

# CX Industry Trends



**SIMON FRASER**  
VP of Insights and Consulting  
InMoment

InMoment recently hosted an exclusive masterclass focused on CX industry trends where we uncovered the latest factors that are reshaping the way businesses connect with their customers and employees. Led by [Simon Fraser, VP of Insights and Consulting at InMoment](#), the session brought to light how businesses are reimagining experience design for 2024 and beyond.

## Here's a breakdown of the key insights shared during the masterclass:

1

### Society

*The shifts that businesses need to take note of, and plan around, on how people are changing in terms of behaviours and expectations*

2

### Technology

*Whilst the whole world is talking AI, and there are great examples of it in action within CX, there are still some important considerations that businesses need to factor in before implementing*

3

### ESG

*The key stories within the world around corporate value, and examples of how better CX is being legislated for across the world and different industries.*

4

### Experience Design

*The current state of CX, and what are businesses looking at in order to stand out.*

5

### CX Recommendations

*How businesses can best deliver meaningful and rewarding experiences, and how experiences should be best measured and understood.*

## Society Trends

**Introverted Behaviours:** The pandemic, and lockdowns specifically, has induced lasting changes in societal behaviours, with a notable increase in people preferring to stay in rather than go out for social experiences. This shift, in an era labeled by some as “the age of the hermit,” has seen a rise in reliance on para-social relationships, where individuals form one way connections with media personalities or influencers. Despite an initial surge in social outings post-pandemic, the desire for social interaction has waned.

**Lifestyle Shifts:** There has been a shift in lifestyle habits. Influencing factors such as altered working habits, economic challenges, and transportation issues have contributed to this trend. For instance, in New York, early evening reservations have become more popular than traditional dinner times.

**Drinking Culture Decline:** A notable trend is the decline in drinking culture, with younger generations increasingly embracing teetotalism. Factors contributing to this shift include heightened health consciousness, lifestyle changes during the pandemic, and the emergence of alternative socialising methods.

**Decline in Cohesion:** There’s a growing sense of loneliness and a decline in community cohesion on a global scale. Brands are exploring opportunities to foster connection and community through online experiences, events, meet-ups, and collaborations.

**Global Demographic Shifts:** Demographics across regions are undergoing significant changes, with varying trends such as declining birth rates in Europe but a youth boom in Africa. These demographic shifts have implications for businesses in terms of target markets and consumer behaviour.

**Societal Challenges:** Rising disruptive behaviours, disconnectedness, and mental health concerns are impacting various sectors, and impacting frontline employee morale. Addressing these challenges is essential for businesses to create meaningful experiences for their customers, whilst safeguarding their colleagues.

## Technology Trends

**AI Implementation:** Businesses are urged to innovate with AI technologies, including virtual assistants and predictive analytics, to enhance customer experiences and operational efficiencies.



**Digital Transformation:** Retailers are embracing digital transformation, utilising electronic shelf labels and spatial AI to enhance operations and customer experiences. For instance, the launch of the IKEA AI Assistant demonstrates a commitment to digitising home design services.

**Surveillance Concerns:** The rise of surveillance technologies in retail environments prompts considerations for privacy and security measures. Balancing the benefits of surveillance with ethical considerations is crucial for maintaining consumer trust.

**Innovation Imperative:** While AI offers significant opportunities, concerns about over-reliance and ethical considerations persist. Businesses must navigate these challenges while leveraging AI technologies to stay competitive and meet evolving customer expectations.

## Environmental, Social, and Governance (ESG) Strategies

**Accessibility:** Efforts to improve accessibility for neurodiverse individuals are gaining traction, with initiatives spanning from airlines to entire cities. Compliance requirements, such as the European Accessibility Act, are shaping businesses' strategies to cater to diverse consumer needs.

**Sustainability:** Sustainability is increasingly important to consumers, despite the challenges of living more sustainably. Brands need to prioritise sustainability efforts while addressing consumer concerns and expectations.

**Legislation and Compliance:** The impending European Accessibility Act mandates accessibility requirements for businesses operating in the EU. Compliance with such legislation not only ensures legal adherence but also opens opportunities to tap into a significant and diverse market.

## Experience Design

**CX Challenges:** CX scores are declining, emphasising the need for brands to evolve and strike a balance between technological advancements and human connections. Brands need to focus on delivering authentic and meaningful experiences to address evolving consumer preferences.

**Novelty and Habituation:** Understanding how the brain responds to novelty and habituation is crucial for designing engaging customer experiences. While novelty attracts attention and generates positive responses, habituation diminishes the impact over time. Brands should leverage novelty strategically to maintain customer engagement.



**Fundamentals of Business:** Success in experience design hinges on understanding the fundamentals of business and having a clear focal point. Brands need to identify their relative strengths and prioritise initiatives that align with their core business objectives.

**Customer Behaviour Drivers:** Identifying what drives customer behaviour is essential for creating holistic experiences. Brands need to socialise customer

insights within their organisations to inform decision-making and tailor experiences to meet customer needs effectively.

## Experience Recommendations

**Stick to Your Core Business Idea:** Establishing a clear core business idea, as exemplified by IKEA's mission statement from the 1970's but still recognisable today, is crucial for guiding strategic decisions, and ensuring alignment across the organisation.

**Create Customer Closeness:** Maintaining close proximity to customers and socialising customer insights within the organisation enables brands to make informed decisions and deliver personalised experiences effectively.

**Have a Holistic View of Experiences:** Taking a holistic view of customer experience, focusing on both experience makers and breakers, is vital for success in 2024 and beyond. Brands need to prioritise initiatives that enhance customer satisfaction while addressing pain points effectively. And this requires going beyond surveys, and better joining the dots of distinct but connected data sets.

**We hope these insights will empower you to cultivate successful CX programmes within your organisations.**

**Thank you for your participation, and we look forward to supporting your CX journey further.**

## KEY TAKEAWAYS

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**Businesses should adapt to societal shifts, innovate with AI technologies, and embrace digital transformation to remain competitive.**



**Strategies should prioritise customer experience enhancement, operational efficiency, and employee well-being.**



**Continued monitoring of societal, technological, and economic trends is essential for informed decision-making and strategic planning. But it is important to also stay true to your business purpose, and bring everyone together on this journey.**

**If you would like to learn more, we have some further resources below:**

[The 2024 Consumer Trends Report](#)  
[State of Customer Experience: 2023 UK Consumer Study](#)

You can also book a meeting with one of our XI Advisors:  
[contactus-emea@inmoment.com](mailto:contactus-emea@inmoment.com)