# EXPERIENCE 2030
## The Future of Customer Experience is … NOW!

*FOCUS ON EUROPE, MIDDLE EAST & AFRICA*

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Welcome and thank you for your interest in this paper, *Experience 2030: The Future of Customer Experience EMEA*. This paper, part of a larger, global companion paper, is the result of a comprehensive study by Futurum Research and SAS involving more than 1,000 consumers, executives, marketers, and technology professionals from 23 countries and more than two dozen industries across Europe, the Middle East & Africa.

## *Why Customer Experience?*

Over the past decade technology, from computers to wearables to sensors and the cloud, has become one of the great game-changers of all time. This digital era that we live in is defined by the rapid evolution and injection of new and innovative ideas and technologies that shape us all. This has reframed the competitive landscape and the way brands and consumers engage on all levels.

For consumers living throughout Europe, Middle East & Africa, the online era is here. Physical and digital realms are merging, leveraging global communications channels and emerging technologies like AI, IoT, and mixed reality to offer consumers a range of immersive and engaging experiences.

*The more we understand the consumer, the more we understand the essence of customer experience. The more we understand customer experience, the more we can shape it, develop it, and better service the customer.*

As consumers adopt and embrace these new technologies they become empowered, their behavior and desires can change rapidly, and they can exert tremendous pressure on the technology needs of marketing organizations. For marketing leaders, it's hard to gain a leading edge on something that's constantly advancing.

We are now at the point where many markets are no longer recognizable or even exist as they did a decade ago. New products, new services, new consumers, and new competitors have arrived. As consumers have embraced technology as a consumable item their behavior, likes, and dislikes have evolved as well. From social media sites to mobile phones, consumers are no longer where they were or engaging as they have in the past.

*Brands are companies, organizations, or governments that provide services, products, or information to consumers.*

*Consumers are individuals, users, or citizens who consume or rely on products, services, or information from a brand.*

Customer experience (CX) is the new marketing battlefront.

More than two-thirds of marketers responsible for CX say their companies compete mostly on the basis of CX, according to the 2017 Gartner Customer Experience in Marketing Survey.

And in two years' time, 81% say they expect to be competing mostly or completely on the basis of CX, according to the 2018 Gartner Customer Experience Survey.

**FUTURUM.** TECHNOLOGY INSIGHTS FOR BUSINESS LEADERS

The brands that survive today are those that are nimble with both product and in uncovering new ways to engage and drive loyalty with consumers. This has not been an easy task, and many long-time established brands have faded or even disappeared, either pushed aside by new, innovative companies or left behind, unable to keep pace with the right time, right channel needs of today.

Our goal with this research study and report is to identify the various relationships between brands and consumers that shape customer engagements today, uncovering where they are aligned and where they are not, and provide insights to help brands bridge those gaps and build a forward-looking customer experience framework to help move their companies into the future.

Our research identified five key themes framing and driving the evolution of customer experience now and into the future, each of which we'll highlight further:

- ▶ **Smart Technology**: Consumers Don't Use Digital, They are Digital
- ▶ **Immersive Technology**: Bridging the Customer Experience Divide
- ▶ **Digital Trust**: The Evolving Nature of Trust
- ▶ **Loyalty in the Digital Age**: Be a Loyalty Company, Not a Loyalty Program
- ▶ **Agility & Automation**: Better Engagement Through Technology
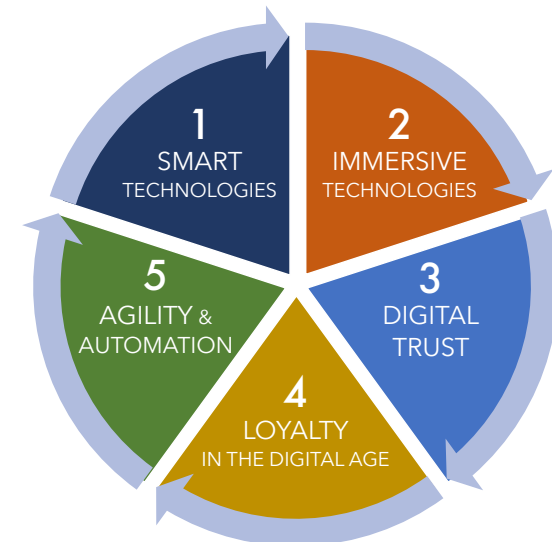


Tomorrow's customer journeys and personalization will be even smarter, more immersive, more trust-enabling. More customer experience initiatives will be run by AI and machine learning algorithms, automated software applications or bots. The question is: Are brands and consumers ready?

