



twimbit

Uncover 2023

State of CX 2023

Are you ready for the consumers of tomorrow?

3 facets driving customer experience success in 2023

1

Recap: Top 2022 consumer trends

- Social searching on the rise
- It's the customer's world (and we are just living in it)
- Securely personalising to win customers' hearts
- We are starting to define how the metaverse will look like
- Conversational AI supercharged by ChatGPT

2

CX priorities and companies shaping our future

- Orchestrating a purpose-driven CX
- Winning in the digital age
- Unlocking the value of data with AI and analytics
- Reimagining customer journeys and touchpoints
- Experiential stores: the future of retail
- Building a future-ready workforce

3

Partners for CX success: vendors and BPOs

- Strong revenue growth in 2022
- Acquisitions help create value
- Growth fuelled by geographical expansion
- Venturing into the metaverse

Uncover 2023

Recap Top 2022 consumer trends



#1 Social searching on the rise

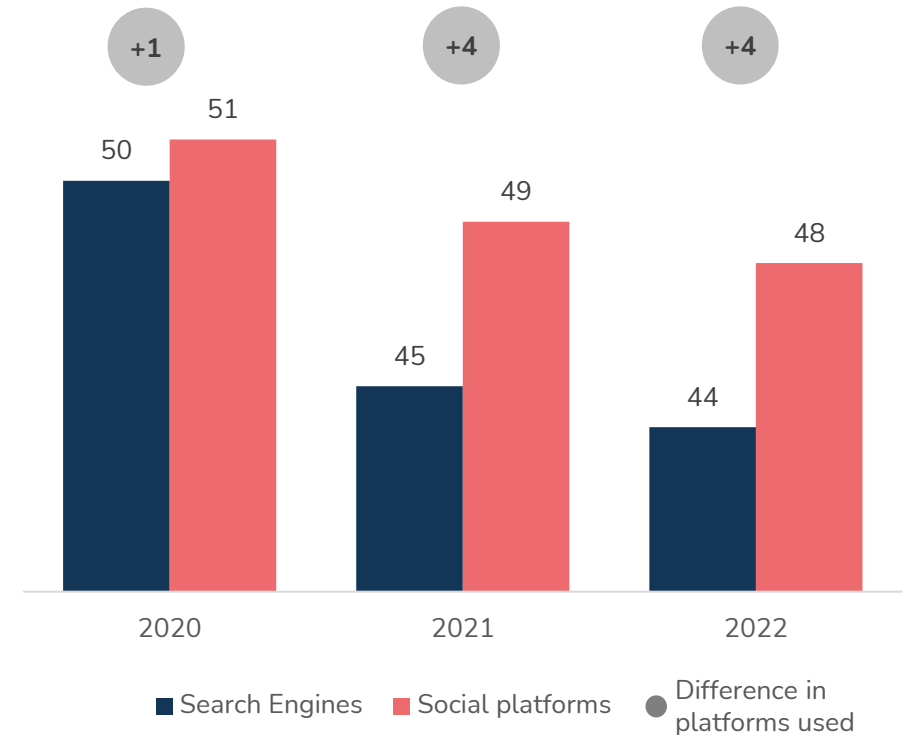
Search habits are changing, with the traditional “just Google it” approach being replaced by the discovery page or FYP (For You Page) on social media platforms. This trend is particularly common among Gen Zs (born between 1997-2006), who often prefer to jump straight to social media, particularly Instagram and TikTok, to find new content, products, brands, and information.

40%

Young people that use social media to search for lunch places (instead of Google Maps/Search)

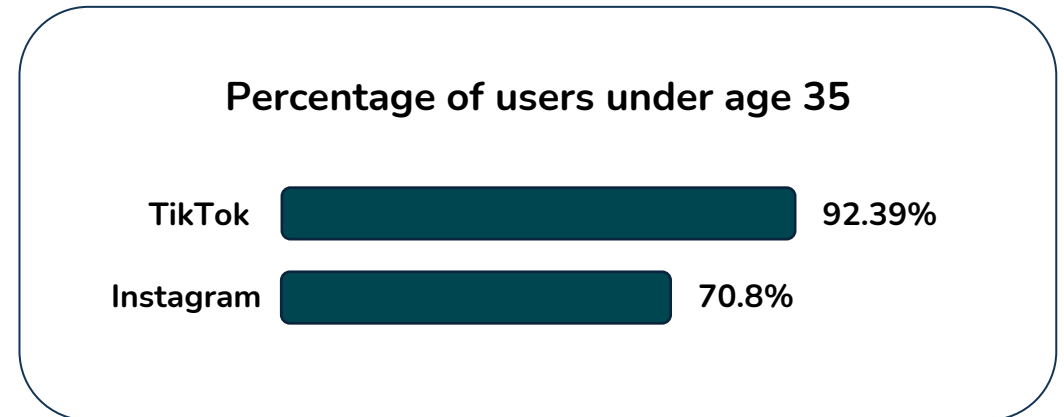
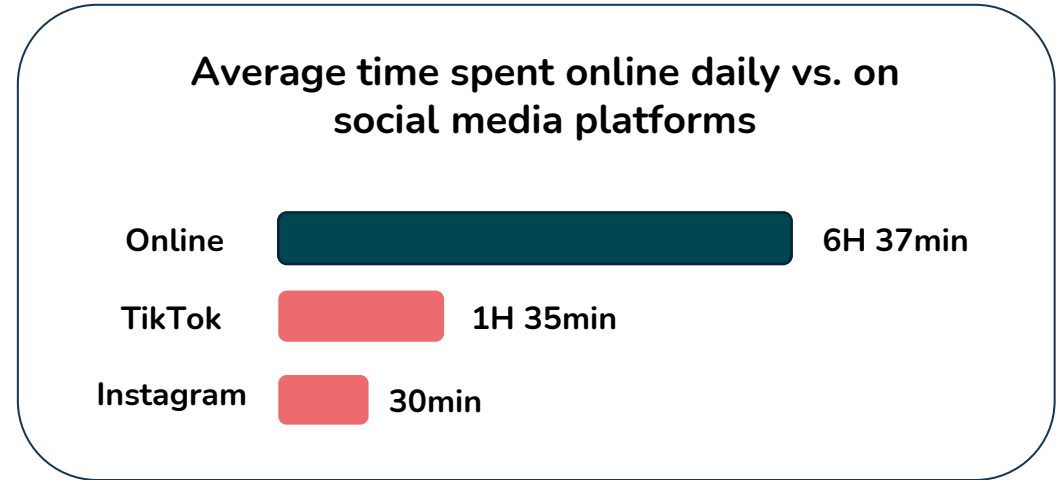
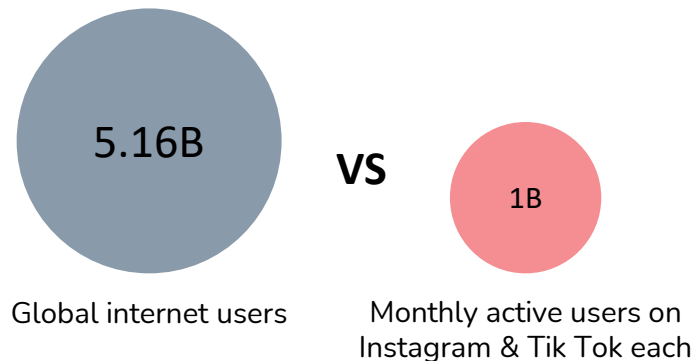
- Prabhakar Raghavan, Google Senior Vice President

