



CUSTOMER CARE 2025

All Digital and DIY: How Millennials and Generation Z Push the Boundaries of the Customer Experience As We Know It

CUSTOMER CARE 2025

What You Will Learn in This eBook



1. How the **generational shift** to Millennials and Generation Z fundamentally changes customers' expectations in customer care



2. How conventional customer service channels merge into an **all-digital and DIY-centric** customer care ecosystem



3. How Artificial Intelligence, Augmented Reality and other **disruptive technologies** transform the customer journey



4. How consumer electronics companies can prepare their **after-sales delivery model** for Customer Care 2025



5 Key Messages for Quick Readers

1. Millennials and Generation Z will soon be the dominant customer generation, representing a **multi-billion business opportunity** for consumer electronics companies around the world.

2. Customer experience expectations will fundamentally change with the rise of these younger generations:

Conventional service channels such as call centers and walk-in service centers that have been in use for decades, will become gradually redundant.

3. Millennials and Generation Z are the **DIY generation** and they love to solve problems on their own in the first place.

Digital support channels will become the new norm, virtualized customer care ecosystem that function **24/7/365** the new standard in after-sales service.

4. Today's consumer electronics industry functions based on **after-sales strategies, concepts and processes** that will soon be outdated. The good news: **Digitalization happens everywhere** – and it provides the technologies and tools needed for a successful after-sales transformation.

5. Innovative consumer electronics companies make use of new concepts and technologies to radically **transform the customer care process** – end to end, on all levels in order to keep up with the changing **wants and needs of future customer generations**.



Welcome to Customer Care 2025!

Dear readers,

The future of customer care is certainly a topic dear to our hearts. Being a customer care solution provider to some of the most valuable brands in the world forces us to never settle and continuously deal with and shape our solutions to meet changing customer service demands. As the hardware and software of products continuously evolves, so do end-users' expectations, demands and needs. We need to invest time to actually understand what moves customers in tomorrow's world.

We know from numerous discussions with our clients and trusted partners across the globe that the industry is experiencing what is probably the biggest transition phase in its history. Disruptive technologies such as Artificial Intelligence and the Internet of Things

are rapidly accelerating the pace of innovation. At the same time, customer expectations are growing – an excellent product ownership experience is becoming the core mission that ultimately determines success or failure. In addition, the upcoming group of Millennials and Generation Z is regarded as one of the most significant and demanding customer generations ever.

We surveyed more than 1,700 Millennials and Gen Zers in China, Germany, India, Indonesia, Mexico and the United States in an exclusive online study. We also spoke to many of them personally in order to better understand their goals and ideas. Before the study, we already knew that the more we integrate technology into our everyday

lives, the greater the importance of customer care. After all, fast help is needed when consumer electronics devices don't function as they ought.

Nevertheless, we were surprised by how important Millennials and Gen Zers consider customer care to be. 84 percent would even give up their favorite brand if another company offered them better, more personalized service experiences. The message for consumer electronics companies is crystal clear: if you don't meet the customer experience expectations of future generations, you risk losing market share, revenue and profit.

We invite you to be inspired – thank you for your interest in our study!



Sebastian Bott

Head of Service Portfolio Management





01 — MILLENNIALS AND GEN Z

Generational Shift in Full Swing

The generational shift is in full swing and it will fundamentally change customer experience expectations. Millennials and Gen Zers are by far the largest generations of history and they will soon dominate global economic activity. By 2025, Millennials alone will comprise three-quarters of the global workforce. Their combined spending power is estimated to be \$3.39 trillion in 2018.

With the rise of Millennials and Generation Z, business and society approach a digital inflection point. Unlike previous baby boomers and Gen Xers, the younger generations much prefer to handle challenges on their own and online – from solving simple problems to DIY repairs. “Generation Y Has Become Generation DIY,” titled the Millennial Marketing blog. DIY is considered as an expression of maximum individuality and freedom.

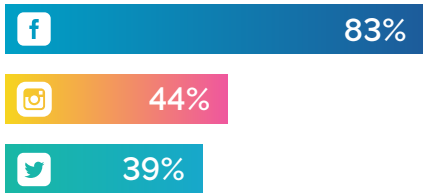
MILLENNIALS

Born between 1980s and the late 1990s

Characteristics

- Flexible
- Adaptive
- Open minded

Top Social Channels



Technology Preferences

- The smaller, the better
- On average 3 devices: smartphone, tablet, laptop
- 23% use a virtual assistant regularly, 48% are getting started or are interested



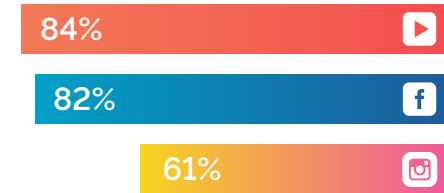
GENERATION Z

Born between the late 1990s and today

Characteristics

- Confident
- Demanding
- Always wired

Top Social Channels



Technology Preferences

- The more, the better
- On average 5 devices: smartphone, TV, tablet, laptop and desktop
- 31% use a virtual assistant regularly, 53% are getting started or are interested

Customer Care at the Digital Inflection Point

Fueled by digital transformation and multiple new communication channels, the need for conventional customer care based on personal interaction is shrinking in the Millennial generation and even more for Gen Zers: Only **17 percent** of Generation Z use a telephone at work, whereas this figure is **50 percent** for Millennials.

Gartner expects that only 10 percent of all interactions between customers and companies will be done over the phone by 2020. **71 percent** want to solve their problems themselves. This is how we have reached the digital inflection point: The demand for digital self-help services is accelerating, while the importance of conventional call centers for handling simple requests is declining.

