

# Customer service software: 7 enterprise challenges and ways to overcome them

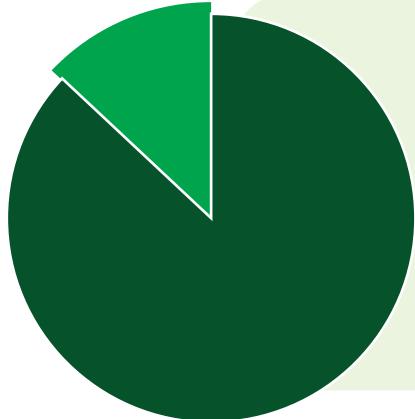
# Overview

Every business in the market understands the value of customer satisfaction. Poor customer service has been identified as the main reason for customers ending their journey with a business, increasing churn rate.

Research shows it costs five times<sup>1</sup> more to acquire a new customer than to retain an existing one. But one negative experience can have a big impact on a customer's journey, even causing them to end their relationship with your business. That's why customer satisfaction is essential for business success, potentially increasing revenue 4-8% above your market<sup>2</sup>.

The demand for a high-quality customer experience has drastically increased over the years, particularly since the start of the Covid-19 pandemic. With increased use of digital platforms, the CX industry has become vital for business success. According to data from Genesys Cloud CX™, the use of voice, email, and live web chat channels has doubled since 2020<sup>3</sup>.

With this in mind, many companies have turned their focus to enhancing customer experience.



**87%**  
**of business leaders**

consider customer experience to be the  
engine driving growth for their companies<sup>4</sup>

Customer service software has empowered businesses to foster these enhanced experiences, providing employees with a platform to connect with customers effectively and efficiently. The right customer service software increases employee productivity and improves customer satisfaction, further increasing revenue. With the many customer service software solutions on the market, it has become essential for businesses to identify and invest in the right software for their needs.

Unfortunately, implementing and utilizing a suitable customer service software solution is something many businesses struggle with. It's important to find software that benefits your business from the beginning of your journey and beyond. That means it should be easy to use and should include features to meet your unique needs, even as your company grows and expands.

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# Introduction

The evolution of technology has changed the expectations of customers. Efficient and personalized service is the need of the hour. Customer service software caters to these needs by leaving customers happy, while making the lives of your employees easier. Importantly, customer service software helps agents adapt to the expectations of your customers.

In the age of social media, convenience has become essential to the customer experience. Customers want the option to be heard on any platform they choose. Of course, It would be impossible for any agent to monitor all the available platforms at once. But with omni-channel support, customer service software makes it possible to connect with customers on any platform, at any time. Similarly, many pain points of customers, agents, and leaders can be addressed by various features of customer service software.

With customer service addressing a vast range of needs across several platforms, it is essential to have the right customer service software for your business. Here are the essential questions you should consider before making your selection:

What are the challenges faced by enterprises using customer service software?

How to choose the right customer service software?

# Challenges faced by enterprises

## Integration

To excel in the area of customer service, it is important to evolve in terms of productivity and efficiency. The needs of your business will continue to increase and change over time; your customer service software solution must adapt accordingly. Most customer service software providers offer third-party integrations, which provide solutions to a variety of challenges. However, these tools can be expensive, and in some cases, can leave your business vulnerable to security breaches. Though they are intended to reduce the work of your employees, they can end up causing additional stress instead.

### What is integration?

Integration is the process wherein software subsystems work together to present a unified solution to a given challenge.

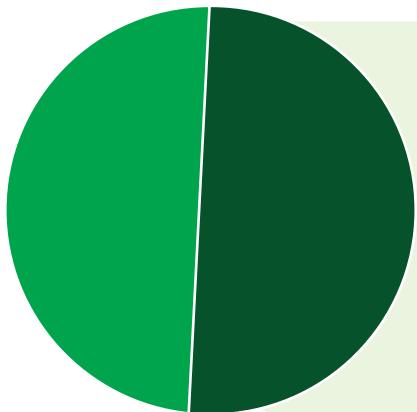
### Why is integration essential?

