

BENCHMARK SERIES

4 big digital bets for 2024.

Where digital execs are allocating resources to boost ROI in 2024.



One

Gen AI: Finding the untapped value.

With numerous options and upcoming regulations, 2024 will define where brands maximize AI ROI.

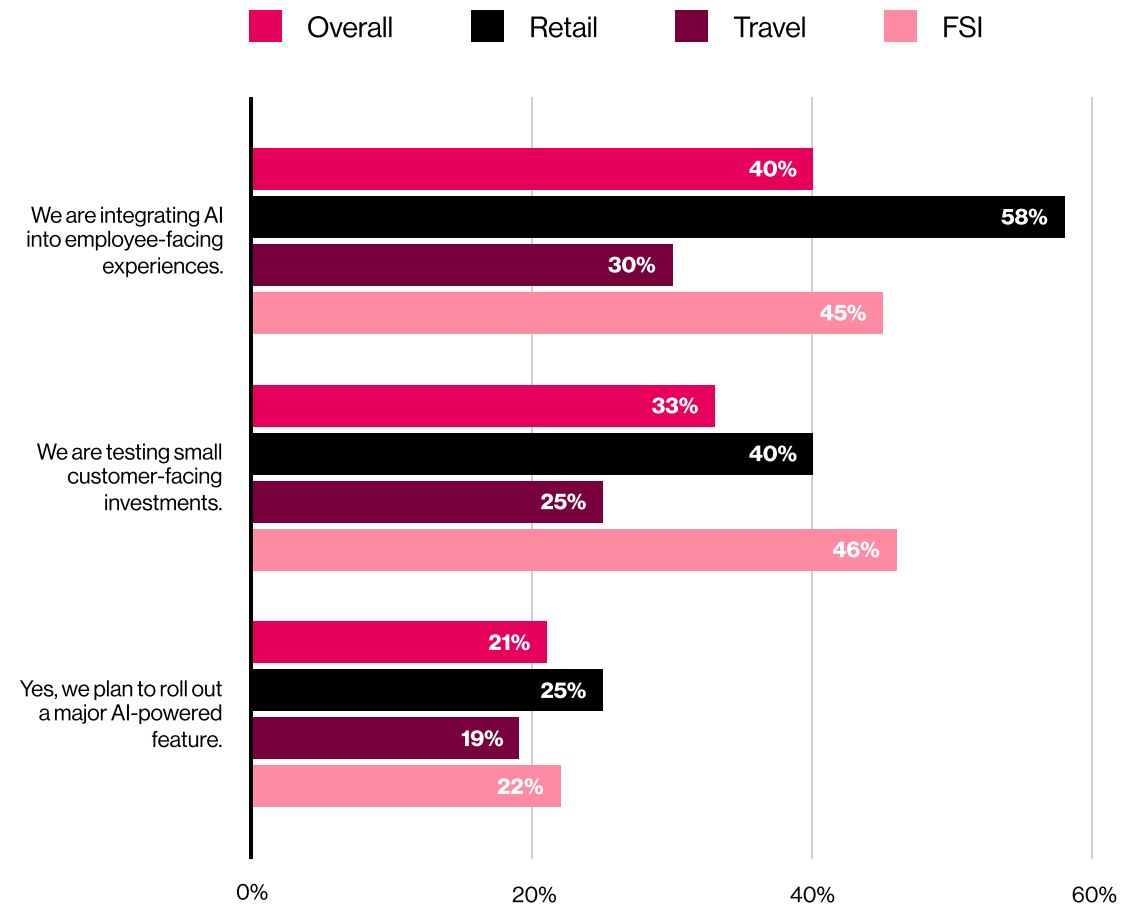
59%

are overwhelmed by the number of Gen AI tools available today.

