

ventrica

The CX journey to 2030

Evolving customer preferences and advances in technology are transforming the customer experience – we look at how to deliver.



White paper

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Customers and technology are the **drivers of innovation**

Historically, the most successful entrepreneurs have capitalised on two things: Anticipating or predicting the future unmet needs of customers and then exploiting some innovation or technology to deliver a solution.

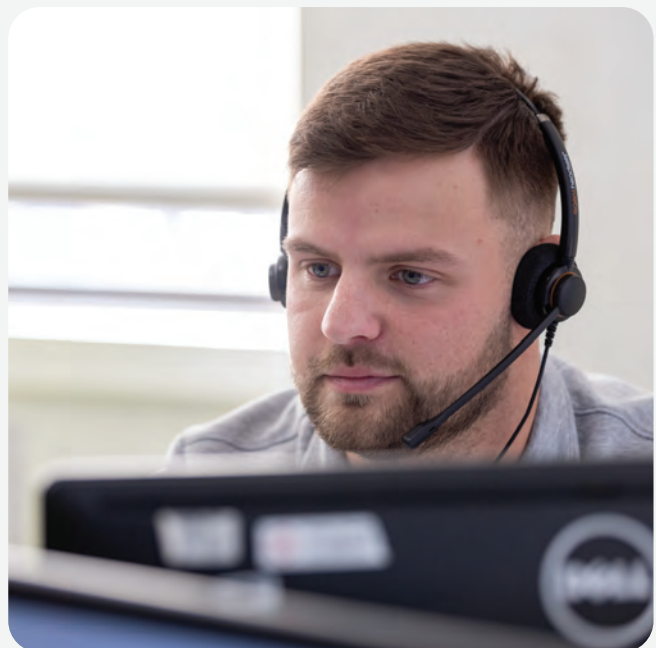
While we can't all be Edison, Ford, or Bezos, we can certainly apply that type of thinking in our own roles to design new solutions for our customers and continue to improve existing ones. To do that, we need to understand what customers want today and how their preferences and demands are expected to change.

Of course, customer preferences do not exist in isolation; they are shaped by the ability of the market to deliver. Most customers would love instant delivery of any product they order online and pay quite a premium. Still, until someone invents a Star Trek-type replicator, it's not going to happen.

This interplay, or push and pull, between what customers want and what businesses can deliver drives innovation, reshapes markets, and invents new sectors. Nobody wants to get left behind and go down in history as the next Kodak or Blockbuster – so let's see what the future might hold.

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It is the interplay between what customers want and what businesses can deliver that drives innovation.



Looking forward to 2030...

What will be the major factors influencing customers' preferences and behaviours over the rest of this decade?

While nobody has a crystal ball, assuming nothing too leftfield like a pandemic or some other global catastrophe happens, we can certainly identify the major issues:

Heightened customer expectations

Customers need to make their pound, dollar, or Euro stretch further than ever, so they will increasingly demand quality products, great service, easy and quick access to both, greater value for money, and personalised attention in return for their loyalty.



The evolving attitudes of younger generations

Beyond Millennials, the Alphas born after 2010 will grow up before the decade's end. They will be AI and digital natives, and their attitudes toward social and environmental issues will significantly shape their consumer behaviour.

Accelerating adoption of mobile and digital

As mobile broadband speeds get faster and our devices become more powerful with greater processing power, more sensors, and new capabilities, consumers will rely on them even more than today to run their lives.



