



Europe's Changing CX Environment



**10 ILLUMINATING INSIGHTS
FROM A MULTI-COUNTRY STUDY**

engage + qualtrics.

ENGAGE CX STUDY
POWERED BY QUALTRICS

Europe's Changing CX Environment

10 ILLUMINATING INSIGHTS FROM A MULTI-COUNTRY STUDY

Multi-Country Customer Experience Study Results

INTRODUCTION

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The more accurate the insight we have into our customers' behaviours and expectations, the better equipped we are as organisations to provide them with the experiences they need to ensure they remain our customers.

This irrefutable fact is a key reason why Engage Business Media is delighted to be joining forces with our partner Qualtrics to undertake research to explore key customer experience trends across Europe.

A pivotal part of our role as a global-reach multi-platform media company focused on customer and employee engagement and the benefits of a joined-up approach, is to keep ahead of the often technology driven trends that are impacting on our customers, and in turn the organisations they interact with.

When Engage Business Media was launched into the teeth of a global recession it was in large part due to the belief that advances in technology would change the way we behave as customers and employees—and that the organisations we are interacting with would also have to change or suffer the consequences. And so it has come to pass.

The key findings of this study bring these changes in behaviour and expectations into sharp focus. Our customers expect the organisations they invest their time and money in to be relevant, responsive, know who they are, understand their needs and be easy to do business with at all times.

The organisations that are able to innovate to satisfy these demands are best positioned to survive and thrive in our fast changing technology driven world. For those that don't—frankly, their days in business are numbered.

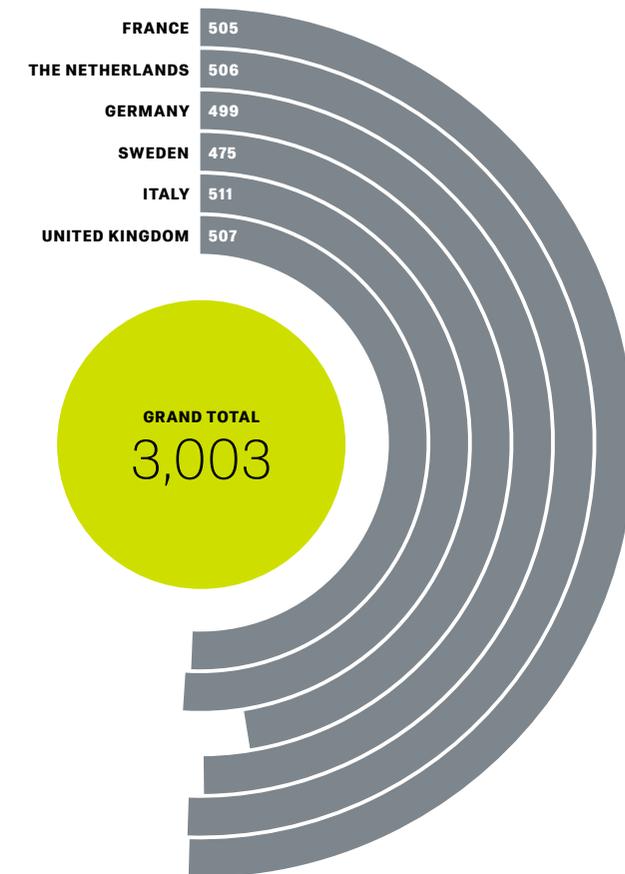
— STEVE HURST / EDITORIAL DIRECTOR @ ENGAGE BUSINESS MEDIA

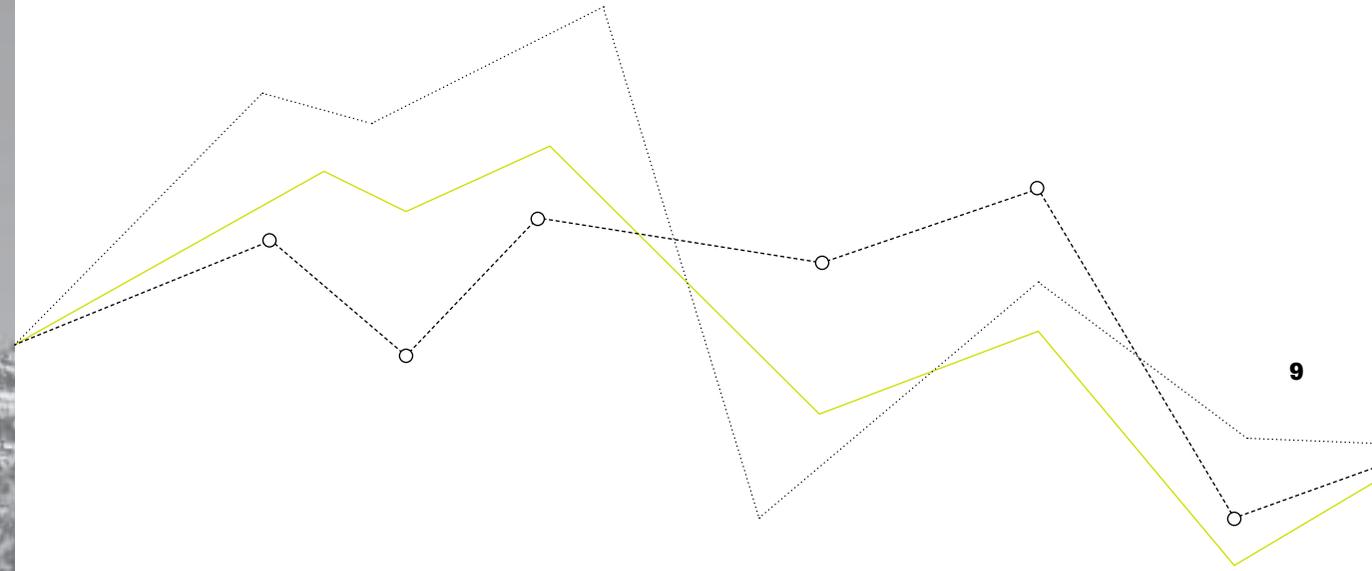
BACKGROUND & CONTEXT

- The following results were obtained from customer research conducted by Engage Business Media and Qualtrics, using Qualtrics surveys to explore key customer experience trends across Europe. We also checked in with an additional sample of CX professionals to gain their perspective on the topics explored in the customer study.

METHODOLOGY

Our multi-country customer survey was conducted online across six European markets. We obtained a nationally representative sample of customers in each country, with fieldwork taking place in September 2016.





PREFACE TO FINDINGS

What do customers need and expect in today's environment? The insights we gained from our study will likely substantiate some of your existing beliefs about CX, but also illuminate a changing CX environment, brought on by the growth of new communication channels and business models. It's probably not news to hear that old adages like "don't make promises you don't intend to keep" remain substantiated by customer data, but you may be surprised at how quickly customers age 22 or younger expect to be contacted after they've provided feedback, or the portion of customers that wouldn't blink an eye at the notion of working entirely with robot service agents (as long as the service met their expectations.)

Potential robot-populated future aside, there's no question that technology and customer expectations are evolving together. So, as we describe the insights from our study, we'll suggest ways that you can use technology to your advantage and ensure that your customer experience isn't lagging behind the competition.

KEY INSIGHTS AT A GLANCE

1

CUSTOMERS DEMAND ACTION

MAKE CUSTOMERS BELIEVE

6

2

**IGNORING FEEDBACK
IS A FIREABLE OFFENCE**

**INVEST IN THE
ONLINE EXPERIENCE**

7

3

FIX IT THE FIRST TIME

BE ONE EASY CALL AWAY

8

4

RESPOND TODAY, NOT TOMORROW

PUT SECURITY FIRST

9

5

BEWARE OF THE EXPECTATION GAP

WELCOME NEW TECHNOLOGY

10



Customers
demand
action

14 64% of customers consider it very important that an organisation respond to feedback they provide.

The strong sentiment around receiving a feedback response became even more illuminating when we filtered the data. Specifically,

- Customers age 23 to 35 attach the greatest importance to a feedback response, whereas older age groups consider a response less important.
- Sentiment varies considerably by country. For example, 79% of French customers consider receiving a response very important, whereas just 48% of Dutch customers consider it very important.
- Customers who have switched organisations in the past consider a response to feedback more important than those who have not. 73% of those who have switched consider a response very important, whereas 58% of those who have not switched consider it very important.

