



Market Winners' Survey 2022:

Best performing businesses during COVID-19
and digital transformation



Welcome to the era of customer service

We live in a time where companies around the world are scrambling to maintain growth, expand to new markets and find new revenue streams in a market with low consumer confidence. To do this in a restricted talent market, they're looking for every possible way to better serve their clients. The pay-off is clear: the companies that manage to digitally transform themselves to meet the needs of customers are leading the market.



Success in the modern marketplace is all about providing a better customer experience. The better you know your customer, and the easier you make it for them to do business with you, and the better the quality of the experiences you're providing them, the better you'll be doing as a brand and a business.

Quinton Pienaar,
Partner, PwC UK

Towards the end of 2020, we undertook a piece of research to establish what successful businesses are doing differently to their peers in an age defined by COVID-19 and breakneck digital transformation. Called the Market Winners' Survey (MWS), it rapidly became a benchmark for businesses looking to navigate volatility and reinvent themselves to stay relevant now and into the future.

In early 2022, we undertook Market Winners' Survey 2.0. We built on our [inaugural research](#) to include new elements like ESG and cybersecurity as we looked to derive more insights around the three foundational pillars of any successful business today.



Customer centricity: How are organisations creating truly differentiated customer experiences, and what are they focusing on to drive engagement?



ESG: What are the current levels of self-assessed ESG maturity? What benefits are expected, and have been achieved, from implementing ESG initiatives?



Cybersecurity: How are organisations prioritising cybersecurity risk management investment as part of their overall transformation to enhance customer experiences?

The top line findings? Those businesses that have already implemented, or have started implementing, customer centric transformation in response to changing market and customer behaviours are more likely to have experienced revenue growth and to have achieved a multitude of business benefits. These benefits include better customer experience, improved sustainability, product innovation and improved customer satisfaction and loyalty.

Interestingly, these findings mirror those of PwC's flagship research, the [25th Annual Global CEO Survey](#), which shows the top three business metrics identified by CEOs around the world to be:

- Customer satisfaction
- Employee engagement and
- Automation or digitisation

Digital transformation takes a customer-led, digital-first approach to all aspects of a business, from its business models, to how it delivers its customer experiences, to its processes and operations. Two key elements of a digital transformation are a people-first approach to leverage data to enable faster and smarter decision-making, and real-time response to market disruptions.

These transformations change customer expectations through every interaction, every experience and every relationship by building trust that helps create new business opportunities. This is as much a cultural change as a technological one, as it requires organisations to make fundamental shifts in the ways they operate and how they deliver customer experiences and benefits.

What is vital is how businesses are starting to use the data they generate through their digital transformation programs. Generally, there are two classes of data consumers. The first is workflow users, who expect the data in the application to provide automation and insights to make their jobs easier. The second is a data-centric consumer, who looks at data across business applications and domains, looking for efficiencies, productivity insights and how to monetise their data.

Even though data and automation are top of mind, there's still some work to be done. Many business leaders – even among the winners – are currently seeing limited value from their Customer Experience (CX) analytics capabilities. Less than 60% of winners, and 29% of others, say they are happy with the insights they are deriving. What winners have done well is to implement digital [commerce](#) and invest in best-in-class integrated commercial capabilities, including marketing and sales.

A question that emerges from the research is: where is the innovation? Fewer than 50% of the winners and 25% of the others are seeing industry disruption or the ability to keep competitors out of the market. Most investments are focused on creating process efficiencies and improving existing current capabilities. More work must be done on business model innovation and how to disrupt.

Winning in a disruptive world that consists of disruptive technology, global pandemics, political unrest and climate change, is not simple. The key to survive and thrive depends on adaptation. Market winners must know how to maintain a competitive advantage and win in a way that doesn't just withstand change but embraces it to generate new possibilities.



The rise of the super front office worker

One of the key insights to emerge from Market Winners' Survey 2.0 is that in a world of technology and digital transformation, success is still about forging authentic connections and relationships with your customers. This laser-like focus on the customer is giving rise to what we call the 'super front office worker': someone who uses a full spectrum of skills, including analytics and AI, to form a clear view of the customer, and then meet their needs through a human-led and tech-powered approach.

It sounds a lot like an omnichannel approach – but it's so much more than that. Omnichannel is all about allowing your customers to interact with you across a range of channels, including a contact centre and social channels. The super front office worker takes this to the next level. They're combined sales and service agents who can answer queries on any channel, fuelled by real-time data, without passing the client off to another department. They're connected and empowered with key data, insights and systems to add value wherever they can.

