

Third Edition

SELLIGENT GLOBAL CONNECTED CONSUMER INDEX

5,000 consumers from around the world share insights on their shifting priorities amid the global pandemic and how brands can meet changing expectations

**THE
CUSTOMER'S
PERCEPTION
IS
YOUR
REALITY**



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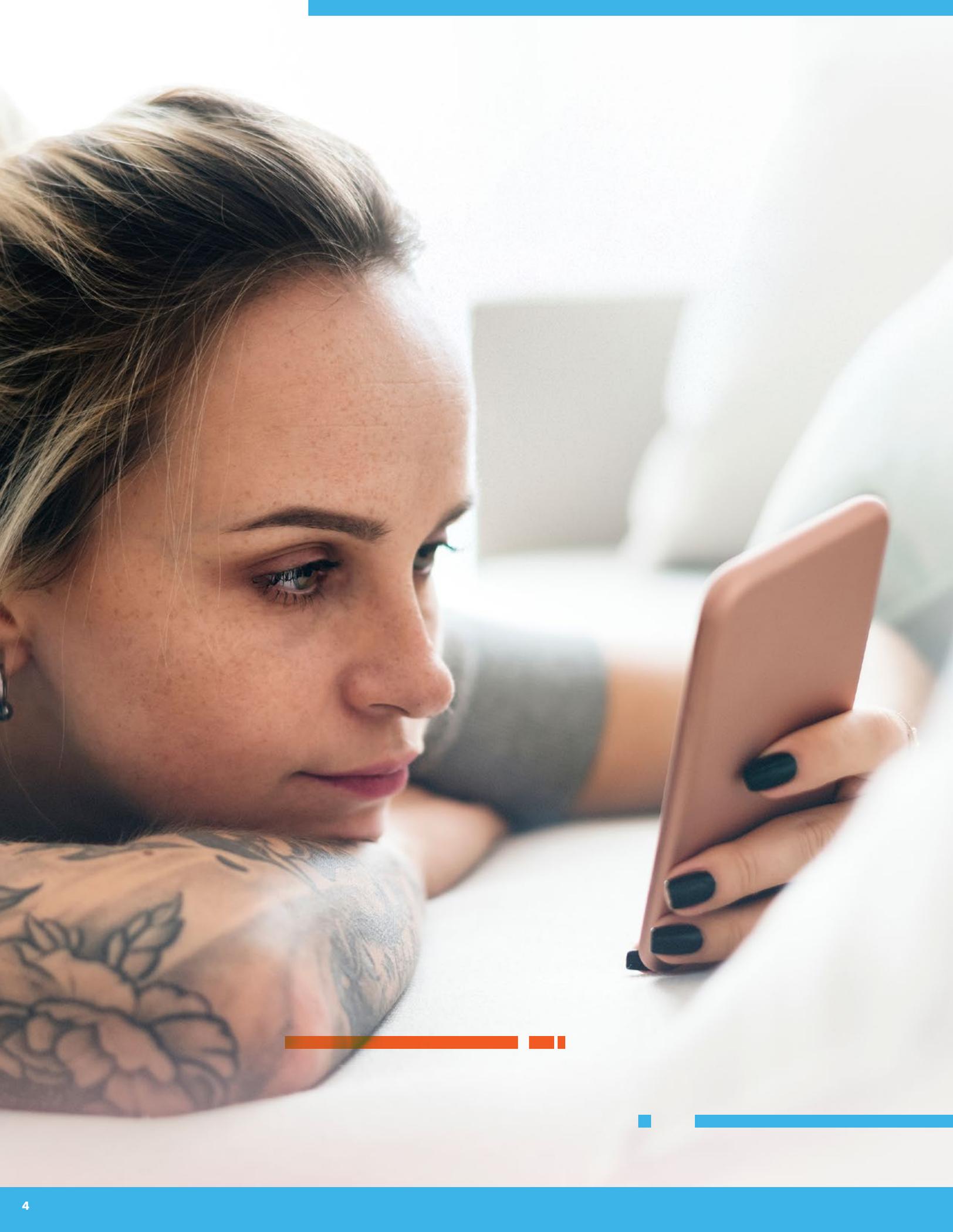
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BUSINESS UNUSUAL: TIME FOR EMPATHY, FLEXIBILITY, AND CUSTOMER-FIRST EXPERIENCES TO SHINE

If 2020 has taught us anything, it's that the unexpected can change our way of doing business, and how consumers engage with brands, overnight.

It's also shown us that brands and consumers are resilient; it's in our human nature to come together during a crisis and find solutions to adapt, overcome, and keep moving forward.

In the latest Selligent Connected Consumer Index, we surveyed 5,000 global consumers to ask how the pandemic has influenced their behavior and to gauge how their expectations of engagement with brands are shifting. What matters to consumers today? What do they expect of brands going forward? How can marketers better meet those expectations?

Bottom line: we're all moving in uncharted waters. None of us can predict the future.



As marketers, we can examine the data on consumer behavior during this time, use technology to truly get to know our customers, and craft messaging and interactions that resonate with how they experience life today.

The tenets of exceptional connected customer experience are as valid as ever; underlying the holistic experience that consumers have with a brand -- even as the economy temporarily shifts their priorities toward price and product quality, as the report reveals. Yes, some of the data in this report will surprise you.

But it's data that gives marketers the basis to innovate and adapt.

At Selligent, we believe that marketers play a key role in bridging consumers' evolving needs and expectations with product and services; marketing automation is central to supporting that.

Use this report to glean timely insights into how consumer behavior is shifting and how you can deliver personalized, meaningful brand engagement that resonates with consumers.

We invite you to stay positive. Seek the opportunity this time in our collective history offers us: more human interaction, more empathy, and the chance to truly show up for our customers and each other, in ways that matter.

KARTHIK KRIPAPURI
CEO, Selligent

BY THE NUMBERS: GLOBAL HIGHLIGHTS

TIMES ARE CHANGING

75%

have had their jobs and income negatively impacted due to COVID-19, but optimism is still strong. This has an obvious, direct impact on consumer spending, with most people focused on essential shopping online. However, consumers are buying more often than before, and greatly welcome messages that offer sales and deals on things most relevant to their needs.

58%

believe that remote work will be a part of their future. However, this belief is much stronger in younger generations, which requires marketers to have a nuanced approach to consumer communications and promotions strategies to stay relevant.

56%

intend to make new purchases to reflect this new remote work lifestyle, but data shows that consumers remain cautious about "non-essential" spending. Putting emphasis on value will go a long way towards encouraging consumer purchase.



CONSUMERS ARE YEARNING FOR MORE



50%

rate product/service quality or product pricing as top loyalty drivers.

