

2022 Global Consumer Trends

What your customers need
you to know for the year ahead

IN PARTNERSHIP WITH

Qualtrics
XMinstitute™



A letter from your customers

It's been a time of change – and we've been thinking about what we value most.

With the economy how it is, our money means less, meaning the things we buy from you – travel tickets, food, insurance – have to mean more.

We've been loyal for a long time. But we know now that loyalty to companies doesn't necessarily mean we're rewarded. In fact, it's easier than ever to switch the brands we use – so you're going to have to do better to impress us.

You might be offering me the usual – the expected. But our expectations are greater now. We deserve to be heard, and to have our voice make a difference. We need you to step up.

We're tired of having to put up with bad service just because. We're over needing to jump through hoops for the basic right to be treated like a person. We're fed up with being expected to tolerate low-quality products and services. We want better. We demand better.

Our demands are:

- 1** To be heard, and for our voices to change how things are done
- 2** To feel like a person, instead of a number on a balance sheet
- 3** To interact with you in the ways we prefer
- 4** To feel like we're getting our money's worth, instead of accepting what we have to

Our experience has to be better and either you're on board, or we're out.

Yours (for now),

YOUR CUSTOMERS

Customer Experience: A global snapshot

We asked more than 23,000 consumers from 23 countries about their experiences with the companies they bought from in 2021. As well as showing what the experience looks like, our report highlights key areas companies can focus on in 2022 to have the biggest impact on their consumers and business.

63%

**of consumers said
companies need to
get better at listening
to their feedback**

62%

**of consumers said that
businesses need to
care more about them**

60%

**of consumers would
buy more if businesses
treated them better**

The challenges CX leaders will face in 2022 are unlike what they've ever faced before – the goal is still to attract and retain customers, standing proud above your competitors – but the landscape has changed.

So have the solutions.

This report covers what you need to know in 2022 to get ahead of the pack.

Meet the experts

LEAD AUTHORS



Bruce Temkin
Head of Qualtrics XM Institute



Moira Dorsey
Principal XM Catalyst,
Qualtrics XM Institute



Léonie Brown
XM Product Scientist, Qualtrics

CONTRIBUTING AUTHORS



Isabelle Zdatny
XM Catalyst, Qualtrics XM Institute



Talia Quaadgras
Research Associate, Qualtrics XM Institute



Juliana Smith Holterhaus, PhD
XM Product Scientist, Qualtrics



Terry Anderson
XM Product Scientist, Qualtrics



Sarah Alio
XM Product Scientist, Qualtrics



Craig James
XM Product Scientist, Qualtrics

What we found

- 1** Customers have had enough, and they're willing to walk
- 2** Toss out the pre-2022 business plans
- 3** Consumers will stop engaging, unless you take action
- 4** Treat customers as people, not commodities

1 Customers have had enough,
and they're willing to walk

Customers have had enough, and they're willing to walk



Great CX only happens if you have the ecosystem to design, improve, & deliver it. Organizations need strong experience management competencies, customer-centric culture, & technology to execute at scale.

Moira Dorsey

Principal XM Catalyst,
Qualtrics XM Institute

Bad experiences are costing businesses some \$4.7 trillion in consumer spending every year globally, as customers refuse to spend money with businesses that don't meet their expectations.

As the cost of switching trends toward zero, they know that if one company doesn't give them what they need, it costs nothing to switch to someone that will.

9.5% of your revenue is at risk due to bad experiences

As consumers weed out businesses that tolerate bad experiences, the risk for those that miss the mark is huge. And the opportunity for those that get it right is even greater.

Consumers are:

3.5x

more likely to purchase from a business after a positive customer experience

5.1x

more likely to recommend an organization after a positive customer experience

**2 Toss out the pre-2022
business plans**

Toss out the pre-2022 business plans

If you thought 2022 would be the year we went back to normal: think again. What consumers buy, where they buy, and how they use their purchases have changed – and continue to do so.

In the face of supply chain issues and labor shortages, businesses are struggling to keep up with the knowhow, infrastructure and people to respond.

