

# CUSTOMER EXPERIENCE IN APAC TREND REPORT

Insight from a research group of 50 CX practitioners on the factors shaping the CX industry and how APAC brands are working to provide meaningful experiences for customers

**DISCLAIMER:**

The information in this piece does not constitute as legal advice and so should not be regarded as such.

inmoment



Research on the future of CX from PWC involving 15,000 customers from around the world found it would only take two or three negative brand interactions for 92 per cent of customers to abandon doing business with a company.

The impact of the global coronavirus pandemic has had far reaching consequences for brand loyalty and has placed customer retention on the line for businesses all over the world. The crisis has bought the importance of providing experiences that are relevant and meaningful for customers, no matter the circumstance, into sharp focus.

Strong visibility on voice of the customer data insights are crucial to brands acting in a timely and relevant manner to overcome the customer pain points that surface in journeys. For instance, a spike in web traffic on cancellation pages may signal that customers are concerned about the future of their service and want to know the protections in place should they need to make amendments. A wise response to this would be to communicate these protections upfront to allay fears and remove a barrier-to-purchase for prospects.

Customers in the Asia-Pacific (APAC) region have seen significant technological progression over the

last few years and this growth is set to continue. Research analyzing network data from over 200 territories found that internet users in APAC grew by 10 per cent which was ahead of the global average. This advancement in technology access is exposing individuals to new capabilities and broader avenues to voice their opinions.

This report examines how customer experience practitioners within APAC are responding to the evolving environment their brands exist in. The exclusive insights provided by a research group of APAC CX professionals will map out key localized customer engagement trends and pain points. These will be compared to the trends found in the rest of the world. CX innovators in the region will also give insight on how they are removing areas of friction in the buying journey and delighting customers.

Use the findings of this report to benchmark your company's progress and prioritize your plans for the next 12 months accordingly.

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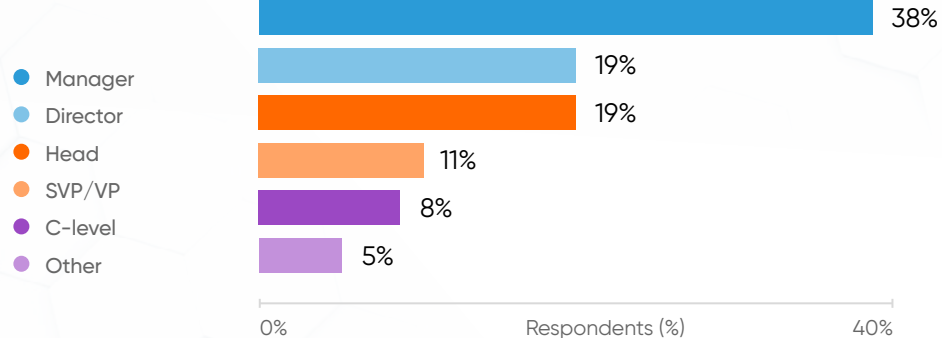


# About respondents

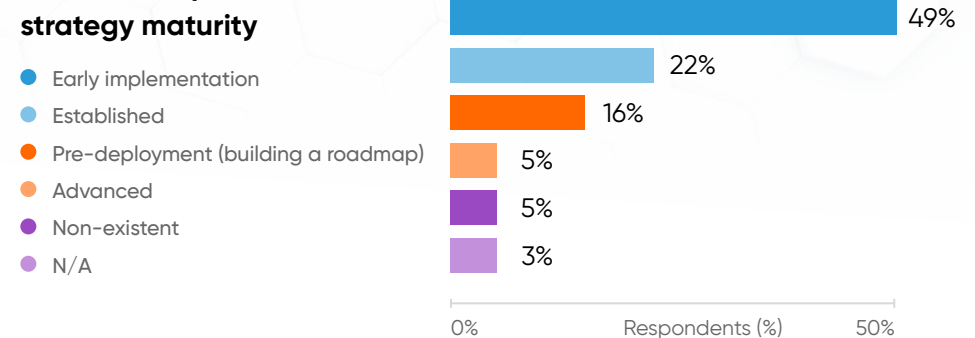
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To get a better understanding of the survey results, here is a visual breakdown of the 50 APAC customer experience experts surveyed, including their seniority, company size, industry, geography and budget.

