CRITICAL

CHANNELS OF CHOICE

MEETING THE CUSTOMER EXPECTATION FOR
OMNICHANNEL RELATIONSHIPS

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INTRODUCTION

Research can be funny. It can point to big trends and changes, making a single point feel disruptive and potentially cataclysmic.

A study reported in numerous retail trade publications noted that some 70 percent of Millennials purchased a product via social media. Everyone start your engines... social is the Millennial channel of choice. Or is it? According to Pew Research, 44 percent of Facebook users under 30 have deleted their accounts and apps. So which is it? Are they social... or not?

In the same way that it is increasingly difficult, if not impossible, to define success through a lens of single-point-of-attribution in media mix management, it is equally, if not more difficult, to pin down a single channel of choice for consumers. Or is it?

The CMO Council, in partnership with Pitney Bowes, set out to answer some of these key questions by asking the people at the center of this debate: Consumers around the world.

We started with some definitions:

- We wanted to talk to consumers about communicating with brands

- For the purpose of the survey, "communications" could be any form of communication you want, expect or need between you and the companies you do business with

- We explained that communications could include an email about a coupon for a big weekend sale... or walking into a bank branch to discuss a mortgage statement they just received in the mail

- BUT, we were also clear... we were NOT talking about advertising... we would leave that for another day

What follows is our analysis of the feedback from over 2,000 English-speaking consumers around the world, collected via an online survey conducted through the Pollfish research panel. We asked specific questions around critical, must-have channels of choice for engagement, exploration and service or support. We asked about data, and how much they felt comfortable sharing. And we asked about consequences should brands fall short of their engagement promises.

Regardless of age, gender or regional location, one universal truth quickly came into view:

Omnichannel IS the critical channel of choice.

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CONSUMERS PICK OMNICHANNEL

When asked to describe their communication preferences, consumers overwhelmingly agree that one path to the brand simply isn't enough... they want them all.

Some **85 percent** of consumers the world over agree that their ideal channel is actually a blend of channels, opting for a mix of both digital and physical experiences.

When asked to specify the channels consumers would expect to be available in order to connect or communicate, this omnichannel demand was reinforced. While email was the top channel of choice (selected by 86 percent of consumers as a must-have channel of engagement), a telephone number to call was second on the ranking and having access to a real-life person was among the top five.

Perhaps most telling of this openness for omnichannel is that printed mail, considered by some to be one of the more "traditional" channels in today's marketing mix, continues to be a highly valued channel of choice. One out of every three consumers surveyed expects printed mail to part of their ideal communications mix, punctuating the need for brands to reevaluate how they are leveraging and deploying all of the tools available in an omnichannel toolkit.

5%
physical only

10%
digital only

85%
WANT **A BLEND** of **PHYSICAL** and **DIGITAL**
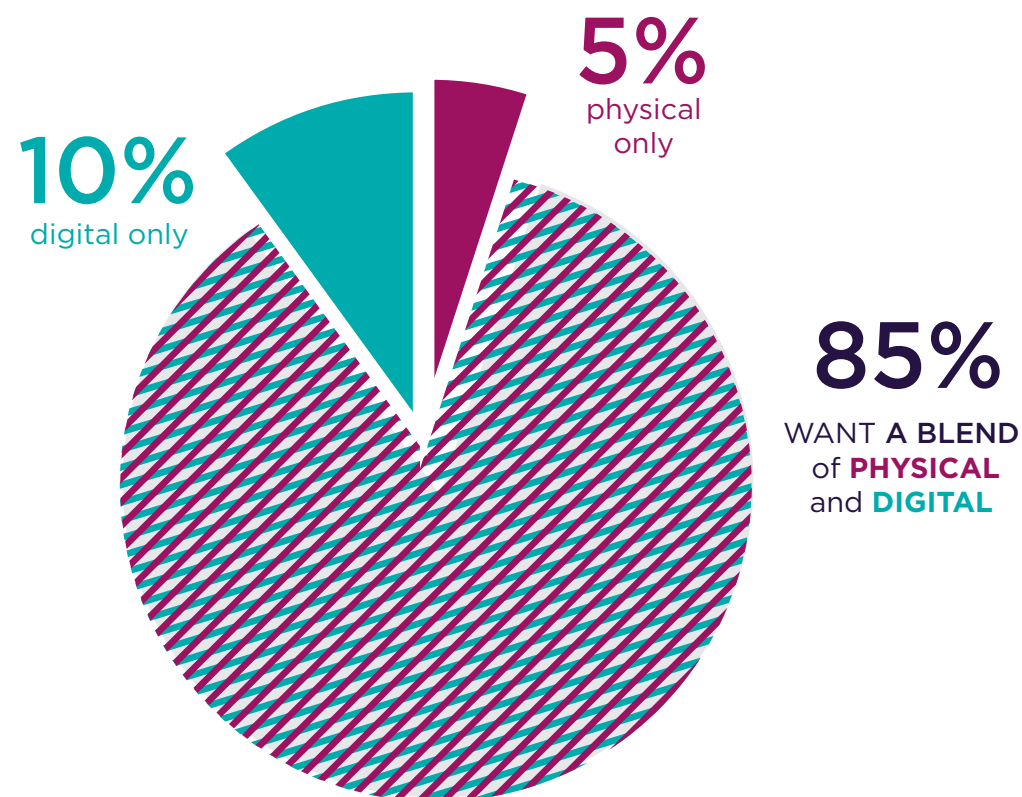
THE HUMAN CONNECTION IN OMNICHANNEL

Consumers expect variety... but more than that, they demand value. What becomes clear is that how value is defined links directly back to the degree to which an engagement saves time, saves money or aids a customer in their moment of need. This is especially demonstrated in the top channels customers specifically call out as being critical to their journey. Email tops the list, while access to the brand via telephone comes in second. What is notable here is that live, bi-directional communication actually dominates the top channels. It should also be noted that channels including social media and printed mail are also highly valued and expected as consumers look to enrich and enliven experiences depending on where THEY are in their journey.
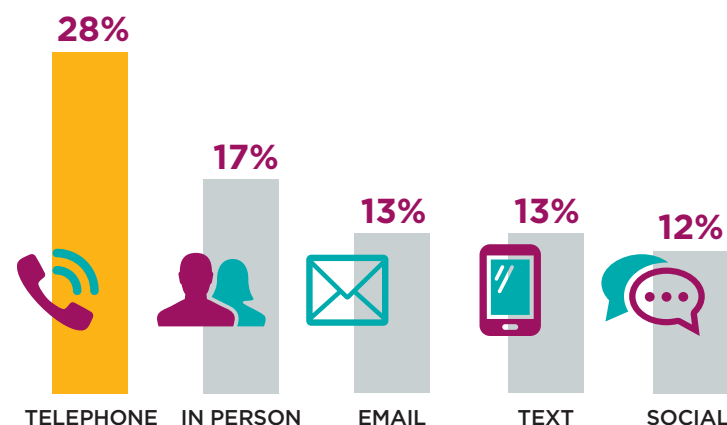
This is also true when you consider those channels of engagement that consumers say they can't live without – specifically access to brands by telephone, in-person and via text message. Interestingly, social rises to the top five in criticality, reflecting the growing utilization of the channel by younger generations. It is actually Gen Z – those respondents born after 1997 — driving the expectation for social connection thanks to a belief that social is more convenient and more trusted than other channels of engagement.

Be it social media or the telephone, one common thread ties both channels together for our consumers: both empower an immediate, convenient and trusted two-way channel of communication.

TOP FIVE EXPECTED CHANNELS OF CONNECTION AND COMMUNICATION

86%	65%	53%	52%	48%
EMAIL	TELEPHONE	WEBSITE	TEXT	IN PERSON
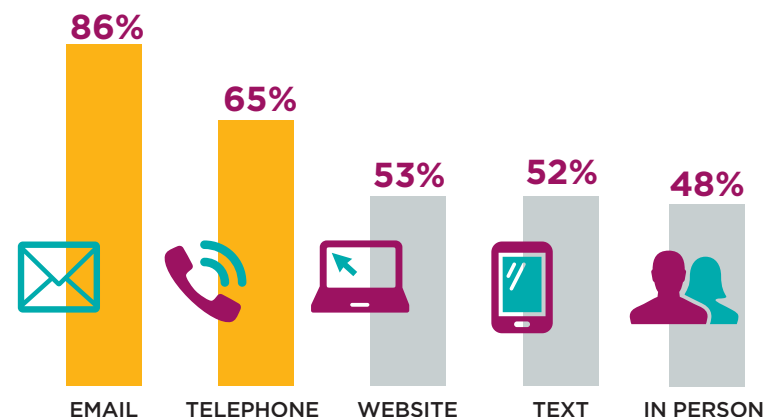
THE TOP CHANNEL CONSUMERS COULDN'T LIVE WITHOUT

| 28%	17%	13%	13%	12%
TELEPHONE	IN PERSON	EMAIL	TEXT	SOCIAL

IT'S OMNICHANNEL, NOT EVERYCHANNEL

Consumers see a difference between the idea of being EVERYWHERE versus being where they need brands to be. There are consumers that have the expectation that brands will be waiting at the destination of their choosing, as 28 percent of respondents say that being omnichannel is critical to a satisfying experience. They believe that brands should be where they want, when they want and ready to communicate how they want. But the majority of consumers (59 percent) are a bit less demanding, understanding that brands can't be everywhere, but are quick to point out that brands need to be in their channels of choice when they need something.

There is also a belief that a brand's ability to BE omnichannel is actually improving over time, with 65 percent of consumers saying that brands are doing "pretty good," when it comes to their ability to engage across both physical and digital channels, even as some brands do better in digital experiences than in live and in-person engagement. Only six percent of respondents give brands a failing grade, while 13 percent believe the brands they do business with are doing an exceptional job.

HOW IMPORTANT IS A COMPANY BEING "OMNICHANNEL" TO YOU?

