2020
DIRECT TO CONSUMER
WINE SYMPOSIUM

Customer Service in the Digital Age

@DTCWS   DTCWS20

Let's get this out of the way first...

- You will have access to these slides after the show.

- We'll do Q&A after the presentation.

- Miryam will be available for high fives following the presentation.

2020 DIRECT TO CONSUMER WINE SYMPOSIUM

Laurie Millotte
Moderator

Chief Amazement Officer
Outshinery

OUTSHINERY™
simply brilliant

Miryam Chae
Presenter

DTC Director, Marketing & Operations
Constellation Brands

2020 Direct to Consumer WINE SYMPOSIUM

Ed Feuchuk
Presenter

Vice President of Marketing
Farm Collective Wine
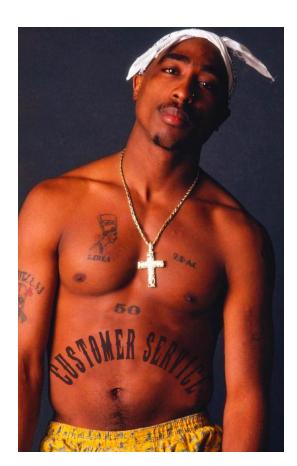
Big Company

Small Company

Real-talk about "Customer Service"

Real-talk about "Customer Service"

Customer service isn't something you do, it's something you're *about*.

Real-talk about "Customer Service"

Customer service is not *about* merely solving screw-ups and saying "thank you," it's about making your customers' experiences as awesome as possible.

Real-talk about "Customer Service"

It's *about*:

- Building trusting relationships.
- Adding value to customers' lives.
- Fulfilling customer needs before they realize they have them.
- Effortlessly turning problems into magical interactions.

Real-talk about "Customer Service"

But we already know you're *about* that customer service life.

Real-talk about "Customer Service"

Except this winery...

Wine Industry vs. The World

We smile!

Twomey Cellars

Real-talk about "Customer Service"

We provide guests real points of contact.

SCHEID
VINEYARDS

May 2019 Wine Club Release

Date:
Mon, Apr 1, 2019 - Sat, Aug 31, 2019
Contact:
Brandon Allen, Wine Club Manager
Phone:
(831) 455-9990
Email:
brandon.allen@scheidfamilywines.com
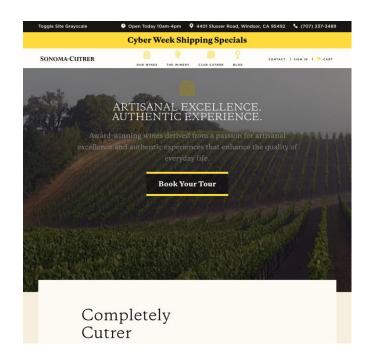
Real-talk about "Customer Service"

We publish our real phone numbers...and actually pick up!
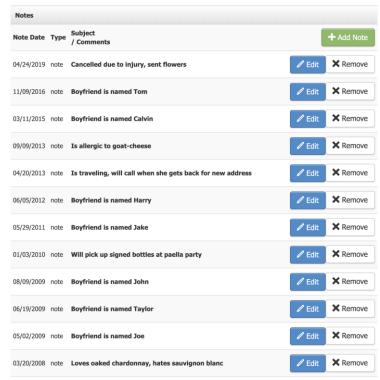
We write note cards…tons of them.

Real-talk about "Customer Service"

Our CRM game is ridiculous.

Contact Notes - Taylor Swift

Notes			
Note Date	**Type**	**Subject / Comments**	**+ Add Note**
04/24/2019	note	**Cancelled due to injury, sent flowers**	✏ Edit ✖ Remove
11/09/2016	note	**Boyfriend is named Tom**	✏ Edit ✖ Remove
03/11/2015	note	**Boyfriend is named Calvin**	✏ Edit ✖ Remove
09/09/2013	note	**Is allergic to goat-cheese**	✏ Edit ✖ Remove
04/20/2013	note	**Is traveling, will call when she gets back for new address**	✏ Edit ✖ Remove
06/05/2012	note	**Boyfriend is named Harry**	✏ Edit ✖ Remove
05/29/2011	note	**Boyfriend is named Jake**	✏ Edit ✖ Remove
01/03/2010	note	**Will pick up signed bottles at paella party**	✏ Edit ✖ Remove
08/09/2009	note	**Boyfriend is named John**	✏ Edit ✖ Remove
06/19/2009	note	**Boyfriend is named Taylor**	✏ Edit ✖ Remove
05/02/2009	note	**Boyfriend is named Joe**	✏ Edit ✖ Remove
03/20/2008	note	**Loves oaked chardonnay, hates sauvignon blanc**	✏ Edit ✖ Remove

We curate experiences and tailor-craft itineraries.

This is the concierge, sir!

Wineries vs. Modern Consumer Brands

	Wineries	Modern Consumer Brands
Personal	✔	
Friendly	✔	
Accessible	✔	
Invested	✔	
Efficient		✔
Convenient		✔
Proactive		✔
Receptive		✔

What's holding us back?
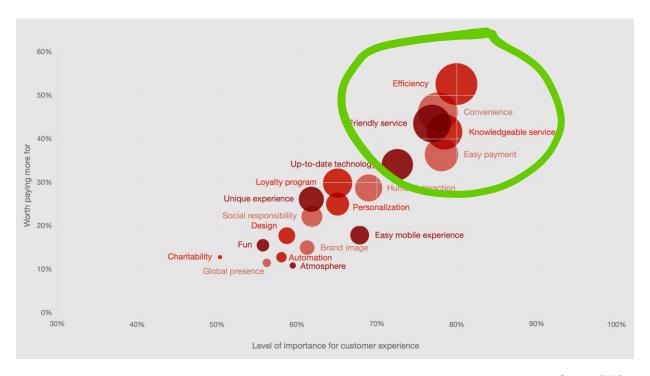
We need to stop serving customers on our terms and start serving customers on their terms.

What do customers want?
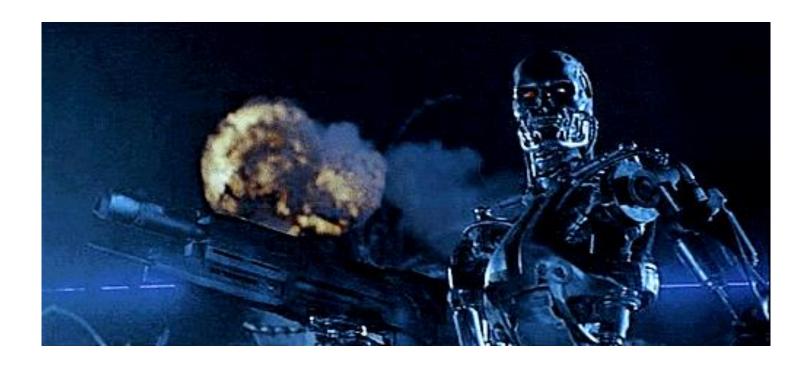
Source: PWC
"Experience is everything 2020 Report"

We're going to have to use…technology!

