



**SMART**  
COMMUNICATIONS™

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**Smart Communications Study:  
Are Customer Communications  
Getting SMARTer?**

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A Survey of Consumers and Business Leaders Revealing What Matters Most and Why Customer Experience is Key

Customer demands are at an all-time high and still growing. Delivering an exceptional customer experience throughout the entire lifecycle is key to a company's success. And customer communications play a critical role in the overall customer experience. Every communication sent is part of a larger, ongoing conversation with the customer. However, every business reaches a point where that conversation becomes more complicated due to increases in channels, touchpoints, interactions, and disruptions.

To get a better understanding of what matters most to consumers when it comes to the communications they are receiving from financial services, insurance and healthcare companies, and to compare their desires with what companies are currently delivering, for the second year, Smart Communications conducted a survey of US and UK customers of businesses in these industries. In addition, this year, we sought to complete the picture with perspectives from the other side of the mailbox, inbox or telephone and also surveyed business leaders representing the same three sectors. What we found confirmed the critical role meaningful communications play in driving customer preference and loyalty. Our findings also uncovered notable discrepancy between consumer expectations and

what businesses are currently delivering, underscoring the need for enterprises to do more to ensure they are delivering the most personalized and relevant experiences possible.



### Key Finding:

*Now is the time for enterprises to deliver the exceptional experiences that customers expect, or they risk getting left behind.*

## What Matters Most, and Why it's Critical to Deliver

Today, customers are in control. They don't want to be communicated to – they want to communicate with companies and feel they are having a two-way dialogue. They receive a tremendous number of communications and they have strong preferences about what makes some of these stand out as more rewarding than others.

**When asked to identify the elements that were most important to them when determining the value of a communication, the following elements rose to the top:**

- Are easy to understand
- Are relevant
- Are error free
- Are well designed and easy to read
- Considers preferred methods of communication



These elements are not surprising, as the list reflects a strong desire for customers to feel that companies respect their time and their preferences.

What is interesting is that when we asked business leaders which elements their companies were including in their customer communications, while there were many similarities, considering channel preference only ranked 9 out of 11 —with only about half of those surveyed indicating it was a practice they employed.

### **Delivering on customer demands is critical.**

*The survey found that 62% of consumers are likely to switch vendors if their communications expectations are not met. On a more positive note, however, 59% indicated they would share more personal data if the company had demonstrated using that data to make communications more meaningful.*



## **Where do Things Stand Today**

Today, it is safe to assume that every company is somewhere on the path to digital transformation. Some are just starting to think about it seriously, some are in the middle of the process and the early adopters are already starting to reap the benefits while also realizing that it is process that never really ends, it simply evolves.

The study found that 42% of business leaders in financial services, insurance and healthcare industries rated their company's digital transformation efforts as very good or excellent. Given some of the particular challenges these highly regulated industries face, this is a positive finding. It does, however, leave a great deal of room for improvement and indicates a need to make digital transformation smarter.

The good news is that by embracing the need for digital transformation, business leaders have at least recognized that the only way to meet today's consumers' expectations is to deliver a seamless experience across multiple channels and throughout the entire customer lifecycle. This goes a long way in making customers feel valued, which rose to the top when we asked consumers and business leaders about what had the greatest impact on the overall customer experience.



### **So, what does this mean?**

*Stepping up the customer communications game is no longer a nice idea—it is critical for success. And today, moving to the next level means embracing digital transformation efforts and putting the customer front and center while doing so.*



**So, are today's consumers feeling valued?**

When it comes to the current quality of communications, only about half of consumers surveyed rated what they are receiving today as excellent or very good.

**How would you rate the communications from the companies you are a customer of in these industries?**

	Financial Services	Insurance	Healthcare
Excellent	25%	20%	21%
Very Good	29%	28%	29%

**But are business leaders aware of these feelings? And are they doing enough to improve?**

About two-thirds (65%) of business leaders in the US feel their company's communications are

already excellent or very good (compared to a more closely consumer-aligned 56% in the UK). In both countries, executives in healthcare companies had the least positive opinion of the current state of their communications. And while the majority of consumers surveyed feel that communications quality is staying the same—vs. getting better or worse—business leaders are a bit more optimistic, with the biggest gap found in the insurance industry. Fifty-eight percent of insurance business leaders say their company's communications are improving, while only 26% of consumers agree.

