

The background of the slide is a complex network diagram. It consists of numerous blue dots of varying sizes, representing nodes, which are interconnected by thin blue lines, representing edges. The network is dense in some areas and sparse in others, creating a web-like structure. A solid red triangle is located in the top right corner. A vertical blue bar is positioned on the left side of the slide, partially overlapping the network diagram.

CUSTOMER ENGAGEMENT BENCHMARKING REPORT 2018: IRELAND

An insight into the state of Customer Engagement in the Irish market, examining, trends, challenges and Single Customer View.

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About the contributors

Dataconversion

Dataconversion is a bespoke software development company based in Dublin. We work with some of Ireland's leading businesses to improve Customer Engagement through the integration of data, technology and communications. We are passionate about all aspects of the Customer Experience and believe that brands should seek to not only meet but exceed customer expectations.

Amárach

Amárach is an innovative research and advisory agency, working with clients for over 25 years to turn information into insight, and insight into foresight. Amárach's team of psychologists, economists and data analysts draws on market research and data analytic techniques to help its clients succeed and grow through a better understanding of their own customers' needs – both now and in the future.

ABOUT THE RESEARCH

Our customer engagement research report assessed the views of marketing & customer engagement (CE) leaders across all major industries on the changes that the industry will face in the next 12 months.

We took a closer look at the trends, challenges and investments that are shaping strategies and examine the way customer data can improve experience in the shape of a single customer view.

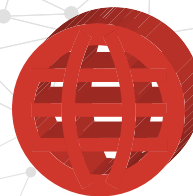
The research objective was to help companies to benchmark against their peers and competitors in order to achieve better success for their future customer engagement activities.

We hope that you will find this report to be a valuable tool that enables you to spot opportunities within your market.



WHO?

Senior level decision makers incl. Marketing Director, Head of Marketing, Marketing Manager, in medium to large sized organisations.



WHERE?

Within the Republic of Ireland.



WHAT INDUSTRY?

A wide mix of industries were included in the research including, finance, utilities and retail.

RESEARCH FINDINGS: IMPORTANCE OF CE

Emerging technologies and changing consumer expectations have led firms to adopt a more customer centric approach. It is no longer enough to simply meet customer demands, you must seek to exceed them.

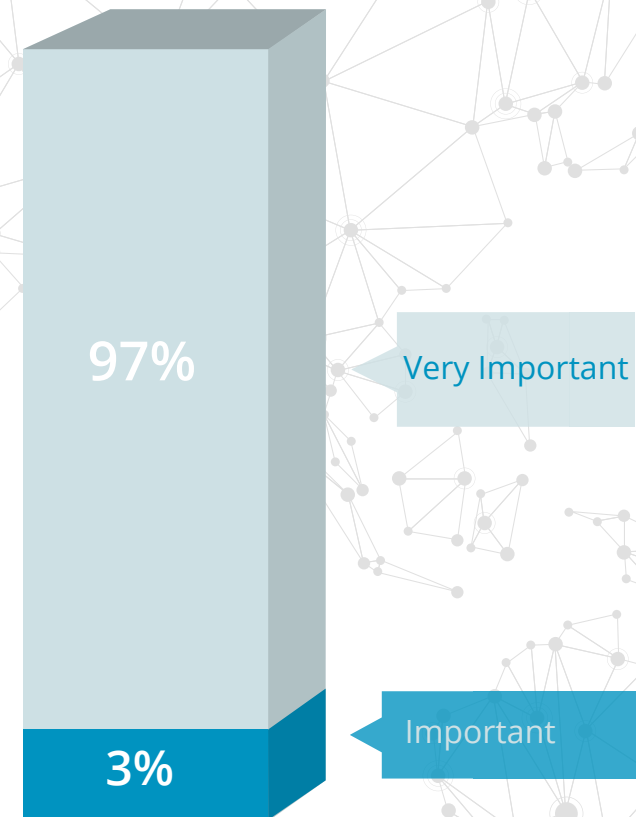
Your customer experience must be faster, more efficient and more memorable in order to achieve a meaningful relationship with your customers.

