



European Spending on Customer Experience Will Reach \$128 Billion by 2022, Driven by Major Investments in Retail, says IDC

LONDON, July 3, 2019 — Spending on customer experience (CX) was reported at \$97 billion in 2018 and is expected to increase to \$128 billion by 2022, growing at a healthy 7% five-year CAGR, according to the International Data Corporation (IDC) Worldwide Semiannual Customer Experience Spending Guide. The European industries spending the most on CX in 2019 will be banking, retail, and discrete manufacturing. Together, these verticals will absorb 33% of the European CX spend this year. Retail will also have the fastest growing spend on CX throughout 2022, outgrowing banking by 2021.

Customer care and support, digital marketing, and order fulfillment are the use cases with the highest spending in CX today and will continue to be a strong investment area throughout 2022. Investing in CX represents a clear opportunity for industries to differentiate, implementing these use cases to mold a public brand perception around the customer, improving websites, social media interactions, and product and service promotions. Looking at long-term opportunities, omni-channel content will be the fastest growing CX use case by 2022, with European companies focusing on this space to build organizational experience delivery competency, leveraging investments in content and experience design, to lower the cost of supporting new channels and ensure brand consistency. Omni-channel content reflects the core foundation of the future of CX through the optimization of content across channels at every point in the customer journey, creating a non-linear experience around the user.

Emerging technologies (such as AI, IoT, and ARVR) and hyper-micro personalization are fueling investments in CX together with rising customer expectations, intensified competition, ever-changing customer behaviors, and stronger demand for personalization. The innovations in CX are about centering the experience of a product or service around the user, approaching each customer as an individual in real time and moving away from segment-based approaches to customer engagement.

"Customer Experience is the top business priority for European companies in 2019," said Andrea Minonne, senior research analyst, IDC Customer Insight & Analysis in Europe. "Businesses are moving from traditional ways of reaching out to customers and are embracing more digitized and personalized approaches to delivering empathy where the focus is on constantly learning from customers. As a customer-facing industry, retail spend on CX is moving fast as retailers have fully understood how important it is to embed CX in their business strategy."

IDC's Worldwide Semiannual Customer Experience Spending Guide provides guidance on the expected technology opportunity around the CX market across 9 regions. Segmented by 19 industries, 15 use cases, and 11 technologies, this guide provides IT vendors with insights into this rapidly growing market and how the market will develop over the coming year.

About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets. With more than 1,100 analysts worldwide, IDC offers global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries. IDC's analysis and insight helps IT professionals, business executives, and the investment community to make fact-based technology decisions and to achieve their key business objectives. Founded in 1964, IDC is a wholly owned subsidiary of IDG, the world's leading technology media, data, and marketing services company. To learn more about IDC, please visit www.idc.com. Follow IDC on Twitter at [@IDC_EMEA](https://twitter.com/IDC_EMEA).

About IDC

IDC is the premier global provider of market intelligence, advisory services, and events for the information technology and telecommunications industries. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. Over 775 IDC analysts in 50 countries provide global, regional, and local expertise on technology and industry opportunities and trends. For more than 40 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company. You can learn more about IDC by visiting <http://www.idc.com/>.

IDC is a subsidiary of IDG, the world's leading technology media, research, and events company. Additional information can be found at www.idc.com.

All product and company names may be trademarks or registered trademarks of their respective holders.

For more information contact:

Andrea Minonne

aminonne@idc.com

+44 (0) 20 8987 7181

Daphne Demekas

ddemekas@idc.com

+44 (0) 20 8987 7181