



Customer experience in the new reality

**Global Customer Experience
Excellence research 2020:**
The COVID-19 special edition



home.kpmg/customerfirst

Foreword

The impact of COVID-19 on customer behavior was immediate and widespread across all industries, countries and demographics. Expectations have heightened as priorities have shifted to health and safety first, which have in turn changed decision making and buying behavior.

As a result, what was previously considered to be a great customer experience has no longer been good enough and almost all businesses have been thrust into reorganizing their approach to customers.

Customers are the lifeblood of every organization and the money they spend is the oxygen that enables the business to exist, grow and thrive. There is a commercial cadence — a rhythm — associated with how the customer and organization transact and interact with each other over time. With this cadence comes the opportunity to deliver experiences that in turn establish and sustain enduring relationships and drive value for both sides.

This is KPMG's 3rd Global Customer Experience Excellence report. It brings the need for commercial cadence to the fore. Looking at the research findings in the light of COVID-19, we see that companies that were able to maintain this commercial cadence with their customer were ranked higher than those who did not.

Their success emphasizes the application of The Six Pillars of experience excellence: Integrity by acting ethically and demonstrably in their customer's best interests; a focus on Resolution and proactively addressing customer problems; the accurate setting of Expectations; reducing the Time and Effort customers need to expend by enabling frictionless interactions and then delivering a Personalized experience with Empathy and compassion.

COVID-19 has brought forth a consumer that is more thoughtful and selective in their decision making. Part of this is a result of customers seeking out businesses that demonstrate and build trust. Additionally we are seeing a shift towards 'buying into companies' rather than simply 'buying from' them. Factors such as brand, purpose and reputation are coming into the decision-making process in equal measure to safety, security, convenience and certainty. These are all now parts of a new value equation that customers hold to account within the price of a product or service which has changed the economics of experience delivery.

Many purchases have had to shift from in-person to online channels, creating a more digitally savvy consumer that demands easy and effortless interactions.

Consumers of all ages have discovered that the internet makes their daily routines more efficient and these behaviors are likely to stick. Many organizations had to accelerate, augment and promote their original customer interaction investments. For the leaders in our research this was a minor adjustment to existing operating models allowing them to maintain continued transactions and commercial cadence with their customers. Indeed, the shift to digital enabled greater value to be created by lowering costs to serve.

The migration to these digital relationships poses something of a challenge for organizations, even those with a strong digital presence. As digital usage increases so do concerns about personal data and how it is used and protected.

Online experiences in the new reality need to be immersive, emotive and, above all, safe.

The CX leaders in our research lead from the front to support their colleagues in these extraordinary times and build an organization which is connected — where every part of the business is symbiotic and aligned, from the front office through to the back office, to deliver an intentional customer experience.

I encourage you to review the findings of our research in this report to help you to decide how to adapt your approach to customer experience and align to a new reality.

A dynamic economic environment, a shift in values and newly expected standards of customer and corporate behavior are rapidly changing the rules of the game. Firms will need to know this new customer intimately if they are to succeed in the new reality.

Our global network of KPMG consultants is here to help you navigate the challenges ahead.



Julio Hernandez
Head of Global Customer
Center of Excellence

KPMG International
US Customer Advisory Lead
KPMG in the US

Contents

The new reality customer	7
The Six Pillars	9
The new reality experience	11
A connected enterprise for the new reality	13
How to succeed in the new reality	16
2020 hall of fame	20
Industry views	25
Airlines	27
Banking	29
Grocery retail	31
Hotels	33
Insurance	35
Logistics	37
Telecoms	39
Market overviews	41
Australia	43
Austria	45
Belgium	47





Brazil	49	Singapore	73
Czech Republic	51	Slovakia	75
Germany	53	Spain	77
Hong Kong (SAR), China	55	Sweden	79
Ireland	57	Taiwan	81
Italy	59	Thailand	83
Japan	61	United Arab Emirates	85
Luxembourg	63	United Kingdom	87
Mexico	65	United States	89
The Netherlands	67	Vietnam	91
Romania	69	Methodology	93
Russia	71	Thinking ahead	95





The quality of customer experiences are improving around the world. All countries researched have seen an uplift in their overall Customer Experience Excellence (CEE) score this year.

The average increase of all markets together is 3 percent.



63%

Value is the differentiator on product or service choice for 63 percent of consumers as a result of COVID-19.

80%

While 88 percent still buy brands as per their needs, 80 percent of people prefer buying from and into the brands whose actions align with their beliefs and values.

76%

of customers expect firms they deal with to provide e-commerce services.

81%

of people are concerned about a recession/economic situation.



Overall non-grocery retail is the strongest performing sector for CX in 2020, followed by financial services.

3% ↑

Brands are perceived to be providing greater value for money. There has been a 3% uplift since 2019.

7

of the 19 markets which featured previously, 7 brands retained their number 1 spot.

92%

of customers are expecting companies to keep them and other customers safe.



The logistics sector has seen the highest increase in performance in 2020 of 6 percent.

Source: KPMG International Research, February 2020 — August 2020



Personalization is the strongest pillar in driving customer loyalty in 19 of the 27 markets, while Integrity leads across 6 markets.



49 percent of consumers are focused on saving rather than spending.

56%

Over half of consumers say the environmental and social practices of a company has an impact when choosing to buy from them.

58%

Over half of consumers are worried about climate change.



55 percent of consumers want companies to keep their data safe as a number one priority.



Integrity is the strongest driver of Advocacy (NPS) across 18 of the 27 markets while Personalization leads across 8 markets.



Financial services dominates the first place rankings. 12 out of 27 leaders are financial services brands.



Customer experience (CEE metric) for the top-ranked brand in each market is an average of 11 percent higher than its respective market average.



Average performance has risen across all Six Pillars this year, with expectations seeing the greatest increase globally (+4 percent on average).

90%

of customers are willing to pay more for ethical retailers.

The new reality customer



Globally, consumers believe they will be living their lives very differently for the foreseeable future. They feel more vulnerable, less secure and less in control than ever before. They expect the brands they have to interact with — digitally or, as lockdown eases, physically — to deliver better, safer, and more seamless interactions at a lower cost.

They are financially constrained, want touchless experiences and are more thoughtful and selective in their decision-making giving preference to brands they trust. They have a deeper appreciation of family, friendship and health and are keen to see COVID-19 as an opportunity to reset their values in the world while getting value in all they experience.

As a consequence, we see some new and different behaviors because of the way that we have had to adapt to life in lockdown. Some were already present and have been accelerated or sharpened but many are new and likely to remain and indeed impact customers' purchase behavior.

Purchasing patterns are also changing as consumers shift from discretionary spend to essentials and it is likely to stay that way as the finances come under pressure and they seek to rebuild their financial safety net.

Value and price are becoming equals for customer loyalty

Consumers' spend is impacted by both the decrease in disposable income and the psychological impact of COVID-19. We see new segments arise, separated by a need to group products and services into categories of necessity, with spend moderated by financial attitudes.

Consumers in Germany, France and Hong Kong (SAR), China feel more calm and secure, fitting into the financially comfortable category. In Brazil, Japan, Italy and Spain, consumers have stopped all non-essential purchases and are more selective, feeling more financially overwhelmed and giving their financial recovery priority. Value for money, and its corollary price, is the single most important factor in decision-making and our research this year shows that it has become a significant driver of loyalty.

Source: KPMG International Research, June 2020



In addition, in previous years of our CX study we have seen that Cost or Value has had little impact on how a customer's assessment of their experiences translates into advocacy and loyalty. This year, however, for **those countries experiencing severe economic impact at the time of the study**, we have seen that Value as a determinant of loyalty is second only to Personalization. In addition, brands are perceived to be providing more value for money with the results revealing a 3 percent uplift.

Key takeaway

Organizations will need to rethink their business and operating models. The consumer's search for value for money is much more than just short-term margin dilution. It is a fundamental change in purchase priorities and will be prevalent for 12 months or more.

Consumers have become more digitally savvy

COVID-19 has amplified the need for easy access to products and services and information. Most customers are now comfortable using online channels to buy what they need. They are reducing physical purchase occasions and are gravitating towards touchless shopping and contactless payments. 82 percent of consumers stated that they are more likely to use digital wallets or cards in the future.

Use of chat technologies and social media has grown with a threefold increase in consumers claiming they will use social channels, webchat, messenger apps and SMS chat as their main means of communicating with organizations in the new reality .

Key takeaway

Organizations will need to invest in new digital methods of communication and payments. Prioritizing digital security will be key.

Trust becomes multi-dimensional

Trust underpins the commercial cadence between customers and organizations. Integrity and trust are therefore two sides of the same coin. Integrity is how the organization thinks and behaves and trust is the outcome gained as a result from its customers.

During lockdown customers have become more aware of environmental and corporate behaviors. They are more questioning as to whether brands behave credibly when it comes to their environmental and social obligation. They have added further dimensions such as safety and support of the local community.

Key takeaway

Integrity and trust are anchored in an organization's purpose. It sets an ethical standard that the business must live up to. Like the CX leaders in our research, firms who have demonstrated resilient, moral principles and a commitment to humanity, the environment and social aims are those that consumers are gravitating towards.



As the effects of COVID-19 reshape our economies, organizations will need to strategically re-engage with their customers. While behaviors and spend levels have already changed dramatically, it is the evolution of customer needs, attitudes and values that will most disrupt how businesses compete."

Tim Knight

Partner, Customer Advisory
KPMG in the UK

Source: KPMG International Research, June 2020

The Six Pillars

Eleven years of research have shown that every outstanding customer relationship has a universal set of qualities — they are The Six Pillars of experience excellence. They are inextricably intertwined and, in combination, provide a powerful mechanism to help organizations understand how well their customer experience is delivered across channels, industries and company types. Leading organizations demonstrate mastery of these pillars and are outstanding at all of them.

In our research this year, all the top ranked brands exceeded the market average on each of The Six Pillars. Indeed, the top-ranked brand in each market typically outperforms the respective market average score for each pillar by between 10 percent and 12 percent.

Integrity

Acting with integrity and engendering trust.

Trust is an outcome of consistent organizational behavior that demonstrates trustworthiness. There are trust building events where organizations have the need to publicly react to a difficult situation, and trust building moments where individual actions by staff add up to create trust in the organization as a whole. Behavioral economics holds that as humans we trust people we like. The ability to build rapport at a basic human level is therefore critical in creating trust with customers.

- Do the right thing for me personally
- Be seen to be doing the right things for customers in general
- Stand for something more than profit
- Have not been associated with negative stories on the TV, internet or in the newspapers
- Are recommended by my friends or family
- Take corporate social responsibility seriously
- Contribute to my local community

Resolution

Turning a poor experience into a great one.

Historically when it comes to resolution, organizations have majored on service recovery. COVID-19 has driven rapid innovation because customer problem solving has come to the fore. This mindset in turn has accelerated a focus on solutions rather than products and driven engagement.

- Own the resolution and fix with urgency
- Keep me fully informed of issue resolution progress
- Offer a warm and sincere apology
- Go the extra mile if required
- Provide a temporary solution while trying to resolve the problem
- Assume my innocence

Expectations

Managing, meeting and exceeding customer expectations.

Customers have needs and they also have expectations about how these needs will be met. Customer satisfaction is the difference between expectation and actual delivery. Understanding, delivering and, if possible, exceeding expectations is a key skill of great organizations. Shaped by COVID-19 customer expectations have become more fluid. Understanding these changing expectations is a vital component of designing the right solutions and experiences. Proactive expectation setting communications will now be expected as standard.

- Do what they said they would
- Provide a consistent service every time I use them
- Use plain English — no jargon
- Keep me informed as to what is happening when I have a query or place an order
- Check whether I'm happy with their product/services
- Set my expectations accurately





During COVID-19, customers have perhaps for the first time seen organizations put their customers and their people's wellbeing before profit. Leading organizations have acted compassionately and sensitively to the factors that affect trust. Going into the new reality firms will need to be careful they do not undermine this newly acquired trust."

Amanda Hicks

Partner in Charge, Customer, Brand and Marketing Advisory
KPMG in Australia

Empathy

Achieving an understanding of the customer's circumstances to drive deep rapport

It is time for all firms to show that they care, that the safety and wellbeing of their employees and customers is their prime concern. Corporate kindness are two words not usually put together, but they are now fundamental to how a company operates from within.

- Understand my particular situation
- Explain things in a way I can easily understand
- Demonstrate they care
- Acknowledge how I'm feeling and act appropriately
- Invest time to understand me and my needs
- Provide the right emotional responses for my situation
- Are willing to bend the rules to help me out

Personalization

Using individualized attention to drive emotional connection.

Demonstrating that you understand the customer's specific needs and circumstances and will adapt the experience accordingly is now the expected norm. Customers during the crisis described the feeling of being in an infinite present and unable to see beyond tomorrow. Our CX leaders have been focused on ensuring that, as far as possible, customers can take control over their lives by providing experiences that are more strongly tailored to their circumstances, that make them feel valued and important and put them back in control.

- Offer products or services relevant for me
- Understand my specific personal needs
- Make me feel valued
- Treat me as an individual
- Know who I am from my customer history when I'm dealing with them
- Make me feel in control
- Show an interest in me

Time and Effort

Minimizing customer effort and creating frictionless processes.

Customers are time poor and increasingly are looking for instant gratification. Removing unnecessary obstacles, impediments and bureaucracy to enable the customer to achieve their objectives quickly and easily have been shown to increase loyalty. COVID-19 has amplified the need for easy access to products and services, convenience and relevant information. Home delivery has become a way of life.

- Provide information/answers I need when I contact them
- Minimize waiting times
- Manage queues/call waiting effectively
- Explain exactly what I need to do next at all points in my task or purchase
- Make my time investment feel worth it
- Offer alternative ways to complete my task or make my purchase



The new reality experience



Investing in the customer relationship in times of difficulty will be repaid by enduring customer loyalty. Firms that maintain their ethics during periods of catastrophe grow and prosper.

Eleven years of research with 4 million customer evaluations of c.3,500 brands globally have shown that there are six dimensions of customer experience that firms need to excel at if they are to reap the financial rewards that result from loyalty and advocacy. These are Integrity, Resolution, Expectations, Time & Effort, Personalization and Empathy.

In normal times, they are powerful tools for creating successful, sustainable and ethical businesses. When faced with the unprecedented challenges of new reality, they provide an invaluable guide to navigating the changes that will be required by defining excellence in both customer and employee experiences.

They show business leaders specifically what they need to create in order to compete for the new reality customer and become or remain high performing CX leaders. This year however we have seen that Value as a determinant of loyalty is second only to Personalization. It has seen an overall shift of 11 percent in importance since 2018.

This year's research shows that The Six Pillars of Experience are more relevant than ever, but now have additional requirements and priorities attached.

As companies demonstrate their commitment to a safe and secure environment and seek to adapt to customers' unique circumstances Integrity and Personalization now play a particularly strong role in driving both advocacy and loyalty.

- Integrity is the strongest driver of Advocacy (NPS) across 18 of the 27 markets, while Personalization leads across 8 markets.
- Personalization is the strongest pillar in driving Customer Loyalty in 19 of the 27 markets, while Integrity leads across 6 markets.

Global performance has increased across each of The Six Pillars this year.

Overall customer experience performance rose by 3 percent globally in 2020.

The Pillar with the highest growth (4 percent) is Expectations. We surmise that this increase is due to consumer expectations having been reset due to COVID-19. The reaction and innovation of many organizations have given the increased ability to wow and exceed expectations.

Our leaders demonstrate that consistent delivery across each of The Six Pillars remains critical. All the top ranked brands exceeded the market average on each of The Six Pillars. In fact, the top-ranked brand in each market typically outperforms the respective market average score for each pillar by between 10 percent and 12 percent.

Connecting customer and employee experience

Companies around the world are attempting to transform their businesses but only a small number have made energizing their frontline people a central part of their transformation journey. These leading companies are embracing the concept of the “workplace as an experience”, where every aspect of work is carefully designed, arranged, and controlled to energize and inspire employees to deliver the prescribed customer experience.

This requires a new covenant between front-office and people leadership, connecting the worlds of customer, HR and general management in a way that most operating models resist.

Those that do, start with the design of a competitively superior customer experience and then design the culture, skills and behaviors that will enable frontline employees to deliver such an experience. This is because innovation, creativity, passion, commitment and the desire to do great things for the customer start and finish with the employee.

The Six Pillars can be universally applied to both customer and employee relationships. By seeing all people (and their digital counterparts) through this singular lens, organizations can remove disconnection and unify their colleagues around common ways of thinking.

In short, transforming the customer experience (CX) requires that organizations adopt an equally methodical approach to the employee experience (EX).

The experience an organization delivers to customers reflects the organization and its employees. Employees who are motivated, empowered and enabled with the information, tools and technology they need to deliver on the brand promise can make or break the customer experience. This goes beyond employee engagement. This means taking the design and measurement of employee experience just as seriously as the design and measurement of the customer experience.

Perception of an employee’s experience is now an important decision point for customers. 41 percent of customers say that it is now more important to them because of COVID-19. Customers want to be assured that employees are well treated, safe and enjoy their jobs.

The CX leaders in our research go to great lengths to ensure that employees experience their organization in the same way a customer would. For the leading hotel and travel companies for example the induction of new employees involves experiencing the brand as a guest. The target employee experience across journeys and their employment life cycle is carefully crafted to ensure the target customer experience naturally emerges.

For leading retailers ordinary retail roles are elevated through stringent recruitment and training to become consultants, trusted advisors to customers who not only sell products but guide customers to exactly the right solutions for them. Even more important as countries globally ease out of lockdown measures and want to feel safe and secure in their physical purchase experiences.

For online retailers it is how staff can replicate human interactions online and make an emotional connection digitally. This is an area many organizations have been thrust into over the last few months and will need to be careful to maintain and improve as customers will not be forgiving if the experience slacks off.

The unifying factor across each of these companies is that employees and customers alike are infused and enthused by an abiding sense of purpose which, when coupled with The Six Pillars, provides a set of implementation principles that aligns both employees and customers behind a desire to make a difference to the customer and the world they live in.

A connected enterprise for the new reality

Companies that were agile, responsive and digitally enabled were able to better navigate the effects of COVID-19 and lockdown.

These connected enterprises have high levels of synergy between eight core capabilities across the organization where each capability has a mutually beneficial, self re-enforcing effect. This is critical to compete in the new reality.

Insight-driven strategies and actions

Innovative products and services

Experience-centricity by design

Seamless interactions and commerce

2X
impact

Responsive operations and supply chain

Aligned and empowered workforce

Digitally-enabled technology architecture

Integrated partner and alliance ecosystem

Source: A commissioned study conducted by Forrester Consulting on behalf of KPMG, September 2018

01 Insight driven strategies and actions

Connected enterprises harness data analytics to generate actionable insights. They are equipped to develop a real-time, multi-dimensional view of their customers, allowing them to shape meaningful and effective customer strategies and a personalized approach to executing them. They use insights to make integrated business decisions.

Connection points

- Do your D&A capabilities give you a holistic understanding of your business ecosystem?
- How do your data practices help you to provide a real-time, 360 view of your customers?
- Do you have detailed policies in place to ensure information security and privacy?

02 Innovative products and services

A connected enterprise develops compelling customer value propositions including price, products and services to engage the most attractive customers and drive profitable growth. It innovates with the needs and priorities of customers in mind and, by anticipating where demand is moving, builds competitive advantage.

Connection points

- Does your strategic planning process balance value to customers with value to the organization?
- Do your customer insights help you target customers and prospects with the right products?
- Do you design new products and services leveraging deep customer insights and anticipating future needs?

03 Experience-centricity by design

Many businesses invest heavily in new technology and operations — but don't base it around the actual impact on their customers, employees or business partners. Connected enterprises step back and ask what experience they want to deliver to these audiences and then intentionally create it through design, supporting the value propositions and delivering on business objectives.

Connection points

- Do you approach experience design from both the inside-out and the outside-in?
- Can you respond to rapidly evolving customer, employee and marketplace dynamics?
- Do you measure customer, employee and partner interaction across different products and services, delivered across various channels, using multiple KPIs?

04 Seamless interactions and commerce

The Connected Enterprise is a relationship business, engaging with prospects and customers at multiple touchpoints and ensuring an integrated experience across them. Whether the customer's entry point is marketing, sales or service, the business delivers a joined-up experience and provides the opportunity to buy across the marketing, sales and service lifecycle while making the customer feel valued. The business works together across functions to achieve measurable results.

Connection points

- Is your experience joined up and connected?
- How does your organization harness data and analytics to deliver a relevant, seamless experience across marketing, sales, service and commerce?
- Can your platform integrate internal systems with partners and third-party providers to provide the desired experience?

05 Responsive operations and supply chain

Connected enterprises know they must have the right operations practices and supply chain in place if they are to actually execute on the promise to customers. They operate the business with efficiency and agility to fulfil the customer promise in a consistent and profitable way. They have the right enterprise decision analytics, operating models and procurement services in place.

Connection points

- Are your operations able to respond and adapt to changing market requirements?
- Does your supply chain bring you the consistent performance that you need?
- Do you leverage Data & Analytics across the full value chain to drive enterprise improvement?

06 Aligned and empowered workforce

A Connected Enterprise has an agile organizational structure ready to adapt. The company attracts and recruits the right type of people; it builds and instils a customer-centric culture; it inspires people to deliver on the customer promise and drive up business performance.

Connection points

- Do you foster an innovative, forward-looking and customer-centric culture?
- Do your employees have the right skills and training to help them deliver to customers?
- Are you able to attract and retain the right digital and entrepreneurial talent with the right mindset for customer centricity?

07 Digitally enabled technology architecture

Connected enterprises have the ability to architect, engineer enable and operate intelligent digital services, technologies, and platforms to deliver on the customer promise in an agile, cost-effective and scalable manner while maintaining security. They develop secure, scalable and cost-effective solutions that also support customers, employees and partners to work effectively.

Connection points

- Are you incorporating and optimizing the integration of today's and tomorrow's technologies to support high performance?
- Are you automating business and technology processes to respond to customer needs more effectively?
- Is the necessary security in place to protect your data, systems and products?

08 Integrated partner and alliance ecosystem

No business does it all themselves. Every business relies on its partners. Connected enterprises successfully engage, integrate and manage third parties to increase speed to market, reduce costs, mitigate risks and supplement capability gaps to deliver the customer promise. They develop trusted relationships with their partners and build a competitive edge together.

Connection points

- Are you able to identify partners, alliances and vendors to fill any capability gaps?
- Do you have a defined, efficient and risk-reducing onboarding process?
- Do you monitor partners' performance and ensure it's helping you meet your business objectives?



How to succeed in the new reality

There are a number of key considerations that can help organizations make faster progress.

01

Keep close to what your customers want

The ability to think “outside in” is key in building a customer-centric business. Ensure that you are not deviating from your original goal of delivering on what your customers want, need and are willing to pay for; keep continually looking up and outside of the organization to ensure this mission is at the fore.

02

Do things in an agile way

Becoming a connected enterprise is a transformation — but that doesn't mean the business needs to revolutionize itself overnight. Break changes down into specific steps, sequence them and implement. Keep standing back to assess whether the change has been successful in a ‘test and learn’ approach. It's about a series of small changes that together add up to a significant and impactful transformation.

03

Build in resilience

67 percent of CEOs say they have had to rethink their global supply chain approach given the disruptive impact of COVID-19, driven by the desire to become more agile in response to changing customer needs.¹

04

Keep it human

While embedding new technologies such as AI and automation are likely to be critical in developing more seamless interactions for customers, remember that you also need to keep the experience ‘real’. Don't lose the human touch; make sure that your customers are still being served by humans — your employees — at the key moments.

05

Make use of new technologies

80 percent of CEOs say that COVID-19 has accelerated digital transformation.² Make sure that you are continually looking at what new technologies are becoming available that could help you serve customers better or connect your business up more seamlessly. Are you utilizing cloud effectively? Are you building in appropriate automation and AI? Are your teams empowered with collaborative tools so that they can better work together and share key information and data easily?

^{1,2} 2020 Global CEO Outlook, KPMG International

Signals of success

A focus across the eight capabilities delivers higher performance for customers, employees and the organization as a whole.

Capability	What good looks like for customers	What good looks like for employees	What good looks like for organizations
Insight-driven strategies & actions	Personalized, authentic and contextual experiences with a brand.	Evidence based mindset, openness to challenge and learn from failure.	Leverage real-time insights and data to optimize the enterprise.
Innovative products & services	Connection to the brand, relevance of product and experience.	Innovation is everyone's job: all employees contribute and there is a robust innovation harvesting process.	Products/services, pricing and promotions are differentiated and constantly optimized to meet demand.
Experience centricity by design	The experience is the brand promise and it is consistently delivered across all interactions.	Employee experience is of equal importance and is designed to support and mirror the desired customer experience.	Experience centricity is at the heart of the organization and customer and employee experiences are optimized to deliver economic value.
Seamless interactions & commerce	Seamless and secure interactions with a brand across all transactions.	Employees have the tools to enable them to freely operate, collaborate and interact across organization boundaries.	Preference-driven interactions and integrated payment mechanisms across the brand.
Responsive operations & supply chain	Receive and return products and services when, where and how it is most convenient.	Awareness of end-to-end value chain and individual's contribution to customer outcomes.	Leverage innovation-driven demand, inventory management and distribution.
Aligned & empowered workforce	Seamless and consistent experience received across all teams and departments.	Everyone a leader and everyone an innovator mindset throughout the workforce. Teams and individuals know how they contribute to the strategy and the customer & business outcomes.	Empowered employees, inspired leaders and a culture that embraces change with an organization truly aligned to the value it brings to customers and stakeholders.
Digitally-enabled technology architecture	Technology enables a frictionless, contextual and personalized experience.	Courage to experiment and act quickly. High levels of digital acumen, harnessing the power of emerging technology.	Culture of innovation and agility driving speedy, high quality tech implementation and adoption.
Integrated partner & alliance ecosystem	Are able to access a rich and diverse set of products /services from a single brand.	Seamless collaboration and interaction between all parties throughout the ecosystem.	Identify and leverage synergies with third parties to overcome enterprise barriers and execute on the desired experience.