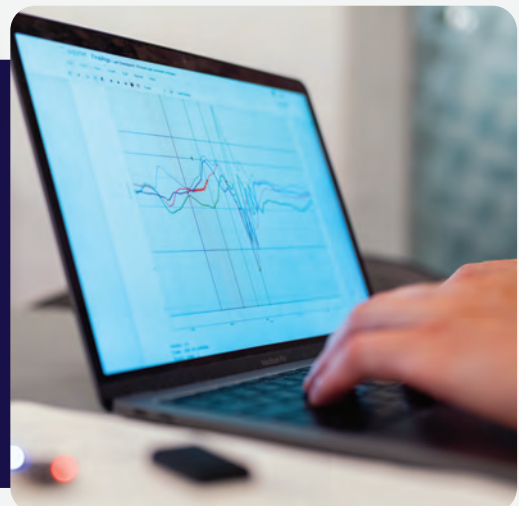
The impact of AI and automation

Outside of an alien invasion, the potential exponential growth of AI is likely to have the most significant effect on our day-to-day lives over the next decade. From a customer experience point of view, the changes will be dramatic.



Increasing personalisation and oodles of data

One of the most potent means businesses have to meet customers' evolving needs is the ability to collect and analyse an incredible amount of data. While customers welcome the outcome of this – a more personalised and efficient service – the security and privacy risks must be navigated.



In the next sections we look at the 4 major factors that will influence consumer behaviour and shape the ability of businesses to respond.

1 Soaring customer expectations

With the advent of the digital era, a different kind of consumer has emerged. Equipped with information and spoiled for choices, today's customers desire more than high-quality products or services.

They crave experiences. According to [a report](#) from 8x8, an astonishing 46% of business leaders believe that by the year 2030, customer experience will take precedence as the differentiating factor for brands, surpassing both price and product. If true, this would indicate a shift in consumer behaviour.

The era of waiting is now a thing of the past. Whether it's a question, complaint or feedback, modern customers expect responses. The native generations, particularly millennials and Gen Z individuals, drive this demand for real-time engagement. To meet these expectations effectively, businesses must invest in customer support infrastructure by leveraging AI-driven chatbots and ensuring round-the-clock availability.

46%

of business leaders believe that by the year 2030, customer experience will take precedence as the differentiating factor for brands.

The economic outlook

The fallout from the COVID pandemic and other global events is still felt worldwide. Combined with the rising interest rates and a real-term decline in wages, most economies – including the UK – are suffering. It is no wonder most consumers feel less secure than they did a few years ago.

The World Bank suggests we might be at the start of a 'lost decade' of [economic growth](#) with high interest rates, high inflation, and [lower-than-usual growth](#).

This is not just due to the pandemic. Back in 2013, a [Which? study](#) identified and predicted all these traits, concluding that "consumers in 2030 will be living in a world where slow growth, resource scarcity, and rising commodity prices will have become the norm."

When times get more challenging, consumers generally look to optimise the value of their purchases. This could also include reducing their spending entirely – which is already happening according to the [UK Office of National Statistics](#). However, all the indicators are that when spending returns to normal levels, customers will be more discerning and likely to stick to brands they know and trust.

Evolving drivers of loyalty

According to a [recent CMO survey](#), 48% of consumers think brands aren't excelling at delivering the right CX. The same study asked consumers about the main factors driving loyalty today. Perhaps reflecting current economic conditions, they said cost and discounts were their priority, followed by quality and availability.

Asked to imagine what factors would be most important to them in the future, quality ran out the winner when they were asked to think long-term. Cost was second, and special recommendations/upgrades were third, highlighting that personalisation is becoming increasingly important.

Top 5 attributes consumers say drive loyalty today

39%

Low cost or special discounts

35%

High-quality products or services

31%

Immediate (same day) availability

26%

Immediate (a few days) availability

24%

Special recommendations, upgrades

Top 5 attributes consumers say will drive loyalty 2025-2030

56%

High-quality products or services

53%

Low cost or special discounts

24%

Special recommendations, upgrades

21%

Immediate (a few days) availability

20%

Immediate (same day) availability

Source: [Futurum Future of Customer Experience study](#)

