

THE CONNECTED CUSTOMER EXPERIENCE

CX defines brand success
for consumers today



EUROPE



INTRODUCTION

THE CONNECTED CUSTOMER EXPERIENCE

CX defines brand success for consumers today

The COVID-19 pandemic has profoundly affected the ways in which people live. Lockdowns, remote working, concern for friends and family, juggling childcare, and uncertainty about the future have been challenging for all of us, but in different ways.

Between December 2020 and April 2021, we conducted a global survey of 11,000 consumers across the United States, Latin America, Asia-Pacific and Europe to better understand how the COVID-19 pandemic affected their health, happiness, and social and professional interactions. Within Europe, the sample covered 4,500 consumers throughout France, Germany, Italy, the Netherlands, Spain and the UK.

“The connected customer experience” explores how people’s feelings and expectations have changed over the course of the pandemic—and what that means for how companies engage with their customers.

It finds that people’s sense of connection with others has been deeply influenced by “pandemic life” and that they’re looking for empathy in digital and human interactions. And with survey respondents consistently saying companies are only as good as their service, it discovers that building trust and loyalty with consumers today requires a radical rethink of the customer experience.

A man in a white shirt is shown in profile, looking down at a smartphone he is holding in his hands. The background is a blurred outdoor setting with warm, golden light, suggesting a sunset or sunrise. The overall mood is professional and focused.

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IN CRISIS**

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THE CONNECTION DEFICIT**

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**4. CUSTOMER SERVICE
TODAY**

The connected customer experience

HUMAN CONNECTIONS IN CRISIS



1 in 2 CONSUMERS



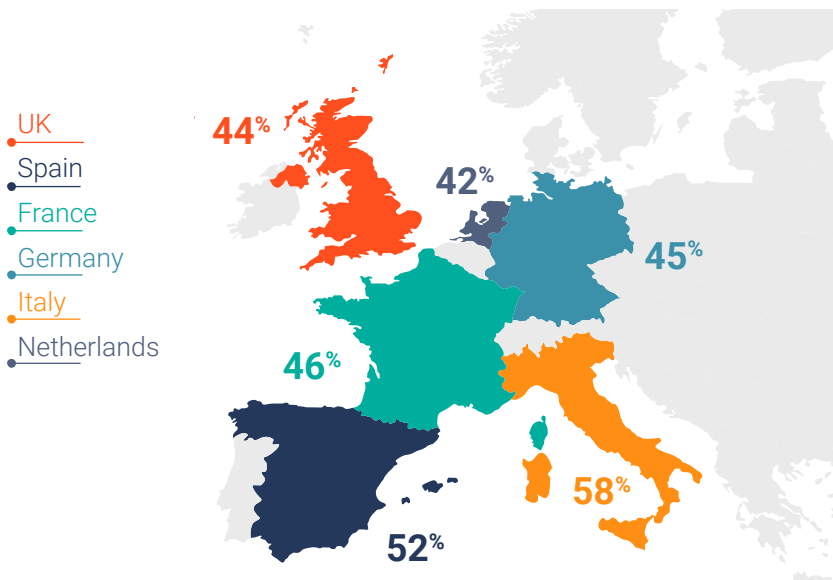
in Europe has found
the pandemic and
lockdowns to be hard

Almost half of consumers in France, Germany, Italy, the Netherlands, Spain and the UK say the pandemic has been hard for them—and that it has changed their life completely.

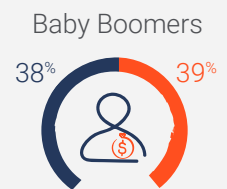
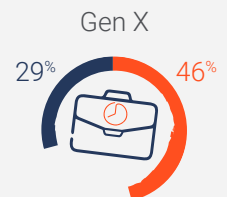
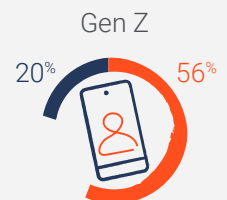
The impact has been felt most severely in Italy and Spain. (Italy was one of the first countries that experienced an overwhelmed healthcare system.)

Across the region, youth have felt the biggest effects of “pandemic life.” More than half of millennials and Generation Z respondents say the pandemic has been difficult and life changing. Yet, for a significant number of survey respondents, the pandemic has been neither hard nor life changing. About one-third of Baby Boomers and about one-third of Generation X respondents report this isn’t a particularly difficult time.

Country comparison of those who found the pandemic hard



A generational comparison of the pandemic impact



● Found the pandemic hard
● Did not find the pandemic hard



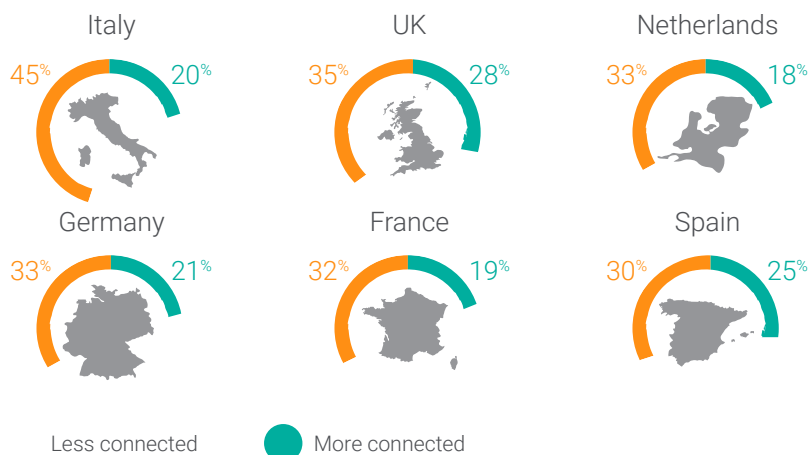
The stark divide in experiences is also reflected in a person's sense of connection to others.