Platforms used by Gen Z to discover new products & brands in %



Almost 20% of global internet users are active on Instagram or TikTok monthly. And out of the average daily time spent online, users are spending 21% of their time on Tik Tok and another 5% on Instagram.

Not only that, the majority of Tik Tok and Instagram users are under the age of 35, indicating that social searching will most likely dominate how products are discovered in the future. That said, business leaders need to consider their social media strategies to attract and keep consumers loyal and a fan of your brand.

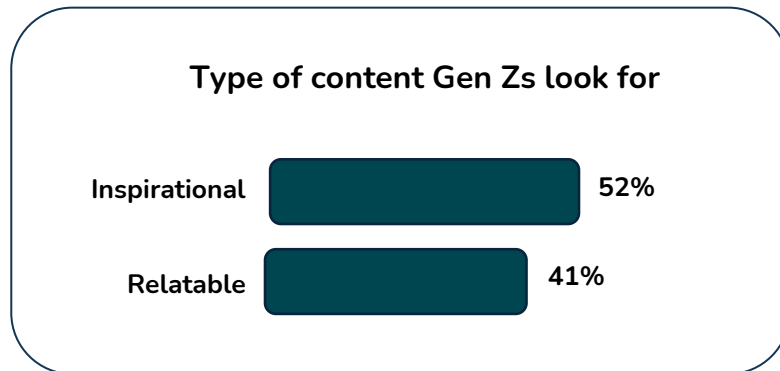


#2 It's the customer's world (and we are just living in it)

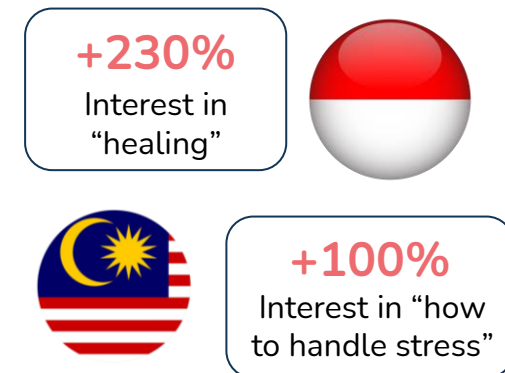
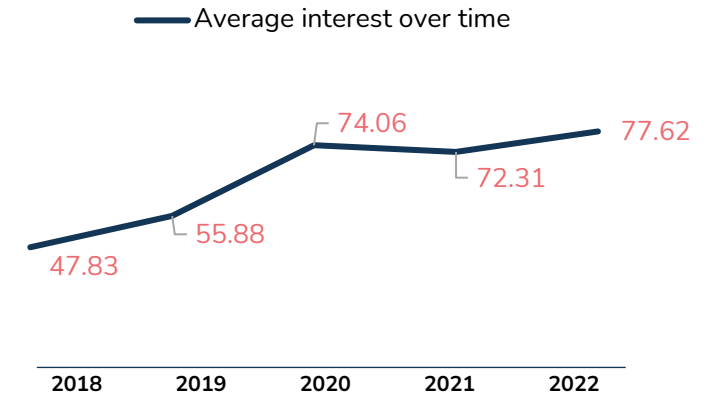
"Me First: Self-care and personal growth takes centre stage"

2022 was a year of customers putting themselves first. This was not an overnight trend. The attention to wellbeing has been building up slowly, with Google showing interest in self-care steadily rising in the last 5 years.

This phenomenon is also reflected in Gen Z's search patterns where they gravitate towards content that inspires and are relatable to their situation.



Global average interest in "Self Care" as a search term



“Saving for a rainy day: Consumer financial decisions grow cautious”

Consumers are feeling the economic shocks and will be more careful with their spending. Globally, 61% of consumers across generations show deep concern regarding their finances, with millennials being the biggest worriers.

To combat money concerns, customers worldwide have plans to increase saving habits. They will be looking to save on “nice to have” spendings while re-allocating their financial resources for more “essential” items.



Consumers intent to spend more on

1. Utilities
2. Grocery and household items
3. Transportation



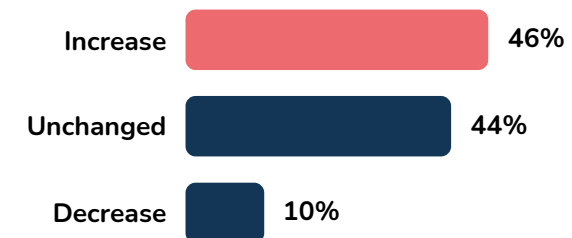
Consumers intent to save more on

1. Out of home dining
2. Out of home entertainment
3. Clothing/apparel

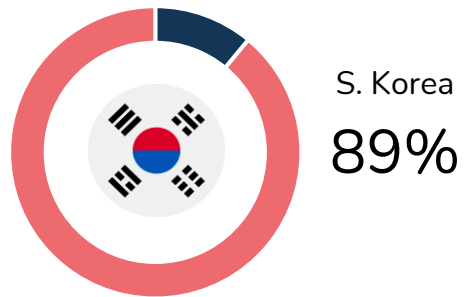
Consumers who are extremely concern about their personal financial situation