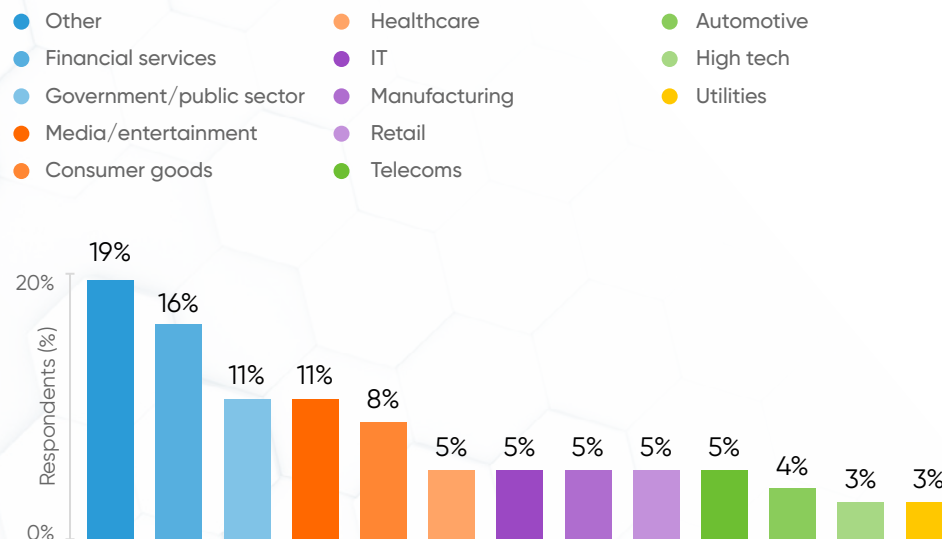
## Job title



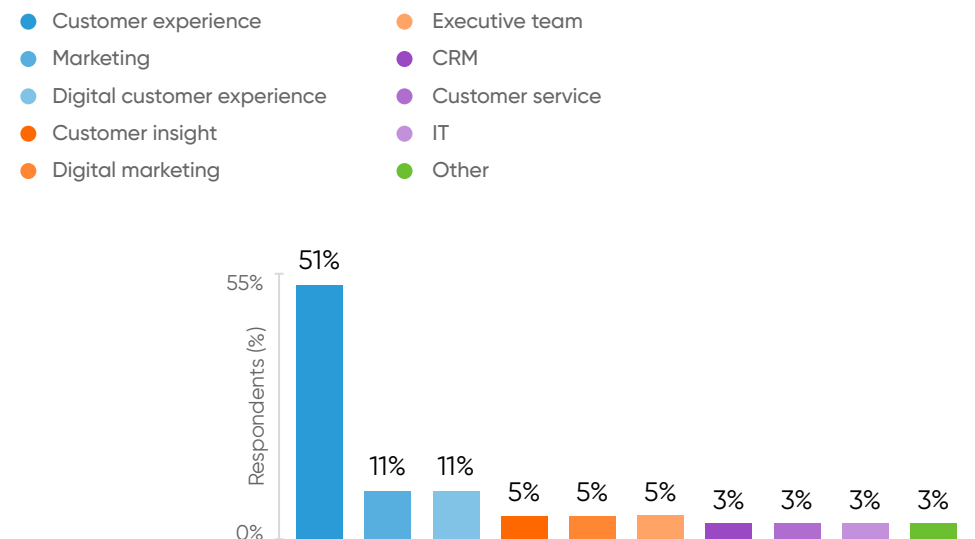
## Customer experience strategy maturity



## Industry



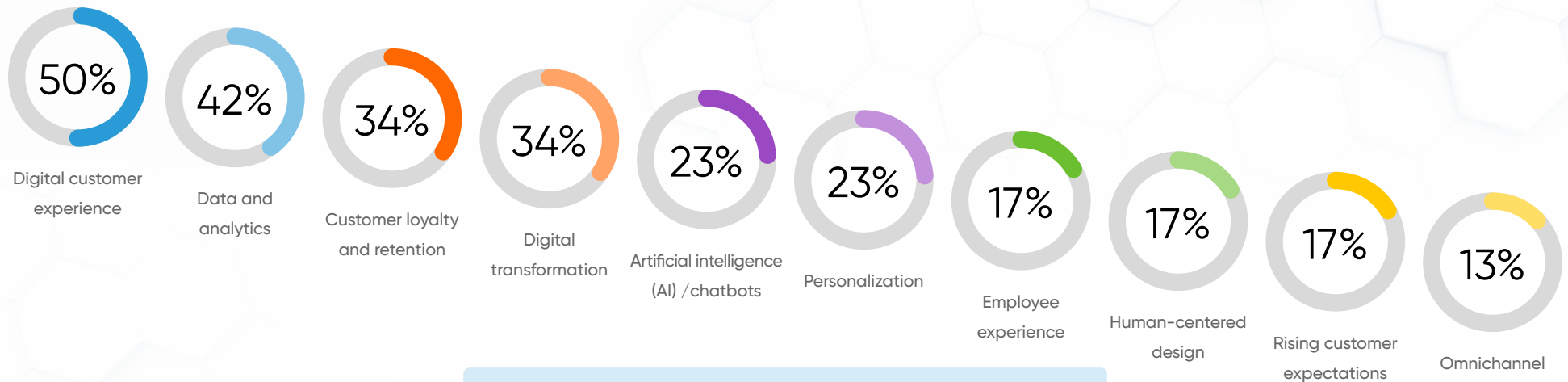
## Function



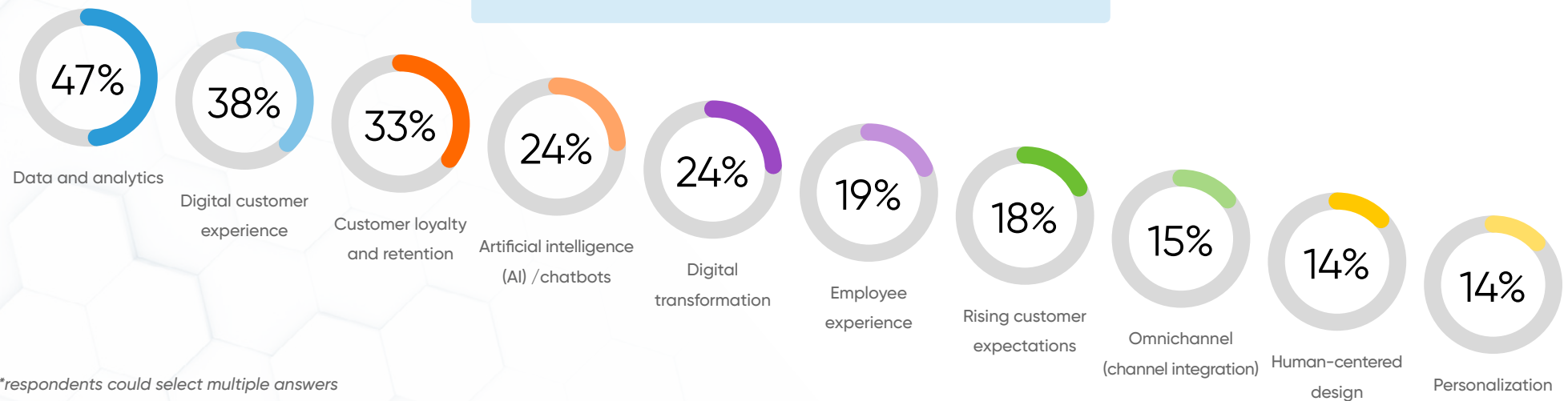
# CX trends and customer behavior shifts

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## Top 10 APAC CX trends\*



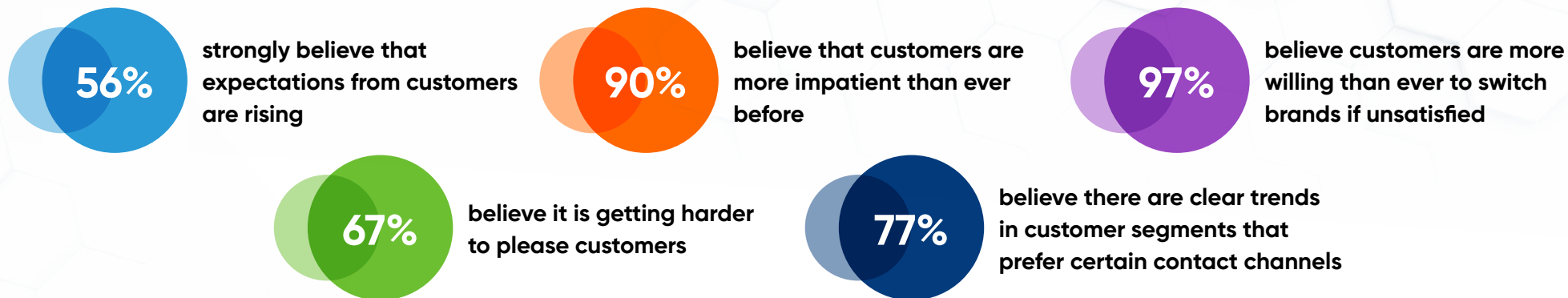
## Top 10 Global CX trends\*



The results here show APAC professionals share similarities with global counterparts, but there are a few differences to note:

\*respondents could select multiple answers

### Observations from the APAC respondents on customer behavior traits



### Digital customer experience

Similar to the global results, **digital customer experience** features as one of the top CX trends in APAC. However, digital experiences appear to be a stronger focus for our APAC participants than those in other parts of the world.