Customer experiences matter, but consumers also value how brands are trying to help them during this time, whether it be through delivering excellent customer service, providing a great product, or especially by offering more affordable pricing.

rate buyer perks and free product as most likely to make them brand advocates.

This commitment from brands is pushing customers to be more loyal and advocate for brands, but other factors also play a role in instilling confidence in a customer. Free stuff, great buyer reward programs, and perks go a long way.

say they'll give brands more than five chances to keep their loyalty, up from 24% in 2019.

30%

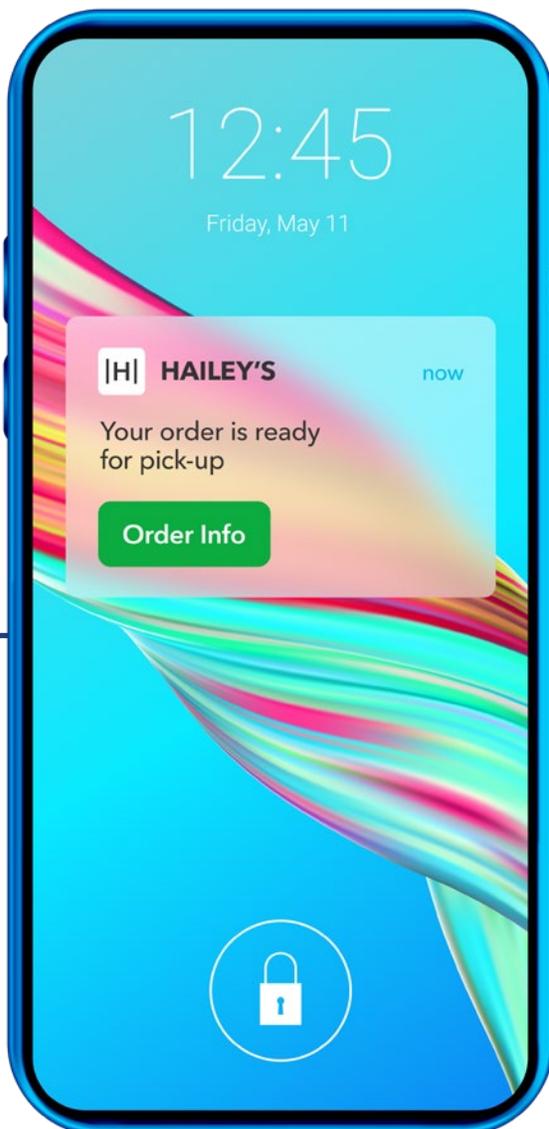
Overall, consumers are generally more patient and flexible, giving brands more opportunities to make experiences right before they switch. While privacy remains important, 36% are willing to trade some of it for really strong customer experiences, up from 26% in 2019. They are also paying closer attention to new factors, like a brand's mission, values, and executive behaviors.

TIMELY DIGITAL COMMUNICATION IS KEY

55%

have unsubscribed from brand emails due to "too many emails."

Consumers care about the type of communications companies send to them, and it's clear brands need to do what's necessary to deliver messages that are authentic and not contrived.



76%

expect real-time app or email updates on delays or changes when making a purchase.

Digital shopping and continued disruption have increased the value of being kept informed on the status of purchases.

64%

desire mobile/contactless pick-up and/or check-in options.

Social distancing has shifted what consumers expect from, and how they interact with brands. Companies need to take advantage of digital marketing technologies to quickly adapt to new customer expectations.

Companies benefit when they listen to customers more closely, are transparent in their messaging, look for opportunities to deliver customer-first experiences that take precautions in the “new normal” into account, and develop programs that reward buyers for their business, loyalty, and advocacy.

SURVEY FINDINGS

THE NEW NORMAL

Unexpected lifestyle and economic changes brought about by the global pandemic have changed the state of the consumer lifestyle and spending.

HAS YOUR EMPLOYMENT CHANGED?

75%

report reduced work,
less pay or job loss

71% male ♂

79% female ♀

Despite the loss of work and/or income,
consumers are optimistic.

82% believe they will be employed
again within the next 6-12 months.

Men are more confident with **84%**
believing they will be employed vs
80% of women.

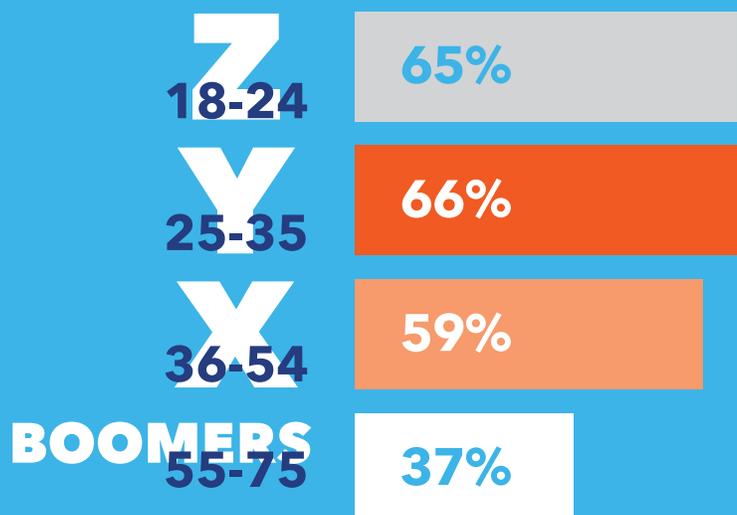


REMOTE WORK IS THE WAY OF THE FUTURE

58%

say remote work will be part of
their future. By industry, tech
leads the way with 77% of people
anticipating.

Higher expectation for remote work
from younger generations.



