

The News and Intelligence You Need on Luxury

MARKETING

Pandemic disruption will create trust issues for customers into 2021

October 27, 2020



Brands will have to continue balancing safety measures and customer experiences in 2021. Image credit: Four Seasons

By ELLEN KELLEHER

The global pandemic will continue upending customer experiences into 2021 and brands should be responsive to this fact, according to a new Forrester report.

Subscribe to **Luxury Daily**Plus: Just released
State of Luxury 2019
Save \$246 >

Even if a vaccine is found, COVID-19 will disrupt people's sense of trust, safety and inclusion even more in 2021 than it has this year, per Forrester's "Predictions 2021: Customer Experience." Brands that tend to do better at saying and doing what it takes to earn customers' trust will fare better in this shake-out.

"The point I make about trust is the most important one," says David Truog, a vice president and research director at Forrester. "Companies and people tend to have a rosy view of how trusted they are. But our data shows that consumers are very wary, in most sectors."

Building trust through CX

High on the list of Forrester's conclusions is that people will flock to the brands they trust most for in-person experiences.

A crisis of confidence is plaguing people's mindsets and their trust in brands to make smart choices on issues such as hygiene and social distancing has hit rock bottom. As a result, brands are trying to establish their trustworthiness through partnerships with reputable organizations.

Four Seasons Hotels and Resorts is working with Johns Hopkins Medicine International to validate its new global health and safety program. Called "Lead With Care," the program will be reviewed and validated by Johns Hopkins Medicine experts and implemented by dedicated teams at Four Seasons properties worldwide (see story).

Brands that are the most trusted will be able to embrace more spontaneous kinds of relationships with customers. Those that establish core competencies will also notice considerable improvement in the area of customer experience.

This year, 27 percent of brands in Forrester's Customer Experience Index (see story) saw significant score increases by embracing research or other core competencies to gain insights into their customers' priorities.

Brands that are better at arbitrating conflicts with customers and finding resolutions will win more customers, as well as retain employees.



Scanning QR code on Burberry's classic trench coat in the Shenzhen, China social retail store. Image courtesy of Burberry

Forrester predicts that more brands and retailers will do away with public screens such as checkout PIN pads, elevator buttons and smartboards in favor of so-called Zero UI methods, which do not rely on screens, and instead use gesture, voice or proximity to interact with customers.

In a shift toward contactless service, Four Seasons Hotels and Resorts successfully added new features to its app and chat platforms to give private residence homeowners and residents the ability to connect with their residential teams from their personal phones, tablets and computers (see story). In China, shoppers at Burberry's new "social retail" store can scan QR codes on apparel to view more information on their own smartphones, rather than asking a retail associate for details (see story).

Closer look

The coronavirus pandemic is far from over, but Forrester is of the view that it has fundamentally changed the worlds of business and technology in ways that will resonate for years to come.

This year's chaos means emotion will play more of a role in people's decisions in 2021 as affluents look to fortify their homes and draw new boundaries between public and private.

According to Forrester's "Predictions 2021: Consumer" report, the affluent will emerge even more prosperous from the crucible of COVID-19 as they expand their homes and living spaces while their poorer peers suffer public health, economic and social difficulties. As a result, chief marketing officers must study the zeitgeist to understand why 2021 will be difficult for brands to navigate.

Next year, Forrester expects consumers will begin to draw new boundaries around and give new meaning to their communities. This year's social isolation is forcing consumers to find new types of interaction that lead to new definitions of what is "public" and what is "private" (see story).

In a report last month, the consultants identified macro trends that suggest this "new, unstable normal" will likely last over the next several years. Among the shifts that will happen are increased tensions between privacy and surveillance as governments turn to private data and contract tracing to contain the coronavirus and other diseases (see story).

"The silver lining is that there's real opportunity for brands that do take concrete steps to build trust," said Mr. Truog. "And I think luxury brands can be uniquely well positioned on this front.

"For them, the playing field is wide open," he said.