Customer Care 2025 — Exclusive Global Study by B2X



Number of Participants: **1,704**

Thereof Smartphone Owners: **100%**

Age: Up to 30 Years

Countries: China, Germany, India, Indonesia, Mexico, US

Methodology: Global Online Survey
Survey Period: October 2018

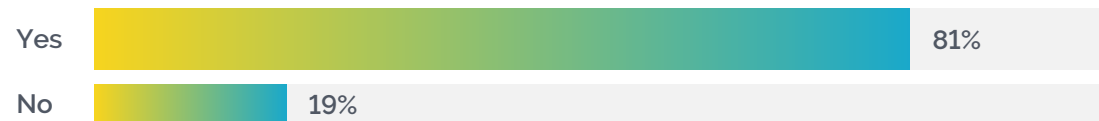
Rising Demand for High-Quality Customer Care Experiences

Customer care organizations are facing the challenge of integrating Millennial and Generation Z compatible offerings into their customer care strategy. To use [chatbots](#) as an example, lots of companies have learned the hard way that quick solutions do not exist. Automated, rigid dialogs may be suitable for answering simple customer requests, but they rarely solve complex problems.

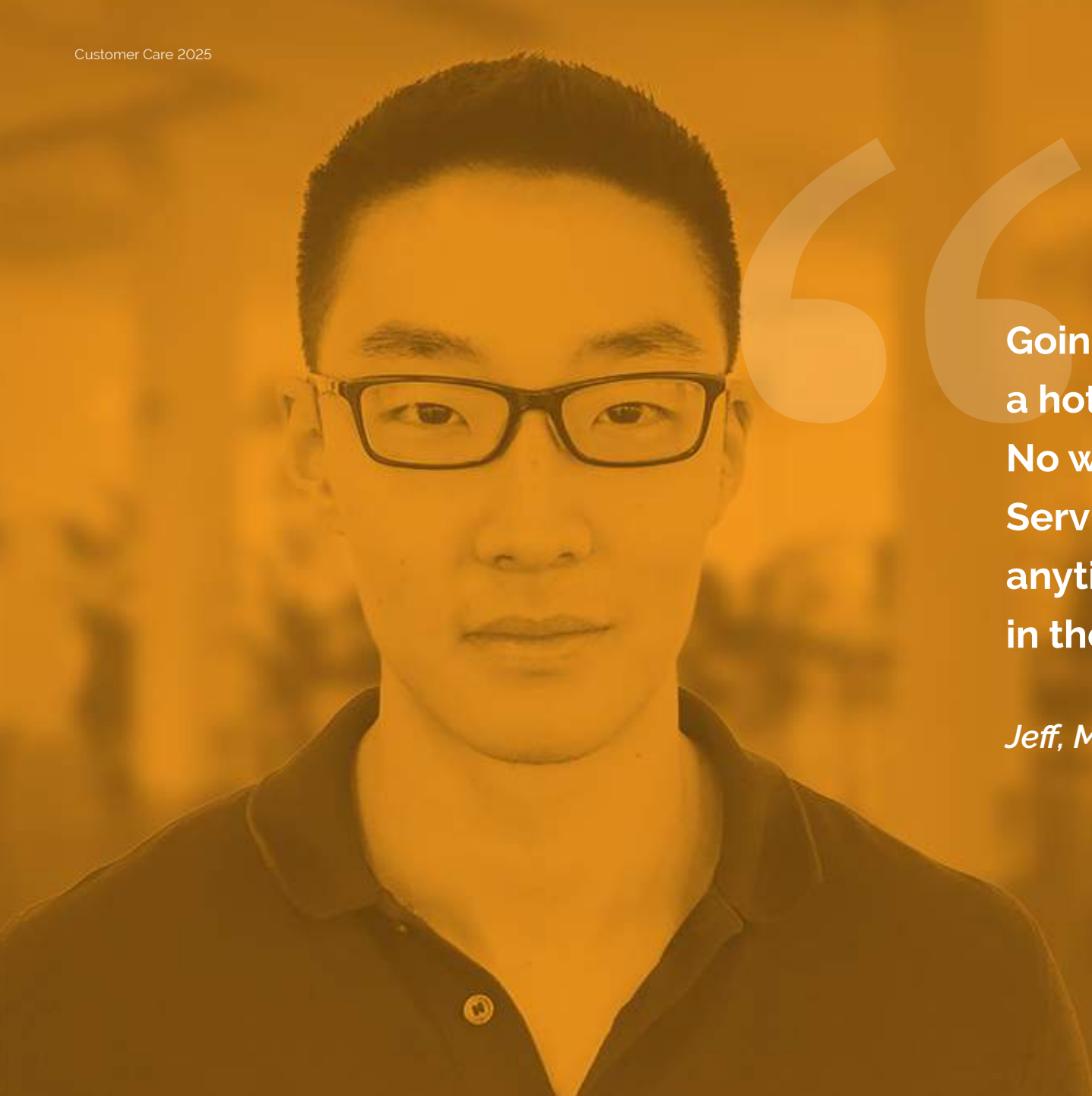
The demand for high-quality customer care experiences is as high as never before. Companies that offer a great experience benefit from a price premium of up to [16 percent](#) compared to their competitors. At the same time, Millennials and Gen Zers are not forgiving in case of a bad experience. In our exclusive global study, we found out that 81 percent stopped buying from a brand due to a poor customer care experience.

81% of Millennials and Gen Zers already left a brand because of a poor customer care experience

Have you ever stopped buying from a brand due to a poor customer service experience?



Number of respondents: 1,684



**Going to a store or calling
a hotline?**

No way!

**Service needs to be available
anytime and everywhere
in the world.**

Jeff, Millennial



Nicklas Bergman — Futurist, Entrepreneur and Technology Investor

“Smartphones Remain the Control Center of Our Digital Lives”

As a futurist, [Nicklas Bergman](#) is preoccupied with the question of how technology is changing our society. In the following conversation, we ask him which phase of digital transformation we find ourselves in and whether we will still be using smartphones in 2025.

