

STATE OF CUSTOMER EXPERIENCE 2018:

The Five Habits of Highly Effective CX Professionals





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(and maybe some bad
habits it's time to break)



Introduction

Welcome to the 2018 State of Customer Experience report. Like last year, we aimed to gather views from CX practitioners around the world to get a clear picture of the environment in which CX is operating. What are the pitfalls? Where are we making progress? What can we learn from more advanced industries? And, our usual question – “What would you wish for if you had a CX magic wand?”

The results are illuminating. In this report we have identified five habits of highly effective CX professionals, based on responses from practitioners operating across the CX spectrum. You will find practical lessons you can put into action today, and understand how we – and you – can identify success in a CX programme. Spoiler alert – it’s all about the money!

What do we mean by that?

We define success in CX in terms of increased investment. The five habits we have identified are those that really differentiate the Leaders from the Laggards

(more on that later in the report).

What follows is not a dry description of data analysis but some great pointers that will help you assess your own CX habits. Which are good and need to be fostered, and which are the CX equivalent of biting your fingernails and need to be curbed?

Key Takeaways

This report is full of great insights and we recommend you take your time to read though it all and make use of it. But here’s a sneak peak of our five habits to help get you started.

- 1. Define Goals and Business Outcomes (talk their language, not your own):**
CX metrics are all well and good, but you need to talk to stakeholders and executives in terms they care about. In most cases, this means “show me the money”! Even among Leaders, less than half of our audience feel they can confidently point to Return on Investment (ROI) figures. This has got to change. As part of this, you must set the right goals for your company, and ensure the correct people have true ownership of those goals, stated in terms they understand.
- 2. Think Innovation (and Action):**
Change, action and innovation must be tangible and communicated to the wider business. If your CX activities are not driving innovation across the company, you are likely to remain a niche interest at best, and a footnote in your organisation’s history, at worst.
- 3. Listen to More Voices, Combine More Sources (and destroy the silos):**
Collecting customer feedback is a given, but what about employees? What about partners? Suppliers? And financial and operational data? All these different voices and sources have something to say. If you want the full picture, it’s important to not only capture these different perspectives, but to integrate them to truly understand the reality.
- 4. Focus on Customer-Centric Culture (team members first):**
Driving a more customer-centric culture, with a high level of employee engagement, is absolutely a key area that our audience say they’re focused on. For the more mature programmes, with full executive support, culture is cited as a source of pride and growth. For the others, the lack of a single vision and fragmented silos create frustration and confusion. But in all cases, CX professionals view culture as core to a successful programme.
- 5. Continuously Re-think (what’s next?):**
It was fascinating to see that people with the most experience are not necessarily those with the most successful programmes. The ability to look for something new, something innovative, is vital to the long-term success of a customer experience team. The question “what’s next?” should never be far from the minds of a CX pro!

Claire Sporton, SVP CX Innovation, **Confirmit**
Steve Hurst, Editorial Director, **Engage Business Media**

