



FIFTH EDITION

State of the Connected Customer

Insights from nearly 17,000 consumers and business buyers on the new customer engagement landscape



What You'll Find in This Report

For the fifth edition of the **State of the Connected Customer** report, Salesforce Research surveyed 13,020 consumers and 3,916 business buyers worldwide to discover:

- The evolution of trust and loyalty in customer-brand relationships
- How customers balance their expectations for personalization versus privacy
- What the digital-first customer experience looks like across the customer lifecycle

Due to rounding, not all percentage totals in this report sum to 100%. All comparison calculations are made from total numbers (not rounded numbers).

Data in this report is from a double-blind survey conducted from December 8, 2021, through February 1, 2022. Respondents represent 29 countries across six continents. All respondents are third-party panelists. For further survey demographics, see [page 25](#).



13,020 consumers
surveyed worldwide

3,916 business buyers
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Executive Summary

The norms of commerce, work, and everyday life have been turned upside down, prompting customers and brands to reestablish how they connect.

Customer experience is now decidedly digital-first – but however they choose to engage, customers expect flexibility and a thoughtful, personal touch. Empowered by choice and increasing control over their personal data, trust is their beacon.

01 A Trust-Based Economy Moves to the Forefront

As customers navigate a rapidly changing world, questions of trust, values, and integrity are coming to the fore. **Eighty-eight percent of customers believe trust becomes more important in times of change.**

02 Digital Acceleration Sparks Demand for Personalization at Scale

Digital channels continue to dominate customer engagement, but as public health restrictions ease, it will be important for organizations to bridge new ways of engagement with tried-and-true ones. **Seventy-three percent of customers expect companies to understand their unique needs and expectations.**

03 New Realities Test Brand Loyalties

As consumers' priorities and behaviors shift, established brand loyalties are undergoing tests of strength. **Seventy-one percent of consumers have switched brands at least once in the last year.**

04 Digital-First Experiences Expand to Meet the Moment

While open questions remain, the long-term effects of COVID-19 on the customer experience are coming into sharper focus, with impacts across the full customer lifecycle. **Sixty-eight percent of customers have purchased products in new ways over the past two years.**



01

A Trust-Based Economy Moves to the Forefront

From a global pandemic to climate change and beyond, the transformative events of recent years have had an immense impact on customers' lives. With long-established norms a distant memory, customers are searching for firm footing grounded in trust.

88% of customers believe trust becomes more important in times of change.

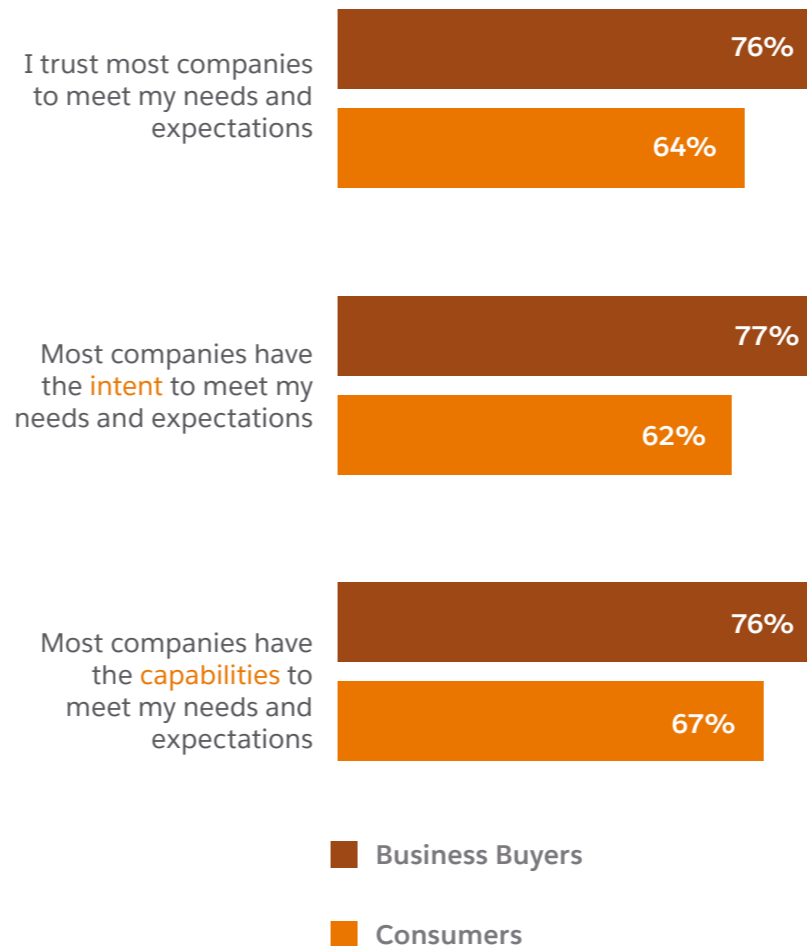
Research from Edelman points to business as a “stabilizing force,” while institutions like government and media are eyed with increasing suspicion.* Given their inherent opt-in nature, transactions are at risk without a baseline of confidence that customers will receive value.

Fortunately, most customers feel they can rely on businesses to meet their needs, though there’s room for improvement, especially among consumers.

* “Edelman Trust Barometer,” January 2022.

Amid Uncertainty, Trust Is a Valued Commodity

Customers Who Agree with the Following



A Trust-Based Economy Moves to the Forefront

While it may sound simple, being truthful and open is the top way organizations can build trust. A track record of routine honesty is the foundation upon which brands build trusted customer relationships.

74% of customers say communicating honestly and transparently is more important now than before the pandemic.

Trust comes from being treated thoughtfully, not lost in an anonymous system. **Sixty-two percent of customers feel an emotional connection to the brands they buy from most.** Interactions that feel impersonal – like receiving irrelevant offers or waiting on hold – run the risk of alienating customers and damaging hard-won relationships.

Business buyers, meanwhile, point to responsible use of data as key to building confidence. As conversations and transactions go virtual, it's critical to these customers that partners effectively safeguard against data misuse.

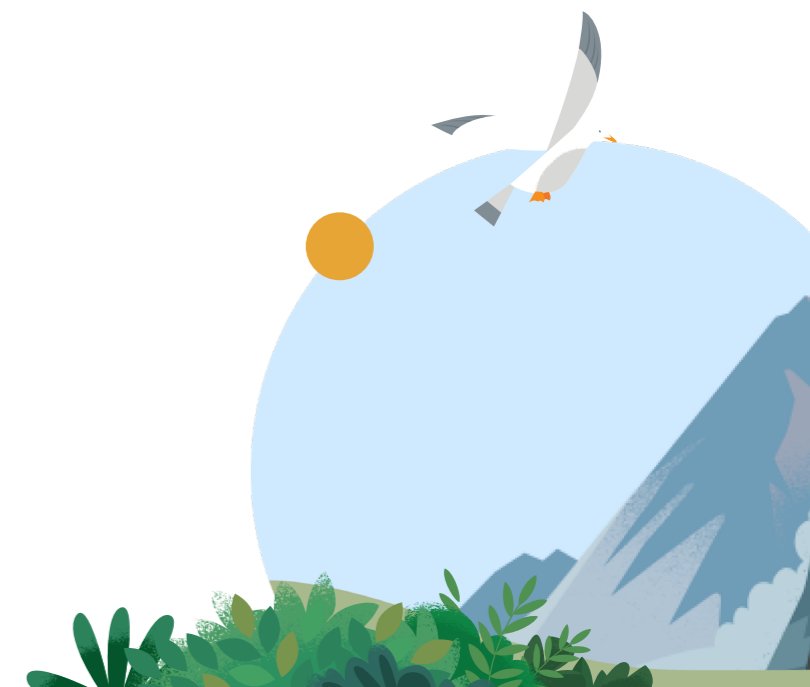
Trust Grows from Integrity, Humanity & Competence

Top 5 Actions to Build Trust*

- 1 **Communicate honestly and transparently**
- 2 **Use customer information responsibly****
- 3 **Treat me as a person, not a number**
- 4 **Resolve issues proactively**
- 5 **Communicate proactively**

* Ranked by percentage who say actions are “very important” for building trust.

