

Modern Experiences for Connected Consumers

Creating Digital Customer Engagement

A study by Oracle



Introduction

Today's consumers are less and less willing to waste time when interacting with companies. They want to be able to get their questions answered, to make their purchases, or get the service they need on their own timeline. Younger consumers especially view many of the traditional engagement channels as tedious and inefficient.

Companies are paying more attention than ever to customer experience and engagement, and are trying to navigate the balance between new technologies and consumer preferences. In increasingly competitive markets, companies need to be able to view their customers as critical assets, offering customers support and engagement on individual terms.

Oracle's "Modern Experiences for Connected Consumers: Creating Digital Customer Engagement" report provides fresh insight into consumer preferences and expectations: how they engage with brands, what they expect from brand engagement, the importance of mobile applications, and how receptive they are to modern engagement capabilities that offer context-aware communications for digital customer experiences.



Oracle surveyed 5,028 consumers across several countries and demographics to understand modern customer engagement.



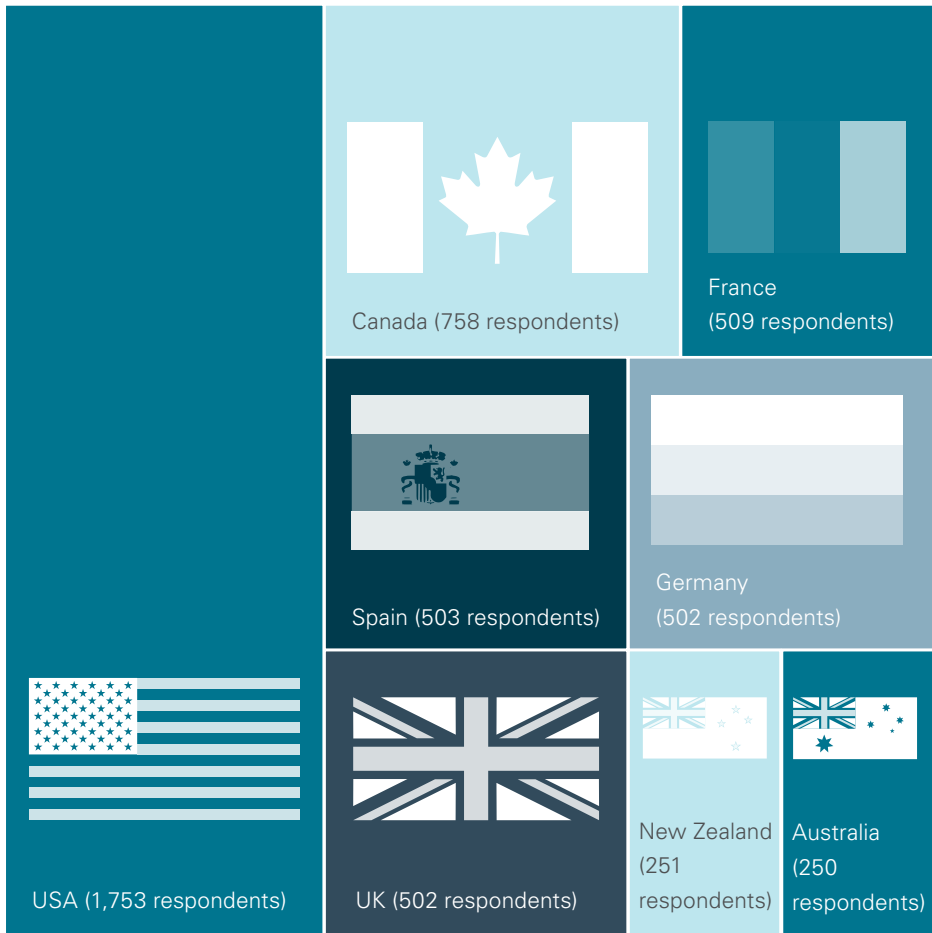
Geography: country distribution was targeted

QS2. What is your age?*

QS1. What is your gender?*

**screening questions*

Geography



Age



Gender



95 percent of consumers are mobile and 70 percent are highly engaged through their mobile applications.



Mobile Device
Ownership Is Ubiquitous

Smartphone	95%
Laptop computer	79%
Tablet	67%
Smart TV/Gaming console/Set-top box	46%
Connected car	21%
Wearables	21%
Smart appliance	18%
Voice-activated smart speakers	12%
Smart home	12%
I don't own any of these	0%

The Majority Use
Mobile Apps Frequently

Several times a day	70%
Once a day	12%
Every 2 to 3 days	7%
Every 4 to 6 days	2%
Weekly	4%
Every 2 to 3 weeks	2%
Once a month or less often	3%
I do not use apps	0%



- QS9. Which of the following items do you currently own and use?*
- QS10. Generally speaking, how often do you use mobile apps? As a reminder, “mobile applications/ apps” are programs on a smartphone or tablet, such as apps for weather, retail, banking, stock market, email, games, and so on.*
- QS11. Approximately how many apps do you currently have on your smartphone and/or tablet?*
- *screening questions*

Two-Thirds Own
Several Apps

0 apps	0%
1 to 5 apps	16%
6 to 10 apps	21%
11 to 20 apps	29%
21 to 50 apps	27%
51 or more apps	7%

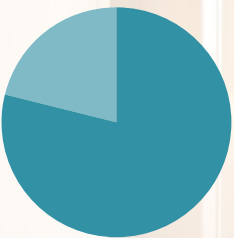
Consumers create their own unique paths to engage with brands.

Consumers Choose Variety of Channels

Email	65%
In-person	59%
Outbound phone call	59%
Website	55%
Inbound phone call	43%
Web chat	31%
Web form	30%
Mobile application	28%
Text/SMS	25%
Social media	24%
Kiosk	16%
Video chat	6%
Other	1%

Consumers Interact With Brands Frequently

In the last month	81%
In the last 1 to 2 months	11%
In the last 3 to 6 months	6%
In the last 7 to 12 months	2%
Over 1 year ago	0%



79 percent
want their issue to be resolved in one interaction and don't want to be told what channel they should use.



QS7. When was your most recent interaction (online, telephone, in-store or other) with a company, and for what purpose?*

QS8. From the list below, please indicate all the ways in which you have ever interacted with a company.*

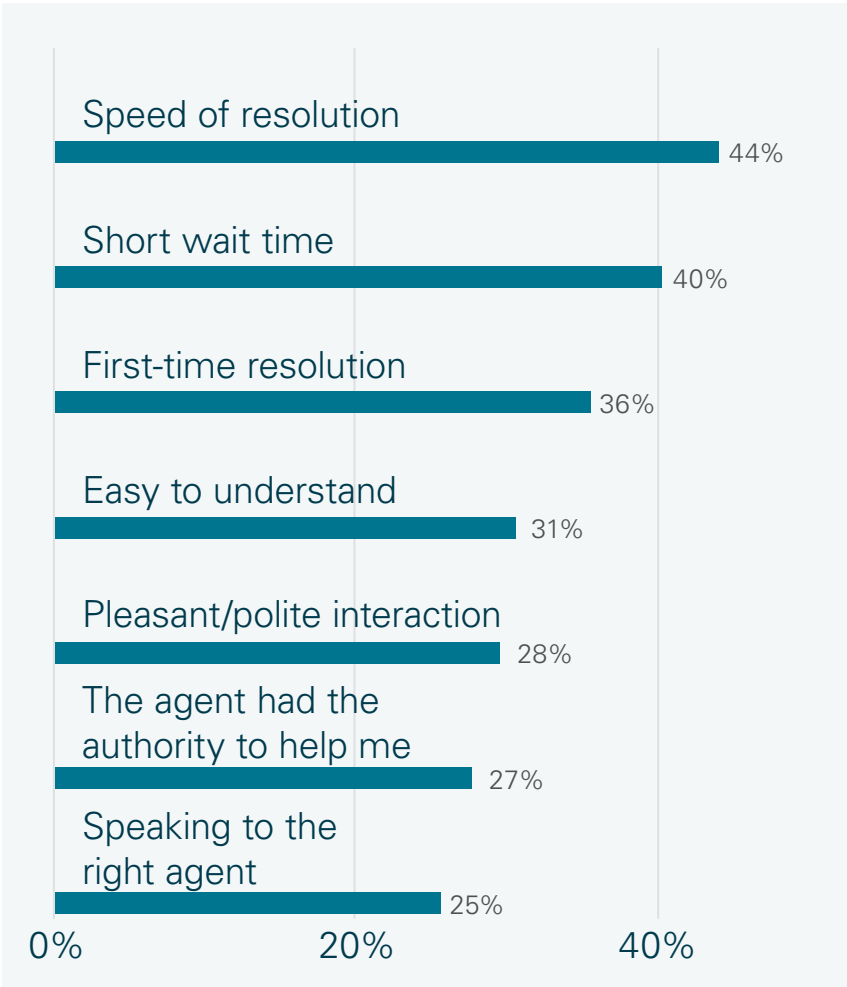
Q22. What is your level of agreement with each of the following?
“I expect my issue to be resolved in the first interaction with a company, regardless of how I choose to do it.”

