

Essential Communications

Insights into consumer preferences





About this study

As consumers spend more time than ever in the digital world, they are demanding more from their providers when it comes to digital communications. But what does this mean for essential communications? What consumer behaviours should inform communications strategies?

Computershare partnered with software vendor Quadient to understand the shifts and evolution of consumer behaviour relating to essential communications and uncover the opportunities for providers.

We surveyed 5,000 consumers globally about their experience with essential communications in the Finance, Wealth, Insurance and Utilities sectors.

Read more about the research in our whitepaper
<https://www.computershare.com/us/insights/communication-services/the-pace-of-digital-evolution>



Generations Surveyed

Silent Generation (1928 - 1945)

Boomers (1946 - 1964)

Gen X (1965 - 1980)

Millennials (1981 - 1995)

Gen Z (1996 - 2010)

This report offers insight into opportunities from providers to improve accessibility and engagement for essential communications.

It focuses on essential communications, those that are transactional in nature and usually highly regulated such as statements, welcome packs and notices.

Consumer digital communication preferences

The appetite for digital communications continues to rise and providers need to up their game

Across the globe, all sectors studied fall short of meeting consumer preferences for digital communications, especially in mainland China and Hong Kong where preferences for digital communication are very high (**66%** and **60%** respectively).

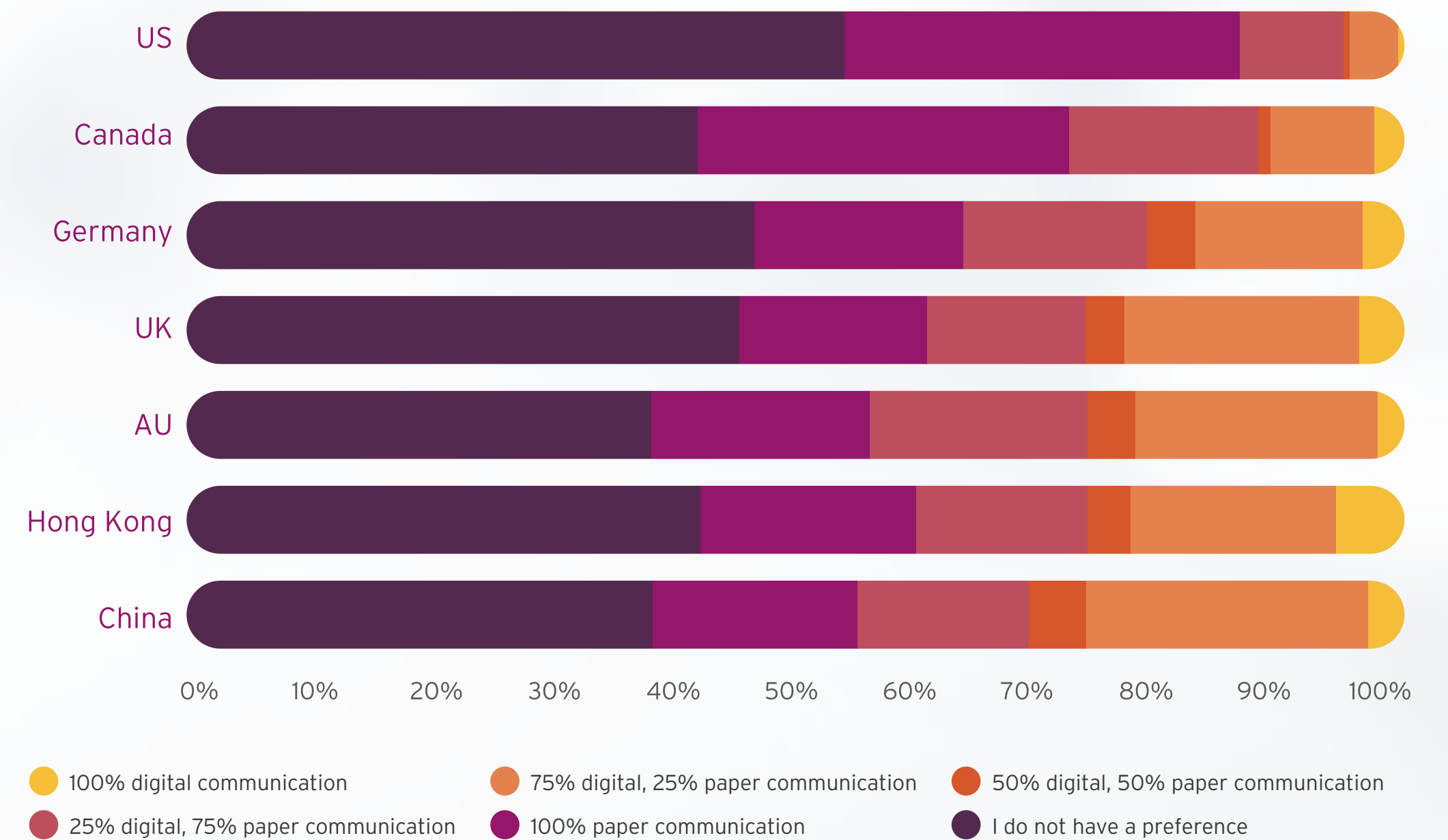
When it comes to essential communications, almost two in three (**61%**) consumers would welcome digital versions of those documents currently required by law or regulation to be sent in paper format.