13%
28%
59%
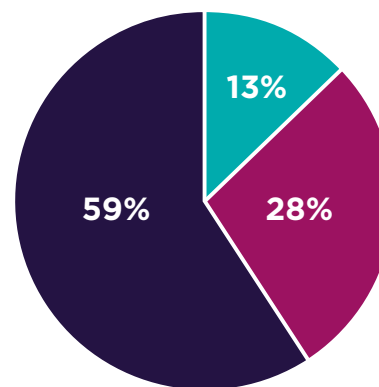
IMPORTANT: I don't need companies to be everywhere, except when I really need something

CRITICAL: Companies should be where I want, when I want, ready to share and communicate how I expect

UNIMPORTANT: I really do not care if a company has different communication channels

HOW ARE COMPANIES DOING WITH THIS GOAL OF BEING "OMNICHANNEL"?

6%
17%
13%
65%
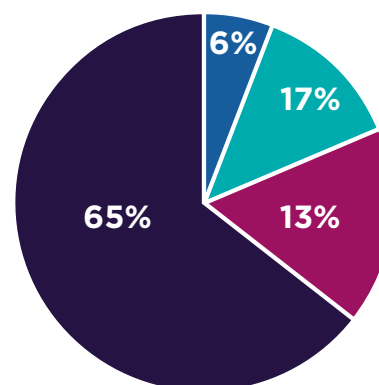
EXCEPTIONAL: Companies are doing a great job of being in both physical and digital places

PRETTY GOOD: Some companies do better with digital, others with live experiences, but all are better

MEH: Just being honest, nobody is really getting it right today

HORRIBLE: Communicating with most companies is painful and time consuming

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CONVENIENCE IS VALUE... AND VALUE IS PERSONAL

When asked why a consumer identified with their top channels of choice – to specify what was so important or resonant with these channels – half of consumer respondents indicated that convenience was the top attribute that kept them coming back for more. While channels that are creative (7 percent), interesting (14 percent) or even informative (17 percent) were nice to have, what makes a channel indispensable is the convenience (50 percent), reliability (45 percent) and speed (41 percent) at which the channel can respond or deliver value and address consumer needs.
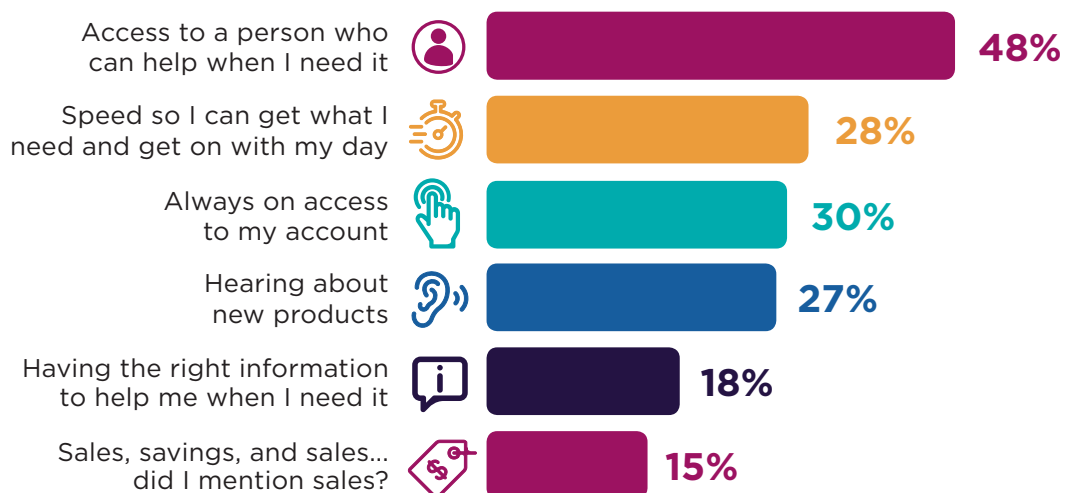
The desire to connect is also reflected in the aspects of communications that customers most enjoy. For brands who think the way to their customer's hearts is through great stories and poorly-personalized content, think again. The path to joy is lined with service, convenience and getting consumers back into their lives.

More than anything, consumers are issuing a significant call to action for brands: stop being creative for creativity's sake and make engagements and experiences about ME. This is a call for relevance through personalization instead of poorly executed random acts of data application. Consumers clearly crave a connection... but that connection needs to be directly and obviously related to their lives and their needs.

CRITICAL ATTRIBUTES OF MUST HAVE CHANNELS

Attribute	Value
Convenient	**50%**
Reliable	**45%**
Fast	**41%**
Personal	**38%**
Trusted	**36%**

TOP ATTRIBUTES OF ENJOYMENT

| Attribute	Value
Access to a person who can help when I need it	**48%**
Speed so I can get what I need and get on with my day	**28%**
Always on access to my account	**30%**
Hearing about new products	**27%**
Having the right information to help me when I need it	**18%**
Sales, savings, and sales... did I mention sales?	**15%**

CONSUMERS IN CONTROL

The myth that Millennials and Gen Z are happy to live their lives totally online with all their data for the world to share is debunked as 42 percent of survey respondents across both age groups say they actually prefer to share only select data and expect to be able to decide where and how that data is used. This is not wildly divergent from the total respondent pool where 40 percent of total respondents said they wanted control over their data.

Even with the promise of more relevant experiences, just one in four consumers say that brands can have total access to any and all personal data in exchange for highly relevant and personalized experiences. The nay-sayers are also not being swayed by personalization as 21 percent indicate they don't want brands collecting, storing or using their data, even it means having personalized experiences.

It is telling that 14 percent of respondents just don't understand why brands need their data in the first place... representing a potentially ripe area of exploration and opportunity for brands willing to take the time to explain and prove why personalization can add value to their consumer's day. Keeping in mind previous findings that indicate consumers want convenience, value and savings as part of their core communications with brands, those brands that can consistently demonstrate the value of a more personalized, relevant and contextual experience across critical channels of engagement will likely see an increased willingness to share key points of personal data.

WHICH STATEMENT BEST DESCRIBES YOUR ATTITUDES ABOUT YOUR PERSONAL DATA?
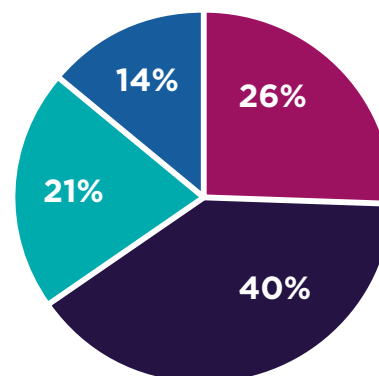
14% · **26%** · **21%** · **40%**

I am happy to have the companies I do business with collect this data for more relevant experiences

I only want some data that I provide to be stored and I want to decide how that data is used

I don't want companies to store or use my data, even if it means having things personalized

Honestly, I don't know why they need my data or what they do with it

THE COST OF POOR PERSONALIZATION

In the end, consumers may not understand how marketers define personalization… but they sure understand how it feels when marketers don't personalize experiences. In this study, consumers admitted reluctance to share data freely, even with a promise of personalization. Too many didn't understand the connection between their data and this thing called "personalization." But, when faced with an example of an experience that LACKS personalization or omnichannel connection, consumers agree, they'd rather walk with their wallets than face the continued frustration.

Given the example of starting to problem-solve or trouble-shoot a problem online, then switching to a chat, then moving over to a phone call only to have to restart the conversation or explanation of the issue or question with every channel jump, 84 percent of consumers expressed frustration over conversation channel changes. When asked if this frustration had ever led them to question their loyalty or why they were doing business with that brand, 71 percent said yes, it had led to doubts, drawing a direct line between the potential for brand abandonment and the lack of connection and consistency cross channels.

In reality, the communications and experiences consumers consistently identified, in question after question, all fall under marketing's strategic banner of omnichannel personalization. Consumers expect to have phone service agents at the ready with details about their history with the brand and armed with the right information to quickly solve problems. Consumers expect to "see themselves" in communications with brands they have done business with… they just don't know to call it personalization.

DO YOU FIND IT FRUSTRATING WHEN YOU HAVE TO START OVER IN A NEW CHANNEL EVERY TIME YOU HAVE A QUESTION?
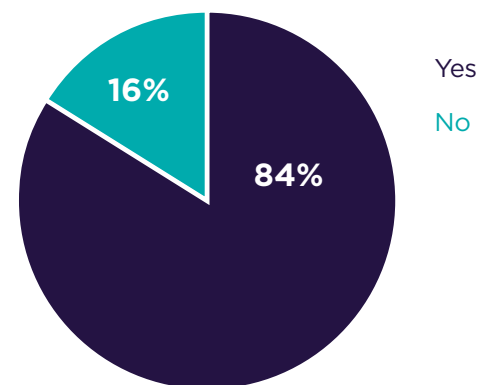
16%
84%
Yes
No

HAS THIS FRUSTRATION EVER LED YOU TO QUESTION WHY YOU ARE DOING BUSINESS WITH THAT COMPANY?

29%
71%
Yes
No
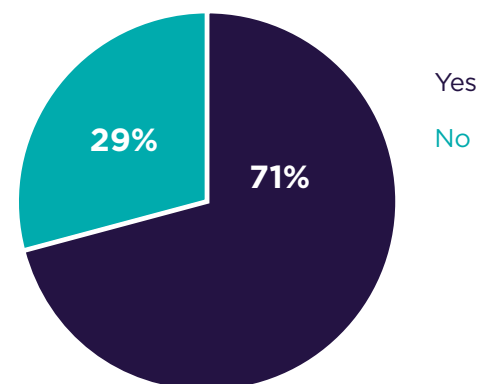
LET'S LOOK AT VIDEO

How does this call for personalization and omnichannel engagement actually manifest? For this, video becomes a wonderful example and case study. It is well documented that video is a channel with increasing investment in most marketing line-items. This will be welcome among consumers, especially in younger generations, with a few conditions.

Consumer respondents agree that online video must become more personal to become even more valuable across the customer journey. Consumers issued a familiar call for control and personalization, and even more specifically a desire to see themselves reflected in the content and delivery of each engagement.