Digital transformation is often compared to the industrial revolution – is this a fair comparison?

The comparison makes sense if we look at the pattern according to which major innovations take place. In the first phase, engineers think about technology and functionality. In the second phase, entrepreneurs consider how innovations can be both integrated into our lives and put onto the market. In the third phase, society adopts these innovations and begins to reorganize its lifestyle accordingly. This pattern has been

prevalent since the invention of the steam engine and the car.

What stage are we at in the digitalization process?

We are close to the end of the third phase. Let us take the smartphone as an example. Though the first concepts were developed in the early nineties, we only began to integrate smartphones into our everyday lives when the iPhone came on the scene. Today, we can hardly imagine ourselves without our beloved smartphone close at hand – it has

Nicklas Bergman — Futurist, Entrepreneur and Technology Investor

become an indispensable part of our everyday lives. Nevertheless, it has not penetrated all areas of society due to the unsuitability of its current form.

Does that mean we will be using other devices instead of smartphones in 2025?

Smartphones will certainly remain the control center of our digitalized everyday life. However, we will expand their impact by altering the way we interact with them. Nowadays, looking at the display and pressing buttons is like going back to the Stone Age. Wearable devices are a good example of how we can network even more closely with the smartphone without abandoning the basic idea of the smartphone as a control center. Instead, we compensate for its weaknesses and limitations by using small tools.

How will interaction with technology change?

We can observe this change pretty well today. Wireless headphones are a trivial, but good example of how constant connectivity works without us having to look at our smartphone 24/7. This is something we also see when artificial intelligence is combined with voice and gesture control. The more additional functionality we build around the smartphone, the deeper the integration with our everyday lives becomes – and the greater the influence on society. This is certainly a development we could see in the future.

More Than 75 Billion Connected Devices by 2025

Digital is taking over the world and consumer electronics devices play an essential role in the transition to a universally connected lifestyle.

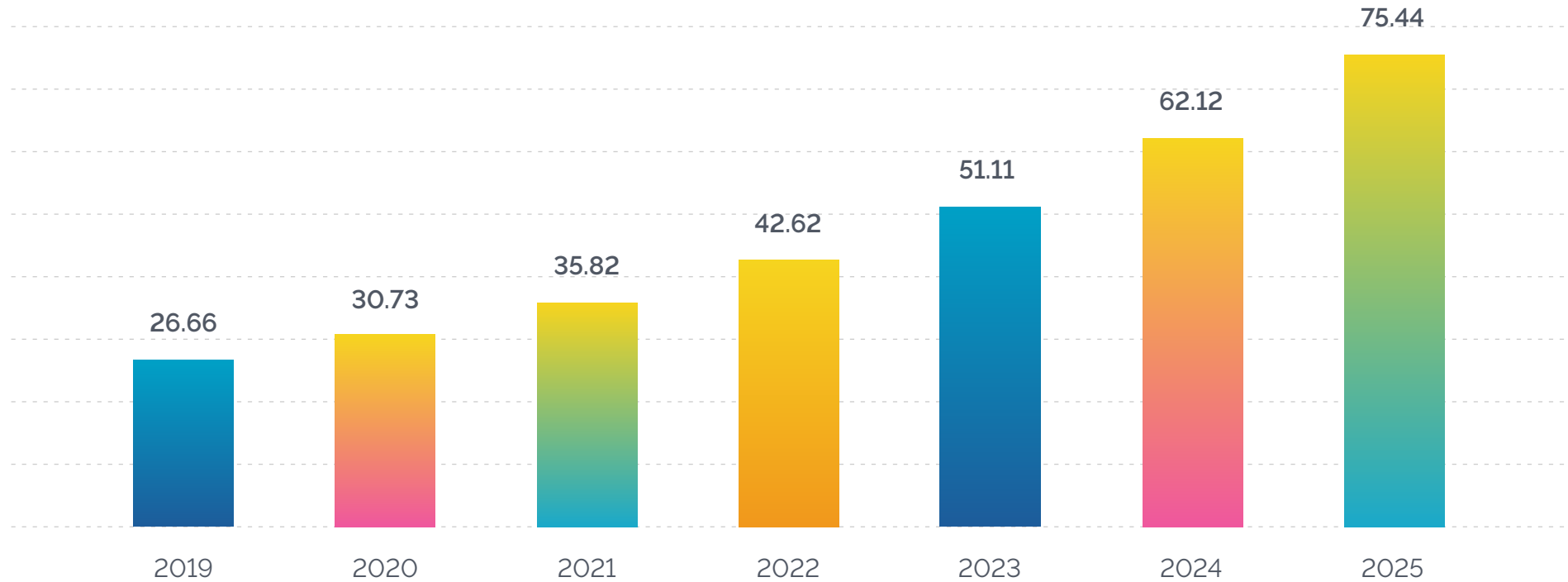
Whether TVs, household appliances, smartphones or wearables – analysts expect there to be **75 billion** connected IoT (Internet of Things) compatible devices by 2025.

At the same time, the first 5G networks will begin to arrive in **2020**. The new wireless standard is set to completely transform the way we live and work. 5G will deliver up to **ten times** faster download and upload speeds compared to 4G. This will give

the digital customer experience a strong boost. The commercial use of Augmented and Virtual Reality applications will become a normal part of our everyday life.