** Base: Business buyers.



01

A Trust-Based Economy Moves to the Forefront

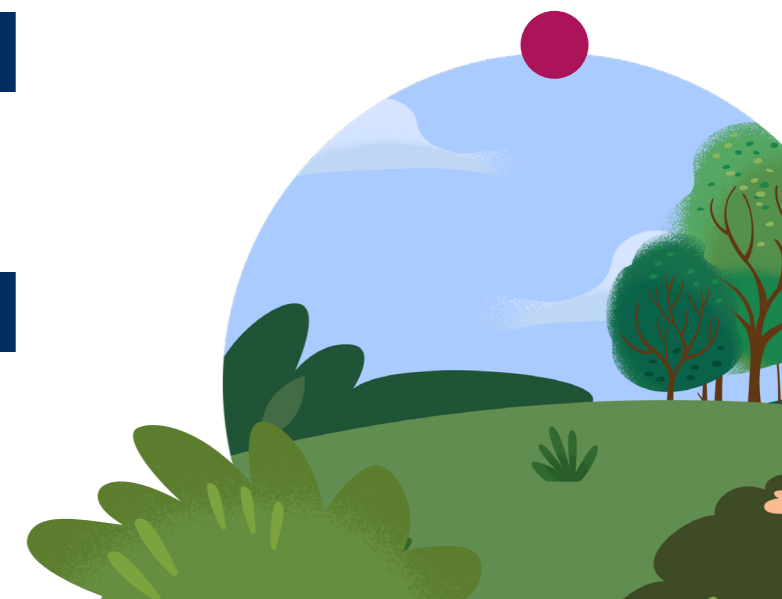
Responsible conduct stands out in tough times. Over the past two years, customers have watched how organizations respond to a supply-chain crisis, shifting regulations, systemic inequality, and environmental degradation, among other challenges. As they're stretched and tested, organizations are also presented with an opportunity to prove themselves.

Trust is complex and multifaceted. A customer can, for instance, trust a company's product quality without trusting its environmental commitment. While overall trust in companies has seen only a modest bump since 2020, trust across multiple distinct measures has increased dramatically. For instance, 68% of customers now trust organizations to tell the truth – a nine percentage point gain over just two years. Trends like this are a positive sign businesses are moving in the right direction.

52% of customers say they generally trust companies — up from 48% in 2020.

Trust in Business Is Rising

Customers Who Trust Companies to Do the Following



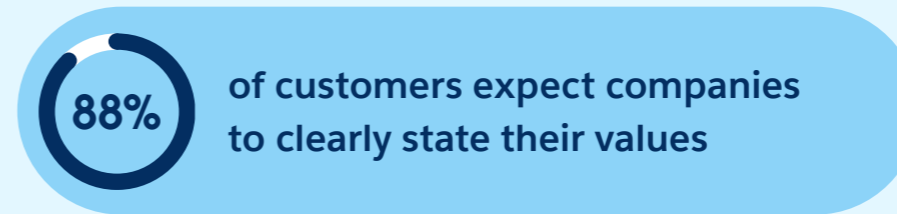
SPOTLIGHT: Company Values

For many customers, it's not enough for companies to deliver a great product or service; they must also be active stewards of a just and sustainable world. Eighty-five percent of customers say their purchase decisions are swayed by how companies treat employees, and over three-quarters watch for environmental practices, like protecting natural resources and achieving net zero emissions.

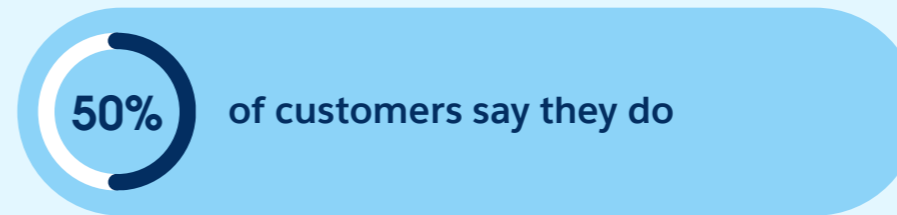
Many customers wish organizations spoke up more about the defining issues of our time. Nearly nine in 10 expect companies to clearly state their values, but only half feel this is common practice. With the growing impact of values on purchase decisions, standing on the sidelines is less safe than it used to be.

66% of customers have stopped buying from a company whose values didn't align with theirs — up from 62% in 2020.

Ethical Action Drives Customer Purchase Decisions



but only



What Customers Say Influences Their Decision to Buy from a Company



Responses of 'influence a great deal' and 'influence somewhat.'

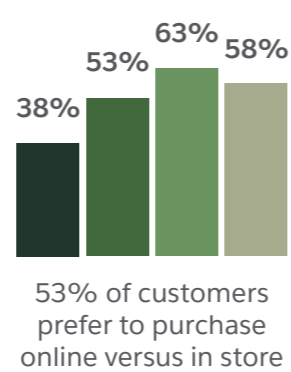
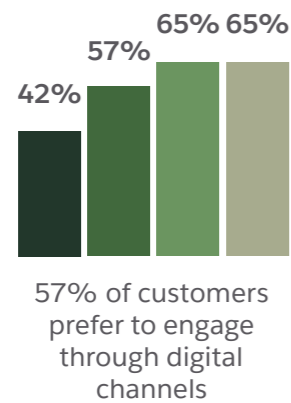
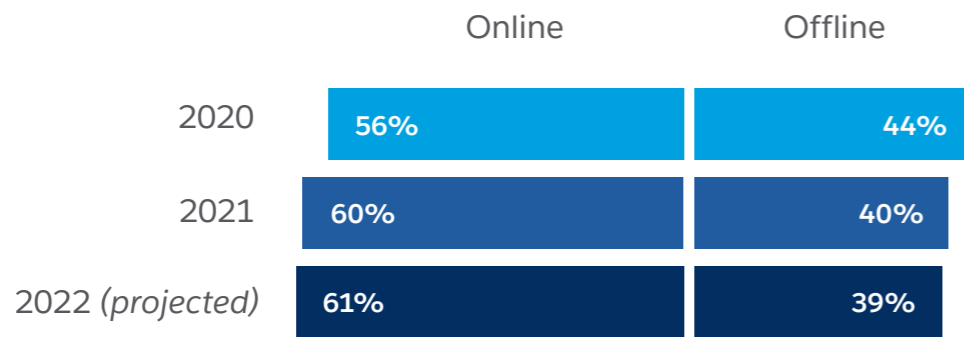


02

Digital Acceleration Sparks Demand for Personalization at Scale

From Here on Out, Customer Engagement Is Digital-First

Customers' Estimated Split of Online and Offline Interactions with Companies



■ Baby Boomers ■ Gen Xers ■ Millennials ■ Gen Zers

Social distancing pushed customers online, upping digital channels' share of transactions by 36% between 2019 and 2021.* Yet, even as in-person activities become available again, these habits are sticking. Customers are more online now than they were in 2020 – and they don't expect that to change anytime soon.