Getting the balance right drives economic value

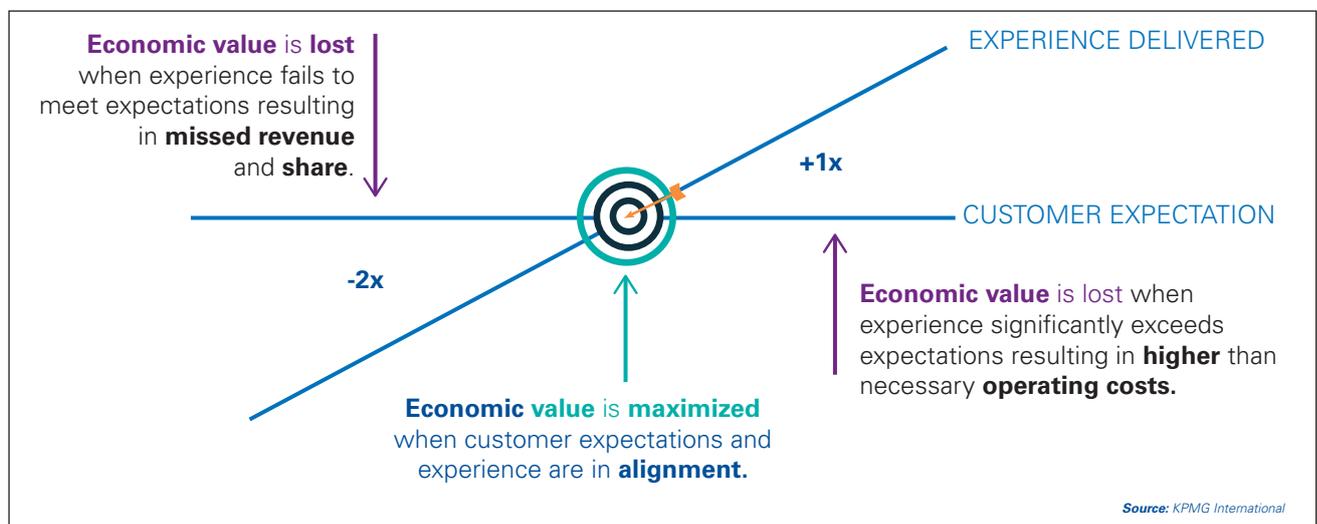
Getting connected takes foresight, planning, commitment, agility and perseverance — and the evidence corroborates the effort.

The business won't only benefit from good customer outcomes — it will capture the economic benefits too.

This means generating maximum economic value on the most profitable services that customers value most and not wasting undue effort on areas that customers don't value or have merely functional expectations around in the first place.

Connected organizations and many of the CX leaders in our research are more successful at striking the right

balance between what customers expect and what makes financial sense to deliver. It is value engineering that comes from mastering the economics of customer experience. Simply stated, enterprises need to manage both experience expectations and experience delivery and execution, recognizing the power of the eight connected enterprise capabilities working together to execute in a connected manner.





Consistency is key. Customer experience (CEE metric) for the top-ranked brand in each market is an average of 11 percent higher than its respective market average.

Global CX leaders

The leaders in this year's global CX research are well adapted to respond to new and emerging customer requirements. Many are recently established organizations which already have customer problem solving cultures, flexible employee policies, progressive workplaces and have invested in digital tools designed to make their customers' and colleagues' lives easier.

Half of the companies featured in the research were also in the top one or two companies listed in 2019. Their customer-oriented approach enabling them to weather the recent unprecedented times better than their competitors.

12 of the leading companies are financial organizations, the majority provide traditional services, however none of these companies operate in a 'traditional' way. They have a single unifying objective to put their customer first. They focus on making a difference to the customer's life; they are driven by ethical and sustainable objectives and they are harnessing digital technologies to benefit the customer in new and inventive ways.

7 brands retained their number 1 spot from the previous year. 3 brands were new to the rankings, while 13 were featured previously as a top 10 brand, 15 as a top 20 brand, and all featured within the top 30.

Each of the companies in this year's hall of fame are united by their desire to continually improve and innovate. They realize that digital services require a human touch and are mastering the art of highly personalized service across channels.

2020 hall of fame



Australia
**First Choice
Liquor**



Austria
ÖAMTC



Belgium
Argenta



Brazil
Sodiê Doces



Czech Republic
Air Bank



Germany
Fielmann



Hong Kong
(SAR), China
Adidas



Ireland
Credit Union



Italy
**Leading
online retailer**



Japan
**Tokyo Disney
Resort**



Luxembourg
LALUX



Mexico
Marriott



Netherlands
ASN Bank



New Zealand
**The Co-
operative
Bank**



Poland
iSpot



Romania
ING Bank



Russia
Nike



Singapore
**American
Express**



Slovakia
Martinus



Spain
Apple Store



Sweden
Apotea



Taiwan
Richart



Thailand
AIA



UAE
Emirates



UK
first direct



US
USAA



Vietnam
**Vietnam
Airlines**



Australia First Choice Liquor

First Choice Liquor was created when parent company Coles Liquor merged their Liquor Market stores with First Choice. They have award-winning store design, exclusive products not available from any other Australian retailer and exceptional service which has elevated them 19 places to number one in Australia. They responded quickly to COVID-19 with safe “no contact” home delivery and click and collect.



Austria ÖAMTC

ÖAMTC is the largest automobile club in Austria with more than 2.2 million members. Referred to by its customers as “yellow angels”, customers are typically attended to in 30 minutes and the vast majority are able to drive away afterwards. Throughout the lockdown period customers were able to access up to date information and travel and mobility restrictions across Europe.



Belgium Argenta

Argenta Bank is a bank and insurance company for families with 1.7 million customers. It supports its customers with “leading healthy financial lives by providing clear, honest and close-at-hand financial services”. Argenta responded to COVID-19 with specific support programs for the “financially distressed” and sought to improve ease of access (via digital and remote channels) for vulnerable customers.



Brazil Sodiê Doces

Cleusa Maria went from a child laborer to owner of Brazil’s most popular cake shops. The firm’s name is a combination of her childrens’ names Sofia and Diego and translates as Sweet Sodie. With 300 owned and franchised outlets the business has built a strong reputation for quality and service.



Czech Republic Air Bank

Air Bank prides itself on “Simplicity, Courage, Truth, Friendliness.” With a clear vision to create a bank that serves people it is simple and clear in its communications meeting customer needs first. Air Bank introduced a “deferral of payment” program for those in financial distress as a result of COVID-19.



Germany Fielmann

Fielmann stands for eyewear fashion at a low price. They are Europe’s largest optician. Their user-friendly services shape the company’s history and “The customer is you” forms the underlying principle of their customer oriented corporate philosophy. As COVID-19 struck Germany Fielmann donated 20,000 pairs of protective glasses to hospitals and medical services. Observing the rapid development of the coronavirus crisis, they altered their supply chain for plastic frames in favor of protective glasses.



Hong Kong (SAR), China Adidas

Adidas approaches product development and customer engagement through innovation. Their focus on digital encompasses production, e-commerce and customer communications. Through research and data analytics, their understanding of sports as well as fashion enthusiasts enables Adidas to target their products, communications and apps. The experience is embodied in the Brand Centre within Hong Kong’s most central districts. Adidas has also taken steps to support business partners and workers in the supply chain by fulfilling commitments to their business operations and liquidity, and providing early health and safety guidance for suppliers.



Ireland Credit Union

Credit Union Ireland offer a face to face customer experience at a time when other financial institutions are moving away from physically meeting customers. Customers talk about the ethics of a Credit Union that exists solely for the benefit of its members, not to profit from them. Credit Union Ireland responded rapidly to COVID-19 with its “people helping people” philosophy. Remote delivery of cash, helping members who hadn’t previously used remote and digital access, “helping hand loans” and flexible repayments (forbearance) as well as systematically contacting the more vulnerable members to ask how they are coping, whether anyone has checked in on them and whether they have supplies.



Italy

Leading online retailer

This leading online retailer continues to offer a unique customer experience. Central to this is the ability for customers to find what they want in an instant with personalized recommendations and search results. This is all presented with curated web content and efficient delivery. They responded quickly to COVID-19, prioritizing essential goods for delivery and rapidly increasing its workforce to cope with demand.



Japan

Tokyo Disney Resort

Tokyo Disney Resorts (TDR) is one of the world's leading theme parks with over 30 million visitors every year and is number one for customer experience. The first park, Tokyo Disney Land, was established in 1983, and Tokyo Disney Sea followed in 2001. Over the last 30 years, both parks have built strong trust and loyalty through exceptional service and new and evolving services and attractions that continue to exceed expectations.

Their mantra is “enriching hearts and energizing people,” while maintaining a customer perspective. TDR is loved by all types in Japan, young and old, with brand loyalty amongst one of the strongest in the entertainment and leisure sector.

The hospitality at TDR is now the benchmark for customer service in Japan, with convenient services that tailor to all segments and a focus on rewarding returning visitors and ensuring an amazing experience every time.

Tokyo Disney Resorts responded to COVID-19 by closing the parks at the end of February, ahead of official recommendations. This early closure, combined with the clear communications to protect customers and staff, saw customers praising Disney for their decisive action.



Luxembourg

Lalux

Lalux is an insurer that keeps ‘Customer closeness’ and a sense of place central to the customer experience. Its reputation is built on resolving customer claims rapidly and with great empathy. Staff and agents maintain a close personal relationship with its customers throughout the process.



Mexico

Marriott

Marriott in Mexico have examined the minutiae of a customer's end-to-end journey and set perfection as their expectation at each stage. They infuse their brand pillars into the journey design to deliver a distinctive experience. Marriott Mexico's senior staff responded to COVID-19 by cutting their own salaries to subsidize keeping staff on furlough while hotels are closed.



Netherlands

ASN Bank

ASN Bank has a strong sense of environmental and social purpose as part of its mission of sustainability. ASN Bank wants to help create a world that is safe and healthy for people to live in, and where the environment is respected, both in the present and in the future. ASN along with other Dutch banks developed a set of support measures for individuals and companies that were financially distressed as a result of COVID-19.



New Zealand

The Co-operative Bank

The Co-operative Bank is customer owned and has sought to demonstrate an ongoing commitment to 'doing right' by New Zealanders by sharing profits with its customers. The bank introduced a range of measures designed to help alleviate the impact of COVID-19, including repayment holidays, emergency loans and support for those in financial hardship.



Poland

iSpot (Apple)

iSpot describes itself as “the largest Apple Premium Reseller in Poland” and specializes in iPhones, iPads, and Macs. iSpot offers repair and education services to customers, making Personalization a key pillar for this retailer. Being able to offer a personalized experience relies on the training of its employees — such is the breadth of knowledge that's required to cover several complex scenarios, many of which will be unique to a particular customer. To keep Apple customers operating during the lockdown, iSpot expanded their online support services enabling email access to helpful support staff.


Romania
ING Bank

ING Bank Romania, like many companies, is looking to use technology to remove barriers and make life easier for its customers. to meet its purpose of “Empowering people to stay a step ahead in life and in business.”³ ING bank’s response to COVID-19 has included loan relief (holidays), providing expert advice, implementing national schemes and supporting companies to alleviate those concerns. Advising people to use online banking channels and contactless payments to prevent spread of the virus. In Romania loan repayment holidays can be granted up to 9 months.


Russia
Nike

Nike retail staff are selected based on their interest and involvement in sports, and their ability to convey their passion to customers. Positioned as “consultants” they regularly undergo training to provide customers with valuable advice and product recommendations, based on their knowledge and experience. Globally Nike have assembled their expert scientists, engineers, and designers to create full-face shields and powered, air-purifying respirator (PAPR) lenses to support healthcare workers. They have donated more than 140,000 pieces of footwear, apparel and equipment globally to communities in need. They have also committed more than 25 million US dollars (USD), including more than USD2 million in employee donations, to support COVID-19 response efforts worldwide.


Singapore
American Express

American Express ensures it delivers world leading customer experiences through a focus on speed, empathy, education and efficient, empowered, customer service professionals who can connect with their customers personally. Amex response to COVID-19 has been to waive interest and late fees, as well as providing support to those in difficult circumstances.


Slovakia
Martinus

Martinus bookshops are purpose led, wanting to “sell stories”. In designing their customer experiences Martinus follows four core principles: “Passion — because we love what we do. Personal approach — because we want to understand each other even though we are completely different. Wow effect — because we deliberately do little things that together create a unique experience. Strive for improvement — because we appreciate curiosity, initiative and progress”. Already an online retailer, Martinus extended their online capability to respond to COVID-19 by enabling their customer service agents to advise shoppers with their book selections in video chat sessions.


Spain
Apple Store

Apple Store staff in Spain understand the difference between selling products and building relationships. Their focus is on the latter following the Apple mantra that building relationships is the way to sell more products. They realize that customers want to buy from someone who makes them feel special, someone who takes the time to give them a unique and personalized experience and tries to make their lives better. Apple Spain recognized “that Customers may need support from Apple during this challenging time and we’ll ensure our online and phone support, as well as online store, remain open for customers.”


Sweden
Apotea

Apotea is Sweden’s largest online pharmacy. It has built its reputation on innovation and sustainability. The CEO’s philosophy is to make online shopping as convenient and appealing as possible. That includes everything from information about the products to payment solutions and delivery. Its offices generate more power than they consume and each aspect of their business is analyzed through the sustainability lens. COVID-19 has rapidly accelerated the need for Apotea’s services and their delivery approach direct to the customer’s door.

³ <https://www.ing.com/About-us/Profile/Strategy.htm>



In Taiwan, Taishin Bank developed Richart with the goal of providing the best financial customer experience through mobile banking. A particular favorite of young Taiwanese, Richart has as its goal to teach young Taiwanese residents how to effectively manage their wealth at an early age. Richart has been conducting campus lectures in universities and schools across the country. Richart is the first digital banking product in Taiwan to undergo the Social Return on Investment (SROI), an internationally recognized project performance evaluation approach, to provide insight into Richart's influence on the society. It showed that every 1 New Taiwan dollar (TWD) of investment into Richart has the potential to create TWD5.5 of societal value — which is 1.5 times greater than the global SROI average of 3.77.⁴



AIA is an insurance company that has been in existence for over 100 years whose purpose is "to play a leadership role in driving economic and social development across the region. That is our service to societies and their people"

Their focus is on providing solutions to problems that occur across the customer's life stage. They focus on supporting customers through life events with both reactive and preventative initiatives. AIA has set up the first COVID-19 digital clinic in Thailand enabling those who think they may be affected to get in contact with a health professional digitally. It is a free telemedicine service enabling real-time interactions between patients and doctors. The service enables callers to avoid visiting hospital unnecessarily, thereby reducing the risk of further COVID-19 infection.



Emirates have exported outstanding customer service all over the world. The airline recruits from 140 countries but each employee, regardless of origin, must have a strong service ethic, a desire to please customers, and act as an ambassador for the brand. Emirates is one of the first companies in the world to "industrialize" customer journey mapping. Every step along the customer journey is skillfully designed to be memorable. COVID-19 greatly restricted Emirates but their response was to put customers first, Emirates has a single COVID-19 travel waiver policy in one simplified approach for rebooking and refunds on tickets issued.



first direct have been number one in the UK for customer experience 5 times in the last 11 years. Their mantra is "Pioneering amazing service." Proactive engagement, strong communications and a highly committed team means their customers continue to receive outstanding service. first direct responded to COVID-19 with a range of financial and non-financial initiatives. As well as payment holidays and help for customers struggling financially, they recognized there were other aspects they could help with too, including support for bereavement, managing money from home and domestic and financial abuse and claiming refunds on credit or debit cards.



USAA serves millions of military members and their families with competitive rates on insurance, banking and investment services. They seek to demonstrably act in their customers' best interests. In responding to COVID-19 and based on a steady trend of reduced driving and fewer accident claims by members, they returned a proportion of their profits to members.



Vietnam Airlines have been on a progressive journey to improve the quality of their customers experiences. They are firmly committed to equaling the service levels of the world's leading airlines. Central to their approach has been customer listening. The continual aggregation of customer feedback to drive improvement which incrementally adds value at each stage of the customer journey. It has inspired several changes to the customer experience from food and drink through to conversations at check-in.

With an intention to become a digital airline they have invested in an IT infrastructure that has driven the digitization of flight management documents, the application of artificial intelligence (AI) and the use of big data in business, operations and fleet management which has accelerated automation and customization to enhance the customer experience. They are known locally for their warm hospitality and a commitment to great customer service which characterizes Vietnam's rich culture and identity.

⁴ <https://asianbankingandfinance.net/retail-banking/exclusive/how-taishin-banks-richart-captivated-taiwans-youth#:~:text=It%20showed%20that%20every%20NT,management%20habits%2C%E2%80%9D%20Shang%20said.>



Industry views

Due to COVID-19 restrictions, many purchases have had to shift from in-person to online channels, creating a more digitally savvy consumer that demands frictionless interactions. Many organizations had to accelerate, augment and promote their original customer interaction investments. For the leaders in our research, this was a minor adjustment to existing operating models allowing them to maintain continued interactions with their customers on a regular basis — maintaining a commercial cadence. Indeed, the shift to digital enabled greater value to be created by lowering costs to serve.

The migration to these digital relationships poses something of a challenge for organizations, even for those with a strong digital presence, because online experiences in the new reality need to be immersive, emotive and, above all, safe. Over the next few pages, we take a deep-dive into some key industries to look at how they have pivoted to meet customers' changed expectations.



Organizations which are most likely to prosper over the long term are those that adapt their business models and embrace the right type of partnerships to respond to the new reality; rethink their cost of doing business across multiple facets; demonstrate their purpose and prioritize personal safety for their employees and customers and understand who their customers are, that their needs are changing quicker and brands will need to adapt faster to meet their expectations."

Gary Reader

Global Head of Clients and Markets
KPMG International





With IATA predicting it will be 2024 before air travel returns to pre COVID-19 levels and over 30 percent of the world's 26,000 aircraft grounded the air travel industry faces a crisis like no other. The passenger experience is set to change dramatically as airlines grapple with the twin issues of cost and passenger health. Central to its recovery is the restoration of passenger confidence.

With a lengthy period of recovery predicted, airlines are having to deal with a structural change in air travel economics. The nature of the airline industry is that costs of idle aircraft run to thousands of US dollars every day. Full-service airlines depend on the business traveler to make their economics work and low-cost airlines depend on utilization and passenger density. Both are under threat.

COVID-19 has ushered in a new era of air travel experience. One that differs dramatically from what has gone before. Over and above ensuring that effective sanitization measures are in place, airlines are finding ways to keep passengers safe while encouraging air travel. Emirates for example were the first airline to offer COVID 19 insurance.⁵ Several airlines have collaborated on the introduction of COVID-19 health passes. This will standardize a globally recognized

proof that a passenger has tested negative for the virus before a flight, using a digital certificate downloaded to a mobile phone.⁶

Much greater investment in self-service can reduce staff passenger interactions and self-protective pouches, a package that includes a mask, gloves, hand sanitizer, alcohol wipes and an information leaflet with tips on how to prevent the virus spreading, will replace amenity kits.

Critical areas for getting aviation back on its feet include the development of agreed protocols between countries regarding safe travel. This requires co-ordination of the whole ecosystem that impacts the customer journey, including pre and post flight rapid testing regimes, predictable border controls and effective treatment of any of those impacted by COVID-19 while traveling.

⁵ <https://www.bbc.com/news/business-53563276>

⁶ <https://www.ft.com/content/8d603248-6884-4081-9256-8c5b2f2827ba>

Airlines



The industry faces extensive disruption for the next few years and there are several strategic questions to be answered clearly:

- How do we make every aspect of the passenger journey contactless and touch free?
 - How do we respond to the rapidly growing environmental and sustainability concerns?
 - What other standards of passenger safety do we need to adopt (e.g. QR codes, health assessments etc.)?
 - Given the state of the industry in 2022, 2023 and 2024, how do we manage our economics and right size decisions?
- How can we keep our staff motivated and engaged during the right sizing activity?
 - How do we continue to differentiate in a touchless environment?

Ultimately, whether passengers will feel confident enough to take to the skies depends on consumer confidence as recovery measures are put in place by governments, airports and airline operators and the sense amongst passengers of whether airlines and the whole travel ecosystem have adequately addressed their concerns regarding COVID-19 and its bearing on air travel.

Airlines hall of fame

Alaska Airlines	US
ANA (All Nippon Airways)	Japan
Emirates	UAE
JAL (Japan Airlines)	Japan
JetBlue Airways	US
KLM	Netherlands
S7 Airlines	Russia
Singapore Airlines	Singapore
Southwest Airlines	US
Vietnam Airlines	Vietnam

Sector hall of fame based on brands' Customer Experience Excellence performance relative to their market, according to consumers in the market specified.

“

COVID-19 will usher in a new era of air travel experience. It will be more digital however with potentially more points of friction for customers in the whole travel journey from what has gone before. The airlines featured in our hall of fame are often the ones working hard to establish passenger trust during COVID-19 and demonstrate that they care about their customers, their people and the world they operate in.”

Malcolm Ramsay
Global Head of Aviation
KPMG International



BANK



The traditional banking model was already being challenged pre-COVID-19 by three trends: persistently low interest rates, extended regulation and increased competition from challenger banks and digital entrants. COVID-19 has accelerated the need for new banking technologies and cost-cutting efficiencies. Cloud technologies, digital applications and AI can help banks weather these changes and differentiate their offerings in the long term.

This shift also reflected a practical need for more efficient operations as well as increasing pressures for banks to boost their return on capital and decrease cost-income ratios. Meanwhile, systems such as Open Banking (allowing third party applications access to bank accounts) was a potential disruption to the industry, splitting the value chain into product creation and fulfilment and increasing the likelihood of competition from new entrants, particularly from big technology firms.

COVID-19 is accelerating these demands. It has also changed consumers' behaviors, pushing them to consider new tools and technologies. As customers become "digital first" across all age groups the traditional banking model of separate and often unintegrated channels comes into question.

Our research suggests there are three trends which will shape the future of the banking industry:

1. New technologies will drive banking transformation over the

next 5 years. Cloud and SaaS has allowed banks to operate with an agility and speed usually associated with their fintech competitors.

2. Artificial intelligence will separate the winners from the losers in banking. There are a diverse range of uses for AI, with a growing focus on improving the customer experience through personalization.
3. Banks will overhaul their business models to create digital ecosystems. In the new world, banking will become part of a platform of services with the key players transforming their business models into digital ecosystems and making the bank the center of these platforms.

In the near term, banks may enjoy a revitalization as they continue lending to their customers during the crisis. They also enjoy the protection of the safety net and access to deposit financing. Nevertheless, COVID-19 will likely accelerate the digitalization and the shift over the medium term of activities away from the sector. This

Banking



prompts some fundamental strategic questions:

- Big Tech companies have many of the ingredients to get ahead in the post- COVID-19 world. They are digital natives; they have the technology, customer base and brand recognition, as well as vast amounts of data and deep pockets so how do we protect our customer base from new entrants?
- How do we use open banking to play a wider and more indispensable part in our customers' lives?

- How do we harness the data we have to increase personalization and build longer and more sustainable relationships across the customer lifecycle?
- How do we integrate digital across the retail estate? What is the role of branches in the new reality?

The banking industry was already facing extensive disruption and change. COVID-19 provides a burning platform to reset the role of banking in the mind of the customers and align it with providing solutions not products. Integration, proactivity and purpose are the new watchwords.



COVID-19 has accelerated the need for new banking technologies and cost-cutting efficiencies. Cloud technologies, digital applications and AI can help banks weather these changes and differentiate their offerings in the long term."

Judd Caplain

Global Head of Banking & Capital Markets
KPMG International

Banking hall of fame

Air Bank	Czech Republic
Argenta	Belgium
ASN Bank	Netherlands
Credit Union	Ireland
first direct	UK
ING Bank	Romania
Navy Federal Credit Union	US
Starling Bank	UK
The Cooperative Bank	New Zealand
USAA	US

Sector hall of fame based on brands' Customer Experience Excellence performance relative to their market, according to consumers in the market specified.



COVID-19 has driven customers online and brings the role of physical retail space into question. The leading food retailers in our research have linked immersive in-store experiences with advanced digital technologies to integrate the online and offline shopping experience but face a growing profitability issue if home delivery remains the customers preferred option.

Digital ordering, home delivery and curbside pickup are now embedded buying behavior across all demographics. Grocery outlets have rapidly innovated in response, accelerating ecommerce and using creative ways to effect home delivery with larger supermarket chains recruiting thousands of new staff to meet the increase in delivery demand.

Trust and safety continue to be uppermost in the mind of consumers and is likely to be so for the foreseeable future. A home food drop is less risky than a trip to a supermarket as it avoids other shoppers. But no process has zero risk. Supermarkets are very focused on the health and safety of both employees and customers but 80 percent of those who have

moved to shopping online because of COVID-19 intend to continue doing so.