SPENDING BEHAVIOR

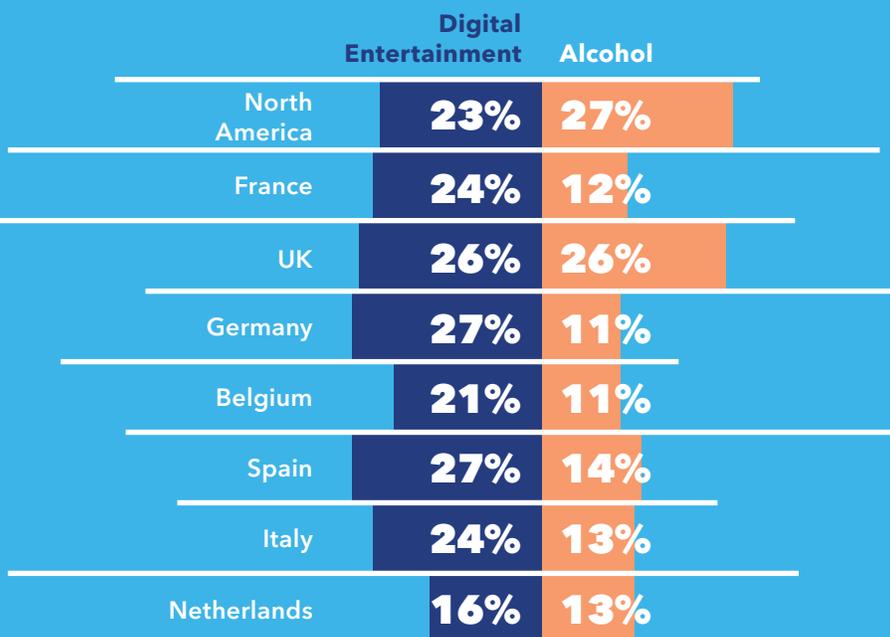
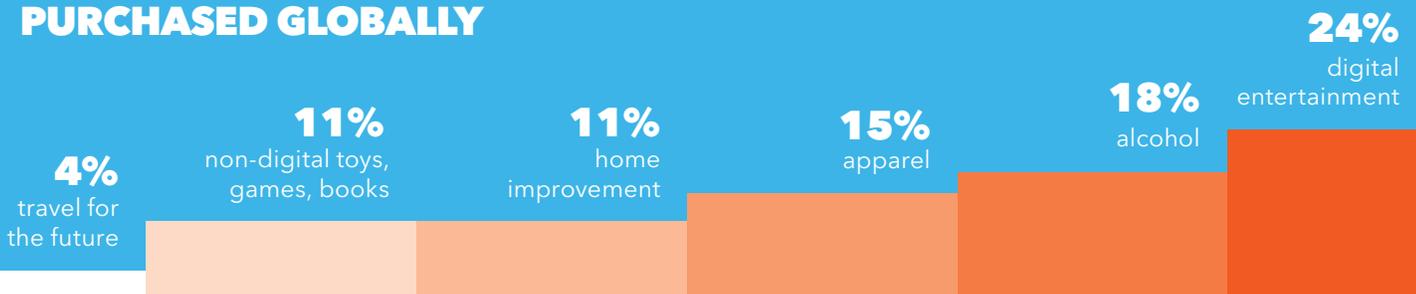
Naturally, employment and income changes and stay-at-home mandates have had a huge impact on consumer spending. Online shopping shifted from a monthly habit to a weekly one:



WHAT ARE PEOPLE BUYING ONLINE?

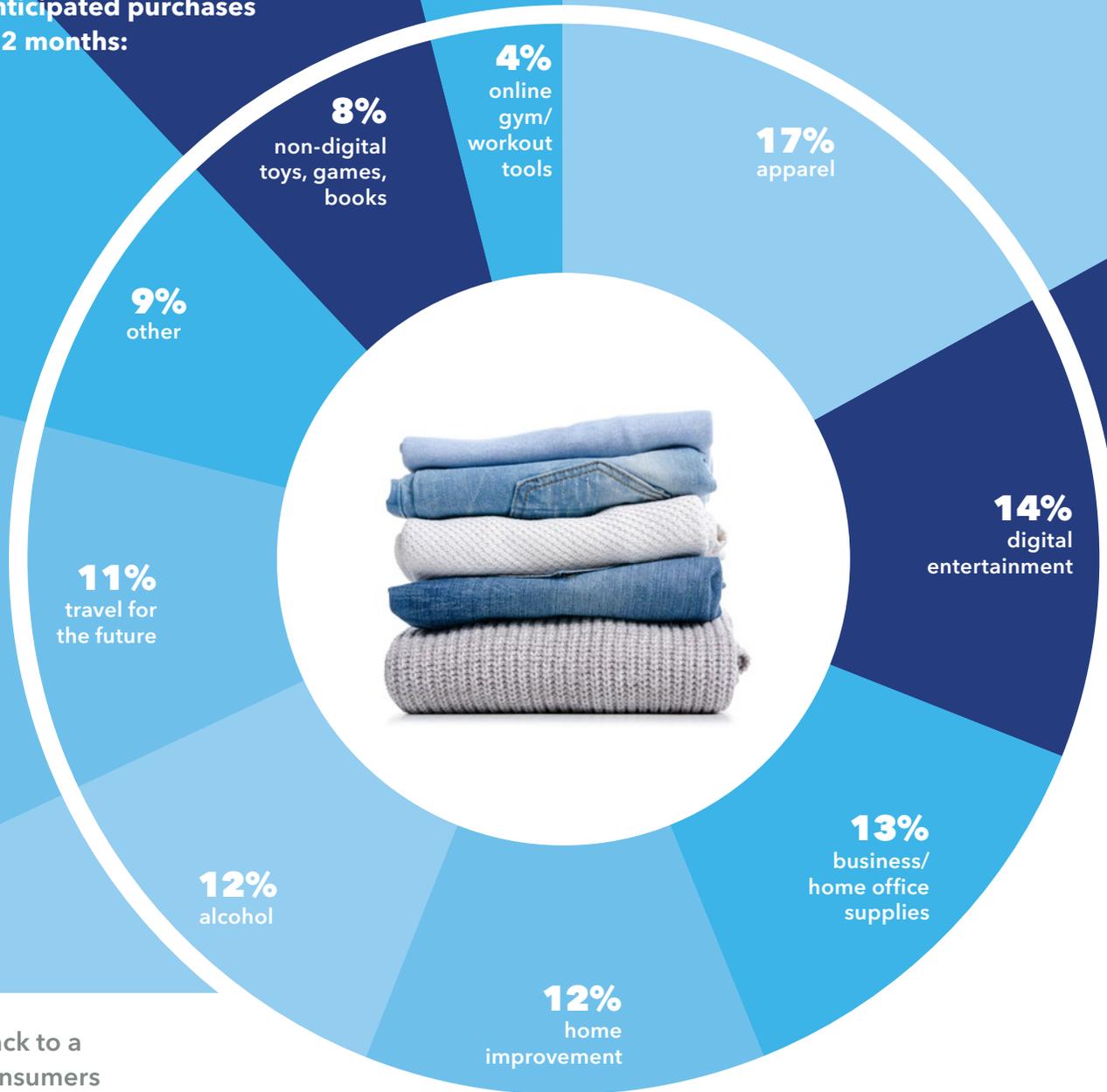


TOP "NON-ESSENTIAL" ITEMS PURCHASED GLOBALLY



FUTURE SPENDING

Consumers' anticipated purchases in the next 6-12 months:



When life gets back to a "new normal," consumers have varying shopping plans:

39% mix of online and in-store

28% continue mostly online

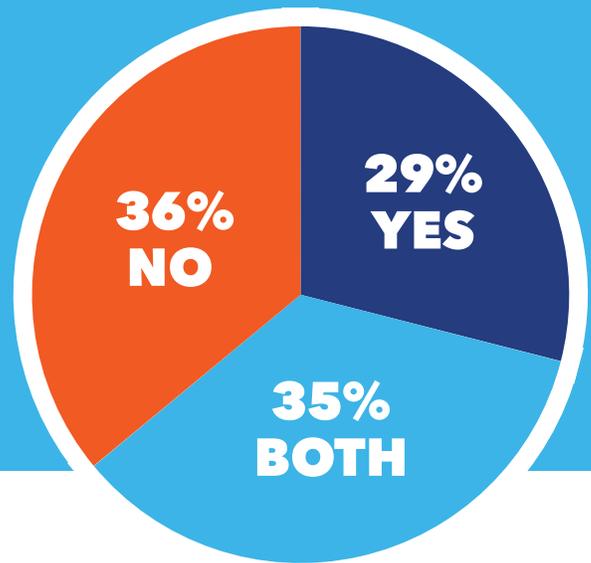
24% can't wait to shop in-store

10% haven't planned that far ahead



BUYING BEHAVIORS FOREVER CHANGED? THE JURY IS STILL OUT

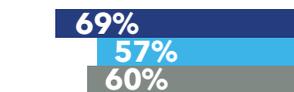
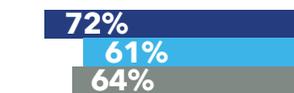
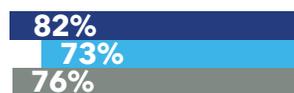
When asked whether consumers shop more online than in-person:



WHAT MATTERS MOST TO SHOPPERS NOW

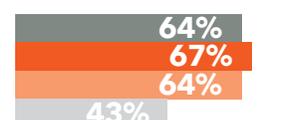
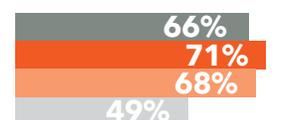
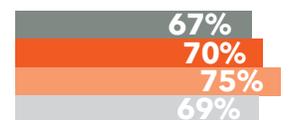
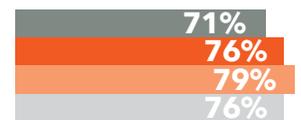
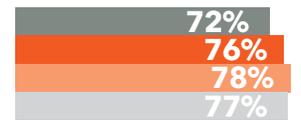
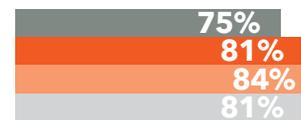
Consumers in different regions and age groups place importance on different factors when making purchases today.

What consumers across regions care about (North America vs Europe vs Global)



What consumers in different age groups care about

Z Y X Boomers



CONSUMERS' COMFORT LEVEL IN RESUMING ACTIVITIES IN THE NEXT 6-12 MONTHS

Global Top 5
MOST COMFORTABLE

65%

gathering with friends/parties

61%

shopping in store

59%

self-care

58%

sit-down dining

57%

working in the office



Global Top 5
MOST UNCOMFORTABLE

going to the gym

60%

live entertainment

60%

returning to place of worship

55%

movie theater

53%

traveling

52%



TAKE ACTION

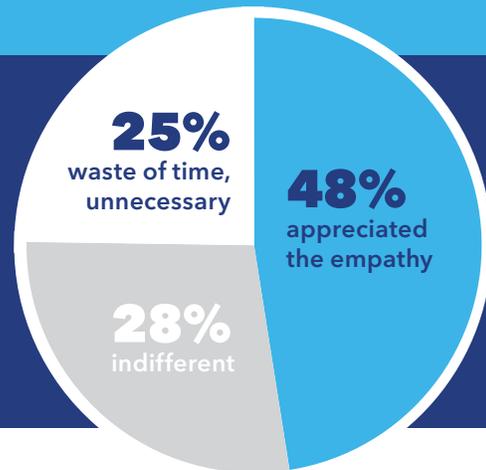
Ensure your marketing efforts address what consumers value during this time. Efforts to make online and in-store shopping easier and more convenient, with clearly communicated safety protocols, will help meet consumers' expectations. Generally, those efforts will translate to customers feeling more confident in the brand's commitment to them. Deploy technologies that enable real-time updates to consumers. Aligning on what matters to consumers, rather than brand-driven positioning and marketing, creates authenticity that resonates today.

CUSTOMER EXPERIENCE IS SHIFTING, TOO

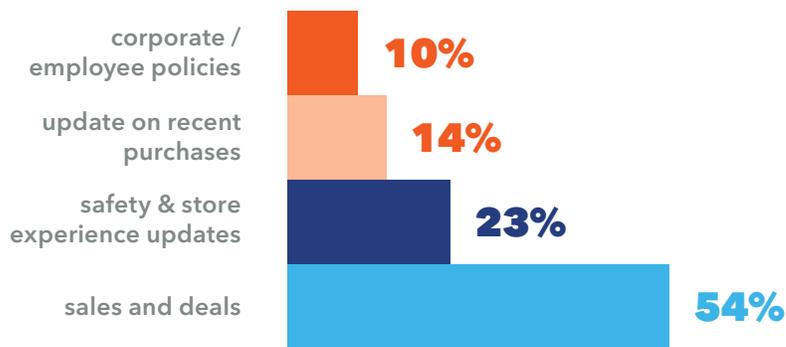
As brands have responded to pandemic conditions, they've focused on communicating caring messages to their customers. But customers are growing weary of receiving the same messages from brands. Determine what is resonating, what types of communication people want to receive and how often. Ask how you can strike a balance between personalized customer experience while not overwhelming customers. Focus on understanding and connecting with customers to meet the shifting customer experience expectations that are a result of the current climate.

COMMUNICATIONS FATIGUE

How people perceived the "In this together" messaging sent at the beginning of COVID-19:



Types of communications from brands consumers find most valuable:



39%

of people have unsubscribed from three or more brand emails in the last six months.