CX metrics in the future

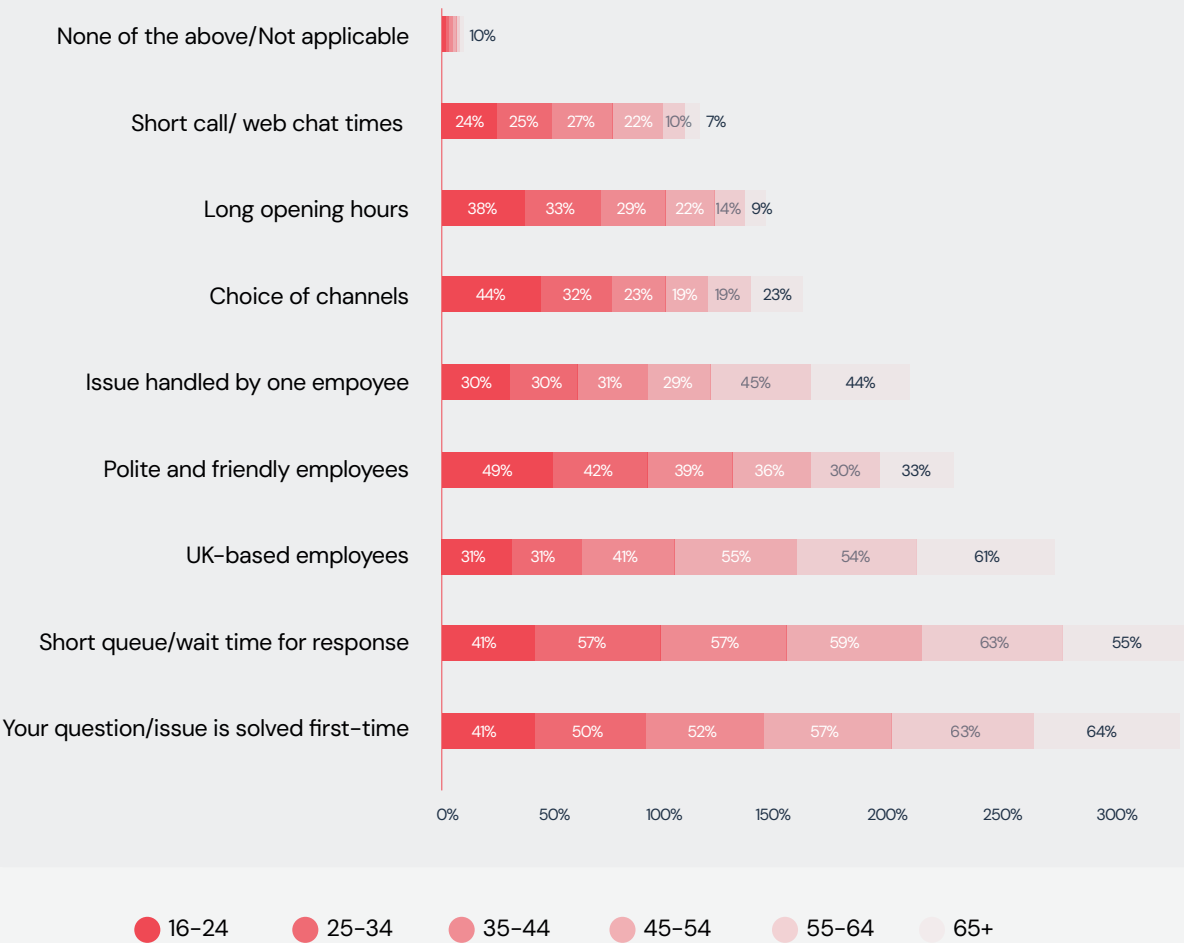
For its [Exceeding Customer Expectations](#) 2023/24 report, ContactBabel surveyed over 1,000 UK consumers and asked them what was most important to them when contacting an organisation. As expected, the two most important factors were first contact resolution and short wait time.

Whether it's a question, complaint or order, modern customers expect quick responses. The digital native generations, particularly millennials and Gen Z, drive this further by demanding

real-time engagement with brands online. To meet these expectations effectively, businesses must invest in customer support infrastructure and technology to ensure round-the-clock availability (hint: it doesn't have to be 100% human).

Looking at the ContactBabel survey responses when split by age underscores this point dramatically. It becomes clear that the successive generations have entirely different priorities.

