



THE IMPACT OF SOFTWARE ON CUSTOMER SUPPORT IN 2023

JANUARY 2023

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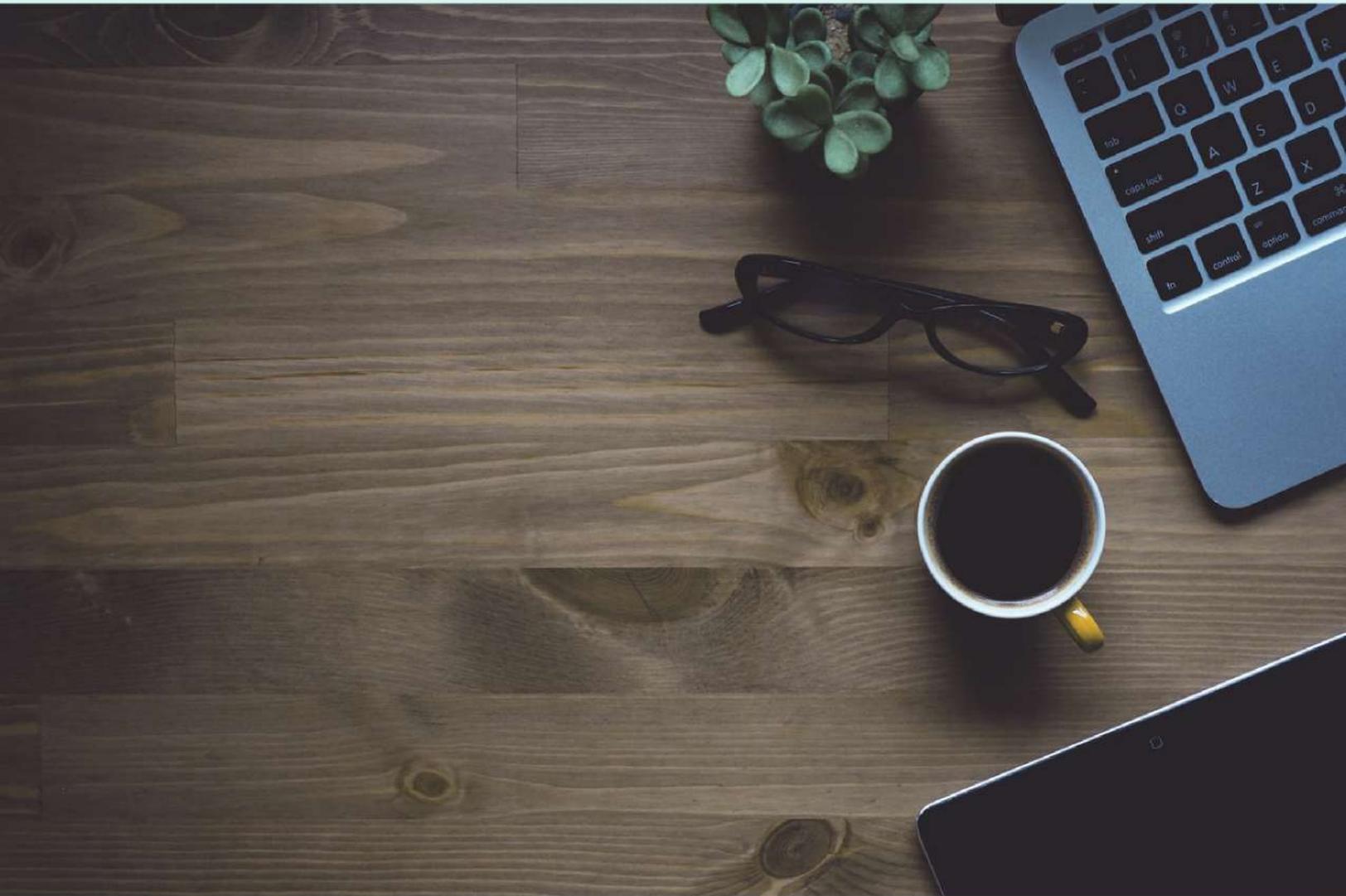
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BACKGROUND CONTEXT



A WORD FROM TESTBOX

Customer Support is changing.

Over the last two years, our team has seen this shift firsthand. Customer expectations have heightened. Companies are generating massive amounts of data. Teams are relying on software to stay up to speed.

If there's one thing we want you to take away from this report, it's that Customer Support isn't going anywhere, and it continues to get more complex. Having the right processes and tools to supercharge your team is the only way to adapt quickly to these changes.

In this report, you'll find tons of insight into how support is changing, the challenges your peers are having, areas to invest in, how great tooling can better support your team, and which tools fit best for different stages of companies.

And finally, of course, when you're looking for new tooling, try out TestBox to find the right tool on your terms.

SAM SENIOR
CEO & CO-FOUNDER



TESTBOX IS ALWAYS
FREE FOR THE
SOFTWARE BUYER.
TEST TOOLS
SIDE-BY-SIDE NOW.





OVERVIEW OF REPORT

- 1) **Challenges and Trends:** What's driving the shift toward automation/self-service and what it means for support teams
- 2) **The Impact of Software:** How companies are struggling with the wrong tools today and why having the right tool for your company matters
- 3) **Deep Dive into Support Tools:** A deep dive into the strengths and weaknesses of different support tools and the stage and size of companies they serve best
- 4) **Support Agent Compensation:** The importance of above-market comp and how much support agents are paid today

SURVEY DEMOGRAPHICS

*Between August and September 2022, we surveyed **272 respondents** who work in Support and IT. They were all decision-makers or influencers in the support software buying process.*

Industry mix

- 38% Technology
- 13% SaaS
- 13% Retail
- 8% E-commerce
- 28% Other

Tenure

- 10% C-Level/SVP
- 28% VP/Director
- 62% Manager

Department

- 62% Customer Support
- 38% IT

Role in Customer Support buying process

- 37% Influencer
- 63% Decision-maker

Company revenue

- 8% under \$1M
- 28% between \$1M-\$10M
- 24% between \$10M-\$100M
- 19% between \$100M-\$500M
- 10% between \$500M-\$1B
- 7% above \$1B

Full-time employee headcount

- 21% under 100
- 15% between 100-250
- 20% between 251-500
- 19% between 501-999
- 14% between 1000-5,000
- 9% above 5,000

Full-time agent headcount

- 29% under 20
- 21% between 20-50
- 27% between 51-100
- 15% between 101-500
- 7% above 500

Average number of support tickets each day

- 13% under 25
- 16% between 25-50
- 11% between 51-75
- 20% between 76-100
- 21% between 101-500
- 9% between 501-1000
- 6% above 1000

