PRIVACY IN A DIGITAL AGE: THE GREAT BALANCING ACT

Key findings from Concentrix's Digital Attitudes and Behavior Research

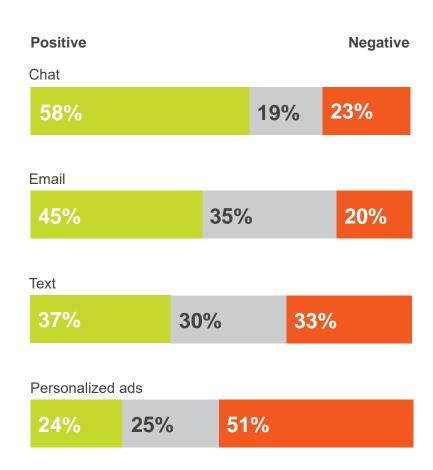




Consumers may prefer to reach out to companies through specific self-service channels, but the looming question remains: how do consumers prefer companies to reach out to them?

Proactive communication is a mixed bag, where both the channel and the message have a notable effect on the reception. For instance, consumers are much more likely to have a positive view of proactive communication through chat (58% have a positive view) or email (45%) than through text (37%) or personalized ads (24%).

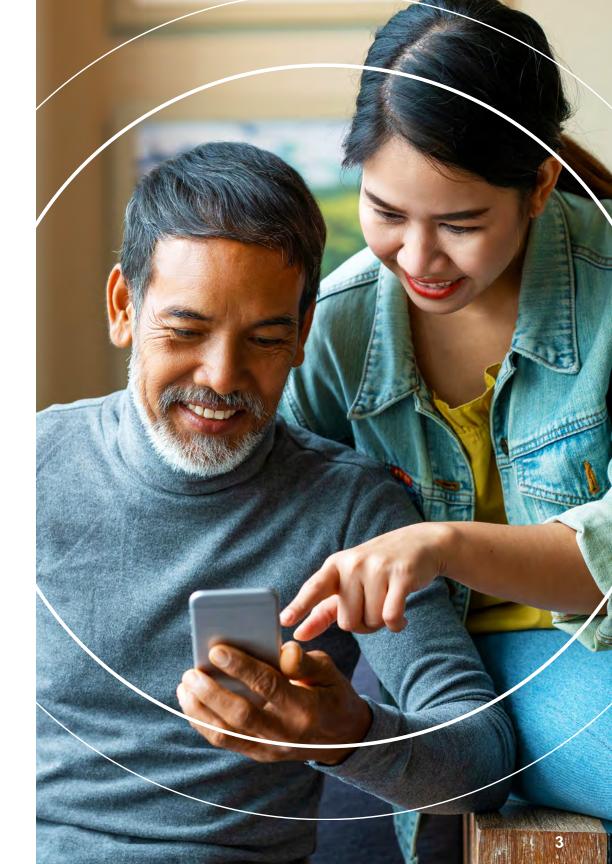
ATTITUDES TOWARDS PROACTIVE COMMUNICATIONS



But, even this looks very different by age.

Proactive text messages and personalized ads, the communications that are least welcomed by consumers, get a much warmer reception from younger consumers than older ones. Where only 37% of consumers in general have a positive response to proactive texts, 50% of the 18-34 crowd feels positively and 25% are neutral, leaving only a quarter who have negative views. But, consumers have definite opinions about when these texts are most appropriate. Appointment reminders, fraud alerts, and order status updates such as shipment or pick up notifications are most welcomed by consumers. The topics that consumers consider the least appropriate are ads for new products or services, information about features, and surveys.

Personalized ads, though overall less enthusiastically received than proactive texts, have a similar story. Thirty-eight percent of 18 to 34-year-old consumers have a positive view of these compared to 21% of 35 to 54-year-olds and 12% of those age 55 and older. Essentially, this means that the riskiness of targeted ads is mitigated tremendously when they are targeted by age.





Proactive chat has seen a boost in popularity over the past year, particularly with older consumers.

Younger consumers are the most likely group to actively seek out a chat function, but when the chat option is presented to older consumers, they are increasingly open to it. Where 62% of consumers age 18-34 have actively sought out a chat function for a customer service issue, only 40% of consumers over the age of 55 have done so. However, this same age group is the one to have the change toward viewing proactive chat positively when compared to the year before.

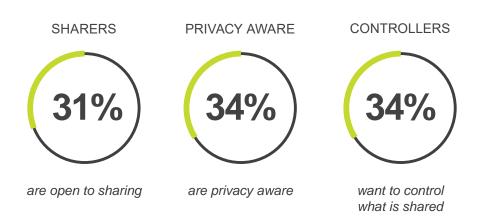
Overall, consumer positive opinion of proactive chat rose from 52% to 58% over the course of the previous year, with consumers describing their experience with the platform as being easy, convenient, fast, and helpful. The risk with proactive chat is consumers seeing it as fake, annoying, distracting, or simply "too much," making it imperative that this function be presented in such a way that these pitfalls are avoided.

What all these nuances of communication come down to is the fundamental question of how consumers feel about their privacy in a digital age.



Like the communication platforms themselves, consumers have sometimes starkly differing opinions, but the bottom line is that all consumers care about their privacy to some extent. Some consumers are far more open to sharing information, knowing they are trading it for some level of convenience. About 31% of consumers fall into this category. Another third (34%) fall somewhat in the middle, aware of privacy matters and keeping informed about privacy policies, but not as open to sharing as the "sharers." And, the other third of consumers (34%) has a heightened sense of privacy and believes it is important to be able to control what information is shared when and with whom.

CONSUMER PRIVACY PHILOSOPHIES



KEY TAKEAWAYS FOR YOUR CUSTOMER COMMUNICATION STRATEGIES



- 1. Offer personalization through communication options. Consumers have very different preferences and comfort levels, and privacy expectations when it comes to receiving communication from companies. Organizations have the opportunity to build trust and relationships by respecting consumers' preferences and offering options accordingly.
- 2. Capitalize on increased openness to proactive chat, particularly in older consumers, by taking the time to educate consumers on the benefits of chat, then making the process easy, but not intrusive. While younger consumers are likely to actively seek out a chat option, older consumers are becoming steadily more appreciative of being offered the option through pop-ups.
- **3.** Personalized ads need to be targeted by age in order to lessen the negative reaction they currently receive from consumers in general. Consumers under the age of 35 are far more open than older consumers to receiving targeted ads based on personal preference or recent Internet searches, although even their openness is not universal.

Uncover more digital trends to help you employ well-informed strategies when developing your digital approach to consumers of all ages in Concentrix's Digital Attitudes and Behavior Research.

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