

2022 CX and Communications Insights

# Engaging Customers in a Digital World

Fourth annual study reveals how  
consumer trends are changing.

# The transition to digital transcends convenience and efficiency –

It leads to higher expectations for the customer experience.



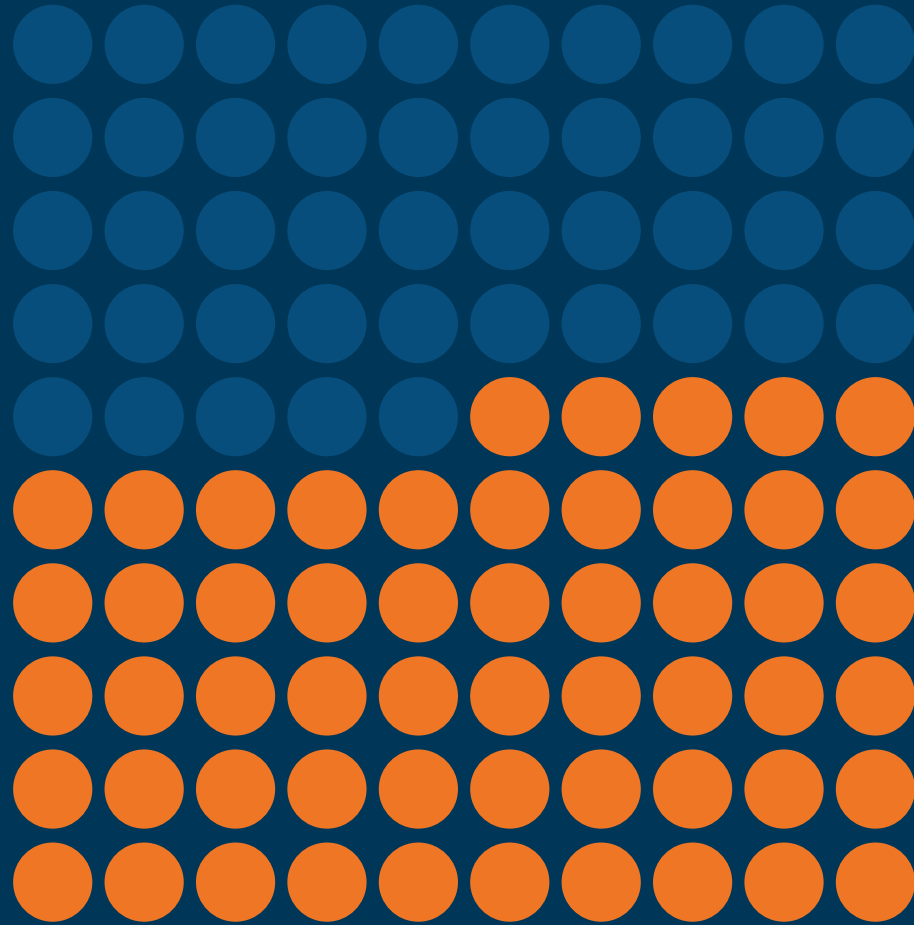
Consumers' inboxes, smartphones and mailboxes are inundated with offers, statements, and other notifications from the companies they do business with.

**This flood of information makes it difficult for companies to stand out from others**, and for consumers, it can be overwhelming and confusing – leading to a poor customer experience.

Our 2022 study reveals that consumers are sampling digital experiences; however, **their expectations have risen** when it comes to channel preferences, personalization, data security and transparency.

While technology is improving the ability to customize consumer touchpoints, **companies cannot lose sight of the need for simple, clear and relevant communications.**

# The new normal takes root.



Over the past two years,

**55%**

of consumers have confirmed that the **pandemic** fundamentally and permanently **changed how they look to communicate with companies.**

## First-time engagement

during the past year shows continued commitment to a digital experience:



**31%**

made an online bill payment



**25%**

created an online account



**25%**

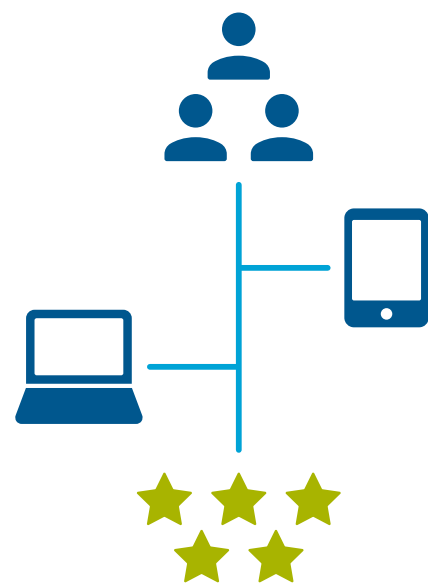
downloaded a company's mobile app

### THE BROADRIDGE PERSPECTIVE

As consumers continue to sample digital interactions with your company, you need to ensure your customer experience is ready to keep them engaged.