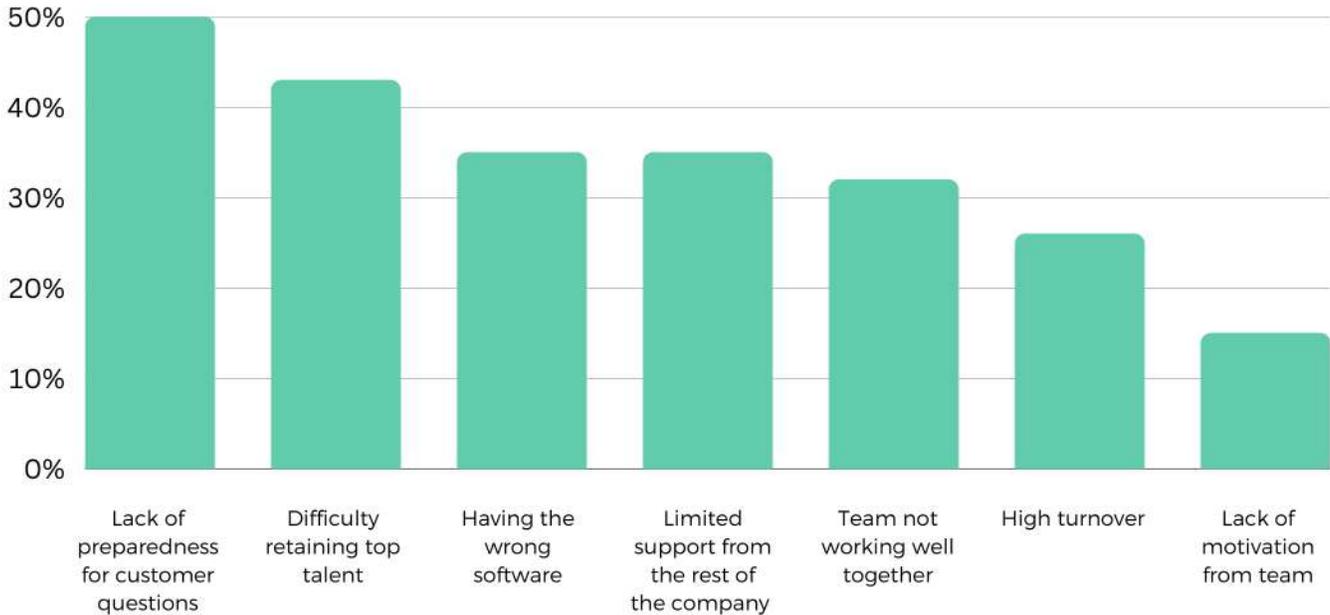
FINDINGS ARE SUPPLEMENTED BY ANALYSIS ON A DATASET OF OVER 30K COMPANIES THAT TRACKS SUPPORT TOOLS USED OVER TIME.

CHALLENGES AND TRENDS



AGENT PREPAREDNESS, TURNOVER, AND SOFTWARE ARE PARTICULARLY PAINFUL ISSUES FOR SUPPORT TEAMS TODAY.

% of respondents listing as a top three difficulty for their support team



FOR INDIVIDUAL AGENTS, NOT HAVING ENOUGH TIME TO FIND INFORMATION IS A MAJOR ROADBLOCK.

Lack of preparedness for customer questions is cited as the number one issue teams face today, with 50% of respondents highlighting it as a top difficulty.

This is unsurprising. When asked what day-to-day issues individual agents run into, many highlighted that it takes too long to find information (51%), they don't have enough time to do their own research (43%), and it takes too long to check with other individuals in the company (37%).

One thing is clear: agent time is a constraint. As such, companies must be highly efficient and coordinated in dealing with customer issues.

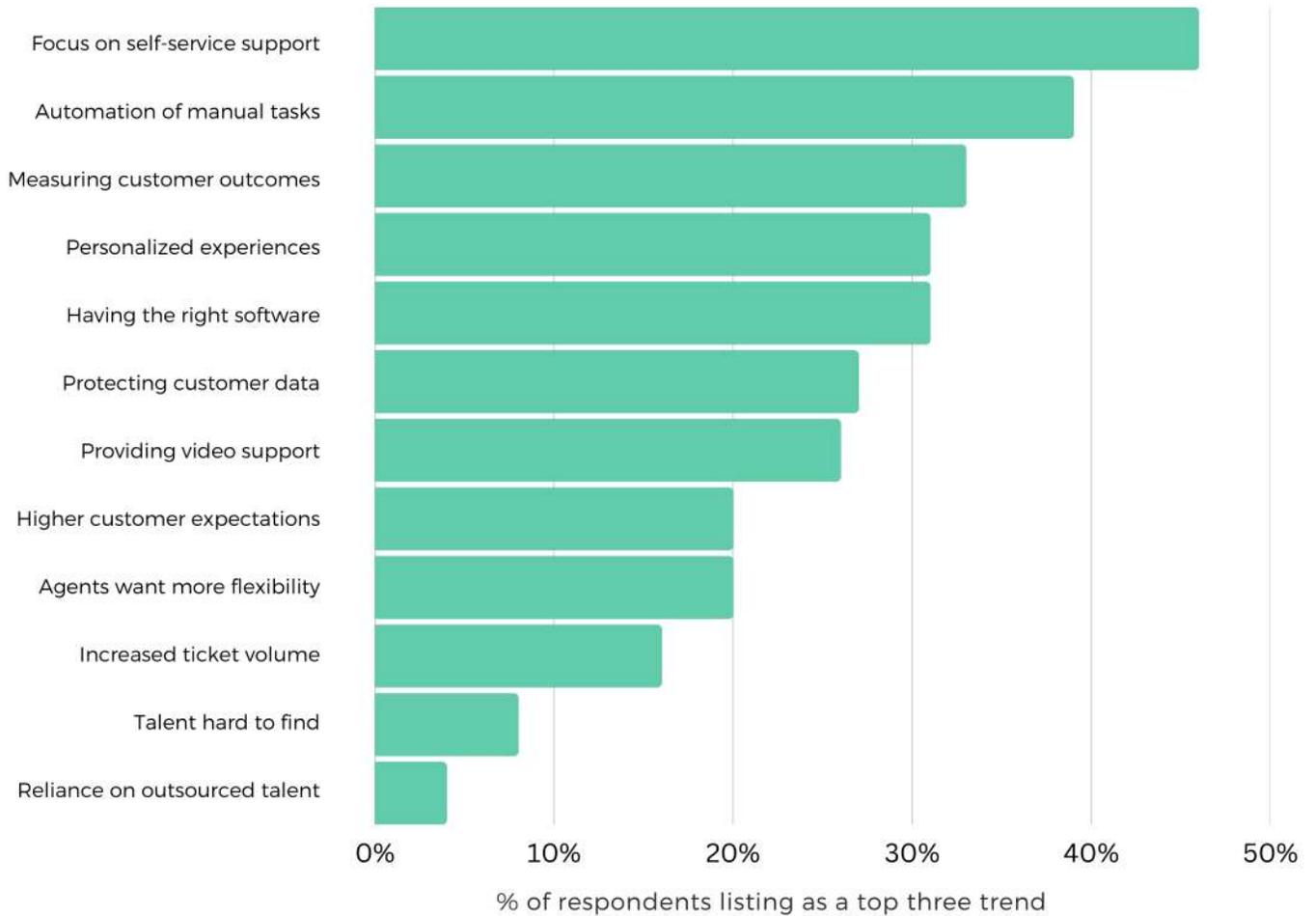
69% of respondents noted that having a cohesive team that works together is a top trait in an effective support org. 58% noted both having hands-on training and using great software as other top characteristics.

