

ONE SIZE DOESN'T FIT ALL

THE SUBJECTIVE,
EMOTIONAL
AND SOMETIMES
CONTRADICTORY
STATE OF
CUSTOMER
EXPERIENCE

**A RESEARCH STUDY
BY ORACLE CX IN
PARTNERSHIP WITH
JEANNE BLISS**

A cross-generational
look at customer
preferences,
behaviors and
expectations.

ORACLE®

FOREWORD BY JEANNE BLISS

IMAGINE A BABY BOOMER, A GEN X'ER, A MILLENNIAL
AND A GEN Z'ER WALK INTO A BAR. SOUNDS LIKE
THE START OF A JOKE, RIGHT? BUT THINK ABOUT IT.
HOW DID THEY EACH CHOOSE THE BAR? ARE THEY
AT THE SAME PLACE? WHAT DID THEY ORDER?
AND IF YOU WERE TO ASK THEM ABOUT THEIR
EXPERIENCE AFTERWARDS, HOW WOULD THEY ANSWER?
THEIR RESPONSES WOULD BE VASTLY DIFFERENT.

A vertical photograph on the right side of the page shows a woman from the chest up. She is smiling broadly, showing her teeth. She has dark hair and is wearing a dark top. Her hands are holding a clear glass filled with ice and a drink, with a black straw. The background is dark and out of focus.

NEVER BEFORE
HAVE CONSUMER
JOURNEYS AND
EXPECTATIONS
BEEN SO DIVERSE.

BABY BOOMERS

Statistically, Baby Boomers control **70%** of all disposable income in the United States. We tend to think of them as set in their ways, but they've **rapidly adopted technology**—like smartphones—that didn't exist until their 40s or 50s.

GEN X

Generation X remembers life before the Internet, but habitually uses **social media** more than any other age group.

MILLENNIALS

Millennials are the original digital-first generation. They bring more racial and ethnic **diversity** than their predecessors, and are still feeling the impact of the Great Recession.

GEN Z

Right on Millennials' heels are the always-on Gen Zers, the oldest of which can legally order a drink at our aforementioned bar.

82%

OF CONSUMERS ARE DISAPPOINTED BY BRANDS

Despite generational differences, today's consumers share one thing in common—the majority (82%) report being disappointed or upset by brands, and those feelings are more pronounced among Gen Zers and Millennials. Consumers have high expectations, and companies aren't always passing muster.

Over the last few decades, technology has empowered consumers to become the innovators. Brands are no longer in charge of the buying journey—their customers are. And consumers have taken the reigns, fearlessly experimenting and reimagining ways to interact with companies every day.

As customer experience (CX) professionals across marketing, commerce, sales and service departments, our goal is to adapt to this evolving relationship between consumer and brand. We must unite our efforts to meet our customers' diverse expectations—even exceed them—or risk extinction.





**BABY
BOOMER**
(55-75)

BORN BETWEEN
1944-1964

GEN Z ADULTS
(18-24)

BORN BETWEEN 1995-2001

MILLENNIAL
(25-39)

BORN BETWEEN
1980-1994

GEN X
(40-54)

BORN BETWEEN
1965-1979

1,100+

U.S. CONSUMERS SURVEYED

In today's marketplace, the customer experience is paramount.

It's inseparable from the value of the goods and services a company provides. It's also a critical indicator of whether consumers will do business with a brand again and advocate on their behalf.

In this dynamic landscape, I'm honored that Oracle has asked me to provide perspective on their research that explores the behaviors, preferences and expectations of 1,100+ consumers across four generations.

Jeanne Bliss

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CUSTOMER
EXPERIENCE
IS MAKE
OR
BREAK

