

# Consumer Trends Report

Your CX playbook for the year ahead

IN PARTNERSHIP WITH

Qualtrics  
**XM** institute™

qualtrics<sup>SM</sup>





## Introduction

Amid the buzz and excitement of AI, this year's Consumer Trends study is a timely reminder to organizations to not lose sight of what matters most to their success — creating genuine, human connections with customers.

The desire to connect and be understood is innate in every interaction whether it's face-to-face with teammates, on the phone with agents in your contact center, or as consumers scroll through your website.

Our 4th annual Consumer Trends Report, based on responses from more than 28,000 consumers across 26 countries, shows just how valuable those connections really are.

But here's the catch — understanding how to make those connections is getting harder.

People are giving less feedback to the companies they buy from, leaving many organizations blind to customer friction.

CX leaders must rise to the challenge, modernizing legacy listening programs that rely on surveys alone to meet customers where they are.

It's these challenges where emerging technologies like AI offer the biggest opportunities.

Whether it's opening the aperture to new sources of customer data, unlocking intelligence by understanding the data more deeply, or providing frontline teams with insights into the customers they serve, the potential for technology to enhance, not replace, human connection is incredible.

As you place your bets in 2024 and beyond, I hope this year's insights and advice from our team of experts shine a light on the areas where you can have the greatest impact.

Consumer expectations are at an all time high, and people are placing a premium on customer experiences that prioritize human connection. For organizations that can deliver seamless omnichannel experiences from their websites to their contact centers and everything in between, it's clear customers will reward them with their dollars and lasting loyalty.



**BRAD ANDERSON, QUALTRICS**  
PRESIDENT OF PRODUCTS,  
USER EXPERIENCE, AND ENGINEERING

## What we found

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TREND 1

**Human connection  
is the foundation of a  
winning AI strategy**



Our research found that consumers are still on the fence about AI – driven by a primary concern that it will replace a human to connect with. That desire for human connection rings true in their channel preferences, too – with most still preferring to interact with human channels over digital, especially for high-stakes tasks like resolving an issue with a bill, and switching to digital for simpler, transactional activities like checking an order status.



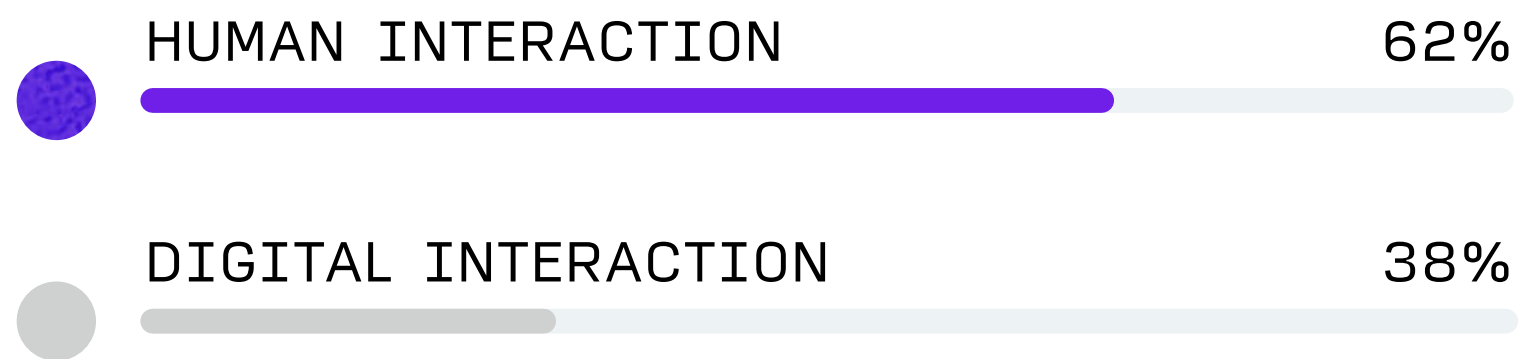
OPINION

“It’s not a case of the first movers winning, but the best movers winning. Companies that get AI right, that apply it in ways that make things easier and more personal for customers, will absolutely win.”

