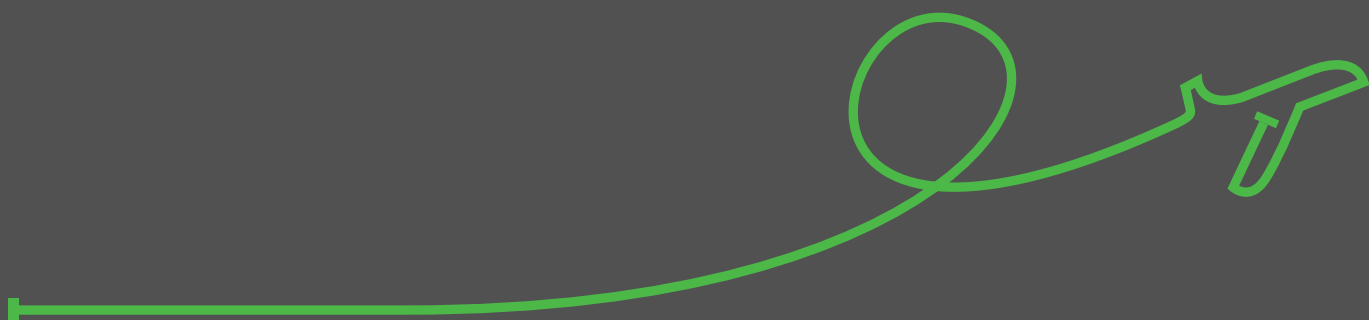




Beyond Digital

What's next for
businesses in 2020?



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Foreward

In the last five years, digital transformation and technological change have forced companies to completely rethink the way they do business, both on and offline. The pace and scale of these changes has been drastic, with a new generation of customers and employees demanding ever more sophisticated experiences from the organisations that they work for and buy from.

At each stage of this journey, we've tried to help businesses through their digital transformations. In 2014, our report [Generating Success with Generation C](#) enabled businesses to better understand the expectations of the connected customer and how those

expectations are spilling over into the modern workplace. Then in 2015, our [Talking Transformation](#) report helped CEOs to restructure their organisations; disrupting the market before the market disrupted them.

As we move into 2016, we are publishing this report to help businesses look beyond digital transformation. Gen C, the connected generation, is the new norm and the first wave of digital disruption has already come and gone. So, what's next?

The digital age is already upon us, but it's far from settled. Just as the corporate, marketing and IT landscapes have evolved so drastically, the

next five years will see no slowdown in the pace of constant technological change. Businesses need to be prepared for whatever the future will throw at them; the only problem is - nobody's quite sure what that future will look like.

This was the challenge that we set to solve in developing this Beyond Digital report. Having independently surveyed over 1000 UK office workers, we examined the predictions, demands, and future expectations of employees and customers across the UK. By analysing these predictions and comparing them with the views of leading experts throughout the business community, this report provides the first instructive guide to preparing your organisation for 2020.

As digital becomes less disruptive, businesses must start to look beyond the obvious. They must ask where we go from here. Where do we go, beyond digital?

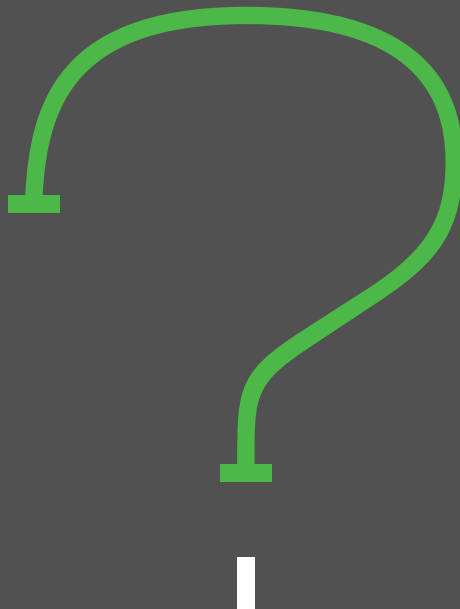
Vikram Setia

Chief Commercial Officer



Where we stand

Expectations from the employee and customer of today



Generation C's members are 'digital natives', who are always connected, communicating, computerised, community-oriented and always clicking.