Still, 43% of customers prefer non-digital channels – meaning satisfying customers generally requires great experiences both online and offline.

If younger customers' preferences are a weather vane for the future, digital footprints will expand. Millennials are the most digitally inclined generation, followed closely by Gen Z – a cohort yet to fully come of age.

Gen Z vs. Baby Boomers: 1.6x more likely to prefer engaging through digital channels.

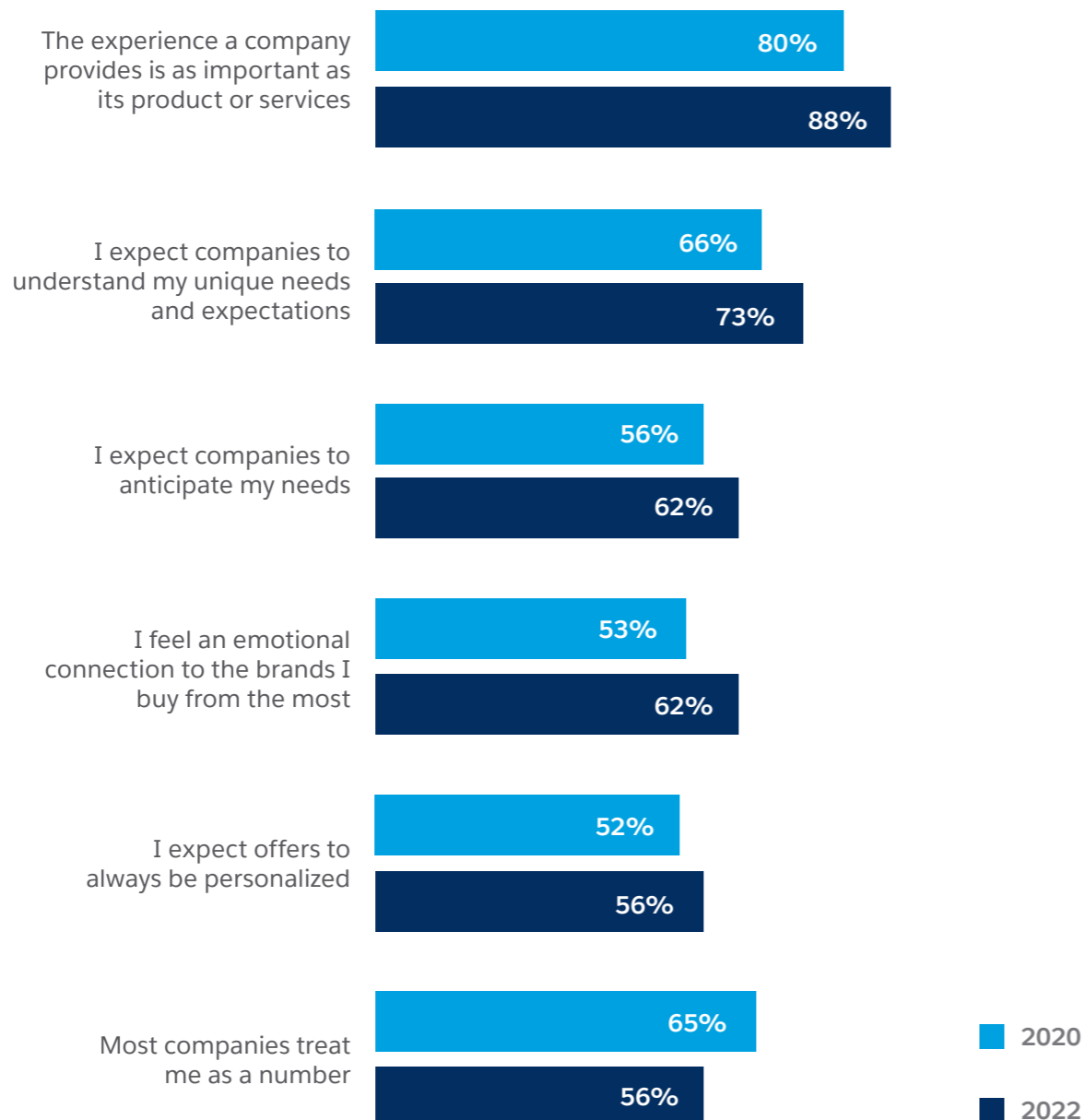
* Salesforce Connected Shoppers Report, November 2021.



Digital Acceleration Sparks Demand for Personalization at Scale

Expectations for Personalization Climb

Customers Who Agree with the Following



After years of increased online engagement, more customers know it's possible for companies to deliver a personal touch across digital systems.

A growing number of customers look for organizations to understand and anticipate their needs – for instance, by proactively notifying them of a contract renewal. What's more, a majority of customers expect offers to *always* be personalized.

Digital transformation investments are paying off, judging by a shrinking percentage of customers who say companies treat them like numbers rather than unique individuals. If continued exposure to great digital experiences raises expectations further, underperforming organizations may feel mounting pressure.

88% of customers say the experience a company provides is as important as its product or services — up from 80% in 2020.