- Email ticketing is overkill
- Chat is very '90s
- Bots are impersonal
- Feedback isn't important
- Social Media isn't serious
- Texting is annoying (and for teenagers)
- Data is for nerds!
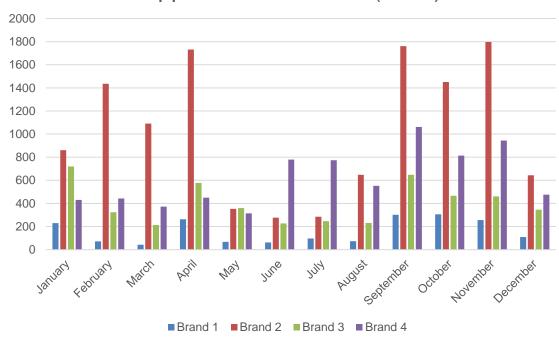
Efficiency and Email

On average:
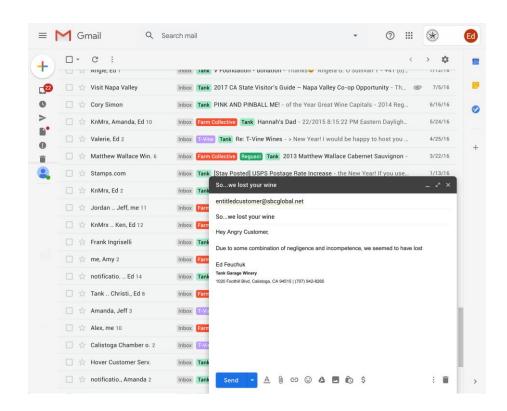
- 2,200 emails per month
- 72 emails per day
- 24 emails per agent per day

Support Email Volume (2016)

Using Regular Email

Email Support System
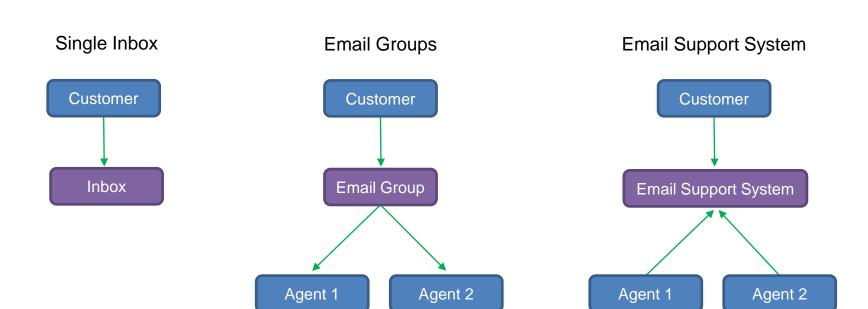
An email support system like HelpScout helps corral all of our email messages into one inbox.

Email Support System

Single Inbox

Email Groups

Email Support System
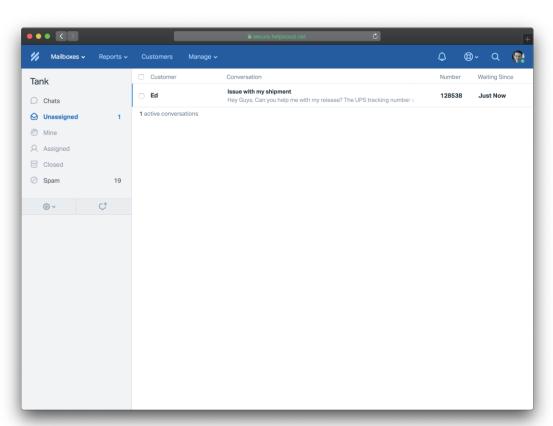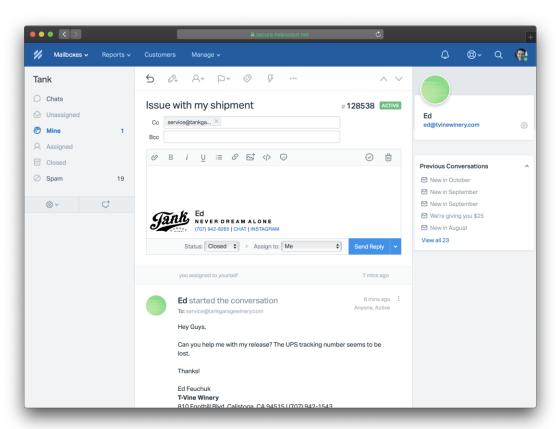
1. Email comes into one, unified inbox.

Email Support System
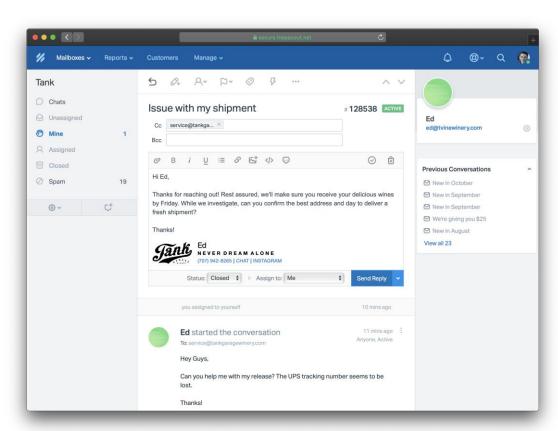
2. One of our agents opens the email and starts a reply, then that message automatically assigns to them.

Email Support System
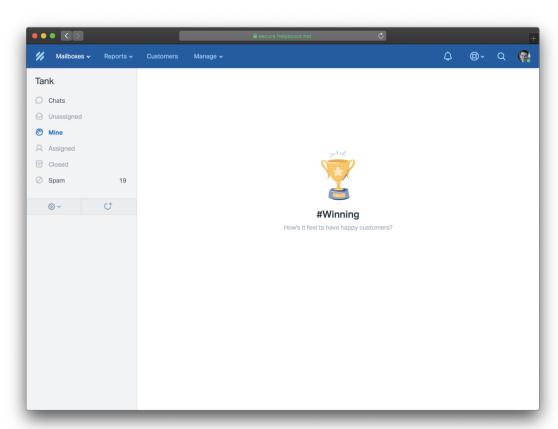
3. We respond with mind-blowing customer service.
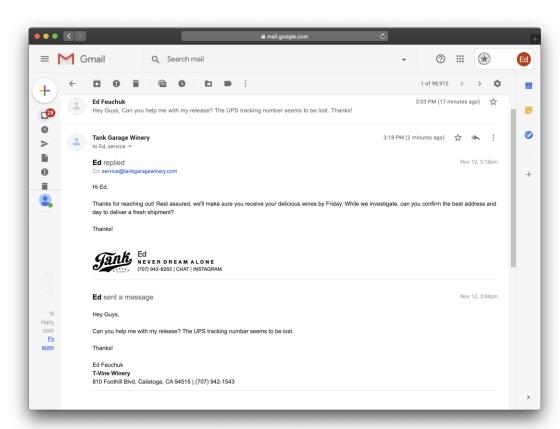
4. Email moves from shared inbox.
Which, to us, means we addressed it.
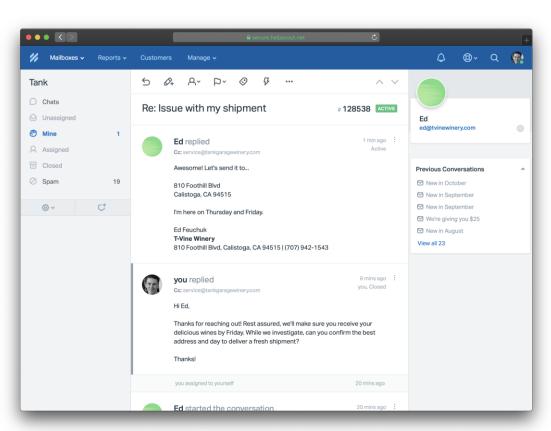
Here's what the customer sees.
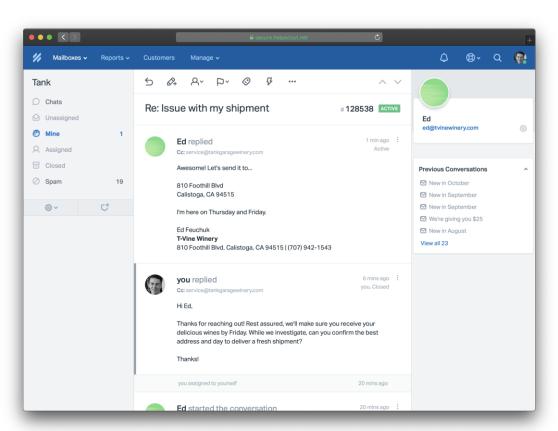
5. When the customer replies, it assigns the thread back to the original responding agent.