PART ONE

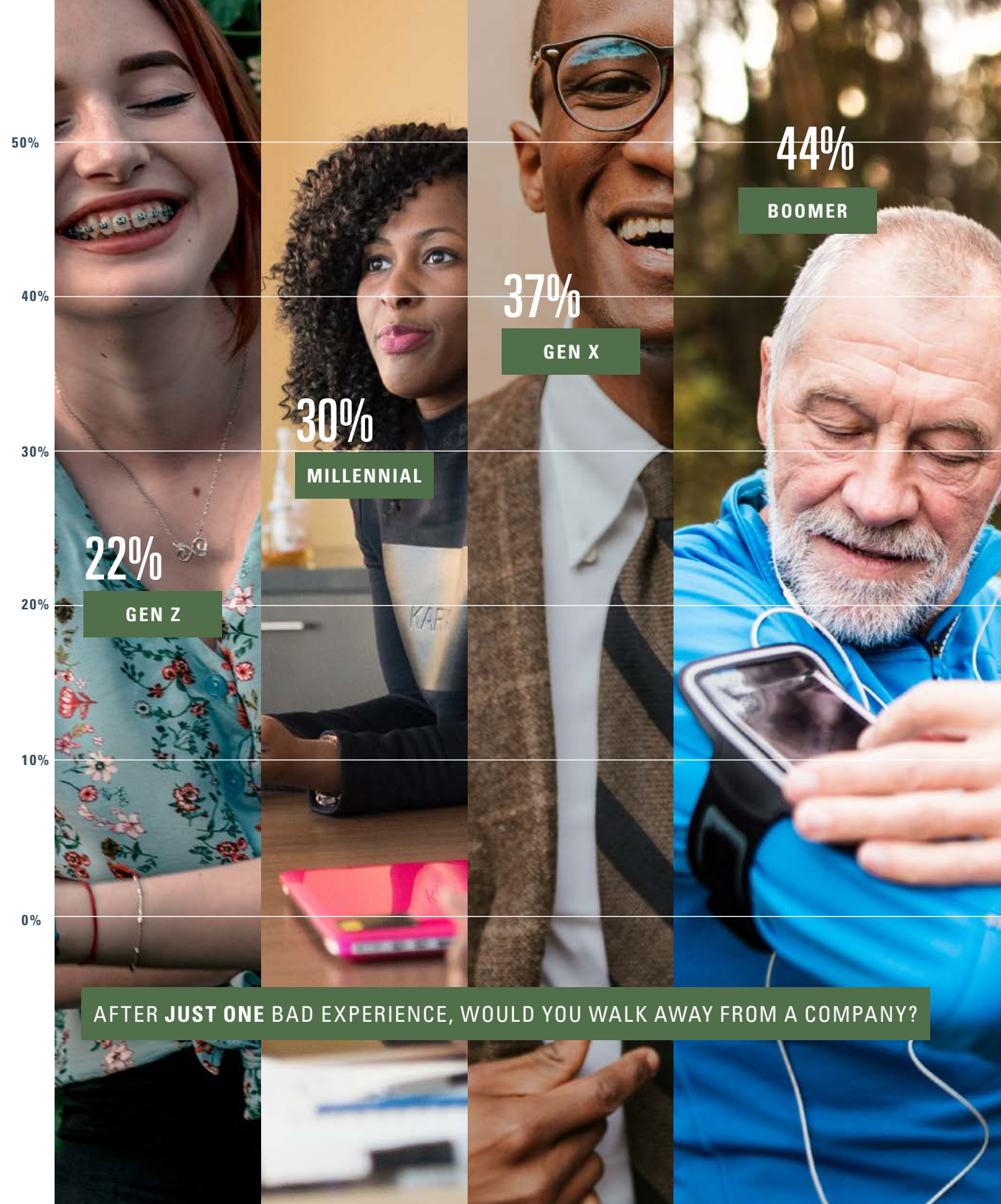
COMPANIES NO LONGER COMPETE ON PRICE AND VALUE ALONE. CX IS THE NEW BATTLE GROUND, AND CONSUMERS ARE HYPER-ATTUNED TO WHETHER A BRAND MEETS THEIR NEEDS, OR MISSES THE MARK ENTIRELY. THEY'RE WATCHING CLOSELY, EVALUATING EVERY STEP OF THE BUYING (AND OWNING) JOURNEY. ESPECIALLY YOUNGER GENERATIONS.

Generation Z is paying the most attention to its customer experience.

This age group reports having both positive and negative experiences more frequently than Millennials, Generation X and Baby Boomers. Their perceptions and resulting behaviors will have a far reaching impact as they **eclipse Millennials** in numbers, set trends and influence future business practices.

Yet, despite their increased attentiveness, Gen Zers aren't the pickiest. According to our research, Gen X takes home that title. But generational differences aside, there's no doubt that CX can make or break—define or disrupt—a business.

How so? For starters, bad CX sends customers packing. One-third of respondents will actually walk away from a brand after having a disappointing interaction. **If just one disruptive experience can impact a company's bottom line, imagine what consistently poor CX could bode over time.**



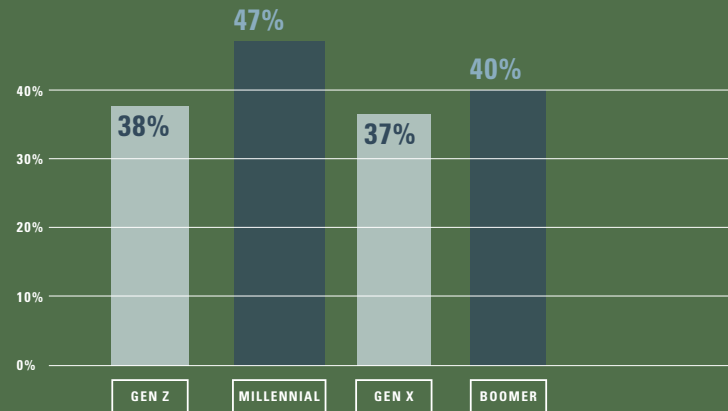
Thankfully, research reveals that the youngest generation is more forgiving than the rest. Eight out of 10 Gen Z respondents are willing to give brands a second chance after an upsetting experience. This tendency, however, decreases with age.