The future gives us something to ponder.

Welcome to the future. Welcome to **Experience 2030**.

**Daniel Newman, Futurum Research**          **Wilson Raj, SAS Institute**

**FUTURUM.** TECHNOLOGY INSIGHTS FOR BUSINESS LEADERS

# INSIGHT Smart technologies have enabled consumers to become digital

*Technology has fundamentally changed consumer behavior.*

*The future of consumer behavior over the coming decade is more digital, more mobile, more social, and more engaging.*
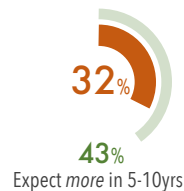
Today's consumer, whether searching for movie tickets or information about a community event, is increasingly agile, online, and immersed in consumer tech – tech that has itself evolved from a product to be consumed to a product that enables the consumption of other products and services. This has not only led to changes in consumer behavior, but also to changes in how customer experiences are created, measured, valued, and shared.

## OBSERVATION

**Mobile phone growth continues through 2030.**

But that doesn't mean just mobile phones. We expect wearables to cross the line and blur the definition of mobile.

**Smart assistants are still emerging but will dominate consumer engagement.**

We expect searches for product or services information via smart assistants to increase, ultimately blending with recommendations.

**The future of product and services information is online.** Even for many consumers today, if it isn't online it's not accessible. And if it isn't accessible it doesn't exist.

Understanding how people are adopting and using technology is key to understanding the magnitude of change that is upon us today, allowing us to begin to map out how consumers will engage with brands, organizations, and governments in the future.
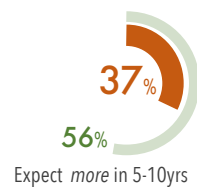
From mobile phones to smart home assistants, EMEA consumers have embraced a digital world. Digital technologies have reshaped the behavior of today's consumer. For those born-digital to the early adopters to those who resist to the end, digital has become part of their lives. These technologies include mobile phones; wearable devices, such as smart watches or fitness bands; smart devices, such as Amazon's Alexa, Google Home, or other app-based security or environmental systems in the home); to emerging Augmented/Virtual Reality (AR/VR) devices.

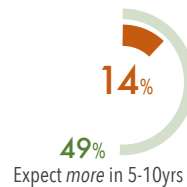### What do digital consumers look like?
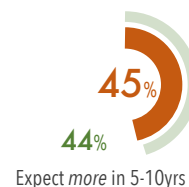
| Households with 3 or more MOBILE PHONES | Households with 2 or more SMART DEVICES | Households with 3 or more WEARABLE DEVICES | Households with 1 or more AR/VR DEVICE |
|---|---|---|---|
| **32**% | **37**% | **14**% | **45**% |
| **43**% Expect *more* in 5-10yrs | **56**% Expect *more* in 5-10yrs | **49**% Expect *more* in 5-10yrs | **44**% Expect *more* in 5-10yrs |

NOTE: Global comparisons are between EMEA and all other regions combined.

**FUTURUM.** TECHNOLOGY INSIGHTS FOR BUSINESS LEADERS

**EMEA consumers have embraced the online lifestyle.** From social sites to banking to government engagement, consumers are now using digital apps and going online for everything, and they plan to do a lot more of it in the future. Here's what some EMEA consumers are doing when they go online:

**50**% 
Search for product information 3 or more times per week.

**41**% 
Search for services information 3 or more times per week.

**62**% 
Search for information on government, community or local events at least weekly.

**30**% 
Order food or groceries at least 3 times per week.

**23**% 
Regularly use 3 or more financial or banking apps to help manage their money.

More than a third of all consumers we surveyed also indicated that while they may go online a lot today, they expect to do it more often over the coming five to 10 years. One point worth noting, while just over a fifth of EMEA consumers use three or more financial apps on a regular basis, they trail consumers in the rest of the world (31 percent to 23 percent),

**Social media has become the place consumers congregate for a wide range of activities.** For many consumers, being digital means being social, and that means connecting with both their friends and their favorite brands.

## How do consumers use social media to engage with brands?

### CONDUCTING A TRANSACTION

22% of consumers in EMEA make a product or services purchase or a donation via social media on a daily basis.

### SEARCHING FOR BRAND INFORMATON

77% of consumers in EMEA visit a social media site at least monthly to find information on a brand's products or services. 39% rate this a very important part of their lives, 5% say they can't live without it.

### SEEKING HELP FROM CUSTOMER SUPPORT

34% of consumers in EMEA visit a social media site at least weekly in an attempt to access customer support.