But how do these changing expectations reflect upon how brands are preparing for the next 12 months?

We asked participants their views on the importance of customer engagement to their company in the year ahead. It is clear to see that brands understand the importance of customer engagement with **97%** believing it to be very important, **96%** of which considering it to be a priority.

According to Dataconversion CEO, Anna Browne, *"Responses here aligned with our expectations. Customer experience, and in turn customer engagement, has been referred to as the new marketing battlefield. So, any company not acknowledging this could find themselves at a competitive disadvantage in the marketplace."*

How important do you believe customer engagement to be?



RESEARCH FINDINGS: CE BUDGET

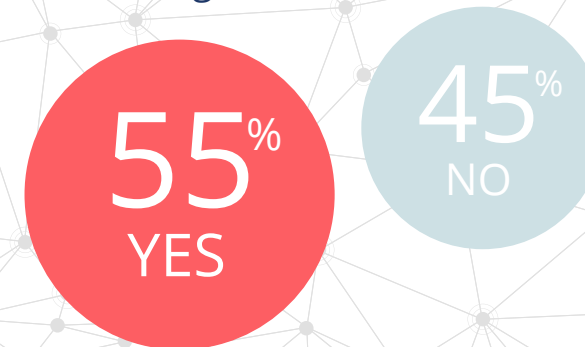
One of the true barometers indicating the importance of a specific area to a company, is the amount they are willing to invest in it. Despite 100% of companies perceiving engagement to be important, only half (55%) have a dedicated customer engagement budget.

This indicates that, although firms recognise customer engagement as being a necessary business activity either many simply do not have the resources in place to exploit its potential, or the company's leadership has perhaps not fully bought into the importance of customer engagement in terms of the strategic growth of the company.

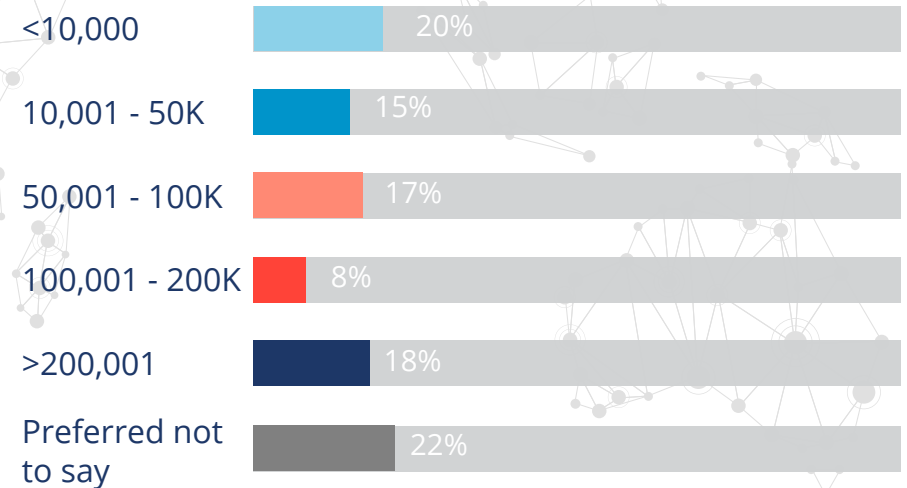
Spend allocated to customer engagement activities varies among respondents from below €10,000 to more than €200,000. This can be attributed to factors such as company size and overall marketing budget.

In addition, participants varied widely in terms of industry. It would therefore be interesting in future studies to determine the correlation between industry and CE spend.

Do you have a designated customer engagement budget?