8/10

GEN ZERS ARE WILLING TO GIVE BRANDS ANOTHER CHANCE

On the flip side, exceptional CX is memorable, and good news travels fast. Consumers are more likely to share positive interactions with companies than negative ones. Gen Z is the most loquacious, but all consumers have a tendency to tell their friends, family members and colleagues. Some will write a review, or post about it on social media. True brand advocates will even contact the company to thank them or share their positive experience. In the kingdom of CX, goodness prevails and it too has a significant business impact.

Would you pay as much as 20% more for an impressive experience?



Consumers value their experience, and they're putting their money where their mouths are. Four out of 10 respondents are willing to pay as much as 20% more for an impressive customer experience.

79% of Gen Z shares impressive brand experiences with friends, family and colleagues

IF YOU INVEST IN YOUR CX YOUR CUSTOMERS WILL INVEST IN YOU.

**CONSUMERS ARE
ATTRACTED TO
COMPANIES WHO
HONOR THEM**

with experiences
that meet their diverse
preferences and needs.
If you invest in your
CX, your customers
will invest in you.

ORACLE

ONE SIZE DOESN'T FIT ALL 9

Brand Spotlight

How do you take a potentially upsetting experience and make it memorable? Fanatics, the world's largest retailer of licensed jerseys, developed a Jersey Assurance program that allows fans to exchange a player's jersey free of charge if that player changes teams within 90 days of the purchase.

So, when LeBron James joined the Lakers in 2018, his fans were able to [make the switch](#) too. While Fanatics couldn't ensure that die-hard Lakers supporters would accept LeBron, or that he would lead his new team to the playoffs, the company knew it could take advantage of this emotional moment—and others across professional sports—to foster brand loyalty on its own court.



FANATICS

MAN VS. MACHINE WHO DO YOU TRUST?

PART TWO

TODAY'S CONSUMERS ARE RESOURCEFUL. THEY CONSULT AN ENDLESS NUMBER OF RESOURCES AND CHANNELS TO LEARN ABOUT COMPANIES BEFORE THEY MAKE A PURCHASE, BUT THEIR LEVEL OF TRUST IN THESE SOURCES VARIES.

88%

OF CONSUMERS TRUST SHOPPING
RECOMMENDATIONS FROM PEOPLE THEY KNOW

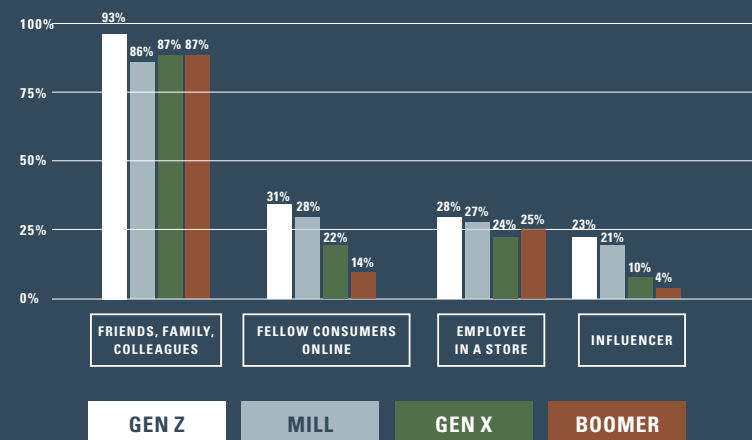
Our friends and family “get us.”

They’ve met our kids (or pets), have seen photo albums from our recent vacation and can name our favorite restaurant because they eat there too. They’re “our people,” and we take their advice or suggestions seriously. But what about those outside our immediate circle of trust?

When’s the last time a store clerk recommended an item to you in the store? Have you ever bought something because a celebrity swears by it? Strangers are part of our buying journey too, whether we recognize it or not. **But not all strangers are created equal.**



Who do you trust when shopping?



Our fellow consumers feel more trustworthy online than in person.

Customer reviews are a perfect example. This stranger-generated content is **intrinsic** to our buying journey. It’s an insider scoop, served with a sense of anonymity that enables users to share details—like the fit of a swimsuit or rude service at a local diner—that they might not be so candid about in person.