ASK YOURSELF

- Does my organisation place a high priority on responding to customer feedback?
- Does my organisation know which of its customers are particularly sensitive to receiving a feedback response?

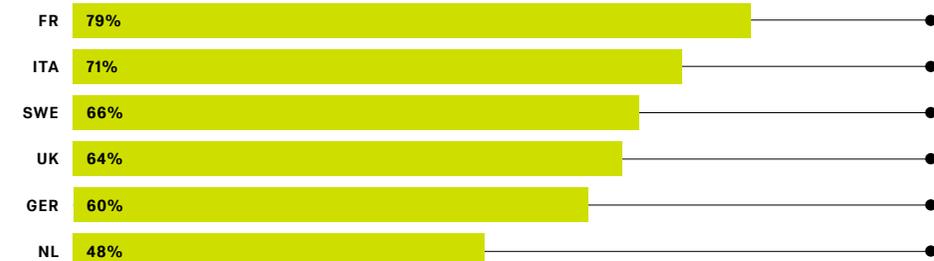
ACTION STEP

Tie results from a recent customer segmentation study at your organisation to the insights provided in this section to understand more about the priority that certain customer groups at your organisation may place on receiving a feedback response.

PERCENT WHO SAID RECEIVING A RESPONSE WAS VERY IMPORTANT—BY AGE GROUP



PERCENT WHO SAID RECEIVING A RESPONSE WAS VERY IMPORTANT—BY COUNTRY





Ignoring
feedback
is a fireable
offence

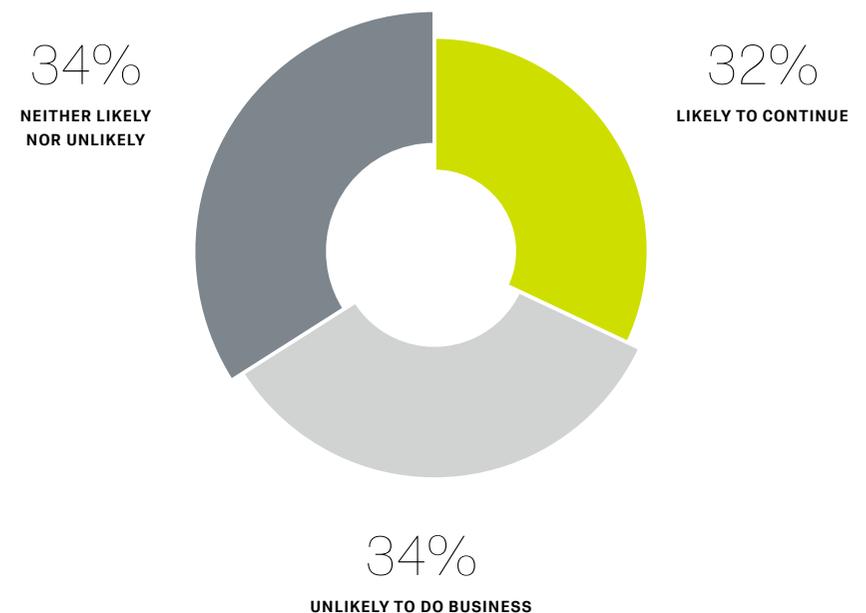
18 Only 32% of customers are likely to continue doing business with an organisation that does not respond to their feedback.

ACTION STEP

19

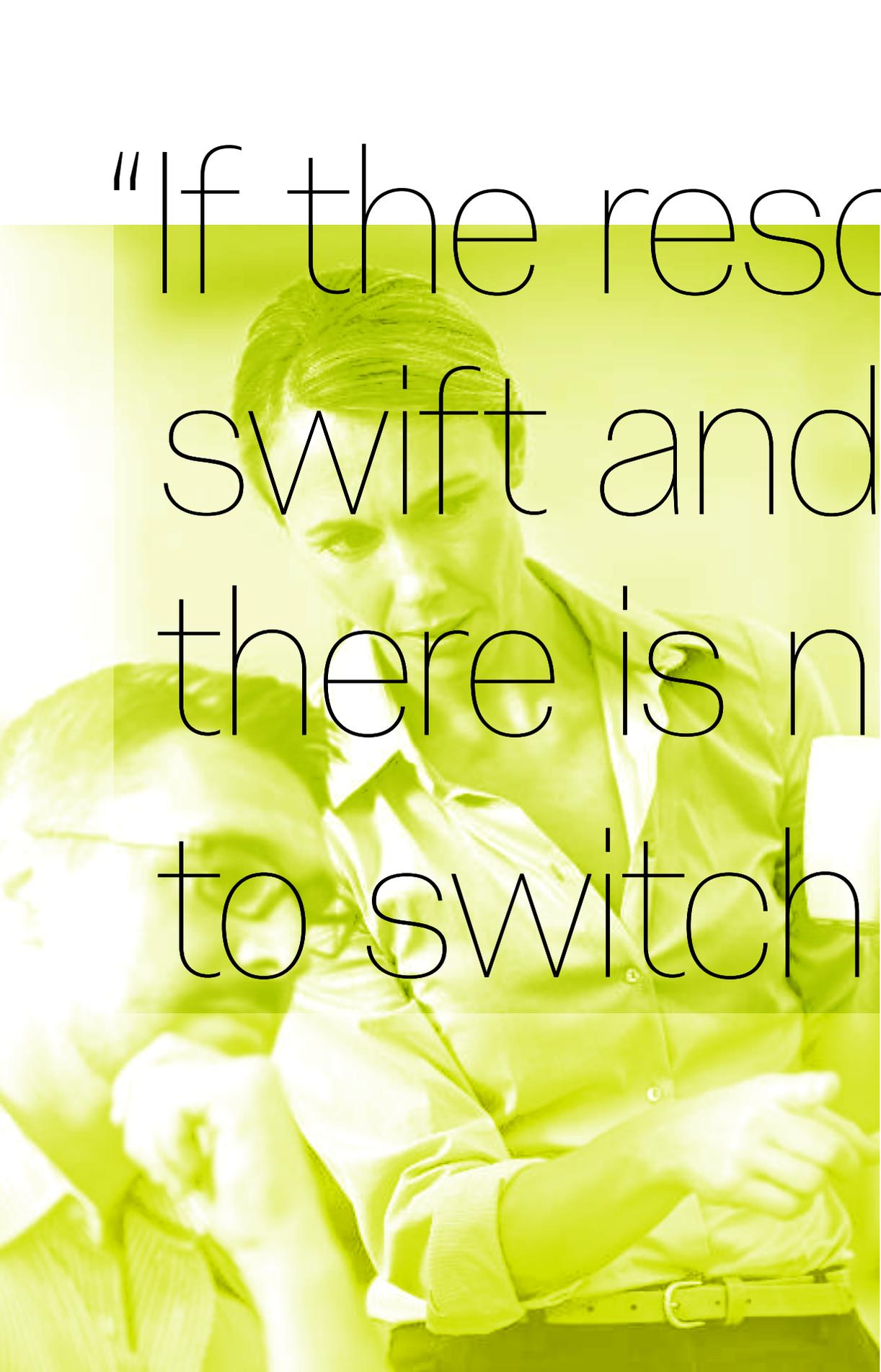
Take stock of opportunity costs. Decisions about what feedback is addressed and what feedback is ignored must consider the potential costs associated with lost business. Choosing to ignore feedback leads to lost business.

