

2014 Survey

# The digital customer experience

Learn what consumers think and what  
companies still need to improve.



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# A good digital experience is critical to staying competitive.

Ten years ago, your nearest competitors might have been down the street.

**Today, they're just a click away.**

What's more, most consumers now have their first interactions with brands through digital channels.

What a difference this makes in how you do business.

Improving the digital customer experience has never been more critical.

But how do you know what's working well on your web sites and mobile apps?  
And how do you determine what needs to be improved?

In a **January 2014 survey**,<sup>1</sup> IBM asked US consumers what they thought.  
How satisfied are consumers with the digital experiences they're having today?  
Where are they still struggling?

This eBook reveals our survey results and provides valuable insights  
into what companies need to do to stay competitive.

# The digital customer experience overall

# The experience is still mediocre.

We asked US adults to rate their experiences using websites or mobile apps.

While many rated their experiences as “good” or “fair,” there’s still room for improvement. Excellence is not yet the standard.

**49%** Less than half (49%) of US adults said their experiences using websites on **desktop/laptop computers** are excellent.

**25%** Only 25% said their experiences using websites or mobile apps on **tablets** are excellent.

**18%** As few as 18% said their experiences using websites or mobile apps on **smartphones** are excellent.

# Mobile is vital. Mobile is now.

## The good news:

**87%** of the world's population now owns a mobile phone, with 1.2 billion people (17%) using their device to access the Internet.<sup>2</sup>

And mobile is growing. Every day, more iPhones are sold than babies are born.<sup>3</sup>

## The not-so-good news:

**37%** of US adults said the online experience via mobile is worse than on desktop/laptop computers.

## The point:

Mobile experiences need to improve. A pleasing mobile experience can give you a significant competitive advantage.



# What the digital customer experience means to business



# Poor experiences mean lost sales and bad PR.

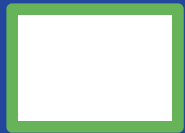
Here's what users do after having a "poor" or "very poor" experience on a website or mobile app:



## Desktop/laptop users:

**58%** either leave the site or move to another site offering similar products or content.

**13%** share the bad experience on social media or post a comment on the site.



## Tablet users:

**63%** either leave the site or move to another site offering similar products or content.

**16%** share the bad experience on social media or post a comment on the site.



## Smartphone users:

**60%** either leave the site or move to another site offering similar products or content.

**17%** share the bad experience on social media or post a comment on the site.

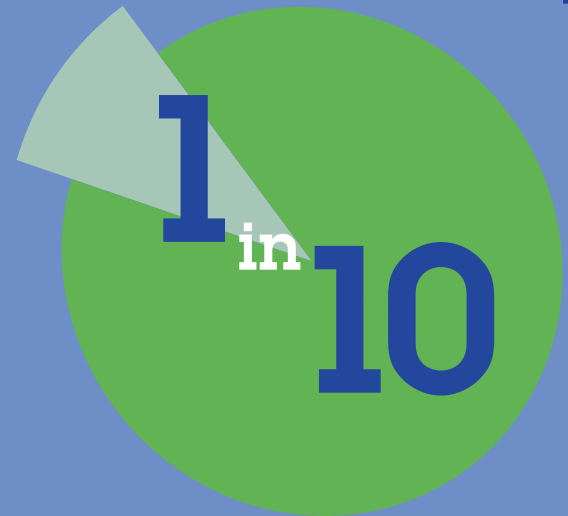


# Poor experiences increase the need for customer support — and decrease profits.

Across all devices, about 1 in 10 US adults contacts the company directly after a “poor” or “very poor” experience using a website or mobile app.

Translation:

**Poor digital experiences result in higher costs and lower profit margins.**



# Excellent experiences increase loyalty and brand advocacy.

Here's what US adults do after having an "excellent" experience on a website or mobile app:

**44%** reported they visit the site or use the app more frequently.

**33%** said they recommend the site or app to others.

**14%** have posted a positive comment on social media.

Providing an excellent digital experience helps you increase customer retention and acquire new customers.



# The digital customer experience by industry



# Retail

1/3 had an issue. 2/3 left.

By 2016, 50% of all retail dollars spent in the US will be influenced digitally:<sup>4</sup>

## Top tasks for US adults on all devices:

- Purchase an item
- Track delivery or return status
- Research a purchase
- View purchase history
- Manage account/profile

## 1/3 of US adults using retail sites or mobile apps experienced at least one of the following issues in the last year:

- Couldn't find what they were looking for
- Pages took too long to load
- Problem with promotional code
- Received error message
- Security concerns

## The digital customer experience by industry

More insights for online retail:

**2/3** of US adults who encountered an issue left the site or visited a competitor.

**32%** of those who had an issue contacted customer support (increasing operational costs).

### **Mobile usage is growing.**

In the last year...