And back and forth it goes until we resolve the support question.

Email Support System
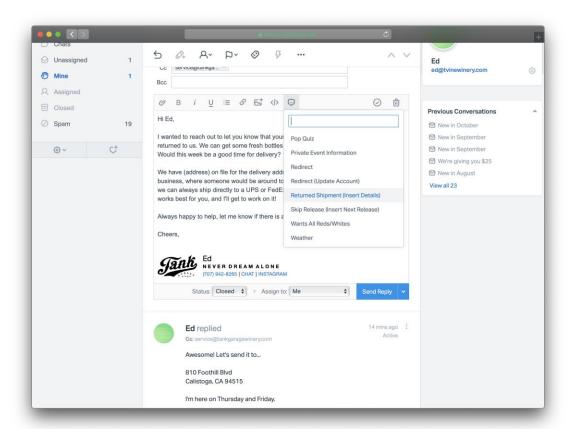
But what makes this tool even more powerful, are the features…

Email Support System

We can create and drop in saved replies and automatically insert fields like the customer's name.
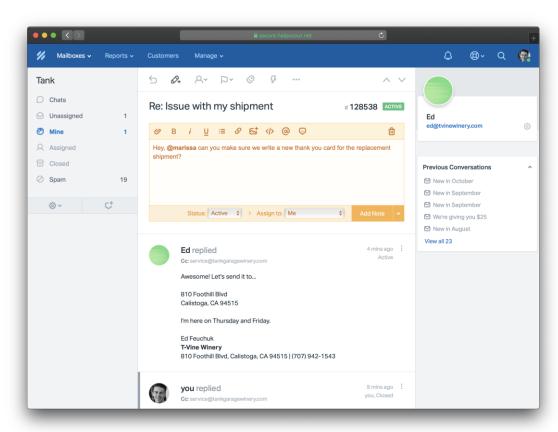
This saves us a ton of time.

We can leave internal notes that only our agents can see and may notify other agents if we need their assistance.
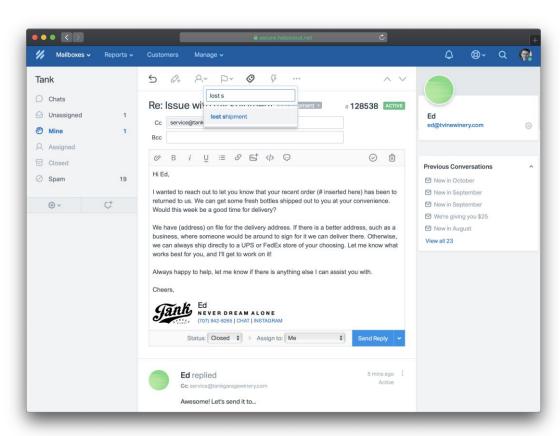
Now our responses are more informed and agent re-assignments more seamless.

Email Support System

We can tag the reasons for each support email.
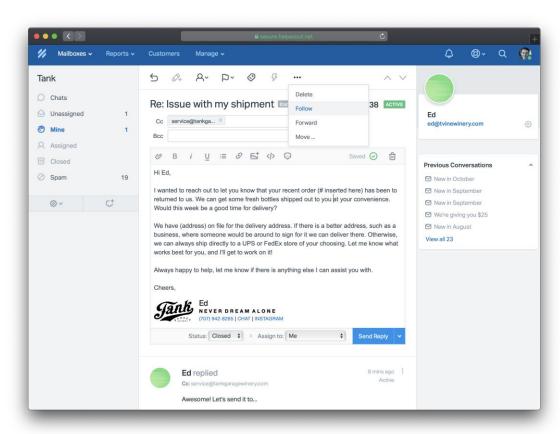
This helps us track what customers need help with most.

Email Support System

We can follow support threads assigned to other agents and receive notifications with each reply.
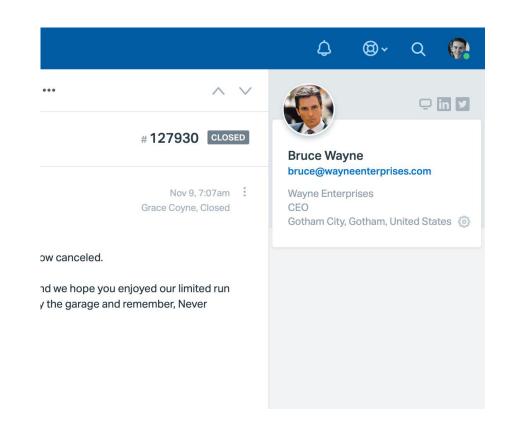
This assures full transparency for managers and accountability for agents.

Email Support System

HelpScout stitches in customer photos, location and social information from sources like LinkedIn, Twitter, and personal websites.
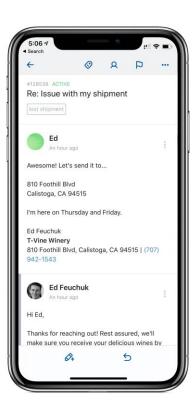
Which helps us write more personal responses.

Email Support System

We can do this from anywhere using a mobile app.

And we do. We now respond to customers at all hours a day, seven days a week, sometimes just for the fun of it.
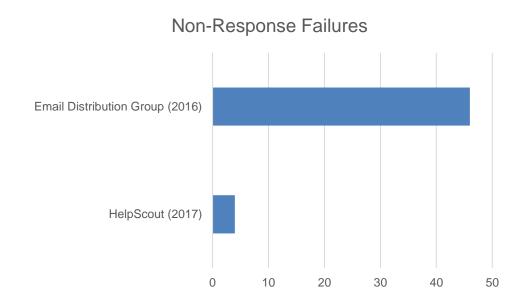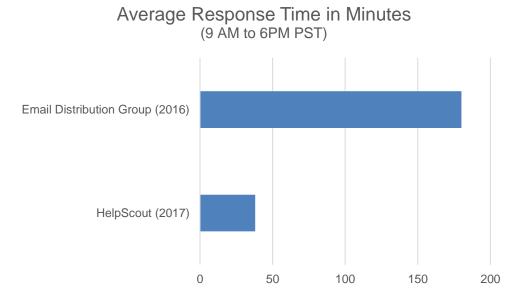
Looks fancy, but so what?