This report finds a widespread sense of social isolation—34% of consumers in Europe say they feel less connected to others since the start of the outbreak.

Italy, the first European country to experience the coronavirus pandemic, has the highest proportion of consumers who are feeling less connected to others (45%). The UK, the country with the highest death toll across the region, also has a higher-than-average proportion of people (35%) feeling less connected to others since the start of the pandemic. Despite living through strict lockdowns in 2020, just 30% of consumers in Spain report becoming less connected to others as a result.

Still, more than one in five (22%) consumers in Europe feels more connected to others since the start of the pandemic. In the UK and in Spain, one in four consumers feels more connected.

The feeling of connectivity varies across countries

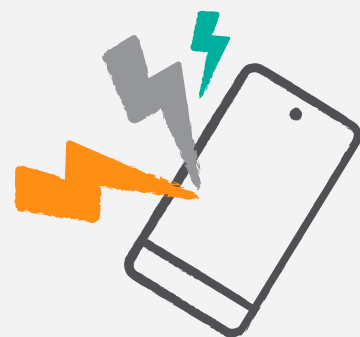


The pandemic has created a connection deficit

34%
Less connected

22%
More connected

44%
No change





KEY TAKEAWAYS

HUMAN CONNECTIONS IN CRISIS

DISRUPTION & DISLOCATION: With half of consumers across Europe saying lockdowns have been hard and one-third feeling less connected than before, it's clear there's a human connection crisis.

LIVING WITH UNCERTAINTY: Despite their reputation for being always-connected digital natives, Gen Z and millennial respondents were more likely than any other age group to say that the pandemic has been hard—and has changed their life. Ongoing uncertainty, restricted access to education, a lack of employment opportunities and other restrictions have impacted youth across all regions.

THE GREATEST TOLL: Italy was the first country to feel the burden and tragedy of COVID-19, and the social and emotional impact is clear. Consumers in Italy feel significantly less connected than those in other countries. The UK and Spain have the highest number of consumers feeling more connected.

The connected customer experience

HEALTH, WELL-BEING AND THE CONNECTION DEFICIT





THE LESS CONNECTED

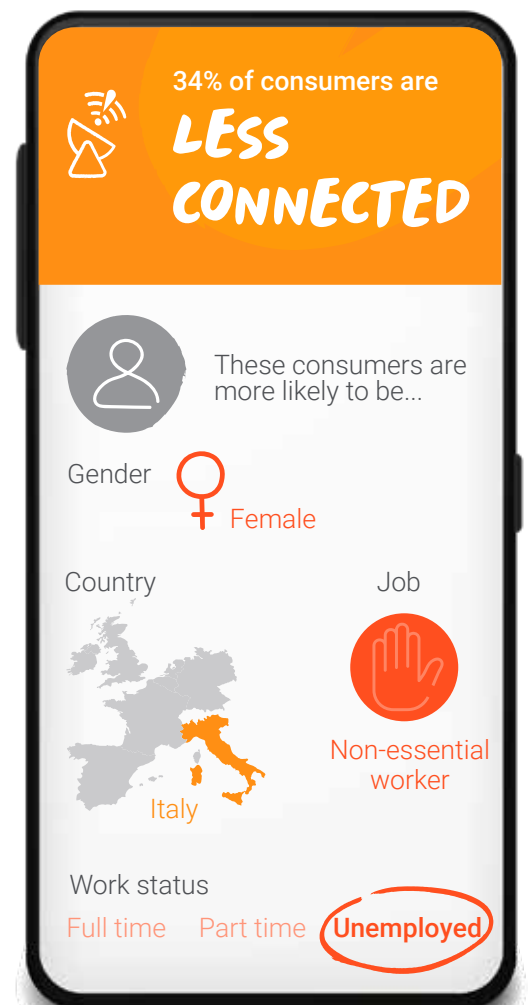
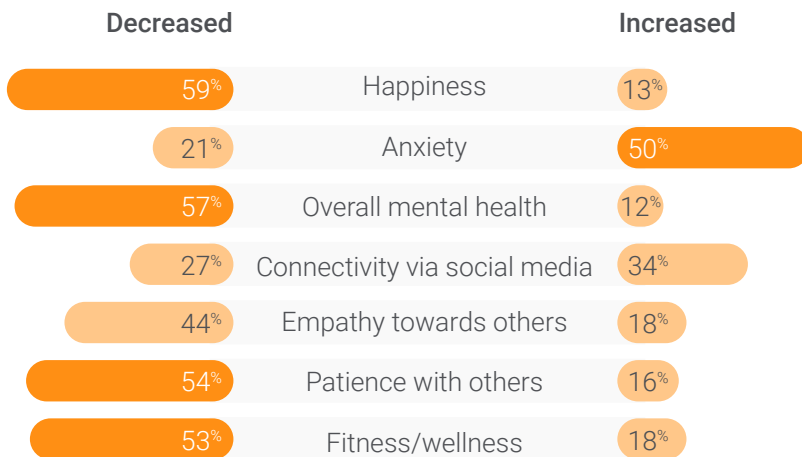
COVID-19 has created a new normal of social distancing, remote working, and separation from friends and family. This human connection deficit is taking a toll on happiness, health and well-being.