Combining these factors: a supportive team culture, training, and the right software – minimizes the chance that agents will be underprepared.

This can even help in other ways as well: 90% of Customer Support pros say their Customer Support software significantly or somewhat impacts their team's happiness.

AS A RESULT, AUTOMATION AND SELF-SERVICE ARE BECOMING CRITICAL IN SUPPORT.

WHAT ARE THE MOST IMPORTANT TRENDS IN THE CUSTOMER SUPPORT SPACE FOR THE NEXT THREE YEARS?



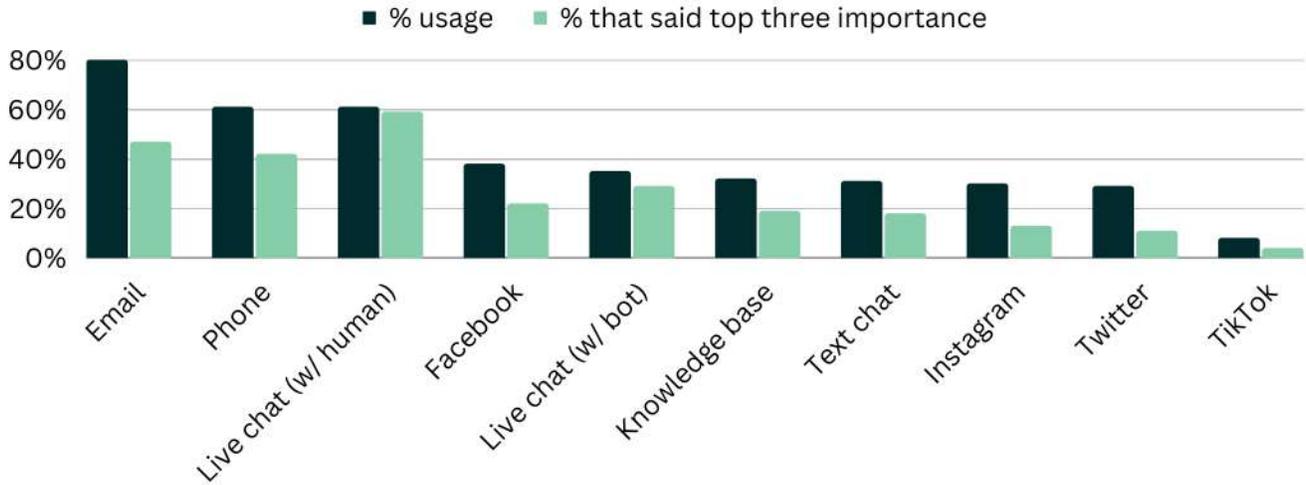
Self-service, automation, measuring customer outcomes, and providing personalized experiences are primed to become trends that reshape the support industry.

As a result, companies are preparing for these trends in a variety of ways.

56% of those surveyed noted that they will be upgrading their software to prepare.

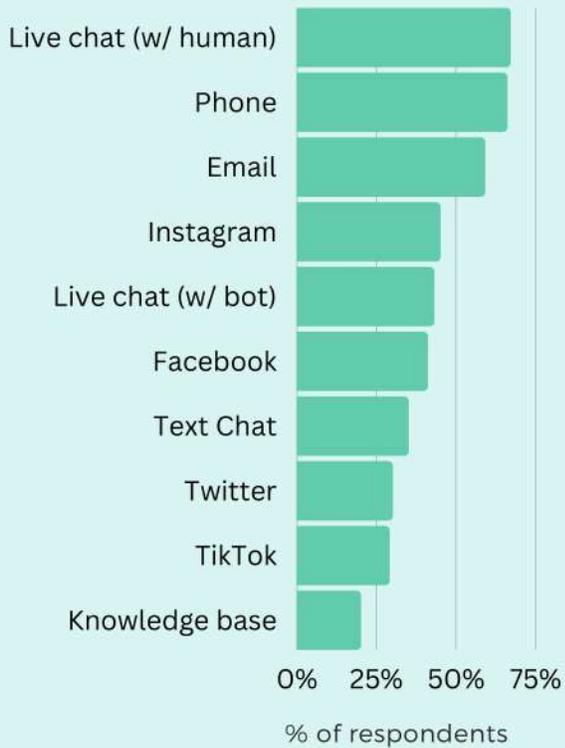
However, organizations are also building out internal materials and processes (55%) and training agents on new activities (52%) in anticipation of the shift toward these trends, which will require new ways of working.

PHONE, EMAIL AND HUMAN LIVE CHAT ARE STILL THE MOST USED AND IMPORTANT SUPPORT CHANNELS.

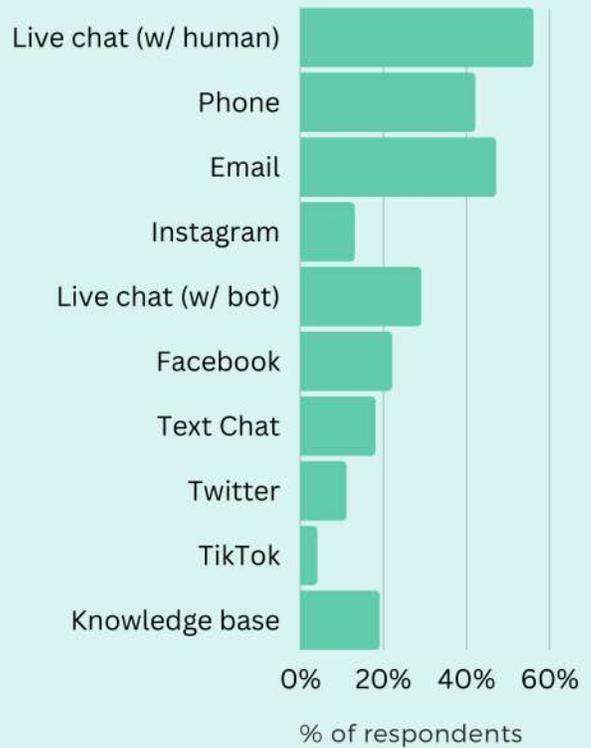


Support teams are seeing immense value in live human chat and are likely to continue leaning into traditional channels over social and bots.