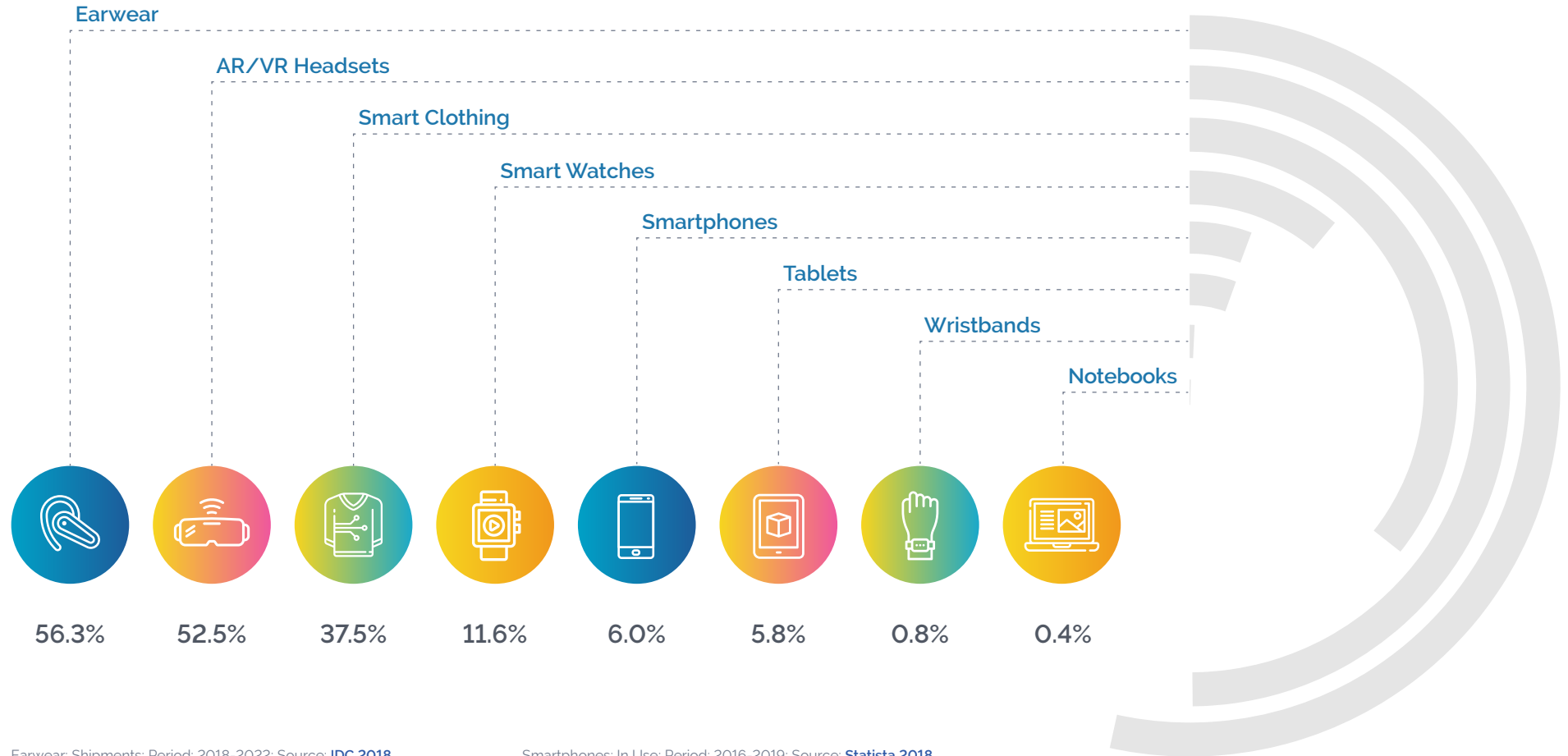
With these advancements in consumer electronics and network technology, customers will be able to eventually realize the benefits of a seamless and simple connected life – and Millennials and Gen Zers will be at the front of the adoption curve.

The number of IoT devices is expected to triple until 2025, exceeding 75 billion connected electronic devices in use



Source: [Statista 2018](#)

Electronic Device Market Growth - CAGR for Devices in Use or Shipped



Earwear: Shipments; Period: 2018-2022; Source: [IDC 2018](#)

AR/VR Headsets: Shipments; Period: 2017-2022; Source: [IDC 2018](#)

Smart Clothing: Shipments; Period: 2018-2022; Source: [IDC 2018](#)

Smart Watches: Shipments; Period: 2017-2022; Source: [IDC 2018](#)

Smartphones: In Use; Period: 2016-2019; Source: [Statista 2018](#)

Tablets: In Use; Period: 2016-2021; Source: [Statista 2018](#)

Wristbands: Shipments; Period: 2018-2022; Source: [IDC 2018](#)

Notebooks: Shipments; Period: 2017-2022; Source: [Statista 2018](#)



We believe the customer care industry is experiencing a dramatic shift. It is no secret that today's consumer required anytime, anywhere service.

Michael Lawder
Senior Vice President Customer Care
Samsung Electronics America



Excellence in Customer Care as a Key Differentiator

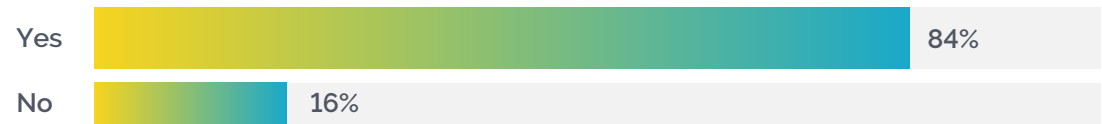
Millennials and Gen Zers are dependent on consumer electronics devices like no other generation before. For many, getting their first smartphone marks the beginning of a new life event, which occurs when the average Gen Zer turns **12 years** old. What expectations place young users on their device experience – and what does this mean for consumer electronics companies?

Since consumer electronics devices are becoming increasingly better and reliable, the range is widening and competition is becoming stronger. True differentiating characteristics are particularly being brought to the fore, led by an excellent customer care experience – and it actually pays off for consumer electronics brands. Companies that offer a great experience benefit from a price premium of up to **16 percent** compared to their competitors.

In our global study, we found out that as many as 84 percent of Millennials and Gen Zers would even say goodbye to their favourite consumer electronics brand if another brand would offer customer care exactly the way they want it – but their initially preferred brand not. Numerous studies in recent years have shown that investments in customer experience are worth every cent. Yet, this new finding reconfirms how important customer care has become as a differentiator in the consumer electronics market.