REASONS THEY UNSUBSCRIBED:

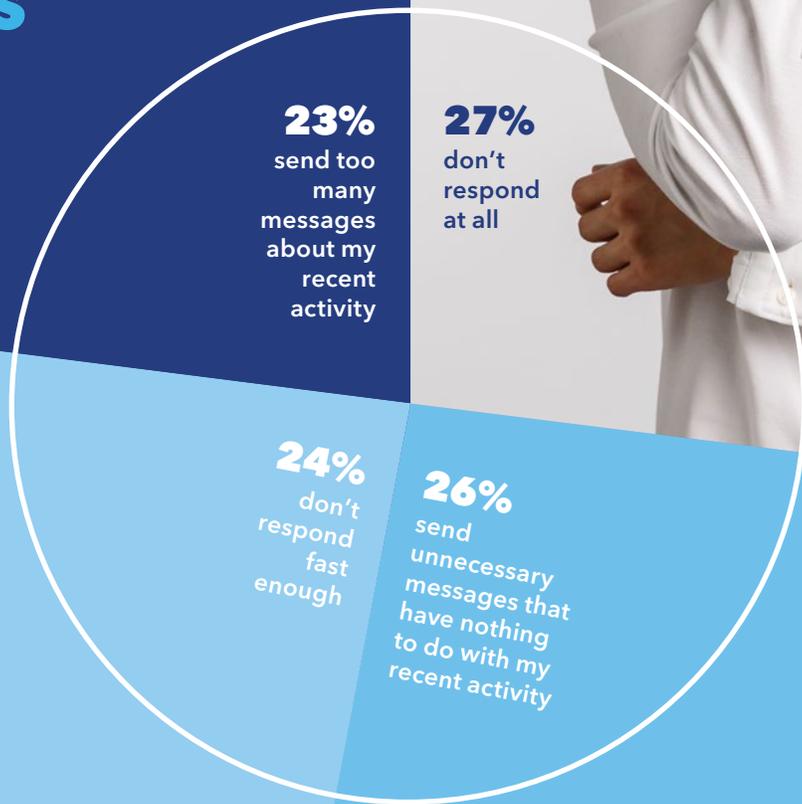
10%
more loyal to other brands

13%
never signed up

20%
too long since last interaction with brand

55%
too many emails

MOST ANNOYING ABOUT HOW BRANDS COMMUNICATE WITH CONSUMERS



How frequently people would like to receive messages from their favorite brands:

3%
yearly

7%
daily

8%
never

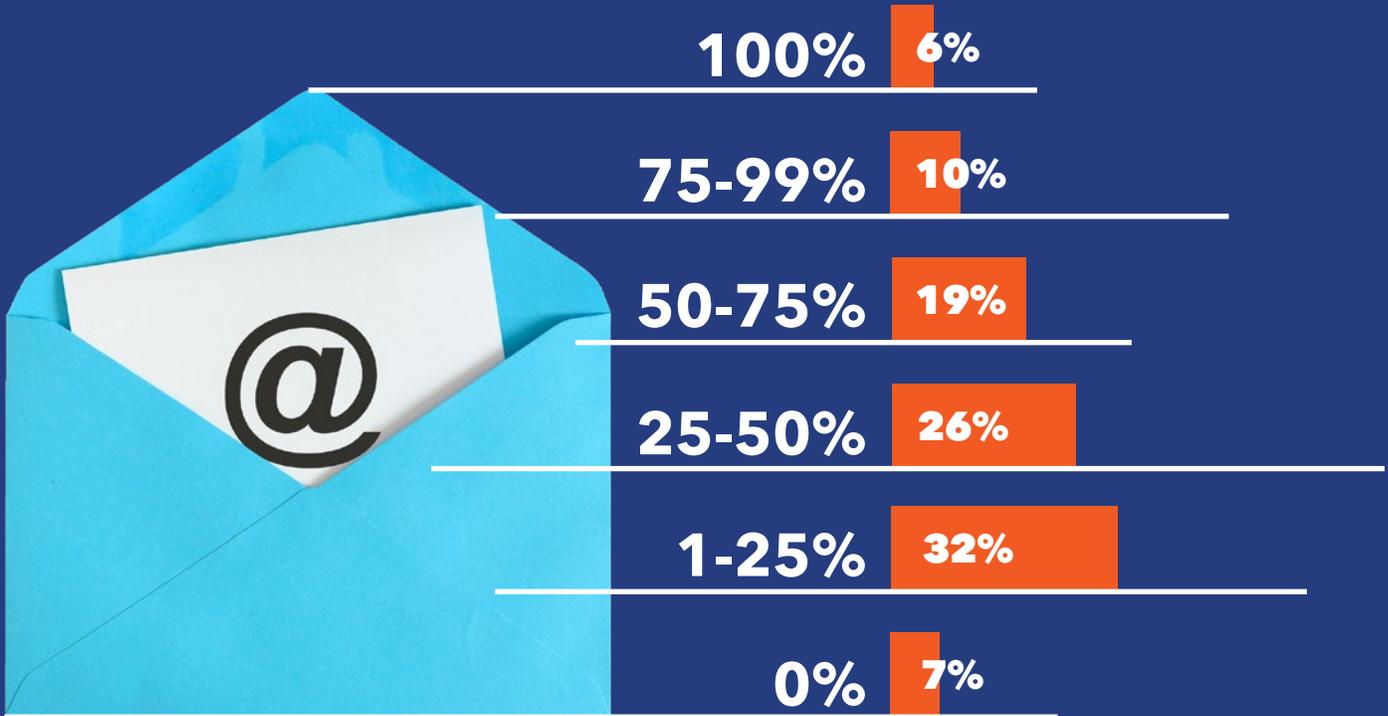
16%
2-3 times a week

17%
twice a month or monthly

33%
once a week

PERCENTAGE OF MARKETING EMAILS PEOPLE OPEN

58% of people open only up to half of the emails they receive.

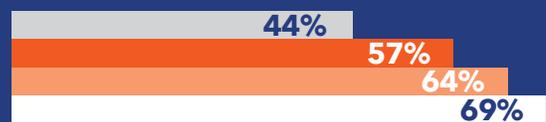


Email and mobile are the preferred methods of communication for purchase updates across all generations:

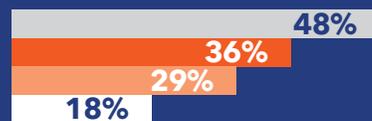
Younger generations prefer mobile while older generations prefer email.



Z Y X Boomers



Z Y X Boomers



TAKE ACTION

While consumers appreciated the empathy in the beginning of the pandemic, they have grown weary of the oft-repeated messages. They want brands to move from “we understand this is hard” to “here’s how we can help you.” Communicate sales, deals, and safety info as top priorities. Carefully plan your messaging, channels, and timing of communication to meet consumer preferences. Overcommunication is not needed. Automating your messages can be a great way to truly personalize and customize the type and frequency of communications you’re sending out.

CUSTOMER SERVICE EXPECTATIONS

Consumers turn to customer service for different reasons, and they expect brands to respond and resolve issues within hours. However, they are more patient this year compared to last, perhaps because the pandemic has brought challenges for brands and consumers and people are being more flexible and understanding with one another.