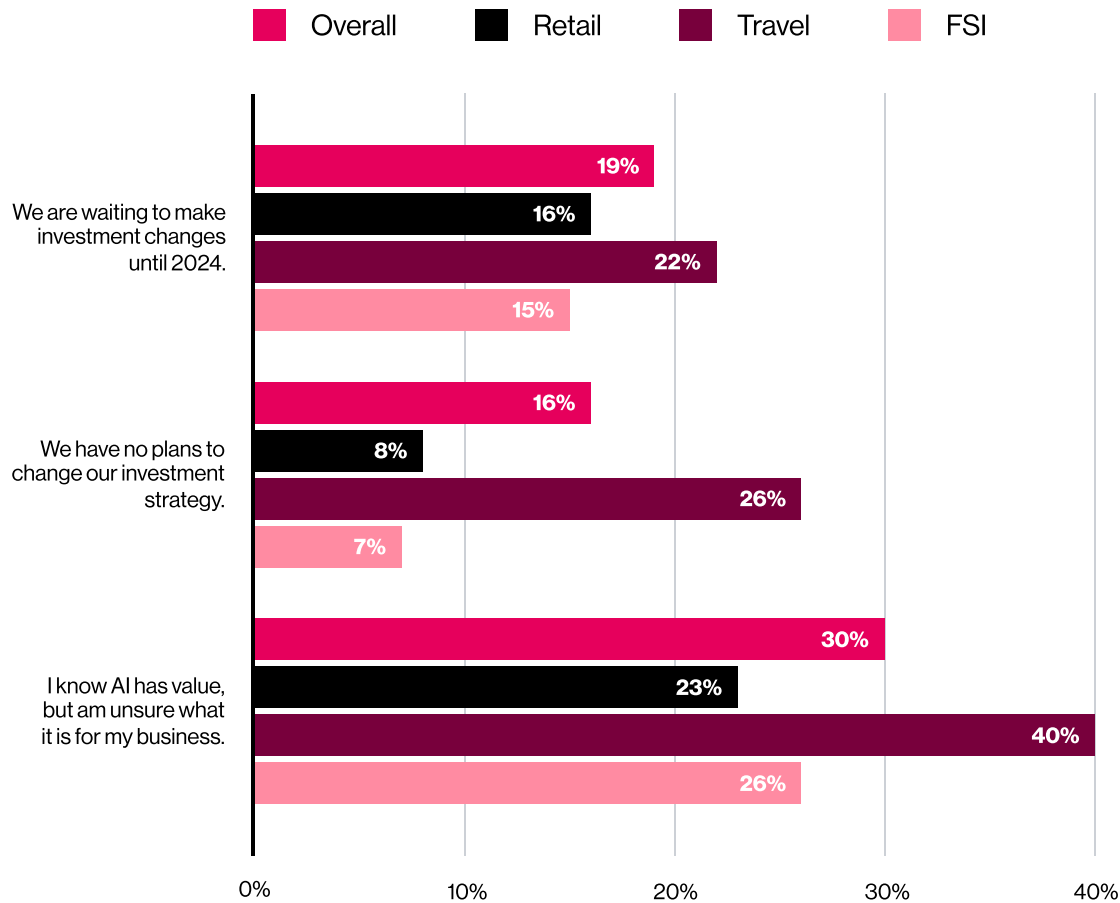
Some brands are dipping their toes in Gen AI and seeing early value.

- **40%** are integrating Gen AI into employee-facing experiences.
- **33%** are testing small customer-facing investments and watching the response.

IS YOUR COMPANY CURRENTLY INVESTING OR PLANNING TO INVEST IN GEN AI?



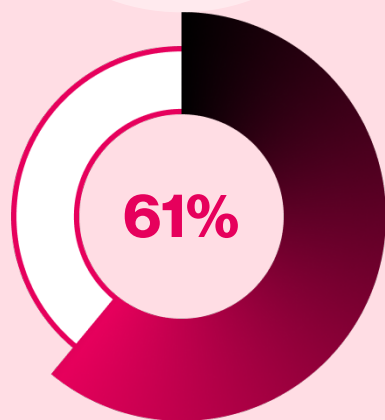
IS YOUR COMPANY CURRENTLY INVESTING OR PLANNING TO INVEST IN GEN AI?



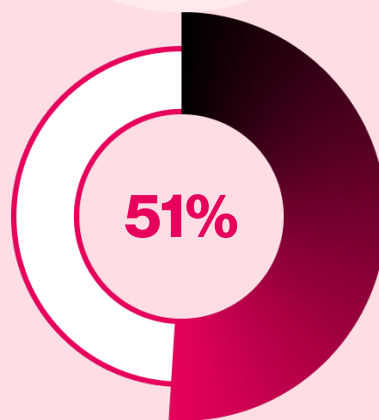
While others are more hesitant and unsure of its value.

- **35%** are either waiting or haven't made any plans for AI.
- **34%** know AI has value, but aren't sure how to harness it for their business.

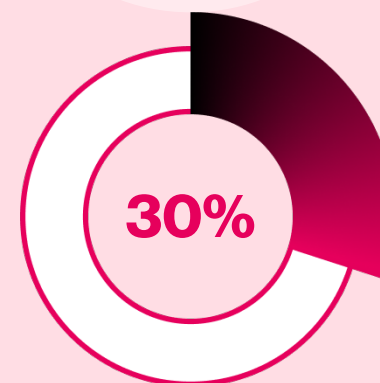
What leaders agree on? AI regulation is coming.



anticipate new AI reg to impact their investments.



say new regulations will make investments more complex.



worry they don't have the right visibility to meet new regulations.

TWO

Mobile: Milking the cash cow.

2024 will be about maximizing native app engagement through social and physical channels.

