

Emotions Win: What Customers Expect in the Age of AI

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Introduction

Whether it's coffee, take-out, or a pack of paper towels, consumers buy things every day without giving the purchase much thought. But not everything is as simple as ordering on Amazon Prime. When it comes to bigger purchase decisions, people don't just roll the dice. They put time, research and emotional energy into weighing options and considering pros and cons.

A new cable bundle likely comes with a long-term commitment and significant monthly bill. Getting a mortgage typically takes **around 45 days** and it can't be returned if you're unhappy. Considered purchases like these are complicated but inevitable decisions that most people have to make. For instance, **42 percent** of mortgage shoppers find the experience "stressful."

Brands today need to deliver a great customer experience, no matter what they're selling. But the stakes are higher for companies in industries like financial services, insurance, telecoms, travel, and healthcare. To better understand what consumers need to feel comfortable when making these important purchases, and the impact artificial intelligence (AI) will have, Invoca surveyed 1,000 U.S. consumers. Read on to discover the data we unearthed, along with insights from Adobe's recent Experience Index research and commentary from customer experience influencers.

Let's Talk About Feelings

People want all the help they can get while making tough purchase decisions. That's why when dealing with stressful purchases, like buying from financial institutions, insurers, telecoms, travel, and healthcare providers, consumers value brands' emotional quotient (EQ) – or the ability to recognize and respond to their emotional state.

In fact, according to Invoca's survey results, when making a typical purchase of less than \$100, fewer than 1 in 10 respondents (9 percent) said the ability to understand their emotions is the most important attribute a salesperson can display. The importance of this ability increases slightly to 13 percent of consumers when making purchases of \$500 or more.

But when asked specifically about stressful or complicated purchases, 1 in 4 (25 percent) consumers said EQ is the most important attribute a salesperson can display. Consumers also said representatives are most likely to demonstrate this EQ in person or over the phone.

EQ Awareness

71%

of millennials (under age 35) have heard of EQ

58%

of people 35-54 have heard of EQ

34%

of those 55 and older have heard of EQ

Brands should note that younger generations understand EQ particularly well and value it highly.

What does “**high EQ**” look like? Problem-solving is the most important attribute to consumers, but traits like support, efficiency and personalization also play a part in helping customers figure out the right solution for their needs:



The following are **important or very important** characteristics of my interactions with a brand:



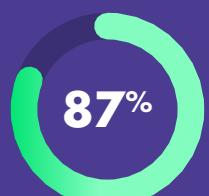
Problem-solving



Support



Efficiency



Adaptability



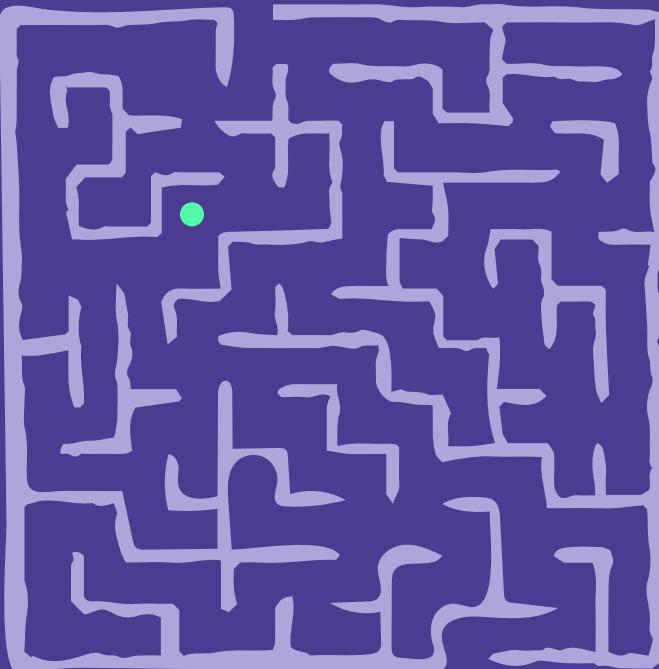
Even temper



Empathy



Personalization



Similarly, Adobe surveyed 1,500 consumers about their brand experiences in retail, travel/hospitality, media/entertainment and financial services for its recent [Experience Index](#). The respondents collectively scored how companies are performing as sellers in those categories. Personalization themes and high EQ tenets were prevalent throughout the consumers' answers:

"Know me and respect me;" "delight me at every turn;" "make technology transparent;" and, "speak in one voice."

 **Know me and respect me**

scored highest (61 points on a scale of 100), indicating consumers most value being treated personally and with great regard. And it suggests that brands' recent focus on improving personalization and recognizing privacy choices is paying off.

 **Delight me at every turn**

came in second (57 points), underscoring how marketers need to operationalize going above and beyond customers' expectations.

 **Make technology transparent**

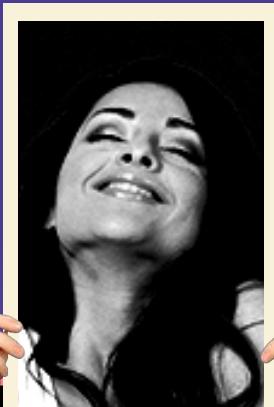
was third (51 points) and showed privacy remains a significant concern for customers.

 **Speak in one voice**

came in lowest (49 points), demonstrating frustration with experiences that are not consistent across devices or interaction touchpoints.

When EQ Really Counts:

According to Invoca's research, when making a complicated or stressful purchase, 25 percent of all respondents most value a salesperson's ability to respond to their emotions at the right time; 31 percent of millennials singled out that attribute as most important. Just 18 percent of all respondents said a rep's understanding of the product is most important.

