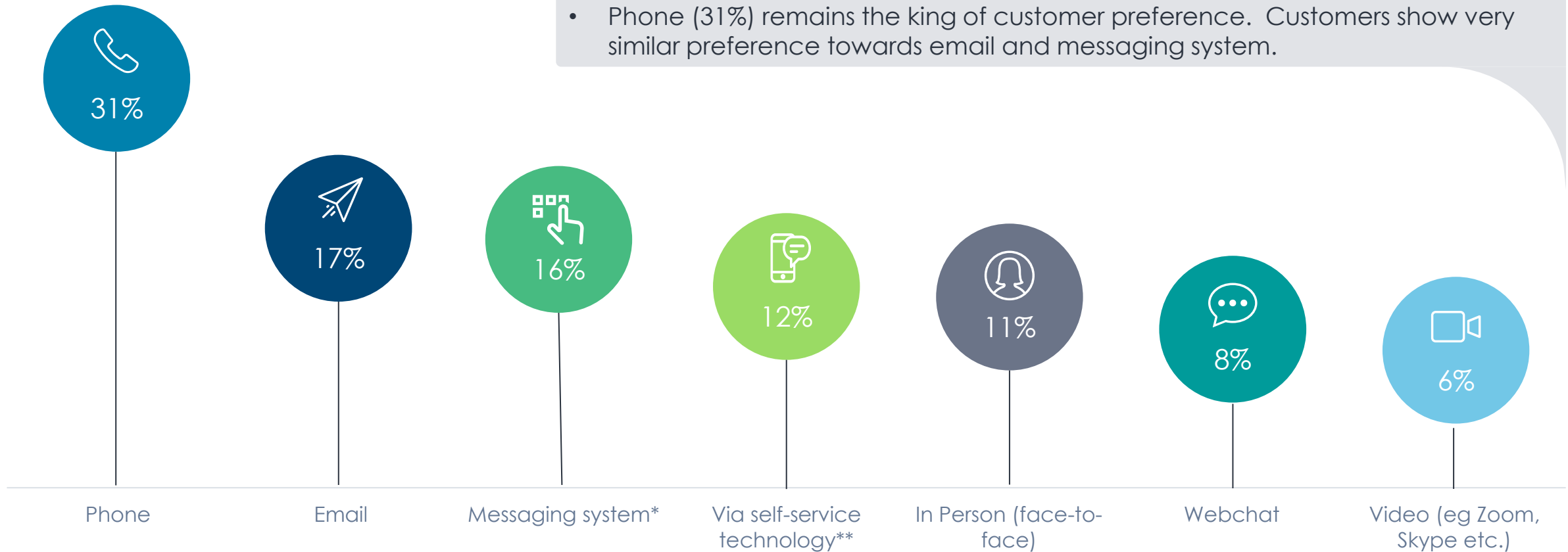
Organisations' mobile apps are the most common self service technology used (72%) closely followed by websites (66%).

Channel Strategy



Q. If you knew that your customer service issue would be resolved regardless of contact channel, which would be your preferred contact method?

- Phone (31%) remains the king of customer preference. Customers show very similar preference towards email and messaging system.