TOP 4 REASONS PEOPLE CONTACT CUSTOMER SERVICE

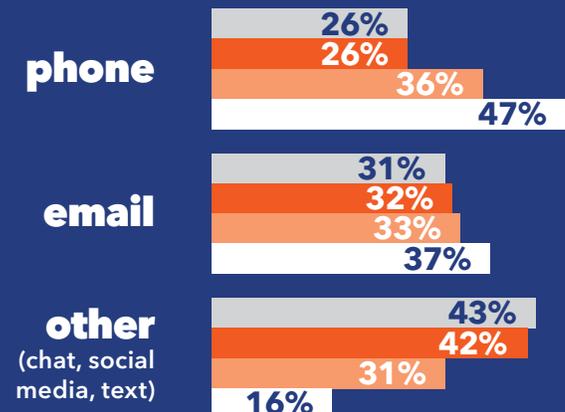


PREFERRED CHANNEL TO CONTACT CUSTOMER SERVICE

Consumers' preferences are split evenly across channels. However, there are bigger differences when it comes to age groups, with younger generations preferring new digital channels, like chat, social media, and text.



Z Y X Boomers



MAJORITY OF CONSUMERS STILL EXPECT A QUICK RESPONSE AND RESOLUTION

93%

of consumers expect a **response** within 24 hours, down from 96% in 2019

89%

expect a **resolution** within 24 hours, down from 90% in 2019

TAKE ACTION

Consumers are evenly split when it comes to phone, email, and digital channels to contact customer service. Agents need to have a 360-degree view of the customer and omnichannel capabilities to deliver exceptional customer experiences on every channel. Marketers should deploy technology that allows customer data to be updated in real-time, so that they know what customers need at all times. While consumers are more patient, they overwhelmingly still expect a response within 24 hours. Address issues proactively with automated notifications and order status/delivery updates and make sure people clearly understand what response times they can expect.

TRUST & LOYALTY

MEAN MORE

Overall, consumers are more patient, and are generally more flexible when it comes to trading some of the importance of privacy for really strong customer experiences. They are also paying attention to things they may not have paid close attention to previously, like a brand's mission, values, and executive behaviors.

And, while customer experience is still imperative to customer loyalty, while finances are tight, consumer purchases are driven by product and service quality, pricing, and availability, not brand name.

What does it take to earn trust now? What motivates customers to become brand advocates?

TOP 5 REASONS CONSUMERS ARE LOYAL TO A BRAND

8%
brand name

13%
product/service availability

15%
brand mission and values

24%
pricing/rates

26%
product/service quality

Pricing and product/service quality matter most right now in brand loyalty

TOP REASONS FOR LOYALTY PER INDUSTRY

Pricing has become a top loyalty driver for consumers today.

37% TRAVEL/AIRLINE
pricing/rates

32% RETAIL
pricing/rates

30% HOTELS
pricing/rates

29% DIGITAL RETAIL
pricing/rates

27% FINANCIAL SERVICES
pricing/rates

27% RESTAURANTS
product/
service quality

TOP 5 REASONS PEOPLE DISTRUST BRANDS

28% bad online
customer reviews

16% bad feedback from
friends & family

16% brand / executive
misconduct

16% not forthcoming about
protecting privacy

14% glitchy customer
experience

People are a bit more forgiving of brands, with consumers willing to stick it out and give brands five or more chances to keep their loyalty, up 5% compared to 2019.

Number of negative experiences needed for a customer to abandon a brand:

12%
stick it out if
brand makes
up for it

18%
> 5 if satisfied
with resolution

21%
1 and
out

49%
2-3

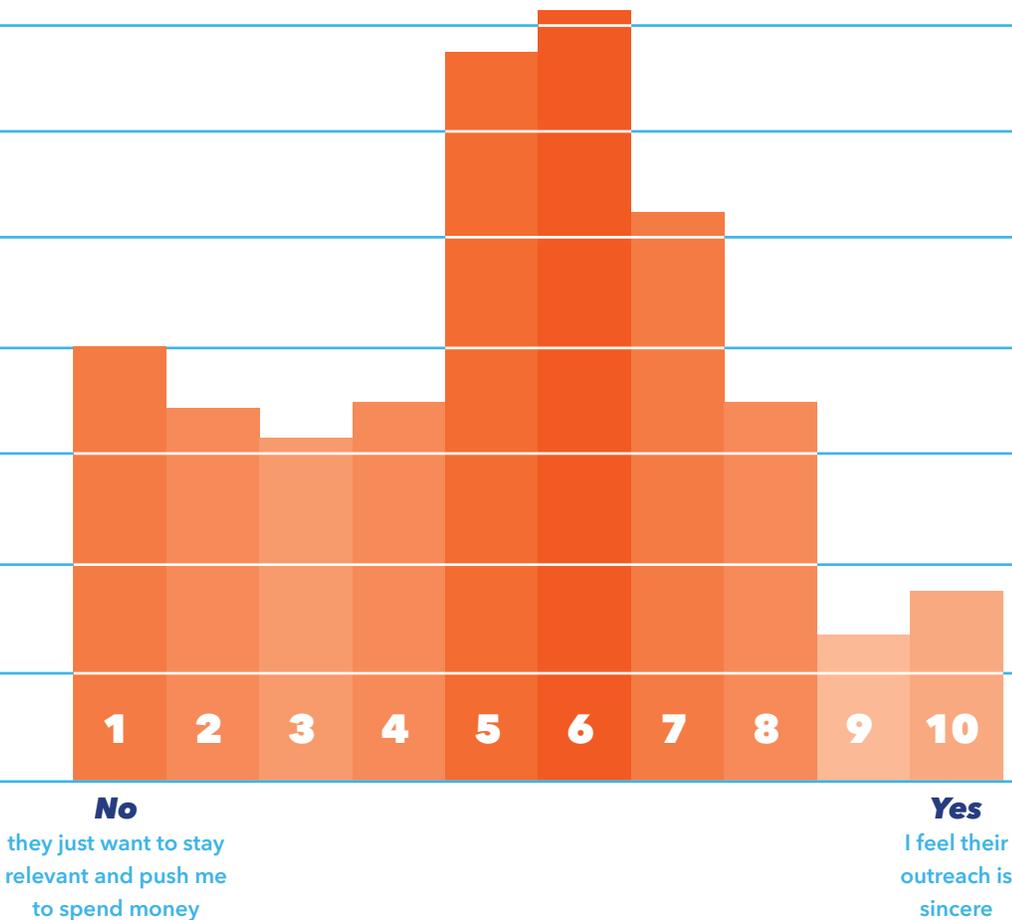
PRIVACY, WHILE STILL IMPORTANT, HAS DROPPED IN PRIORITY FOR CONSUMERS

64%

of consumers agree privacy is more important than the online experience, compared to 74% last year. Given the shift towards digital and online shopping, seamless, customer-first experiences are growing in importance to consumers.

