
UNCOVERING DIGITAL TRENDS:

Customer Expectations
in a Digital World

Concentrix' Digital Attitudes
and Behavior Research





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Introduction & Study Goals

Consumer trends are far from stagnant and nowhere is this truer than when it comes to digital behaviors and attitudes. But, understanding these trends isn't just important for the innovators and developers who create technology; it's equally vital for every organization that interacts directly with consumers. Digital trends are the key to understanding consumers simply because so much interaction is now digital.

Additionally, when it comes to technology, generational trends frequently drive up, meaning younger generations adapt first and influence older generations, eventually saturating the market with their preferences and expectations. This focus on digital trends isn't to imply that in-person experiences and interactions aren't important to consumers—because they are—but it does mean that organizations that don't get the digital piece right are relics in the making.

Concentrix' 2018 Digital Attitudes and Behavior Research was conducted to address the rapidly changing yet crucial role of digital trends by examining these central questions:

- What is the current state of household and generational device usage, including when it comes to interaction with companies?
- What does customer service look like through a digital lens?
- What are the lines for consumers when it comes to digital interaction and privacy?
- How do consumers currently use AI and what are their preferences about future interactions?

While these and similar questions are often answered with guesses, we decided to answer them with actual stats, thereby allowing our clients across industries to employ well-informed strategies when developing their digital approach to consumers of all ages.

We are pleased to present this exciting research.



1

SNAPSHOT OF DIGITAL ENGAGEMENT

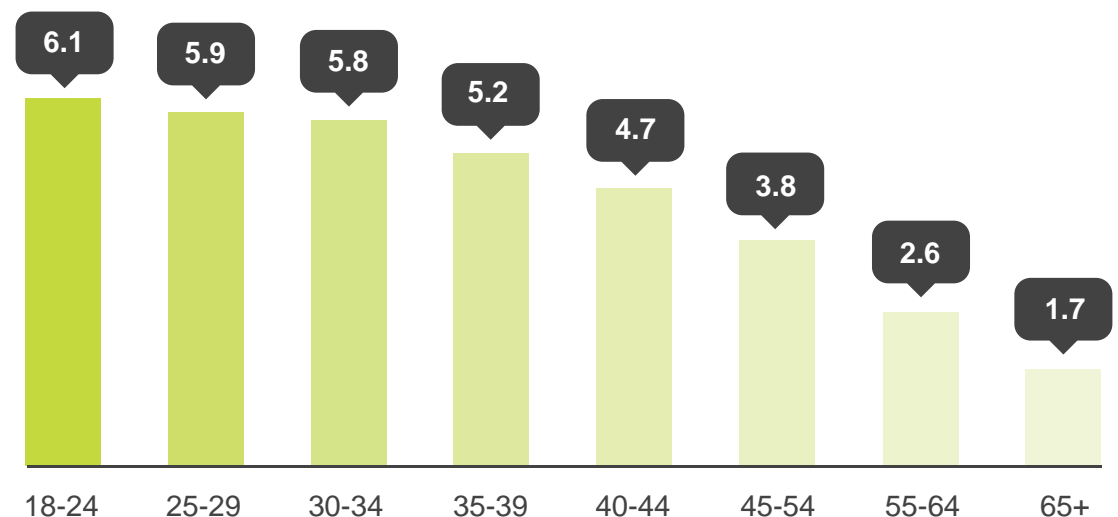


FOR YOUNGER CONSUMERS, DIGITAL ENGAGEMENT MEANS MOBILE ENGAGEMENT

The desktop isn't dead, it just isn't top of mind for consumers, especially those under the age of 35.

Smartphones are by far the most widely used digital device across generations, but it varies vastly by age, with consumers 18-24 spending an average of 6.1 hours per day on their smartphones, while consumers 65 and over spend 1.7 hours per day. When it comes to engaging consumers, mobile friendly is not an option!

AVERAGE HOURS SPENT ON SMARTPHONE



A close-up photograph of a woman with long brown hair, smiling as she holds a smartphone over a payment terminal. The terminal is held by another person's hand. The background is blurred, showing other people and a green table.

PAYMENT OPTIONS SHOULD BE MOBILE, NOT JUST DIGITAL

Although there are still a few check writers out there, digital payment options are an established expectation of consumers. But, for younger consumers, payment methods move to mobile. In fact, 75% of consumers under the age of 35 have used mobile payment methods such as Apple Pay or Touch ID. And, 80% have used digital methods such as Venmo or Zelle to transfer money.