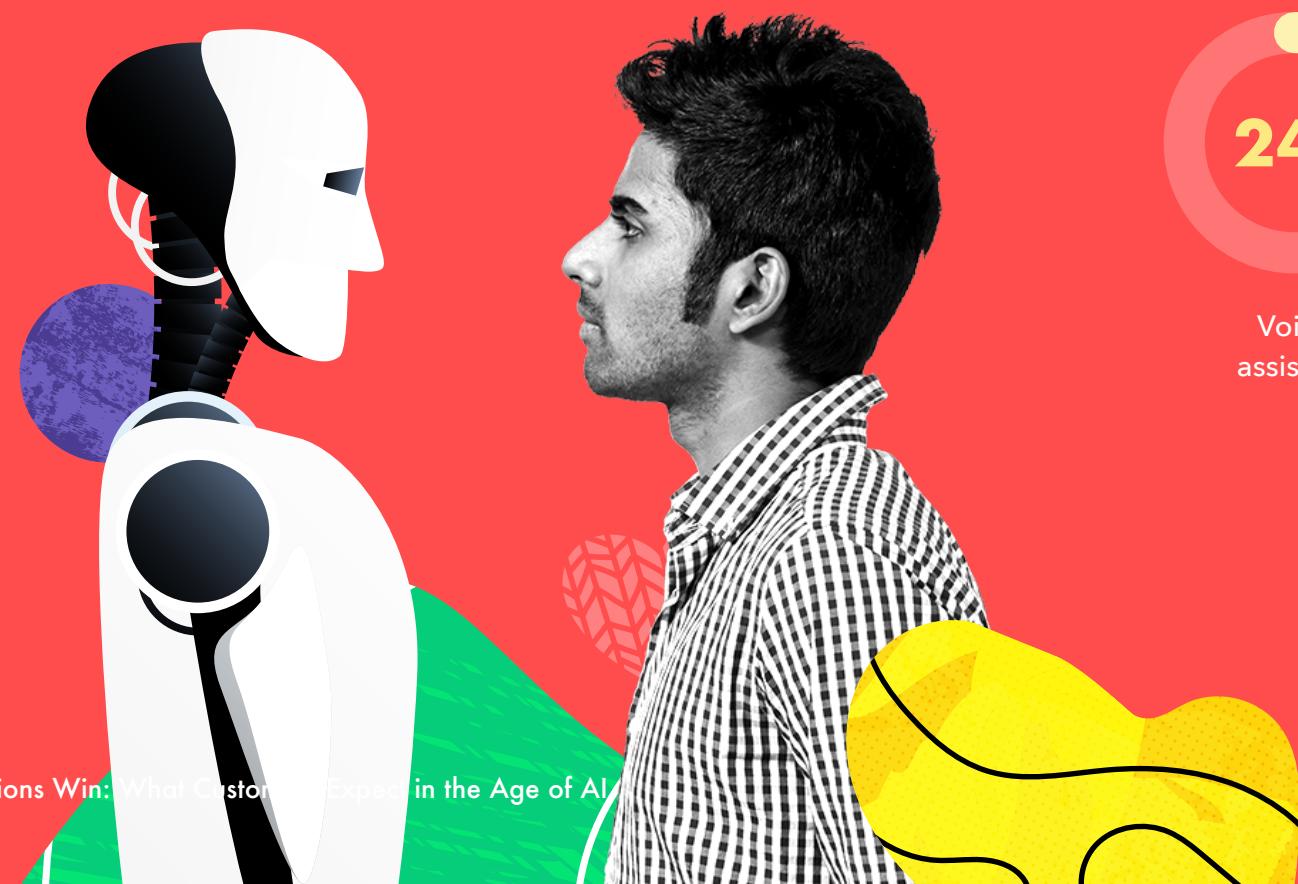


AI and the Battle for Human Connection

Many companies are taking a more automated approach to the customer experience, using AI to communicate with their customers. Invoca found nearly 7 in 10 consumers believe brands will mostly use AI for communications five years from now. But the convenience of AI may not win over the appeal of connecting with other people.

In anticipation of this change, consumers overwhelmingly still believe that human-to-human interaction serves up better EQ.

As tech companies build AI tools, and as brands implement them, it's crucial they tap into the magic – and revenue opportunity – of human conversations.



Do human hearts or robot minds offer the best EQ?



Human rep in person



Human rep on the phone



Voice assistant



Chatbot

Brands can build rapport with their customers by empowering their reps with the insights to deliver a blend of helpful information and empathy for stressed-out consumers. Going back to the [Experience Index](#), Adobe found consumers are highly likely to appreciate personal service, but a gap is growing between generations who expect that personalized service to come entirely from a human vs. machine. The most positive brand experiences occur in the travel category, which typically offers advanced personalization compared to other sectors.

“Even if brands have a decent understanding of what the consumer expects, they’re not enabled to deliver on those expectations in a comprehensive way. This is because consumers rarely express dissatisfaction until they’ve been disappointed – and then brands spend time reacting to the disappointed few instead of thinking more broadly about creating a great experience.”



Adam Justis, Director of Product Marketing, Adobe Experience Cloud



Millennials and Gen Z Getting in Touch with Tech

AI technology can improve the way brands and consumers interact. Broadly, 69 percent of all respondents believe AI will handle the majority of brand-based communications in the next five years, according to Invoca's data. And nearly half of respondents believe AI will likely gain EQ by then.

Young adults have stronger faith in the technology. More respondents under 35 – 54 percent – believe AI will likely gain EQ vs. just 45 percent over age 35. Younger consumers are also more likely than their older counterparts to believe AI can be in tune with their emotions.

I believe it's probable voice AI can offer me a sense of EQ:

29%

of respondents under 35 years old

27%

of respondents 35-54 years old

15%

of respondents 55 and older

Seniors Rebuff the Robots:

Older respondents are more skeptical about the influence of AI.

21%

of those 55 years and older expect AI to take over a brand's communications

40%

of respondents under 35 years old expect AI to take over a brand's communications

37%

of respondents aged 35-54 expect AI to take over a brand's communications



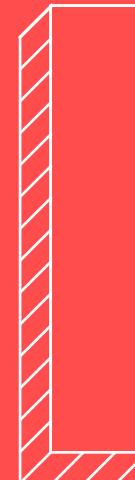
Findings from Adobe's Experience Index found that older generations want brands to deliver personal service, and prefer that it comes from a human vs. a machine. Meanwhile, the younger generation is less concerned about personal service, with about half agreeing that a machine is an acceptable stand-in for a human.

"This gap is due to the higher expectations that Baby Boomers have as well as brands' inability to meet those expectations. Gen Z has lower expectations likely because they haven't experienced as many interactions with businesses yet. It is an indicator on how quickly expectations are rising."



Tamara Gaffney, Principal Analyst,
Adobe Experience Index at Adobe.

**Agree that businesses
should provide
personal service**



Gen Z
(18-24 yrs.)



Millennials
(25-34 yrs.)



Gen X
(35-49 yrs.)



Young Boomers
(50-64 yrs.)



Older/Retired
(65+ yrs.)

**Prefer to interact
with a human rather
than a machine**



Gen Z
(18-24 yrs.)



Millennials
(25-34 yrs.)



Gen X
(35-49 yrs.)



Young Boomers
(50-64 yrs.)

