

X-pectation files:

The truth about small business customers



ruby®

George Washington had wooden teeth. Humans only use 10% of our brains. The customer is always right.

Myths and misconceptions are a part of life. And while some are harmless or easily debunked—no mother will mind if you step on that crack—others can get in the way of running your business.

Nowhere is this truer than in customer service. Countless organizations let assumptions and falsehoods guide how they communicate with the people they serve. Why? Because myths have power. They're emotionally charged. They're convenient. And, more often than not, someone has something to gain when you believe them.

Let's shine a light on the truth. Ruby has helped thousands of businesses overcome and let go of the stubborn myths that get in the way of creating real connections. Through millions of calls and chats, we've learned what customers and clients truly need, want, and care about. We've also steeped ourselves in years of research, trends, and changing expectations.

So, consider us your customer service fact department as we reopen seven of our biggest case files. What you're about to learn may not go down easily, but it's all true.

Read on for the facts—plus actionable tips—you need to know to create genuine, lasting connections with your customers or clients.

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Will people actually pay more for better customer service?



You bet they will.

Want to make more money with each transaction? Provide better customer service experiences.

Yes, believe it or not, most people are willing to spend a few extra dollars if it means they get treated better. Research by PricewaterhouseCoopers (PWC) reveals that 83% of customers will pay more for great customer service.¹ Specifically, people are willing to spend up to 16% more, which could mean serious business for big-ticket service-based companies. And considering that great customer service translates to customer loyalty, the payoff here is hard to ignore.

What should you do?

- 1. Step up your game.** Before you can charge more, provide the best darn customer service possible.
- 2. Ask for reviews and feedback.** You might think you provide great customer service, but only the people you serve can tell you for certain.
- 3. Sit back and let your reputation do the work.** Once you're providing the right experiences to your customers or clients—and they've confirmed it—you'll have built a strong foundation of goodwill and word of mouth that will more than justify your prices.



Do people expect responses immediately?



They sure do.

There's no avoiding this one. According to research by HubSpot, 90% of consumers say "immediate" responses are "important" or "very important" when they have customer service-related questions—and most consumers define "immediate" as 10 minutes or less.² This reinforces similar research from McKinsey, which found that 75% of people expect help within just five minutes of reaching out.³

Expectations for immediate service don't go away when someone becomes a buyer. In fact, between 53% and 63% of consumers say they'd stop doing business with a company due to not being able to get through, long hold or wait times, and slow response times.⁴

What should you do?

- 1. Don't leave them hanging.** Make sure your business is set up to respond to people immediately, whether they're reaching out over the phone or online.
- 2. Consider investing in after-hours or 24/7 customer service.** Between 2020 and 2021, calls businesses received beyond business hours increased by 18.75%—and that number is only going up.
- 3. Reduce hold and wait times.** Make sure the person or team handling your customer service can answer questions and provide resolutions quickly (without sacrificing service quality!).



² [Hubspot](#)

³ [McKinsey](#)

⁴ [Forbes](#)

Is one bad experience really all it takes to lose a customer?



Not quite.

It takes (a little) more than that. About one in four people will switch to a competitor after a single bad experience with a business.⁵ That's a significant number, to be sure. But most consumers are willing to give the company one or two more chances.⁶

After the third negative interaction, however, 92% of people will walk away. Unfortunately, this happens often—82% of consumers they've stopped doing business with a company due to poor customer service.⁷

What should you do?

1. Understand what kinds of experiences your customers or clients expect.

While every industry and business is unique, most people who contact your business want the same thing: to reach a friendly, empathetic professional who can help them.

2. Pay close attention to feedback. What are the people you serve telling you about their experiences with your business? Although you may not know what everyone is feeling (more on that a little later), every piece of feedback is an opportunity to hopefully improve your service for all your customers or clients.



⁵ [Hubspot](#)

⁶ [Ibid](#)

⁷ [Business 2 Community](#)

Has customer service technology replaced humans?



Nope.

Surprise, surprise—people still prefer to talk to people. The vast majority (86%) of people would rather talk to a human than a form of artificial intelligence.⁸

Topping the list of automated tech consumers dislike are interactive voice response (IVR) systems. According to customer service platform Gladly, “IVR remains a wildly unpopular choice amongst consumers, with 98% admitting they try to bypass company IVR systems to get straight to a human service agent.”⁹

What should you do?