Countries Represented

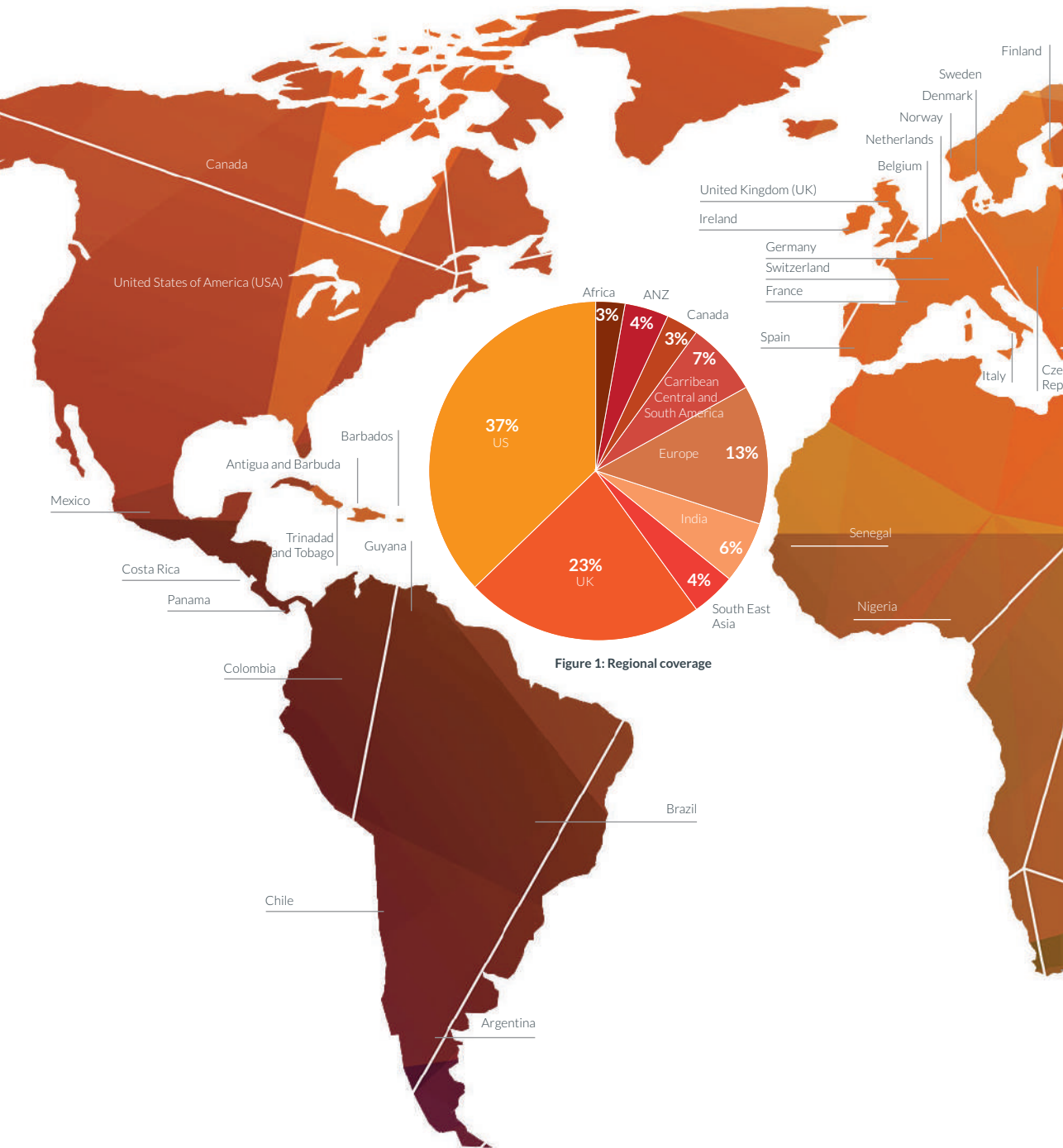


Figure 1: Regional coverage



The Research

The survey was conducted in October 2018 and received over 700 responses. Some were incomplete so we couldn't include them in all areas of analysis, but this is one of the world's largest surveys of Customer Experience professionals ever undertaken. In the 2017 survey, we heard views from over 250 CX practitioners, so we've seen a significant increase in participation this year. This does mean we need to tread a little carefully in identifying year-on-year trends, but it gave us an incredibly rich data set to work from.

Geographical Coverage

As with last year, the majority of responses come from the UK and North America, but we have had significant number of responses from all around the world.

To keep the analysis robust, we can split into the following key regions detailed in figure 1.



Industries

The audience comes from a range of industries, with a mix of B2B and B2C companies involved (see below). The great number of respondents has enabled us to break out more key industries for analysis than last year.

The full list of industries represented in the study are as follows

Agriculture	FS Insurance - Property and Casualty
Automotive	Construction
Business Services	Internet Content/Search Provider
Consultancy	Retail
Education	Construction
Financial Services	FS Insurance - Health Care
Hardware/software	Consumer retail
Health Services	Entertainment/Leisure
Market Research	Information Providers
Media and Advertising	HR and Recruitment
Other	FS Banking - Business
Pharmaceuticals	FS Banking - Retail
Public organisation	FS Insurance - Life and Pensions
Telecommunications	ISP
Travel and Transport	Manufacture - Pharma
Utilities and Energy	

One significant point to note is that there are many more responses from B2B organisations than those operating in B2C. This has real implications for the CX industry because B2B programmes typically require the ability to manage multiple, complex hierarchies and to manage the successful integration of disparate data sources.