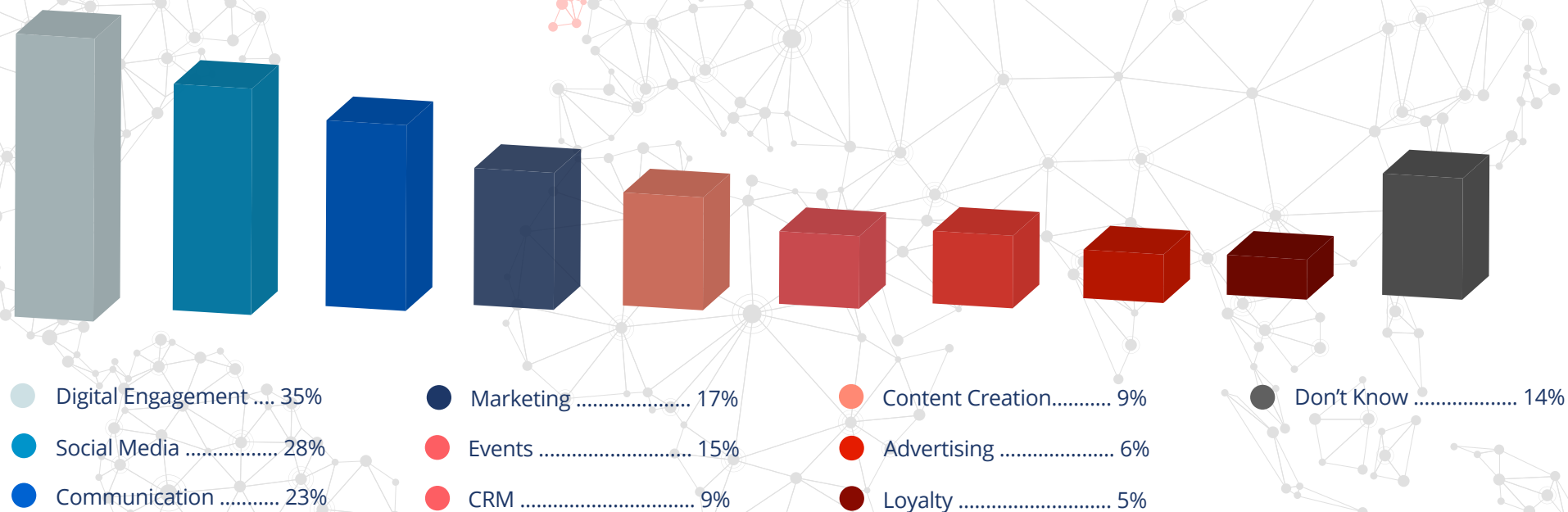


What is your budget for customer engagement activities? (BASE: all that have a budget)



RESEARCH FINDINGS: CE BUDGET

In what areas are you investing your customer engagement budget? (BASE: all that have a budget)



What are businesses saying?

