



consulting | technology | outsourcing

**Accenture 2013  
Global Consumer  
Pulse Survey  
Global & U.S. Key Findings**

**High performance. Delivered.**



# Contents

---

- Executive Summary
  - Overview of the “Switching Economy”
- Key Findings
- Methodology and Survey Sample

# Executive Summary

# Executive Summary

## The Switching Economy - Estimation of Value Potential

- Accenture’s “Switching Economy” captures the changing nonstop customer dynamics in a new way, defining the revenue potential at play, driven by consumer switching.
- It estimates the overall potential expenditure shift resulting from customers that switched from one provider to another (‘complete switch’) as well as those that will potentially do so as they have started to take portions of their spending to new providers (‘partial switch’).
- The “Switching Economy” is estimated based on two data sources:
  - Accenture’s analysis of data ranges from external sources on consumer spending (2013 forecasts) across utilities, communications, financial services, insurance, consumer goods retailing, consumer electronics and hotels & lodging in 33 countries\*.
  - Switching data from Accenture’s 2013 Global Consumer Pulse Research.
- The “Switching Economy” represents 10-15% of total annual disposable income in most mature markets against 20-25% in emerging ones. Close to 60% of the “Switching Economy” potential is driven by the US plus the BRIC countries.
- Shifts of consumer spending for “goods” accounts for the largest portion of the “Switching Economy” (up to 70% and more), especially in emerging markets where the “services” economy is still growing.

Accenture estimates that the “Switching Economy” puts up to **\$5.9 trillion** of revenue up for grabs for companies globally; with **\$1.3 trillion** in the US.

### “Switching Economy” by Geographical Region (overall revenue potential estimates, US\$ trillions)



Source: Accenture analysis, 2013

\*\*Note: US only: 1.3 trillion US dollars

Countries in scope: Argentina, Australia, Belgium, Brazil, Canada, Chile, China, Czech Republic, Denmark, Finland, France, Germany, India, Indonesia, Ireland, Italy, Japan, Malaysia, Mexico, Netherlands, Norway, Philippines, Poland, Russia, Singapore, South Africa, South Korea, Spain, Sweden, Turkey, UAE, United Kingdom and USA.

# Executive Summary (cont.)

---

- The ninth annual Accenture Global Consumer Pulse Survey, which measured the experiences of 13,168 customers in 33 countries and across ten industries to gain insight into the changing dynamics of today's "nonstop" customers and assess consumer attitudes toward marketing, sales and customer service practices. The survey included 1,256 U.S. customers.
- Despite having more data and insights into consumer desires and preferences, companies in the U.S. have failed to meaningfully improve customer satisfaction or reverse rising switching rates among their customers. As a result, there is a potential \$1.3 trillion of revenue at play in the U.S. market represented by the 'switching economy', according to Accenture's analysis of consumer spend forecasts and switching rates.
- 51 percent of U.S. consumers switched service providers in the past year due to poor customer service experiences, up five percent from 2012.
- Switching rates were highest among retailers, cable and satellite providers and retail banks – making companies in these sectors the most vulnerable, but also giving them potentially the most to gain.
- The survey found that customers are increasingly frustrated with the level of services they experience: 91 percent respondents are frustrated that they have to contact a company multiple times for the same reason; 90 percent by being put on hold for a long time and 89 percent by having to repeat their issue to multiple representatives.
- There are also frustrations with marketing and sales practices: 85 percent of customers are frustrated by dealing with a company that does not make it easy to do business with them, 84 percent by companies promising one thing, but delivering another; and 58 percent are frustrated with inconsistent experiences from channel to channel.
- While up in some categories, the survey revealed that customer satisfaction levels have generally remained stagnant across industry sectors and, overall, satisfaction fell by one percent since 2012. Additionally, the rate of loyalty barely budged among U.S. customers, rising just one percent since 2012, and customers' willingness to recommend a company rose by just two percent.

# Executive Summary (cont.)

---

- Against the high percentage of customers reporting they had switched providers in the last year, 81 percent said that the company could have done something differently to prevent them from switching. And while the survey showed that price still plays an important role in the choice of provider, the customer experience is equally important.
- 48 percent of U.S. customers use third-party online sources such as official review sites, and one-quarter (25 percent) use customer reviews and comments from social media sites, to find out information about a company's products and services.
- Word-of-mouth, including that shared via social media, continues to be the most important and impactful source of company information across industries according and is used by 71 percent of surveyed customers.
- In terms of the number of online channels used, 75 percent of respondents now use one or more online channels when researching companies' products and services and 33 percent use mobile devices to access these online channels.
- The gap between the use of digital technologies and the ability of companies to use them to improve customer experiences is highlighted by the survey's findings that, among the 10 industries covered by the report, none made noticeable progress in providing customers with a tailored experience in 2013. In the utilities industry, only 18 percent of customers agreed their provider offered them a tailored experience. And even in industries such as hotels and lodging and retail banking, perceived to be leading in creating more personalized interactions, only 36 percent of customers acknowledge receiving a tailored experience, respectively.
- Yet, while social media and online are regarded as important sources of information, one of the greatest frustrations customers have with companies is the perceived risk to privacy. Eighty-two percent of U.S. customers report that they feel companies they buy from cannot be trusted on how to use personal information they provided them.

# Executive Summary (cont.)

---

The report found that companies that delivered valued customer experiences exhibited five common high impact capabilities, known as the customer-driven digital blueprint. These capabilities include:

- **Hyper-relevance:** Assure customers that the company is doing all that it can to understand them at a more personal level, including customizing their channel and interaction preferences. This means providing a more tailored customer experience with more customization and personalization through the use of predictive analytics.
- **Relationships at Scale:** Digital gives businesses rich channels through which to communicate with customers in much more personal ways and manage relationships with customers at scale. Use digital to bring the intimacy of the corner store to all customers and then give them more convenient access and more tailored services that matter to them.
- **Seamless Experience:** Creating a seamless experience requires a multi-channel approach. Integrate information and processes that enable customers to flow easily across different channels when and how they choose.
- **Inherently Mobile:** Invest in mobile services and support capabilities that are a quick win with customers, and that help to deliver hyper-relevance and reduce costs.
- **Social Media:** Harness social media in order to deliver up-to-the-second customer preferences, greater levels of trust, a mechanism for direct and dynamic interaction and more and more usable data upon which business decisions can be made.

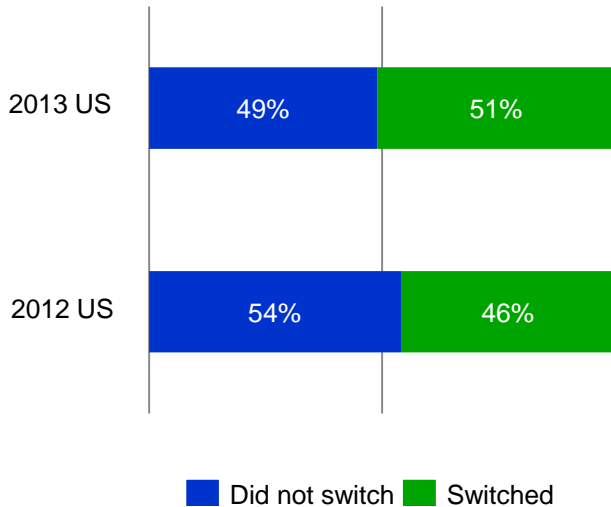
# Key Findings



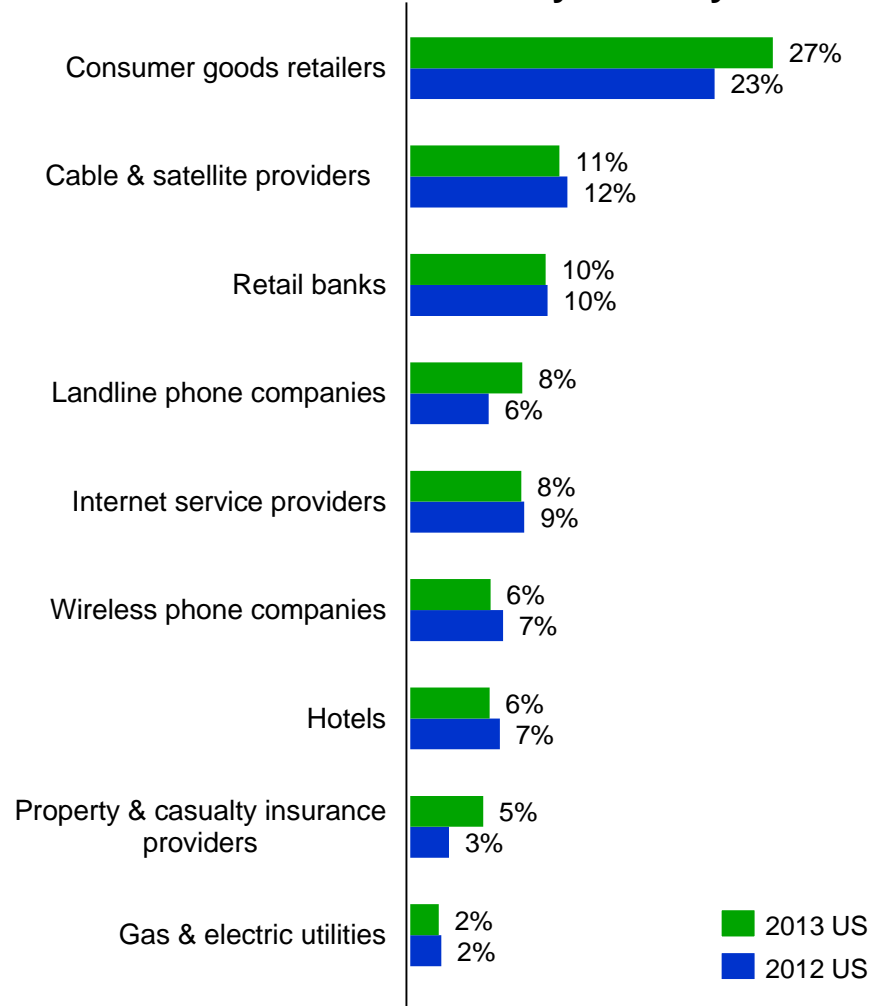
**In the U.S., there is a 5 percent increase in switching due to poor customer service from 46% to 51%.**

**Percent of consumers who switched due to poor customer service**

**2012-2013 US**



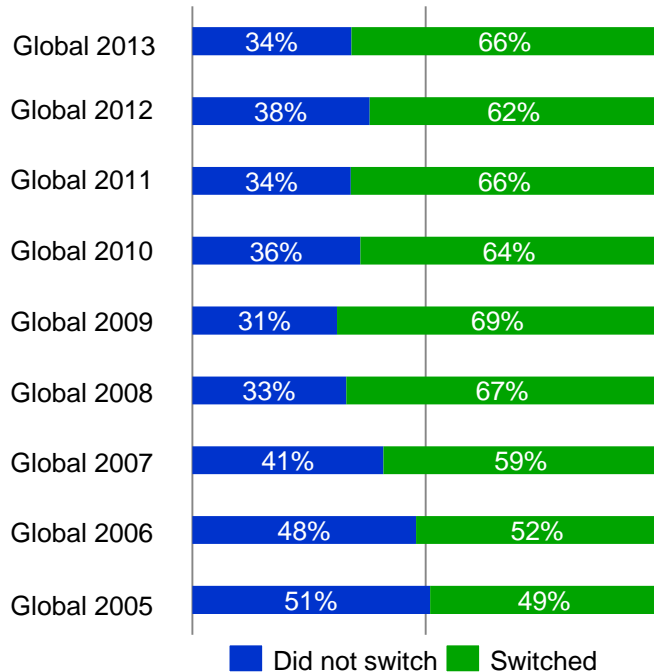
**2013 US by Industry**



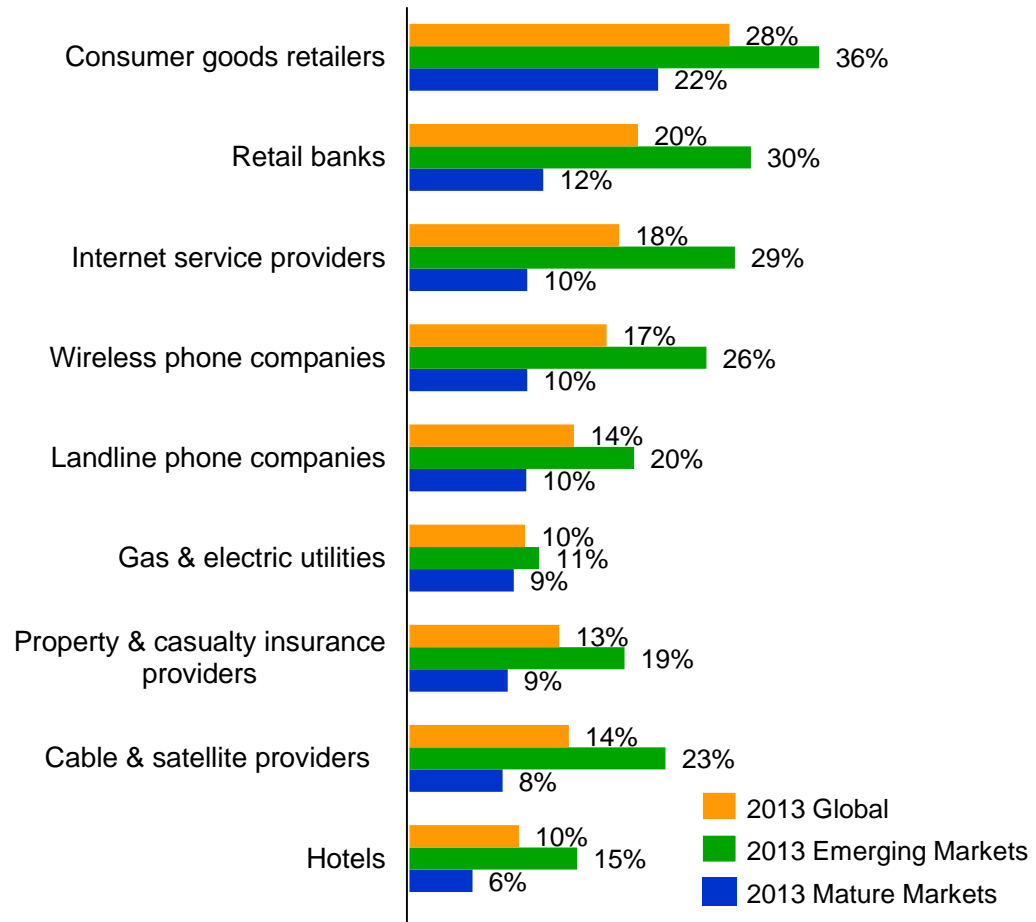
**Globally, there is a 4 percent increase in switching due to poor customer service from 62% to 66%.**