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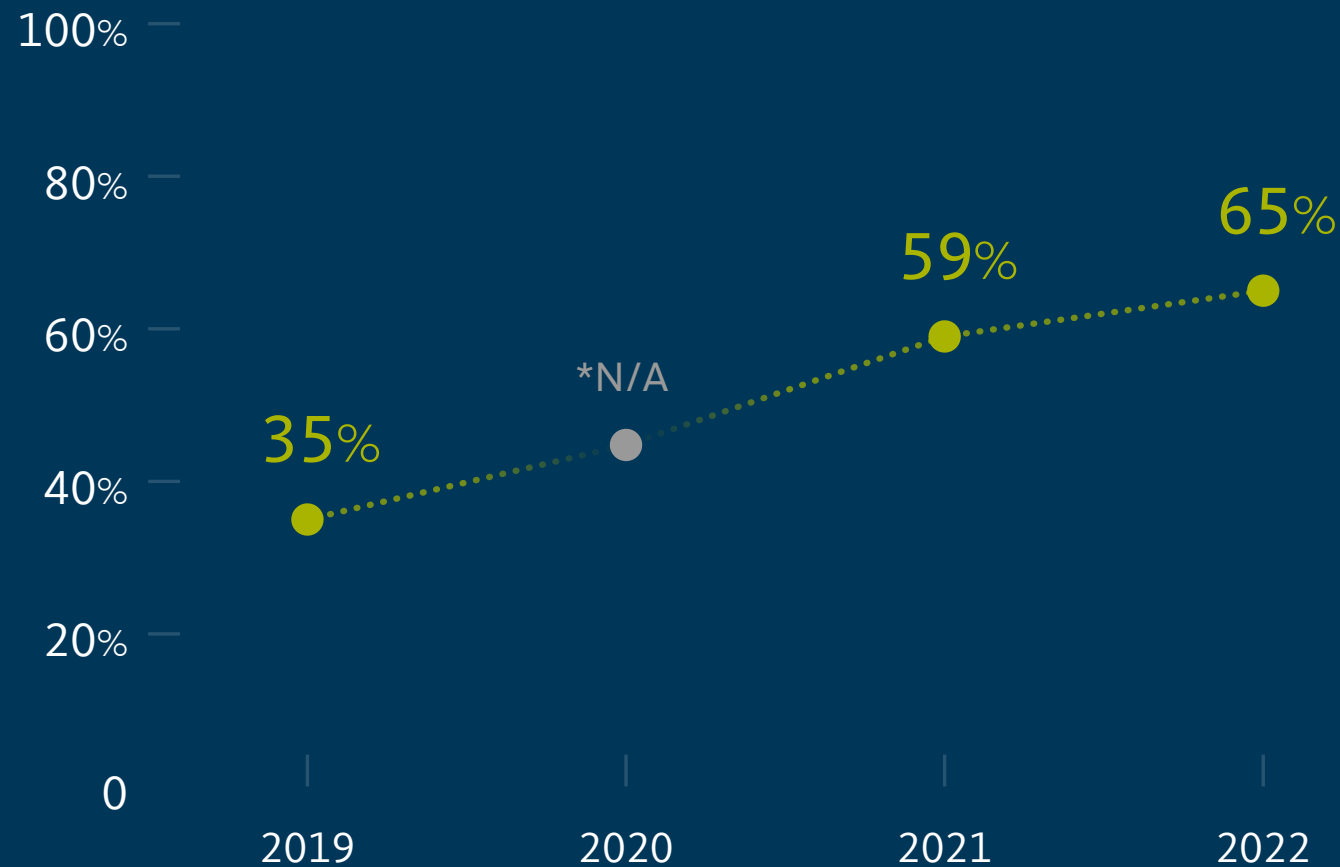


## Customer Experience (CX)

Leaders in CX are raising the bar for customer expectations.

Companies that are not prioritizing customer experiences are **falling further behind** as customers expect more after every positive experience they have.

# Consumers who agree that most of the companies they do business with need to improve their CX.



\*Data was not recorded in 2020

## 65%

of consumers agree that most of the companies they do business with **need to improve the customer experience they provide**—up from **59%** last year and **35%** in 2019.

“Be more interactive or someone else will and it will cost you more to bring me back.”

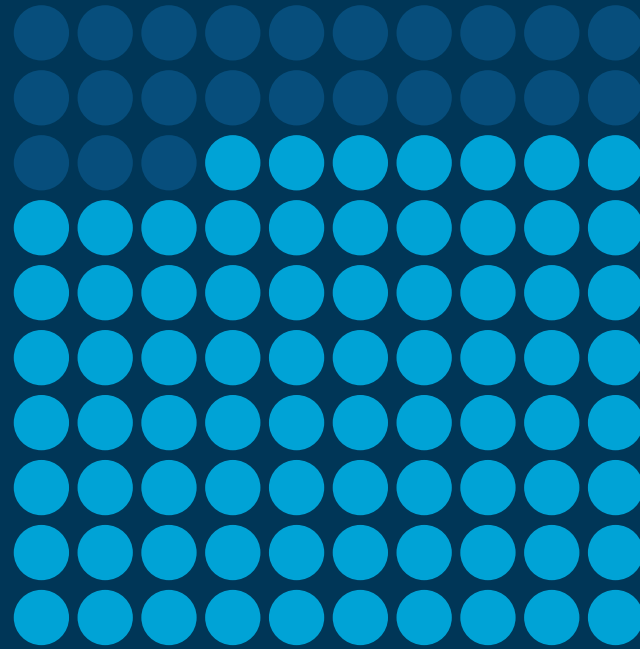
“Make it easier to navigate my account.”

### THE BROADRIDGE PERSPECTIVE

The gap is widening between the companies that are investing in customer experience and those that aren't.

Companies falling behind need to make a concerted effort to close the gap before it's too late.

# A good experience creates more satisfied customers.



77%

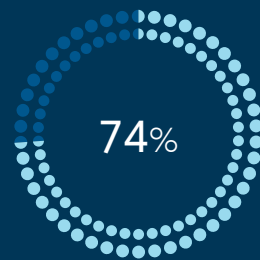
of consumers say they would spend **more money** with a company that provides a **good customer experience**.

“Make it easier for me to access my account, payment history, bill, options and more!”

“More innovation, more convenience.”

“Keep innovating and making the customer experience better.”

And that motivating insight is valid across generations:



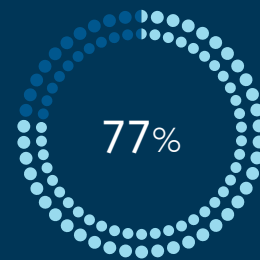
74%

Gen Z



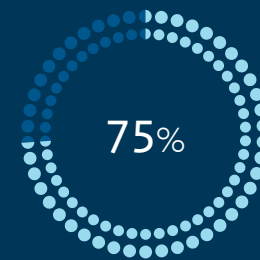
81%

Millennials



77%

Gen X



75%

Baby Boomers

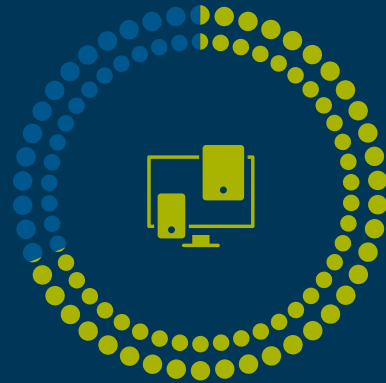
## THE BROADRIDGE PERSPECTIVE

To earn more revenue from satisfied, engaged consumers, companies must first elevate the experience they’re delivering.