While these numbers are smaller for older consumers (only 40% of those age 55+ have used mobile payments and 46% have digitally transferred money) the mobile payment expectations of younger consumers are permanent and will only increase as younger generations grow up in a mobile world.

A circular infographic with a green outline. The number 75% is displayed in the center in a large, bold, black font.

75%

**of consumers under 35
have used mobile payment**
(e.g., Apple Pay or Touch ID)

A circular infographic with a green outline. The number 80% is displayed in the center in a large, bold, black font.

80%

**of consumers under 35 have
transferred money digitally**
(e.g., Venmo or Zelle)



INSTANT MESSAGING AND SOCIAL MEDIA PLAY IMPORTANT ROLES IN CUSTOMER SERVICE INTERACTIONS

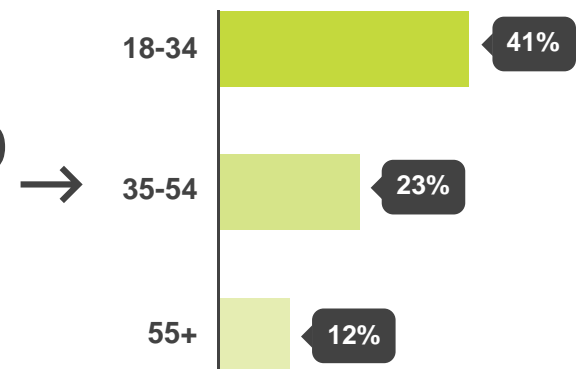
It isn't just payment preferences that are moving toward more instant options. The trend in customer engagement is also pushing toward immediacy with more instant options such as messaging being used by consumers. And, similar to mobile payment, messaging is catching on the fastest with the younger crowd. While 26% of consumers have used a messaging app for customer service, 41% of consumers under the age of 35 have done so.

When it comes to social media, it's time to move beyond Facebook. The majority (78%) of Gen Z consumers (aged 18-24) use Instagram, 70% use Snapchat, 45% use Pinterest, and 39% use Twitter. Gen Z still uses Facebook, but mostly to organize events or appease older relatives, and overall usage is declining. A solid digital strategy must include, but think beyond Facebook and employ the use of social media broadly across platforms.

HAVE USED A MESSAGING APP FOR CUSTOMER SERVICE

26%


of consumers
have used a
messaging app



2

THE ART OF DIGITAL CX





FOR THE MOST PART, CONSUMERS PREFER SELF- SERVICE

With continual improvements in functionality, self-service options have become more widely used and often even the preferred method to handle a concern, question, or task. The research found that 67% of consumers prefer self-service over agent-assisted contacts, and 72% used self-service first in their most recent interaction.

METHOD USED FOR MOST RECENT INTERACTION

SELF-SERVICE

Preferred

67%

Used

72%

mobile web, mobile app, IVR, website

AGENT-ASSISTED

Preferred

33%

Used

28%

social media, chat, text, mobile chat, email

CUSTOMER ENGAGEMENT CONTINUES TO MOVE TOWARD MOBILE



As with so much else in the consumer world, customer care continues to become increasingly mobile as mobile web, chat, apps, and text become more commonly used, and for many, even preferred to PC or analogue interactions. From 2017 to 2018, there was a 2% increase in consumers preferring to use mobile interactions and a 2% decrease in those wishing to use desktop interactions.

Even though they still have a long way to go toward being the preferred mode of interacting with companies, mobile apps have seen a remarkable increase since 2017. Consumers are far more likely to prefer using a company's app, and to turn first to that app for a contact than they were a year ago.

DIGITAL APP PREFERENCE AND USAGE

9%

prefer using
company's
digital app

(up from 8% in 2017)

12%

used a digital app
first for their most
recent contact

(up from 11% in 2017)

46%

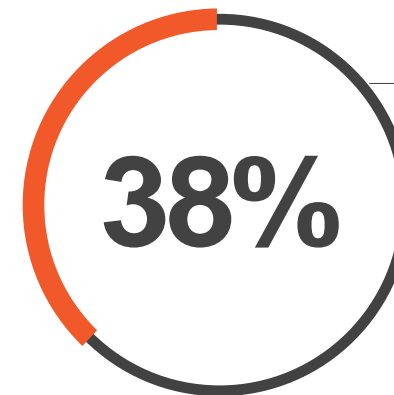
have the digital app
for the company
they interacted with
most recently

INSERT PERSONALIZATION INTO THE IMPERSONAL MELEE OF CX



Personalization is the wave of the future in industries across the board and customer service is no exception. In fact, it might be even more important since it's the frontline for solving individualized issues and getting person-specific questions answered; a situation when consumers are most apt to feel overwhelmed, frustrated, or unheard.

