



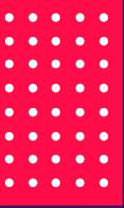
2021 Insights & Predictions in Customer Engagement

How Will Customer Engagement Evolve in 2021?

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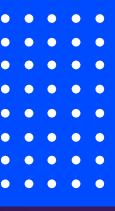
INTRODUCTION

There's no question that 2020 changed the face of customer engagement, with the global pandemic driving unprecedented shifts in consumer behavior and digital adoption. Now, as marketers plan for the future, the question for many is: How will customer engagement evolve in 2021? And how will the trends and practices that emerged over the past months inform effective engagement next year?

To find out, we spoke with thought leaders and experts from Alaska Airlines, Salesforce, Vodafone, BBC, Gartner, Forrester and more. They shared a bold vision for the future of customer engagement, one that looks beyond the pandemic while also recognizing the myriad ways in which it further positioned mobile at the center of consumers' lives.

Their answers cover a lot of ground, from the role of touchless and low-touch interactions to the increasing importance of personalization and experimentation as consumers move a larger share of their shopping online. They describe how marketers must redouble their efforts to deliver seamless customer journeys at every stage of the customer lifecycle. And how consumer expectations continue to evolve as leading brands raise the bar for omnichannel experiences that meet people whenever and wherever they choose to engage.

Read on for their insights, along with the key trends and statistics that will help inspire your 2021 customer engagement strategy. And don't hesitate to get in touch to discuss how Airship can help.



Both average app opens per user and average notification direct open rates increased 29% since the beginning of the COVID-19 pandemic.



In 2021 it will be critical to **leverage mobile** data to optimize customer engagement across all channels. It's worth exploring and testing many potential customer touchpoints — especially if your business model is built on being able to reach people quickly in exactly the right moment on the device and channel they prefer."



In 2020 the pandemic further cemented mobile as the center of people's lives. In response, brands need to implement strategies that will help them personalize messaging and seamlessly orchestrate engagement across all mobile and digital channels to meet and exceed already-high customer expectations."



Marketers next year will focus on growing direct customer relationships that deliver mutual value and build retention and lifetime value. And that means mastering native mobile-first channels like apps, SMS and mobile wallets to send the best messages and to enable seamless conversions and transactions throughout the customer lifecycle."



Brands are really leaning in to incorporating SMS into customer journeys because texts get nearly a 100% open rate — and they drive purchases. By using journey builders like Airship Journeys, brands can integrate SMS seamlessly into multichannel campaigns — and then make every journey even smarter and more effective with experimentation."



Brands should continue to aggressively **support** and enable digital adoption, not just as a response to 2020, but for their long-term strategy. They can do that by using location and first-party data to create more personalized omnichannel experiences to amplify the brand and enhance the customer experience."

GARTNER, INC.

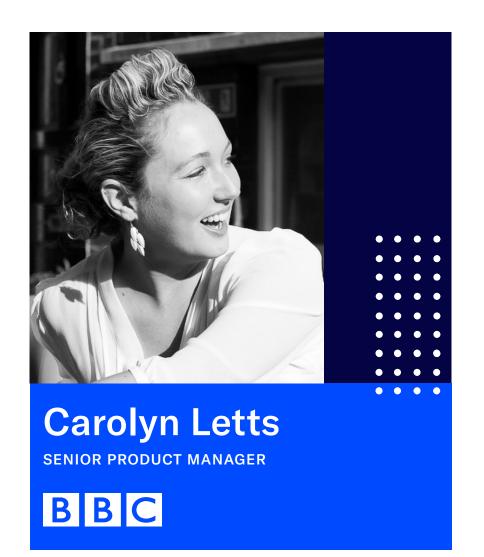
By 2025, 20% of B2C revenue will be generated from recurring revenue models, causing profound shifts in marketing strategies, spend and channels. Many brands will need to revisit customer journeys and rethink the channels and interactions that are essential to acquire, retain and grow the most valuable customers.



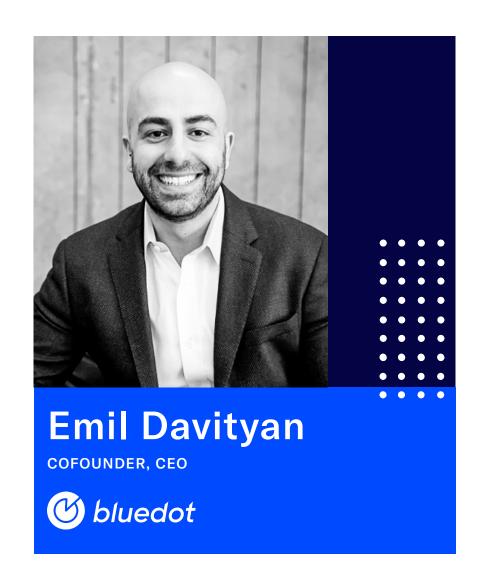
The pandemic has forced brands to take a step back and evaluate the customer experience in a new way. Travel brands in particular have to think beyond contactless — what customers want today is a frictionless experience. To do that, brands will need to leverage engagement data to dynamically determine how to reach customers in the right context at the right moment to support a streamlined experience — and which channels to use to do so."