- 1. Ditch the IVR.** If you’re using a system that greets callers automatically with a message like “press 1 to speak to...”, you’re providing a subpar customer experience—and likely losing business as a result.
- 2. Remember that providing human customer service doesn’t have to be cost-prohibitive.** If you’re unable to afford one or more customer service employees—or if your team is overwhelmed—outsource it. A high-quality customer communication solution can make sure callers and website visitors reach a real person, every time.
- 3. Use chatbots carefully.** Bots can be useful for simple, repetitive purposes such as answering frequently asked questions. But when people have specialized or complex needs, charged emotions, or both, they need to connect with a human.



⁸ Forbes

⁹ Hubspot

Is the phone call dead?



Absolutely not.

It's not even close. Even today, when many businesses operate largely or entirely online, phone calls are the most important customer service channel. The fact is that 60% of consumers prefer to contact businesses by phone, dwarfing the next most popular channel (email, at 16%).¹⁰

What's more, phone calls are becoming even more popular in the digital age. According to our analysis of 2.6 million small business calls, the percentage of new and current customers calling increased by 13% between 2020 and 2021.¹¹ In other words, not only do calls remain popular, but more and more of them are related to customer service and communication.

What should you do?

- 1. Answer the phone.** Odds are high it's a new or existing customer or client calling.
- 2. Get your phone number out there.** Make sure your current business number is displayed prominently on your website, online listings, and marketing materials.
- 3. Prioritize customer experience over the phone.** No customer service channel should be an afterthought, but if you only have the resources to optimize one, make it your phone. After all, it's the most direct way to provide people with an immediate, personal experience.



¹⁰ [Small Biz Trends](#)

¹¹ [Ruby](#)

Are silent customers happy customers?



Not necessarily.

No news isn't always good news. Most people who have bad experiences don't tell businesses about them. In fact, a whopping 91% of consumers who are unhappy with a company's customer service will stop doing business without ever raising a complaint.¹²

These people aren't entirely silent, however. According to the White House Office of Consumer Affairs, "dissatisfied customers typically tell 9 to 15 other people about their experience; some tell 20 or more."¹³

What should you do?

- 1. Take every review seriously.** Positive, negative, or somewhere in between, customer sentiment is essential to pay attention to.
- 2. Recognize the scope of the issue.** Remember that for every unhappy customer or client you do hear from, there are likely several more who remain silent.
- 3. Keep an eye on sources of customer sentiment.** Searching for your business on platforms like Twitter and Yelp could offer some clues into your customers' feelings. Negative reviews and chatter are clear indicators that there's room for improvement. But keep in mind it's not the whole story—about half of customers say they don't talk about customer service experiences on social media.¹⁴



¹² [Huffpost](#)

¹³ [Inc.](#)

¹⁴ [Cfi Group](#)

Is customer service letting people down?



Unfortunately, yes.

You might have guessed this by now if you've been following along. Chances are you've even experienced it yourself.

By and large, today's customer service just isn't measuring up.

Nine out of ten consumers say businesses "fail to meet their expectations."¹⁵ Customer satisfaction reached a 20-year low in 2022, with 70% of companies having "declining or flat customer satisfaction scores."¹⁶ And poor customer experience is costing businesses \$1.6 trillion every year.¹⁷

What should you do?

- 1. Acknowledge there's room for improvement.** You and the people you serve may have markedly different perceptions of your company's customer service. Consider that while 75% of businesses believe they're customer-centric, only 30% of consumers agree.¹⁸
- 2. Focus on coaching and development of soft skills.** A majority of consumers say businesses "need to improve the training of their customer service agents."¹⁹ They also expect brands to treat them with compassion and empathy, but say this only happens about one-third of the time.²⁰
- 3. When in doubt, bring in the pros.** Customer service isn't an easy job. It requires specialized skills, training, and experience, as well as time and bandwidth many businesses can't spare on their own. Make it easy on yourself—and deliver the best possible experiences for your customers—by using a high-quality customer communication solution.



¹⁵ [Acquia](#)

¹⁶ [ACSI](#)

¹⁷ [Accenture](#)

¹⁸ [Capgemini](#)

¹⁹ [Zendesk](#)

²⁰ [Salesforce](#)

Delight your callers and website visitors with Ruby.

Now that you know the truth about the people you serve, it's up to you to give them the experiences they expect. But you don't have to do it alone. Ruby's here to help.

Ruby makes it easy for any caller or website visitor to reach a real person in seconds, 24/7/365. We're a team of customer communication experts applying industry-leading technology and training, redefining how small businesses connect with the people they serve.

Learn more and experience the Ruby difference at ruby.com
or call **844-311-7829 (RUBY)**.