First and foremost, 48 percent of consumers want videos to reflect the specific products and services they already own or are interested in. They also want video to be more interactive, putting the consumer in control of what information they can view and when, and to be automatically formatted to reflect where they are watching.

In short: Even with something as new and engaging as online video, consumers expect personalization and omnichannel connections.

WHAT ARE THE IDEAL QUALITIES THAT WOULD MAKE AN ONLINE VIDEO REALLY VALUABLE TO YOU AND YOUR DECISION-MAKING PROCESS?

Quality	%
Reflects the specific products and services I own or am interested in	48%
Interactive letting me decide what information I want to view and when	43%
Includes recommendations for what I could or should do next	33%
Is automatically adjusted based on the device I am using	26%
Takes my location into account	22%
Uses my name and information about me in the video	12%
None of the above	13%

MEET THE GENERATIONS

Some remember getting their first birthday card in the mail. Others have never waited for the mail to arrive. Some remember the first TV ad. Some don't realize TV shows don't always release every episode on the same day.

Engagement with communications channels is as diverse and complex as generations themselves. Or are they?

Are generational gaps as deep and wide as we believe? Are expectations for communications and experience as diverse as tastes in music and clothes?

By segmenting our panel by age group, interesting differences – but even more interesting similarities – rise quickly to the surface, debunking some myths and, perhaps, confirming others. The important thing to note is that these differences are made in a matter of degrees. None were decided by a landslide gap in the data. Instead, these subtle shifts in needs, expectations and desires are made in increments, leaving generational shifts instead of divides.

As an example, let's look at our channels of choice first.

GEN Z
<18
Born after 1997

MILLENIAL
19-39
1981 — 1996

GEN X
40-54
1965 — 1980

BOOMER
55-76
1946 — 1964

SILENT
77 plus
1928 — 1945

SMALL SHIFTS, NOT GREAT DIVIDES

As previously noted, 85 percent of all respondents prefer a blend of digital and physical channels to pave their communications journey with a brand. When you look at that point across all generations, you see a very similar outcome. This is not a divide defined by 20 percentage points, but instead shifts in attitude and expectation defined by 5 to 6 points at most.

BLEND OF DIGITAL AND PHYSICAL

Generation	Percentage
Gen Z	88%
Baby Boomers	87%
Millennials	85%
Gen X	83%
The Silent Generation	82%

WHAT'S IN COMMON

From under 18 to over 77, people expect omnichannel engagement opportunities... and they expect to be the party in control of determining when and where those connections will begin. The common thread across the ages is a desire to be at the epicenter of the omnichannel landscape... to have the content, experiences and opportunities to connect be at the consumer's behest and be personalized based on their own audience of one.

ALL generations expect a blend of both **DIGITAL** and **PHYSICAL** channels as part of their ideal communications mix

ALL have been **FRUSTRATED** by the lack of connection between channels

ALL generations **MOST** enjoy having access to a **PERSON** who can help when they need it

ALL have **QUESTIONED** their relationship with the brand because of the frustration

NO generation gives brands an A for omnichannel engagement, as **ALL** say brands are doing a **"PRETTY GOOD"** job

EXPECTATIONS ARE EVOLVING

While there are strong common themes and directions, there are also subtle differences that could help differentiate brands as they deepen personalization efforts by recognizing channels of choice as part of an engagement strategy.

For example, while all generations expect brands to communicate across an omnichannel landscape, and, for all generations, email is the top critical channel of choice, older generations are content to start in a more "indirect" discovery pattern, happy to turn to a company website as a communication channel for engagement. Younger generations — Millennials and Generation Z to be specific — would prefer a far more direct approach to bi-directional communications.

For this younger audience, beyond the cross-generational expectation of email, the telephone reigns supreme, which may seem counter-intuitive to a digital, social, head-down-on-text generational stereotype. In the end, the real draw is speed: how quickly and efficiently can I solve a problem, answer a question or get the right help right now? While Millennials are happy to pick up their phone for a voice-based conversation with someone who can get to the root of their needs, Generation Z is perfectly happy texting. Both are happy to bypass the website and eliminate the time they would spend searching for answers on their own.

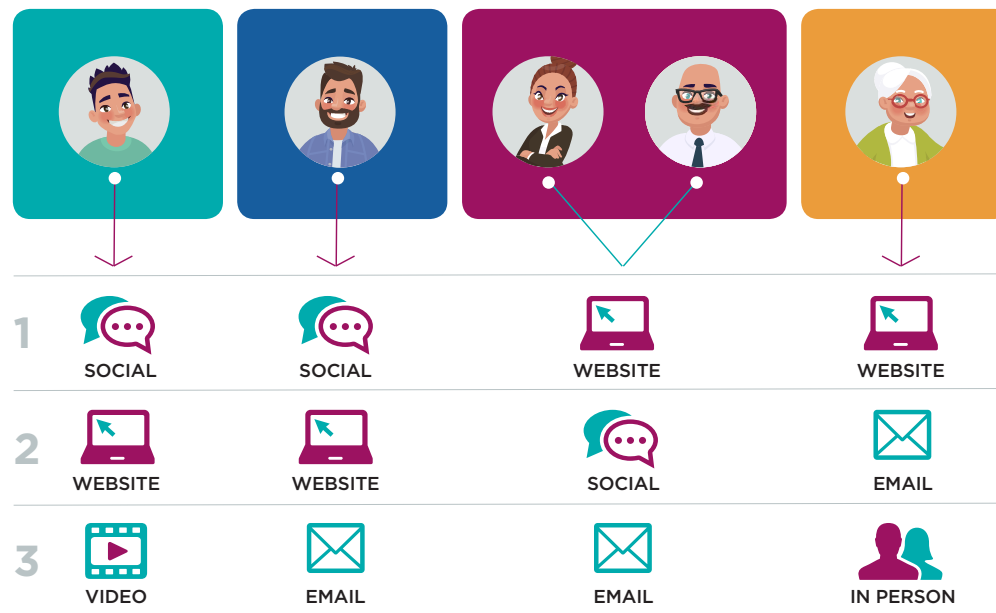|		
1 EMAIL	EMAIL	EMAIL
2 TEXT	TELEPHONE	WEBSITE
3 TELEPHONE	TEXT	TELEPHONE
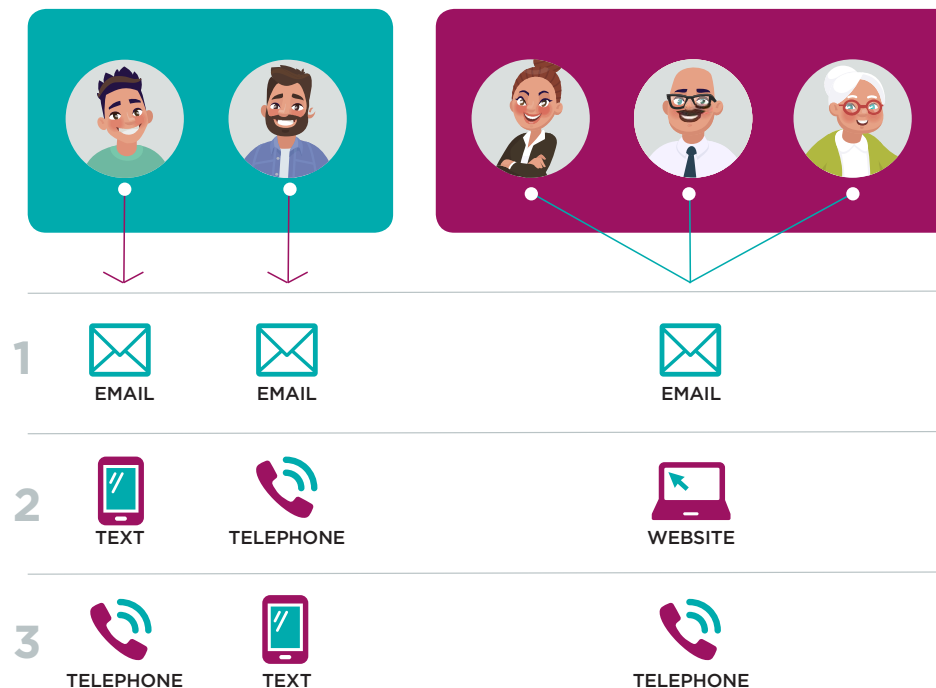
DISCOVERY IS EVOLVING

Similar to the omnichannel approach the generations have adopted across communications and engagement, when seeking out information about new products, solutions or opportunities to save, consumers are willing to cast their nets far and wide. This again becomes a call for brands to ensure connections across all channels to ensure seamless experiences... and avoid the frustration consumers have already stated will drive a wedge between brand and buyer.

Interestingly, in the case of discovery channels, Millennials and Gen Z rate social media as their top channel, followed by the web. For Boomers and Gen X, websites are the first stop, but are followed by social as a discovery channel. While the Silent Generation still includes the option for an in-person exchange as part of their discovery journey, they are still turning to websites and email first.

It is the youngest generation that is advancing omnichannel evolution quickly, as they also include video into their discovery mix, once again opting in for convenience in getting their information from brands and from peers. But given previous insights into this generation's demand for relevance coupled with convenience, it is fair to say that brands should not assume a one-size-fits-all video is going to be enough.

In fact, when asked specifically about video experiences and what attributes would make video even more valued, 56 percent of Generation Z respondents indicated that they wanted video to reflect the products and services they already own or are specifically interested in. Some 43 percent want video to be interactive, letting them set the content and the pace of viewing and an equal amount wants video to be more intelligent, serving up recommendations for what they should – or could – do next.

|			
1 SOCIAL	**1** SOCIAL	**1** WEBSITE	**1** WEBSITE
2 WEBSITE	**2** WEBSITE	**2** SOCIAL	**2** EMAIL
3 VIDEO	**3** EMAIL	**3** EMAIL	**3** IN PERSON

INFLUENCE IS EVOLVING

Not only are Millennials and Gen Z more frequently adding social channels to their omnichannel mix when discovering or identifying new products, services or experiences, they are also allowing social to have greater influence over their decision-making. According to 54 percent of Gen Z and 49 percent of Millennials, social media is the top influence channel across the omnichannel landscape, pushing out websites (39 percent and 44 percent respectively) from the top spot.