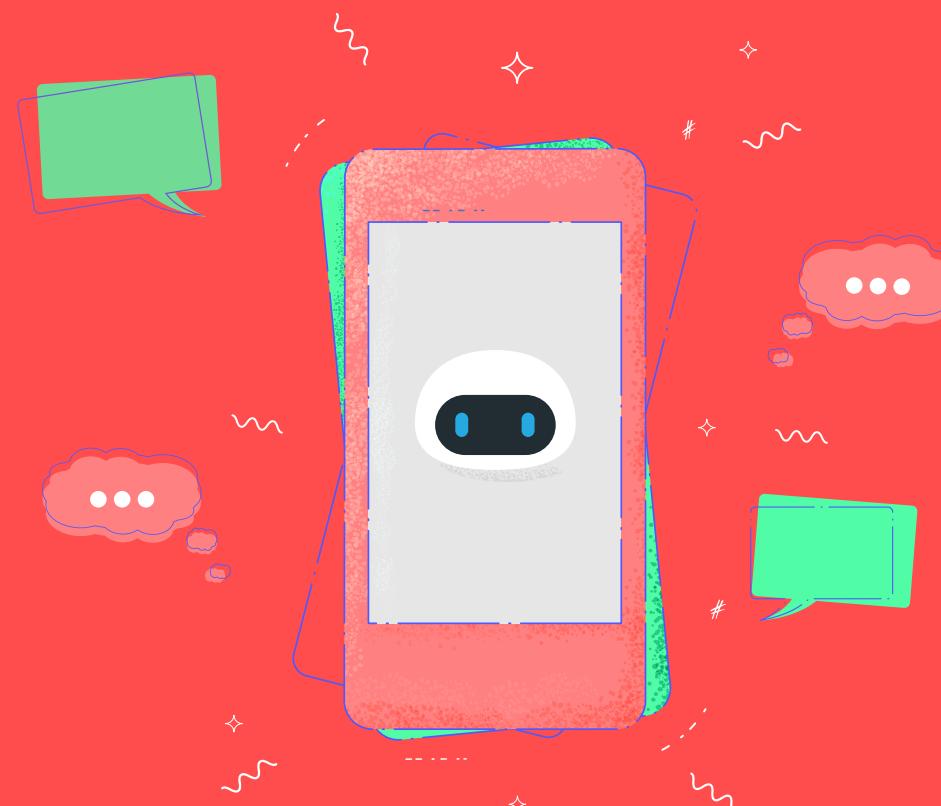


Older/Retired
(65+ yrs.)



*graphical data by Adobe

The future of voice AI should entail a combination of human and automated support – an industry report found 54 percent of consumers today said they prefer this approach. Other views on AI represent mixed feelings about the technology. According to Invoca's findings, most consumers envision AI making shopping faster (61 percent), but more frustrating (51 percent) and less personal (61 percent). Only 40 percent believe it will make communication easier.



Demographic Points:

Women are more skeptical than men of AI's ability to replace human conversations.

Women think...



AI will reduce accuracy



make tasks more frustrating



make experiences less personal

Men think...



23%



47%



56%

Younger consumers

43%

of respondents under 35 said they'd find AI-powered experiences less frustrating than human interactions

vs. Older consumers

62%

of people 55 or older said AI-powered experiences would be more frustrating than human interactions

Northeast



19%

Believes voice-based AI offers a sense of EQ

West



20%

Believes voice-based AI offers a sense of EQ

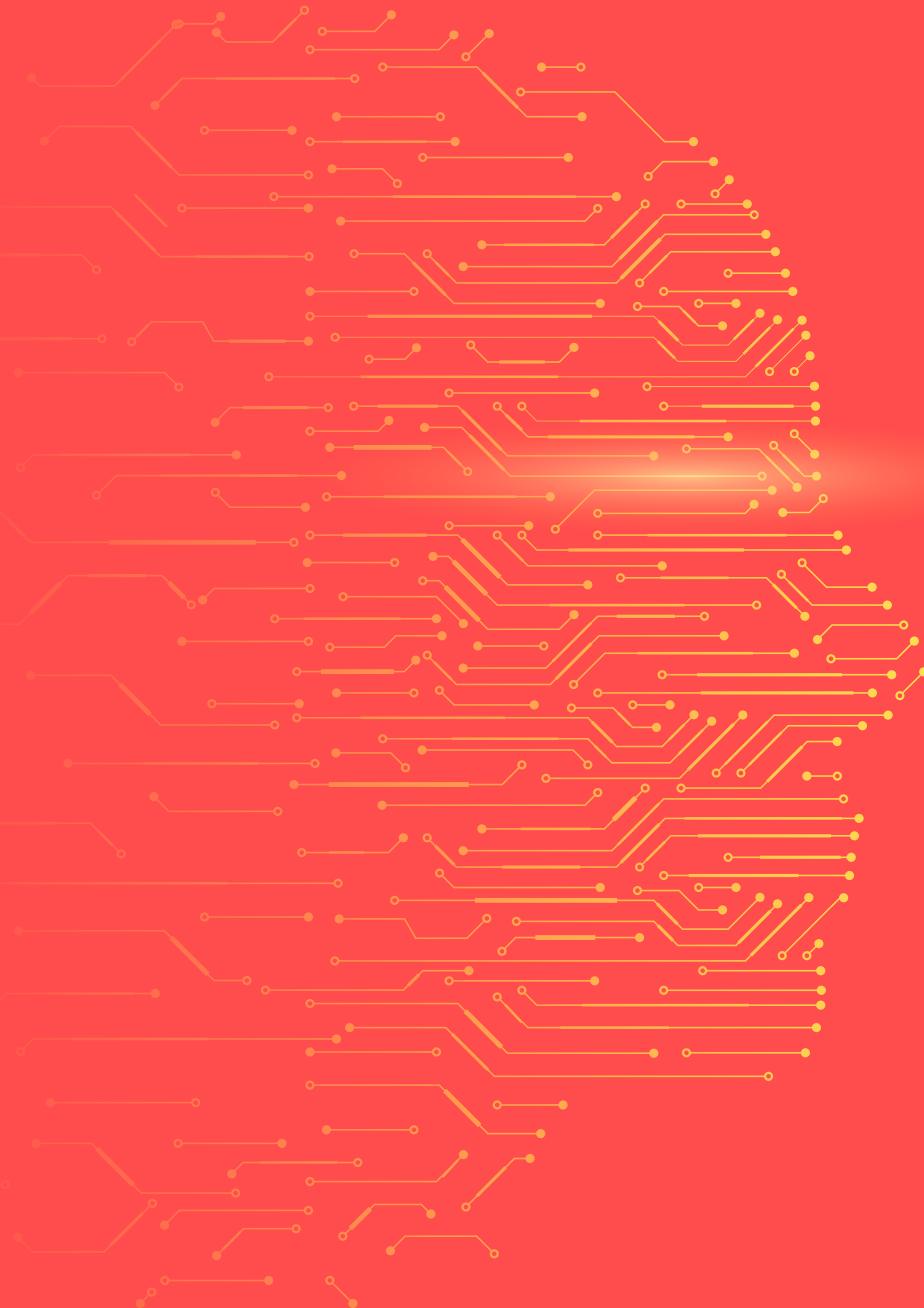
South



27%

Believes voice-based AI offers a sense of EQ

Developments in AI technology may shift consumers' views within a few years, however. Researchers believe AI will turn a significant corner **in 2020** as a business technology and create better outcomes for retailers, in particular.



“In the past we had to learn the language of our machines, but in the future machines will be learning our language – machines will be learning to read faces, and to interpret the expressions on that face as well. Due to advanced neural networks, we have more accurate facial analysis than we've had in the past. Neural networks can help spot patterns: if we can read customers' faces, we can better understand how they're feeling—and that leads to better knowledge about their level of satisfaction with a product or service. Brands need to be ahead of the innovation, making sure they are using every competitive advantage to improve the customer experience. However, there are major security issues these technologies bring up, which must be addressed before the release of these technologies to the broader public.”