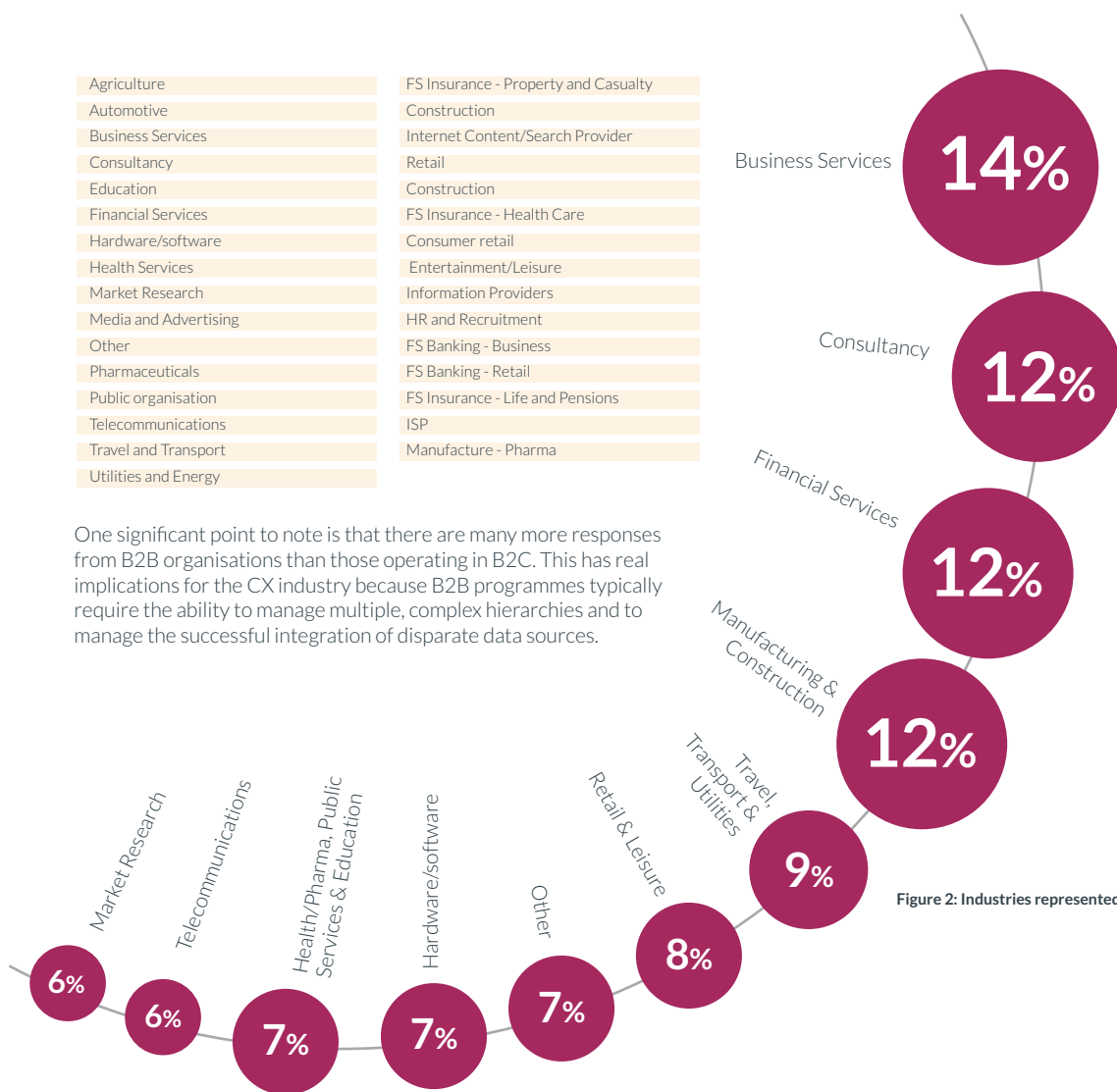


Figure 2: Industries represented

Roles and Experience

Like last year, we had a good range of responses from CX practitioners with varying levels of experience – from “beginners” to seasoned professionals with over 10 years in the industry. Nearly 60% of people have more than four years of experience - we are clearly seeing a maturing of CX as a profession.

Of those who provided both their industry and their level of experience, it was clear that the most experienced CX professionals are working in Retail, Hardware/Software and Business Services.

We also saw a good mix of responses from different levels of the business, with a close to 50/50 split between Managers and those with more senior titles (Heads, Exec level and C-suite).