LIKELINESS TO CONTINUE DOING BUSINESS WITH NON-RESPONDERS



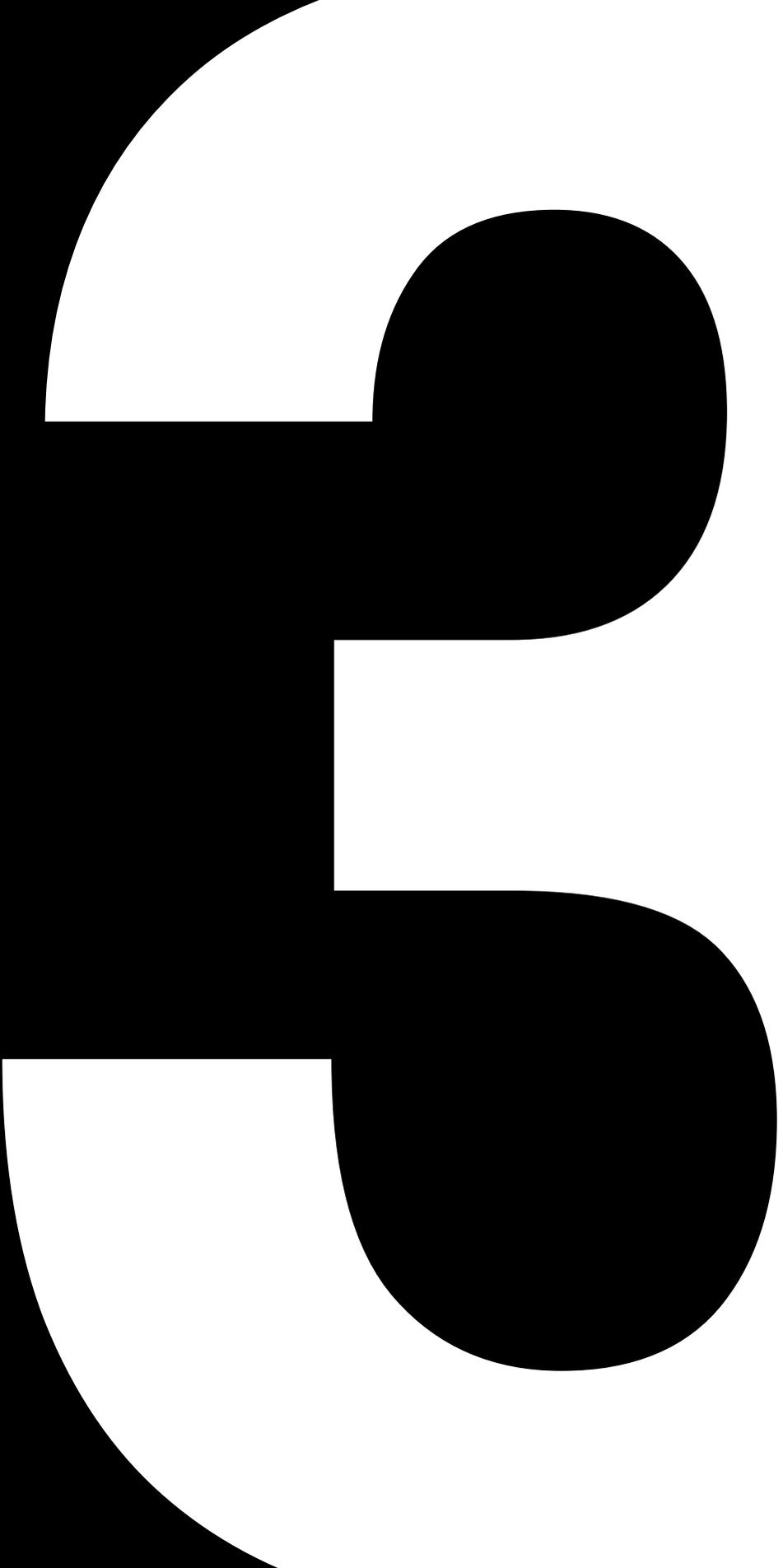
For the 34% who indicated they were unlikely to continue, over half (54%) have already switched from an organisation as a result of poor customer experience.

There is a stark difference in attitudes between age groups. 39% of customers age 36 or older are unlikely to continue doing business with an organisation that does not respond to their feedback, whereas just 25% of customers age 35 or younger are unlikely to continue. Despite attributing slightly less importance to receiving a response, older customers may be more likely to act on their frustrations; therefore, our results suggest they should be considered more of a flight risk when they don't receive a response.



“If the resolution is not
swift and correct,
there is no reason not
to switch companies.”

—CUSTOMER WHO SWITCHED ORGANISATIONS

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Fix it the
first time

24 77% of customers consider it very important or extremely important that their query be resolved the first time.

If they have to tell you twice, you're letting them down. Just 3% of customers feel that first-time resolution is anything less than moderately important. Additionally, this insight appeared consistently across countries, age groups, and gender.

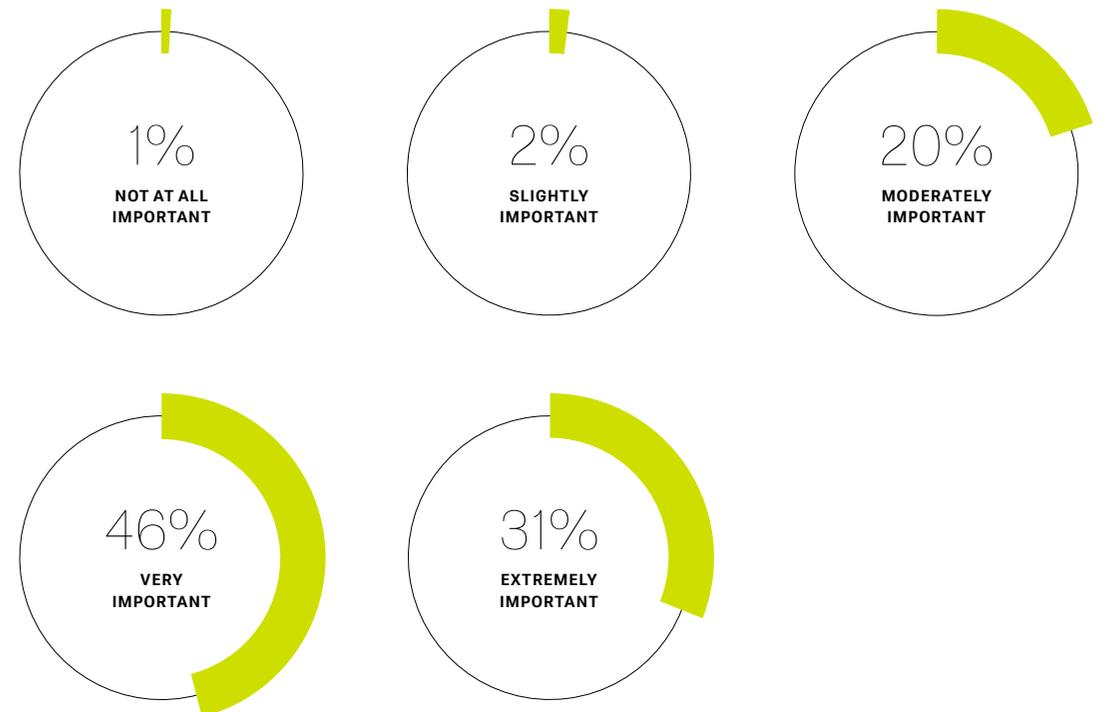
ASK YOURSELF

- Does my organisation encourage and empower employees to "own" customer issues? Or are there factors pressuring employees to push problems down the line?

ACTION STEP

Analyse service feedback to measure first-touch issue resolution and make it a significant performance metric to be used alongside other metrics and feedback in employee evaluations.