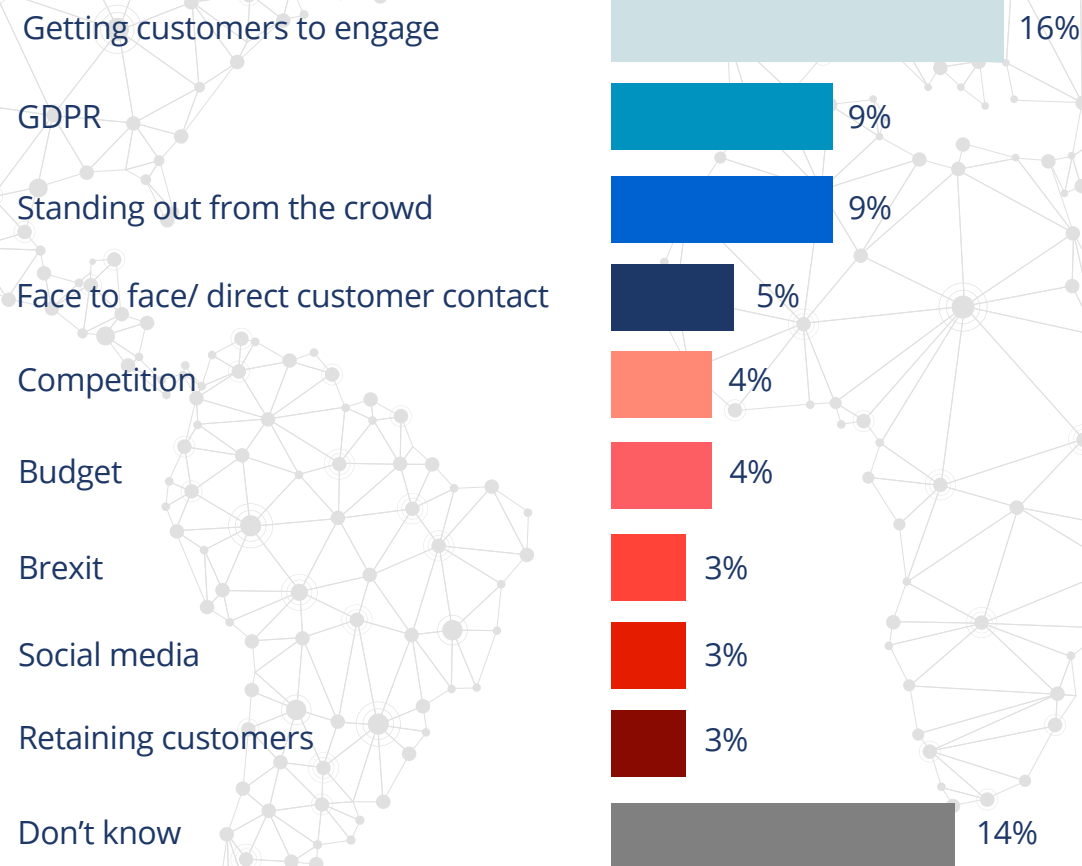
"A mix of direct marketing & social media"

"Public awareness campaigns and customer service"

"Content, event management & experiences"

RESEARCH FINDINGS: CE CHALLENGES

What is the main customer engagement challenge you will face over the next 12 months?



What are businesses saying?

"...reaching the correct people and keeping them engaged"

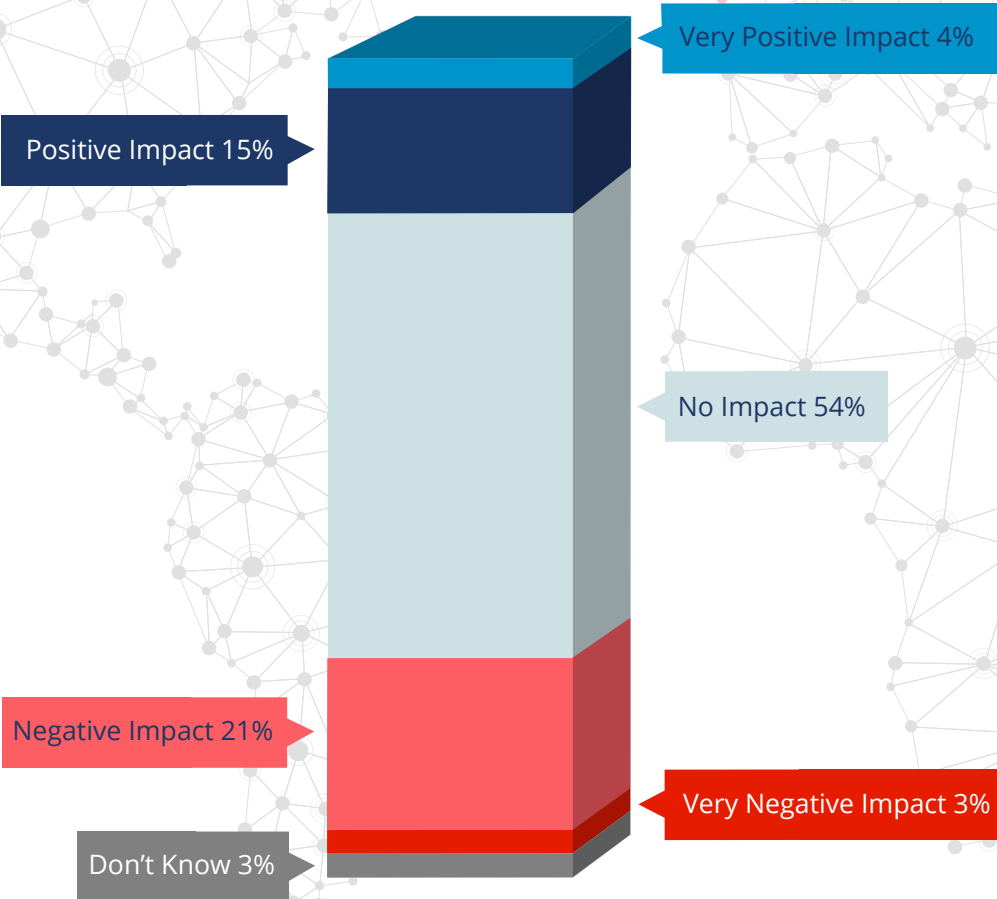
"Figuring out what platform is best to use to connect with our customer"