- Vikram Setia, Infomentum



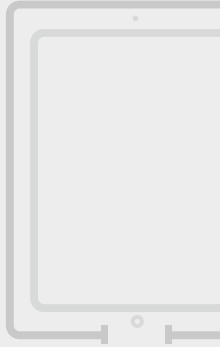
Tech of today

Generation C, the connected generation, is fast becoming the dominant psychographic throughout the UK. That means the range of technologies used by both customers and employees is more varied than ever before. For the first time, customers are accessing the internet via smartphones more than laptops (83% vs 78%). 1 in 10 are even using their smartphones for more than five working hours a day.

As well as smartphones, at work we're also using a massive array of technologies to support our roles. 65% of employees use tablet devices to browse the web, while 56% are using VOIP and video calls every single day.

65%

of office workers now use a tablet



75%

of people now use a laptop or desktop PC for less than five hours a day

Social isn't skiving

Despite 70% of office employees using instant messaging and 86% of people visiting social networks at work, almost half of employees are choosing to limit their use to less than 1 hour a day.

Businesses must trust their employees to work in a way they find effective, using social media where appropriate without resorting to skiving. 39% of respondents specifically visit social media as part of their job function, with many using these tools for collaborative working and cross-department knowledge sharing.

Smartphones have overtaken laptops as the dominant office tech

How we buy: customer expectations

Technology has become inescapable, and with its continuously improving user experience, our consumer expectations are also increasing. In our 2014 report, more than 98% of people were annoyed or dissatisfied with the current standards of web design. Two years on and consumer standards have grown even more stringent.

77% of our respondents stated that if they struggle

to access a site they will immediately leave. Even worse for businesses, 89% will discuss their negative experiences on social media. Good customer service can help address this issue, but 55% of respondents state that they will not bother asking customer services for help.

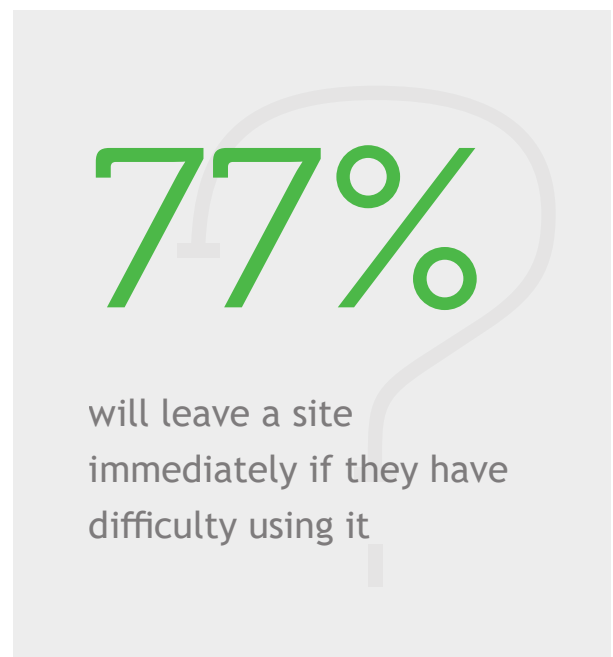
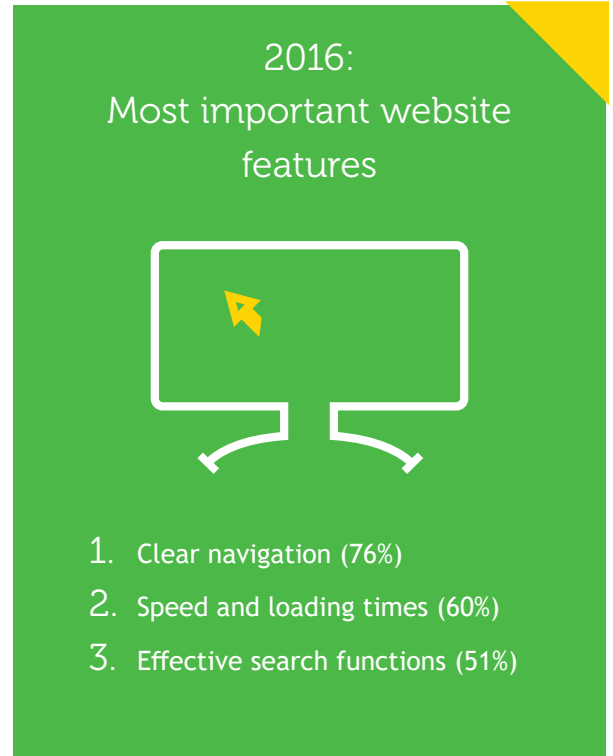
Brands have to get their web experiences right first time - or risk losing customers to the competition.