Gen X, Boomers and the Silent Generation still believe that websites hold the most sway, followed by social media, with in-person engagements and printed mail rounding out the top five influence channels.

Printed mail is actually one of the most interesting influence channels identified across all generations. While still an expected channel of brand communication, printed mail is considered an influence channel, highlighting an opportunity for brands looking to disrupt decision cycles and insert their brands into the consideration cycle away from the clutter of an email inbox. This is why many across the industry are seeing digitally-native brands like Google, Casper Matresses and the eCommerce phenomenon Harry's Shave Club turn to highly disruptive and highly creative pieces delivered directly into the hands of their consumers via traditional printed mail. This is likely why our respondents point to printed mail being a greater influence channel than events or webchats.

SOCIAL

WEBSITE
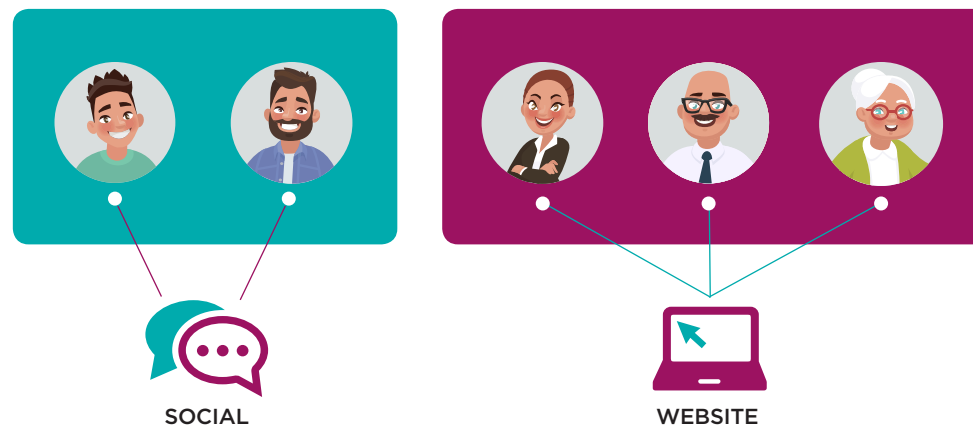
MUST-HAVE CHANNELS ARE EVOLVING

We see a similar evolution in behavior starting to emerge in Gen Z when asked to select a single channel they couldn't live without when it comes to communicating with a brand. For all older generations, including Millennials, the telephone reigns supreme because the phone is still seen as a reliable channel to achieve their goals and meet their needs.

While the Silent Generation's telephone may still come equipped with a cord, younger generations are redefining how their devices are being used and where voice-based communications can and should be the primary vehicle to value. While Millennials may be combining text, mobile web and mobile voice into their definition of "telephone," on the other hand, Gen Z doesn't necessarily have the same connection to voice-based communications or a voice-only definition of a telephone. In fact, Gen Z has translated the immediacy of response similar to a voice based telephone call into seeking immediate service via social, admittedly likely on their mobile device, making social and not the device of their phone the must-have channel that they can't live without.

For Gen Z, convenience is their top goal. In a vacuum, this data point could lead marketers to believe that social media IS the channel of choice for our youngest generation. This would be a mistake. While it is a channel Gen Z feels it can't live without, it is not the only channel they want to engage through.

SOCIAL

WHY THE LOVE?

CONVENIENT

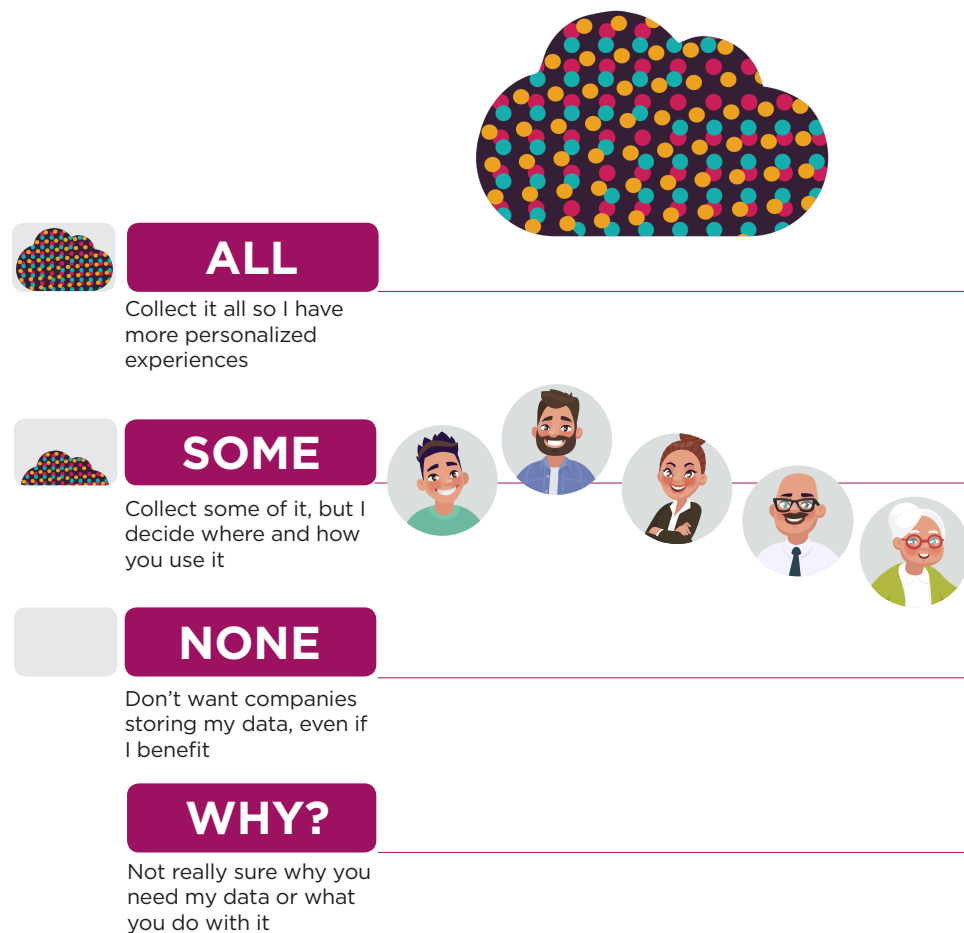**TELEPHONE**

WHY THE LOVE?

RELIABLE
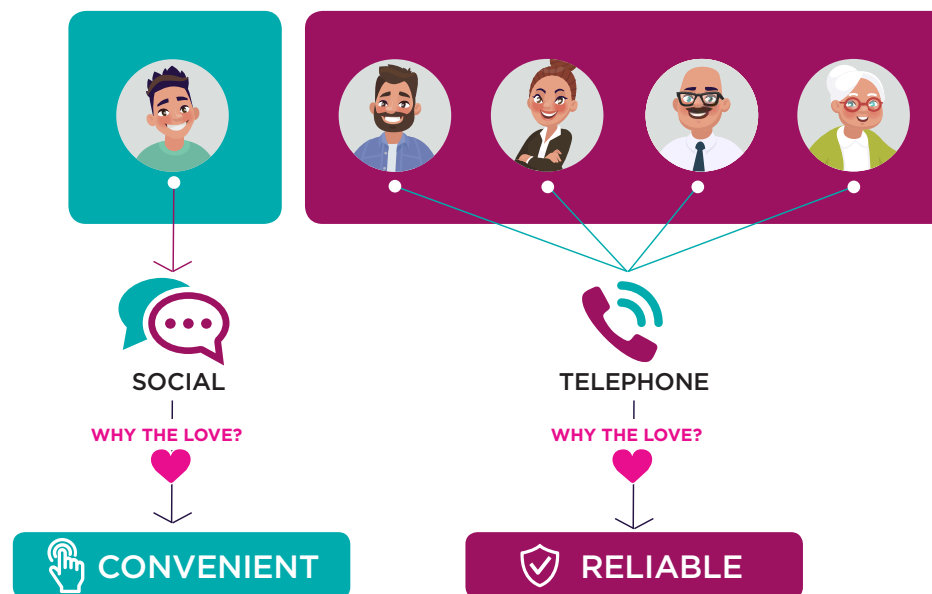
DATA IS EVOLVING... SLOWLY. BUT DATA IS STILL THE KEY TO ADVANCING PERSONALIZATION.

There are some solid truths revealed across generations: Consumers expect brands to make omnichannel options available to construct their own journeys, at their own pace, and in their own likeness. This demands data... even if the customer does not understand that what they are demanding is what marketers call "personalization."

Interestingly, across all generations, data is not a dirty word. The majority of all respondents are willing to share their data with the brands they do business with. The caveat, as previously discussed, is the level of control consumers expect to have over what data is mined and how it is used. It could be easy to assume that the issue of data would represent, perhaps, the greatest divide across generations. The opposite is actually the case.

Predictably, the Silent Generation and Baby Boomers are slightly less enthusiastic about being an open data book. Interestingly, Gen X and Gen Z find common ground as being equally eager to share data, just as long as they control it. It is actually the Millennial generation that is more inclined to live an open-data life, as 34 percent of Millennials are happy for brands to collect and use just about everything, 41 percent want to be in control of the data they are happy to share and only 17 percent want no data shared or stored under any circumstances.

ALL
Collect it all so I have more personalized experiences

SOME
Collect some of it, but I decide where and how you use it

NONE
Don't want companies storing my data, even if I benefit

WHY?
Not really sure why you need my data or what you do with it

AN OMNICHANNEL WORLD

Once again, the data points to a hard truth: there is no single path to communications in today's customer journey-driven world. Consumers expect to be presented with a range of experiences that cross digital and physical divides because they themselves exist across this same landscape. No matter the age… and no matter the region… omnichannel is the channel of choice. Control is the key demand for consumers. And convenience is the flavor universally accepted.