Over half of consumers demand to see improvement in all areas of communication and experience.

# What needs to get fixed?

Consumers name these four areas:



**69%**  
Easier interaction across print,  
digital, and other channels



**65%**  
Customer experience



**60%**  
Digital experience



**55%**  
Mobile experience

“Make it easier to contact  
help support.”

“Don’t ask for information  
I have already given or  
continually request updates...”

“Fix the app or do away with it.”

### THE BROADRIDGE PERSPECTIVE

Providing a good customer experience requires a 360-degree strategy that is constantly evolving to enable customers to engage in ways they prefer at any given time.

Doing so will increase engagement, customer satisfaction and revenue.





## Omni-Channel Approach

A good experience in each channel gives customers confidence as they transition from one channel to the next.

Maintaining an enhanced omni-channel communications strategy is **crucial for keeping customers engaged**.

# Consumers want to engage with companies seamlessly.



87%

of consumers believe it's important to have a **simple way to interact with companies across all channels.**

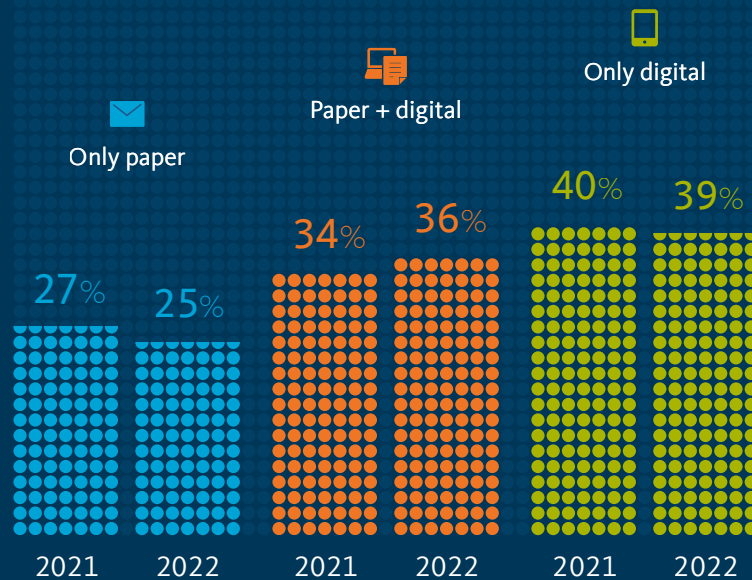
“I get paper communication... and that is the **ONLY** way I want to communicate other than in person or via telephone.”

“I live online so everything should be online even though paper is good for storing.”

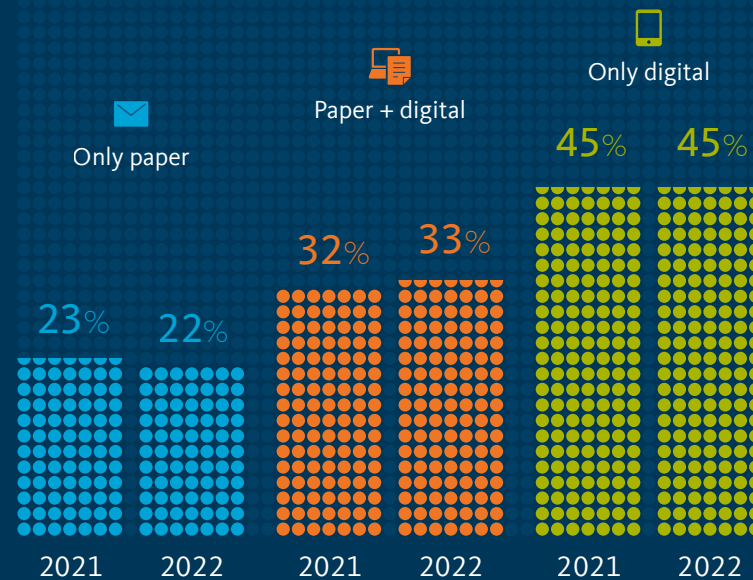
“I would prefer that we had more frequent communications online and in print.”

# Current state vs. preferred communications delivery reveals realities and opportunities.

### How consumers receive communications



### How consumers would prefer to receive communications



## CORPORATE LEADERSHIP INSIGHTS

### Why a transformation to digital is essential.

In short, it helps drive increased revenue and profitability. In the 2022 Broadridge Digital Transformation and Next-Gen Technology Survey, **71% of firms categorized as Leaders** in digital transformation reported **increased revenue** due to digital transformation and next-gen technologies, **compared to only 46% of Non-Leaders.**

Furthermore, **51% of Leaders** reported **improved profitability**, compared to only **43% of Non-Leaders.** That gap is expected to widen to **66%** for Leaders and **51%** for Non-Leaders in two years.

It's critical to provide a consistent, quality customer experience across channels and devices – instilling customer confidence as they transition from one channel to the next.

# Making the switch to digital.

It's not just a matter of offering digital communications; it's about creating experiences that drive digital behaviors and engagement.



More than  
**70%**

of consumers said that if companies improve the digital experience by making it more engaging, they would likely go paperless.



## THE BROADRIDGE PERSPECTIVE

Within the past year, **78%** of Gen Z and **83%** of Millennials switched a bill to paperless, compared to **54%** of Baby Boomers.

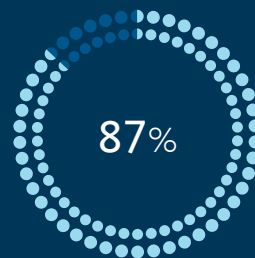
CX leaders recognize it's not just about getting customers to go digital – especially at the risk of disengagement. **67%** of consumers agree that they would prefer an interactive summary of key bill or statement information directly within the email rather than being redirected to a company's website.

In their desire for a better digital experience, consumers are embracing new technologies that focus on making communications simple and tailored. This is especially true for most Millennials (**74%**).