WHICH CHANNELS DO YOU HAVE THE MOST SUCCESS WITH? (UP TO 3)

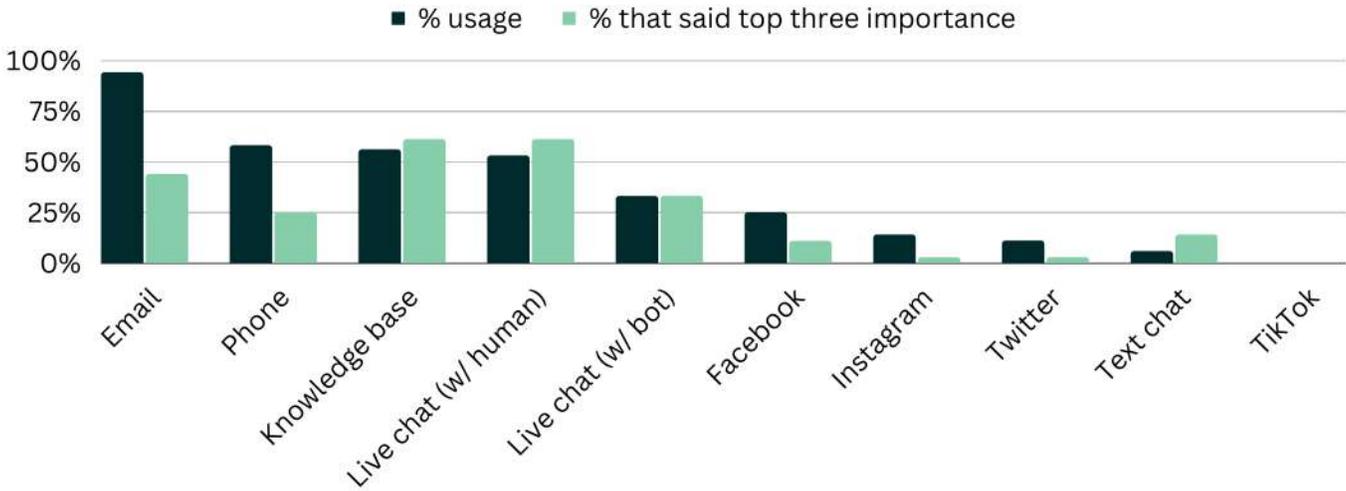


WHICH CHANNELS WILL BE THE MOST IMPORTANT IN THREE YEARS? (UP TO 3)



SOFTWARE COMPANIES ARE ALREADY PAVING THE WAY IN HARNESSING THE KNOWLEDGE BASE AS A KEY, SELF-SERVE SUPPORT CHANNEL.

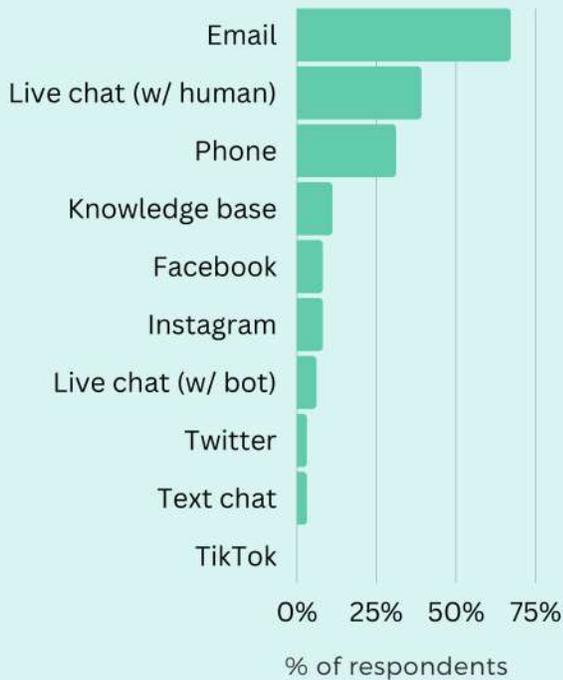
Respondents in software industry



Knowledge bases are likely to continue growing as an important channel for SaaS companies to better support their customers.

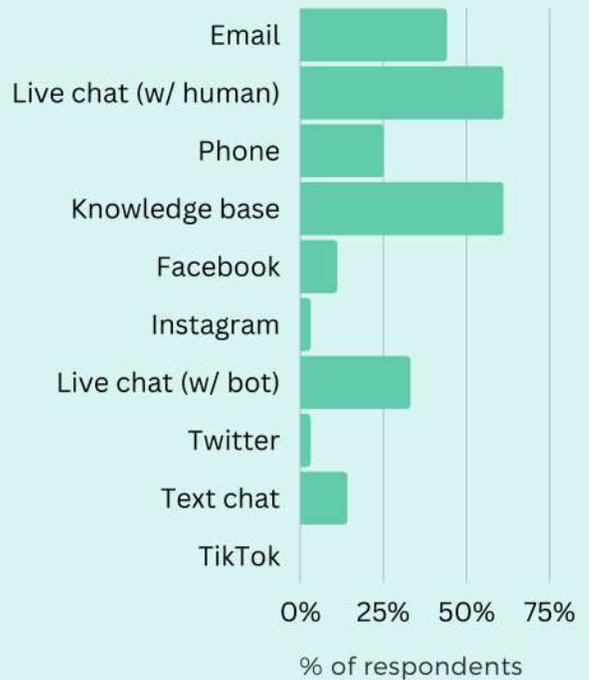
WHICH CHANNELS DO YOU HAVE THE MOST SUCCESS WITH (UP TO 3)?