**Percent of consumers who switched due to poor customer service**

**2005-2013 Global**



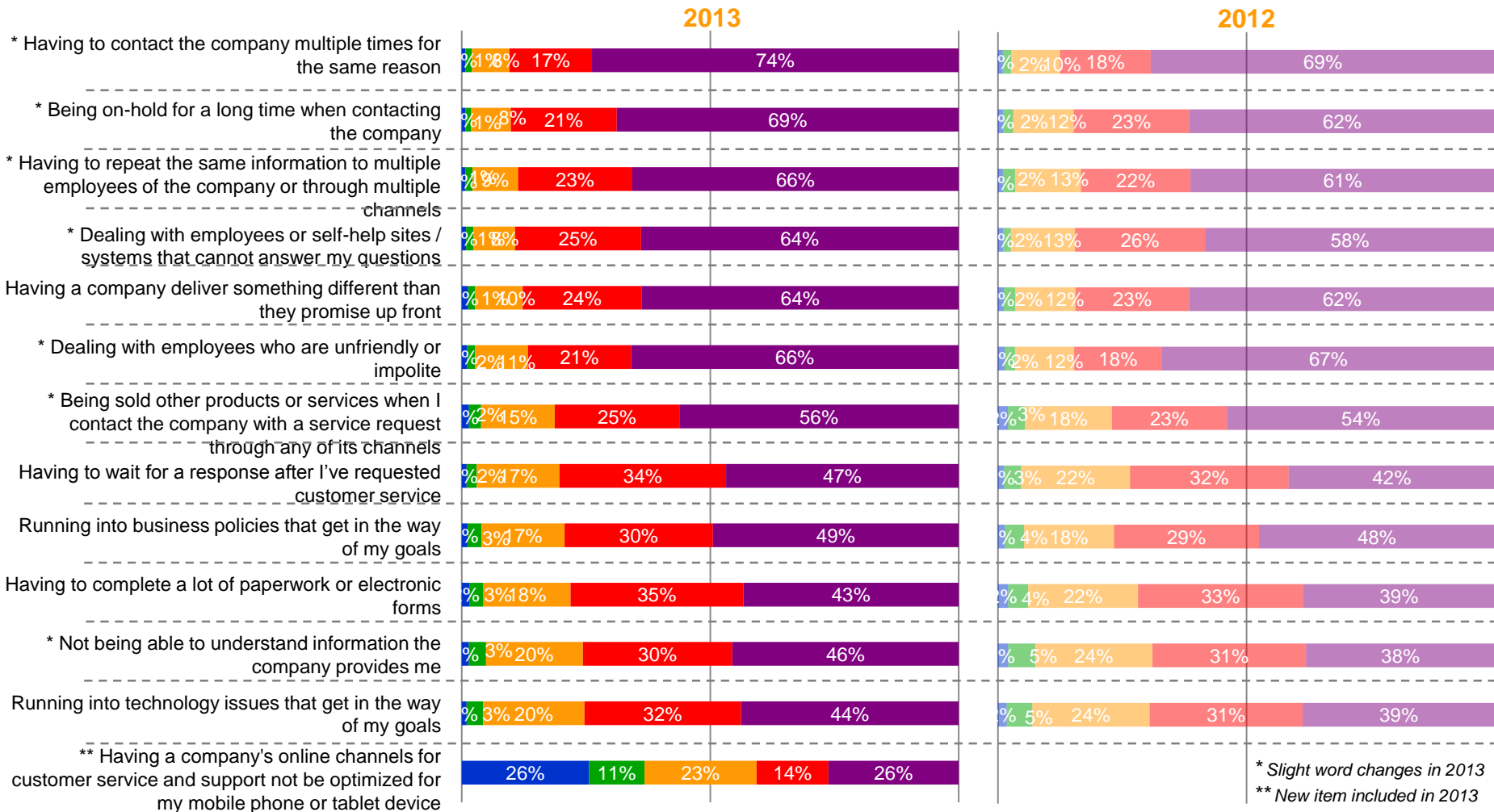
**2013 Global by Industry**



# In the U.S., customers are getting increasingly frustrated by customer service experiences, with the worst being having to contact a company multiple times for the same reason, long hold times and having to repeat the same information multiple times.

## Frustrations with customer service practices

2012-2013 US

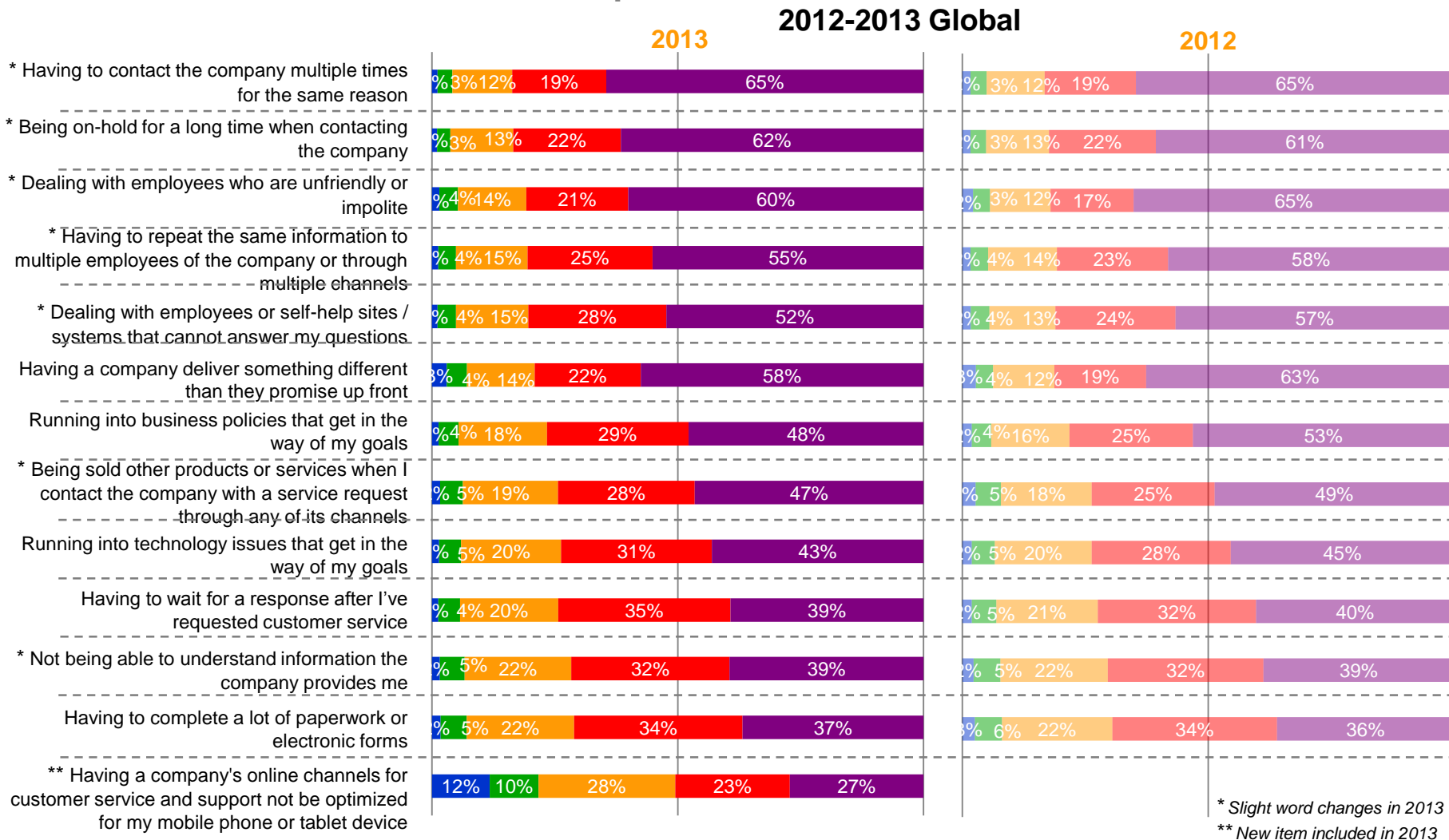


\* Slight word changes in 2013

\*\* New item included in 2013

# Globally, the biggest frustrations with customer service experiences are having to contact a company multiple times for the same reason, long hold times, dealing with unfriendly employees and having to repeat the same information multiple times.

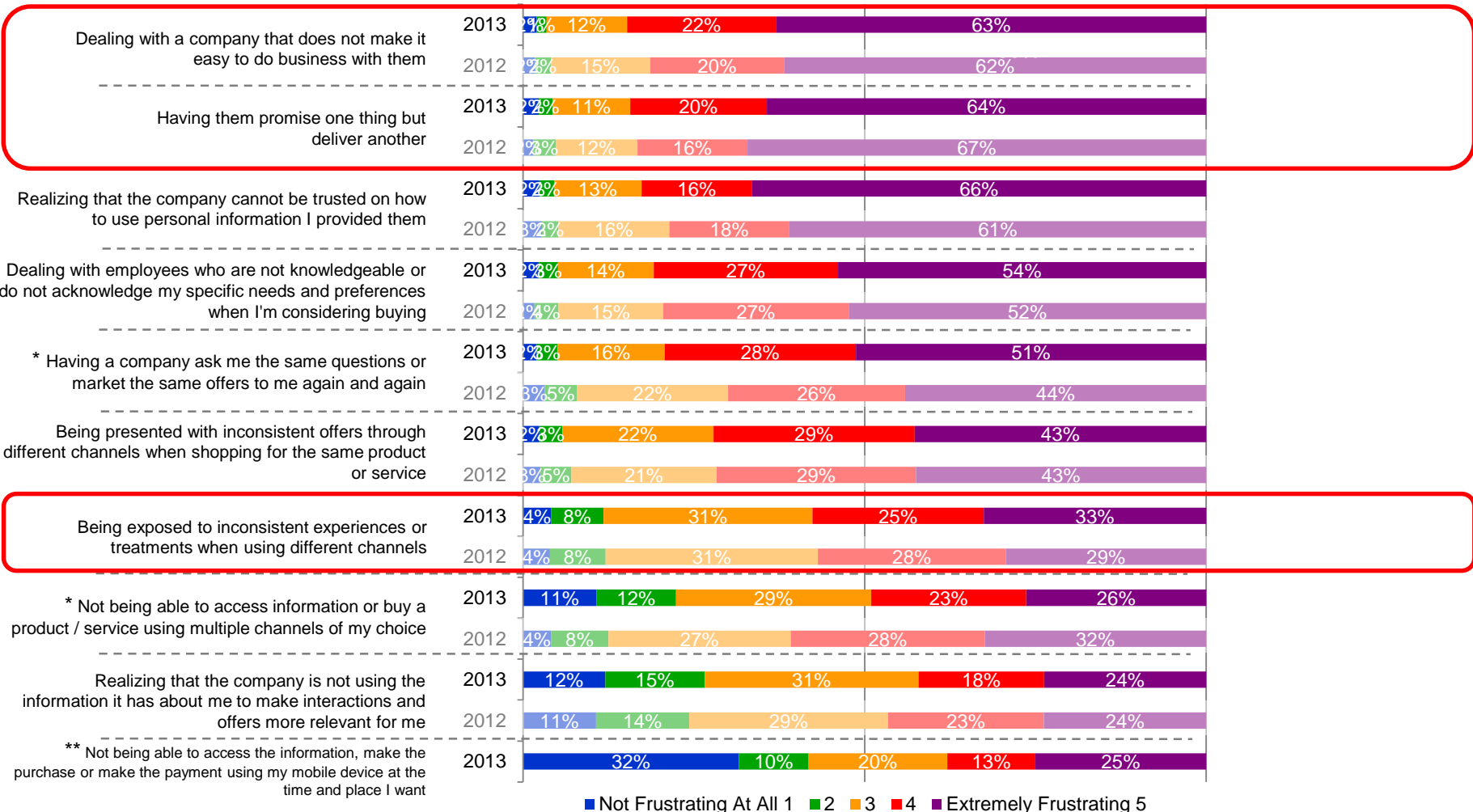
## Frustrations with customer service practices



**U.S. customers' top frustrations during the buying phase are the company not making it easy to do business with them, followed by a company promising one thing but delivering another. There is also frustration with different experiences from channel to channel.**

## Frustrations with marketing/sales practices

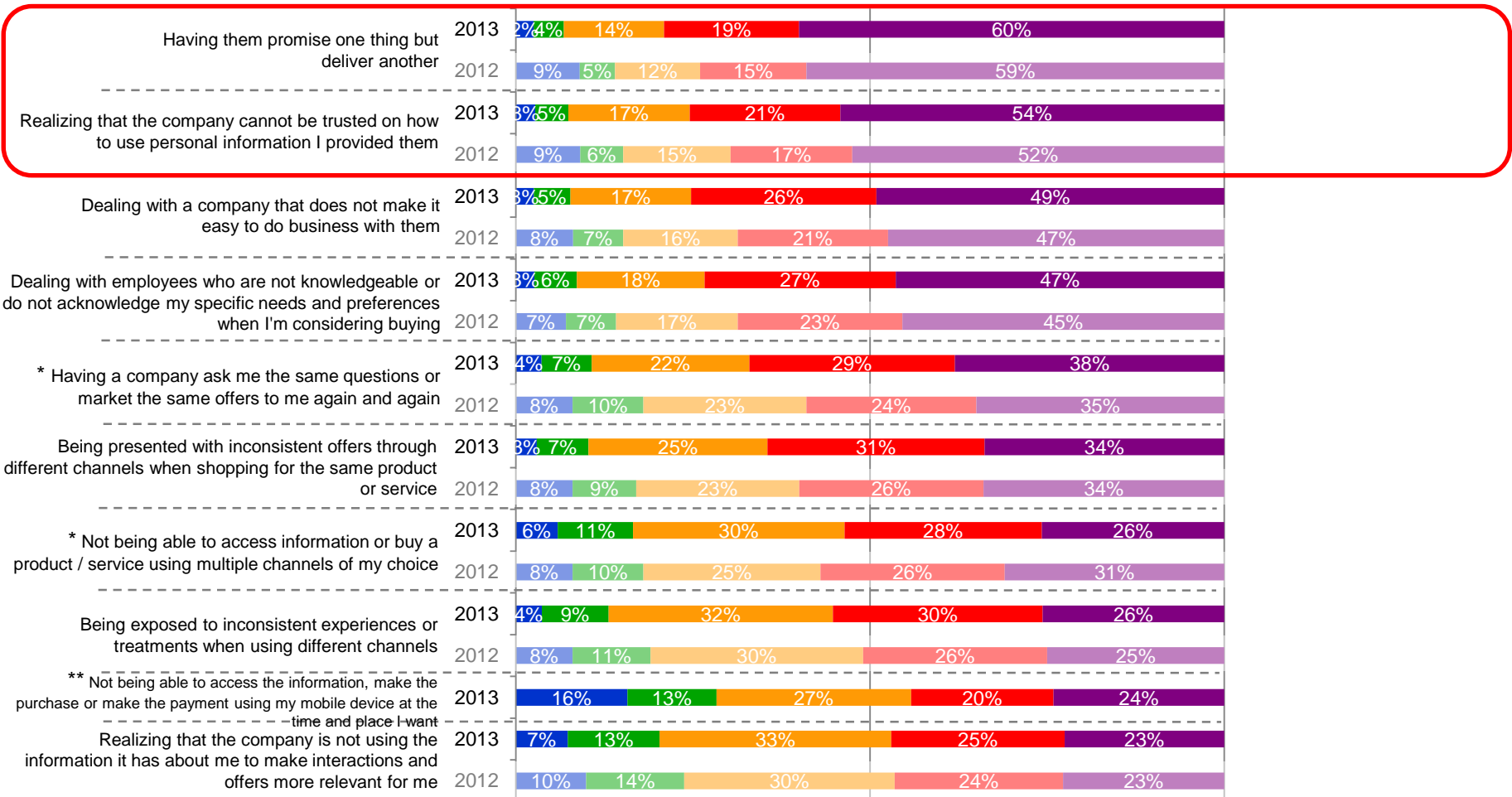
2012-2012 US



# Globally, consumers' top two frustrations during the buying phase are a company promising one thing but delivering another and not trusting how a company treats their personal information.