Email Support System

By using a zero-inbox email system, messages stopped falling through the cracks.

Non-Response Failures

Email Support System
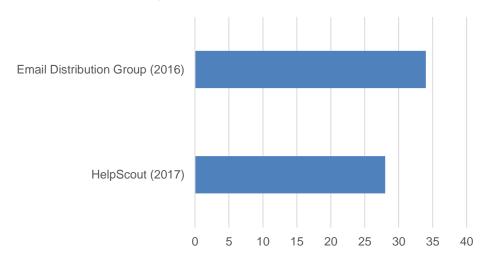
By having multiple agents working to clear the inbox for a greater portion of each week, we started responding four times faster to initial customer emails.
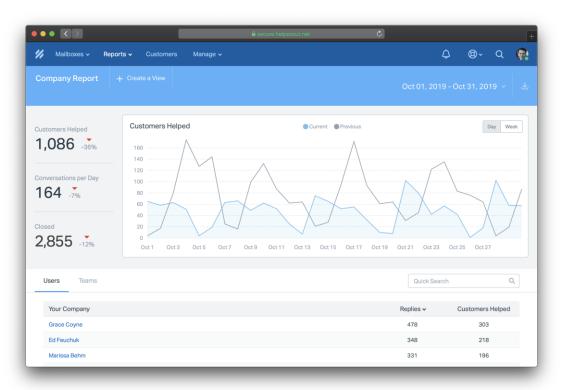
Average Response Time in Minutes
(9 AM to 6PM PST)

Email Distribution Group (2016)

HelpScout (2017)

0   50   100   150   200

Email Support System

We even reduced our resolution time by 17%.

Average Resolution Time in Hours

Email Support System

And because we have built-in analytics, we're able to run reports, by agent, and monitor performance, accuracy, satisfaction, and support reasons.

1. Go all in and trust the system.

2. Work towards simplicity, not complexity.

3. Empower your team to make good, fast decisions.

4. Focus on only one or two metrics you want to improve and do it.

Chasing Convenience with Chat
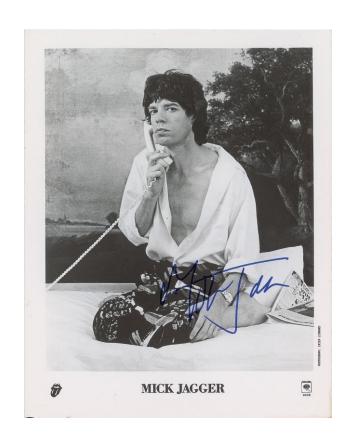
- Interact on customers' schedules, not ours.
- Use the platforms customers prefer.
- Be prepared, knowledgeable, and accurate.
- Minimize back-and-forth.
- Eliminate friction points.
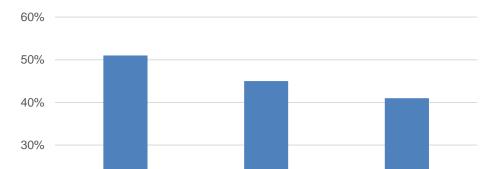- Move fast as lightning.

MICK JAGGER
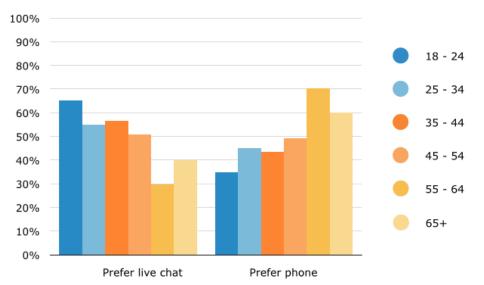
But not so fast…

Use of Voice in Customer Service

Source: Business Insider
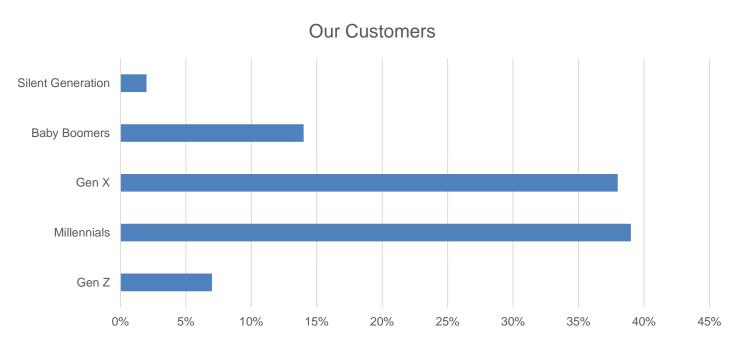"Consumers are abandoning traditional customer service channels"

Time are a changing

Online Shopping Queries: Preferences for Live Chat vs. Phone by Age

Legend:
- 18 - 24
- 25 - 34
- 35 - 44
- 45 - 54
- 55 - 64
- 65+

Categories: Prefer live chat, Prefer phone

Source: Paldesk
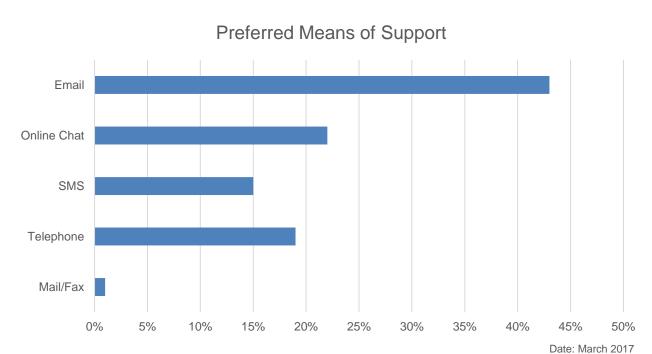"Phone Call vs. Chat – Is There a Winner?"