Key Takeaway:

Now is the time to be where your customers want you to be. Digital communications need to be intuitive, secure and easy to understand, so you can drive engagement and build loyal relationships.

The demand for Essential Communications

The majority of consumers across regions would prefer 100% digital channels for their essential communications.



Device preferences and communication management

Understand accessibility for communication success

Two years of living through the COVID-19 pandemic has fundamentally shifted how consumers access and engage with essential communications. Consumers spent more time than ever on their personal devices, and new adopters had little choice during lockdowns but to embrace digital channels.

Which devices do consumers want to use to access essential communications?

Over half (**52%**) of consumers prefer to use a desktop or laptop to receive digital essential communications, with one-third (**33%**) preferring to use a mobile phone. As the experience on mobile phones continues to improve, we expect to see device preferences move towards mobile.

As more money and resources are invested into app development to improve the user experience, apps will start to become a more popular channel for providers to send communications.

How do they manage their digital communications?

Most respondents (**23%**) save communications to a specific inbox folder or download them to their computer/upload them to the cloud.

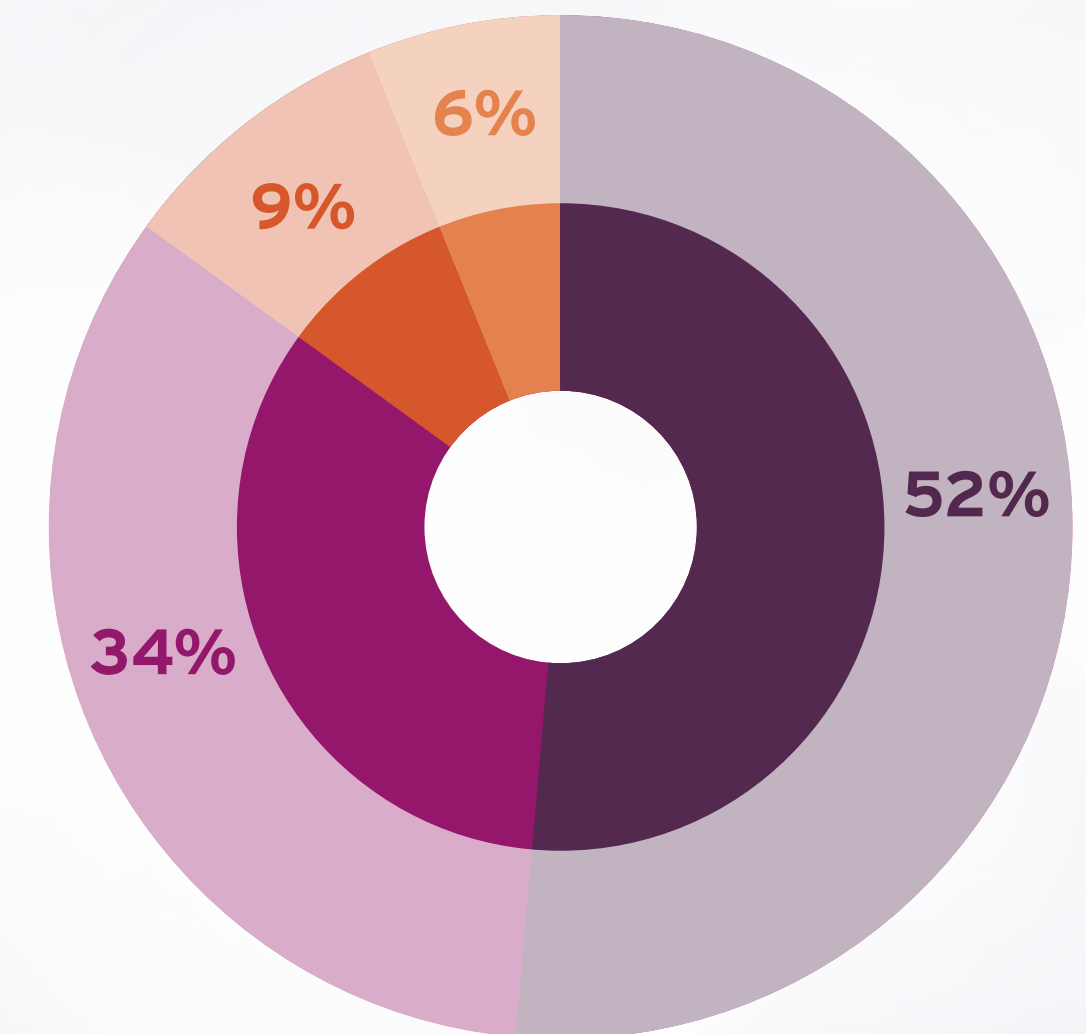
39% of respondents always read attachments from their provider.