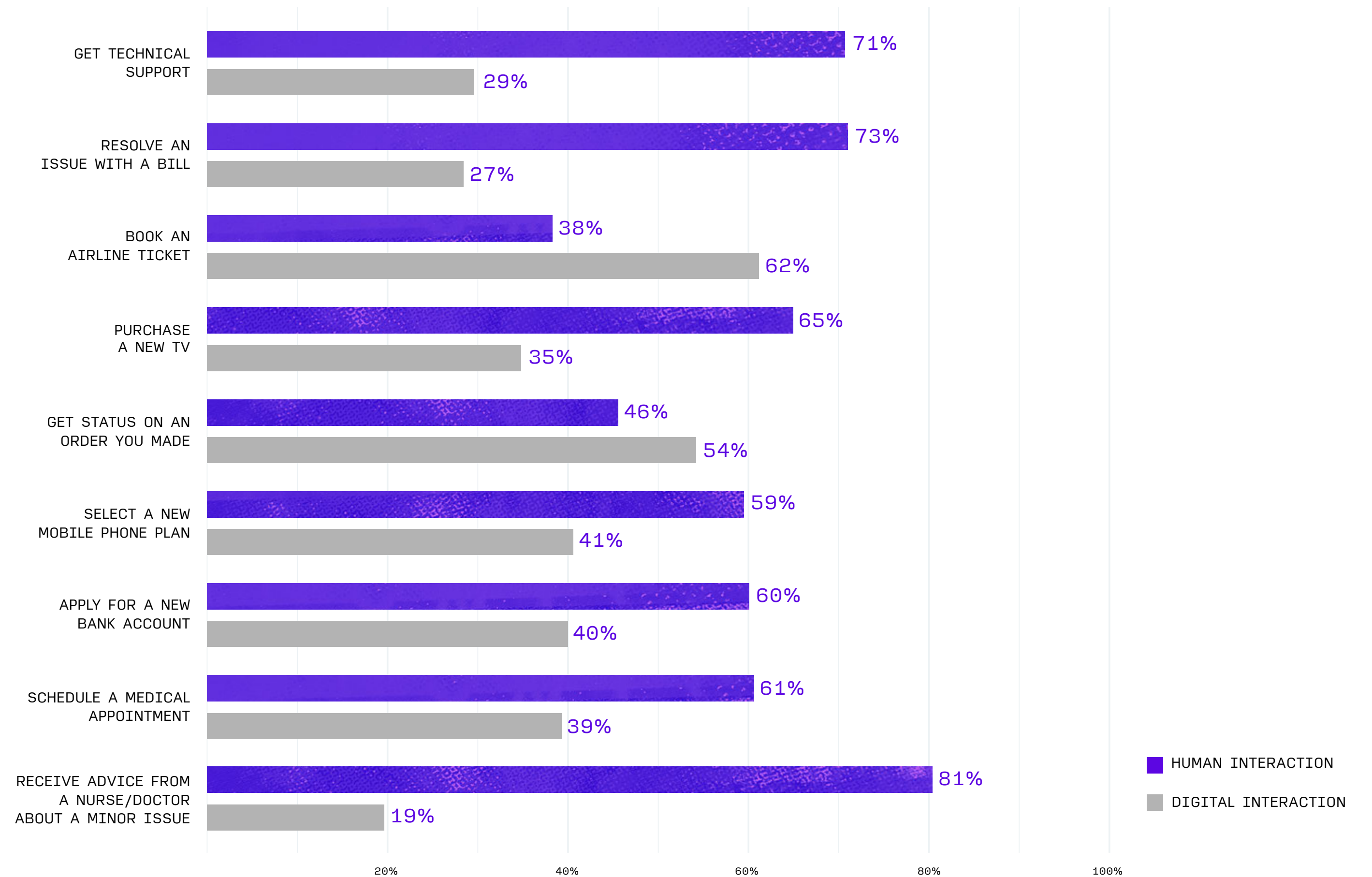
BRANDON HANSON, QUALTRICS  
CONTACT CENTER PRACTICE LEADER

So as organizations scramble to define their AI strategy, success will be defined by how well you know your customers. It starts with understanding when they want to talk to a human, when they don't, and then leveraging AI to seamlessly meet those preferences as they move through the journey.


CUSTOMERS STILL PREFER HUMAN-SERVICE CHANNELS OVER DIGITAL



HERE'S HOW CHANNEL PREFERENCES BREAK DOWN BY TASK







“While AI is a powerful tool, we’re seeing businesses still require a professional human touch to make truly innovative and effective work. We aim to help them balance this technology with the best of human ingenuity by pairing them with the right freelance experts.”

**fiverr.**

MICHAL MILLER LEVI, FIVERR  
SENIOR DIRECTOR MARKET RESEARCH AND INSIGHTS

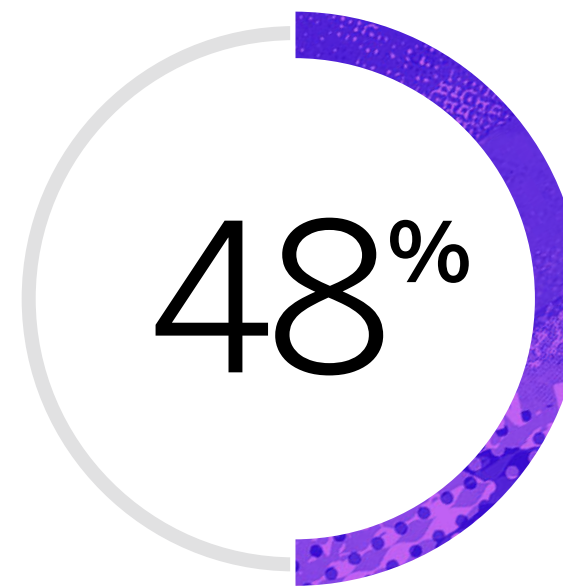
ANALYSIS

“AI will enable humans to focus on being human. The challenge for organizations is identifying the tasks AI does well and the tasks it doesn’t, so you focus AI on the right problems to solve.”