So, we did some investigating

Our Customers

Generation	Percentage
Silent Generation	2%
Baby Boomers	14%
Gen X	38%
Millennials	39%
Gen Z	7%

Date: March 2017
WineDirect
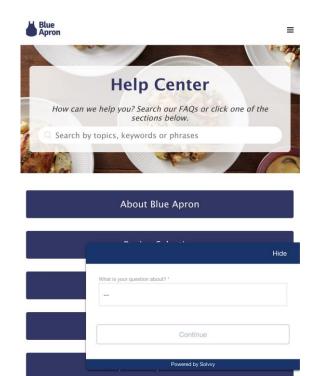
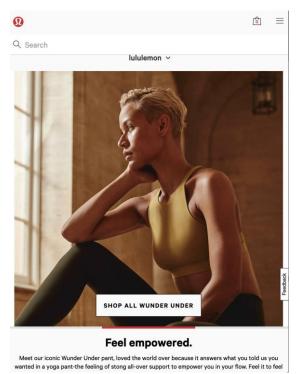# Then we asked our customers

Preferred Means of Support

Date: March 2017
SurveyMonkey

What the cool kids are doing

Chat

Chat

Chat

Chat
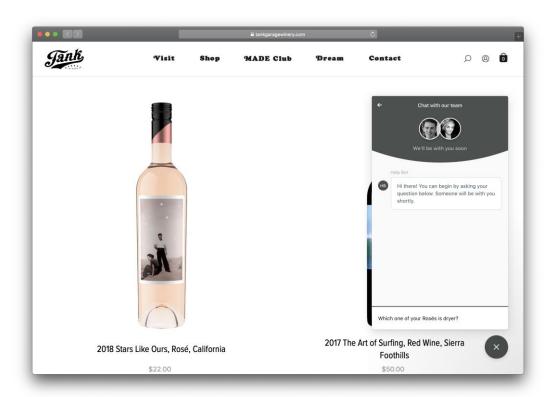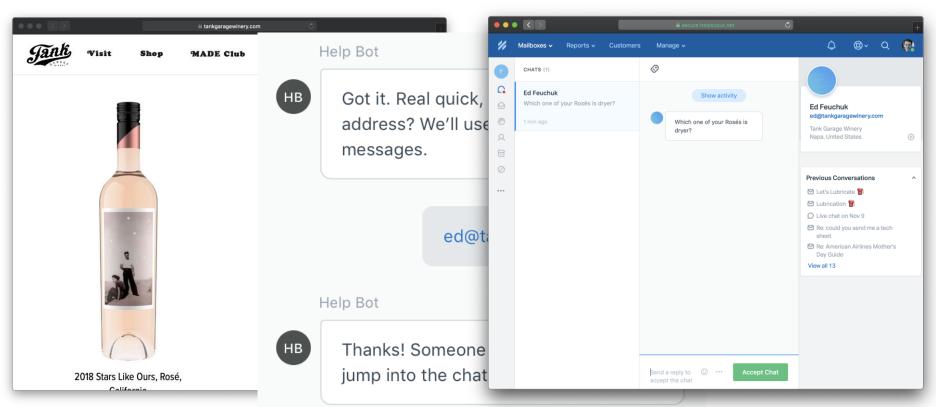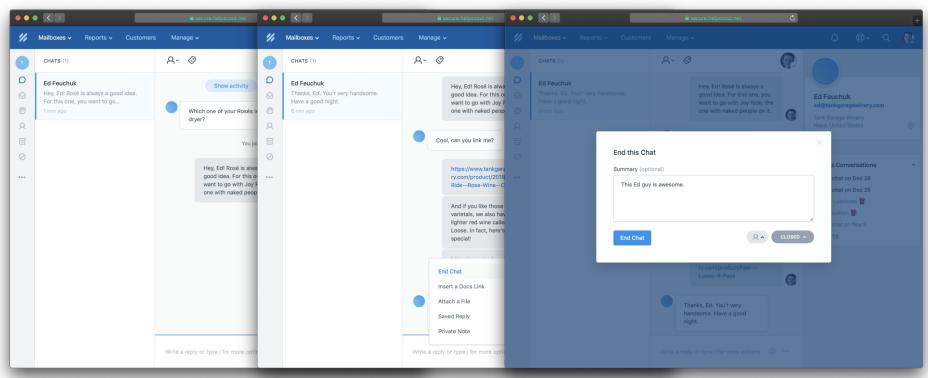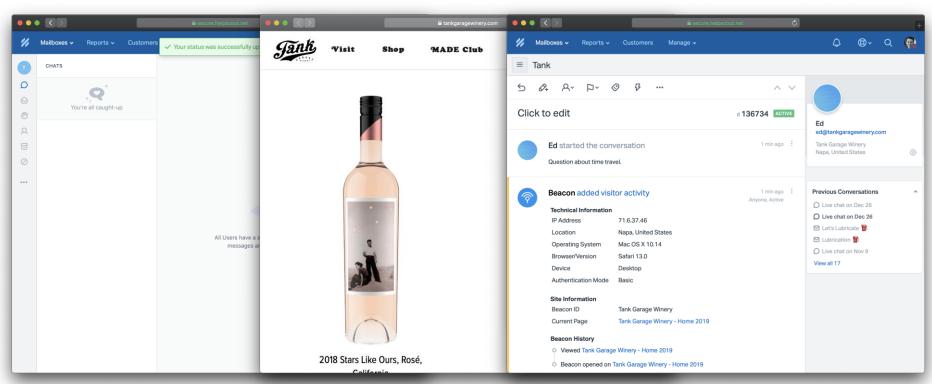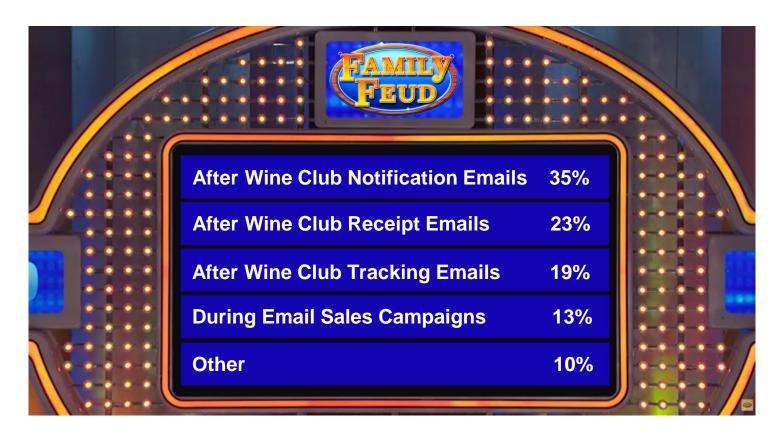
Chat
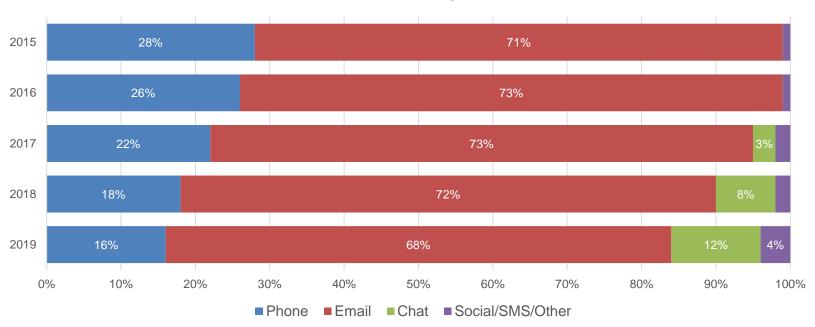
Evolving Customer Service Channels
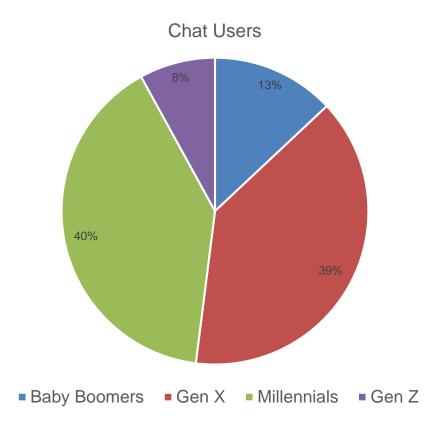
Customer Service by Channel