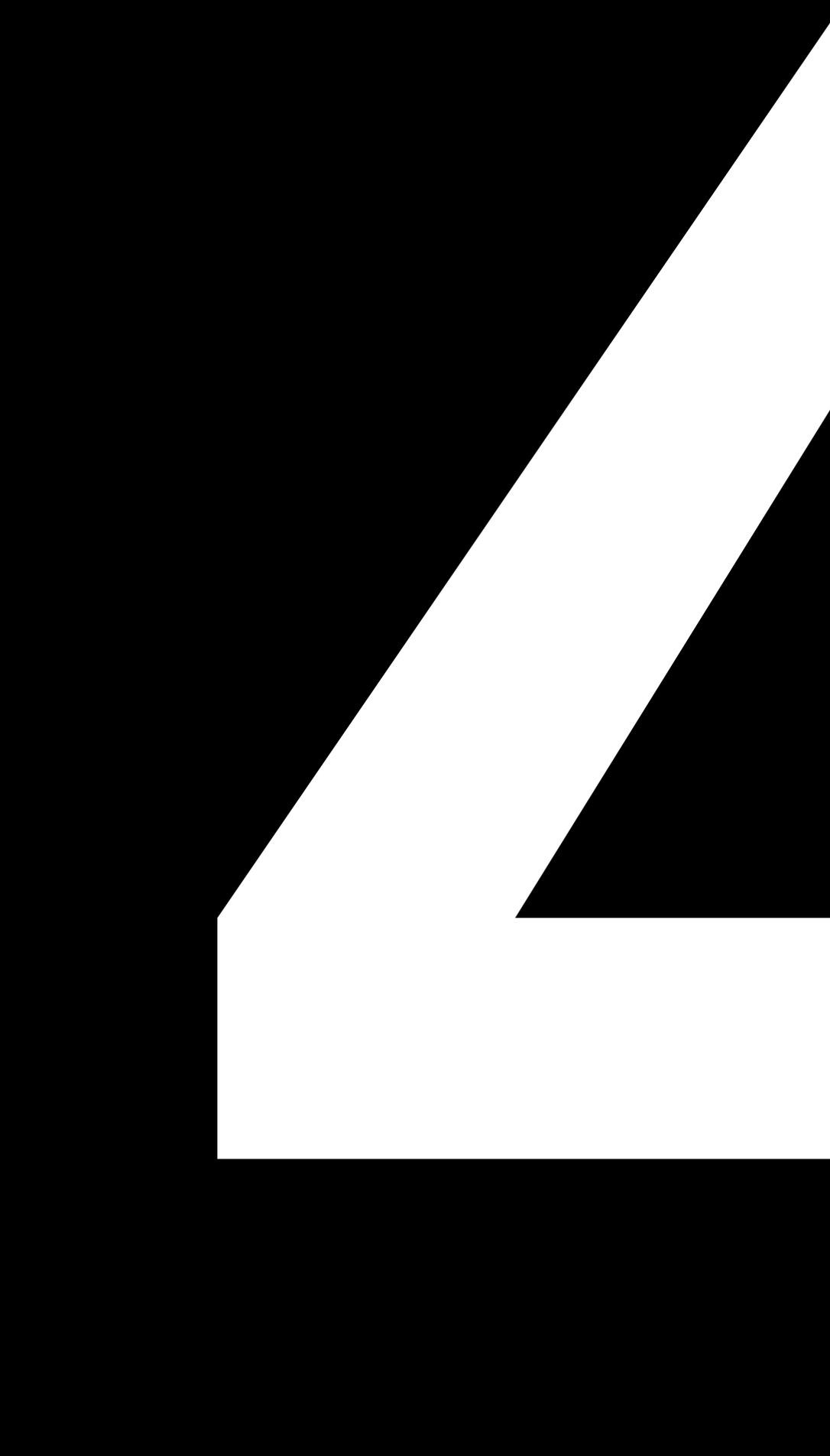
IMPORTANCE OF FIXING IT THE FIRST TIME



A group of people in a meeting, with a yellow overlay. The image shows several individuals, including a man in a white shirt and a woman in a patterned top, looking at a laptop screen. The text is overlaid on this image.

“They do not deserve repeated chances to put things right.”

—CUSTOMER WHO SWITCHED ORGANISATIONS



Respond today,
not tomorrow

29

30 Half of all customers expect a response from an organisation within the working day.

There's even more immediacy for responding to the following subgroups:

- 35% of customers age 18 to 22 expect a response within just 6 hours
- 34% of Italian customers across all age groups expect a response within 6 hours, versus 24% for all countries

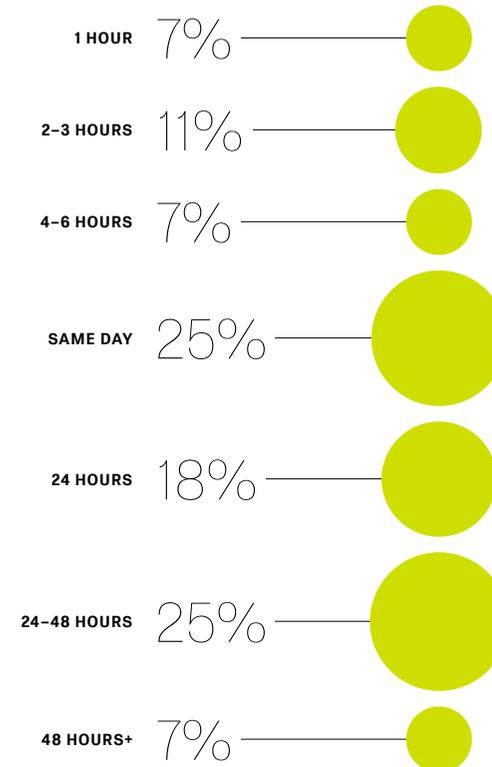
ASK YOURSELF

- How long does it take my organisation to respond to feedback?

ACTION STEP

Route each customer issue to a specific representative the moment it comes in. That person will see the problem through to resolution.

HOW FAST CUSTOMERS EXPECT A RESPONSE TO FEEDBACK





“I didn't get a response
within a week.”

—CUSTOMER WHO SWITCHED ORGANISATIONS

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Beware the
expectation gap

36 Customers expect you to be good to your word, and to provide information and resolve problems quickly—don't let these important expectations go unmet.

The top three frustrations for customers are:

- 1 Companies making promises and not keeping them.
- 2 Having to ask for the same information multiple times.
- 3 Not having their issues resolved the first time.

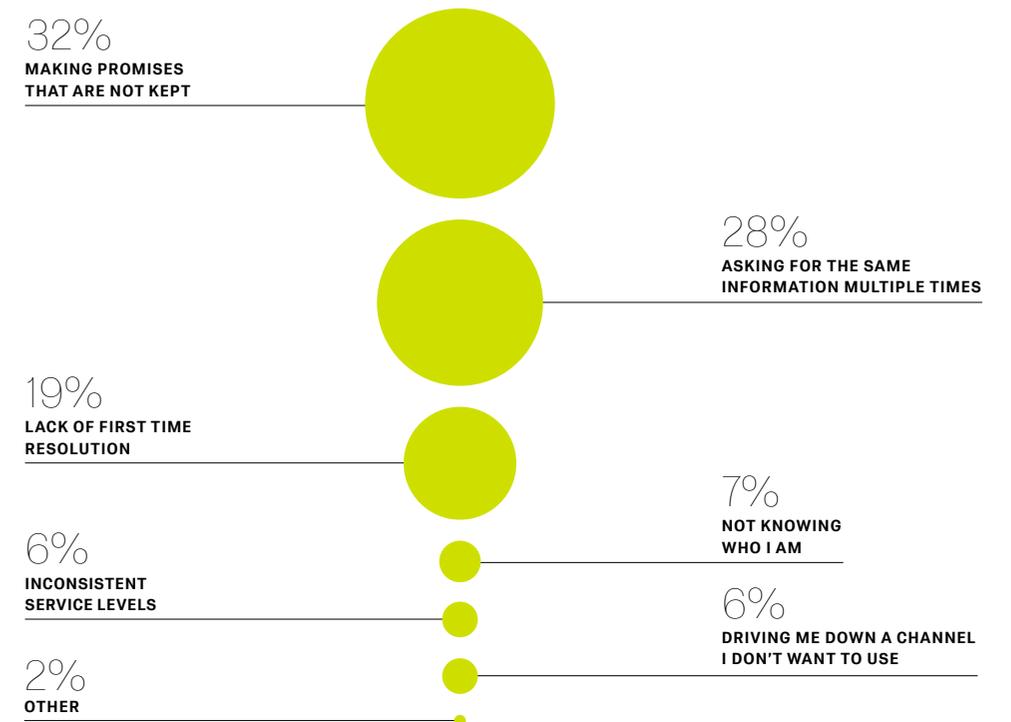
If you consider the second- and third-biggest frustrations highlighted here alongside insight #3 in this report (Fix it the first time) you'll see that organisations must prioritise limiting the amount of effort customers have to exert to have their issues resolved.