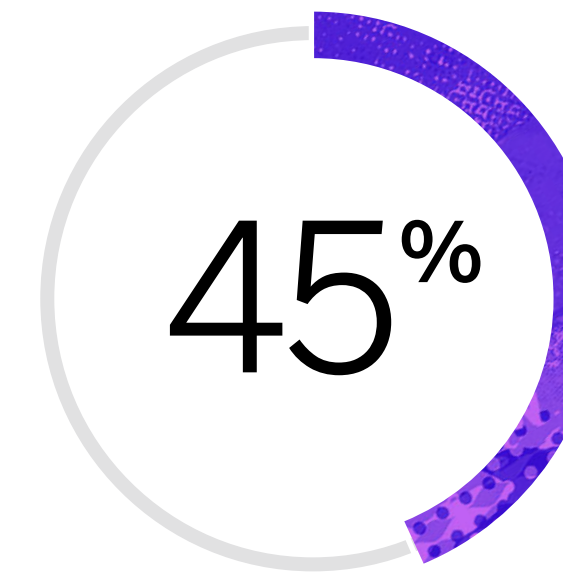
MAX VENKER, QUALTRICS  
HEAD OF PRODUCT MARKETING, DIGITAL

While AI will undoubtedly help you make simple, repeatable tasks more efficient — something consumers welcome (73% are comfortable using AI to check an order status) — an effective AI strategy is not simply deploying more chatbots and automating tasks. Instead, look to the technology to empower your frontline teams with the tools, time, and insights to build stronger connections with your customers and make that a better experience, too.

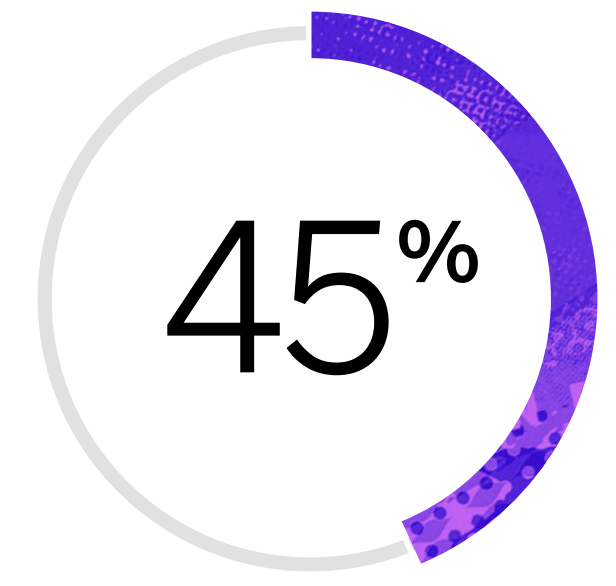
CONSUMERS’ TOP 3 CONCERNS ABOUT AI



LACK OF A HUMAN  
TO CONNECT TO



POOR QUALITY OF  
THE INTERACTIONS



LOSS OF JOBS  
FOR EMPLOYEES



ADVICE

“Organizations must understand customer needs, preferences, and perceptions and then offer experiences that match expectations. That understanding will help you determine if that experience should be AI-enabled, human-enabled or humans supported by AI in the background.”

MOIRA DORSEY, QUALTRICS XM INSTITUTE  
PRINCIPAL XM CATALYST





## ADVICE

“AI offers tremendous opportunities to organizations that implement it thoughtfully, but if customers detect a pure cost-saving attempt they will leave in droves. So AI interactions must build confidence — trust from customers comes with consistency, accuracy and convenience.”

LEONIE BROWN, QUALTRICS  
PRINCIPAL XM SCIENTIST, CX



TREND 2

**Great service beats  
low prices in the battle  
for customer loyalty**

In 2024, despite predictions to the contrary, it's not low price points driving consumer purchase decisions — our research found organizations with a great reputation for customer experience are best positioned to win share of wallet, even in a down economy.