Year	Phone	Email	Chat	Social/SMS/Other
2015	28%	71%		
2016	26%	73%		
2017	22%	73%	3%	
2018	18%	72%	8%	
2019	16%	68%	12%	4%

Phone ■ Email ■ Chat ■ Social/SMS/Other

Equal Use Across Demographics

Chat Users

■ Baby Boomers	■ Gen X	■ Millennials	■ Gen Z

*Demographics only available for 37% of interactions

How we keep Chat personal
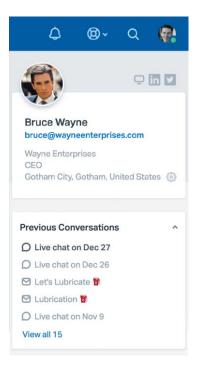
We show our faces and names

Ed   Grace

We know our customers

Bruce Wayne
bruce@wayneenterprises.com

Wayne Enterprises
CEO
Gotham City, Gotham, United States ⚙

Previous Conversations ⌃

💬 Live chat on Dec 27
💬 Live chat on Dec 26
✉ Let's Lubricate 🎁
✉ Lubrication 🎁
💬 Live chat on Nov 9

View all 15
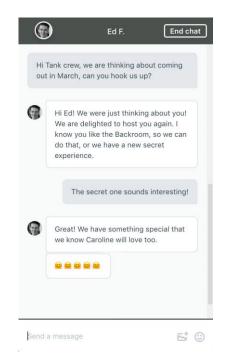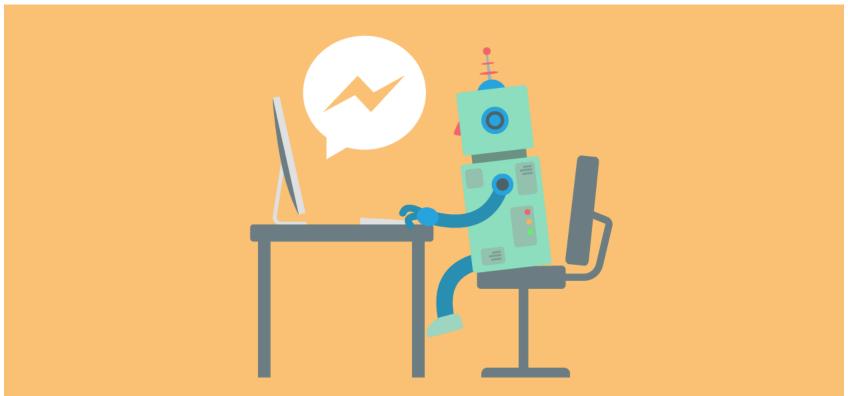
We're consistent with our voice and commitment

Ed F.   End chat

Hi Tank crew, we are thinking about coming out in March, can you hook us up?

Hi Ed! We were just thinking about you! We are delighted to host you again. I know you like the Backroom, so we can do that, or we have a new secret experience.

The secret one sounds interesting!

Great! We have something special that we know Caroline will love too.

😊😊😊😊😊

Send a message

Getting Proactive with Bots

How can we provide more proactive customer service?

Goals:

- Help customers use our self-service tools.
- Automatically resolve common questions without a human.
- Detect if customers need assistance before they ask.
- Start conversations about the right things.

What do Chatbots do?

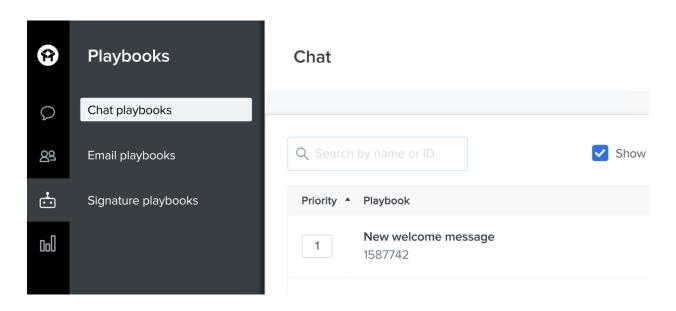Chatbots use rules and AI to automate responses and tasks based on the customer's input.
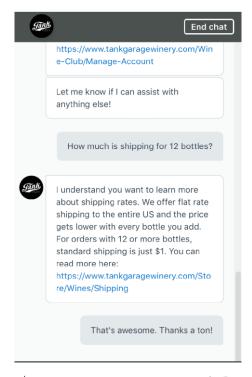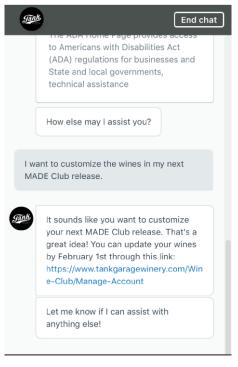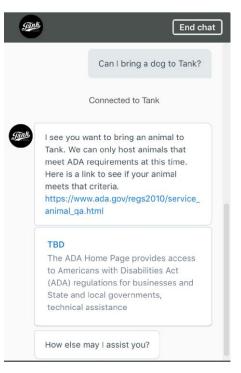
Here's what we had to build.

Chatbots

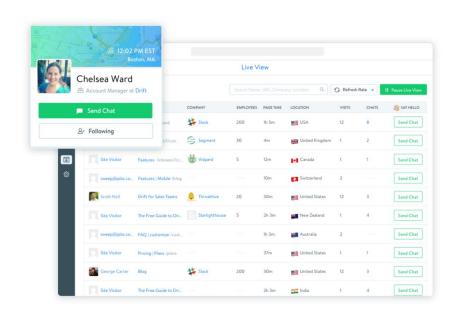Just kidding. Bots are built into most Chat platforms and easy to set up.

Automation

Targeting

Send messages to website users based on criteria like:

- The current page they are on.
- The amount of time they have been on that page.
- Their geographic location.
- Their member status (if tracked).
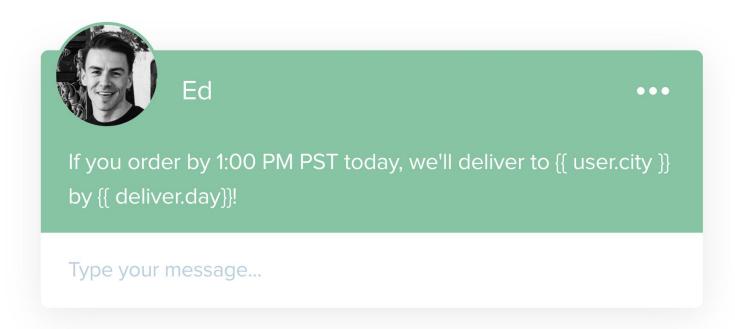
If on Wine Club information page.

Ed

I see you're interested in the MADE Club. Let me know if you have any questions!

Type your message...

If on our store at a certain time and day.

Ed •••

If you order by 1:00 PM PST today, we'll deliver to {{ user.city }} by {{ deliver.day}}!

Type your message...

If on product page for longer than 20 seconds.

