ORACLE°

Global Insights on Succeeding in the Customer Experience Era



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Introduction

Today's consumers are "plugged in" 24/7. They demand instant access to information and transactional capabilities when they want them, are savvy when it comes to making purchase decisions, and are not afraid to make a change if a company no longer meets their expectations.

It is no longer enough to have an attractive website, deliver a positive customer experience (CX), and provide responsive customer service. Organizations must now differentiate themselves across all channels, touch points, and interactions to not only engage customers but to also retain them in loyal, long-term relationships.

Oracle surveyed more than 1,300 senior executives across 18 countries in North America, Latin America, Europe, and Asia Pacific to assess:

- The **financial impact** of the customer experience
- The **challenges** businesses face delivering great customer experiences
- The types of programs and initiatives that have been **most effective** in delivering results
- Where businesses are investing to improve the customer experience

Methodology

 O'Keeffe & Company – an independent market research firm – worked on behalf of Oracle to conduct online interviews with 1,342 global senior executives in August and September of 2012. The sample size results in a margin of error of ±2.58% at a 95% confidence level

Sample Demographics

Respondent Title:

- Chief Customer Officer/Customer Experience
 Officer/VP of Customer/Brand Experience: 18%
- CEO/COO/President: 28%
- CIO/CTO: 21%
- VP of Customer Service/senior-level customer support executive: 13%
- CMO/VP of Marketing/senior-level marketing executive: 11%
- VP/senior-level executive Commerce/eCommerce,
 Web Experience, or In-Store Experience: 9%

Company Business Model:

- Business to business: 21%
- Business to consumer: 31%
- Business to business to consumer: 16%
- Business to business and business to consumer: 32%

Company Revenue:

- Less than \$50M: 11%
- \$50M-\$249M: 19%
- \$250M-\$499M: 13%
- \$500M-\$749M: 15%

- \$750M-\$999M: 16%
- \$1B-\$9.999B: 16%
- \$10B or more: 10%

Methodology

The survey sample includes organizations from a wide variety of industries in North America, Latin America, Europe, and Asia Pacific

Sample Demographics

Company Region:

- North America: 300 respondents
 - Includes: Canada and United States
- Latin America: 253 respondents
 - Includes: Argentina, Brazil, Chile, and Mexico
- Europe: 325 respondents
 - Includes: France, Germany, Italy, the Netherlands, Spain, and United Kingdom
- Asia Pacific: 464 respondents
 - Includes: Australia, China, India, Japan, Singapore, and South Korea

Company Industry:

- Consumer Electronics/Technology
- Consumer Products
- Distribution
- **Financial Services**
- Healthcare
- Insurance
- Life Sciences
- Media/Entertainment
- Retail

- **Telecommunications**
- Travel
- Utilities
- Multiple Industries (Organizations that operate in more than one of the industries listed)

Executive Summary: The Execution Chasm

- Global Strategic Imperative with **Huge Financial Stakes**
 - 93% say that improving CX is one of the top three priorities for the next two years; 97% state CX is critical to success
 - The cost of failure is large 20% of annual revenue
 - Key trends: CX focus higher due to rising customer expectations and social media
- Yet, Many Businesses Are Stuck In Idle
 - 91% want to be a CX leader, but 37% are just getting started with a formal CX initiative



- Businesses & Customers Are Worlds Apart: **Expectations Outpace CX Delivery**
 - Social Media: A Key Trend Driving CX, But Many **Businesses Are Playing Catch Up**
 - 81% agree social media is critical for success, yet 35% don't support social media for sales or service
- Falling Short On Delivering the Experiences **Customers Want**
 - Slow adoption rate of customer expected capabilities
 - Significant opportunities for improving experiences across research, buying, and post purchase processes
 - Inflexible technology, siloed organizations and systems, insufficient investment, and inability to measure performance hinder success

Solving The Execution Chasm Requires A New Approach to CX

Obstacles hindering CX Success Span People, Process, and Technology



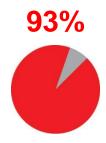
CX: Global Strategic Priority with Huge **Financial Stakes**

Executives say delivering a positive customer experience is critical to their bottom line

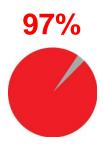
Executives estimate that their potential revenue loss for not offering a positive, consistent, and brand-relevant customer experience is 20% of their annual revenue, or \$400M for a \$2B firm



20%



of executives state that improving the customer experience is one of their organization's top three priorities in the next two years



of executives believe that delivering a great customer experience is critical to their business advantage and results1

Rising expectations from customers (59%) and the impact of social media on customers' ability to broadcast good and bad experiences (37%) are the top two drivers for organizations' focus on customer experience²

TAKE AWAY

CX Can Make or Break a Business

¹Those who somewhat or strongly agree ²Respondents asked to select top three

The Execution Chasm: Many Businesses Are Stuck in Idle

 Businesses say CX is a top priority and want to be recognized as CX leaders, but many are just getting started with a formal initiative



¹Those who somewhat or strongly agree ²e.g., established dedicated customer experience leaders, optimizing initial projects, extending program to new channels

The Perception Chasm: Businesses and Customers Are Worlds Apart

 Business executives underestimate the importance of the customer experience on customer behavior.

49%

of execs believe

customers will

switch brands

due to poor CX1

But ...