The one-third of consumers across Europe who feel less connected to others also report being less happy, having higher levels of anxiety, feeling the toll on their mental health, and having lower levels of fitness and wellness. Their lack of connection has even caused them to have less patience and empathy when interacting with others.

1 in 3
PEOPLE

are feeling **less connected** than before the pandemic

How are the less connected feeling?





THE MORE CONNECTED

The 22% of consumers who are more connected to others feel the benefits across many areas of their lives.

They're typically happier, experiencing better mental health and improved fitness. And they have more patience and empathy for others.

While both groups of consumers reported surging anxiety, there was a less dramatic increase among those who felt more connected. Overall, this group is experiencing better mental and physical health now than before the pandemic.

How are the more connected feeling?

Decreased

Increased

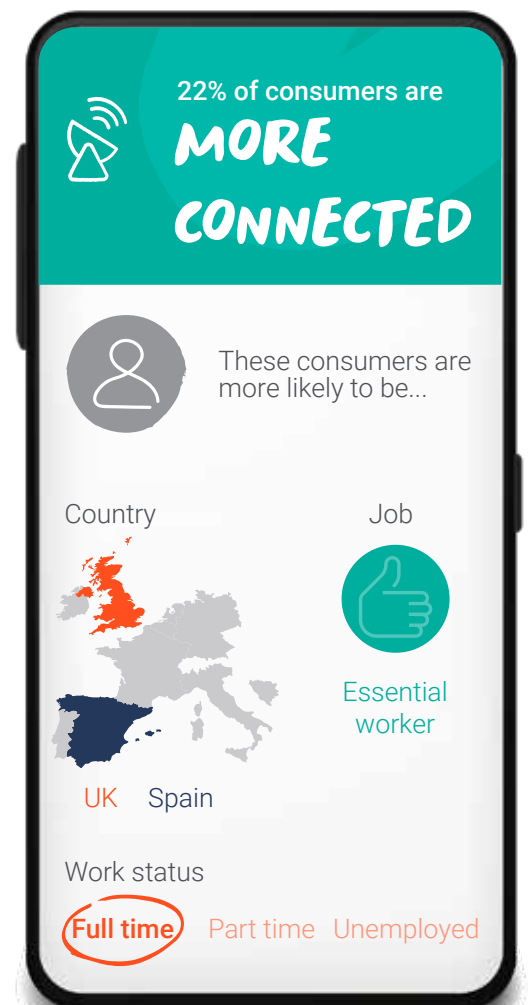
25%	Happiness	41%
29%	Anxiety	34%
24%	Overall mental health	33%
21%	Connectivity via social media	37%
20%	Empathy towards others	39%
24%	Patience with others	39%
24%	Fitness/wellness	36%

CONSUMERS IN THE UK are slightly **more connected**, **empathetic** and **physically fit** than consumers in Germany, France, Spain and the Netherlands. Even so, they are also **more anxious** than consumers in Germany, France and the Netherlands.

CONSUMERS IN SPAIN are slightly **more connected** than consumers in Germany, France, Italy and the Netherlands. They are also **more anxious** overall compared to consumers in Germany, France and the Netherlands.