No doubt this disparity is due to the two groups using different criteria to evaluate quality. The gap, and the risk that results, indicates that companies need to do a better job soliciting the opinions of their customers and updating their communications strategies accordingly.



**Pick the Right Channels**

One of the most important things a company can do today is recognize that customers want to receive communications in different ways. This is a challenge, indeed, since a communication channel never really goes away, the options just continue to increase. To further complicate matters, not only do businesses need to be prepared for the latest popular new channel but they need to also have a good understanding of how each individual customer wants to be communicated with.

**So, how is this going?**

The majority of consumers surveyed said the companies they do business with are communicating in their preferred methods:

**To what extent do you feel the companies you are a customer of in these industries communicate with you using the method(s) you prefer?**

	Financial Services	Insurance	Healthcare
Always	33%	31%	32%
Almost Always	40%	39%	34%

Interestingly, less than a third (30%) of business leaders say they are distributing based on channel preference at least 80% of the time. It's possible that some of these companies are "accidentally" getting this right based on broader segmentation efforts, or a realization that the world in general is becoming more digital. Or it could be that this is one area in which consumers are still willing to be a bit patient.

**Is the truth somewhere in the middle?**

Our survey revealed the following when it comes to current trends in channel mix:

- Email is the preferred communications channel for consumers in both the US and the UK. However, 66% of business leaders say less than 40% of their communications are being distributed via email.
- Forty-three percent of business leaders say more than 40% of their communications are currently being distributed via print/post.
- Thirty-five percent of business leaders say they are not distributing any communications via SMS/Test/Messaging, however, when it comes to fraud alerts, 2 in 5 consumers want to receive these via text.
- Fifty-three percent of business leaders say they are not yet using voice assistants/chatbots for customer communications.

## Delivering a Better Customer Experience

Not surprisingly, consumers surveyed said that a company “valuing them as a customer” was the most important contributor to a positive customer experience. And the good news is, this ranked very high among business leaders as well. But what exactly does this mean? Perhaps we can gain additional insight from the fact that also ranking high for both consumers and business leaders was: “understanding each customer’s specific needs and interests and providing a consistent experience.” This investment in understanding a customer on an individual level and then delivering based on those findings clearly demonstrates they are valued.

What are some additional actions you can take to ensure customers realize how important they are? Assess your customer communications platforms and strategies. Legacy systems that require extensive effort to update and can’t deliver personalized, multichannel communications at scale can put your customer relationships at risk. And outdated strategies that still rely too heavily on print or assume how someone wants to receive messages based solely on demographics can leave you open to losing customers as well.

So, what can you do? In addition to exploring more modern, cloud-based customer communications platforms that allow for a more consistent experiences throughout the entire lifecycle, here are a few specific tips based on the survey findings:

### 1. Make error reduction a priority.

Receiving communications that are mistake-free is a top priority for consumers. But only around half of the business respondents in our survey were confident they are meeting that criterion. Even minor errors can tarnish brand image and sow doubt in consumers’ minds about the company’s ability to meet their needs. In addition to saving consumer relationships, reducing errors can save money as well.

**Action:** Audit all messaging templates, customer service/support scripts and other content that touches consumers. Review for errors, outdated copy, images or logos and other negative elements. Look for customer communications platforms that integrate with other key systems thus limiting opportunities for errors. Modern systems should also allow for an edit to be made once, and then instantly implemented across multiple templates.



### Claims Processing Integration Avoids Costly Errors

Nautilus Insurance Group wanted to improve the efficiency of its claims processing operation and implemented the Guidewire ClaimsCenter® claims management system. The claims handling process is tightly controlled from a legal perspective and errors could prove very costly. Proven interworking between Guidewire and SmartCOMM™ allowed Nautilus to confidently extend its use to generate all outbound claims handling communication. [Read more about Nautilus’ experience.](#)

### 2. Offer – and honor – consumer preferences for communication channels and content.

Customer communications is not a one-channel-fits-all proposition. Don’t assume and don’t develop a millennial strategy or a mobile strategy. Instead, focus on taking a strategic approach that puts individual preferences front and center. This will go a long way in making your customers feel valued.