73%

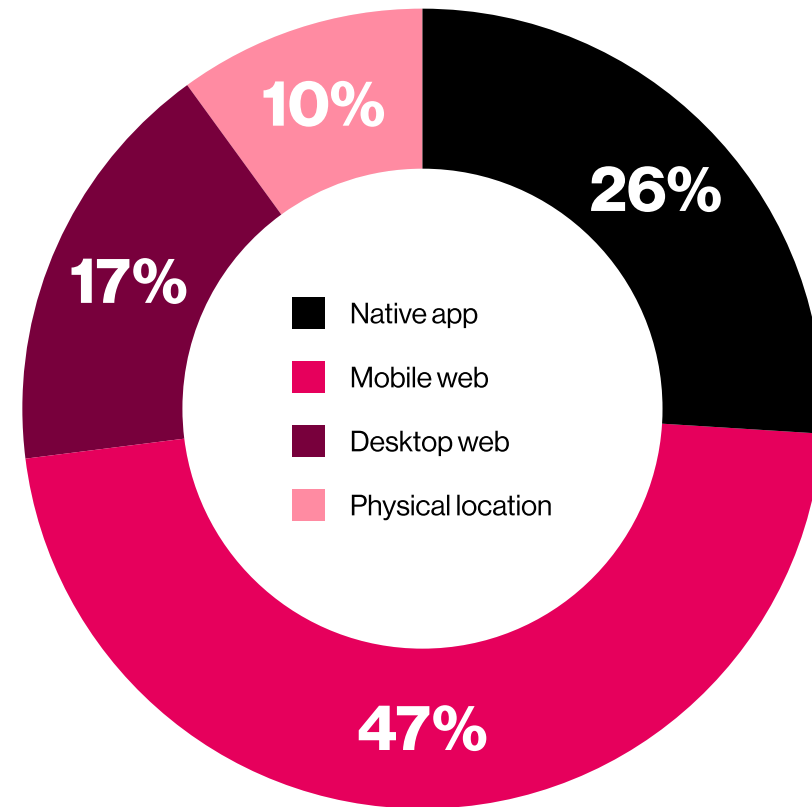
say mobile is the primary way customers engage with their brand.

Mobile is now at the heart of the digital experience.

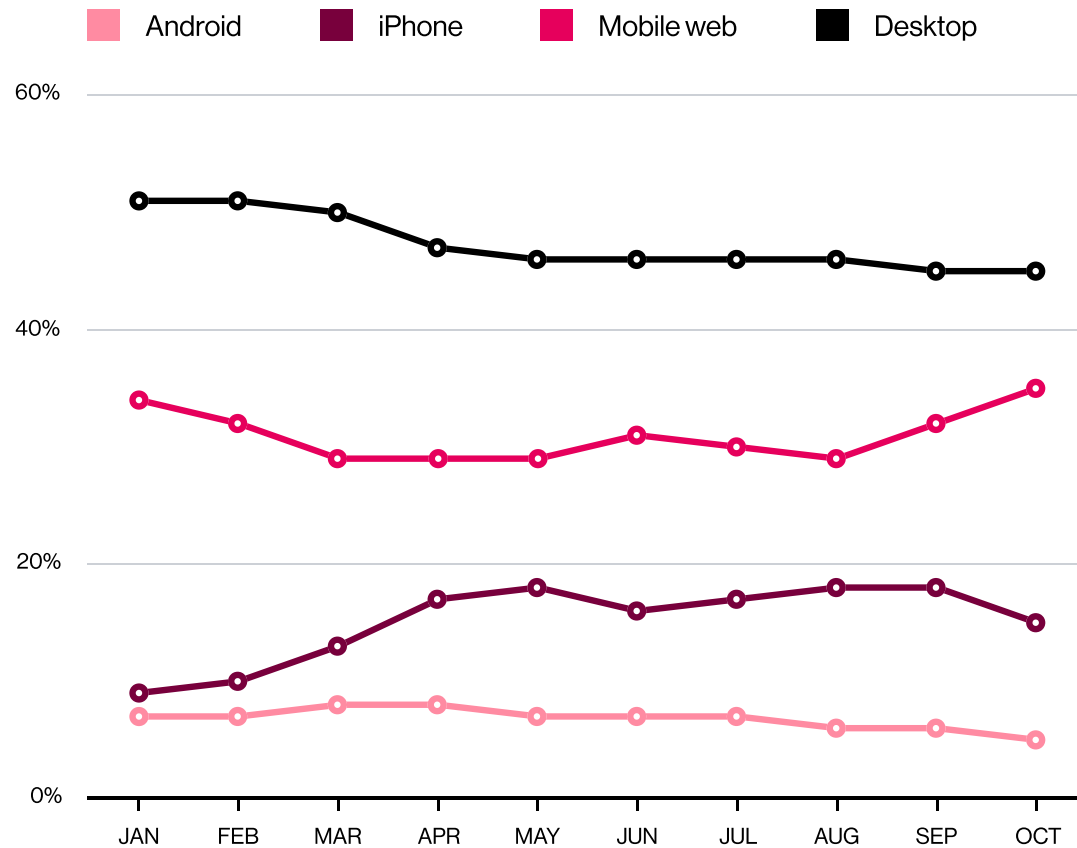
Mobile web still leads consumer engagement.

- **47%** say mobile web is the primary way customers engage.
- **26%** say native apps are the primary way customers engage.

WHAT IS THE PRIMARY WAY CUSTOMERS ENGAGE WITH YOUR BRAND?