89%

of customers say they have switched because of poor CX² 44%

of execs believe customers are willing to pay for great CX¹ While

86%

of customers say they are already doing so²

TAKE AWAY

Executives Underestimate The Risk and Opportunity

¹Those who strongly agree ²According to The 2011 U.S. Customer Experience Impact (CEI) Report by RightNow (acquired by Oracle in March 2012)

Social Media: A Key Driver for the Future

The customer voice is becoming louder via social media and many businesses are playing catch up to respond

81% believe that delivering a great customer experience today requires leveraging social media effectively¹

...a significant number of organizations don't seem to fully understand the importance of social media:

But ...



DON'T have social media for sales channels



35%

DON'T have social media for customer service

TAKE AWAY

Catch up with Social Expectations

¹Those who strongly or somewhat agree

Businesses Fall Short on Delivering the Experiences Customers Want

Organizations report significant opportunities for improvement in effectively delivering superior customer experiences

Fewer than half of respondents said the following were top areas of success:1

In the research and buying process:

- Personalizing communications with relevant offers/information based on customer segments/preferences (49%)
- Enabling customers to start a purchase transaction in one channel and seamlessly continue the transaction in another (35%)
- Providing agents with real-time visibility into a customer's current shopping cart and recent behavior on the web or mobile (26%)

After customers purchase products/services:

- Empowering customers to help themselves on any channel (41%)
- Providing service and support through mobile and tablet devices (39%)
- Integrating social media with services processes (35%)
- Capturing/maintaining a single view of customer behavior, interactions, product, and services transactions to understand customer needs. patterns, and preferences (28%)

TAKE AWAY

Room for Improvement in Customer Engagement

¹Respondents asked to select top five areas



Tech, People, and Processes Present Obstacles

Executives cite limitations from inflexible technology, siloed organizations, and insufficient investments as the biggest obstacles to delivering the best possible customer experience

Some of the biggest CX obstacles are:1 **Technology** People & Processes Investments 29% 23% 24% 18% **27% 27%** Lack of Limitations of Difficulty regularly Don't have a Siloed systems that Siloed organizations/ inflexible consolidated. prevent us from easily conflicting key money tracking allocated to technology and performance accurate, 360sharing information or performance indicators application (KPIs)/incentives between customer measures and degree customer supporting continuous different channels/ infrastructure view across all experience customer processes across feedback business units initiatives touch points touch points

TAKE AWAY

Breakdown Organizational Silos and Address CX from All Angles

¹Respondents asked to select top three

Big Data and Analytics Meet CX

Businesses plan to invest in a variety of CX-related technologies to optimize customer analytics and improve the cross-channel experience

Top Priorities:¹

Improving the cross-channel 22% experience

Improving the online 18% customer support experience

Improving the online **17%** customer purchase experience

Planned Investments:²

- BI and customer analytics solutions: 31%
- Integrated customer view across channels: 29%
- Knowledge management: 25%
- Online self-service: 24%
- Mobile apps: 25%
- Click-to-chat option online: 21%
- eCommerce: 25% Mobile apps: 25%
- Web experience management: 25%

On average, businesses estimate they will increase spending on customer experience tech by **18%** in the next two years

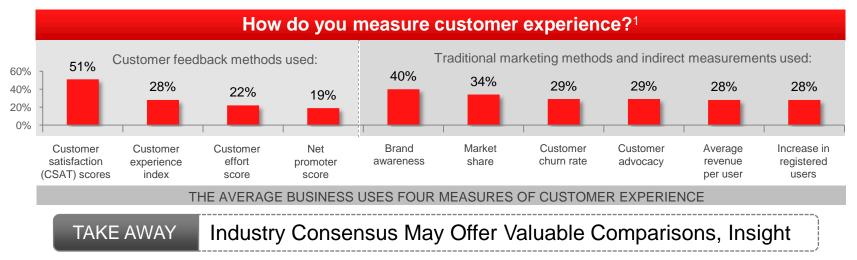
TAKE AWAY

Businesses Invest to Cross the CX Chasms

Respondents asked to select the top priority of their organization's CX program over the next 12 months 2 Respondents asked to select all the technologies their organization plans to invest in within the next two years

Executives Are Missing the Mark on Measurements of Success

 While many businesses use CSAT scores to measure CX, traditional metrics such as brand awareness are more common than evolving CX measures like Customer Experience Index or Customer Effort Scores



¹Respondents asked to select all that apply

Lessons Learned: CX Success Requires **Fundamental Changes**

Successful executives have improved the customer experience through initiatives that span people, process, and technology

Of those firms that consider their CX initiative "advanced", the most successful projects are: 1

Building a training program and incentives for employees to offer a great experience (35%)

Updating company core values to include the need to provide the most appropriate customer experience to all our customers (32%)

Implementing a specific technology to improve customer service (29%)

TAKE AWAY

CX Requires A Shift In Approach To Solving Business Problems

¹Respondents asked to select top three ²According to all respondents

Our Take...