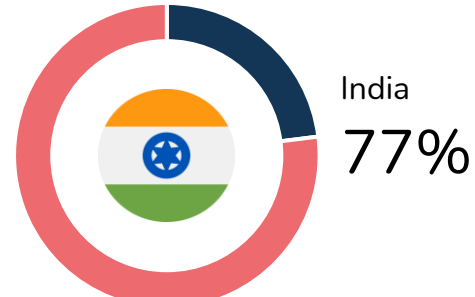
Consumers' intentions to save money in 2022 & 2023



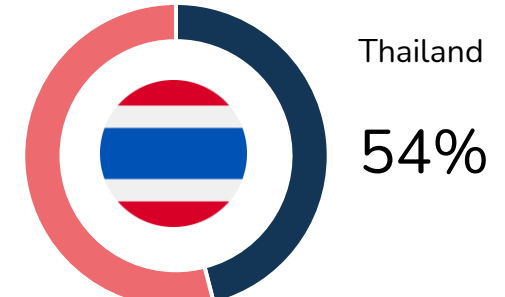
APAC countries with citizens who feel that they are currently in a recession



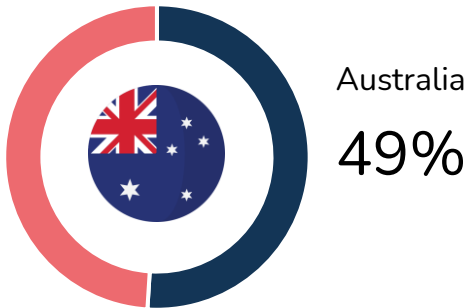
S. Korea
89%



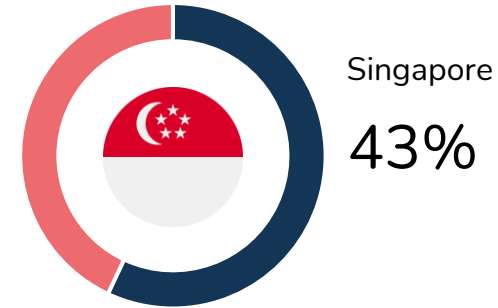
India
77%



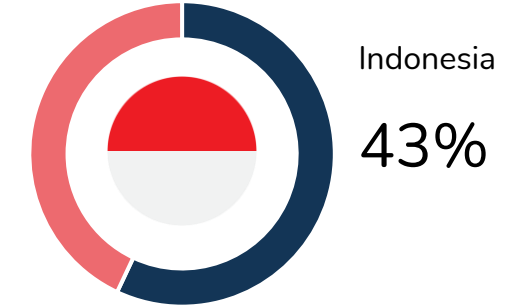
Thailand
54%



Australia
49%



Singapore
43%



Indonesia
43%

#3 Securely personalising to win customers' hearts

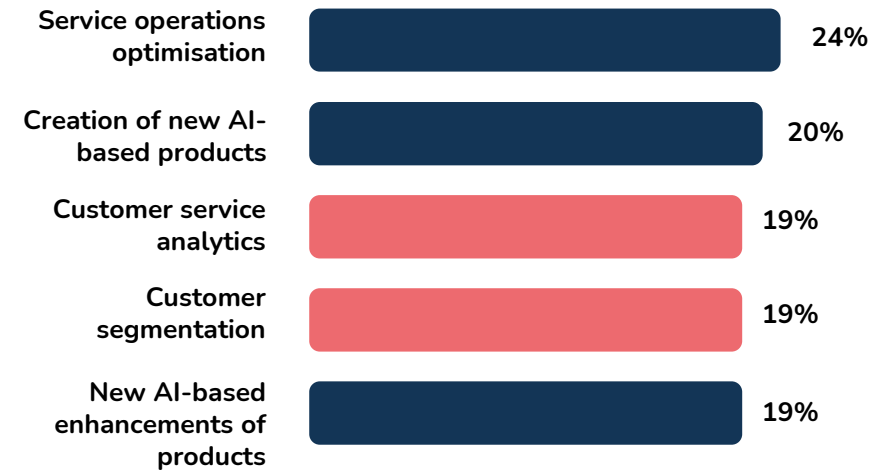
Customers are focusing on essential needs and have less attention for products that don't match their context. There is no better timing than now for companies to perfect hyper-personalised offerings. In fact, understanding and segmenting customers is part of the top 5 common AI use cases.

However, many businesses lack the confidence and methods to personalise accurately. And in the midst of a worldwide data ethics uproar, this will only get trickier as we slowly enter a cookie-less world.

50%

Of companies will focus on providing tailored / personalised marketing and recommendations in 2023

Top 5 global AI use cases

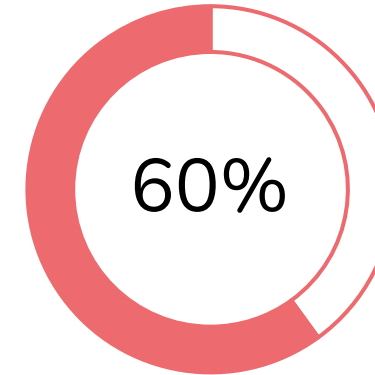


40%

Of companies find getting accurate customer data challenging

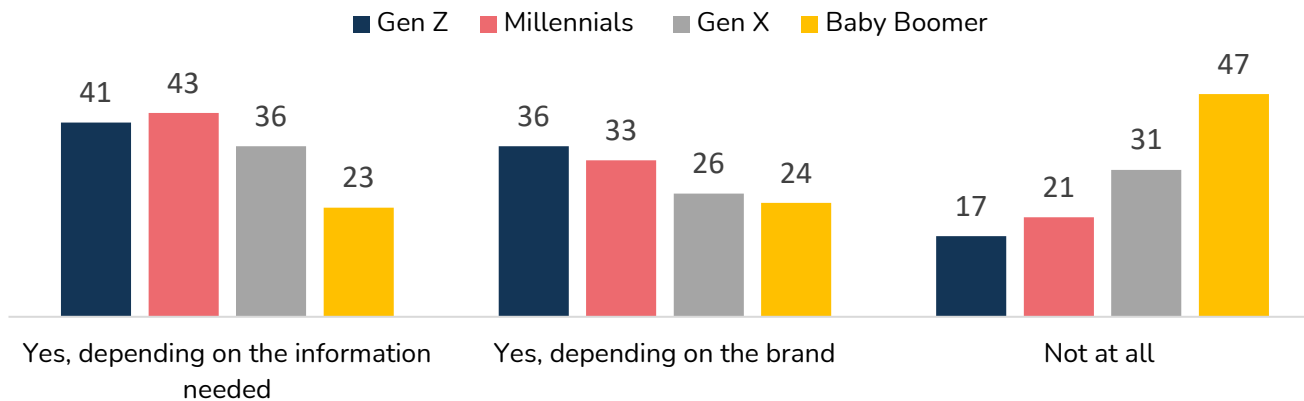
Good news – Gen Zs and millennials are generally willing to share their data in exchange for personalised experiences, compared to older generations. However, these companies do need to earn their customers’ trust. Especially when it comes to data – the matter is extremely sensitive.