Based in the Philippines, Aaron Delapaz, vice president of customer experience at Allcard Inc., highlights the importance of brands digitally transforming so they are present on the platforms and channels of choice for customers. Voice of the customer data will be useful in order to identify new opportunities for digital transformation that align with customer desires. For instance, if customers are requesting out of hours

service so they can troubleshoot issues when they get home from work, it may be a wise consideration to explore the solution of virtual assistants that can provide 24/7 customer care. Also, AI systems could be useful for suggesting relevant support content and resources to customers.

Digital channels have proved vital in response to the Covid-19 outbreak, allowing brands to deliver services customers need while adhering to social distancing mandates. Live chat pop-ups have been added to selected high-traffic webpages to allow chatbots and virtual assistants to shoulder additional customer care burdens. For example, AirAsia's virtual assistant AVA has its own bright red pop-up on every webpage which helps deflect user enquiries.



A lack of agility to the new landscape created by the crisis has cornered some brands into providing frustrating, indifferent experiences to panicked customers, with some customers suffering eye-watering load times for webpages and malfunctioning features due to high traffic levels. With many respondents in the APAC research indicating that customers are more prepared than ever to switch brands if they are unhappy, brands need to be cognizant of the lasting effects these disconnects can have on customer retention and loyalty in the long term.

Jean Leong, head of marketing at Goodrich Global, reflects on how the virus has forced a new wave of digital transformation for the building materials supplier. With face-to-face communication no longer an option, the company is exploring digital channels such as video calls, online catalogues and paperless contracts to communicate and conduct business with customers. A participant in the research group from the telecoms industry flagged that the act of shifting customers from physical to digital channels augmented with self-serve options can significantly lower cost-to-serve levels.

Leong agrees with Delapaz that digital transformation has a wide circle of influence that stretches beyond customer experience. One of those areas impacted is another top trend outlined in the research, employee experience. She reminds that in response to social distancing mandates, companies in APAC and around

the world are experimenting with digital platforms so workforces can collaborate and staff can still deliver the services their clients' need while working remotely.

### Personalization

A noticeable difference between APAC and global CX practitioners was that personalization featured higher up in the list of top CX trends. In the mission to identify areas of value for customers and prospects, brands are beginning to see traction from mining data to uncover trends in customer preferences which is inspiring personalization strategies.



When angled correctly, these targeted strategies can enhance product utility, customer proximity, rapport, time saved for customers, familiarity and trust that positively influences buying decisions and converts engagement into brand loyalty. Data and analytics, which is another strong trend identified by the APAC practitioners, will be key to driving meaningful experiences that are customized to user preferences.

**"APAC companies are leading the way when it comes to providing localised experiences on an international scale. APAC businesses are quite unique in that they often operate across borders and languages and customs, so they have learnt to understand the need to factor in cultural differences and preferences, compliance rules, expectations and the consumer and business landscape."**

**David Blakers,**  
Managing Director APAC, InMoment

Recent research has evidenced the true power of customization with one particular study revealing that personalized experiences trigger 49 per cent of buyers studied into making impulse purchases.



David Blakers, Managing Director APAC for InMoment, maintains that geographic context is a necessity for personalizing customer experiences.

Brands operating in APAC may need the resource-heavy capability of communicating with customers in a wide range of languages and tailoring linguistics in literature. When businesses meet customers in their local language, they are more likely to be thrilled with the experience, engage with the company on a deeper level and recommend to their peers.

In looking to harness the opportunities that lie within customer data, CX Asia Week 2020 speaker Sandra De

Zoysa, group chief customer officer at Dialog Axiata stresses that care must be taken by the organization to obtain necessary consent and transparency so personalization achieved is not at the detriment of the customer.

She adds: "Another potential pitfall to avoid is getting distracted by all the data points available to the extent that you forget the true focal point of any journey – the customer."

"Any journey added or changed should not only be created with the customer in mind but validated by customers themselves through user testing. This could

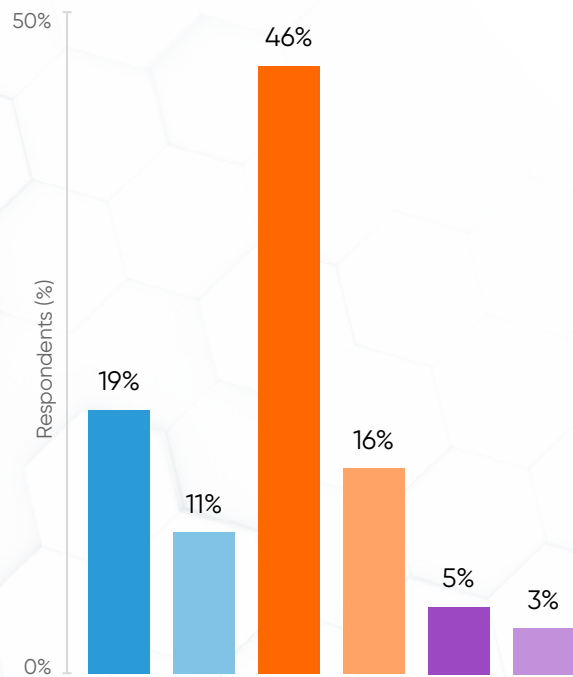
have proved useful with YouTube's view count metric switch for Indian users. The move from the regular units of thousand, million and billion to lakhs and crores was intended to personalize for the Indian audience, however it wasn't well received by many users voiced their frustration on Twitter as they had become comfortable with the earlier metric. Reactions like these can be more clearly forecasted through extensive user testing, these experiments can provide jaw dropping insights that can save millions in both journey optimization and cost of rework."



# Channel integration and journey optimization

## How close is your brand to providing an omnichannel model?

- Not sure
- We only have one or two key customer contact channels
- We have a multichannel model but the connections between them are quite fragmented
- We have synergy between some of our channels
- There is a strong synergy between all of our channels, but connections aren't completely seamless
- We have an omnichannel model



Customer Experience in APAC Trend Report

## Omnichannel

Similar to their global counterparts, APAC participants acknowledge that despite provided a multichannel model, connections between channels can be fragmented.