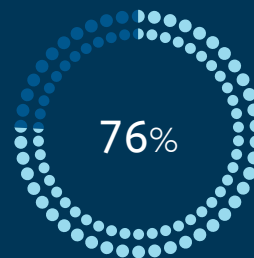
This is a consistent opinion across all generations.



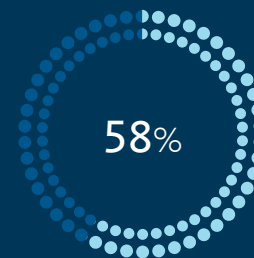
Gen Z



Millennials



Gen X



Baby Boomers

# The top three communication technologies that consumers are most interested in seeing are:



67%

**Digital interactive documents**  
with customizable sections



67%

**Predictive analytics**  
that send communications  
at the right time based on  
expected needs



63%

**Artificial intelligence**  
in customer service that  
helps answer simple  
questions immediately

## CORPORATE LEADERSHIP INSIGHTS

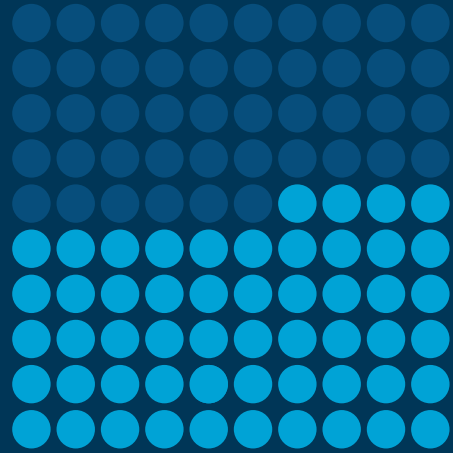
Companies are driving toward a digital future.

According to the 2022 Broadridge Digital Transformation and Next-Gen Technology Survey, **companies are driving forward with their digital transformation**, fueling a future of efficiencies and enhancements for their business.

- **73%** of firms categorized as Leaders are in the advanced implementation stage of a shift from paper to digital communications and **71%** of Leaders are in the advanced implementation stage of providing seamless, omni-channel client experiences across devices.
- Both Leaders and Non-Leaders expect to increase the percentage of their overall annual IT budget devoted to digital transformation over the next two years – Leaders from **9% to 12%** and Non-Leaders from **12% to 14%**.

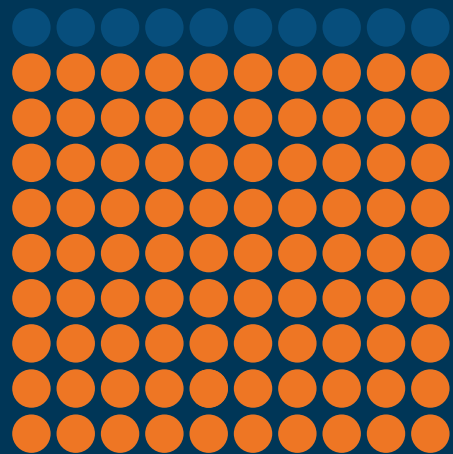
# The resilient role of printed communications.

It's impossible to deny the staying power of print:



44%

of consumers prefer to receive bills, statements and other important documents in print.



90%

of consumers expect to still receive at least some of their documents physically three years from now.

## Why are consumers reluctant to give up paper?

The most common reasons have remained steady over the last two years:



51%

Like to keep a paper record



40%

Paper serves as a reminder



31%

Paper is easier to track and manage

### How can companies encourage a transition from print to digital?

The transformation toward digital will accelerate as companies leverage technology to not only deliver efficiencies, but to also improve customer experience.

# How can companies encourage a transition from print to digital?



56%

of consumers are interested in companies using **QR codes on printed communications** as a way of improving the communications they send.

78% Gen Z

77% Millennials

64% Gen X

32% Baby Boomers

“I would like to see an email with a link with everything in one email... I would also like to scan a QR code I get in the mail to access my whole billing summary.”

## THE BROADRIDGE PERSPECTIVE

The use of QR codes has expanded greatly since the beginning of the pandemic, and younger generations now expect them as part of their digital experience.

Consider using a QR code on your printed communications to provide an easy way for customers to sample your digital experience, update their preferences or take other desired actions.



## Personalization

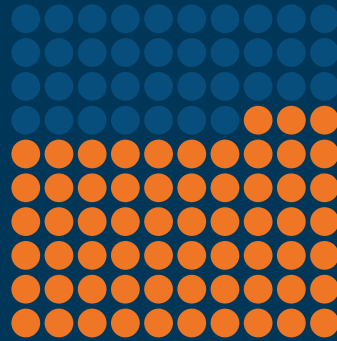
Personalization and customization help drive the switch to digital.

A digital relationship with a consumer can create a wealth of data-driven opportunity, but what's in it for the consumer?

They want – and expect – communications to be tailored to their needs.



# Personalization and customization help drive the switch to digital.



63%



of consumers are **more likely to engage and respond to interactive, personalized messaging**. They don't want static communications targeting a generic audience.



74%

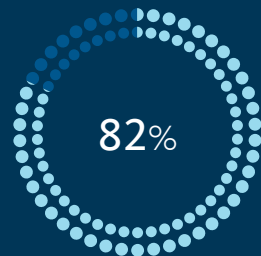


of consumers **want providers to customize their experience** based on what the company knows about them.

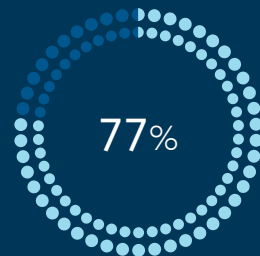
Who thinks personalization is important?



Gen Z



Millennials



Gen X



Baby Boomers

## THE BROADRIDGE PERSPECTIVE

The majority of every generation prefers a **personalized experience** based on what companies know about them as individuals.

Companies must walk a fine line between **driving engagement through personalization** and **not overstepping their customer relationship** by prying for too many personal details.

With this in mind, companies should share their data security measures and invite customers to take advantage of a more personalized experience.