- Don't Wait: Organizations must accelerate their planning and focus on executing customer experience programs – or risk falling behind
- Know your Customers or Lose them: Map the customer journey. Select priority focus areas and identify and deploy the people, process, and technology changes that will deliver real improvements
- Empower Your Customers and Organization: Foster a customer-centric culture that transcends internal silos. Develop and cultivate a knowledge foundation – supported by scalable IT systems – that provides customers with self-service options and frontline employees with easy access to a complete view of each customer relationship
- Deliver a Seamless Experience: Offer multichannel choice, develop a single customer record, and ensure flexible workflows between departments
- Listen and Communicate: Conduct timely, targeted customer surveys to gauge feedback; use personalized proactive outbound communication to deepen engagement
- Measure and Adapt: Implement flexible processes and systems both on premise and in the cloud to serve customers through their entire experience lifecycle. Communicate goals across the organization, make metrics visible, and reward achievement. Continually listen, measure, test, and adjust your approach in real time



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Appendix

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Industries at a Glance

	Consumer Electronics/ Technology	Consumer Products	Distribution	Financial Services	Healthcare	Insurance
Potential revenue loss without a positive, consistent, and brand relevant CX	25%	22%	23%	18%	19%	14%
Estimated growth in spending on CX tech in the next two years	26%	19%	18%	16%	16%	14%
Percent that consider their CX initiative advanced	16%	22%	20%	23%	27%	13%

Industries at a Glance

	Life Sciences	Media/ Entertainment	Retail	Telecom	Travel	Utilities	Multiple Industries*
Potential revenue loss/opportunity cost	15%	27%	17%	20%	23%	16%	20%
Estimated growth in spending on CX tech in the next two years	16%	15%	16%	18%	15%	15%	18%
Percent that consider their CX initiative advanced	29%	15%	14%	14%	37%	16%	20%

^{*} Organizations that operate in more than one of the industries listed

Consumer Electronics & Technology Key Findings

25%

Average potential annual revenue lost as a result of not offering a positive, consistent, and brand-relevant customer experience

Formalized Customer Experience Program:

40%	Are still assessing or planning with no active implementations
44%	Have one or more active implementations
16%	Consider their CX initiative advanced

Biggest Obstacles:*

Limitations of inflexible technology and infrastructure (31%)

Siloed organizations (31%)

Lack a 360° customer view across all touch points (31%)

Average planned increase on customer experience technology spending in the next two years

In the next two years, consumer electronics companies will invest in:**

37% Knowledge management solution

37% Integrated customer view across all channels

37% Self-service capability on website

Most Successful Customer Experience Projects:*

35% Implementing a technology to improve service

33% Developing customer personas for segments

33% Implementing service level agreements (SLA) internally

^{*}Respondents asked to select top three **Respondents asked to select all that apply

Consumer Electronics & Technology-Specific Data

How does your organization measure customer experience?*

56% Customer satisfaction (CSAT)

42% Brand awareness

38% Customer Experience Index (CxPI)

Which of the following is the top priority of your organization's customer experience program over the next 12 months?

#1 Improving the cross-channel customer experience (25%)

#2 Improving the online customer purchase experience (24%)

Improving the online customer support experience (22%)

With which of the following statements do you strongly agree?

77% Customers' experiences impact their willingness to be loyal advocates

76% Customers have more power today than three years ago

51% Customers are willing to pay more for great customer experiences

41% Customers will switch brands because of poor experiences

Where is your organization *most effective* in experiences offered to customers during the research and buying cycles?**

Personalizing communications with relevant offers and information (55%)

Providing information about our solutions through mobile, tablet, and social channels (53%)

Presenting personalized recommendations and tailored offerings (47%)

Making it easy to research and learn about our solutions from every touch point (46%)

Connecting buyers to the most relevant solutions (46%)

Where is your organization *most effective* in experiences offered to customers during the post purchase process?**

Enabling service engagement where the customer needs or wants to interact (any channel or device) (54%)

Enabling seamless service conversations across channels (53%)

Using knowledge management to provide relevant and accurate answers quickly across any interaction channel (50%)

Empowering customers to help themselves on any channel (44%)

Providing service and support through mobile and tablet devices (40%)



Consumer Products Key Findings

22%

Average potential annual revenue lost as a result of not offering a positive, consistent, and brand-relevant customer experience

Formalized Customer Experience Program:*

Are still assessing or planning with no active 37% implementations

41% Have one or more active implementations

22% Consider their CX initiative advanced

Biggest Obstacles:**

- Difficulty tracking performance and customer feedback (30%)
- Siloed organizations and conflicting KPIs (29%)
- Lack of money (26%)
- #3 Limitations of inflexible technology and infrastructure (26%)

Average planned increase on customer experience technology spending in the next two years

In the next two years, consumer products companies will invest in:***

38% Loyalty management system

32% Analytic tools to better understand customer behavior

31% Business process management system

Most Successful Customer Experience Projects:**

35% Implementing a technology to improve customer service

35% Developing customer personas for segments

31% Building a training program/incentives for employees

^{*}The remaining percentage out of 100% are respondents that do not have any plans or initiatives regarding customer experience **Respondents asked to select top three ***Respondents asked to select all that apply

Consumer Products-Specific Data

How does your organization measure customer experience?*

54% Customer satisfaction (CSAT)

51% Brand awareness

40% Average order value/average revenue per user

Which of the following is the top priority of your organization's customer experience program over the next 12 months?

Improving the cross-channel customer experience (29%)

#2 Improving the online customer purchase experience (19%)

Improving the in-store/branch customer experience (15%)

With which of the following statements do you strongly agree?

