



Vonage: Businesses Must Become Agile, Adapt Quickly to Pandemic-Related Changes in Customer Preferences to Enhance Connections

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New Survey Reveals Emerging Communications Channels, Changing Consumer Behaviours in the COVID era

Findings Show Video Chat Up 43%, SMS Down 23% as Consumer Preferences for Communicating with Business and Service Providers Evolve

HOLMDEL, N.J.--/PRNewswire/ -- Vonage (Nasdaq: [VG](#)), a global leader in cloud communications helping businesses accelerate their digital transformation, today released a new report—[COVID-19 Reshapes the Global Customer Engagement Landscape](#)—detailing changing consumer preferences and behaviours and how businesses and service providers need to transform their customer engagement strategies to become more agile and adapt to changes driven by the COVID era.

This report follows the January 2020 Vonage Global Customer Engagement [Report](#), and captures unique insight about consumer communications preferences in the age of COVID-19 compared to pre-COVID preferences. Key findings demonstrate that the pandemic accelerated the adoption of newer communications channels while increasing fragmentation in channel preferences, especially in the ways that consumers interact with businesses and service providers.

"COVID-19 has upended how businesses operate and how consumers interact with those businesses," said Joy Corso, Chief Marketing Officer for Vonage. "We conducted research to understand changing consumer preferences and behaviors to help organizations better engage with their customers to drive better experiences."

Corso continued, "We are at the beginning of a huge market-wide communications revolution. If there was ever a question that businesses needed to digitally transform not only to survive but thrive, COVID-19 eliminated any doubt. This is a secular change in how business gets done. This survey underscores the fact that it is now fundamental for companies to stay connected to employees and customers from anywhere – through whatever channel they choose – video, voice, messaging, and chat."

Video Continues to Reign Supreme

To connect with consumers today, businesses must turn to less traditional channels and employ technology, such as APIs, that allow them the flexibility to embed programmable capabilities - voice, video, messaging and verification - directly into existing applications and workflows.

Since January, globally, there has been 140% growth in the number of people who prefer to connect with businesses via video. Video chat has also become a mainstream addition to people's everyday lives, and U.S. adoption has experienced four years of growth in just seven months, with 43% of Americans now video chatting with businesses regularly, up from 28% in January.

Across all regions, 55% of consumers have used video to connect with businesses and service providers, up from 44% in January.

- In Latin America, seven out of every 10 consumers have video chatted with a business, up from six out of 10 in January.
- In August, a majority (54%) of respondents in EMEA reported using video chat, up from 42% in January.

Consumer preference for video chat has grown in banking, finance and insurance, education, healthcare, retail, and transportation and logistics. For example:

- 16% of respondents preferred video chat in August to get step-by-step advice about a banking service, up from 9% in January.
- 25% of respondents preferred to speak with a therapist for a counseling session in August via video chat, up from 18% in January.
- Due to the advent of widespread distance learning, 42% of respondents report they prefer to engage with other students and teachers in a virtual classroom in August, up from 35% in January. This trend will likely continue as more students participate in virtual learning environments.

New Preferences in Communications Channels Emerge

Emerging communications channels that saw an increase in preference include voice calls and messaging via social messaging apps, and chatbots. The communications channels that experienced a decrease in preference since January include landline phone calls, email, and SMS text messaging. Additionally:

- SMS preference dropped 23% between January and August, as other preferred methods of communicating with businesses came out on top.
- With 30% of the vote, mobile phone calls are still consumers' favorite way to connect with businesses. But the remaining 70% of consumers prefer a variety of other options.
- Emerging communications channels such as social messaging apps showed a significant increase over January numbers, with 23% more consumers choosing these apps as a top-three method for calling businesses.

Armed with these insights, businesses can build a winning customer experience that meets customers on their preferred communications channels, whatever and wherever they might be.

Non-traditional Times Call for Non-traditional Communications Measures

Organizations must always be agile and ready to adapt to changes in the market, but 2020 has made the call for agility even louder. With lockdowns and social distancing likely to continue for the foreseeable future, organizations across all industries can successfully adapt to the new normal through the ability to deliver goods and services remotely. While this remote delivery of services is crucial to business survival today, that ability will mean little if the experience isn't frictionless, seamless and embedded into the applications customers are already comfortable using.

Organizations that meet consumers on their communications channel of choice, while limiting frustrations may emerge from this turbulent era stronger than before. Some of the customer service hurdles that surveyed consumers reported are:

- Repeating themselves to different people (59%)
- Calls going unanswered with no other channels available to help (56%). This highlights the importance of secondary and tertiary choices for communication methods; offering another channel such as live chat can ensure that the customer's needs are still met.
- When there aren't enough options to contact a business to suit a customer's needs at the time (37% in APAC, 51% in LATAM, 36% in North America, 34% in U.K., and 35% in EMEA)

These frustrations underscore how important it is for businesses and service providers to understand and offer a variety of communications channels. Now, more than ever, it's crucial that businesses be nimble enough to meet consumers on the channels they prefer, at the times they prefer.

As the world leader in virtual care, Teladoc Health, Inc. enables embedded telehealth capabilities through its platform via the Vonage Video API: "We have experienced a tremendous increase in usage of our telehealth solution as our healthcare providers continue to provide uninterrupted and critical medical care to their patients during the pandemic," said Jeff Nadler, Chief Information Officer for Teladoc Health, Inc. "With patients continuing to seek medical care from the comfort and safety of their homes, seamlessly embedded video chat capabilities enable our providers to ensure their patients have access to personalized, real-time care - from anywhere."

The ability to enable this kind of connection and innovation is the value the Vonage Platform brings to organizations all over the world. Through a unique and powerful combination of unified communications, contact centers and communications APIs, the Vonage Communications Platform delivers both the power and the flexibility today's customers need to disrupt their industries, and enables the type of business continuity, remote work, and remote delivery of services that are now essential.

"As virtual communications has displaced face-to-face meetings, both the usage and the mix of customer engagement channels has changed enormously in the past six months," said Mark Winther, Group VP & GM, Worldwide Telecom at IDC. "Organizations ignore this trend at their peril. This study proves the vitality and sustainability of video, messaging and chat apps in the channel preferences inventory."

[Download](#) the full report.

About Vonage

[Vonage](#) (Nasdaq: [VG](#)), a global cloud communications leader, helps businesses accelerate their digital transformation. Vonage's Communications Platform is fully programmable and allows for the integration of Video, Voice, Chat, Messaging and Verification into existing products, workflows and systems. Vonage's fully programmable unified communications and contact center applications are built from the Vonage platform and enable companies to transform how they communicate and operate from the office or anywhere, providing enormous flexibility and ensuring business continuity.

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