The challenge facing grocery retailers is how to optimize the economics of in-store and ecommerce. For some organizations this involves syncing digital with in-store to attract customers for the experience and for others it involves minimizing the costs of home delivery.

Grocery retailers face a new era in grocery shopping and an unprecedented change in customer behavior. Much of the new customer behaviors will likely stick. 80 percent of consumers that had purchased online for the first time intended to continue doing so⁷. As a result of COVID-19 grocers now face several strategic questions:

Grocery retail

⁷ KPMG COVID-19 Global tracker, Consumers in the new reality



- What is the role of physical stores in the customer experience?
- How do we harness technology to drive the in-store experience?
- Is it a channel or part of an integrated network of technology and experience?
- What are the new activities we need to undertake to make the in-store experience more immersive and compelling?
- How do we integrate digitally front to back to meet changing customer needs and behaviors?

“

Digital ordering, home delivery and curbside pickup are now embedded buying behavior across all demographics. Grocery outlets have rapidly innovated in response, accelerating ecommerce and using creative ways to effect home delivery. The leaders in our research are using digital methods to support in-store attendance and give the customer options as to how they then want to make their purchases.”

Paul Martin

UK Head of Retail
KPMG in the UK

Grocery retail hall of fame

Colruyt Belgium

Consum Spain

Costco Wholesale US

Esselunga Italy

First Choice
Liquor Australia

H-E-B US

M&S Food UK

Publix US

Wegmans US

Zaffari Brazil

Sector hall of fame based on brands' Customer Experience Excellence performance relative to their market, according to consumers in the market specified.



There is no doubt that COVID-19 has had an enormous impact on hotels and the hospitality industry. Essentially a 'people' industry, the hospitality industry stands to lose if people continue to fear travelling and meeting other people. One of the most significant obstacles hotels will have to overcome is regaining guest confidence in the safety, health and hygiene standards maintained by hotels.

Many hotel groups have acted with great integrity and social conscience during the epidemic, providing beds for key workers, ensuring that the homeless and vulnerable had shelter and providing meals and support where it was needed. COVID-19 has however left the hotel sector in a difficult state as travel business, leisure, and in particular long-haul business travel to large hub cities, is curtailed for the foreseeable future.

Hotels are preoccupied with the near-term experience as they change processes and protocols to restore confidence and increase occupancy.

Increasingly hotels are turning to innovation as a way of attracting guests while keeping them safe. Some hotels are using robots as butlers to minimize guest interaction while still delivering important services. Voice assistants are becoming widespread enabling guests to engage with the hotel amenities and services without having to touch the guestroom phone or stop

by the front desk for a face to face with an associate. They also facilitate controls of the in-room television, lights, thermostats without the guest needing to touch a switch or a remote control.⁸

Check-in and door-key apps have been implemented in a somewhat piecemeal fashion over the past several years, but the pace has accelerated quickly so guests can more easily open doors in public spaces and complete check-in and checkout procedures digitally.

Undoubtedly hotels and hospitality companies need to reassess their business models. If the worst-case scenarios materialize and the world will have to learn to live with COVID-19 for some time, what does that mean for our business? Several strategic questions emerge:

- How do we stimulate demand by bringing back consumer confidence?

⁸ <https://www.wsj.com/articles/hotel-robots-get-second-life-as-industry-adapts-to-covid-19-11597147201>

HOTELS



- What do we need to do to show we overtly care about the wellbeing of our customers and staff?
- How do we create a touchless experience, that delivers the warmth and passion that typifies our unique experience?
- How do we transfer that offline experience online in a way that continues to promote our brand and differentiators?
- What change initiatives are required to secure our business model and economic drivers?
- How do we introduce new levels of flexibility that reflect the sudden changes guests may need to make to their travel arrangements?

- What further digital transformation is required in order to meet the level of personalization that guests will demand?

Out of necessity hotels have had to focus on reducing costs as much as possible, but in the coming weeks and months, this situation is the new “normal” and hotels will have to begin implementing measures that not only increase reservations but also assume that COVID-19 is with us for some time to come. It is a unique situation where hotels must react quickly and in a socially responsible way, while always being on the lookout for the safety of guests and employees.

Hotel brands hall of fame	
Fiesta Americana	Mexico
Fiesta Inn	Mexico
Hilton	Germany
Hilton	Mexico
Hilton	US
Hilton	UK
Holiday Inn	Mexico
Marriott	Mexico
Premier Inn	UK
Van der Valk Hotels	Netherlands

Sector hall of fame based on brands' Customer Experience Excellence performance relative to their market, according to consumers in the market specified.



The very nature of the hotel experience will need to change in response to COVID-19. One of the most significant obstacles hotels will have to overcome is regaining guest confidence in the safety, health and hygiene standards maintained by hotels. The use of digital tools to empower customers across the life cycle of a hotel stay could be the answer to meeting customer’s demands.”

Will Hawkley

Global Head of Leisure & Hospitality
KPMG International



COVID-19 has led to an increased customer desire to secure against unforeseen events. Where customers need to make a claim, efficient processing remains critical, especially in the current environment where delays in payouts may have severe implications for customers' personal financial situation. Customers also have an increased preference for using digital channels to settle claims.

The digitization of the insurance industry is accelerating more rapidly than, perhaps, any other sector. This trend could be further heightened by insurers' response to the impact of COVID-19.

As a result of changing customer needs and behaviors, insurers are looking to rethink and innovate as they adjust and respond to the new reality that will exist post-COVID-19. This is leading to a far greater focus on customer experience and greater personalization of the insurance proposition.

As the pressure on health services and social distancing protocols continue, we are likely to see a rise in telehealth services, offering consultancy to patients via phone or online video services. This could have constructive long-term effects,

helping healthcare reach more remote and less affluent populations including the under- or un-insured. Making healthcare more available and accessible means that, in some small way, societies may benefit from learnings and actions taken during COVID-19.

COVID-19 has provided the opportunity for insurers to understand that their businesses have enough connectivity to support more staff working off-site and in flexible ways now, and for the future. Insurers should focus on reviewing, testing and securing their new model of working to ensure good governance, efficiency and protect against cyber threats.

There are some strategic technology and product questions facing companies:

Insurance



- What do we do with operational areas that have high concentrations of human capital support such as call centers, claims and shared service centers?
- Have we maximized the use of digital workflow tools, virtual or mobile workstation capabilities or communication technologies?
- Do we need to accelerate the digital transformation of the

organizations, to become more agile, responsive and a more connected enterprise?

Insurance companies must rapidly adapt to the changing circumstances introducing new digital tools, finding new ways of interacting and the transparent management of claims, while at the same time providing an outstanding experience.

“

As a result of changing customer needs and behaviors, insurers are looking to rethink and innovate as they adjust and respond to the new reality that will exist post-COVID-19. This is leading to a far greater focus on customer experience and greater personalization of the insurance proposition, which many of our hall of fame companies are already implementing.”

Laura Hay
Global Head of Insurance
KPMG International

Insurance hall of fame

AA Insurance	New Zealand
AIA	Thailand
Centraal Beheer	Netherlands
HUK-COBURG	Germany
John Lewis Finance	UK
LALUX	Luxembourg
Prudential	Vietnam
Prudential	Hong Kong (SAR), China
Union	Slovakia
Univé	Netherlands

Sector hall of fame based on brands' Customer Experience Excellence performance relative to their market, according to consumers in the market specified.



The global logistics industry has risen to the challenges of COVID-19, protecting staff and customers while flexing to the peaks and troughs in demand. It has been catapulted into the future by three years. Shipment volumes projected for 2026 now look likely by 2023⁹. But now every aspect of delivery operation needs to be optimized around cost and the need for safety and sustainability.

In fact, across every part of the logistics landscape, companies have realized they need to optimize their operations, with data and technologies as critical enablers.

Logistics companies have become effective at communicating to customers about the precise time of arrival and options to change delivery arrangements. But there is more that can and needs to be done to optimize routes using data.

COVID-19 has accelerated digitization, driven the consolidation of the logistics and retail markets and fostered new hybrid online/offline retail business models. COVID-19 will likely also be a catalyst for

contactless, unattended and autonomous delivery technologies, putting added pressure on cities.

COVID-19 is generating short-term disruptions and longer-term structural changes, with e-commerce experiencing soaring growth in new online categories like groceries and home care. 80 percent of customers new to purchasing on the internet, intend to continue using that channel¹⁰.

Logistics companies who have pivoted their businesses to deal with the structural changes associated with COVID-19 now face some longer term strategic questions:

Logistics

⁹ <https://atos.net/en/blog/logistics-challenges-and-opportunities-in-the-post-covid-19-world>

¹⁰ KPMG International Research June 2020



- How does our delivery ecosystem, particularly the last mile, need to balance increasing demand and environmental concerns?
- What does this mean for the supply chain and technology interventions we need to make and their potential impact on emissions, congestion, and delivery cost?
- What are the COVID-19 implications for vehicle change (EV) and contactless delivery?
- Cities will face increased congestion and backlogs due to even more delivery vehicles. Customers are turning to private vehicles rather than public transport to commute and while this will be partially offset by working from home, what does this mean in terms of delivery schedules and congestion?

— What role will autonomous vehicles or robots play in our delivery portfolio?

The changes in customer buying habits are here to stay. The response of the logistics industry needs to balance the potentially conflicting needs of different stakeholders. Logistics providers have stepped up to the challenge of making deliveries safer for employees and customers. Contactless last mile delivery solutions have been crucial to the industry’s COVID-19 response. However, safety and sustainability will be the critical business drivers for the industry, especially given the urgency of environmental challenge.

Logistics hall of fame

An Post	Ireland
Budbee	Sweden
DHL	Vietnam
DHL	UAE
DHL	Brazil
FedEx	UAE
InPost	Poland
PPL	Czech Republic
Zásilkovňa	Slovakia
Zásilkovna	Czech Republic

Sector hall of fame based on brands' Customer Experience Excellence performance relative to their market, according to consumers in the market specified.

“

Across every part of the logistics landscape, companies have realized they need to optimize their operations, with data and technologies as critical enablers — gaining greater visibility across the supply chain.”

Steffen Wagner

Global Head, Transport & Leisure
KPMG International



COVID-19 has demonstrated the critical importance that telecommunications plays in keeping businesses, governments and communities connected and running. Because of the economic and social disruption caused by COVID-19, people across the globe have relied on telecoms technology for information, personal connection and working from home. Connectivity has never been more important.

Many new behaviors have emerged and are likely to remain permanently. Video conferencing among businesses, greater usage of online shopping, additional e-learning for schools and universities and more frequent use of remote healthcare services and video diagnosis. Everything from medicine to exercise classes could see some form of lasting change. As professionals blend working from home with working in the office new requirements for security and access will emerge.

COVID-19 has introduced a level of uncertainty as to how quickly the industry is able to transition to the new network platforms necessary to handle increased volume and complexity demands. This may have a significant impact on the industry's ability to:

- Respond to the acceleration in remote working, which may well increase security and infrastructure risks for customers and telcos.
- Keep pace with phone manufacturers already equipping their devices with 5G capabilities.
- Handle excessive demand on mobile and communications networks which could affect service quality, creating a ripple effect as companies across various sectors implement remote-work plans.
- The acceleration of the connected home and the Internet of Things provides new opportunities for telecoms to be more than simply network providers.

TELECOMS



Many companies in our research this year have seen COVID-19 as an opportunity to examine every aspect of their business and use the crisis as a springboard for change, adopting a 'never the same again mantra' as they dissect the implications of COVID-19 for them. For telcos the next stage of development requires first addressing some strategic questions:

- How far do we go beyond network connectivity? In mature markets connectivity is becoming fully commoditized and regarded as an invisible on-tap experience. Consumer IoT and content provision could open new revenue streams.
- With 98 percent of consumers concerned about data security how do telcos build trust in a world of cyber security concerns?¹¹
- How will we leverage customer data? AI offers the opportunity for a quantum leap in customer experience enhancement by utilizing the data to improve targeting and personalization.

— How can we build stronger customer relationships through partnerships? As the world moves to retail platforms, what role do these play in telecoms and what partnerships and alliances are necessary to meet emerging customer needs and wants.

— How can we win the hearts and minds of our customers? Globally the telecoms industry is one of the lower performing sectors when it comes to customer experience. In a saturated market customer loyalty is critical. Outstanding customer experiences are the only way to secure loyalty and advocacy.

As the pace for change continues to accelerate and consumers seek faster connectivity, telecoms still have considerable work to do, centralized around the customer, if they are to utilize new technologies intelligently and profitably.

Telecoms hall of fame

Ben	Netherlands
giffgaff	UK
Halebop	Sweden
Ho.	Italy
HOT	Austria
Iliad	Italy
Pepephone	Spain
Skinny Mobile	New Zealand
Tesco Mobile	UK
Viettel	Vietnam

Sector hall of fame based on brands' Customer Experience Excellence performance relative to their market, according to consumers in the market specified.

“

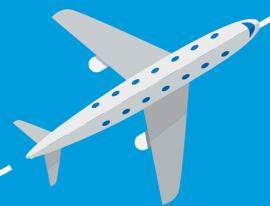
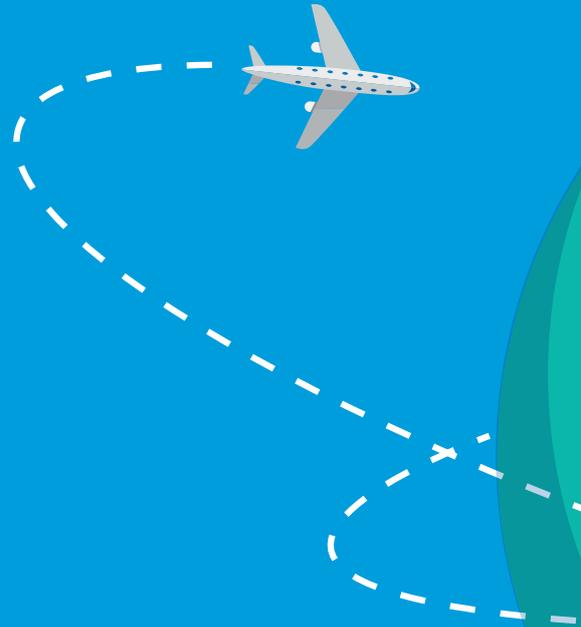
Telcoms are at a strategic crossroads and success in the new reality requires putting consumers at the heart of their value propositions and designing seamless new solutions, backed up by meaningful data security.”

Alex Holt

Global Head of Telecoms & Media
KPMG International

¹¹ KPMG International research, March 2020 — July 2020

Market overviews







Australia

In recent years, customers have been faced with considerable uncertainty generated by natural disasters and health crises. Historically, Australians have responded to this by looking to organizations for reassurance, and the arrival of COVID-19 has continued this trend; people have sought timely, reliable information which is free from ambiguity — something that can guide them through the chaotic uncertainty that sometimes engulfs their lives.

In the latest round of research, it is clear that a number of Australian brands have successfully embraced the challenge. This is certainly true for the gas and electricity provider Red Energy, which has landed at number seven in this year's customer experience rankings. It's particularly strong in the pillar of Integrity, and has fostered a healthy degree of trust amongst its energy users, largely due to its responsive customer service and Australian heritage.

Similarly, the sportswear and apparel retail chain Rebel has performed well in 2020, ranking at number five in this year's study.

This organization scored highly for Empathy, recognizing the growing need amongst its customers to set up home gyms. This manifested in Rebel's consistent availability of products and seamless online experience.

Despite this, it's the financial services sector that has demonstrated the strongest performance across this year's research as a whole, and although grocery retail leads for CX in Australia, the achievements of brands such as Afterpay cannot be overlooked.

It's a payment platform that operates in a similar way to a credit card, allowing customers (via a

smartphone app) to split purchases into four instalments across four weeks. Indeed, at a time when many Australians feel the financial pressures applied by COVID-19, this has become a popular payment method, and Afterpay has bolstered consumer confidence through its clear setting of customer expectations. Shoppers are in no doubt as to how the process works, and when late fees will be incurred. It's perhaps unsurprising that Afterpay landed at number three in this year's research.

Non-grocery retail brand IKEA ranks second. Like Rebel, IKEA quickly identified the shifting needs of its customers, with many rushing to set up home offices in the wake of the COVID-19 outbreak. Many depended on IKEA to deliver a fast, seamless customer experience and this was clearly in evidence in the brand's digital offerings; many respondents described the transition to online shopping as "relatively straightforward" and pain-free, and a number even noted IKEA's strengths in the pillar of Personalization.

The brand's website became a place of inspiration for many shoppers, with one describing it as an "absolute lifesaver" for picking out furniture.

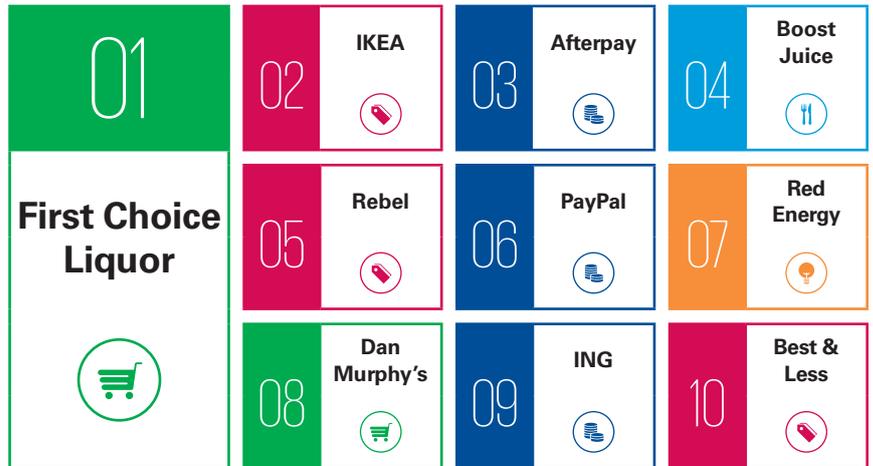
Another noted that they "saw lots of cool ideas and stuff I would never imagine myself."

These qualities were echoed in Australia's leading customer experience brand — the beverage retailer First Choice Liquor. As with IKEA, one of First Choice Liquor's biggest strengths was in helping shoppers to find products that were ideally suited to their preferences, with respondents citing its product range and availability as determining factors.

Moreover, First Choice Liquor also offered an appealing in-store shopping experience. Respondents praised the brand's friendly, cheerful and helpful staff, as well as the outlets' wide layouts that allowed for social distancing, helping shoppers to feel safe. As such, First Choice Liquor highlighted its person-centered approach to CX design — a quality that is shared amongst the top performers in this year's research. Services have been designed from the point of view of the consumer, such as its online offering; First Choice Liquor fulfilled its internet orders through the Click & Collect service, which was positively received by consumers. Indeed, the brand's overall digital proficiency is even more impressive when it's remembered that customer expectations towards digital channels have increased since the arrival of COVID-19.

And moving forward, the organizations that have provided the best support during COVID-19 may be the ones that customers remain loyal to on the other side. In the

Leading CX brands in Australia



meantime, Australian consumers are looking to brands to help redefine normal, and provide some much-needed consistency. Shoppers are reticent to hurry back to their previous spending habits, wary of the economy and the lingering presence of COVID-19.

When customers spend money, they expect value, and 90 percent of respondents across the whole

2020 study indicated that they were willing to pay more for ethical retailers.

So as Australia heads towards 2021, the key focus must be on Integrity and Personalization first and foremost. But it's the uniting power of all Six Pillars that will really separate the customer experience champions from the rest.



Faced with crisis, Australian consumers have experienced a loss of confidence and control on mass. Organizations that have excelled in this environment have played an important role in helping create a sense of stability amidst volatility, helping customers retain a sense of routine through continuity of service. The challenge moving forward will be the role organizations play in helping Australians define a new normal and support customers to adapt their lives accordingly.”

Amanda Hicks

Partner in Charge, Customer, Brand and Marketing Advisory
KPMG Australia



Austria

Austria's organizations and customers were gripped by uncertainty — an uncertainty that is likely to linger for some time. People live under the constant threat of another wave and remain cautious when it comes to their purchases. Brands, similarly, are trying to identify potential customer markets, asking which will recover the fastest and which investments will pay off.

At the same time, Austria has also seen a digital acceleration throughout 2020. Many consumers have been forced onto digital platforms to have their needs met. But it's uncertain how lasting this change will be. The Austrian customer may return to a more multi-faceted way of doing things in the post-COVID-19 world, or they may continue to rely more heavily on digital channels.

Despite this uncertainty, COVID-19 did prompt a high degree of innovation in many sectors, particularly in grocery retail, which currently leads for customer experience.

The sector was quick to introduce

special shopping hours (everyday between 8am and 9am) for its more vulnerable shoppers, such as the elderly, and supermarkets such as Ströck even started selling frozen loaves of bread so that customers could bulk-buy and warm them up as needed.

These kinds of initiatives proved popular with customers, and it's unsurprising that the pillar of Integrity leads for advocacy, while the pillar of Personalization leads for Loyalty. This is symptomatic of a wider global trend amongst consumers — that of people 'buying into' organizations that stand for a greater purpose than simply making a profit.

Indeed, many brands in the grocery retail sector showed how committed they were to customers' safety by distributing free face masks and positioning hand sanitizing stations throughout its stores.

Non-grocery retailer Fressnapf — a brand that specializes in pet food, ranks at number two in 2020. Fressnapf says that it "does not see itself as a pure specialist retailer for pet supplies, but an ally between humans and animals." It says that it wants to "make the coexistence between humans and animals easier, better and happier." In addition, it explains that it "attaches great importance to providing advice that is as individual, competent and animal-friendly as possible."¹²

As one customer noted: "I was looking for a neck ruff for my sick dog and the saleswoman even went with me to the car, despite the rain, to try it on the dog."

¹² <https://www.dm-drogeriemarkt.at/wirgebenaufeinanderacht-139444>

DM, a pharmaceutical chain ranks third in this year's research. It was particularly customer-focused during COVID-19 and launched a special campaign 'We Look Out for Each Other.' This enabled DM to stress that it was taking care of visitors to its stores by implementing social distancing measures and regularly cleaning surfaces, but the campaign also made 'emphatic calls' to shoppers "to pay cashless if possible and to observe the general hygiene regulations."¹³

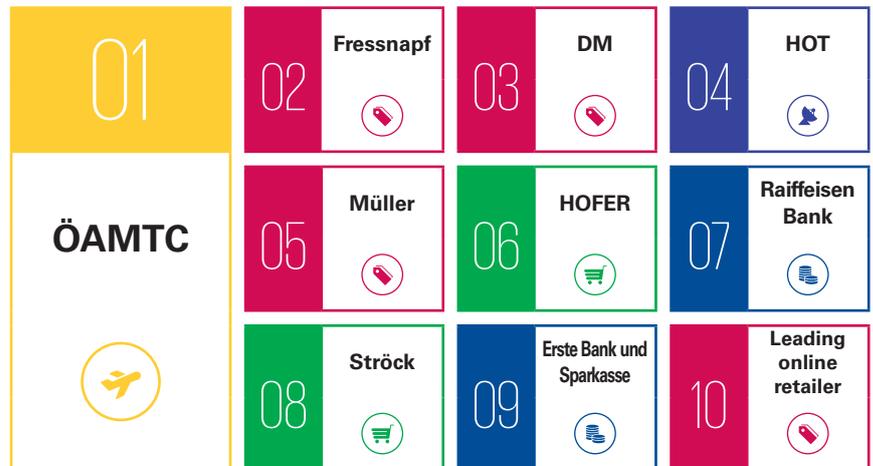
DM also saw a dramatic increase in its score in the Integrity pillar during this period, but its highest result is currently in Time and Effort. As one customer states:

"During my last purchase at DM, I quickly found everything I needed. Additionally, I discovered new, inspiring products in the food section."

The highest-ranking brand in Austria is the financial services organization ÖAMTC which, stands for the Austrian Car, Motorbike and Touring Club. It achieves the highest score in five out of The Six Pillars in Austria, and it proved itself to be particularly conscientious at the height of the COVID-19 crisis by providing regular updates about COVID-19 travel restrictions.

ÖAMTC has its finger on the pulse of its digital channels, and has designed a smartphone app which can be integrated into the user's vehicle. It collects operating data from the car itself and transmits it to the app, meaning that ÖAMTC can offer individualized advice for troubleshooting.

Leading CX brands in Austria



The app can also direct drivers towards the nearest — and cheapest — refilling stations, as well as charging points for electric cars. In addition, it streams live traffic updates which warn users about upcoming issues and possible delays.¹⁴

COVID-19 isn't necessarily responsible for these initiatives. Many brands such as ÖAMTC had already implemented digital innovations. But

since COVID-19 many organizations in Austria have been forced to begin this process from scratch, as consumer needs and expectations have risen sharply. The question now on the lips of many Austrian brands is, "How can we stay in touch with the customer through all sales channels?" They are trying to discern which will be the most favored platforms in the future. At the moment it's digital, but will it remain so in the long term?

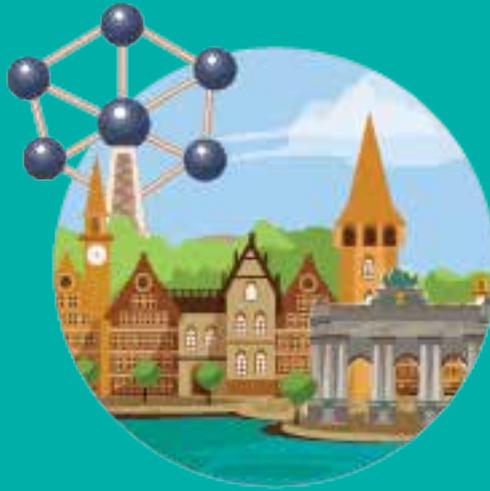
“

As consumers weigh expensive purchases carefully, brands must stand out in the market by offering a reliable value proposition. The question is how to win the consumers' attention in the long run? Only those who are flexible enough to consider changed experiences as implication for adapting their own business (model), re-designing service and product offerings and re-imagining customer-centric organizations.”