Customers' experiences impact their willingness to be loyal advocates

62% Customers have more power today than three years ago

56% Customers will switch brands because of poor experiences

55% Customers are willing to pay more for great customer experiences

Where is your organization *most effective* in experiences offered to customers during the research and buying cycles?**

Connecting buyers to the most relevant solutions (54%)

Presenting personalized recommendations and tailored offerings (51%)

Making it easy to research and learn about our solutions from every touch point (47%)

Providing information about our solutions through mobile, tablet, and social channels (44%)

Making it easy for buyers to read customer reviews in social media (39%)

Where is your organization *most effective* in experiences offered to customers during the post purchase process?**

Enabling service engagement where the customer needs or wants to interact (any channel or device) (50%)

Using knowledge management to provide relevant and accurate answers quickly across any interaction channel (47%)

Enabling seamless service conversations across channels (46%)

Integrating social media with our service processes (46%)

Providing service and support through mobile and tablet devices (42%)



Distribution Key Findings

23%

Average potential annual revenue lost as a result of not offering a positive, consistent, and brand-relevant customer experience

Formalized Customer Experience Program:*

Are still assessing or planning with *no active* 38% implementations 41% Have one or more active implementations Consider their CX initiative advanced 20%

Biggest Obstacles:**

Lack of money (30%)

Inability to fully leverage existing customer data (28%)

Lack organizational alignment and employee incentives (21%)

Average planned increase on customer experience technology spending in the next two years

In the next two years, distribution companies will invest in:***

Real-time decisioning/recommendation platform

Analytic tools to better understand customer behavior

Self-service capability on website

Most Successful Customer Experience Projects:**

39% Building a training program/incentives for employees

31% Implementing a technology to improve service

30% Implementing service level agreements (SLA) internally

30% Creating a CX executive role in the organization

^{*}The remaining percentage out of 100% are respondents that do not have any plans or initiatives regarding customer experience **Respondents asked to select top three ***Respondents asked to select all that apply

Distribution-Specific Data

How does your organization measure customer experience?*

46% Customer satisfaction (CSAT)

39% Brand awareness

36% Market share/share of wallet

36% Customer advocacy

Which of the following is the top priority of your organization's customer experience program over the next 12 months?

Improving the cross-channel customer experience (31%)

Improving the online customer support experience (16%)

Improving the online customer purchase experience (15%)

Improving the in-store/branch customer experience (15%)

With which of the following statements do you strongly agree?

67% Customers' experiences impact their willingness to be loyal advocates

Customers have more power today than three years ago

56% Customers will switch brands because of poor experiences

39% Customers are willing to pay more for great customer experiences

Where is your organization *most effective* in experiences offered to customers during the research and buying cycles?**

Presenting personalized recommendations and tailored offerings (56%)

Connecting buyers to the most relevant solutions (54%)

Personalizing communications with relevant offers and information (53%)

Making it easy to research and learn about our solutions from every touch point (43%)

Making it easy for buyers to read customer reviews in social media (34%)

Where is your organization most effective in experiences offered to customers during the post purchase process?**

Enabling service engagement where the customer needs or wants to interact (any channel or device) (48%)

Enabling seamless service conversations across channels (48%)

Using knowledge management to provide relevant and accurate answers quickly across any interaction channel (48%)

Ensuring that inquiries in any channel are handled within predetermined timeframes (39%)

Optimizing the scheduling and dispatch of field service workforce in real time (39%)



Financial Services Key Findings

18%

Average potential annual revenue lost as a result of not offering a positive, consistent, and brand-relevant customer experience

Formalized Customer Experience Program:*

35%	Are still assessing or planning with no active implementations
40%	Have one or more active implementations
23%	Consider their CX initiative advanced

Biggest Obstacles:**

- Limitations of inflexible technology and infrastructure (38%)
- Siloed organizations and conflicting KPIs (27%)
- Lack a 360° customer view across all touch points (25%)

Average planned increase on customer experience technology spending in the next two years

In the next two years, financial services companies will invest in:***

31% Integrated customer view across all channels

30% Analytic tools to better understand customer behavior

28% Web experience management solution

24% Commerce/customer service mobile applications

Most Successful Customer Experience Projects:**

33% Updating core company values to reflect CX

30% Implementing a technology to improve customer service

30% Building a training program/incentives for employees

^{*}The remaining percentage out of 100% are respondents that do not have any plans or initiatives regarding customer experience **Respondents asked to select top three ***Respondents asked to select all that apply

Financial Services-Specific Data

How does your organization measure customer experience?*

52% Customer satisfaction (CSAT)

43% Brand awareness

38% Market share/share of wallet

Which of the following is the top priority of your organization's customer experience program over the next 12 months?

#1 Improving the cross-channel customer experience (24%)

#2 Improving the online customer support experience (17%)

Improving the mobile customer experience (15%)

With which of the following statements do you strongly agree?

Customers' experiences impact their willingness to be loyal advocates

55% Customers have more power today than three years ago

50% Customers will switch brands because of poor experiences

40% Customers are willing to pay more for great customer experiences

Where is your organization *most effective* in experiences offered to customers during the research and buying cycles?**

Connecting buyers to the most relevant solutions (51%)

Making it easy to research and learn about our solutions from every touch point (50%)

Personalizing communications with relevant offers and information (48%)

Presenting personalized recommendations and tailored offerings (46%)

Providing information about our solutions through mobile, tablet, and social channels (41%)

Where is your organization *most effective* in experiences offered to customers during the post purchase process?**

Identifying and presenting optimal offers or next best actions at an individual customer level during service transactions (52%)

Empowering customers to help themselves on any channel (51%)

Using knowledge management to provide relevant and accurate answers quickly across any interaction channel (47%)

Enabling service engagement where the customer needs or wants to interact (any channel or device) (45%)



Healthcare Key Findings

19%

Average potential annual revenue lost as a result of not offering a positive, consistent, and brand-relevant customer experience

Formalized Customer Experience Program:

40%	Are still assessing or planning with <i>no active implementations</i>
33%	Have one or more active implementations
27%	Consider their CX initiative advanced

Biggest Obstacles:*

- #1 Limitations of inflexible technology and infrastructure (32%)
- Siloed organizations (32%)
- Lack of money (27%)

Average planned increase on customer experience technology spending in the next two years

In the next two years, healthcare companies will invest in:**

Analytic tools to better understand customer behavior

Business process management solution

Social channel monitoring/analytics solution

Most Successful Customer Experience Projects:*

35% Building a training program/incentives for employees

35% Formalizing a Voice of the Customer program

31% Developing customer personas for segments

^{*}Respondents asked to select top three **Respondents asked to select all that apply

Healthcare-Specific Data

How does your organization measure customer experience?*

45% Customer satisfaction (CSAT)

35% Customer churn rate

33% Increase in registered/subscribed users

Which of the following is the top priority of your organization's customer experience program over the next 12 months?