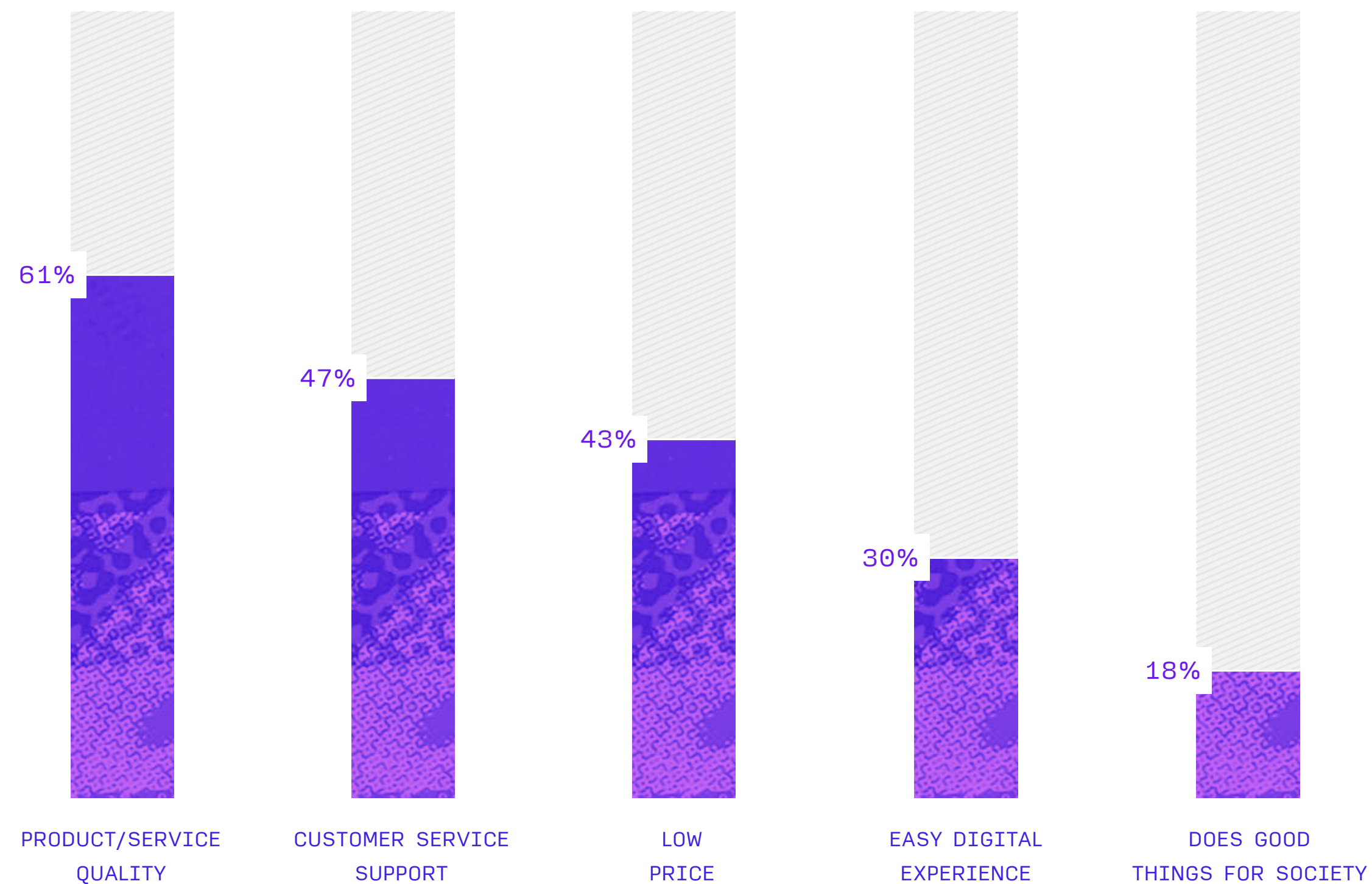
Post-purchase experience is one of the biggest drivers of consumer purchase decisions — in our study, 'customer service support' ranks second only to 'product quality' — even above 'low prices.'

**ANALYSIS**


“If you want great customer experience, you need to start by focusing on the needs of frontline employees. Customer service interactions are where people have strong emotions, so they tend to be experiences they remember for a long time.”

BRUCE TEMKIN, QUALTRICS  
HEAD OF QUALTRICS XM INSTITUTE

WHAT'S DRIVING CONSUMER PURCHASES IN 2024







“The customer journey starts as you’re returning from your last trip. I want you to be thinking about what your next trip is going to be before you’ve left your last journey. The evidence shows, the better job we do on the current trip, the higher the likelihood that the customer is going to choose us again for the next trip.”

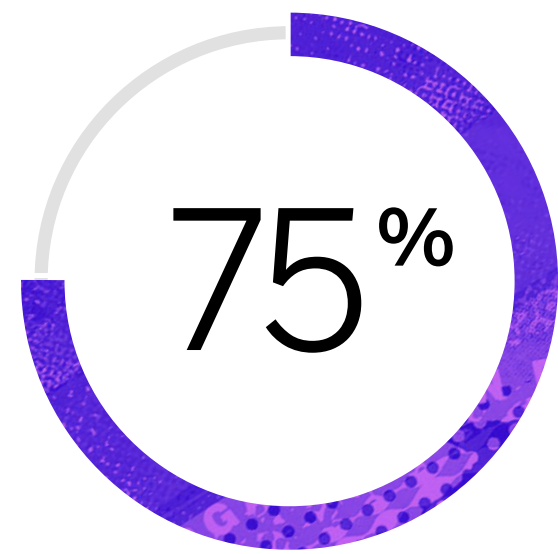


ED BASTIAN, CEO AT DELTA AIRLINES  
SPEAKING AT X4

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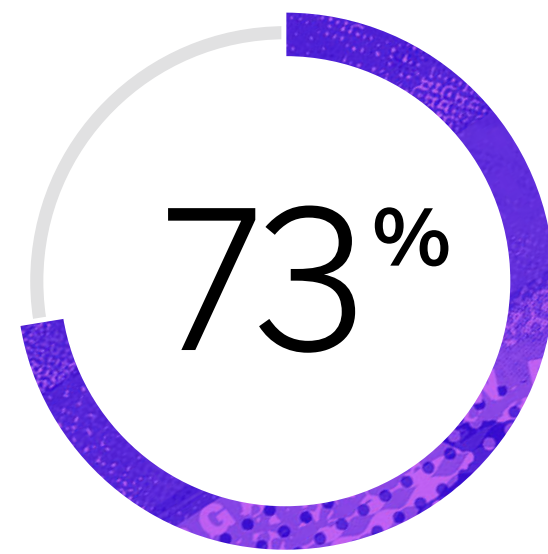
Despite its importance, only 38% of CX professionals said they were prioritizing training their customer service agents and frontline teams.<sup>1</sup> As leaders face pressure to cut costs, it's critical to protect customer service, otherwise you risk leaving revenue on the table.