The result? The gap between what customers expect, and what companies actually deliver is bigger than ever.

**8/10 people believe customer experience
needs to be improved**

Our study found the biggest areas of improvement for companies were in prices and fees, customer service, product capabilities, and ease of use. Online resources and the buying process were also key areas where consumers wanted businesses to improve.

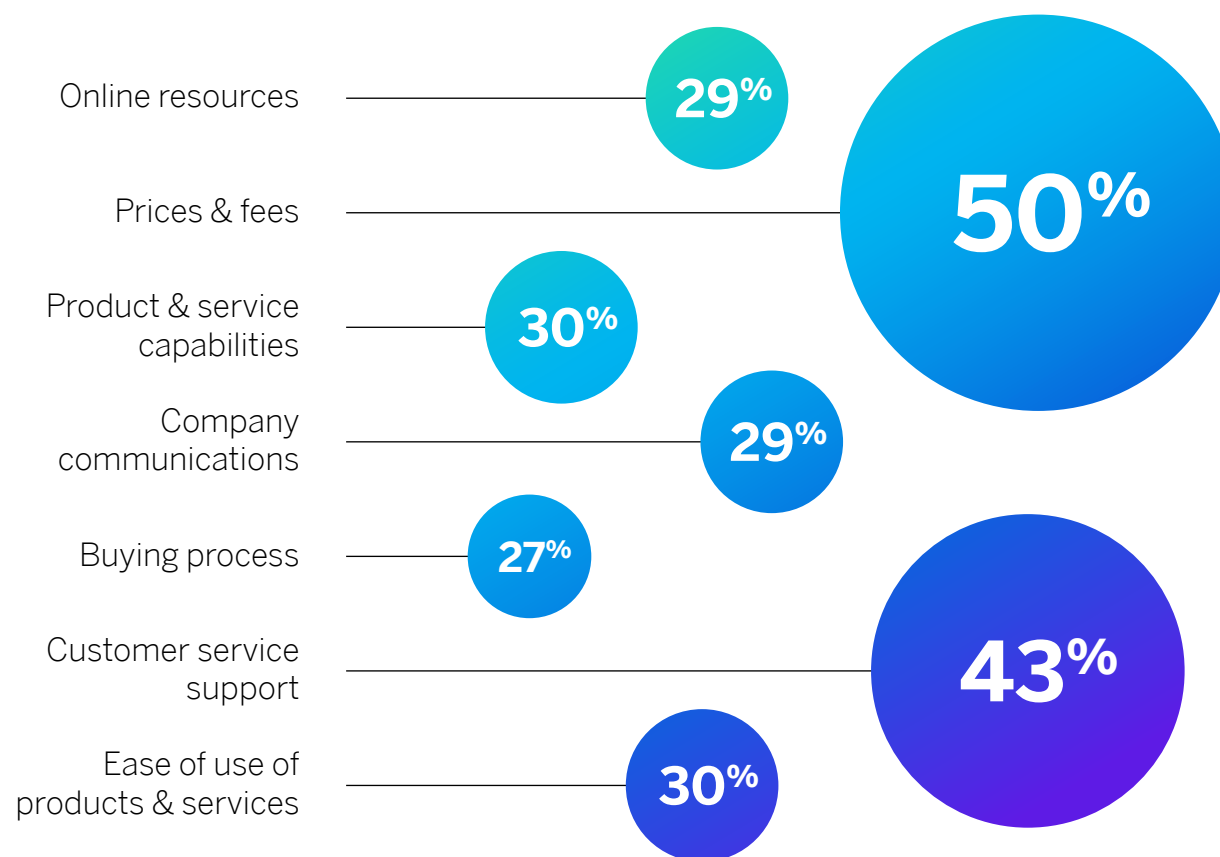
Key focus areas for businesses



Consumers want to be able to seamlessly complete their tasks anytime, anywhere, regardless of channel – it's clear that most businesses have yet to deliver on an optimized omnichannel experience.

Juliana Smith Holterhaus, PhD
XM Product Scientist, Qualtrics

Where do companies need to improve, according to consumers?