There's no doubt that omnichannel remains key. PwC's [Global Consumer Insights Pulse Survey](#) shows smartphone shopping is at a historic high, and growing. Five years ago, just 12% of respondents shopped daily or weekly via mobile or smartphone. Six months ago, that number has rocketed to 39%. Today, more than 41% use their phones to shop daily or weekly, and that number is growing.

This only underlines the need to move beyond old business models, but the key here is to go beyond merely being transactional. It's all about becoming a digital enterprise – an organisation that uses technology to continuously evolve all aspects of its business models. To get this right,



organisations will have to give their front office transformation strategists the information they need to meet customer expectations. They will have to break down the silos once and for all and connect the front and the back office.

As one respondent said: “Let your customers see you as the world moves towards personalisation and visualisation – why not let your customers see your customer service representatives? Both the enabling technology and the consumer demand are there for video customer service, yet so few companies are offering it – another opportunity for differentiation!”

What we're talking about is a brave new world where brand promise meets customer experience through all touch points.

What are the winners investing in?



Change is the only constant in today's world where customer experiences are real-time, the future uncertain, trust is of utmost importance, choice is infinite, and delivery is on-demand. Successfully adapting to change through digital transformation is what sets apart a winning company from a lagging one.

The research is clear. Those winning in the market are far more likely to have already invested in a range of advanced technologies to improve CX, including digital commerce, automation, and customer data platforms. They put a major emphasis on cybersecurity risk management and have fully integrated ESG across multiple strategic areas in their organisation, including purpose, financial systems, and vision and values.

85% of winners have already invested in at least five key technology areas.

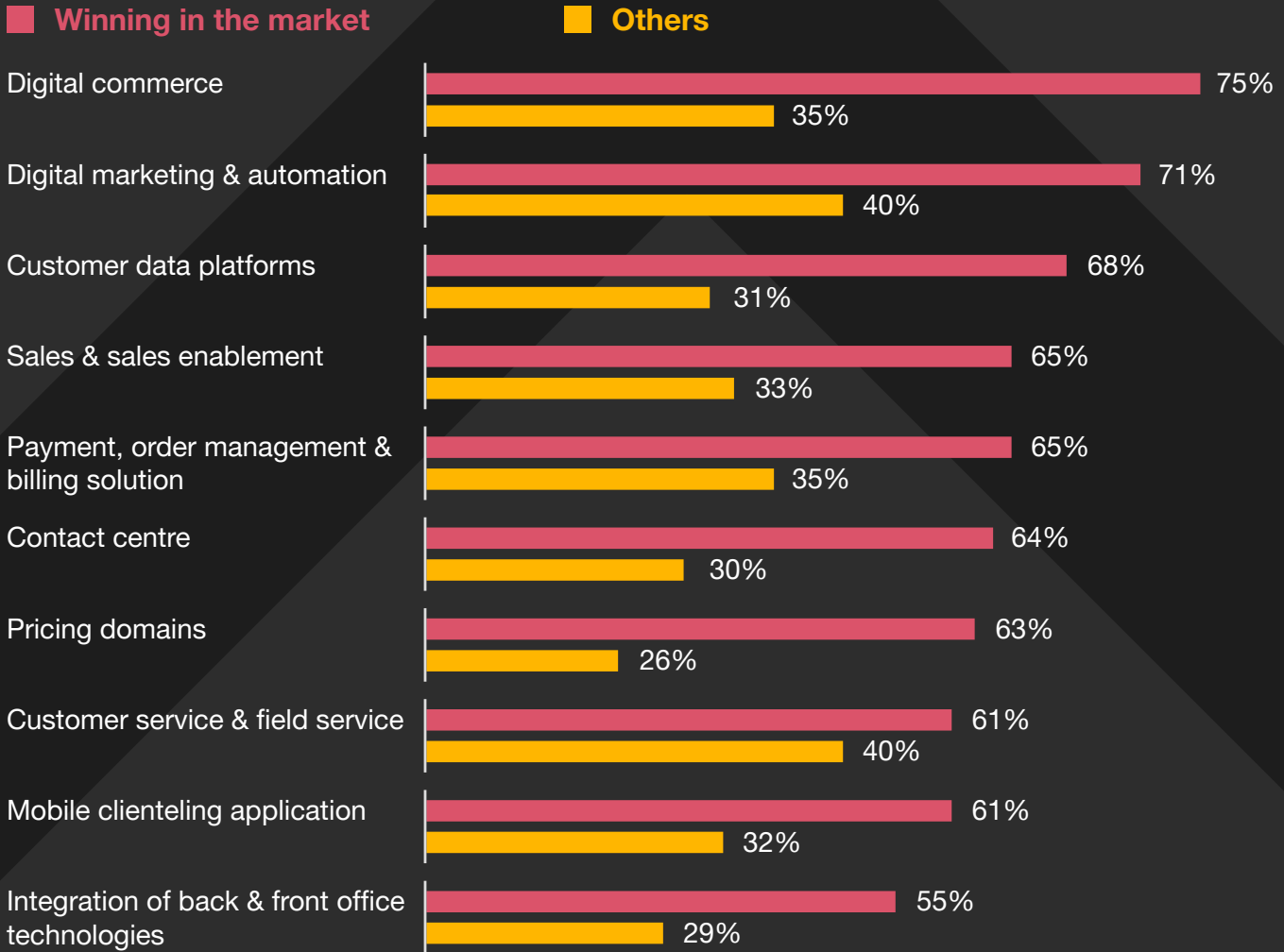
The main areas of investment include advanced analytics to better serve customers, cybersecurity team collaboration with the CEO, digital commerce, customer data platforms and pricing domains.

