
No More Status Quo: Five Trends Revolutionizing Customer Service

A Guide to Staying Ahead in 2023 and Beyond



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No More Status Quo:
Five Trends Revolutionizing Customer Service





As omnichannel buying becomes easier and easier across industries, the **most memorable interactions** your customers may have with your brand are filtered through the lens of seeking solutions for pre- or postpurchase problems.

As a critical touch point in both B2B and B2C customer experiences, service is an ongoing opportunity to win lifetime loyalty that fortifies your business and, ultimately, drives growth. The converse also holds true: poor customer service interactions can push consumers directly into a relationship with your competitors.

This future-forward view of customer service as a central pillar of intelligent customer experience (CX) is clearly reflected in the following five emerging trends that every technology leader needs to know about.



“The customer support department becomes the revenue-generation department. In the past, customer support has been seen as a cost. Smart leaders are realizing that customer service and a focus on customer experience pays.”

— Shep Hyken, Customer Service and Experience Expert
and Chief Amazement Officer, Shepard Presentations LLC

Trend #1: Tear Down the Walls – Smash Silos for Best Results

“Both employees and customers require better, more holistic data to receive better service.”

— Jeannie Walters, CEO, Experience Investigators



Connected Agents, Happier Customers, Better Bottom Lines

Organizations empowering their service teams with technology that supports swift, accurate, and satisfying resolutions to customer problems – with fewer handoffs and less confusion – can win loyalty and brand equity. In fact, many respondents in a recent survey conducted by Harvard Business Review Analytic Services, sponsored by SAP, report that customer service drives brand value (94%) and revenue (92%).¹

Getting it right the first time means having access to the right data and internal resources at the right moment to serve the customer the right way. Executing flawlessly means front-line agents must be connected to the entire organization, including sales, operations, logistics, and e-commerce.

Smashing these legacy silos is a huge competitive advantage when fewer than half of enterprises say they're capable of cross-department collaboration.²

1., 2. "HBR Pulse Survey: Changes Ahead for B2B Customer Service in a Digitally Driven World," Harvard Business Review Analytic Services, sponsored by SAP, 2022.

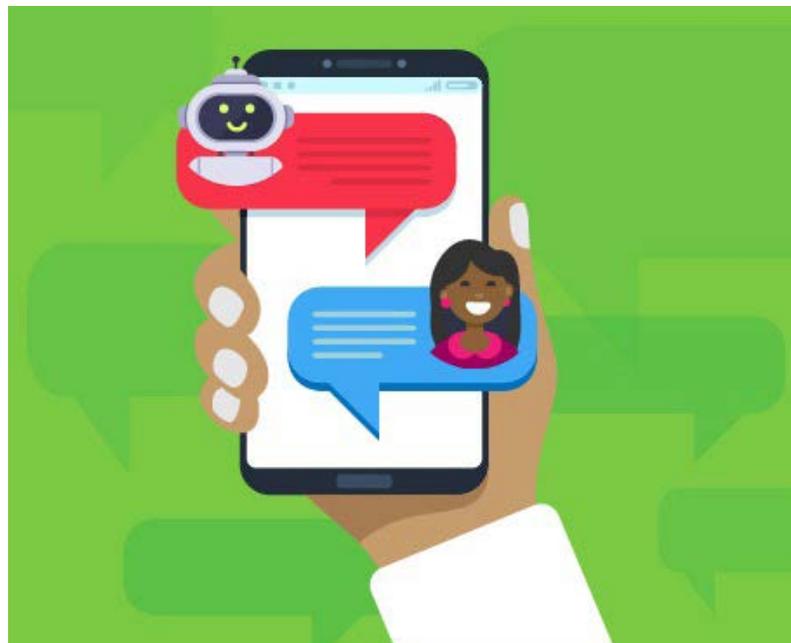
Trend #2: Robots to the Rescue

Automation Starts to Deliver on Its Promise

The smart use of AI and automation – in combination with real, live human beings – helps streamline operations, reduce employee turnover, and support the excellence that customers demand in their service interactions.

More than half (61%) of B2B organizations plan to invest in automating routine customer service activities in the next two years.³ This willingness to spend on automation reflects both the business benefits of AI and other intelligent technologies and customer affinity for automated channels.

The efficiency of automation supports profitable growth and lower employee turnover. Freed from mundane, repetitive tasks, service agents are better able to find creative solutions to complex customer issues – especially in a connected enterprise. The data generated by tools such as machine learning also supports better service in the form of greater, more actionable insights across the entire company.



