

The difference explained:

# Customer service vs. customer experience



## Paid content

What is the difference between customer service and customer experience? People sometimes use these words interchangeably, but they represent different things. Understanding customer service vs. customer experience is crucial for small business owners seeking to grow their business.

## Customer service vs. customer experience

You can best understand the difference between customer service and customer experience by considering your “regulars” and why they continue to do business with you.

A regular customer doesn't keep coming back just because you once helped them troubleshoot a defective product or processed a product return on their behalf. They keep coming back because they know you might recognize them the next time they show up and recommend new products they'll love. They repeatedly purchase from you because they have confidence that you'll make it fast and easy to get what they want. They remember not just the one time you assisted them after they bought an item, but your consistent track record in solving their problems.

Customer service refers to how you handle questions, complaints and other issues when customers reach out, typically after a purchase.

Customer experience, on the other hand, represents the complete set of interactions people have with your company, whether that's online, by phone or in person. This includes the moment they discover your offerings, how easy it is to find information on your website, what it's like to interact with you on social media, how they're treated as they consider purchases and much more, extending beyond the moment they make a purchase.

Think of customer service as just one stage (albeit a critical one) in the customer journey people take. As mobile devices become increasingly ubiquitous, this journey often unfolds through digital channels, which means you must master both customer service and the overall digital customer experience to sustain business growth.

## Setting yourself up for customer experience success

Customers often begin their journey with high standards in mind. That means your top priority as a small business should be identifying and eliminating any friction that could prevent those expectations from being met and lead to customer disappointment.

For example, according to the 2024 Verizon CX Annual Insights Report, 72% of customers said that a poor digital experience would lead them to trust an organization less, and 72% also reported that a poor or inconsistent digital journey would deter them from making a purchase.

Potential customers shouldn't have to play detective to find you online. Your digital presence should include a high-performance, secure website where they can easily browse through your products and services. Build upon this by expanding into additional digital touchpoints, such as social media, where customers are likely already spending time scrolling for inspiration and ideas.

As they consider whether to buy, you should prepare to answer their burning questions about features, pricing and shipping options. You can automate these tasks instead of relying on staff members to constantly monitor digital channels. For example, chatbots can be a valuable tool for quickly responding to customer questions and enhancing the overall customer experience. The 2024 Verizon CX Annual Insights Report showed that 62% of organizations that are using chatbots report an increase in customer retention rates, and 66% report increased revenue. Chatbots can work 24/7 and address some of the most common customer questions and concerns.

## How quality customer service enhances the overall customer experience

In the post-purchase phase of the customer journey, speed and quality matter more than ever. Opt for a cloud-based business phone service that lets you automatically route customers to the right person when they call in for help, rather than leaving them waiting on hold.

Better yet, provide them with portals, apps and other tools that enable them to tackle customer service issues themselves. This may be even more important if your customer base includes younger demographics: The 2024 Verizon CX Annual Insights Report showed 42% of both millennials and Gen Z stay loyal to organizations that provide self-service options.

This is where customer service vs. customer experience becomes even clearer: When the service you provide is both responsive and thorough in addressing customer needs, it becomes a significant factor in the overall quality of the experience.

Finally, prove that you're always interested in feedback that will help you improve, whether that's through customer surveys or providing mechanisms for customers to leave reviews.

## Why a focus on customer experience will make small businesses more competitive

With the right technologies and a thoughtful strategy, small businesses can turn the customer experience they deliver into a competitive advantage.

Ultimately, it's not about choosing between focusing on customer service vs. customer experience. You need to excel in both, and the reward will be customers who feel supported, appreciated and loyal.

*The author of this content is a paid contributor for Verizon.*