However, businesses must press on in the journey to reduce this fragmentation. Omnisend's 2019 research found that marketers campaigning via three or more channels could expect a 10 per cent higher purchase rate from customers than if a single channel strategy was used. Also, as the wider industry progresses with omnichannel customers will have less tolerance for brands that still have fragmentation between channels.

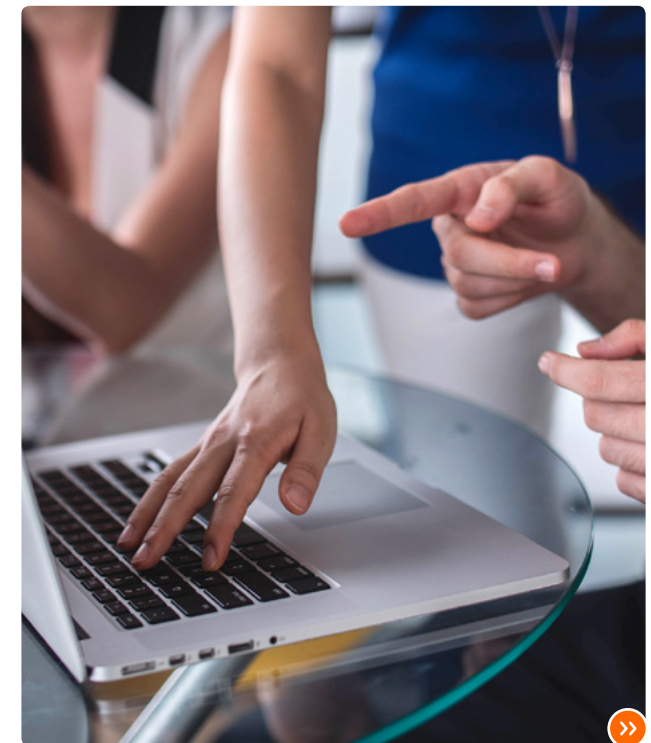
Onsite at the 2019 Omnichannel Exec Forum, Swave Szymczyk, director digital marketing at Adidas (Retail), discussed the power of omnichannel and being aware of how different customers will interact with your brand.

Szymczyk said: "Omnichannel consumers are worth about 30% more over their lifetime than a single channel consumer, so it is really important to use the store as an acquisition point for omnichannel or for online, and vice versa.

"Each customer is going to experience a campaign or experience the brand in many different ways." For

instance, as indicated by the APAC respondents earlier on in the report, there are distinct differences in channel preferences between certain customer segments.

Szymczyk continues: "Everyone knows the adage: 'Give the consumer what they want, when they want'. The reality is that consumer takes it when they want it. So you have to serve it up on an easy enough platform for them to take what they want, when they want."





### Mapping personalized customer journeys

After mapping out regional differences in customer journeys, Marion Humeau, global head of customer experience and digital innovations at Groupe Renault, found that while there were similarities in the steps of customer journeys across the globe, the importance of the steps differed depending on where the user was located.

Some regions saw longer research phases than others, and in certain locations customers placed more importance on delivery delays or stock availability levels.

On the APAC region, Humeau noted: "In China, the connected services on board are crucial for customers, sellers in this country will need to provide detailed information on this.

"Interaction habits can be different as well. For example, it's much more interactive in China. With apps like WeChat customers are happy to chat with sellers. This is completely different to the more traditional interactions we saw in France where customers visit the seller's premise and don't chat with sellers on messaging apps.

"Finally, the sensitivity of the data privacy can be different. For example, Germany is very stringent, but data privacy is not a big problem in China.

"These elements can alter the solution, the tools, and the delivery that is best suited to that customer. Yes, you have to leverage and take extra care at the steps that are of more importance for that region, but the global vision of the customer journey are the same."