## Frustrations with marketing/sales practices

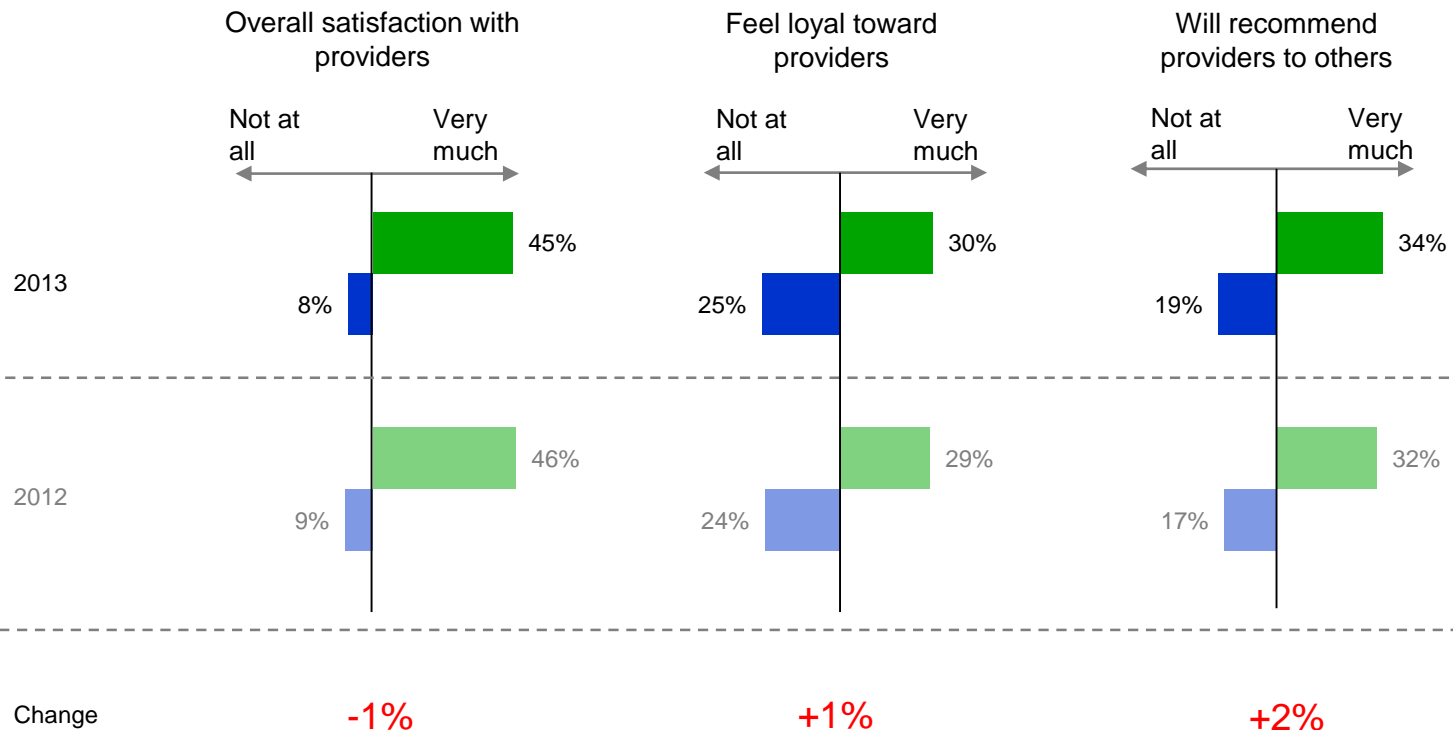
### 2012-2013 Global



**In the U.S., customer satisfaction fell by one percent since 2012. Additionally, the rate of loyalty rose just one percent and customers' willingness to recommend a company rose by just two percent.**

Overall satisfaction, level of "feeling loyal" towards and willingness to recommend current providers

**2012-2013 US**



# Globally, while satisfaction is strong across sectors, there are as many customers that feel loyal as those who do not, and there is a decrease in consumers willingness to recommend providers to others.

## Overall satisfaction, level of “feeling loyal” towards and willingness to recommend current providers

### 2012-2013 Global Average and by Industry

Overall satisfaction with providers

Feel loyal toward providers

Will recommend providers to others

Not at all

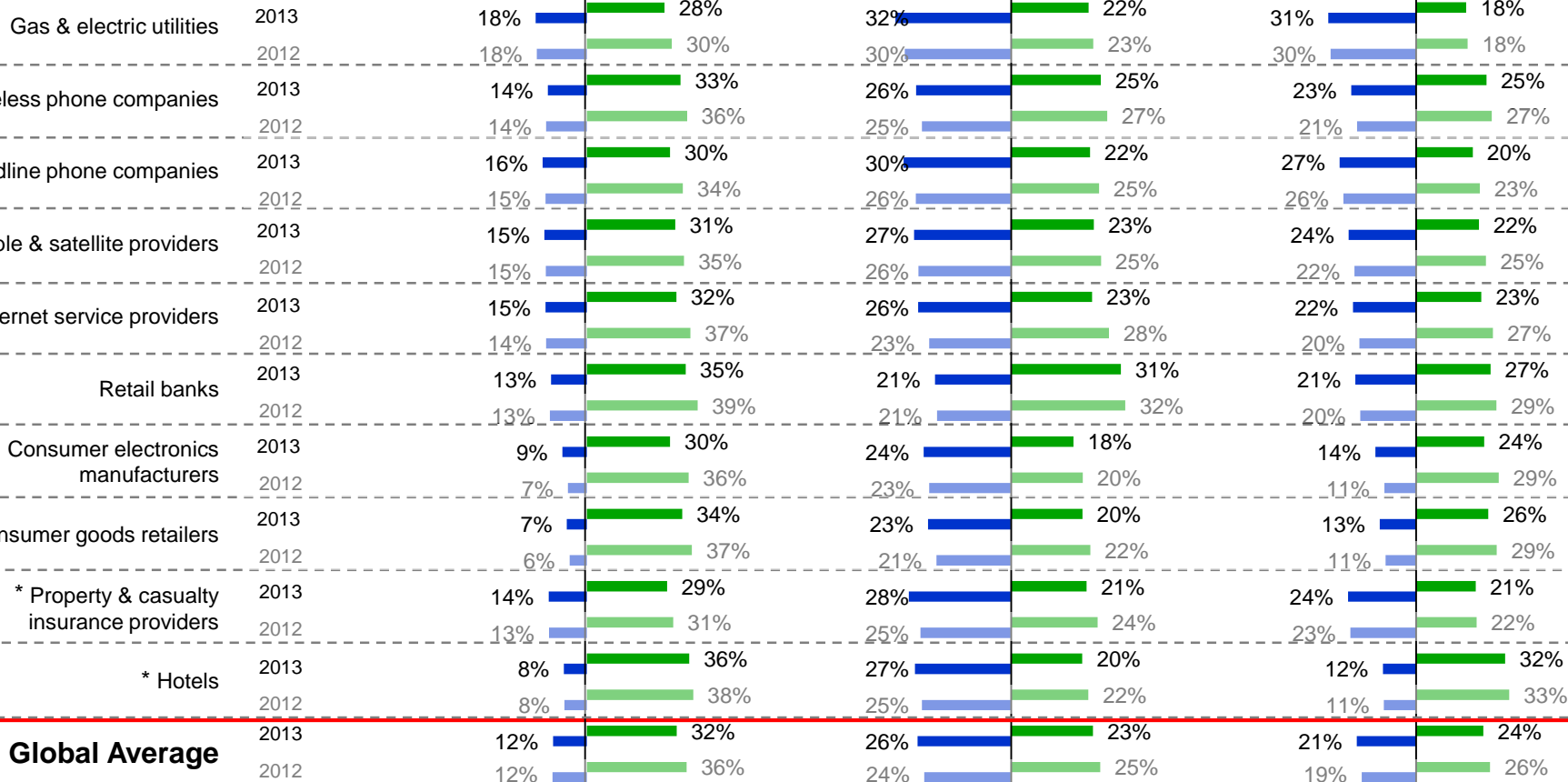
Very much

Not at all

Very much

Not at all

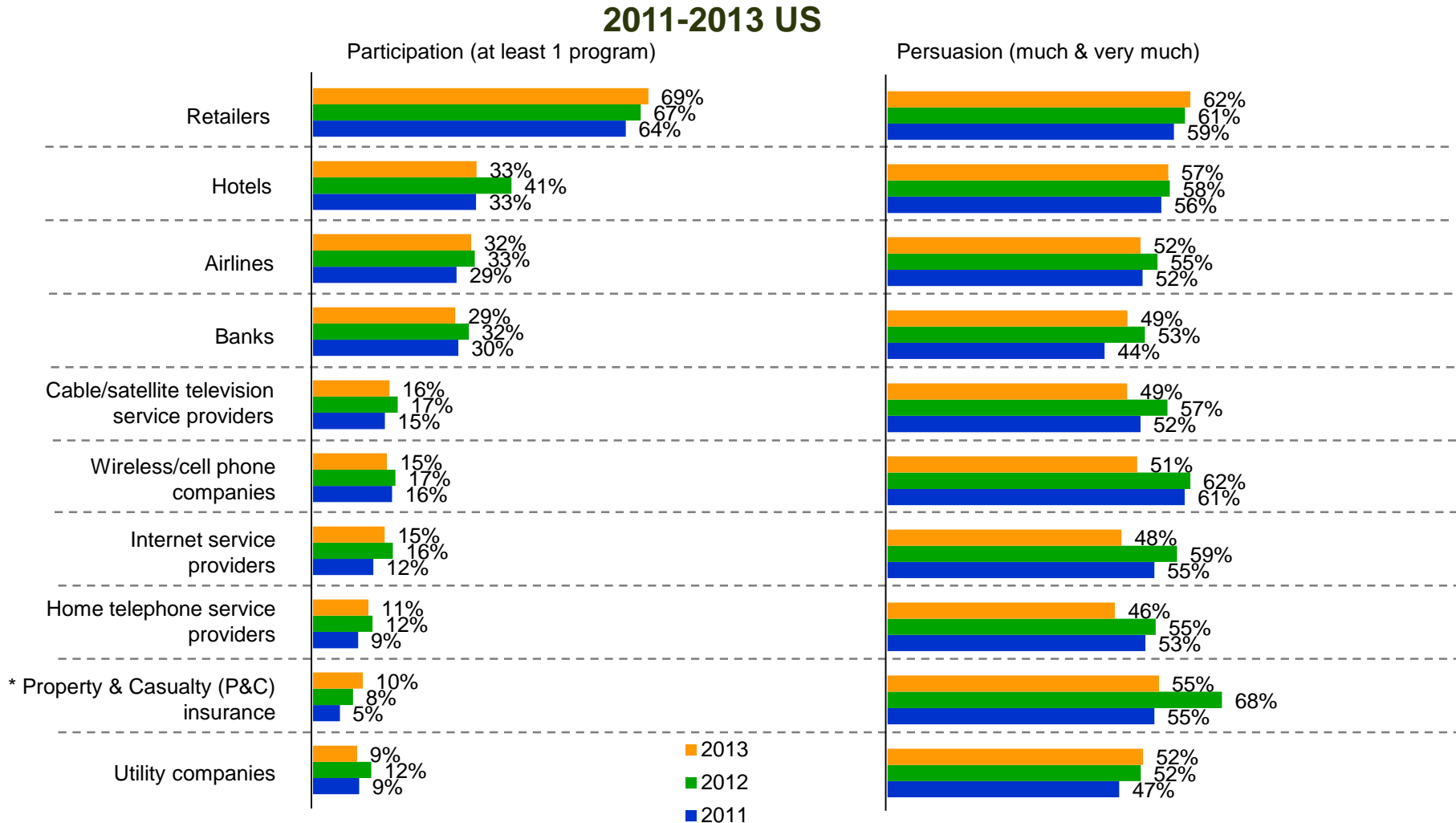
Very much





**In the U.S., the adoption of loyalty programs has declined slightly across most industries versus last year. The effectiveness of loyalty programs, in terms of making customer more likely to stay with their provider, was mixed.**

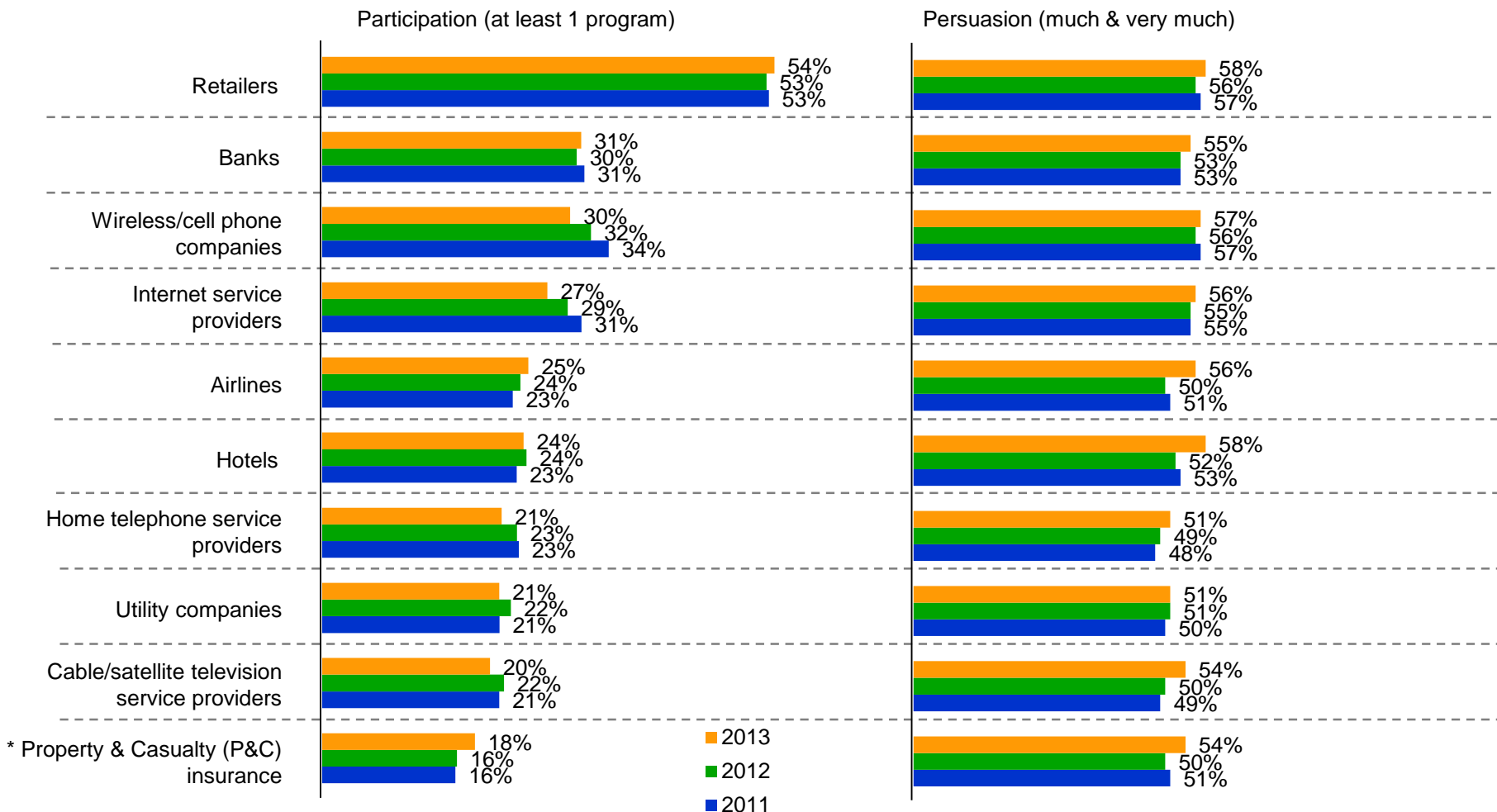
Adoption of loyalty programs and persuasion of programs to stick with providers