Werner Girth
Partner, Advisory
KPMG in Austria

¹³ <https://www.fressnapf.com/de/%C3%BCber-uns/historie>

¹⁴ <https://apps.apple.com/app/oamtc/id329772634>



Belgium

People having spent months confined to their homes have increasingly looked to digital channels to fulfil their needs — a change that could well be permanent. With this comes an ever-greater expectation that value for money will be delivered in each market, with customers being more selective as to which brands they'll do business with.

This has certainly been the case for grocery retail, one of the most competitive — and one of the most successful — sectors in the Belgian research. Indeed, four of its seven grocery retail brands have achieved a top 10 place in 2020. And because of the tight profit margins, it has become increasingly difficult for them to compete on price alone, nudging The Six Pillars into the spotlight as the means to gaining a competitive advantage.

For many, the pillar of Time and Effort is one of the most important.

With the arrival of COVID-19, brands worldwide scrambled to fine-tune their online and app-based services for speed and efficiency, and this is certainly true for organizations in the grocery retail sector. The highest-scoring of these — Colruyt — took the lead in the Time and Effort pillar and ranked second overall. This result was achieved through a number of initiatives, such as its Collect & Go service which enabled shoppers to buy their orders online and collect them from the supermarket, minimizing the amount of 'contact time' in the shops themselves.

Colruyt also put plans in place for those customers who preferred to shop in person. With the MyColruyt app, consumers were able to organize their shopping lists based on store layouts, helping them to maintain social distancing and keep 'COVID-19-safe.' And while this aided the brand's score in the pillar of Time and Effort, it also boosted its performance in the pillars of Personalization, Integrity and Empathy, highlighting Colruyt as a grocery retailer that understood its shoppers' needs.

The online retailer Zalando — although not a grocery retailer — was similarly strong for Integrity, and landed at number three in Belgium's CX rankings. Zalando ensured that a good level of communication was maintained with shoppers throughout COVID-19, alerting them to potential delivery delays and issues on a regular basis — something that bolstered its score in the pillar of Expectations.

This approach filtered down to the individual customer, too.

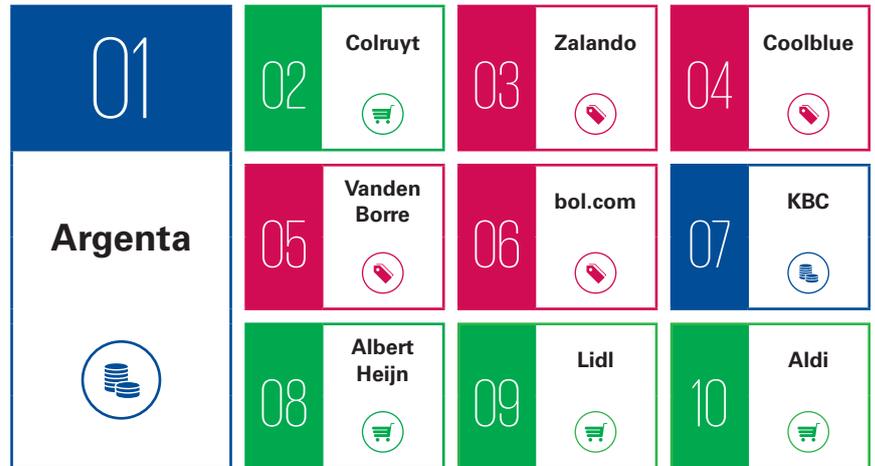
Many respondents reported that Zalando was quick to act when issues arose during the order process, or even after a delivery, with the brand frequently offering discounts to make up for problems or mistakes. One consumer noted: “The products that I ordered were always delivered quickly and correctly. [There is a] fast and correct return policy which is free of charge.”

Because of this, it’s clear why Zalando also achieved a high score for Resolution — a pillar which is the most important for customer service, according to 90 percent of global respondents.

These qualities — displayed by both Zalando and Colruyt — also help to humanize the customer experience, and in a way this sentiment is summed-up by Belgium’s customer experience leader: the financial services organization Argenta. Founded in 1956, the bank remains family-owned to this day, and this person-centered approach is prevalent throughout Argenta’s customer experience strategy.¹⁵

For this particular brand, the pillar of Personalization is one of the most important, and indeed Argenta achieved the highest Personalization score in the Belgian study. Personal contact and real-life interactions are key to its operations, and the restrictions imposed by COVID-19 have forced Argenta to focus on other channels in order to maintain this ethos. Its ‘human-powered conversational banking,’ for example, allows customers to interact with Argenta in a single conversation thread — not unlike a WhatsApp message — helping the brand to feel more like a family member or close friend.

Leading CX brands in Belgium



In addition, respondents said that they truly felt as if Argenta had their best interests at heart. One customer noted: “When I have an appointment at Argenta, I immediately feel at home, which makes me feel more at ease and allows me to ask more questions.” It’s worth noting, as well, that the bank achieved one of the highest Loyalty scores in Belgium.

And with organizations such as Argenta raising the bar so high for customer experience — particularly during COVID-19 — the biggest challenge for Belgium as a whole is to find a way to match its proficiency.

But it’s not just Argenta that poses a threat; e-commerce has grown in importance in recent months, and a number of international brands are beginning to cause disruption. If Belgian organizations are to compete effectively, they will need to pay close attention to their digital offerings, focusing particularly on Time and Effort and Personalization to create human-feeling interactions that are fast and stress-free. Indeed, a growing number of customers are coming to expect such finely-tuned services as ‘the standard’ in Belgium, and — as time goes on — they are showing a greater willingness to complain, or even take their business elsewhere.



In the Belgian market, COVID-19 has driven customers to an increasing and lasting use of digital interaction channels. We’re also seeing additional focus on delivering value for money through both assertive pricing and delivering unique customer experiences. Using data and predictive modelling to improve customer service is becoming a standard practice.”

Patrick Maes

Head of Customer, Sales and Marketing Advisory
KPMG in Belgium

¹⁵ <https://www.argenta.eu/investor-relations/about-argenta.html>



Brazil

Brazil has a ‘digitization and personalization’ paradox. On the one hand, customers are clamoring for faster, more efficient digital experiences that will negate the need to leave their homes. But on the other, they want to feel looked-after and special; they appreciate it when brands communicate in a clear, straightforward manner — face to face.

Because of this, the pillar of Personalization is the leader for loyalty and advocacy. In Brazil, as in many countries, brands are now charged with creating customer experiences that are digitally fine-tuned, and retains the individualized care and attention.

The only way to gauge this is to invest in customer insight. Across the world, the strongest brands are collecting large swathes of data to help them understand their customers’ needs, desires and emotions. This enables organizations to ‘walk in their customers’ shoes’ and see which parts of the customer journey create the most pleasure, and which parts create the most pain.

It’s imperative that every part of the organization is united behind this vision, and pulling in the same direction — not broken up into disparate, uncommunicative silos.

In Brazil, one brand that clearly understands its customers is the hardware retailer C&C (Casa & Construção) which has seen a significant climb in the rankings. It has progressed the most in the pillar of Personalization, with one respondent saying, “For me, they prepared a very specific and difficult color paint just in time and I still had a good discount for buying two cans of this paint.”

C&C stands out for its omnichannel offering. It recognizes that the customer of 2020 wants to interact on a variety of platforms, depending on their circumstances at any given time. To this end, it even offers the WhatsApp messaging platform as a means of buying products, alongside the usual touchpoints such as its website and the C&C stores themselves.

Grocery retail brand Zaffari, ranks at number three and scores highly in the Integrity pillar. It acknowledges COVID-19 in its latest advertising campaign, which is based on the theme of “life happens when you meet.” Zaffari describes these videos as “stories with families who discovered new skills and talents when it comes to cooking, organizing their routine and facing all the challenges of the current situation [the pandemic.]”¹⁶

Financial services organization Nubank ranks at number two.

¹⁶ <https://www.youtube.com/watch?v=5gZOMmbxxzg>

This brand's highest pillars are Resolution and Empathy, as one customer explains: "My card was cloned and Nubank gave me full assistance from the beginning, explaining what would be done to solve the problem... Everything was done in a very clear and simple way, facilitating my understanding."

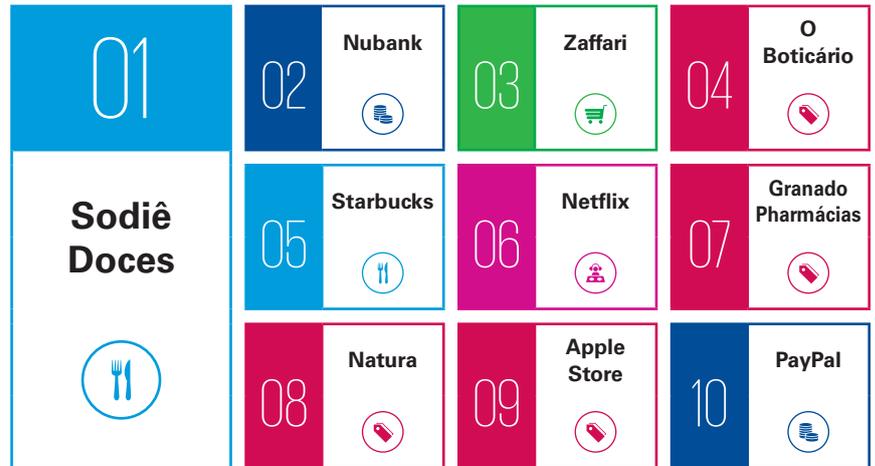
Nubank also runs an internal Customer Service WoW program, with each employee being given a specific budget to "delight" its customers through personal touches such as handwritten letters and gifts.

Brazil's leading brand is Sodiê Doces from the restaurants sector, although its main focus is on cakes and luxury desserts. And in 2020, Sodiê Doces leads in the Personalization pillar, giving customers the freedom to customize their cakes to their liking, choosing from over 90 different flavors.

As one respondent said: "There was a store next to my work. The quality and variety of cakes attracted me, and it became almost a routine to go there at least once a week and buy a piece of cake, different from the ones I'd already tried. The cakes have no industrialized ingredients, so they maintain the homemade taste and are very delicious."

Moreover, Sodiê Doces is able to serve customers at speed, giving people the option of having their cake via take-out, if they prefer. The brand also has an app which allows customers to order their cakes ahead of time and collect them from their nearest stores, with some outlets also offering a delivery service.

Leading CX brands in Brazil



The restaurants and fast food sector leads for customer experience in Brazil overall. COVID-19 may have influenced this result as this sector includes online food delivery services, which have experienced a major uplift during this period.

Personalization remains the leading pillar for loyalty and advocacy. Individualized care and attention is

an important part of Brazilian culture, and there are no signs that this pillar will wane in significance anytime soon. With 2021 fast approaching, brands will need to pay close attention to the teachings of this pillar if they're to grow in the CX rankings.



COVID-19 demonstrates that companies which have historically put customers at the foundation of their strategies have outperformed those businesses that have not. Also, companies that are adapting faster to this new reality will have better results in the short, medium and long term. Being able to predict customer behavior and respond to a whole new set of customer needs — more omnichannel than ever — will be the key to building long-lasting, positive relationships.”

Augusto Puliti

Head of Customer Experience Practice
KPMG in Brazil



Czech Republic

'Trust' permeates customer experience in the Czech Republic. Often consumers approach a brand with the expectation that they'll be misled in some way. Similarly (and perhaps unusually) some organizations also have little trust for customers.

And while this unease can create a difficult situation in the Czech Republic, it also presents exciting opportunities. With the pillar of Integrity being the number one influencer for customer loyalty and advocacy, there is a clear goal for organizations to aim for. The restaurant brand McDonald's, for example, saw a strong boost in its Integrity score in the latest study. This result was aided, in part, by the introduction of its new McWalk service, which used specially-adapted windows for pedestrian customers. These enabled them to maintain social distancing and remain safe in the more uncertain world of COVID-19.

Similarly, the bank Česká spořitelna saw a strong performance in 2020.

This brand made the effort to stay in touch with its customers throughout

COVID-19, contacting them over the phone and through a variety of other channels, sometimes just to check on their well-being.

This 'cordiality' is also in evidence amongst the Czech Republic's strongest performers. Tank ONO, for instance, operates a network of filling stations throughout the country, and takes third place in this year's study. In a marketplace that's fueled by distrust, Tank ONO managed to reassure customers by aspiring to deliver the cheapest petrol in the country, without compromising on quality — often by operating at very low margins.

In addition to this, Tank ONO boasted dedicated employees who were eager to help out at any opportunity. "I always prefer this company's products and services," said one respondent. "This is definitely the most cordial company for me and I always like to return there."

Another company that performed well in the pillar of Time and Effort was the shipping brand Zásilkovna. This is perhaps unsurprising given the nature of Zásilkovna's business and the often urgent need for packages to reach their destinations within short timeframes. But this organization is also efficient; it offers approximately 3,500 delivery points throughout the country, and customers can collect parcels from these spots at convenient times.

As one customer explained: "We have several collection points in the city. It's fast, without any waiting and most importantly the prices are good." It should also be noted that Zásilkovna offers next day delivery on the majority of its local shipments, and it also delivers to Europe and the USA, with plans to branch out to the Middle East in the near future.

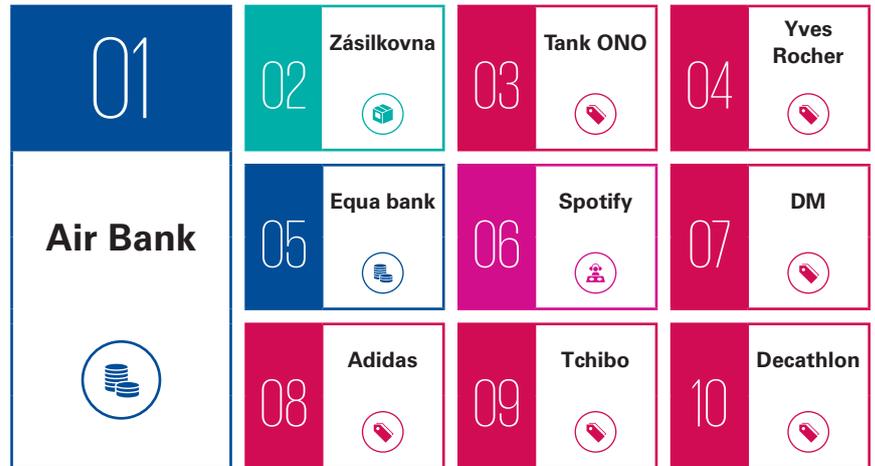
The leading brand is from the financial services sector. Air Bank, which was established in 2011,¹⁷ ranks in first place, benefitting from a clear, customer-centric goal: to offer simplicity, truthfulness, and not hide behind ‘small print.’ As such, one of its highest pillar scores is in the pillar of Integrity, and one customer even described Air Bank as “probably the best bank I have experience with.”

Indeed, banking with this organization is a very personable experience. Visitors to its branches are often plied with free cups of coffee, and they are free to bring their pets with them if they choose. But the arrival of COVID-19 gave Air Bank an opportunity to take its customer-centricity even further, creating a ‘deferral of payment’ program for those in financial distress as a result of COVID-19. Simply put, customers who were repaying loans or mortgages were able to defer their payments up to a period of six months, and they were also given more control over the size of those payment amounts.¹⁸

This was a relatively easy procedure for Air Bank’s customers, owing to the brand’s finely-tuned digital offering. And yet, throughout the country, the transition to a more digital environment continues to be a challenge, and moving forward this will certainly be one of the biggest hurdles for Czech brands to overcome. They will need to be more agile, and more innovative — and they will need to move faster.

In addition, organizations are faced with a more wary customer, who’s more reluctant to spend due to the uncertainty created by COVID-19.

Leading CX brands in Czech Republic



If brands are to compete in a marketplace of more selective customers, they will need to capitalize on The Six Pillars.

For the Czech Republic, the most important of these will be Integrity. Brands need to operate more openly, fairly, and in a way which respects the customers’ needs.



COVID-19 directed the spotlight on digital channels, communications, products. According to our research, companies are now aware of this, and are ready to invest. However, in our discussions with clients, we stress the very basic principle: it is great that we now have a chance to use digital to serve customers better. Different people have different needs. This perspective needs to shape the approach to digital, and not just be digital for digital’s sake.”

Tomáš Potměšil

Head of Customer Advisory
KPMG in the Czech Republic

¹⁷ <https://www.airbank.cz/o-air-bank/>

¹⁸ <https://www.airbank.cz/novinky/splatky-si-muzete-v-pripade-zasazeni-koronavirem-odlozit-az-o-pul-roku/>



Germany

COVID-19 caused many German consumers to look inwards. People developed a preference for local products and there was an increased reliance on services such as weekly markets.

The importance of the emotional bond has also gone up since the arrival of COVID-19. German consumers have come to expect a more personalized experience with retailers, and indeed the pillar of Personalization is the most important for driving loyalty in Germany. Often, when consumers visit stores, they expect to receive individualized attention and tailored advice, so that they can be guided towards making the best purchase.

The Non-grocery retail sector is leading the way in this regard. But Personalization isn't always the customer's priority. Usually, it depends on the touchpoint.

If it's an online purchase, the consumer focuses more on the pillar of Time and Effort, and there is a high expectation that these digital experiences will be seamless and stress-free.

This is certainly a pillar that the hardware retailer Hornbach has mastered, and the brand has seen a significant rise in the German rankings since 2019. With its wide range of delivery options, customers can pick the fastest and most convenient solutions, giving people the choice to have products delivered to their nearest stores, or brought directly to their doorsteps.

Similarly, the insurance company HUK-COBURG scores highly for Time and Effort, and the brand ranks at number three in 2020. Its online personal service area gives customers the opportunity to manage their own insurance policies, 'taking the wheel' and side-stepping the arduous, cross-departmental journeys that can sometimes be found in the less finely-tuned customer experiences.

But Personalization is also key to HUKCOBURG's strategy. The brand prioritizes individualized care and attention and wants its customers to feel 'looked after.' Indeed, reliability is part of the organization's mission statement, and it says that it views customers as equal partners in the business, almost as if they were part of the HUK-COBURG family.¹⁹

This community feeling is also in evidence at Germany's second highest-scoring brand, the e-commerce retailer Zooplus, which specializes in pet-related products.

¹⁹ <https://www.huk.de/ueber-uns/unternehmen/leitbild.html>

On its website, there is an on-going dialogue between the brand and consumers via the Zooplus blog, and the retailer also hosts a forum where pet owners can exchange ideas and knowledge. As with HUK-COBURG, there is a sense of people 'all being in it together,' and it's unsurprising that Zooplus' customers are some of the most loyal in Germany.

"Do you love your pets more than anything?" the brand asks on its website. "For us there is nothing more important than fulfilling this wish for you and your beloved pet — and has been for almost 20 years!"²⁰

Zooplus also runs its own loyalty program as a way of 'giving back' to consumers. With each purchase, participants accrue zoo points which can be exchanged for products or discounts in the Zooplus shop. There is also an option for people to donate these points to animal welfare charities. It should also be noted that Zooplus scores particularly highly in the pillar of Time and Effort, with customers praising the speed and efficiency of its online store.

Taking first place in the rankings in Germany is the optician Fielmann, which is perhaps one of the most customer-centric in the country. Fielmann places a strong emphasis on the education and training of its employees, ensuring that they are fully equipped to meet a wide range of customer needs with minimal hassle.

"'You are the customer' is the guiding principle of our corporate philosophy," the brand says on its website. "Our employees find the individual solution to the vision problem for each customer, always at a fair price."²¹

Leading CX brands in Germany



Over the last few years, Fielmann has also been improving its digital capabilities and recently launched an online shop, recognizing the omnichannel needs of the customer of 2020. And despite being a relative newcomer to this channel, Fielmann has already created an efficient online presence, with its strongest pillar being Time and Effort. For example, when shopping for glasses, customers can select their preferred frames and then use the in-built map to find their nearest store, and book an appointment to have them fitted.

Looking ahead, German brands will have to reach this level of digitization if they're to remain competitive. The online platforms have grown in importance since the arrival of COVID, and this is a trend that looks set to continue. But customers also want to have the choice, and for brands to be available physically or online depending on their needs.



Most German brands are continuously improving the customer experience. Top performers know how to create seamlessly connected digital and personal experiences as required by the customer and suitable for their product or service. This enables these organizations to rapidly respond to changing customer expectations and constantly deliver outstanding experiences.”

Tom Lurtz

Partner & Head of Customer Advisory
KPMG in Germany

²⁰ https://www.zooplus.de/info/about/aboutus_general

²¹ <https://corporate.fielmann.com/de/ueber-fielmann/>



Hong Kong (SAR), China

In Hong Kong, COVID-19 had a major influence on the definition of a 'good' customer experience. Consumers, even those who previously used few digital channels, now expect brands to enhance their online capabilities and deliver a consistent, seamless experience across all channels.

As people become more digitally-savvy, they are also more concerned about their personal data, and they want to know that organizations are storing (and using) it ethically. COVID-19 and general economic uncertainty has increased instances of fraud in the market and this is weighing on consumers' minds. For customers in Hong Kong, trust and security is critical as they expect organizations to prioritize their digital security and protection of personal information. As a result, we observe an increased expectation that organizations will continue to enhance their capabilities, while managing increased amounts of customer data to offer seamless experiences, often across a wider ecosystem of businesses. For instance, for sectors such as banking,

digitalization is now the norm as they continue to invest in their digital capability enhancements, gravitating towards seamless and hyper-personalized experiences leveraging customer data.

Hong Kong's customers are also looking to brands that give them that sense of community and trust. This is also well represented by financial services performance in this year's study as ultimately, customers value organizations that can provide transparency as well as operating in good faith when engaging with customers across the entire customer lifecycle. Banking has also been front and center of the customer's mind as they are looking for financial security and protection in the light of COVID-19.

Similarly, insurance has increased in importance as customers search for health and wealth protection for themselves and their families. Across the board, financial services companies have accelerated digital investment, for example, providing digital and video enabled onboarding and servicing. There is a recognition that ways of working and interacting are unlikely to ever be the same again.

COVID-19 has also left its mark on other sectors in Hong Kong, as customers have shied away from 'luxury' products and have instead focused their spending on essential products such as groceries. This shift in buying behavior is also reflected in the customer experience results, with the grocery retail sector leading the rankings in 2020, replacing logistics which topped the rankings in 2019. For instance, some grocery shops received much customer praise at the height of COVID-19 by introducing a per-customer quota system for facemasks, helping to reduce panic-buying and long queues.

Other brands started introducing sustainable initiatives such as 'plastic free' trials in select stores, and conservation of power by fitting kitchens with electrical appliances to keep the temperatures low and reduce overall energy usage.

In the wider retail sector, sportswear retailer brands performed similarly well in this year's study and scored highly in the pillar of Integrity. Brands such as Nike performed well overall as shoppers appreciate the premium customer experience provided by both the product and in-store and online service.

Similarly, Adidas performed well, especially in the pillar of Integrity where it was a regional top performer — recognizing the effort that the brand has been placing into social and sustainability initiatives.

Overall, it is clear that COVID-19 and economic uncertainty has impacted consumer behaviors and preferences during the period. This is reflected in the sectors that are front of mind and also comes through in consumers' desire for value, integrity and a sense of community. And no doubt it is even more important for brands to provide a seamless cross channel experience that is digitally enabled, thus, providing customers with the right choices and accessibility as COVID-19 continues to unfold.

Leading CX brands in Hong Kong (SAR), China



Note: Brands are listed in alphabetical order.



The world has changed this year in a way we could not imagine. Society and social purpose will significantly influence consumers, and this — alongside the need to go and be digital — will play a critical role in the brands customers choose to buy from.”

Isabel Zisselsberger

Strategy and Performance Partner
KPMG in Hong Kong (SAR), China



Ireland

Like many countries that went into lockdown during COVID-19, Ireland has had to adapt quickly with many Irish businesses forced to alter how they operate almost overnight. Physical channels that remained open had to implement new social distancing and safety precautions; while digital channels were rapidly developed in order to deal with the growing number of consumers interacting online.

Many brands within the non-grocery retail sector, which was the strongest sector in this year's study, benefited from having already well-established digital engagement and distribution channels. This enabled customers to continue to do business with this sector with minimal disruption and may explain why the sector stood out for Time and Effort out of The Six Pillars. The sector was also ranked best for value, demonstrating how financial considerations are driving perceptions of customer experience in today's Irish market.

The pillar of Personalization proved to be the most important for driving customer loyalty and advocacy across all sectors.

The strongest organizations recognized the importance of the human connection which, on a basic level, meant being friendly and helpful. But another aspect of this was demonstrating an understanding of individual customer needs and providing solutions to these proactively (rather than reactively), like the hotel chain that gave their guests a complimentary takeaway breakfast because they knew they had an early morning flight.

The fashion retailer Penneys (known as Primark in other countries) remained communicative during the lockdown period and was one of the strongest performers in this year's research. Their rank is particularly impressive given that Penneys stores

were closed during lockdown and does not operate an online store. So how did it stay connected with its customers?