02

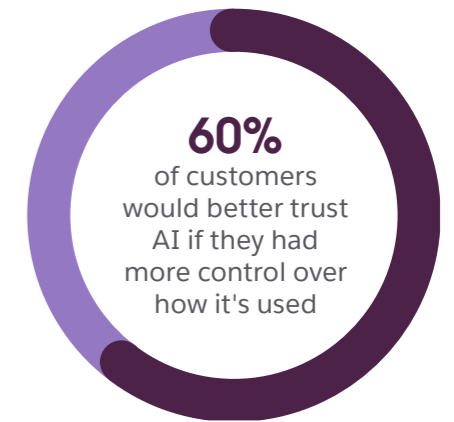
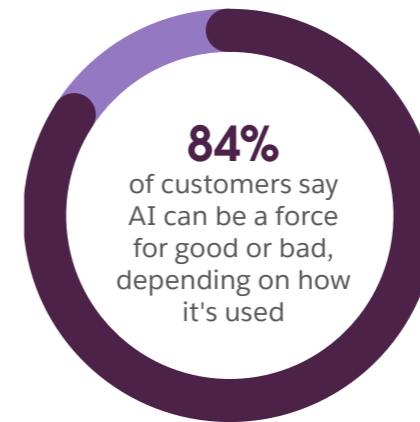
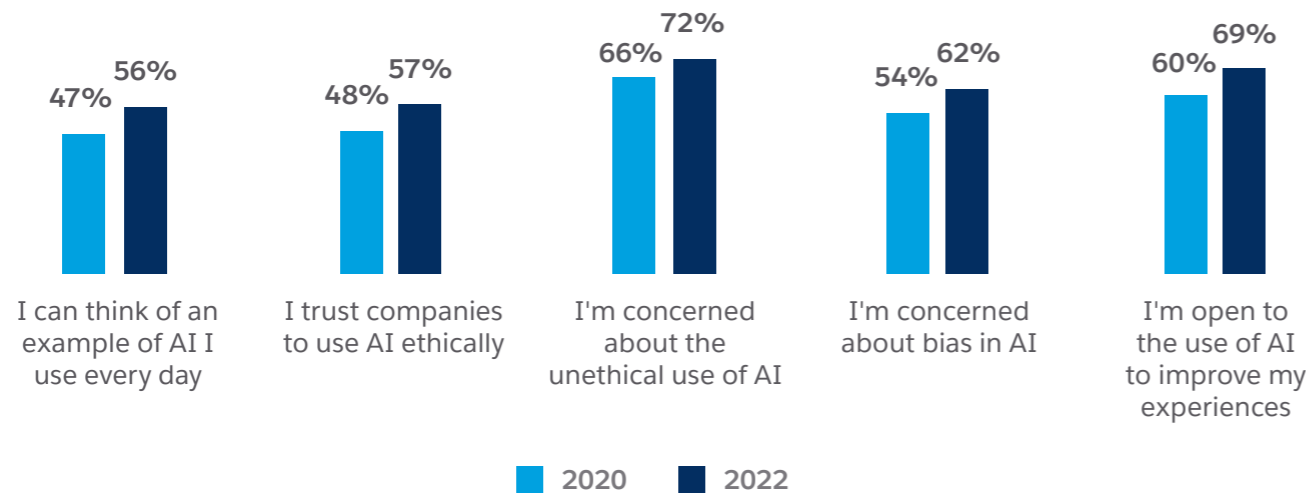
Digital Acceleration Sparks Demand for Personalization at Scale

Artificial intelligence (AI) uses data to drive actions at scale, enabling the kinds of personalization customers expect and that humans, on their own, can't possibly deliver. Over time, customers are becoming more familiar with AI and its use cases. More than half of customers can now point to an example of AI they use every day, like voice assistants or auto-generated playlists.

As customer awareness around AI's value in everyday life grows, so too does awareness of its potential pitfalls – for instance, risks of misuse and algorithmic bias. On the whole, however, customers are more trusting than not that businesses will use AI ethically and are open to it benefiting their overall experiences.

Familiarity Increases Around AI & Its Complexities

Customers Who Agree with the Following



SPOTLIGHT: Consumer Data Privacy

Without personal data, AI has no fuel for customizing experiences. Consumers welcome that exchange if there's sufficient benefit. For instance, 46% would share their style preferences to get tailored rewards.*

The introduction of privacy legislation and bans on third-party browser cookies has spurred consent-forward approaches to information gathering.** Consumers sense the new baseline, agreeing that companies take online privacy more seriously now.

However, signs of unease linger. A majority say organizations gather more information than they need, and many feel businesses aren't forthright about how they use data. Nearly eight in 10 say additional transparency increases their trust.

61% of consumers are comfortable with companies using relevant personal information in a transparent and beneficial manner — up from 52% in 2020.

* Salesforce Connected Shoppers Report, November 2021.

** See: GDPR, CCPA, Chrome ending third-party cookies, etc.

Consumers Want to Take Privacy Improvements Further



New Realities Test Brand Loyalties

Brand relationships are not immune to outside influences. As consumers spend more time online, a world of choice opens up, freeing them from restrictions of past habit. Some of these options may look appealing – particularly for consumers with changed priorities, lifestyles, or financial situations.

71% of consumers switched brands at least once in the past year.

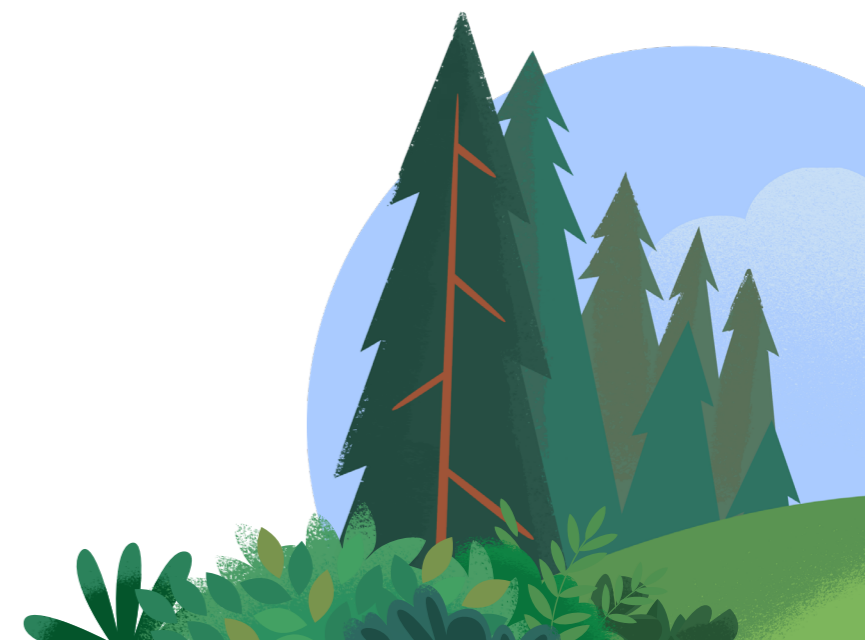
While better deals and product quality are the primary drivers of brand defection, myriad additional factors such as improved customer service, product availability, and convenience lure consumers away.

Consumers Explore Competing Brands

Reasons Consumers Switched Brands in the Past Year



Base: Consumers who switched brands in the past year.



03

New Realities Test Brand Loyalties

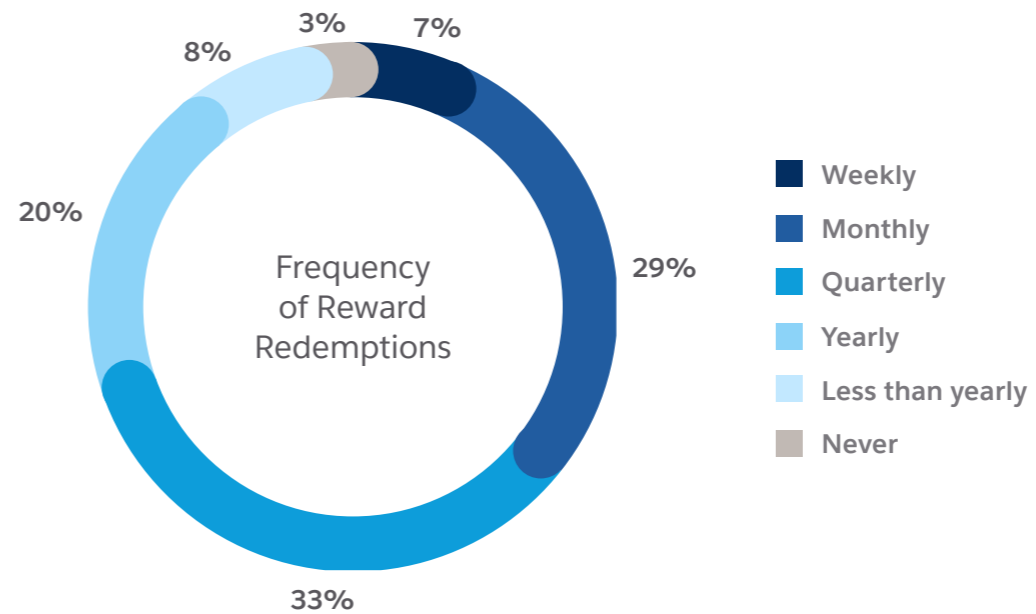
As consumers reassess their relationships with brands, retention becomes increasingly critical.