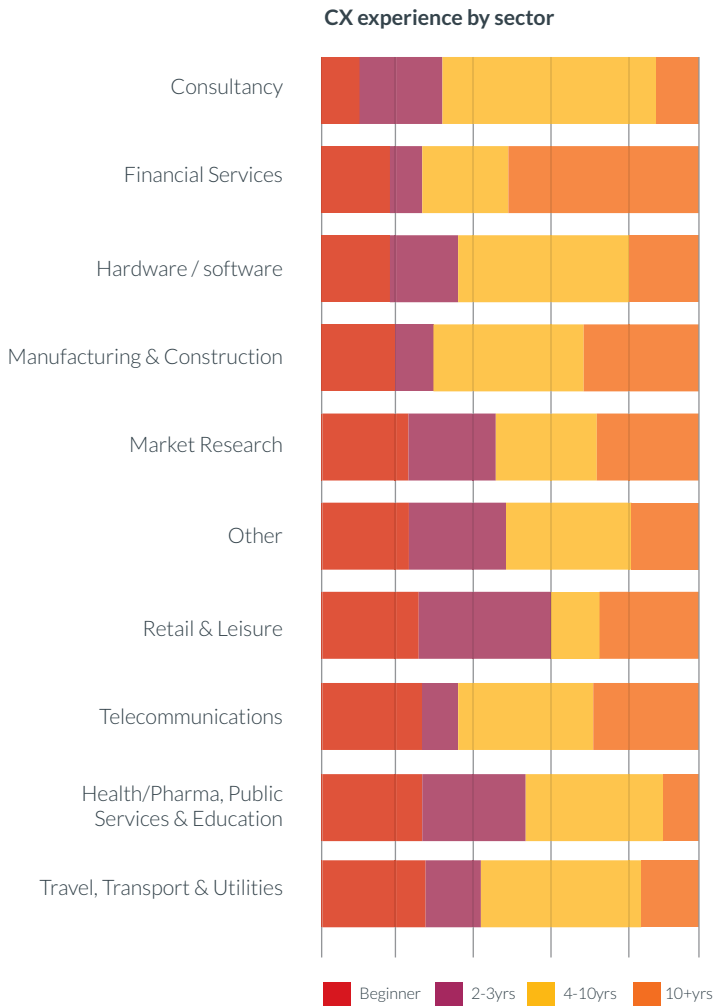


Figure 3: Experience breakdown by industry

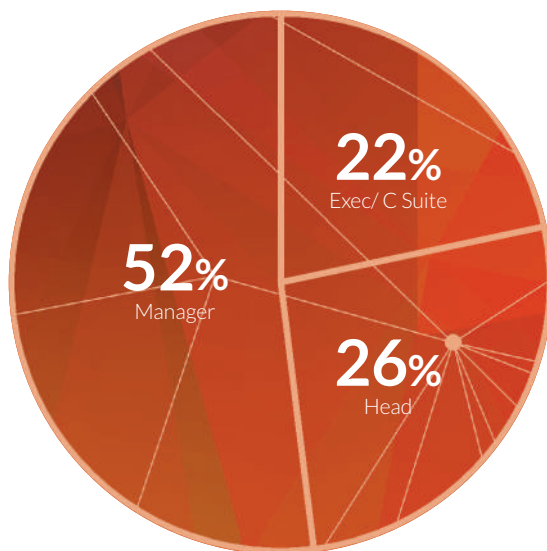


Figure 4: Split by job title

On a country-by-country basis, the level of experience between the two most represented countries, the US and UK, are very similar. However, there were more beginners in the US and more experts with over 10 years of experience in the UK.

At a global level, the regions with the most people currently at the beginner stage are in Australia/New Zealand and India. Welcome aboard, all! Interestingly, the Caribbean and South America reported very high levels of CX experience with 63% stating they have over four years of experience.