That said, majority of companies globally understand the pertinence of data security and have made plans to improve cybersecurity.

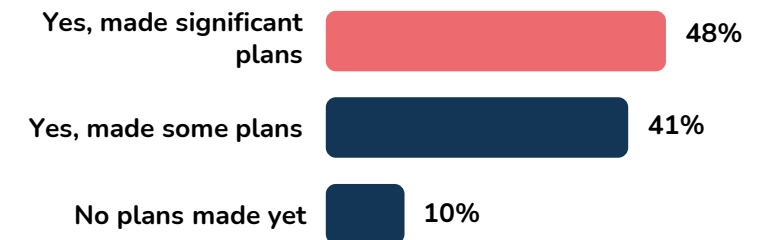


Of customers states transparency as brands’ most important, when compared to other traits

Percentage of consumers willing to share personal information for better experiences



Is cybersecurity a priority for your company?



#4 We are starting to define how the metaverse will look like, but more has to be done

In 2022, brands took a huge leap. They experimented with creating authentic experiences in the metaverse by setting up virtual lounges and platforms for people to gather. With that, companies have laid the foundation for building an immersive and extended environment.

However, the space is still far from mature – the lack of advanced personal technology hardware being one of the obstacles tech companies must overcome. With Meta’s Reality Labs division losing \$13.7 billion in 2022, the outlook for an internet in 3D is not optimistic. That said, the hype around metaverse has also died down – consumer interest peaked at the beginning of the year but has since declined drastically.

>2x investment

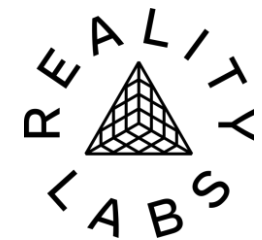
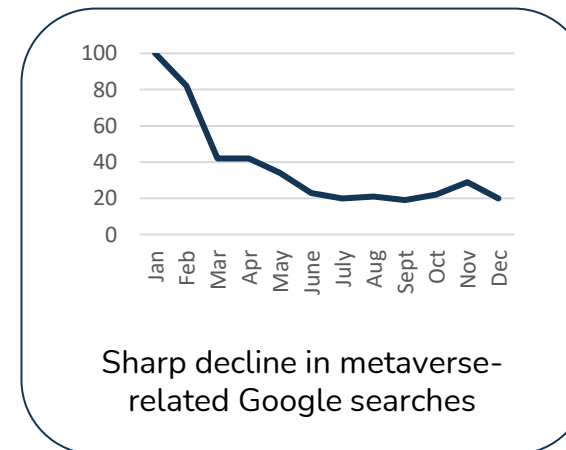
in metaverse as compared to 2021, amounting to

>\$120 billion



60 billion

Messages sent daily on Roblox, the leading gaming platform on metaverse



\$13.7 billion

Lost by Meta’s Reality Labs

Examples of virtual spaces on the metaverse

Telco



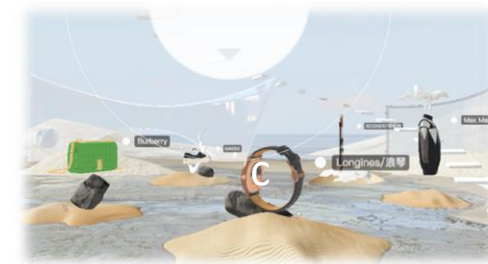
SK Telecom: Ifland

Finance



HSBC: The Summaverse

Fashion



Tmall: 3D shopping experience

Social network



Xtuallyfe: Singapore's national day parade

Public transport



Virtual Nagoya Station

Government



Metaverse Seoul

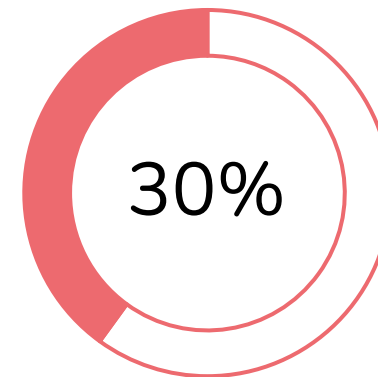
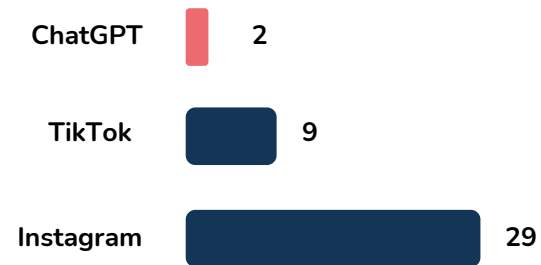
#5 Conversational AI supercharged by ChatGPT

ChatGPT achieved 100 million monthly active users just two months after its launch. It is now one of the fastest growing platforms in the world.

Users are attracted to its ability to contextualise and orchestrate intelligent conversations. And they are using it for different purposes – from text summarising, answering complex questions, marketing and social media copywriting, to text translation and code debugging.

This innovative chatbot with close-to-human conversational capabilities has sparked discussion around future possibilities. The industry believes that the generative AI technology can help enhance multiple processes – one of them being customer service. When combined with human skills, they help free up agents' workload, allowing jobs to be done faster and better.

Months taken for platforms to reach 100 million users



Of outbound marketing messages by large organisations will be generated synthetically by 2025

Uncover 2023

CX priorities and companies shaping our future



#1 Orchestrating a purpose-driven CX

How can your brand serve a greater purpose?