84% of Millennials and Gen Zers would turn their back to their favourite consumer electronics brand if another brand would offer a better customer care experience

Would you change brand preference if another brand would offer customer service exactly the way you want it?



Number of respondents: 1,571



Dennis Hooijmans — VP Services & Solutions, MediaMarktSaturn Retail Group

“We Build Customer Service Capabilities to Nurture Customer Relationships”

[MediaMarktSaturn](#) is Europe's largest retail group for consumer electronics. We met with Dennis Hooijmans, VP Services & Solutions, to discuss the company's customer service strategy, changing customer behaviors and the path to successful service innovation.

Customer service plays an increasingly important role as a differentiator in the consumer electronics industry. Can you confirm that also for the role of retailers?

Absolutely, creating lifetime customer value is the key building block of our company strategy. Online retailers are challenging the traditional retail model but their model is very much focused on transactions. We are building up customer service capabilities to nurture our customer relationships by maximizing the product ownership experience through a

holistic customer service experience.

How does this customer care experience look like?

We combine online, remote, at home and in-store service offerings to a universal experience. This is unique and allows us to position MediaMarktSaturn as trusted partner and navigator in digital life – at any stage of the product life-cycle. Our goal is to offer the one-stop-shop experience – for both MediaMarktSaturn customers and people who bought their devices elsewhere.

Dennis Hooijmans — VP Services & Solutions, MediaMarktSaturn Retail Group

What relevance do technology capabilities play for you today and how will they impact your service delivery model in the future?

With consumer electronics becoming more interconnected and customers looking for more personalized and instant support, conversational AI and cognitive solutions become of relevance in our industry. We are working on solutions for preventive support and new technologies can help us to reach new heights in service experiences. A connected, data-driven customer care ecosystem delivers in-depth insights, which we can use to provide the most convenient support options for customers.

Younger customer generations love to explore information online and do things on their own. How will this

change your customer service approach in the future?

We see Millennials and especially Generation Z becoming more open to a DIY culture. The growing popularity of self-service tutorials and third-party marketplaces selling spare parts and repair tools are a good indicator confirming this DIY trend. However, we're convinced that the majority of customers will still turn to trusted service expert like us – especially when devices become more complex and expensive. But I agree, there's room for DIY solution for easy-to-fix issues. And of course, we'd like to build on the community idea of younger generations, for example through product boot camps and support workshops. There will be so many exciting ways to engage with people and tie them closer to our brand.

Identifying the Customer Experience Gap

Managing the customer experience has been a **top priority** for business leaders around the world for many years. The majority of companies have cohesive plans and a long-term vision in place. And yet, despite all these efforts, there is still a lot of catching up to do. Customers perceive brands, products and services differently to how the companies want them to.

What we are talking about here is a customer experience gap, the gap between the companies' wishful thinking and their customers' opinion. **75 percent** of companies would describe themselves as customer-centric. However, only 30 percent of customers

would agree with this assessment.

It turns out that not every effort bears fruit. In the end, a perfect customer experience depends on supposedly insignificant details, which is where many companies fail. But what are these details? And why is it so difficult for companies to take them into account when designing and managing their customer experience?

On the following pages, we summarize key findings and elevate trends from our exclusive global study. We also intersperse genuine quotes from Millennials and Gen Zers who we met with to put the study results in an authentic, very personal context.



**“If I have a problem
I don’t know the answer to,
I will search for it online
and look at forums to see
if anybody else had the same
problem before.”**

Nicola, Generation Z

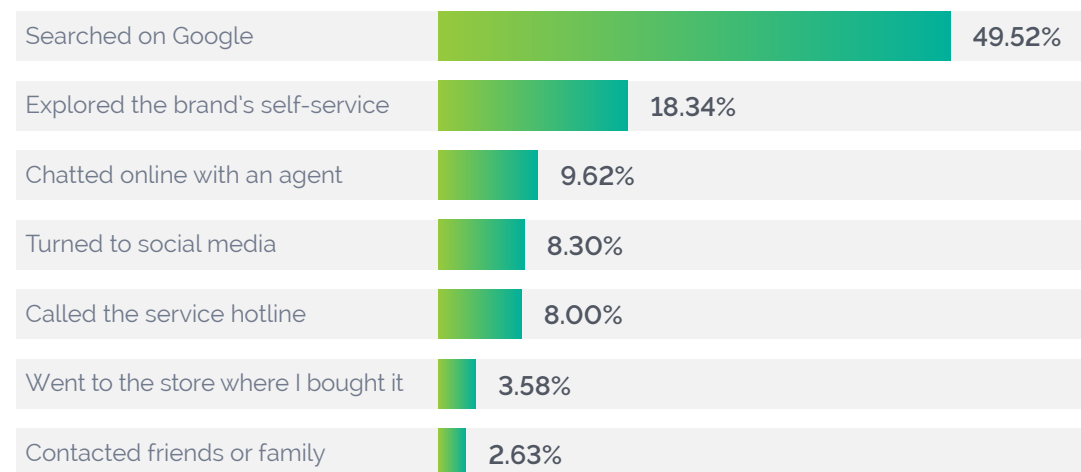
Instant Access to Customer Care Matters Most

Instant access to customer care and lightning speed are everything in the mind of Millennials and Gen Zers. The younger generations have very little tolerance for delays in reaching service.

That explains why self-service channels are the preferred point of contact. For 50 percent, Google Search is the very first action when help is needed.

Searching on Google is the first thing the vast majority of Millennials and Gen Zers do when they experience a problem and need help

Whenever you had a problem or question about your device, what was the first thing you did?