The research uncovered that consumers like the concept of a concierge-type service, where they have a direct contact or dedicated person assigned to their account to answer questions and help solve problems. The vast majority of consumers (75%) are in favor of this, even while only 38% have experienced it with a company.



38%
of consumers reported
having a concierge
service with one or
more providers



3 in 4
consumers are in
favor of having a
dedicated advisor
for their accounts

3

DIGITAL CONVENIENCE VS. PRIVACY



Chat and email are the most welcomed communications

When it comes to being contacted by a company, consumers prefer chat, followed by email. More than half of consumers (58%) have a positive take on being contacted with a pop-up chat and 45% feel positively about receiving email notifications. However, text messaging and personalized ads are too close to home for most consumers, with only 37% feeling positive about receiving text messages, and less than a quarter feeling this way about personalized ads.



ATTITUDES TOWARDS PROACTIVE COMMUNICATIONS

Positive

Negative

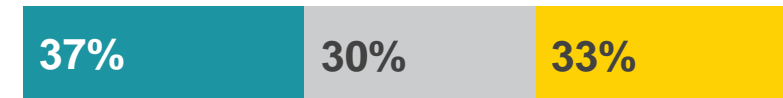
Chat



Email



Text



Personalized ads



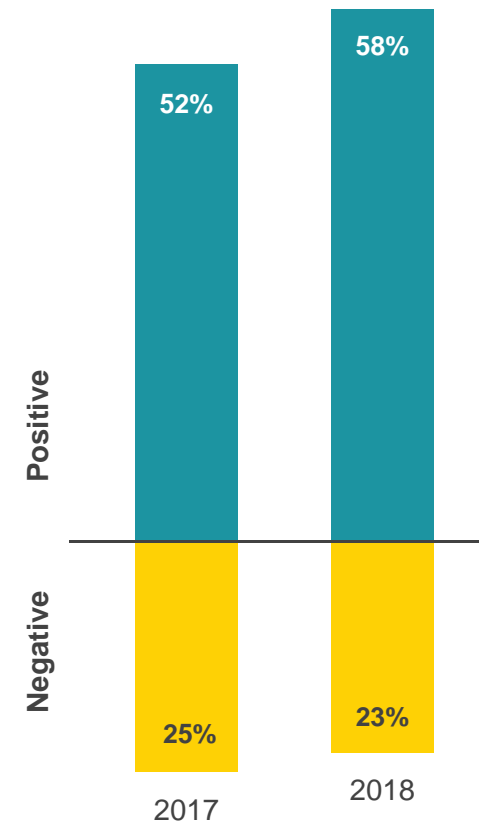
PROACTIVE CHAT IS GAINING POPULARITY



While younger consumers are likely to actively seek out a company's chat forum, even older consumers are warming up to the chat concept, especially when it is presented to them. Since 2017, consumer views of proactive chat have improved notably, while negative feelings about it have decreased.

Additionally, most consumers (58%) cite positives such as convenience and speed when describing proactive chat. The balance here is delicate for companies to employ the use of an effective and well-received tool in such a way that it doesn't become pesky, irritating, or "too much."

WHAT IS YOUR OPINION OF PROACTIVE CHAT?