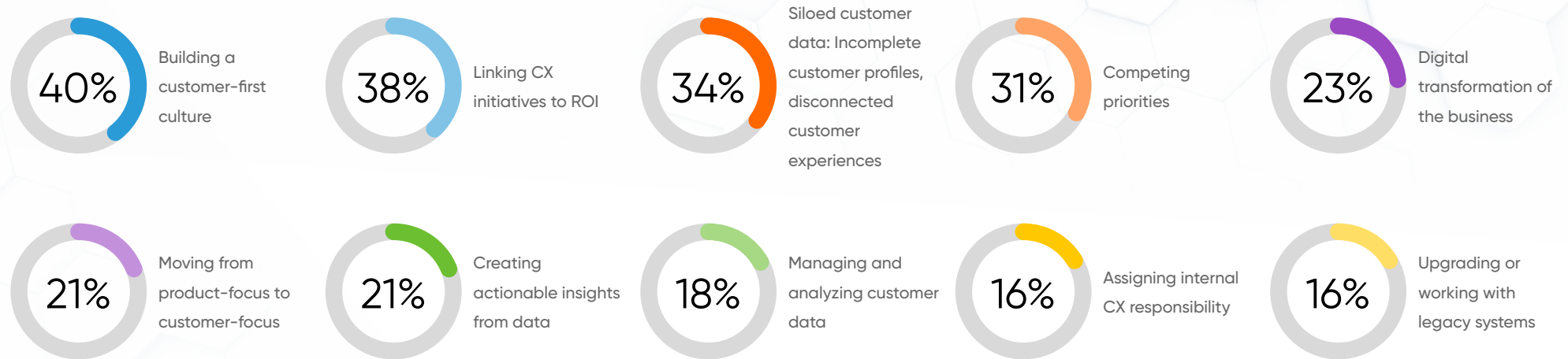


# Challenges

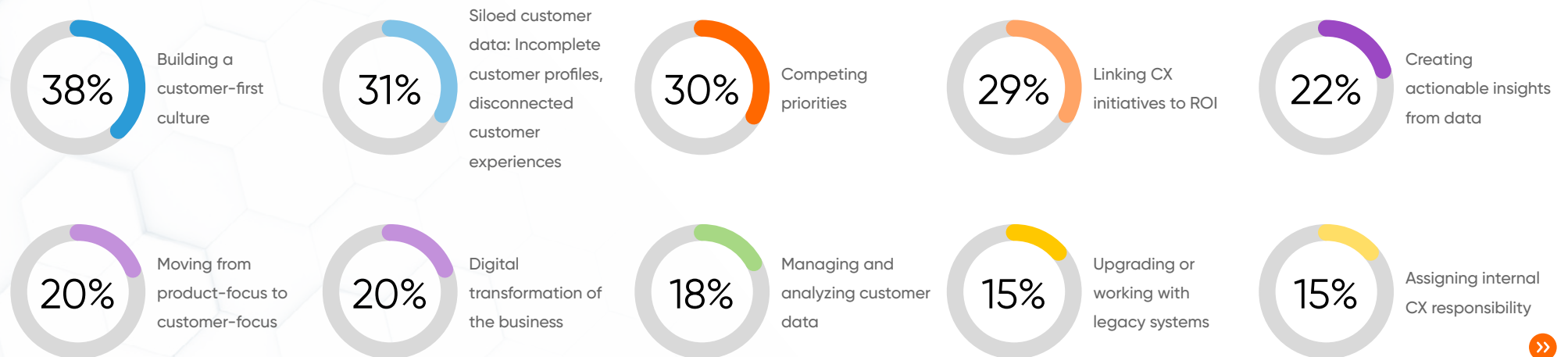
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Again a lot of synergy exists between the APAC and global hurdles within customer experience. Turnover for full analysis.

## Top 10 APAC CX challenges\*



## Top 10 Global CX challenges\*





Across the globe, the staple CX challenges of evidencing ROI and obtaining senior-level buy-in appeared to shrink in significance. This movement backs up the observation made in the Customer Experience Predictions Report: 2020 that CX is finally acquiring more respect from senior leadership teams and stakeholders. The drop may also be because as practitioners improve on evidencing ROI for CX projects it simplifies the task of obtaining buy-in from senior management.

### Culture and competing priorities

Similar to the global consensus, building a customer-first culture remains the hardest challenge to overcome in CX in Asia. The task of being customer-centric can lose precedence in business when company leaders are distracted by other corporate priorities, be it cost reductions or product development. This reality has been evidenced consistently in The Global State of Customer Experience series as hundreds of CX practitioners have flagged their struggles to build customer-first corporate cultures over the last four years.

Interestingly we see that competing priorities appeared as a stronger challenge for professionals within Asia. De Zoysa of Dialog Axiata says: "Given that, we live in a constant tussle of competing priorities trying to make sure we get the biggest bang for our buck is important in the end, the decision is always based on impact."

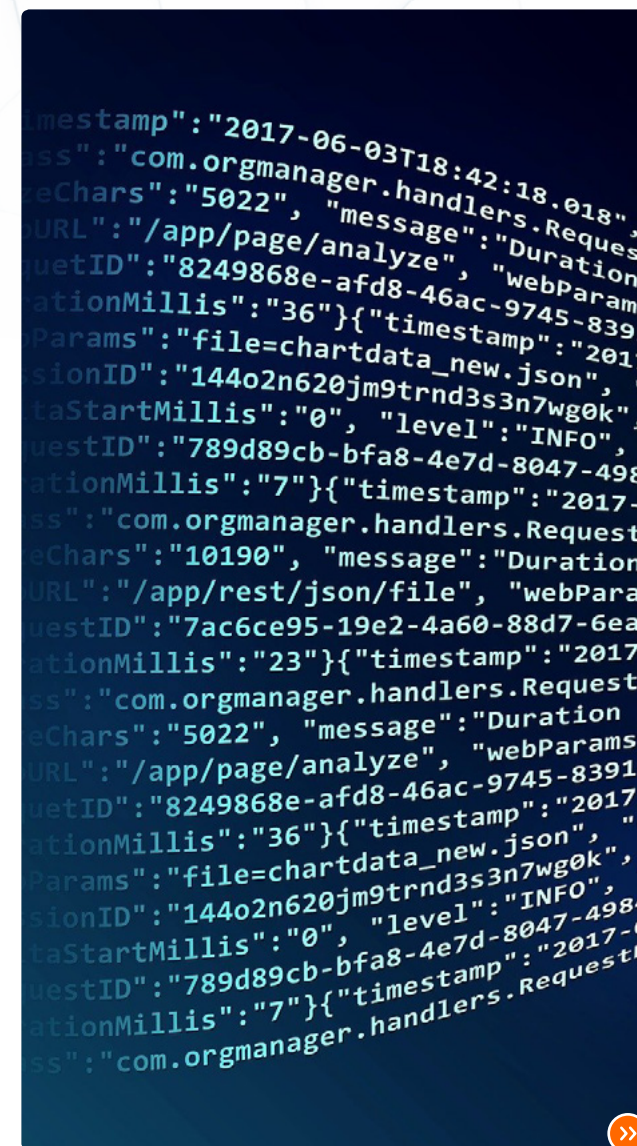
She explains: "That does not necessarily always mean financial impact but could be impact in terms of NPS, CSAT and CES etc. The key in all of this is being able to back the priorities with resultant impact which will help make the most informed choices amongst competing priorities."

In searching for the strongest priority, De Zoysa notes: "One thing to keep in mind though is not to overdo the analysis to quantify the impact or else it can lead to "paralysis by analysis" when nothing gets done."

### Data silos and incomplete customer views

Siloed data and incomplete customer profiles will complicate the progress of most CX projects. Poor data management will blur the visibility a company has on past purchasing behaviors and customer preferences. A worrying reality considering that the APAC participants have signaled there are clear differences in how certain customer segments prefer to be contacted.

This reality is inspiring many brands to build a 360-degree view of their customers. Along with strengthening the firm's data literacy, one of the main strategies to build this view is to boost data integration across multiple sources into one centralized location. This single source of truth for customer data will require pulling together the likes of voice of the customer data, operational data, financial data and interactional data.





A centralized hub of information will provide better clarity on customer behaviors and preferences. Simplified access to data was flagged by one APAC CX expert in the research group as a key tool to improving digital transformation projects. By having a complete view of customer desires, brands are able to make wise data-driven decisions and investments that are better placed to generate customer loyalty.

In his session at IQPC's CX APAC Online 2020, Shireesh Kumar Mishra, VP of APAC & EMEA decision management at Citibank Singapore labelled customer intent data as a key route to driving personalized customer satisfaction. In his session, he noted that the analysis of customer behavior data, like spend history, significant life events or webpage browsing activity, will arm brands with a valuable awareness of customer/prospect intent. This knowledge will inform the company's ability to empathize with a user's goals, connect with them and in turn deliver personalized value for that customer.