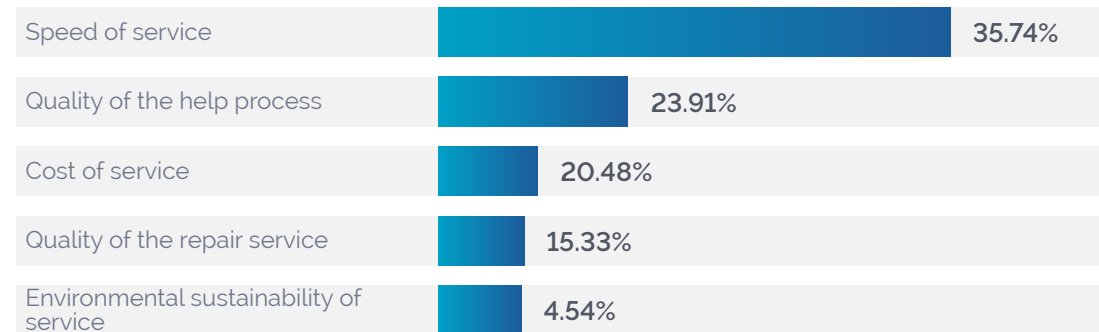
Number of respondents: 1,674

Nobody likes to wait for something they would have preferred to do without in the first place – and that includes customer care situations. You usually only contact customer service when you need help – and then Millennials and


Gen Zers expect every step to happen without disruption. The faster, the better: Speed of service is the single most often mentioned factor that influences the customer care experience.

For Millennials and G Zers, speed of service is the most important component of the customer care experience before quality and cost

What was the most important factor for you when you had to contact customer care?



Number of respondents: 1,631



I can imagine having my virtual reality goggles on and being guided by a virtual assistant who shows me how to fix my problem. It is just like in a video game!

Tom, Generation Z

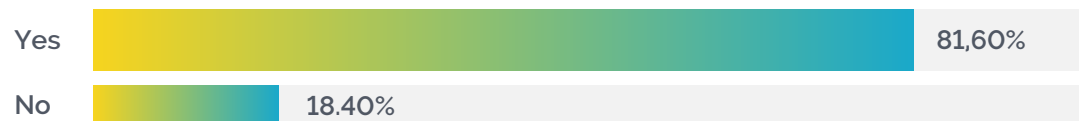
DIY Is Not Just an Alternative, It's the First Choice

Millennials and Gen Zers are downright service-shy and prefer to avoid conventional personal contact – both via call centers and retail stores. In other words, they don't want to speak audibly. In a [study](#), Millennials said that they

would prefer to get their teeth cleaned rather than call customer care. In our global study, we come to similar findings: 82 percent prefer to self-diagnose and resolve issues with consumer electronics devices on their own.

82% prefer to diagnose and fix software related issues with the help of a Virtual Assistant or AR / VR support

When experiencing a software issue, would you self-diagnose and resolve it with the help of a Virtual Assistant, Video Tutorial or AR / VR solution?



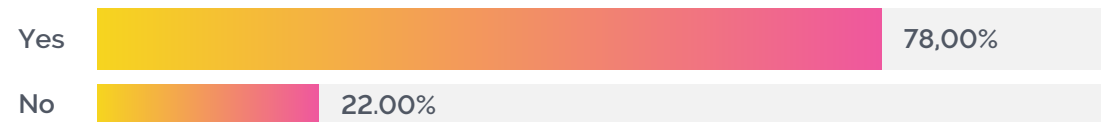
Number of respondents: 1,614

DIY repair kits for smartphones has been a hype topic for quite some time. Tech-savvy customers favor the trend towards self-repair. 78 percent of Millennials and Gen Zers shy away from going to the nearest repair shop. They


are simply looking for a quick and uncomplicated solution to get hardware related problems fixed on their own without having to wait for a professional repair service.

78% prefer to repair hardware related issues with the help of DIY repair kits supported with step-by-step tutorials

When experiencing a hardware issue, would you repair it yourself with the help of a DIY kit including step-by-step guidance?



Number of respondents: 1,614



I'd prefer to talk and chat with robots to get an answer to my question or a solution to my problem. They don't keep you in a queue and won't argue with me.

Jonas, Millennial



AI-Based Customer Care Preferred Over Human Help

With the growing dependence on consumer electronics devices, the rising need for instant support is a very natural development. You cannot do without your smartphone for even one moment. Millennials and Gen Zers check their mobile companion a whopping average

of **2,617 times** per day. We wanted to know what the most annoying experiences would be when help is needed: Unsurprisingly, not being able to reach customer care ranks on the first position.

Millennials and Gen Zers say that not being able to reach customer care is the most annoying experience when help is needed

When seeking for help via customer care, what is the most unpleasant situation?

- | | | | |
|---|---|---|---|
| 1 | Not being able to reach customer service at any time of the day | 6 | Having to call a customer service hotline |
| 2 | Not being able to receive a clear answer | 7 | Having to switch contact channels |
| 3 | Having to contact customer service multiple times | 8 | Lack of self-service options |
| 4 | Not receiving a solution or fix to my problem | 9 | Having to wait until my inquiry is being answered |
| 5 | Having to repeat information | | |

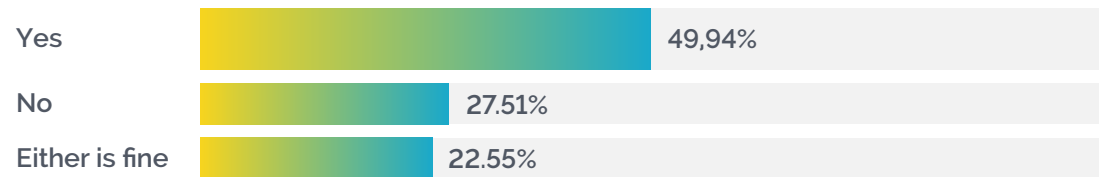
Number of respondents: 1,577

Not being able to reach customer care is a result of the many constraints of conventional customer service models. For example, classic customer care hotline are mostly operated by human support agents. However, human capacity has its natural limits and does not scale. Waiting queues, switching

channels and changing contact persons are the unfortunate outcomes. The vast majority of Millennials and Gen Zers prefer to communicate via digital customer care solutions based on AI(Artificial Intelligence) from the beginning.