BLEND OF DIGITAL AND PHYSICAL EXPERIENCES

Region	%
Australia/New Zealand	92%
Canada	87%
US	85%
UK	79%
Ireland	73%
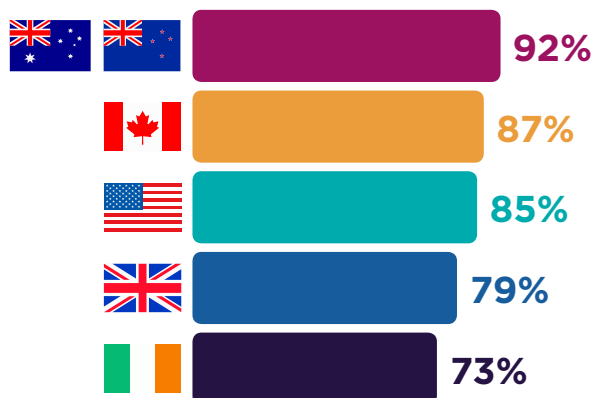
OMNICHANNEL IS IMPORTANT… BEING EVERY-CHANNEL IS NOT

Region	%
Australia/New Zealand	67%
UK	59%
US	59%
Canada	54%
Ireland	51%
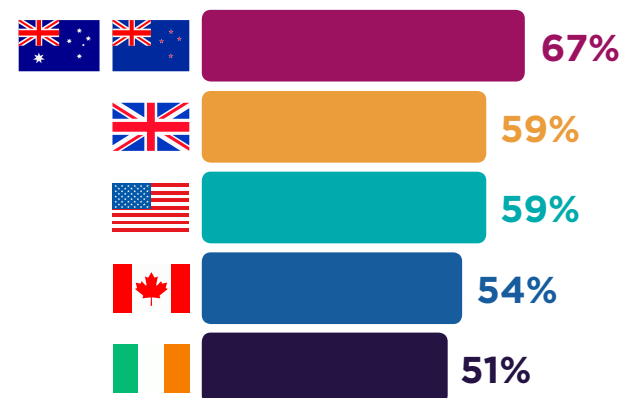
COMPANIES ARE PRETTY GOOD AT THIS OMNICHANNEL STUFF

Region	%
UK	71%
Australia/New Zealand	69%
US	65%
Canada	64%
Ireland	54%
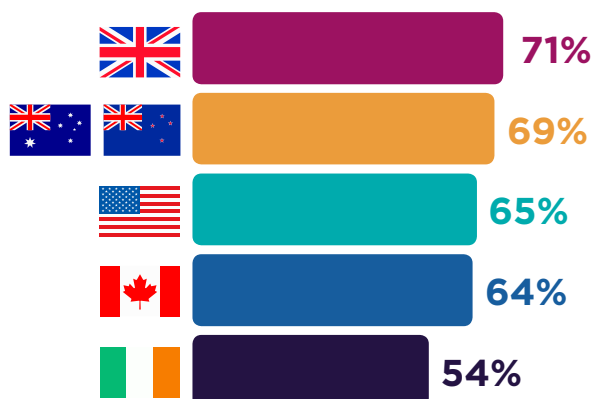
ENJOY ACCESS TO A LIVE PERSON WHO CAN HELP

Region	%
Ireland	51%
US	49%
Canada	47%
Australia/New Zealand	44%
UK	42%

AN OMNICHANNEL WORLD (CONT.)

Data is really where sentiment around personalization, security and privacy was anticipated to get far more interesting. In light of EU-based countries being swept up in the furor around General Data Protection Regulations (GDPR) and heightened sensitivity to data storage and utilization, the assumption would be that EU-based respondents would be LESS likely to freely surrender their data.

In fact, the early assumption was that a higher percentage of EU-based consumers would indicate they didn't want any of their data collected or utilized. We were very, very wrong. In fact, non-EU based countries, specifically the United States, Australia, New Zealand and Canada, were less inclined to freely provide data and were more confused as to why data was being collected at all. EU-based respondents in both the United Kingdom and Ireland were far more willing to exchange data for more relevant and personalized experiences and were less likely to completely withhold data.

This could be attributed to the years of education regulators have invested in across the EU to educate consumers about their data privacy and protection rights. Through tough regulations that impact cookies to general data collection, EU residents are highly sensitized to data… and perhaps they also understand that should data be misused or mishandled in any way, there are steep financial repercussions for the brands that misstep.

HAPPY TO EXCHANGE DATA FOR PERSONALIZED EXPERIENCES

EU: 71%
NON-EU: 69%

WILL EXCHANGE SOME DATA FOR CONTROL

EU: 44%
NON-EU: 43%

NO WAY. NO DATA. EVER.

EU: 15%
NON-EU: 17%

WAIT… WHAT IS IT FOR?

EU: 10%
NON-EU: 16%

OMNICHANNEL EXPECTATIONS BY GENDER

As with region and even generations, there is little question that experiences are most valued and expected in an omnichannel landscape. Men and women agree on almost every aspect of what should be expected in communicating with brands. However, some subtleties do exist that, if applied to how and where experiences are crafted and where personalization adds value, could define the difference between good and exceptional customer engagements.

OMNICHANNEL IS THE IDEAL COMMUNICATIONS MIX

♀ FEMALE	88%
♂ MALE	85%

TOP THREE CHANNELS THAT INFLUENCE BEHAVIOR

♀ → WEBSITE — SOCIAL — IN PERSON

♂ → WEBSITE — IN PERSON — SOCIAL

DATA SHARING

♀
- ALL — 24%
- SOME THAT I CONTROL — 41%
- NONE — 20%

♂
- ALL — 28%
- SOME THAT I CONTROL — 38%
- NONE — 22%

FASTER TO FRUSTRATION

♀	85%
♂	83%

FASTER TO QUESTION THE RELATIONSHIP

♀	72%
♂	70%
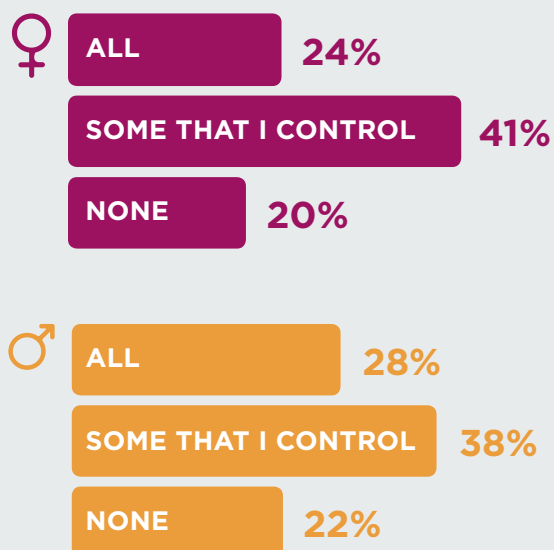
TOP THREE CHANNELS TO COMMUNICATE

♀
♂ → WEBSITE — SOCIAL — IN PERSON

CAN'T LIVE WITHOUT IT CHANNEL

TELEPHONE

WHY?
♀ → CONVENIENT
♂ → RELIABLE

CONCLUSION

Consumers have selected their channel of choice… a channel that meets their needs and can engage on their terms and in their time. Consumers have selected omnichannel as their channel of choice. "But omnichannel isn't A channel," some will argue. In the end, our consumers don't really care. They want to communicate with brands on their terms.

This exercise was never an effort to select a single, all-powerful channel of communication. Instead it was an exercise in understanding what makes channel selection so important for today's consumer. What emerged from this research is a clear call to action for brands: it is time to get personal and to arm the front-line resources most likely to directly engage and connect with consumers with the right information to aid and add value to engagements and experiences with the brand.

Brands leading this charge are doing so by turning customer experience journeys into consumer "build-your-own adventures." Instead of pushing random acts of marketing or even personalization, savvy brands are looking to the consumer for their cues, identifying and answering those moments of need (for example, empowering call center agents with customer details about cross-channel engagements so the customer is not asked to re-start a conversation they started online) or disrupting moments to deliver delight (for example, digitally native brands like Harry's Shave Club and Casper Mattresses leveraging personalized print mailers and catalogs to cut through the digital clutter of today's crowded e-mailboxes).

Today's consumer cannot define personalization any better than they can define omnichannel. They just know they want it… in fact, they need it in order to continue building relationships with the brands they choose to do business with. The good news is

that by and large, consumers believe brands are on their way to meeting this expectation. They have seen examples of what is possible and have actively made decisions to forgive missteps on the evolutionary path. But this leniency will only go so far or last so long. Younger generations see personalized omnichannel experiences as their starting point… the table stakes of customer experience. They will soon be the generations setting the tone and tenor of engagement.

Omnichannel is the channel of choice. Personalization is the content of choice. For brands that heed the call, profitability and loyalty are the reward.

EXPERT COMMENTARY

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Pitney Bowes, in conjunction with the CMO Council, undertook primary research to better understand which "Channels of Engagement" consumers want brands to use in their communications and which channels consumers see as critical. Over 2,000 people in 6 key countries (U.S., Canada, UK, Ireland, Australia and New Zealand) were surveyed, with respondents spanning the 5 key generations of influence: Gen Z, Millennials, Gen X, Baby Boomers and The Silent Generation.

The research revealed dramatic new insights and definitively confirmed some long-held assumptions around how consumers want to be engaged. Above all, respondents across all generations confirmed that "Omnichannel is the Channel of Choice." Over 85 percent want a mix of physical and digital communications from the brands they choose to engage with.

What does this mean for brands? While the influence of digital continues to grow, owing to the speed and convenience of email, text, web, social and video, organizations cannot or should not forget the influential role of telephone, physical mail and face-to-face interactions as a complete part of their marketing mix.

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Everyone wants omnichannel...but there are subtle differences.
What exactly are the top channels that consumers value? There is real practical impact in examining the generational details, which reveal that omnichannel is not a one-size-fits-all proposition. While there may be commonalities across generations, the individual generational profiles that emerge from this study can go a long way in helping brands shape channel selection strategies in their omnichannel execution.