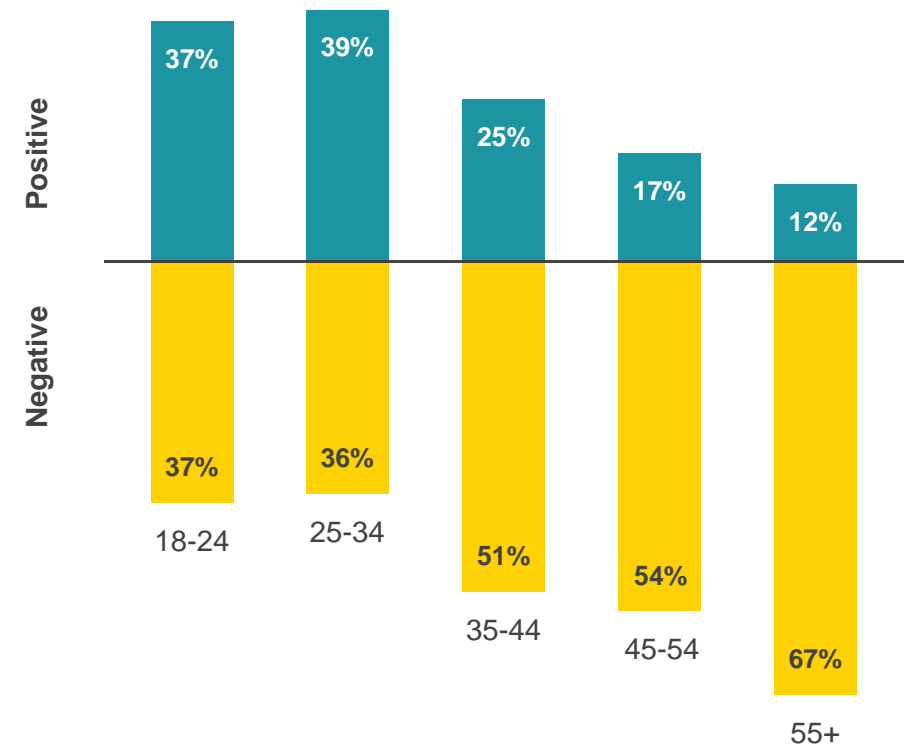
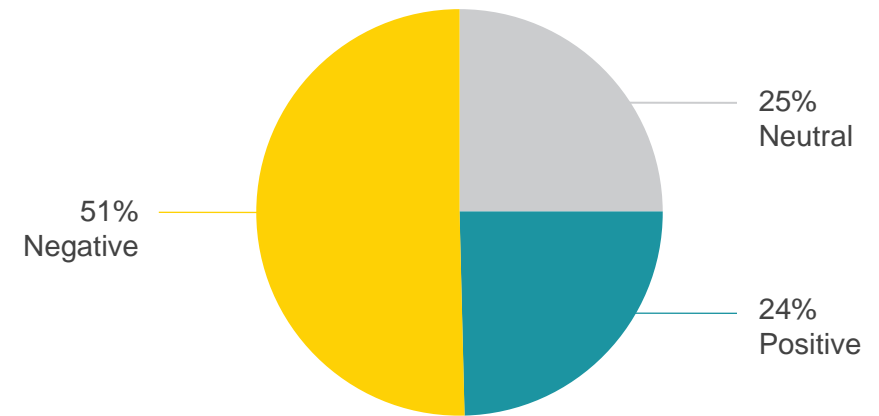


Personalized ads are risky, unless they are targeted by age

Consumer sentiment for personalized ads is generally negative, with 51% of consumers viewing them negatively, and less than a quarter (24%) viewing them positively. This makes them a less-than-ideal strategy for communications across the general population.

However, this is only part of the story. There is a huge difference in opinion regarding personalized ads when it comes to age. Older consumers are dramatically more negative toward personalized ads than younger generations. In general, Millennials and Gen Z consumers show a much higher tolerance for exchanging personal data for convenience, as evidenced by their very different take on personalized ads.

WHAT IS YOUR OPINION OF PROACTIVE ADVERTISEMENTS?



4

THE IMPACT OF AI



FOR CONSUMERS, AI IS CURRENTLY USED MOSTLY IN THE FORM OF DIGITAL ASSISTANTS



AI is filtering, almost unnoticed, into the lives of the everyday consumers. A full 60% of consumers use a phone-based digital assistant such as Siri, while 23% use or know someone who uses a home-based digital assistant such as Alexa. Most notable is the fact that in-home assistant usage increased 16% from 2017.

23%

of consumers use a
home-based digital
assistant such
as Alexa

60%

of consumers use a
phone-based digital
assistant such as Siri
or Google Assistant

BUT DIGITAL ASSISTANTS ARE TRUSTED MOSTLY FOR SIMPLE TASKS, PARTICULARLY NAVIGATION

While digital assistance is widely used for tasks such as getting directions, with 47% of consumers expressing confidence in a digital assistant's ability to perform this task, confidence plummets as the complexity of the task increases. For instance, consumers feel better about getting help with scheduling an appointment than with ordering groceries. Financial tasks are at the bottom of the list, with consumers feeling the least confident about using digital assistants for tasks involving their money.