Now more than ever, consumers have visibility to social issues and are empowered with tools to voice their opinions

With that, brands need to take proactive actions to **align with customers' values**, be it sustainability, diversity or fair labour practices. Making good products alone is no longer sufficient – brands need to **incorporate a bigger purpose** into their day-to-day business operations and invite consumers to contribute to the same. It is also critical for brands to **stay true to themselves, be honest and transparent** with their customers throughout the whole process.



Sustainable practices for a better tomorrow

With consumers willing to invest their time and money to support companies that do good, it is essential for brands to embed purpose into their products or services.



Building meaningful communities

By creating an avenue for customers with the same interests to gather, brands can create fans who are obsessed with their products.



Fostering brand authenticity

Brands need to practice what they preach, be transparent and consistent to attract loyal customers.

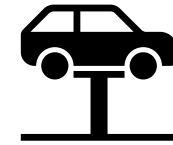
Sustainable practices for a better tomorrow



- Building the “Woven City” to explore and test out clean energy alternatives and smart city technologies
- Ultimately accommodating 2,000 residents within the 175-acre site
- Allows only fully-autonomous and zero-emission vehicles to be driven in the area



- Toyota Global 100 Dismantlers Project to ensure end-of-life vehicles are disposed responsibly
- Established two dismantle facilities in India in FY2022 in response to the government’s old-car replacement policy
- Cars achieved >85% recyclability rate



Outcomes

↓ 18%
Carbon dioxide emission*

↓ 11%
Global water usage per vehicle*

By 2050
Achieve carbon neutrality

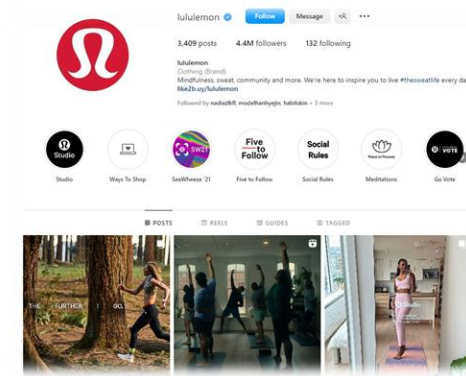
*As compared to 2013

Building meaningful communities



Connect

- Lululemon collaborates with local “Ambassadors” who are athletes, trainers, influencers, artists, chefs or studio owners
- Ambassadors connect the brand with communities and motivate them “to get sweaty” and active



Grow

4.3 million

Followers on Instagram

#thesweatlife

>1.5 million posts of users on their fitness and wellness journey on Instagram



Sweat

Asia-wide “Be You Be Well” festival

- Hour-long wellness classes at Hong Kong’s M+ museum
- Mindful yoga, crystal bowl meditation and barre sessions took place June – July 2022



Fostering brand authenticity



Khairul Aming



- Sambal Nyet, the spicy and fragrant chilli paste by influencer Khairul Aming took the Malaysian online community by storm
- 10,000 bottles sold out within 3 minutes
- From 8 staff producing 200 bottles a day to now a team of 50 staff and 2 factories
- Documented his journey in making the “Sambal Nyet” recipe
- Perceived as a down-to-earth online personality with his honesty and sense of humor

> \$USD 4.8 million
in sales

>1 million
bottles sold

3.5 million
followers

#2 Winning in the digital age

How to measure digital experiences holistically?

Many brands have a digital presence – on social media, websites, mobile applications and more. However, with disparate systems and a lack of visibility to customer interaction, not all are able to excel in assessing and refining their digital experiences.

At twimbit, we believe there are 3 core measures of digital success –



Digital engagement value

Evaluates how engaged one is towards the brand – ensuring customers' time is well spent.



Digital efficiency value

Evaluates how easy products or processes are – ultimately helping customers save time and effort.



Digital ecosystem value

Measures the value generated by offering interconnected services that address different customer needs across life journeys

Digital engagement



Livestreaming

- Real-time interaction encourages a strong recurring relationship between hosts and viewers
- >300 million consumers watched livestreaming sessions on Taobao Live during Singles' Day 2022
- 62 livestreaming channels surpassed \$14.1 million in GMV, 600+ exceeded \$1.4 million in GMV



Gamification

- Tmall introduced the “Meow Tree challenge” during its 11.11 festival 2022.
- The challenge requires teams to grow their trees by inviting new members to the team. The one that grows the tree the tallest wins a reward.



Gen Z-focused communities

- Released social commerce app “Taibang” with a visual appealing layout
- Helps consumers discover and purchase products on the same app
- Outfit recommendations and inspirations with embedded purchase links
- Chat feature to connect with brand managers and fellow users

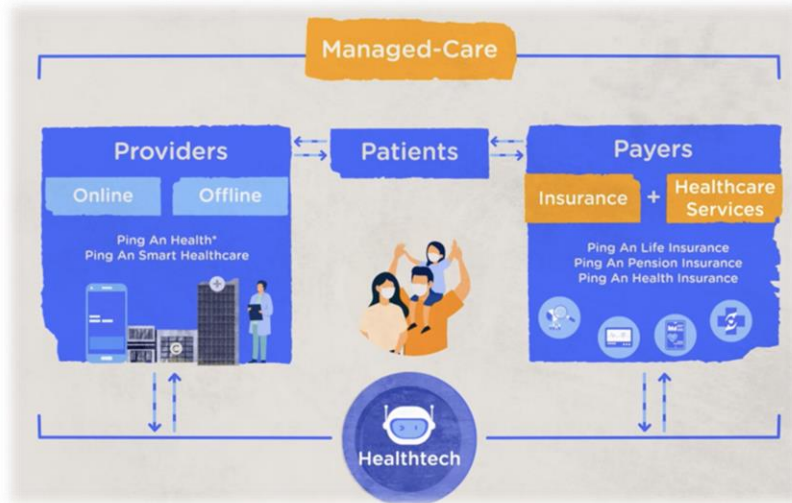
Digital efficiency



- Account opening process takes only 7 steps under 7 minutes, with intuitive guides
- 20 million users and the #1 mobile banking app in Korea

- Mortgage application process made easy with AI chatbots
- Utilized information provided to generate expected interest rates and maximum borrowing amount in <3 minutes
- \$19 billion loans provided since inception, 16% YOY growth

Digital ecosystem



Example of insurance + service for middle class customers:

On the basis of Le Xiang RUN



- Specialists:** 40,000+ in-house and external doctors, covering nine departments
- Hospital visit arrangement:** Arrangement of outpatient and inpatient services at 1,500+ 3A hospitals
- Home delivery of medicines:** delivery within 1 hour in 140 cities
- Critical illness management:** Second opinions and hospitalization assistance from the world's top 100 medical institutions

Ping An's managed care model: Insurance + health management all-in-one

- Recently launched a three-tier product embedding **health management services into insurance** offering
- Catered to the young, retired and old age segments
- Allows access to in-house doctors/specialists, remote diagnosis, hospital visit arrangements, home delivery of machines, critical illness management, high-end rehabilitation etc

Outcomes

- 30% of Ping An Life's new customers acquired through healthcare services
- 63% of Ping An's 227 million retail customers utilized services from its healthcare ecosystem

#3 Unlocking the value of data with AI and analytics

What do consumers of tomorrow demand for?