Subsystems of a customer service software work together like a team of experts, bringing knowledge from each of their fields to guide a project toward success. In the case of customer service software, the goal is to enhance customer experience. One tool might provide service agents with reports and insights, while another could empower them to provide remote assistance to customers, and so on. With specialization in each area, different applications come together to make the customer's journey smooth and easy.

But what if the experts working on a project all speak different languages? If there are language barriers, it will probably become difficult for every individual to contribute effectively. Similarly, when software cannot integrate, the outcome is usually disappointing. Any two software applications you are trying to integrate could have different data or even different formats, which could slow down the integration process or result in a faulty integration. Even if the initial integration is successful, there are other possible issues that could affect business operations.

## Security concerns

With the transition to the SAAS-based delivery model, there has been a noticeable increase in security concerns<sup>5</sup>.



**51%**  
of businesses relying on

third-party vendors have experienced  
security breaches<sup>6</sup>

Security breaches can tarnish the reputation of a company and erode the trust of customers. They can also result in financial losses and legal battles.

Further complicating matters, it has become essential for SAAS providers to meet data privacy mandates including the European Union's General Data Protection Regulation (GDPR), Brazil's General Data Protection Law, and the California Consumer Privacy Act. To stay compliant, providers must monitor the continuous changes taking place in data privacy laws.

Will a customer service software provider who relies on third-party vendors be able to provide your business with a tightly integrated and fully compliant security system?

Unfortunately, that's usually not the case.

When there are several joints in a pipe, most of the water spills out before reaching its desired destination. These potentially leaking joints in a pipe are similar to third-party vendors, which can cause security concerns and affect the trust of your customers.

Can a provider remain compliant with data privacy policies when relying on multiple third-party vendors?

It's certainly difficult. And as a business, you'll have to ensure that all your third-party vendors are complaint with the latest policies. This calls for an additional investment of time and administrative efforts.

On the other hand, maintaining a single pipe reduces the likelihood of spillage. Similarly, a unified platform to serve your business needs can improve your customer experience and save your business from any potential security threats.

## Scalability

Scalability refers to the ability of software to be accommodative to the changing demands of a business to serve the needs of their customers.

The needs of a business increase as it grows. As your customer base expands, it becomes more challenging to provide a personalized customer experience. In most cases, it's only possible if your customer service software provider grows with you to accommodate your changing needs.

Consider what happens to your phone when it reaches its maximum storage capacity. It slows down. That's frustrating when you have to make important calls or read important emails, or even prepare for an approaching presentation.

When customer service software reaches maximum capacity for requests, it results in slowness. That means your customers experience a delay in reaching you. Will this get you a good CSAT score? Definitely not. Your customers will give you a poor rating.

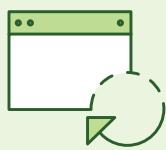
A single vendor who can readily accommodate your growing business will make your growth process smoother and more efficient. But if you're working with several third-party vendors, you'll experience limitations. Often, this means your employees have to shift to a different software solution and learn everything from scratch.

Customer service software that grows with your company is essential. It's especially helpful when your software solution has in-house capabilities to grow without significantly impacting your budget.

## Market opportunities

In business, seizing the right opportunity at the right time helps you stand out from the crowd. But this can only be done when you have the right resources on hand.

Without a scalable customer service software product, it's difficult for businesses to stay ahead of the competition. Slow software results in employee frustration, impacting customer experience. The resulting customer frustration negatively impacts your opportunities to widen the scope of your business in the market.



**Slow software**



**Employee frustration**



**Negative customer experience**



**Reduced business opportunities**

## Employee satisfaction

It is necessary to ensure that your employees embrace new technology when it's introduced. If implementation of your customer service software is too difficult, or the product is too complicated to understand, your employees will not be able to provide an ideal customer experience.

What if your agents have to manually create workflows even to receive simple notifications instead of just turning on the toggle? This would mean spending additional time not only on creating workflows but also on figuring out ways of doing it.