Fifty-six percent of consumers say they're more likely to buy from a brand with a loyalty program.* However, merely establishing one doesn't guarantee consumers will get value out of it. Despite belonging to an average of 4.3 loyalty programs,* consumers don't redeem rewards too often – close to two-thirds do so quarterly or less.

One possible factor at play is the difficulty of tracking rewards and manually redeeming them: A majority of consumers say they'd use loyalty programs more if companies fixed this. Additionally, 55% would use programs more if rewards were personalized, better reflecting their individual needs.

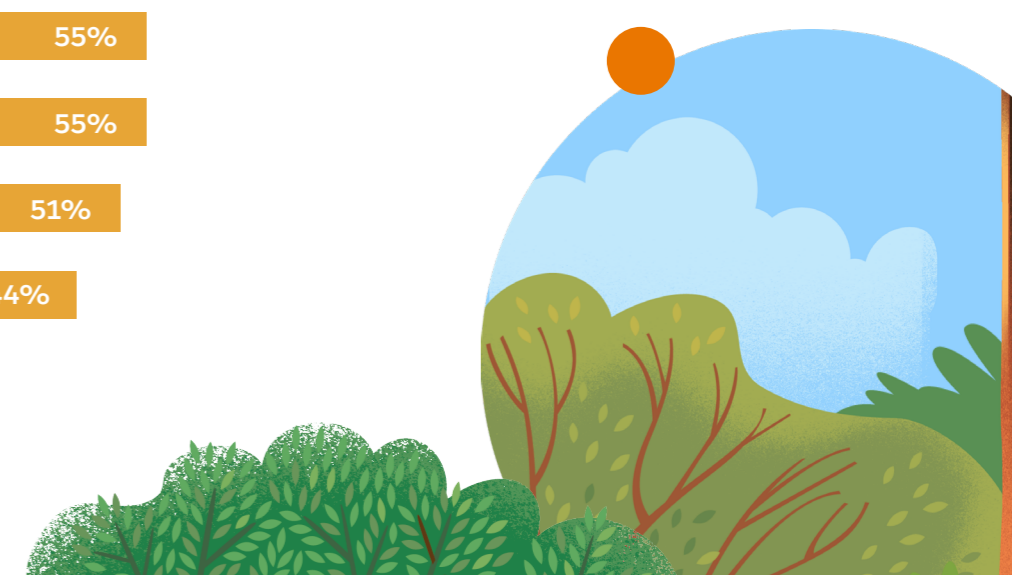
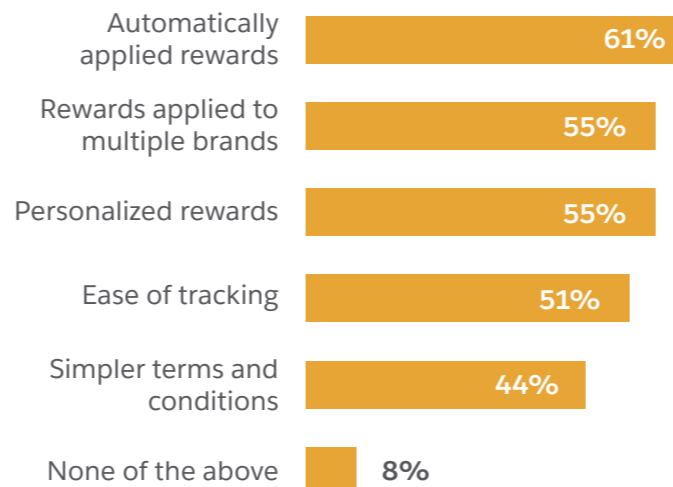
* Salesforce Connected Shoppers Report, November 2021.

Reducing Barriers Boosts Loyalty Programs



Base: Consumers belonging to a loyalty program.

Consumers Who Would Use Loyalty Programs More Often Given the Following Features



New Realities Test Brand Loyalties

One way brands deepen relationships with customers is by cutting out middlemen and selling direct-to-consumer (DTC). In this model, consumers can – for instance – buy shoes from a brand like Nike instead of going to the store or website of a big-box retail chain. Among other benefits, DTC gives brands control over the full customer experience while collecting data to evolve products and market strategies.

DTC isn't new. In the 2010s, a surge of such companies popped up, such as Casper, Glossier, and Dollar Shave Club. What is new is the big increase in consumers who buy this way – jumping 15 percentage points from 2019 to 2022.

While consumers make it clear that buying from retailers has its own benefits, they turn to direct brand purchases to ensure products are authentic, unique, and sustainable.

No doubt influenced at least in part by the pandemic, how and whether DTC models grow remains to be seen.

Direct-to-Consumer Is on the Rise

Consumers Who Regularly Buy Directly from a Brand



Top 3 Reasons for Shopping from a Given Source*

From a retailer	Direct from a brand
1 Return or exchange policy	1 Product authenticity or quality
2 Customer service or support	2 Uniqueness of products
3 Customer loyalty or rewards programs	3 Sustainable products