Blake Morgan,
Customer Experience Futurist

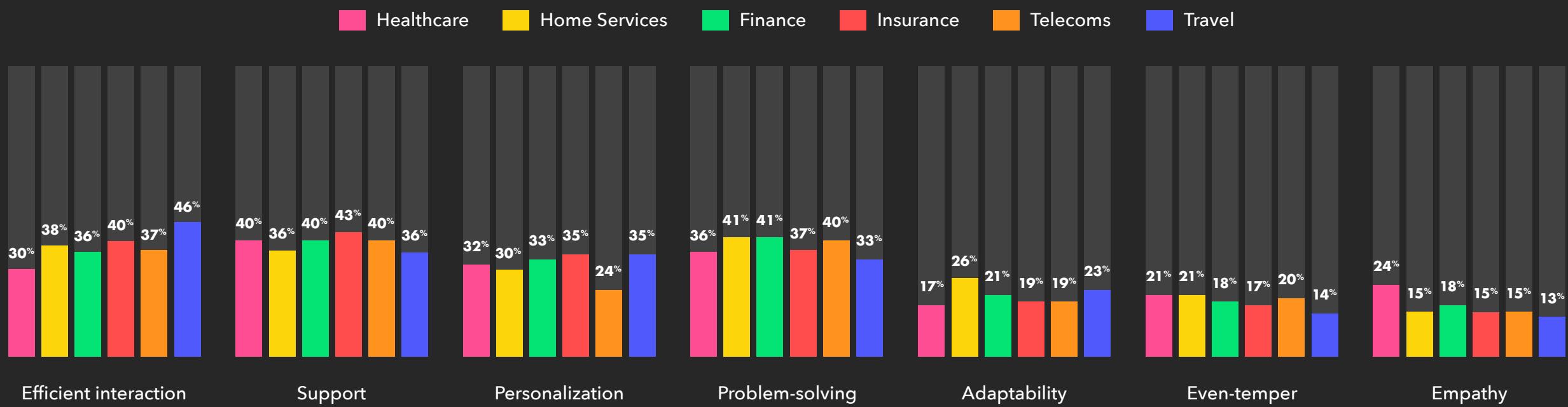


Brand EQ by Industry

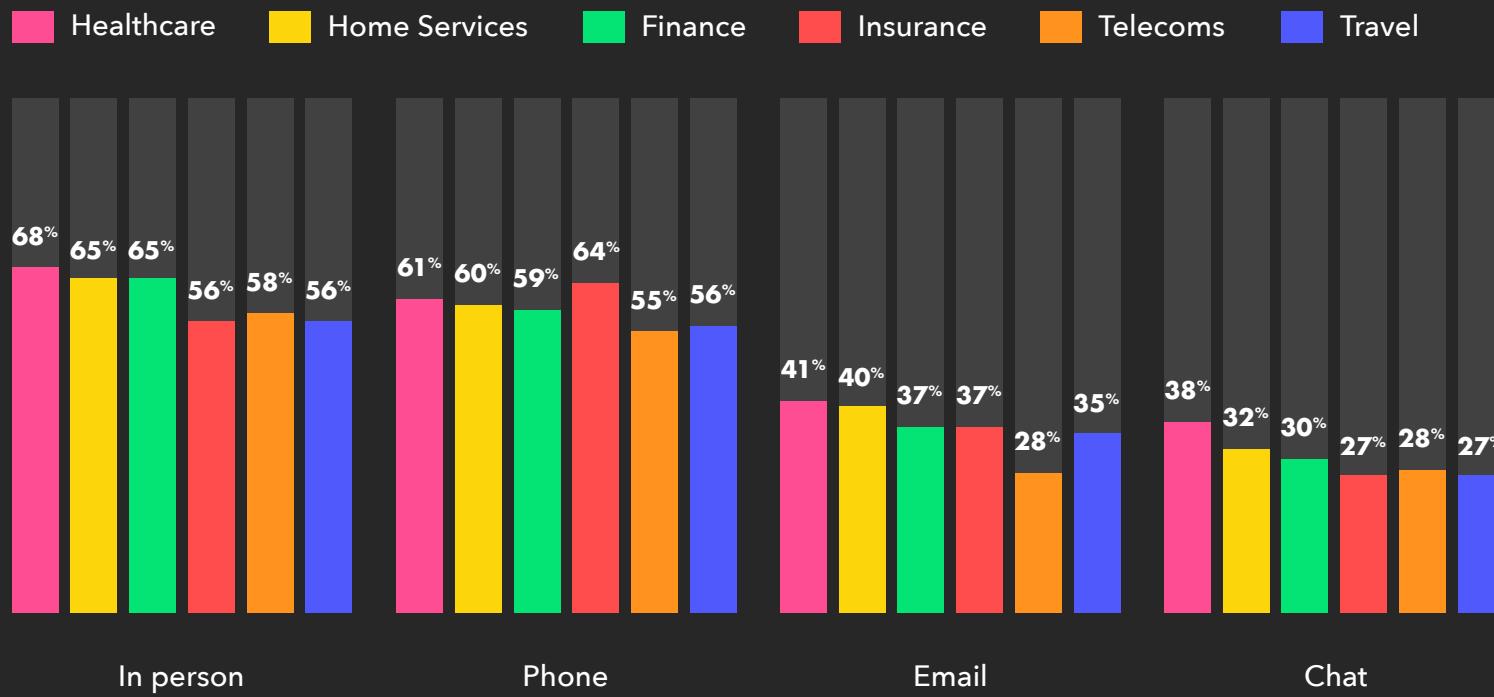
While every industry needs help when it comes to EQ, Invoca's research found some must play catch-up more than others.



Consumers think businesses in these industries demonstrate...