Like many Irish business Penneys rose to the challenge with its employees packing over 6,000 care packages containing over 45,000 Penneys products, which were delivered to hospital patients and healthcare workers throughout the country. The brand also announced that it would be supporting global suppliers by purchasing 370 million Great British pounds (GBP) of additional products from them, despite not being open.²²

This 'philanthropic' sentiment was echoed by another high scorer — the delivery brand An Post. Although its highest pillar score was in Personalization, An Post also scored highly for Integrity — a result that was aided by its strong community focus. For instance, the brand's postal workers checked-in on elderly and vulnerable customers as they made their deliveries — a service that customers could request for themselves, or somebody they knew. In addition, An Post delivered 5 million postcards (free of charge)

²² <https://www.primark.com/en-ie/primark-cares/newsroom/primark-extends-its-commitment-to-support-its-suppliers-agreeing-to-take-some-370m-of-additional-products-both-finished-and-in-production/a/9c99c7d9-6047-4615-a38d-cfe135d7dbe3>

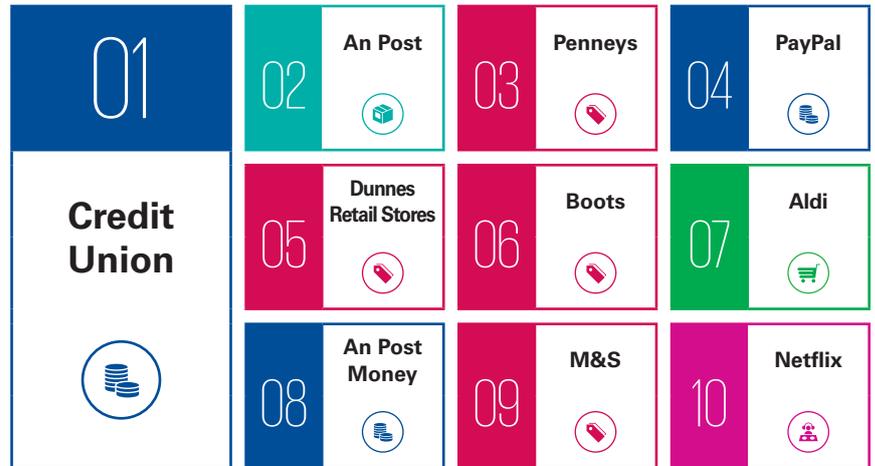
to over 1.8 million households to help people stay in touch with family and friends during lockdown. There was also the #ImagineNation campaign, which saw the brand publish a free downloadable playbook for children, containing a host of fun activities.

These people-centered measures were also in evidence at An Post branches. As one respondent explained: "I can't praise An Post highly enough... These days, the post office mistress has everything laid out. X on the floor marks distance, and there's hand sanitizer as you enter and as you leave... Honest to God, they are wonderful."

The Irish League of Credit Unions, a member-owned affiliation of Credit Unions, also performed strongly and clearly demonstrated they share these values. Pre-COVID-19, Credit Unions were heavily focused on the experience of their members, putting a great emphasis on physical contact, empathy and accountability. They also invested heavily in youth initiatives, charities and cultural events, integrating themselves within their communities.

And while this ethos remained in place during lockdown, Credit Unions also developed new ways of serving their communities. Some branches transformed into drive-throughs to facilitate social distancing, and they provided food to the homeless, elderly and frontline healthcare workers. For Credit Unions, these weren't publicity stunts; the initiatives stemmed from a deep-rooted desire to enrich the lives of those around them, and customers appreciated the sincerity with which help was given. One respondent noted that, "You don't feel like you are in a bank when you go." Another said, "It really fosters a sense of wider community."

Leading CX brands in Ireland



Maintaining this 'humanization' of the customer experience will be a key consideration for Ireland moving forward. But brands will still need to adapt. While the post-COVID-19 customer will continue to be multi-modal, some will want to keep their digital interactions digital, and will be less comfortable moving out of those channels when they need to speak to a human. The challenge

for organizations will be to harness Personalization more effectively across digital touchpoints, making good use of webchats, chatbots and social media platforms. And these touchpoints will need to be 'smart' — to remember people's queries and circumstances without the customer having to repeat themselves.



It has been inspiring to see how so many organizations in Ireland have stepped up to support their customers and communities over the last few months. There is a heightened level of appreciation and respect for organizations who simply 'kept things going' during lockdown and it is no surprise to see our essential services sectors score so highly. Leading organizations have shown proactivity and innovation in how they have adapted their business models across their human and digital networks to continue to meet the needs of their customers, including the most vulnerable.”

Owen Lewis

Lead Partner, Management Consulting
KPMG in Ireland



Italy

Italy was one of the first countries to go into lockdown after the outbreak of COVID-19. For many customers, this had an impact on the emphasis they put on certain pillars. Personalization and Integrity were the most important in driving loyalty and advocacy respectively, and this was also true in 2019. But the intensity has increased since. The Italian customer has re-established their priorities in the midst of fear and uncertainty, identifying Integrity as one of the most important qualities a brand can possess.

This was a challenge that the grocery retail sector rose to, proving to be the strongest in the 2020 study. Consumers valued how the sector reorganized itself to cope with the emergency situation, and worked to ensure that customers' primary needs could be met — all the while helping them to remain safe.

Indeed, 10 of Italy's grocery retail brands ranked in the top 100 — one of which is Esselunga, which ranked at number three. During the lockdown period, Esselunga remained focused on its ethos of looking after customers and communities, donating 2.5 million euros (EUR) to hospitals.

But COVID-19 also gave the retailer new ways to demonstrate its care. For example, with its 'ufirst' app, shoppers could book their place in a supermarket queue before attending, receiving real-time notifications that would tell them when to set off for the store. This helped to reduce wait times outside the supermarket, and facilitate social distancing.

Esselunga was sensitive to the needs of its more vulnerable customers. One respondent said: "Because of the coronavirus I contacted Esselunga to bring the groceries to my home, and I was pleased to find that they do not charge me transport costs as I am over 65 years old." Such

actions helped the brand to achieve a high pillar score for Integrity.

Like Esselunga, Apple Store scored highly in the pillar of Integrity, and ranked at number two in the Italian research. It's a customer-centric organization, paying particularly close attention to security and user privacy, performing 100,000 deep-checks on its smartphone apps every week.²³

Of course, being customer-centric has not been easy to maintain, with Apple Store having been closed during the lockdown. But pre-COVID, the brand was noted for its personable and efficient customer experience, with 'Geniuses' on hand to assist with any issues a person might be experiencing. This is an example of the more experiential feel that Apple Store strives to exude, making a visit to one of its outlets more of an emotive, memorable occurrence — and not simply about selling products.

²³ <https://www.apple.com/app-store/>

For Apple Store, the emphasis is on forming deep relationships, and creating a lifestyle. Indeed, the brand achieved a strong score in the pillar of Empathy, highlighting its ability to understand customers, and act with their best interests in mind.

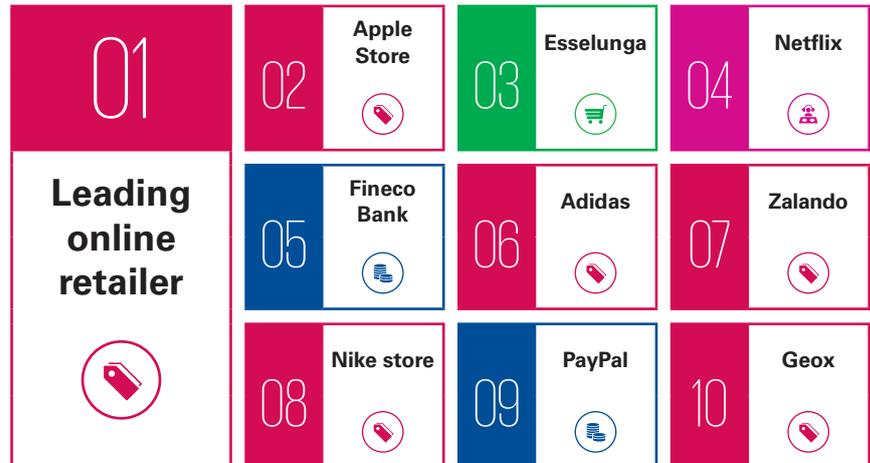
A leading online retailer took first place in this year's rankings performing equally strongly in the pillars of Personalization and Time and Effort.

It can be difficult for digital brands to achieve high Personalization scores when there is little genuine human interaction. Their proficiency in this pillar comes through algorithmic learning. Simply put, the retailer 'learns' about shoppers' past purchases and uses its own programming to make suitable recommendations for future purchases. It also offers a range of delivery options which allow consumers to pick dates and times that are most convenient for them.

Speed and efficiency are also key parts of their customer experience strategy. Its website features a 1-Click service which enables a shopper to complete a transaction within seconds, based on their previously-set preferences. There is also a locker service that negates the need for a customer to wait for a delivery at home. Shoppers can have their goods transported to special collection points and then pick them up at their convenience, using a special code which is sent by email.

Brands such as this as well as Apple Store and Esselunga have made innovative use of technology in 2020 — both before and during the COVID-19 outbreak.

Leading CX brands in Italy



For organizations like Esselunga the emphasis has been on finding new, creative solutions to problems within short timeframes, acting quickly and effectively in the midst of ever-changing needs.

This will be an important consideration for all Italian brands as they head towards 2021. It's an uncertain period for both organizations and consumers, and

both must be willing to adapt as the impacts of COVID-19 play out.

With this will come an increased need to look after customers — literally — in terms of safety and social distancing, and in addition, every brand must be ready to deliver a strong digital offering, in the event of further lockdowns.



Customer experience is becoming an increasingly crucial aspect of business, confirmed by a general improvement of all sectors. However, the performance gap between the more mature sectors and those with ample room for improvement is still marked. Brands that have reacted excellently to the complications of the emergency have raised consumer expectations, so the future challenge will be to maintain the trust gained by the consumer and to meet the increasing demands of the digitally-savvy consumer."

Paolo Capaccioni

Head of Customer Advisory
KPMG in Italy



Japan

Japan is a country with a strong work ethic, world-leading politeness and a unique form of decorum known as *omotenashi*, which translates as the 'Japanese hospitality spirit.' The virtues of relational consideration and honesty are valued highly, and Japanese customers often have high expectations of a customer experience that reflects these characteristics.

During COVID-19 Japanese consumer buying behaviors shifted towards digital channels at the peak of the crisis. As such there was a digital acceleration in Japan, and while this was a welcome development for consumers, many companies struggled to fully align their offline and online offerings, creating barriers for some customers.

Despite this many organizations still rated highly with customers, largely because of their swift responses to COVID-19.

With customer expectations being as high as they are in Japan, there is the oft-repeated saying that the 'customer is king.' This was not a barrier for the

airline ANA which found itself in the top 10 this year — perhaps because of its long and established reputation for customer centricity.

As one customer notes: "ANA provides stylish and sophisticated services, but there is also this sense of security you get from their scheduled operations and safety procedures."

And while Japanese brands are valued for their functionality and convenience, they are not as valued for their ability to be close customers' hearts. Japan's scores across The Six Pillars certainly reflect this reality, exceeding global averages in Personalization and Time and Effort, but falling slightly

behind in Empathy. The focus on functional needs has made it difficult for Japanese companies to connect at a deeper level with customers and create premium brands.

Indeed Empathy is crucial in today's environment, particularly when the online experience is rising in importance. Being able to connect personally online (including social media) while delivering an equally strong and consistent offline experience is the first step towards the creation of a bond that will ultimately strengthen the Empathy pillar.

Integrity is also important in Japan. Brands need to have a clear and well-communicated sense of purpose and values, ensuring that they put their promises into action and take the initiative in times of crisis, being seen to act swiftly. And while Integrity is the most important pillar for advocacy for many countries in this year's study, in Japan Personalization takes the lead. In Japan it is vital that companies have a deep understanding of each customer's unique circumstances and can proactively provide services that are tailored to them.

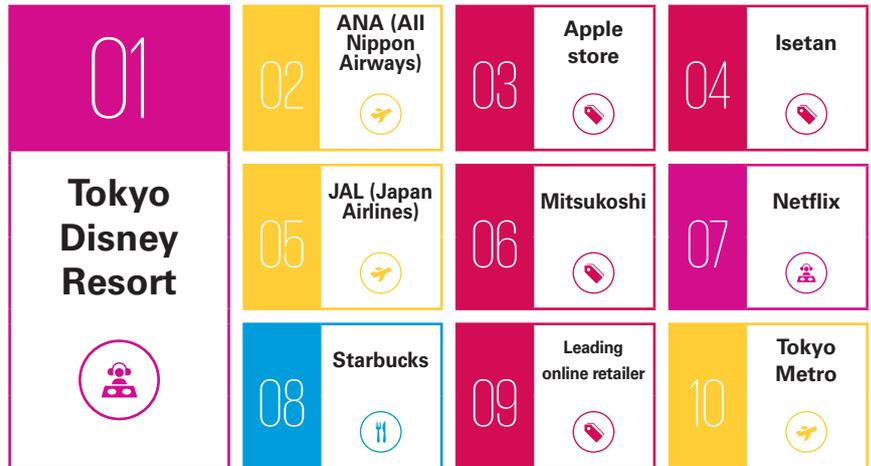
There is one company that encapsulates everything that Japanese consumers are looking for in a brand and that is Isetan — a department store that has been operating since the nineteenth century. Following a merger with the Mitsukoshi brand in 2008, Isetan absorbed Mitsukoshi's myriad hospitality skills, which with its own ability to sense trends. The result was a company that truly embraced *omotenashi* through its staff, who were trained to deliver an exceptional level of service, even going so far as to pre-empt customer needs.

Looking ahead for Japan, it is likely that the digital acceleration will continue. It will be crucial for service companies that use both online and offline channels to continually evaluate their offerings, working to deliver a high level of consistency across all touchpoints. *Omotenashi* will certainly help with this. It is a unique Japanese value which creates a genuine customer connection that strengthens the pillars of Personalization and Empathy.

Some organizations had already tapped into this new reality. For these companies, the challenge will be to maintain a pioneering energy, continuing to innovate and constantly strive for a unique 'one-of-a-kind' experience, helping to differentiate them from their competitors.

The road ahead will be difficult for all. COVID-19 has prompted

Leading CX brands in Japan



Note: Brands except Tokyo Disney Resort are listed in alphabetical order.

consumers to scrutinize the 'purpose' of many companies. Customers are questioning the value that some organizations provide to the environment, society, and to their communities. This means that Japanese companies still have room

to improve the way in which they communicate their purpose — they must embody it and convey it in a way that people can perceive.



COVID-19 has revolutionized the mindset, buying behavior and experience for customers. Companies need to transform their customer experience to adapt to the new normal. Japanese companies have strengthened their relationship with customers by carefully responding to their functional needs. However, this alone is not enough to create a strong relationship. Going forwards it will be important to strengthen the emotional value, in addition to the functional value, and to make the customer experience 'the one and only experience.'

Toru Furuya
Partner
KPMG in Japan



Luxembourg

Despite the dramatic changes that have come about in 2020, Luxembourg has seen very little change — at least on the customer experience front. As with last year, financial services leads for CX best practice, and almost half of the organizations in this year's top 10 belong to this sector. Indeed many of these brands ranked in the top ten in 2019 indicating, that many organizations in Luxembourg recognize that customer experience growth is a long-term undertaking.

That is not to say that COVID-19 hasn't had any impact on CX overall. With customers increasingly looking for safety and security, the pillar of Integrity has become more important than ever. Indeed, it is the leading driver for advocacy, and consumers are more likely to recommend brands if they show that they are taking the COVID-19 situation seriously and are working hard to protect consumers and employees. There is also a hunger for organizations that are seen to be acting ethically, and invest in personalized customer relationships. For this reason, the pillar of Personalization is the current leading driver of loyalty.

To achieve this brands have had to adapt quickly, and the financial services sector has undoubtedly been the strongest in this regard. Brands such as the state health fund CNS, a legal insurance provider in Luxembourg's health care system, are a good example, being quick to attend to people's changing needs. CNS has seen a dramatic climb in the rankings in 2020, with one respondent saying: "Just recently I applied for family-related leave during the COVID-19 period and had no problems. The form was pretty simple to understand.

I also sent in invoices for consultations and received the reimbursements without any problems."

Similarly, the bank Spuerkeess has performed well this year, ranking at number two. In fact, the brand has the highest score in the pillar of Integrity in the whole of Luxembourg, with a spokesperson saying, "this is a confirmation that our brand DNA is perceived and valued by our customers who always are our top priority."

Spuerkeess notes that its digitization has been key to its success, particularly during COVID-19. Overnight, the brand set up a new online service center — in lieu of its physical branches — enabling customers to keep in contact and carry out their business, even to the extent of ordering new credit cards. It also ensured a dedicated phone line was available for those consumers without internet access. In addition, Spuerkeess kept people up to date via its S-NET banking app, which also allowed people to carry out a range of other banking operations such as money transfers.

This flexibility was also in evidence with the book retailer Ernster, which ranks at number three. As with most brands, Ernster had to adapt during COVID, relying entirely on phone and email contact at the height of COVID-19. Each customer received a personalized response, and the brand went to great lengths to deliver books to people's homes, even by bike on some occasions. In addition, Ernster carried out deliveries every day of the week, including public holidays.

"Our CX success is driven by our highly dedicated and passionate employees — one of their greatest passions being to meet their customers," says company owner Fernand Ernster. He describes his workers as "very committed" people who "know their customers well."

Indeed, this focus on people (both employees and consumers) is essential for customer experience best practice across the world. This is certainly the case for Luxembourg's highest ranking brand in 2020 — the insurance company LALUX. Like Ernster, the brand is committed to personal relationships, fully focused on their safety and needs.

As LALUX explains: "The main reason for our success lies in the client-oriented nature of our entire organization. Our primary mission is to be at our customers' sides when needed, to reassure them and offer the right solutions."

To do this, LALUX relies on customer feedback. The brand describes this as a daily process, owing to the fast and ever-changing nature of the world around them. An example of this can be seen in its customer satisfaction surveys, which it conducts after every insurance claim. These help LALUX to continually adapt and improve, and to anticipate people's

Leading CX brands in Luxembourg



future needs. It should also be noted that the organization has achieved the highest Resolution score in the Luxembourg study.

As such, brands such as LALUX epitomize customer experience best practice in Luxembourg, and they are a good example for other organizations to follow.

They need to be willing (and prepared) to change quickly, be it in response to COVID-19, or to the shifting needs of their consumers. To do this, they need to fully understand what is happening in people's minds, and this is something that can only be achieved through close, and constant, customer experience insight.



Organizations that were quick to adapt in order to maintain a great customer experience during COVID-19 have established a unique connection with their customers that will undoubtedly be the cornerstone of their growth going forward. And beyond that, organizations that continue to demonstrate this type of empathy, that can put themselves in their customers' shoes, that are there when times are rough, are very likely to secure customer loyalty in the future.”

Jean-Pascal Nepper

Head of Customer
KPMG in Luxembourg



Mexico

In many ways, Mexico bucks the trend in this year's study. While the pillars of Personalization and Integrity are key for building loyalty and advocacy (as is the case in many markets), Mexico is unusual in that its leading sector is travel and hotels. That is not to say that Mexico has been unaffected by COVID-19 — far from it. But it is the way the sector has responded to the crisis that most resonates with Mexican survey respondents.

In practice, this meant that a number of hotels changed their cancellation policies, and became overall more flexible, recognizing that COVID-19 was generating a lot of uncertainty for guests. As well as this, several brands assisted the healthcare sector by giving rooms to health personnel, and providing cleaning services to hospitals.

Indeed, 'flexibility' is a theme that permeates the 2020 study in Mexico. Outside of the travel and hotels sector, brands such as Omnibus excelled because of the range of different transport options on offer, tailored to passengers' varied needs.

Similarly, the taxi service Cabify sought to continually adapt based on customer feedback, constantly looking for new ways to improve the overall experience.

This was something the sportswear retailer Nike was particularly keen on. Nike paid close attention to the pillar of Personalization, going to extraordinary lengths to help shoppers find exactly the right trainers. Its Nike Adapt footwear, for example, can physically mould itself to the wearer's feet, based on sensors which are connected to the brand's smartphone app.²⁴

The user can also pre-set the shoes to adjust their fit depending on whether they're in 'chill' mode or 'move' mode, and the trainers will even respond to voice commands. There is also an option for wearers to lace the trainers simply by pressing a button on their smartphones.²⁵

It's clear from such innovations that technology is becoming more integrated into Mexican customer experience. And with COVID-19 remaining a key part of many people's lives and more and more people relying on the internet to connect with brands, Mexican organizations will have to innovate. They may not have to develop self-lacing shoes, but they'll need to think 'outside the box' as customer expectations continue to grow.

The hotel brand Hilton is a good example of this, and in Mexico ranks at number two in 2020. Its smartphone app has been seamlessly integrated into its customer experience; guests can use it to perform digital check-ins, and select their preferred room choices.

²⁴ <https://www.nike.com/adapt>

²⁵ Ibid.

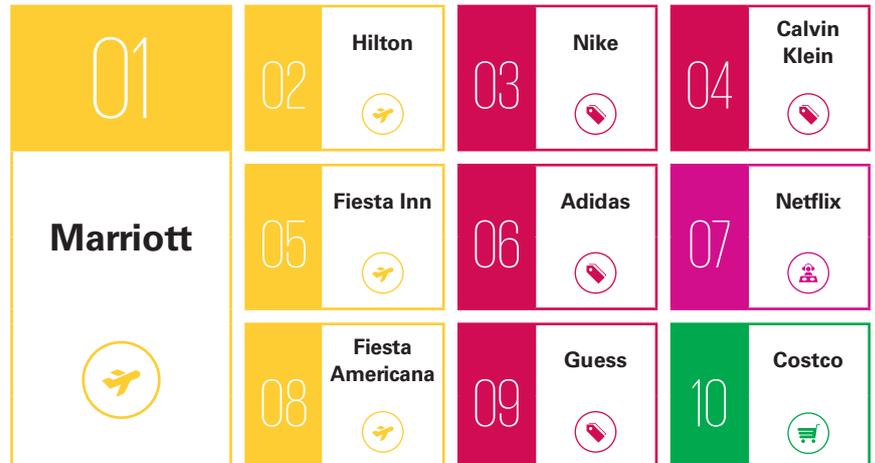
The app is also linked to Google Maps, meaning that customers can see where their room is located within the hotel building. In addition, customers can use their smartphones as door keys, and complete the check-out process via the app without having to queue in the lobby or fill out any paperwork.

This sense of customer-centric Personalization is in evidence amongst its staff, too. As one guest said: "I loved staying at the Hilton because they were very cordial, and it has a spectacular service. I love it; it is like being in a luxurious place where you can feel at home, but at the same time it's as if you were in another world."

However, it's the travel and hotels brand Marriott that takes the top spot in Mexico. Like Hilton, Marriott's customer experience in Mexico is aided by exemplary staff who are committed to the wellbeing of guests. As one respondent put it: "Marriott is my favorite hotel brand in the world... All their staff are extraordinary and spectacular. Excellent service and definitely the best hotel chain."

This sentiment certainly rang true when COVID-19 arrived, with Marriott in Mexico being one of the first brands to introduce a flexible cancellation policy for customers, meaning they could cancel up to 24 hours before their arrival with no extra charge. In addition, Marriott made its hotels available to healthcare (and supermarket) workers for free, and it established a Global Cleanliness Council, working with experts to develop new hygiene products such as electrostatic sprays to disinfect its facilities. There was also an ultraviolet light for the sanitization of guest keys.

Leading CX brands in Mexico



As Marriott explained on its website to customers: "As we welcome you back to our hotels around the world, we are committed to providing you with a safe environment that aligns with expert protocols for working to defeat COVID-19... We will actively monitor and evolve our solutions to ensure a continued focus on the health and safety of our guests and associates."²⁶

Marriott was successful in the Mexican research in 2020 because of how deeply it understood its customers, and because of its willingness to innovate and embrace new technologies. These characteristics will define Mexico's leading brands in 2021; they will build omnichannel experiences that meet and exceed customer expectations, adapting to the ever-changing needs of the world around them.



Mexican brands should build an experience that's customer-centric focused, and constantly learn about their customers to know how their needs and expectations are changing. I doubt we will ever see static customers again, so our front, middle and back offices will need to have flexible structures with the ability to adjust and improve customer relationships, and build trust and loyalty throughout the epidemic period, and beyond."

Manuel Hinojosa

Customer Solutions Partner
KPMG in Mexico

²⁶ <https://clean.marriott.com/>



The Netherlands

Typically, Dutch consumers know what they want, and they want to be heard; services should be customized to their particular needs, and they appreciate having more control with self-service initiatives. It's no longer possible for brands to get away with a 'one size fits all' approach to customer experience, and indeed the pillar of Personalization is again the biggest driver of Loyalty and Advocacy in the Netherlands.

With the arrival of COVID-19, this presented a problem as digital channels rose in importance. Consumers still wanted a personal connection with brands. It is of course possible to achieve this with minimal human interaction but requires a high level of consumer insight. Leading CX brands typically draw on large pools of real-time data, and analyze it to understand their customers more thoroughly, leading to higher scores in the Personalization pillar. Consumers also aligned Value with Integrity.

Brands that were able to demonstrate their brand values, integrity and their ability to move quickly and stay connected with their customers, in the midst of COVID-19 have been rewarded with strong and growing customer loyalty.

It is the relentless focus on Personalization and Integrity the financial services sector did best in 2020, and it currently dominates the Dutch rankings. Customers valued financial services more highly during COVID-19 — as it represented security during a time of uncertainty.