- Improving the online customer support experience (19%)
- Improving the in store/branch customer experience (18%)
- Improving the mobile customer experience (12%)
- Improving the cross-channel customer experience (12%)

With which of the following statements do you strongly agree?

- 69% Customers' experiences impact their willingness to be loval advocates
- 59% Customers have more power today than three years ago
- Customers will switch brands because of poor experiences
- 38% Customers are willing to pay more for great customer experiences

Where is your organization *most effective* in experiences offered to customers during the research and buying cycles?**

Connecting buyers to the most relevant solutions (53%)

Presenting personalized recommendations and tailored offerings (51%)

Personalizing communications with relevant offers and information (45%)

Making it easy to research and learn about our solutions from every touch point (42%)

Providing information about our solutions through mobile, tablet, and social channels (35%)

Where is your organization most effective in experiences offered to customers during the post purchase process?**

Enabling seamless service conversations across channels (53%)

Identifying and presenting optimal offers or next best actions at an individual customer level during service transactions (43%)

Ensuring that inquiries in any channel are handled within predetermined timeframes (42%)

Enabling service engagement where the customer needs or wants to interact (any channel or device) (41%)

Empowering customers to help themselves on any channel (40%)



Insurance Key Findings

14%

Average potential annual revenue lost as a result of not offering a positive, consistent, and brand-relevant customer experience

Formalized Customer Experience Program:

Are still assessing or planning with *no active* 48% implementations 39% Have one or more active implementations 13% Consider their CX initiative advanced

Biggest Obstacles:*

- Siloed organizations and conflicting KPIs (37%)
- Limitations of inflexible technology and infrastructure (33%)
- Lack of money (33%)

Average planned increase on customer experience technology spending in the next two years

In the next two years, insurance companies will invest in:**

33% eCommerce solution

32% Commerce/customer service mobile applications

30% Web experience management solution

30% Integrated customer view across all channels

Most Successful Customer Experience Projects:*

35% Building a training program/incentives for employees

32% Implementing a technology to improve service

32% Building CX into performance evaluations

^{*}Respondents asked to select top three **Respondents asked to select all that apply

Insurance-Specific Data

How does your organization measure customer experience?*

- 43% Brand awareness
- 37% Customer satisfaction (CSAT)
- 33% Increase in registered/subscribed users

Which of the following is the top priority of your organization's customer experience program over the next 12 months?

- Improving the online customer support experience (32%)
- #2 Improving the cross-channel customer experience (24%)
- Improving the mobile customer experience (11%)

With which of the following statements do you strongly agree?

- Customers' experiences impact their willingness to be loyal advocates
- 67% Customers have more power today than three years ago
- 52% Customers will switch brands because of poor experiences
- 24% Customers are willing to pay more for great customer experiences

Where is your organization *most effective* in experiences offered to customers during the research and buying cycles?**

Personalizing communications with relevant offers and information (48%)

Connecting buyers to the most relevant solutions (46%)

Presenting personalized recommendations and tailored offerings (46%)

Making it easy for buyers to read customer reviews in social media (46%)

Where is your organization most effective in experiences offered to customers during the post purchase process?**

Providing service and support through mobile and tablet devices (56%)

Empowering customers to help themselves on any channel (44%)

Enabling seamless service conversations across channels (44%)

Enabling service engagement where the customer needs or wants to interact (any channel or device) (41%)

Identifying and presenting optimal offers or next best actions at an individual customer level during service transactions (39%)



Life Sciences/Pharma Key Findings

15%

Average potential annual revenue lost as a result of not offering a positive, consistent, and brand-relevant customer experience

Formalized Customer Experience Program:*

Are still assessing or planning with *no active* 22% implementations

47% Have one or more active implementations

29% Consider their CX initiative advanced

Biggest Obstacles:**

- #1 Difficulty tracking performance and customer feedback (34%)
- Limitations of inflexible technology and infrastructure (27%)
- Lack a 360° customer view across all touch points (27%)

Average planned increase on customer experience technology spending in the next two years

In the next two years, life sciences companies will invest in:***

Loyalty management system

Analytic tools to better understand customer behavior

Knowledge management solution

Most Successful Customer Experience Projects:**

34% Building a training program/incentives for employees

34% Formalizing a Voice of the Customer program

29% Implementing a technology to improve service

^{*}The remaining percentage out of 100% are respondents that do not have any plans or initiatives regarding customer experience **Respondents asked to select top three ***Respondents asked to select all that apply

Life Sciences/Pharma-Specific Data

How does your organization measure customer experience?*

49% Customer satisfaction (CSAT)

44% Market share/share of wallet

41% Brand awareness

Which of the following is the top priority of your organization's customer experience program over the next 12 months?

- Adding or improving the social experience (19%)
- #2 Improving the cross-channel customer experience (17%)
- #2 Improving the online customer support experience (17%)

With which of the following statements do you strongly agree?