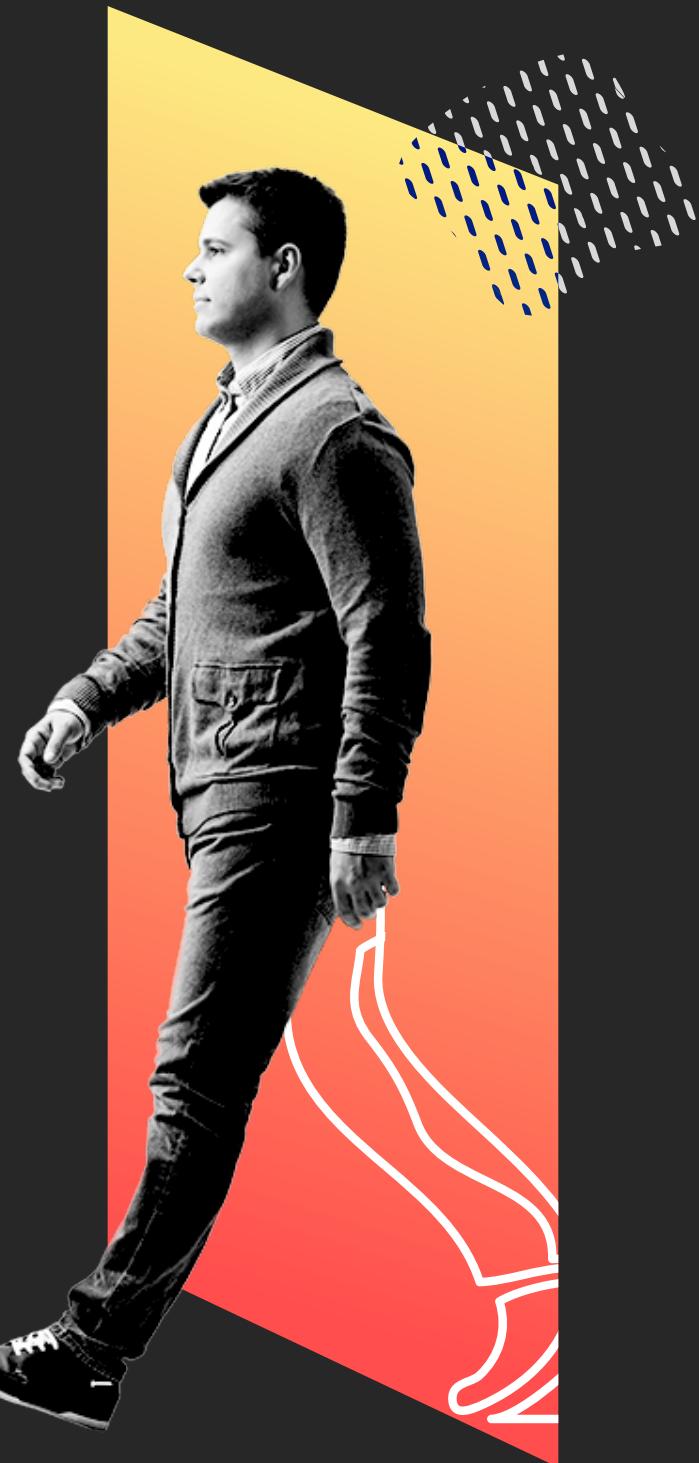


Companies meet consumers' emotional needs most of or all of the time:



In their interactions with companies across industries, consumers report more emotionally intelligent experiences when talking with a rep in person or on the phone compared to chat and email. A personal touch goes a long way, and in every case, in-person and phone interactions performed better than email and chat, often by up to 30 percent.

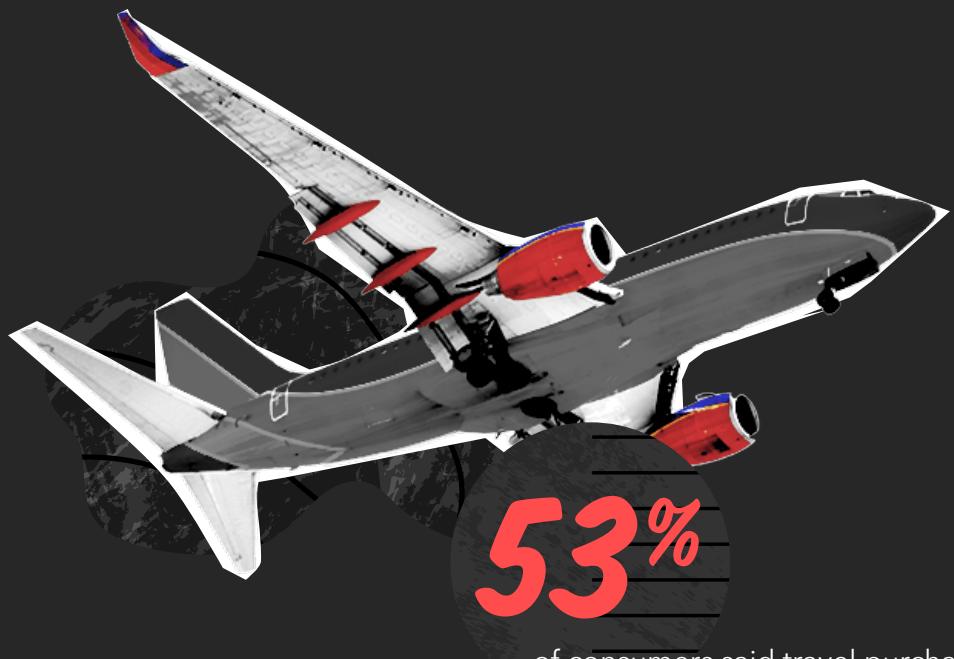
The direct connection of one-on-one conversations, supplemented by communicative signals like tone of voice, bring an incredibly important layer to sales conversations. Financial services, per [Adobe's Experience Index](#), offer the best customer care, with 73 percent of consumers characterizing their brand interactions in this category as "good." Retail (69 percent) and travel (63 percent) also rated respectfully, while media entertainment (59 percent) scored lowest.