**Action:** Ask customers which channels they prefer for the different kinds of messages you send, whether account statements, billing notifications, appointment reminders, fraud/emergency alerts, etc. Because no two consumers will have the same preferences, consider moving to a communications system that empowers you to automate this process and, ideally, integrate systems together in such a way that the customer experience is consistent across multiple channels and allows a conversation to start in one channel and continue in another—with each interaction informed by the previous one.

### 3. Look for ways to make messages more helpful to consumers.

Our research this year revealed an increase in the value consumers place on content that indicates what to do if they need more information. Helping consumers to help themselves not only empowers them and strengthens the bond with the brand but also can reduce the load on customer service centers.

**Action:** Review message templates for opportunities to add helpful content, such as suggesting next steps or where to go to get more information. Contact customer service team members for suggestions and ensure that internal silos are not getting in the way of a consistent, positive customer experience. If someone calls for help, it is critical that the brand representative on the receiving end be well informed of recent issues or previous outreach.

### 4. Avoid complacency in the face of progress.

Overall, our 2019 survey results offer much for enterprises to feel good about. Although consumers are less likely than business leaders to say that communications are getting better, consumers are generally more positive than negative about the quality of those communications. Consumers and businesses also align on the elements that make up a good customer experience with the brand, such as communicating in a way that makes customers feel valued and respected.

These results, however, should not prompt company communicators to think all is well with consumers and communications.

*Our results found that a very small percentage (only **8% of UK consumers** and **12% of U.S. consumers**) say they would never switch from a company because of message quality.*

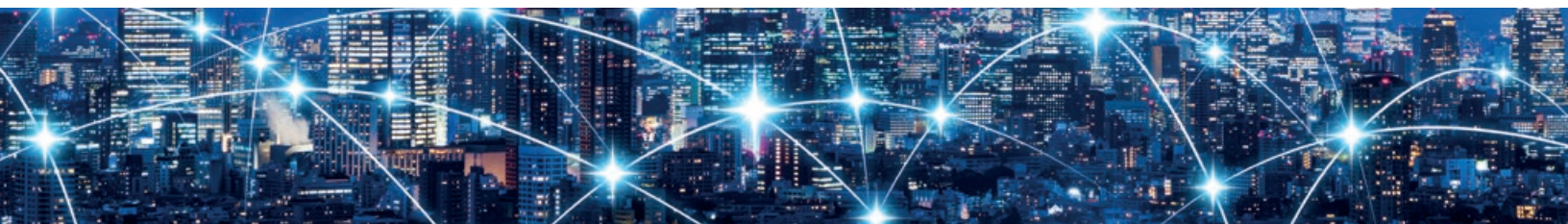
That leaves a very large base of customers who are likely being contacted regularly by the competition, and it's not enough to simply hope they are happy when that call comes.

**Action:** Remember that digital transformation is a continuous evolution, and not a journey with a finish line. Regularly evaluate your customer communications strategies to ensure you are keeping the customer at the center. And evaluate your technology as well, to ensure it is future-proof and capable of staying one step ahead of your company as you blaze new trails toward customer communications perfection.

#### SURVEY METHODOLOGY

Smart Communications commissioned Harris Interactive to survey consumers in the UK and US about communications in financial services, insurance, healthcare. In March-April 2019, Smart Communications targeted fields of nationally representative consumers in both the U.S. (506 respondents) and the UK (525 respondents) who use companies in at least one of the three sectors.

B2B research (227 interviews were completed in the UK and 313 in the US) was conducted within financial, insurance or private healthcare companies with employees at management level or above and who are familiar with the communications their company sends out.



## Connect with Us



Smart Communications™ is the only provider of a cloud-based, next-generation customer communications platform. More than 500 global brands rely on Smart Communications to deliver meaningful customer communications across the entire lifecycle—empowering them to succeed in today's digital-focused, customer-driven world while also simplifying processes and operating more efficiently. This is what it means to scale the conversation. Smart Communications is headquartered in the UK and serves its customers from offices located across North America, Europe, and Asia Pacific. The company offers a range of solutions including SmartCOMM™, SmartCOMM™ for Salesforce and SmartDX™. In July 2019, the company acquired global digital transformation software company, Intelledox to further enhance its leadership in customer experience-driven communications. To learn more, visit [smartcommunications.com](http://smartcommunications.com).