"...getting customer consent for marketing activities"

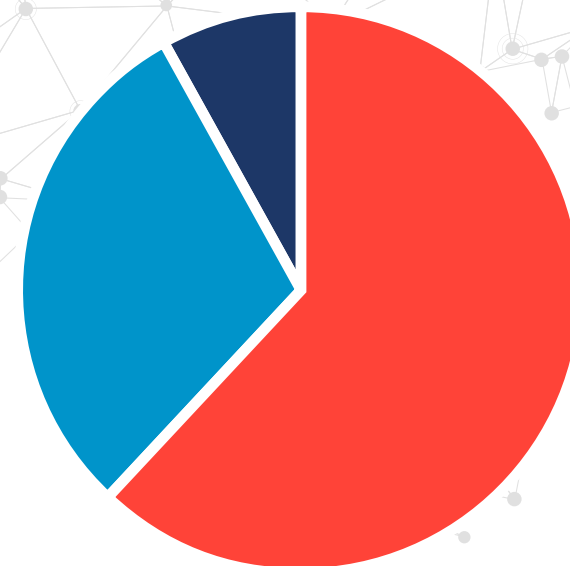
"...customers can be passive, so holding onto their attention can be a challenge"

RESEARCH FINDINGS: IMPACT OF GDPR ON CE

What impact has GDPR had on your ability to effectively engage with your customers?