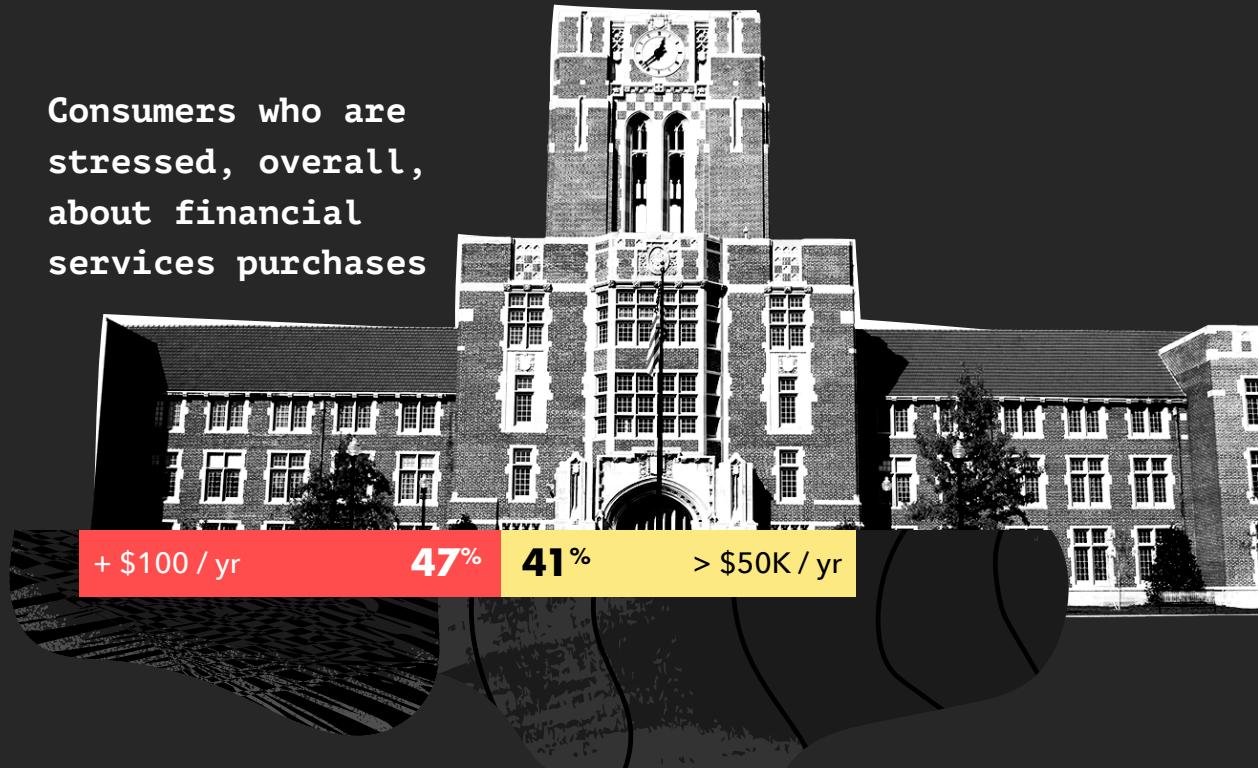
Finance

Financial decisions are ubiquitous and often highly fraught – 69 percent of consumers told Invoca that making a financial purchase is somewhat to extremely stressful. And whether they're taking out a mortgage, funding college or saving for retirement, people want to deal with a rep who demonstrates EQ. Luckily, financial representatives rank on the high end of both support and problem-solving.

Notably, consumers who earn higher salaries aren't more relaxed about money. People who make \$100,000 or more annually are more stressed, overall, about financial services purchases (47 percent) than those who make less than \$50,000 (41 percent).



Consumers who are stressed, overall, about financial services purchases



Travel

Since Travelocity and Priceline launched online a little more than 20 years ago, booking flights and hotel stays has shifted from a travel agent's task to a self-service chore. Digital channels haven't made setting up travel completely enjoyable – 53 percent of consumers said travel purchases are somewhat or extremely stressful.

In fact, while consumers said their experiences with travel brands rank highest for efficiency, there is a trade-off: they rank travel reps lowest for adaptability, even-temper and empathy. Travel reps also rank lowest in meeting consumers' emotional needs via phone and in person.

Telecoms

From cell phones to streaming at home, consumers interact with their telecommunications services all day, every day. These services also usually come at the price of long-term contracts that preclude consumers from taking advantage of new technologies and offerings. As a result, 65 percent of consumers said purchasing from telecoms is somewhat to extremely stressful.

What's more, these brands are falling short in consumers' eyes when it comes to personalization – ranking lowest of all industries. Since a telecom company is typically asking consumers to sign long-term contracts, they should be catered to in a personal way to quell their anxiety. And more than any other channel, telecoms meet consumers' emotional needs the least often via email.

A black and white photograph of two young boys, one with blonde hair and one with dark hair, smiling and looking at a tablet device together. The tablet has a dark case.

65%

of consumers said purchasing from telecoms is somewhat or extremely stressful

A black and white photograph of a classic, rounded-front sports car, possibly a Porsche 356, parked on a gravel surface. The car is angled towards the viewer.

67%

of consumers said buying insurance is somewhat or extremely stressful

Insurance

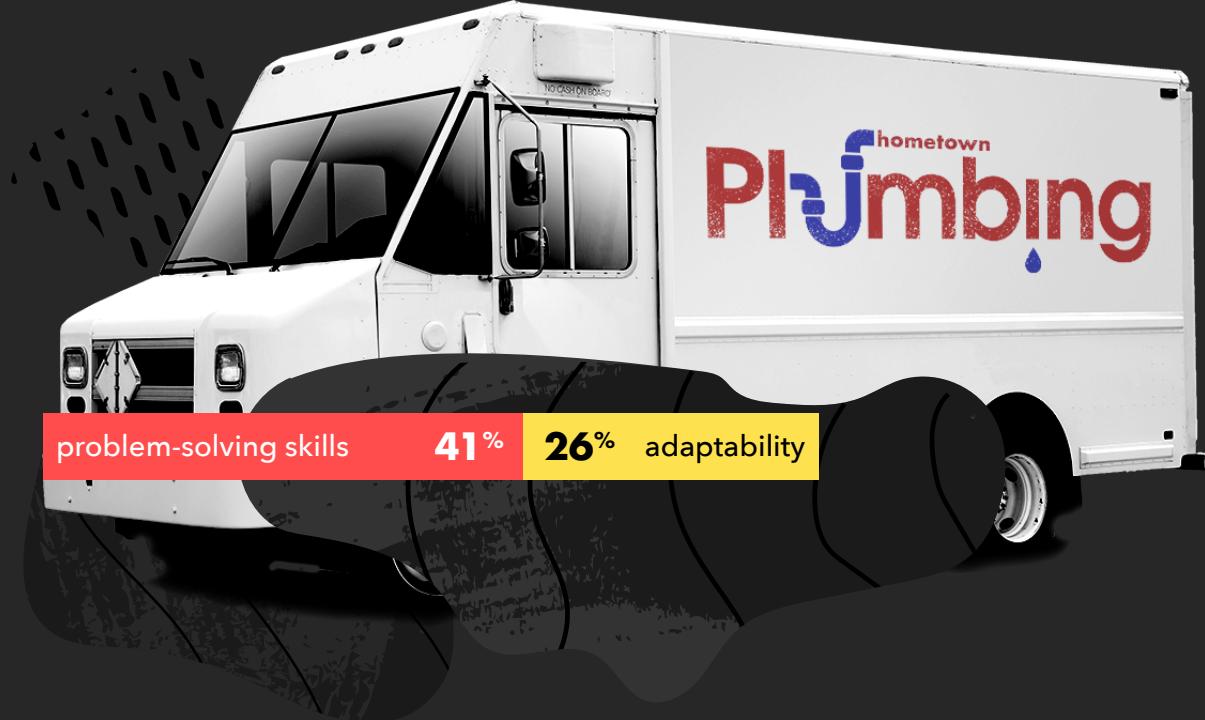
There's a lot on the line when purchasing life, car or home insurance. It's little wonder that buying insurance is somewhat or extremely stressful to 67 percent of consumers.

While consumers said insurance reps offer more support and personalization than those in other industries, they're still falling short – only meeting or exceeding expectations in a little more than one-third of interactions. Insurance representatives come across strongest on the phone, where they can deliver on these personalized conversations.

Home Services

Real estate ownership is serious business. You can't just move if your feelings for your home fade – it's all about protecting and improving your investment. So it's no wonder that finding the right home services provider keeps people up at night.

Fortunately, home services representatives rank higher than their peers for problem-solving as well as adaptability and being even-tempered. There's plenty of room for improvement, though: representatives' problem-solving skills come through less than half of the time (41 percent), and their adaptability is only present in a quarter of interactions (26 percent).



Healthcare

Healthcare is a significant (and often unexpected) expense for many Americans; this reality reflects consumers' attitudes about purchasing healthcare. 47 percent said the process is stressful or extremely stressful.

And, healthcare ranked lowest in adaptability, with a mere 17 percent of consumers saying reps demonstrated this trait. Prescriptive, indeed. On a positive note, they fulfill consumers' emotional needs more often across all channels – in-person, over the phone, by email and chat – compared to other industries.