**Globally, adoption of programs across industries is in line with last year. The effectiveness of loyalty programs, in terms of making a customer more likely to stay with a provider, saw a very small increase since 2011.**

Adoption of loyalty programs and persuasion of programs to stick with providers

**2011-2013 Global**

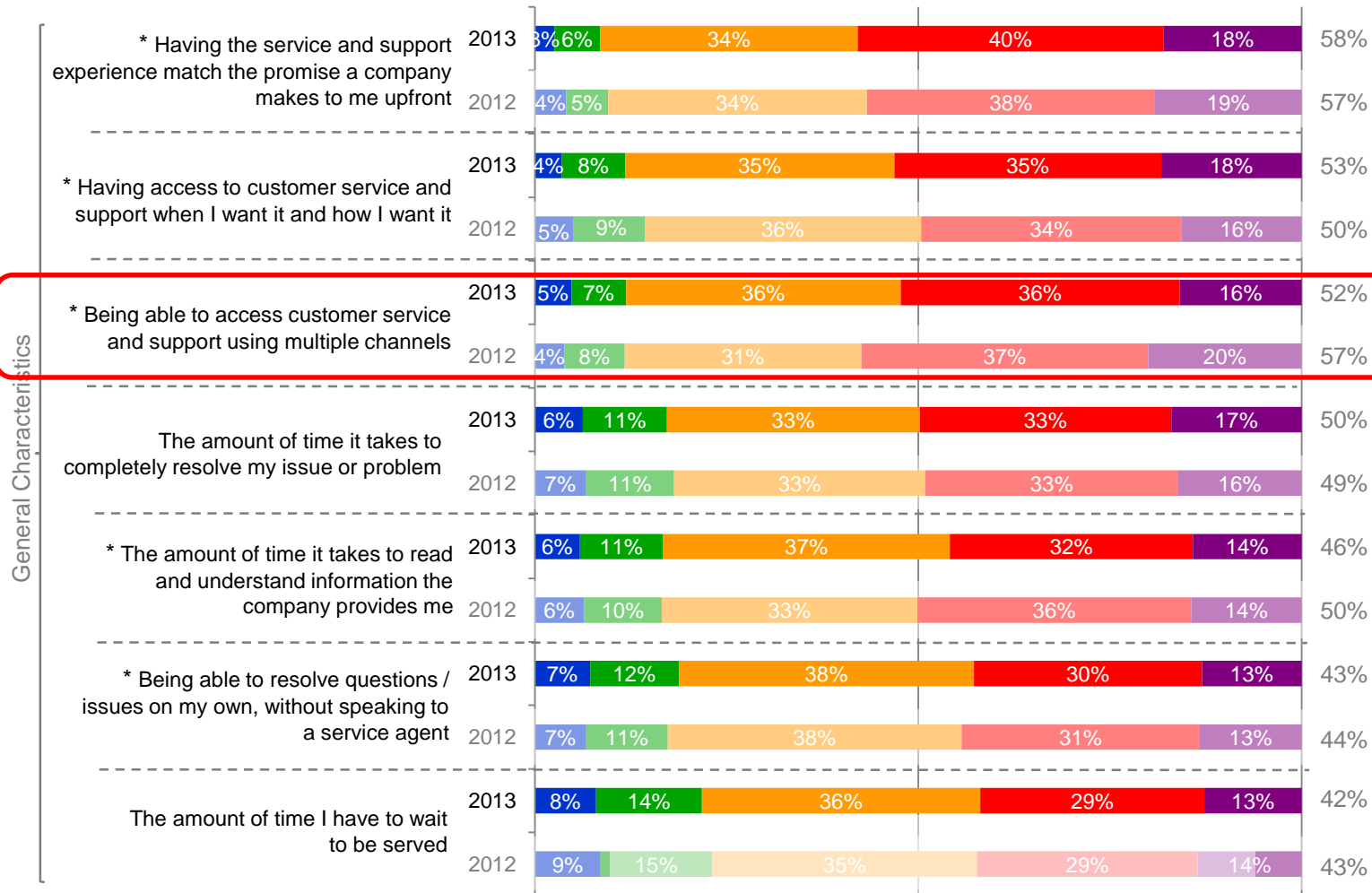


**In the U.S., while up in some categories, customer satisfaction levels have generally remained stagnant. Satisfaction went down in the important category of accessing customer service and support through multiple channels.**

## Satisfaction with different areas of customer service

2012-2013 US

Top 2 boxes



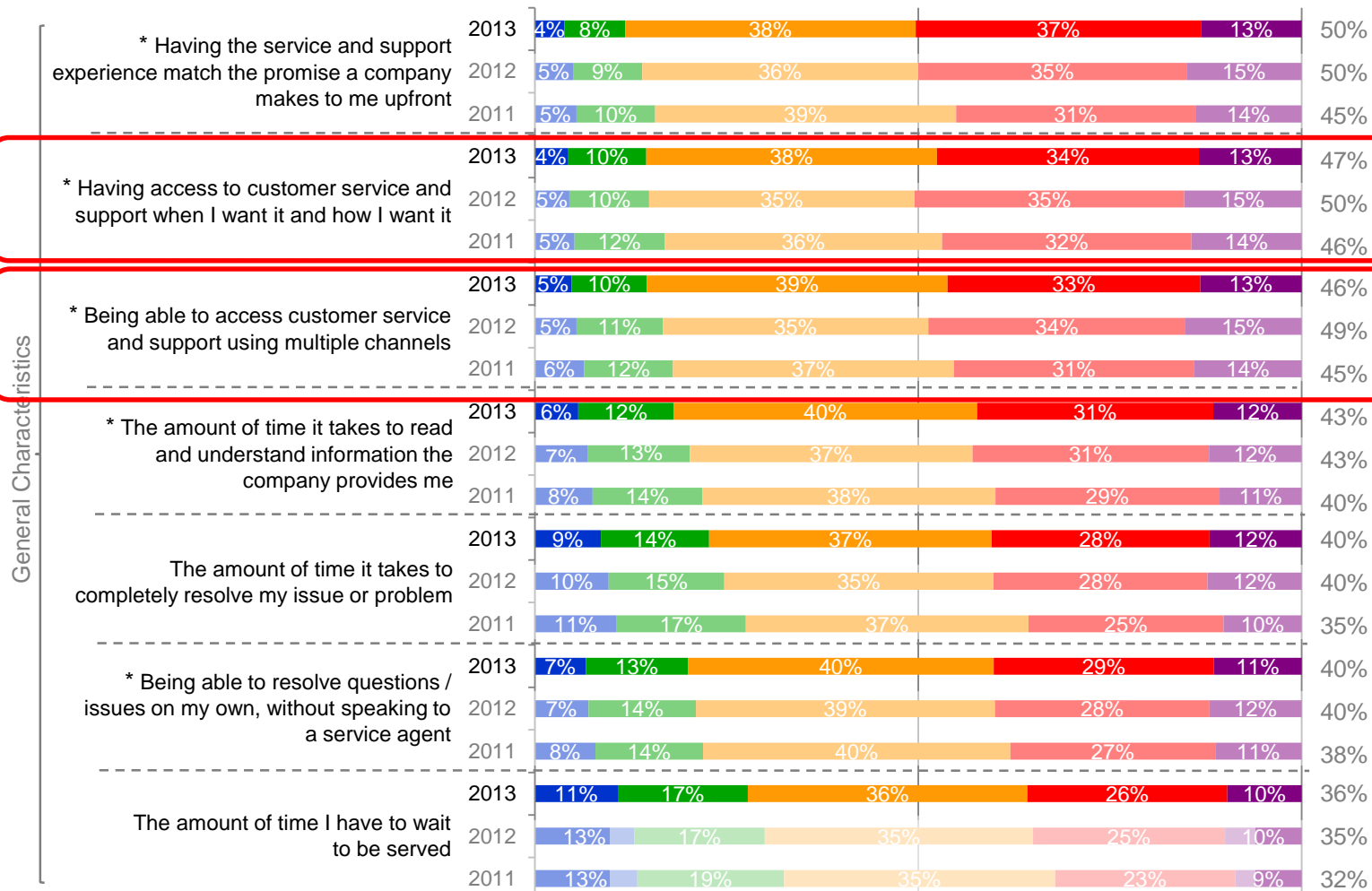
*Slight word changes in 2013  
Excludes "NA" responses*

**Globally, customers were slightly less happy with customer service they received compared to the previous year, with slight decreases in satisfaction with regards to accessing customer service and support through multiple channels.**

## Satisfaction with different areas of customer service

2011-2013 Global

Top 2 boxes

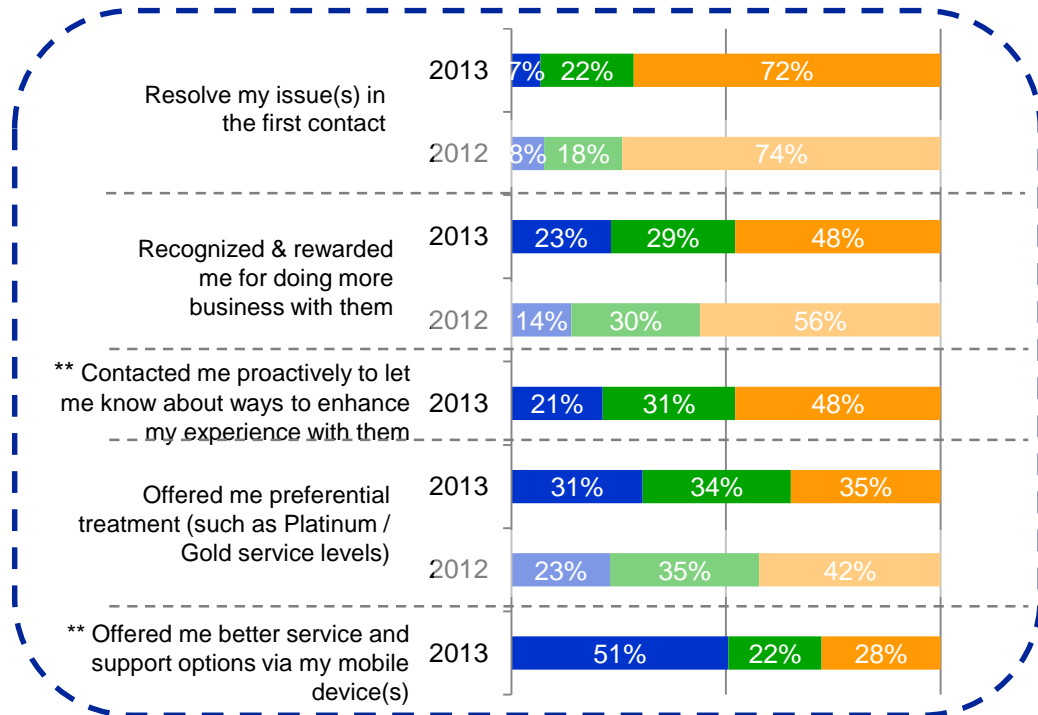
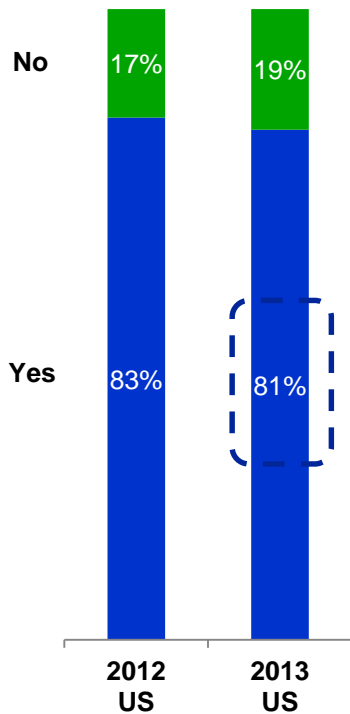


*Slight word changes in 2013  
Excludes "NA" responses*

# In the U.S., 81% of customers that switched say companies could have done something to prevent them switching primarily first contact resolution.

Could your service provider have done something differently to prevent you from switching?

## 2012-2013 US



■ Would not have impacted switching decision (1, 2, 3)
 ■ (4, 5, 6, 7)
 ■ Would have impacted switching decision (8, 9, 10)

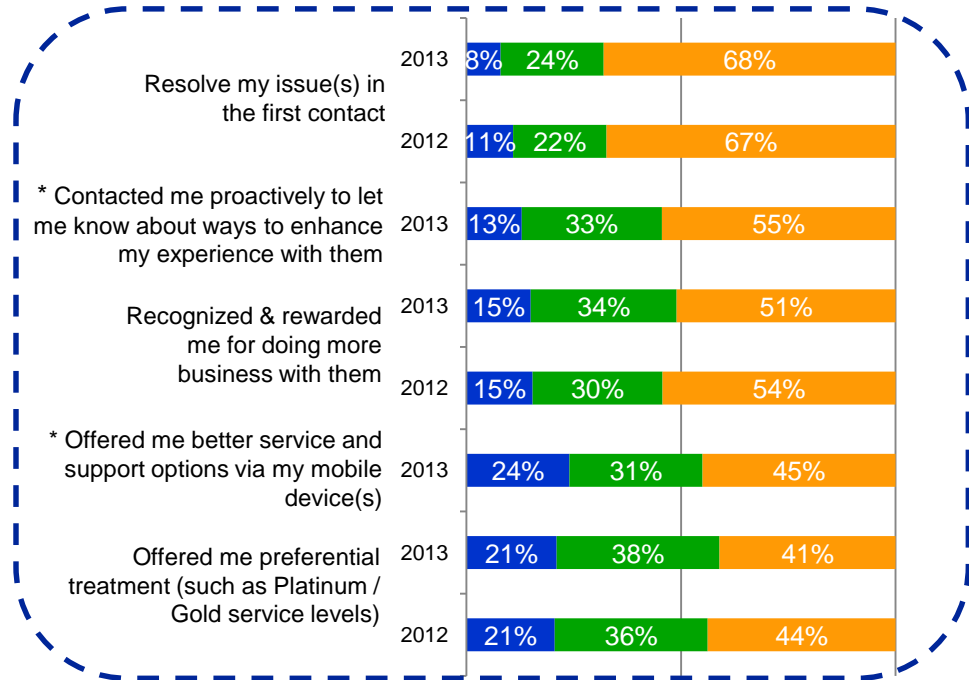
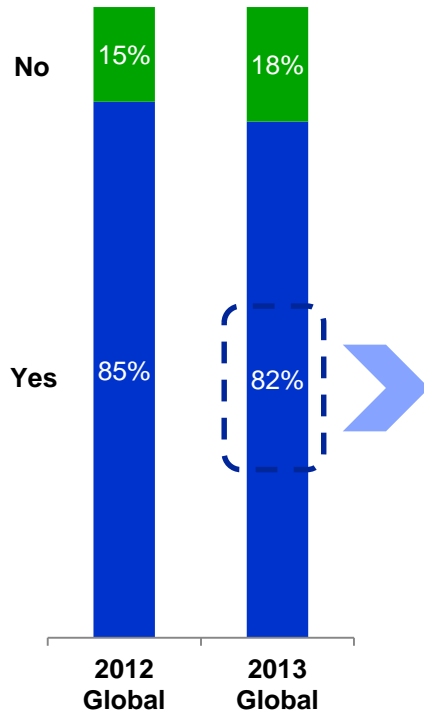
\*\* New item included in 2013

Base size: respondents who agreed that their service provider could have done something differently in order to have kept them

# Globally, 82% of customers that switched say companies could have done something to prevent them switching, primarily first contact resolution.