What's most important to you when contacting an organisation?



The preferences of the 16 to 24 age group can give us a good indication of what customers' priorities will be in the future when this cohort, along with their younger Generation Alpha successors, make up a more significant proportion of the consumer market.

The top priorities for this age group were polite and friendly employees and choice of channels. They care far less about being answered by a UK-based employee. First-contact resolution and short wait times are also less of a priority for them, and neither do they expect their issues to be handled by just one employee.

They want longer opening hours and shorter interaction times – significantly so compared to the older age groups. Longer opening hours suggest they want to be able to contact a business at a time of their choosing. Their preference for shorter interaction times, coupled with the lower importance they place on time to answer, could be linked to younger generations' preference for digital, non-voice channels that are usually asynchronous.

Channels such as email, SMS, web chat, messaging, and social media are, by their very nature, essentially open 24/7. These channels also require less time from the customer as they don't have to hang about on hold waiting for a response or for the agent to look up information once they are connected.

Customer effort is the new loyalty currency

Consumers have endless options and little time, which means the ease of engaging with a brand will be one of the most important factors in determining customer loyalty by 2030. As consumers become accustomed to personalised experiences, the brands that prioritise convenience and remove any obstacles will rise to the top. On the other hand, those brands that fail to adapt and make it challenging for customers to interact will struggle to stay relevant.

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Younger generations value politeness and choice over speed of response – but don't waste their time!

2

The evolving attitudes of younger generations

Millennials and Gen Z were raised in a digital world, which has shaped their preferences. Businesses must think carefully so that they can engage with them effectively.

For the younger generations, digital technology is not a convenience, it's an integral part of their lifestyles. Their reliance on smart mobile devices, their preference for seamless multi-channel experiences, and their comfort with chat and messaging platforms distinguish them from older cohorts.

Younger generations have a different perspective on how brands should communicate with them. They view phone calls and emails as outdated, and prefer brands that are authentic and transparent. As these generations become a larger part of the consumer base, businesses must adjust their strategies to meet their unique preferences.

Born after 2010, Generation Alpha is growing up in a world where mobile devices and social media dominate. Their influence should not be underestimated, as they will approach brands and products with new expectations due to being surrounded by connected devices and social media platforms since their early years.

"When making purchasing decisions, more consumers are taking brands' ethics and commitment to social responsibility into account."

Sustainability and the green consumer revolution

Sustainability has become more than a trendy term in today's global market. It's now a fundamental value for consumers. The younger generations, like millennials and Gen Z, don't see sustainability as a fad; they see it as a principle that cannot be compromised. When making purchasing decisions, they are increasingly considering a brand's dedication to social responsibility. Looking ahead to 2030, businesses that neglect to incorporate sustainability into their core beliefs risk losing consumer trust and face the possibility of becoming obsolete.

Today's consumers are more informed and empowered than ever before. They are acutely aware of our planet's environmental challenges and demand that businesses play their part in addressing these issues. Brands that pay lip service to sustainability or engage in 'greenwashing' will find themselves out of favour. In contrast, those who genuinely prioritise sustainable practices will earn consumer respect, trust, and loyalty.

A study by the [Harvard Business Review](#) found that products marketed as sustainable grew 5.6 times faster than those that weren't. The importance of sustainability goes beyond ethical considerations, as indicated by this statistic.

3

Accelerating the adoption of mobile and digital

The digital era represents more than a technological progression; it signifies a fundamental change in consumer behaviour and expectations.

The customer journey has evolved from a straight path into a complex network of interactions across various channels. This section explores the intricacies of this transformation, emphasising the importance of channels and the necessity of omnichannel strategies.

Online doesn't just mean a website

In today's world, having a solid online presence is no longer a luxury but a requirement. The online realm has become the battleground for capturing customer attention. With the increasing trend of online shopping and digital customer service, businesses that lack an online footprint risk becoming obsolete. As we approach 2030, the digital landscape will be the arena for engaging customers, making a solid online presence essential.