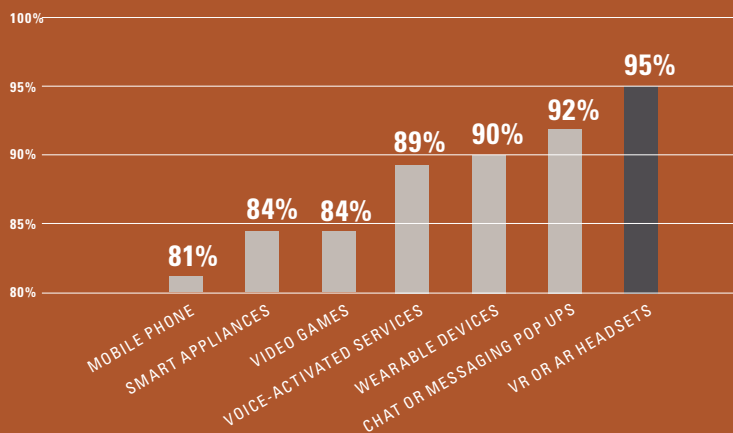
On the other hand, company employees feel more trustworthy in person.

Making a human connection with a store employee lets shoppers determine whether they can relate to and agree with his or her opinion. When interacting online, that trust dwindles—perhaps reflecting consumers’ inability to discern whether they’re talking to a real human or an AI-powered bot.

However, chatbots and other tech-driven communication platforms aren't going anywhere. In fact, emerging channels—like Alexa, Siri and smart appliances—already live in our homes, and know more about our shopping habits than we wish to admit (or even realize).

They might even know our kids' birthdays, where we took our last vacation and our favorite takeout restaurants. So when brands serve up ads on these and future channels—like Fitbits and VR headsets—will we yield to them? **Survey says “no.”**

Distrust in Shopping Recommendations on Digital Platforms



52%

OF ALL CONSUMERS SURVEYED

are skeptical of shopping recommendations (or ads) delivered on evolving digital platforms, and that distrust increases with age.

"Today is Milo's birthday. Would you like to order something?"

A photograph of an older man with a grey beard, wearing a bright blue jacket and white earbuds. He is looking down at a smartphone held in his hands. The background is a blurred forest path with sunlight filtering through the trees.

80% of Baby Boomers say they wouldn't trust shopping recommendations from digital platforms.

BOOMERS DON'T APPRECIATE DATA-DRIVEN SUGGESTIONS

MAN VS. MACHINE

Despite a brand's best data-informed intentions, blatant shopping recommendations on our smart TVs, via push notifications on our cell phones, or through voice-activated devices feel intrusive. Baby Boomers are the most averse. Eighty percent report that they wouldn't trust shopping recommendations from any of the evolving digital platforms listed in the survey.

Gen Z and Millennial preferences tend to mirror those of their older counterparts, with a little more leniency when it comes to endorsements from strangers and emerging platforms. Interestingly, the research reveals a curious level of trust in video games as an ad platform.

Almost one-third of Gen Z respondents would consider an ad served up while playing a video game, and are more likely to trust that than a recommendation on their cell phone.



CONSUMERS
TRUST SINCERE
CONTENT THAT
ADDS VALUE
TO THEIR LIVES.

**"GIVING" IS THE
BEST APPROACH**
to earn their
confidence
and admiration,
especially
on emerging,
data-driven
channels.

Brand Spotlight

When Mack Trucks debuted the Anthem, its first state-of-the-art highway truck in over 15 years, the company knew it had to give its audience something equally special.

They needed to add value and show that they understood their customers' needs. So they did just that, virtually putting prospective buyers in the Anthem driver's seat. Through thousands of Google Cardboard virtual reality sets, a live-streamed reveal event and a massive social media campaign that teased out clips of the Anthem, Mack brought the 40-ton semi to life, digitally. The company also crafted social content that resonated with millions, tapping into the pride, grit and strength shared by those who drive long-haul trucks, day in and day out. Mack succeeded in leveraging new digital channels to not just sell its highway hauler, but to reinvigorate a legendary brand to mass appeal.



MACK TRUCKS

SOCIAL SKEPTICS

PART THREE

CONSUMERS HAVE A PARADOXICAL
RELATIONSHIP WITH SOCIAL MEDIA. WHILE THEY EXPRESS CONCERNS ABOUT PRIVACY ISSUES AND THE SOCIAL FRUSTRATIONS OF BEING CONNECTED, THE APPS' USERS FIND IT DIFFICULT TO UNPLUG AND ACTUALLY GIVE UP THEIR NETWORKS.