2023 MOBILE CONVERSION RATE, BY TYPE.



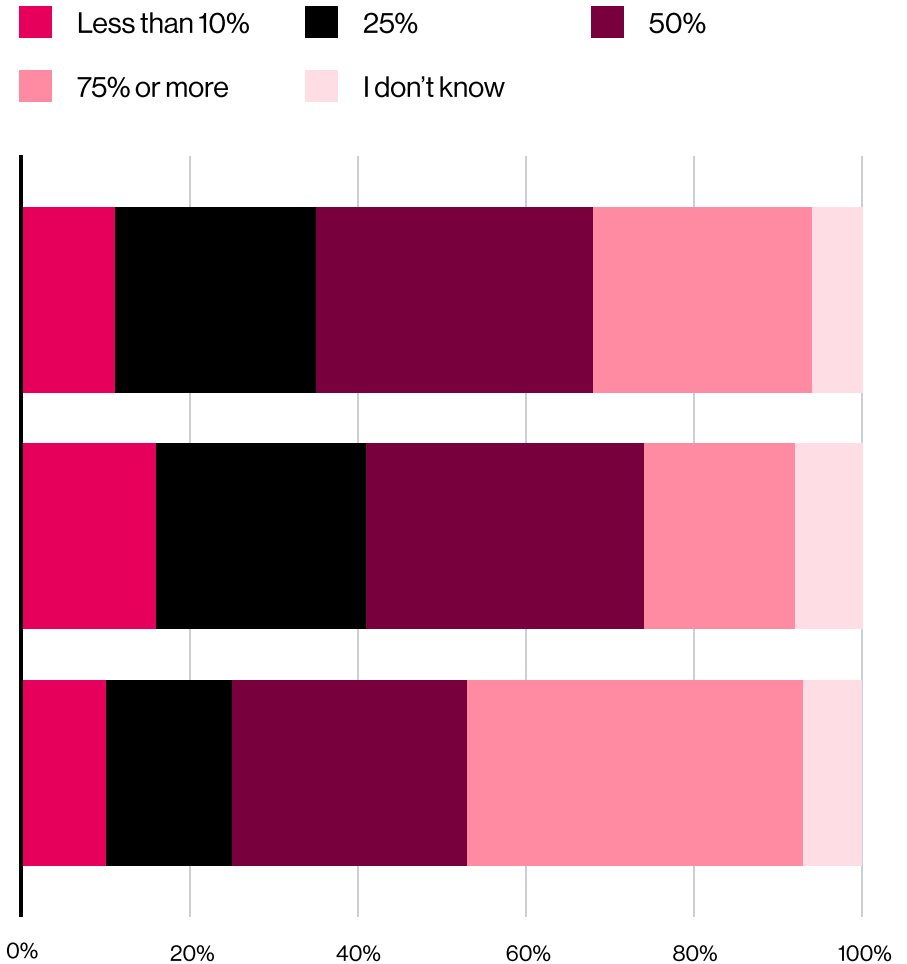
But, native apps aren't far behind.

- Mobile web today still makes up **35%** of sales.
- Apps on both Android and iOS make up **20%** of sales today.

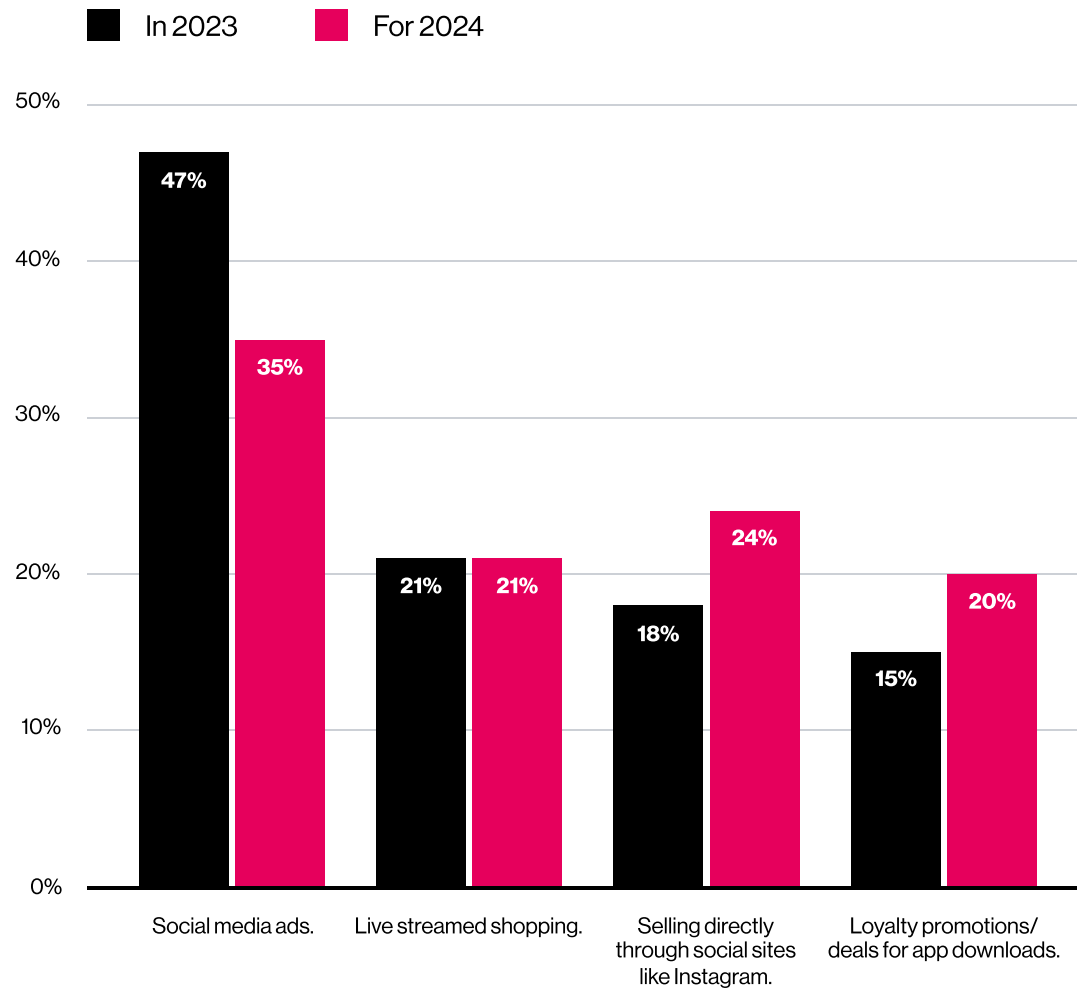
Be it web or app, 63% consider mobile part of their physical customer journey.