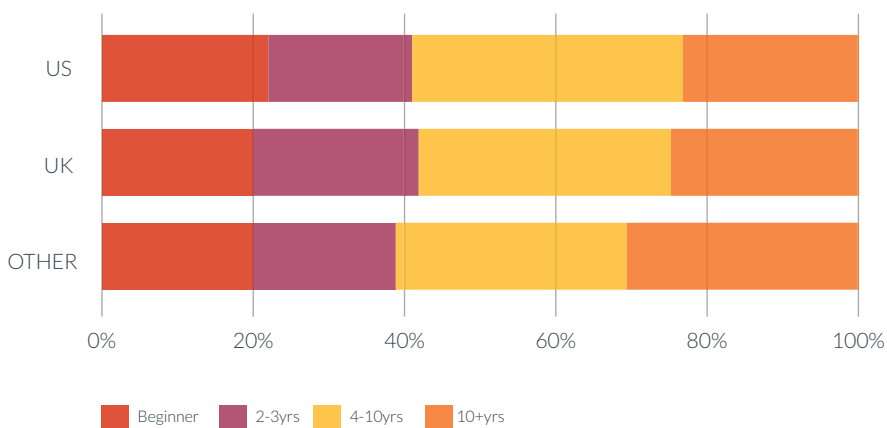


Figure 5: Experience by region

Definition of Success - “Leaders” and “Laggards”

Unlike other studies that define a “Leader” as one that achieves the best CX score (based on one or more common CX metrics), we wanted to focus on business outcomes. The proof of any programme is that it delivers value to the organisation and therefore secures increased budget. To that end, we have used this as our measure of success. The proof of a good programme is that it not only delivers results but is valued by the wider organisation.

We set a high bar. To be classed as a Leader, respondents had to see significant increase in budget in the next 12 months (9 or 10 on 0-10 scale). We recognise that this significant increase could also indicate a programme that is just starting but further analysis confirms that the vast majority of “Leader” programmes were well-established.

Definition: Increase/Decrease in investment in next 12 months

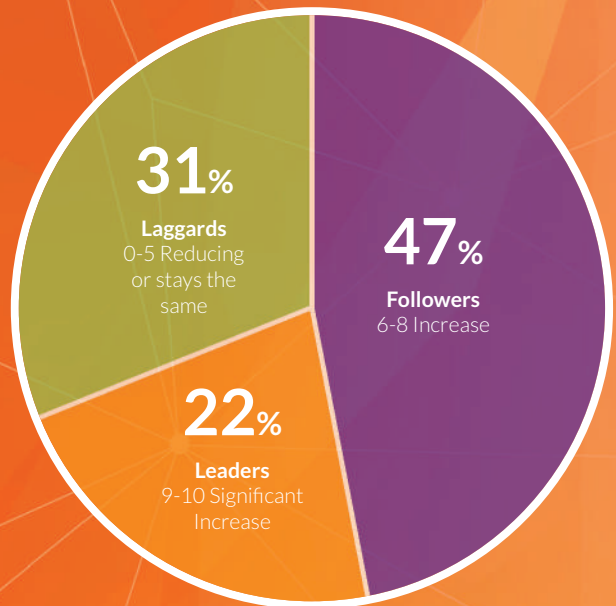
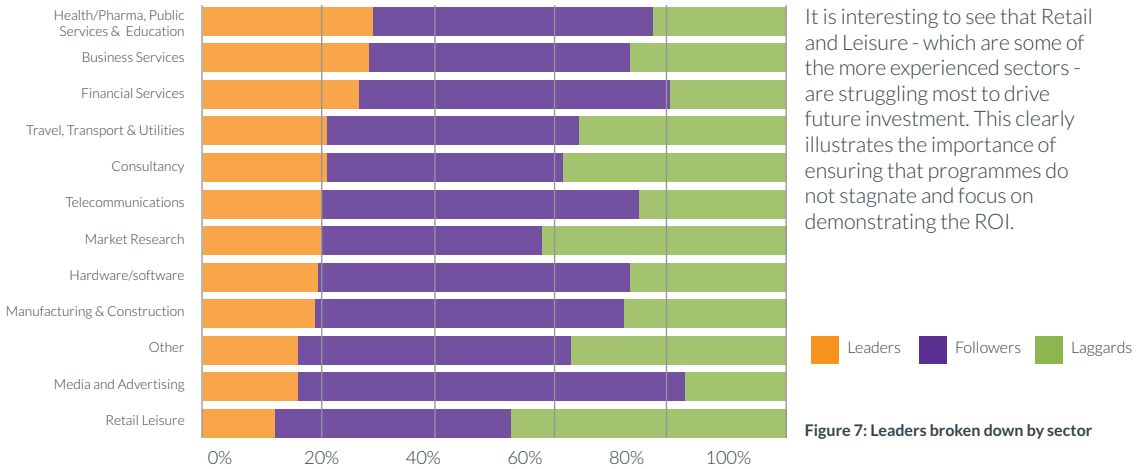


Figure 6: Programme investment in next 12 months by Leaders / Laggards

Which sector has the most Leaders?