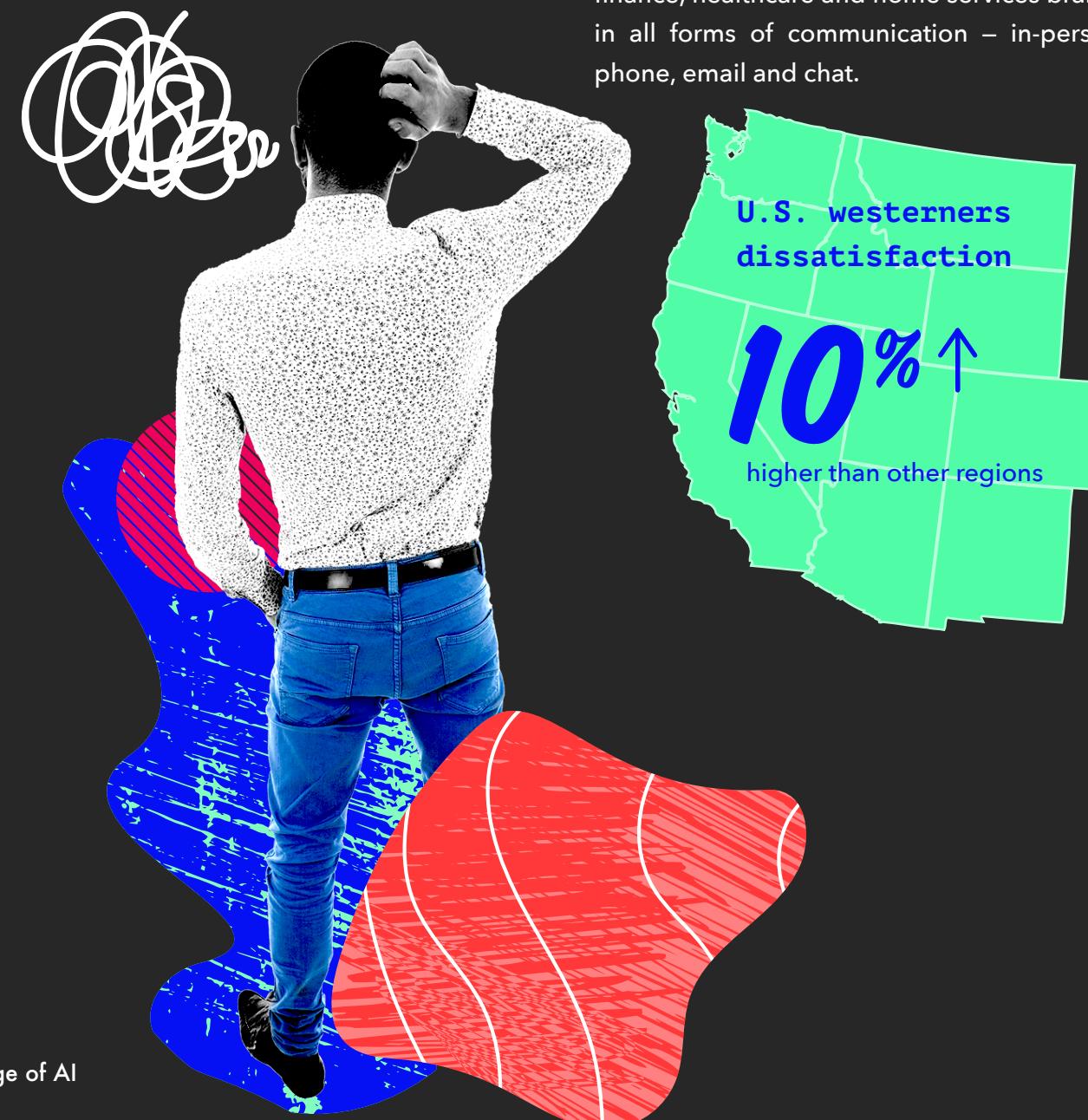
"You may have heard the saying 'we eat with our eyes first' – well, in relationships with our customers, 'we react with our emotions first.' How a company makes us feel, how we are honored, trusted and taken care of are what stick in our memory. Those memories are what draw customers back and they are what keep valued employees. When you look at social media, notice the words people use to describe a company and its people: trust, dignity, caring – these are all grounded in how a company made them feel. When the descriptors are positive, they earn growth, admiration and advocates. But when they are negative, they send both customers and employees out the door."



Jeanne Bliss, Best-selling author of *Would You Do that To Your Mother?: The "Make Mom Proud Standard for How to Treat Your Customers.*

High Expectations:

U.S. westerners are the hardest to please. Across industries, they most frequently reported that brand representatives rarely or never met their emotional needs. Their dissatisfaction was as much as 10 percent higher than other regions. Specifically, Westerners were the least satisfied with finance, healthcare and home services brands in all forms of communication – in-person, phone, email and chat.



Consumer Emotions are on the Line

Customers want to feel like a brand understands their needs and emotions. They also want to be able to talk to an expert if they have questions about a complicated purchase or are ready to buy. These factors help to explain why phone calls convert **10 times better** than online clicks.

I'm relieved when I can turn to an expert for information via:



Phone call



Chat



Email



When folks don't get the service they expect, they tune the brand out immediately. In recent months, 15 percent of people have hung up on a company because the rep was not adequately responding to their emotional state. Speed is also a significant factor: nearly 40 percent of people have hung up on businesses due to being on hold for too long. Overall, millennials are quicker to hang up (76 percent) than someone 55 or older (52 percent) – a generational change in behavior that likely isn't going anywhere.

Consumers who hang up for being on hold too long.



"It's not that millennials are unwilling to get on the phone with businesses – but when they do, they are often simply unsatisfied with the experience. There's a huge opportunity for all brands to deliver not only the right information over the phone but also the appropriate level of empathy. And it's especially impactful for considered purchases – when companies can turn consumers into lifelong customers by helping them through a tough decision. Having the right data at sales reps' fingerprints is the most surefire way of accomplishing this objective."



Julia Stead, VP of Marketing at Invoca

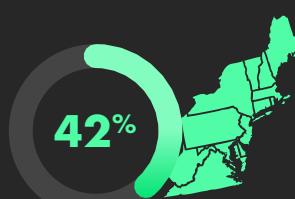
Please Hold On:

In the Midwest, only 34 percent of people have hung up due to being on hold for too long. 40 percent of Midwesterners said they've never hung up on a business – compared to a national average of roughly 33 percent. The most likely to hang up? Folks in the Northeast (42 percent).

Most likely to hang up



Midwest



Northeast

Make Your Move: Boost EQ by Upgrading Conversations

1. Prioritize the customer experience and take steps to correct missteps. If customers have an unsatisfactory experience, 85 percent will tell friends, family and colleagues about it. That means, as a brand, you need to turn the relationship around fast. Nearly two-thirds of consumers said that a personal email addressing their concerns or a personal acknowledgment the next time they call would change their mind (73 percent for both).

