CUSTOMER JOURNEY INSIGHTS:

The Consumer's Perspective

Customer Experience Management Benchmark Series
2016 Consumer Edition, Executive Summary

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Execs In The Know

NEW QUESTIONS, EMERGING TRENDS

The Consumer Edition of the Customer Experience Management Benchmark (CXMB) Series brings a host of new content in 2016. The full report, scheduled to be released in mid-September, includes many new questions, new sections and a number of emerging trends. In addition to this new content, we also revisit, clarify and expand upon a number of topics from last year's report, including the consumer's preference for live interactions over automated ones, and the consumer's perception of the multi-channel journey.

As in past years, we continue to define the various channels and their solutions in the following manner:

Traditional Care: Phone, Email and In-Person
Interactive Care: Online/Video Chat, FAQ and Self-Help
Social Media Care: Twitter, Facebook, Forums, etc.
Mobile Care: Apps, Text/SMS and Mobile Chat

What's New In This Year's Report

Along with new and revised questions throughout, this year's Consumer Edition report features two new sections: The Millennial Consumer and The Alternative Channel Customer Journey. The Millennial Consumer section compares and contrasts the preferences and expectations of Millennial consumers to those of their non-Millennial counterparts. The Alternative Channel Customer Journey section explores consumer experiences within Interactive, Social Media and Mobile Care channels — collectively known as "alternative channels."

Included in this Executive Summary are a variety of findings from this year's new sections, as well as a revisit of a few topics that proved to be of great interest from last year's report. The complete report expands on these topics, with additional findings and in-depth analysis. Along with these highlights, here are a few additional takeaways from this year's research:

- While much work remains to be done, there was a measurable improvement in the consumer's overall impression of the customer care they received in 2016
- While the preference for Traditional Care remains strong, there was a slight pullback in 2016
- Consumer preference for human assistance over automated/self-help systems remains strong

Please have a look at the specific findings on the following pages. We look forward to making the complete 2016 CXMB Series Consumer Edition report available this fall.

Sincerely,

Execs In The Know

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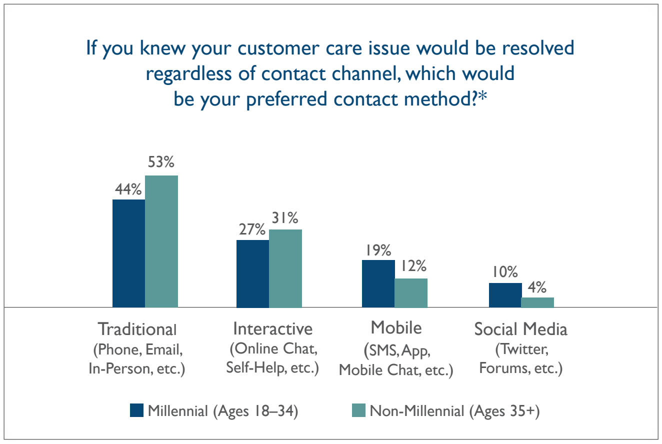
For more information, visit the Execs In The Know website at ExecsInTheKnow.com or the COPC Inc. website at COPC.com.

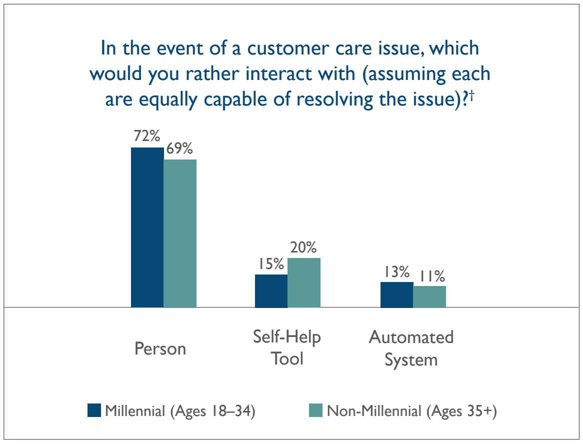
The complete 2016 Consumer Edition of the CXMB Series will be released at Execs In The Know's Customer Response Summit in Austin, scheduled for September 18–20. The findings will be highlighted throughout the conference with a main stage presentation of results on Day 1. We invite you to register to attend this exclusive event.

MILLENNIAL CONSUMERS & ALTERNATIVE CHANNELS

MILLENNIAL CONSUMERS

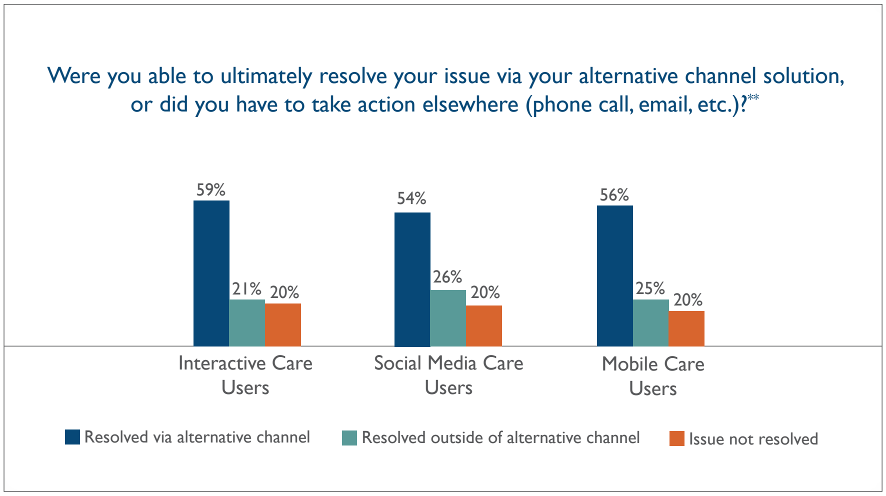
Like alternative channels, we also created an entirely new section devoted to the Millennial consumer. While many of the results reinforced commonly held assumptions about Millennials, such as their preference for Mobile and Social Media over Traditional (bottom, left), there were also a few surprises. For instance, there is the result (below, right) which dispels the notion that Millennials would rather self-solve than deal with interacting with someone. On the contrary, survey results indicated that Millennials are slightly more inclined to interact with a live agent versus non-Millennials.