# Simplicity but always relevance.

When it comes to communications, customers are looking for three things:



**49%**  
Plain language



**42%**  
Relevant content



**42%**  
Important information  
summarized for  
easier comprehension

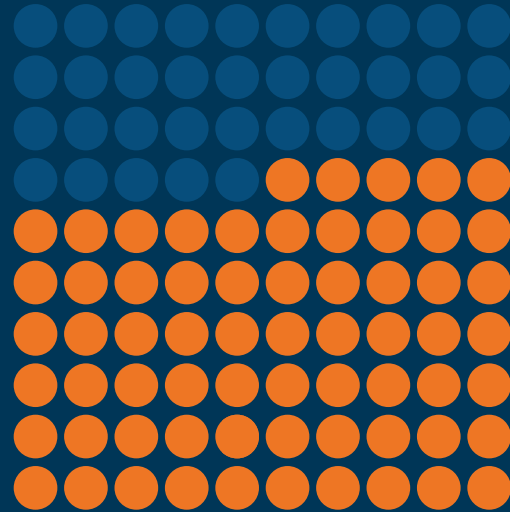
Across generations,  
**over 40%**

of consumers identify these three areas as important to how companies communicate with them.

### CORPORATE LEADERSHIP INSIGHTS

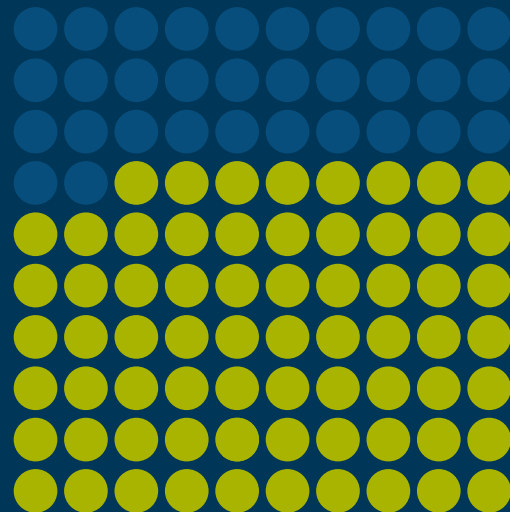
According to the 2022 Broadridge Digital Transformation and Next-Gen Technology Survey, both **Leaders (47%)** and **Non-Leaders (32%)** believe that a **personalized experience is what matters most to customers** when it comes to the communications they send.

# What type of communications can improve CX?



65%

of consumers would **prefer to receive fewer, more tailored communications** – through their preferred channel. They appreciate when complicated or lengthy information is summarized, so they can easily understand what’s important to them.



68%

of consumers would **prefer to receive a more personalized summary communication** instead of individual statements, confirmations, and regulatory communications related to investments.

“Have all communications in summary form in one centralized location.”

“Stop asking for the same information over and over and over.”

“More push notifications and less generic emails.”

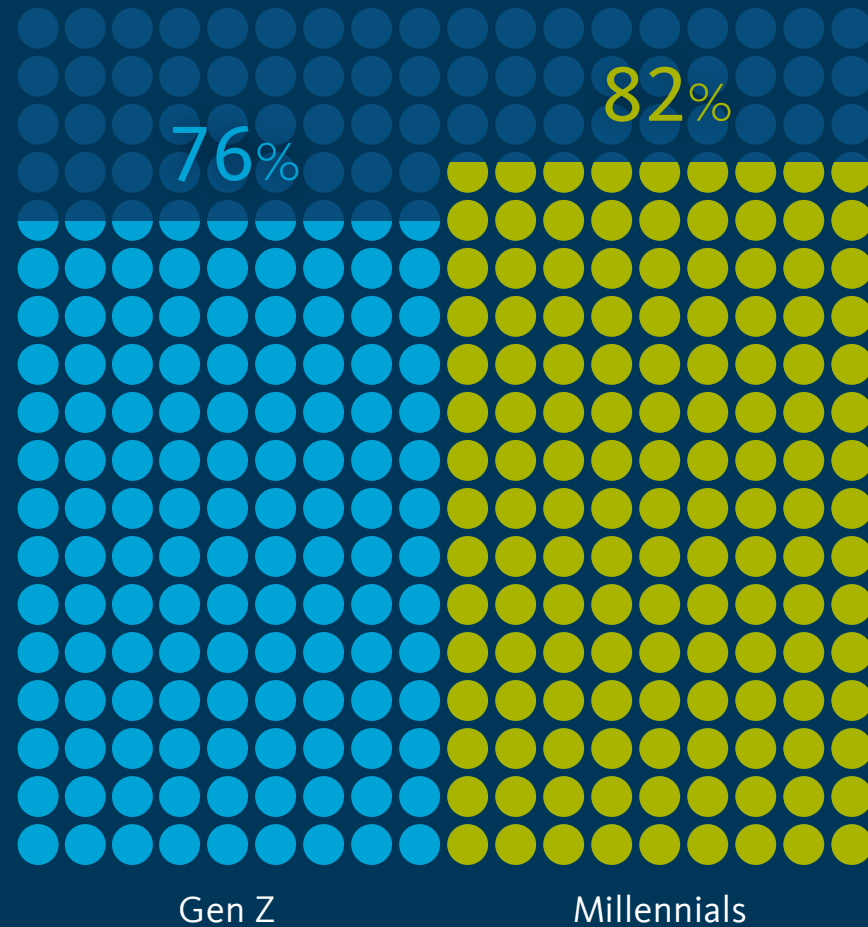
“Be strategic and consistent: like everyone, I only look at key words.”

## THE BROADRIDGE PERSPECTIVE

Whether it’s print or digital communications, finding the right frequency in your communications can **help keep your customers engaged** when you do need them to interact. **Just make it easy for them to do so.**

# What matters to younger generations: **Interactivity.**

Customers who consider customizable digital communications important:



76% of Gen Z  
82% of Millennials

consider customizable digital communications to be important.