64% of consumers prefer to receive digital communications via email, compared to **29%** via an app.

Digital natives (Gen Z and Millennials) are more likely than Gen X and Boomers to check information in the attachment, PDF, or link matches the email summary.

Key Takeaways:

The way people manage digital communications varies and opens the door for providers to improve the customer experience. Providers have an opportunity to shift more consumers to email communications as an environmentally friendly option by making it easy for consumers to log in to online portals to access their essential communications on demand, rather than printing and saving attachments.



Device Preference

- PC/Laptop
- Mobile Device
- Tablet
- No Preference

Improving comprehension reduces cost-to-serve

Managing cost-to-serve is high on the agenda for businesses that deal with large volumes of consumers and manage essential communications. This is where comprehension is key.

Trends show that when consumers do not understand communications from their provider, their first response is to phone the call centre. Four of the top six preferred methods of contact are human-focused and require staff to spend valuable time researching and resolving queries. This increases the cost to serve customers.

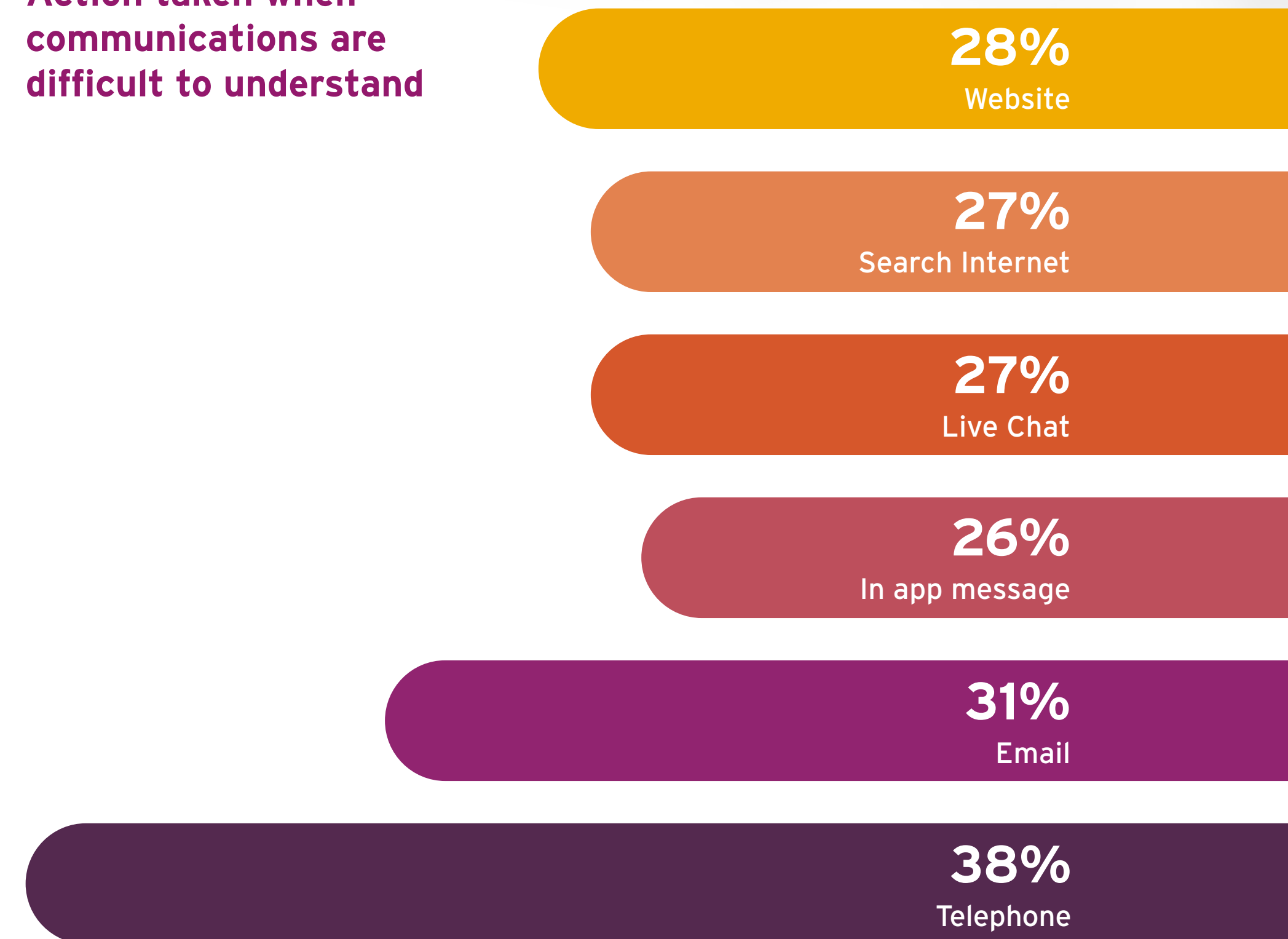
Key Takeaways:

To reduce call centre volumes and call length, providers should consider conducting regular reviews of essential communications to ensure messaging is clear, consistent, and easy to understand. Ambiguous communications may result in customer churn before other indicators can be measured - something which can be avoided by proactively reviewing and testing the clarity of communications.

4 of the top 6

Preferred methods of contact are human-focused

Action taken when communications are difficult to understand



The link between emotions and churn

Maintaining and reviewing communications can improve trust and loyalty

If you want your customers to trust you, you need to be deserving of their trust. The key is transparency, clarity and authenticity in your communications.

Failure to deliver easy to understand content can cause consumer frustration, confusion, and stress, which can lead to customer churn.