- **59%** say digital channels drive more than half of their physical traffic and business.
- **40%** believe that digital will drive almost all business to physical locations by next year.

WHAT PERCENTAGE OF PHYSICAL STORE SALES WAS DRIVEN BY DIGITAL?



WHICH OF THE FOLLOWING HAS HELPED / WILL HELP DRIVE MOBILE CONVERSIONS?

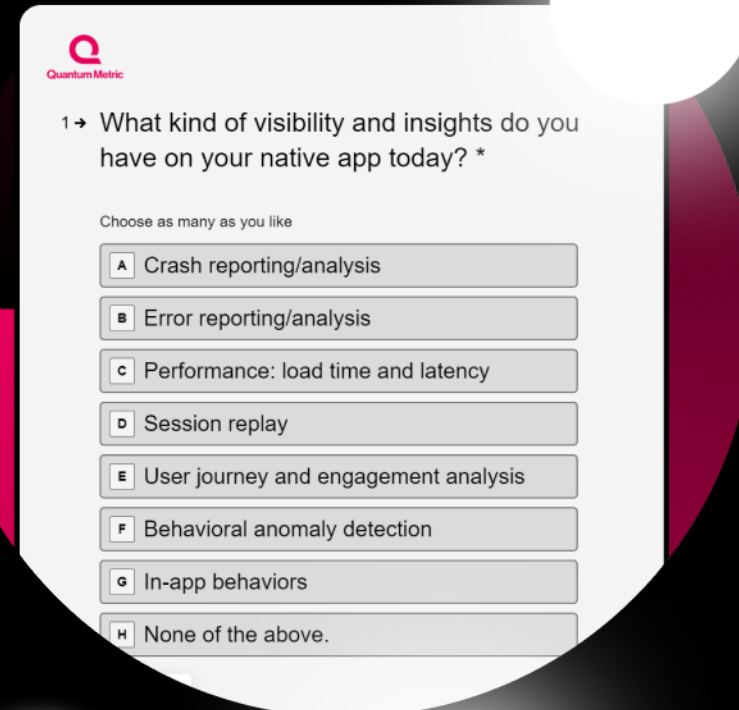


And social media is driving adoption.

- **48%** say social media ads have grown mobile traffic and conversions in the last year.
- **20%** say live shopping is driving mobile traffic and conversions.
- **38%** say social media will drive mobile adoption in 2024.

Despite growing adoption, 41% don't have a clear understanding of how customers use their native app.

How does your mobile visibility compare to other digital brands? Take [our quiz](#) to find out your native app visibility score.

A screenshot of a quiz question from Quantum Metric. The question asks for visibility and insights on a native app. It includes a list of eight options (A-H) that can be selected as many as the user likes. The options are: A. Crash reporting/analysis, B. Error reporting/analysis, C. Performance: load time and latency, D. Session replay, E. User journey and engagement analysis, F. Behavioral anomaly detection, G. In-app behaviors, and H. None of the above. The Quantum Metric logo is visible in the top left corner of the screenshot.

Quantum Metric

1 → What kind of visibility and insights do you have on your native app today? *

Choose as many as you like

- A Crash reporting/analysis
- B Error reporting/analysis
- C Performance: load time and latency
- D Session replay
- E User journey and engagement analysis
- F Behavioral anomaly detection
- G In-app behaviors
- H None of the above.

Three

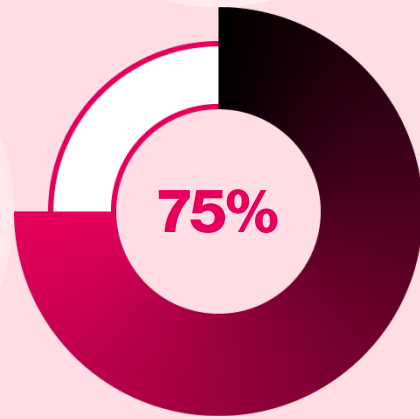
Digital employee experience: Top of mind for bottom lines.

As staffing grows, closing gaps in the digital employee experience will be critical to driving revenue.