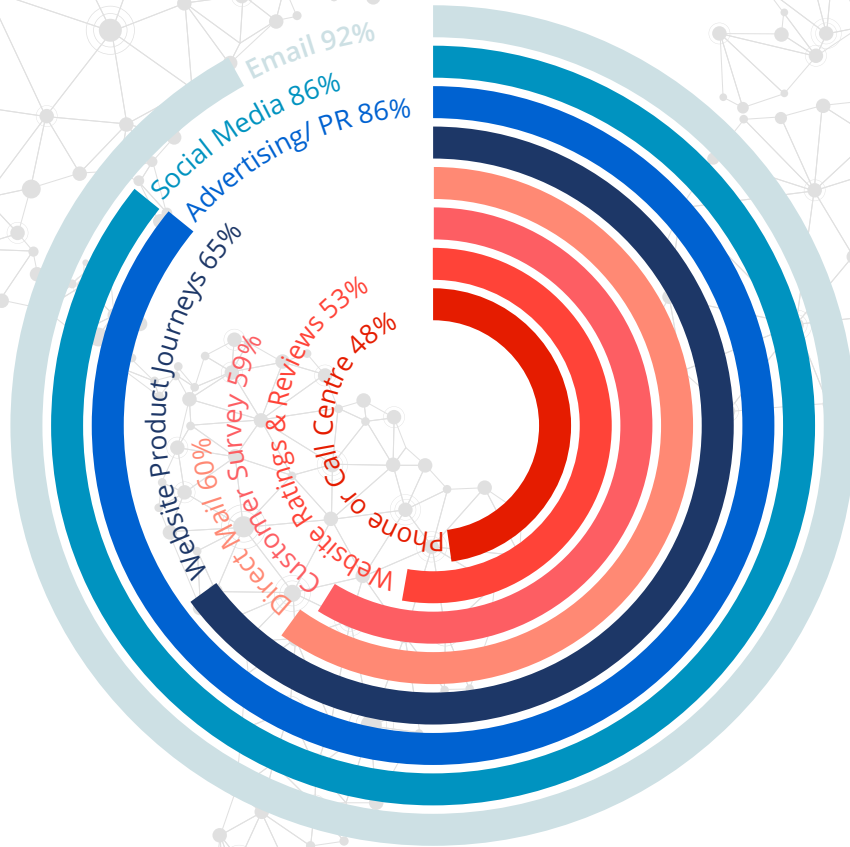
Have you looked into alternative engagement solutions post GDPR, such as a focused change from e-dm to dm?



- Yes 62%
- No 30%
- Don't Know 8%

RESEARCH FINDINGS: CHANNELS OF ENGAGEMENT

Which of the following do you use to drive engagement with your customers?

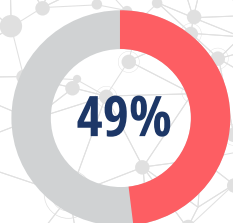


Email communications have previously tended to be one-directional and haven't always enabled consumers to engage with brands.

However, while the main challenge for the majority of marketers is getting customers to engage with them, email remains the go-to channel to drive customer engagement.

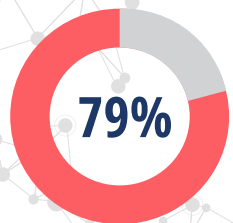
This raises the opportunity for brands to improve current email marketing efforts to ensure that customers can truly engage with a brand via this channel.

RESEARCH FINDINGS: SINGLE CUSTOMER VIEW



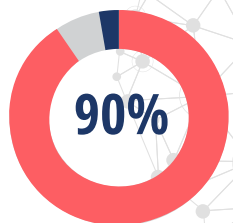
(BASE: All respondents)

Only 49 % of respondents' internal data systems are synced to achieve improved customer engagement.



(BASE: Respondents whose internal systems are synced)

Of these, 79% believe that having synced data systems helps provide an accurate view of customers' product holdings across their company.



(BASE: Respondents whose internal systems are synced)

And 90% believe that having improved connections between systems would lead to more effective customer engagement.

These findings highlight a huge opportunity for marketers.

Of the respondents who have integrated data systems, over 90% believe that this results in improved customer engagement.

Unfortunately though, only half of the companies surveyed have actually integrated their systems.

This leaves an untapped opportunity for these companies to improve their customer engagement levels by integrating their technologies and their data with their various customer touchpoints.

Do all your internal data systems talk to each other (synced/interlinked) to achieve improved customer engagement?
Does this give you an accurate view of your customers' various product holdings across your company?
Do you think improved connections between systems would lead to more effective customer engagement?

RESEARCH FINDINGS: SINGLE CUSTOMER VIEW

What do you believe are the top benefits of having a consolidated view of customer data?

Customer Satisfaction/
Retention



Customer Insights



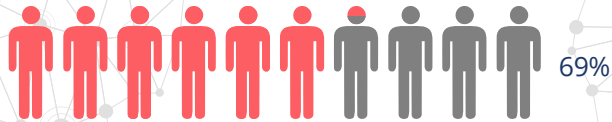
Analytics (tracking KPI's)



Cross & Upsell
Opportunities



Campaign Effectiveness
- reduce cost of sale



How confident are you that you have accessible data within your company to actively engage your customer throughout the life cycle?