What they are ultimately investing in is the experience imperative. Investments in experiences are benefitting organisations on two fronts: customer and employee. The 'great resignation' and the war for talent has arguably made the employee experience (EX) element even more important than before. But even among the winners, fewer than 50% are seeing benefits in talent retention. This is a major opportunity for them to use transformation to show their employees they care about making them successful.



Those 'winning' are significantly more likely to have already invested in a range of advanced technologies to improve CX including digital commerce, automation and customer data platforms:

% Stating already invested in technology areas



Top 3 greatest gap areas for those 'winning' in the market and Others are:

- Digital commerce (40%)
- Customer data platforms (37%)
- Pricing domains (37%).



What's next for the winners?



Winners realise that to fulfil the promises they make during marketing and sales, and to better serve their customers through customer service and field service, integration of the front and back offices are key. They're looking to enable their workforces with real time information to ensure great customer experiences that are empowered by data. They're increasingly enabling remote working for their customer-facing people. This is important in the context of the future battle for talent: if you want people to work for you, you must make sure that you make their jobs easier and enable them to be more successful.

So, it's hardly surprising that the top areas for technology investment in the next two years among winning organisations will be back/front office technology integration, customer service and field service, and mobile clienteling applications.

This provides **three** key insights.

One, the winning companies are investing in better and more efficient customer acquisition and purchase completion processes, like marketing automation. More than

70% of winning companies have invested in digital marketing and automation capabilities, for example, compared to 40% for the others.

Two, they're backing up the promises they make at the time of sale by improving the order fulfilment and customer service process. Here, the gap is similarly large: 65% of winners have invested in payment, order management and billing solutions, compared to 35% of the others.

And **three**, they know that employee experience is the other side of the customer experience coin. That means they are investing in the same automation, data and AI capabilities that provide a great customer experience to make their employees jobs easier and reduce mundane, repetitive tasks.



Looking ahead, there's a growing interest in investing in the metaverse as a new channel. Companies are already looking to the metaverse to enrich the consumer experience; introduce virtual products, only available in the metaverse; collect new data on customers; market physical and digital products and services; support metaverse payments and finance; and offer hardware and applications that support metaverse activities.

It's important to understand that the metaverse will profoundly change how businesses and consumers interact with products, services and each other, and business leaders will ignore it at their peril.

The looming cybersecurity imperative



If your organisation is not on top of cybersecurity, you should be prioritising this. Fast. PwC's CEO Survey saw [CEOs rank cyber risks as the top threat to growth](#), and cybersecurity concerns are among the biggest challenges faced by organisations in implementing their customer transformations, and developing effective cybersecurity capabilities requires a laser-like focus.

It's critical to realise that [cybersecurity is a board level conversation](#). Organisations must know that as they digitise, they open themselves up to more vulnerability. For CEOs, cybersecurity is important to business growth and customer trust — not just defence and controls — to create a security mindset organisation-wide.

Critically, data privacy is key to consumer trust, as highlighted by the [PwC Consumer Survey](#). One of the key cyber themes for the coming financial year is that we're entering a new era of cyber transparency. Most consumers have become more protective of their personal data, and data security has a far greater impact on trust than any other factor — even greater than ESG.

The importance placed on cybersecurity management to enhance customer experience is evident, but there's room for improvement. Only four in ten organisations have already invested in appropriate cybersecurity technologies, and have dedicated teams and processes to address this. This poses a massive risk, especially at a time when companies are moving rapidly to digital commerce and processes.