Ed

•••

Need some help making a decision? Use code **GROOVY** for $10 off this bottle.

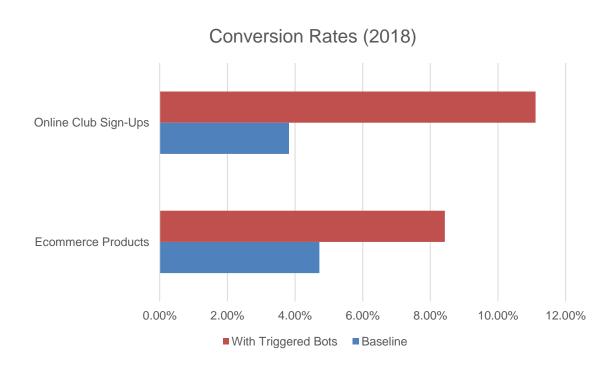Type your message...

Sometimes just to shoot the breeze.

Ed

Tell me about your biggest dream and get $1 shipping.
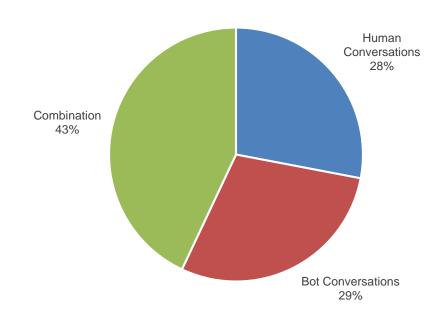
Type your message...

Chatbots

Conversion Rates (2018)

Horizontal bar chart comparing "With Triggered Bots" (red) and "Baseline" (blue) conversion rates for two categories:

- **Online Club Sign-Ups**: With Triggered Bots ~11.1%, Baseline ~3.8%
- **Ecommerce Products**: With Triggered Bots ~8.4%, Baseline ~4.7%

X-axis: 0.00%, 2.00%, 4.00%, 6.00%, 8.00%, 10.00%, 12.00%

Legend: ■ With Triggered Bots ■ Baseline

Chatbots

Chat Conversations (2018)

- Human Conversations 28%
- Bot Conversations 29%
- Combination 43%

1. Chat is more convenient for <u>some</u> customers.

2. Customers mostly use chat for the same reasons they use phone and email.

3. Chat will relieve other communication channels.

4. Chatbots can solve many customer requests without human intervention. Our customers like this.

5. Chatbots can also be effective sale drivers.
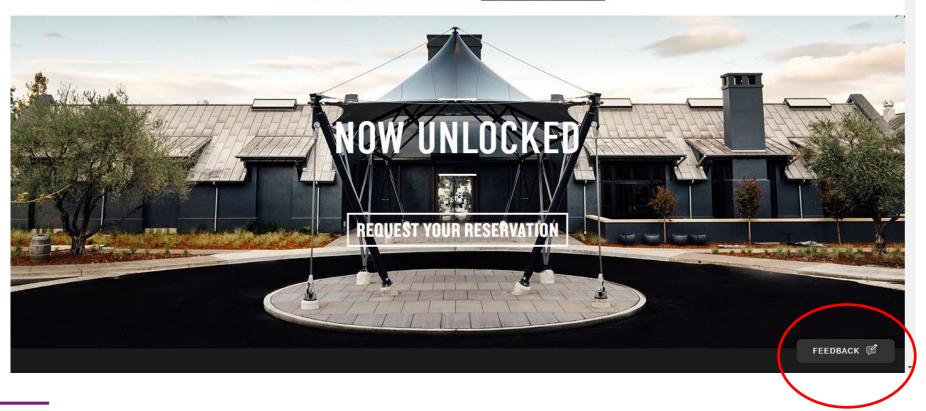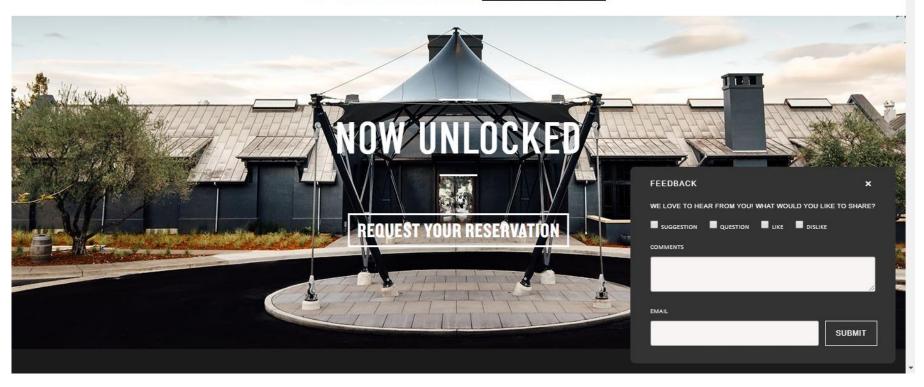
Help Scout

Olark

LiveChat
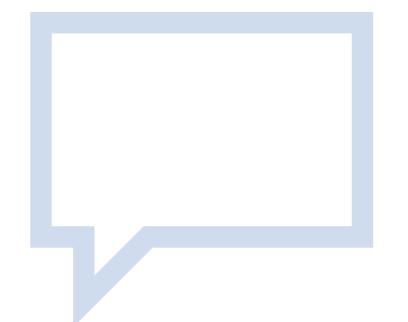
Drift

INTERCOM

ChatBot

Feedback Widget

Solving the problem(s)

- Customer Needs
  - Customers want to communicate when it's convenient for them
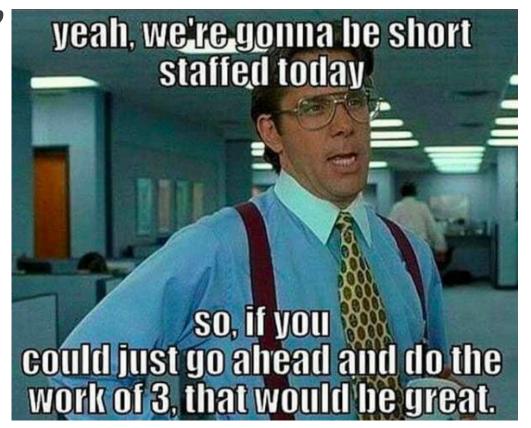 - Customers are on your website at all hours and they should be able to connect with you.

ONLINE SHOPPING
BECAUSE
I CAN'T WALK
AROUND A STORE
WITH NO PANTS
DRINKING
A GLASS OF WINE

Solving the 'real' problem(s)

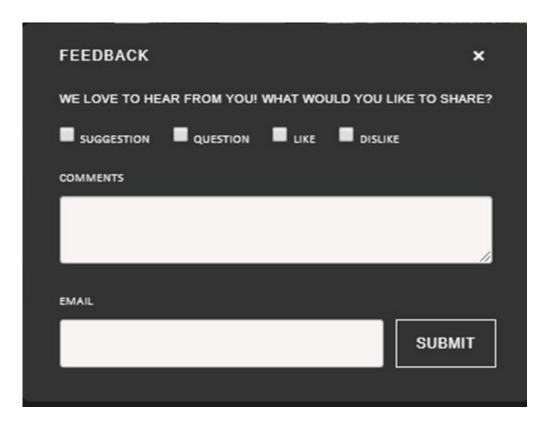2 Ecommerce Employees

14 Ecommerce Websites

How does it work?