Good or bad, it will be shared

While 89% of our respondents would spread negative reviews online, 96% would do the same with their positive experiences.

As social sharing becomes an increasingly natural part of

how we interact, consumers grow ever more mature in the way they share information. **Treat your customers well and they will return the favour.**



How we work: employee expectations

Many of us have seen an influx of innovative new communication technologies over the last five years, redefining the way we work. In 2016 to be at work, is not necessarily to be in work. Despite these technologies, the research found many businesses do not have the tools necessary to let employees work in the ways that best suit them.

Almost two thirds (62%) still will not allow staff to work from home, a number that has actually increased since our 2014 report (59%). More than half (51%) of our respondents are not allowed to work flexible hours, with 57% claiming their employer would “not trust them to do a good job” if they worked outside of the office.

Given the variety of flexible working technologies available, and that 41% of employees demand the right to work from home, these figures show a worrying disconnect between current management and the expectations of the Gen C workforce. Gen C are demanding it. The technology is out there. So why aren't businesses embracing it? The answer is not so straightforward; company cultures, perceived budgetary restraints and a lack of unified direction are all playing their part.

Perhaps, as we move towards 2020, and cloud systems enable greater flexibility throughout the workforce, things will begin to change...

62%

of bosses would not let employees work from home

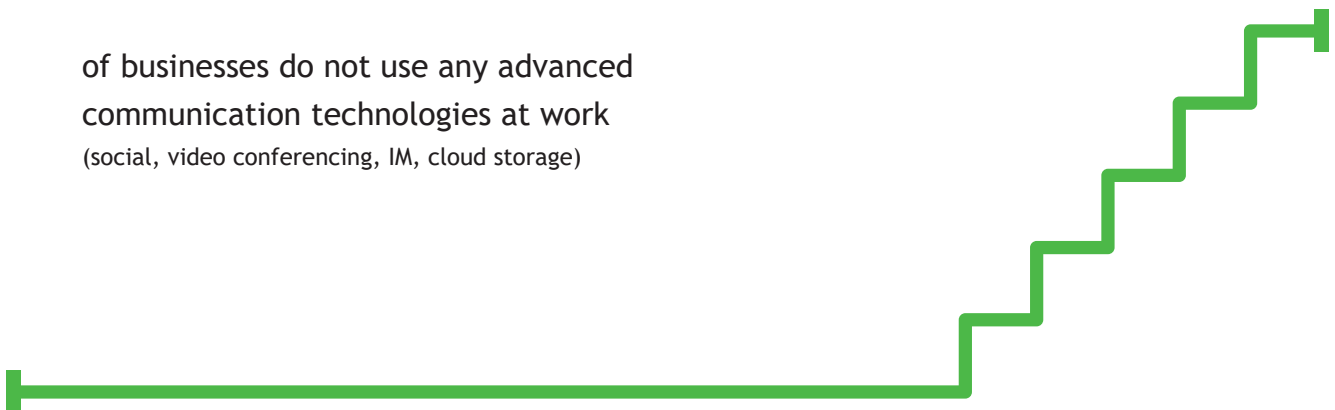
27%

of businesses do not use any advanced communication technologies at work (social, video conferencing, IM, cloud storage)