50% of Millennials and Gen Zers prefer to communicate with a bot because bots don't ask complicated questions

Do you prefer to communicate with an intelligent chatbot or digital support agent instead of communicating with a human customer service agent?



Number of respondents: 1,614



Jürgen Lurz — Business Development Executive, IBM Technology Support Services

“AI Creates Better Customer Experiences – This is What Counts in the End”

With the Watson supercomputer, [IBM](#) is at the forefront of adopting Artificial Intelligence (AI) to business applications and society at large. Watson was named after IBM's first CEO Thomas J. Watson and applies advanced Natural Language Processing (NLP) to business data. It learns and feeds new insights into business processes in an on-demand fashion. We spoke with Jürgen Lurz, Business Development Executive for Technology Support Services at IBM, about the impact of AI on future business processes and how it could change the customer care experience.

New technological capabilities like Watson's AI create new opportunities to innovate customer interaction processes and optimize cost. How will they impact customer care and help companies deliver better customer experiences?

Technology like Watson but also new applications such as Augmented Reality (AR) are clearly changing the services

business. Just think about remote technical services and how complex delivering such a service is today. A significant part of that will be handled and supported by AI technology. We are expecting significant productivity gains by automating many processes – and this will also result in a significantly better customer experience.

Jürgen Lurz — Business Development Executive, IBM Technology Support Services

How do you consider the relevance of customer service and a more product ownership centric approach for IBM in the future?

There are two very visible trends and I would expect these to be even more relevant in the future. On the one hand – and especially in the IT industry – hardware gets more and more stable. In addition, more and more customers buy computing power and storage out of the cloud. On the other hand, customer service is becoming even more relevant. In many cases I have seen customer care becoming one of the major criteria for a buying decision especially in the B2B space.

Will this have an impact to your company's customer service approach in the future?


Well, we all know how Millennials and Generation Z grow up: in a world full of technology. The technologies we discussed before nicely match with these developments. AI, as an example, even facilitates a higher degree of do-it-yourself capabilities appreciated and demanded especially in the case of Generation Z. It creates a great customer experience – and this is what counts in the end.

The IBM Munich Watson IoT headquarters is one of the world's most advanced centers for collaborative innovation around cognitive IoT technologies. (Credit for picture on previous page: IBM)

Rethinking Customer Experience in Consumer Electronics

The findings from our global study underline the growing demand for high-quality customer care. This should encourage consumer electronics brands to rethink their customer experience strategies. Those that do will soon reap the benefits: With their massive global purchasing power, the Millennial generation and Generation Z have an enormous impact on the global economy.

Considering how significant the impact of customer care is when it comes to loyalty towards a consumer electronics brand, the time has come to pay closer attention to implementing the wants and needs of both Millennials and Gen Zers. Yet, too many customer care organizations hold onto the past. In a global McKinsey survey, **57 percent** of customer service executives stated that reducing customer inquiries was a top priority.



This goal may be understandable from a cost perspective; after all, every call center interaction is expensive and customer care organizations have to switch to cheaper self-service channels in light of the growing pressure brought by digitalization. However, one must pose the question: How can a modern customer care strategy meet the growing customer expectations of Millennials and Gen Zers if its goal is to ward off customers?

The key will be to adopt a holistic customer care approach. When it comes to conventional call centers and innovative self-service solutions, it is not a question of embracing either-or. Rather, consumer electronics companies should seek to reap the benefits of both in order to deliver a unique experience.



**With Google
customer support,
we are trying
in all our markets to find ways
to deliver a unique experience.**

Steven Nickel
Director Consumer Operations
Google

6 Ways Disruptive Technologies Enables Customer Care 2025

Millennials and Gen Zers are redefining the customer care experience as we know it. With completely different opinions about what the perfect customer experience looks like, these younger generations are increasingly on the lookout for fully digital and more sustainable solutions.

It is fair to say that delivering a 100 percent satisfaction rate will be an onerous task for all consumer electronics companies out there. After all, Millennials and Gen Zers want the services they use to be as intuitive and convenient as possible, while simultaneously having minimal human contact. All of the following technologies will redefine and shape customer care as we know it!

- 1 AI Will Ultimately Kill the Call Center
- 2 AR/VR Will Give Additional Push to DIY Service and Repair
- 3 3D Printing Will Make Spare Parts Available in No Time
- 4 Drones and Robots Will Revolutionize Last-Mile Delivery
- 5 The Physical Internet Will Revolutionize Logistics
- 6 Internet of Things Will Solve Problems Before They Occur

1. AI Will Ultimately Kill the Call Center

There is no doubt that Artificial intelligence (AI) will revolutionize the customer experience. It's predicted that already by 2020, **85 percent** of all service interactions will take place without the involvement of a human agent. With its possibility to analyze and solve software related problems and questions within seconds, AI is the technology that will redefine the perfect customer experience!

Thanks to artificial intelligence, calls with service hotlines will no longer drive

customers up the wall. We can bid farewell to annoying queues and unnecessary small talk with the employees – all the aspects that Millennials and Gen Zers do not enjoy about call centers. As **Google Duplex** has demonstrated, AI is already able to speak like any other human being. This means that service hotlines in the future will no longer be slow and inefficient – instead, it will only take seconds to solve a problem and minimize costs as a welcome side effect.





2. AR/VR Will Give Additional Push to DIY Service and Repair

With virtual and augmented reality on the rise, we are seeing the emergence of new ideas about how to use technology. The most interesting possibility for customer care is the idea that VR/AR can be used to guide the customer through the repair process of a display screen or when replacing a laptop's main memory.