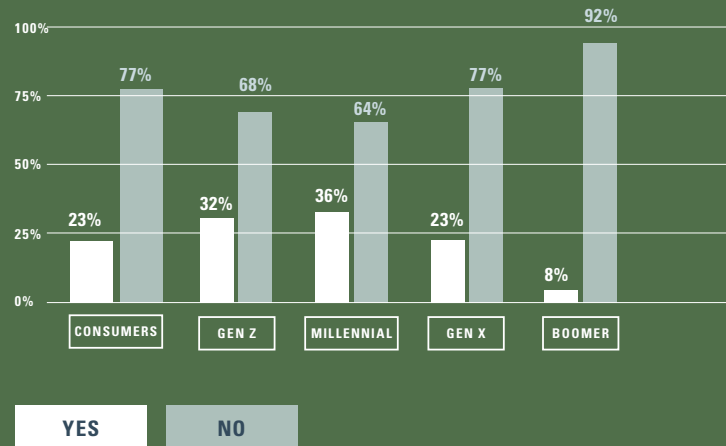
45%

USE SOCIAL CHANNELS TO DISCOVER
NEW BRANDS AT LEAST ONCE A MONTH

Among surveyed respondents, the vast majority (88%) have social media accounts. Less than one-quarter trust shopping recommendations from these platforms, but nearly twice as many (45%) report using social channels to discover new brands at least once a month.

That tendency increases among younger generations. Sixty-eight percent of Generation Z and Millennials find new products and services through social channels monthly or more often. When they do find something they want, 37% are likely to click through and buy it.

Do you trust ads on social media?



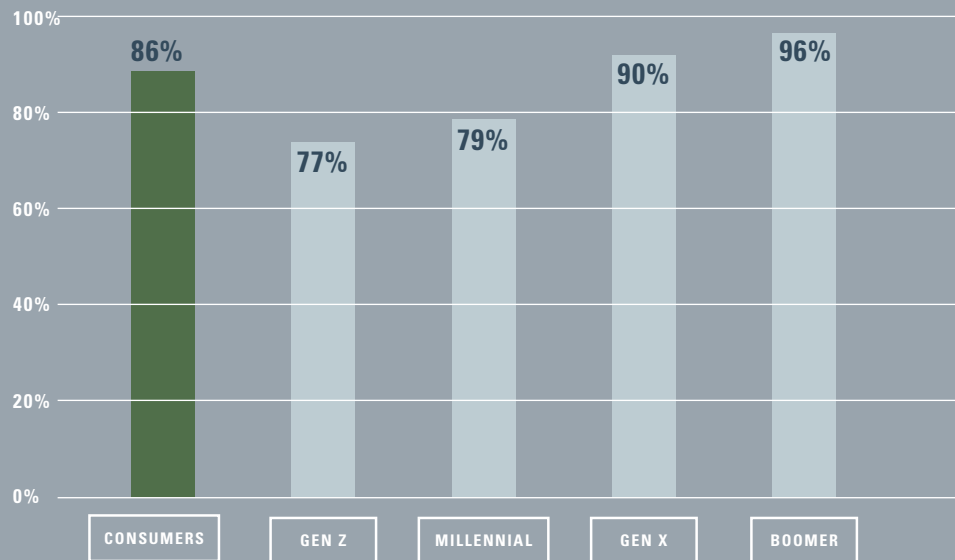
Consumers want to regain control of their digital experiences. They want to find brands and social content on their own terms, without being spoon-fed by algorithms.

All generations are redefining their relationship with social media. Given these preferences, it makes sense that consumers are also suspicious of influencers and bloggers—people leveraging their vast social networks to market goods and services on behalf of brands.



86%


OF SURVEY RESPONDENTS DISTRUST INFLUENCERS AND BLOGGERS



THAT'S A
STARTLING
INSIGHT
CONSIDERING
THAT THE
INFLUENCER
MARKETING
INDUSTRY IS
EXPECTED TO
REACH \$6.5B
THIS YEAR.

So what gives?

Perhaps consumer distrust stems more from the platforms influencers employ than the content they impart. Or maybe it's because the lines are blurry, and consumers don't always recognize, or don't want to admit, that they follow influencers. Regardless of the reason, social platforms and those who profit from their social networks are being forced to meet changing customer behaviors and preferences.



TRUST CAN'T BE BOUGHT.

RELATIONSHIPS BETWEEN BRANDS AND CONSUMERS

begin when a customer has faith in a company. That trust can't be bought. It must be cultivated. To earn the right to growth, brands must trust and respect their customers in return.



THE BLONDE SALAD

Brand Spotlight

The Blonde Salad's Chiara Ferragni was an influencer long before she became a [successful business owner](#).

Over the years, Ferragni cultivated a devoted following as a blogger and fashionista, sharing her self-styled outfits and tips with an engaged audience. Accepted by her fans as an industry expert, Ferragni began to add value to those authentic engagements—turning her blog into a successful e-commerce business.


Today, Ferragni continues to grow her audience, partnering with influential companies like Pantene and Louis Vuitton. Ferragni turned influencer marketing on its head, first earning the right to expand her own networks and only then leveraging the influence of others.