### WORDS OF WISDOM ON OPTIMIZING CUSTOMER VIEW IN TERMS OF DATA INSIGHTS TO PERSONALIZE JOURNEYS



#### Sandra De Zoysa, Group Chief Customer Officer at Dialog Axiata

"In a world where we are striving to get to a segment of one view, which gives us operators a competitive advantage, that extra percentage conversion or saving: information and insights on customer behavior and their preferences sets us apart from our competitors. It is really important for an organisation to be able to identify, capture and initiate timely action based on the key data points. For eg, Amazon does it very well with their purchase journeys, where based on all past data and the current customer profile, not only do they recommend products which are bought together but also showcase other products that are viewed by the same persona. This is a hybrid approach of collaborative filtering and content based filtering.

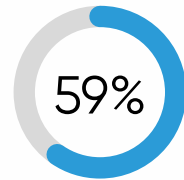
"The sources of this data should include all the customer touchpoints with your organization, eg. Web, app, calls into contact centres, store visits etc. Only when all the data is captured, can one get a holistic picture of the customer and their behaviors so a personalized journey can be created. The more data, the better the persona one can build and better the chance of hyper personalization. For instance, for websites and apps, data for every click and movement on the app/web should be captured.

"In case of a new customer or where data is unavailable, there needs to be a fall-back strategy. Eg. Spotify asks users their preferences as part of the on-boarding journey like genre and language preferences to fit into a persona and show default content for that persona. Later based on usage within the app more data is captured and this facilitates a more accurate persona for targeted and customized recommendations. In order to capture this level of data it is imperative to invest in a data lake which allows data capture at scale which is the recommended approach for implementing personalization."

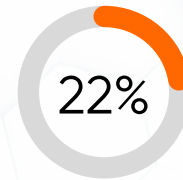
# Investments and opportunities

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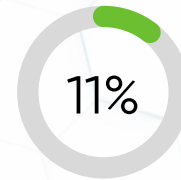
Who is responsible for investing in new customer experience management initiatives, products and services?