1 in 5 PEOPLE

are feeling **more connected** than before the pandemic



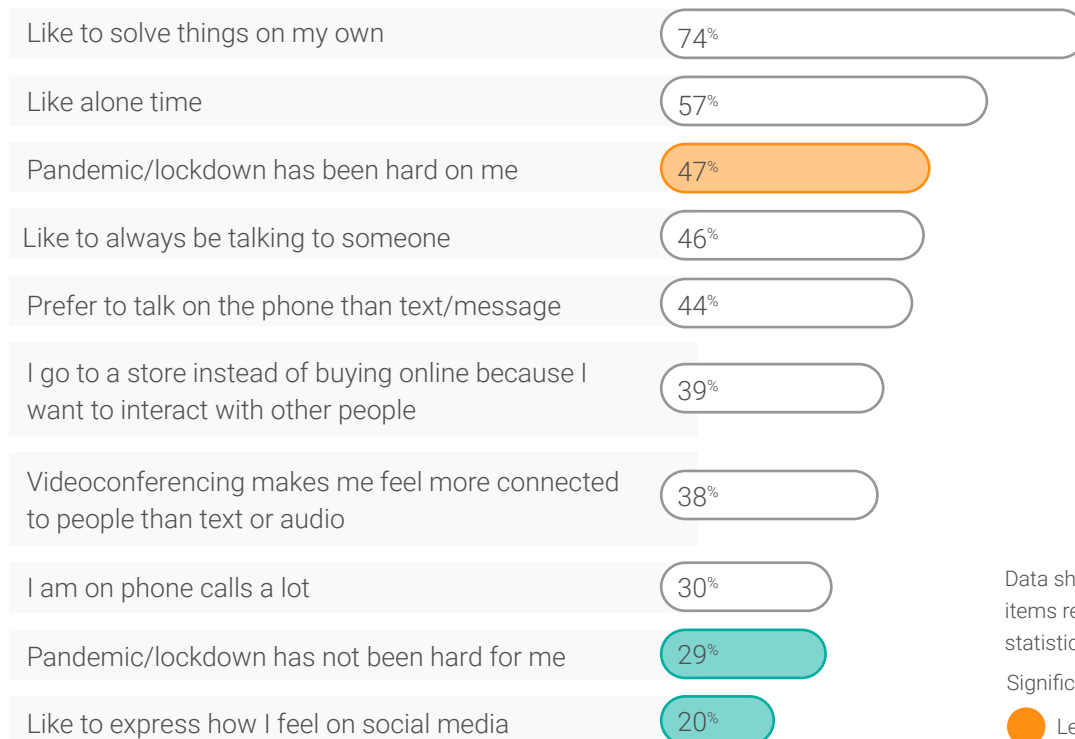


Digital interactions have replaced physical contact when we're trying to build human connections.

The more connected consumers regularly turn to social media to bridge the gap of in-person interactions. They're on their phones, sharing experiences and looking for someone to talk to. Respondents who are less connected digitally, despite being naturally more independent, have found the pandemic to be even more isolating.



Overall



Data shown at overall level. Highlighted items represent where respective group was statistically higher in comparison

Significant difference shown by:

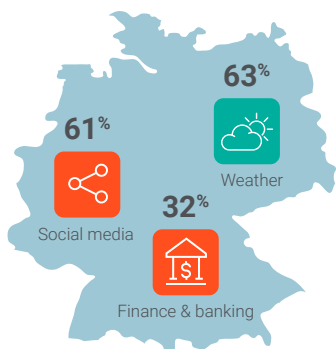
● Less connected
 ● More connected

During lockdowns, social media provided a meaningful sense of connection for many European consumers.

Two-thirds of surveyed consumers in Europe connect with others using social media and messaging apps. The survey shows that social media leads in popularity among consumers in Spain and the Netherlands, while messaging is most popular for those in France, Italy and the UK. Within Europe, Italy had the highest consumption of news apps.

The most popular category of apps worldwide are social media and messaging

64% Social media	63% Messaging
57% Weather	50% News
48% Games	42% Shopping
38% Maps & navigation	36% Music service

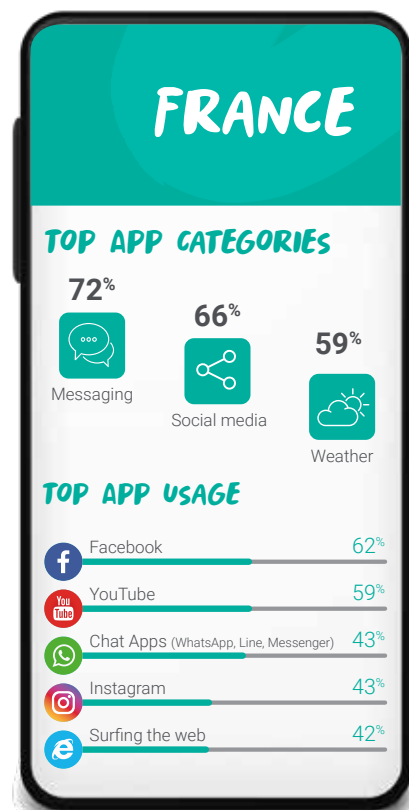
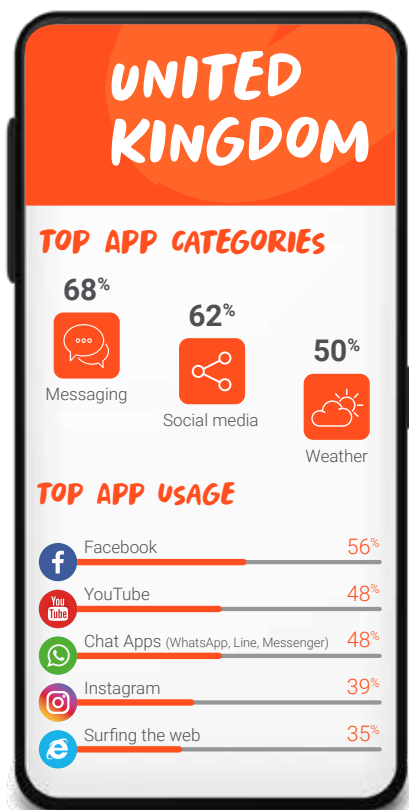


CONSUMERS IN GERMANY

use **social channels** at a lower rate than those in other countries, and **finance and banking apps** at the lowest rate globally. They do access **weather apps** at a higher rate than other countries, though.



Across Europe, social media is a top three app category in all countries, as is messaging for all countries except Germany and the Netherlands. Facebook and YouTube are top three apps in all markets.