Could your service provider have done something differently to prevent you from switching?

## 2012-2013 Global



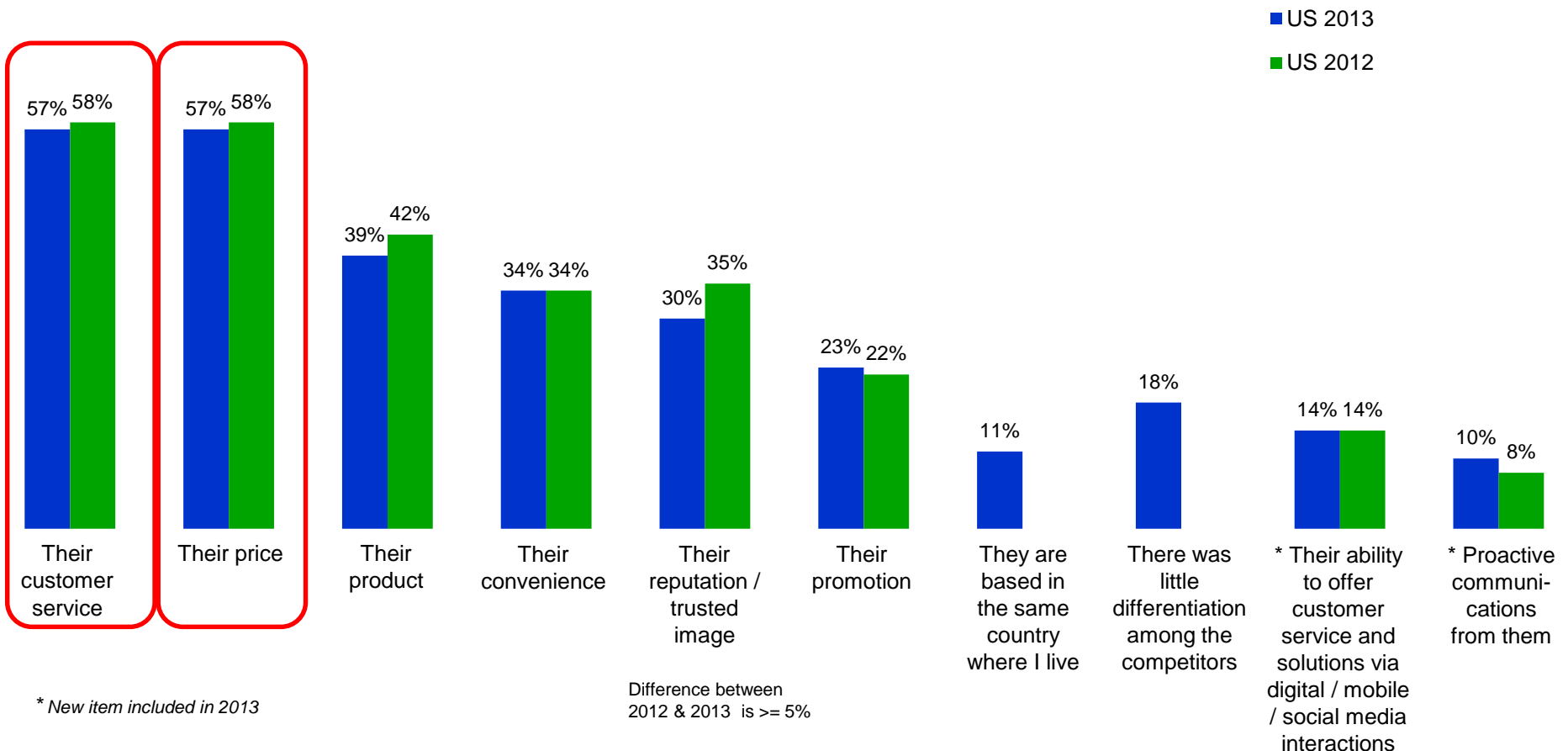
■ Would not have impacted switching decision (1, 2, 3)
 ■ (4, 5, 6, 7)
 ■ Would have impacted switching decision (8, 9, 10)

\* New item included in 2013

# In the U.S., customers chose their new provider (after switching because of poor customer service) primarily due to service and price.

Factor(s) that made customers choose their new service provider after switching in the past year *(Choose all that apply)*

2010-2013 US



\* New item included in 2013

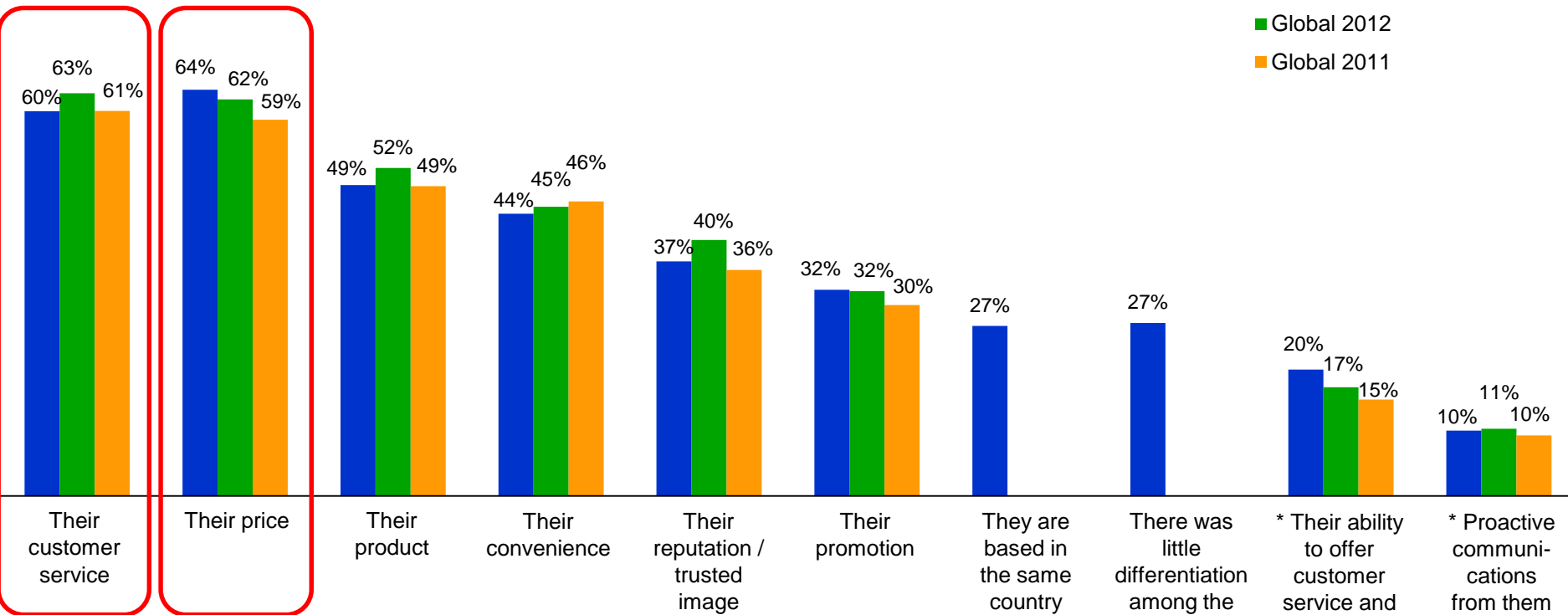
Difference between 2012 & 2013 is >= 5%

# Globally, customers chose their new provider (after switching because of poor customer service) primarily due to service and price.

Factor(s) that made customers choose their new service provider after switching in the past year *(Choose all that apply)*

## 2010-2013 Global

■ Global 2013  
■ Global 2012  
■ Global 2011



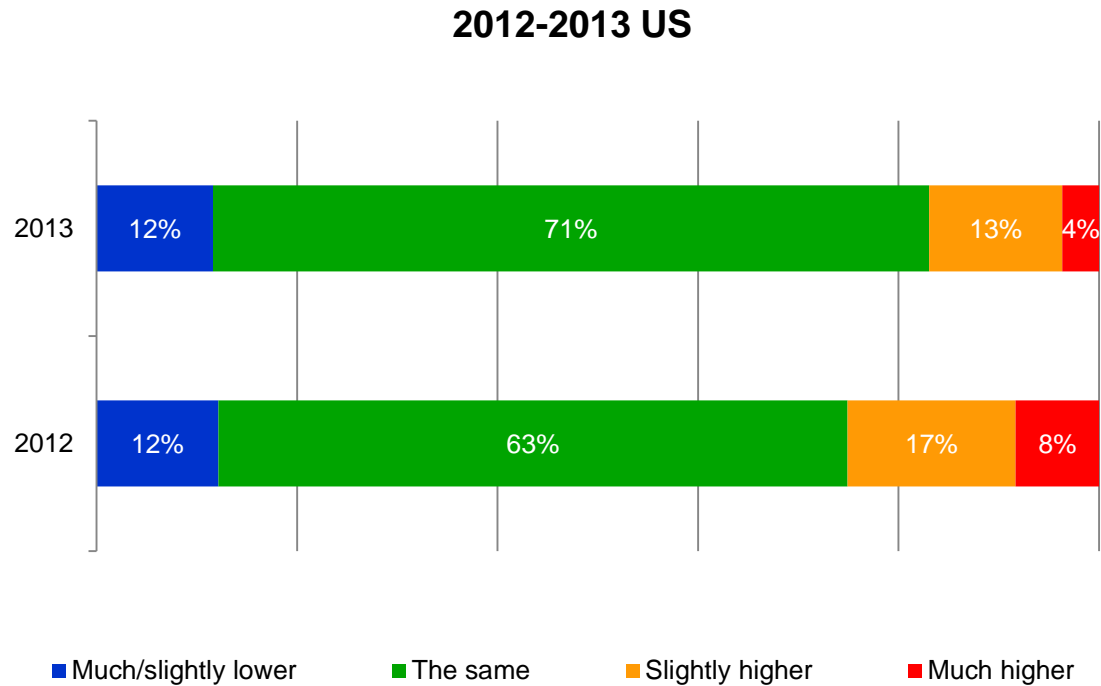
\* New item included in 2013



**In the U.S., despite slightly higher switching due to poor customer service, expectations declined by 8% this year.**

---

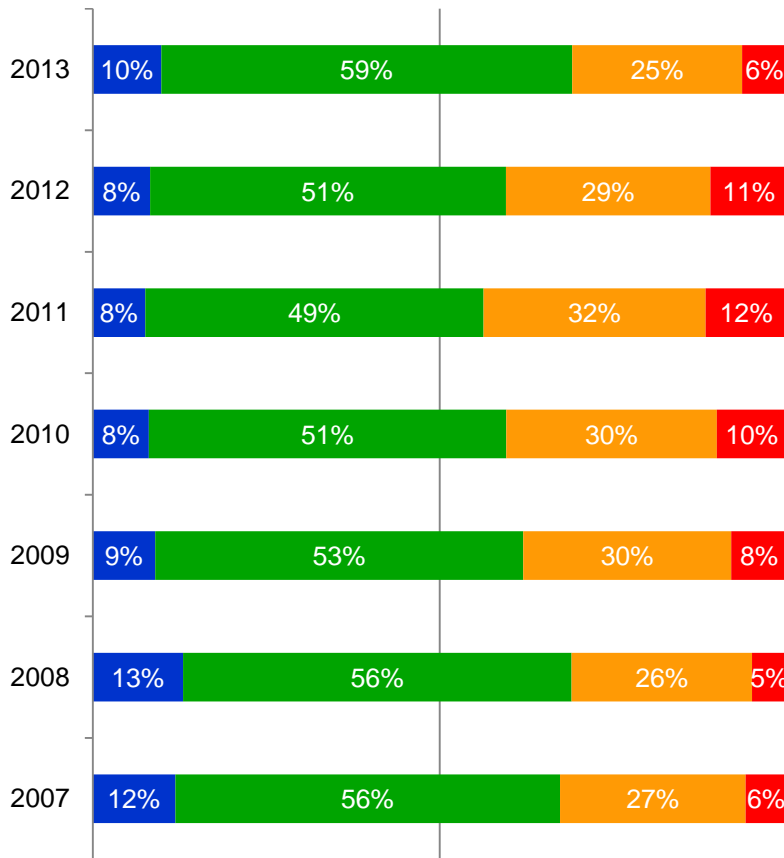
## Change in customer service expectations as compared to 12 months ago



**Globally, despite slightly higher switching due to poor customer service, expectations declined by 9% this year. The rate of increase this year is in line with 2008 rates. Customers in emerging markets continue to have higher expectations than those in the mature markets.**

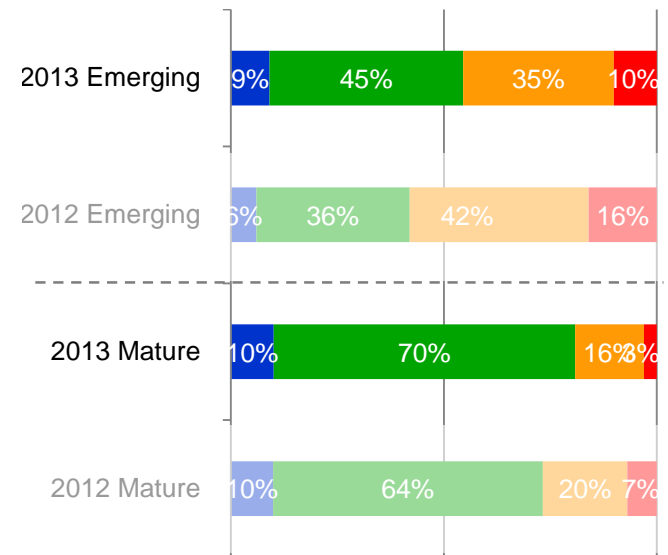
## Change in customer service expectations as compared to 12 months ago

### 2007-2013 Global



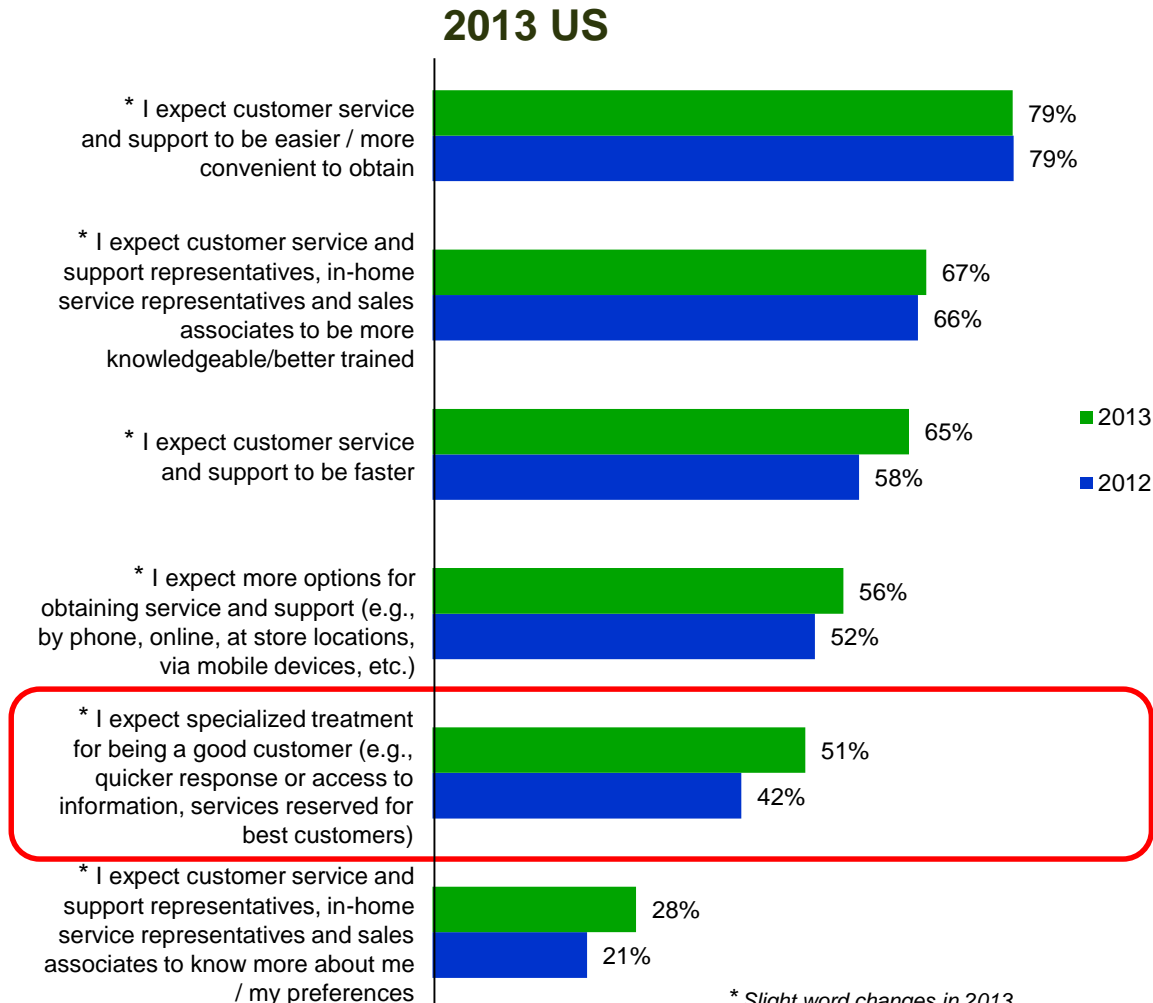
■ Much/slightly lower   ■ The same   ■ Slightly higher   ■ Much higher

### 2012-2013 Emerging vs. Mature Markets



# Among U.S. customers, 51% have much higher expectations of getting specialized treatment for being a “good” customer than last year.