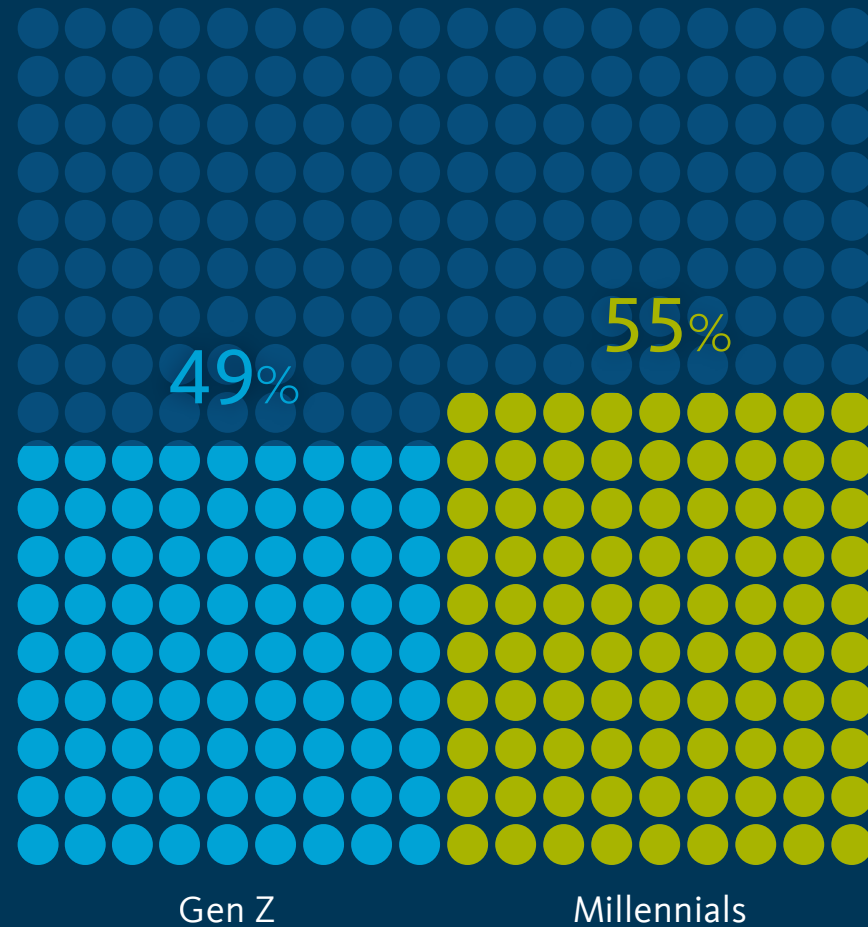
## THE BROADRIDGE PERSPECTIVE

Consumers want to be heard, and this is especially true of the younger generations: **Gen Z and Millennials.**

Their loyalty is relationship based as they look for evidence that **companies understand how to communicate with them**, while recognizing what's important to how they spend, or invest, their money.

# What matters most to younger generations: **Relevance.**

Customers willing to share personal information in order to enhance the customer experience:



**49% of Gen Z**  
**55% of Millennials**

said they'd be willing to share personal information in order to enhance the customer experience.

## THE BROADRIDGE PERSPECTIVE

With the transfer of wealth that has already begun through inheritance and increased earnings, Gen Z and Millennials will see their spending power increase greatly in the years to come.

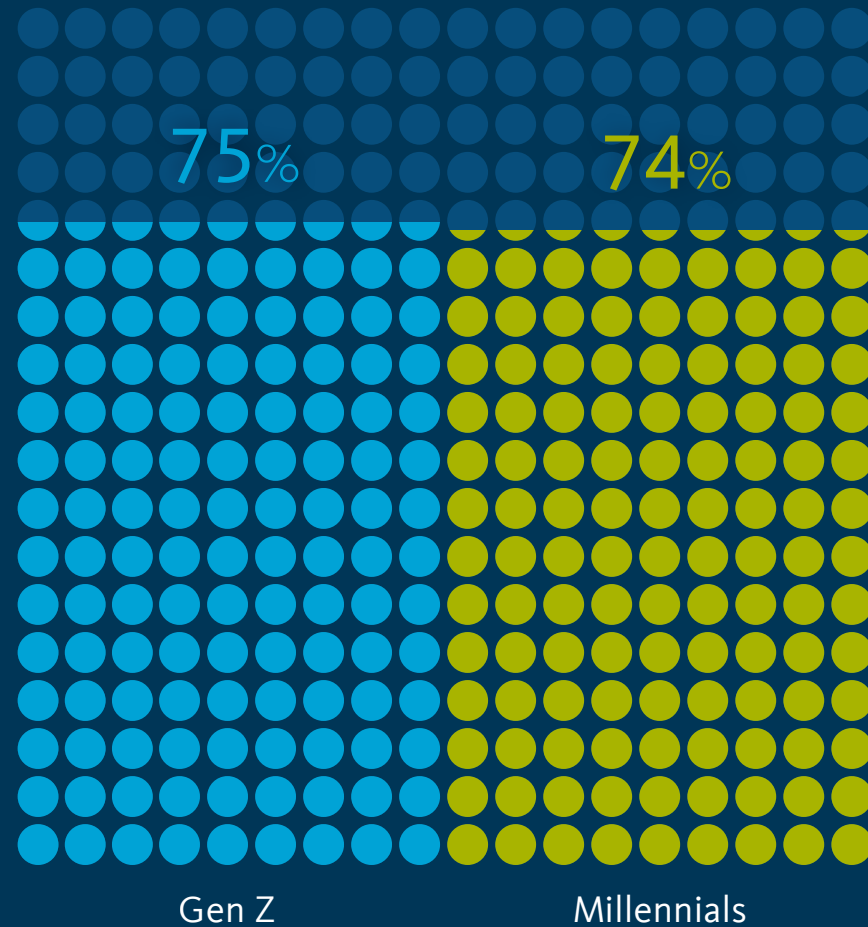
Companies will need to compete for their business and that means tailoring communications to their preferences.

An enhanced digital experience will play a key role in engaging these consumers.

Two examples of what sets these consumers apart are video communications and ESG investing.

# What matters to younger generations: Video.

Customers who find videos to be engaging and effective:



75% of Gen Z  
74% of Millennials

say they're interested in companies using short informational videos.

