

Consumers will abandon brands that don't provide a flawless customer experience

Almost half of North American and European consumers surveyed by the Chief Marketing Officer (CMO) Council say they will abandon a brand and take their money elsewhere if they continuously encounter a poor, impersonal or frustrating customer experience across channels of engagement.



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Today's connected consumer is not looking for omnichannel perfection, notes the CMO Council consumer study – titled "The Customer in Context" – undertaken in partnership with SAP Hybris. In fact, consumers have a short list of critical channels they expect to have access to, including company website, email, a phone number to call and a knowledgeable salesperson to speak with as part of their customer journey.

When asked to outline the key aspects of an exceptional customer experience, 52 percent expected fast response times to needs, suggestions or issues, and 47 percent wanted knowledgeable staff ready to assist wherever and whenever needed. Less important were elements like always-on assisted service (8 percent), brand-developed social communities to connect consumers with other fans (9 percent), and access to multiple touchpoints as part of the customer journey.

Despite the appetite for a frictionless experience, many consumers face common frustrations while engaging with brands, chief among them being price increases on products while failing to see added value or improvements to the products in question. The second most common frustration (36 percent of respondents) is when consumers are not treated like the loyal customers they are. The cost of continuing to frustrate consumers is brand abandonment as 47 percent say they will stop doing business with a brand. While 32 percent of consumers would email the company to complain and 29 percent would tell all family and friends, the overwhelming reaction to frustration was to abandon the brand and spend their money elsewhere.

Personalised and relevant engagements

"Today, the differentiator isn't whether we are able to individualise an experience, but rather having the insight and intelligence to know where, when and how a customer expects to be greeted with value and relevance," explained Liz Miller, senior vice president of marketing at the CMO Council. "Consumers don't need personalisation at every moment. But what this research amplifies is the requirement to get relevant, personalised experiences right for an audience of one in their micro-moment of need."

Overall, consumers felt that brands were doing a fairly good job of delivering on the most important aspects of the customer experience as one in four consumers feels that brands are delivering personalised and relevant engagements across critical touchpoints. However, there is still work to be done as 38 percent say brands are almost there, and 22 percent say that brands are delivering, but only in digital channels.

Of note is that millennial respondents were more likely to acknowledge that brands were delivering relevance, albeit only in digital channels, while Generation X respondents felt that brands were struggling to deliver, and boomers felt brands were a long way off.

Other key findings from the study include:

- 70 percent of consumers are willing to share some degree of their personal data with brands; 22 percent say they will only share data if it is being used to deliver more relevant and better offers.
- Consumers are willing to share data in exchange for value. Value is clearly defined as something that saves money (77 percent), saves time (49 percent) or makes life easier (47 percent).
- While men admit they prefer mostly digital experiences (61 percent), women (59 percent) admit that no channel really
 meets all of their needs. Perhaps this is why the top frustration for women ties back to the disconnect in physical and
 digital experiences as they are most irked by buying something online and not being able to return it in store (56
 percent). Men, on the other hand, are most frustrated by constantly feeling the brands they do business with know
 nothing about them.

Include customer's voice in experience strategies

"Every customer takes a different path to their purchase, and our responsibility as brand leaders is to ensure that we are at the ready to greet them, not as strangers, but with the empathy, value and context they have earned as our customer," challenged Jamie Anderson, chief marketing officer of SAP Hybris. "What this research proves is that we risk our own business success if we continue to leave our customer's voice out of our experience strategies. If we fail to deliver value, we fail to close that deal because our customer has left to do business with a competitor that has taken the time to respond, react and deliver relevance regardless of channel or location."

The study is based on findings from an online survey of more than 2,000 consumers in early 2017. The audience was made up of 50 percent male and 50 percent female respondents across the United States (50 percent), Canada (25 percent), and Europe (25 percent).

The full report of findings is available for download <u>here</u> and includes a complete outline of all data, including breakdowns of critical insights by gender and age.

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