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 US 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 US CX Decision-Makers’ Guide” surveyed 234 US businesses and 1,000 US 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 naming of specific age groups, the following have been used in this White Paper, with particular emphasis placed on the differences between the youngest and oldest generations:

- ‘Millennials’: 20-37 years old
- ‘Generation X’: 38-53 years old
- ‘Baby Boomers’: 54-72 years old

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 organization. Results were segmented by age group to see if any patterns emerged.

Almost twice as many Millennials as Baby Boomers rated 24/7 availability as one of their top 3 CX factors, and the youngest generation was (perhaps surprisingly) the most likely to value polite and friendly employees, as well as having a choice of channels.

Baby Boomers want their issue solved first-time, and they – along with Generation X respondents – are more likely than Millennials to care about that the organization’s employees are US-based.
A question was put to 1,000 US 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 emphasized 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.

All age groups prefer communicating with employees rather than using automation - 70% in the case of Baby Boomers, 61% for Generation X and 54% for Millennials.

However, Millennials are somewhat more willing to try automation, with 25% actively choosing automation over speaking to an employee and 16% not expressing a preference, against 16% of Baby Boomers who prefer automation, and 11% who are happy with either.
HOW EMOTION, URGENCY AND COMPLEXITY CHANGE CHANNEL PREFERENCES

The survey of 1,000 US 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.

For Millennials, the most popular choice of contact is through email (34%), although older generations stated that calling the contact center would be their preferred channel.

Millennials were more willing to try other ways to contact the organization, such as webchat (8%) and visiting the store (8%) which were less popular with the older generations.
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 all 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 7% of Baby Boomers chose this.

21% of the older generation would prefer to phone the airline, whereas only 15% of the Millennials would do so.

Although social media could offer an immediate response, this wasn’t popular with many respondents in any generation.
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.

Consistently, respondents from each age group were more likely to prefer a live interaction, whether face-to-face or phone, and none of the generations surveyed felt particularly comfortable using web self-service, showing that even the youngest generation of customers see the benefit in agent support.

While Millennials were a little more likely than Baby Boomers to use agent-supported digital channels (email, social media and web chat) – 25% vs 16% – there was not the difference that might have been expected from a group so entrenched in the digital world.
In addition to “The US CX Decision-Makers’ Guide”, ContactBabel also has a UK version available now, which allows direct comparison between the US and UK consumers, and contact center industries.

In both the US and UK, 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, US and UK Millennials both prefer email as their contact method. However, Baby-Boomer US respondents are more than twice as likely to phone rather than email. US Millennials are less than half as likely as their UK 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, 48% of US Millennials want live human voice interactions (i.e. either actual face-to-face conversations, or phoning the contact center), whereas in the UK, only 32% 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, US Millennials are 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, and for complex issues, they are almost as likely as Baby Boomers to pick up the phone or visit the physical office or branch.

The main difference in Millennials’ outlook is that the agent-supported digital channels – web chat, social media and particularly email – 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 center 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 analyzing the contact center 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 center strategies and talk to the right prospects. We have shown the UK government how the global contact center industry will develop and change. We help contact centers 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 center industry, perhaps we can help you.

Email: info@contactbabel.com
Website: www.contactbabel.com
Telephone: +44 (0)191 271 5269


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