**FUTURUM.** TECHNOLOGY INSIGHTS FOR BUSINESS LEADERS

Consumers may use a lot of technology today, but they anticipate using a lot more. Here are a few of the technologies and experiences consumers in EMEA anticipate within the coming five years (by 2025):

### DRONES
**60**% expect drones to part of their brand experience by 2025.

**81**% BY 2030

### CHATBOTS
**65**% expect to engage with chatbots for questions or support from a brand by 2025.

**81**% BY 2030

### AUTONOMOUS CARS
**50**% expect to have ridden in an autonomous vehicle by 2025.

**78**% BY 2030

### AUGMENTED REALITY
**61**% say they'd use AR or VR as part of their consumption (engagement) experience by 2025.

**79**% BY 2030

### SMART ASSISTANTS
**62**% expect to use smart assistants to engage with brands, organizations and governments by 2025.

**80**% BY 2030

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OBSERVATION

When it comes to technology, more tech isn't necessarily better tech, and the best tech is often used sparingly.

► 44% believe they currently have too much technology in their lives.

► 46% believe they spend too much money on useless technology.

What's the issue here?

We believe consumers may often purchase based on fads or trends, and not on needs.

We're also concerned that some brands often push or implement technology that isn't necessarily solving a true consumer need or may be rushed to market.

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FUTURUM PERSPECTIVE We're particularly impressed by the value proposition of smart devices and their ability to expand the amount of information available to the consumer with little or no effort on the part of the consumer. Smart devices have the potential to replace (or embrace) the mobile ecosystem and blend with augmented reality devices to drive immersive engagement experiences.

For brands, this new level of consumer acceptance – and expectation – opens up a whole new level of opportunity for broadening the way they engage with consumers, from interacting with products and devices to having access to better services and conveniences as citizens. But brands and government entities alike must understand it will require not just a customer-focused approach but a new level of people, process, and technology to make it happen.

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**FUTURUM.** TECHNOLOGY INSIGHTS FOR BUSINESS LEADERS

## INSIGHT Immersive technologies are the future of engagement

*The future of the customer experience lies in the immersive experience where all aspects of a product or service include the consumer, not just as a user but as a part of the experience itself.*

Immersive technologies are, without question, agents of change. Immersive technology can absolutely be used by brands to help bridge the consumer divide. From wearable to embedded to augmented, these technologies can both capture and leverage data insights to provide the elements of mobile, immersive experiences where the consumer doesn't just experience the brand, they become part of the complete brand experience.

While our research showed that the use of Augmented Reality, Virtual Reality, or Mixed Reality (AR/VR/MR) devices are in the nascent stages for most consumers, consumers are clear about what they expect with regard to the future and the evolution of AR/VR/MR — they expect more!

By 2025, 53 percent of EMEA consumers expect to be able to use an AR, VR, or MR app to see how a product looks *without the product being physically present* (for example, how a piece of clothing might look on them or how a piece of furniture might look in their home). But there's a deeper level of immersion when these technologies are used not just to bring a product or information into the consumer's surroundings, but to bring the consumer into a different, more immersive surrounding.

Within five years, 58 percent of EMEA consumers say they'd visit or tour a remote destination or event (vacation, concert, performance, interesting site or similar) using AR, VR, or MR technology.

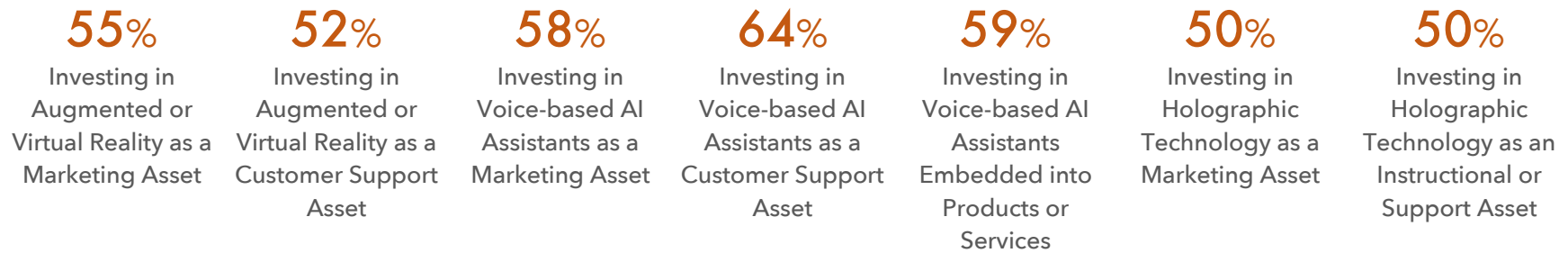**Brands are embracing the value of immersive technologies as well.**

Brands are recognizing the need to bring immersive technologies to market, and to weave them into their existing products, services, and customer experience strategies — immersive technologies can be of value to both consumers and brand representatives in areas such as marketing and customer support (including the use of immersive technology as an instructional tool for consumers while using a brand's product or service).

