

Digital transformation & COVID-19

Driving customer-centric business change



Build
for
Change®

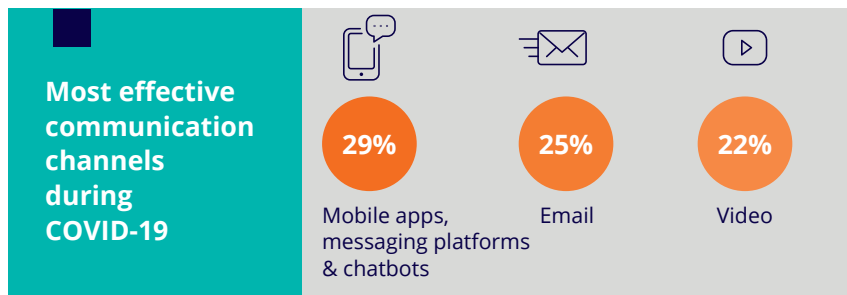
COVID-19 has exposed flaws in customer engagement

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"



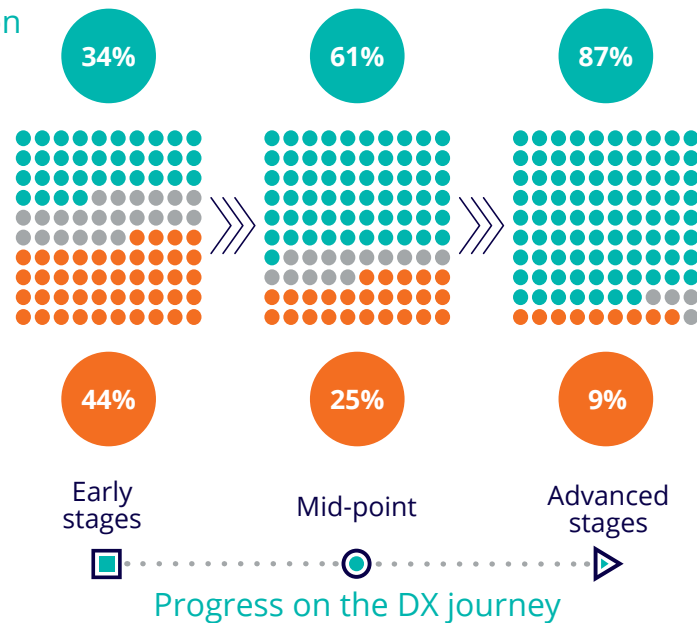
Businesses at more advanced stages of digital transformation had a significant advantage in responding to COVID-19

“Our level of DX put us in a ...

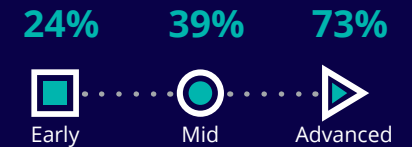
... strong position to respond to COVID-19”

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.

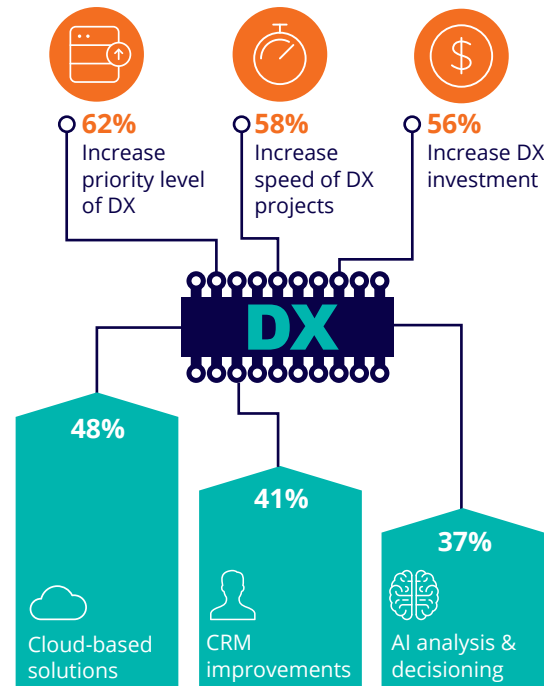


COVID-19 is increasing the urgency for digital transformation

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.

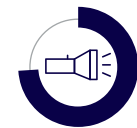
Given the lack of access to physical infrastructure caused by the pandemic, cloud-based solutions are top priority. CRM enhancements and AI-driven analysis and decisioning are also commanding budget as businesses struggle to effectively engage and communicate with customers.



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:

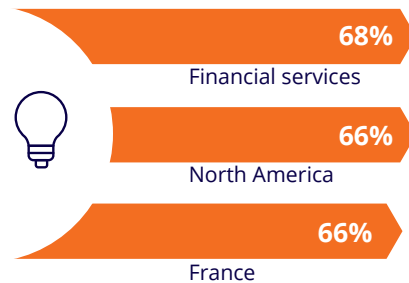
AI machine learning
48% vs. 34% global avg.

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

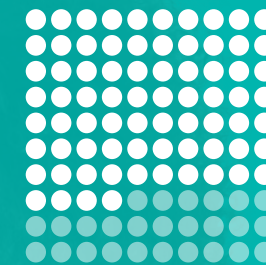


Greater empathy

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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