- 70% Customers' experiences impact their willingness to be loyal advocates
- 53% Customers are willing to pay more for great customer experiences
- 51% Customers have more power today than three years ago
- 44% Customers will switch brands because of poor experiences

Where is your organization most effective in experiences offered to customers during the research and buying cycles?**

Personalizing communications with relevant offers and information (59%)

Connecting buyers to the most relevant solutions (56%)

Presenting personalized recommendations and tailored offerings (51%)

Recognizing and rewarding our best customers (42%)

Where is your organization most effective in experiences offered to customers during the post purchase process?**

Using knowledge management to provide relevant and accurate answers quickly across any interaction channel (56%)

Enabling service engagement where the customer needs or wants to interact (any channel or device) (54%)

Identifying and presenting optimal offers or next best actions at an individual customer level during service transactions (48%)

Optimizing the scheduling and dispatch of field service workforce in real time (48%)

Enabling seamless service conversations across channels (46%)



Media/Entertainment Key Findings

27%

Average potential annual revenue lost as a result of not offering a positive, consistent, and brand-relevant customer experience

Formalized Customer Experience Program:*

Are still assessing or planning with *no active* 46% implementations 30% Have one or more active implementations Consider their CX initiative advanced 15%

Biggest Obstacles:**

- Lack of money (39%)
- Lack customer experience strategy or commitment (28%)
- Limitations of inflexible technology and infrastructure (26%)

Average planned increase on customer experience technology spending in the next two years

In the next two years, media & entertainment companies will invest in:***

Loyalty management system

Self-service capability on website

22% Web experience management solution

Most Successful Customer Experience Projects:**

28% Implementing a technology to improve service

26% Building a training program/incentives for employees

26% Integrating customer information across systems & channels - available for interactions

*The remaining percentage out of 100% are respondents that do not have any plans or initiatives regarding customer experience **Respondents asked to select top three ***Respondents asked to select all that apply

ORACLE

Media/Entertainment-Specific Data

How does your organization measure customer experience?*

46% Customer satisfaction (CSAT)

33% Brand awareness

30% Customer advocacy

Which of the following is the top priority of your organization's customer experience program over the next 12 months?

Improving the online customer purchase experience (19%)

#2 Improving the cross-channel customer experience (17%)

Improving the social customer experience (15%)

With which of the following statements do you strongly agree?

65% Customers have more power today than three years ago

61% Customers will switch brands because of poor experiences

52% Customers' experiences impact their willingness to be loyal advocates

35% Customers are willing to pay more for great customer experiences

Where is your organization most effective in experiences offered to customers during the research and buying cycles?**

Presenting personalized recommendations and tailored offerings (54%)

Providing information about our solutions through mobile, tablet, and social channels (44%)

Personalizing communications with relevant offers and information (41%)

Recognizing and rewarding our best customers (39%)

Enabling customers to start a purchase in one channel and seamlessly continue the transaction in another channel (37%)

Where is your organization *most effective* in experiences offered to customers during the post purchase process?**

Ensuring that inquiries in any channel are handled within predetermined timeframes (48%)

Empowering customers to help themselves on any channel (48%)

Enabling service engagement where the customer needs or wants to interact (any channel or device) (43%)

Integrating social media with our service processes (43%)



Retail Key Findings

17%

Average potential annual revenue lost as a result of not offering a positive, consistent, and brand-relevant customer experience

Formalized Customer Experience Program:*

Are still assessing or planning with *no active* 39% implementations 45% Have one or more active implementations 14% Consider their CX initiative advanced

Biggest Obstacles:**

- Lack of money (31%)
- Difficulty tracking performance and customer feedback (28%)
- Lack a 360° customer view across all touch points (27%)

Average planned increase on customer experience technology spending in the next two years

In the next two years, retail companies will invest in:***

35% Analytic tools to better understand customer behavior

32% Integrated customer view across all channels

30% Commerce/customer service mobile applications

Most Successful Customer Experience Projects:**

33% Building a training program/incentives for employees

30% Implementing a technology to improve customer service

29% Formalizing a Voice of the Customer program

*The remaining percentage out of 100% are respondents that do not have any plans or initiatives regarding customer experience **Respondents asked to select top three ***Respondents asked to select all that apply

Retail-Specific Data

How does your organization measure customer experience?*

- 48% Customer satisfaction (CSAT)
- 43% Customer advocacy
- 38% Average order value/average revenue per user

Which of the following is the top priority of your organization's customer experience program over the next 12 months?

- Improving the online customer purchase experience (29%)
- #2 Improving the cross-channel customer experience (22%)
- #2 Improving the online customer support experience (22%)

With which of the following statements do you strongly agree?