It is interesting to see that Retail and Leisure - which are some of the more experienced sectors - are struggling most to drive future investment. This clearly illustrates the importance of ensuring that programmes do not stagnate and focus on demonstrating the ROI.

Figure 7: Leaders broken down by sector

How does being a “Leader” correlate with other factors?

Notably, other programme success factors correlate with this core achievement. Programmes that were securing increased budget for 2019 were also demonstrably ahead in areas such as stakeholder support/investment, ability to demonstrate ROI, and innovation. More on each of the factors later in the report but an overview is provided in Fig 8 below.

Overall it seems that CX teams are doing best in driving investment in CX improvement initiatives and getting stakeholders to invest in goals of the programme. But the greatest struggle comes with the thorny problem of identifying demonstrable ROI. This backs up the long-standing view of the industry that CX is broadly a “good thing to do”, but that pinning down the data to back up that feeling is a challenge.

Performance showing gap between Leaders and Laggards

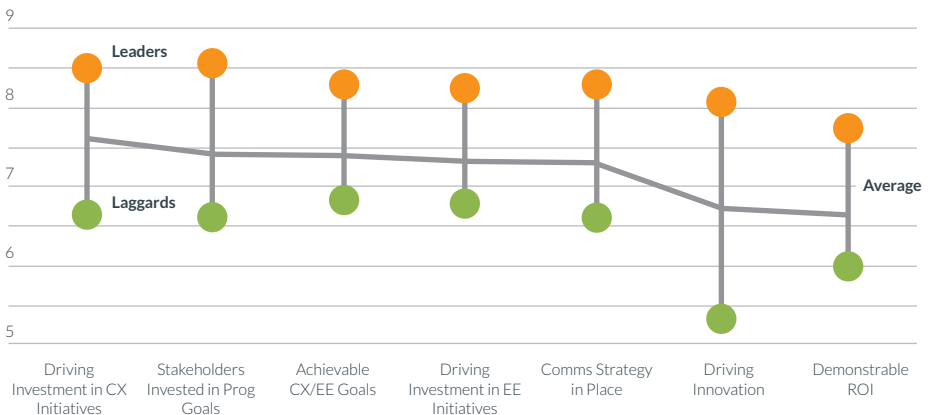


Figure 8: Leaders vs. Laggards

The Five Habits of Highly Effective CX Professionals



DEFINE GOALS AND BUSINESS OUTCOMES
(talk their language, not your own)



THINK INNOVATION
(and Action)



**LISTEN TO MORE VOICES,
COMBINE MORE SOURCES**
(and destroy the silos)

FOCUS ON CUSTOMER-CENTRIC CULTURE
(team members first)

CONTINUOUSLY RE-THINK
(what's next?)

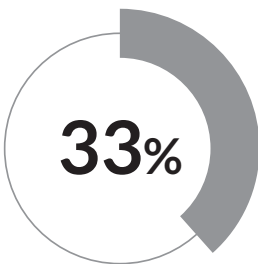


Define
Goals and
Business
Outcomes
(talk their language,
not your own)

1

A common affliction of the CX professional is a tendency toward focusing exclusively on CX metrics. This is all well and good when communicating with other CX practitioners, but when it comes to speaking to the wider business, that language often falls flat. Our number one driver of programme success is the importance of setting goals, communicating, and defining success using the measurements and terminology that will secure broad support.

Percentage agreeing strongly that stakeholders are invested in the goals of the programme

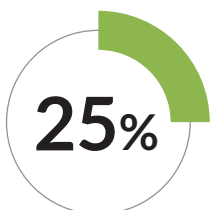


Overall
Got it sussed!



Leaders

Vs

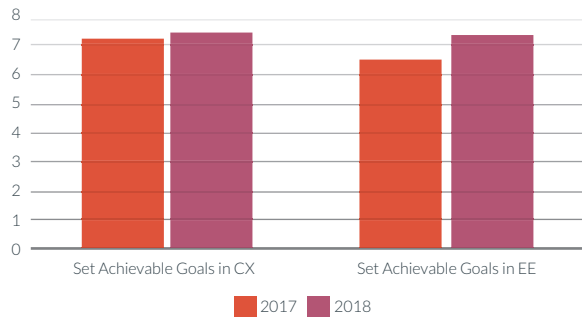


Laggards

The strongest linkage with future investment in a CX programme is getting the right ownership of goals. Our multiple linear regression analysis identifies clarity and ownership of goals as the Number One Habit that will drive overall success of a programme.