HOW MUCH DO BRANDS CARE ABOUT YOU?

Consumers ranked from 1-10 how much they think brands care about them, and most are not convinced.

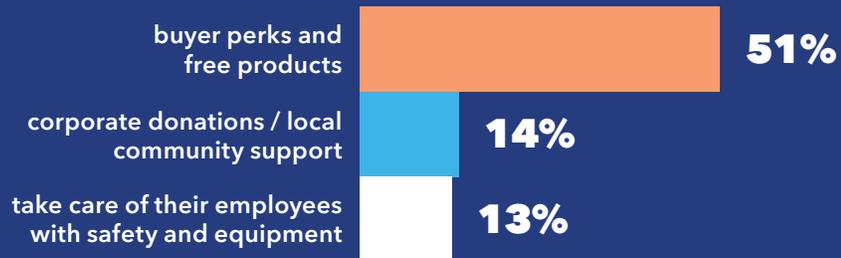


CONSUMERS WANT ACTIONS, NOT WORDS, TO FEEL THAT BRANDS CARE

38%

of people feel that brands have made considerable effort in the last year to improve their overall customer experience.

Freebies and perks gain the most favor:



Consumers want to feel delighted, engaged, and valued by brands before they become advocates. Free product, great rewards, great products, and consistent customer service all take top place.

WHAT IT TAKES TO ADVOCATE FOR BRANDS ON SOCIAL MEDIA OR TO FRIENDS AND FAMILY:



TAKE ACTION

As consumers' budgets have been impacted, pricing and product/service quality are now top-of-mind aspects of customer experience when making purchase decisions. Brands that are sensitive to the cost-conscious consumer will be better positioned to weather turbulent times. Consumers are also paying closer attention to brands that align with their values: environment, compassion, community. Among these, executive behavior also matters more. Focus on communicating pricing, quality, value, and authentic stories around brand values as key deliverables of your customer experience. Demonstrate how your brand takes care of people and lives up to its mission.

KEY TAKEAWAYS

With the changes the COVID-19 pandemic has created, consumers need companies to go back to the basics by meeting them on pricing, quality, value, and clear communications about safety and community response to current conditions. The hallmarks of exceptional customer experience remain valid and relevant, as consumers expect brands to be more empathetic to their needs and deliver experiences that factor in flexible options, responsible and transparent communications, and include competitive pricing and product variety.

Smart, future-proof marketing strategies will:

PRIORITIZE A STRONG OMNICHANNEL PRESENCE:

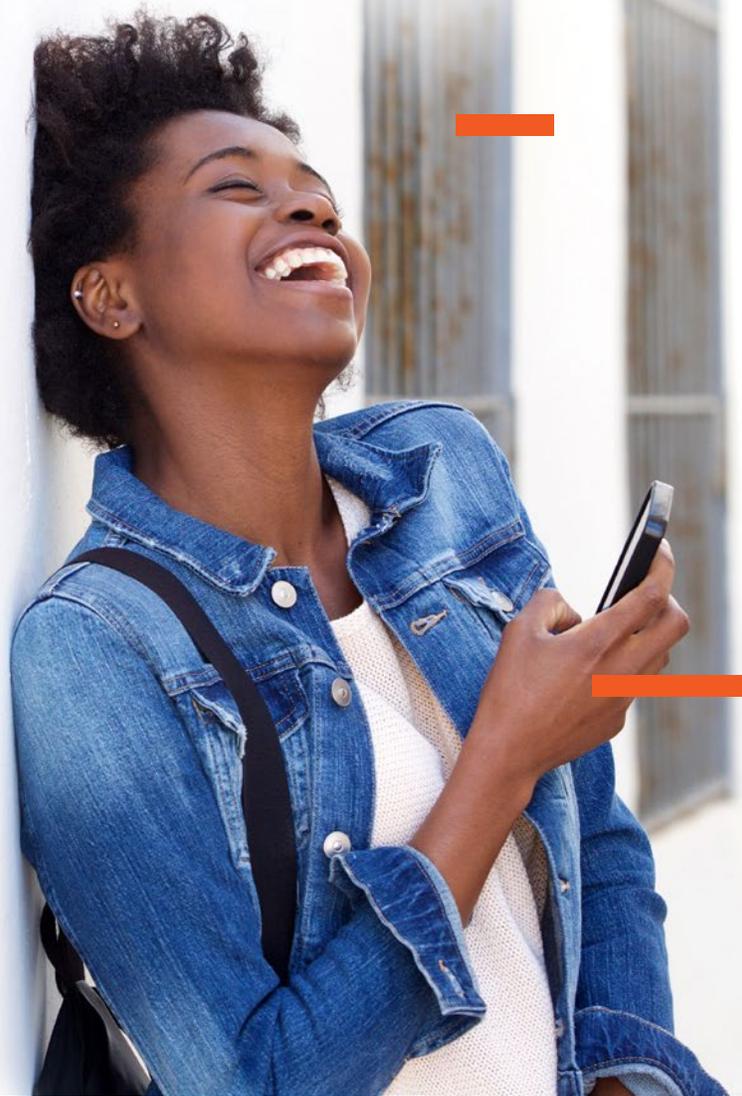
Adopt technology and integrate systems that enable seamless experiences across channels.

EMPHASIZE REAL-TIME, CUSTOMER-FIRST SERVICE:

Step up service with more flexibility and personalized communication that makes purchasing and engaging with brands easier and more convenient.

ADAPT TO THE CHANGING MEANING OF LOYALTY:

Communicate and stay true to corporate values and share how consumers can participate in supporting those they share with your brand.



Marketers have the opportunity to rethink messaging so it is more personalized and resonates with what consumers want and need to hear now. People appreciate brands' empathy and acts of caring, yet there remains room to improve.

Now more than ever, consumers expect brands to provide the products and services that make their lives easier and meet their essential needs. As conditions remain fluid, brands must be responsive and agile in tailoring messaging and campaigns to adapt to consumers' expectations.

Marketing automation platforms, like Selligent, can empower companies to make sense of customer data and tailor truly personalized experiences that evolve alongside ever-changing consumer needs.