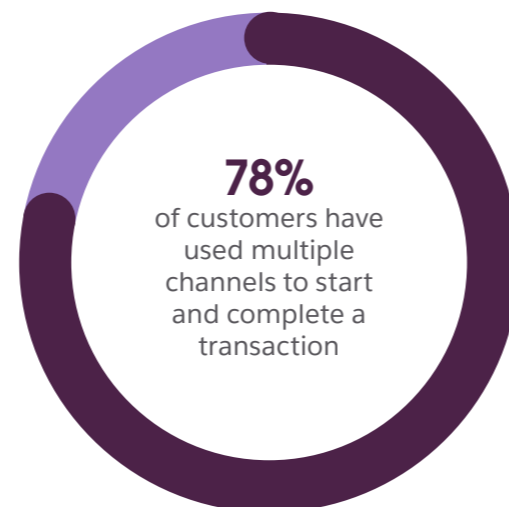
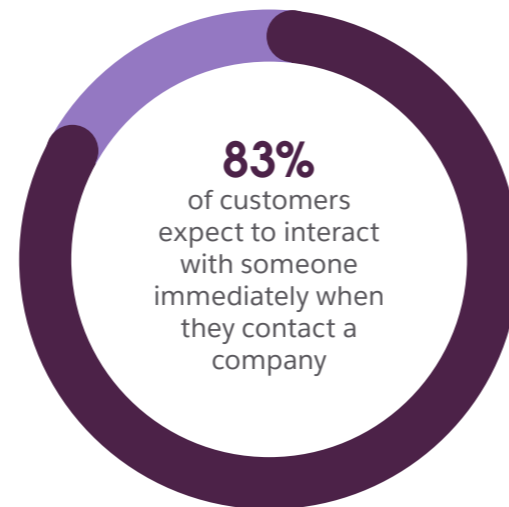
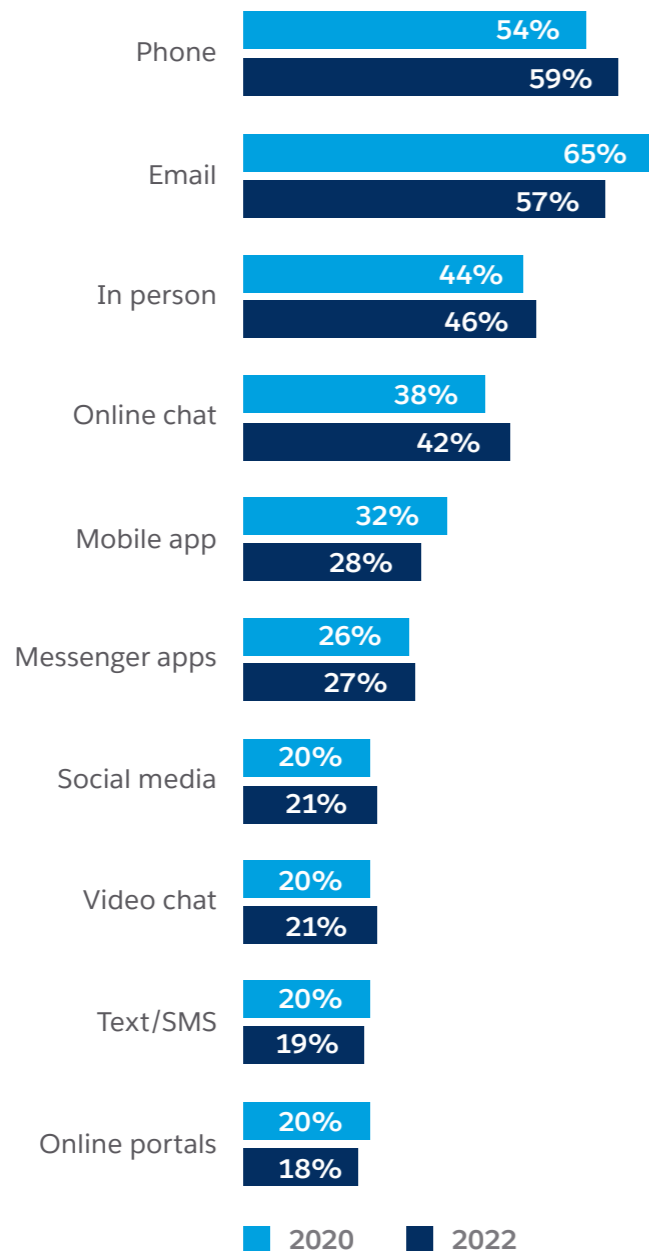
* Salesforce Connected Shoppers Report, November 2021.



04 Digital-First Experiences Expand to Meet the Moment

Customers Embrace Channels with Speed

Customers Who Prefer the Following Channels

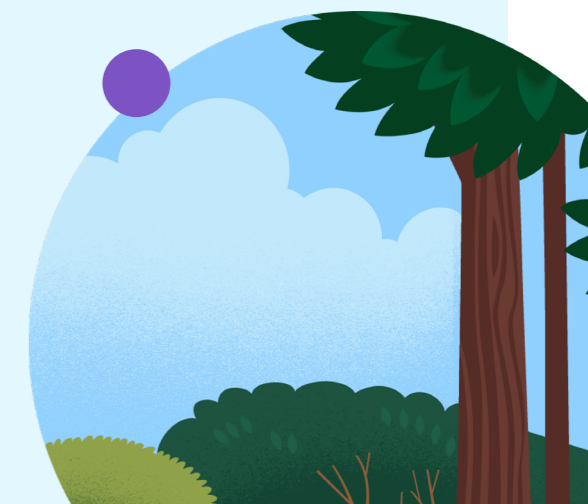


Base: Customers who use the indicated channels. Maximum of three preferred channels accepted.

As customers settle into new patterns, hints at the future of engagement are emerging. Shifting communication preferences suggest life may be picking up its pace, as email loses its spot as the number one favorite channel, while phone, in person, and online chat nudge forward.

The number of customers who prefer to engage on organizations' dedicated mobile apps is now almost equal to those who want to be met on messenger apps they use in their personal lives, like WeChat and Google Hangouts.

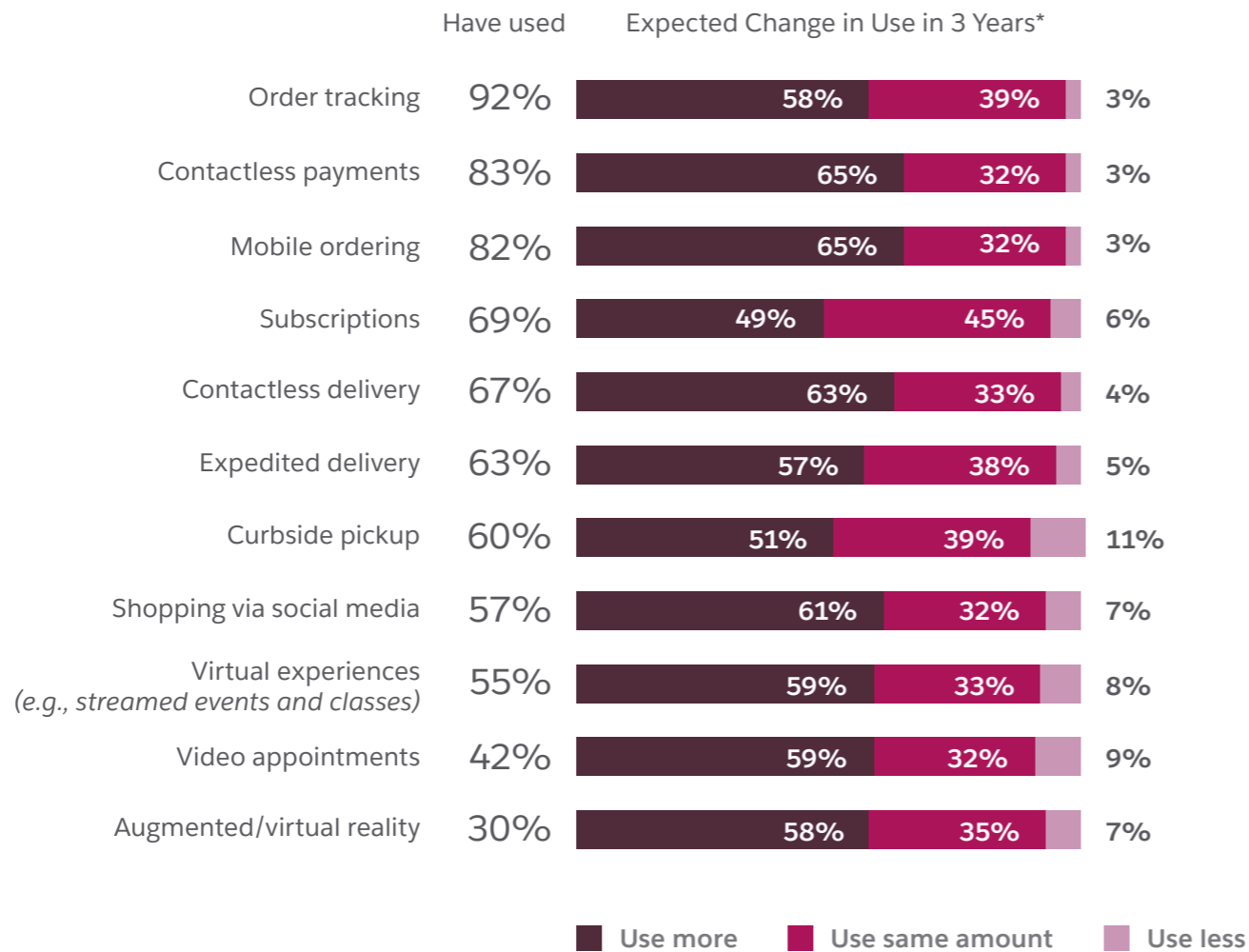
One thing hasn't changed: Engagement is as omni-channel as ever, with customers turning to an average of nine different channels to communicate with companies.