Mobile is the key to customer engagement

Mobile technology has become central to many consumers' lives, with a third reporting three or more mobile phones in regular household use. For some, mobile is their sole gateway to online services, explaining why brands have shifted towards mobile-first and mobile-only strategies.

Wearable devices are also gaining traction, with 44% of respondents owning at least one and 78% expecting future wearables to control other devices. By gathering data through embedded IoT sensors, brands can provide real-time feedback tailored to the consumer.

The smart home revolution is also underway, as 35% of households currently have multiple intelligent assistants, and 80% foresee using them to shop and control smart devices by 2030. Brands should capitalise on the potential of smart assistants to get themselves seamlessly integrated into consumers' automated homes. Assistants present opportunities to recommend products, supply information proactively, and collect behavioural data to enable personalised experiences.



35%

of households currently have multiple intelligent assistants

With mobile and smart devices playing integral roles in consumers' lives, brands must embrace these technologies to create customised omnichannel experiences. The future will focus on connection between brands, devices, and consumers; early adoption is critical to defining brands' roles in this emerging ecosystem. Mobile platforms are rapidly emerging as the point of contact for customers, meaning businesses must prioritise mobile optimisation.

Mobile devices are more than communication tools; they have become central to customer engagement.

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Whether customers are shopping in-store, browsing online or interacting with apps, they expect a unified experience.

Embracing omnichannel as the new norm

The customer journey is no longer limited to one channel, which is why it's crucial to deliver a consistent and seamless customer experience across all channels and platforms. Customers who shop in-store, browse online, or interact with apps expect a unified experience. Adopting an omnichannel approach is not about staying competitive; it's about meeting customers' ever-evolving expectations.



Virtual and Augmented Reality: The future of customer engagement?

The digital era has brought about technological advancements, but very few are potentially as transformative as virtual reality (VR) and augmented reality (AR). These immersive technologies are poised to redefine the nature of customer engagement by providing experiences that are not only interactive but also deeply personal and relevant.

VR and AR aren't merely passing trends; they represent the frontier in enhancing customer experiences. By creating simulations and overlaying digital information onto the real world, these technologies enable businesses to connect with consumers in ways previously not thought of. Imagine being able to test drive a car from the comfort of your living room or visualise how a piece of furniture would fit into your home before making a purchase. These aren't futuristic dreams but things that innovative companies are already taking advantage of.

According to a study conducted by CMO, an astonishing 54% of brands are investing in augmented reality (AR).

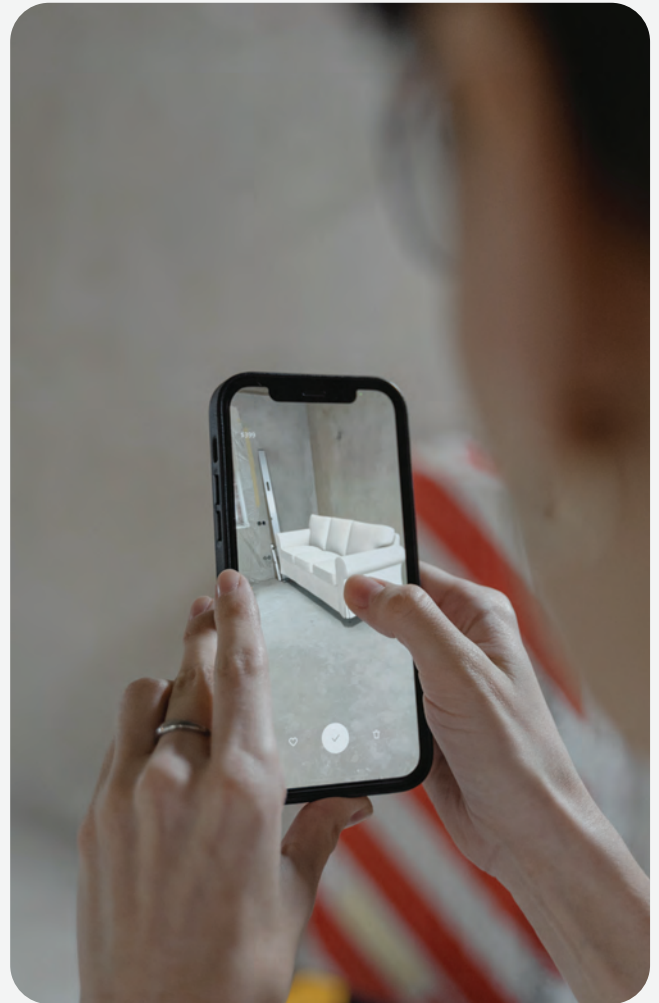
VR and AR technologies might be cutting edge now, but in the future consumers will expect to use them to visualise products and interact with brands. By 2030, an impressive 78% of consumers believe they will be using AR, VR, or mixed-reality apps as their appetite for these types of experiences continues to grow.