Respondents in software industry

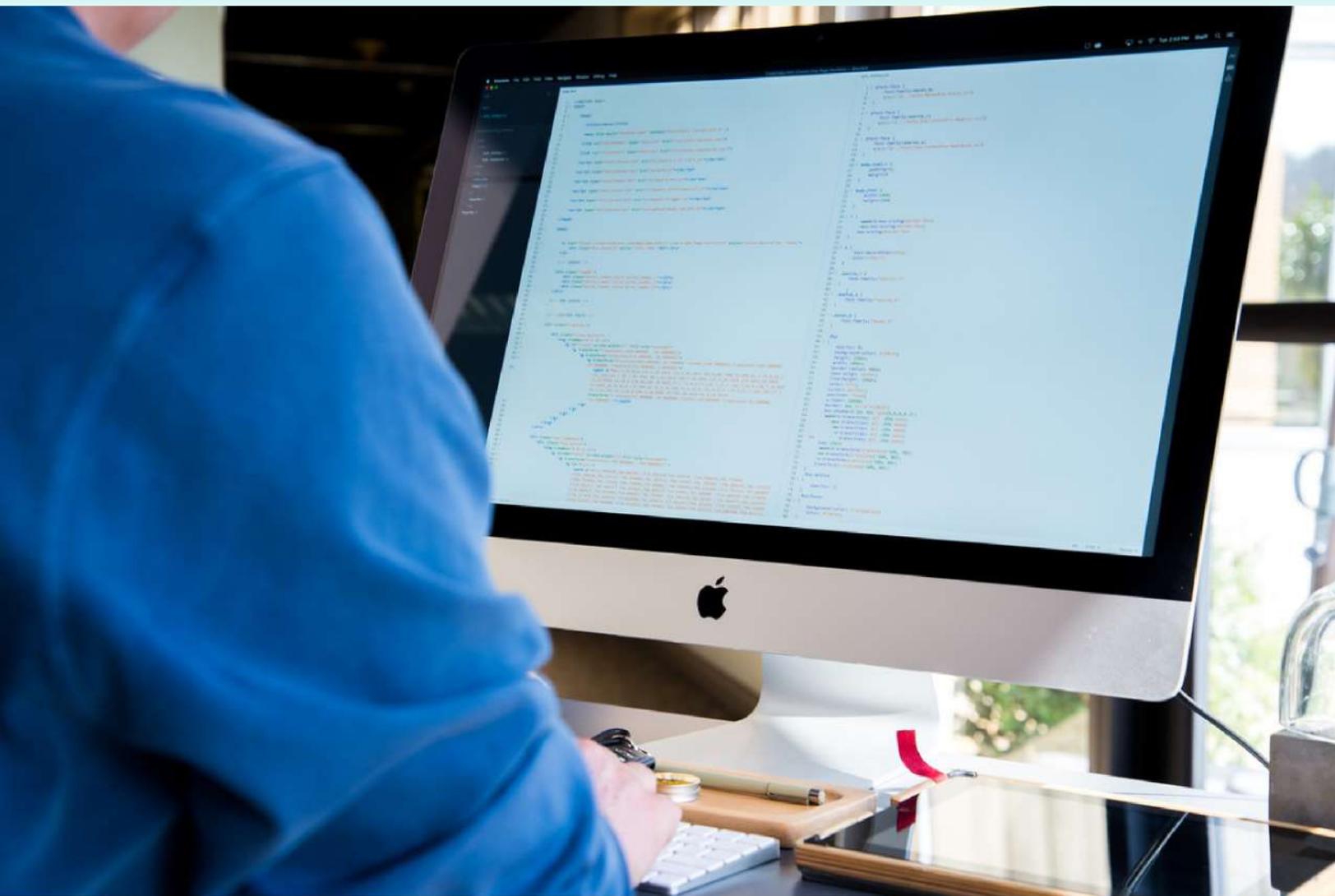


WHICH CHANNELS WILL BE THE MOST IMPORTANT IN THREE YEARS (UP TO 3)?

Respondents in software industry



THE IMPACT OF SOFTWARE



**POOR CUSTOMER SUPPORT
STILL HAPPENS SURPRISINGLY
OFTEN.**

42%

*say customers have a poor support
experience with their organization either
very frequently or somewhat frequently.*

ONLY 3%

*say a poor support experience
never happens.*

AND WHEN THE EXPERIENCE IS POOR...

57%

provide monetary compensation to right the situation every, most, or some of the time.

65%

lose customer advocates even if they retain the customer every, most, or some of the time.

55%

lose the customer completely every, most, or some of the time.

66%

say customers feel lost and upset every, most, or some of the time.

CUSTOMER SUPPORT SOFTWARE IS FREQUENTLY THE REASON FOR POOR SUPPORT EXPERIENCES.

89%

*of Support pros say
having the right
software is critical for
customer challenges.*

90%

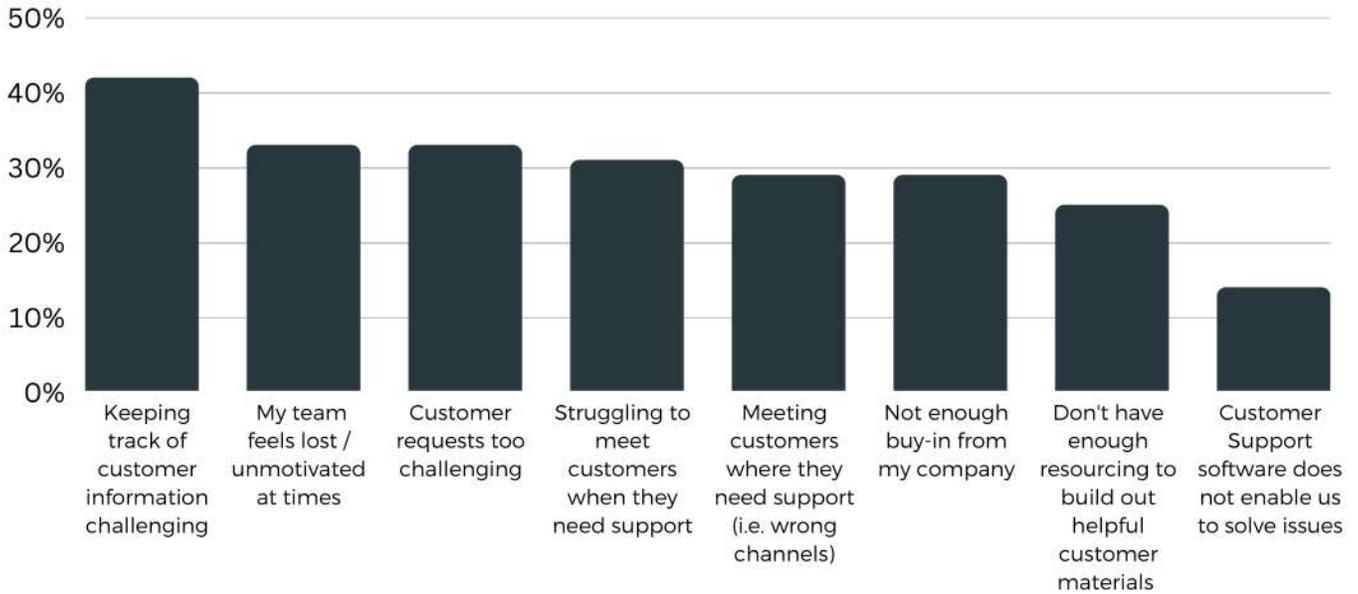
*of Support pros say
their support tool
meaningfully impacts
their team's happiness.*

39%

*feel they don't have the right
Customer Support software.*

UNSURPRISINGLY, A MASSIVE CHALLENGE IS KEEPING TRACK OF CUSTOMER INFORMATION – A PROBLEM EXACERBATED BY POOR SOFTWARE.