04 Digital-First Experiences Expand to Meet the Moment

Demand for Commerce Innovations Expands

Use and Expected Use of the Following Technologies/Services



* Base: Customers who've used the technology/service.

It's no overstatement to say the pandemic changed the face of commerce. As businesses got creative, customers tried purchase methods that were entirely new to them. Now, many are accustomed to a wide array of these commerce innovations.

68% of customers have purchased products in a new way in the past two years.

The uptake of the new services has been strikingly fast. For example, between 2020 and 2022, the share of customers to use curbside pickup nearly doubled, from 31% to 60%. Tellingly, the use of these emerging technologies and services does not appear to be limited to an era of social distancing. Three years from now, the overwhelming majority expect use to hold steady or increase.

61% of customers who shop via social media expect to do it more in three years.



SPOTLIGHT: B2B Sales

The trend of digital-first selling – accelerated by the pandemic – is still going strong. To accommodate busy schedules and clashing time zones, B2B sales conversations that may have previously taken place live in person or virtually are instead moving to asynchronous channels like messaging platforms, social media, and collaborative documents.

75% of business buyers say sales conversations are more asynchronous than they used to be.

In these conversations, business buyers expect reps to get to know their business goals and work with them as an advisor. However, too often the sales process feels merely transactional, with one-size-fits-all outreach and engagement. Business buyers' lukewarm trust of sales reps suggests that, when it comes to personalized and buyer-centric sales interactions, many organizations have work to do.

Sales Personalization Undershoots Expectations

89%

of business buyers are more likely to buy if companies demonstrate an understanding of their goals

but

71%

say most sales interactions feel transactional

87%

of business buyers expect sales reps to act as trusted advisors

but only

61%

say they generally trust sales reps



04 Digital-First Experiences Expand to Meet the Moment

Expectations of Seamless Support Are Often Unmet

83%

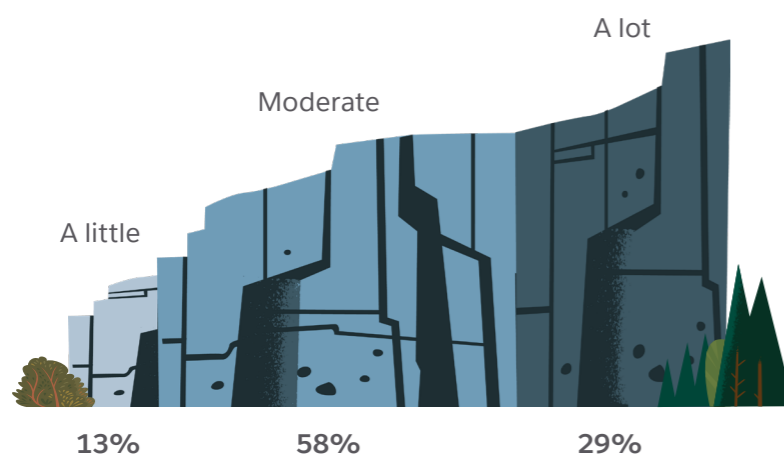
of customers expect to solve complex problems by speaking to one person

but

53%

say most support interactions are fragmented

Amount of Customer Effort to Get Cases Resolved



Service organizations have juggled a lot, as customer needs transform amid threats of agent turnover in a global “great resignation.”

Reflecting these challenges, a gap yawns between customers' expectations and the reality they encounter when seeking support. More than eight in 10 customers expect to solve complicated cases in a single transaction with a knowledgeable agent. Yet a majority of the time, experiences aren't so seamless.

Between hold times, handoffs, and ill-equipped agents, over half of customers say interactions with support teams tend to feel fragmented. Getting issues resolved, most agree, takes some work.

Only 13% of customers say it takes little effort to get cases resolved.

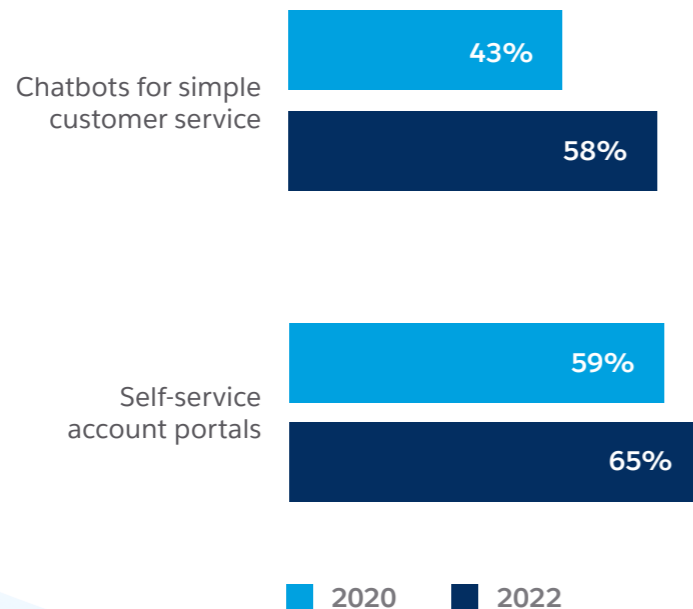
04 Digital-First Experiences Expand to Meet the Moment

To meet customer expectations for 24/7 assistance, some organizations supplement human agents with self-service support options. This trend has grown during the pandemic, with nearly four in five service professionals reporting an uptick in customers' use of self-service.* An increase in customers' self-reported adoption of chatbots and account portals mirrors that trend.

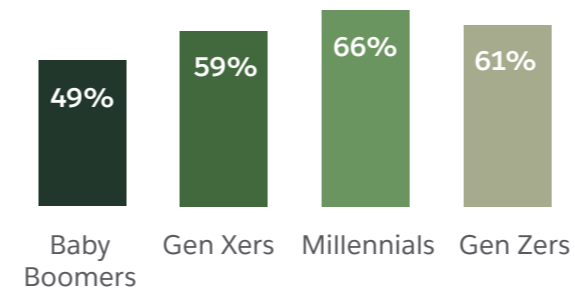
Some customers take to self-service more readily than others. Millennials, in particular, like to take case resolution into their own hands, with their use of self-service outpacing even that of Gen Zers.