- 78% Customers have more power today than three years ago
- 62% Customers' experiences impact their willingness to be loval advocates
- 47% Customers will switch brands because of poor experiences
- 44% Customers are willing to pay more for great customer experiences

Where is your organization most effective in experiences offered to customers during the research and buying cycles?**

Personalizing communications with relevant offers and information (57%)

Connecting buyers to the most relevant solutions (45%)

Making it easy to research and learn about our solutions from every touch point (44%)

Making it easy for buyers to read customer reviews in social media (44%)

Enabling customers to start a purchase in one channel and seamlessly continue the transaction in another channel (44%)

Where is your organization *most effective* in experiences offered to customers during the post purchase process?**

Enabling service engagement where the customer needs or wants to interact (any channel or device) (50%)

Enabling seamless service conversations across channels (47%)

Using knowledge management to provide relevant and accurate answers quickly across any interaction channel (46%)

Identifying and presenting optimal offers or next best actions at an individual customer level during service transactions (43%)



Telecommunications Key Findings

20%

Average potential annual revenue lost as a result of not offering a positive, consistent, and brand-relevant customer experience

Formalized Customer Experience Program:*

44%	Are still assessing or planning with <i>no active implementations</i>
40%	Have one or more active implementations
14%	Consider their CX initiative advanced

Biggest Obstacles:**

#1	Limitations of inflexible technology and infrastructure	(29%)

- Difficulty tracking performance and customer feedback (28%)
- Siloed organizations and conflicting KPIs (26%)

Average planned increase on customer experience technology spending in the next two years

In the next two years, telecommunications companies will invest in:***

31% Analytic tools to better understand customer behavior

31% Business process management system

29% Loyalty management system

Most Successful Customer Experience Projects:**

33% Building a training program/incentives for employees

32% Implementing service level agreements (SLA) internally

31% Formalizing a Voice of the Customer program

^{*}The remaining percentage out of 100% are respondents that do not have any plans or initiatives regarding customer experience **Respondents asked to select top three ***Respondents asked to select all that apply

Telecommunications-Specific Data

How does your organization measure customer experience?*

51% Customer satisfaction (CSAT)

34% First contact resolution (FCR)

32% Brand awareness

Which of the following is the top priority of your organization's customer experience program over the next 12 months?

- #1 Improving the cross-channel customer experience (23%)
- #2 Improving the online customer support experience (17%)
- Adding or improving the social experience (13%)

With which of the following statements do you strongly agree?

- 71% Customers' experiences impact their willingness to be loyal advocates
- 65% Customers have more power today than three years ago
- 41% Customers will switch brands because of poor experiences
- 49% Customers are willing to pay more for great customer experiences

Where is your organization *most effective* in experiences offered to customers during the research and buying cycles?**

Connecting buyers to the most relevant solutions (52%)

Presenting personalized recommendations and tailored offerings (50%)

Personalizing communications with relevant offers and information (46%)

Providing information about our solutions through mobile, tablet, and social channels (44%)

Making it easy to research and learn about our solutions from every touch point (40%)

Where is your organization *most effective* in experiences offered to customers during the post purchase process?**

Enabling seamless service conversations across channels (48%)

Using knowledge management to provide relevant and accurate answers quickly across any interaction channel (47%)

Enabling service engagement where the customer needs or wants to interact (any channel or device) (46%)

Identifying and presenting optimal offers or next best actions at an individual customer level during service transactions (41%)



Travel Key Findings

23%

Average potential annual revenue lost as a result of not offering a positive, consistent, and brand-relevant customer experience

Formalized Customer Experience Program:*

Are still assessing or planning with *no active* 23% implementations

37% Have one or more active implementations

37% Consider their CX initiative advanced

Biggest Obstacles:**

#1 Lack of money (36%)

Limitations of inflexible technology and infrastructure (23%)

Lack a 360° customer view across all touch points (22%)

Can't respond quickly enough to new digital and social channel requirements (22%)

Average planned increase on customer experience technology spending in the next two years

In the next two years, travel companies will invest in:***

Web experience management solution

Loyalty management system

Social marketing publishing/engagement platform

Most Successful Customer Experience Projects:**

41% Building a training program/incentives for employees

34% Updating core company values to reflect CX

30% Implementing a technology to improve service

^{*}The remaining percentage out of 100% are respondents that do not have any plans or initiatives regarding customer experience **Respondents asked to select top three ***Respondents asked to select all that apply

Travel-Specific Data

How does your organization measure customer experience?*

66% Customer satisfaction (CSAT)

44% Brand awareness

43% Market share/share of wallet

Which of the following is the top priority of your organization's customer experience program over the next 12 months?

Improving the online customer purchase experience (23%)

#2 Improving the cross-channel customer experience (18%)

Improving the mobile customer experience (14%)

With which of the following statements do you strongly agree?

Customers' experiences impact their willingness to be loyal advocates

64% Customers have more power today than three years ago

62% Customers will switch brands because of poor experiences

52% Customers are willing to pay more for great customer experiences

Where is your organization *most effective* in experiences offered to customers during the research and buying cycles?**

Recognizing and rewarding our best customers (58%)

Personalizing communications with relevant offers and information (53%)

Presenting personalized recommendations and tailored offerings (49%)

Connecting buyers to the most relevant solutions (47%)

Making it easy for buyers to read customer reviews in social media (45%)

Where is your organization most effective in experiences offered to customers during the post purchase process?**

Enabling service engagement where the customer needs or wants to interact (any channel or device) (62%)

Ensuring that inquiries in any channel are handled within predetermined timeframes (52%)

Enabling seamless service conversations across channels (51%)

Identifying and presenting optimal offers or next best actions at an individual customer level during service transactions (44%)



Utilities Key Findings

16%

Average potential annual revenue lost as a result of not offering a positive, consistent, and brand-relevant customer experience

Formalized Customer Experience Program:

42%	Are still assessing or planning with <i>no active implementations</i>
42%	Have one or more active implementations
16%	Consider their CX initiative advanced

Biggest Obstacles:*

#1	Lack of money	(32%)

- Difficulty tracking performance and customer feedback (30%)
- Limitations of inflexible technology and infrastructure (30%)

Average planned increase on customer experience technology spending in the next two years

In the next two years, utilities companies will invest in:**

30% Analytic tools to better understand customer behavior

Web experience management solution

22% Commerce/customer service mobile applications

22% Self-service capability on the website

Most Successful Customer Experience Projects:*

40% Implementing a technology to improve service

32% Implementing service level agreements (SLA) internally

28% Formalizing a Voice of the Customer program

^{*}Respondents asked to select top three **Respondents asked to select all that apply

Utilities-Specific Data

How does your organization measure customer experience?*

46% Customer satisfaction (CSAT)

36% Brand awareness

28% Market share/share of wallet

Which of the following is the top priority of your organization's customer experience program over the next 12 months?