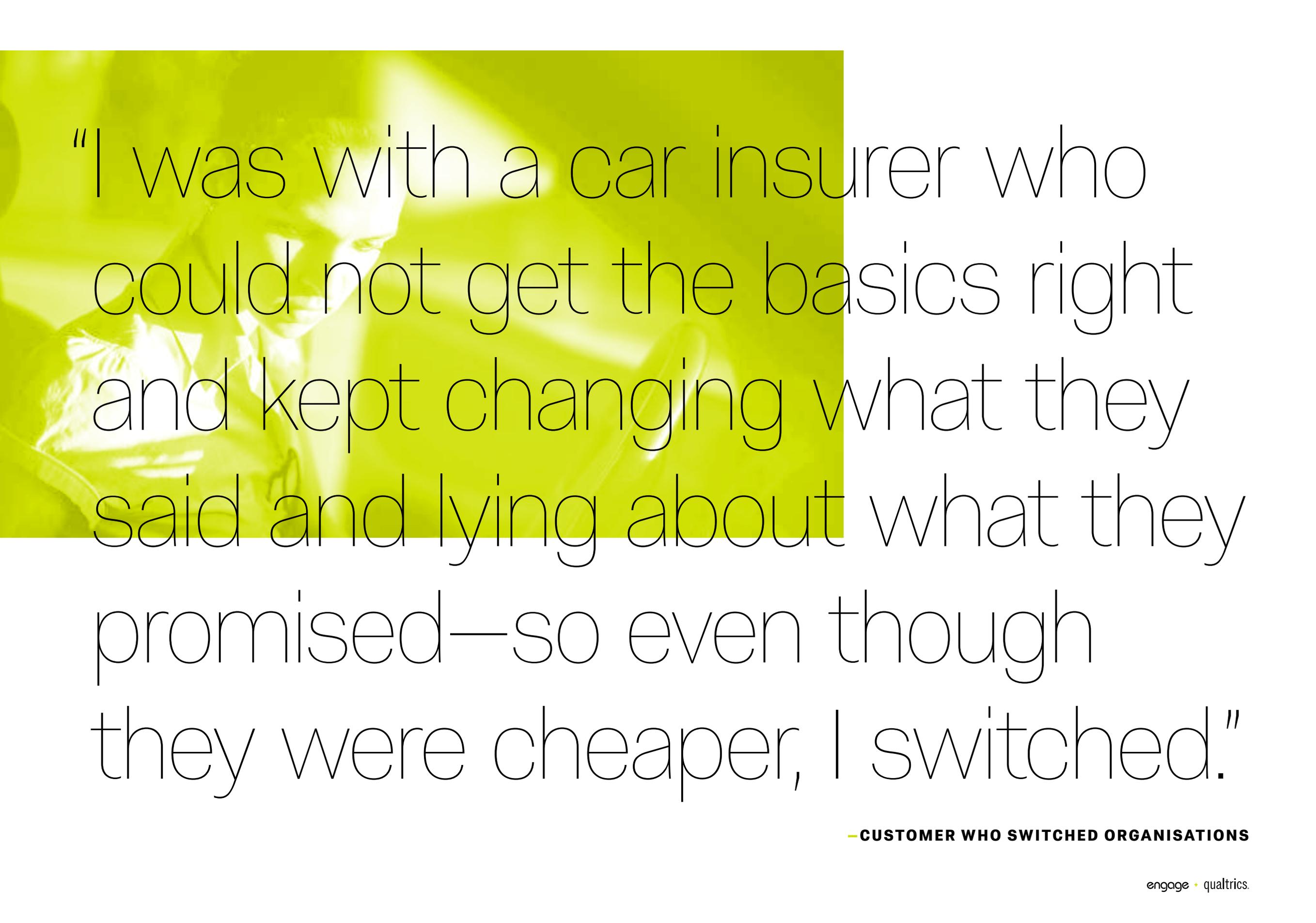
Customers demonstrated less concern over being driven to a particular channel or process. Think of times you've been directed to navigate to an electronic form on a website rather than having it sent directly to your email or your house. For customers, some nudging toward your organisation's preferred processes appears to be okay.

ACTION STEP

Conduct research to find out what your customers value most in the experience you provide to them—these are areas where you must execute at the highest level. Also, evaluate your brand messaging to make sure you're not over-promising on certain levels. Authenticity reigns.

TOP FRUSTRATIONS FOR CUSTOMERS





“I was with a car insurer who could not get the basics right and kept changing what they said and lying about what they promised—so even though they were cheaper, I switched.”

—CUSTOMER WHO SWITCHED ORGANISATIONS

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Make
customers
believe

42 35% of customers are uncertain whether organisations listen to and act on feedback.

We know that responding to feedback is very important to most customers. That so many customers have unformed opinions about whether organisations actually listen to and act on feedback reveals an opportunity: be the one that makes it a priority to make more customers believe, and you'll likely be rewarded—especially since there appears to be a large disparity between what customers think and what CX professionals think. Specifically, 79% of CX professionals believe that their organisation listens to and acts on feedback. In this case, customer perception is the reality you should be focused on.