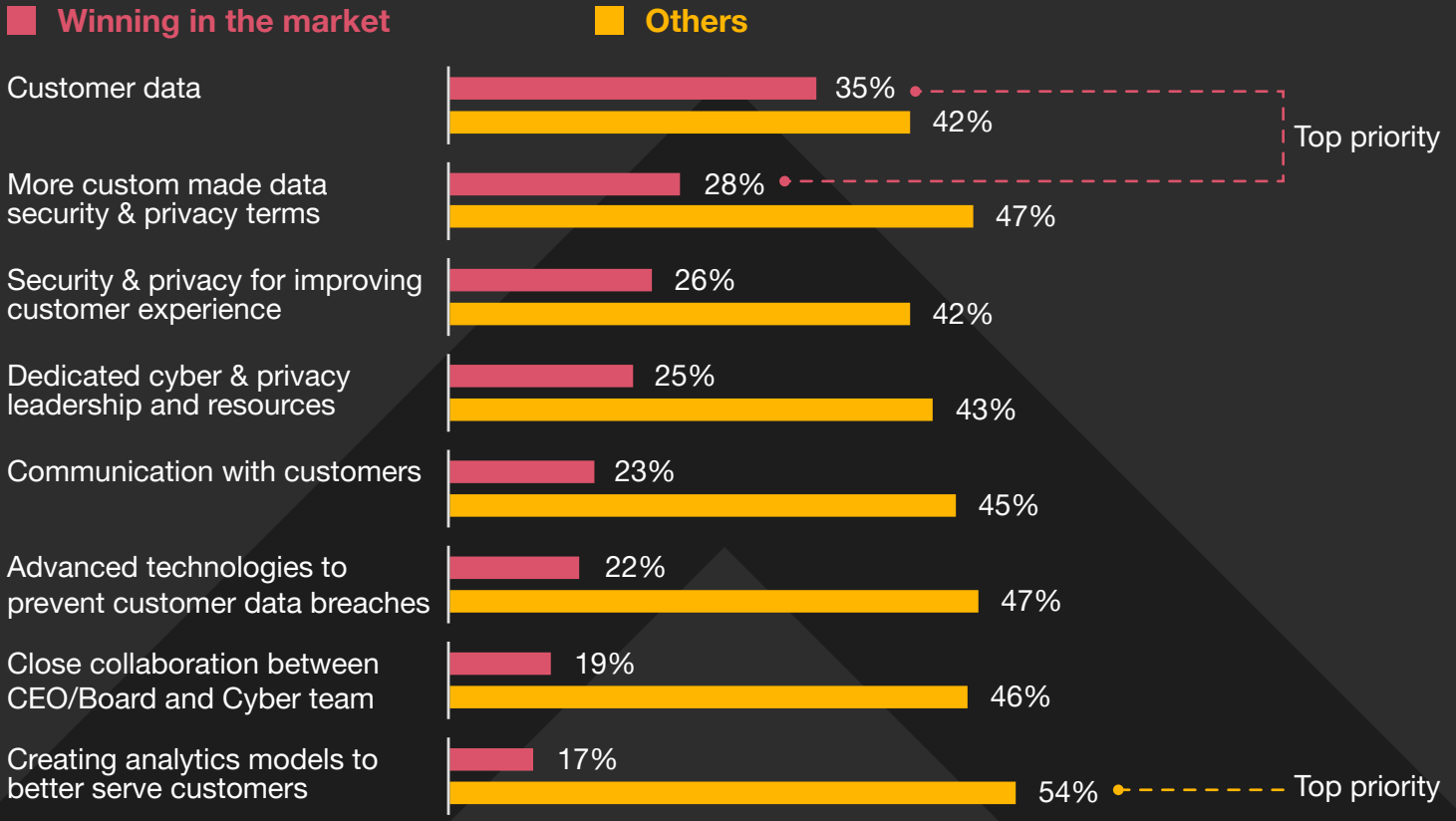


Two of the top three investment areas in the next two years relate to cybersecurity: the creation of advanced analytical models to better serve customers, improved collaboration with the cybersecurity team and CEO/Board to deliver customer experience solutions, and enhancing customer data management to increase trust.