*screening questions

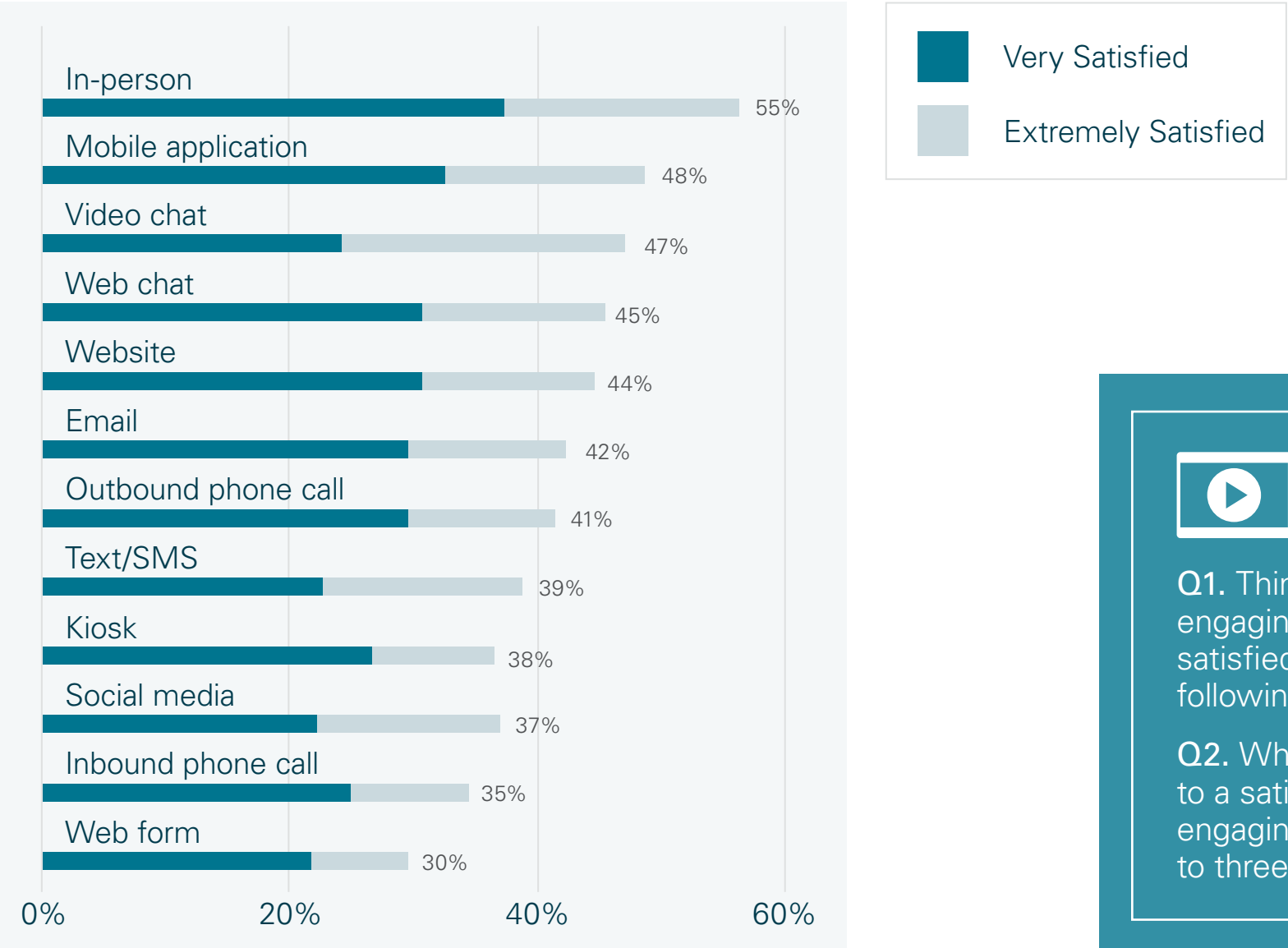


Consumer satisfaction with live and video engagement channels is driven by the expectation of prompt and first-time resolution.