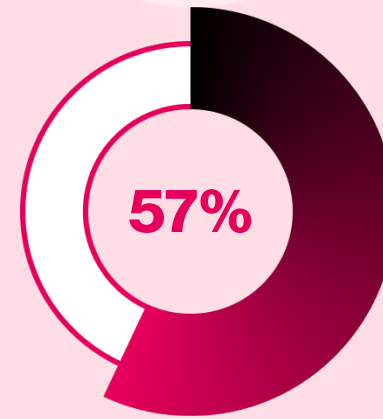
1 in 4

say gaps in the employee experience have hurt business growth.

Staffing levels are on the rise.



of digital leaders expect to increase team hiring.

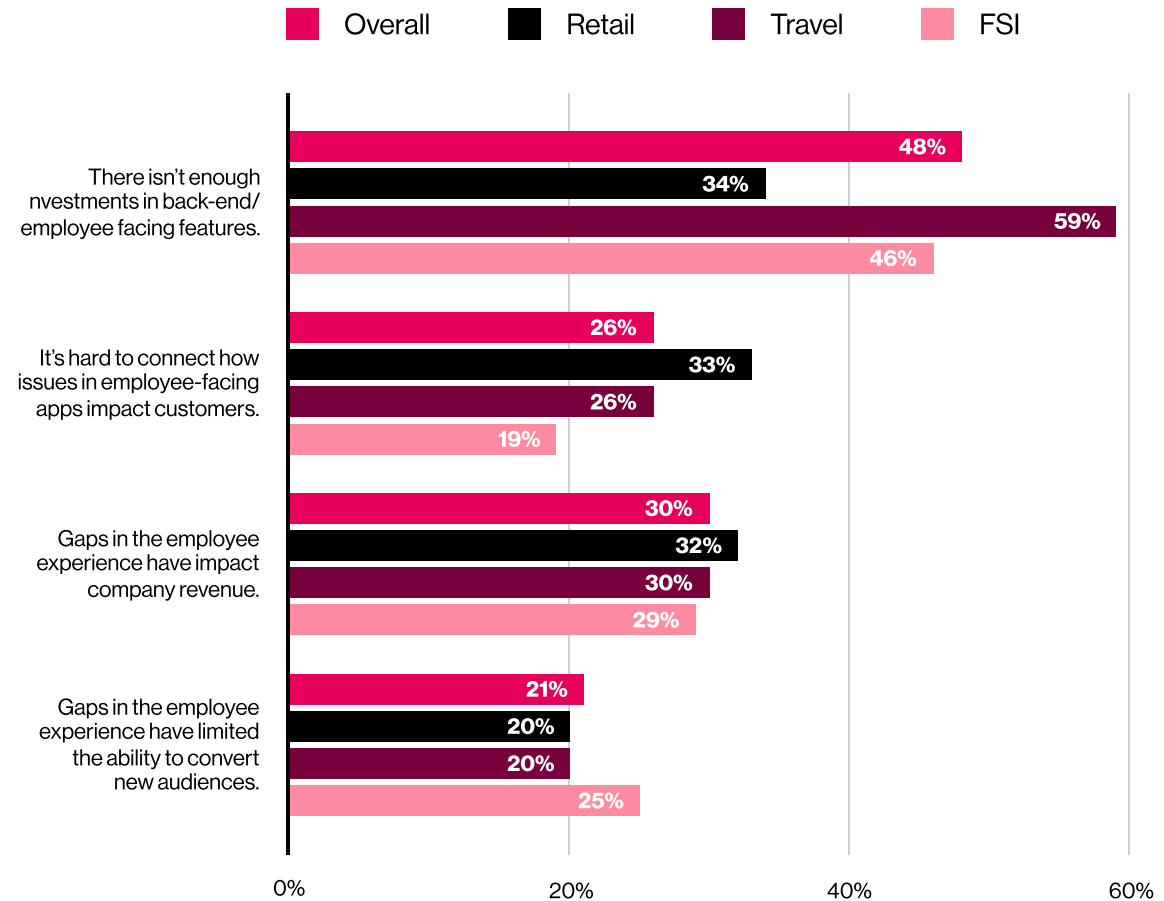


expect increases for customer-facing teams (e.g. call center, gate agents, store associates, etc.).

As staffing grows, current gaps in digital employee experience could hurt digital business growth.

- **48%** of digital leaders say there isn't enough prioritization on backend tools to support the digital employee experience.
- **24%** say digital employee experience issues have limited the ability to build long-term customer loyalty.
- **30%** say gaps in the digital employee experience have impacted company revenue.

WHICH OF THE FOLLOWING STATEMENTS ALIGN WITH CURRENT CHALLENGES IN YOUR EMPLOYEE APPS OR SUPPORT SOFTWARE?



Four

Personalization vs. loyalty: diverging investments.

As personalization becomes table stakes, loyalty programs prioritize upsells going into 2024.

