

The latest research on how emotions sway your customers. And what they expect you to do about it.

Going beyond CX to provide emotionally relevant human experience at just the right time inspires customer action and fierce loyalty. Is your technology ecosystem making their hearts sing?

It is broadly believed that emotions are the basis for 80 percent of the decisions a person makes in a day.¹ And yet, beyond marketing, very few organizations sufficiently act upon how and when emotions impact customers' connection and loyalty to a brand.

Consumers are more complex than ever before, with strong emotions and expectations about their relationships with brands and service providers. Being able to recognize and use emotional data at scale is one of the biggest opportunities created by technology today. It calls for a new way of approaching consumer experience or CX—one in which engagements and capabilities are built around the needs and emotional responses of the customer rather than the existing structure of a company's operations.

To illuminate the role that not only emotions but also rationality and shared values play in consumer engagement, Deloitte conducted a research study that integrated traditional methodologies like consumer surveys and panel discussions with social media listening.² Our research developed from the following hypothesis:

Beyond marketing, emotional and contextual data can foster deeper emotional connections across all key moments with customers to increase their lifetime value while also decreasing their likelihood of switching brands.

Deloitte's research on emotions yielded valuable—and surprising—findings with implications that stretch well beyond marketing. Emotional data is the secret sauce behind key moments

with customers, personalizing and contextualizing those interactions. By responding appropriately to emotional cues, brands can move beyond CX into the broader, deeper connections that make up human experience or HX. Our findings point toward the need to infuse customer expectations into a disciplined and cohesive technology ecosystem capable of translating human insights into actions, at scale. Legacy, siloed CX systems that have sufficed in the past won't be up to the task as organizations strive to deepen emotional connections. That's why we believe that turning CX into a true operational discipline—OpCX—is the next revolution.

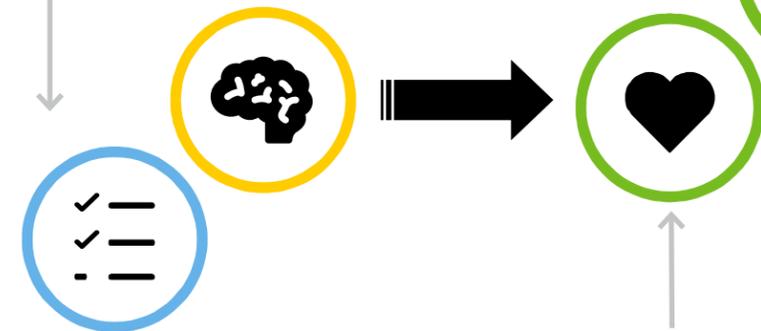
The case for OpCX.

OpCX is about embedding emotionally intelligent HX capabilities into every fiber of a company's operations to deliver human experience at scale. Here's why it matters.

1 Shared values and rational thinking bring customers to the door.

Core values (i.e., social responsibility, patriotism) and rational factors (i.e., low price, same-day delivery) attract customers to your door. Surprisingly, over time they fade in importance, while emotions rise to the forefront. Sharing the same core values with your customers, in and of itself, will not inspire fierce loyalty ... nor will rock-bottom prices.

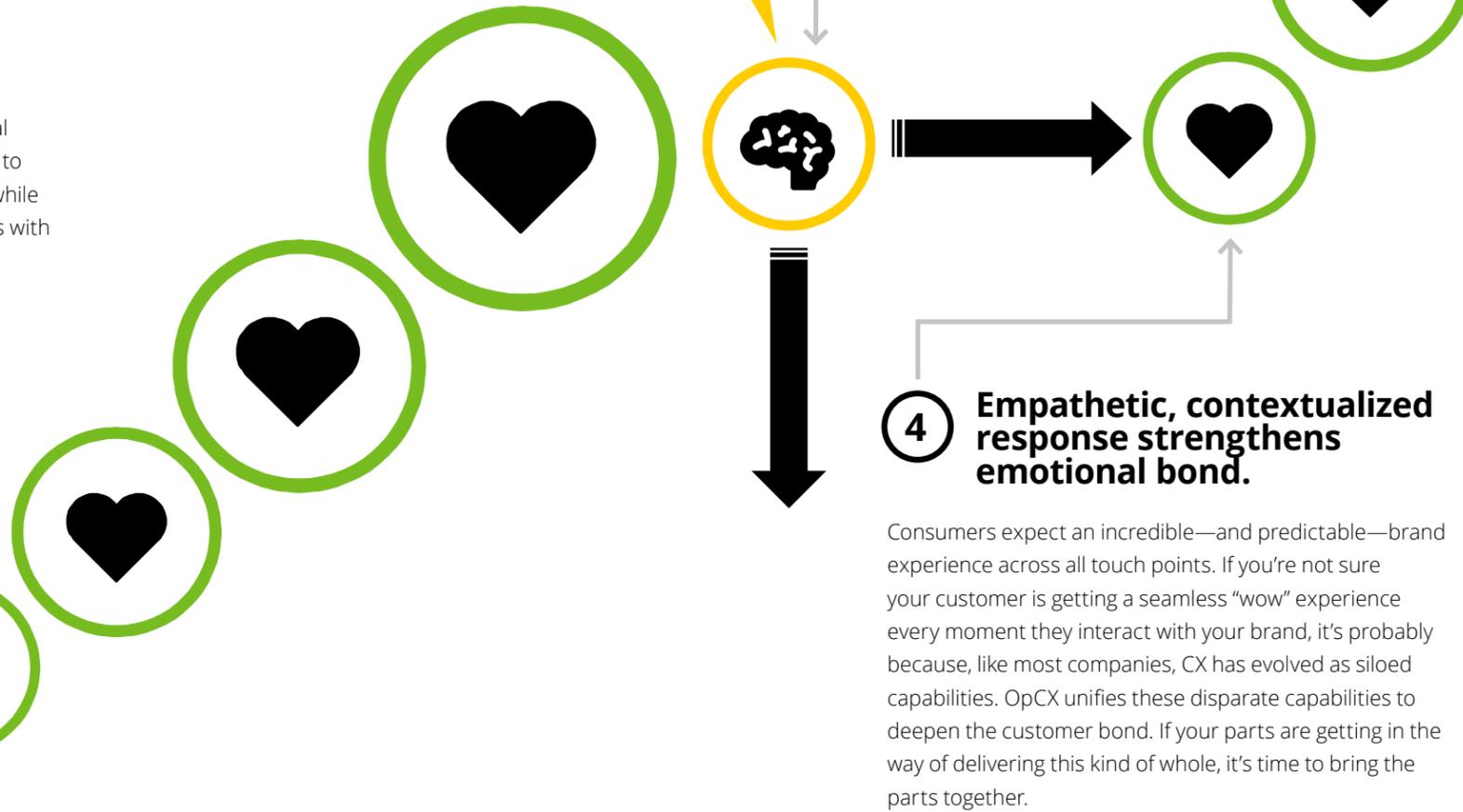
Only **3%** would recommend a brand to a friend or colleague based on its values, whereas **44%** would make a recommendation based on emotional criteria.