The financial services sector was one of the quickest to respond to COVID-19, offering services such as payment holidays and emergency loans. Companies such as PayPal also promised to refund customers' shipping costs, which increased for many at the height of COVID-19.

The leading organization in the Netherlands is ASN Bank which is particularly concerned with sustainability, and indeed one of its highest pillar scores is Integrity. It builds its customer experience on the principle of 'sustainable banking,' believing that money can be used to create happiness. The brand says: "With money you can exert a lot of influence to make the world a better place. For ourselves and for future generations. So the more people join ASN Bank, the stronger we stand for a better world."

ASN Bank also achieves a high score in Personalization — a key factor for Dutch consumers.

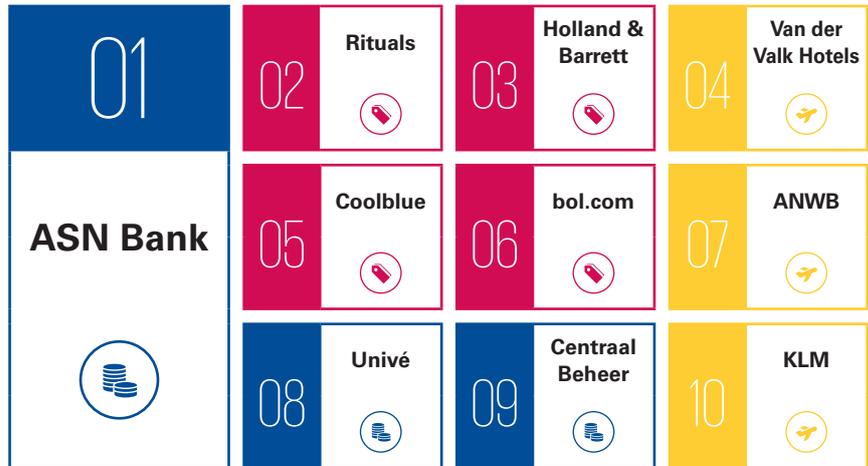
During lockdown, ASN Bank has offered a wide range of contact options for customers to choose from such as a web chat touchpoint, and a telephone service which many employees managed from their homes.²⁷ The brand was also flexible in its repayment services, offering one-to-one consultations for people struggling to cover their mortgage costs. ASN Bank promised not to let any customers lose their homes, if at all possible.²⁸

That being said, non-FS brands also responded well to the crisis. The health food retailer Holland and Barrett — which ranks at number three — decided to stay open during COVID-19, making its stores ‘destinations’ for people to get individualized advice and the necessary vitamins and minerals to stay healthy. Holland and Barrett’s ‘experience bars’ also played a part in this — designated sections of its shops where customers could try new products and find the ones best suited to their needs.

As the brand explains: “Because everyone is different and therefore has different wishes and needs, we attach great value to providing customer-specific advice. We like to take the time with our customers, and tailor our advice to your personal situation.”²⁹

The retailer also performs well in the Integrity pillar, with Holland and Barrett being particularly mindful of sustainability. It was the first brand to introduce a ‘zero waste’ beauty range³⁰, with products such as unpackaged shampoo bars, washable cotton pads and bamboo toothbrushes.

Leading CX brands in The Netherlands



The retailer promotes the idea that even the smallest of changes can make a huge difference, and it describes much of the packaging that usually dominates people’s bathrooms as “unnecessary.”³¹

Undoubtedly, as Dutch brands head towards 2021, Personalization is going to be the key pillar for them to focus on. As mentioned previously, this will be a difficult undertaking with customers’ heightened dependency on digital channels, which typically offer few real human

interactions. Moreover, at the time of writing the COVID-19 continues to necessitate a 1.5m social distancing rule, impacting every aspect of the customer experience — including the experience of the employees, which is an integral part of CX design.

Despite this, COVID-19 also gives many Dutch brands the chance to re-evaluate their operating principles and discover what it means to be a sustainable, truly customer-centric organization.



As COVID-19 swept across the Netherlands, the true customer experience champions moved quickly to respond, reacting to their customers’ needs and challenging themselves to lead by example. With a significant rise in the importance of the Integrity pillar in this year’s survey, it seems clear that Dutch consumers are telling brands to go back to the basics: the foundation of Customer Experience Excellence, where brands lay the groundwork for a personalized, empathetic relationship.”

Edgar Molenaars

Partner, Customer & Brand Advisory
KPMG in the Netherlands

²⁷ <https://www.asnbank.nl/veelgestelde-vragen/contactmogelijkheden/corona/bericht-directie-wegens-coronavirus.html>

²⁸ <https://www.asnbank.nl/hypotheek/mijn-asn-hypotheek/hypotheek-en-hulp-bij-betalingsproblemen.html>

²⁹ <https://www.hollandandbarrett.nl/info/over-ons>

³⁰ Retail Insight Network

³¹ <https://www.hollandandbarrett.nl/shop/persoonlijke-verzorging/clean-beauty/zero-waste-beauty/>



Romania

Like the rest of the world, Romania has had to deal with swathes of uncertainty brought about by COVID-19. It's been a deeply unsettling time for many people, but there are signs that it's had a positive impact on customer experience. Many sectors in this year's Romanian research saw increased scores across The Six Pillars.

This is symptomatic of a wider global trend, with customers experiencing a heightened emotional response towards those companies that reflect their core values, such as safety and security. In concert with this, many sectors 'upped their game' to deliver better, more adapted and consistent customer experiences, and it's unsurprising that the pillar of Integrity leads in Romania for customer loyalty and advocacy.

Moreover, the non-grocery retail sector has been at the forefront of this success, seeing some of the best Six Pillar scores in the country.

This is partly because of how much data has been collected; non-grocery retail brands tend to garner a lot

of information about consumers, helping them innovate quickly and find solutions to meet their evolving needs.

At the same time, the sector is also very competitive in Romania. The increased pressure to win customers' hearts has incentivized many brands to invest more heavily in customer experience management. They recognize a focus on The Six Pillars can help drive revenue growth, and secure long-term customer loyalty.

The sportswear retailer Decathlon is a good example of this, ranking at number three in this year's study. It's clear from the way the brand presents itself that the customer is at the heart of its operations. Decathlon

states that its mission is to make sporting equipment available to as wide a group of people as possible, without compromising on quality. "Every person deserves the chance to enter the field, to shoot at the target, to climb a mountain, to swim, to ride or to get as far as possible," the retailer says.³²

To achieve these goals, Decathlon acknowledges that the collection of customer data is essential. It's committed to innovating, and the brand registers dozens of patents every year for new products.³³ At the same time, Decathlon knows that there is much sensitivity around this issue, and that the misuse of data can seriously hinder consumer trust. For this reason, it has extensive explanations available on its website which state how this information is used in clear non-jargon.³⁴

³² <https://www.decathlon.ro/identitate-decathlon.html>

³³ Ibid.

³⁴ <https://www.decathlon.ro/prelucrarea-%C8%99i-protect%C5%A3i-datelor-personale-pentru-servicii-efectuate-%C3%AEn-magazin.html>

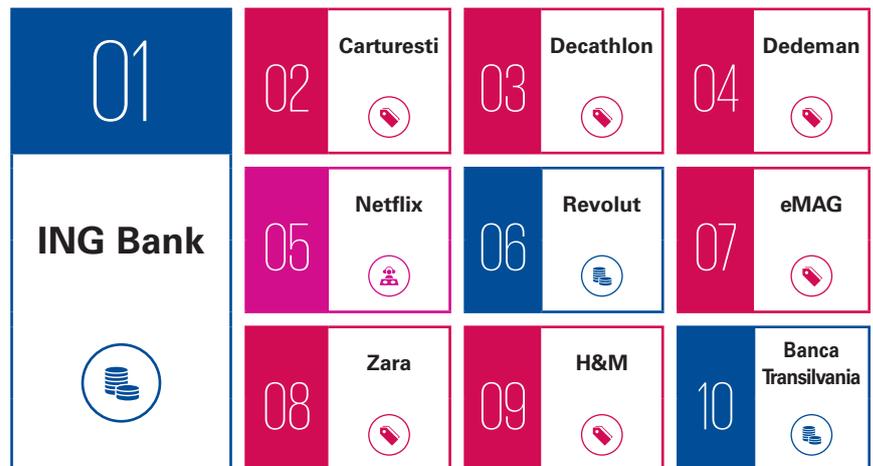
This customer-centricity can also be seen with Romania's second highest ranking brand — the book retailer Carturesti. The brand sees itself more as a cultural community than a shop, saying "we are proud to bring you closer to what we love most — culture — and we invite you to join us."³⁵

And like Decathlon, customer insight plays a big part in Carturesti's vision. "Tell us what you think and you will find that your feedback really matters!" the brand says.³⁶

Carturesti certainly stayed true to this mission during COVID-19 recognizing the growing importance of its online stores and the need to be efficiently connected across all channels. At the time of writing, it offers a 24 hour delivery service on over 63,000 products, together with a range of payment options including its own Culture Card service.³⁷ In addition, Carturesti has an app which helps customers to feel part of the broader brand community. Via the app — known as the Carturesti Passport — customers can accrue loyalty points for discounts, create and manage wishlists, and receive updates about upcoming events and workshops, as well as stay on top of emerging book trends.³⁸

However, the leading brand in Romania is the financial services organization ING Bank. It achieves its highest pillar score in Time and Effort, and it offers a number of digital services which are designed to save time for the consumer. Its mobile app, for example, allows people to pay bills, and send money to individuals in the user's contact list.

Leading CX brands in Romania



There is also a feature called Round Up, which rounds people's shopping totals up to the nearest figure, and adds the difference to the customer's savings account.³⁹ It also operates a 24 hour a day, seven day a week phone line to handle customer enquiries.

Looking ahead, the biggest challenge for Romanian brands is staying present and relevant.

With COVID-19 driving many consumers online, organizations need to be ready, and available. Those that have managed this transition to digital are the ones who have seen the best performance across The Six Pillars. The onus now falls on the other brands to do the same, and offer a truly omnichannel experience which is ready to handle the uncertain world of 2021.



Brands, and even entire sectors, that have previously and historically scored poorly in our Six Pillar ranking, have now performed very well due to the clients' dramatic change of needs due to COVID-19. For instance, logistics & delivery companies as well as pharmacies have achieved record scores. While these changes are intrinsically linked to the customers' core values such as safety / security, many companies managed to raise their game during this crisis and deliver better, more adapted and consistent customer experiences."

Dr. Victor Iancu

Director, Strategy & Customer Advisory Lead
KPMG in Romania

³⁵ <https://carturesti.ro/info/despre-carturesti-ro>

³⁶ Ibid.

³⁷ <https://carturesti.ro/>

³⁸ <https://play.google.com/store/apps/details?id=com.evoloabs.cartumob&hl=en>

³⁹ <https://translate.google.com/translate?hl=en&sl=auto&tl=en&u=https%3A%2F%2Fing.ro%2Fpersoane-fizice>



Russia

Continuing the trend seen on the global stage, Russian brands were forced to re-evaluate during COVID-19. As in most countries, customers flocked to digital platforms to carry out their business, and the brands that were 'omnichannel ready' saw the best performance in the 2020 rankings.

This was a particularly challenging for Russia as it currently has one of the lowest levels of e-commerce capability in Europe. COVID-19 has therefore been the catalyst for some growth in this area, with many organizations finally paying appropriate attention to and assessing the availability and efficiency of their on-line channels.

One sector that has already mastered this is the public sector. In Russia, government services such as registering apartment ownership or paying speeding fines have been centralized onto simplified platforms, such as *Moi Dokumenty* and *Gosuslugi*, removing the arduous, time-wasting customer journeys that formerly plagued this sector.

Customers now have single, digital points of contact where they can self-serve with ease, adopting the highly successful model most commonly seen in the financial services sector.

This likely contributed to Russia's overall pillar performances, with Personalization currently the greatest driver of loyalty, and Integrity for advocacy. Customers appreciate the brands that can tailor the experience to their specific needs, and have their best interests at heart. These are the ones they are most likely to return to, and 'promote' among their peers.

Samsung Store is one such brand, ranking at number three in this year's study. Personalization is one of its best-performing pillars, and the retailer has even mastered this on its website.

For example, customers can receive individualized product recommendations, create their own Favorites tabs and carry out product comparisons. At the height of COVID-19, Samsung Store implemented additional customer-centric measures, including the option for shoppers to pay for products in instalments — recognizing that many people had been financially impacted by COVID-19.

Similarly, the cosmetics retailer Yves Rocher demonstrates its customer-centricity in this year's study, ranking at number two. For example, its employees are trained to memorize all of the ingredients for Yves Rocher products, allowing them to make informed and bespoke recommendations to customers. Respondents also noted that staff always give warm welcomes, and take the trouble to say goodbye.

One customer said: "I like the experienced staff that help choose the exact product for my exact needs! The quality of the products is at the highest level!"

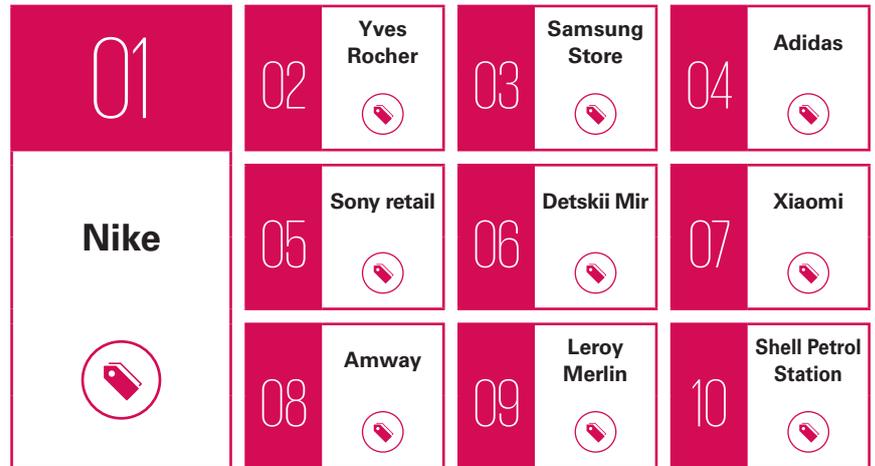
Yves Rocher's strongest pillar score is in Time and Effort, and in this respect the retailer has emulated the approach of the public sector. It aims to become a 'one stop shop' for all-things beauty-related, creating a single platform where shoppers can quickly find what they want. It achieves this by offering a wide product range, and utilizing highly knowledgeable employees who can guide customers towards their goals. Its efficiency is also evident in its online services, with Yves Rocher including samples with deliveries to help shoppers learn more about the products available.

Time and Effort is also a strong pillar for the sportswear retailer Nike — it's the strongest Time and Effort score in the Russian study, with Nike topping the rankings for 2020. A large part of this is down to its omnichannel offering; Nike is available across a wide range of digital platforms, making it easy for the shopper to choose their preferred touchpoint, and begin their journey.

An example of this can be seen with the Mercaux app — another integrated platform — on which customers can access real-time stock levels at any given store, and use a feature where a bespoke dress style will be created for them by an employee, and stored within the app.

Nike also stands out in the pillar of Integrity, building its customer experience on the core values of innovation, sustainability and diversity. The company promotes a simple philosophy if a person has a body, then they are already an athlete; Nike wants to guide beginners towards healthier lifestyles, and also provide expert services for sports professionals.

Leading CX brands in Russia



Nike also acknowledges its responsibility towards the planet, and has launched a clothes collection made entirely of recycled materials as part of its Move to Zero pledge.

Undoubtedly, these are strong examples of CX excellence for other organizations to follow in Russia.

Despite the decline in customer income following COVID-19, brands

like Nike prove that consumers are still prepared to spend — if there is a premium customer experience on offer. Achieving this will require many organizations to redesign their customer experiences, paying particular attention to digital channels to create journeys that are fast, personalized, and simple.



To be consistently successful, companies need to continually measure and reassess their operating models as well as their approaches to engaging and interacting with potential and existing customers. The impact of COVID-19 and the subsequent lockdown has further accelerated the importance of adoption of these trends in all companies. Customer expectations are increasing all of the time, and establishing loyalty requires delivering consistent, engaging experiences aligned to brand values."

Paul Cushion

Head of Customer Advisory
KPMG in Russia and CIS



Singapore

In Singapore, customer expectations have grown since the arrival of COVID-19. Customers are demanding more, and are judging brands based on how ethically they've responded to COVID-19. In turn, this mindset is affecting customer advocacy. They are more likely to 'promote' organizations that meet these new, higher expectations.

In addition, brands have to prove they can be trusted in the eyes of the consumer. For organizations such as the hotel chain Hilton — which saw significant growth in the pillar of Integrity in Singapore — this trust was won through initiatives like the SG Clean trademark. This campaign was launched by the Singapore Tourism Board in February 2020, setting a high standard of cleanliness for brands to adapt — something which Hilton embraced. The brand received the SG Clean 'stamp' which helped to boost guests' confidence, particularly after the outbreak of COVID-19. It's worth noting that Hilton's cleanliness also helped the brand in Mexico, where it ranked in second place overall.

Indeed, trust and the pillar of Integrity have proven to be important

across the 2020 study; 90 percent of respondents stated that they'd be willing to pay more for ethical retailers, while 79 percent admitted to being concerned about the global economic situation. There is a call for brands to share these concerns, and show that they care.

And while Integrity is one of the strongest pillars for the third highest-ranking brand in Singapore — Apple Store — the pillar of Personalization has also been key to its success. At Apple Store, it's clear that every aspect of the customer experience has been designed with the customer in mind, with its outlets being more akin to luxurious, sensory experiences than shops. Even subtle touches like potted plants and modular seats help to foster a sense of being 'looked after.'

More specifically, its staff members engage in conversations with customers, listening to their needs and making appropriate product recommendations. This gives a sense of being 'there to help' — not just achieving quick sales. It's worth noting, as well, that Apple Store ranks at number three in Singapore, mirroring its success in Italy where it ranked at number two.

Looking at brands such as Apple Store, it's also apparent that the employee experience is an important consideration for the highest-scoring organizations. For instance, Apple Store employees tend to be passionate brand advocates who enjoy helping others, and a number of organizations now recognize that happy employees usually deliver the best customer experiences.

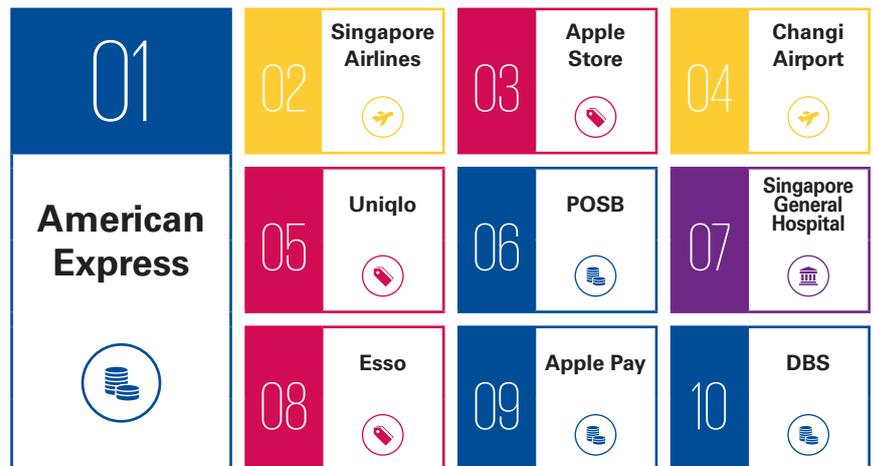
At Singapore Airlines — which ranks at number two in this year's study, employees and their families receive a free air ticket once a year to any destination within the airline's network, and it also offers discounted travel throughout the year, and profit-sharing bonuses.⁴⁰

Singapore Airlines also has a frequent flyers program called KrisFlyer. Members of this program accumulate 'miles' which can be exchanged for rewards such as flight discounts, or discounts in its own KrisShop. During COVID-19, the airline introduced a further initiative called KrisPay It Forward, which allowed passengers to donate their miles to buy treats for frontline workers, such as healthcare employees and public transport operators. This initiative may have influenced Singapore Airline's Integrity score, which is one of its highest in 2020.

The leading brand in this year's study is the financial services organization American Express. Like Singapore Airlines, this organization offers customer 'perks' such as air miles and airport lounge access, highlighting its customer-centricity.

But the brand's strongest pillar score is in that of Resolution. Many respondents have praised its dedication to finding positive outcomes, with no request being too small. As one customer put it: "American Express provides the best customer experience out of all the companies I have dealt with..."

Leading CX brands in Singapore



Not only do they provide a human touch, they think from the customer's perspective and I strongly feel they empathize with the customer's situation and problem when we contact them. Even if they cannot solve it on the spot, they will advise that you can do your other tasks and they will get back to you, and they always do."

For many customers, American Express represents a lifestyle rather than a credit card. Respondents explained that they could rely on it to be consistently efficient, empathetic and personable. Indeed, American Express is the highest-scoring brand in four of The Six Pillars for the whole country.



Technology such as digital experience platforms, artificial intelligence and chatbots is not the silver bullet for brands looking to elevate their customer experience — however it is a key enabler in facilitating connections between brands and consumers, by humanizing technology to create real connections.”

Guillaume Sachet
Partner, Advisory
KPMG in Singapore

⁴⁰ https://www.singaporeair.com/en_UK/us/careers/why-join-us/



Slovakia

As in many countries, COVID-19 concern has gripped Slovakia. Spending has deteriorated, with Slovakian consumers putting off larger purchases and taking longer to buy non-essentials.

Understandably, personal health has also been at the forefront of people's minds. People have been reluctant to interact with brands in person and have, instead, leaned more heavily on digital channels, severely impacting sectors such as travel and hotels which now need to find new ways to survive in a world where COVID-19 is still a threat. Indeed, this is symptomatic of a wider global trend in which 82 percent of respondents have indicated that they're more likely to favor digital wallets over cash in the future. This was further supported by a study conducted in Slovakia which indicated that over 50 percent of e-commerce businesses grew or remained stable during the peak months of COVID-19.

Undoubtedly, when COVID-19's grip was at its tightest in the first wave, customers needed the reassurance

that they could still conduct their business from the comfort of their own homes, and those sectors that provided fast, seamless experiences were the ones that performed best for CX. In Slovakia, the non-grocery retail sector takes the lead in 2020, combining quick deliveries with favorable return policies and friendly services.

In addition, Slovakian customers prefer organizations that show they stand for more than just being a business. They favor brands that look out for their best interests, as well the interests of their employees and the planet.

This is reflected in Slovakia's leading pillar for loyalty, which is now Integrity, and many non-grocery retailers stand out for their loyalty programs which — as well

as offering personalized deals and free deliveries — help consumers to feel as if they are 'buying into' organizations, and are becoming part of something bigger.

The pillar of Personalization is also important in Slovakia, and is the biggest driver for customer advocacy. This is certainly something the retailer Tchibo recognizes, landing at number three in this year's study. Having begun life as a coffee shop and café, the brand now sells a much wider selection of products and is praised by consumers for its relaxed atmosphere and helpful personnel. In addition, Tchibo works hard to surprise and delight, introducing new product ranges every Tuesday to keep people inspired and engaged.⁴¹

One of the brand's strongest pillars, is Resolution. Customers speak highly of Tchibo's returns policy, which allows people to return unwanted goods within 30 days of purchase without having to give a reason.

⁴¹ <https://www.nike.com/adapt>

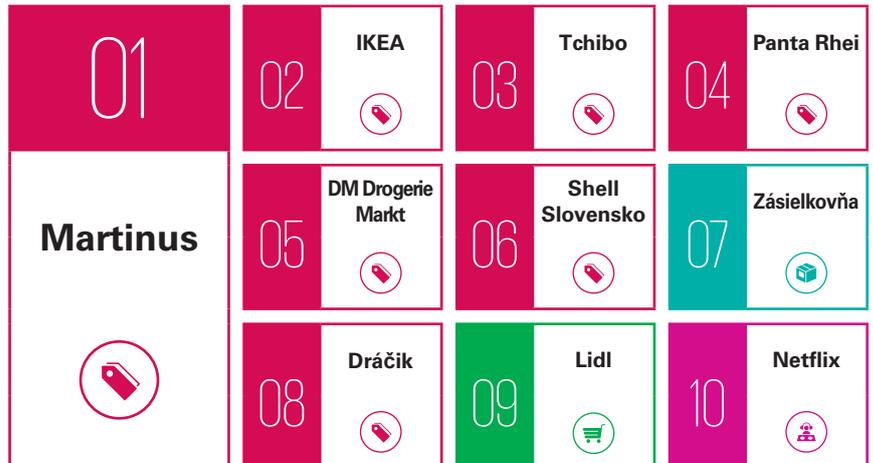
As one consumer explained: “We have great experience with Tchibo. The staff are always helpful, and there are no problems with returning products—no questions are asked. Products are always high quality.”

Similarly, the retailer IKEA performs well in this year’s study, landing at number two — mirroring its equally high rankings in Sweden and Australia. In Slovakia, the non-grocery retailer is synonymous with high quality and affordability, and customers often go to great lengths to shop with the brand, despite the fact it has only one outlet in the whole country.

And like Tchibo, IKEA has blended dining with retail to create an overall more pleasant customer experience, making its outlet something of a leisure destination as opposed to a furniture warehouse. It is also notable for its speed, which sets it apart from other retailers in Slovakia. Many of its products are available for instant pick-up, and it has an equally efficient returns policy which stands out for its fairness; it offers free protection for any goods that have been damaged in transit, or even during the assembly process (as many IKEA products require customers to put them together themselves.)