Top Seven Factors Leading to Satisfactory Customer Experience

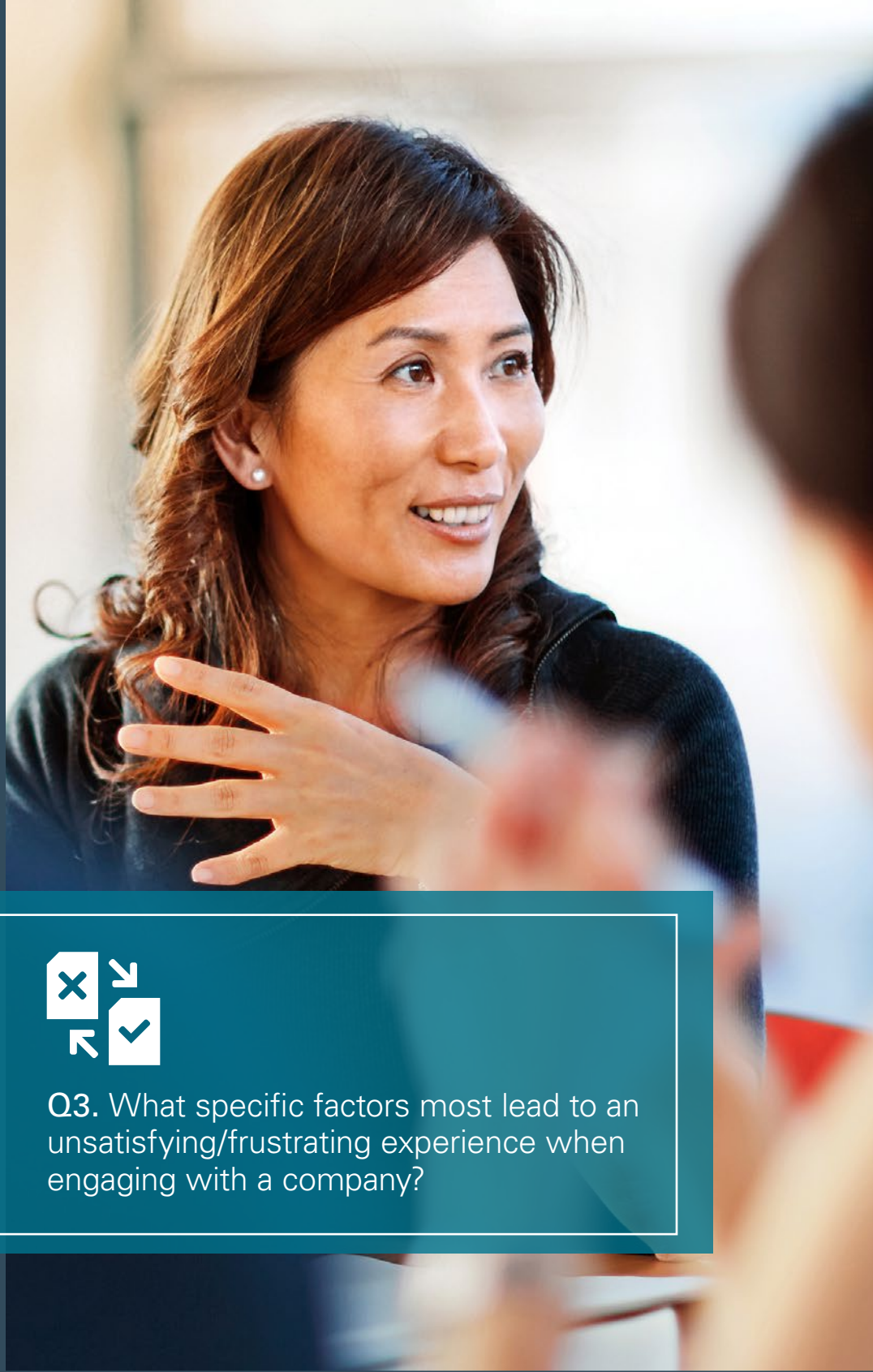


Satisfaction with Engagement Channels



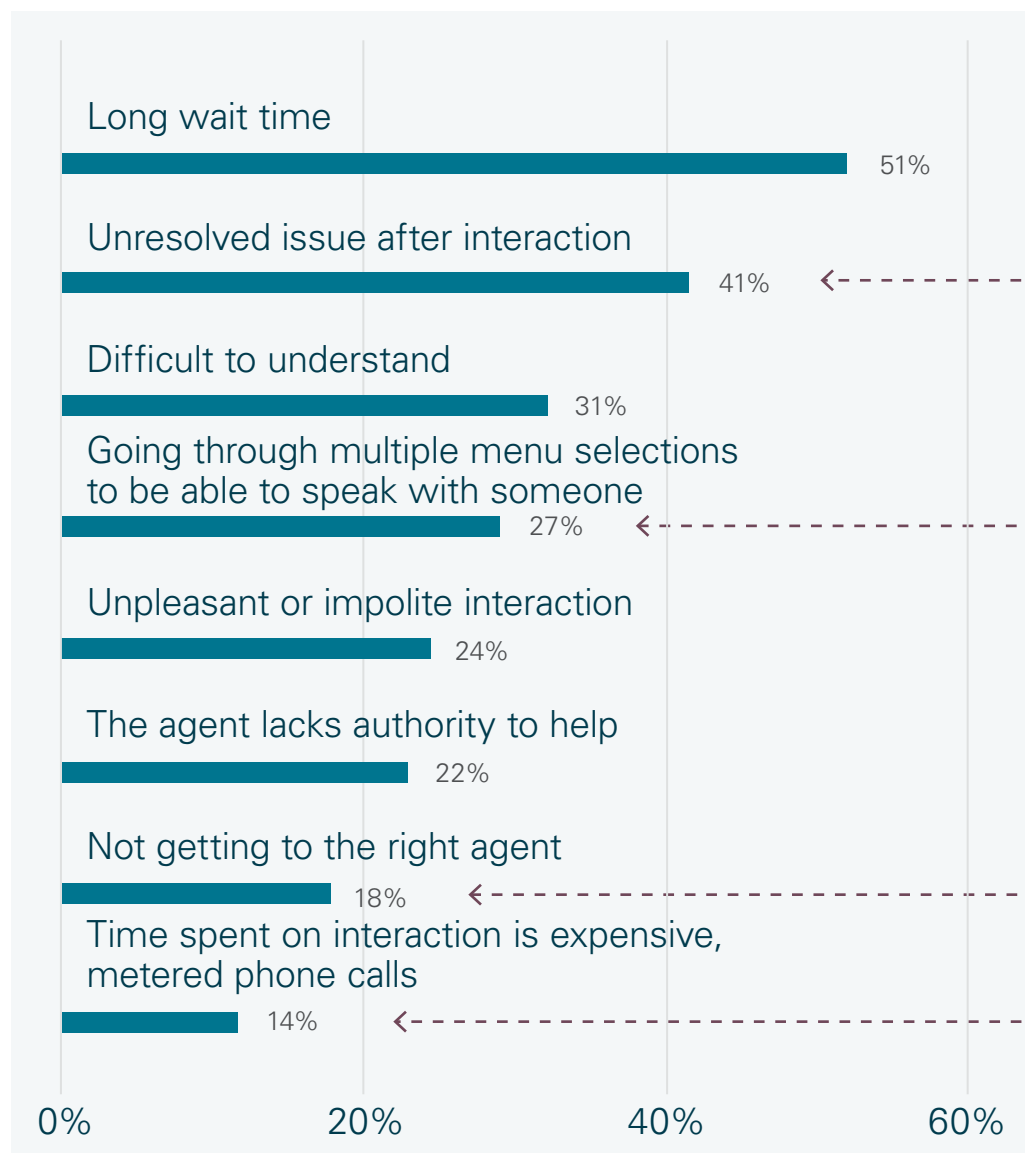
Q1. Thinking about your overall experience engaging with companies, generally how satisfied have you been with each of the following interaction methods?

Q2. What specific factors most lead to a satisfying/positive experience when engaging with a company? (Select up to three.)



Brands that modernize customer engagement can address key drivers of dissatisfaction.

Top Eight Factors Leading to Unsatisfactory Customer Experience



Many issues require investments in training and headcount to solve. However, some key factors are best addressed by investments in modernizing systems.

Importance of cost associated with time spent on the phone.

	France: 30%
	Australia/New Zealand: 29%
	Spain: 26%
	Germany: 24%
	UK: 20%
	Canada: 6%
	USA: 5%



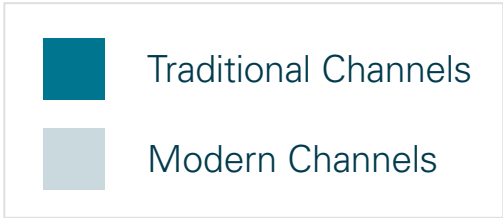
Q3. What specific factors most lead to an unsatisfying/frustrating experience when engaging with a company?



Please select your top two preferred methods for interacting with a company in the following situations. Consider & Purchase (Q4A), Usage (Q4B), and Service & Support (Q4C).

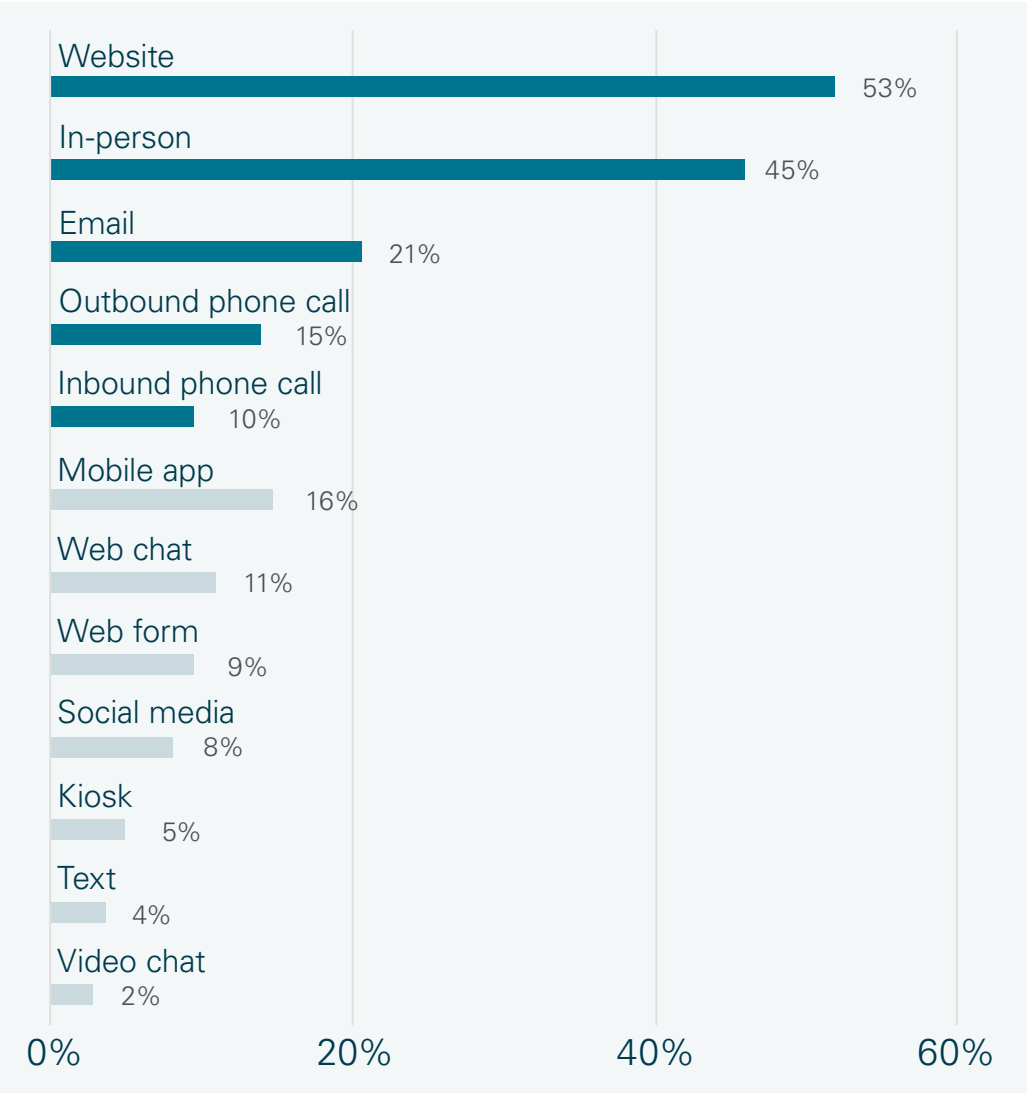
Consumers use a variety of channels across their customer journey; brands must be prepared to engage in all of them.