CONSUMER LOYALTY ISN'T DEAD, AFTER ALL



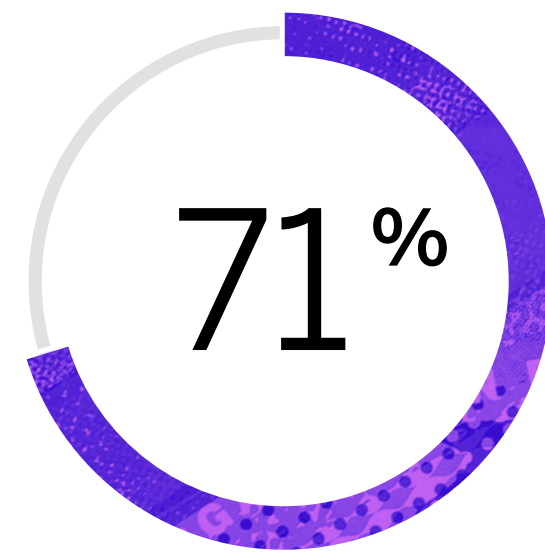
TRUST

+1.5 % POINTS  
YEAR-OVER-YEAR



LIKELIHOOD TO  
RECOMMEND

+1.9 % POINTS  
YEAR-OVER-YEAR



LIKELIHOOD TO  
PURCHASE MORE

+2.7 % POINTS  
YEAR-OVER-YEAR

OPINION

“Variability is the biggest challenge to creating a consistently great experience. No company designs for a poor experience, but the level of variability can be too high and uncontrolled in organizations. Reducing that variability is the best place to start.”

BRANDON HANSON, QUALTRICS  
CONTACT CENTER PRACTICE LEADER

<sup>1</sup>Qualtrics June/July 2023 study of CX professionals





ADVICE

“Knowing which agent behaviors impact satisfaction, spend and loyalty, then tracking how agents perform against those benchmarks will help you build a roadmap to improving customer service levels.”

LEONIE BROWN, QUALTRICS  
PRINCIPAL XM SCIENTIST

TREND 3

**Digital support is the  
weakest link in your  
customer journey**



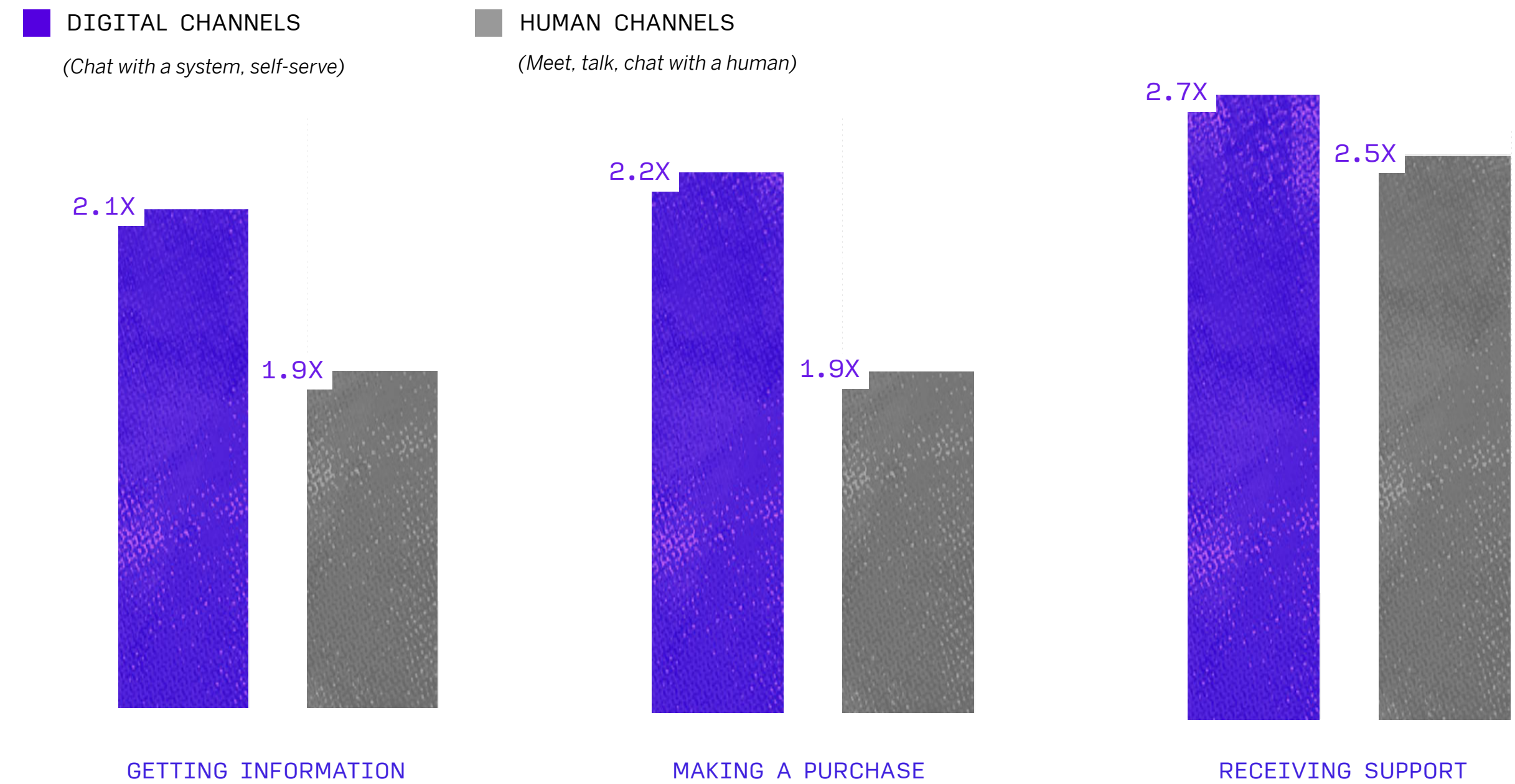
We looked at how consumers interact with companies across different channels to determine what parts of the journey work best, and where improvements need to be made. It quickly became clear that digital is a hotspot that needs fixing — with the lowest satisfaction compared to human channels, but the highest upside if you get it right.