**26%** of US adult users purchased an item on a tablet.

**24%** of US adult users tracked delivery or return status on a smartphone.

[Learn More](#)

See how [wehkamp.nl](#)—the Netherlands' leading online retailer—uses IBM® Tealeaf® to improve conversions and reduce calls to the contact center.

# Travel

“Are we there yet?” can also refer to the website.

## Top tasks for US adults on all devices:

- Research leisure travel
- Book a hotel online
- Book a flight online
- Check or confirm a reservation
- Check flight status

## 37% of US adults using travel sites or mobile apps experienced at least one of the following issues in the last year:

- Pages took too long to load
- Couldn't find what they were looking for
- Links didn't work properly
- Not the information needed
- Problem obtaining options and costs
- Security concerns

## The digital customer experience by industry

More insights for online travel:



of US adults who encountered an issue left the site or visited a competitor.



of those who had an issue contacted customer support (increasing operational costs).

### **Mobile usage is growing.**

In the last year...



of US adult users researched travel on a tablet.



of US adult users checked flight status on a smartphone.

[Learn More](#)

Learn how Travelocity recaptured \$1M in revenue by diagnosing and resolving problems faster.



# Banking

Banking online can be convenient. But 22% still struggle.

## Top tasks for US adults on all devices:

- Check balances
- Pay bills
- Transfer funds

## 22% of US adults using banking sites or mobile apps experienced at least one of the following issues in the last year:

- Pages took too long to load
- Problems logging in
- Security concerns
- Worried the site would go down altogether



## The digital customer experience by industry

More insights for online banking:

**45%** of US adults who had issues contacted customer support or visited a branch as a result (increasing operational costs).

### **Mobile usage is growing.**

In the last year...

**39%** of US adult users checked their balance on a smartphone.

**18%** of US adult users transferred funds on a smartphone.

[Learn More](#)

See how a leading mortgage lender in the US is generating an additional \$2M in revenue after optimizing its site with IBM Tealeaf.

# Insurance

## Almost 1/2 had problems.

### Top tasks for US adults on all devices:

- Make a payment
- Get a quote
- Set up a new account
- Compare rates for auto insurance
- Apply for health insurance

### Nearly 1/2 of US adults using insurance sites or mobile apps experienced at least one of the following issues in the last year:

- Pages took too long to load
- Couldn't find what they were looking for
- Links didn't work properly
- Error message
- Didn't have information needed

## The digital customer experience by industry

More insights for online insurance:



of US adults who encountered an issue left the site or visited a competitor.



Nearly 1/2 of those who had an issue contacted customer support (increasing operational costs).

[Learn More](#)

See how [Confused.com in the UK](#) can now capture and record each customer interaction on the site.



# How to improve the digital customer experience

Why just make it better when you can make it great?



# Ask yourself:

How many customers are you losing today? (It could be hundreds.)

How many customers are you winning today? (It could be hundreds.)

## Five best practices for improving the digital experience for customers:

- 1 Monitor customer experience KPIs (key performance indicators)
- 2 Proactively examine and respond to known technical issues
- 3 Listen to your customers
- 4 Prioritize customer experience issues based on business impact
- 5 Observe and review actual customer behavior

How to do all five: IBM Tealeaf.

# IBM ExperienceOne. See what you've been missing.

## Increase conversion. Decrease attrition.

IBM Tealeaf solutions, part of the IBM ExperienceOne solution set, provides critical visibility, insight and real answers to help you convert and retain customers online. Benefits include:

- **Increased revenue** – by removing site issues, you improve conversion rates.
- **Reduced customer churn** – understand customer problems better, and resolve them faster.
- **Decreased support costs** – reduce time spent identifying and resolving errors.
- **Fewer investigations into customer disputes** – archived records can resolve issues faster.

The best benefit of all: happier customers.

# What you don't know about your customers, IBM ExperienceOne will tell you.

To learn about how IBM Tealeaf solutions, part of the IBM ExperienceOne solution set, can help improve the digital experience for customers, visit [ibm.com/tealeaf](https://ibm.com/tealeaf).



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<sup>1</sup>All of the survey results cited in this eBook come from an Ipsos Public Affairs poll conducted for IBM from December 30, 2013, to January 13, 2014, in the United States. A national sample of 2,032 adults aged 18 and older was interviewed online. Weighting was employed to balance demographics and ensure that the sample's composition reflects that of the U.S. adult population according to U. S. census data, and to provide results intended to approximate the sample universe. The data were weighted to the American population data by region, gender, age and income.

<sup>2</sup>"Meeting the expectations of the mobile customer," IBM Software Industry Solutions, 2013.

<sup>3</sup>"Why Mobile Matters," Luke Wroblewski, February 2012.

<sup>4</sup>"US Cross-Channel Retail Forecast, 2011 to 2016," Forrester, 2012.