Top areas for planned cybersecurity investment in the next two years among 'winning' organisations relate to handling of customer data to improve trust and sharing data privacy terms in customer friendly language



% Stating plan to invest in cybersecurity areas in next 2 years



Why ESG matters more than ever



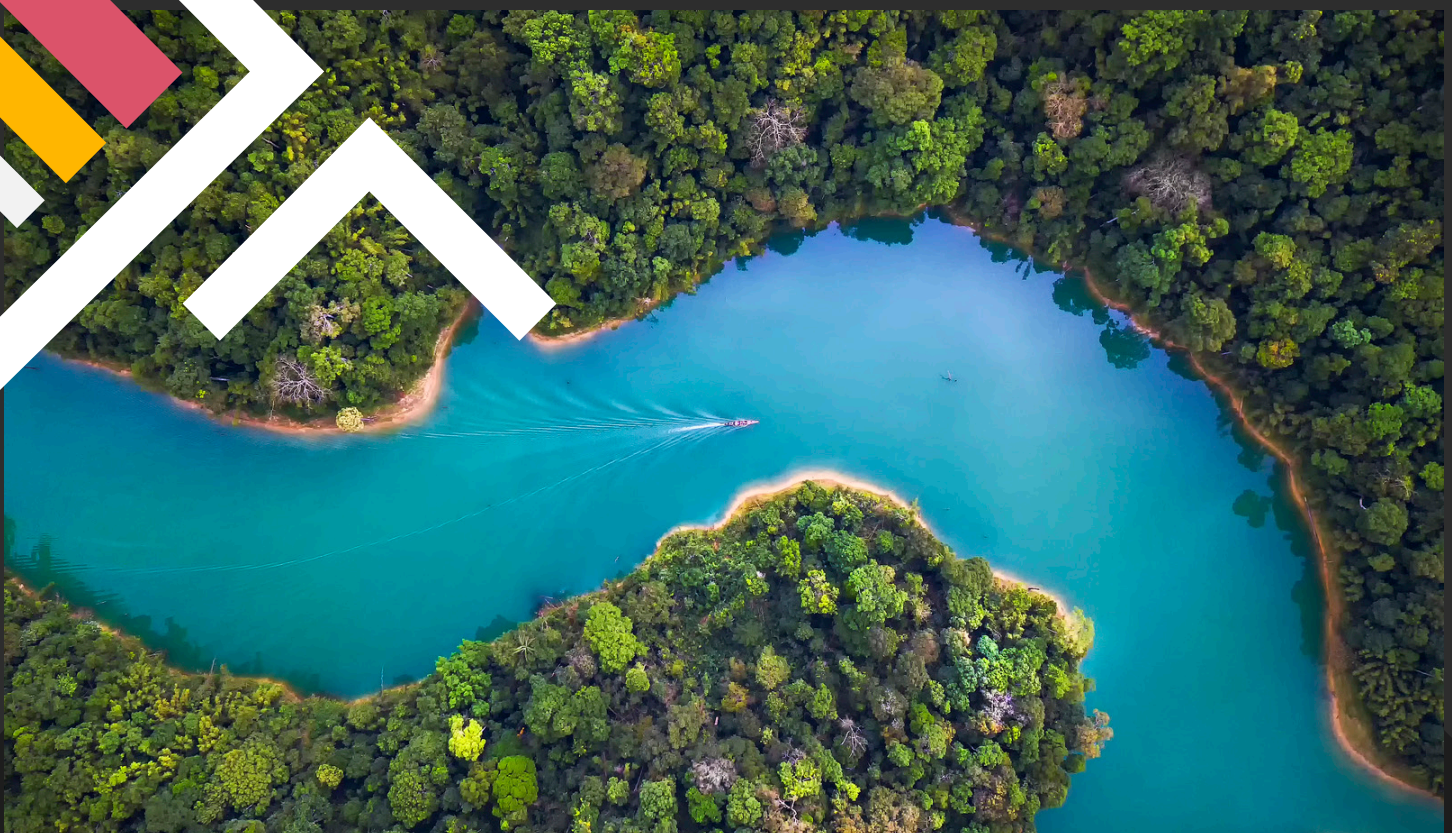
ESG is one of the hottest topics in business right now. It's moved to the top of most corporate agendas in recent years as organisations come under pressure to become more sustainable, move towards a net-zero future and deliver value to a broader set of stakeholders than ever before. In the CEO Survey's global sample, the most successful companies are three times more likely to have made a net-zero commitment than the average company.

Most organisations recognise the value-add of ESG to customer experience, but struggle to put this into practice.

There is clearly work to do to derive greater benefit from implementing ESG initiatives. Only 20-30% of organisations feel they have already achieved a range of benefits from addressing ESG. This rises to around 40% in the next two years.