Persistent Widget

By implementing a home-grown solution on each page of our sites we made it easy for customers to connect with us whenever they wanted.
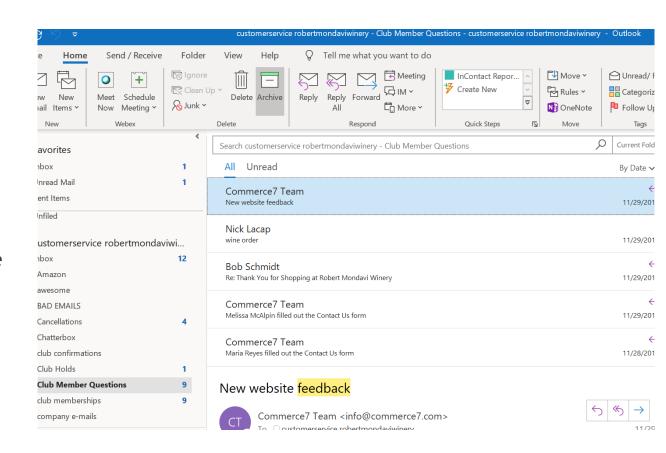
We kept the form simple, so the customer was more inclined to use it.

FEEDBACK ✕

WE LOVE TO HEAR FROM YOU! WHAT WOULD YOU LIKE TO SHARE?

☐ SUGGESTION   ☐ QUESTION   ☐ LIKE   ☐ DISLIKE
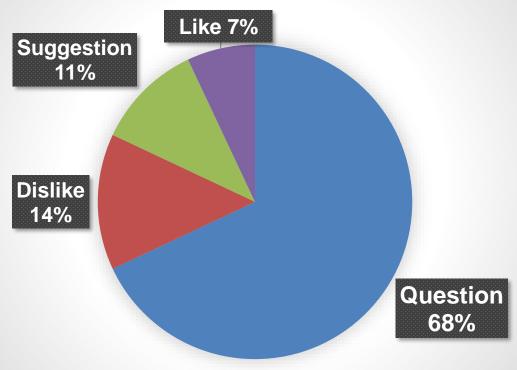
COMMENTS

EMAIL

SUBMIT

Persistent Widget

The message is sent via email to our brand-specific customer service email box in addition to several people on the team allowing us to have a quicker response to customers.

On average, we see about 2 feedbacks per day.

2019 Feedback Breakdown

Suggestion 11%

Like 7%

Dislike 14%

Question 68%

Feedback Highlights

- Most questions are Ecommerce-related & order status

- Many vegan, organic, gluten-free and glyphosate questions

- And of course, a few personal notes for Dave Matthews

"Someone is blocking my view with their cooler"

Considerations

Financials

- There are many feedback widget options at varying prices and service levels.
- We chose a "build your own" because we had the expertise in house, and it was the least costly.
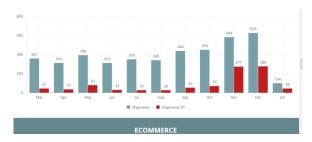
Resources

- A technical expert on staff to support the implementation or consider outsourcing.
- Key people willing to check notifications during "off hours" to address any major items.
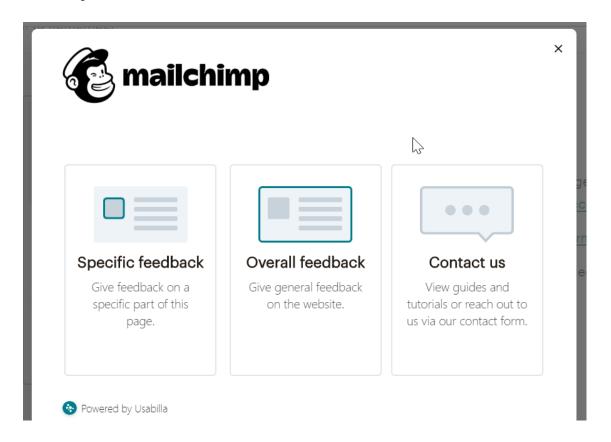
- This widget is getting an update with the move to Commerce7.

  - In the old version, we did not have analytics.
    Messages just flowed into an email box.

  - With Commerce7, messages are being put into a database that allows access to the data in order to create analytics.
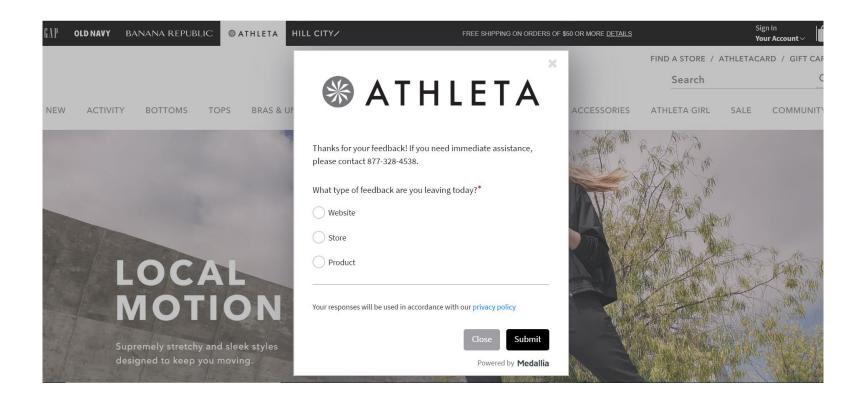
Leveraging our Dash access and creating automated analytics in order to build out a customized dashboard of our feedback widget messages.

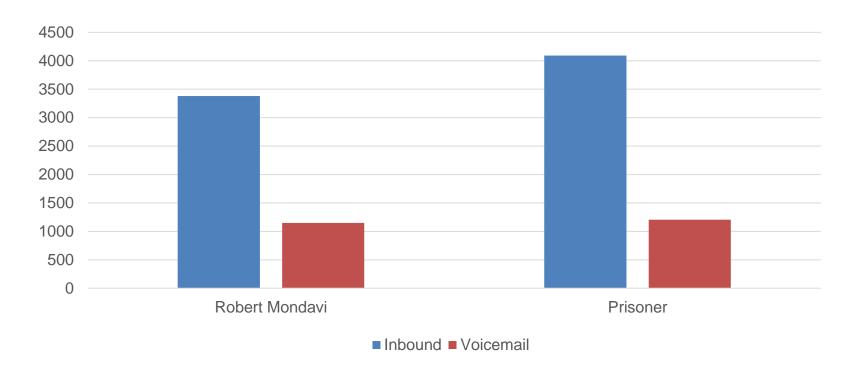# Feedback Examples

Feedback Examples

Feedback

Feedback deliverability
- Email box
- CRM database
- Reporting tool or Dashboard tool

Does this mean you should get rid of your phones?

Feedback Conclusions

- Offers a different level of engagement outside of chat and chat bots.
- Allows customization so it's useful to the customer and you.
- Easy to implement
- Scalable with the right options
- Not going to take over your regular channels but allows the customer greater access to you.