Nearly

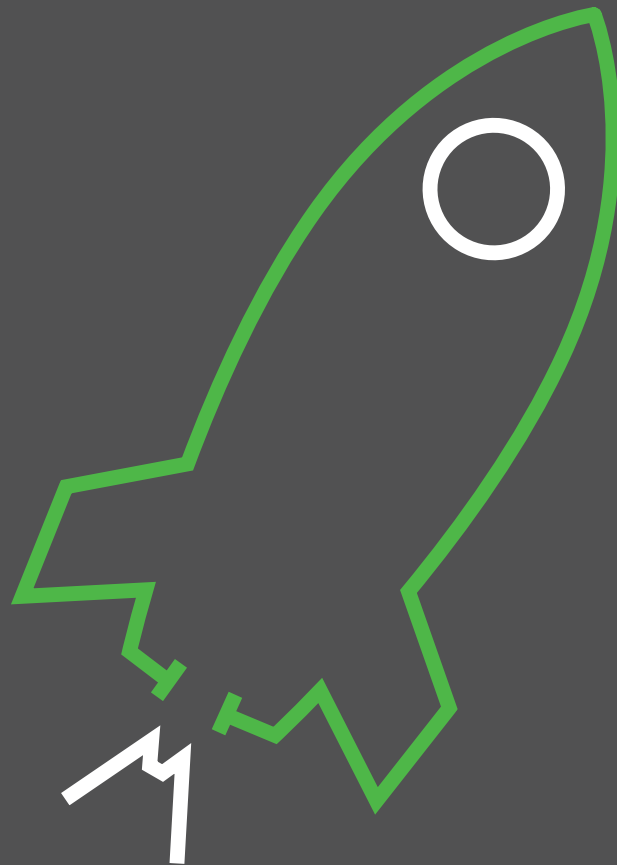
1 in 10

employers consider flexible working to be a form of “skiving”



Looking forward

Future proofing business for 2020



“

Just because a company has an app instead of a storefront doesn't mean consumer protection laws don't apply.

- Eric Schneiderman, New York Attorney General

”

Harnessing innovation: The end of the Wild West Web

We have all heard the Uber and AirBnB stories; how they broke traditional business models and fired the starting pistol on a new evolution of digital disruption.

While this wave of unrestricted innovation led to a great many successes, in 2015 legislators came down hard on companies such as Uber and AirBnB, limiting their disruptiveness and forcing them to take greater responsibility. As New York Attorney General Eric Schneiderman reminds us, “Just because a company has an app instead of a storefront doesn’t mean consumer protection laws don’t apply”.

In an effort to keep up with the unregulated innovators, businesses all over the world “jumped on digital”, regardless of whether or not it suited their wider business approach. Having overloaded themselves in the initial rush, the next five years will see organisations taking

a much more measured approach to digital strategy.

While digital technologies will always have a role to play, the image of the internet as a lawless playground is starting to come to an end. Innovative businesses will still disrupt, but they will do so in a way that ensures customers and employees are treated with respect.



18%

of employees would like to see their employer support more community activities



1 in 5

respondents expect their employer OR organisations to operate in a more transparent and responsible way

Businesses are twice as likely to see technology as a “means to an end” than they were two years ago

The 2020 workplace

In 2014, we examined the fringe psychographic Generation C, a group so tied to technology that they cannot help but feel cut off when unable to communicate online.

As we move towards 2020, Gen C will become the dominant psychographic; employers will need to adapt their workplaces in order to meet the new technological demands.

Unbelievably, 1 in 5 workers do not think their business actively needs to evolve to prepare for these changes. A change in company culture can be daunting for some, but many of those surveyed were clear in their opinions on how their workplace should adapt:

Biggest challenges for the next five years

1. Coordinating change across departments (84%)
2. Budgeting for new technology (81%)
3. Recruiting staff with the right skills (80%)

What technology will we see in the office of 2020?