2. Use data to personalize interactions with customers. Relevant customer data plays a vital role in building a foundation that demonstrates EQ and drives sales.

Overall, whether consumers have a positive or negative experience with a brand, they said a personalized acknowledgment of their previous interactions the next time they call (90 percent) or interact via email (85 percent) would persuade them to repeat business.

To connect with customers in personal ways – either before or after a sale – brands need accurate, actionable and timely data that lets their representatives advise customers in every type of situation. This information helps brands understand how customers got there; if they have a discount code; what branded touchpoints they already interacted with; how likely they are to buy; whether they've expressed praise or trepidation about a product or service.

Such relevant nuggets will inform the salesperson of the customer's emotional state and lead to more productive conversations. And all categories need improvement. The [Adobe Experience Index](#) found retailers anticipated and delivered relevant information just half (54 percent) of the time; the same was true for finance (52 percent), travel (49 percent) and media entertainment (48 percent).

3. Deliver high EQ with one-to-one conversations. For considered purchase brands, the quickest route to more sales and a better customer experience is to solve customers' problems.

When faced with an emotional, complex or high-value purchase, talking is not only easier to do but also more informative than chat or email. Don't underestimate the communicative power of facial expressions and voice intonations, especially when it involves a brand rep with a high EQ.

Marketers who want to stay on the cutting edge must keep an eye on these developments and consumer attitudes.

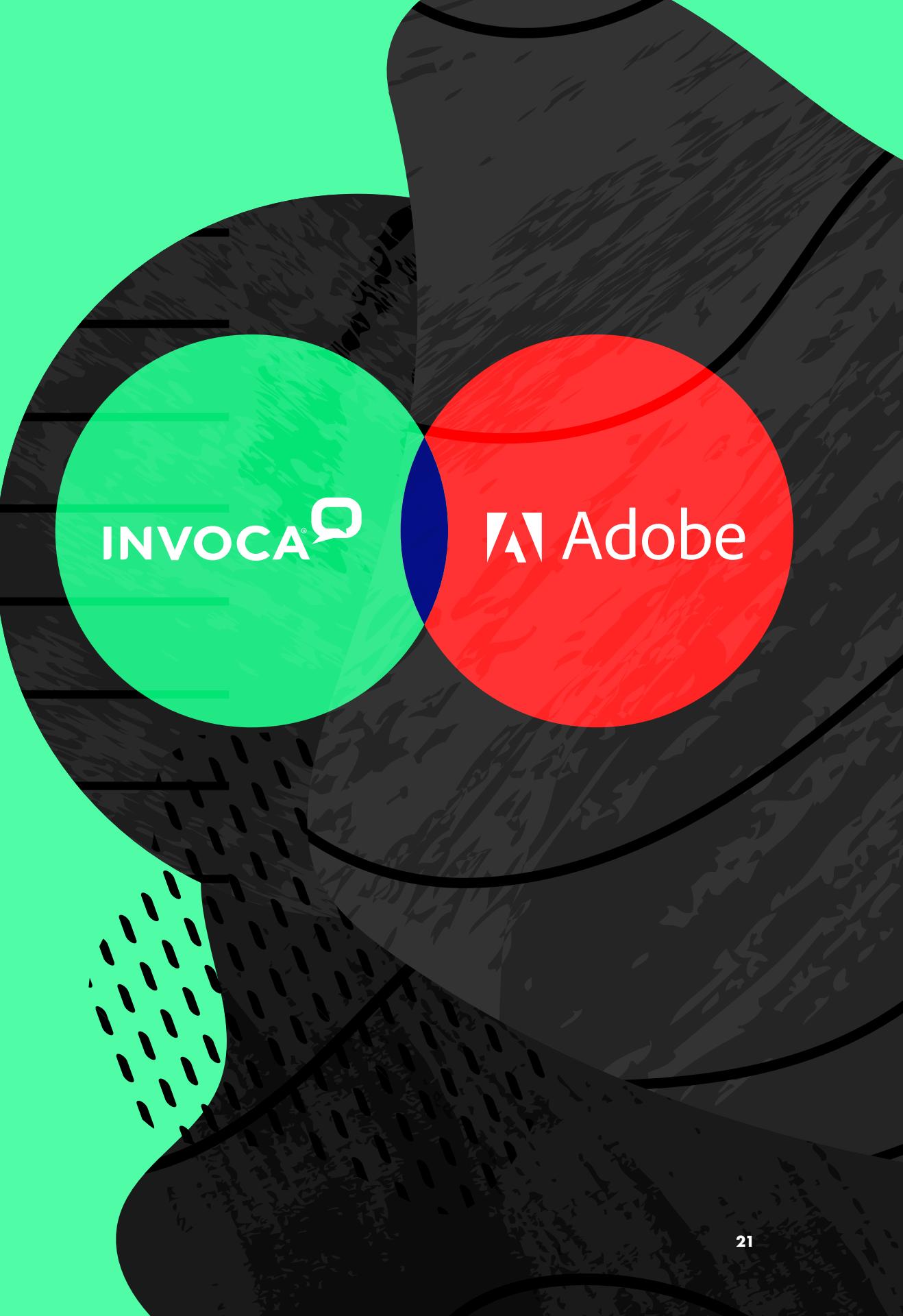
A new frontier for customer experience is emerging. For now, in-person and phone conversations are outpacing other channels in both sales and consumer preference for high-EQ interactions. Keep in mind that AI, and particularly voice-powered AI, is increasingly important. Therefore, combining AI with human interactions is a massive marketing opportunity right now and for years to come.

How Invoca + Adobe Can Help

As we've discussed throughout this report, making purchases can be stressful, especially when the products are complex or expensive. Buyers expect brands to not only understand their concerns, but address them in a way that provides value along each step of the decision-making process. Factor in the different channels, devices, and interactions a customer will have along the way, and marketers are quickly faced with a near impossible task.

One particular pain point for marketers is connecting offline conversions like phone calls to the online interactions that drove them. Most digital marketers have very little visibility into the phone call, making it impossible to have the holistic view of the buyer journey that's required to provide a high EQ experience.

But with [Invoca and Adobe Experience Cloud](#), marketers can get the same level of attribution and analytics about phone calls that they expect from digital channels, enabling an entirely new way to understand and treat calls. By pushing Invoca's call analytics platform into Adobe Experience Cloud, marketers can now connect phone calls and conversations to the online journey and use that 360-view to create highly personalized customer experiences.



For example, if a customer has an item in their shopping cart and calls before completing the purchase, they can be routed directly to an agent who knows what they have in their cart and why they are calling. Or, if a customer books an appointment over the phone, marketers can use that conversion data to suppress them from digital retargeting campaigns.

With the increasing demand to demonstrate EQ throughout the customer journey, marketers can't afford to ignore the valuable offline step in the buying process. Marketers who embrace this new mind-set and invest in the technologies to make it possible are poised to win big by betting on personalized experiences.



To learn more about how your business could benefit from working with Invoca and Adobe,
please visit invoca.com/adobe, or give us a call: **844-693-1287**.