ALTERNATIVE CHANNELS

Given the prevalence of multi-channel interactions, an approach that necessitates the use of at least one alternative channel, we felt it important to take a deeper dive into the consumer's alternative channel experiences. In an entirely new section dedicated to understanding the differences between alternative channels, many operational and strategic insights emerge. The question below, for instance, provides a keen understanding of the resolution capabilities of each channel. It also reveals that a good portion of consumers who use alternative channels (41-46%) have to ultimately seek resolution elsewhere, or face having their issues unresolved. Clearly, there is a great need to improve the resolution capabilities of alternative channels.



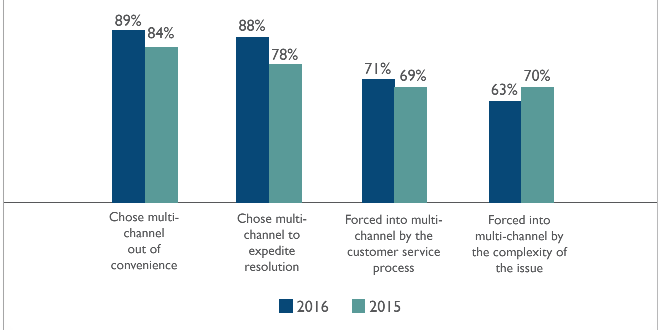
*Methodology 2016 data: Conducted by Google Consumer Surveys, April 2016 and based on 263 (Millennial) and 312 (Non-Millennial) online responses. Sample: National Adult Internet Population. †Methodology 2016 data: Conducted by Google Consumer Surveys, April 2016 and based on 248 (Millennial) and 304 (Non-Millennial) online responses. Sample: National Adult Internet Population. **Methodology 2016 data: Conducted by Google Consumer Surveys, April 2016 and based on 437 (Interactive Care), 590 (Social Media Care) and 393 (Mobile Care) online responses. Sample: National Adult Internet Population.

MULTI-CHANNEL & NEGATIVE EXPERIENCES

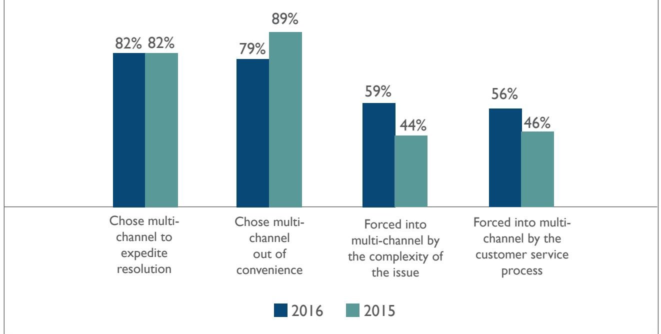
MULTI-CHANNEL

Like last year, this year's report dedicates an entire section to the multi-channel approach, examining both the journey and the experience. With new questions and expanded analysis, we discover some eye-opening connections between issue resolution, satisfaction and whether consumers find themselves in a multi-channel approach by choice or force. As the data reveals, both resolution and satisfaction rates are dramatically higher (an average of 22% higher) when a consumer self-selects the multi-channel approach.

Percentage of Consumers Who Had Their Issue(s) Resolved as a Result of Their Multi-Channel Journey[1]



Percentage of Consumers Who Indicated They Were Satisfied with the Multi-Channel Experience[2]



NEGATIVE EXPERIENCES

In a series of three new questions in the "Unhappy Consumer" section, a section focused on consumers who were pre-screened for a negative experience over the previous 12 months, we explored the consumer's ability and willingness to provide feedback when things go astray. About one-third of consumers indicated they were given an opportunity to provide feedback in such scenarios. Furthermore, among those given the opportunity to provide feedback, two-thirds did so. In addition, when asked how often they received a proactive contact from the brand to help remedy or apologize for the situation, they perceived this to happen only 20% of the time. Most interesting is that, when a brand did take the time to proactively reach out following a negative experience, consumers were 50% less likely to have their future purchase decisions negatively influenced by the experience.

Were you given the opportunity to express your dissatisfaction via a survey or other feedback form?[3]

YES: 32%
NO: 68%

If so, did you take advantage of the opportunity to express your displeasure?[4]

YES: 62%
NO: 38%

Following the negative experience, did the brand proactively contact you to try to remedy or apologize for the situation?[5]

YES: 20%
NO: 80%

1 Methodology 2016 data: Conducted by Google Consumer Surveys, April 2016 and based on 204 online responses. Sample: National Adult Internet Population.
2 Methodology 2016 data: Conducted by Google Consumer Surveys, April 2016 and based on 140 online responses. Sample: National Adult Internet Population.
3 Methodology 2016 data: Conducted by Google Consumer Surveys, April 2016 and based on 209 online responses. Sample: National Adult Internet Population.
4 Methodology 2016 data: Conducted by Google Consumer Surveys, April 2016 and based on 67 online responses. Sample: National Adult Internet Population.
5 Methodology 2016 data: Conducted by Google Consumer Surveys, April 2016 and based on 208 online responses. Sample: National Adult Internet Population.