Impact of technology on CX

Advanced technologies unveil new opportunities for brands to construct innovative media and content that cultivates deeper consumer connections. By harnessing emerging tech's capabilities, brands can design more immersive digital experiences that evoke empathy and heighten engagement. Brands should also leverage these tools to enrich physical touchpoints – for example using AR and VR to overlay digital information onto real-world interactions.

New tech empowers brands to move past static, one-way messaging and construct responsive, multi-sensory experiences across channels.

The future of brand storytelling is multidimensional – brands should embrace new tech's potential to weave their narratives deeper into consumers' lives.



4

The impact of AI and automation

AI-powered chatbots are transforming customer service by offering support around the clock. Automation doesn't aim to replace human interaction but rather enhances it.

Automation is rapidly transforming customer service with AI-driven chatbots handling routine customer queries and providing instant responses around the clock. This not only improves operational efficiency but also enhances the overall customer experience.

According to a study conducted by CMO, it is projected that by 2030, an astonishing 67% of customer interactions will be managed by machines. This highlights the increasing reliance on automation in engaging with customers.



36%

of today's consumers expect chatbot support and 81% anticipate reliance by 2030

Empowering customers through self-service

Chatbots are rapidly becoming a preferred customer service channel, with 36% of today's consumers already expecting chatbot support and 81% anticipating reliance by 2030.

As chatbots handle a growing share of routine inquiries, customers will increasingly demand seamless hand-offs between automated and human agents. Brands should ensure chatbots deliver personalised, empathetic exchanges and smoothly transfer complex issues to service reps. With chatbots managing more transactional interactions, human agents can focus on relationship-building. Blending automated efficiency with human connection will define brands' future customer service. The rise of chatbots makes human interaction more precious; brands must strategically balance bots and people.

The rise of self-service options, such as portals and in-store kiosks, reflects the contemporary customer's desire for autonomy and efficiency. Today's customers value their independence, prefer to handle routine tasks themselves and avoid queues or unnecessary interactions with agents. This shift has led to a plethora of self-service alternatives that empower customers while enhancing their experience.

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Automation doesn't replace human interaction but rather enhances it – it empowers customers.

IVR Systems Evolving Beyond Traditional Menus

Modern IVR systems leverage AI technology to provide an intuitive and efficient customer experience. Gone are the days of IVR menus that frustrate customers.

Today's interactive voice response (IVR) systems are powered by intelligence, allowing them to understand better and respond to customer inquiries more intuitively. This speeds up the process of resolving issues and enhances the overall customer experience.

Getting insights with AI

Artificial intelligence will be crucial in analysing customer data, providing businesses with unprecedented insights to tailor their strategies. AI goes beyond automation when it comes to enhancing customer experiences. Advanced algorithms will be pivotal in gathering and analysing the vast amounts of data needed to give businesses valuable insights into customers' behaviour, preferences and trends. These invaluable insights will shape experiences that truly resonate and delight customers.