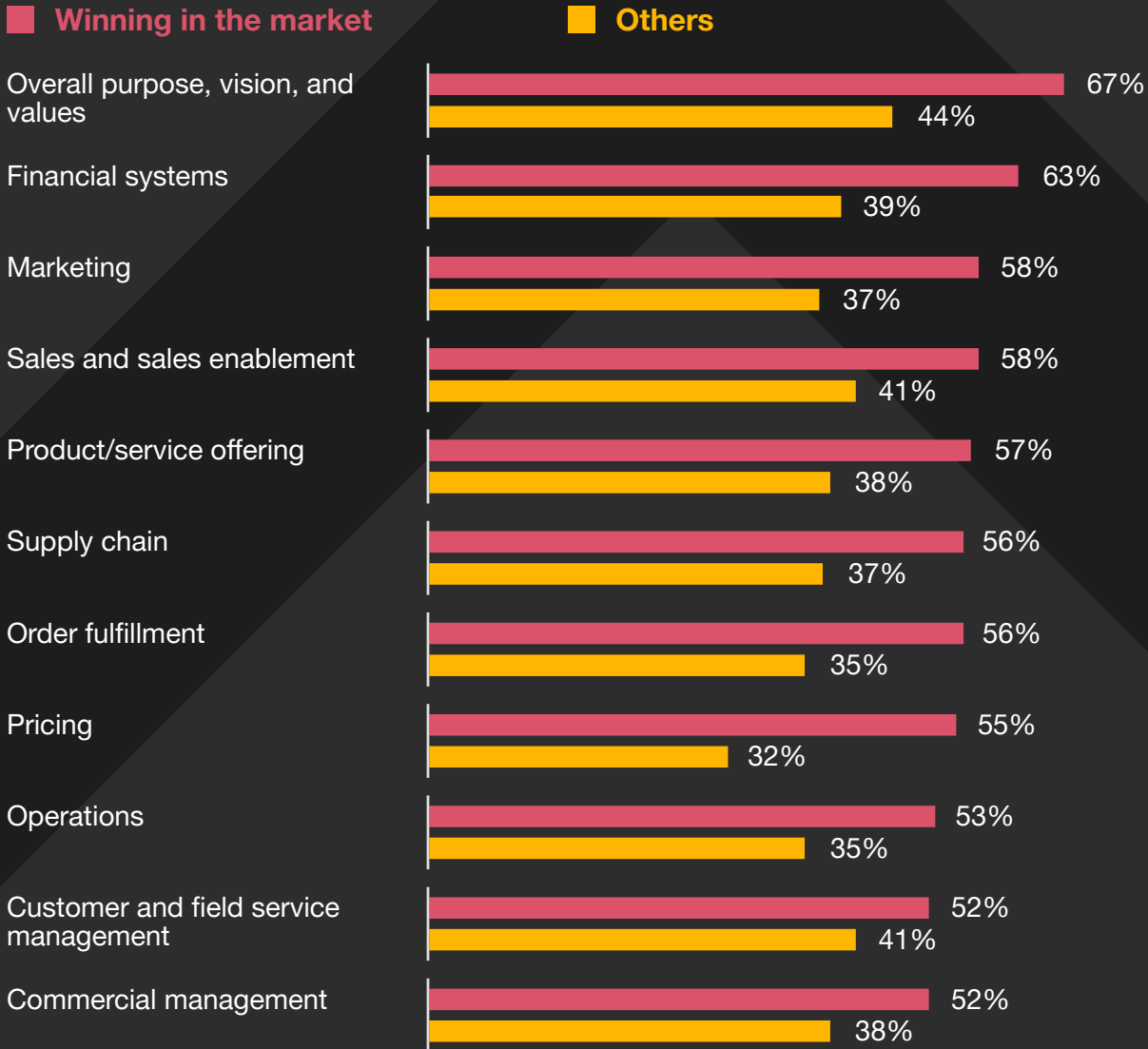
Enhancing CX and improving customer service and communication are viewed as the areas where ESG can provide greatest differentiation for organisations over the next five years.

When it comes to ESG, the gap between the market leaders and the others is significant. In areas like overall purpose, vision and values, the gap between winners and others is 23%; in financial systems, 24%; and pricing, 23%.