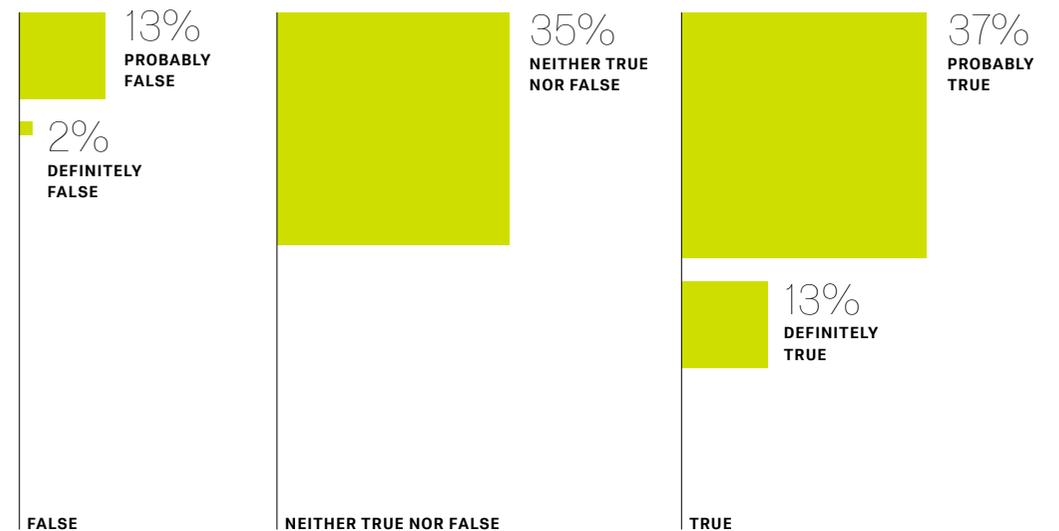
ASK YOURSELF

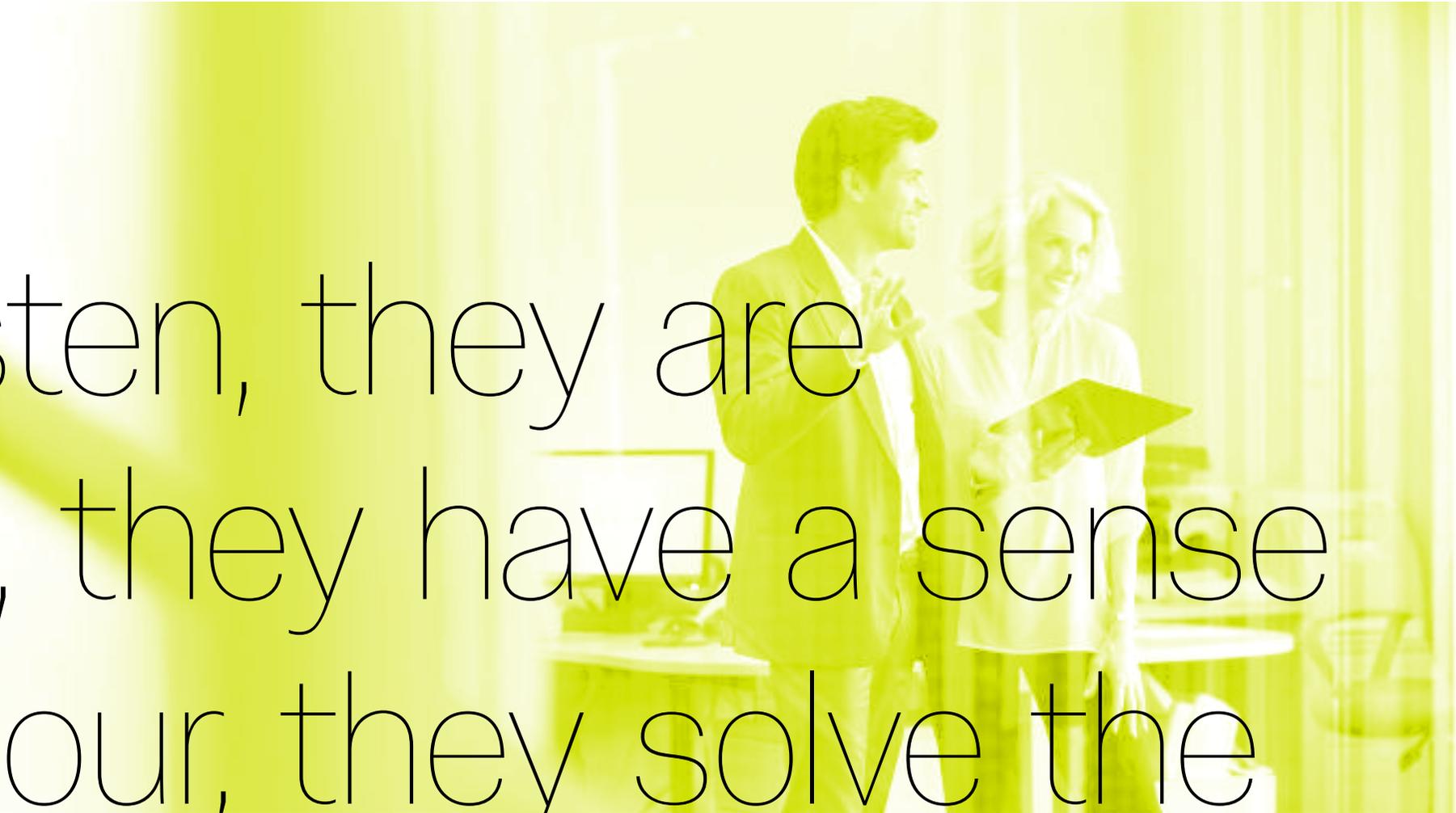
- Does my organisation measure customer sentiment around feedback management?

ACTION STEP

Run a periodic study to measure how good your organisation is at listening to and acting on feedback—in the eyes of customers, and perhaps relative to your competition. On your website, post common ways your organisation responds to inquiries so customers will know in what form to expect a response.

TRUE OR FALSE? ORGANISATIONS LISTEN TO AND ACT ON FEEDBACK





“They listen, they are friendly, they have a sense of humour, they solve the problem in general at the first contact.”

— CUSTOMER DESCRIBING A PREFERRED ORGANISATION



Invest in
the online
experience

48 58% of customers would use a service from an organisation if the only option for managing that service was online.

Online processes and offerings offer advantages to organisations—many coming in the form of greater efficiencies that lead to more rapid and effective scaling. Our results suggest that a majority of European customers are open to making the leap to online-only offerings.

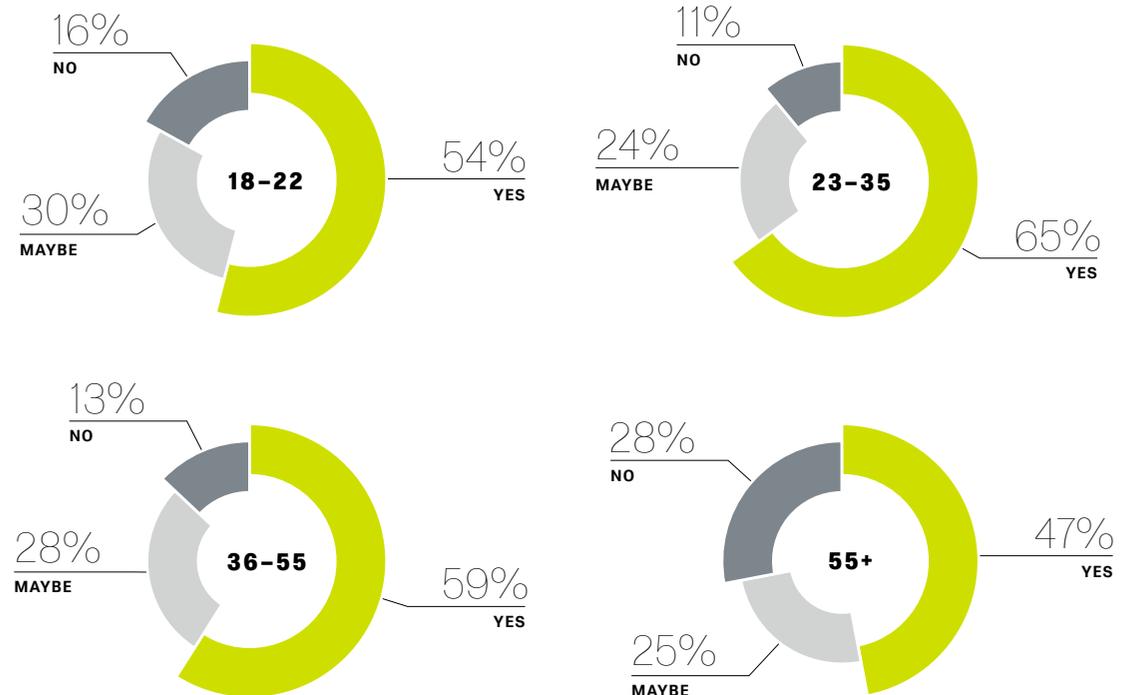
ASK YOURSELF

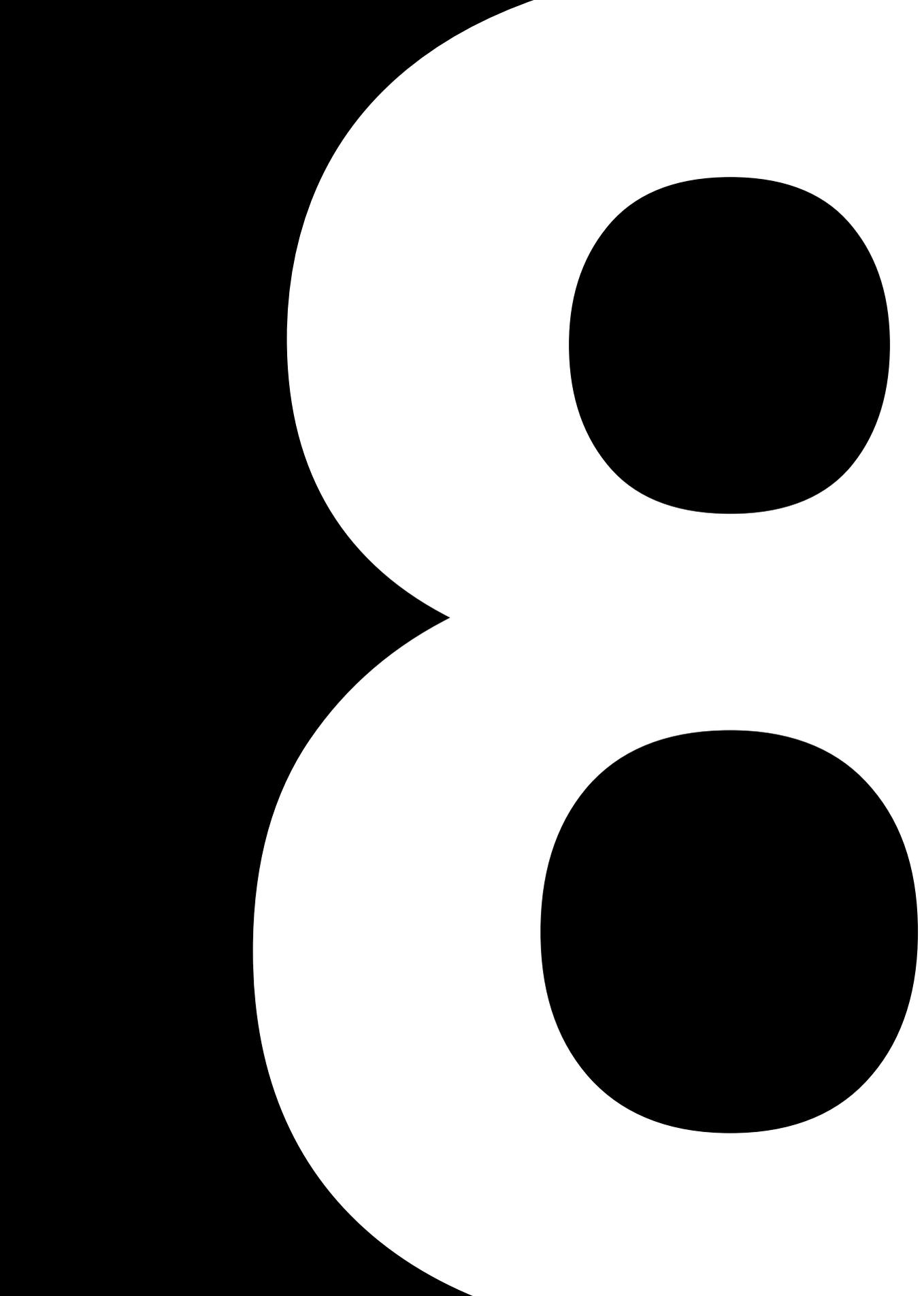
- Could my organisation make certain offerings online-only?