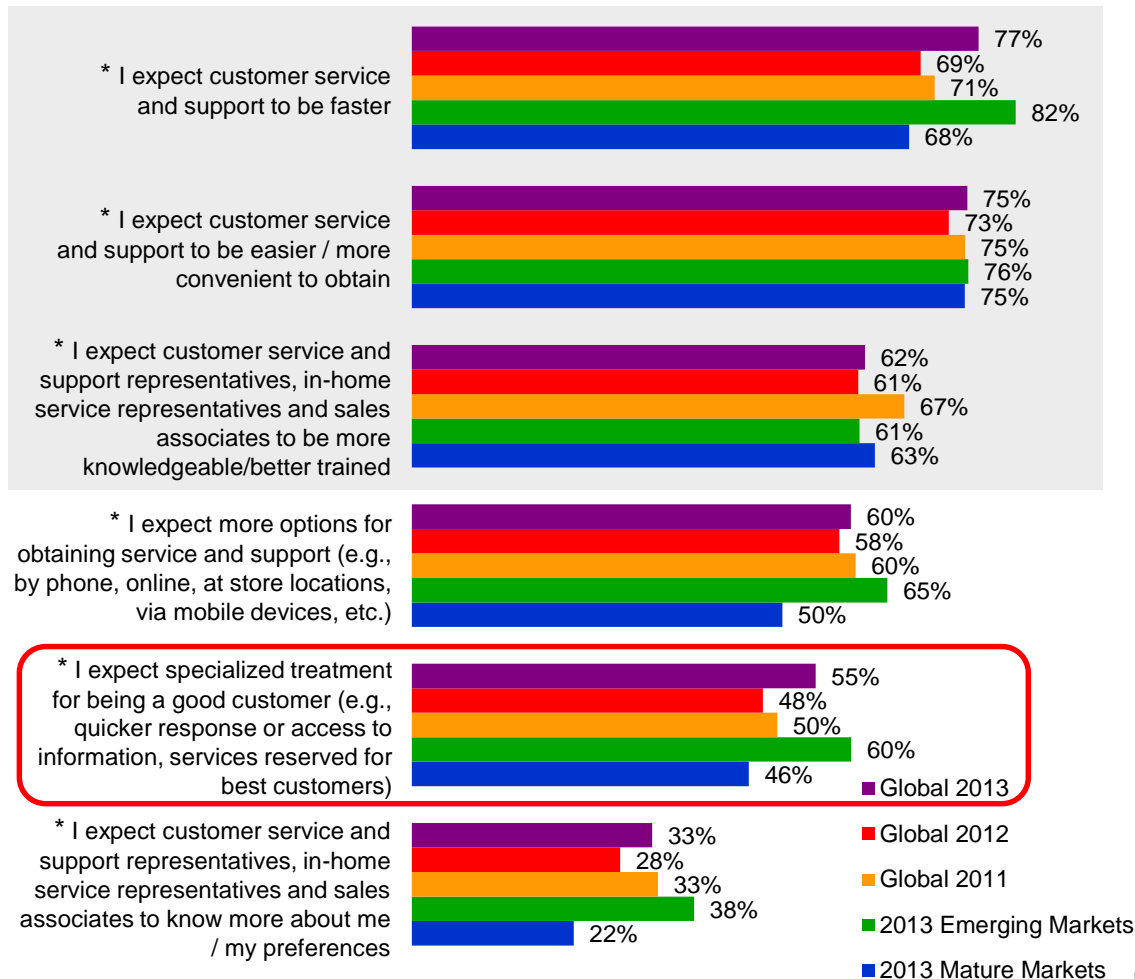
## Customer service factors for which expectations have increased



**Globally, expectations have increased across the board, compared to 2012. The most common customer service areas for which expectations have risen are those related to easier/more convenient service and faster service experiences.**

## Customer service factors for which expectations have increased

### 2012-2013 Global



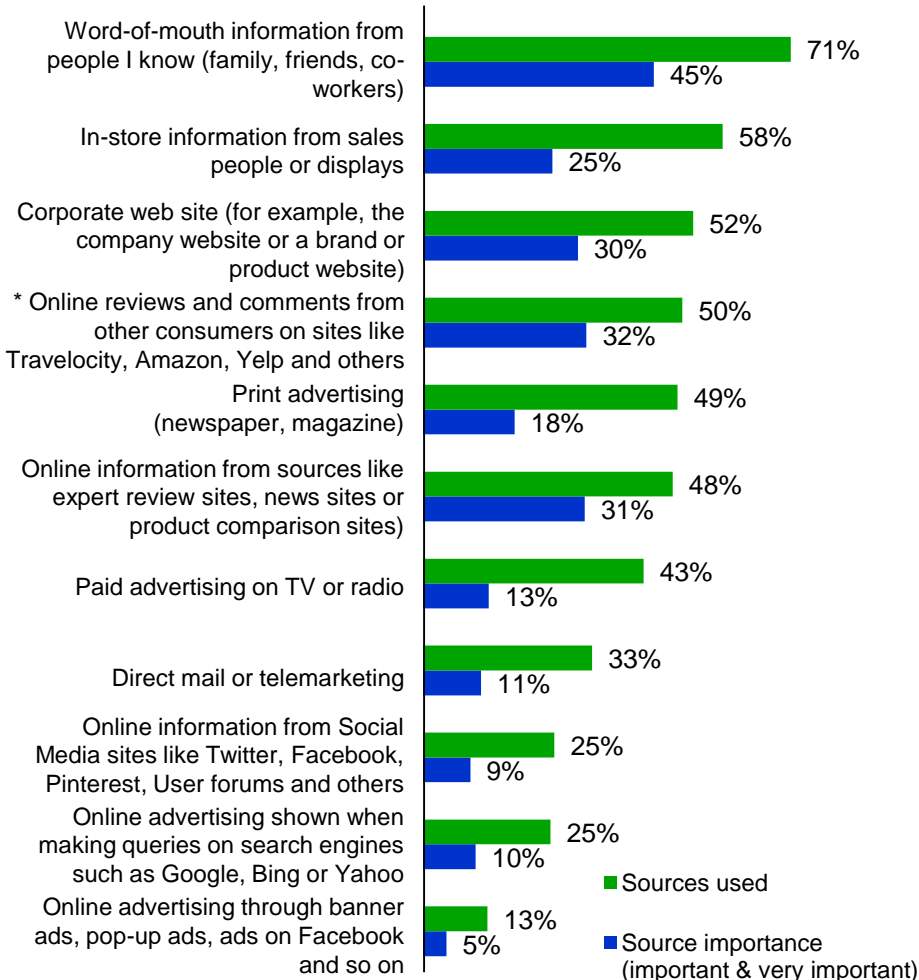
\* Slight word changes in 2013

Base size: respondents whose customer service and support expectations have increased within the past year

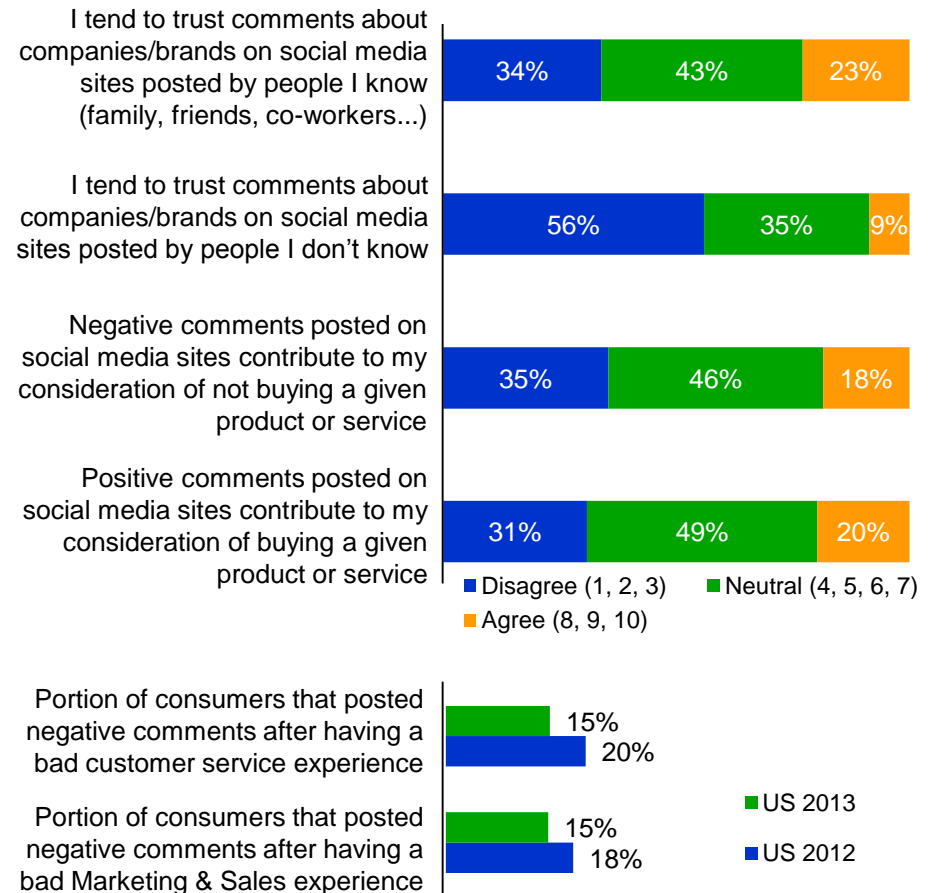
**In the U.S., 48% of U.S. customers use official review sites, and 25% use customer reviews and comments from social media sites, to find out information about a company's products and services. Word-of-mouth, including that shared via social media, continues to be the most important and impactful source of company information and is used by 71% of customers.**

## 2013 US

### Channels used and importance when learning about companies' products and services



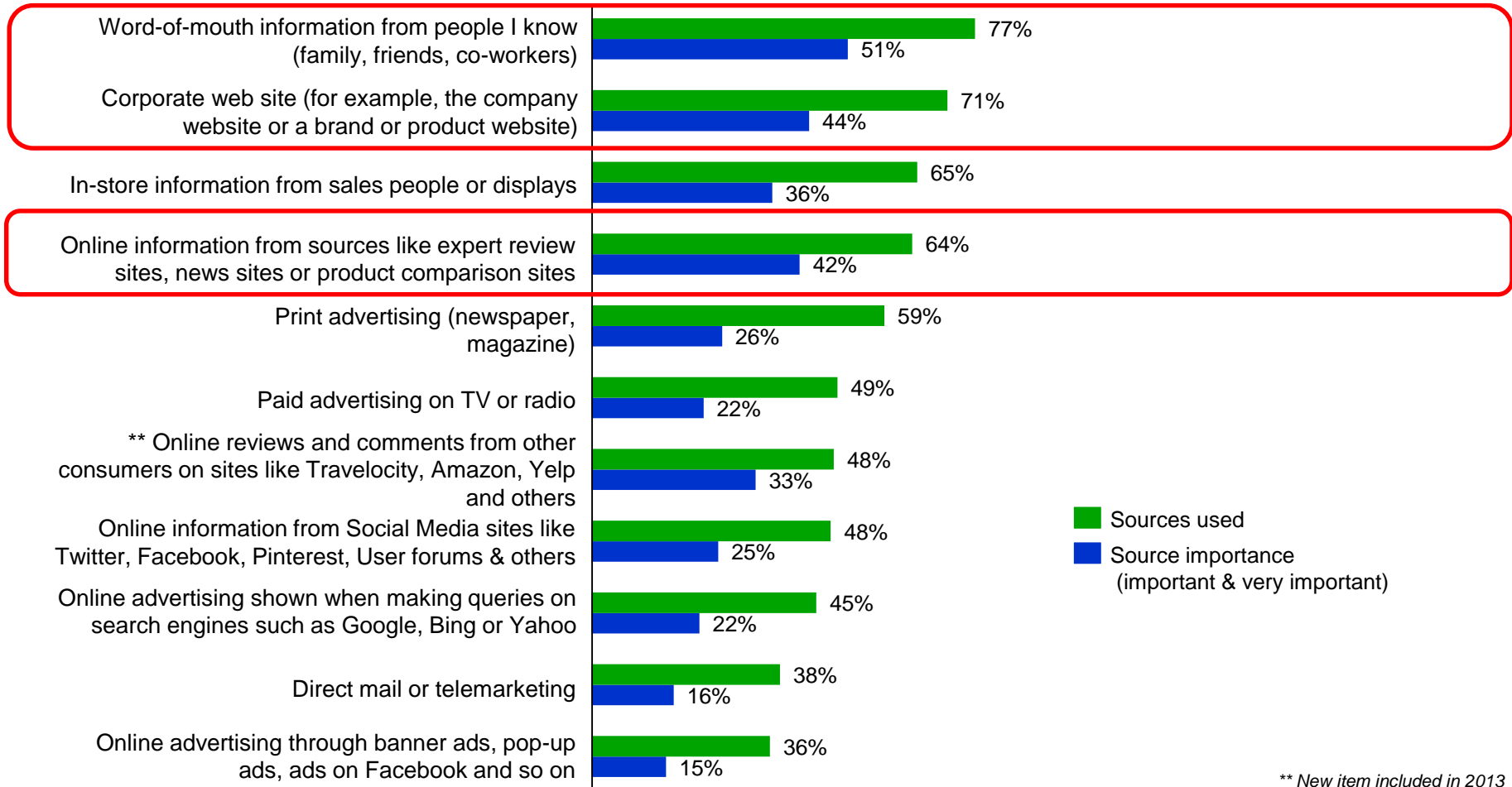
### Trust, Influence of Use of Social Media