Slovakia’s leading brand for customer experience is the book retailer Martinus, which ranks first for the third year running. Its Time and Effort score is the highest in the country. This is particularly important for Slovakian customers who praised the brand for its delivery speeds.

Leading CX brands in Slovakia



In addition, Martinus performs well in the pillar of Integrity. It even manages to show Integrity through its website, despite its lack of human interaction. For instance, it offers special discounts whenever it’s a person’s name day — celebrating once per year on a day associated with one’s given name which is widely celebrated in Slovakia. It also sends out birthday greetings with discount codes, and its website has a feature which allows shoppers to round their purchases up and donate the difference to charity.

Such initiatives reflect the growing trend of customer-centricity in Slovakia, with more organizations recognizing the power of good CX. This trend has been growing for a number of years, and it’s possible that COVID-19 will accelerate the process as more brands get to grips with a world that has changed considerably since 2019. This will involve intimate customer knowledge, and a desire to experiment and innovate — all the while keeping the consumer at the heart of the CX strategy.



We have seen CX getting stronger traction over the last couple of years, with companies changing in order to put the customer in the center of their activities. With COVID-19, companies need to again rethink their business models and find ways to connect with customers living in a new reality. Those with an advanced CX approach, and a deep understanding of their customers and their changing needs, will find that they are best prepared to win their hearts and minds, and create long-term, loyal relationships.”

Stanislav Sumsky
Head of Advisory
KPMG in Slovakia



Spain

Before the arrival of COVID-19, an important part of Spain's customer experience was the brick and mortar store — a place that was more of an 'experiential destination.' However, COVID-19 has changed this mindset. Consumers still want outlets to exist, but increasingly as places where they can have their needs met as quickly and efficiently as possible.

Personalization is still of paramount importance. In previous years, Personalization was often achieved through one-to-one interactions; customers would take time to discuss their individual needs and allow themselves to be guided towards the best purchases. And while this desire still exists — with the pillar of Personalization being the leading driver of customer advocacy — people now expect to see it in their digital interactions as well. COVID-19 has shaped Spain into more of an omnichannel market, with a heavy reliance on digital. Physical stores are still part of the customer journey, but a smaller one, with less emphasis being placed on the pleasure of face to face interactions.

With more emphasis being placed on the commodity of time the pillar of Time and Effort is the greatest driver of customer loyalty in 2020. Consumers want to feel as if they are using their time well, be it in a physical store, on a website, in an app, or in a webchat. And they are more committed to those brands that are fast and efficient.

Most of these can be found in the non-grocery retail sector, which dominates this year's rankings. For the most successful Spanish retailers — such as Zara or El Corte Ingles — the key is customer data, enabling these brands to better understand consumer priorities. Data and insights help to understand what the customer values and deliver continuous

learnings to deliver faster and more individualized experiences.

They have created customer experiences that are truly omnichannel, allowing consumers to switch between digital and physical platforms seamlessly, with few barriers between them and their goals.

One organization that does this consistently well is Apple Store, which tops the CX rankings in 2020.

Undoubtedly, COVID-19 had a tremendous impact on Apple Store's operations, being a largely brick and mortar operation. At the peak of COVID-19 in Spain the organization shifted many of its services online, making its online channels and phone services the main point of contact for consumers. This was something of an effortless transition and in fact the brand saw some growth in its customer base.

This may have been achieved through a focus on its employees who have always been a core component of the store's experience.

Second in Spain's study is the online supermarket Consum, whose highest pillar scores are in Time and Effort and Integrity. Consum says that its core values are, "To listen to the customers, the employees, the suppliers and to our environment; to provide products, training, information, welfare, development and sustainability; and to be responsible through commitment, honesty and respect."⁴²

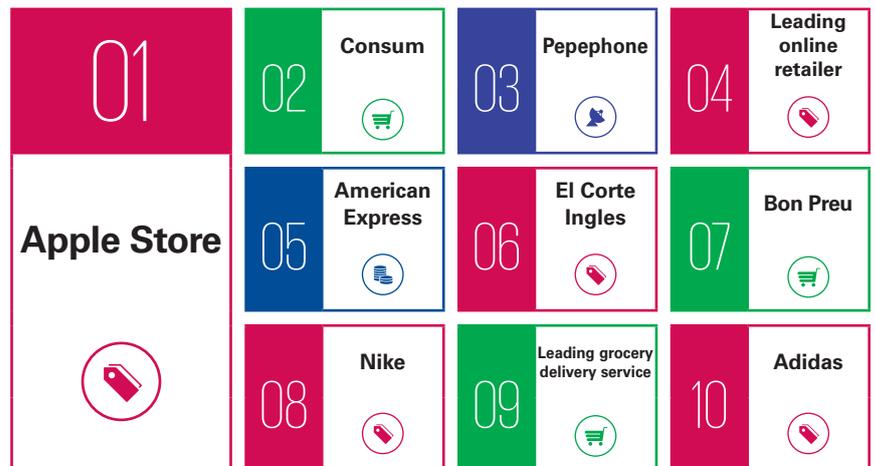
One shopper made the following remark about Consum: "The orders arrive quickly, in the indicated time frame, and if a problem arises, they are flexible in solving it, always thinking of helping the customer."

Following Consum is the telecommunications operator Pepephone, which ranks at number three. "We believe in a world in which your operator automatically improves your rates," says Pepephone, "[and] recognizes when they have made a mistake and compensates you without your asking... A world in which your operator does not waste your time and dedicates his to making your life easier."⁴³

Pepephone's highest pillar scores are in Time and Effort, Resolution, and Personalization.

Looking ahead, creating a customer-centric vision won't be too hard for many Spanish brands. What will be difficult, however, will be the harnessing and analysis of the large swathes of customer data.

Leading CX brands in Spain



In addition, with the role of the physical store quickly evolving, brands need to understand how to incorporate a range of touchpoints into a more omnichannel experience.

To do this, they will need to consider how to inspire and engage their employees (one of their most valuable assets) mirroring the approach of successful organizations like Apple Store.



It is interesting to note that two local companies are ranked in the top three, which shows that proximity, empathy, convenience and reliability are gaining importance. Brands that have been able to provide a seamless omnichannel experience, adopting and extending the use of new technologies to connect and interact with customers (such as AI, marketing automation, and digital interaction channels) while retaining the human touch, are the ones that are winning. In this respect, I must say that customers increasingly value employees as the key factor for delivering an excellent experience, focusing on solving their problems, making their lives better, and building relationships — instead of just being transactional. “

Enrique Porta-Puy

Head of Consumer & Retail and Digital Customer
KPMG in Spain

⁴² <https://www.consum.es/en/mission-vision-and-core-values>

⁴³ <https://www.pepephone.com/los-principios-de-pepephone>



Sweden

In Sweden, many people would describe themselves as efficient, and proudly so. Indeed, efficiency is something that customers have come to expect from brands and any organization that can deliver a seamless experience — while delivering true value is generally considered in high regard.

The higher ranking brands also leverage customer insight effectively and in Sweden consumers generally accept this as long as it is stored safely and ethically — and of course used to deliver a premium customer experience.

The non-grocery retail sector is currently performing best in this regard and understands how to gather, analyze and utilize customer data. These insights helps brands to truly deliver what their customers want, which is critical in Sweden as the pillar of Personalization is a strong driver of loyalty. Customers are loyal to the brands that tailor the experience to their specific needs and remember their past preferences.

Similarly, the pillar of Integrity also matters. It's the biggest driver for customer advocacy, and this is something that Swedish customers do not give easily. They tend to be quite careful about which organizations they'll recommend to family and friends, lest their judgement be misplaced and they come away feeling embarrassed.

That being said, there are many brands that score highly for Integrity in this year's study. COVID-19 certainly threw a spotlight on this pillar, when the onus fell on individual brands to 'look after' the customers themselves. This is because the government never fully closed its restaurants, schools or retail stores, leaving it to organizations to

properly manage social distancing and cleaning routines.

Many brands did this successfully, and indeed the Swedish retailer IKEA achieved a high score for Integrity, ranking in third place in 2020. IKEA responded positively to the outbreak of COVID-19, introducing a 'click and collect' service which allowed consumers to order products online and then collect them at special drive-through pick-up points.

The pillar of Integrity also encompasses wider, environmental concerns. In general, many non-grocery retailers ask customers to help them look after the planet, encouraging them to return used clothes to stores so that they can be repurposed, for example. Likewise, other brands such as the pharmaceutical retailer Apoteket — which ranks at number two in 2020 — ask customers to return empty bottles and packaging so that they can be recycled.

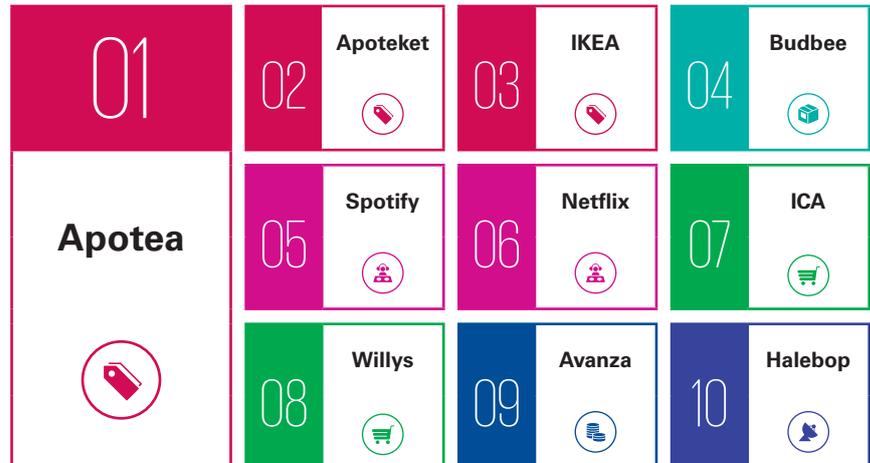
“No one can save the world on their own,” says Apoteket. “To do something about the challenges facing the world, the UN countries have agreed on seventeen global goals. Here at Apoteket, we accept the challenge and roll up our sleeves a little extra. We have chosen to focus our efforts on the five goals (health, customer offering, environment, employees, profitability) where we believe we can make a difference.”⁴⁴

This sentiment is echoed by another pharmaceutical retailer, Apotea, which ranks first. The brand says: “We feel responsible for the world, the people and the environment around us. Ever since Apotea started, sustainability has been important to us. Sustainability should not be something we just talk about; it should be at every level of the organization and it should be seen that we always have the idea of sustainability with us.”⁴⁵

Of course, being a retailer, the day-to-day functioning of its stores matters as well. Apotea's highest scores are in Personalization, Time and Effort and Integrity. One respondent said they had “never had a problem with Apotea” and described the shopping process as “smooth” and “fast.” They added: “They offer good prices, fast delivery, and a large range of products. I always use the Instabox delivery option, which is also free, on the way home from work. No need to even take a detour to pick it up.”

However, achieving this level of Personalization and efficiency is still a challenge for a number of Swedish brands.

Leading CX brands in Sweden



Many struggle with the alignment of their front, middle and back office processes, meaning unnecessary hurdles sometimes disrupt customer journeys. In addition, the older organizations are being challenged by new disruptors — start-ups that have designed customer-centric processes from the ground-up, and are already winning the hearts of Swedish consumers.

“

The 2020 research strongly highlights the shift to digital we see in Sweden which is independent of industry. The physical channel now supports the digital experience rather than the other way around. Digital-born organizations such as Apotea will therefore have an advantage over traditional brands due to more efficient and connected operating models.”

Helena Granborg
Customer Experience Lead
KPMG in Sweden

⁴⁴ <https://www.apoteket.se/om-apoteket/hallbar-utveckling/vi-tar-ansvar/>

⁴⁵ <https://www.apotea.se/vart-ansvar>



Taiwan

COVID-19 changed the face of customer experience in Taiwan. Footfall fell at non-grocery retailers, and the government issued shopping vouchers to encourage domestic spending. In addition, customers started to demand a wider range of payment options, and while many organizations provided these, they didn't always have the most efficient systems to switch between different payment methods.

However, for grocery retail, COVID-19 was a catalyst. Many organizations embraced the fresh challenges and redesigned their services, aiming to make them quicker and more personalized.

Brands such as 7-Eleven and Family Mart were instrumental in this, recognizing that people's needs had suddenly become more diverse. With customers staying away from certain shops at the height of COVID-19, these brands began offering new services. POS machines were available to sell public transport and concert tickets, and the brands also set up services that allowed people to collect parcels they had ordered online.

There was a sudden surge in dependency from consumers, and a less able sector could have buckled under the strain of this increased demand — particularly in Taiwan, where convenience stores are typically closer to people's homes than the bigger department stores. People were limiting their travel, and looking to companies like 7-Eleven to become 'one stop shops.'

This was a challenge that PX Mart rose to, and the retailer ranks at number three in this year's study. During the COVID-19 period, PX Mart went to great lengths to earn its customers' trust.

Face masks were readily available in all of its stores, which the brand wrapped in special 'dust free' packets, paying particular attention to hygiene and safety.

Despite this, it's clear that PX Mart is a customer-centric brand regardless of COVID-19. Its strongest pillar score is in Personalization — the pillar that is key in driving customer advocacy in Taiwan. But it also performs well in the pillar of Time and Effort, and it is the most 'accessible' grocery retailer, with its 1,000+ stores being within reach of 80 percent of Taiwanese families. Inside, customers are usually⁴⁶ able to complete their transactions speedily as well, with its PX Pay platform (and smartphone app) greatly shortening the checkout process.

Speed is also an important factor for Taiwan's second highest ranking brand — the restaurant chain Din Tai Fung. Its smartphone app allows customers to book their tables ahead of time and receive a notification when it's ready, meaning they don't have to queue at the restaurant — a feature that also helped with social distancing at the height of COVID-19.

⁴⁶ <https://medium.com/commonwealth-magazine/whats-the-scoop-on-brick-and-mortar-e-commerce-85e07ff2e6b4>

Din Tai Fung is notable for its high pillar scores in Integrity and Empathy. For example, the brand is particularly conscious of people's dining speeds; it recognizes that it can be unpleasant to feel 'rushed' during a meal, and always serves at the same rate as customers' dining speeds, regardless of the cost implications.

As one person observed: "The food is very delicate, and the service makes people feel like home... The menu may seem home-styled, but I can taste their sincerity."

This sincerity is echoed in Taiwan's customer experience leader — the financial services organization Richart. Like Din Tai Fung, Richart cares passionately about its customers. In fact, it was originally launched by Taishin Bank with the express purpose of providing the best financial customer experience through mobile banking. It's no surprise, therefore, that its Time and Effort score is 7 percent ahead of the market average in 2020, fuelled by a smartphone application that allows users to send money to friends and families using just a phone number, amongst other things.

But Personalization is Richart's strongest pillar — a quality the brand exudes across many touchpoints. For instance, its dog mascot resembles a child's drawing, evoking a sense of playfulness and simplicity while helping to humanize the organization. Via its smartphone app, users can even invest in Richart's stock market portfolio, a process which the brand has designed to act like a mobile game — one that is fun, and easy for beginners.

These digital considerations are becoming more important across Taiwan. For example, the most

Leading CX brands in Taiwan



popular social media platform — Line — is connected to a number of brands. Users can receive discounts or earn Line points whenever they make purchases through the app, and they can also use it to recommend products and services to their friends. Undoubtedly, this platform has had a positive impact on the world of customer experience as a whole. But it has also created some problems. Many Taiwanese customers are suffering from 'information overload' and have started to block out online advertisements on social media platforms.

The challenge for brands in Taiwan is now to curate content through personalization, rather than volume,

all-the-while remaining conscious of the privacy concerns connected with big data.

Arguably, this is a problem globally, but there's a particular emphasis on it in Taiwan, with over half of surveyed customers saying that they have purchased products they did not intend to buy, as a result of receiving a personalized recommendation. In fact, Facebook's user activity saw a marked decrease in Taiwan following reports of a big data leak.

Organizations must now work hard to earn their customers' trust, and prove that they are operating with their best interests at heart.



A digital world with a vast amount of options to customers is already the new reality in Taiwan. Brands only have a few seconds to capture customer attention. The key to unlocking future customer loyalty is through the right use of data, curated content, and immersing the brand in the customer journey.”

Wayne Lai
Partner, Advisory Services
KPMG in Taiwan



Thailand

There is something of a race happening in Thailand. Cell phone use is exploding as customers rely increasingly on mobile platforms. COVID-19 has accelerated this, but it's fair to say that this trend has been growing for a number of years.

Those brands with their fingers on the pulse have been able to capitalize on this shift. As more consumers turn to their cell phones, the expectation of an 'on demand' economy has emerged. People expect organizations to offer faster and more efficient services, while at the same time delivering value for money. Indeed, economics have become more important in 2020, with COVID-19 leaving some households financially fragile, and limited in their ability to boost the country's economy.

That being said, the world of CX is not without its winners. In Thailand — much like the rest of the world — the pillar that has the greatest impact on loyalty and advocacy is Personalization.

The strongest brands are able to tailor the customer experience to the specific needs of the individual, unfettered by corporate processes that often leave people wrapped up in red tape. Personalization is also about remembering past preferences, and customers' names — in essence, it represents the 'humanization' of customer experience management. In Thailand, the brands that master this pillar are more likely to be 'promoted' in consumers' peer groups.

This is certainly true of the financial services sector, which leads for CX performance in 2020. The bank SCB ranks highly in this year's study, landing in third place. SCB operates on four core values: Customer Centricity (focusing on customers); Risk Culture (managing risks appropriately); Innovation

(encouraging innovations); and Speed (adapting and learning quickly).⁴⁷

Next is Apple Store, which ranks at number two. The retailer is keeping pace with Thailand's digital revolution, recognizing that the smartphone has become an integral part of many people's lives, particularly when it comes to social media use, which has seen a sharp increase.

Of course, the physical outlet is key to Apple Store's business, and in non-COVID-19 times it's a go-to 'destination' in which customers can explore and play. In addition, the brand offers a service called Today at Apple, where visitors can attend special workshops to learn how to do new things on their smartphones.

Inevitably, this service had to stop during COVID-19, but Apple Store maintained its customer focus by moving its workshops online. Here, phone users could watch pre-recorded videos explaining how to use some of the iPhone's features. And a selection of these videos catered to multiple audiences at once, with some being delivered in Sign Language with English voiceovers, and Thai subtitles.⁴⁸

⁴⁷ <https://www.scb.co.th/en/about-us/sustainability.html#tab-4>

⁴⁸ <https://www.apple.com/th/today/feature/today-at-home/>

Apple Store is conscious of its responsibility towards the planet. All of its stores' electricity — both in Thailand and in every other country in which it operates — take 100 percent of their electricity from renewable sources, and Apple Store has reduced its carbon footprint by 71 percent since 2011, despite a fourfold increase in its energy usage.⁴⁹

Thailand's CX leader is the financial services organization AIA, which specializes in insurance. AIA is committed to its customers, and it learns about them continually through its virtual data science lab, which gathers and analyzes consumer data.

Much of this is derived from its AIA Vitality platform, which launched in 2019. It's an insurance and wellness program that rewards users for being healthy. By taking regular exercise, or eating healthily, or even going for an annual health check-up, users can earn points which can be exchanged for discounts at gyms and pharmaceuticals, and even plane tickets. As such, Vitality highlights AIA's concern for its customers' wellbeing by incentivizing them to look after their minds and bodies.

This initiative also helps AIA to learn more about its customers and, in turn, find new and more relevant ways to serve them.

This is, however, a delicate line to tread. 98 percent of respondents

Leading CX brands in Thailand



across the globe indicated that they were worried about their personal data, and how it was being gathered and used. And with the acceleration of cell phone use, and countless gigabytes of data being transferred on a daily basis, this should be a growing concern for the leading

brands in Thailand. Customers may be demanding slicker, speedier interactions, but their loyalty could wane if they don't believe that brands are truly 'on their side.'

“

We are a country with some of the highest penetration rates across all major mobile platforms so we can see in the survey results that those organizations that invested heavily in mobile-led strategies are bringing connectivity to their ecosystems. They're underpinned by enhanced data and analytics capabilities, and they're winning on the customer battlefield by offering a differentiated customer experience. Time is running out for those that have not. We have seen 10 years of expected behavioral shifts occurring in the last six months alone.”

Christopher Saunders

Partner, Head of Financial Services
KPMG in Thailand

⁴⁹ <https://www.apple.com/th/environment/>



United Arab Emirates

In the Gulf region, there is no happier place to live than the United Arab Emirates (UAE) according to the latest edition of the World Happiness Report. The UAE is at the top of the list of Arab nations and is home to some of the happiest cities on the planet such as Abu Dhabi and Dubai.⁵⁰

Dubai has its own “Happiness Agenda” — a city-wide vision led by HH Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of UAE and Ruler of Dubai, which aims to “make Dubai the happiest city on earth” using a “science based” approach to “measure, impact and sustain happiness for the whole city.”⁵¹ Across the UAE, residents place a high value on empathy, and this ethos is reflected in the quality of its customer experience management.

The impact of COVID-19 was overwhelming for some consumers, and successful brands were ones which could prove themselves to be reliable and trustworthy during these unsettling times.

The UAE’s highest-ranking brand is Emirates Airlines. During COVID-19, Emirates focused on a policy of open communication and general responsiveness. For example, customers who had already purchased plane tickets could choose to retain them until they were ready (or able) to fly, with Emirates extending their validity up to 24 months. Customers could also receive a full refund, or a travel voucher which could be exchanged for other Emirates flights or products.⁵²

The best brands aim to deliver a better experience than the general consensus of what constitutes ‘good’. Like many brands in the UAE, Emirates aims to provide a ‘luxurious’ experience for the

customer. For instance, some of the seats on Emirates’ A380 jets are equipped with their own brass-plated drinks holders and doors which allow passengers to effectively seal themselves into private rooms.⁵³

Financial services organization HSBC is ranked second in this year’s research. HSBC has adopted a strategy of improving its digital offerings. In 2018 some of the branches in the UAE underwent a transformation into Customer Service Units. These branches aim to blend digital self-service technologies with human interaction where visitors can print and emboss their own HSBC debit and credit cards.⁵⁴

These new Customer Service Units seek to expedite the banking experience by offering on-the-spot video conferencing for visitors to its branches.⁵⁵

⁵⁰ <https://worldhappiness.report/ed/2020/>

⁵¹ <http://en.happinessagenda.ae/#overview>

⁵² <https://www.emirates.com/uk/english/help/covid-19/ticket-options/>

⁵³ <https://www.emirates.com/ca/english/experience/cabin-features/first-class/a380/>

⁵⁴ https://zawya.com/mena/en/press-releases/story/HSBC_expands_digital_experience_with_new_Customer_Service_Unit_in_Mirdiff_City_Centre-ZAWYA20180903095729/

⁵⁵ <https://www.tahawultech.com/industry/financial-services/hsbc-uae-promises-80-digital-interaction-to-customers/>

Entertainment and leisure brand VOX Cinemas ranks number three. It is the largest cinema chain in the Middle East, with 490 screens across 47 locations. In 2017 it won the Best Cinema in the World award at the CinemaCon conventiown.⁵⁶

It offers a service named 'Gold' which includes "plush seating," food and drink. According to one customer, "VOX Cinemas are the go-to place for any comfortable movie-watching experience in UAE. This time the VOX Gold experience proved that this is the gold standard of movie experience with its luxurious setting and services."⁵⁷

Another brand which has provided a rapid response to COVID-19 is Spinneys Dubai which operates 50 Spinneys supermarkets and eight Waitrose stores in the UAE.⁵⁸ The demand for home grocery deliveries has accelerated dramatically this year. Spinneys launched a new e-commerce delivery service — a direct response to consumers' changing preference to shop for groceries online. Spinneys anticipates e-commerce demand will continue to gather pace and aims to deliver an omnichannel customer experience.⁵⁹

Consumers are becoming increasingly selective in their decision-making. As we move towards 2021 brands will have to demonstrate that they are 'COVID-19 safe', can be trusted and that their services deliver value for money.

Leading CX brands in United Arab Emirates



Note: Brands are listed in alphabetical order.



COVID-19 has had an unprecedented impact on all sectors in the UAE. It has put customer experience at the forefront of levers to drive loyalty and confidence among consumers. Companies are increasingly looking to invest in more proactive approaches. Enhancing the use of data and data-driven insights is going to play a huge role in enabling companies to be more predictive in nature, anticipating customers' needs and wants, rather than just being reactive.”

Pilar de Miguel Veira

Customer Experience Lead, Partner
KPMG in the UAE

⁵⁶ <https://cinemacon.com/press-release/vox-cinemas-to-receive-cinemacon-2017-global-achievement-in-exhibition-award>

⁵⁷ <https://uae.voxcinemas.com/ways-to-watch/gold>

⁵⁸ <https://www.eurofresh-distribution.com/news/spinneys-dubai-retailer-never-compromises-quality>

⁵⁹ <https://mediaoffice.ae/en/news/2020/June/21-06/Spinneys-launches-online-delivery-service-in-Dubai>



United Kingdom

While COVID-19 has changed the face of customer experience in the UK, many of the more adaptable, agile brands which have often topped the CX rankings have continued to lead throughout the lockdown period of 2020.

What has changed, however, is a widening gap between the high-flyers and the laggards in the UK. The lower-ranking brands need to work even harder to catch up to their higher performing competitors. Their performance across The Six Pillars will be key to their growth.