54% IoT
37% Wearables

33% 3D printing
14% Robots

91%

of employees believe that - in their current form - their employer would not remain competitive in 2020

50%

believe that their employer must invest in new IT equipment to remain competitive



33%

would like their employer to introduce a more user-friendly website

27%

would like more environmentally-friendly technology introduced

25%

expect their offices to go paperless by 2020

The 2020 employee

With employees embracing the motives and attitudes of Generation C, the workforce of 2020 will be hardworking, self-motivated and increasingly flexible in working styles. That means employers need to be equally flexible in the way they treat their staff.

Having long-since moved on from the age of one-way communication, attempts to advocate set working styles and top-down controls will merely limit workforce motivation.

The 2020 employee will demand constant challenges and long-term goals - how

they choose to achieve these goals however, should never be prescribed. Instead, they will need the flexibility to do their job in a way that suits their lifestyle.

As technology becomes more intuitive and tasks become increasingly automated, employees will be able to devote more time to strategic thinking and generating new ideas. As a result, 81% believe that the complexity of their jobs will increase, as more simplistic day-to-day tasks become automated.

Employee expectations for 2020



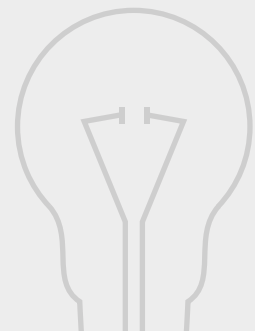
- 41%** want work from home
- 39%** demand flexible hours
- 29%** would like a virtual office

81%

believe the complexity of their jobs will increase in 2020

61%

expect their jobs to become more automated by 2020



In spite of the impact of new technology 75% of employees believe their workload will increase in 2020

2020 tech

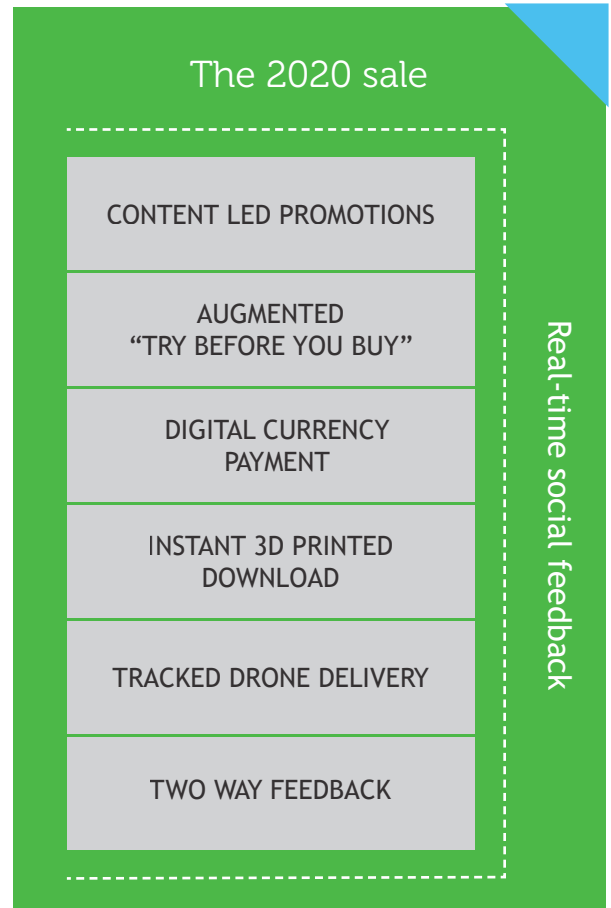
According to UK employees, the top priority for businesses ahead of 2020 is to encourage universal support for all mobile tech - the phone won't be enough.

While this would largely be aimed at improving employee communication and productivity, it would also support better customer experiences, with contactless mobile payment predicted to become the principal payment method by 2020.

One in five of our respondents would also expect to see digital payment methods such as Bitcoin introduced into the mainstream purchasing process over the next five years.