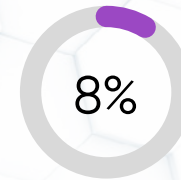
I am part of the decision making team



I am



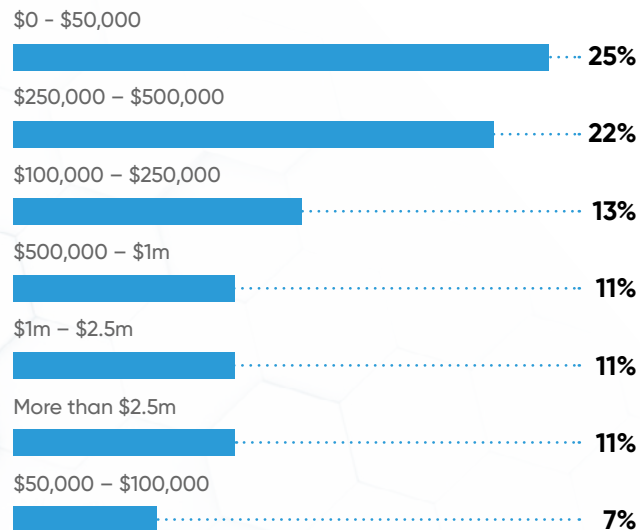
My direct manager



I have no influence over investments

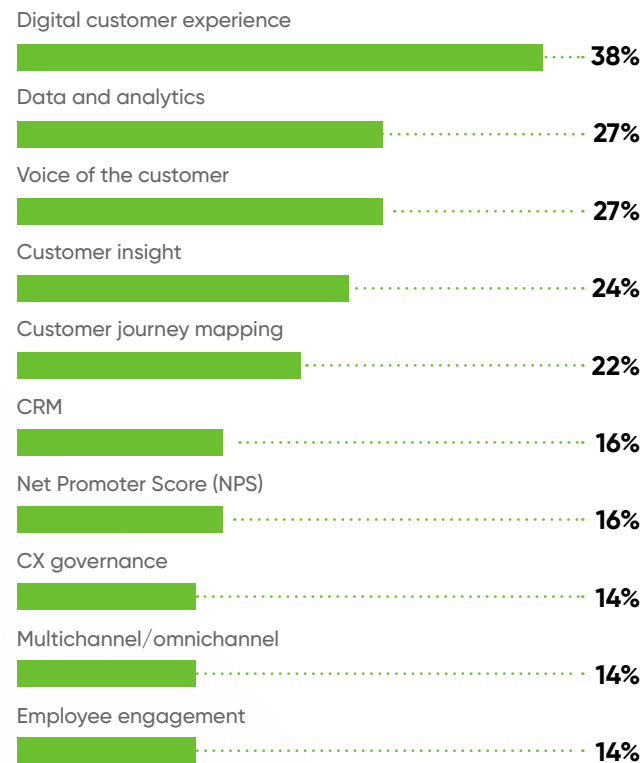
## APAC

### Annual budget for CX solutions

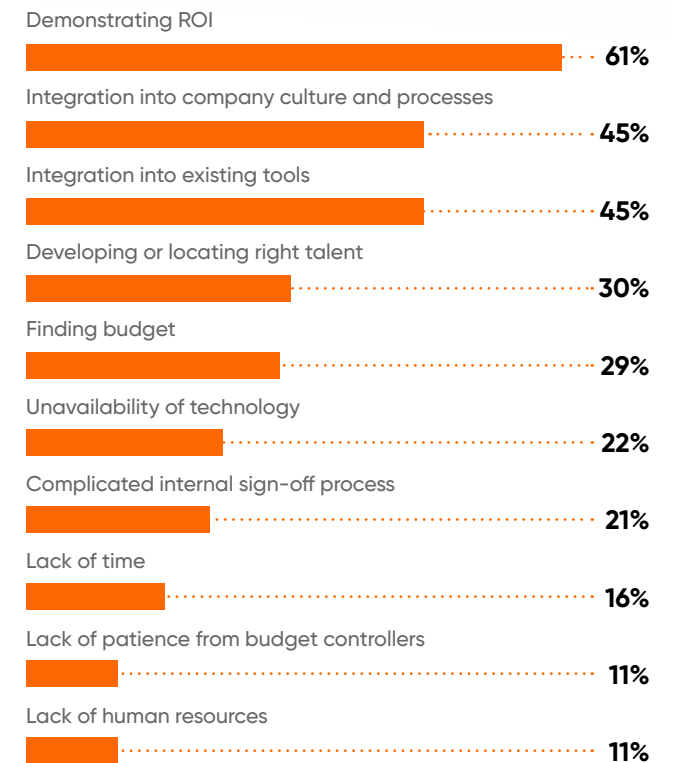


\*respondents could select multiple answers

### Top 10 strategic investment priorities\*



### Investment obstacles\*



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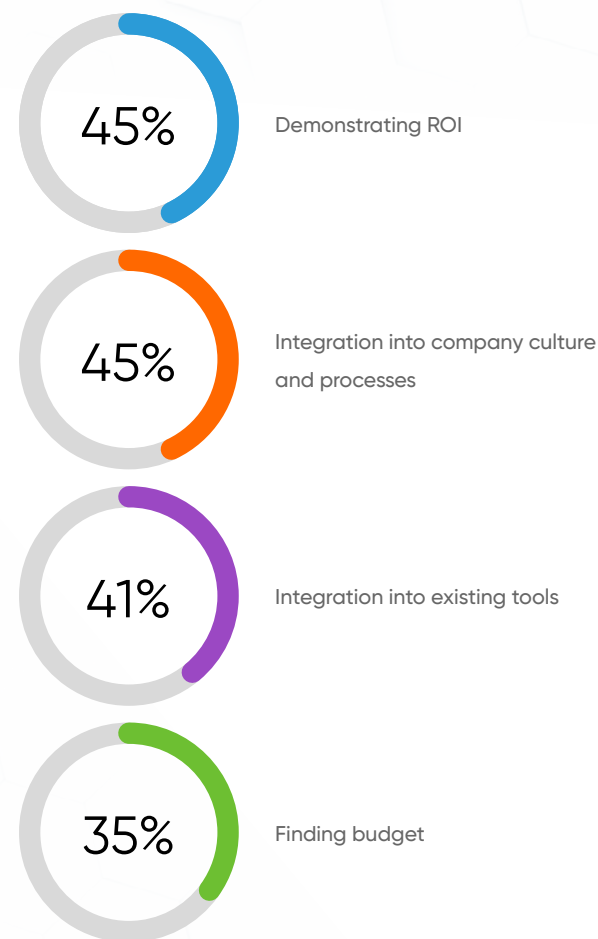
GLOBAL

**Top 10 strategic investment priorities\***



\*respondents could select multiple answers

**Investment obstacles\***



**Investment goals**

As seen in the other sections of this report, global CX investment priorities do not differ greatly for APAC organizations. There are, however, some key differences.

The top three APAC investment categories are digital customer experience (38 per cent), voice of customer (27 per cent) and data analytics (27 per cent), with APAC practitioners placing more investment focus onto voice of the customer than their global counterparts.

Digital CX and data and analytics both remain a high investment priority regardless of region. This is not surprising, as these are key areas for improving customer experiences and previously ranked in the top two spots in the 2019 Global State of Customer Experience report.

In the 2019 report James Alexander, decisioning director at Sky, explained: "The two concepts intertwine, as the key to enhancing the digital customer experience for connected customers starts around the concept of identity, gluing together all the different interactions as much as possible into an actionable profile."

It is encouraging to see that these CX APAC practitioners are taking the voice of the customer seriously. It is vital that brands listen and respond to the voice of the customer so they can bring meaningful value to



individual customers and address any points of concern. Troy Barnes, chief digital officer at Pizza Hut Asia highlights that: "In today's environment, proliferation can happen quickly due to social media. One negative complaint is no longer limited to the individual anymore. Very quickly it can be exposed to 10,000 people in that space, and we've already seen this happen to a number of companies across the world."

### Obstacles

The primary investment obstacles APAC practitioners are facing once again are not significantly different to the rest of the world. The top three perceived obstacles for both regions are the same, with some slight difference in their ranking.

Similar to last year, demonstrating ROI stands as the strongest investment challenge in APAC. Demonstrating ROI is crucial for obtaining the needed budget for CX projects. However, this task is complicated by the fact that many firms lack the visibility to correctly attribute financial yield to CX efforts. With CX practitioners expected to validate how a particular CX project will financially benefit a brand, it is obvious why CX ROI is regarded as the primary investment obstacle for CX practitioners.

"Let's be frank—establishing a customer experience program's ROI is one of the greatest challenges that CX practitioners and the organizations they serve face in the modern experience landscape. Across all businesses, the entire C-suite leadership team is looking to validate an experience management program by understanding: what is the financial impact of my CX investment?"

"One of our retail clients at InMoment with 169 stores nationwide has confirmed that through the implementation of CX technology and best practices, the business tripled its feedback rate, responded to nearly 9,000 customer concerns, and realized almost US\$9m in new revenue. In under six months, the program paid for itself many times over."

**David Blakers**, Managing Director APAC, InMoment



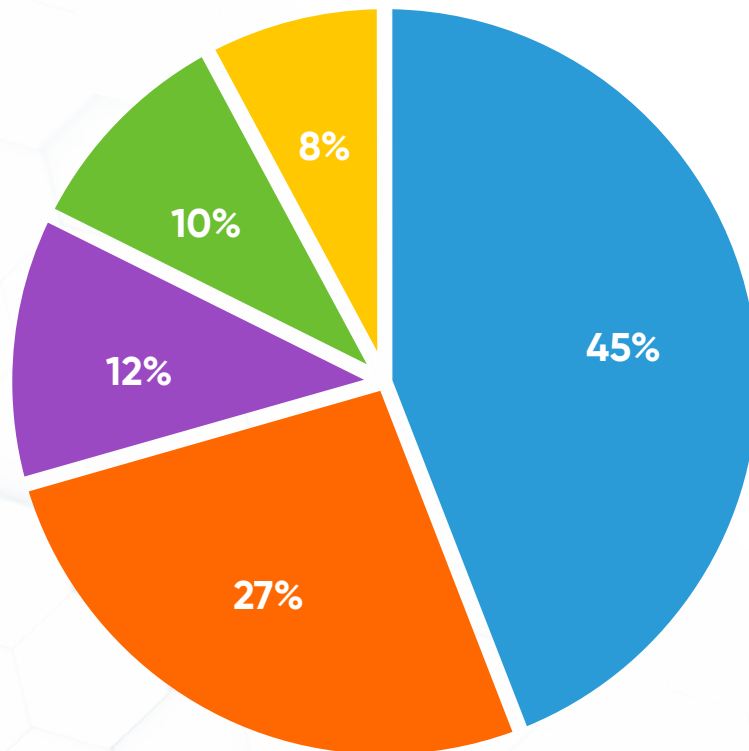
# Culture change and achieving stakeholder buy in

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## APAC

Which of the below describes your business culture best?