**ANALYSIS**

“The investment in incredible digital experiences from digital native brands has raised the expectation for all brands.”

MAX VENKER, QUALTRICS  
HEAD OF PRODUCT MARKETING, DIGITAL

HOW SATISFACTION IMPACTS LIKELIHOOD TO RETURN BY CHANNEL/JOURNEY



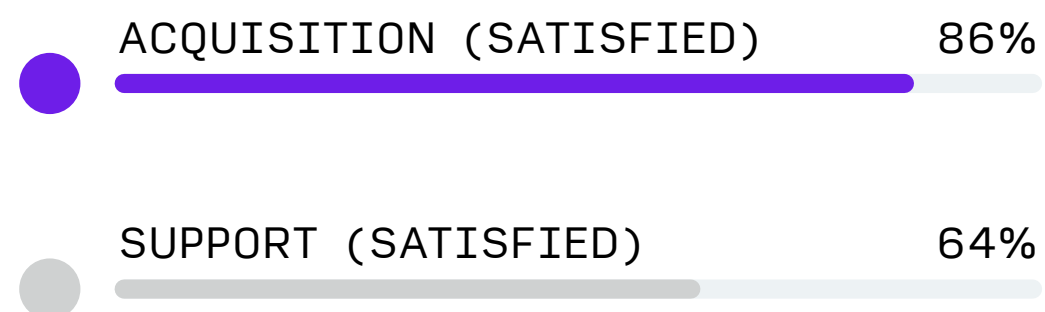
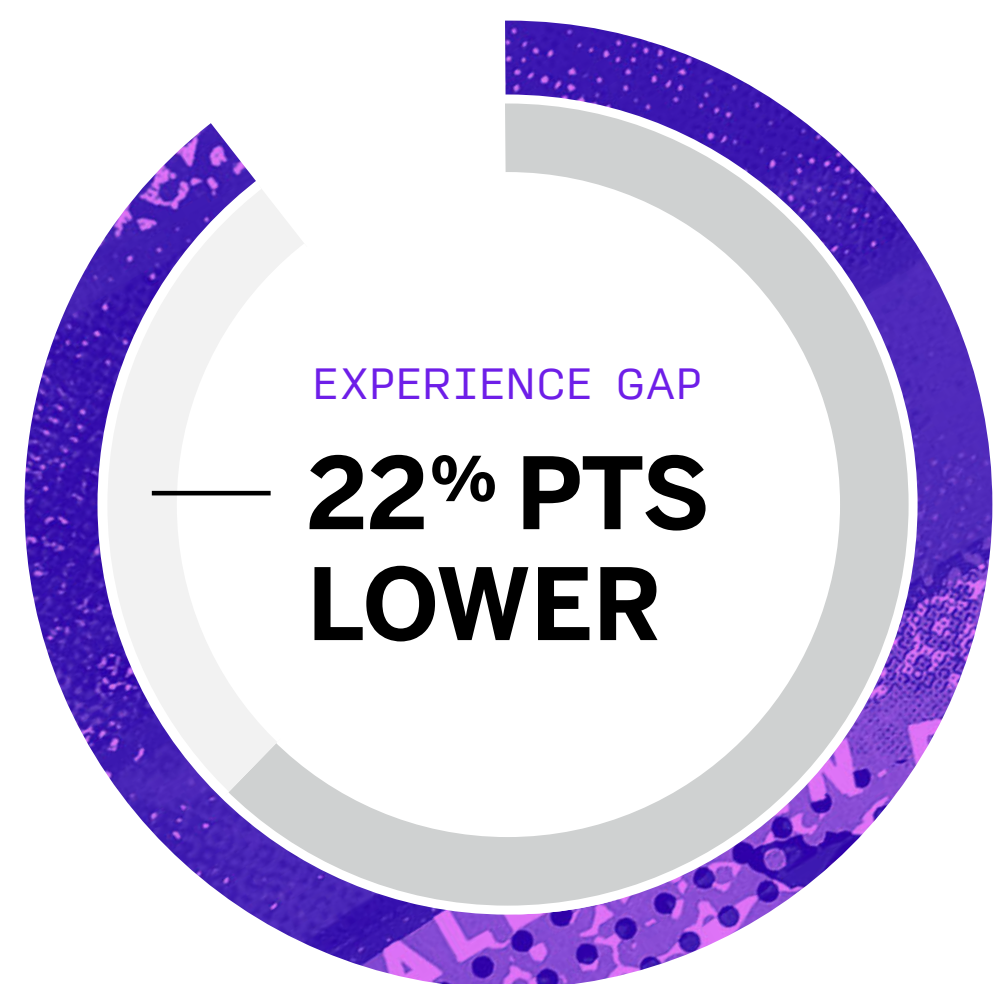
## ANALYSIS