Channels Used at Different Stages of Customer Journey

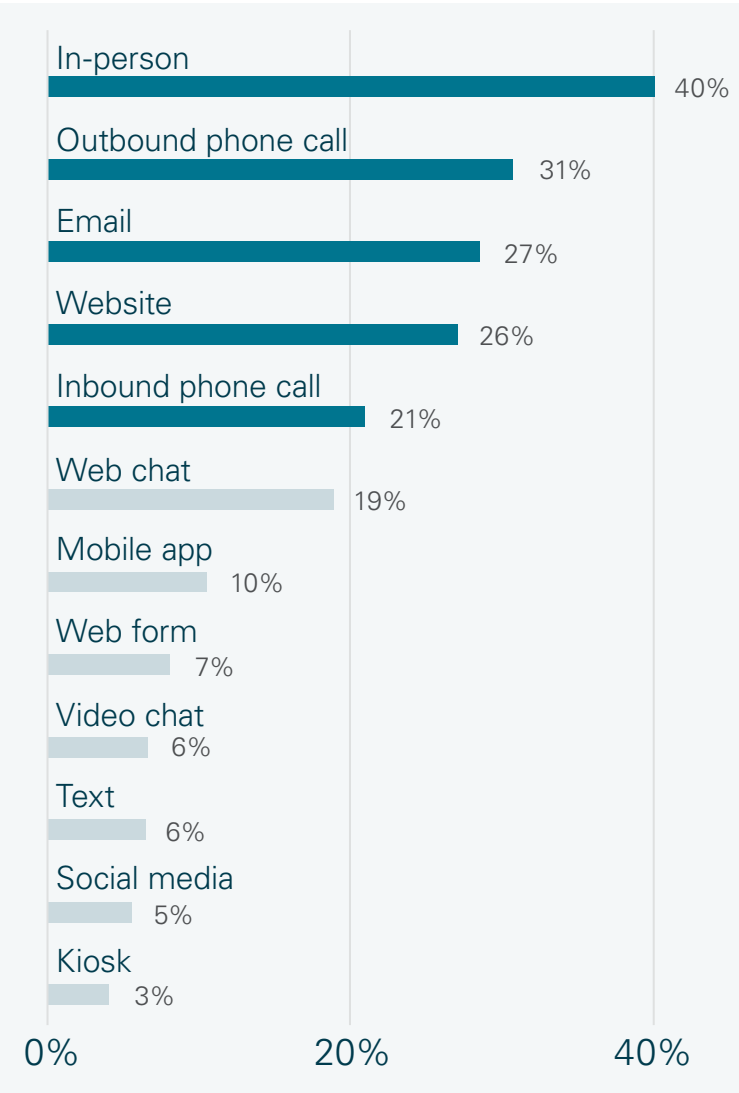


- Modern channels are emerging
- Consumer preference for channels still largely reflects what channels brands have made available

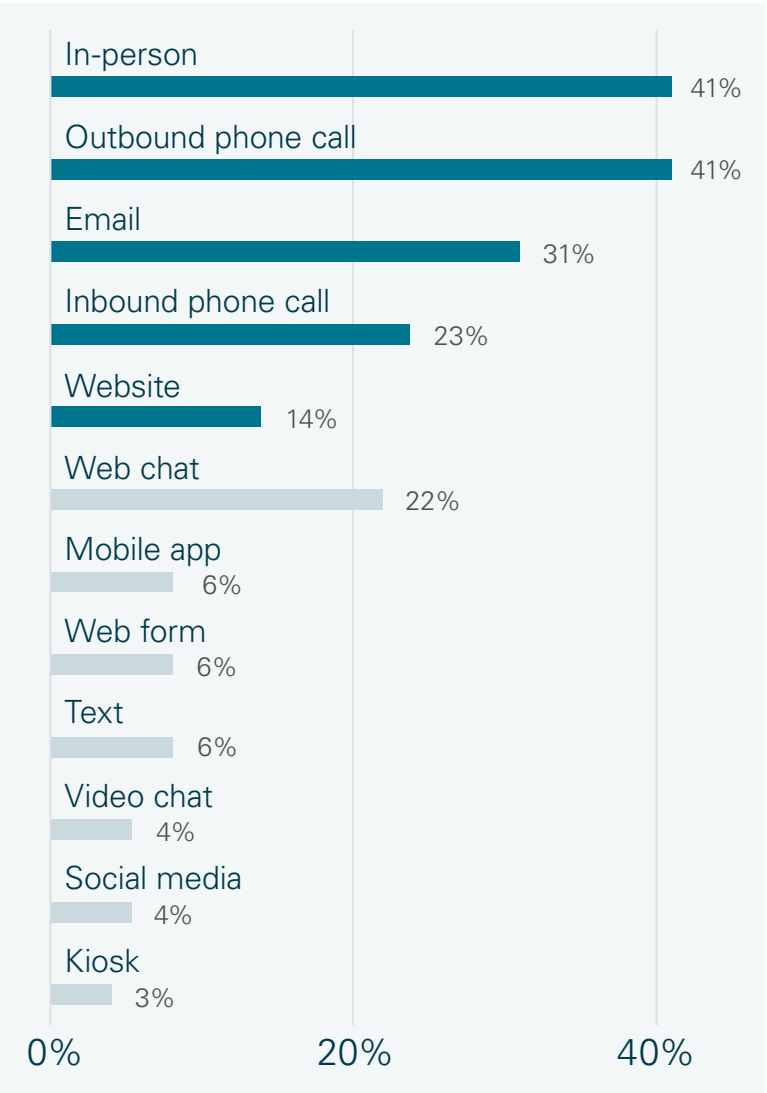
Consider and Purchase



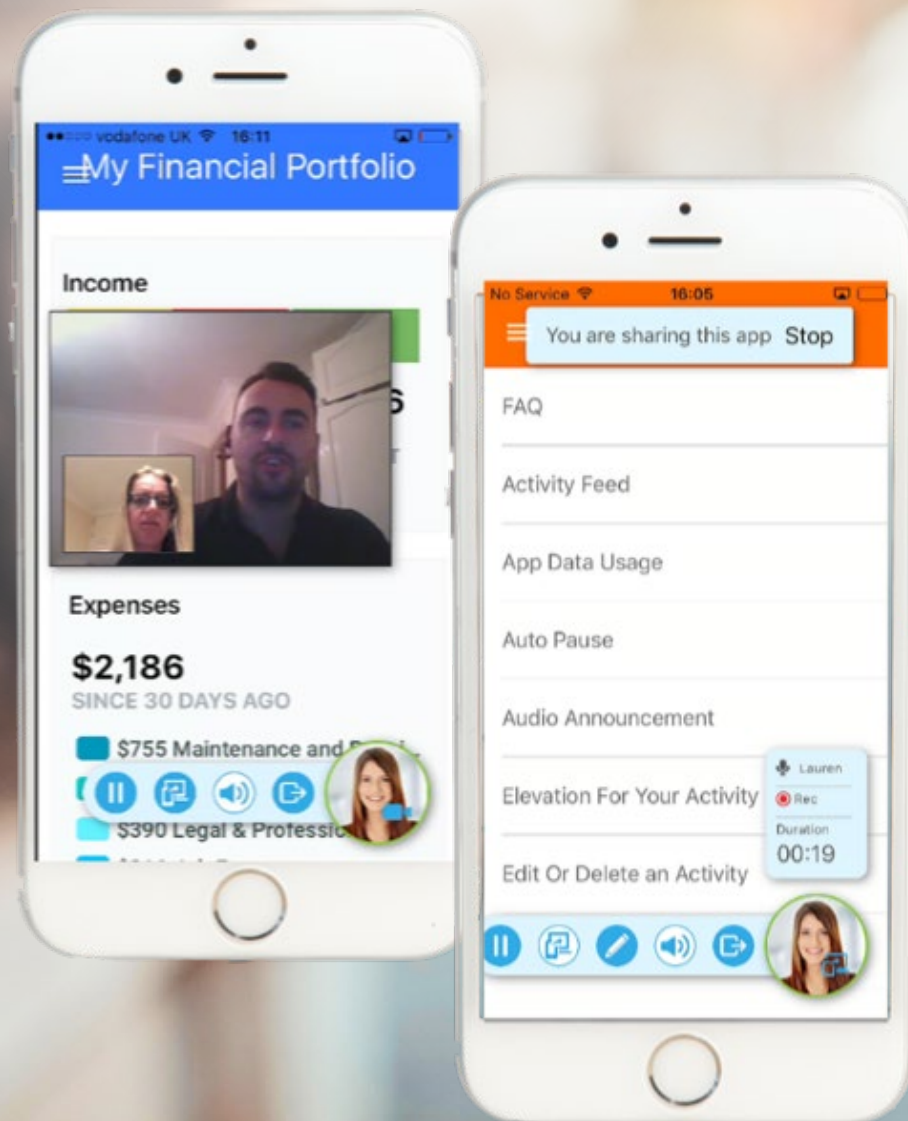
Usage



Service and Support



We presented consumers with **modern engagement capabilities** aimed at enhancing customer experiences.



