Consumer and retail trends 2020: Managing expectations around trust and data

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Consumer markets
CEOs look to grow by focusing on customer experience

Driven by intense competition from tech-enabled companies, consumer markets CEOs continue to seek revenue growth through traditional means. But they’ve also flagged improving the customer experience as by far their top investment priority for the next 12 months.
This year’s CEO survey revealed mounting pessimism about economic growth among all types of CEOs — a sentiment fully shared by consumer markets CEOs. It also shows that CEOs are uncertain about their own organisation's growth.

**Question**
Do you believe global economic growth will improve, stay the same or decline over the next 12 months? (Showing only “Decline” responses.)

**Question**
How confident are you about your organisation’s prospects for revenue growth over the next 12 months? (Showing only “Somewhat confident” responses.)

Source: PwC, 23rd Annual Global CEO Survey
Base: Consumer markets respondents (2020=746), global respondents (2020=1,581)
Not surprisingly, consumer markets CEOs’ growth concerns are closely tied to changes in consumer behaviour, with significantly higher proportions saying they are ‘extremely concerned’ about it relative to the global cohort.

Source: PwC, 23rd Annual Global CEO Survey
Base: Consumer markets respondents (2020=746), global respondents (2020=1,581)
Hackers
Consumer markets CEOs continue to worry about the growing sophistication of cyber threats and the shortage of highly skilled talent to combat them.

Data privacy
Mindful of a raft of new regulations — and the damage from highly publicised leaks of personally identifiable information — consumer markets companies are becoming more sensitive about the risks of mishandling their customers’ data.

Consumer markets CEOs are sensitive to changing demands from multiple stakeholders. Here are some of the top concerns and predictions that emerged from this year’s survey:

Question
What key factors are having the greatest impact on shaping your cybersecurity strategy?

Increasing complexity of cyber threats
71%

Cybersecurity and data privacy regulations
53%

Growing public concerns over data privacy
49%

Shortage of cybersecurity talent
31%

Source: PwC, 23rd Annual Global CEO Survey
Base: Consumer markets respondents (2020=746)
Data compensation
Just under half of consumer markets CEOs expect legislation requiring the private sector to financially compensate individuals for the personal data that companies collect. Combined with new data privacy regulations, this change could have a transformative effect.

Regulation
By a margin of almost 2-to-1, consumer markets CEOs believe governments will eventually try to break up dominant tech companies.

Question
Below are a series of alternative statements about the future (2022 and beyond). For each statement, please select the one that you believe is more likely to occur.

- Governments will increasingly introduce competition/antitrust legislation to break up dominant technology companies
  - 64%

- Governments will increasingly introduce legislation to force the private sector to financially compensate individuals for the personal data they collect
  - 49%

- Governments will mostly continue to allow dominant technology companies to grow unchallenged by competition/antitrust legislation
  - 29%

Note: Alternate statement not displayed.

Source: PwC, 23rd Annual Global CEO Survey
Base: Consumer markets respondents (2020=746)
And, by an even more lopsided margin, they expect new legislation to regulate content on the internet.

Question
Below are two statements about the future (2022 and beyond). Please select the one that you believe is more likely to occur.

Governments will increasingly introduce legislation to force the private sector to regulate content on the internet (including social media)

Governments will mostly continue to allow the private sector to self-regulate content on the internet (including social media)

68% 26%

Note: Figures do not add up to 100% as a result of rounding percentages and excluding ‘neither/nor’ and ‘don’t know’ responses.

Source: PwC, 23rd Annual Global CEO Survey
Base: Consumer markets respondents (2020=746)
Consumers are also citizens. So the concerns of these ultimate stakeholders affect consumer markets companies in two ways — directly, in the form of consumer demands, and indirectly, in terms of legislation and regulation.

These survey statistics underscore how technology-related issues, such as customer experience, privacy and market concentration, are increasingly driving a convergence between citizen stakeholders and regulator stakeholders — with powerful consequences for the industry.
23rd Annual Global CEO Survey
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