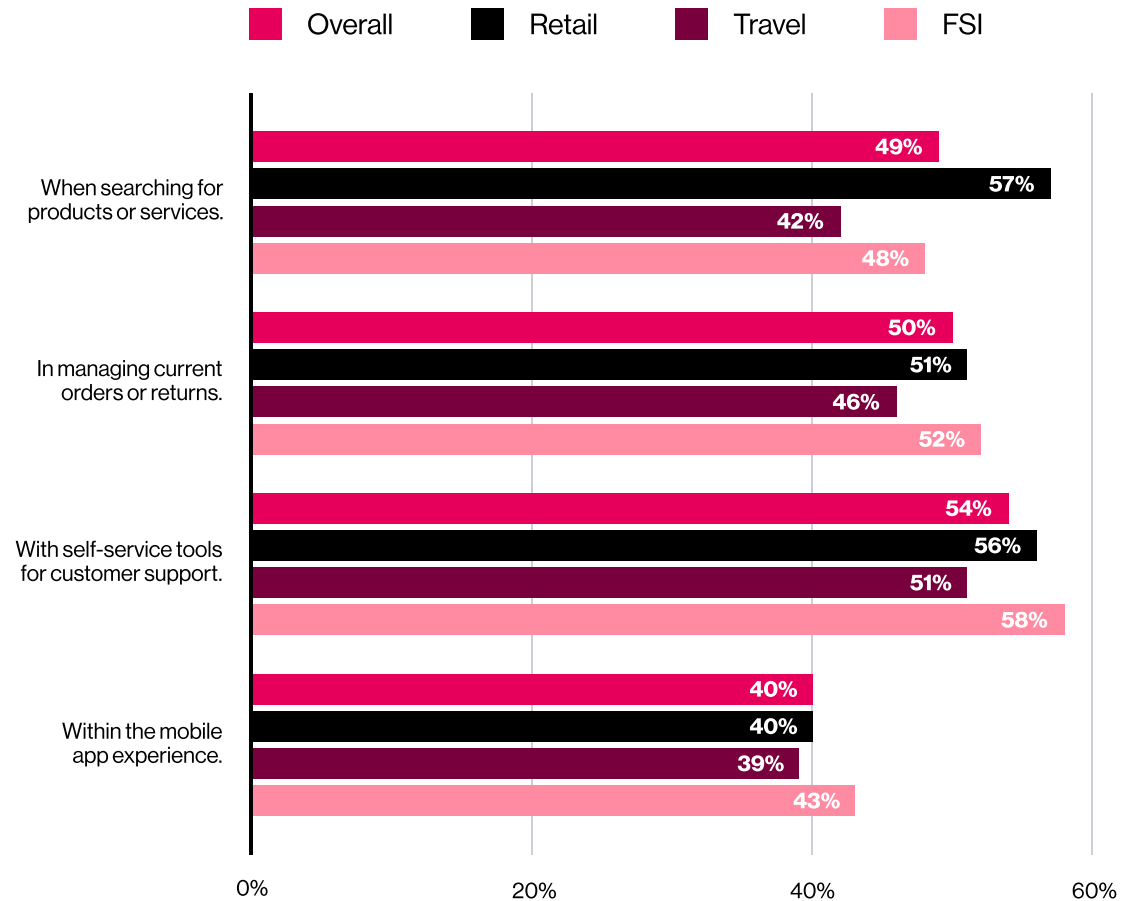
41%

say customers expect personalization at every point in their digital journey.

Personalization is now an assumed part of the digital experience.

- **49%** say customers want personalization when searching for products or services.
- **50%** say customers want personalization when managing current orders or returns.
- **54%** say customers want personalization with self-service tools.

WHERE DO YOUR CUSTOMERS PRIMARILY EXPECT AND/OR DEMAND A MORE PERSONALIZED DIGITAL EXPERIENCE?



Optimize digital experiences for payoff.

With a greater understanding of how to personalize their experiences, Quantum Metric customers, have seen over the last year:

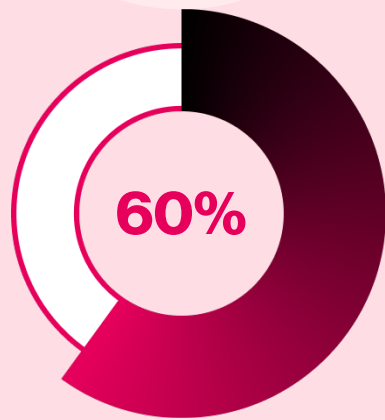
Weekly conversion rates rise

5%

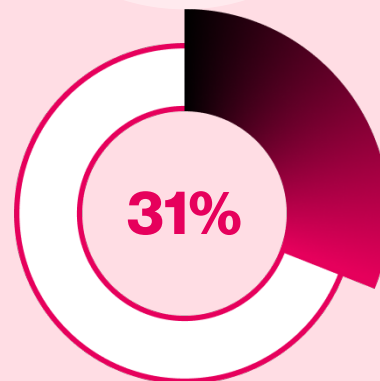
Average order values (AOV) grow

20%

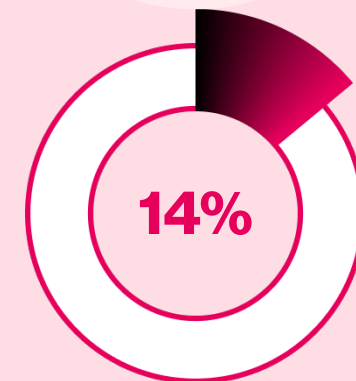
Loyalty programs are evolving from retention to upsells.



will offer new services, including new subscription options in 2024.



say the primary goal of a loyalty program is to engage the most loyal customers in these new offerings.



