

Press Release

Customer conversations increasing but relationships at risk as communications technologies become fragmented

- Study highlights rise in new wave of online communication platforms, replacing traditional methods, but lack of joined up approach preventing widespread adoption
- Rise in conversations actually putting more strain on customer relationships – “human connections at work have become less meaningful” claims expert
- Canon Consultancy Services helps organisations manage communications strategies in the digital age

LONDON, January 21, 2011 – Canon Europe, world leader in digital imaging, today announced the results of its wide ranging pan-European workplace study, *‘Technology’s Role in Evolving Business Relationships,’* * conducted by ICM. The research analysed the ways that companies communicate with customers, how trends and habits have changed in the last five years and the potential impact on relationships in a business environment

The results show a significant uplift in digital communications in pan-European organisations compared to five years ago, with 8 out of 10 respondents (78%) using more online platforms such as IM, email social networks, online collaboration tools and video conferencing. This is in contrast to traditional forms of communication, some of which are unsurprisingly in decline – 22% making fewer desk-based phone calls; 15% fewer face-to-face meetings; 32% attending fewer or no lunch meetings and 34% cutting back on time spent out or spending no time out of the office at conferences.

With less face-to-face interaction with customers, email has become a key driver for this growth in conversations but there is evidence of businesses hitting saturation point – 35% of respondents stated that email usage had not increased and for some had actually declined compared to five years’ ago.

This has paved the way for the adoption of a new wave of digital communication platforms. However, the findings show significant variations in how businesses adopt these, indicating a lack of joined up thinking when it comes to engaging with customers and prospects...

- Exactly half of respondents (50%) now use social networks as communication channels at work and 25% use Instant Messenger (IM) more than they did 5 years ago.
- The frequency of use of workplace collaboration tools, such as Microsoft SharePoint and Huddle, have increased by 24% over the last five years and now 57% of all businesses have used them at some point to communicate more effectively.
- However, a smaller proportion of respondents use video conferencing more (21%) with almost half (47%) never having used this facility. There was an even smaller rise in webinars (13%) with a surprising 58% never having used this online medium to connect with customers.

As communications technologies become more fragmented and businesses struggle to cope with the increase in digital content (both information and media), organisations need to find ways of managing their communications strategy or risk damaging business relationships with customers, partners and even colleagues.

Dr Graeme Codrington**, author, speaker and expert on the new world of work said: “The promise of any form of communication technology, whether it was paper, the printing press or a PC, has always been to help humans connect more effectively. On this measure, the explosion of information technology in the last two decades has been somewhat disappointing.

“More data than ever is being transferred, but it feels as if our human connections have become less meaningful, less satisfying, less significant. We cannot blame the

technology. The fault lies in our inability to adapt quickly to new methods, new opportunities and new styles of communicating.”

Gary Horsfall, Head of Consultancy Services, Canon Europe, said: “Today’s business environment compared to even five years ago is a dramatically different place. Organisations now are faced with the challenge of maintaining strong relationships with customers but doing so in the most efficient way, using the latest technologies. There is a collision point where traditional information is merging with new media and managing and mining these vast quantities of digital content is essential to keep in sync with your customer and is also the key to creating and maintaining personal, meaningful relationships.”

In addition to managing fragmented communications channels, the study also highlighted pan-European organisations’ fear of the impact that digital technologies are having in contributing to the information explosion. 39% of all decision makers said that managing the increase in data is slowing down business processes stating that cumbersome and inefficient internal processes are the main barrier to business success in 2011, especially amongst larger companies (46%).

“Canon launched Consultancy Services to help customers unlock the value of their information and the one area where this value is at its greatest is through communication with customers,” continues Horsfall. “Managing the point at which all of these new digital technologies collide is a challenge. Get it right and companies can add significant value to their business. Get it wrong and companies could end up with a fragmented approach to internal and external communications and be paying the costs for a long time to come.”