Over half of consumers said they were very likely or extremely likely to switch providers if they constantly received communications that were difficult to understand.

When consumers consistently receive unclear communications, they expressed frustration, confusion, stress, and annoyance as their most common reactions.

Gen Z, Millennials and Gen X are more likely to feel 'confused' compared to Boomers who are more likely to feel 'frustrated', and Silent Gen who are equally 'confused', 'annoyed' and 'frustrated'.

Gen Z (47%), Millennials (66%) and Gen X (51%) are more likely to switch providers than Boomers (36%) and Silent Gen (22%).

Key Takeaways:

A positive communications experience, especially for Gen X and younger demographics, will help build brand loyalty and go a long way to protecting your brand, especially because consumers are exposed to social media and online reviews daily.

This is made more important with the looming inter-generational shift in the market. Younger investors will inherit family wealth and will expect digital capability equal to other areas of their life. The risk for companies that fail to deliver on digital strategy is that younger investors will walk away from legacy relationships and choose a firm that gives them the digital experience they want.

52%

of consumers would switch provider if they consistently received communications that were difficult to understand

55%

of consumers state that clarity of communications from their provider makes them trust them more

Are your essential communications making an impact?

As digital adoption continues to increase, companies need to ensure their digital experiences are easy. Customers will select the channels that they prefer so companies still need to ensure they can deliver omnichannel, to suit all requirements and preferences.

Focus on delivering customers the experience they desire. True omnichannel communications will allow customers to interact with you in their preferred way and enhance their customer journey.

By engaging with a partner who understands global, cultural and industry variables, your organisation can achieve its goals by delivering best-in-class communications that inspire loyalty and drive participation.

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