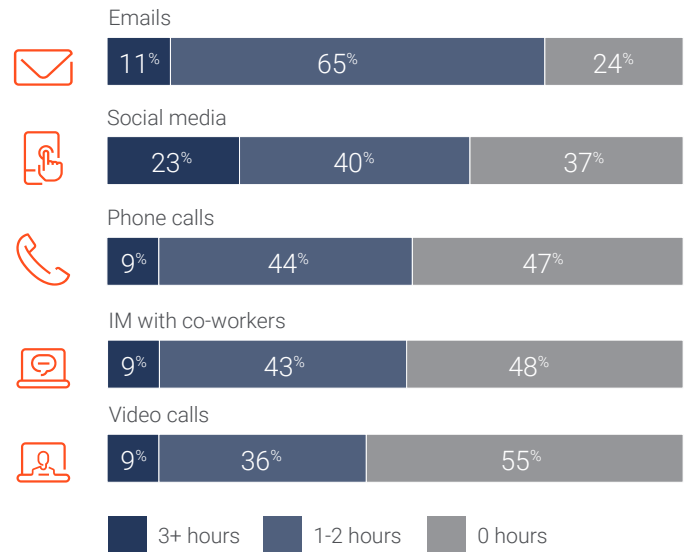


CONNECTIVITY IN THE WORKPLACE

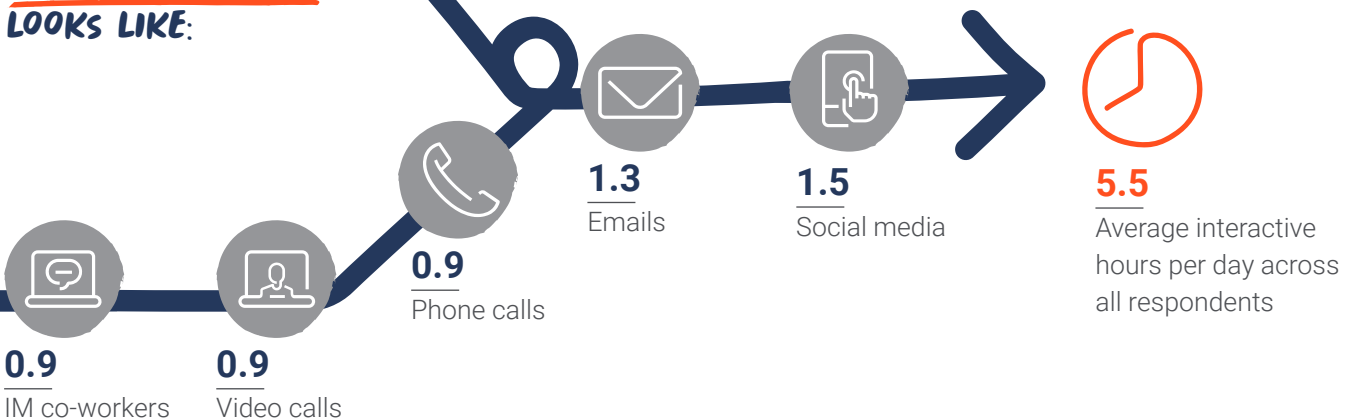
The workplace serves as a built-in opportunity for connectivity, and most Europeans spend more work hours per day on social media than on other channels of communication.

WORKDAY ACTIVITIES

Time spent by all respondents across connected activities in the workplace.



WHAT THE AVERAGE WORKDAY LOOKS LIKE:



On average, consumers in **Europe**

SPEND 5.5 HOURS

interacting with others during their workday, which is **slightly less** than the global average of 6 hours

KEY TAKEAWAYS



HEALTH, WELL-BEING & THE CONNECTION DEFICIT

CONNECTION IS KEY: Being disconnected from others affects all other areas of citizens' well-being, too. Almost 60% of the less connected reported being less happy and experiencing poor mental health. About half are feeling more anxious and less physically fit. Those who've been able to nurture human connections report these negative feelings at a much lower rate.

CLICKS, LIKES AND SHARES: The Netflix documentary "The Social Dilemma" suggested that the more digitally engaged we are, the less engaged we are with others. But our research shows that in a quarantined world, digital interaction plays a valuable role in closing the connection gap and allowing humans to engage with one another. Almost one in three Europeans are more connected on social media than they were before the pandemic and spend on average three hours of their workday interacting with others on social channels.

The connected customer experience

RETHINKING THE CUSTOMER EXPERIENCE





DIGITAL INTERACTIONS

have replaced in-person experiences, with live chat and chatbots being the **fastest growing channels globally**



The pandemic has strictly curbed in-person interactions and digital interactions have taken their place.

While voice remains the most frequent channel for interacting with customer service, live webchat has grown in popularity during the lockdowns and is now used by more than one-third of European consumers. About one in five (21%) of consumers in the region also use chatbots and voicebots.

25%

of consumers in Europe are more willing to **VIDEOCONFERENCE** with customer service than they were before the pandemic.