“Organizations get the advantages both of reduced service costs and real-time data about customer needs. Customers get answers and support quickly and efficiently. We’re early in this journey, but there is so much potential over the coming years.”

— Jeannie Walters, CEO, Experience Investigators

3. “HBR Pulse Survey: Changes Ahead for B2B Customer Service in a Digitally Driven World,” Harvard Business Review Analytic Services, sponsored by SAP, 2022.

Trend #3: Adapt on the Fly with Composable Customer Service

React to Disruption Without Disrupting Your Business

Customer service – and by extension, the entire customer experience industry – is at an inflection point. Omnichannel engagement is no longer a theory. It's an attainable goal across B2B and B2C brands. Now, technology leaders can turn their focus to creating a composable business, and customer service offers the perfect starting point.

A composable enterprise can shift departments, organizational elements, and even channels as modular components of a greater whole. The result is an ability to create highly customized business models that adapt to rapid change as it happens.

Customer service is well suited to composability, providing big benefits to service agents who are often on the front lines of shifting consumer demands and unanticipated global conditions. The ability to meet these challenges with agility keeps customers happy and prevents attrition. The most successful brands see the opportunity in disruption by building a composable business that's able to take advantage of conditions that might damage their less agile competitors.



When you're up against a forced change, the ability to pivot quickly and give people what they want is a huge advantage. Turning those opportunities into value for your organization and your customers is key to survival.

Trend #4: Be the Change – Service as a Sustainability Advocate



Amplify Sustainability Options to Win Loyalty, Create Long-Term Revenue

More consumers want to spend in a way that aligns with their values, and sustainability is high on the list of brand differentiators. Service agents have a unique opportunity to amplify your sustainability message. Moreover, they can further support your sustainability goals by guiding and supporting purchasing decisions.

Sustainability is no longer an optional business goal. In a survey conducted by SAP, 61% of brands agreed that environmental issues will be important

to their business results within the next decade, and 80% see a positive relationship between sustainability and long-term profitability. Those who invest in sustainability are also more likely to see higher revenue for the current fiscal year.⁴

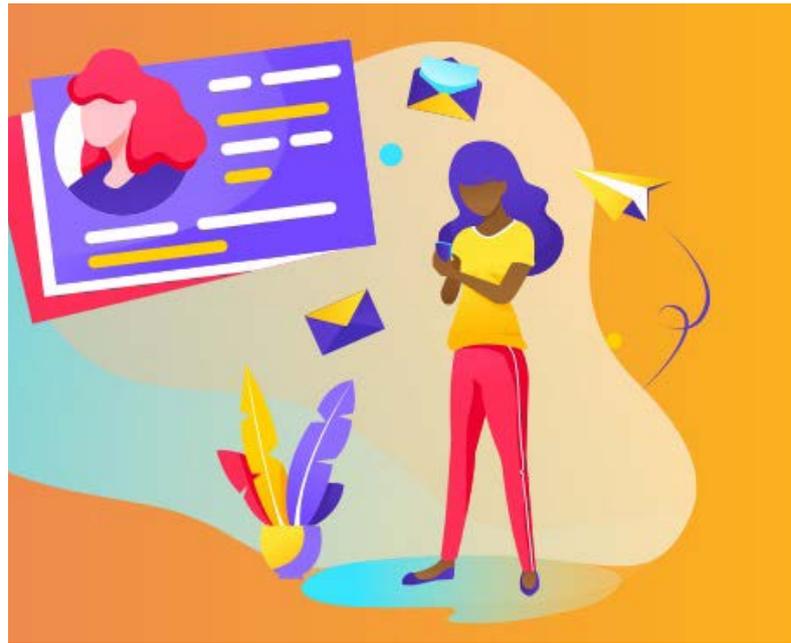
A service agent could encourage a utilities customer to use paperless billing or online support documentation, or they could assure a retail consumer that their product return won't go into a landfill. With these actions, they're making sure your brand stays competitive and meets the growing expectation of environmental responsibility.

4. "The Balance Sheet Blind Spot: How Sustainability Affects Competitiveness and Profits," SAP® Insights research center, 2021.

Trend #5: Customer Service Can Sink – or Save – a Brand

Customer Service as Brand-Value Generator

The service that customers receive deeply affects their brand perception, for better or for worse – and at the same time, customer expectations continue to rise. Customer service is all about what you've done lately, and the basics (friendly, helpful, and convenient service) are easy to understand. What's not so simple is the ability to stay current with those rising expectations.