This is just one scenario. When using customer service software, there will be many instances where the included features will either simplify, or drastically complicate, an agent's job.

Dissatisfied employees result in dissatisfied customers. A simplified user interface increases employee satisfaction, which ultimately results in customer satisfaction.

## Contract management

When your customer service software provider relies on various vendors, you're usually bogged down by numerous contracts. Tracking renewal dates with multiple vendors can become difficult—and it leads to a 9% loss of revenue each year<sup>7</sup>.

Tracking renewal dates with  
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=

9% loss of revenue each year

Vendors can introduce frequent and unexpected contract changes, requiring administrative efforts from your agents. Loss of time spent on contract renewal is directly related to the productivity of your employees.



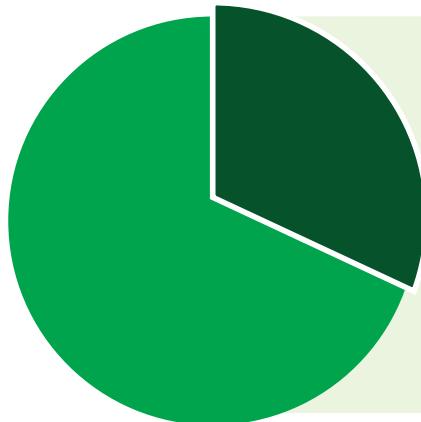
## Cost management

Having to pay additional costs for additional features can become an accounting nightmare. Add-ons are meant to boost the productivity of your agents and increase customer satisfaction. But in many cases, they only increase workload.

Calculating software costs is not the end of the accounting cycle. Continuous upgrades, new features, and maintenance have a great impact on the final cost of your software solution. Investing in customer experience is essential for the goodwill and revenue of your business—but you must evaluate the costs before investing.

## Hidden costs

Chuck Phillips, a JP Morgan analyst, cites a US Department of Commerce study which indicates that only



**30%**

of total costs invested

in software can be attributed to the software license<sup>8</sup>

The rest covers labor and implementation. Having to pay for add-ons on top of this not only increases your expenses, but calls for additional work and time contribution towards contract management and policy changes.

Spending effectively on your customer service software ensures an increase in ROI. It is essential to consider the costs of investment and adopt a balanced approach towards investment.

“ IDC reports<sup>9</sup>, “Many companies underestimate the cost of managing applications. When you consider the annual costs of administering the applications and the cost of managing issues around performance, changes, and availability, it is likely to be significantly greater than the application purchase price.”



## Deployment time

On average, software implementation takes around two years. Deployment time is essential for an organization, but a long deployment period leaves employees working within a half-baked system.

This can directly impact the customer experience.

The amount of time spent on research for a business usually takes up to one year<sup>10</sup>, while getting comfortable with software takes around two years. This further necessitates businesses to save time as much as possible to concentrate on other things. Productivity of an agent can only be increased if they have sufficient exposure to the software and time to learn it.

Imagine working in a store that is under construction. Employees would be running around, trying to navigate the mess to find products requested by customers. It would take twice as long to bring the product to the customer. Will the customer return to this store? Probably not.

Now that we are aware of the challenges, let's find ways to overcome them.

# How to choose the right customer service software

When you browse online for a customer service software, the results can be overwhelming. You will find tons of vendors offering their own solutions. With so many options available, choosing the best for your business can be a challenge. Now that you are aware of the challenges using a customer service software, here are 10 questions you should ask before choosing one.



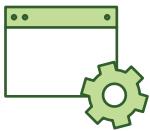
## Is it easy to use?

Software with a shallow learning curve ensures faster agent onboarding. Essentially, software should simplify agents' work, and the agents and software should complement each other. Ease of use will vary according to your requirements (such as number of users, process complexity, and customization needs).



## Does it adapt well with every business type?

Irrespective of the size and nature of your business, the best software can be molded to fit your unique business needs. Your service process reflects your business; similarly, your customer service software should reflect your service process. It should have enough customization options to suit a variety of conditions.