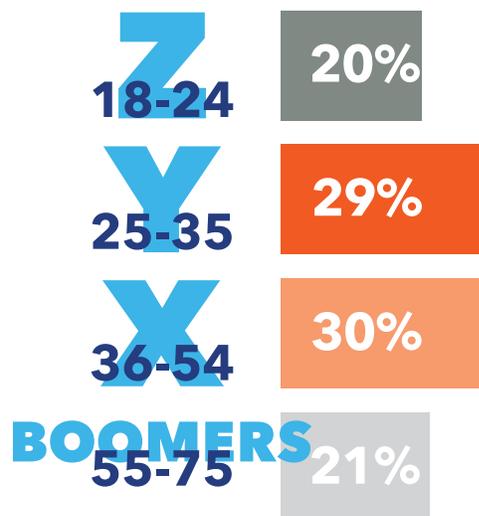
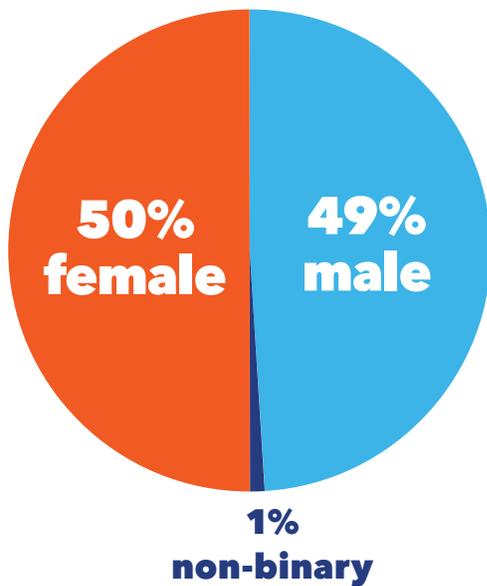
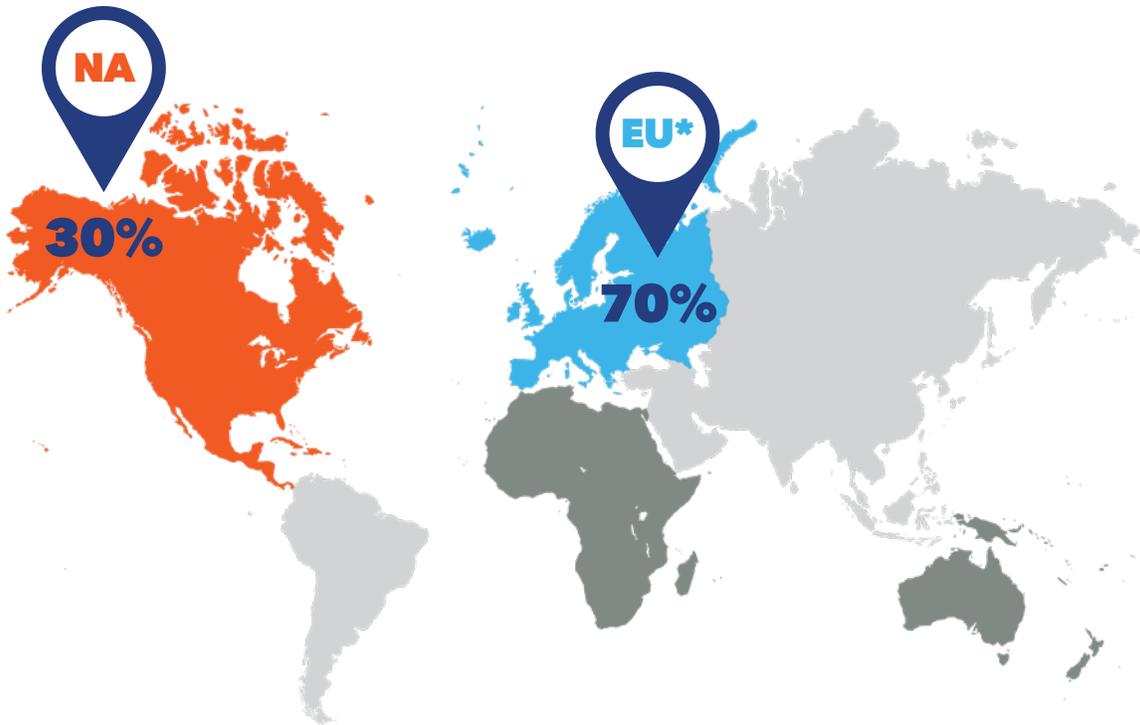
REGIONAL COMPARISON

	North America	Belgium	France	Germany	Italy	Netherlands	Spain	UK
Reported less work, reduced hours or job loss due to COVID-19	79%	63%	63%	77%	81%	60%	83%	76%
Spending mostly on essential items	64%	47%	58%	48%	64%	58%	64%	67%
Top non-essential item I'm buying now <i>Alcohol</i> <i>Digital entertainment</i>	27%	21%	24%	27%	24%	16%	27%	26%*
Remote work will be part of my future	58%	54%	47%	55%	65%	52%	67%	61%
In the "new normal," I will continue most of my shopping online	30%	24%	26%	26%	29%	25%	26%	35%
In the "new normal," I will return to a mix of online and in-store shopping	39%	44%	36%	37%	46%	34%	43%	31%
Communications on sales and deals on products and services are most valuable to me	52%	60%	59%	39%	59%	61%	59%	45%
Email is my preferred channel for purchase updates	57%	72%	56%	51%	56%	65%	53%	64%
Email is my preferred way to contact customer service	28%	50%	34%	36%	33%	36%	21%	37%
An agent on the phone is my preferred way to contact customer service	32%	28%	41%	38%	32%	31%	45%	22%
It would take 2-3 negative experiences for me to abandon a brand	54%	42%	41%	42%	47%	50%	51%	55%
Privacy is more important to me than my online experience	66%	64%	62%	56%	68%	62%	69%	65%
Reasons I am most loyal to a brand:	26% Quality	29% Quality	34% Price	29% Quality	29% Price	28% Quality	31% Quality	22% Quality

*alcohol and digital entertainment

METHODOLOGY

5,000
global consumers



* Belgium, France, Germany, Italy, Netherlands, Spain, United Kingdom
Due to rounding, not all percentages may add to the sum total.
Comparisons are made from rounded numbers.
The survey was conducted in July 2020.



ABOUT SELLIGENT MARKETING CLOUD

Selligent Marketing Cloud is an **intelligent omnichannel marketing and experience cloud platform company**. Our dynamic technology provides actionable insights that empower companies to deliver more personalized and valuable consumer engagements, resulting in compelling experiences across all channels.

With teams across the United States and Europe, and a global network of partners, our mission is to **make marketing personal**. More than 700 global brands in retail, travel & hospitality, media, entertainment & publishing, and financial services trust Selligent Marketing Cloud to help deliver their programs.

Learn more at www.selligent.com.





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