

EBOOK

4 Customer Experience Trends to Watch in 2021

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With challenge comes change

The year 2020 has been an unprecedented one in many ways. The Covid-19 pandemic disrupted nearly every aspect of our lives, as well as the way businesses operate and use technology. Digital transformation had already been picking up pace across industries, but the pandemic put it into hyperdrive, and we have witnessed the rapid emergence of new service delivery options, business processes and procedures, and digital tools that are permanently changing how we interact with organizations.

What's clear is that customer experience is increasingly important. More specifically, a new type of customer experience has emerged — one that merges a brand's reputation with its online customer interaction. Businesses are grappling with how to evolve while adjusting to dramatic changes in their supply chains, CDC restrictions and other Covid-19 related challenges. As businesses adjust to the new normal, their reputations will hinge on assessing and optimizing customer experiences amid continued disruption and economic volatility.

At Reputation, we believe the way to weather all of these changes is with Reputation Experience Management (RXM). RXM is at the intersection of customer experience and market, and will be a critical initiative for customer-facing brands.

In this ebook, we'll explore the four key trends related to RXM that we believe will have the biggest impact on businesses across industries in 2021:

- 1. Digital storefronts are here to stay, and the lines between brick-andmortar and ecommerce will continue to blur.
- 2. Say goodbye to data analytics it's time to take action.
- 3. Smart voice products will continue to fuel personalization.
- 4. AI will enhance conversations between brands and customers.

Digital storefronts are here to stay, and the lines between brickand-mortar and ecommerce will continue to blur.



When the Covid-19 pandemic hit, organizations in every industry raced to digitize processes to maintain business continuity, find alternate ways to drive revenue, and increase operational efficiencies to offset economic instability.

+10.4%

Worldwide spending on digital transformation technologies and services increased 10.4% in 2020 to \$1.3 trillion.

86% of respondents say rapid digital transformation is now a key priority.

<u>Gartner</u>

Statista

Thanks to this rapid digital transformation, contactless service offerings and at-home consumption are now the primary ways in which consumers interact with brands:

- · In healthcare, the market for digital transformation is estimated to reach \$210 billion by 2025. A key driver is the adoption of telemedicine, which was already on the rise prior to the Covid-19 outbreak and could now reach \$185.6 billion by 2026.
- · In education, mandates to online learning programs across the nation put school districts and universities on the spot. By August 2020, nearly 93% of households with school-age children reported some form of distance learning.





Healthcare Education

- · In retail, curbside pickup and contactless delivery have almost become the norm. According to Retail Dive, 59% of consumers are more likely to use curbside pickup once the pandemic subsides. And more than half (51%) of Americans use tap-to-go credit cards and mobile wallets such as Apple Pay, according to Mastercard Contactless Consumer Polling.
- · In the financial services industry, mobile banking is replacing ATMs and in-person visits completely. Digital banking stats predict that the total number of online and mobile banking users will exceed 3.6 billion by 2024.
- · In auto, dealers are now touting their "omnichannel" tech strategy to provide consumers a seamless buying experience whether they **shop online, in-store or both.** Nissan, for example, just launched a new online shopping platform called <u>Nissan@home</u> that lets prospective buyers schedule a test drive, sign the paperwork and arrange delivery of their new vehicle from their computer or mobile device.





Retail Financial Services The pandemic continues to rage, but even after the masks come off and the world transitions into the next normal, contactless service offerings are here to stay. This means the lines between physical locations and their online presence will continue to blur.

It's clear the customer journey will no longer be one-directional, but will flow back and forth from online to offline to online — and this must happen seamlessly. Businesses across nearly every industry will need to perfect the omnichannel experience to remain competitive. And with contactless services offerings and physical experiences blending, consumers will expect that data from one interaction will naturally flow into the next, regardless of where the interaction takes place.

Physical locations will continue to impact brand perception, even though more transactions will be completed via digital channels. This is already happening in retail: Consumers visit stores to touch and feel products, but often complete purchases on their mobile devices — or, they may find a better offer or product elsewhere by checking their phones, and leave without making a purchase. In healthcare, virtual interactions such as pre-visit evaluations and post-visit follow-ups will be paired with in-office procedures.

82% of smartphone users consult their phones on purchases they're about to make in a store.

Google

The "contactless economy" will result in at-home consumption reaching \$3 trillion — a two-fold increase.

Deloitte

GMB listings are the single most important factor driving an enterprise's visibility online.