Virtual reality will simulate characters which explain and show the steps the customer has to go through to fix the cracked screen. The tools will be connected to the VR/AR set, which means the system will warn the customer every time they want to do something wrong and guide them back to the right steps. It's fair to assume that within just a few years this solution will have replaced the majority of in-store repair services.



3. 3D Printing Will Make Spare Parts Available in No Time

The expectations demanded by Millennials and Gen Zers are hard to fulfil, especially those regarding the availability of spare parts and their delivery time. If they want to fix their devices themselves, they need to have the right spare parts ASAP – going without a perfectly functioning device for a lengthy period is just not an option!

To ensure the fastest possible delivery, spare parts have to get printed directly in the distribution hubs and then get shipped out for last-mile delivery. This is the closest we can get to instant service right now. With future development in this sector, 3D-Printing will save a lot of time and set new standards when it comes to delivery speed.



4. Drones and Robots Will Revolutionize Last-Mile Delivery

Though logistics has been revolutionized many times, last-mile delivery has hardly ever been developed. This is all set to change! With robots that deliver goods right to your doorstep and drones that drop off packages in your garden, last-mile delivery will be faster than ever. This will all be a reality in just a few years from now.

Amazon has already successfully tested their drone delivery service for rural areas and Starship has the solution when it comes to urban structures. With the ability of their robots to do deliveries coupled with a rate of 90 percent autonomous driving in L.A., Starship is not far away from having the fastest, cheapest and most convenient last-mile delivery system ever seen.



5. The Physical Internet Will Revolutionize Logistics

The Physical Internet (PI) is similar to the Internet of Things. However, it differs in that it does not connect devices, but rather different logistics companies. Their distribution hubs and transportation possibilities like shipping containers and trucks are shared between everyone who takes part in the Physical Internet. This way, a maximal payload is always guaranteed.

This is more sustainable, cheaper and also provides a possibility for smaller logistic companies to compete with the big players like UPS, FedEx and DHL by cooperating in a network. When logistics companies start using the Physical Internet, it is not only them that reap the benefits, it is also the customer. Why so? Because customers will have their goods delivered in no time and at much cheaper prices than ever before!



6. Internet of Things Will Solve Problems Before They Occur

The Internet of Things will guarantee a flawless customer care experience that has never been seen before. Thanks to the data transfer between devices and consumer electronics brands, manufacturers will be able to detect and solve problems before users even notice the problem exists.

This means that consumer electronics companies can satisfy the expectation of Millennials and Gen Zers that all devices have to work flawlessly and quickly. The IoT will create a new level of managing the lifetime customer experience – one that cannot be reached by any technology used right now.



Dr. Andreas Baader — Managing Partner, Barkawi Management Consultants

“High Time to Integrate Unconventional Approaches like Augmented Reality and 3D Printing”

[Barkawi Management Consultants](#) is regarded as one of the leading management consultancies for after-sales services and supply chain management. We talked to Dr. Andreas Baader, Managing Partner and Head of Europe, about the hottest supply chain trends in customer care.

What does an excellent customer experience actually have to do with supply chain management?

In times gone by, a good customer experience was considered to be the result of a well orchestrated supply chain. In essence, they were two sides of the same coin. However, we consider this picture to be less and less suitable, because having two sides means that they are not on the same page. While the supply chain was long regarded as a business enabler, today I see it increasingly taking on the role of an

experience maker. Through horizontal, cross-departmental integration within the company and cross-company collaboration with partners, the supply chain has a direct influence on what customers experience. Real-time integrated supply chains across companies are becoming a reality and help improve planning to an extent that capacity bottlenecks can be compensated.

As a consultant, you have intimate insights into the supply chains of some

Dr. Andreas Baader — Managing Partner, Barkawi Management Consultants

of the world's largest organizations. What are the biggest challenges you see today?

On the one hand, we can see that supply chain organizations are seeking to align themselves more directly with customer requirements. Universal connectivity using the IoT, coupled with intelligent, self-learning supply chain execution approaches based on machine learning, opens up completely new possibilities. The agile supply chain, which we have been talking about for many years, is now actually becoming feasible. While the cycle of planning, execution and optimization in the supply chain used to be sequential, today it is possible to do all this in parallel: Ongoing optimization takes place in real time, around the clock and without interruption.

What changes and potentials do you see in the customer care area?

I think we will see increasingly differentiated approaches in the future. If a smartphone breaks, every customer would agree that the solution must be implemented as quickly as possible. However, what such a solution looks like depends very much on age, place of residence and many other criteria. To stick with the smartphone example: In the future, providers will have to be prepared to deal with as many scenarios as possible. A one-size-fits-all delivery model is a thing of the past. Standards are still important, but they must be broken down into flexible and combinable individual modules – just like a toolbox.

Dr. Andreas Baader — Managing Partner, Barkawi Management Consultants**What recommendations do you have for manufacturers of smartphones and consumer electronics?**

I'm sure it's not surprising when I say that the key to success lies in integrating new technologies such as AI and IoT and unconventional approaches such as self-service using augmented reality and 3D printing into the delivery model. The

technology is already in place – from the manufacturer's point of view, it's now about reaping the benefits of it by acting as quickly and thoughtfully as possible. This is not an easy task, but there are solutions out there – the future is extremely exciting!



The easiest way to achieve an intuitive experience is through the ways we already communicate. Intelligent assistants, chatbots or social media – it's all there!

Simon, Millennial

Got any questions or comments?

Get in touch!

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B2X is a global provider of end-to-end customer care solutions. Founded in 2007, B2X helps many of the world's leading smartphone and consumer electronics brands deliver superior after-sales service.

With 1,500 employees and 500 partners in 140 countries, B2X is the premier after-sales partner for manufacturers, insurance providers and retailers.

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