ACTION STEP

Before rolling out an online-only process or offering, make sure that the user interface is optimised through UX testing, and employ dynamic feedback links to make it easy for customers to provide feedback and get answers to their questions. While there's evidence that customers are ready to embrace online-only offerings, this does not mean that they will be willing to sacrifice the quality of the experience.

PERCENT WHO WOULD USE AN ONLINE-ONLY SERVICE





Be one
easy call
away

52 78% of customers believe that having an organisation's phone number on the homepage or within one click is very or extremely important.

In the previous insight, we discussed how a majority of customers say they're ready to make the leap to online-only services. We've also discussed in this report how customers seem to be okay with being nudged toward an organisation's preferred processes or channels (often online instead of phone).

Perhaps customers are envisioning better online process in the future than the ones they have (on the whole) today. Or perhaps they've been swayed by exemplary online processes and services—the best of the best, so to speak. All conjecture aside, it appears that when customers do feel the need to contact you by phone, you had better make it easy for them.

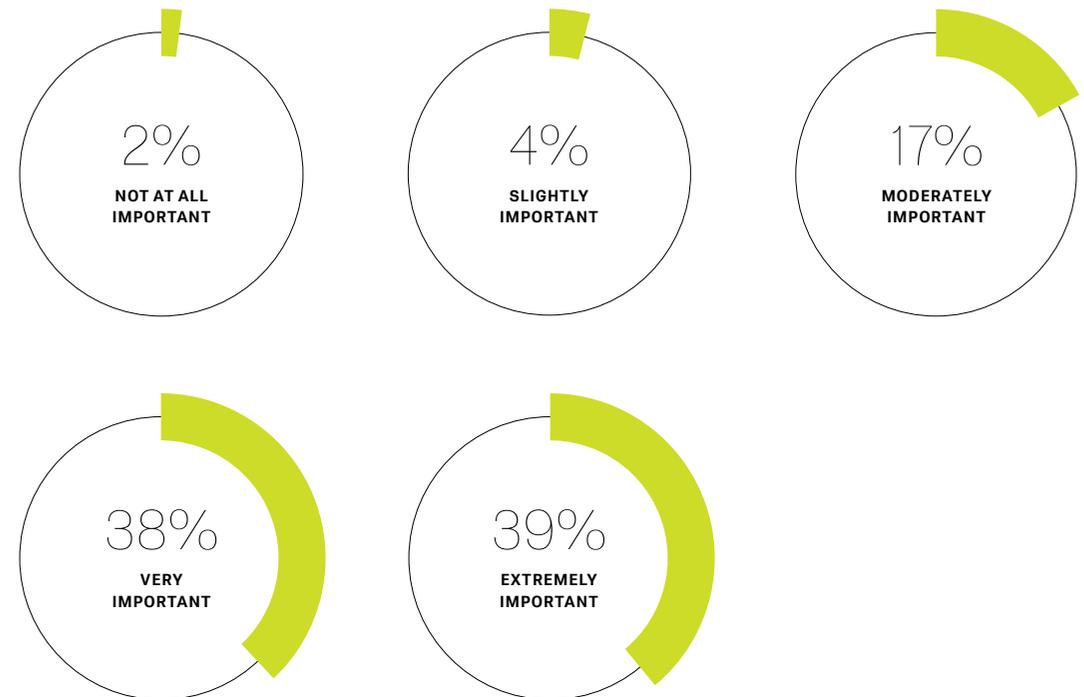
ASK YOURSELF

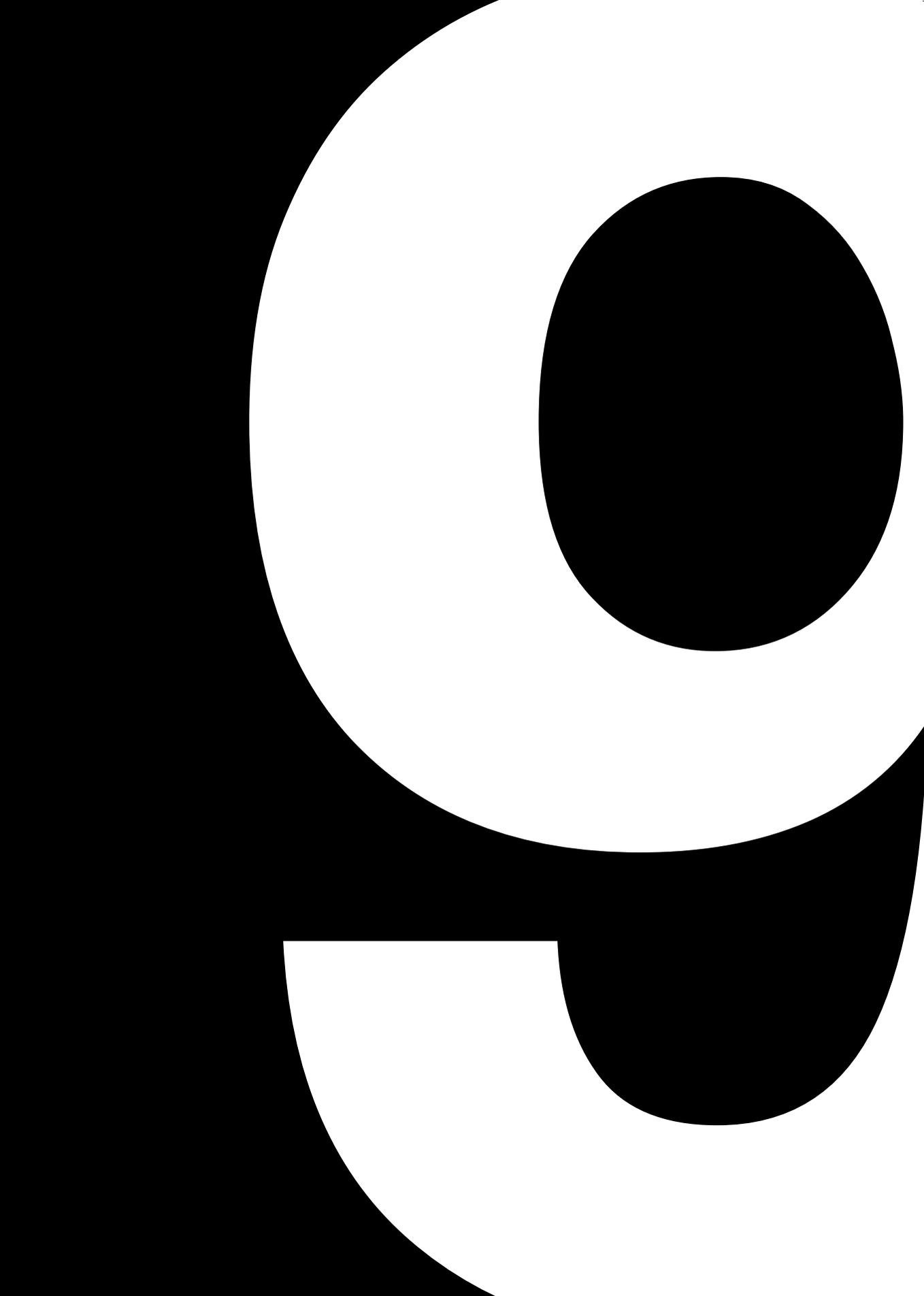
- Are my organisation's phone numbers on the homepage or available within one click?
- Is it easy for a customer to speak to the right person once they call in?