Those 'winning' are significantly more likely to have fully integrated ESG across multiple strategic areas in their organisation

% Stating ESG fully integrated in strategy area



Top 3 greatest gap areas for those 'winning' in the market and Others are:

- Overall purpose, vision and values (23%)
- Financial systems (24%)
- Pricing (23%)

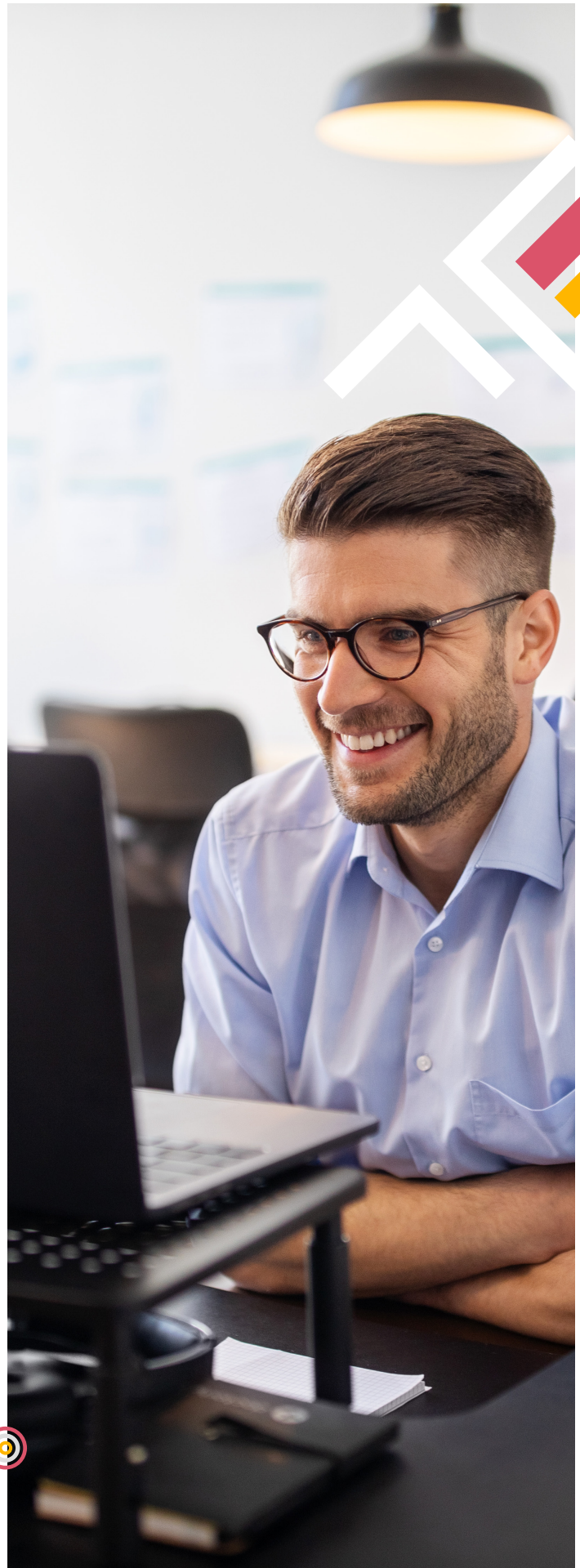


Winners also make a point of aligning the customer experience to their ESG strategy. They are significantly more likely than their lagging peers to:

- Understand their customers' needs and expectations regarding their organisation's approach to ESG.
- Be confident in their ability to measure and quantify the impact and ROI of their ESG initiatives on CX.
- Know the CX benefits that ESG will provide to their organisation long term will outweigh the cost.
- Know their customers' purchase decisions are influenced by their organisation's approach to ESG.

There's no doubt that many companies are struggling to get up to speed in this area. The pressure to create sustainable supply chains is relentless, and hard to achieve. Organisations want to better understand their scope 1, 2, and 3 carbon impact, and how to link net zero projects to commercial capabilities like commerce. They are looking to develop the ability to evaluate and report on the carbon impact of a commercial transaction, and trace that across the supply chain.

Growing this maturity is a challenge. But those organisations that understand the needs and wants of their customers better are making the investments necessary to make ESG a priority. The benefits of getting this right include more loyal customers and happier stakeholders. For those who think they're not impacted by ESG goals, they're mistaken. And unless they move fast, it will come back to haunt them.



What market winners do differently

Those winning in the market have a clear focus on CX optimisation. They are far more likely to:

- Create CX experiences which provide competitive differentiation.
- Use CX to reinforce trust and loyalty in the brand.
- Understanding the customer journey from the customer's perspective.
- Continuously measure the results of CX improvements, and
- Continuously design and update their CX based on customer insights.

A common theme for all winning companies is that they view transparent communication as critical. They are significantly more like to:

- Be open to change.
- Have clearly communicated the value of change.
- Have communicated the change message and have people on board for the transformation.
- Have provided employees with appropriate training opportunities to prepare for change.
- Place emphasis on a leadership culture that values and supports transformation (this is also true of others).