In analyzing the survey findings, we looked at consumers across the five generational groups: Gen Z (born after 1997), Millennials (1981 – 1996), Gen X (1965 – 1980); Baby Boomers (1946 – 1964); and the Silent Generation (1928 – 1945). Let's take a closer look at the research results by generation.

Gen Z: The next generation

As this age group enters the workforce or gains the independence of going off to university, it is shifting from "influencer of parents' spending" to a buying group on its own. Gen Zers are comfortable juggling screens and interacting across social channels.

Therefore, it's not a surprise that email ranked first among the channels Gen Z expects brands to use for communications and that texting ranked second. Shifting to a physical channel, Gen Z ranked telephone third in the mix.

Social, at 54 percent, emerges as the channel of choice for discovery of information about new products, solutions or opportunities to save, followed by the web and then video.

Key takeaway: If you're targeting Gen Z, think social as well as video for discovery and learning, but don't toss out email or telephone, which are valued for transactional communications.

Millennials: The "me" generation

The experience-oriented millennials came of age with the internet and mobile and are comfortable in the digital world. They expect brands to communicate via email and are happy to communicate via telephone and text.

For their source of new information, Millennials also rank social first, followed by the web. But unlike Gen Z, their third channel of choice for discovery is email. For 48 percent of Millennials, social media is the top influencer channel.

Key takeaway: Millennials are influenced by what they see on social channels, but convenience and reliability are what they value in communications with brands.

Gen X: The individuals

Sometimes called the "middle child" of generations, Gen Xers are the parents of Millennials and Gen Y, and they like their status symbols and luxury goods. The first to grow up with computers, this generation is technologically adept. Nonetheless, in channel preferences they have more in common with the older two generations than the younger two.

They expect email communications with brands, but they are also happy to browse the web or pick up the phone. They turn first to the web for new information and influence, but they do pay attention to social for discovery of new products or solutions.

Key takeaway: Your website is a critical channel for this generation along with email, but don't neglect social. And be sure you are there to help when they reach out to you by phone. They'll expect you to know who they are and what their history is with you.

Baby Boomers: Size and diversity

Long the largest segment in terms of numbers (Millennials are set to overtake Boomers in 2019*), Baby Boomers are a diverse group that can defy broad categorization. They have adapted well to technology, with the majority owning computers, smartphones and Facebook accounts. So it's not surprising that they expect brands to use these communication channels.

Likewise, their channels of choice for discovery are the web, social and email, with the web also ranking first as the leading channel of influence. But the must-have channel is telephone. They want a human involved in the omnichannel experience.

Key takeaway: While a significant number of Baby Boomers qualify on paper as "seniors," their channel choices tell you not to pigeon-hole them as non-technologically oriented. Make sure this cohort is included in your website and social content strategies.

The Silent Generation: Active consumers

With influences that span The Great Depression, multiple wars and the rise of corporations and consumerism, members of The Silent Generation
still vote with their wallets. While you might expect them to favor more traditional written methods of communication such as physical mail, like all the other segments this group ranks email first, followed by websites and then telephone.

When it comes to discovery and influence, the web comes first, followed by email in second place.

Key takeaway: Defying stereotypes, this age group expects you to communicate with them via email and to have a place for them on the web. However, more than their younger cohorts, they place a premium on face-to-face contact as part of their discovery journey.

Be there at THEIR moment of need

Understanding the nuances of what constitutes "omnichannel" for different generations can help marketers reach that sweet spot of being in the right place with the right message at the exact moment of your customer's need. That is ultimately what consumers think of as personalization, along with a brand's ability to know and follow them, seamlessly, across all channels of engagement. This is what consumers want from the brands they want to do business with, and the reward for brands that meet this expectation will be loyalty and profitability.

Read "Critical Channels of Choice", a research study conducted by CMO Council and Pitney Bowes, to learn more about consumer requirements and expectations.

*Washington Post, "The Big Number: Millennials to overtake boomers in 2019 as largest U.S. population group," January 27, 2019. https://www.washingtonpost.com/national/health-science/the-big-number-millennials-to-overtake-boomers-in-2019-as-largest-us-population-group/2019/01/25/a566e636-1f4f-11e9-8e21-59a09ff1e2a1_story.html

DETAILED DATA

1. What is your ideal communications mix?
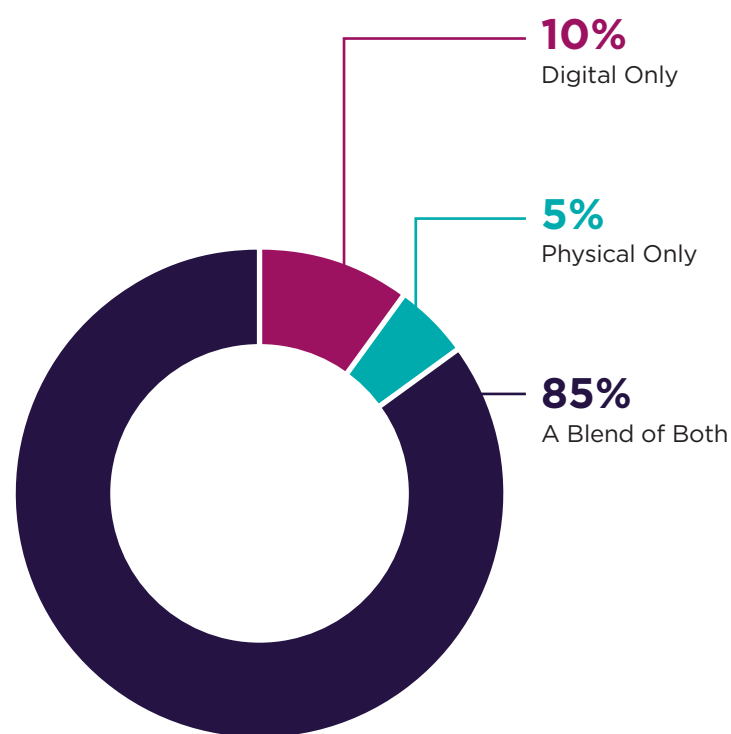
2. When it comes to communicating with or receiving communications from companies you do business with, what do you expect should be available?

10%
Digital Only

5%
Physical Only

85%
A Blend of Both

86% Email
65% Telephone
53% Website
52% Text
48% Live and in-person
35% Social Media
35% Printed Mail
30% Mobile App
23% Web chat / Chatbot
18% Events, Conferences, Shows or Demos
11% Video
1% Other
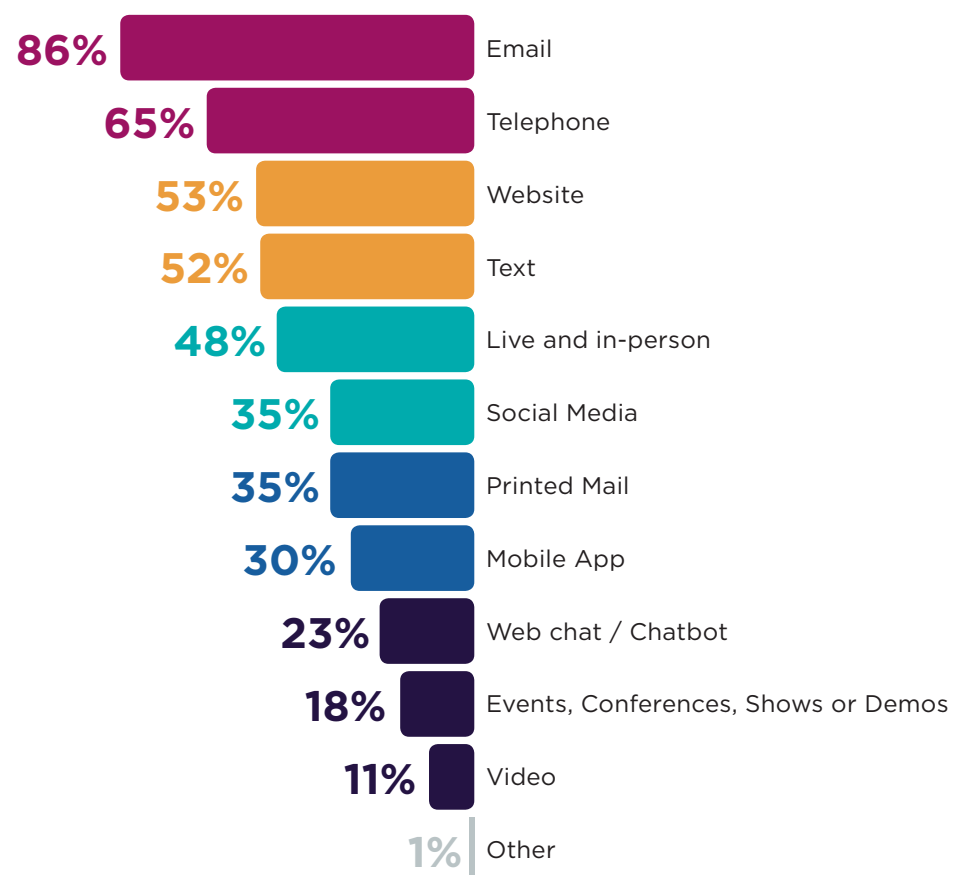
3. Which of these could you simply not "live without"?