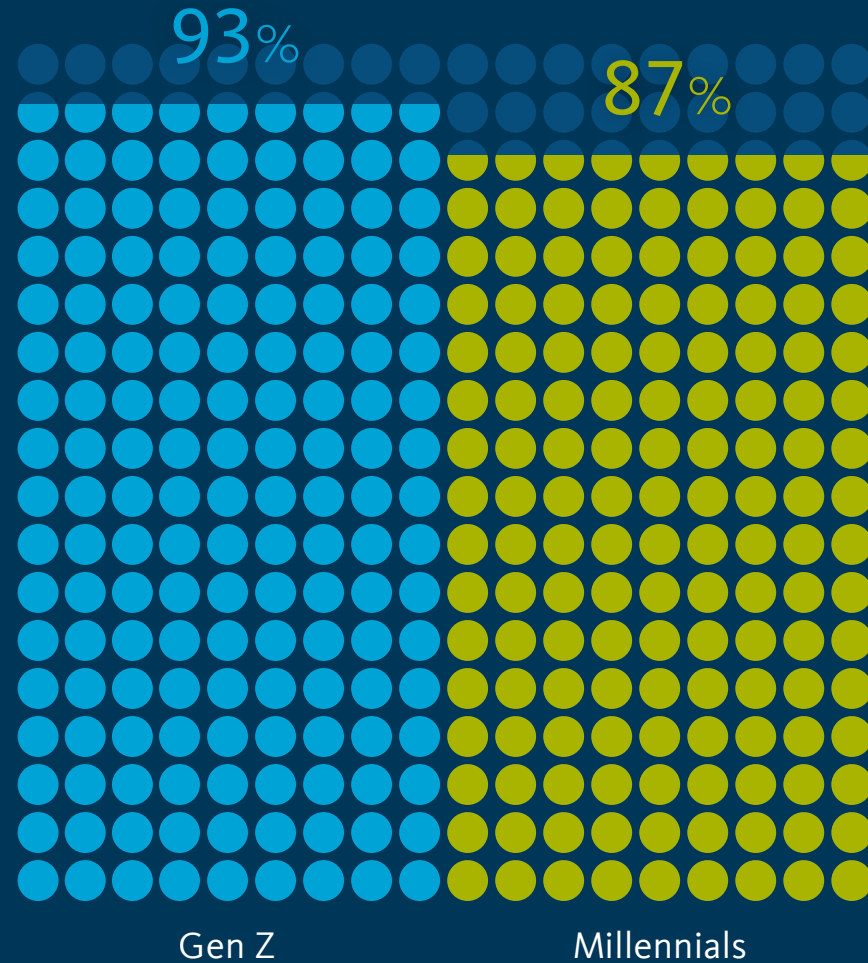
## THE BROADRIDGE PERSPECTIVE

As consumer preferences continue to shift relative to how they consume content, it is critical to review your communication strategy and determine the right mix for your customer base.

Nearly three out of four Gen Z and Millennial consumers say they're interested in companies using short informational videos – that are personalized to them as individuals – as a way to communicate.

# What matters to younger generations: ESG

Customers interested in companies that demonstrate a strong ESG strategy:



93% of Gen Z  
87% of Millennials

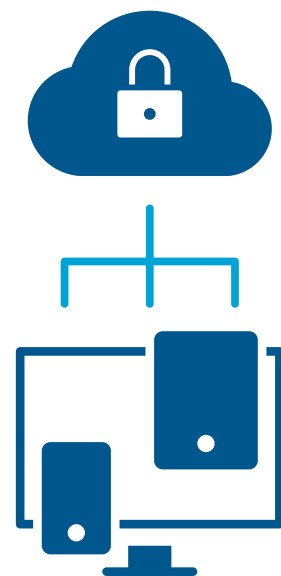
believe it is important to invest in companies that demonstrate a strong ESG strategy.

## THE BROADRIDGE PERSPECTIVE

As consumers, these younger generations are prioritizing Environmental, Social, and Governance (ESG) issues.

A vast majority of Gen Z (93%) and Millennials (87%) say it is important to invest in companies that demonstrate a strong ESG strategy.

An effective communications strategy requires a tailored approach. It not only shows you know what's relevant to your customers, but it also says you're listening to them – something younger generations expect.



## Data Security

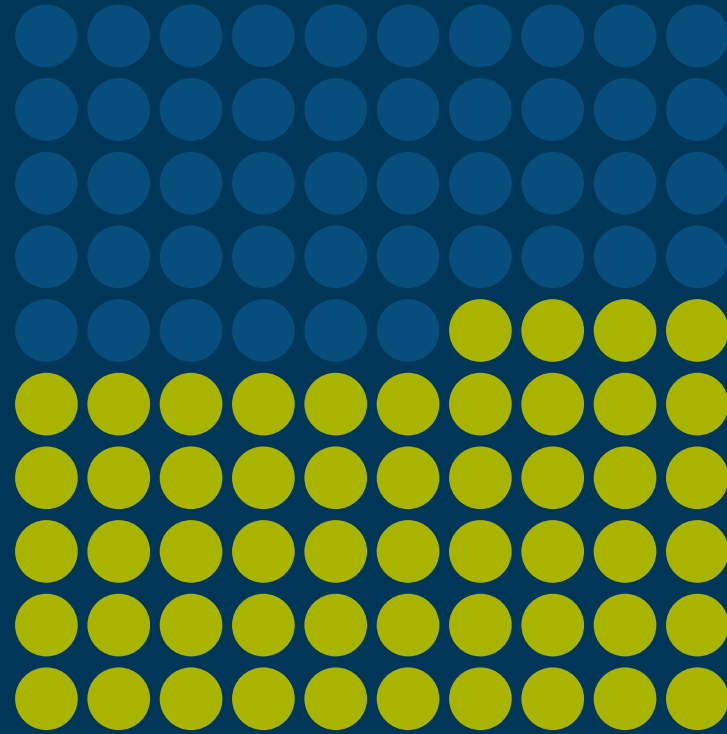
Improved personal data security is an important first step to customer digital engagement.