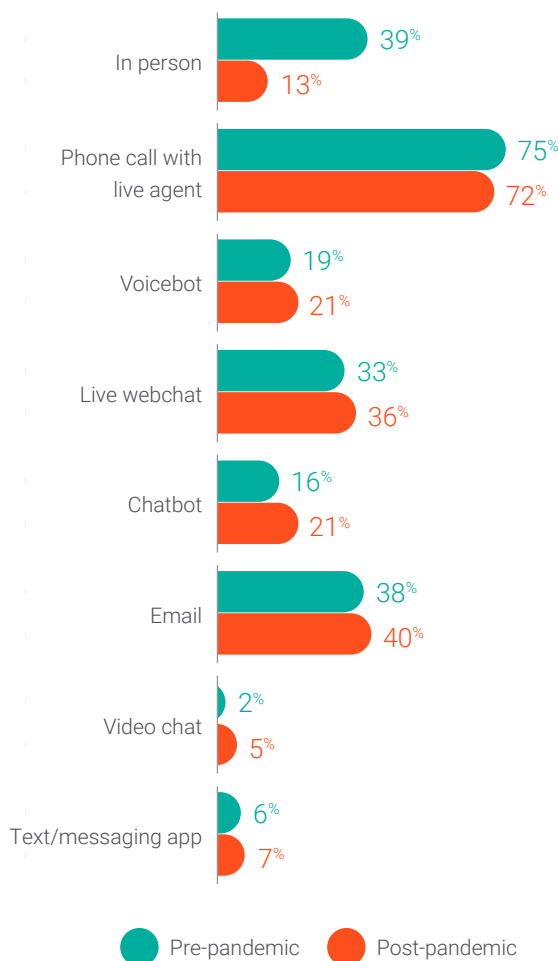
52%

of consumers across Europe say they have mostly experienced **GOOD SERVICE** over the past year.

100%

growth in use of **VIDEO CHAT** across Europe.

Customer service channels used pre- and post-pandemic



1 in 10
CONSUMERS



in Europe has called customer service **just to hear a human voice**

In addition to changes in how European consumers use digital platforms, they've also shifted how they interact with companies.

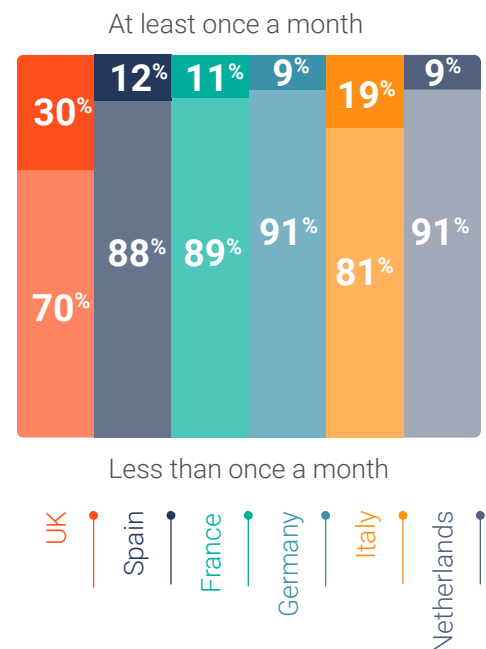
Survey respondents in Europe contact customer service far less frequently than those in any other region. Just 16% say they interact with customer service once or more per month, compared to 43% in Asia-Pacific, 32% in the US and 31% in Latin America.

Within the region, consumers in the UK contact customer service most frequently—at least once a month, say 30% of the respondents. Less than 10% of consumers in the Netherlands and Germany contact customer service this often. For companies, this means there are fewer opportunities to interact with their customers.

European consumers also value a high-quality customer experience. Some 67% say a company is only as good as its service. On the other hand, 40% consider dealing with customer service always to be a hassle. For businesses in the region, understanding customer intent, making customer journeys seamless and intuitive, and providing an empathetic interaction have never been more important.

While technology plays a critical role in enabling this efficiency, many consumers still prefer human-to-human interactions. One in 10 European consumers have called customer service just to hear a human voice.

CUSTOMER SERVICE USE IN THE PAST YEAR



67%
OF CONSUMERS

in Europe believe that a company is **only as good as its customer service**

40%
say dealing with customer service is always a **hassle**

How can companies remove the hassle and put each customer at the heart of the experience?

**THROUGH EMPATHY, COMMUNICATION
AND A CONNECTED EXPERIENCE.**


1.

PRIORITISE EMPATHY



More than half of European consumers say that an empathic experience is more important than a speedy resolution to their issue. Customer trust and loyalty are essential for building and maintaining a successful business. And while this may sound obvious, a company's customer service plays a critical role in gaining customer trust and retaining business.

While brands and companies are always looking to improve their customer service, they need to look beyond the efficient resolution of customer problems as the primary measure of effectiveness. Consumers want to feel heard and know that their issues are being taken care of. They don't want to just be read a script.

 **55%**
OF CONSUMERS
in Europe prefer
an empathetic
customer service
experience to a
speedy resolution

**WHEN CONSUMERS
WERE ASKED TO RANK
IMPORTANT ASPECTS
OF CUSTOMER SERVICE,
EMPATHY TRUMPS SPEED**

1ST

Service from an agent who makes it clear they understand your situation even if it takes longer to solve the issue.

2ND

Fast, efficient resolution - it does not matter to me whether it's from a bot or a human as long as it is quick.

3RD

Personalised service that feels unique to my needs.

**CHARACTERISTICS OF
EMPATHY ARE THE MOST
VALUED BY CONSUMERS
WHEN IT COMES TO
CUSTOMER SERVICE**

Consumers want customer service employees to:

81%
Listen to them

79%
Understand their needs

73%
Set realistic expectations

80%
Solve their problems completely

79%
Provide consistent answers

71%
Respond quickly

2.

COMMUNICATE TO CONNECT, NOT JUST TO SELL

Today's consumers appreciate non-sales-related communications. More than half of respondents in Europe say this is a hallmark of great service. In some countries, notably Italy and Spain, consumers even indicate that they want companies to send them more non-sales-related communications (e.g., fine-tuning a previous product or helping troubleshoot).