What is clear from the research is that for market winners, customer focus isn't an add-on. It's embedded in their strategic plans and they have significant investments focused on producing valuable customer outcomes. In the next 12 months, their strategic priorities will focus on improving the customer experience, expanding to new markets, customer retention and brand development. Over the next one to three years, these strategic priorities will evolve to include digitising and automating more areas of the organisation.



Methodology: how we identify the winners



To identify our market winners, we considered a range of key metrics, with asking questions around areas like business benefits, customer transformation, cybersecurity and ESG. Based on the answers to these questions, we arrived at an index score out of 100 for each respondent, with top scores awarded for ‘already achieved’ and ‘already investing’. Our analysis clearly identified the top quartile, which were already investing in all areas of customer transformation, cybersecurity and ESG to improve customer experience, and were significantly more likely to have already achieved a multitude of business benefits as a result.

A multi-market online survey of C-Suite and Senior Executive professionals was conducted via a dual approach:

- An external B2B research panel to target 15 countries of interest* (Australia, Belgium, Canada, France, Germany, Ireland, Italy, Middle East, Netherlands, Singapore, South Africa, Spain, Switzerland, UK and US).
- Distribution of the survey link to appropriate client contacts across EMEA by the PwC network.

The survey was available for respondents to complete in Arabic, Dutch, English, French, German, Italian and Swiss German from 13 January to 25 February 2022, achieving a total of 654 responses.

The survey findings in this report are explored at an industry country level where the number of respondents in each is sufficient. Revenue size is reported as small (less than 500 million, medium (500 million to 2.5 billion) and large (2.5 billion plus).

Note, only organisations which had completed, were currently implementing or planned to implement business transformation qualified to answer the survey questions. With the exception of the US, country bases range from 30-55, so care should be taken when interpreting results as they are indicative only. Throughout the report, any statistically significant results have been called out, otherwise key variations of interest have been cited.

Please note, given expansion of the survey to cover 9 new markets, as well as a change to the analytical definition of those ‘winning’ in the market, results are not directly comparable to the 2021 published report.



Methodology: how we identify the winners



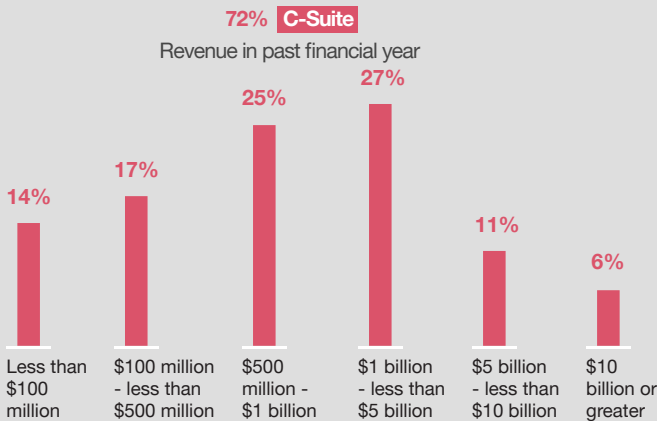
The expanded multi-market study spanned 15 countries, with a total of 654 responses



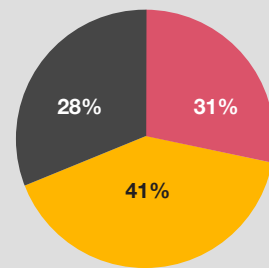
	As % of Total
Australia	5%
Belgium	5%
Canada	5%
France	8%
Germany	8%
Ireland	5%
Italy	8%
Middle East	8%
Netherlands	5%
Singapore	5%
South Africa	8%
Spain	5%
Switzerland	5%
UK	8%
USA	15%

Almost three quarters of respondents were C-Suite Executives

Role in organisation



28% Senior Executive
Revenue in past financial year (banded)



For reporting purposes, respondents have been classified by revenue into: Small (less than 500 million), Medium (500 million to 2.5 billion), Large (2.5 billion plus)

Industry

	CM	22%
	IM	20%
	FS	19%
	TMT	18%

	Health	10%
	G&PS	5%
	EUR	6%



Endnotes

- [PwC's 25th Annual Global CEO Survey](#)
- [December 21 Global Consumer Insights Pulse Survey](#)
- [2022 Global Digital Trust Insights Survey: Simplifying cyber](#)
- [The Evolving Customer: Profile of a Winner](#)
- [The Evolving Customer: The Future of B2B Commerce](#)

Take the next step



Customer transformation can sound complex but doesn't need to be complicated. Where does your company lie on the key measures of market success?

If you'd like to explore how you can increase your company's ability to compete and thrive, contact:



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