We saw a stark contrast between Leaders and Laggards in this area, with 57% of Leaders agreeing strongly that stakeholders are invested in the goals of the programmes, versus just 25% of Laggards. The customer experience is the responsibility of all employees, from HR to Accounts Receivable. Companies that are successful in embedding CX values into every department will develop a truly customer-centric culture. Companies that rely on a single team/function to create a better customer experience will always struggle to improve their CX.

Setting Achievable Goals - Year on Year



ROI and Stakeholder Engagement - Year on Year

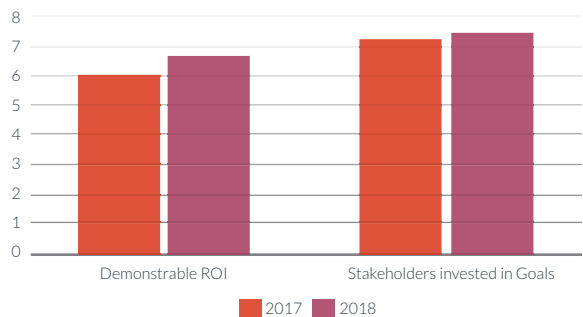


Figure 9: Year-on-year trends





I AM MOST PROUD OF

“Line Managers and Functional Heads believe CX will be helpful in achieving targets”

“The ability for all team members to adapt their thought process and be creative with their opinions and ideas”

“The thirst my organisation shows for better understanding our customers’ experience”

“(Our teams) really want to make a difference. High level engagement blows me away!”

“Willingness to work with others and develop new concepts”

Defining goals and outcomes featured strongly when we asked the question “what are you most proud of in your programme?” Comments around the level of effort, engagement and enthusiasm from people around the organisation were common, with 28% stating they were most proud of getting buy-in from across the business.

There are three steps that businesses need to take to achieve that critical business support.

Step One

Set clear goals.

This means defining what success looks like. It sounds obvious but our research showed that the majority were not confident that they had set clear and achievable goals. This is a concern but also a great opportunity. Many of the issues facing CX professionals require significant investment or resources, but setting and aligning goals does not require money or IT support.

Strongly agree - Have set achievable CX goals

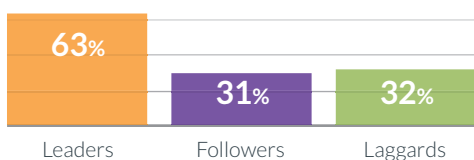


Figure 10: Setting achievable CX goals

Step Two

Get your key stakeholders on the hook.

Part of this is empowering those stakeholders to really own those goals. They cannot be held responsible for goals that are owned by the CX team so this is an area where CX professionals need to let go and enable other teams to move things forward. This also raises the thorny issue of the nature of goals. Unfortunately not everyone in your organisation will be motivated by a CX or employee engagement (EE) metric. CX teams must align their goals to the business outcomes that individuals and departments are being challenged to achieve – be that reduction in churn for Account Managers or efficiency of the contact centre.

Often, CX teams need to think a little more creatively about their goals. For example, in the early stages, rather than thinking about focusing on moving CX metrics, it’s useful to set goals around response rates or level of engagement. These are areas that can be easily understood by all teams, helping to underpin support and ensuring you don’t blind people with CX science.

Step Three

Identify Return on Investment

The ultimate language of the business is Return on Investment (ROI). This clearly remains a huge challenge for even the more experienced teams. Only 44% of our Leaders felt they could confidently point to ROI from their programme, though this is still significantly better than the 24% of Laggards who could say the same.

This has to be the future battleground for every CX programme. If CX teams cannot clearly demonstrate Return on Investment from their initiatives, they will never nail linkage to business outcomes and the practice of CX will continue to be seen as “fluffy” or a “nice to have”.