At the same time, one of the pillars — Integrity — has become more relevant than ever. When COVID-19 was at its peak, customers wanted to know that brands stood for more than just making a profit. They wanted to be assured they were looking after their employees and consumers, as well as taking the implications of COVID-19 seriously. The long-term impact of this psychological shift remains to be seen.

Despite this challenging climate, most sectors have seen an increase in their overall Customer Experience

Excellence (CEE) performance since 2019, with restaurants & fast food, logistics and the public sector seeing the biggest climb. Nevertheless, grocery retail and financial services remain the highest performing sectors overall in the UK.

Indeed, four financial services organizations feature in the UK 2020 top 10, including a new entrant to the research — Starling Bank. Starling Bank ranks third and is an entirely digital bank which clearly understands its customers and the role their mobile devices play in their lives. Its services are streamlined and hassle-free; Starling has partnered with a number of third parties, including PensionBee and Churchill, enabling customers to manage several financial services on one app.

As one respondent said: “For me, they’re one of the banks of the future with helpful staff, intelligent answers to questions and no pressure to try and get you to take on further products”.

It is also an adaptable brand, swiftly responding to support its customers during COVID-19 with the introduction of its Connected Cards scheme to allow friends and neighbors to shop for those self-isolating, removing the need for payment via physical contact. Starling also participated as a lender in the government-backed Coronavirus Business Interruption Loan Scheme during COVID-19.

Ranked second is the online retailer QVC UK — a brand that recognizes the importance of the Personalization pillar. The ‘human touch’ is one of the retailer’s defining characteristics, with the ‘conversational’ attitude of its presenters being a key part of its TV and internet broadcasts.

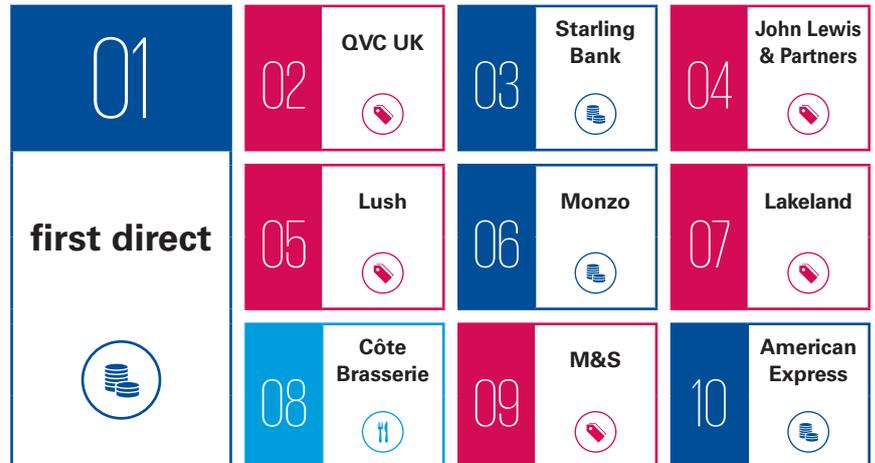
And while this way of working became difficult during the lockdown period, QVC UK strove to maintain it for as long as possible. Moreover, many of its customers turned to the brand's social media channels at the peak of COVID-19. QVC UK were able to utilize these channels to help shoppers order, track and return products effortlessly. Its #QVCAlwaysWithYou hashtag was also put to good use, with the brand recognizing that some customers were relying on social media simply for comfort and reassurance.

Similarly, the UK's customer experience leader — the financial services brand first direct — is consistently strong for customer-centricity. As with many banks at the start of COVID-19, first direct moved quickly to protect its customers against negative economic consequences with fee-free overdrafts, loan repayment holidays and lower insurance payments. Its agile at scale operating model also allowed the bank to quickly scale up a dedicated, empowered customer team to empathetically respond to their customers' difficulties.

first direct's people first mantra means the bank constantly asks itself three questions: How are our people feeling? How are our customers feeling? What is our commercial performance? The answers to these questions guide the shape of its customer experience.

Indeed, first direct is successful in part because of its connected CX vision. Every aspect of the organization is guided by these questions, with each department moving in the same direction.

Leading CX brands in United Kingdom



In addition, the bank's customer experience is deployed consistently across all of its channels; it's as quick and easy for a person to interact with first direct over the phone as it is via one of its social media platforms.

As one respondent explained: "Always a great experience when I have to contact first direct about anything (which is rare.) I'm currently re-mortgaging with them and as always their staff have been an absolute pleasure to deal with."

Being a "pleasure" is possible for first direct because of its deep customer knowledge. The bank knows exactly what people are seeking physically and psychologically and if these desires change it's immediately aware and can adapt accordingly. This depth of insight will be crucial for UK businesses as they head into the uncertain world of 2021, where the true impact of COVID-19 cannot be predicted.



The present downturn promises to be one of the most intense, but also an opportunity for many brands to engage with a new customer and redefine what their enterprises stand for.”

Tim Knight

Partner, Customer Advisory
KPMG in the UK



USA

When COVID-19 peaked and many countries went into lockdown, the grocery retail sector became crucial. Of course, it had always been essential, but not to this extent. With the mounting pressures and the need to adapt quickly, there was a very real possibility that grocers could buckle under the strain.

But many retail grocers stepped up, finding new and efficient (and safe) ways to help people shop. Services such as curbside pickup, contactless payments and extended hours for at-risk consumers all helped people to navigate what was (and still is) an unsettling time for the United States.

The retail grocer Hannaford is a good example of this, and the brand saw a significant rise in the rankings in 2020. The brand began offering hand wipes at its store entrances, and introduced one-way directional signs to help maintain social distancing. It also offered a grocery pick-up service that allowed people to shop online, and then collect their goods at the store of their choice.

As such, Hannaford exemplifies customer-centricity, and this trait sets the CX champions apart from the others. To achieve true customer-centricity, brands need to have a strong understanding of The Six Pillars, and in the US the pillar of Personalization is particularly important. It is the biggest driver for loyalty and advocacy, and the brands that master it are able to adapt their customer experiences to the specific needs of the individual.

The retail grocer brand H-E-B exudes a similar ethos, although being a Texas-based retailer, it places a greater emphasis on its home turf. For example, many of its coffee blends bear names such as San Antonio and Austin, and it also sells Texas-shaped cheese chunks and tortilla chips.

Indeed, this Texas-centricity became more apparent during COVID-19, with H-E-B launching a 'Texans Helping Texans' campaign which encouraged local communities to pull together and embody "the generous spirit and strength that brings together all Texans during uncertain times"—an initiative that was intended to help the state's most vulnerable citizens. Similarly, H-E-B showed much support for the restaurant sector during COVID-19 and partnered with a number of local establishments to sell chef-prepared meals at its outlets. Undoubtedly, H-E-B's caring spirit really resonates with customers, and it sees the brand take second place in this year's research.

A caring spirit is certainly a strength of the restaurant brand Chick-fil-A, which ranks at number three in the US study. Its CX strategy is underpinned by the principles of its founder, S. Truett Cathy, who told his employees to treat each customer as if they were the president. Indeed, its workers are encouraged to constantly look for opportunities to surprise and delight, and to tell diners "it's a pleasure" rather than simply "you're welcome."

Ranking first is the financial services organization USAA, or the United Services Automobile Association. It's a brand that focuses on people who serve (or have previously served) in the US military and their families, and it has taken the top spot in the American rankings three times in the last 5 years.

Arguably, one of USAA's defining qualities is Empathy. The organization has a strong understanding of the people that it serves, including the emotional implications of having a career in the military, or being the spouse of someone who serves. When USAA says it "knows what it means to serve," it isn't just talking about customer service.

This customer-centricity has also enabled USAA to innovate. For example, its mobile app uses the Zelle payment platform, enabling customers to make payments to others using just an email address or phone number, within minutes. Such a service is particularly useful for someone serving in a non-domestic location, who may need to transfer money quickly.

"We have been with USAA for a while now," said one respondent. "They are always very helpful. I am able to call and ask for a copy of my insurance cards to be emailed to me and it only takes minutes."

The companies highlighted in the United States survey stand as leading examples of customer experience best practice in 2020, but in these ever-changing, uncertain times, they cannot afford to rest on their laurels.

Leading CX brands in USA



Leaders in our 2020 index maintained strong customer relationships during times of volatility, with commercial availability and cadence being at the core of this relationship. As customer needs and expectations adapt to the new reality, businesses need to rethink their customer engagement approaches, with a stronger reliance on digital interaction."

Jeffrey Mango

Managing Director, Customer Solutions
KPMG in the United States



Vietnam

Digital channels are on the rise in Vietnam. Social media usage has increased rapidly, and customers are more likely to take to these platforms to discuss their brand experiences — and even recommend brands to their peers. Some organizations are conscious of this fact, and are working to capture as much insight as possible — all in the pursuit of CX growth.

Although digital awareness has been increasing, there are many challenges. Some established brands cannot innovate fast enough, and in Vietnam there is a growing expectation that organizations should be able to respond quickly to unforeseen circumstances, such as COVID-19. At the same time, many Vietnamese customers are reluctant to do business with new entrants. There is a general suspicion that less-established brands might lack the necessary experience to cater to their needs.

That being said, consumers tend to be loyal to organizations with long and prestigious reputations, and that show Integrity. Similarly, they are more likely to advocate for brands that score highly in the pillar of Personalization.

As such, there is much potential for disruptors to challenge the legacy organizations, particularly if they come with a strong digital offering.

Indeed, digital is something that Vietnam's third highest ranking brand Viettel does well. While it's far from being a start-up (having existed in some form for over 30 years) Viettel is constantly evolving. It began life as a construction firm in 1989 before moving into telecommunications in 2000, and it finally became a digital services provider in 2018. Viettel is an extremely innovative organization, and is at the forefront of IoT (Internet of Things), facial recognition and artificial intelligence technology in Vietnam.

Moreover, Viettel stands out for its customer-centricity. In 2019 it

launched the Viettel++ customer care program, which operates like a loyalty scheme. Users of Viettel products accrue points which can be exchanged for discounts on certain services, or even at hotels, restaurants and shops. Crucially, this is a system which functions automatically, with no input required from the consumer. People are automatically enrolled, and Viettel keeps track of the points they collect.

Technology also plays a key role for Vietnam's second highest ranking brand. The financial services organization Prudential primarily specializes in insurance, but in 2019 it launched a new Pulse app that was designed to look after customers' wider health needs. Through the app, users can track their Body Mass Index (BMI) measurements, Wrinkle Index measurements, and also receive a free consultation with a doctor.

Mr. Phuong Tien Minh, General Director of Prudential Vietnam said: "With Pulse, we aim to bring technological achievements in the medical field closer to the people, helping people take the initiative in their care and easily manage their own health at any time and anywhere."⁶⁰

⁶⁰ <https://www.prudential.com.vn/vi/our-company/press-release/2020/tu-van-suc-khoe-mien-phi-voi-bac-si-truc-tuyen/>

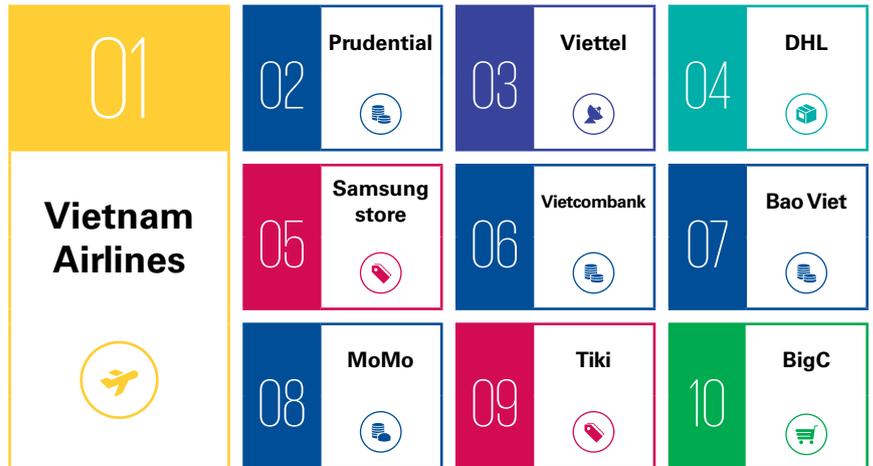
This initiative arrived at the same time as Prudential's renewed brand commitment to "Listening. Understanding. Delivering." As one customer explained: "The company understands their customers, providing prestigious services and quality products. I have been a customer of Prudential for 20 years and will always be a loyal customer of the company."

Vietnam's leading customer experience organization is Vietnam Airlines — a brand that also puts listening at the heart of its customer experience. Its continual collection of feedback has influenced the customer journey at every touchpoint, even down to the conversations at the check-in desk, and the food on its planes.

And again, like many of the leaders in Vietnamese CX, technology has been at the heart of its operations. For example, Vietnam Airlines uses leading technologies to capture and respond to customer feedback in real time. It was also the first Vietnamese airline to provide in-flight Wi-Fi, and it offers charging ports for passengers' mobile devices. In addition, its planes are equipped with LED lights with "gradual brightness transformation" for when food is being served, and self check-in desks are available at select airports.⁶¹

Personalization is one of the brand's stand-out pillars, and the human element of the experience is one that Vietnam Airlines is conscious of. One respondent praised the "attentive staff with smiling faces," and described it as an "amazing airline with first class service." Moreover, its Vice President Mr Le Hong Ha said that its success was down to the brand's continued investment in advanced technologies and high-

Leading CX brands in Vietnam



quality services, "all to provide the most enjoyable experience possible for passengers."⁶²

This blend of technology and customer-centricity is likely to define Vietnam's customer experience champions in the years ahead.

This is particularly true in the world of COVID-19, which has changed customers' habits and behaviors, with people becoming increasingly comfortable using online channels.

“

Vietnamese customers are getting used to having diverse choices of products and services. A competitive pricing strategy alone cannot be a long-term strategy if companies want to ensure their sustainable growth. Companies need to come closer to their customers, utilize all the available resources and make appropriate investments to understand their customers better, provide them with personalized products and memorable customer experiences. This is how a company can survive and evolve in the coming decade.”

Nguyen Tuan Hong Phuc

Partner, Head of Customer & Operations, Digital Consulting KPMG in Vietnam

⁶¹ <https://www.vietnamairlines.com/gb/en/plan-book/experience/business-class/communication>

⁶² http://bizhub.vn/news/vietnam-airlines-takes-off-with-digital-transformation_311088.html

Methodology

About the research

For eleven years, our member firm professionals have been asking consumers about their individual experiences with brands.

Over that time, more than 385,000 consumers have been interviewed and c.3,500 brands have been measured — providing c.4 million individual evaluations across 34 countries to support our expertise in customer experience best practice.

This year alone we have taken in the views of more than 100,000 consumers across 27 markets.

The research for this report was conducted via an online survey methodology, completed Q2 2020. A nationally representative consumer sample was targeted for each market, to be representative in terms of age and gender, while also targeting regional representation.

To participate in the research and to be able to respond to questions on a specific company, respondents must have interacted with that company in the last two months. This has been updated from previous years where a six-month period was given, in order to capture interactions and experiences specifically during the time of COVID-19, to truly understand and fairly compare the reaction and resilience of brands.

An interaction is defined as making a purchase, using the company's products and services, contacting a company with a query, or even browsing their website or store — so not all respondents will have been existing customers of the brand they evaluated.

In order to be included in the final rankings for each country, each brand must have achieved a minimum number of consumer responses.

Global Customer Experience Excellence coverage in 2020

27

countries, regions
and jurisdictions



101,162

consumers



2,060

unique cross
sector brands



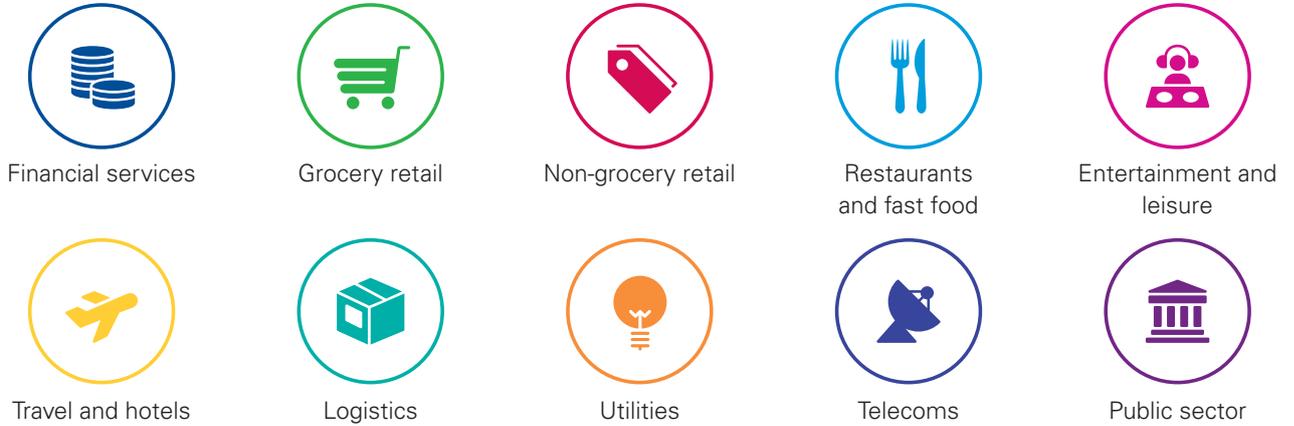
804,795

individual brand
evaluations



Sector coverage

For this report we analyzed brands across 10 sectors:

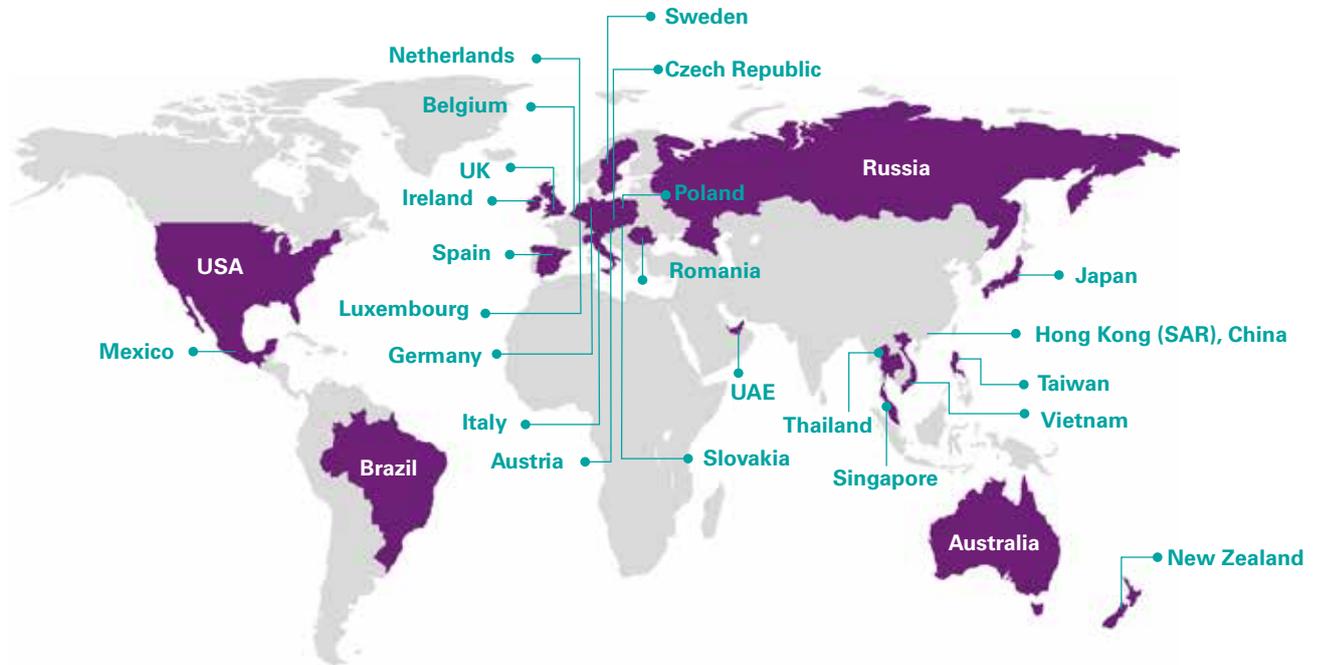


Customer Experience Excellence (CEE) scores

The rankings for each country are determined by the CEE scores of the brands surveyed.

The CEE score is derived for each brand via a weighted average of the brand’s score for each of The Six Pillars. The weighting is calculated through regression analysis to understand the relative importance of each pillar in driving the two commercial outcomes measured in the analysis: advocacy and loyalty.

Research program coverage



Methodology developed by the KPMG Nunwood Excellence Centre.

Thinking ahead

COVID-19 presents challenges to businesses — but also opportunities. It throws light on the need for organizations to put the customer at the heart of the business and have a coherent, consistent intent across their Front Office functions — and indeed connect the entire enterprise. It highlights the importance of digitalization and robust data collection so that organizations make decisions based on evidence, not instinct. And it foregrounds how essential it is for organizations to consider how each function fits together.

To flourish rather than flounder, businesses must determine the correct investment strategy across the Front Office by considering their customers, their brand and their place on the economic curve, so they can invest with greater certainty of return.

All companies will be physically constrained during the measures to contain and limit the impacts of COVID-19 and their values will come under close scrutiny.

However, they must leverage their ability to adapt and be resilient, embrace technology and, above all, trust their teams to put their customers' needs first and foremost — as this will bear fruit long after COVID-19 is over.

If you have any questions regarding the possible impact from COVID-19 or are looking for help to position your customer experience strategy to be resilient in the face of future threats, please do not hesitate to get in touch with our global network of consultants.



The simple truth is if you don't transact there is no experience and if there is no experience, you will struggle to maintain customer relationships.

Experiences in the new reality need to be immersive, emotionally connective and overtly safe. This demands a connected organization where every capability is symbiotic and digitally aligned front to back to deliver an intentional customer experience.

KPMG consultants can work alongside organizations to help them balance costs and priorities against changing customer expectations"

Julio Hernandez

Head of Global Customer Center of Excellence
KPMG International
US Customer Advisory Lead
KPMG in the US

Get in touch

Contact the Global Customer Center of Excellence

Julio Hernandez
Head of Global Customer
Center of Excellence

KPMG International,
 US Customer Advisory Lead,
 KPMG in the US
 E: juliojhernandez@kpmg.com

Contact your local Customer Experience leader:

Amanda Hicks

KPMG in Australia
 E: ahicks@kpmg.com.au

Werner Girth

KPMG in Austria
 E: wgirth@kpmg.at

Vincent Piron

KPMG in Belgium
 E: vpiron@kpmg.com

Augusto Puliti

KPMG in Brazil
 E: augustopuliti@kpmg.com.br

Tomáš Potměšil

KPMG in the Czech Republic
 E: tpotmesil@kpmg.cz

Tom Lurtz

KPMG in Germany
 E: tlurtz@kpmg.com

Isabel Zisselsberger

KPMG in Hong Kong (SAR), China
 E: isabel.zisselsberger@kpmg.com

Owen Lewis

KPMG in Ireland
 E: owen.lewis@kpmg.ie

Paolo Capaccioni

KPMG in Italy
 E: pcapaccioni@kpmg.it

Takehiro Horii

KPMG in Japan
 E: takehiro.horii@jp.kpmg.com

Jean-Pascal Nepper

KPMG in Luxembourg
 E: jean-pascal.nepper@kpmg.lu

Manuel Hinojosa

KPMG in Mexico
 E: manuelhinojosa@kpmg.com.mx

Edgar Molenaars

KPMG in Netherlands
 E: molenaars.edgar@kpmg.nl

Paul Cottingham

KPMG in New Zealand
 E: pcottingham@kpmg.co.nz

Jan Karasek

KPMG in Poland
 E: jkarasek@kpmg.pl

Dr. Victor Iancu

KPMG in Romania
 E: viancu@kpmg.com

Paul Cushion

KPMG in Russia
 E: pcushion@kpmg.ru

Guillaume Sachet

KPMG in Singapore
 E: gsachet@kpmg.com.sg

Rudolf Sedmina

KPMG in Slovakia
 E: rsedmina@kpmg.sk

Enrique Porta Puy

KPMG in Spain
 E: eporta@kpmg.es

Helena Granborg

KPMG in Sweden
 E: helena.granborg@kpmg.se

Wayne Lai

KPMG in Taiwan
 E: wlai1@kpmg.com.tw

Bradley Styles

KPMG in Thailand
 E: bradstyles@kpmg.com.sg

Selim Tanfous

KPMG in the UAE
 E: stanfous@kpmg.com

Tim Knight

KPMG in the UK
 E: tim.knight@kpmg.co.uk

Jeffrey Mango

KPMG in the US
 E: jmango@kpmg.com

Tuan Hong Phuc Nguyen

KPMG in Vietnam
 E: phuctnguyen@kpmg.com.vn

home.kpmg/customerfirst



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The statements made in this report and the related case studies are based on the results of our survey and should not be construed as an endorsement by KPMG of the companies' goods or services. Some or all of the services described herein may not be permissible for KPMG audit clients and their affiliates or related entities.

© 2020 Copyright owned by one or more of the KPMG International entities. KPMG International entities provide no services to clients. All rights reserved.

Throughout this document, "we", "KPMG", "us" and "our" refer to the network of independent member firms operating under the KPMG name and affiliated with KPMG International or to one or more of these firms or to KPMG International.

The KPMG name and logo are registered trademarks or trademarks of KPMG International.

Publication name: Customer experience in the new reality

Publication number: 137144-G

Publication date: October 2020