Whitespark's 2020 Local Search Ranking Factors Survey

In nearly every industry, a combination of online/offline experiences will be more common, and it's up to businesses to ensure consistency and quality across these experiences. Google My Business (GMB) Listings will be an essential tool for attracting and converting business, as well as helping consumers navigate their experience in this blended scenario.

In 2021 and beyond, organizations will continue to digitally transform to accommodate these new modes of operation, reduce overhead and operate more efficiently, which will help to offset financial setbacks resulting from the Covid-19 crisis.

The Technology Explosion Will Lead to Consolidation

Digital transformation has resulted in a technology explosion. In their scramble to maintain business continuity when the pandemic began, many businesses quickly deployed point solutions to address immediate needs, without thinking about how those solutions would interact together or provide long-term value and ROI.

Now that the functionality is in place, organizations will be looking to consolidate solutions or replace them with integrated platforms, in order to lower costs and risk, streamline administration and simplify management. Additionally, having a single source of data for understanding interactions across the customer journey will be critical for providing seamless, consistent and high-quality omnichannel experiences, from a customer's initial online search throughout the entire customer lifecycle.

2 Say goodbye to data analytics—it's time to take action.



Data alone cannot benefit a business — but actionable insights derived from it are essential to surviving and thriving.

This is particularly true in the Covid-19 era, in which keeping a business open and operational depends on optimizing everything from product development to operations to marketing strategies.

And with online and contactless service offerings blending with in-person options, actionable insights about the customer experience are of paramount importance. In retail, for example, barcode menus are replacing printed menus, but are they easy to access and read on customers' smartphones?

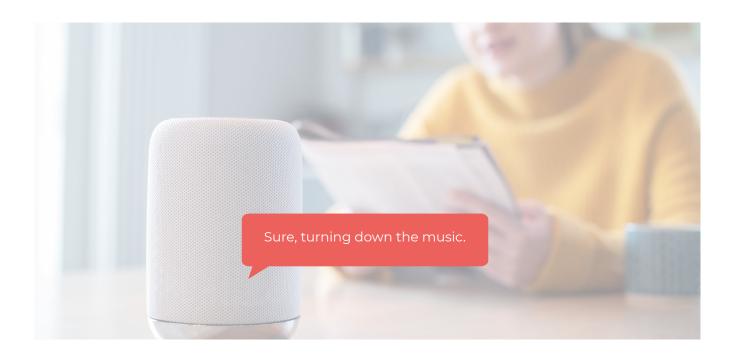
A 4-star rating is a data point, but without actionable insights from the unstructured text in the written review, the restaurant owner may never know that one diner in the reviewer's party was unable to load the menu. Similarly, curbside pickup in retail is gaining traction, but data showing how many packages were picked up won't provide insight into whether the staff who brought them out to customers' cars were polite and helpful. It also won't provide any insight about the online ordering process, if the customer had trouble parking at the curbside pickup location, or if there were problems at other critical touchpoints along the customer journey.

To truly understand how customers are experiencing your business, you must analyze all data across channels collectively, and leverage technology that can provide actionable insights from that data.

Customer feedback from reviews, surveys and social media can be combined with operational data as well as data from CRM and call center tools, to provide a 360-degree view into how your organization should evolve and improve its services to better meet the needs and expectations of customers.

In 2021 and beyond, businesses that generate and act on insights from omnichannel data will be best-prepared to compete and survive in an increasingly competitive and volatile environment.

3 Despite privacy concerns, tech companies will continue to leverage voice technologies for personalization.



Personalization has received a lot of attention lately as a strategy for engaging effectively and in meaningful ways with audiences. Although many associate personalization with advertising, it's also an essential part of the customer experience. A personalized customer experience hinges on collecting customer data to make the engagement more relevant. In 2021, major technology companies will rely on in-home devices, such as smart speakers, to do that.

Nearly 90 Million U.S. Adults Have **Smart Speakers**

VoiceBot

8 billion people will be using digital assistants by 2024.

Statista

For the past few years, we've seen Amazon and Google flood the market with voice-based products such as Amazon's Echo personal assistants and Google's Nest smart thermostats, which, unbenounced to many, contain a microphone and speaker. Amazon and Google already rely on those devices to listen in on us — both companies faced scrutiny for listening to random snippets of dialogue.

Despite the bad publicity, Amazon and Google will likely continue to leverage these consumer products to gather data — but they'll need to obtain consent. Voice-activated devices provide a treasure trove of data that enables them not only to improve products and understand consumer behavior, but also deliver value. For example, <u>Amazon's Halo</u> fitness tracker uses our voices to help us keep fit – and to collect data about us. The key is for Big Tech to offer customers something in return for allowing products to listen to them – whether a more efficient thermostat or a healthier body.