“Ecommerce and digital user adoption has seen exponential growth, and the function of brick-and-mortar locations is actively evolving.

If you're stuck on where to start, put pricing, time to value, and convenience at the forefront of your priorities.

Terry Anderson

XM Product Scientist, Qualtrics

As people's expectations have changed, companies haven't kept up, perhaps waiting and expecting consumers to revert back to 'the old way'. That's not going to happen.

Products and services haven't been updated to what consumers need now, and as people flocked to digital over the past 18 months, companies have failed to respond, leading to fragmented and frustrating customer journeys and support as they switch from one channel to the next.



The way forward



Dive deeper into the trends shaping the future of customer experience

WATCH NOW >

As we move into a new era post COVID-19, you need to take a fresh look at everything to understand once more what's working, what's not, and identify the actions to take to close the widening gap between your business and your customers.

- + **Radically overhaul your customer service.** A one-size-fits-all approach to service just won't work anymore. As customers engage with you across multiple channels you need to be able to understand what each customer needs, when they need it, and [deliver a tailored service on the channels they prefer to use](#).

Overhauling your customer service involves not just blindly deflecting to self-service options but recognizing which options work best for which customers and when.

Questions to ask include; at which points do customers need the most support? Are you offering a good combination of channel options? Are you aware of the needs of different customer segments?

- + **Think customer, not channel.** From the buying process, to how people use your products and access support, how customers interact with you has changed. As you look to understand what they need, break down silos between channels and look at the [end-to-end journey](#) to identify what's working, and what's not.
- + **Make agile your default setting.** With current global supply chain issues and labor shortages, finding smart ways for humans and technology to converge will help ease the burden on your people. Equip teams with the tools and processes to automatically get insights to the right people, so they can take action on it quickly.

**3 Consumers will stop engaging,
unless you take action**

Consumers will stop engaging, unless you take action

Requesting feedback has become table stakes for any business. But consumers are clear – if they're going to give you feedback, they expect a response.

Yet two-thirds of consumers said companies need to get better at listening to their feedback.

There's only so much time and feedback customers are willing to give before they feel ignored, disillusioned and move on. Customers want a two-way relationship with the companies they buy from, where they feel that their voice is heard, and their feedback is acted on.



Companies that don't listen to, and act on, feedback will find it very hard to continue getting it in the future.

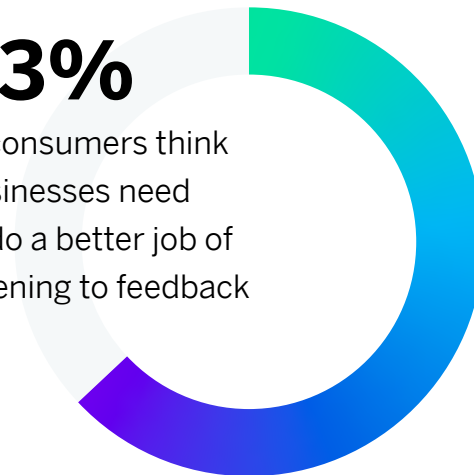
Léonie Brown

XM Product Scientist, Qualtrics

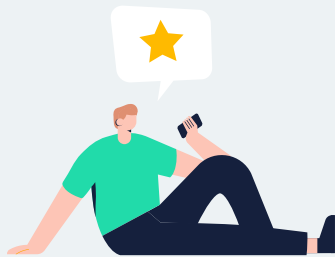


63%

of consumers think businesses need to do a better job of listening to feedback



The way forward



Learn how to connect every customer touchpoint, identify experience gaps and take action quickly.

WATCH NOW >

For 2022, you'll need to listen harder and demonstrate to your customers that you hear them, and their voice matters. Companies in every industry are becoming ever-more sophisticated at collecting and using feedback to improve the experiences they deliver, and customers now expect it in every interaction they have.