LOSING FAITH IN PERSONALIZATION

PART FOUR

CONSUMERS WANT BRANDS TO UNDERSTAND THEIR UNIQUE NEEDS AND DESIRES. THE MAJORITY VALUE PERSONALIZED EXPERIENCES BASED ON THEIR TASTES AND PREFERENCES. YOUNGER CONSUMERS ARE EVEN MORE LIKELY TO SHARE THIS CONVICTION.

Consumers appreciate emails and product recommendations tailored to their browsing history. They prefer speedy online checkouts and frictionless engagements based on past transactional data. When a company “knows” them, life is easier and more convenient.




68% OF CONSUMERS say tailored experiences based on their tastes and preferences are important to them.

Luckily for brands, the majority (57%) of all consumers feel comfortable sharing their personal information to tailor these interactions. But there’s a catch. Only 15% of respondents actually expect companies to deliver personalized experiences (the same amount expect a happy birthday wish).

15%

EXPECT PERSONALIZED EXPERIENCES

Consumers are ready and willing to make personalization a reality, but they aren’t confident that brands will actually follow through. They’re jaded, and understandably so. Consumers are hyper-connected, plugging their appliances into smart home systems, sharing their location with ride services, and their fitness information with apps.



THE DATA IS THERE, SO WHY CAN'T BRANDS FIGURE IT OUT?

Simply said, this abundance of consumer information is a challenge for brands. They're scrambling to integrate and make sense of siloed data sets. And the stakes are high.

Misinterpretation of this information can undermine a company's ability to forge authentic connections with its audience. It's no wonder that businesses of all sizes report that leveraging machine learning and AI to deliver personalized CX is a [top priority](#). They recognize the need to make it happen, but there are a lot of nuances and complexities to master first.

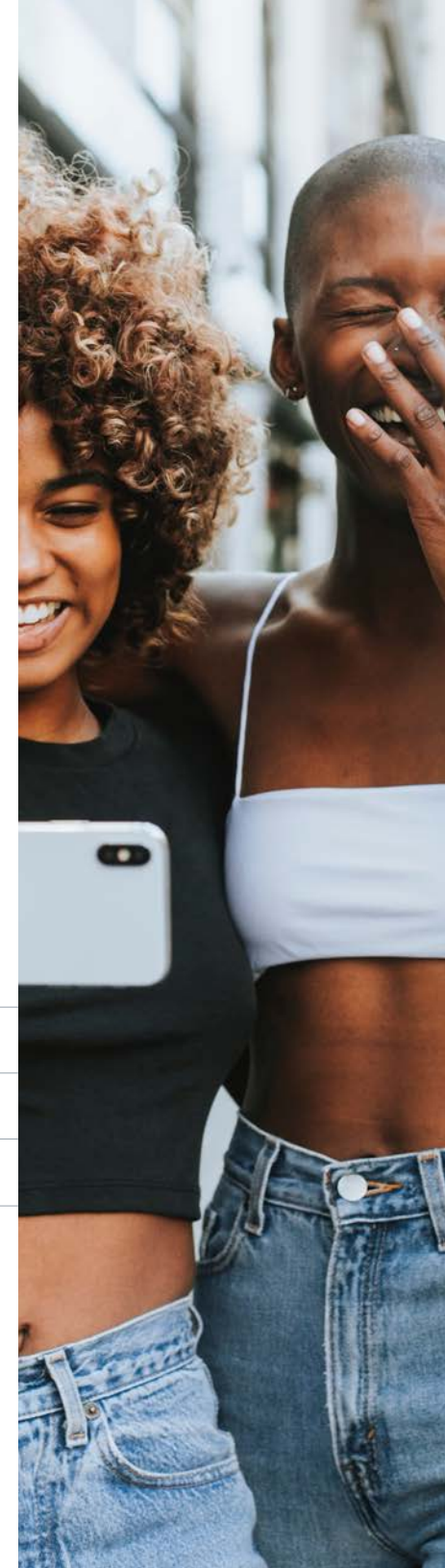
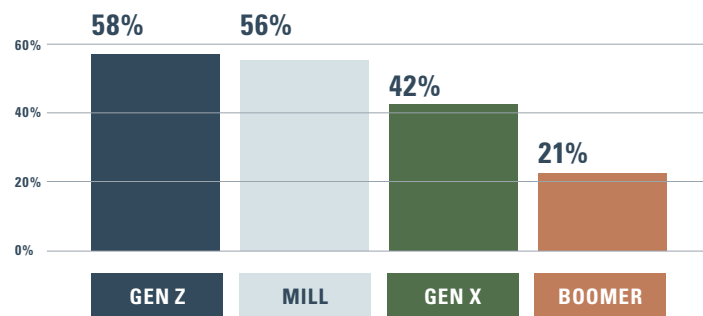
Thankfully, harnessing huge data sets isn't the only way to show customers that your brand understands them. For example, imagine using an app to envision how a couch would look in your apartment before you buy it. How about getting your favorite coffee drink while making a deposit at your local bank? These innovative, personalized and trendy opportunities are attracting new customers, notably Gen Zers and Millennials.

