Baby Boomers vs Millennials

Serving The Customers of Today (and Tomorrow)
BABY-BOOMERS VS MILLENNIALS:
SERVING THE CUSTOMERS OF TODAY (AND TOMORROW)

Based on the research carried out for ContactBabel’s new report “The UK Customer Experience Decision-Makers’ Guide”, “Baby-Boomers vs Millennials: Serving the Customers of Today (and Tomorrow)” is a White Paper which compares the expectations and requirements that younger and older customers have for their customer experience.

“The UK CX Decision-Makers’ Guide” surveyed 246 UK businesses and 1,000 UK consumers to understand how businesses are investing in their customers’ experience, and what the customers themselves actually value most.

While there are differences in opinion from social commentators as to the age group in which ‘Millennials’ belong, for the purposes of this report it includes survey respondents in the 16-34 year-old range.

The full report is available free of charge from www.contactbabel.com.
Survey respondents were asked to state the top three most important factors impacting on customer experience when contacting an organisation. Results were segmented by age group to see if any patterns emerged.

Millennials consider 24/7 availability to be the most important factor, even placing it above having their issue solved first time. This desire for immediacy of response is strengthened by the finding that the second most important CX factor is having a short wait time for a response.

The older generation cared most about the employees being UK-based (with 59% of respondents placing this in the top 3) against only 33% of Millennials. First contact resolution was also of far greater importance to the 65+ age group, with 58% placing it in their top 3. The older generation also values having their issue handled by a single employee.
A question was put to 1,000 UK consumers: would they prefer to speak to an agent or use automation, if the effort, outcome and time spent were exactly the same?

Surprisingly - in that the question emphasised that the outcome and customer effort/time spent would be identical in each case - the results show that the customer base is not yet at a stage where automation is seen as being on equal terms with human contact.

Both age groups prefer communicating with employees rather than using automation - 68% in the case of the 65+ age group and 49% for Millennials.

However, Millennials are more willing to try automation, with 29% actively choosing automation over speaking to an employee and 15% not expressing a preference. For the older generations, only 9% prefer automation, although 22% state that they have no preference.
The survey of 1,000 UK consumers carried out for this report attempted to understand which the channels of preference would be in cases of high emotion, urgency and complexity, through presenting survey respondents with three hypothetical scenarios:

For the “High Emotion” interaction, respondents were asked what they would do to notify a company that an incorrect item has been sent to them. Being sent an incorrect item is frustrating - not only has the desired product not arrived, but the customer must then spend time and effort to return the item. However, this is not a particularly complex interaction, and in many cases will not be particularly urgent.

The most popular choice of contact is through email, with 42% of Millennials and 39% of 65+ respondents choosing this channel, which is often a preferred choice for complaints.

Millennials’ next most popular choice is web chat (17%), but the older generations are far less fond of it (6%). Instead, older customers are much more likely to pick up the phone, something which only 13% of Millennials will do. 5% of Millennials will choose social media whereas none of the older generation experiences this preference, despite the relative immediacy of this channel.
For “High Urgency” interactions, respondents were asked what they would do to check the arrival time of a flight that they were meeting. This is likely to be an urgent interaction, as it is very time-sensitive. Complexity is very low - the required information is simply a time - and in the majority of cases, the initial request should have a fairly low emotional impact.

Similarly high proportions of respondents from both generations prefer using the website for high urgency interactions, and it would be the primary channel for almost half of customers studied.

Despite the usually slow response associated with the channel, email is also a popular choice for Millennials (17%) whereas only 8% of the older generation chose this.

20% of the older generation would prefer to phone the airline, whereas only 7% of the Millennials would do so.

Although social media would offer an immediate response, this wasn’t at all popular with the 65+ generation and only 3% of younger respondents stated that they would visit this channel first.
For “High Complexity” interactions, respondents were asked which channel they would prefer to use to receive guidance on completing a mortgage application or tax form. This is likely to be a complex and long interaction, but is unlikely to have necessarily high levels of urgency or emotional response.