- + **Listen, wherever your customers are.** Channel preferences have evolved, so your listening program should too.
- + **See the whole picture.** Make indirect feedback part of your strategy so you can understand what customers are saying, wherever they're saying it.
- + **Track the ROI of experience.** Unstructured data will help you to detect emotion, effort and intent — then connect it to a structured framework like CSAT, CES or NPS so you can see their impact on performance.

**4 Treat customers as people,
not commodities**

Treat customers as people, not commodities



Though every interaction doesn't have to be one-to-one, it has to feel one-to-one. Customer needs and preferences should be reflected in the experience you offer, and this will help you to create a stronger relationship with your customers.

Sarah Alio

XM Product Scientist, Qualtrics

Consumers have re-evaluated the relationships they have with businesses. They have more choice than ever, and their tolerance for bad experiences is as low as it's ever been.

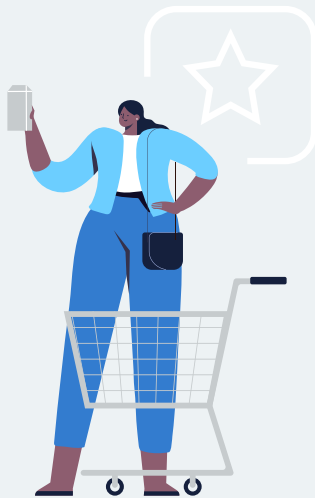
They expect businesses to treat them as people, and to put them and their needs first. And, the good news is they're willing to pay more if you do.



As we saw in the previous section, listening to and acting on feedback is a good start, but consumers expect you to go further.

They expect you to do the hard work to create genuine relationships with them. That means interpreting the signals they're giving you, understanding what they need and then tailoring your response.

The way forward



Personalize experiences at scale with XiD.

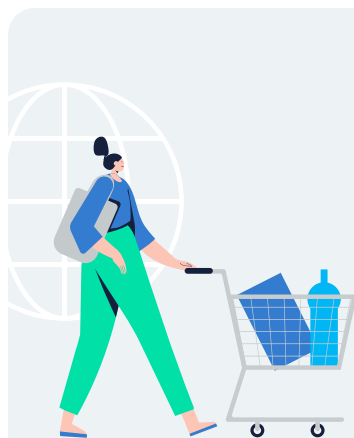
WATCH NOW >

Companies that can make use of customer data and find smart ways to personalize the experience will differentiate themselves going forward. It's not all about human intervention either — with the right infrastructure in place, you can effectively tailor and personalize experiences at scale.

- + **Turn data into insight.** Gather solicited and unsolicited feedback from every channel whether online, on the phone or face to face – and create a unified, [360 degree view of every experience](#) so you can see where to improve.
- + **Sense and respond.** Identify points of friction in your most valuable customer journeys, and use the warning signs and signals from customers as triggers to take action, so you can step in and get them back on the right path quickly.
- + **Make one-to-many, feel one-to-one.** Build new segmentation models based on experience data, rather than just demographics. By grouping customers by their expressed needs and preferences, you can develop targeted offerings that feel 1:1, and deliver them at scale.

APPENDIX

Methodology and demographics

**Dive deeper**

Trends that will
shape the consumer
experience in 2022

WATCH NOW >

Methodology

The data for this report comes from a global consumer study that Qualtrics XM Institute conducted in September 2021.

Using an online survey, XM Institute collected data from 23,000 consumers across 23 countries:

+ Australia	+ Germany	+ Mexico	+ Spain
+ Belgium	+ India	+ Netherlands	+ Thailand
+ Brazil	+ Indonesia	+ New Zealand	+ UK
+ Canada	+ Italy	+ Philippines	+ US
+ China	+ Japan	+ Singapore	+ Vietnam
+ France	+ Malaysia	+ South Korea	

The XM Institute surveyed 1,000 consumers from each of the countries.

Statistics under Trend 1 were calculated using data from the Qualtrics XM Institute 2021 Q2 Global Consumer Survey of 17,509 consumers across 18 countries.

Demographics

To ensure that the data was reflective of the population within those countries, we set quotas for responses to match the gender, age, and income demographics of each country.

**Ready to transform your
customer experience?**

BOOK A DEMO