58%

OF GEN Z CONSUMERS

are more likely to buy from a company that offers novel ways to experience its products and services.

Attraction to novel experiences





NOVELTY AND INNOVATION ATTRACT

Younger consumers are more likely to give their business to companies that offer new ways to experience products and services than those that don't. They value novelty, and are constantly reimagining the world around them. Consequently, how your products and services fit in that picture will determine your brand's worth.

CRAFTING UNIQUE EXPERIENCES IS KEY

**IN THIS DYNAMIC
LANDSCAPE,**
brands that
constantly challenge
the norm—through
hyper-relevancy and
novelty—will stand
out. Crafting unique
experiences is key
to building advocacy
and growth.

AUSTRALIAN RED CROSS

Brand Spotlight

Few things are as personal as giving blood. That's why the Australian Red Cross is leveraging AI to make the donating process as personalized as possible.

By collecting participant information like blood type and location, the Australian Red Cross communicates with each donor on an individual level, expressing its appreciation and building relationships that help the nonprofit meet its unpredictable demands. The result is a win-win for recipients and donors alike.



COMMERCE IS CONVENIENCE

PART FIVE

CONSUMERS LIVE IN A WORLD OF NEAR-INSTANT GRATIFICATION. WE GET ANSWERS IN SECONDS, UBERS IN MINUTES AND ONLINE DELIVERY IN HOURS. FROM OUR HOMES, WE ASK ALEXA TO ORDER MORE LAUNDRY DETERGENT THE MOMENT WE RUN OUT. FROM OUR CARS, WE CAN SCHEDULE AN OIL CHANGE AS SOON AS THE WARNING LIGHT TURNS ON.

The future of commerce is pageless—it no longer requires a storefront or website to make a transaction. Even the most inconvenient and downright bizarre moments can present consumers with an opportunity to shop, particularly younger generations.

51%

ADMIT TO ONLINE SHOPPING IN UNLIKELY PLACES

51% of Gen Zers and Millennials admit to online shopping while at church, at a wedding, in the shower, on a date, at a funeral and other unlikely places. Commerce is literally everywhere.

Consumers value freedom.

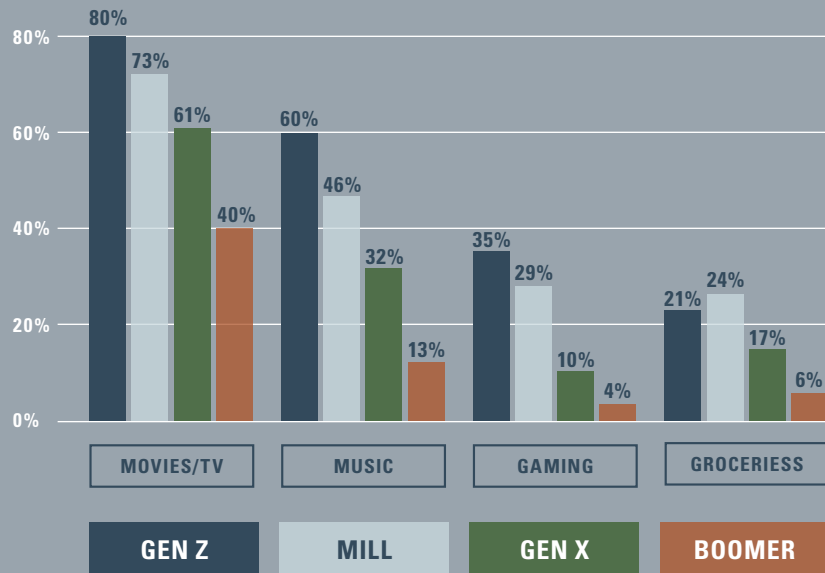
They appreciate the chance to experiment with a brand on a whim, even when they're on a date or in the shower. They seek convenience and are more likely to expect companies to offer frictionless commerce options—such as free returns, two-day shipping and modern digital payments options (like Apple Pay and cryptocurrencies)—than they are to expect a company to have a social media presence.

Given these preferences, **it's no surprise that consumers are changing the way that they consume goods and services**—particularly when it comes to subscriptions.

14%
of Millennials
have made a
purchase while
driving

95%

OF GEN Z SUBSCRIBES TO SOME SORT OF SERVICE OR PRODUCT



Nearly three out of five

Gen Zers expect the number of services they subscribe to will increase or stay the same over the next few years. While streaming services like Netflix, Spotify, and online gaming are leading the way, this also signals a quest for convenience and choice when it comes to buying groceries or personal items like makeup and clothing. It also reveals future implications for big ticket items, like car subscriptions—as we’ve begun to see with Porsche Passport and Flexdrive. Could this foreshadow the end of ownership?