4 Al will enhance conversations between brands and customers.



In 2021, organizations will need to be more purposeful about how they personalize customer interactions — and doing so depends on access to the right data. Unfortunately, 55% of marketers don't feel they have sufficient customer data to implement effective personalization.

91% of consumers are more likely to shop with brands who recognize, remember and provide them with relevant offers and recommendations.

RDA Corp

Conversational AI is gaining traction as businesses increasingly employ chatbots, virtual assistants or messaging apps to engage in meaningful ways — and in real time — with customers. Using Al-driven engagement tools offers companies enormous potential to strengthen relationships and accelerate growth, particularly during these uncertain times.

For example, Al-driven <u>conversational surveys</u> create a personalized yet intimate experience with customers that does not overstep boundaries, and also helps collect more CX data. Conducted over SMS messaging, they leverage AI to drive the interaction based on the customer's responses and generate the most useful feedback. This feedback can be analyzed together with data from other channels to provide rich, actionable insights. Conversational surveys can be held immediately after an interaction or at any time, and the customer has full control over the interaction.

In 2021, look for more Al-driven tools that enable personalized, one-to-one interactions that are relevant, timely and unintrusive, and meet customers where they are — on their mobile devices.

Future-Proof Your Organization with a Solid RXM Strategy

While CX will continue to become more critical to the fight for customer mindshare, brands that embrace RXM and design their organizations around it will be the ones to win in the feedback economy.

RXM ensures the positive and consistent expression of strong brands, by combining the CX optimization with continuous Online Reputation Management (ORM). The combination enables brands to build lasting customer relationships and attract and convert new customers.

But RXM is a complex, multi-faceted endeavor that requires ongoing attention and oversight. Reputation.com pioneered the ORM category and now extends our leadership position to include our award-winning RXM platform, a SaaS-based solution that manages tens of millions of reviews and interactions across hundreds of thousands of customer touchpoints. Patented algorithms behind our Reputation Score X are based on more than a decade of deep machine learning and data science expertise, providing businesses with a reliable index of brand performance that they can use to make targeted improvements.

The Reputation.com platform provides the essential tools needed to easily monitor our performance, take action on opportunities for improvement, and report and measure our success.

— Greg Benson, GREYSTAR

- The Reputation Score continues to be a critical benchmark in helping us understand customer satisfaction, and also measuring how our associates are contributing to the overall experience. Our partnership with Reputation has proven to be an effective way to make operational decisions. It's provided the agility we've needed given the circumstances of 2020 and helped drive our best quarter ever.
 - Marc Cannon, AutoNation
- We are very excited to see the positive impact that our customer-first strategy is having. Our drive to create an exceptional CX is ingrained in our culture and commitment to our customers. By no means are we done.
 - Gene Welsh, President, Holman Automotive
- Reputation.com enables you to manage and optimize the most critical marketing tool in your toolbox — word-of-mouth — and provides insight into your fleet's performance and how well your frontline associates are optimizing your brand experience.
 - Doug Zarkin, Pearle Vision

Your RXM Toolkit

Here are some essential resources for learning about RXM:

- RXM Guide: What Is Reputation Experience Management?
- Know Exactly How to Improve Your Brand Reputation with Reputation Score X
- [Webinar] RXM in Action: Manage the Customer Journey at Scale with Social Suite
- [Infographic] 6 Local Search Strategies to Use Right now
- [Report] Google My Business Views and Clicks: A Rebound during COVID-19
- [Guide] Online Reviews and Ratings 101: A 5-Step Guide to Improving Your Online Reputation

For more information, visit www.reputation.com.

About Reputation.com

Reputation.com pioneered the online reputation management (ORM) category and now extends its leadership position to include its awardwinning Reputation Experience Management (RXM) platform that consistently delivers innovative, customer-driven solutions. The SaaSbased platform manages tens of millions of reviews and interactions across hundreds of thousands of customer touchpoints. The patented algorithms behind Reputation ScoreX are based on more than a decade of deep machine learning and data science expertise, providing businesses with a reliable index of brand performance that they can use to make targeted improvements. Reputation.com has over 250 integration partners, including Google, Facebook, Salesforce, J.D. Power, Amazon and Web.com, and helps businesses of all sizes across industries Get Found, Get Chosen and Get Better.