Customers demand effortless interactions and will only support brands that provide such experiences.

Hence, companies should embrace AI. The technology frees employees and agents from repetitive processes. It also helps to process complex customer data and provides personalised recommendations at the right time.

Here are some use cases of AI:



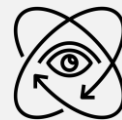
Robotic Process Automation (RPA)

Automates manual and repetitive tasks without human intervention. Improves customer satisfaction by reducing the possibility of human error.



Natural language processing (NLP)

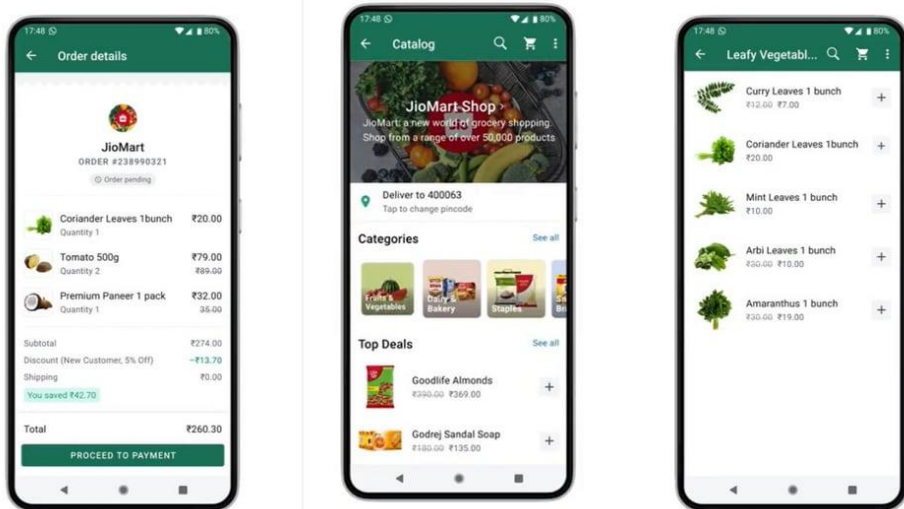
Allows customers to have natural conversations with chatbots and resolve simple queries anytime, anywhere.



Computer vision

Extracts and understands data from images and videos, enabling seamless transactions like self check-out at counters and insurance claims submission with pictures.

Do your grocery shopping on chat



- End-to-end grocery shopping experience from browsing items, adding to cart and making payments on WhatsApp
- Chat-based search helps customers better navigate and personalizes suggestion based on location

Outcomes

- WhatsApp now handles 40% of customer support
- Average customer spend increased by 20% in 3 months
- Achieved 733% growth in revenue

Make your money work for you with smart insights

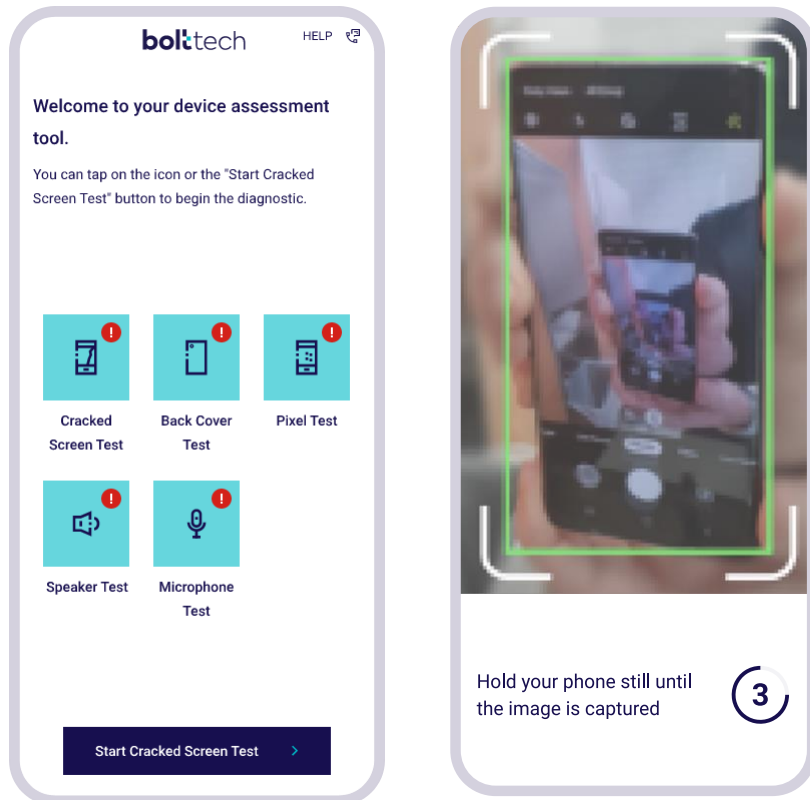


- Offers personalized advices and automates savings based on consumer spending patterns
- Analyses financial transactions and automatically transfers safe-to-save money to high-interest saving accounts
- Flexibility to opt-in or opt-out the autosave feature anytime

Outcomes

- Delivered 150 million personalized insights to customers in Indonesia, Malaysia, Singapore, and Thailand
- Achieved an average 30% Y-o-Y growth of mobile login users

Get protected with just a few clicks



Top insure-tech company offers intuitive coverages for mobile and smart home devices:

- i) By taking pictures of mobile devices, remote diagnostic tool assesses microphone and screen conditions at 95% accuracy
- ii) “Home Protec” coverage automatically detects smart home devices connected to Wi-Fi and provides instant protection offerings

Outcomes

- Operating in 30 markets in collaboration with >800 partners
- \$50 billion quoted premiums annually

#4 Reimagining customer journeys

Consumer behaviour has fundamentally changed – they no longer stay loyal to one brand due to economic pressures and changing needs. To combat the shifting consumer preferences, brands need to meet customers wherever they are. They should deliver consistent experiences through both brick-and-mortar stores and digital channels such as emails, social media, webchats, and applications.