“Finding the right mix of new technology and human empathy to bring to customer service needs is getting both easier and more complex. An overreliance on technology when human empathy may be the best fix has the potential to jeopardize potentially profitable long-term customer relationships.”

— Brent Leary, Cofounder and Managing Partner, CRM Essentials LLC

According to an Economist Intelligence Unit report sponsored by SAP, customer retention rates as low as 5% can increase profits anywhere from 25% to 95%.⁵ This report focuses on the relationship between business growth and customer service excellence, which continues to grow stronger.

Striving for service excellence to retain customers also requires businesses to place a high value on the employee experience. As front-line brand ambassadors and problem-solvers, service agents are the lifeblood of customer experience – particularly as purchasing is increasingly automated.

“We must do as much for our employees, if not more, than we do for our customers. Just as we want our customers to come back, we want our employees to stay.”

— Shep Hyken, Customer Service and Experience Expert and Chief Amazement Officer, Shepard Presentations LLC

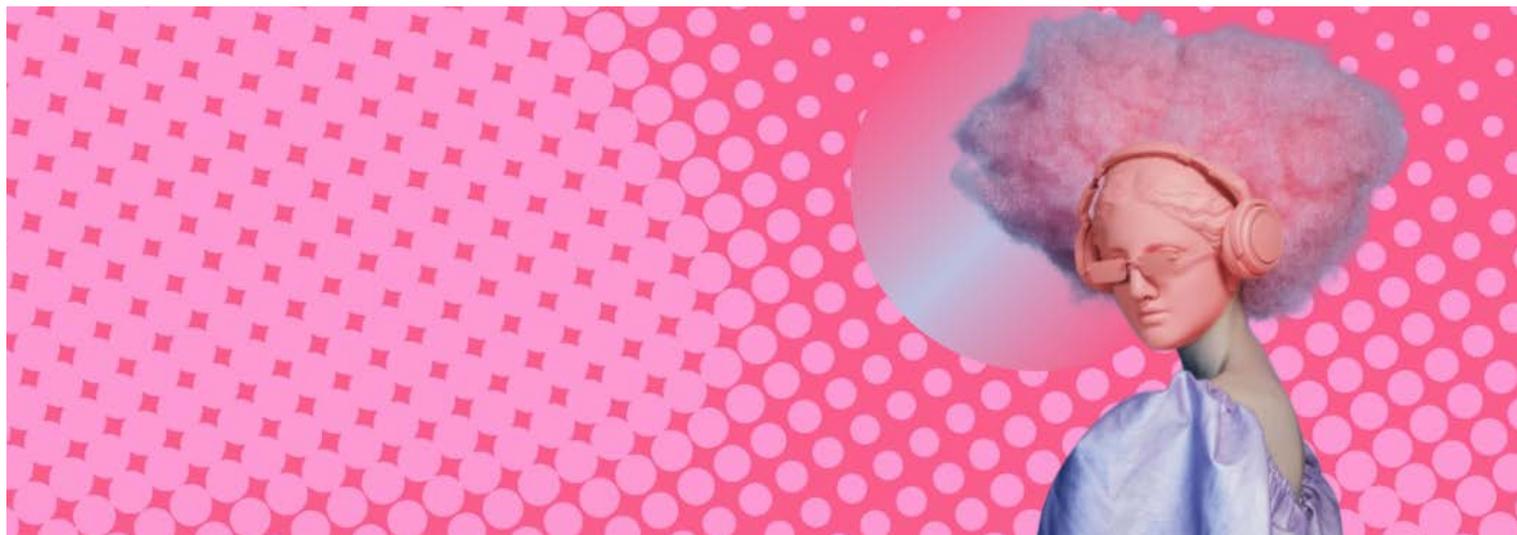
5. “The Bigger Picture: Driving Business Growth Through Excellence in Customer Service,” Economist Intelligence Unit, sponsored by SAP, 2021.

Service as Savior

Customer Service Is a CX Star – Let It Shine

It's time to stop thinking about service as the last piece of your CX puzzle. A responsive, composable, empathetic customer service organization supports the kind of profitable growth the C-suite demands, as global conditions enter an era of constant change.

The ability to keep existing customers and create brand value in every single interaction can and should be a focus for technology leaders. ■



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