As we move closer to 2030, the convergence of technology, automation and human interaction will redefine how businesses engage with their customers. Brands that can seamlessly integrate these elements will thrive and set new benchmarks for delivering exceptional customer experiences.

A crystal ball for understanding consumer behaviour

The potential of AI in comprehending and predicting consumer behaviour is genuinely groundbreaking. By analysing vast amounts of data, AI can uncover intricate patterns in consumer behaviour ranging from purchase decisions to brand preferences. This knowledge empowers businesses to precisely target consumers, leading to higher levels of engagement and improved conversion rates.



By 2030, AI will be an integral part of the consumer journey.

Analytics tools of all kinds, powered by AI and machine learning, are enabling this revolution in the relationship between brands and customers. Without the level of insight these tools provide, brands are unable to tailor their offerings to resonate with ever more precisely defined customer segments – right down to the individual.



It is projected that by 2030,
a significant

69%

of decisions made during
customer engagement will
be influenced by machines.

Real-time decision-making and predictive analytics

One significant advantage of analytics is the ability to make real-time decisions. Through real-time analytics, businesses can promptly respond to customer interactions, ensuring a responsive consumer experience.

According to a report published by CMO, it is projected that by 2030, a significant 69% of decisions made during customer engagement

will be influenced by machines. This statistic emphasises the growing reliance on technology in shaping the customer journey.

Predictive analytics powered by AI provides businesses with valuable insights into the future, allowing companies to predict consumer interests and even their willingness to make purchases. This foresight enables firms to take measures and address consumer needs before they even arise.



Increasing personalisation and oodles of data

Consumers are inundated with advertisements, promotions, and content to the point of overload. Capturing customers' attention poses a challenge for businesses. The solution lies in personalisation.

Today's consumers not only value personalisation, but they also have come to expect it. Generic messages and one-size-fits-all campaigns are no longer effective; they may even harm a business by causing customer turnover.

Personalisation relies heavily on data. Thanks to AI and machine learning advancements, businesses can now leverage large amounts of data to gain insights into customer preferences, behaviours, and purchase histories. AI will be able to predict which products customers will be interested in and what price they would be willing to pay. This predictive capability empowers businesses to customise their offerings, leading to better conversion rates and stronger customer loyalty.

However, personalisation goes beyond online interactions. Today's consumers live in an omnichannel world where they might browse products online, seek opinions on social media platforms, and ultimately make purchases at physical stores. The seamless transition between the offline and online realms is becoming second nature to customers.

The future of personalisation

Looking ahead to 2030, personalisation in the business world is evolving towards "hyper-personalisation." While traditional personalisation focuses on tailoring experiences based on segmented customer data, hyper-personalisation takes it further. It harnesses real-time data and advanced AI algorithms to customise experiences to user behaviours and preferences. Imagine a shopping experience where every product recommendation, promotional offer and user interface is specifically designed for you. This is the potential of hyper-personalisation.

However, as businesses collect and analyse more and more personal data, they must also prioritise data security and privacy. In the future, consumers will be well informed about their data rights and highly conscious of how their information is handled. Transparent data practices, security measures and ethical use of data will be essential requirements.

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Hyper-personalisation based on segmented customer data delivers next-gen CX.

Data privacy

Consumers are increasingly wary of how brands use their personal data yet feel powerless to protect their privacy. This distrust threatens brands' ability to provide personalised experiences based on customer data. Brands must balance crafting rich, tailored engagements – enabled by collecting user information – with the constant risk of data breaches that erode consumer trust.

People recognise brands track their habits, behaviours, and details. But with data misuse and breaches rampant across industries, from Facebook to credit bureaus, consumers doubt brands' data stewardship.

76% worry about the volume of data brands capture, while 73% question how it's leveraged. 61% feel resigned that their data is out of their control.

Restoring this trust gap may be the defining brand challenge through 2030. Without consumer confidence, even stellar customer experiences fail to satisfy. Privacy is the foundation of trust, and without trust, consumers disengage. This climate is an opportunity for brands to differentiate themselves through data security and transparency. They can cultivate loyalty by baking privacy and consent into their brand identities.