Not only that, they should also go that extra mile to meet their customers where they are. This could mean coming up with creative approaches to interact with customers, or even to set up interaction platforms easily accessible to all - in the metaverse.



Transforming customers into partners, making insurance more accessible



PasarPôlis

- Converts customers (ride-hailing drivers, stay-at-home mums, furloughed employees) into partners to distribute and sell insurance policies
- Face-to-face distribution equipped with a simple and digital model helps the insurer penetrate remote and underprivileged areas

35 million

Customers (2015 – to date)

90%

Customers are insured
for the first time

Meeting your customers in the metaverse



- “Hyundai Mobility Adventure” is a virtual space on Roblox aimed at nurturing long term brand-customer relationship
- In their own avatars, users get to experience future mobility solutions, play games and role-play to complete different tasks



- Siam Commercial Bank’s subsidiary SCB 10X set up its headquarters in Sandbox
- Engage with communities globally, exchange ideas and facilitate product demonstrations
- A platform to promote local artists and showcase their talent

#5 Experiential stores: the future of retail

Physical stores are still eminently relevant. Despite the proliferation of e-commerce platforms, customers nowadays still enjoy shopping through brick-and-mortar stores. Leveraging the advantage of physical visitors, companies should stage their stores as experience platforms and elevate their storefronts to serve a greater purpose.

Brands should provide customers with an avenue to interact deeper with their employees and other consumers. When done right, stores have the power to provide an other-worldly experience with immersive installations and futuristic technology. And these experiential stores will also do great in fostering communities that are advocates and fans of the brands.



Redefining eyewear with immersive experiences



GENTLE MONSTER

- Stores with avant-garde designs mimic art museums
- Unique themes for different stores: Secret Apartment, The Artisan, and Home and Recovery
- Store display changes every 21 days
- “Jentle Garden” campaign with Jennie from Blackpink received great response
 - i) Instagram post received ~7.5 million likes
 - ii) Mobile game recorded 400,000 downloads on the first day of release

1 million
Followers on Instagram

>40 stores
globally

Where culture and technology coincides



honor

- Honor Life Store located on a historic pedestrian street attracts consumers to feel and experience their products
- Miniature gym space allows visitors to try out smart fitness watches, running headphones, intelligent treadmills, IoT air fans and massage devices
- Home multimedia space and smart office zone offering similar experiences
- Customers get to witness the whole product service process, instilling brand trust

>70%
Total sales are from
offline channels

30,000 offline locations
globally

#6 Building a future-ready workforce

Great employee experience leads to great customer experience – we all know that. But how can companies create a positive workplace culture that fosters innovation, productivity and a constant strive for excellent customer service?

To begin with, companies need to craft a clear and compelling purpose – this will help employees find meaning in their work, feel engaged and motivated. It is also essential for brands to equip their workforce with the right skills so that they are empowered to deliver the best service to customers.

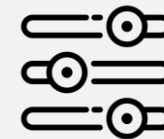
Moreover, employers should prioritise flexibility to help employees achieve work-life balance. The need for flexibility differs individually, and companies need to come out with policies that can accommodate these diverging needs.



Instilling purpose
at work

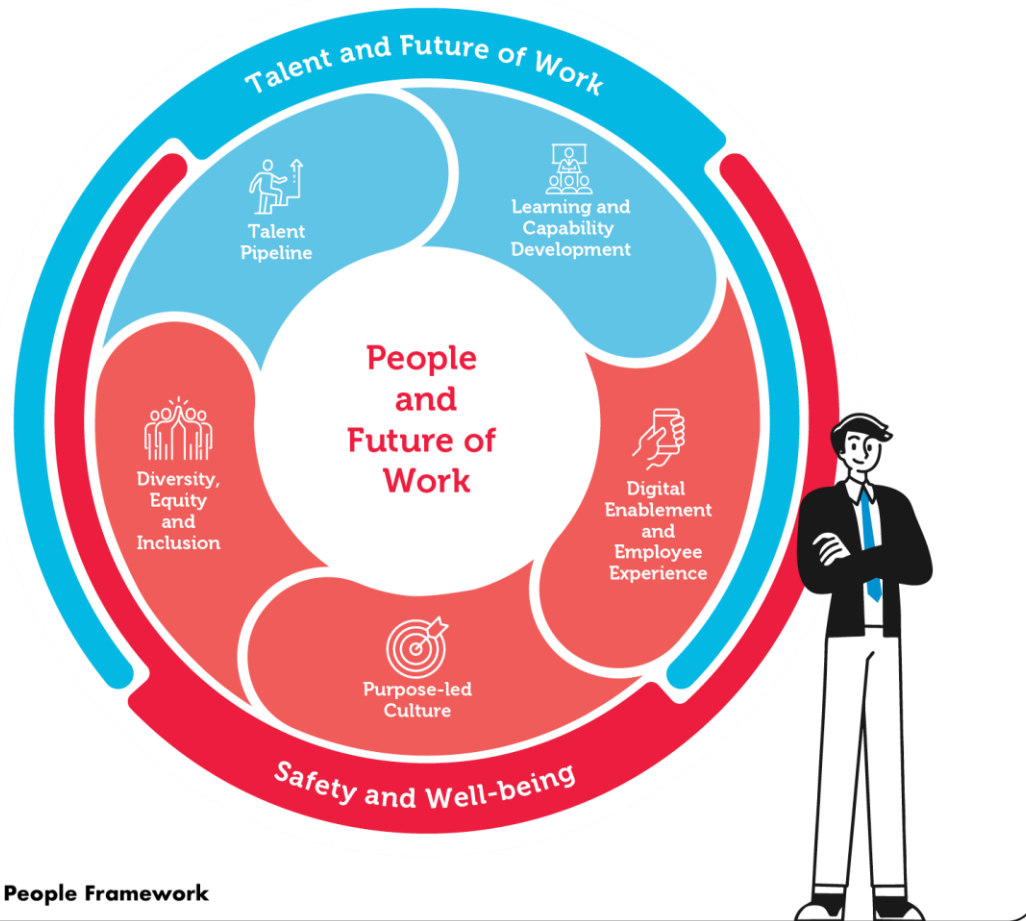


The pursuit of
knowledge and
development



Flexibility as
the priority

Instilling purpose at work



Singtel Group People Framework

- “Empower Every Generation” as new purpose statement
- Aspires to help open up opportunities and create a more sustainable and inclusive world with 5G
- Employees empowered with tools and skills to help improve lives of their customers
- NCS Dojo: Singtel’s immersive learning platform to help employees achieve personal growth
- Singtel Group Learning Fiesta: annual event to learn from well-known speakers, business showcases and short courses
- Optus U: micro-credential program in partnership with universities to equip employees with future skills