“Lower preference for digital channels revealed in the data is largely influenced by consumer expectations on the quality of those interactions. As organizations improve the accuracy and effectiveness of the digital experience, we should expect consumer appetite to also rise.”

BECKY TASKER, QUALTRICS  
VP OF GROWTH & DEMAND GENERATION



DIGITAL SUPPORT IS WHERE  
THE JOURNEY BREAKS



The main issue in digital? The support experience. As consumers go from making a purchase to resolving an issue online, the journey breaks down – with satisfaction 22 % points lower compared to making a purchase.

However, for those that get digital support right, the rewards are significant. We found customers are 2.7X more likely to return after a positive digital support experience — the highest of any channel and journey we looked at.

For over a decade, digital leaders have been hyper-focused on customer acquisition, fine-tuning the experience to maximize conversion. It's time to think beyond that approach. Our research highlights the opportunity for digital leaders to become an engine for retention and loyalty, too, increasing their value to the organization by focusing on both the pre- and post-purchase journey.

OPINION

“If you’re a contact center leader, you should be thinking about how you can enhance the digital experience. By working together, and bringing your data and insights, you’ll add a tremendous amount of value to the organization.”

BRANDON HANSON, QUALTRICS  
CONTACT CENTER PRACTICE LEADER



ADVICE


“Customers love the ease and convenience of digital, right up until they hit a problem, then frustration builds quickly.

Organizations should offer a seamless switch to alternative channels so customers continue to resolve the issue and don't just go elsewhere.”

LEONIE BROWN, QUALTRICS  
PRINCIPAL XM SCIENTIST, CX







“We’ve made it easier for our guests to access the brand in increasingly digital ways, which means we’re running more channels than we ever have. But that access and that ease for guests also means that at times, it’s more complex for restaurant teams. We’re aiming to make it easier for them — to allow the restaurant teams to know what’s important to guests and to make that actionable.”