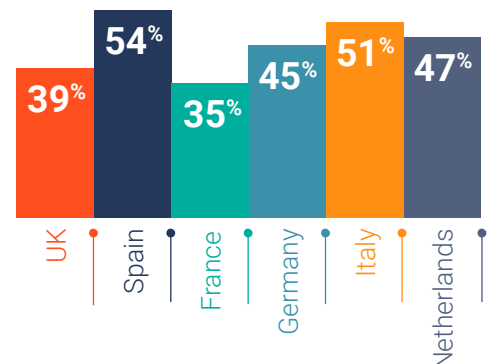
When asked what constitutes a phenomenal customer experience, two in five consumers (39%) said it's when companies don't try to up-sell during a customer service call and focus instead on handling the existing issue.

And 34% of respondents say having a business remember or know them—and anticipate why they've contacted the service department—is a sign of a phenomenal experience.



(59%) of companies recognised for excellent customer service **send non-sales-related communications**

Consumers who would welcome more non-sales-related communications



3.

ENABLE CONNECTED EXPERIENCES

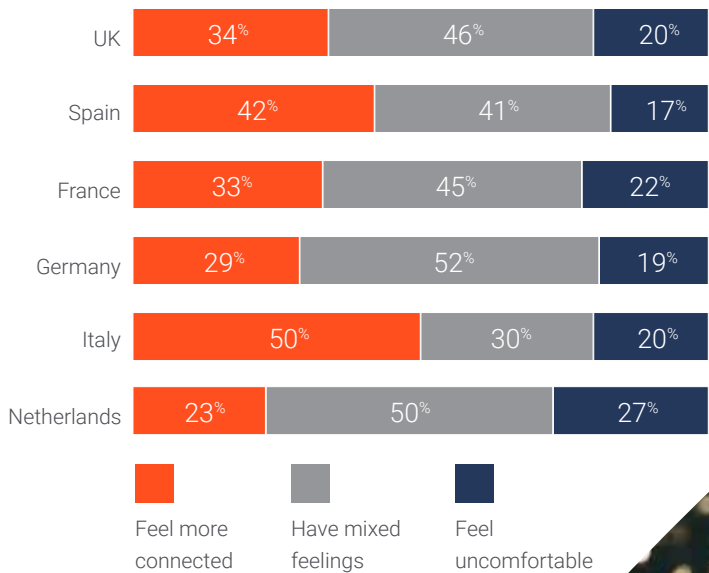
Using data effectively allows companies to provide more seamless customer experiences. This includes identifying who customers are and what their issues might be—and then proactively solving the issues or suggesting solutions. They then can connect customers to the right person to help.

Overall, consumers in Europe feel positively about data collection that enhances their service. Nearly two-thirds of consumers (62%) say they get better service from companies that collect data. One in three feels more connected to companies that remember them. Just 21% feel uncomfortable about companies' use of data.

Data use and data privacy are still areas of caution among consumers—they want to control how much data is shared in exchange for a more effortless experience. Across Europe, almost 80% of consumers say they exert some control over how their data is collected. At the global level, European consumers have greater mixed feelings about data collection than those in other regions.

Gen Z and millennials in Europe are broadly more comfortable than other generations with having their data collected. Additionally, those who engage with customer service frequently also are more likely to let their data be collected.

How do consumers feel about a company that remembers them?



2 in 3



CONSUMERS

feel that companies **collecting data** on their customers **improves** the service **experience**

The majority of consumers like to have some control over how their data is collected



12%	79%	9%
Always allow data to be collected	Try to control data collection to some extent	Never allow data to be collected



KEY TAKEAWAYS



RETHINKING THE CUSTOMER EXPERIENCE

IT'S ALL ABOUT EMPATHY: More than half of consumers in France, Germany, Italy, the Netherlands, Spain and the UK value empathy—feeling listened to, heard and understood—over a quick resolution or even a personalised experience. This has deep ramifications for customer experience organisations, from how they manage and incentivise employees to how they measure the success of a customer journey.

CX PROBLEMS PERSIST: Consumers have high expectations of service. More than two-thirds of survey respondents say a company is only as good as its customer service. Yet there's still a considerable gap to close. Forty percent of consumers say that dealing with customer service is always a hassle. It's time to focus on what matters.

BUILDING CONNECTIONS—DIGITAL & HUMAN: Digital connections enable companies to deliver great experiences. Half of consumers are happy to share their personal data if it improves the customer experience. And nearly 60% not only appreciate receiving non-sales-related communications, they also believe it will improve the customer experience.

The connected customer experience

CUSTOMER SERVICE TODAY





Delivering the customer connection: When bots work best

Most consumers want to interact with a real person for complex issues. Bots and self-service options are beneficial for handling simple transactions.

A human customer service representative is preferred when there's an issue with a product or when a customer needs additional information on billing or a service feature, for example. These are areas where empathetic interactions can be essential to the resolution.

Bots and self-service options shine when dealing with smaller issues, such as requesting more information or getting account details.



TOP ISSUES WHERE A HUMAN REP IS MOST DESIRED

- Physical problem with a product or service
- Billing is inaccurate
- Technical issues (software, digital, online)
- Product replacement/return
- Delayed package or delivery problem
- Clarification of benefits or account features
- Internet outage
- Reservation or booking issue



TOP ISSUES WHERE A BOT CAN HELP

- Make a payment
- Update account information
- Request information on a product
- Login issues (user name, password)
- Checking status of a claim



Industries that are on the right track

Europe's banks and financial institutions provide the best customer service, say survey respondents, but they still have work to do. Cellular providers, pharmacies, insurers and retailers are other industries that consumers identify as having good customer service.