Confident 34%

Not Very Confident 9%

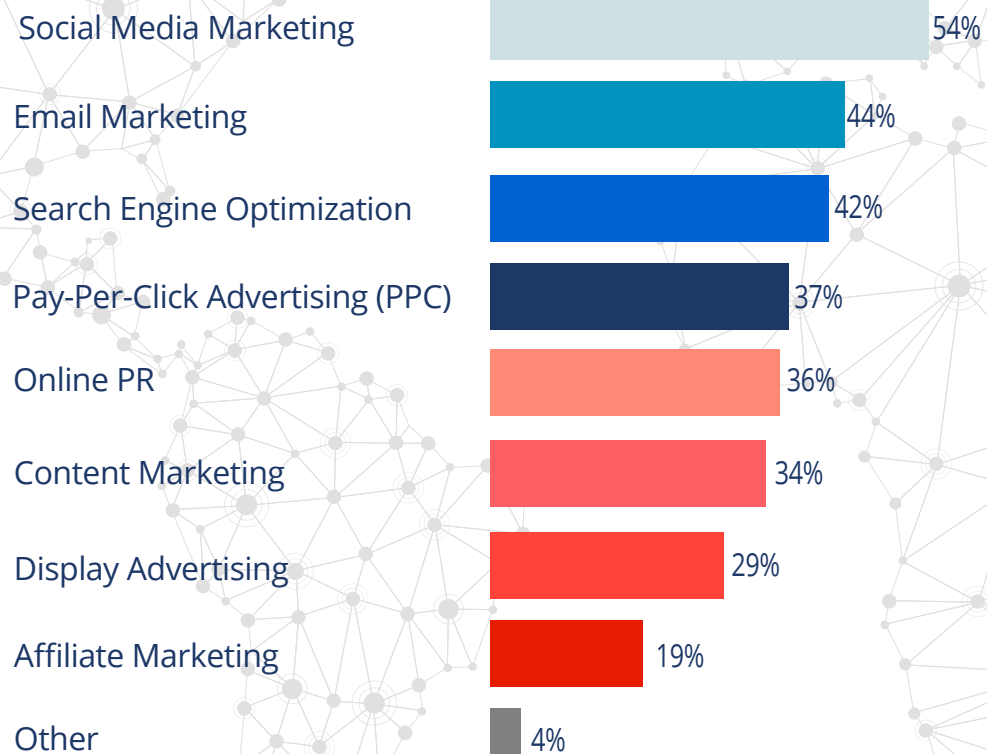
Very Confident 15%

Neutral 37%

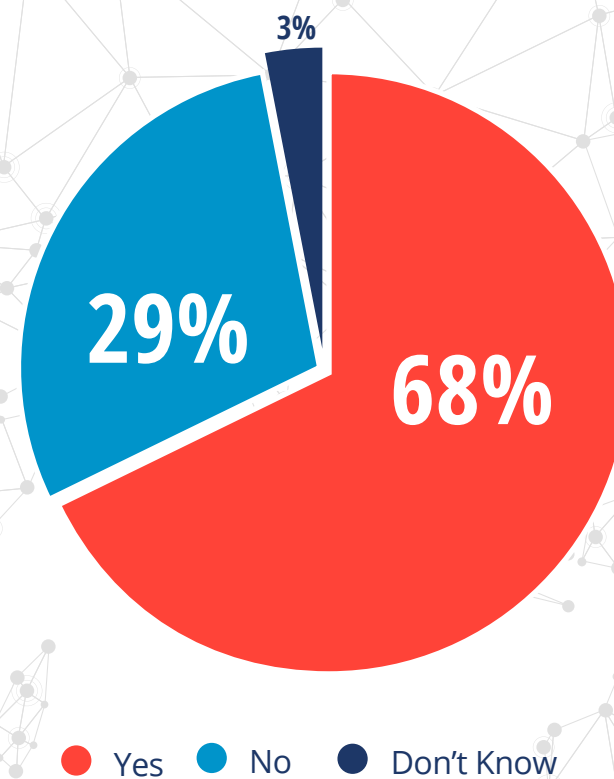
Very Negative Impact 3%

RESEARCH FINDINGS: MEASURING CE

What digital marketing channels do you find have the highest ROI?