We're now more dependent than ever on apps and mobile experiences. Brands and businesses should use this opportunity to identify 'hero moments' where they can reinforce their connection with customers, and deliver an experience that's both useful and delightful."

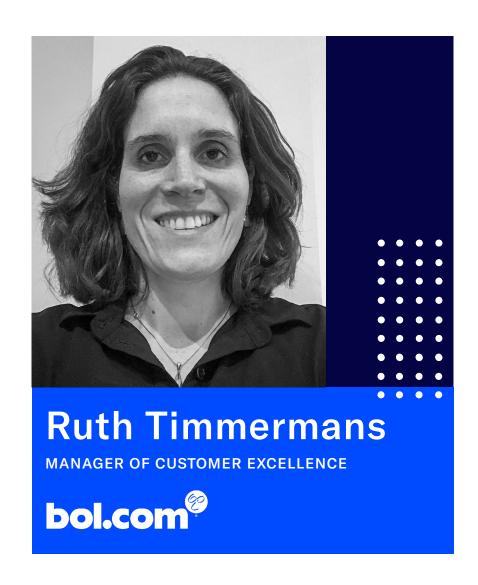


For 2021, brands should really look at their personalization and experimentation initiatives to see how they're performing, and where they can move those forward. It will be more important than ever that messaging is coordinated across channels, and that each message arrives at the right time on the right device. Experimentation is a huge help in making sure you're communicating in a way that's right for each person."



Logistics is the new customer engagement. With the rise of mobile ordering, in-store/curbside pickup and third-party delivery, businesses will need to actively build well-thought-out branded experiences for the handoff of food and goods. As the pandemic has changed consumer behaviors, this very last step may be the only physical interaction with the end customer."

71% of consumers want a seamless experience across all channels, but only 29% say they actually get that experience today.



In 2021 customers expect **channel** engagement that supports them in their customer life journey in a relevant and personal manner.



In 2021 we will see **engagement evolve in response** to the great shift to first-party data. Consumers can expect to see more apps feel more like Spotify or Netflix, which have long used first-party data to drive highly personalized content recommendation engines and cross-channel messaging campaigns."



Convenience and safety are now table stakes for any business, and BOPIS/curbside have paid off for retailers that have successfully implemented these solutions. Having an **updated omnichannel approach is paramount to success** and customers will likely rely on brands that have polished their online and offline strategies."



Brands should focus on deeper customer engagement through loyalty programs that really connect with marketers, as well as bolstering their retention marketing strategies in 2021."

FORRESTER

Marketers will reemphasize the value of their loyalty programs and will mature from frequency-based rewards programs to full-fledged loyalty programs. Already, media money is shifting into retention methods such as email, customer service, and the creation of products that drive growth: We predict that spend on loyalty and retention marketing will increase by 30% in 2021.



The consumer response to the pandemic clearly shows that mobile apps will become even more important in 2021 and the years to come. There is no getting around mobile apps if you want to offer a holistic, customeroriented experience."



Having the ability to connect with customers in their homes has been central to successful engagement over the past 12 months. This will continue in 2021 with continued evolution of retail technology that ensures retailers can deliver the kind of experiences customers clearly crave. Taking the time to establish and deliver what customers need will show that, while traditional in-store experiences may be on hold, retailers are still committed to the 'retail craft' that inspires loyalty and increases sales."



Brands need to **future-proof their business** with a customer-first strategy that builds trust and fosters innovation. The big lesson learned over the past year is that brands who were already taking this approach were able to pivot much more quickly, continuing to serve and delight their customers in the time when their customers needed them most."



Reaching out to customers proactively to engage them in simple conversational experiences will be even more important in 2021. Our focus is to create interactions that we'd want to have as customers and deploy them, then learn from the data, adapt and continuously improve. For example, by reaching out to customers proactively using RCS to start a conversation when they've experienced any kind of network issue like a dropped call we are able to reduce call-center utilization and have seen very high engagement rates."

The number of companies investing in the omnichannel experience has jumped from 20% to more than 80%.

THANK YOU

So how will you evolve your customer engagement strategy for 2021? Will you focus on personalization, localization, customer journeys... or all of the above? No matter your strategy, make sure that you have the tools and insights to help you make decisions that your customers will love and result in strong ROI. As the #1 customer engagement platform for enterprise brands, Airship has over a decade of experience delivering meaningful messages at every stage of the customer lifecycle. Let us know how we can help you with your 2021 goals here.

We would like to thank our partners and clients for offering their insights and predictions for this eBook. Here's to growth and success in 2021!

















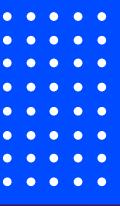










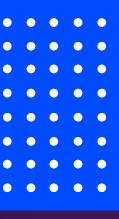


ABOUT AIRSHIP

Marketing and digital experience teams at thousands of the world's most admired companies rely on Airship's Customer Engagement Platform to create deeper connections with customers by delivering incredibly relevant, orchestrated messages on any channel.

Founded in 2009 as a pioneer in push notifications, Airship now gives brands the user-level data, engagement channels, AI orchestration and services they need to deliver push notifications, emails, SMS, in-app messages, mobile wallet cards and more to exactly the right person in exactly the right moment — building trust, boosting engagement, driving action and growing value.

For more information, visit airship.com, read our blog, and follow us on Twitter and LinkedIn.





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