28%	Telephone
17%	Live and in-person
13%	Email
13%	Text
12%	Social Media
6%	Website
3%	Printed Mail
2%	Video
2%	Mobile App
1%	Events, Conferences, Shows or Demos
1%	Web chat / Chatbot
2%	Other
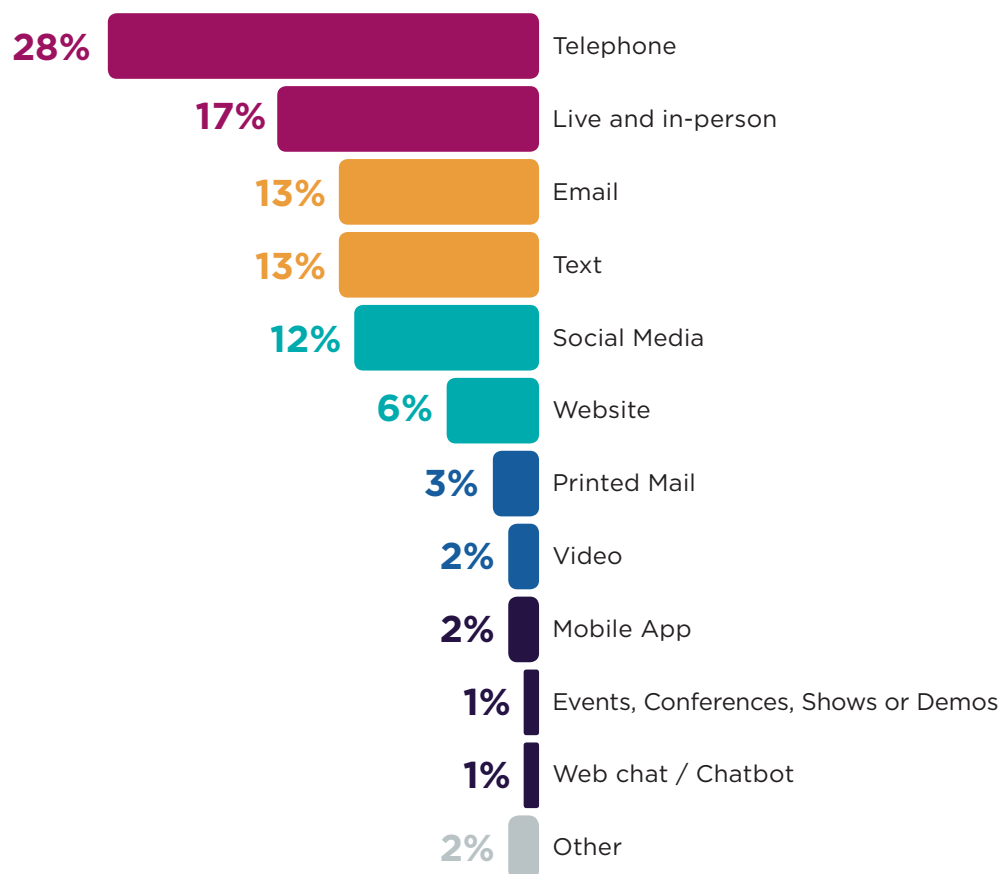
4. Why is this your "must-have" communication channel?

50%	Convenient
45%	Reliable
41%	Fast
38%	Personal
36%	Trusted
24%	Secure
17%	Informative
14%	Interesting
10%	Environmentally friendly
7%	Creative
2%	Other
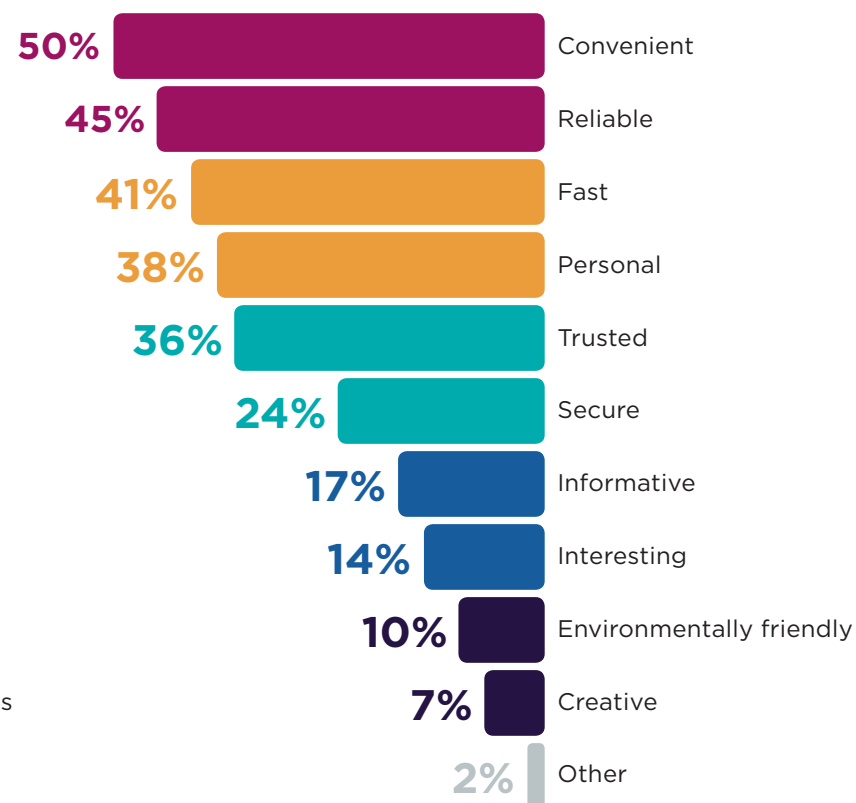
5. What communication channels do you most often use when you want to learn, explore or discover new things?

60%	Website
39%	Social Media
20%	Email
14%	Live and in-person
13%	Telephone
13%	Text
12%	Video
12%	Mobile App
6%	Events, Conferences, Shows or Demos
5%	Printed Mail
2%	Web chat / Chatbot
1%	Other
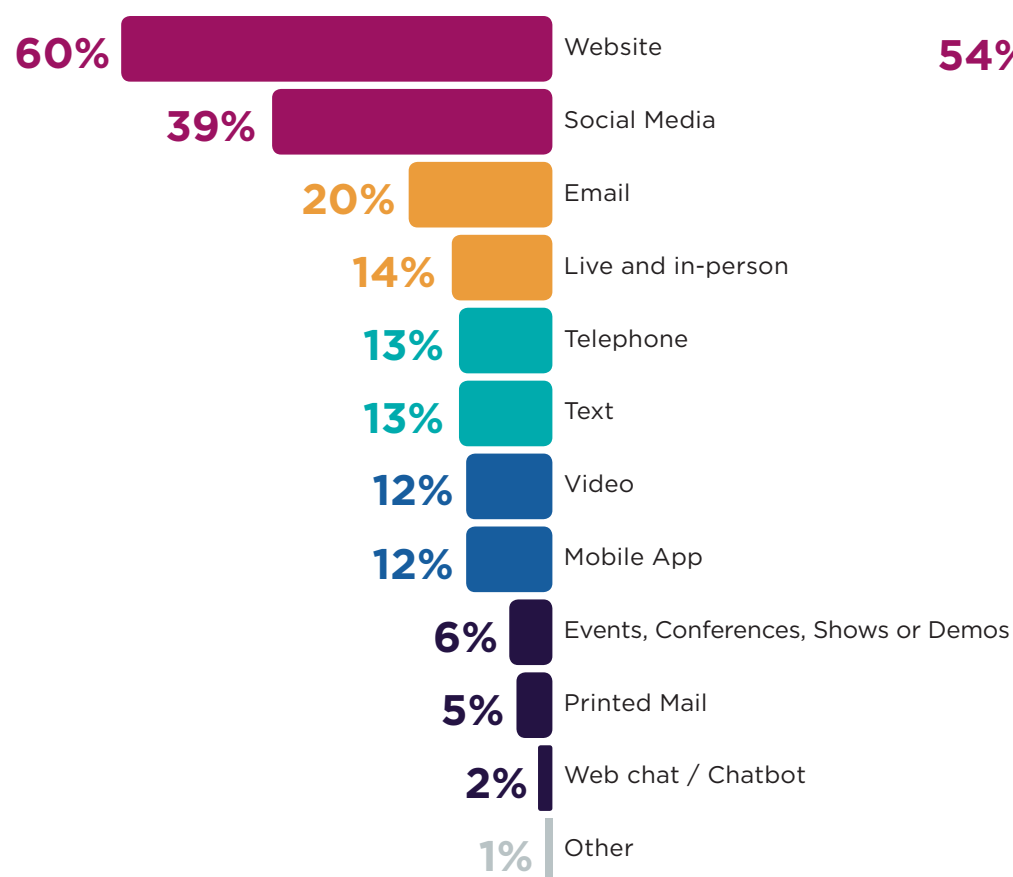
6. Thinking about how you make decisions about purchases, which communication channels do you find help influence you the MOST in your decision process?

54%	Website
33%	Social Media
26%	Live and in-person
20%	Email
14%	Telephone
14%	Text
11%	Mobile App
9%	Printed Mail
9%	Video
6%	Events, Conferences, Shows or Demos
2%	Web chat / Chatbot
2%	Other
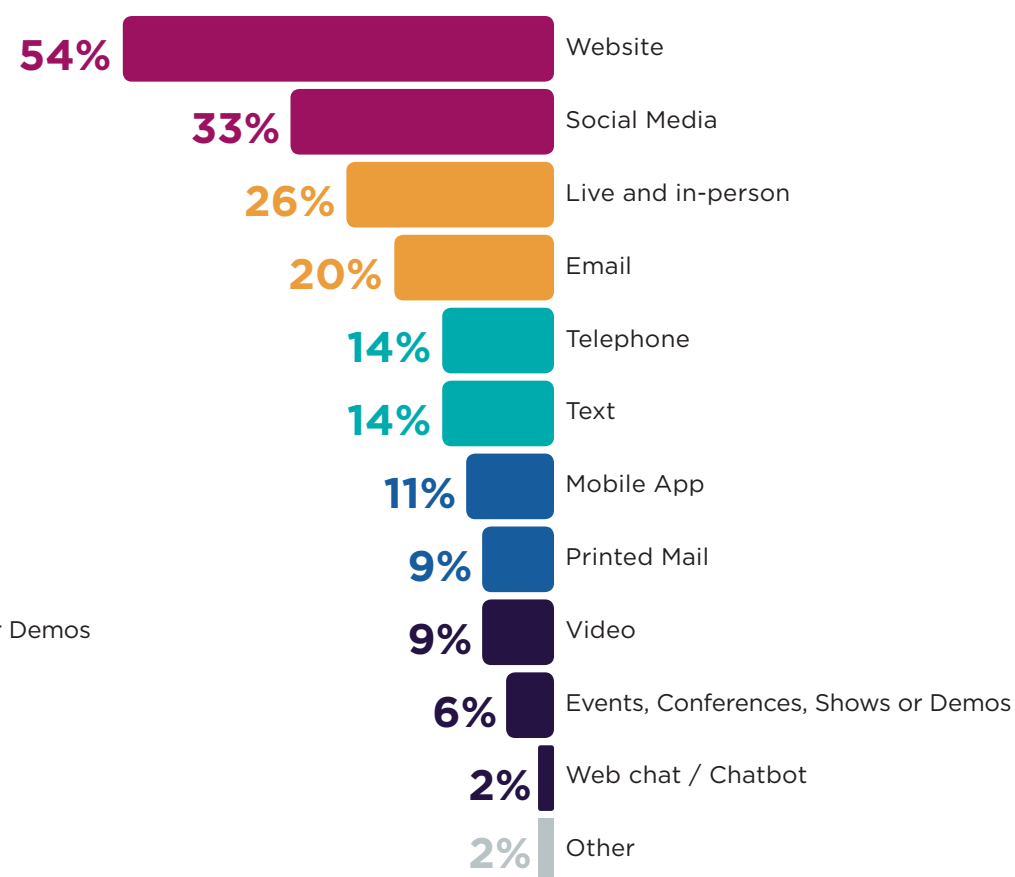
7. What do you enjoy the MOST about communicating with the companies you choose to do business with?