## Does it provide flexibility?

Flexible software runs anywhere, in any situation. Your software shouldn't hold your company back from shifting to a new platform, device, or database. It must be able to work on whatever new system you deploy, and should function on all smartphones, tablets, and PCs.



## Does it integrate effortlessly?

You often need multiple apps to run your operations. Your service solution must be able to integrate with these apps to ensure the seamless flow of data. This allows for agents to provide more personalized service. Your service provider must offer a wide selection of integration options that connect with your unique setup.



## Is it scalable?

Switching platforms as your business grows is an extensive project altogether. It's important to find software that scales along with your business. Consider costs, features, and user limits for each edition to better forecast your future needs. Easily scalable software should flawlessly accommodate increases in your workforce and workload.



## Does it increase agent productivity and efficiency?

Collaboration and productivity capabilities can reduce agent burnout, improve internal communication, prevent agent collision, and decrease response time. Productivity tools equip agents with the right context to handle tickets efficiently, and facilitate collaboration with other teams to resolve complex issues.



## Is the pricing transparent?

Take time to compare options and find the solution with the greatest return on investment, based on your budget. Consider costs above the basic license fee, like add-ons and future upgrade costs. Choose vendors who are transparent from the outset. Watch out for any hidden costs (such as data migration, training, and support costs) and binding contracts.



## Does it require minimal training?

Adopting your new platform should require minimal training, which should be free or low-cost. Establish what is required for training, and whether the basic level of training comes at an additional cost. The provider's website should have clear onboarding and advanced guides, tutorial videos, articles, FAQs, and community help forums.



## Does it offer high-quality support?

Customer service software also needs customer service. No matter how easy the software is to use, you will need support at some point. Consider the hours and channels of support offered. Basic support should be available free of cost. You can check the quality and time of responses by sending a simple email to the support team.

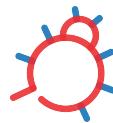


## Does it adhere to the data and privacy policies?

Often overlooked, a crucial factor when considering any customer-facing software is whether it is designed to keep your customer data safe. If you deal with customers from different countries, pay attention to compliance with local regulations. Take into account everything from basic security settings and access controls to GDPR compliance features. Ensure that your business data is in safe hands. Ask about vendor's data center locations and compliance certificates.



Remote access



Issue free software



Customer engagement



Customer insights



**Zoho Desk**



Self-service



AR/VR support



Unified business analysis

# Solution



A comprehensive customer service solution to address all your customer service needs on one platform, with omni-channel support, workflow automation, performance insights, self-service, team collaboration, and more.

**Remote access:** Help is just a click away! Remotely access your customer's device to provide effective solutions without any field visits. Save customers the trouble of elaborate explanations with technical jargon. Simply view their screen to assess the problem and provide effective assistance at anytime, from any location.

**AR/VR support:** Zoom in on the problem through an augmented reality software solution. Access a customer's smartphone camera, draw on and highlight images on the screen, freeze the incoming stream, and more. Lens empowers you to troubleshoot equipment without ever setting foot on site.

**Self-service:** This self-service platform empowers customers to solve problems on their own with the help of virtual agents in the language of their choice. Create pre-defined flows that provide smart solutions to commonly asked questions and save time on repetitive tasks.

**Customer insights:** Gain essential insights with interesting surveys that are easy to distribute to your customer base—with or without an internet connection. Use a variety of question types to gain a comprehensive understanding of your product's performance, your customer satisfaction level, and more.

**Customer engagement:** Never miss an opportunity to interact with potential customers. Zoho Sales IQ helps you communicate with your website visitors and engage them at every step of their buying journey. With Sales IQ's analytics, you'll gain valuable insights into how your brand page is performing.

**Unified business analysis:** Zoho Business Intelligence helps you easily tap into your customers' experiences to understand your business performance. Gain useful insights so you can make better decisions and provide an unparalleled customer experience.

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