% listing as a top challenge when trying to resolve customer issues, all respondents



While large companies struggle to keep track of customer information, smaller ones don't have enough resourcing to build out customer materials.

% of respondents listing as a top challenge, by size of company



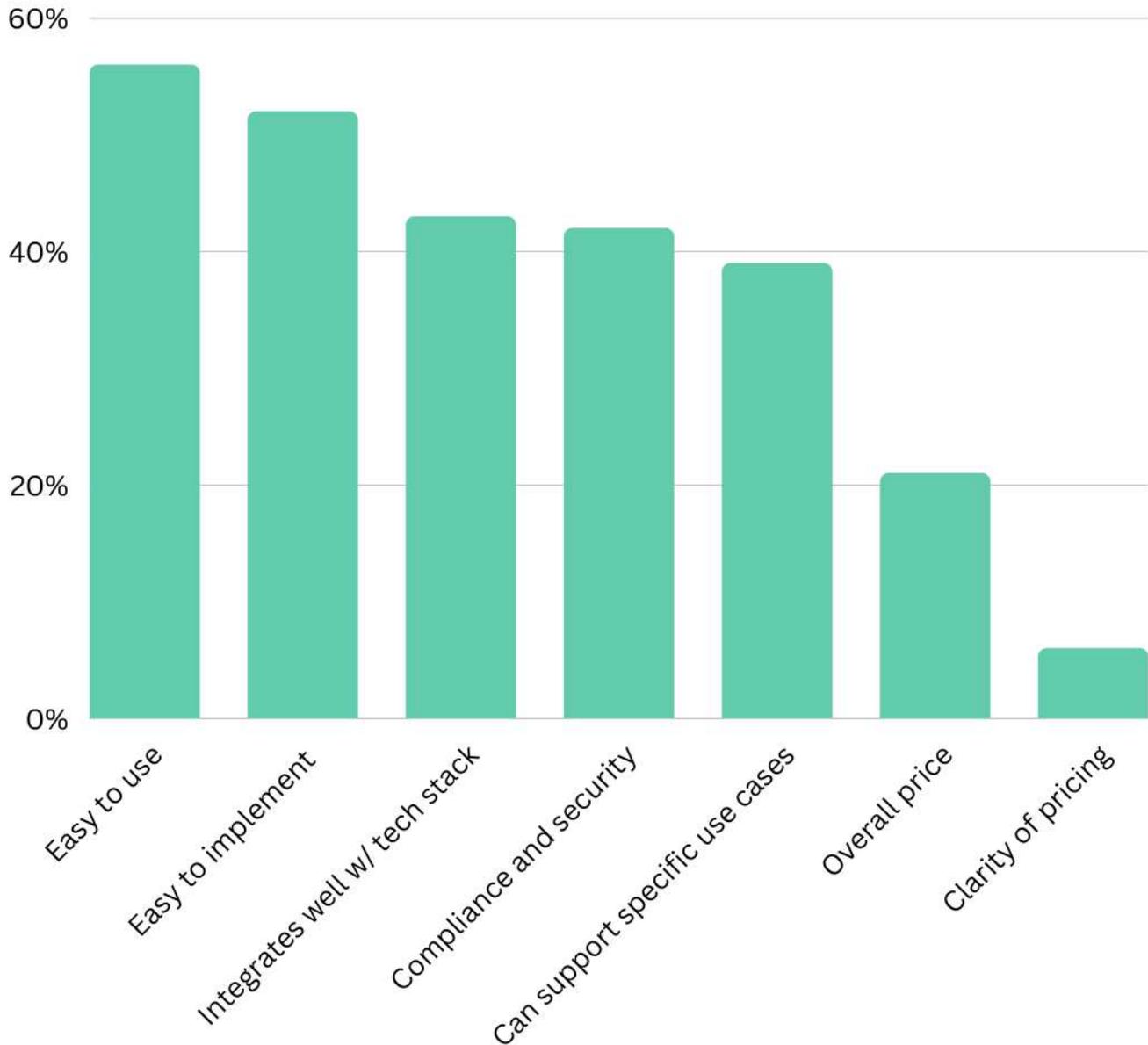
DEEP DIVE INTO SUPPORT TOOLS



EASE OF USE, IMPLEMENTATION, AND INTEGRATIONS ARE TOP FACTORS WHEN SELECTING SOFTWARE.

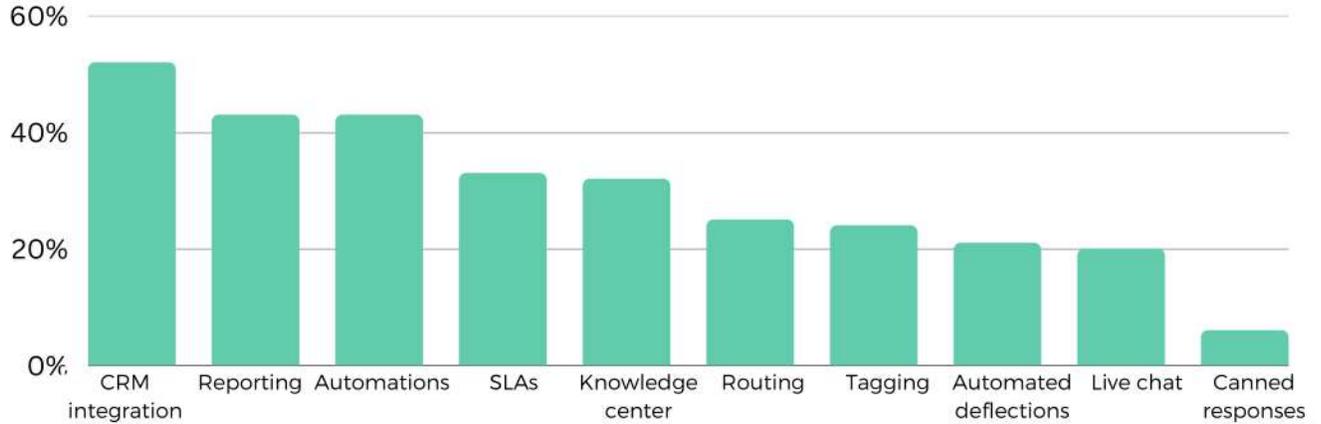
PRIMARY REASONS FOR SELECTING CUSTOMER SUPPORT TOOL

% of respondents listing as a top reason



DIFFERENT SUPPORT TOOLS SPIKE ON DIFFERENT USE CASES - SOME USE CASES TEND TO BE MORE CORE.