### OBSERVATION

Immersive technologies may not always be apparent. How are consumers using these technologies today?

► Photo filters found in apps such as Instagram or Snapchat.

► AR-based games and learning apps common on most smartphones that overlay images on camera scenes in real-time.

► Map applications that "paint arrows" to highlight directions.

► Heads-up displays to provide driver assistance in automobiles.

► Wearable devices that provide real-time feedback or alerts.

**FUTURUM.** TECHNOLOGY INSIGHTS FOR BUSINESS LEADERS

Where are brands targeting their investment dollars today for immersive customer (and employee) experiences tomorrow?

| 55% | 52% | 58% | 64% | 59% | 50% | 50% |
|---|---|---|---|---|---|---|
| Investing in Augmented or Virtual Reality as a Marketing Asset | Investing in Augmented or Virtual Reality as a Customer Support Asset | Investing in Voice-based AI Assistants as a Marketing Asset | Investing in Voice-based AI Assistants as a Customer Support Asset | Investing in Voice-based AI Assistants Embedded into Products or Services | Investing in Holographic Technology as a Marketing Asset | Investing in Holographic Technology as an Instructional or Support Asset |

## OBSERVATION

The demand for immersive experiences is here today.

**17% of EMEA consumers expect to use AR/VR to experience remote destinations or events within the current year.** Compared to the rest of consumers, they are:

**Younger**: 65% are 21 – 34 years old (vs 41% globally).

**Early Adopters**: 36% have three or more "smart" devices in their household (vs 12% globally).

**Into Wearables**: 14% have four or more wearables in the household (vs 3% globally).

**Social Searchers**: 59% use social media to look up product information daily (vs 31% globally).

## Can technology be too immersive (and become invasive)?

One of the great risks that brands face today is implementing technology that becomes invasive or intrudes too deeply into the consumer's personal space. While 47 percent of EMEA consumers say asking an AI assistant (like Alexa, Siri, etc.) for assistance in a store might be a good way to get information, 38 percent also admit to being uneasy dealing (or engaging) with in-store tech. Certain technologies that can be part of an immersive experience can also be problematic by themselves. For example, 53 percent of EMEA consumers agree with the statement "facial recognition creeps me out" – a sign that brands need to be mindful of consumer concerns as well as their desires with immersive tech.

FUTURUM PERSPECTIVE Immersive technologies hold tremendous promise, particularly augmented reality. Originally a consumer product in the gaming market, augmented reality is making its way into most households through applications on consumers' mobile devices, which is where the value is considerable. Looking beyond Snapchat or Instagram filters, the ability of a consumer to "see" directions through the camera on a mobile phone, to "try on" apparel without the apparel, to see how a product might look when placed in a home, or to view a product or an event "virtually" – this opens up a new visual window for brands to engage with consumers, to be part of the experience, and to enhance the value of existing products while also creating new services that enhance the customer experience.

That's the real promise of immersive augmented and virtual reality technologies, the in-store experience without the store, the enhanced information on a map without the map, the product instructions overlaid on the product without the manual.

FUTURUM. TECHNOLOGY INSIGHTS FOR BUSINESS LEADERS

# INSIGHT The future of consumer engagement must involve digital trust

*Trust is a key element in the overall customer experience, and brands that cannot provide a high level of trust cannot provide a high level of customer experience.*

The data is definitive on the point of trust: Trust-enabling technologies and a security-first mindset are the key to deeper customer relationships. Technologies like IoT, edge computing, the cloud, and blockchain enable brands to behave in a way that can inspire consumer trust. Trusted transactions, data security, transparent auditability – all these things help create both an informed experience on the part of consumers, and an experience that engenders trust.

But the issue of trust isn't just one of technology use, but how consumer data is secured.

Do EMEA consumers see value in providing their data to brands? Absolutely.

**49**% are willing to trade their private and personal information for free products or services.

**50%** are willing to trade for improved or paid products and services.

But despite the efforts of regulators to improve data privacy rights for consumers, EMEA consumers still have their doubts.

**59**% agree their data is out there, there's nothing they can do about it now and every company gets hacked sooner or later.

**69**% are concerned about the amount of data brands are gathering from them when they search for, or purchase, a product.