ACTION STEP

From our sample of CX professionals, we found that over 60% admit that their organisation's phone number isn't available on the homepage or within one click. Make your phone number as available as possible until you are absolutely sure that other communication channels are 100% fulfilling customers' needs.

IMPORTANCE OF HAVING THE PHONE NUMBER ON HOMEPAGE OR WITHIN ONE CLICK





Put
security
first

56 82% of customers believe that it is very important to be able to trust organisations with customer data.

No grey areas here. If you want customers to trust you, you must safeguard your data and not make mistakes. A slip-up pertaining to customer data could cost you greatly.

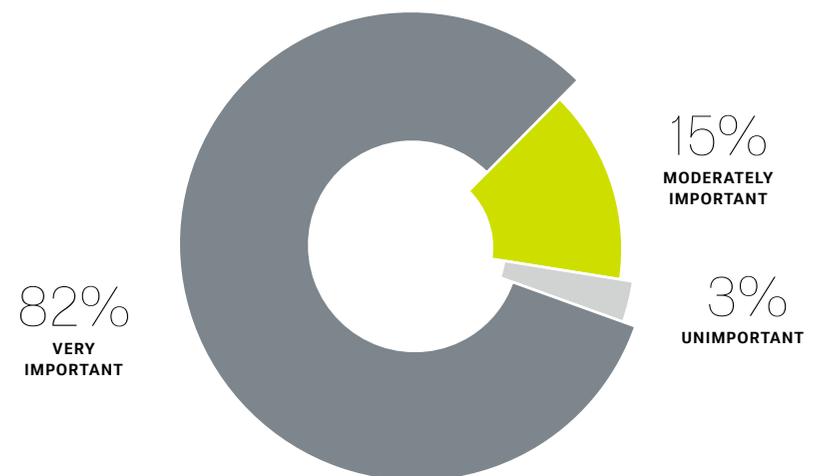
ASK YOURSELF

- How attractive to hackers is the data I keep?

ACTION STEP

Customers don't always "see" your security, but they want to know it's there. Being careful not to reveal any details that could be useful to data thieves, call out your (hopefully market-leading) security measures in plain language, especially if you maintain personally identifiable or financial information. Make additional information easy to find in an FAQ site or a standalone security web page.

IMPORTANCE OF DATA SECURITY





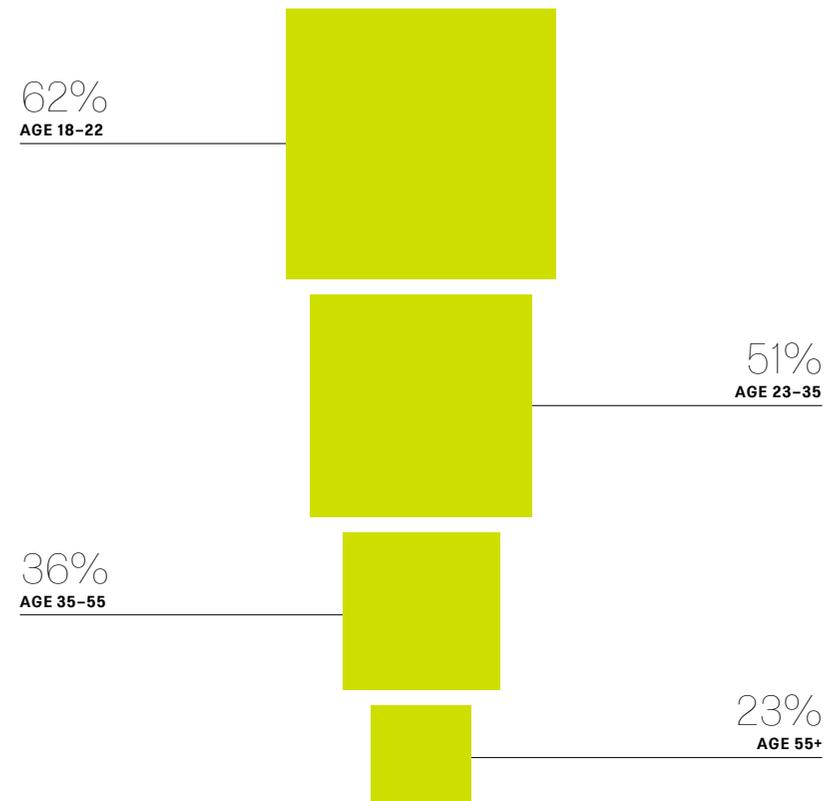
Welcome
new technology

60 40% of customers would be satisfied dealing with an organisation staffed entirely by robots, as long as their expectations were met.

Here we saw a sharp disparity among age groups. In particular, 18 to 22 year-olds are 2.5 times more likely to be satisfied with an organisation staffed entirely by artificially intelligent mechanisms/beings than customers age 56 or older.

According to CX professionals, less than 5% of the organisations they work with are currently using artificial intelligence to enhance the customer experience. So while a full service team of robots is a purely hypothetical situation at this point, this insight provides an interesting glimpse into one potential future and suggests that it's not necessarily the "human touch" that will make or break the customer experience moving forward.

PERCENT WHO WOULD BE SATISFIED WITH ROBOT-ONLY STAFF



62 “I accidentally got off a plane and went out into arrivals by mistake (I was just transferring). My own airline pushed me from pillar to post, but a lady from another airline stepped in, made phone calls, and got me back through departures at speed and on that plane in record time.”

CUSTOMER DESCRIBING A GREAT EXPERIENCE

CONCLUSION

Does your organisation effectively prioritise customer issues?
How fast can your organisation respond to feedback?
We've asked you to consider questions like these throughout this report because our research shows that the customer experience is becoming a significant battleground for business. Gone are the days where organisations can win by having the right product, in the right place, at the right time. Customers want to be heard and they prefer organisations that listen.

Clearly, responding to all feedback is difficult when you have thousands or millions of customers. Additionally, the growing number of ways customers can provide feedback forces companies to have ears to the ground in many places at once, including the rather frenetic universe of social media—in fact, over one-quarter of customers believe social media has changed the way they interact with organisations. The most successful organisations, aided by modern feedback management technology, understand what's most important to their customers and are able to synthesise feedback from all channels, including social media, to close the loop with upset customers quickly and effectively.

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ABOUT QUALTRICS

66 Qualtrics is a rapidly growing software-as-a-service company and the leader in experience management. In Europe, more than 1,000 enterprises rely on Qualtrics technology, alongside half of Europe's top universities. Globally, more than 8,500 enterprises, including two-thirds of the Fortune 100 and 99 of the top 100 business schools, count on Qualtrics.

Our solutions make it fast and easy to capture customer, employee, and market insights in one place. These insights help our clients make informed, data-driven business decisions. Global enterprises, academic institutions, and government agencies use Qualtrics to collect, analyse, and act on voice of the customer, customer satisfaction, employee engagement, 360-degree reviews, brand, market, product concept, and employee feedback. To learn more, and for a free account, please visit our website.

qualtrics.com.

ABOUT ENGAGE BUSINESS MEDIA

Engage Business Media (EBM) is a global media company designed to help its community of 80,000-plus leaders in the customer and employee engagement space to devise and implement sustainable, winning business strategies. Our mantra is that organisations need to cut across their own internal silos, take a more holistic view of their customers, both internal and external, and deliver a consistent and appropriate customer and employee experience.

In support of this EBM runs a series of highly respected, CPD-accredited, world-class thought leadership events for its community throughout the year—including our annual flagship Customer Engagement and Employee Engagement Summits and our Engage Awards. All of these face-to-face activities are underpinned by our websites, as well as weekly newsletter alerts, webinars, and groundbreaking research reports.

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