% of respondents listing as a top use case



VENDOR PERFORMANCE HEATMAP ON ABOVE USE CASE

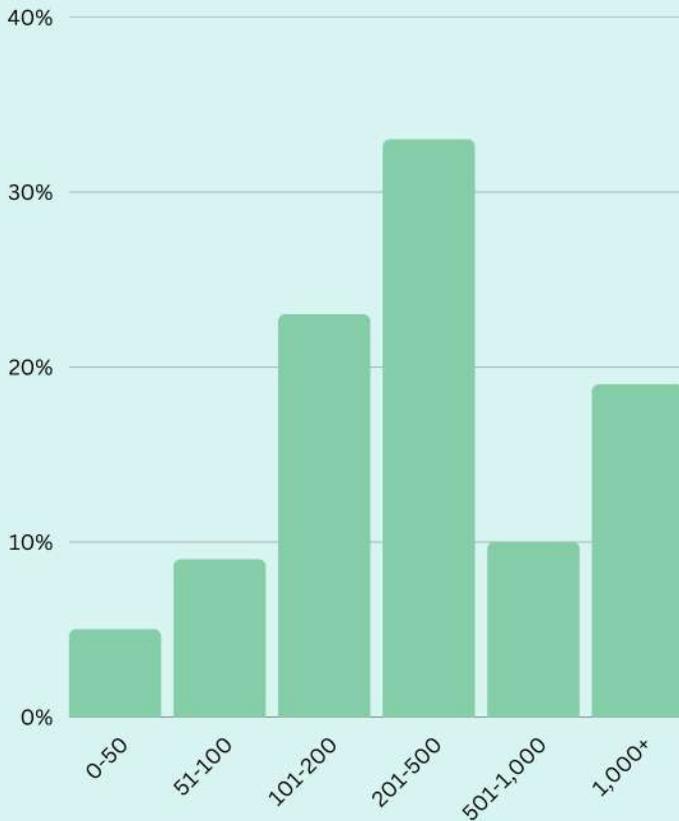
Green = highly rated, Red = poorly rated

Vendor	CRM integration	Reporting	Automations	SLAs	Knowledge center	Routing	Tagging	Automated deflections	Live chat	Canned responses
Zendesk	64%	71%	69%	72%	74%	67%	76%	59%	66%	60%
HubSpot	79%	77%	70%	67%	79%	70%	74%	60%	81%	60%
Intercom	67%	81%	70%	63%	56%	78%	67%	67%	78%	70%
Freshdesk	77%	65%	58%	85%	58%	81%	62%	58%	77%	54%
Help Scout	68%	74%	47%	58%	74%	79%	79%	58%	84%	74%
Dixa	87%	80%	73%	73%	80%	80%	87%	53%	73%	73%

% of users that rated their vendor's use case performance a 4 or 5 out of 5
 Low N for Gorgias, Zoho Desk, Groove, and Front, so not displayed.

COMPANIES BRING TOOLS ON EARLY AND OFTEN SWITCH.

Headcount when switching tools for the first time
(N=335)



Typical profile of a company that is bringing on its first Customer Support tool:

- 20-25 employees
- 0 support agents
- \$2-3M in funding

47% of companies surveyed said they then switched tools as they scaled.

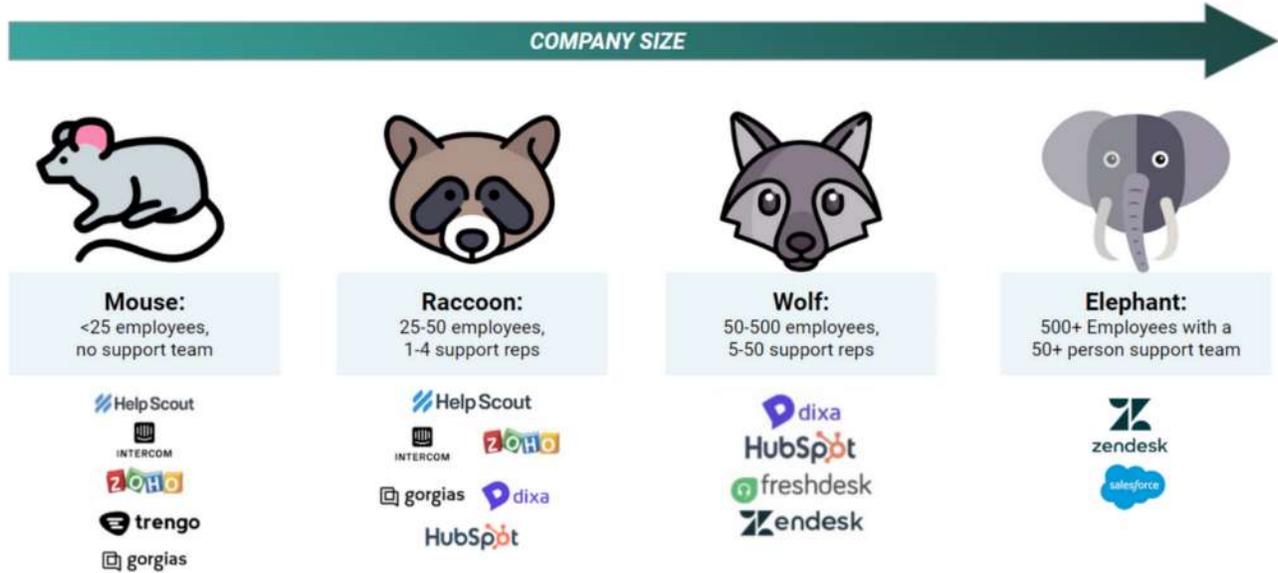
Companies often feel pressure to bring on their first support tool as they begin to approach 20 employees. Before they do so, they may notice disorganization, which can manifest in issues like multiple employees responding to one customer question or a lack of coordination on who responds to what. Employees typically start to find it hard to keep track of all customer tickets.

Simultaneously, leaders will also start to demand the ability to analyze support data. Examples include stats on the level of service being provided and whether customers are satisfied.

These are signals that often prompt a company to buy their first tool, which may serve them well in their early stages. However, with growth, companies often then require enterprise-grade tools and switch again.

AS COMPANIES GROW, THEIR TOOLING NEEDS SHIFT.