**67**% are concerned with the way brands are using their data, agreeing it's "out of my control."

**70**% believe they should be able to see what data a brand has captured on them, and be able to change, update, or delete it whenever they desire.

**59**% don't like being tracked or recorded on camera when in a store, at an event, or in public.

## OBSERVATION

Trust is an issue of control, and consumers generally feel they have none.

► 49% believe brands have done bad things with their data and privacy in the past (and they're hiding it from the consumer).

► 56% feel like they can't control the level of privacy they need for themselves, their family, or their children

► 65% feel organizations need to be more transparent about their privacy rules and security hacks.

The message is clear: Security must be at the forefront of every business strategy and an integral part of brand messaging, and a brand promise, to consumers.

FUTURUM. TECHNOLOGY INSIGHTS FOR BUSINESS LEADERS

Trust spans the digital AND the physical.

Consumers aren't just wary of their online data, they're concerned about how data is captured in the physical world as well. And yet, that is the direction many brands and organizations are moving toward, with an eye on learning as much as possible to create a 360-degree, up to the minute, profile on the consumer – an issue that touches on many aspects of immersive consumer experiences. How brands deal with this issue today is likely to shape how consumers perceive brands five or even 10 years into the future.

What type of brands are trusted, and which are not?

Our research got right to the point with our EMEA consumer panel, asking *'Do you trust the following organizations to protect and not abuse your personal data?'* to identify which industries had the most trust, and which were the most distrusted.

| The Industries Consumers Trust | The Industries Consumers DO NOT Trust |
|---|---|
| 1  Healthcare Providers (47%) | 1  Social Media (48%) |
| 2  Restaurants & Fast Food Chains (44%) | 2  News, Advertising or Publishing (43%) |
| 3  Grocery & Food Companies (43%) | 3  Insurance (42%) |
| 4  Retail Stores (brick-n-mortar) (41%) | 4  Consumer Brands (40%) |
| 5  Education or Advocacy Groups (41%) | 5  Construction Companies (40%) |
| 6  Entertainment & Events (39%) | 6  Online e-Commerce (40%) |
| 7  Mobile, TV or Internet Companies (38%) | 7  Government & Public Services (40%) |
| 8  Travel & Hospitality Brands (38%) | 8  Pharmaceutical & Drugs (39%) |
| 9  Media Providers (37%) | 9  Banking and Finance (39%) |
| 10  Manufacturing Companies (37%) | 10  Hardware & Software Companies (39%) |

FUTURUM PERSPECTIVE The level of distrust on the part of EMEA consumers is high, a point that brands must address today in order to remain viable five or 10 years into the future. How important is this? Less than half of all EMEA consumers (48 percent) agree that their governments currently do a good job of regulating consumer privacy and business transparency. *Brands must leverage technology, processes, and policies in a secure, transparent manner.*

FUTURUM. TECHNOLOGY INSIGHTS FOR BUSINESS LEADERS

## INSIGHT Loyalty in the future isn't a consumer action, it's a brand attribute

Loyalty is infused into the customer journey (moments of truth) even before a consumer becomes a customer. In fact, the first "engagement" or experience a consumer has with a brand is the first time they hear of the brand. This continues to build through the brand's narrative – the sum total of everything a brand does that the consumer can see, hear, or experience (before, during, and after any one purchase, interaction, or engagement).

Loyalty from a consumer doesn't just happen – like trust, it must be earned, and it starts with a customer experience that reinforces the image of the brand. The challenge, however, is that consumers don't believe brands today are delivering on that experience.

*A customer's experience can be enhanced or inhibited by the most expected and the most unexpected of things. Brands must understand the enablers of a great experience, informed by consumers themselves.*

### 41% vs 90%

CONSUMERS SAY 3 OR FEWER BRANDS PROVIDE A HIGH LEVEL OF CUSTOMER SATSIFACTION

BRANDS SAY THEY PROVIDE THE HIGHEST LEVEL OF SATISFACTION TO DRIVE LOYALTY

The majority of brands somewhat or strongly believe they provide the customer satisfaction to drive loyalty today.

Consumers disagree.