# Globally, word-of-mouth and online channels remain the primary information sources used.

## Channels used and importance when learning about companies' products and services

2013 Global

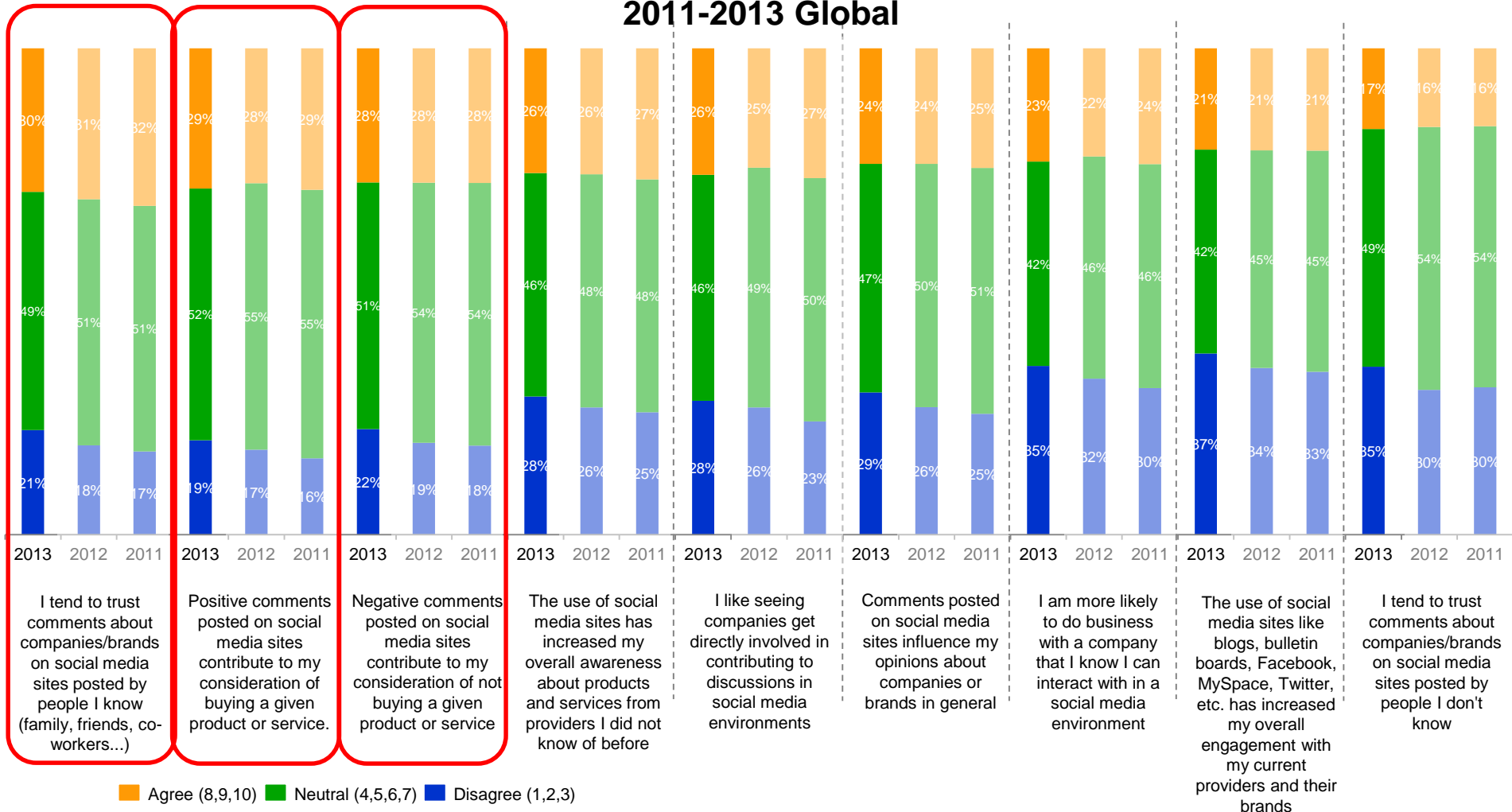


\*\* New item included in 2013

# Globally, the influence of social media has stabilized globally this year. Positive and negative comments still hold influence in a consumers and almost one in three trust comments posted by people they know.

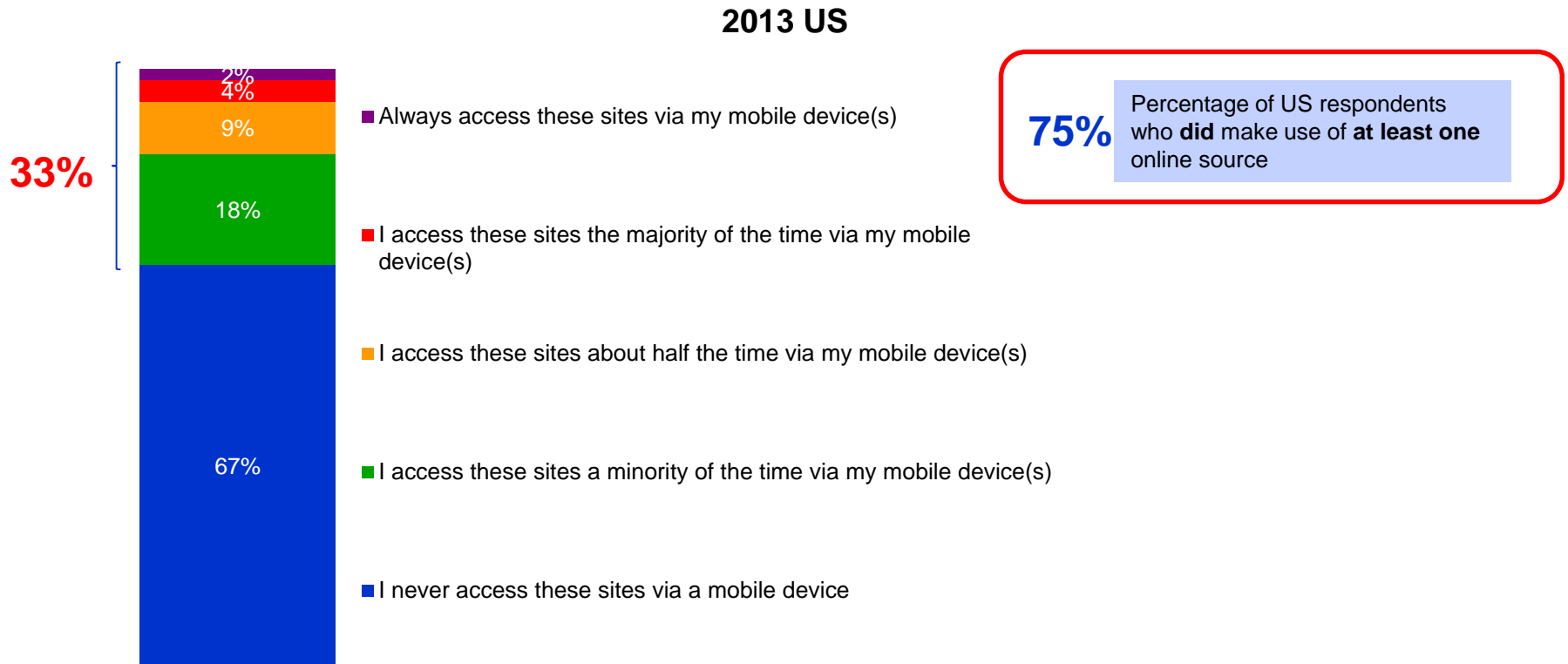
## Trust, Influence of Use of Social Media

### 2011-2013 Global



**In the U.S., 75% of customers use one or more online channels when researching companies' products and services and 33 percent use mobile devices to access these online channels.**

**Amount of time accessing sites to learn about companies' products and services via mobile phone or tablet instead of a personal computer or laptop**

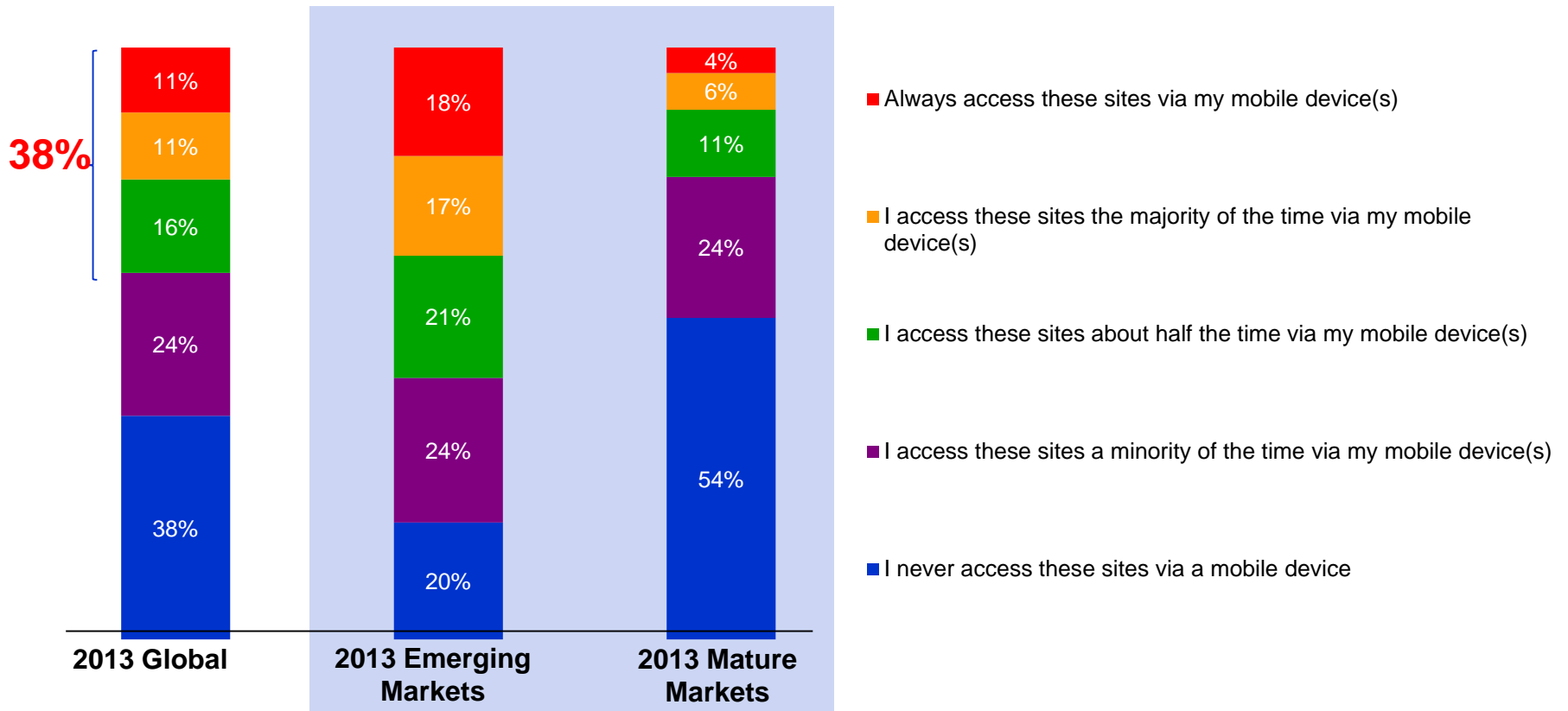




**Globally, 38% of consumers who use one or more online sources to learn about the companies products and services, access the sites at least half of the time, through their mobile phone or tablet device.**

Amount of time accessing sites to learn about companies' products and services via mobile phone or tablet instead of a personal computer or laptop

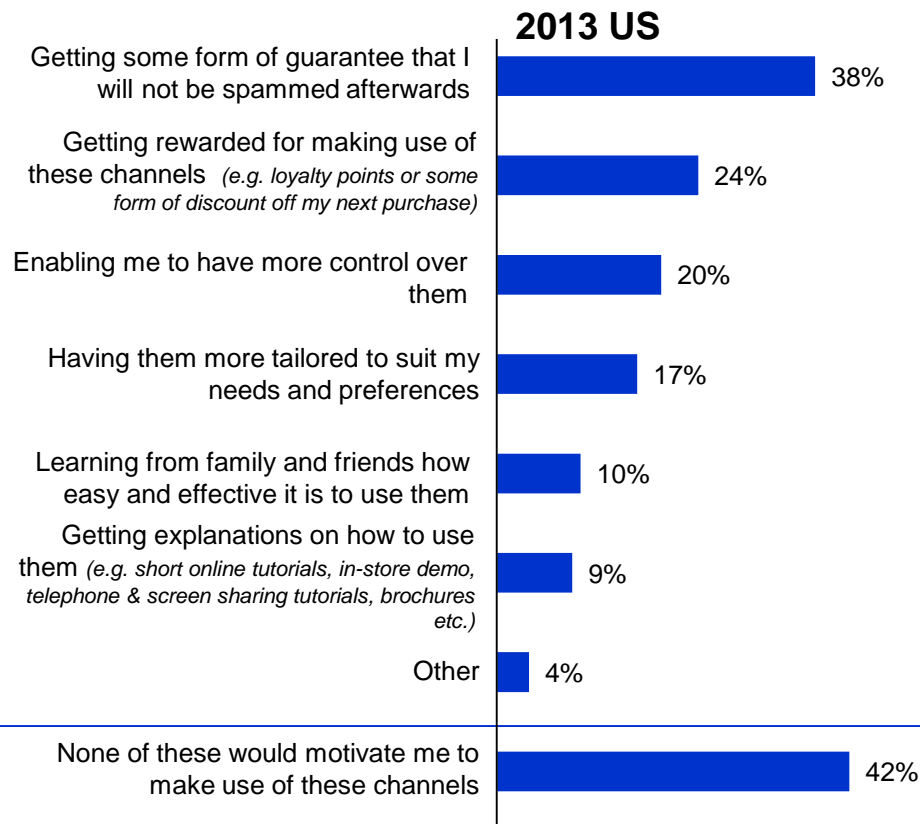
**2013 Global, Emerging and Mature Markets**



\* New question included in 2013

**In the U.S., companies able to provide some form of guarantee to customers that they won't be spammed may help to motivate them to learn about their products and services online.**

What would motivate you to make use of these channels in future in order to learn more about the companies' products and services? (Choose all that apply.)