With companies unveiling new digital identification offerings and biometric identity technology, as well as the rollout of “vaccine passports,” **digital identity’s role in society is continuing to increase in prominence.**



# Advanced digital identity security measures.

Customers likely to engage digitally because of digital ID security:



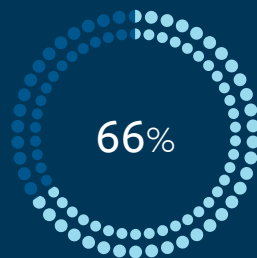
54%

of consumers note that advances in digital identity security measures are helping them **feel more comfortable engaging digitally with companies.**

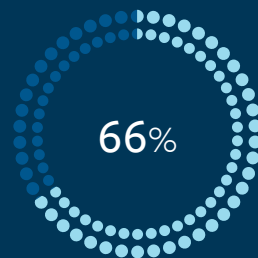
Advances in digital identity security measures include facial recognition (Face ID) and two-step authentication, such as having a PIN code sent by email or as a text message.

As these measures proliferate in our daily lives, consumers are becoming more comfortable engaging with companies digitally.

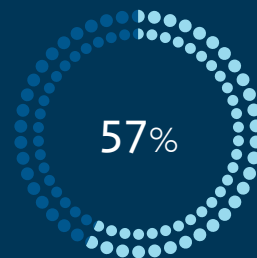
This sentiment is being driven by younger generations:



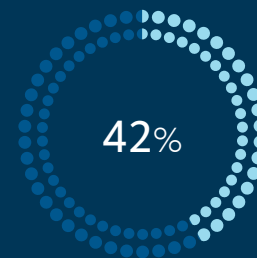
Gen Z



Millennials

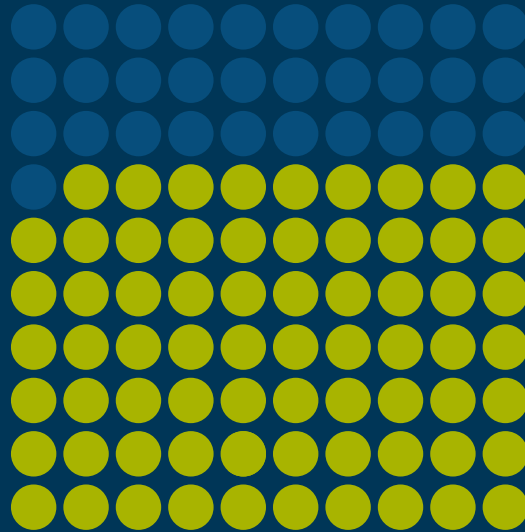


Gen X



Baby Boomers

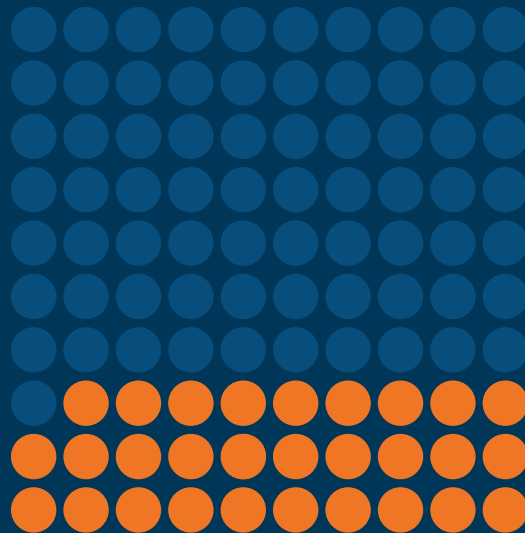
# What's the risk of not securing customer data?



69%



of consumers say they **would avoid** a company that had recently been in the news for having its customer information hacked.



29%



admitted to **ceasing business** with a company due to a hack.

## THE BROADRIDGE PERSPECTIVE

A key part of the improved digital experience sought after by **60% of consumers** is seamless and secure transactions.

Consumers value their privacy and security. Demonstrate how your digital experience invests in both areas to win and retain their trust.

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# The Digital World Drives Forward

Customers want simple, concise and relevant communications across all channels.

Creating engaging, personalized, omni-channel customer experiences remains the **goal of every communications and CX leader.**

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# The permanence of change.



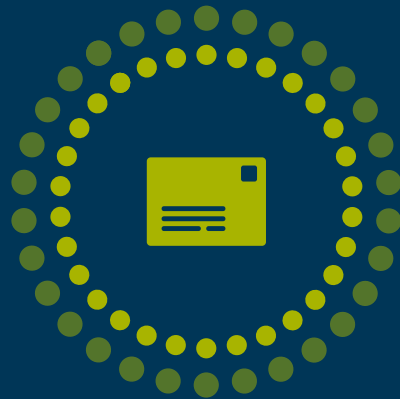
## THE BROADRIDGE PERSPECTIVE

Since the onset of the pandemic, traditional approaches to communicating and engaging with consumers have been challenged, reimagined and altered – likely as a permanent change.

Digital technology has made this accelerated evolution easier and adaptation more acceptable.

**Broadridge can help you succeed.**

To help meet consumer preferences and improve the communications experience, here are the actions you can take today:



Ensure your communications are clear, brief and relevant.



Deliver personalized, customized communication journeys — your customers will pay more for a better CX.



Invest in transforming your digital experience to reward customers with seamless, dynamic and timely communications.

Broadridge delivers 7 billion digital and print communications each year on behalf of 5,000 leading companies.

Find out how we can help execute your communications transformation with the [Broadridge Communications Cloud<sup>SM</sup>](#) an end-to-end communications platform for creating, delivering and managing omni-channel communications and customer engagement.

To learn about our communications and engagement solutions, [contact us today.](#)

# More Insights— only from Broadridge

We invite you to explore  
our previous CX and  
Communications insights:

[2019 Report](#)

[2020 Report](#)

[2021 Report](#)

This marks the fourth annual Broadridge CX and Communications consumer study.

If there are CX and communications topics you would like to see in future research reports, [please let us know](#).

For more information about the 2022 Broadridge Digital Transformation and Next-Gen Technology Survey referenced throughout this report, [click here](#).

## **ABOUT THIS STUDY**

Broadridge commissioned Engine to conduct this CARAVAN Omnibus Survey. The 52-question survey was administered between November 5-12, 2021 to 3,025 U.S. and Canadian residents aged 18 and older. The U.S. data was weighted to age, gender, region, race and education. The Canadian data was weighted to age, gender and region. The figures are statistically significant at the 95 percent confidence level with a margin of error of  $\pm 2$  percentage points.