Bank/financial

34%



Cellular provider

21%



Pharmacy

20%



Insurance

20%



Retail

20%

**BIG BRANDS MADE
A CUSTOMER
SERVICE COMEBACK**

73%

73% of the companies that consumers think have excellent customer experience are large national companies.

82%

82% of people rated these businesses with a satisfaction score between 8-10 (on a 10 point scale).

#1

Amazon was the most frequently mentioned company with excellent customer experiences across Europe.

Patterns have shifted in the past year: in a [2019 Genesys™ Consumer study](#) 44% mentioned small businesses and only 27% mentioned large corporations as being service leaders.

KEY TAKEAWAYS



CUSTOMER SERVICE TODAY

HUMANS & BOTS: Complex problems need humans to resolve them. And consumers in Europe still prefer talking on the phone. But they consider bots to be equally valuable in providing quick resolutions to basic issues, such as account updates, payments and status checks.

BANKS TAKE THE LEAD: Banks outperform other industries in Europe by 10% or more in providing the best service, according to respondents. Cellular providers, pharmacies, insurers and retailers round out the top five in most countries surveyed.

BIG BRANDS RAISE THE GAME: In contrast to a 2019 Genesys consumer survey in which respondents named small and medium-size companies as service leaders, 73% of respondents (up from 27%) in this study cited large companies as providing the best customer experiences.

THE CONNECTED CUSTOMER EXPERIENCE

Challenging conventional wisdom about the true drivers of customer loyalty

Now more than a year into the pandemic, consumers worldwide have adjusted how they work, live and play. Even though friends, family, a meal or a workout are just a tap in an app away, one in three individuals reports feeling more isolated than before. Digital has replaced many physical interactions, not just in personal relationships, but increasingly in how consumers connect with companies.

The survey finds that consumers are seeking empathy above all. They're more ready than ever to try new channels and engage with companies in new ways, but their priority is to be listened to, heard and understood—whether that's by a human or by a bot. As much as customers want a fast resolution, a great experience isn't just about speed. And great experiences matter. Two-thirds of consumers today say that a company is only as good as its customer service.

What is empathy in customer service?

1. **KNOWING EACH CUSTOMER**, understanding their preferences and anticipating what they need—not asking them multiple times why they've called.
2. **GIVING THEM A CONNECTED EXPERIENCE** that transfers customer context across channels.
3. **KNOWING, IN REAL TIME**, whether an agent interaction or an expedited interaction using technology like a bot would better serve a customer.
4. **GIVING CUSTOMERS WHAT THEY NEED**, in the way they need it, before they know it's a need.

Companies deliver empathetic experiences by connecting the right people with the right technology, powered by artificial intelligence. When they orchestrate this cohesively, companies can differentiate themselves—driving connections with customers and becoming loyalty leaders in today's digital economy.

RESEARCH METHODOLOGY

Savanta:

Informing + inspiring better decision making

Genesys partnered with Savanta, our trusted market research partner, to study the human connection.

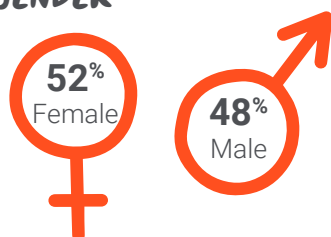
Savanta conducted online research with more than 11,653 adults aged 18+ worldwide from December 10, 2020 to April 21, 2021. This included more than 4,500 adults aged 18+ across six countries in Europe from January to April 2021.

The audience is a representative sample of the general population by age, gender and region.

Savanta is a fast-growing data, market research, and advisory company. We inform and inspire our clients through powerful data, empowering technology, and high-impact consulting. All designed to help our clients make better decisions and achieve faster progress.

DEMOGRAPHICS

GENDER



AGE GROUPS



13%
Gen Z



28%
Millennials

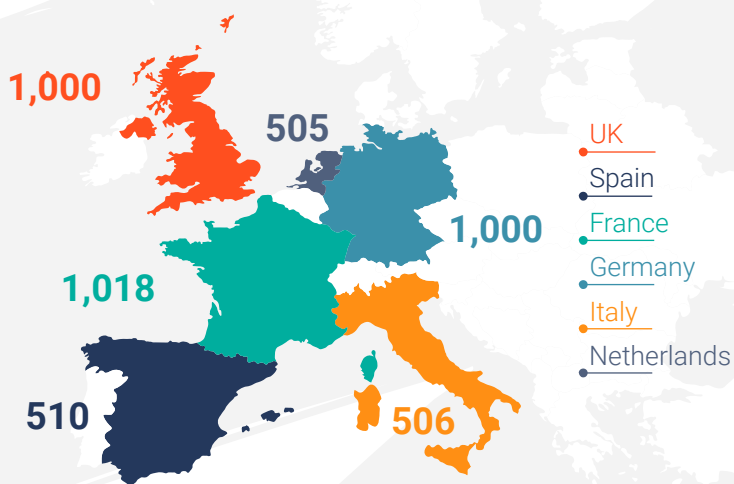


28%
Gen X



31%
Baby Boomers

COUNTRY



For more information, contact:



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