YES, FEEL CONFIDENT USING A DIGITAL ASSISTANT FOR THIS TASK



driving
directions

47%



scheduling an
appointment

30%



filling a
prescription

24%



ordering
groceries

23%



paying
bills

19%

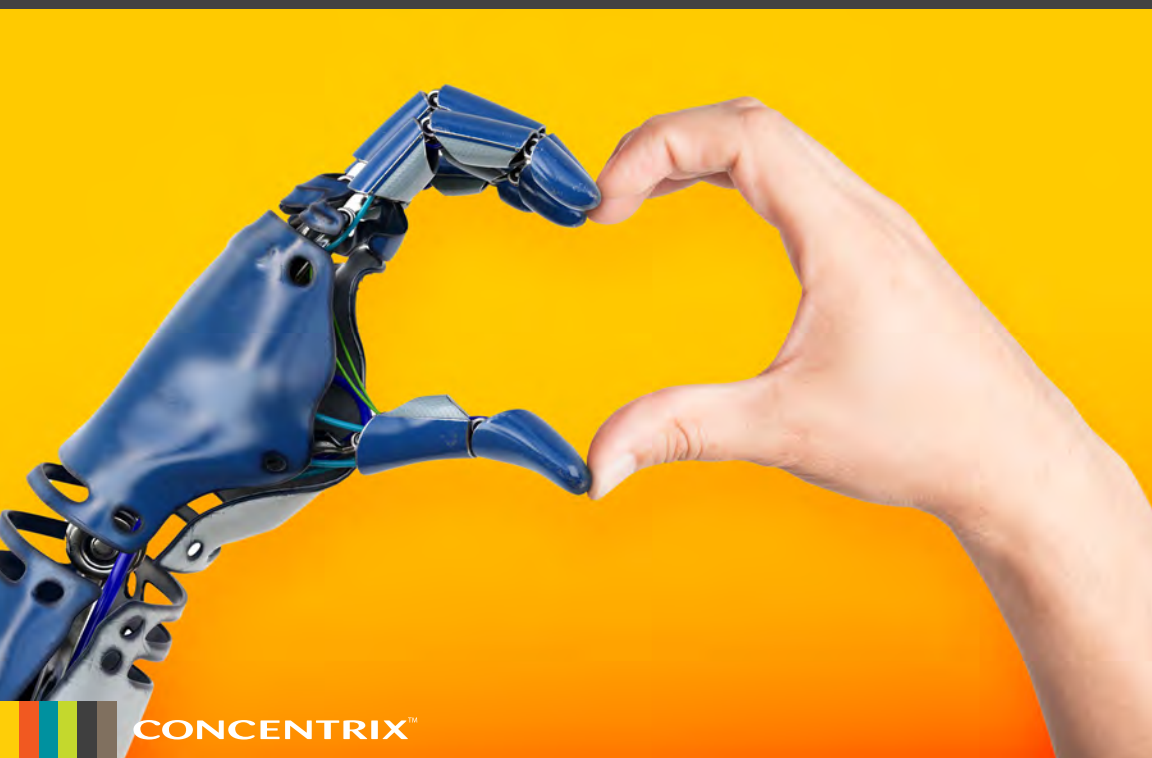


opening a
financial account

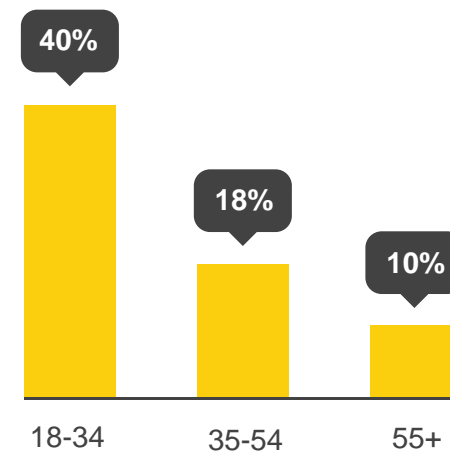
13%

Chatbots are a growing trend, especially with younger consumers

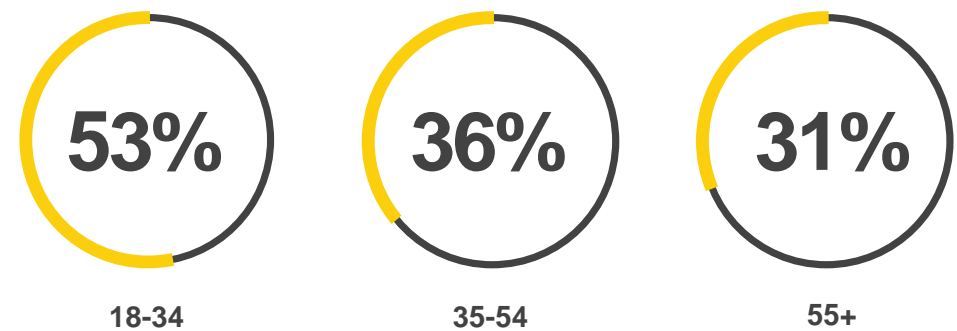
While less than a quarter of consumers have interacted with a chatbot to resolve an issue, those under the age of 34 are four times as likely to have done so. They are also much more likely than older consumers to describe their chatbot experience in positive terms.



HAVE INTERACTED WITH A CHATBOT



DESCRIBE THE CHATBOT INTERACTION AS POSITIVE



Key Takeaways and Actions

Consumers are immersed in the digital world as never before, with technologies and expectations constantly changing, yet inching ever closer toward mobile. Companies have the opportunity to care for consumers in a deeply helpful way as they navigate the changing digital world, with some age groups feeling more comfortable and positive about it than others. It isn't just possible, but absolutely necessary, to think generationally when it comes to designing customer care in the digital world, so that regardless of age, every consumer has the opportunity to feel helped, valued, and heard.

There has never been a better time to maximize the power of digital trends to ensure that consumers get the best of both technology and quality care.

Here are three actionable strategies based on the research:

1. **Bridge channel technologies** so that consumers can easily try a new contact point, but fall back to the old and familiar if needed. Give consumers the opportunity to try new engagement options without being unduly pushed toward them or stuck once they try. For example, having readily available chatbots with easy, seamless access to agents is a strategic way to mix the old and new, and catch every age of consumer at the same time. Older consumers are open to chatbots, so make the trial risk-free for them by also providing easy access to agents.