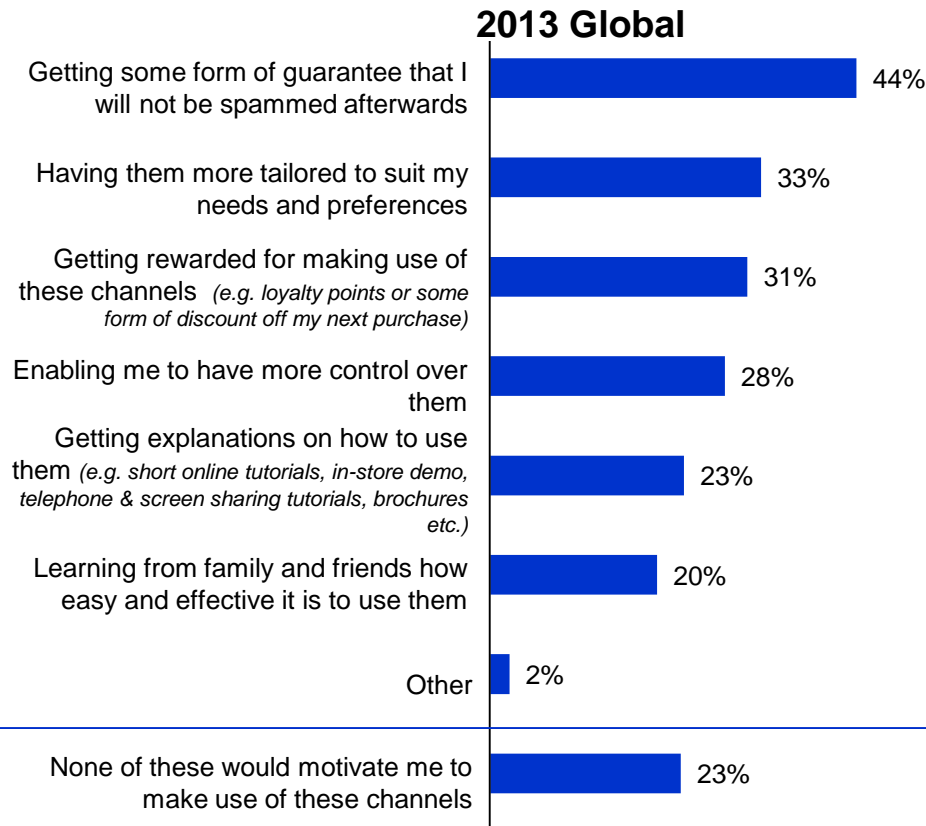


New question included in 2013

Base size: US respondents who did not use online sources / channels to learn about the companies products and services

**Globally, companies able to provide some form of guarantee to customers that they won't be spammed may help to motivate them to learn about their products and services online.**

What would motivate you to make use of these channels in future in order to learn more about the companies' products and services? (Choose all that apply.)



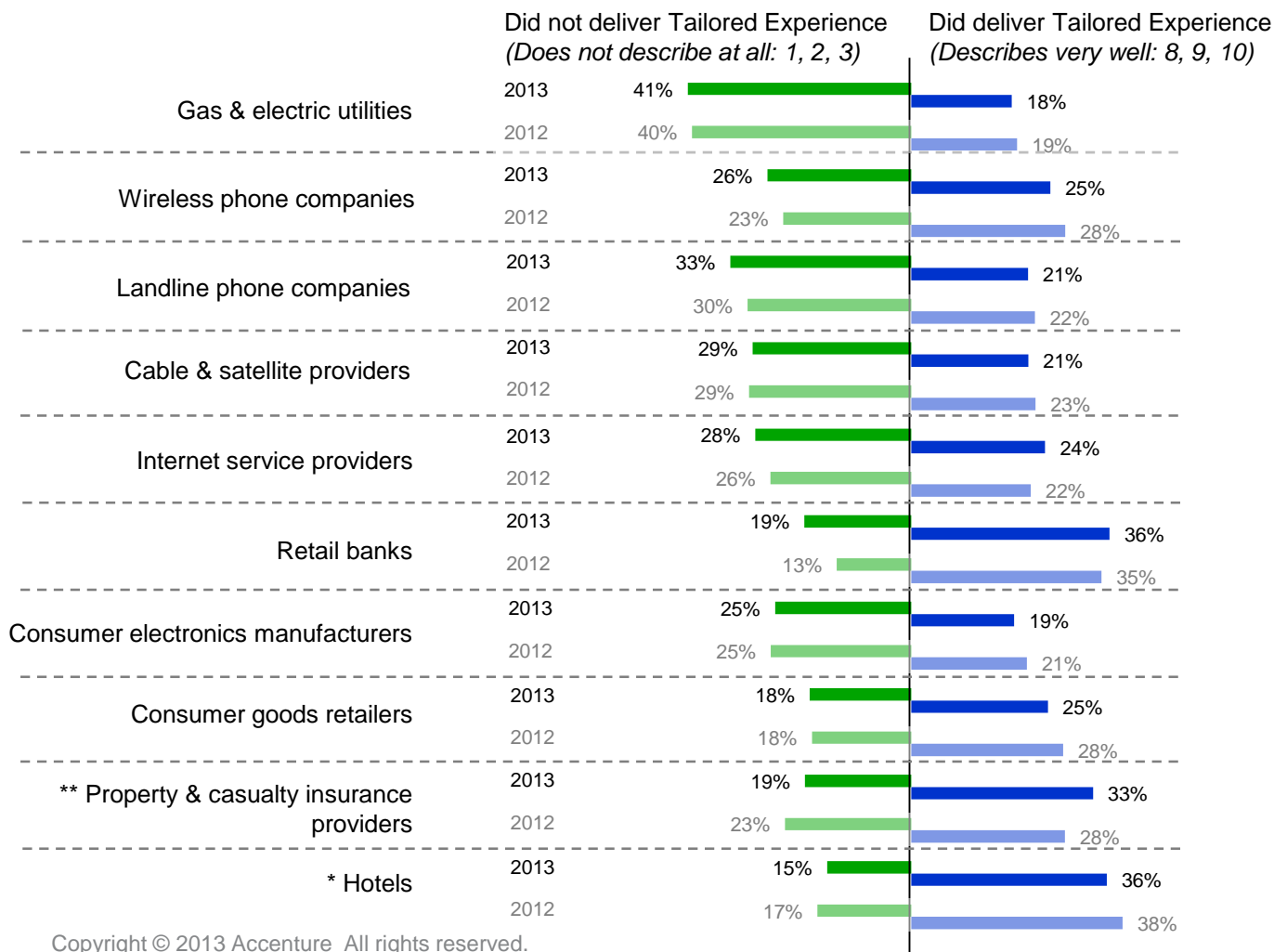
New question included in 2013

Base size: Respondents who did not use online sources / channels to learn about the companies products and services

**In the U.S., the gap between the use of digital technologies and the ability of companies to use them to improve customer experiences is highlighted by the survey's findings that, among the 10 industries covered by the report, none made noticeable progress in providing customers with a tailored experience in 2013.**

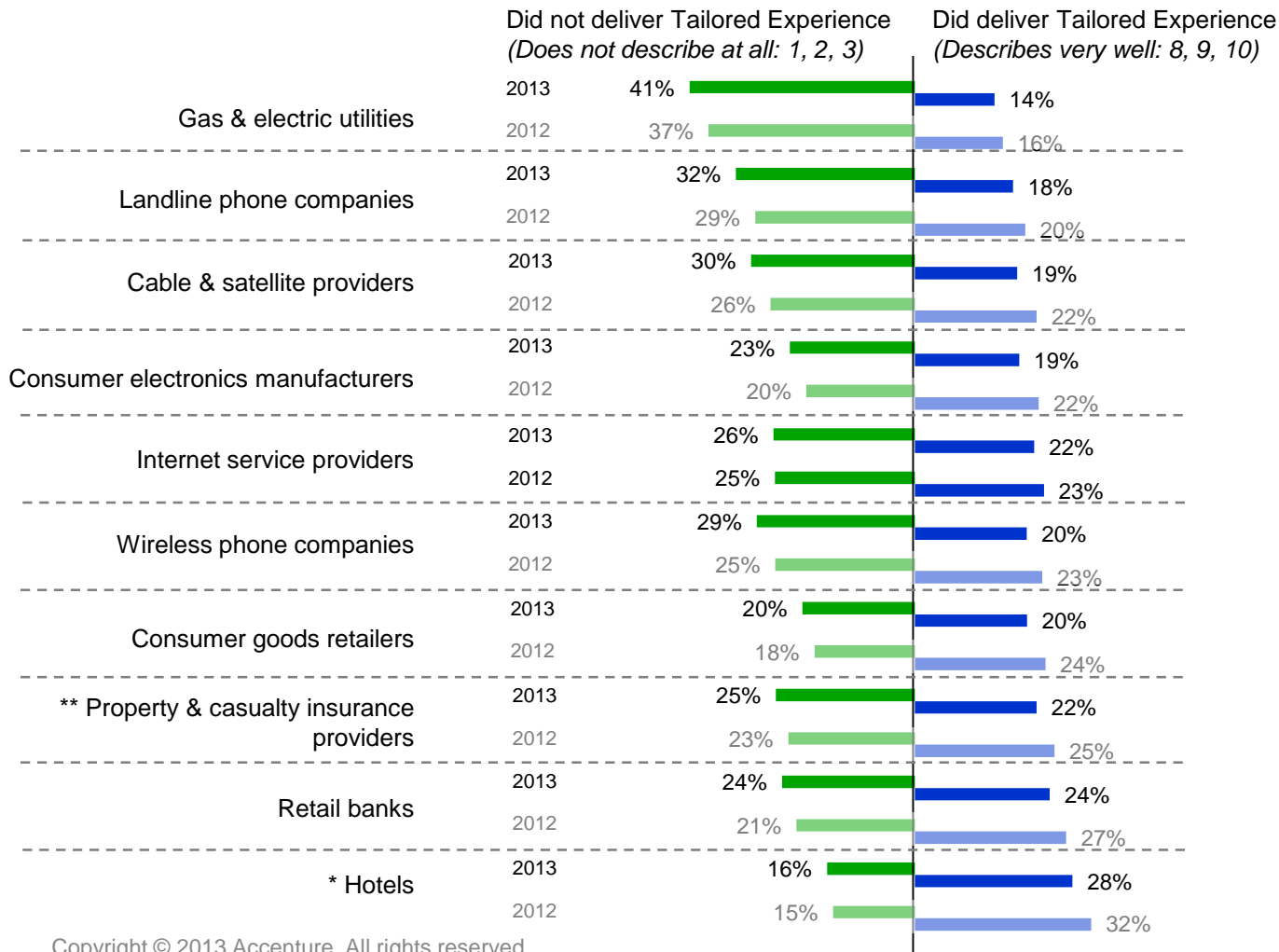
## Consumers agreeing/disagreeing their provider delivers tailored experience

### 2012-2013 US



# Globally, many industries still fall short on delivering a more tailored experience and, for others, there is not much change compared to last year.

## Consumers agreeing/disagreeing their provider delivers tailored experience 2012-2013 Global

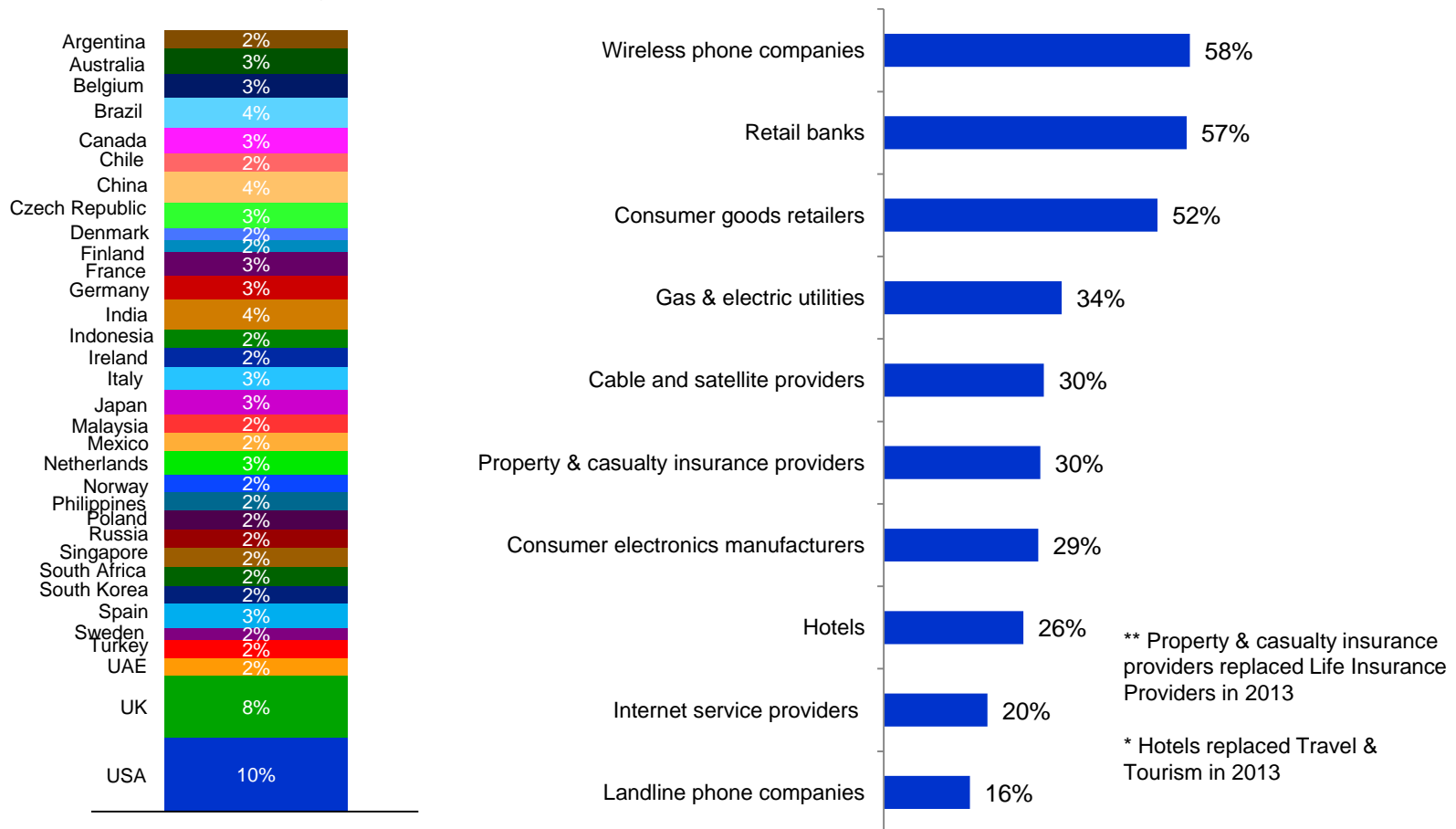


Methodology and Survey Sample

# Methodology and Survey Sample

This year, Accenture surveyed 13,168 consumers in 33 different countries via the Internet between May 28 and July 16, 2013. Respondents were asked to evaluate 10 industry sectors (up to four industries per respondent).

Distribution by country and industry of global sample of respondents (n=13,168)



# Respondent Sample Size Breakdown: Countries & Number of Respondents

	2005	2006	2007	2008	2009	2010	2011	2012	2013
2013 Mature Markets (n=7183)	Argentina					303	308	304	305
	Australia			300	303	302	375	400	430
	Belgium					304	331	401	400
	Brazil			311	314	316	345	302	504
	Canada			300	302	306	354	404	405
	Chile								339
	China			320	325	302	303	332	504
	Czech Republic							303	410
	Denmark								201
	Finland								201
2013 Emerging Markets (n= 5985)	France		321	328	300	377	405	401	401
	Germany				307	302	355	408	401
	India				303	304	300	326	500
	Indonesia						309	329	301
	Ireland						306	301	314
	Italy						359	405	400
	Japan						349	418	400
	Malaysia						311	314	322
	Mexico						354	308	300
	Netherlands							302	401
	Norway								293
	Philippines							305	302
	Poland								
	Russia							303	304
	Singapore					300	302	320	301
	South Africa					305	326	314	301
	South Korea						319	317	330
	Spain						348	409	414
	Sweden								203
	Turkey							306	300
UAE						300	328	300	
UK	1003	1007	1000	1003	1003	317	801	1003	
USA	1006	1018	1000	1004	1006	440	804	1200	
<b>Total</b>	<b>2009</b>	<b>2025</b>	<b>3552</b>	<b>4189</b>	<b>5050</b>	<b>7383</b>	<b>10173</b>	<b>12662</b>	<b>13168</b>