Connect immediately with the most relevant company representative without having to make numerous menu selections or repeating your information

Interact with a company representative through HD voice, HD video and/or sharing your device screen directly from an app

Have a personalized experience while in the app—suggesting relevant products/services, presenting coupons/sales, etc. based on your past shopping and purchasing

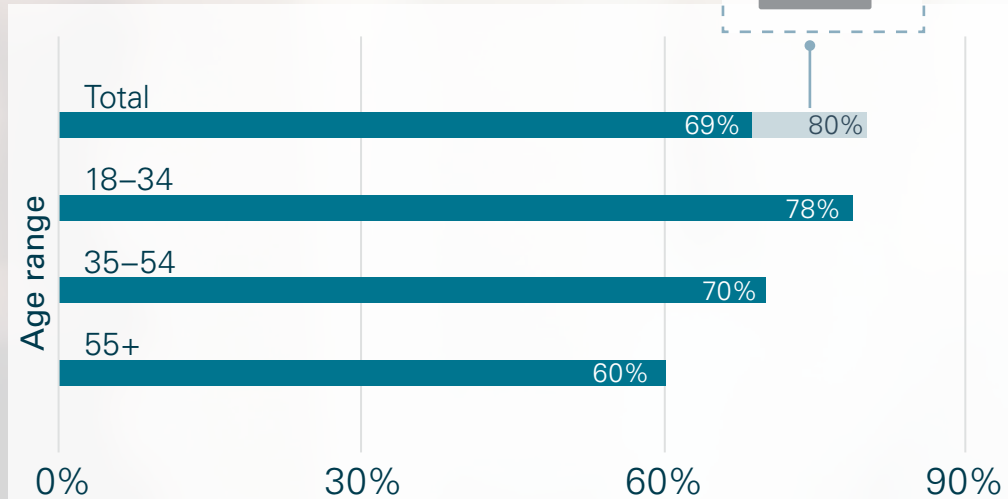
69 to 83 percent of consumers recognize value and efficiency in modern engagement capabilities.



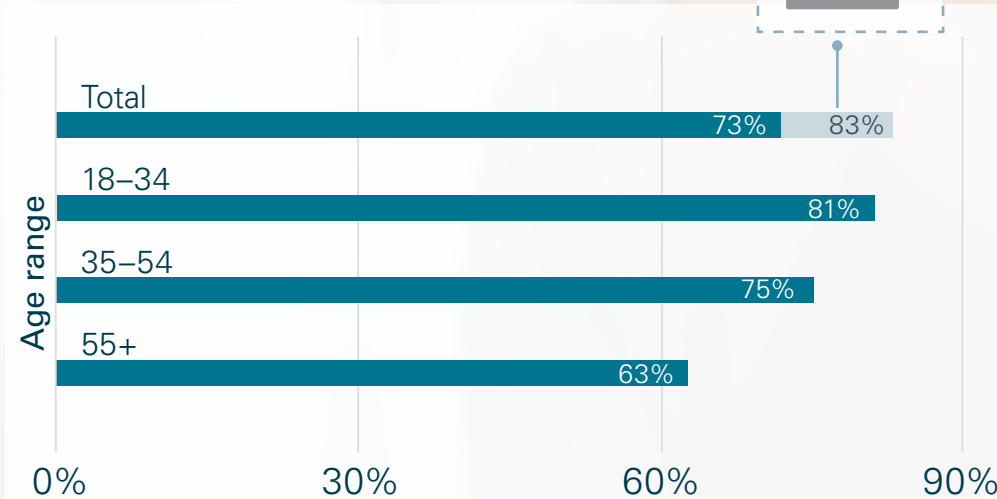
Percentage of respondents selecting “valuable,” “very valuable,” or “extremely valuable.”

How valuable (Q5), efficient (Q6), or comfortable (Q7) do you find the capabilities described earlier, and which enable you to engage with a company directly through a website or mobile app?

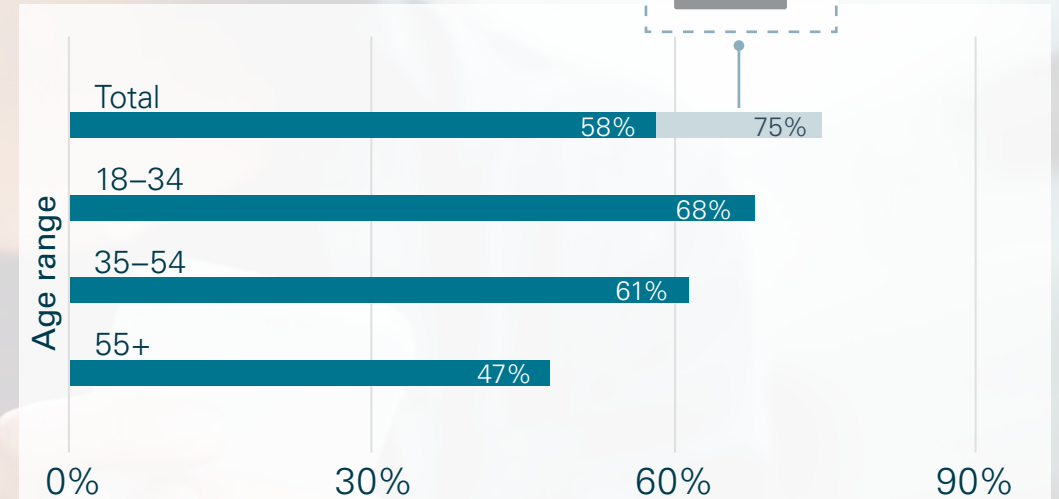
Perceived Value of Capabilities



Perceived Efficiency Due to Capabilities



Perceived Comfort with Capabilities



All consumers



Video chat users

Video chat users report higher levels of perceived value, efficiency, and comfort with modern engagement capabilities.

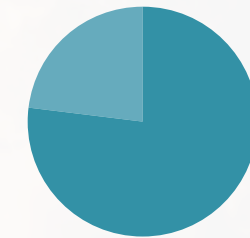
We believe that as more consumers have live video chat customer experiences, benefits will be realized across the broader population.



47 percent of consumers rate humanizing the customer experience the most important benefit in modern engagement capabilities.

Perceived Benefits of New Capabilities

	Total	Age		
		18–34	35–54	55+
I am in contact with a human	47%	44%	45%	52%
I can get a resolution with few steps, less time	41%	40%	42%	41%
I can access customer service directly from an app that I am on	26%	28%	26%	25%
Easy to use	25%	30%	26%	20%
I can share my screen with customer service	23%	27%	23%	18%
Company representative proactively addresses my concerns	22%	19%	21%	26%
I have the option of talking to customer service via video	22%	21%	22%	23%
I am able to handle customer service issues while mobile	19%	22%	19%	15%
Company representative knows information about me; I don't have to provide it	15%	16%	14%	16%



77 percent of respondents prefer to interact with an actual human being in person or through video channel



Q8. What do you see as the KEY benefits of engaging with a company using the capabilities presented here?

Q22. What is your level of agreement with each of the following? "I prefer dealing with human beings to get advice."



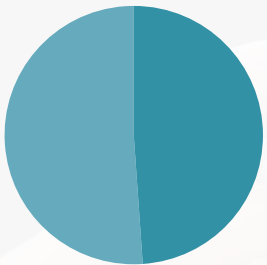
Consumers express concerns with confidentiality of interaction, but those concerns seem to decline as adoption increases.