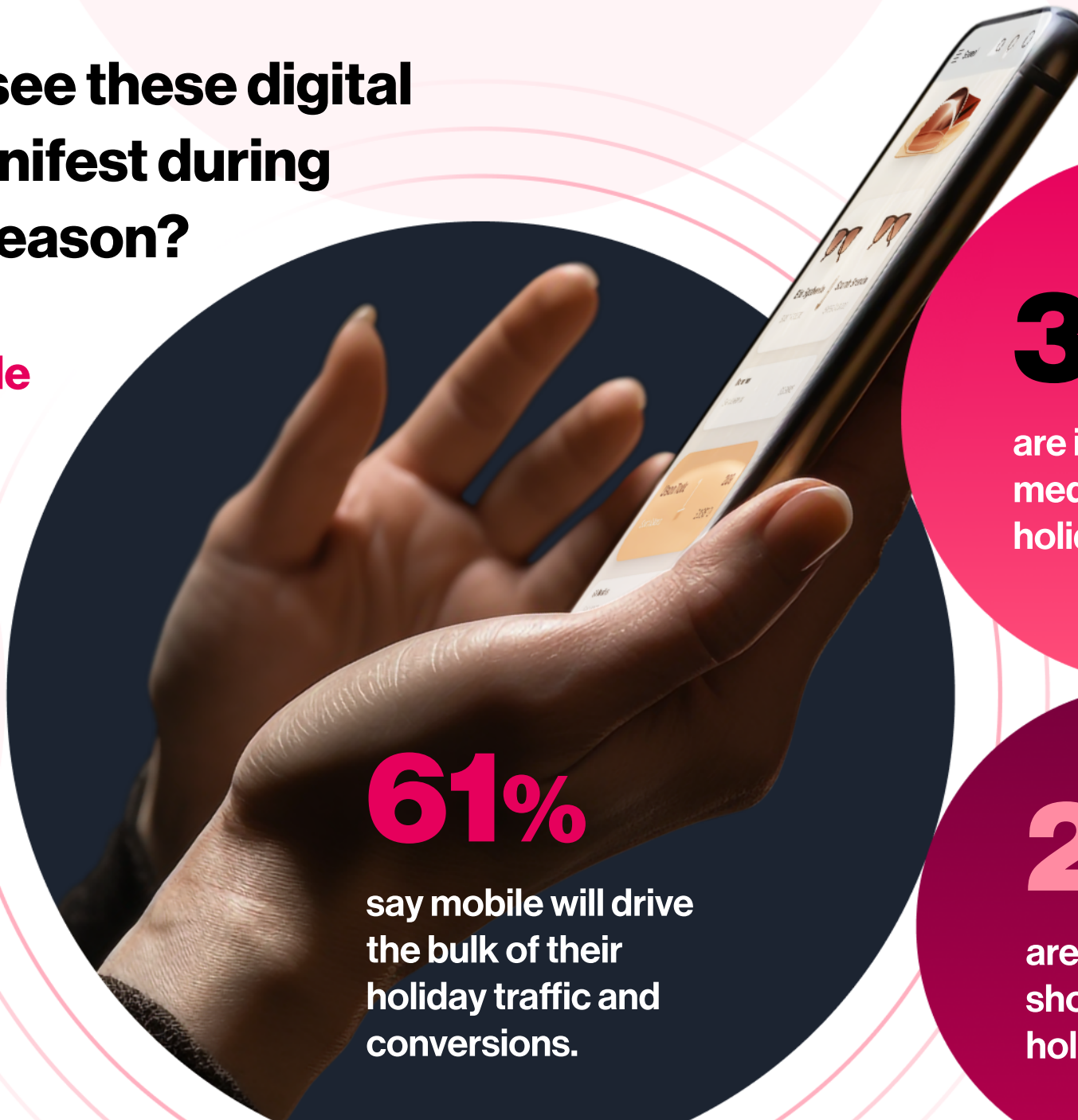
say the primary goal of a loyalty program is to retain customers.

Bonus

A look at the holidays.

How will we see these digital priorities manifest during the holiday season?

Social and mobile will drive sales.



30%

are investing in social media ads for the holidays.

61%

say mobile will drive the bulk of their holiday traffic and conversions.

27%

are investing in live shopping for the holidays.

Personalization will be critical to success.

41%

expect just **25%** of sales to come from loyalty incentives.



49%

expect **more than half** to come from personalized sales/deals.

Investments in employee experience will become a bigger differentiator.

27% say their employee tools aren't optimized for the holiday season.



23%

in retail agree.



33%

in travel agree.



23%

in financial services agree.

Our methodology.

Insights are a result of survey responses from 1200 digital leaders at the VP level or above, split evenly between the US and UK, and aggregated data from the Quantum Metric platform.

Craving more insights?





About Quantum Metric.

As the pioneer in Continuous Product Design, Quantum Metric helps organizations put customers at the heart of everything they do. The Quantum Metric platform provides a guided approach to understanding the digital customer journey, enabling organizations to recognize customer needs, quantify the financial impact and prioritize based on the impact to the customer and business' bottom line. Today, Quantum Metric captures insights from 40% of the world's internet users, supporting globally recognized brands across industries including retail, travel, financial services and telecommunications.

For more information about Quantum Metric, visit quantummetric.com