### What drives consumer loyalty today (and in 2030)?

Both today and in the future, cost and quality are they top attributes, along with immediate availability and sale notifications or recommendations. They want it now, they want it to work, and they want it for a low price. Similarly, when asked about technical features, consumers say mobile apps, high-speed access to information or content, and being able to order through smart home systems will be the top technology features driving loyalty. We anticipate the vast majority of brands will offer these, with little differentiation.

| | ATTRIBUTES CONSUMERS SAY DRIVE LOYALTY TODAY (Much More Likely to Purchase/Engage Again) | ATTRIBUTES CONSUMERS SAY WILL DRIVE LOYALTY 2025 – 2030 (Top Three Most Important to Be Loyal) |
|---|---|---|
| 1 | Low Cost or Special Discounts | High Quality Products or Services |
| 2 | High Quality Products or Services | Low Cost or Special Discounts |
| 3 | Immediate (same day) Availability | Special Recommendations, Upgrades |
| 4 | Immediate (a few days) Availability | Immediate (a few days) Availability |
| 5 | Sale Notifications when I'm nearby | Immediate (same day) Availability |
| 6 | Special Recommendations, Upgrades | Live Person on phone for questions |
| 7 | Social Responsibility (Consumer Causes) | Sales Notifications on Mobile App |
| 8 | Live Person on phone for questions | Social Responsibility (Consumer Causes) |

FUTURUM. TECHNOLOGY INSIGHTS FOR BUSINESS LEADERS

Do brands actually match up and provide a high-level of satisfaction (and drive loyalty) today?
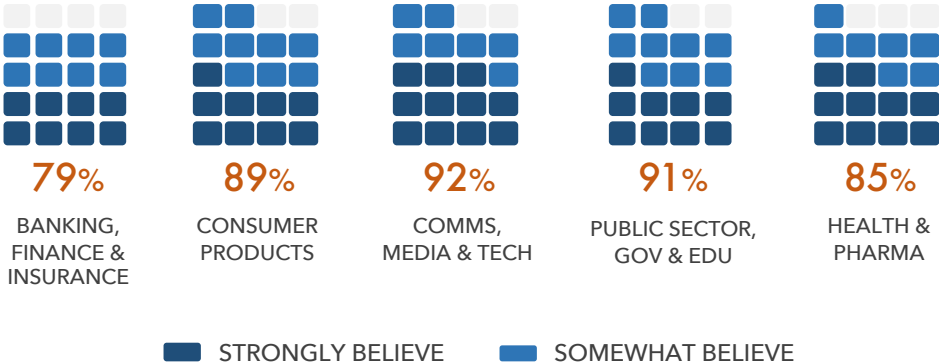
## 81%

Of brands say
"Our brand itself must change and/or do more to embrace technology and its impact on the products and services we offer"

They do, but not as often as they'd like to think. Brands surveyed throughout EMEA are confident that they possess the attributes and offer the experiences to drive customer loyalty today. But 41 percent of consumers say only three or fewer brands actually hit the mark.

FUTURUM PERSPECTIVE We expect that cost, quality, and availability are likely to be the shared "must-have" attributes to be considered, but the real decisions will be made on lesser-ranked, but more significantly differentiated features that focus on personalization and overall experience. However, for features and attributes to even be considered, brands must be trusted by their customers. Without transparency, digital trust and mutual respect between brands and consumers, true customer satisfaction, rewarding engagements, and loyalty cannot exist today and certainly not in 2030.

While only **41%** of consumers say *three or fewer brands* provide a high level of customer satisfaction, brands overwhelmingly feel they provide the highest level of satisfaction to *drive loyalty to a majority of their customers*.

**79%**
BANKING, FINANCE & INSURANCE

**89%**
CONSUMER PRODUCTS

**92%**
COMMS, MEDIA & TECH

**91%**
PUBLIC SECTOR, GOV & EDU

**85%**
HEALTH & PHARMA

■ STRONGLY BELIEVE    ■ SOMEWHAT BELIEVE

## OBSERVATION

**EMEA is somewhat unique when it comes to brand loyalty.**

EMEA and global consumers are in agreement with the top attributes that make them much more likely to purchase from, or engage with, a brand in the future.

In fact, the top five selections are identical. However, the intensity or conviction of their selections differ considerably.

**Low-cost or special discounts** is the **top-ranked driver** of brand loyalty (repeat purchases), chosen by

**30% of EMEA Consumers**

And

**42% of Global Consumers**

This gap is consistent — EMEA consumers appear to be much less enthusiastic about ANY attribute or feature driving brand loyalty when compared to the rest of the world.

Could they already be that satisfied?

FUTURUM. TECHNOLOGY INSIGHTS FOR BUSINESS LEADERS

## INSIGHT Agility and automation will define customer experiences in 2030

*As consumer desires, needs, and expectations change, brands must be able to adapt with both speed and scale to provide a personalized experience that lives up to the brand promise and consumer expectations.*

Agility and extreme automation are driving the future of brand engagements and customer experience. By 2030, agility and extreme automation will become the twin pillars of customer experience, allowing brands to deliver on promises they've made and meet the expectations of the consumer.