It's not just the payment process that is set to change. New technologies will also revolutionise the way consumers purchase products and interact with brands. 16% of our respondents believe that 3D printed "product downloads" will be possible by 2020, while 15% would like to see augmented reality incorporated into the buyer journey such as a digital "try before you buy" service.

Social media is also considered an increasingly vital part of the purchasing process, with many respondents wanting to provide open feedback at every stage of the sales cycle.



The 2020 **customer**: ubiquitous Gen C

By 2020 Generation C will have become the dominant psychographic amongst customers and the workforce. Their expectations and eccentricities will have become the new norm, placing higher demands on businesses to keep up with the latest trends.

In order to meet these demands, the things that most annoy Gen C (slow loading times, poor UX and old fashioned IT), should be eliminated from the buying process.

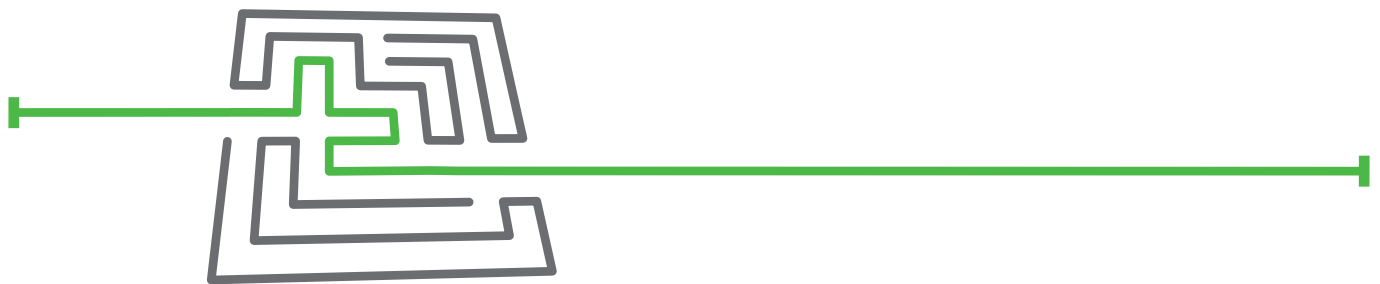
Personalisation will continue to be key. As automation and mass production become

increasingly commonplace, customers will look for new ways to inject variation into both their products and their experiences.

In this sense, “owning” a unique experience will be seen as a way to take back control. By offering customised products,

businesses will be able to fulfil this need, while also boosting sales through a more targeted marketing approach.

Technology will create the demand, and big data will drive the solution.



As the costs of production and distribution fall, especially online, there is now less need to lump products and consumers into one-size-fits-all containers.

David Meerman Scott,
online marketing strategist

This is a time for augmented engagement strategies to cater to different types of customers differently not only based on behavior, but also based on their expectations, needs, and also the platform they use to connect.

Brian Solis,
The end of business as usual

Taking a Human-to-Human approach

In the early 2000s, banner ads and pop ups were generally considered part and parcel of the online experience. As consumers grew more tech-savvy however, online ads were widely seen as an annoyance, breaking up the flow of content and weakening customer experiences. As we move toward 2020, this is truer than ever before, with 62% of Gen C customers ranking adverts as one of their top five biggest frustrations online.

To address this, businesses initially turned to content marketing as a solution, offering genuinely useful content as an alternative to paid ads. Now however, we are reaching a point of content saturation. By 2020, we predict consumers will have grown tired of content marketing, forcing businesses to look for a new way to communicate.

Rather than dealing with “content” or “brands”, consumers will expect to talk with businesses on a more natural human level. Marketers must relate to their customers’ needs and help fulfil them on a genuine level.


As consumers grow more comfortable engaging in a purely digital space, the definition of online “relationships” will expand. Customers will expect to talk to brands in a more naturalistic way, with new technologies enabling greater human interaction.

This is a shift which social media advisor Bryan Kramer has referred to as not B2B or B2C, but rather H2H - Human to Human.