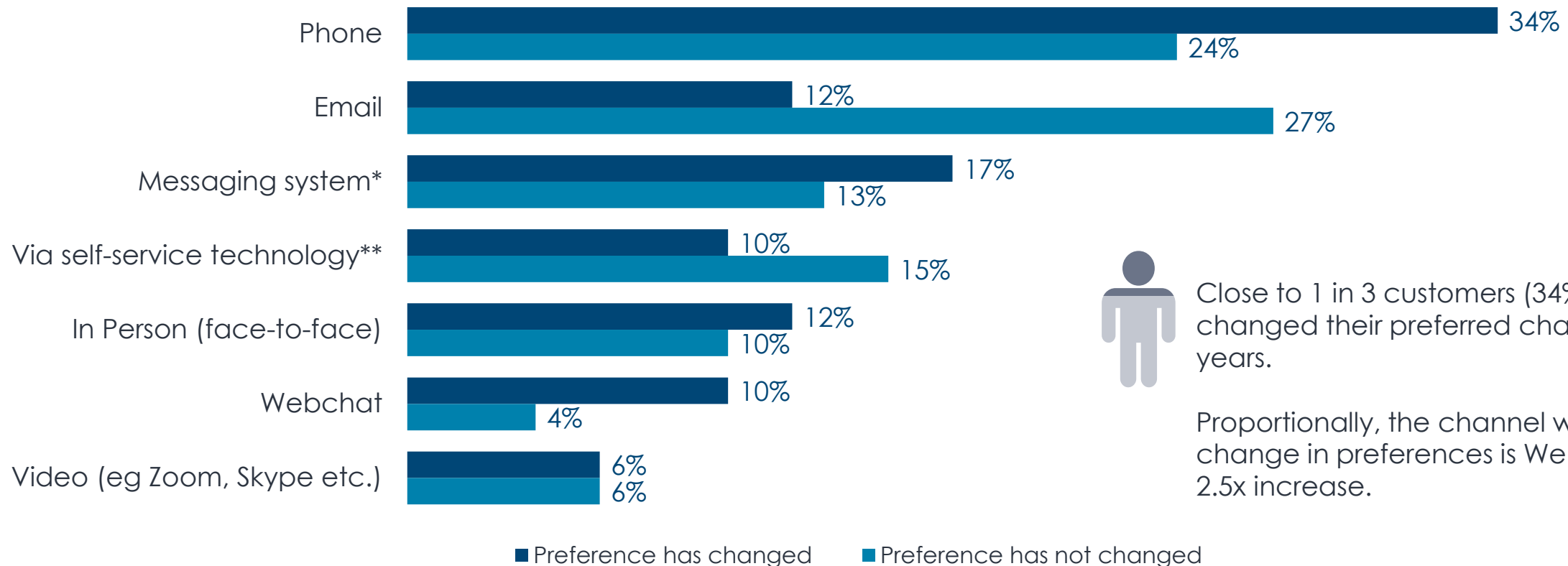


* E.g. Facebook Messenger, WeChat, WhatsApp etc. ** E.g. mobile app, online self-service, chatbot etc.

Channel Strategy



Q. If you knew that your customer service issue would be resolved regardless of contact channel, which would be your preferred contact method? Has your preferred contact method changed in recent years?



Close to 1 in 3 customers (34%) have changed their preferred channel in recent years.

Proportionally, the channel with the largest change in preferences is Webchat with a 2.5x increase.

Conclusion



Conclusion



- Majority of the consumers would be willing to pay more for a product or service if they knew they would receive world-class customer service. Additionally, poor customer care would also result in loss of customers for the organisation (slides #7 and #10)
- Consumers are using multiple channels for issue resolution – with higher proportion being “forced” to do so, than out of their own choice. 57% of consumers stated that complexity of issue or the customer service process itself forced them to use multiple channels for same issue (slide #17)
- Issue resolution hugely drives consumer satisfaction – particularly, first contact resolution has massive positive effect on satisfaction (slide #24)
- Consumers are willing to resolve issues themselves - 89% of consumers who contacted the customer service have attempted to resolve the issue themselves online through self-service channels (slide #15)



About the study's authors

COPC Inc. provides consulting, training, certification, benchmarking and research for operations that support the customer experience. The company created the COPC Standards, a collection of performance management systems for call center operations, customer experience management, vendor management, and procurement. Founded in 1996, COPC Inc. began by helping call centers improve their performance. Today, the company is an innovative global leader that empowers organizations to optimize operations for the delivery of a superior service journey.

www.copc.com



Please contact me at any time to discuss how COPC Inc. can help you to improve your operations.



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