

Digital transformation & COVID-19

Driving customer-centric business change



Build
for
Change®

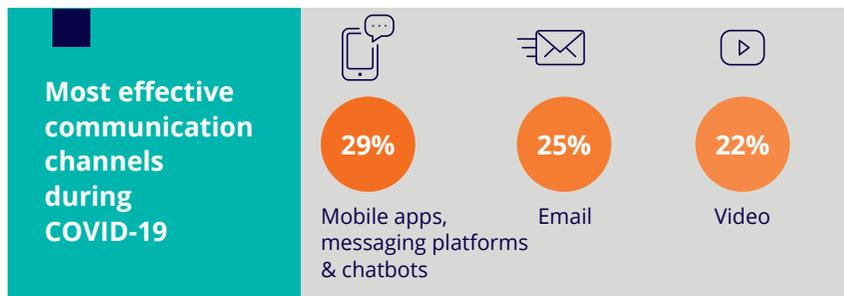
COVID-19 has exposed flaws in customer engagement

As businesses around the world struggle to adapt to COVID-19, failings in customer engagement have hit hard. From sustaining brand damage to losing customers, poor communications have added to the woes of businesses.

More than a third of businesses admit to not communicating with customers due to fear of saying something wrong. This increases to 46% in Australia; and 43% in financial services.



Good communications depend on a good message, delivered via the right format. Whilst email remains a highly effective communication channel, businesses highlight the growing value of video and mobile.



54% We should have done more to help our customers"



37% Bad communication damaged our brand reputation"



36% We lost customers due to bad comms"



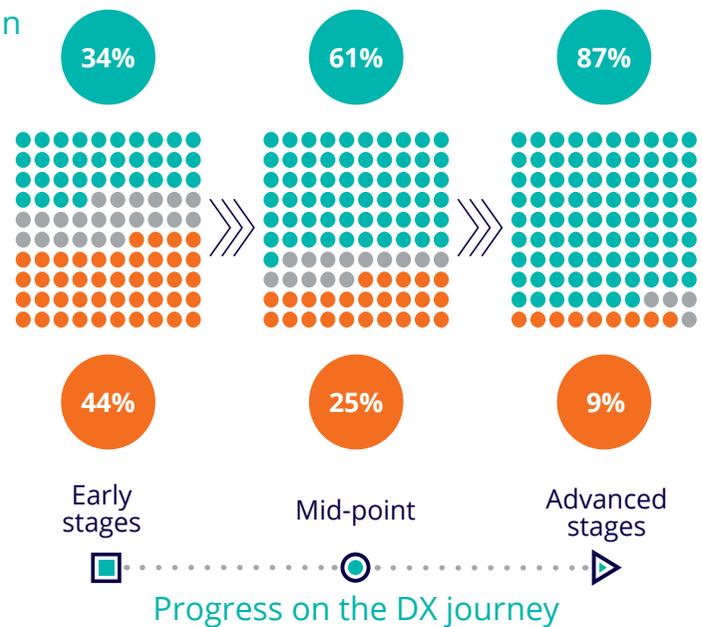
Businesses at more advanced stages of digital transformation had a significant advantage in responding to COVID-19

“Our level of DX put us in a ...

... strong position to respond to COVID-19”

It had relatively little impact”

... weak position to respond to COVID-19”



Those in more advanced stages of DX are also much more likely to feel 'very well prepared' to handle a similar crisis within the next two years.

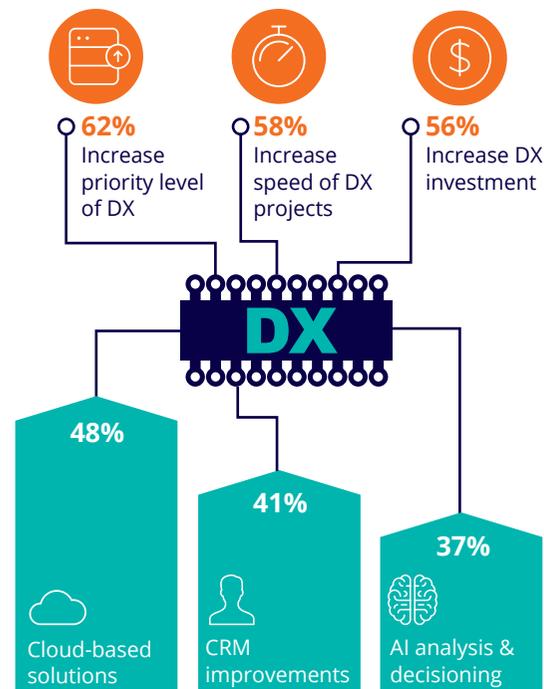


COVID-19 is increasing the urgency for digital transformation

Sometimes it takes a crisis to energise overdue initiatives.

With COVID-19 placing immense stress on business systems and operations, the majority of businesses have found themselves faced with unanticipated gaps. This is triggering an overwhelming need to act now – increasing the importance of, investment in, and speed of DX projects.

Given the lack of access to physical infrastructure caused by the pandemic, cloud-based solutions are top priority. CRM enhancements and AI-driven analysis and decisioning are also commanding budget as businesses struggle to effectively engage and communicate with customers.



Top 3 DX projects needed by businesses



91% say we need to make changes now to survive the post-coronavirus world



74% agree the crisis exposed more gaps in operations and systems than expected

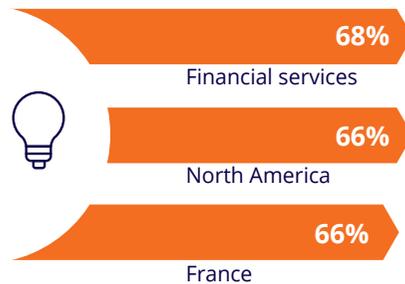
Businesses in Germany highlight the importance of investing in:

- AI machine learning
48% vs. 34% global avg.
- AI predictive analysis
42% vs. 36% global avg.

COVID-19 has also provided an opportunity for businesses to forge closer customer connections

Greater understanding

61% have learned more about their customers during the COVID-19 crisis than they did in the entire 2 years before

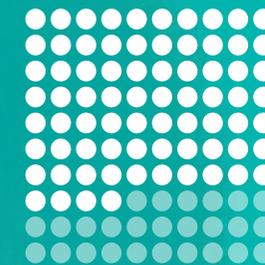


Greater empathy

69% say that the COVID-19 crisis has taught them how to be more empathetic with customers



These lessons learned will change businesses forever



74% say they will permanently change the way they operate based on lessons learned during COVID-19





About Pega

Pega is the leader in cloud software for customer engagement and operational excellence. The world's most recognized and successful brands rely on Pega's AI-powered software to optimize every customer interaction on any channel while ensuring their brand promises are kept. Pega's low-code application development platform allows enterprises to quickly build and evolve apps to meet their customer and employee needs and drive digital transformation on a global scale. For more than 35 years, Pega has enabled higher customer satisfaction, lower costs, and increased customer lifetime value.

For more information visit us at

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METHODOLOGY

This ebook is based on an online survey of 1,212 businesses conducted for Pegasystems by **Savanta**. Fieldwork was conducted in May 2020 amongst financial services, healthcare, insurance, manufacturing, communications and public sector organizations of at least 100 employees; half of the sample (48%) worked at organisations with 1,000+ employees.

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