Concerns Regarding New Capabilities

	Total	Age		
		18–34	35–54	55+
Confidentiality (e.g. video being used elsewhere, etc.)	56%	52%	54%	61%
Connection quality	40%	43%	39%	38%
Data usage charges/costs	35%	33%	35%	36%
Personal appearance (for video)	25%	29%	27%	18%
Companies should not have access to me in this way	23%	23%	21%	25%
Background, environment, setting (for video)	20%	26%	19%	16%
Speed of resolution with issue/reason for contact	19%	20%	18%	20%
Maintaining (getting/updating) the app	15%	17%	14%	13%



Q9. What concerns do you have engaging with a company using the capabilities presented here?



Early adopters:
Only **49 percent** of consumers who have experienced video chat identify confidentiality as a major concern.



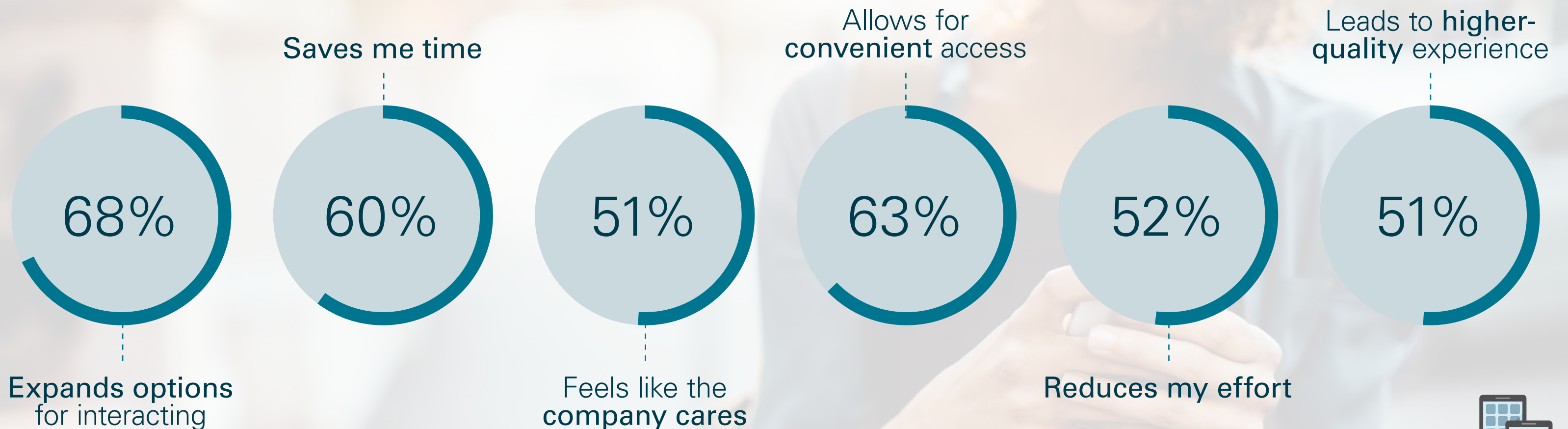
Consumers feel strongly that modern engagement capabilities will increase convenience and improve their overall experience.



Percentage of respondents selecting
“completely describes” or “describes.”

Q10. How well does each phrase
describe the capabilities presented here?

Reactions to Presented Capabilities



Modern engagement capabilities enrich customer experiences and brands have an opportunity to capitalize on this shift.

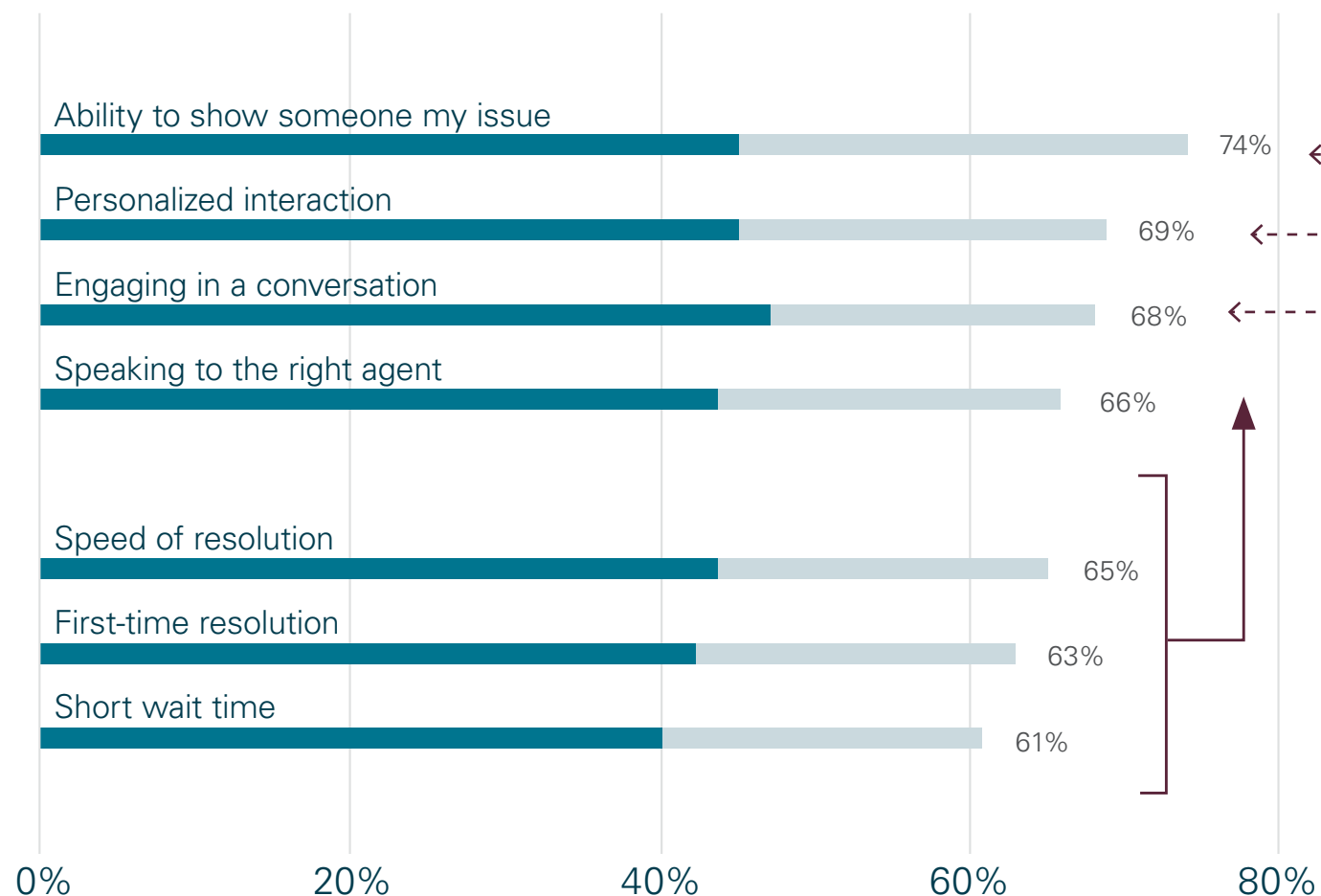
Capabilities' Ability to Deliver on Consumer Expectations



Q11. How well do these capabilities help companies deliver on...?

Consumer Expectations on Modern Engagement Capabilities

"Table Stakes":
Basic Consumer Expectations



80 percent of millennials in the USA found this helpful







Engagement and personalization are emerging as new consumer expectations

Helpful
Extremely Helpful



75 percent of consumers perceive an enhanced experience enabled by modern engagement capabilities in more-personal scenarios.

Perceptions in Real-World Scenarios

	More-personal scenarios					
						
	Insurance	Banking (fraud)	Healthcare	Retail	Banking (loan)	Cable Operator
Enhanced experience	78%	74%	72%	69%	66%	77%
Comfort with experience	71%	61%	64%	59%	55%	68%



Respondents selecting “enhanced,” “very enhanced,” or “extremely enhanced”**Q12a to Q17a:** In this scenario, how much do you feel your experience is enhanced by the communications capabilities described here?

Respondents selecting “comfortable,” “very comfortable,” or “extremely comfortable”**Q12b to Q17b:** How comfortable would you feel in this scenario?

We presented respondents with a series of scenarios highlighting how modern engagement capabilities can impact their experience in different industries.



Segments of the population are comfortable and excited by these capabilities.