ROB SWAIN, GLOBAL COO AT KFC  
SPEAKING AT X4

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TREND 4

**Consumers don't give feedback  
like they used to... so companies  
must listen in new ways**

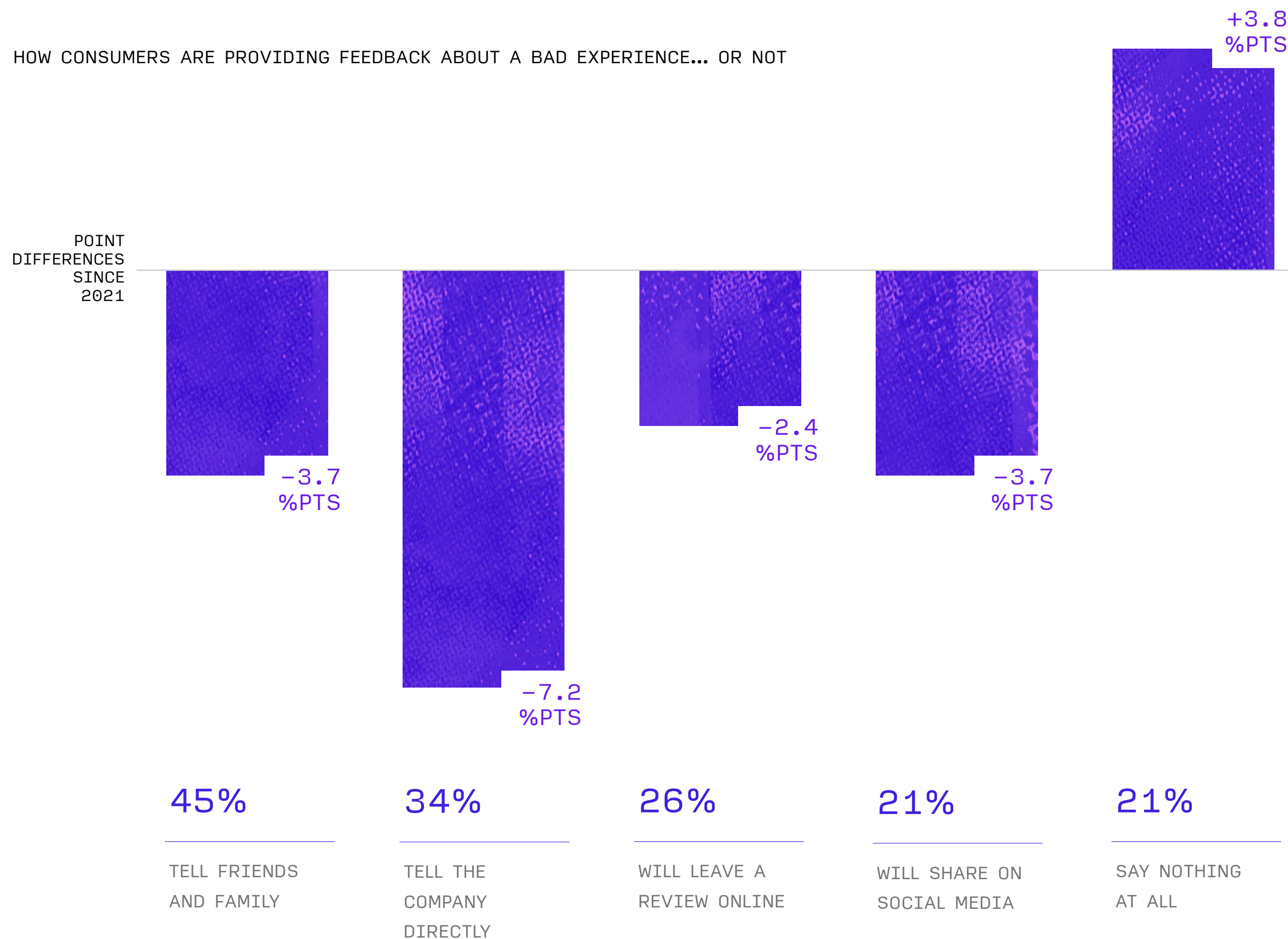
How and where consumers make their voices heard is changing. We continue to see the long-term trend of consumers giving less feedback, making understanding consumer experience ever more complex.

**ANALYSIS**

“Even when customers don’t give feedback, they are talking to you in other ways — by spending less, visiting less frequently, and stopping mentioning you. The question is, are you tuned into those cues?”

LEONIE BROWN, QUALTRICS  
PRINCIPAL XM SCIENTIST, CX

HOW CONSUMERS ARE PROVIDING FEEDBACK ABOUT A BAD EXPERIENCE... OR NOT





ADVICE

“Having a portfolio of listening tools is essential to success. Organizations need a combination of qualitative, quantitative, structured, and unstructured data to modernize their CX management program.”

MOIRA DORSEY, QUALTRICS  
PRINCIPAL XM CATALYST

The most concerning trend is the fall in direct feedback that many legacy listening programs are built on. Since 2021, the number of consumers providing feedback directly to the companies they buy from has fallen by 7.2 % points, meaning that two-thirds of customers now won't tell you when they've had a bad experience.

As feedback habits continue to change, you can no longer rely on surveys alone to understand how your customers really feel. Companies now need a diverse range of listening tools that allow you to tap into what customers say, and now more than ever, what they don't say. By combining operational data such as average spend and frequency of visits with customer feedback from surveys, the contact center, social media and beyond, you can gain valuable insight into what's happening and why.






ADVICE

“As you incorporate more unstructured and unsolicited data sources, a key focus should be on providing insights to users across your organization with access to relevant snippets of video/audio/text that provide them with the depth they need to make decisions.”

BRUCE TEMKIN  
HEAD OF QUALTRICS XM INSTITUTE





“Growing a VoC program is a tough job. Find ways to get your stakeholders onside by making problem-solving collaborative and not just any one-person’s responsibility. Offer solutions and approach customer pains as “problems to solve” not “someone’s fault”. The data matters. The customer voice matters. And they should push us to do things differently when we determine customers are unhappy.”



ELLISE ROBERTS, GOTO  
CX PROJECT MANAGER



# Dive deeper into the trends shaping consumer experience

Prepare for the year ahead with data-driven insight

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# Methodology

The data for this report comes from a global consumer study that Qualtrics XM Institute conducted in the third quarter of 2023. Using an online survey, XM Institute collected data from 28,400 consumers across 26 countries/regions: Argentina, Australia, Brazil, Canada, China, Colombia, Finland, France, Germany, Hong Kong (China), India, Indonesia, Italy, Japan, Mexico, the Netherlands, New Zealand, the Philippines, Singapore, South Korea, Spain, Sweden, Thailand, the United Arab Emirates, the United Kingdom, and the United States. To ensure that the data was reflective of the population within those countries, we set quotas for responses to match the gender, age, and income demographics of each country.