2. **Pioneer the wild west of customer engagement: the mobile app.** Mobile app usage is growing everywhere, but as of yet, it is not the interaction mode of choice for most consumers. Make the mobile experience engaging, but most of all simple, thus inspiring consumers to use the care modes that save both them and the company the most time. Many industries have yet to figure out how to build a great mobile app, especially when it comes to providing customer care. Be one of the first.
3. **Find ways to add more personalization.** This could be through adding personalized features to a website or mobile app, or by exploring the concierge concept. Consumers like the concierge idea of having someone to help them navigate the customer journey, but any way that helps them feel like a valued name rather than a number is a powerful step in the right direction.



Methodology

We collected digital experience feedback from consumers across nine major industries.

- 4,505 surveys among US consumers ages 18-74 years using an online research panel
- To qualify, respondents must have had at least one online or digital interaction with a qualifying industry in the six months prior. Qualifying industries include the following:
 - Bank (n=500)
 - Retail (n=500)
 - Credit Card (n=500)
 - Technology (n=500)
 - Mobile (n=500)
 - Healthcare (n=502)
 - Cable/Satellite (n=500)
 - Internet Service Provider (n=501)
 - Hospitality (n=502)
- Data was weighted for age and gender based on the 2010 US Census



About Concentrix

Concentrix Corporation (Nasdaq: CNXC), is a leading technology-enabled global business services company specializing in customer engagement and improving business performance for some of the world's best brands including over 95 Global Fortune 500 clients and over 90 global disruptor clients. Every day, from more than 40 countries and across 6 continents, our staff delivers next generation customer experience and helps companies better connect with their customers. We create better business outcomes and help differentiate our clients through technology, design, data, process, and people. Concentrix provides services to clients in our key industry verticals: technology & consumer electronics; retail, travel & ecommerce; banking, financial services & insurance; healthcare; communications & media; automotive; and energy & public sector. We are Different by Design.

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