Cautious Bien Amazing Interested Enlightened Innovative Helpful Unsure Helped Zufriedenheit Freude Issue Effective
Empowered Safe Moderne Useful Impressed New Modern Assured Engaged Efficient Comfortable
Positive Hopeful Assured Control Satisfied Interesting Relaxed Productive Super Intéressant Uneasy Satisfecho Confident
Valued Nervous OK Excited Better Resolution Comodo Informed Intrigued Gain Great Connected Easier Fine Futuristic Sehr
Positive Time Calm Génial Relieved Awesome Neutral Advanced Comodidad Technology Good Optimistic Amazed
Technology Encouraged Convenient Excellent Interesado Facilité Easy Excellent Reassured Pratique Happy

Note: This word cloud is based on isolating the 1,634 responses with an average rating of "very valuable" or "extremely valuable" in Q5 to Q7.



Q18. Please provide one word that describes how this concept makes you feel.

Q19. Please explain why you chose that word (what triggers this feeling?).

"I like personal interaction. Seeing the person I am communicating with (and them seeing me) will help tremendously!"

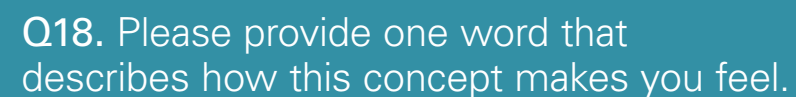
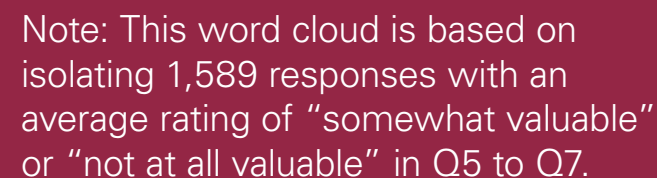
"I've always been frustrated by contacting companies ... The ability to add video to these interactions sounds promising because it will make things more efficient."

"Would like to see these capabilities available."

"I'd rather not spend an hour on the phone with customer service, being transferred several times, and still not getting any resolution to my issue. This seems more effective in getting a resolution in less time."

"By connecting to a person via this type of application, I feel like I can get a lot more done in a shorter amount of time."

"Easier streamlined process. Less hassle and confusion."



Q19. Please explain why you chose that word (what triggers this feeling?).

"Recording by these companies can and will be used against you in regard to ANY future contacts. I don't like it."

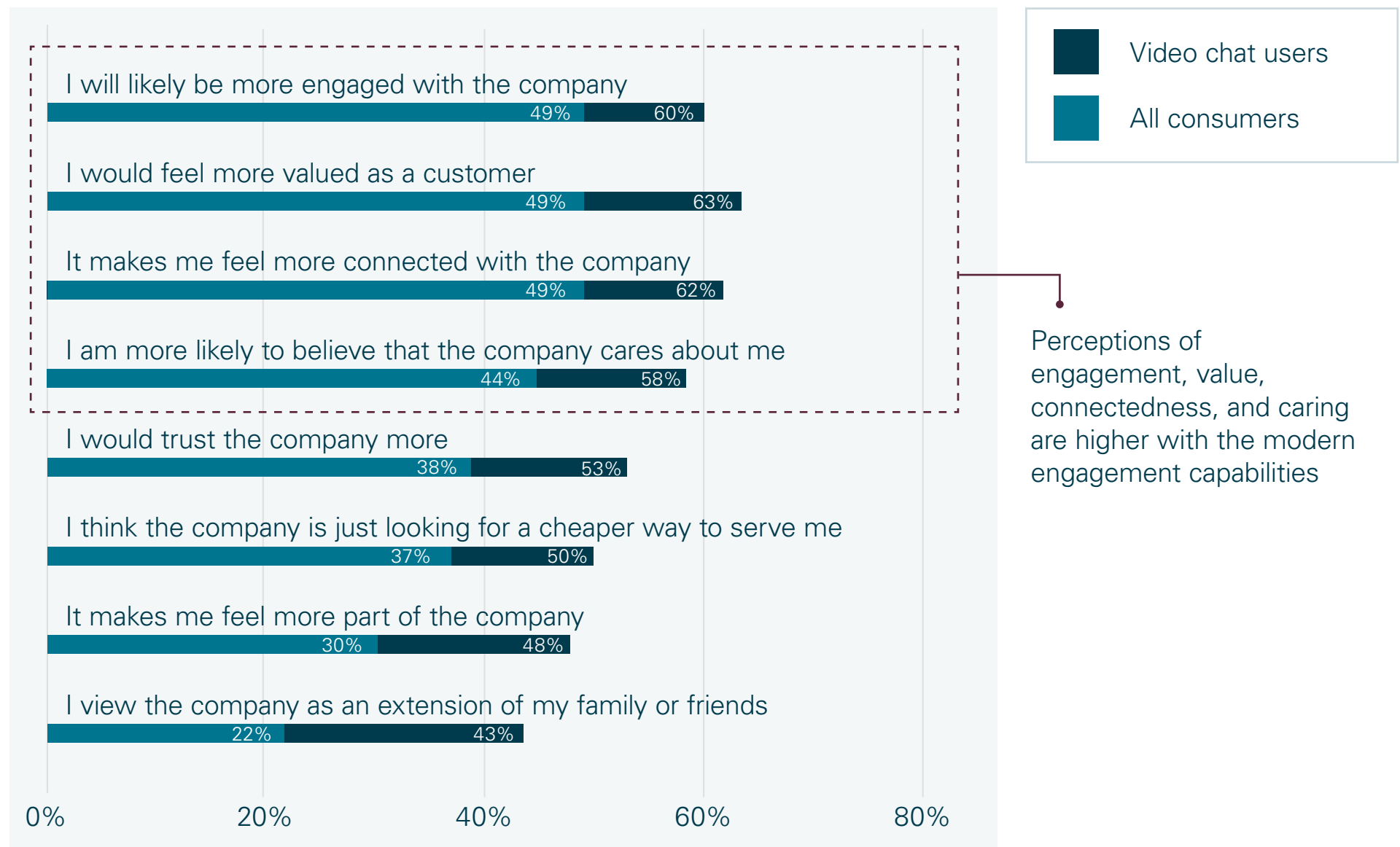
"I do not like or proactively share personal information or photos/videos online as I have been a victim of identity theft."

“Security reasons. Not comfortable with my personal security involving video and facial-recognition software.”

"I don't want to be on a video or give that much information to a company that they could use elsewhere."

Modern engagement capabilities can help brands emotionally connect with their customers.

Capabilities' Impact on Consumers' Impressions of the Company



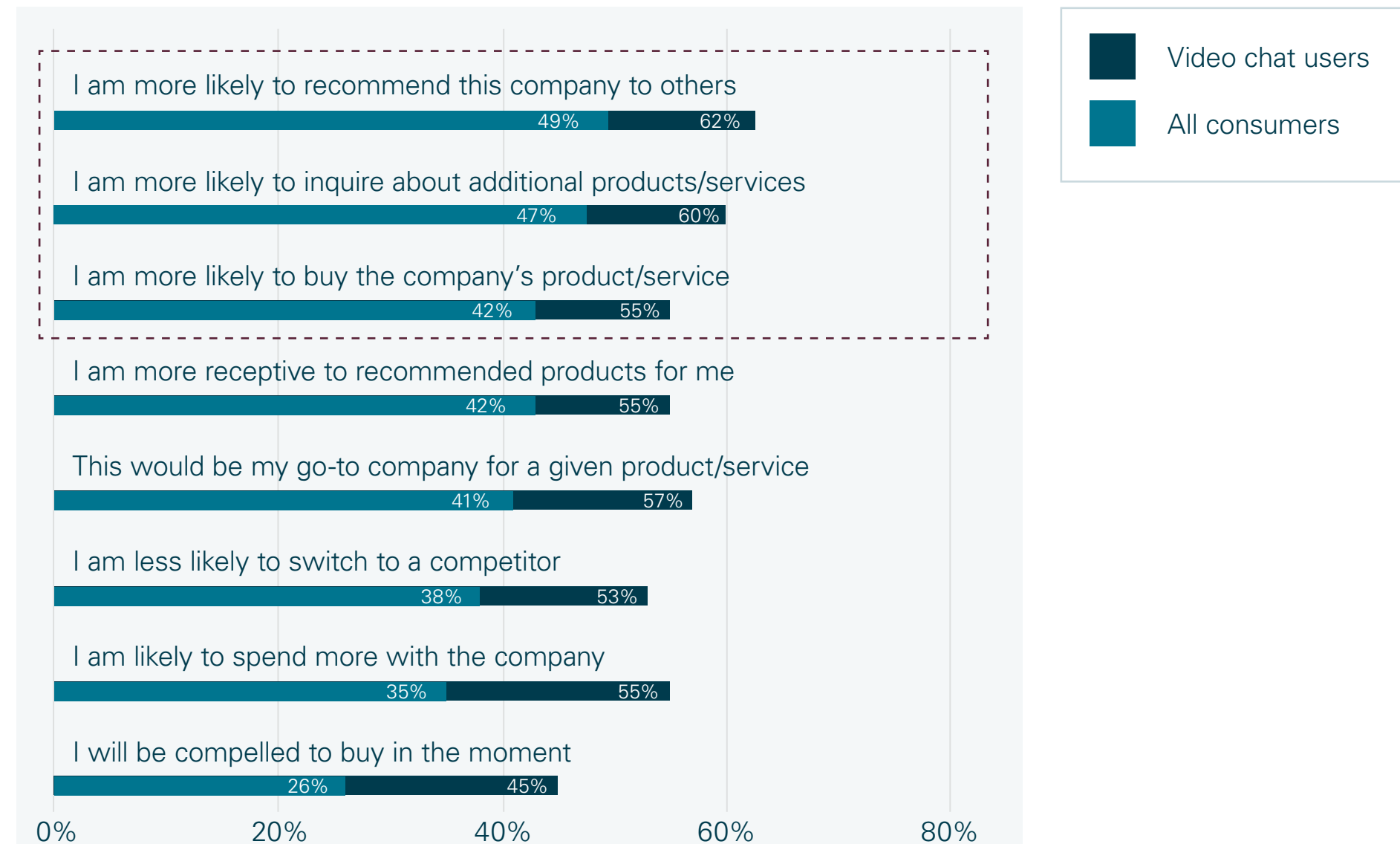
Percentage selecting "agree" or "completely agree."