In a world where customer demands are changing rapidly, both within individual countries and the greater EMEA region, the speed of performance is considered crucial to the creation of great customer experiences. Businesses must embrace agility and have the ability to leverage automation to reduce risk, improve consistency of performance, and increase responsiveness to consumer needs.

Brands know that with speed comes risk, but without speed and the ability to rapidly adapt to change, no business can survive.

### Where are brands going all-in on automation?

Virtually all aspects of consumer engagement – from online and in-person contact to decisions regarding "what's next" during marketing campaigns and real-time consumer engagement – will shift from humans to smart machines over the coming decade. This level of extreme automation holds the promise of increased accuracy, predictability, and reliability of consumer engagements.

**86**%
Of brands report:
"Our brand engagements with customers will increasingly be through intelligent systems such as AI-powered chatbots"

By the year 2030, brands in Europe, Middle East, and Africa estimate:

**65**% of all customer engagements via digital devices (i.e., online, mobile, smart assistant) will be completed by the brand using smart machines, allowing consumers and brands to leverage the power of smart technology to facilitate a more responsive consumer experience.

**66**% of all in-person in-person engagements (i.e. information desk queries, sales assistance, concierge help desk requests) to be completed by a smart machine.

**68**% of decisions during real-time consumer engagement across all channels will be made by smart machines.

**FUTURUM.** TECHNOLOGY INSIGHTS FOR BUSINESS LEADERS

Brands are also leveraging technology to create a 360-degree view to enable adaptive and personalized experiences that leverage the power of analytics in making real-time decisions.

How fast are EMEA brands embracing technology that takes them closer to real-time data driving real-time decisions? Consider this: 79 percent are centralizing computing in the cloud to facilitate a single system of record for customer information. 85 percent are also moving computing resources to the edge to get closer to the source of customer data (and insights/decisions). And 84 percent agree that personal technology, such as wearables, will play a key role in how, where, and why they engage with consumers.

**79**%

Of brands report: "The future of CX is in real-time data collection and analysis and being able to proactively meet and exceed our customer requirements""

**Where do we see the opportunity for brands??**

- Embracing the use of AI-powered automation in customer service operations to streamline processes and serve up better, more rewarding experiences for customers (and employees).
- Empowering customer service agents to work alongside automation, adding a human element and empathy to customer communications and problem resolution.
- Using data to more effectively personalize experiences so that customers feel a deeper connection to the brands and services they use.
- Using consumer behavior data to create better, more rewarding, more expeditious user experiences when consumers interact online, no matter the channel.

FUTURUM PERSPECTIVE Brands are embracing technology not just because consumers are embracing technology, but as a way to ensure they bring the consumer and the brand closer together for the next generation of customer engagements and customer experiences, as well as for the longevity and continued growth and prosperity of the brand.

**FUTURUM.** TECHNOLOGY INSIGHTS FOR BUSINESS LEADERS

## CONCLUSIONS

*We can see the future of customer experience a decade from now in the evolution of technology and the behavior and perceptions of consumers and brands today.*

A personal, human-to-human relationship that grows over time and provides value to all is only possible if there is a high level of mutual trust, honesty, and respect. The relationship between brands and consumers is no different, but the challenges are increasingly high.

Based on our research, we offer the following insights and findings:

On the topic of Technology and Consumer Behavior: From apps to smart technology to social media, consumers don't just use digital, *they are* digital.

Consumers are increasingly using technology to engage with brands, searching for information, purchasing products and services, and obtaining help and advice. Looking forward to 2030, consumers are expecting more technology in their brand engagements, from drones and autonomous cars to chatbots and smart assistants. But more technology isn't necessarily better, and brands must be judicious in their use of technology at the right place in the right time.

On the topic of Immersive Experiences: Consumers are increasingly looking for experiences that are immersive and allow *a deeper level, or richness, of engagements and value*.

Technologies such as augmented or virtual reality (AR/VR) are becoming key to the delivery of experiences consumers expect. These experiences go well beyond enhancing existing products, services, or support – to new areas, such as participating in remote events and activities without being physically present.

On the topic of Digital Trust: Consumers are willing to share personal data in exchange for value but are *deeply concerned about a loss of privacy and control* over the data brands have acquired.

For consumers, trust is an issue of control, and consumers generally feel they have none. For brands, trust is not a given – it must be earned and can easily be lost. Even for brands or organizations within highly trusted industries, a loss of trust can result from just one data breach or abuse of consumer data. And for brands in industries that are less trusted, there is a tremendous opportunity to set themselves apart from their competition by instilling an element of trust throughout their brand promises and experiences.