Self-Service Is Increasingly Popular

Customers Who Have Used the Following



Customers Who Prefer Self-Service for Simple Cases

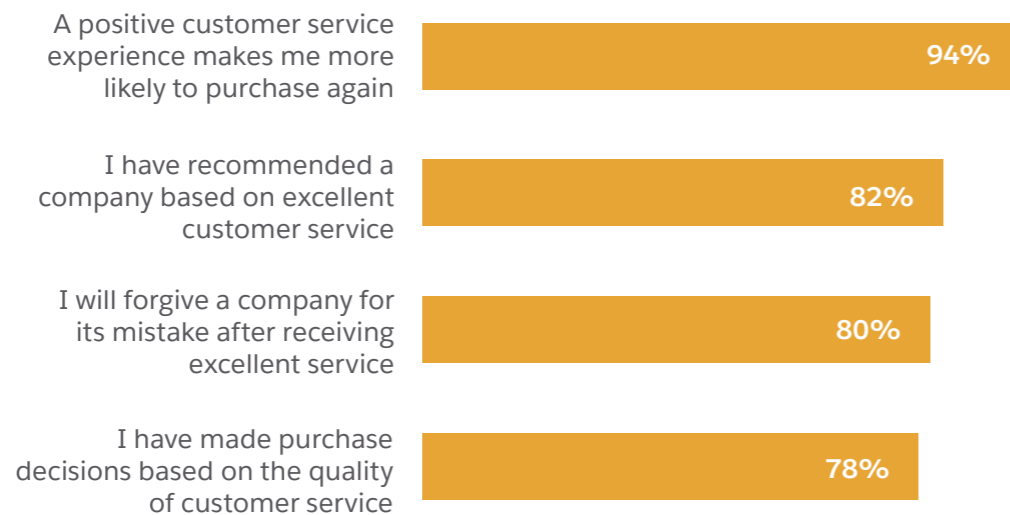


* Salesforce State of Service Report, December 2020.

Digital-First Experiences Expand to Meet the Moment

Excellent Customer Service Drives Trust and Loyalty

Customers Who Say the Following



While self-service is ideal for simpler cases, empathetic and knowledgeable agents remain the beating heart of customer service. Their attentive care adds value by proving that customers' concerns matter and are worth the investment to resolve.

96% of customers say excellent customer service builds trust.

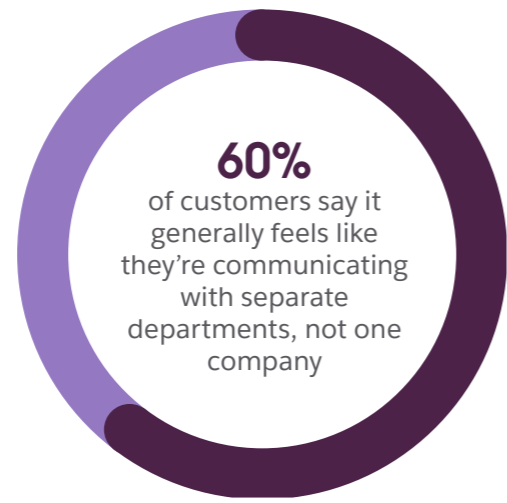
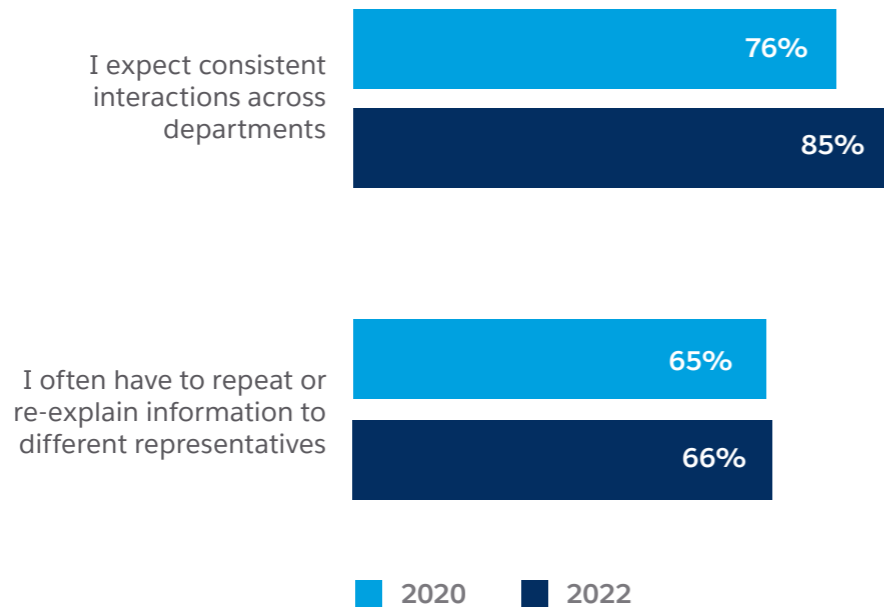
The rewards for getting customer service right can be substantial. Overwhelmingly, positive support experiences make customers more likely to re-purchase. Additionally, over four-fifths of customers have gone further by recommending a company to others based on a great support experience. With word-of-mouth such a popular method of learning about new brands, products, and services,* referrals are a powerful gift.

* R.R. Donnelley (Un)Expected Report, July 2021.

04 Digital-First Experiences Expand to Meet the Moment

Rising Expectations for Consistency Remain Unmet

Customers Who Say the Following



A great customer experience is more than the sum of its parts. In addition to their rising expectations across individual touchpoints, customers increasingly expect all interactions with an organization to smoothly tie together.

83% of customers say they're more loyal to companies that provide consistency across departments.

While the implications of an integrated customer experience aren't trivial, many customers still experience disconnect between departments. As marketing, commerce, sales, and service teams innovate on their individual stages of the lifecycle, it's critical organizations don't lose sight of how it all fits together.





LOOK AHEAD: Digital Maturity Across Sectors

Customers report that different sectors aren't equal when it comes to meeting their needs and expectations. In their view, best experiences come from technology, consumer goods, and healthcare.

Meanwhile, sectors like government, nonprofit, and utilities have the most room to grow to meet customer needs.

Segment additional data by countries, sectors, and more sforce.co/socc-tableau

Some Sectors Lead the Charge, While Others Lag

Customers Who Say Sector Meets Their Needs & Expectations

Top 5 Sectors

-  Technology
-  Consumer goods
-  Healthcare
-  Communications
-  Retail

Bottom 5 Sectors

-  Media & entertainment
-  Energy & utilities
-  Architecture, engineering & construction
-  Nonprofit
-  Government





Survey Demographics

Survey Demographics

Customer Type

Business Buyers	23%
Consumers	77%

Generation

Baby Boomers	22%
Gen Xers	38%
Millennials	32%
Gen Zers	8%

Gender

Male	51%
Female	48%
Other	<1%

Country

Argentina	4%
Australia	3%
Belgium	4%
Brazil	4%
Canada	4%
Chile	4%
Colombia	4%
Denmark	<1%
Finland	1%
France	4%
India	4%
Ireland	4%
Israel	4%
Italy	4%
Japan	4%
Mexico	4%
Netherlands	4%
New Zealand	1%
Norway	<1%
Singapore	4%
South Africa	4%
South Korea	4%
Spain	4%
Sweden	2%
Switzerland	4%
Thailand	4%
United Arab Emirates	4%
United Kingdom	4%
United States	8%





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