[ENDS]

Notes to Editors

About Canon Consultancy Services:

Canon Consultancy Services, delivered in collaboration with industry leading management consultant firm Accenture, is focused on giving large European

organisations a framework to overcome the challenges faced when managing information and media across multiple channels.

National differences:

Most frequent users of digital communications:

- France and The Netherlands are amongst the slowest adopters of digital communication methods, with only 72% and 71% respectively using online approaches more than 5 years ago. Switzerland (83%), the UK (82%) and Finland (83%) are the most advanced when it comes to embracing digital communications.
- 40% of German users said their email volumes were the same or less than 5 years ago (including 3% who had never used email), followed by France on 39% and The Netherlands on 38%.
- Finland tops the European leader board when embracing the new wave of digital communication tools: workers in Finland are the top users of IM (68% of respondents have used IM at work), top online social networkers (64%) and are joint top users – with Germany – of online collaborative tools such as Google Docs or Huddle (63%).
- VoIP and webinars are most popular in Germany, with 59% and 54% respectively using those technologies.
- UK workers are most likely to have tried video conferencing (59% of respondents) followed by France (56%) using it more or the same than five years ago. The least popular users were in Austria (18%) and Switzerland (29%).

Users of traditional forms of communication:

Conference attendance:

- The Austrians and Dutch are shying away from conference attendance the most out of all the nations polled, with 45% and 44% respectively never attending conferences or attending them less than five years ago. The decline was slowest in Germany, with only 25% using them less or not used them at all previously.

Face to Face communications:

- Percentage of respondents who have decreased their formal client meetings (e.g. business meetings) in the past five years (use less or have never used):
 - Austria: 26%
 - The Netherlands: 22%

The decline in formal face-to-face meetings was slowest in Germany (16%) and the UK (18%).

- Percentage who have decreased their informal face-to-face meetings or never used them at all (e.g. lunch) in the last 5 years :
 - France: 37%
 - Finland: 35%
 - Switzerland 34%

Phone use:

- Overall, 52% of respondents increased their use of mobiles over the past five years; however, Norway and Finland saw the biggest change with 65% and 64% using these more in each country respectively.
- Fixed line phone usage decreased the most in Finland, with 64% never using or using desk phones less, followed by Norway at 45%. The French and

Germans were the most reluctant to give up fixed phone usage (with 88% and 85% using fixed lines more or the same as 5 years ago).

Footnote:

*The study, carried out by ICM on Canon's behalf, conducted interviews with organisations across 8 European territories – the UK, Switzerland, Finland, Austria, France, Germany, The Netherlands and Norway.

**Dr Graeme Codrington is an expert on the new world of work and multigenerational workplaces. As a writer, speaker and strategy consultant, he has helped thousands of leaders improve their organizations by understanding the new world of work and effectively influencing their key staff and customers.

<http://tomorrowtoday.uk.com/>

About Canon Europe

Canon Europe is the regional sales and marketing operation for Canon Inc., represented in 116 countries and employing over 11,000 people across Europe, the Middle East and Africa (EMEA).

Founded in 1937 with the specific goal of making the best quality camera available to customers, Canon's tireless passion for the Power of Image has since extended its technology into many other markets and has established it as a world leader in both consumer and business imaging solutions. Its solutions comprise products, ranging from digital compact and SLR cameras, through broadcast lenses and portable X-ray machines, to multi-function and production printers, all supported by a range of value added services.

Canon invests heavily in R&D to deliver the richest and most innovative products and services to satisfy customers' creative needs. From amateur photographers to professional print companies, Canon enables each customer to realise their own passion for image.

Canon believes that considering the interests of society and the environment is an integral part of good business practice. This is embodied in its corporate philosophy Kyosei - 'To live and work together for the common good'.

Further information about Canon Europe is available at:

www.canon-europe.com

Media enquiries, please contact:

Helen Gough/ Tim Lines

Nelson Bostock Communications (on behalf of Canon Europe)

t. + 44 (0) 20 7792 7424

e. helen.gough@nelsonbostock.com / tim.lines@nelsonbostock.com