82%

Employees felt strongly supported by the organization

\$14.2 million

Spent on training for employees in Singapore and Australia

Prioritising workplace agility to play as a team



- “**TEAM Anywhere**” flexible work model
- Enables 5,700 staff to work from any location within countries it operates in
- Adopted “**agile pod structures**” for teams
- Employees from different disciplines work on the same project at the same time to eliminate bottlenecks
- Pod work is the priority while other projects will have to fit in around it
- “**Shipt**”: quarterly 24-hour hackathon where ad-hoc teams brainstorm and push for innovation
- Employees drop day-to-day work to evaluate and solve issues

300
Employees moved to a new country

98%
Employees say it is a great place to work

Uncover 2023

Partners for CX success: Vendors and BPOs



Vendors and BPOs as catalysts of growth



Strong revenue growth



Acquisitions help create value



Growth fuelled by geographical expansion



Venturing into the metaverse

#1 Top CX solution providers see strong revenue growth in 2022

Vendors	2022 revenue (USD, millions)	2021 revenue (USD, millions)	Year-over-year growth
8x8*	741	638	16%
Five9	776	610	27%
Freshworks	498	371	34%
NICE*	1760	1558	13%
Twilio	3,830	2840	35%
Verint	945	881	7%
Total	8550	6898	24%

*Indicates projected 2022 revenue for vendors yet to release their annual revenues.

#2 Acquisitions to extend offerings



- Zendesk was acquired by an investor group led by Hellman & Friedman and Permira for \$10.2 billion
- Zendesk will operate as a privately held company

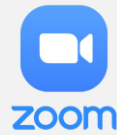


- Acquired Solvvy, a leader in conversational AI and automation
- To accelerate Zoom's contact centre growth by boosting personalisation



- Acquired Boku Identity, an outstanding identity and authentication provider
- Aims to leverage Boku Identity's strengths to enhance the security offerings of the platform

#3 Top technology platforms joining the contact centre realm



- Launched Zoom Contact Centre optimized for video
- Video capabilities empowers agent to provide video calls for personalized services



- Microsoft Digital Contact Centre Platform
- Integrates UC&C, contact centre channels, AI and analytics all in one place



- Google CC AI platform
- Combined conversational capabilities with a CCaaS engine in collaboration with UJET



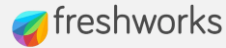
- Salesforce Contact Centre Genie
- Positions its solution as an easy and affordable package to transform contact centre instantaneously

#4 Solution providers continue exploring new areas

Geographically



- Entering Canada
- Targeting the public sector, healthcare and life sciences, financial services and retail industries



- Planning to expand in Southeast Asia
- Targeting the Philippines as the key market to establish presence



- Established data centres in Frankfurt and Amsterdam
- Expand international influence while fulfilling data residency needs

Metaverse



- Staged NICE's interaction Live on metaverse
- 25,000 attendees from >2,000 companies and 30 countries attended the session



- Working with Avanza Solutions to help companies better decide their expansion in Dubai on metaverse

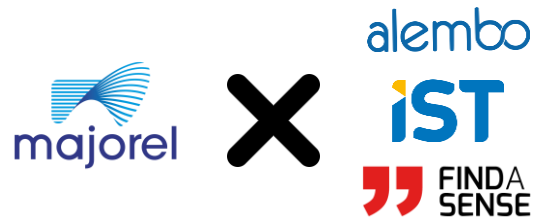
#1 Leading BPOs report stable growth, seeing increasing demand in outsourcing services

BPOs	2022 revenue (USD, millions)	2021 revenue (USD, millions)	Year-over-year growth
Concentrix	6,325	5,587	13%
Genpact	4,371	4,022	9%
Majorel*	2,134	1,869	14%
Taskus*	950	761	25%
TDCX*	499	411	21%
Teleperformance	8,700	7,594	13%
TELUS International	2,468	2,190	12 %
TTEC*	2,414	2,270	6%
Total	27,861	24,704	13%

*Indicates projected 2022 revenue for BPOs yet to release their annual revenues.

** Revenues of Majorel and Teleperformance are converted from euros at €1 = \$1.07.

#2 Acquisitions to expand digital capabilities (1)



- IST networks: CX technology services provider headquartered in Egypt
- Findasense: CX design and consulting company to help further expand Majorel's Tech and Expert services line of business
- Alembo: BPO company from Suriname catering to Dutch-speaking markets



- Acquired heloo, an outsource provider specializing in digital solutions
- An expert in the e-commerce and gaming industries



- Acquired Service Source, an international B2B digital sales leader
- To broaden its service offerings and address growing client demand

#2 Acquisitions to expand digital capabilities (2)



- Acquired PSG Global Solution, a leader in digital recruitment process outsourcing at \$300 million
- Strengthens Teleperformance's positioning in the US healthcare vertical and digital recruitment practices



- Welcomed 500 employees from H&M Nuremberg customer service centre to continue delivering exceptional service



- Acquired full-service digital product provider WillowTree for \$1.23 billion
- Included 50 new brands from Willow Tree to diversity Telus International's portfolio
- Added two new delivery countries

#3 Increasing geographical influence and broadening horizons



- Set up new global delivery centres in South Africa and Columbia



- Set up its fourth site in India in Navi Mumbai to support its growing operations in the country



- Entered Turkey to serve the growing Middle East market



- Added 20 new sites, 7,000 workstations across Europe, Africa, the U.S., Peru and India



- Opened its newest site in Mexico and has more plans expanding within the country



- Entered Ghana, Greece, North Macedonia, Suriname, Turkey, Japan, Lithuania, South Korea and Thailand

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Insights



Immersions



Challenges

How can we help?

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