On the topic of Loyalty: Consumer loyalty is primarily driven by low-cost, high-quality products and services that are *available when the consumer has the need* (often immediate or same day).

Consumer loyalty is also driven by features that enhance the overall brand experience, features such as special recommendations or upgrades, attention to a consumer's needs, and, of course, mutual trust. But while an overwhelming majority of brands feel they currently provide

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the highest level of satisfaction to drive loyalty, almost half of all consumers say only three or fewer brands they engage with provide that high level of customer satisfaction (to justify their loyalty).

**On the topic of Customer Experiences in 2030:** Brands are increasingly embracing technologies that *enable agility and use extreme automation* to drive the future of consumer engagements and customer experience.

In the digital age, the relationship between consumer and brand is increasingly machine-to-human, and by 2030 it will almost certainly be weighted heavily in favor of a machine-to-machine relationship. Forward looking brands are already investing in smart, AI-powered technologies that offer the ability to automate engagements and processes, capture data and drive actionable insights more intelligently, and deliver more immersive, rewarding, and valued experiences to their consumers.

**Based on our insights and findings, we offer the following recommendations.**

❑ **Embrace Smart Technologies** such as artificial intelligence, machine learning, and predictive analytics, that provide the intelligence to scale data insights, improve timeliness of conversations, and add intelligent context to real-time consumer engagements both online and in person.

We recommend that brands focus investment on the selection and deployment of new technologies that unobtrusively meet and exceed the expectation of consumers, while being mindful of the changing, and varied, perceptions of both consumers and regulatory

agencies throughout the region regarding consumer privacy and data protection.

❑ **Deliver Immersive Experiences** through technologies – from wearable to embedded to augmented systems – to both capture and use data insights to provide the elements of mobile, immersive experiences where the consumer doesn't just experience the brand, they become part of the complete brand experience. We recommend that brands focus on increasing customer fluency by leveraging powerful data tools.

We recommend a well-structured, but highly adaptive, approach to immersive experiences. Given the wide range of diversity and culture throughout the EMEA consumer base we anticipate successful strategies will involve a high level of data capture and analysis, and a fail-fast approach that allows immersive technologies and their application to adapt quickly to varied market opportunities.

❑ **Enable Digital Trust** through technologies such as IoT, edge computing, the cloud, and blockchain that enable trusted transactions, transparent auditability, and a single source of record to help create an informed experience that drives mutual digital trust between consumers and brands.

We recommend brands adopt a transparent and proactive approach to data security, privacy, and consumer control that leverages regulatory requirements such as GDPR as assets that enable new features and consumer personalization, something that brands in other regions may not be able, or willing, to provide.

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❑ Rethink Loyalty in the Digital Age by understanding that loyalty programs alone are not enough to drive consumer loyalty; brands must instead infuse loyalty into all aspects of the customer journey with a focus on personalization. Loyalty programs can, and should, be supplanted by loyalty companies – brands that consumers respect and trust.

We recommend leveraging data and analytics to establish a more complete perspective of the individual consumer, with the goal of offering appropriate and non-intrusive customization and personalization as part of an ongoing program to build mutual respect and a long-term consumer-brand relationship where friction is minimal and ownership of the relationship shared by both parties.

❑ Create Opportunity through Agility and Automation through both technology and processes that allow brands to deliver on the promises they've made and meet the ever-evolving expectations of the consumer.

We recommend that brands take a holistic view of the evolving customer and endeavor to meet their expectations through a multi-pronged approach that considers behavior, technology, security, privacy, and innovation. While that might be easier said than done, it is absolutely achievable if a brand is willing to be customer-centric in all decisions, commit to fostering empathy and human-machine collaboration in customer decisions and

customer engagements, embrace the premise that "secure is private, and private is secure" for all data, and be willing to innovate (and fail) fast in an effort to be more nimble, responsive, and adaptive to the consumer.

FUTURUM PERSPECTIVE Mutual trust, transparency and respect can certainly exist in the future between consumers and brands but bringing them together to create a sense of digital trust that enables not just great customer experiences but mutually-rewarding, long-term relationships will be a challenge.

Customer experience is a two-way street and loyalty must be earned by both brand and consumer. For brands, this requires the right people, processes, and technology to enable and drive continuous improvement and ongoing organizational and digital transformation to remain nimble and responsive to changing market conditions and consumer needs.

*This is the framework needed to support the future of customer engagement and deliver on the promise of Experience 2030.*

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# AUTHORS PARTNERS

*A brief word about the authors and partners of this research paper and the supporting study.*

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