62%

of Gen C customers rank pop ups and adverts in their five biggest annoyances



*The fact is that businesses do not have emotion.
Products do not have emotion. Humans do.
Humans want to feel something.
And humans make mistakes.*

Bryan Kramer, 2014

Five ways to future proof your business for 2020

Deliver the virtual

1

By 2020 we predict that flexible working will become the new norm, with the vast majority of the workforce located across different regions and communicating almost exclusively through mobile, video, email and instant messaging. As the technology evolves, this will also lead to an influx of virtual offices, with companies shifting away from the physical in favour of the digital space. Businesses need to own this shift and develop a strategy that truly works for them. Those that continue to associate working from home with “skiving” will quickly find themselves falling behind.

Transform together

2

84% of our respondents believed that cross-department co-ordination will be the biggest barrier to transformation ahead of 2020. With this in mind, businesses must address this issue today to prepare for the future. While it is important for employers

not to stifle their employees at a day-to-day level, IT departments continue to play a vital role in the co-ordination and rollout of new technologies. Technology will never be effectively implemented in silos. Listen to each department, devise a strategy that works for everyone, and then - when everything else is in place - decide on the necessary tech.

Serve for mobile: people and technology

3

With smartphones finally overtaking laptops as the dominant communication device, businesses should be taking the time to develop their mobile offering now. From contactless payment to BYOD, organisations must ensure that both their internal and external touch points are secure, supported, and ready for the mobile age. As such, the latest mobile technologies should not just be supported, they should be ingrained as part of a business’ core strategy.

Streamline your tech

4

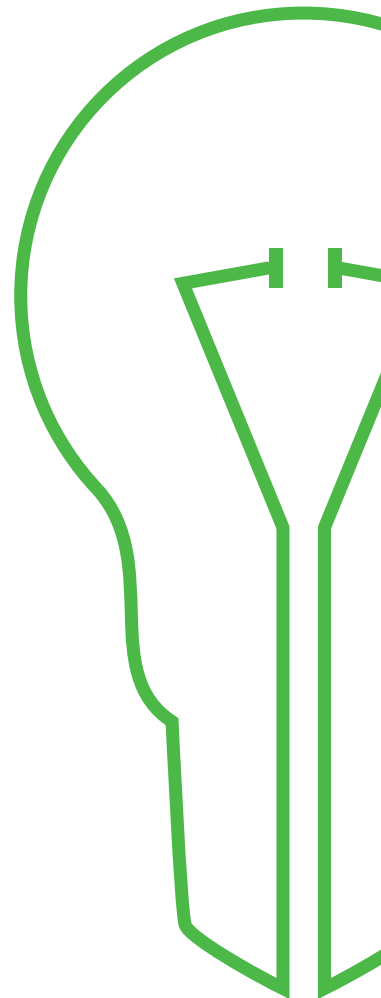
With 50% of office workers demanding new IT equipment and 33% believing that their websites are out of date, there is clearly a long way to go before businesses are ready for the tech-driven demands of the 2020 employee. To address this issue, organisations need to do more than just invest in the latest technology. They must first understand what it is that they need to achieve, and how new technology will help them to arrive at this point. Businesses need to do more than just jump on the latest trends; they must remove unnecessary clutter and work to a fully-formed strategic technology plan.

Innovate with intelligence

5

When looking to innovate, the volume of information and data available within existing systems and externally can help businesses make informed decisions. In the age of cloud computing, businesses can

test innovative new ideas on a small and relatively inexpensive scale. If successful, these solutions can then be easily scaled up for a full company-wide roll out. This is providing a great, low-cost way to develop successful new ways of working. It’s a process of continuous improvement. Plan your strategy, build your approach, and then analyse, feedback and repeat.



Who is Infomentum?

Infomentum enables organisations to evolve successfully through digital transformation. We're here to help you achieve the innovation, cultural change and improved digital user experience you need to maintain your business momentum. Drawing on our deep business understanding, we use technology as an enabler to improve efficiency and performance to optimise the way your people and

information connect. From initial planning to final implementation and beyond, we can bridge the gap between technical understanding and business strategy. **We're experts at making change work.**

Want to hear more about us and what we do? Get in touch:

www.infomentum.com

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