



Media Alert: New Adobe Research Gives Brands Roadmap for Profitable Growth

- As economic uncertainties continue, brands can grow trust and profits by delivering great customer experiences, investing in transformation technologies and operating responsibly
- Marketers look to generative AI to help them work faster and deliver better customer experiences
- Consumers prioritize great experiences, data privacy and security and environmental stewardship

INDIA – 8 June 2023 – Today, Adobe announced new research that demonstrates how brands can successfully navigate economic uncertainty by leading in three key areas their customers and employees value most: delivering personalized experiences, innovating to stay ahead of expectations, and running their businesses responsibly.

“Competition for share of wallet has intensified as digital-first spending habits, economic conditions and new ethical priorities transform customer expectations at a time when every company must do more with less,” said Luc Dammann, President of EMEA at Adobe. “To differentiate in this climate, brands must provide more intuitive and relevant customer experiences that add value, while also operating their businesses responsibly. This experience-led approach builds trust and loyalty that in turn drives the profitable growth for which all brands strive.”

Adobe’s latest findings are based on two studies conducted across 14 countries from February to May 2023, capturing the perceptions of over 4,000 marketing and customer experience professionals and more than 13,000 consumers in each study. Key findings include:

Amidst economic uncertainty, consumers prioritize great experiences

Half of global consumers (50%) said they expect even better experiences from brands when economic conditions become more challenging. Over a quarter (28%) said their expectations are much higher when the economy weakens, and only 14% said their expectations decrease when economic conditions get worse. Younger consumers (Generation Z and millennials) have even higher expectations in a down economy: 65% said their customer experience expectations are higher during tough economic times, with 35% indicating their expectations are much higher.

Consumers prefer better customer experiences over rock-bottom prices

When consumers were asked to identify the best formula for keeping their loyalty during difficult economic times, they ranked “a balanced approach” – balancing profitability, customer experience and corporate responsibility needs – as #1. They chose “focus on customer experience” (deprioritize all other factors to make their experiences amazing) as #2 and ranked “offer absolute lowest prices” (deprioritize everything else to ensure they get the lowest price) #3.

Consumers want companies to use generative AI to improve experiences– responsibly

When it comes to the most important things companies should do when using new generative AI technologies, consumers ranked responsibility #1, with 34% prioritizing actions like having guardrails in place to encourage ethical use, protect creators’ intellectual property and avoid litigation. 30% of consumers said it was most important to use generative AI to improve customers’ experiences, and 15% prioritized actions that would enhance employees’ experiences, like making work

easier and more efficient. 9% of respondents said the most important consideration for companies adopting generative AI is that they use it to make the business more financially successful. Only 10% said companies should not use generative AI at all.

Marketing and CX professionals are rising to the opportunity, with 89% reporting they are already exploring ways to use this new technology in their work.

Responsible business practices build consumer trust

According to the research, the #1 way brands can build consumer trust is by keeping customer data safe and using it in line with their expectations— especially during challenging economic times.

Another important way brands can build trust is by demonstrating social accountability. The research found that environmental sustainability is the top corporate and social responsibility priority for global brands. More than 2/3 (69%) said they currently invest in sustainability initiatives and 70% said that complying with local and global sustainability policies and requirements helps them earn trust and makes them more competitive. Environmental responsibility is important for consumers as well. Over four-fifths of all consumers (82%) and even more (88%) of Gen Zers said they will decrease spending with brands that don't comply with sustainability requirements. More than a quarter of consumers (27%) said they will refuse to spend any money at all with those brands.

Companies that don't invest in making their workplaces, products and services accessible for as many people as possible may feel a similar impact. 85% of consumers report they will decrease spending with brands that don't make their customers' experiences accessible, and 29% say they will refuse to spend any money at all with those brands.

Methodology

Between February and May 2023, Adobe conducted two surveys across 14 countries (US, UK, France, Germany, Netherlands, Denmark, Sweden, Australia, New Zealand, Japan, India, Singapore, Thailand and Malaysia), capturing the perceptions of over 4,000 marketing and customer experience professionals and more than 13,000 consumers in each study.