GIVE YOUR AUDIENCE THE OPPORTUNITY TO CHOOSE.

INSTANT GRATIFICATION, flexibility and convenience are critical to today's buying experience. Give your audience the opportunity to choose how they consume products or services from your brand.

CUSTOMER
SERVICE
CAN BE LIKE
GOING
TO THE
DENTIST

PART SIX

DEPENDING ON YOUR SITUATION, CUSTOMER SERVICE CAN BE A CLEANSING AND REWARDING EXPERIENCE OR ONE THAT'S DOWNRIGHT FRUSTRATING AND PAINFUL. THAT PERSPECTIVE IS A DIRECT REFLECTION OF YOUR CUSTOMER JOURNEY, AND THAT PATH IS DIFFERENT FOR EVERYONE.

When you have an issue with a product or service and want to resolve it, what do you do first?



MILL + GEN X + BOOMER
CALL THE COMPANY

GEN Z GOOGLES IT

When Gen Zers have an issue with a product or service, they are most likely to search online via Google or another search engine. They are DIYers, casting the net broad to find answers. When they do contact customer service, 44% of Gen Zers say the experience is akin to “getting expert advice” or one that is “very satisfying, like the feeling you get after solving a tough problem.” After exhausting their online search, Gen Zers call up the experts—and feel rewarded.

51%

OF BABY BOOMERS

go straight to the source and they call a company directly when they have an issue. While it’s a satisfying experience for some, one-third of Baby Boomers equate contacting customer service to “stubbing their toe” or even “going to the dentist.”



THE CUSTOMER SERVICE JOURNEY ISN'T UNIVERSAL.

While 33% of consumers pick up the phone and call a company to solve an issue, the remaining 67% seek resolution through other means. Some even combine service channels, starting a chat online with a company representative while watching a YouTube video at the same time. These experiences can feel gratifying, annoying, or both.

But when it comes to human interaction, consumers agree.

60%

WANT HUMAN INTERACTION

The majority of customers expect the ability to talk to a human when they call customer service. At a time when companies are pushing to automate many aspects of their CX, consumers still value human connection.





MULTIPLE CHANNELS AND DEPARTMENTS MUST UNITE.

CONSUMERS EXPECT
the companies who
serve them to deliver a
connected experience.
Multiple channels and
departments must unite
to support these needs
and foster genuine,
memorable experiences.



PIER 1 IMPORTS

Brand Spotlight

Pier 1 Imports, a home furnishings and décor retailer, differentiates its business through the service experience.

By hiring agents and store associates who have a passion for design, customers can seek décor advice as well as ask transactional questions on the channel of their choice. They add value—and a human connection—to the service experience, which fosters brand loyalty. This practice has also increased Pier 1's employee satisfaction, directly impacting its customer relations tenure as well.

ONE
SIZE
DOESN'T
FIT ALL

PART SEVEN

CX IS AN EMOTIONAL, DYNAMIC RELATIONSHIP BETWEEN BRAND AND CUSTOMER. IT'S PERSONAL AND 100% SUBJECTIVE. CONSUMER PREFERENCES VARY DEPENDING ON A WIDE RANGE OF FACTORS, WHICH INCLUDE—BUT ARE NOT LIMITED TO—GENERATION. THERE IS NO FORMULA. CX IS NOT ONE SIZE FITS ALL.

A business' success will depend on the holistic experience it offers. CX crosses departmental lines, from marketing and commerce to sales and service.

It relies on back-office processes like supply chain, delivery and billing. Companies must empower whoever gets to the customer first to add value and deliver unforgettable moments, because these impressive experiences can pay off in a big way. Invest in CX, and your business will be rewarded with customer accolades and loyalty. Don't, and you'll quickly lose market share to those that do.

Consumers aren't relinquishing their control any time soon. They're driving interactions in ways that are unique to them. You can either hold on for the ride or help steer by leveraging a combination of trust, technology and creativity. With these tools, and a heavy dose of human connection, brands can help shape the future of CX for these and future generations.



**INVEST IN YOUR
CX, AND YOUR
BUSINESS WILL
BE REWARDED
WITH CUSTOMER
ACCOLADES
AND LOYALTY.**

Invest in your CX,
and your business will
be rewarded with
customer accolades
and loyalty.

PART EIGHT

Research Methods

This study was conducted on behalf of Oracle by the data and analytics team within H+K Strategies. The survey was fielded February 11-14, 2019 and surveyed **1,100+ adults 18+ across the United States**, evenly split between Generation Z, Millennial, Generation X, and Baby Boomer age groups.



GEN Z

MILLENNIAL

GEN X

BOOMER