Overcoming the trust gap

Brands must be proactive about data protection and security. They must explain how consumer information improves their offerings. They should provide privacy self-service portals detailing data collected and offering opt-outs. Conveying the value exchange around data gathering is critical – how information-sharing enhances consumers' experiences. Equally important is reassurance through transparency about privacy practices and data usage.

In today's dubious climate, trust must be at the core of every brand's identity. Companies that treat data ethically and communicate their privacy measures clearly will earn consumer confidence. Prioritising consent, security and transparency can help bridge today's trust gap.

Segmentation is the key to targeted engagement

Segmentation plays a role in achieving targeted engagement in an era where information overload is prevalent. Using analytics, businesses can effectively divide their customer base into segments, ensuring their marketing efforts are personalised and impactful.

Whether dividing people based on their demographics, purchasing habits or preferences, this customised approach leads to higher levels of involvement, and also ensures customers are not given irrelevant information that tests their patience and erodes brand loyalty.

Transformation of the customer experience beyond products

The rise of experience-centric brands

As we approach 2030, the business landscape will be less about products and more about experiences. In a world where quality products are ubiquitous, the customer experience will set brands apart.

Industry giants like Amazon, Uber, and Airbnb have already set the precedent. They didn't necessarily introduce new products but redefined the customer experience, challenging the status quo and toppling established competitors. Their success highlights a change in how consumers behave; now, having exceptional experiences is more important than having standout products.

The human touch in a digital world

In today's world of AI-powered chatbots and automated customer service, some may assume that the role of agents is diminishing. However, the opposite is true. Despite advancements, there is still an irreplaceable value in human interaction, especially in situations that require emotional intelligence (EI).

Recognising the limitations of automation

Although AI and automation have brought about changes in various aspects of customer service, they do have their limitations. Complex issues that require empathy, understanding and nuanced decision-making are beyond what even advanced AI can handle. This is why human agents continue to play a role.

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The future of customer engagement is digital, automated, data-driven – and human.

Emotional intelligence at the heart of customer service

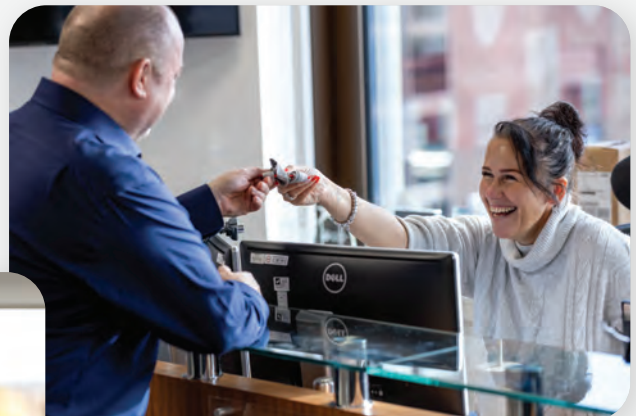
Emotional intelligence plays a role in customer service, offering something that machines currently struggle to replicate. It goes beyond understanding emotions; it involves utilising them to establish more profound and more meaningful connections. In the realm of customer support, skills like empathy and comprehension are invaluable.

When customers seek assistance, they often seek more than solutions; they crave validation, understanding and empathy. A human agent with emotional intelligence can transform even the most complex interactions into positive experiences, fostering loyalty and trust. Additionally, conflict resolution is an aspect of customer service that heavily relies on emotional intelligence. While automated systems

can adhere to scripts and protocols, they lack the delicate human touch – the ability to accurately gauge the customer's emotional state and respond with genuine understanding and care.

Recommendations

As we move closer to 2030, the convergence of technology, automation, and human interaction will redefine how businesses engage with their customers. Brands that can seamlessly integrate these elements will thrive and set new benchmarks for delivering exceptional customer experiences.



To speak with our customer experience specialists, please contact us today. You can discover more about Ventrica as well as our services and digital solutions online [here](#).