2 Emotions build to inspire loyalty, advocacy, and preference.

As brand exposure matures, emotions take center stage. Largely, what turns people into "sticky" long-time customers is how they feel about their experiences with the brand. Customers expect brand relationships to feel like friendships—with two-way interaction and real-time adaptation of engagement and offerings based on feedback. These deep emotional connections demand situationally appropriate interactions at just the right time and place. Harnessing and acting on emotional data must become the active ingredient in delivering your brand.

62% of consumers feel they have a relationship with a brand.



4 Empathetic, contextualized response strengthens emotional bond.

Consumers expect an incredible—and predictable—brand experience across all touch points. If you're not sure your customer is getting a seamless "wow" experience every moment they interact with your brand, it's probably because, like most companies, CX has evolved as siloed capabilities. OpCX unifies these disparate capabilities to deepen the customer bond. If your parts are getting in the way of delivering this kind of whole, it's time to bring the parts together.

75% expect brands to know their purchase history, and **46%** love it when brands bring up their last experience.

3 Rationality kicks in with incidents that erode customer trust.

When there is a critical incident—or repeated incidents—that disrupt the emotional bond, rational thinking can quickly come back into play. This risk includes but goes beyond simple product or service dissatisfaction. For example, while consumers expect brands to amass information about them, they draw the line at "sneaky" surveillance and monitoring. To navigate times of trouble, brands need a technology ecosystem that automatically recognizes and responds to "distress signals," as well as transparent governance around customer data and how it is used. When customers feel their concerns are addressed appropriately, they tend to not only stay with a brand, their connection deepens.

83% cite trustworthiness as the emotional factor most aligned to their favorite brand.
68% cited rational reasons, such as faulty products, for switching brands.

<p>60% of long-term customers use emotional language to describe their connection to favored brands.</p>	<p>70% say a brand relationship includes providing feedback and expect brands to use it to:</p> <ul style="list-style-type: none"> Solve their issue (69%) Send special offers based on their loyalty (67%) Integrate their feedback into product and service design (66%) 	<p>59% don't want the company to respond when they post a positive review on social media, but 54% do expect a response within three days or less following a negative post.</p>
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All data presented here reflect findings from Deloitte Digital's "Exploring the Value of Emotion-Driven Engagement" 2019 research study.

Where are you on the OpCX frontier?

Understanding your customers' emotions and responding contextually and automatically requires a cohesive technology ecosystem that adapts to the moment at hand. But first you need the data, governance processes, and technology capabilities to not only collect, understand, and act on emotional data, but to take it to scale.

How do you start? The answer is going to be very different for each stakeholder in an organization, and obviously, the needs of each organization vary. The key is, simply, to start. The questions we pose below offer a starting point toward assessing where you are in your OpCX revolution.

Ask yourself ...

For CMOs

- Are you using CX data to evolve the way you connect and engage with your customers toward HX?
- Do you have an organization that is accountable for creating, managing, and caring for customer relationships beyond traditional touch point management and 360-degree marketing?

For CDOs

- Are you aware of the impact your digital experience has on creating emotional connections with your customers? Do you have a way to measure that experience?
- Are you incorporating the new thinking about HX first and ensuring that data and technology decisions follow, rather than the other way around?

For CFOs

- Do you understand the financial impact of not meeting customers' rational expectations across touch points?
- Do you understand the potential revenue uplift opportunity of more quickly moving customers across the emotional spectrum?

For CTOs/CIOs

- Do you differentiate between customer, contextual, and operational data? Do you have a central data platform to aggregate and manage customer data?
- Do you have a CX architecture in place that integrates operations, reporting insight, and decision-making with delivery across all customer interaction points?

For CRO/COOs

- Is your end-to-end marketing, advertising, and customer service technology stack compliant with privacy and data management, as well as with security laws?
- Does your CX data (both rational and emotional) drive how your sales teams engage with customers and prospects?

For CHROs

- How is your organization using employee experience data to evolve the workplace?
- Do your employees understand their impacts on end customers? Do they have access to data about their impacts?

Get in touch

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Endnotes:

1. <https://amdgtl.com/blog/emotional-marketing-multifamily-marketers>
2. Deloitte Digital conducted its research study "Exploring the Value of Emotion-Driven Engagement" in 2019 to understand how emotions influence consumer decision-making. In addition to conducting primary research through an 800-person broad consumer survey and an online panel session, Deloitte leveraged social listening and data meta-analysis to contextualize results.

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