THE MOST COMMON SUPPORT TOOLS FOR COMPANIES AT VARIOUS STAGES



A DEEPER LOOK:

HEAT MAP OF RELATIVE USAGE OF TOOLS BY COMPANIES AT VARIOUS SIZES (BY HEADCOUNT)

Green = more frequently used with that headcount; Red = less frequently used with that headcount



Source: Support tool usage and switching data (N~30K companies)

90%

*believe the buying process could
be easier by being able to:*

- **TRIAL BEFORE TALKING TO A SALES REP**
- **HAVE FEWER SALES CALLS**
- **LEARN FIRST THROUGH **SIDE-BY-SIDE
COMPARISON GUIDES****

TESTBOX HAS A DEEP LIBRARY OF RESOURCES TO HELP SOFTWARE BUYERS FIND THE RIGHT TOOL.

[TestBox's blog](#) provides useful content such as:

- *What we like* and *What we don't like* articles about each top support vendor
- *Comparing customer support software pricing and other features beyond TestBox*
- *3 Signals that your team needs a customer support platform*
- *4 Signs that it's time to upgrade your customer support platform*
- ...and much more!



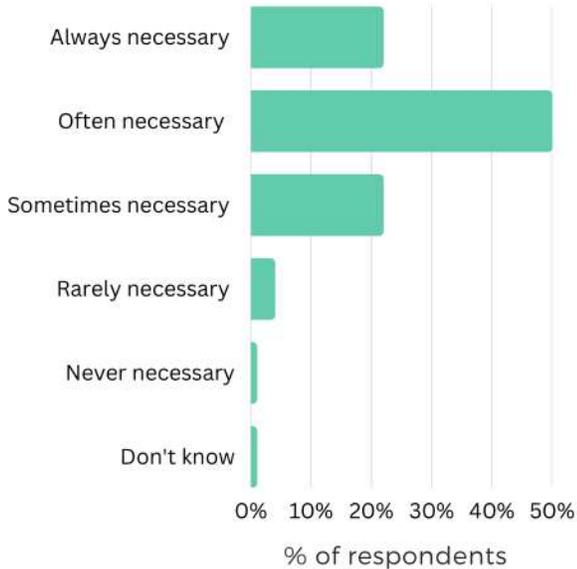
SUPPORT AGENT COMPENSATION



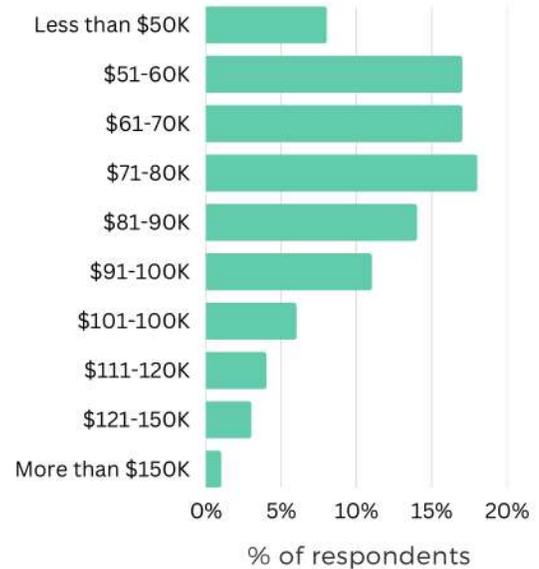
ABOVE-MARKET COMPENSATION IS OFTEN REQUIRED FOR GETTING TOP AGENT TALENT. \$75K IS A TYPICAL SALARY.

All respondents

HOW NECESSARY IS OFFERING ABOVE-MARKET COMPENSATION TO ATTRACT AND RETAIN TOP CUSTOMER SUPPORT TALENT?



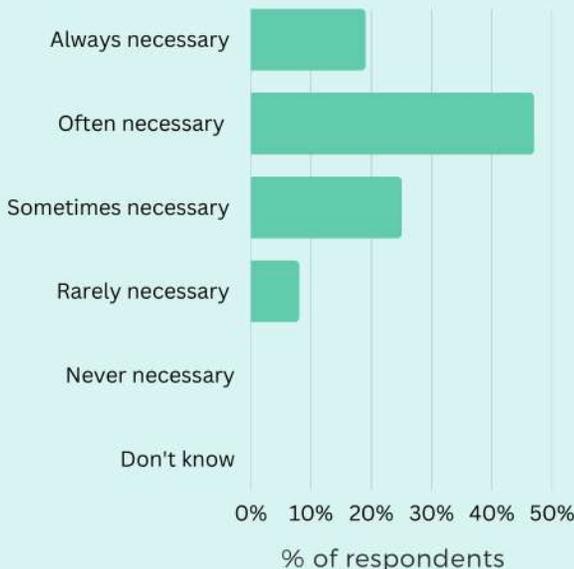
WHAT IS THE RIGHT SALARY, NOT INCL. BONUSES AND BENEFITS, FOR HIRING AND RETAINING GREAT SUPPORT AGENTS IN THE US?



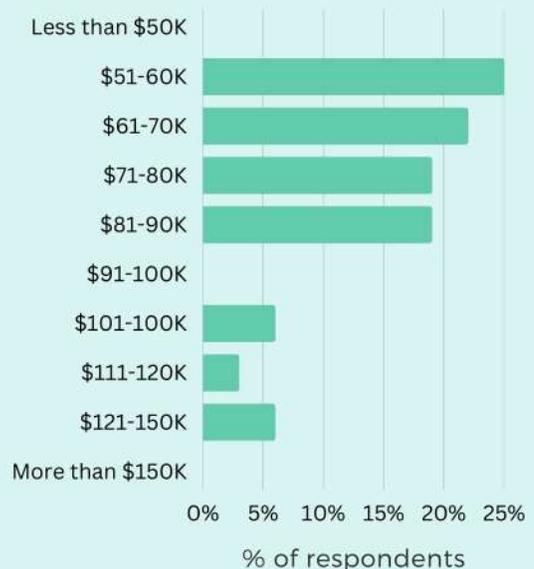
NORMS LOOK SIMILAR IN THE SOFTWARE INDUSTRY WITH MANY BELIEVING THEY MUST OFFER ABOVE MARKET COMPENSATION.

Only respondents in software industry

HOW NECESSARY IS OFFERING ABOVE-MARKET COMPENSATION TO ATTRACT AND RETAIN TOP CUSTOMER SUPPORT TALENT?



WHAT IS THE RIGHT SALARY, NOT INCL. BONUSES AND BENEFITS, FOR HIRING AND RETAINING GREAT SUPPORT AGENTS IN THE US?



REFLECTIONS



FINAL REFLECTIONS

Our findings paint a bold future for customer support – a future only achievable through the power of software.

Here at TestBox, we're passionate about changing the way you buy software, whether it's Customer Support or other mission-critical tools.

We put you in the driver's seat by letting you test different products side-by-side – for free. Let us help you on your next evaluation: experience the future of software buying with TestBox.

TESTBOX IS ALWAYS FREE FOR THE SOFTWARE BUYER.

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