- Improving the cross-channel customer experience (22%)
- #2 Improving the online customer support experience (18%)
- Improving the online customer purchase experience (12%)
- Improving cross-channel customer data management & analytics (12%)

With which of the following statements do you strongly agree?

- 70% Customers have more power today than three years ago
- 60% Customers' experiences impact their willingness to be loyal advocates
- 44% Customers will switch brands because of poor experiences
- 34% Customers are willing to pay more for great customer experiences

Where is your organization *most effective* in experiences offered to customers during the research and buying cycles?**

Personalizing communications with relevant offers and information (50%)

Providing information about our solutions through mobile, tablet, and social channels (44%)

Presenting personalized recommendations and tailored offerings (42%)

Making it easy to research and learn about our solutions from every touch point (40%)

Connecting buyers to the most relevant solutions (36%)

Where is your organization *most effective* in experiences offered to customers during the post purchase process?**

Using knowledge management to provide relevant and accurate answers quickly across any interaction channel (50%)

Ensuring that inquiries in any channel are handled within predetermined timeframes (44%)

Optimizing the scheduling and dispatch of field service workforce in real time (38%)

Integrating social media with our service processes (38%)



Regions at a Glance

	North America	Latin America	Europe	Asia Pacific
Potential revenue loss/opportunity cost	21%	22%	18%	20%
Estimated growth in spending on CX tech in the next two years	13%	25%	15%	19%
Percent that consider their CX initiative advanced	29%	19%	20%	16%

North America Key Findings

21%

Average potential annual revenue lost as a result of not offering a positive, consistent, and brand-relevant customer experience

Formalized Customer Experience Program:

27% Are still assessing or planning with no active implementations

42% Have one or more active implementations

Consider their CX initiative advanced 29%

Biggest Obstacles:1

#1 Lack of money (32%)

#2 Inflexible technology/application infrastructure (28%)

#3 Siloed organizations (25%)

¹Respondents asked to select top three ²Respondents asked to select all that apply

13%

Average planned increase on customer experience technology spending in the next two years

In the next two years, North American companies will invest in:2

32% Business and customer analytics solutions

25% Web experience management solutions

24% Commerce/customer service mobile applications

Most Successful Customer Experience Projects:¹

35% Building a training program/incentives for employees

32% Implementing a technology to improve customer service

27% Formalizing a Voice of the Customer program

Latin America Key Findings

22%

Average potential annual revenue lost as a result of not offering a positive, consistent, and brand-relevant customer experience

Formalized Customer Experience Program:

51% Are still assessing or planning with no active implementations

28% Have one or more active implementations

19% Consider their CX initiative advanced

Biggest Obstacles:1

#1 Inflexible technology/application infrastructure (33%)

#2 Siloed organizations (28%)

#3 Lack of money (25%)

¹Respondents asked to select top three ²Respondents asked to select all that apply

25%

Average planned increase on customer experience technology spending in the next two years

In the next two years, Latin American companies will invest in:2

27% Integrated customer view across all channels

27% Loyalty management system

27% Self service capability on website

Most Successful Customer Experience Projects:1

33% Developing customer personas to understand segments

32% Building a training program/incentives for employees

30% Implementing an SLA with any customer contact

Europe Key Findings

18%

Average potential annual revenue lost as a result of not offering a positive, consistent, and brand-relevant customer experience

Formalized Customer Experience Program:

36% Are still assessing or planning with no active implementations

42% Have one or more active implementations

Consider their CX initiative advanced 20%

Biggest Obstacles:1

#1 Lack of money (31%)

#2 Siloed organizations (25%)

#3 Difficulty tracking performance/customer feedback (24%)

¹Respondents asked to select top three ²Respondents asked to select all that apply

15%

Average planned increase on customer experience technology spending in the next two years

In the next two years, European companies will invest in:2

28% Integrated customer view across all channels

27% Business and customer analytics solutions

26% Loyalty management system

Most Successful Customer Experience Projects:1

31% Implementing a technology to improve customer service

28% Building a training program/incentives for employees

27% Implementing an SLA with any customer contact

Asia Pacific Key Findings

20%

Average potential annual revenue lost as a result of not offering a positive, consistent, and brand-relevant customer experience

Formalized Customer Experience Program:

38% Are still assessing or planning with no active implementations

45% Have one or more active implementations

16% Consider their CX initiative advanced

Biggest Obstacles:1

#1 Inflexible technology/application infrastructure (30%)

#2 Siloed organizations (28%)

#2 Don't have a consolidated, accurate, 360 degree customer view (28%)

¹Respondents asked to select top three ²Respondents asked to select all that apply

19%

Average planned increase on customer experience technology spending in the next two years

In the next two years, Asia Pacific companies will invest in:2

37% Business and customer analytics solutions

34% Loyalty management system

33% Integrated customer view across all channels

Most Successful Customer Experience Projects:¹

32% Formalizing a Voice of the Customer program

31% Implementing a technology to improve customer service

31% Developing customer personas to understand segments