Do you collect and measure feedback in order to improve further customer engagement?



RESEARCH FINDINGS: MEASURING CE

Respondents believe that customer engagement touchpoints could be made more effective if;

Data was used more effectively to target customers within campaigns.

75%

75%

Customer feedback was collected and used more effectively.

Customer product journeys were improved.

69%

65%

More engaging websites & promotional micro-sites were developed.

More relevant content was produced.

59%

54%

There was a focus on product specific campaigns.

Interestingly, the top three responses require effective and efficient use of data within companies. However, as previously discussed, less than half of companies have synced their internal data systems.

SUMMARY OF FINDINGS

INDUSTRY INSIGHTS

- All firms believe customer engagement is important with 96% seeing it as a business priority for the next 12 months.
- Just over half (55%) of firms have a dedicated customer engagement budget however these budgets vary greatly from less than €10k to more than €200k, most likely due to size of company.
- Investment of customer engagement budget most likely to be in the areas of digital engagement (35%) and social media (28%).

CHALLENGES

- Getting customers to engage (16%) and GDPR (9%) and are seen as the two biggest challenges facing business over the next 12 months.
- Since the start of the year, there has been a great deal of anecdotal evidence that marketing lists have been cut. However, the majority of respondents believe that GDPR hasn't affected their ability to engage effectively with their customers. That said, 62% have looked at alternate engagement solutions since May 2018 and GDPR ranked the second highest challenge for the year ahead.
- Email (92%), Social Media (86%) and Advertising/ PR (86%) are the top 3 channels being used to drive engagement with customers.

SUMMARY OF FINDINGS

SYSTEM CHALLENGES

Nearly half (48%) of firms have data systems that talk to each other and those that do believe it improves the accuracy (79%) and the effectiveness (90%) of their customer engagement.

- Customer retention (84%) and insights (83%) are seen as the top benefits of having a consolidated view of customer data.
- 90% of those with synched data system believe it improves customer engagement.
- The potential to integrate data systems provides an opportunity to marketers with less than half of respondents (49%) confident that they have accessible data within their companies.

MEASUREMENT

- Social media (54%) is seen to give the highest ROI of all the marketing channels, with customer targeting (75%) and improved feedback (75%) viewed as areas of touchpoint improvement.
- Just under 7 in 10 (68%) firms collect and measure customer feedback to improve customer engagement with half (49%) being confident the data they have will allow long-term customer engagement.

A FINAL WORD

Customer engagement is the emotional connection between a customer and brand. Highly engaged customers buy more, promote more, and demonstrate more loyalty. Providing a high-quality customer experience is an important component in your customer engagement strategy.

It is clear from the research that Irish companies understand the importance of, and see the value in, customer engagement. However, it appears that many simply do not have the resources in place to exploit its potential. That's where we come in. At Dataconversion we are passionate about all aspects of the customer experience. We enable the smart integration of data, technology and communications to improve the ways in which you interact with your customers.

There is no single customer engagement that works for every company, across all industries, and that's why we don't believe in 'one size fits all solutions'. We work closely with our clients to develop comprehensive customer engagement strategies that are tailored to your specific needs. From platform development and system integration to database cleansing and campaign management. We provide the tools that ensure your customers have an exceptional experience at every touchpoint.

Are you passionate about Customer Engagement and want to find out more about what we do?

Contact hello@dataconversion.ie or call 01 8041298 for further details.



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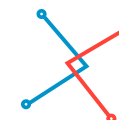


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