<table>
<thead>
<tr>
<th>Preferred contact methods</th>
<th>65+</th>
<th>Millennials</th>
</tr>
</thead>
<tbody>
<tr>
<td>Don’t know/Not applicable</td>
<td>11%</td>
<td>26%</td>
</tr>
<tr>
<td>No preference</td>
<td>8%</td>
<td>6%</td>
</tr>
<tr>
<td>Social media</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>Website self-service/mobile app</td>
<td>11%</td>
<td>15%</td>
</tr>
<tr>
<td>Phone the contact centre</td>
<td>12%</td>
<td>15%</td>
</tr>
<tr>
<td>Email</td>
<td>6%</td>
<td>16%</td>
</tr>
<tr>
<td>Web chat</td>
<td>5%</td>
<td>16%</td>
</tr>
<tr>
<td>Visit the store/office/branch, etc</td>
<td>17%</td>
<td>33%</td>
</tr>
</tbody>
</table>

Millennials prefer to use one of the agent-supported digital channels; social media, web chat and email, with 38% choosing to handle high complexity interactions through the methods, compared to only 11% of the older generation.

Neither set of respondents felt particularly comfortable using web self-service, showing that even the youngest generation of customers see the benefit in agent support.

Respondents from the 65+ age group were more likely to prefer a live face-to-face interaction, (33% compared to 17% of the Millennials). This may be due to the older generation having more time to do this, and having greater familiarity and trust with this interaction method.

It is also worth noting that the younger generations seem more decisive than the older generation as 26% of respondents over 65 did not know which channel they would use, compared to only 11% of the Millennials.
In addition to “The UK CX Decision-Makers’ Guide”, ContactBabel also has a US version available now, which allows direct comparison between the UK and US consumers, and contact centre industries.

In both the UK and US, 24/7 availability is the most valued top 3 CX factor for Millennials. US respondents rate “polite and friendly employees” as being of far more importance than do UK respondents, who are more likely than US counterparts to value short call times. Millennials in either country are much less likely than older generations to care if employees are based outside of their country.

Although both sets of Millennials prefer to communicate with employees when given a choice, they are both more willing than the older generations to at least try to use automation.

In high-emotion situations, UK and US Millennials both prefer email as their contact method. However, Baby-Boomer US respondents are more than twice as likely to phone rather than email. UK Millennials are more than twice as likely as their US counterparts to try to resolve a high-emotion issue via web chat.

In high-urgency situations, websites are most popular choice for all generations, both in the US and the UK. US Millennials are twice as likely to use phone, whereas UK Millennials are much more likely to try web chat first.

In high-complexity situations, 32% of UK Millennials want live human voice interactions (i.e. either actual face-to-face conversations, or phoning the contact centre), whereas in the US, 48% of Millennials would choose these live channels first. UK Millennials are more likely to prefer agent-supported digital interactions (i.e. email, social media and web chat) with 38% choosing one these methods, compared with only 25% of US Millennials.
CONCLUSION

Perhaps unsurprisingly, UK Millennials are a lot less likely than the older generation to want to speak face-to-face or on the phone when communicating with a business.

However, this is not to say that Millennials want to do everything themselves: while they display a higher propensity than Baby-Boomers to use automated self-service, there is still a very definite feeling that agent-supported interactions are generally preferable for all but the simplest of tasks.

The main difference in Millennials’ outlook is that the agent-supported digital channels – email, web chat and social media – are of the greatest interest to them, offering expertise and inspiring confidence, without having to put the social effort in which face-to-face and telephony communication require.

ABOUT CONTACTBABEL

ContactBabel is the contact centre industry expert. If you have a question about how the industry works, or where it’s heading, the chances are we have the answer.

The coverage provided by our massive and ongoing primary research projects is matched by our experience analysing the contact centre industry. We understand how technology, people and process best fit together, and how they will work collectively in the future.

We help the biggest and most successful vendors develop their contact centre strategies and talk to the right prospects. We have shown the UK government how the global contact centre industry will develop and change. We help contact centres compare themselves to their closest competitors so they can understand what they are doing well and what needs to improve.

If you have a question about your company’s place in the contact centre industry, perhaps we can help you.

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Based on large-scale surveys with UK businesses and consumers, it covers the CX strategy, performance, operations and technology aspects of UK organisations, as well as consumer attitudes and preferences for channels and service.