Q21. Think about how you consider, purchase and use products and services. How will a company using these capabilities impact your views of and/or interactions with the company?



Consumers report a **25 to 30 percent** increase in loyalty with the introduction of modern engagement capabilities.

Capabilities' Impact on Consumers' Relationships with Company



Percentage selecting "agree" or "completely agree."

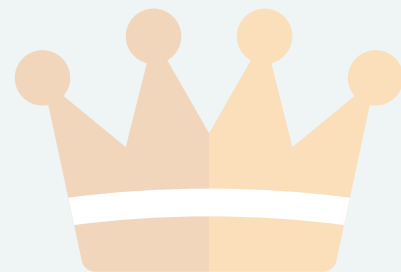
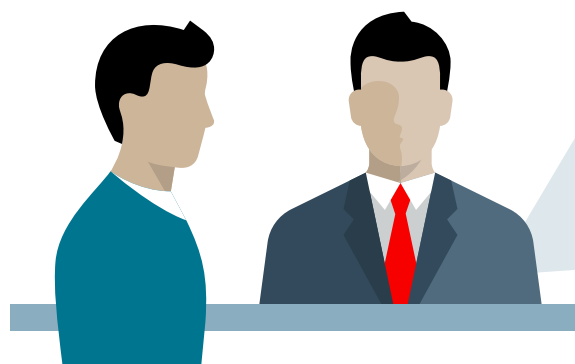
Q20. Think about how you consider, purchase and use products and services. How will a company using these capabilities impact your relationship with the company?

Inefficient customer experiences are unacceptable, and consumers will reward companies that offer something better.

77% | agree that inefficient customer service experiences detract from their quality of life

76% | agree that they will use a company that gets them to the appropriate individual with a minimal number of menu selections

68% | say they would buy more from brands that put the service back in customer service

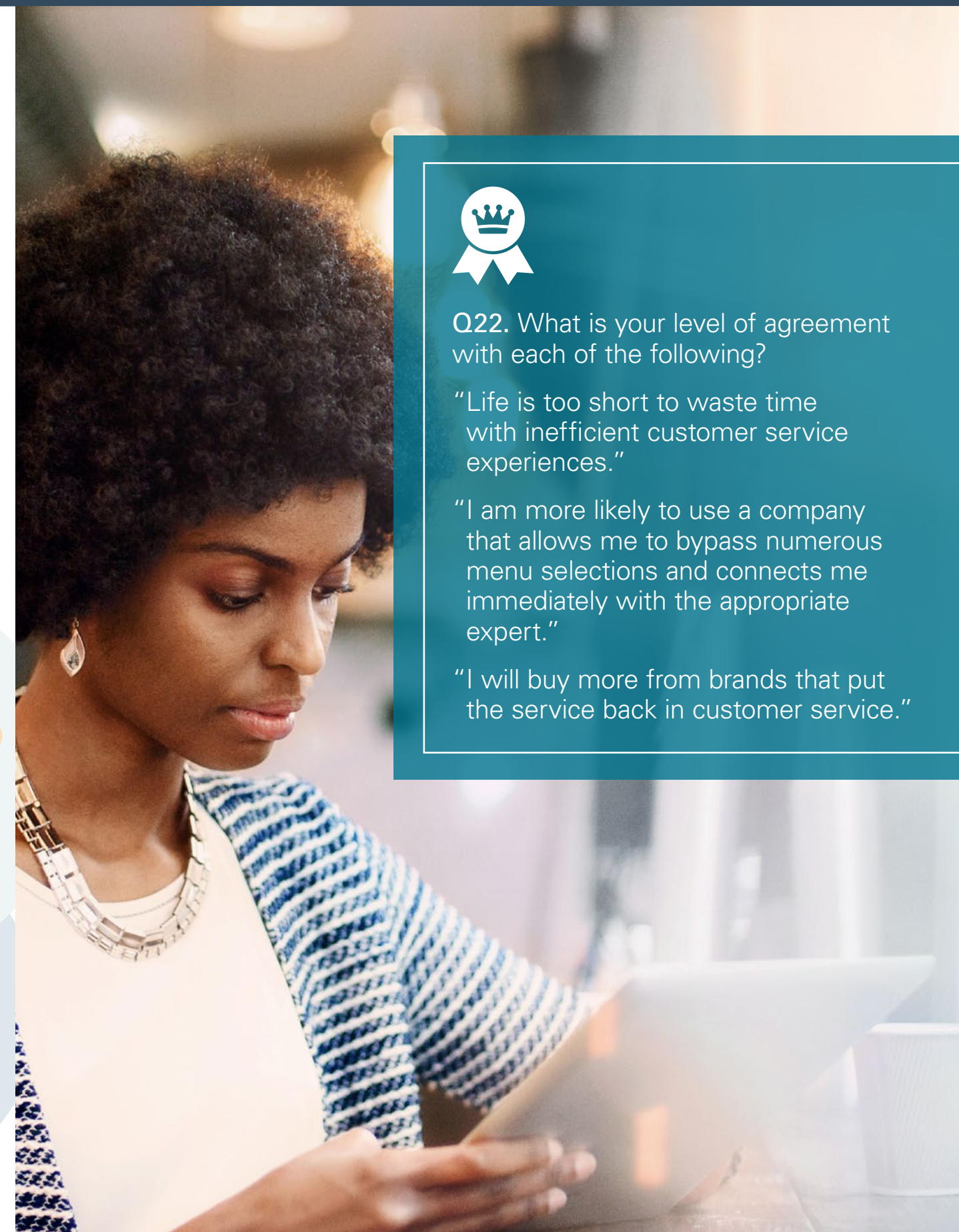


Q22. What is your level of agreement with each of the following?

"Life is too short to waste time with inefficient customer service experiences."

"I am more likely to use a company that allows me to bypass numerous menu selections and connects me immediately with the appropriate expert."

"I will buy more from brands that put the service back in customer service."



Key Takeaways

Remove friction in all consumer interactions. Navigating menu selections, having to speak to multiple people, repeating information—all are examples of what frustrates consumers and detracts from the overall customer experience. Consumers are eager to experience interactions that are more direct and efficient over their mobile devices.

Allow consumers human contact when fostering new or nurturing existing relationships. While digital channels such as SMS, email, and chat have improved efficiencies for companies, they sometimes dehumanize the customer experience. Provide consumers with real-time engagement channels such as video, screen-sharing, and annotations to humanize and personalize the customer experience.

Leverage modern engagement channels. Though consumers still use in-person channels, email, and phone calls for many interactions, they are willing to try more-innovative methods. For companies to differentiate, there should be a willingness to provide customers diversity in the channels and options they want today, and will evolve to want tomorrow.

It's not just millennials. Millennials are naturally more inclined to adopt new digital ways of communicating. However, our research shows that consumers aged 35 and older also see the value and efficiency derived from modern digital engagement capabilities for interacting with companies.