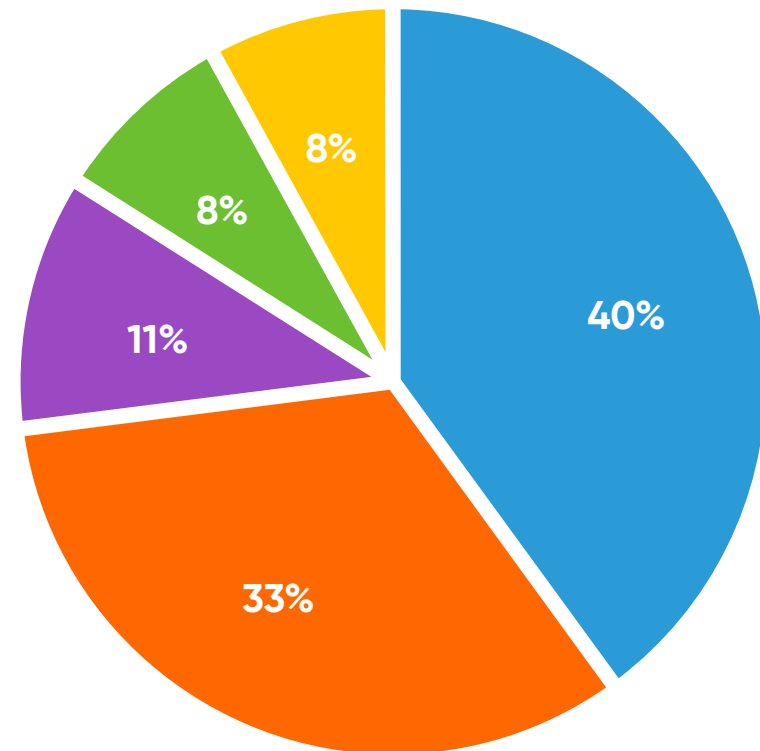
- We have had a few wins from CX projects, which are helping us gain buy-in from various stakeholders
- The CX department needs to deliver returns to be taken more seriously in the business
- The CX department isn't really held accountable for the returns it delivers
- Due to the solid returns we have delivered from CX efforts, we are trusted to be more experimental with CX projects
- Don't know



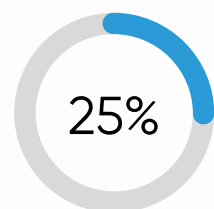
## GLOBAL

Which of the below describes your business culture best?

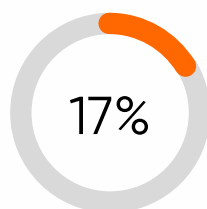
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- Don't know



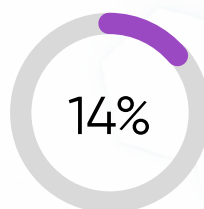
### The most persuasive business metrics for obtaining buy-in for CX cases in APAC\*



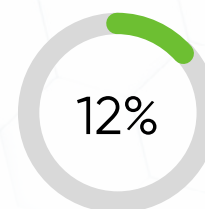
Revenue



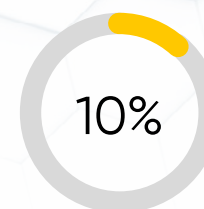
NPS score



Cost to serve



Not sure



CSAT

*\*respondents could select multiple answers*

### Global

One of the key challenges CX practitioners experience when trying to implement a customer-centric culture is obtaining the buy-in and support of key business stakeholders. In recent CX Network research, the majority of CX practitioners surveyed said the pressure is rising for them to prove the ROI for CX projects. However, more than half of those industry experts doubt their company's ability to accurately identify the business benefits CX initiatives can bring. This

means that a brand could be achieving returns from CX initiatives but lacks the ability to correctly attribute these rewards back to CX projects. This is concerning as, here, just under 30 per cent of the APAC practitioners flag that returns are vital for CX gaining the respect it deserves in their business culture.

In comparison to the rest of the world, APAC participants convey more cultural buy-in for CX at their organizations, with 53 per cent noting that they have gained some form of stakeholder buy-in thanks to returns. From this

we could infer that businesses in the APAC region are beginning to trust in the power of customer experience slightly faster than some of their global counterparts.

In APAC, revenue is a very persuasive metric for gaining CX buy-in from colleagues, with 24 per cent of professionals naming it the most powerful metric for supporting business cases. Net Promoter Score (NPS) comes in at second place, with nine per cent fewer professionals believing this to be the strongest metric for supporting business cases.

### FINAL REMARKS

Looking ahead, with the global pandemic complicating business operations across the globe, it will be interesting to see how brands negotiate the trends identified in this research in order to drive meaningful experiences to customers, especially in moments that matter.



# About CX Network

CX Network is an online resource for customer experience professionals providing value-rich content such as industry reports, customer trends, best practice, latest industry news, interviews with CX leaders and so much more! Our focus on the content that matters to customer experience leaders most, allows us to cut through the white noise that surrounds this ever-changing subject, and makes us the primary resource for CX executives to turn to.

By joining our network you will receive expert commentary, reports, and resources developed by and for experienced customer experience professionals and industry insiders. With a growing membership and global portfolio of events, CX Network ensures you keep your finger on the pulse by delivering practical and strategic advice to help you achieve your business goals.



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- FEB**
- > **RESEARCH REPORT**  
ROI in CX
  - > **ONLINE CONFERENCE**  
CX APAC
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CX Metrics Checklist
  - > **SURVEY LAUNCH**  
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- MAY**
- > **RESEARCH REPORT**  
Global State of CX
  - > **CX EXPERT PODCAST**  
AI in CX
  - > **GUIDE**  
CX in Travel and Hospitality
  - > **ONLINE CONFERENCE**  
Global State of CX Day

- JUN**
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Big Book of Customer Insight, Data and Analytics
  - > **GUIDE**  
Omnichannel Case study book

- JUL**
- > **EXPERT INSIGHTS EBOOK**  
CX Market Leaders in Retail
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Telecoms in CX
  - > **GUIDE**  
UX and UI in CX

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# Transform your Culture, Customer Experience and Bottom Line Results

If you're starting out on your customer experience transformation, or looking to take your program to the next level, InMoment is the partner of choice for Asia-Pacific brands.

Recognised as a Leader in the Forrester Customer Feedback Management Wave, and with over 2,000 global customers from the world's leading brands—we can help transform your experiences and drive higher business value from your customers, employees and business needs.

## + DRIVE BETTER EXPERIENCES

Leverage our team of CX experts and consultants who will work with you to design a bespoke CX program that is focused on measurable results

## + TRANSFORM THE ORGANISATION

Bring experiences to life with personalised insights and tools to engage team members across the business, from the CEO to frontline employees

## + PARTNER WITH CONFIDENCE

Drive peak customer experiences through modern technology, years of industry experience and our genuine partnership approach

To discover how InMoment can help unlock the value of your experience management strategy,

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