48% Having access to a real, live person who can help when I need it

30% Speed and efficiency – I have the right information so I can just get on with my day

28% Always on access to my account or my profile

27% Opportunity to hear about new products

18% No matter where I reach out, they have all the information they need to help quickly

15% Sales, sales and more sales...especially the sales!

10% Seeing that products and promotions have been picked especially for me

8% They get me...every communication is really personalized and meant for me

5% Great stories and fun experiences every time I engage

1% Other

8. Please select the statement you believe best describes your attitudes about your personal data

14%
Honestly, I don't know why they need my data or what they do with it

26%
I am happy to have the companies I do business with collect this data for more relevant experiences

21%
I don't want companies to store or use my data, even if it means having things personalized

40%
I only want some data that I provide to be stored and I want to decide how that data is used

9. How important is a company being "omnichannel" to you?

13%
UNIMPORTANT: I really do not care if a company has different communication channels

28%
CRITICAL: Companies should be where I want, when I want, ready to share and communicate how I expect

59%
IMPORTANT: I don't need companies to be everywhere, except when I really need something
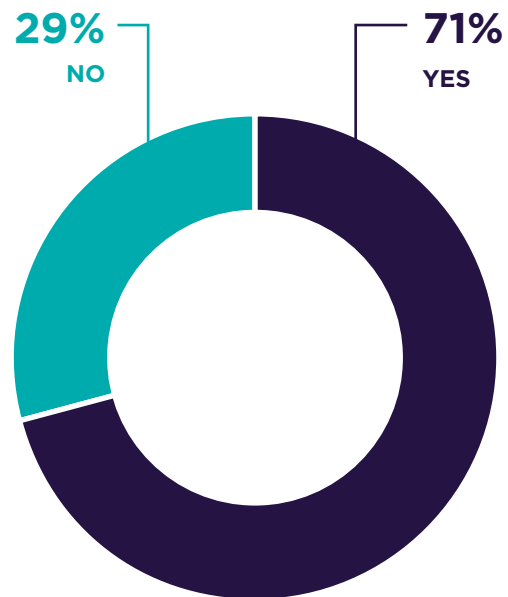
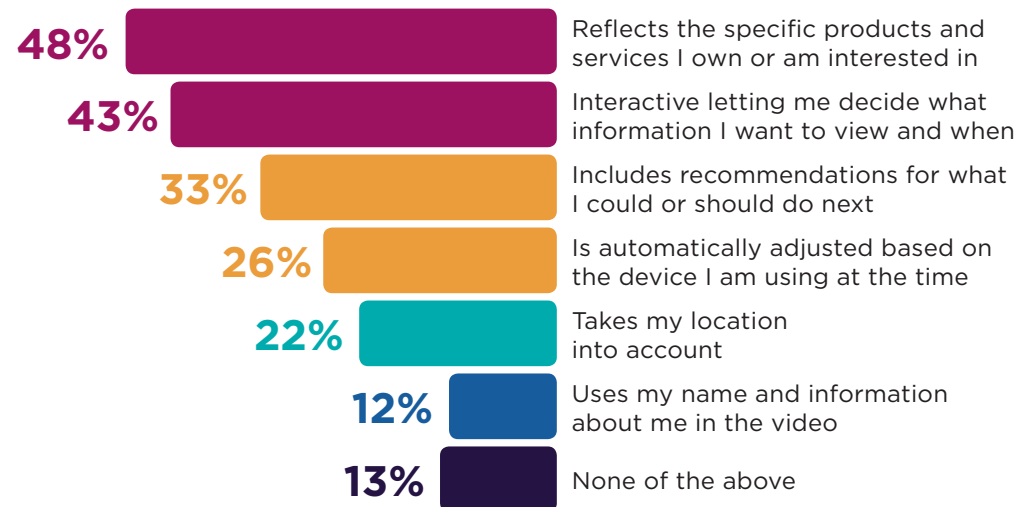**10. How are companies doing with this goal of being "omnichannel"?**

11. Do you find it frustrating when you have had an experience of purchasing a product, having a question, trying to engage through multiple channels, and having to start over in every new channel?

6%

HORRIBLE: Communicating with most companies is painful and time consuming

13%

EXCEPTIONAL: Companies are doing a great job of being in both physical and digital places

17%

MEH: Just being honest, nobody is really getting it right today

16%
NO

84%
YES

65%

PRETTY GOOD: Some companies do better with digital, others with live experiences, but all are better
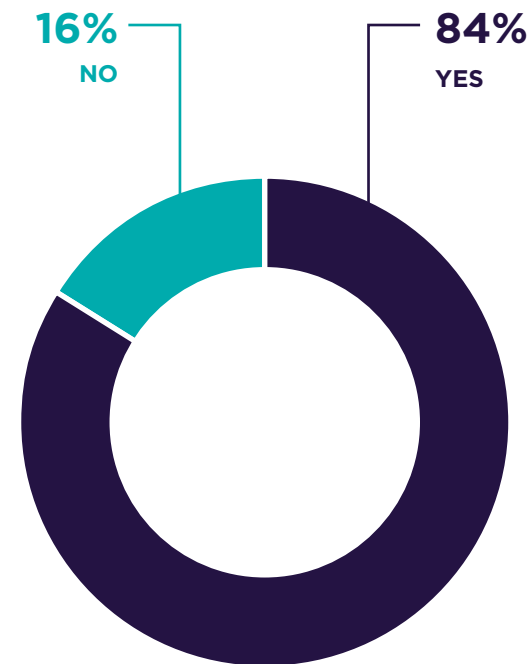
12. Has this frustration ever led you to question why you are doing business with that company?

13. What are the ideal qualities that would make an online video really valuable to you and your decision-making process?
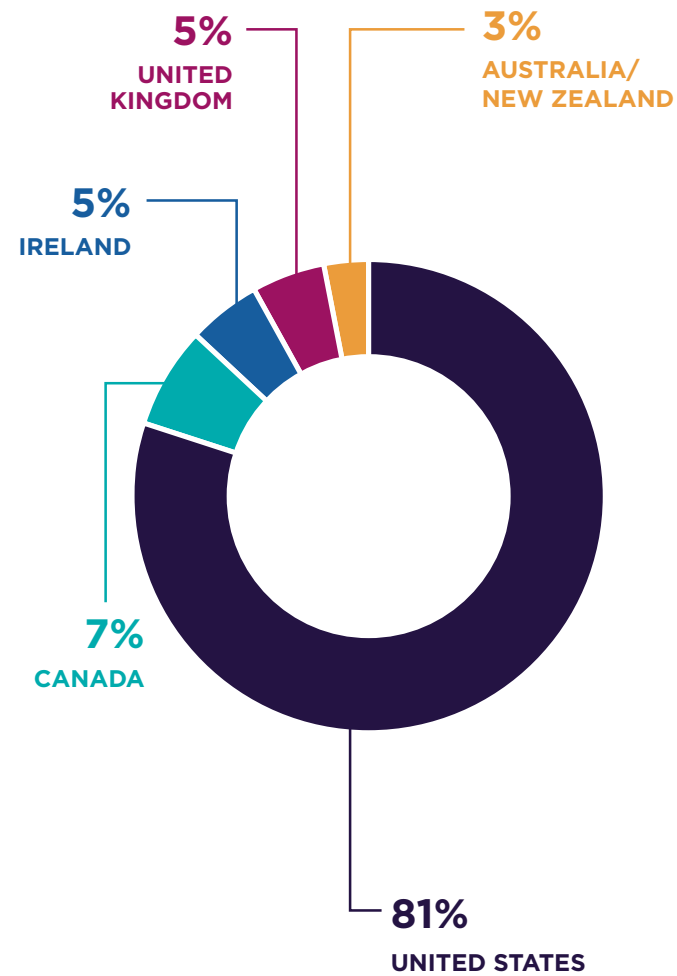
29%
NO

71%
YES

48% Reflects the specific products and services I own or am interested in

43% Interactive letting me decide what information I want to view and when

33% Includes recommendations for what I could or should do next

26% Is automatically adjusted based on the device I am using at the time

22% Takes my location into account

12% Uses my name and information about me in the video

13% None of the above

DEMOGRAPHICS

AGE

20% BABY BOOMER
20% SILENT GENERATION
20% GEN X
20% MILLENIAL
20% GEN Z

GEOGRAPHY

5% UNITED KINGDOM
3% AUSTRALIA/NEW ZEALAND
5% IRELAND
7% CANADA
81% UNITED STATES

SEX

41% MALE
59% FEMALE

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www.cmocouncil.org

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