Strongly agree - Demonstrated ROI

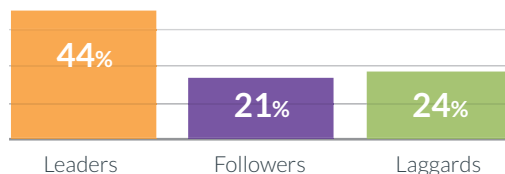


Figure 11: Ability to demonstrate ROI

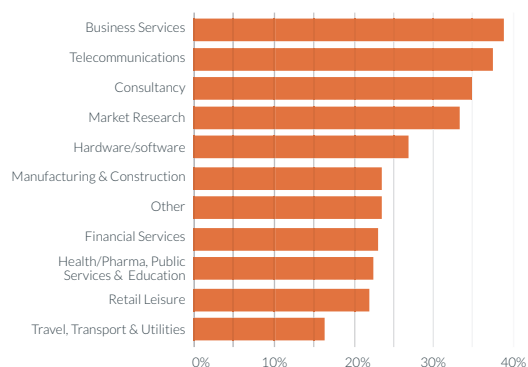


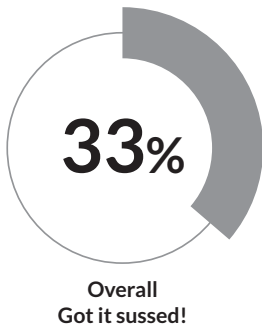
Figure 12: Ability to demonstrate ROI by industry

This proves to be an area with significant difference when split by industry categories. Business Services top the charts, though only with 39% confident they can demonstrate ROI. However, this is dramatically better than Travel, Transport and Utilities who languish at only 16%.



Think Innovation (and Action)

Percentage agreeing strongly programme is driving innovation



Like customer experience in general, innovation is one of those concepts that everyone generally accepts as a good idea. But it seems there is more to it than that. Our research shows that the ability of a CX programme to drive innovation is the number two driver of CX success.

51% of those we identified as Leaders agreed strongly that their programme is driving innovation, compared to only 16% of Laggards. This makes sense. If programmes are not resulting in innovation and action, they are fundamentally pointless. So it's no surprise that additional funding is not forthcoming!

Programme Driving Innovation

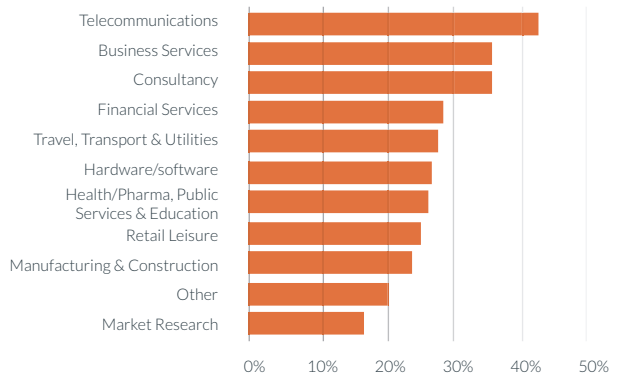
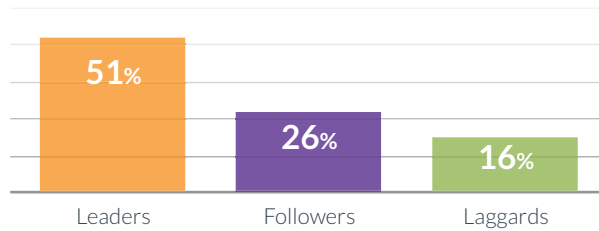


Figure 13 and 14: Ability for programme to drive innovation, by category and by industry



IF I HAD A CX MAGIC WAND

"I would like to link our VoC and VoE data. HR currently holds VoE data very close to their chest"

"I'd like us to use the latest technological advancements to improve work efficiency."

Why is this the case? Why is all this activity not enabling businesses to innovate?

Change requires investment. And this is where our analysis reveals the root of the problem. Among Laggards, only 27% have actually invested in driving change! In fact, among followers, that figure is still well under 40%. Hardly surprising then, that these companies are not seeing results from their programme. This is the age-old problem of CX – capturing feedback but not doing anything with the results.

This is exceptionally frustrating for every CX professional and it suggests that CX needs to broaden its areas of responsibility from just monitoring the customer experience to monitoring the level of change across the organisation.



I AM MOST PROUD OF

“The ability to use action plans to drive improvement”

“How we are set up to act on the insights”

“Taking actions for our customer/employee feedback analysis”

“100% follow-up on customer issues”

Investing in CX Initiatives

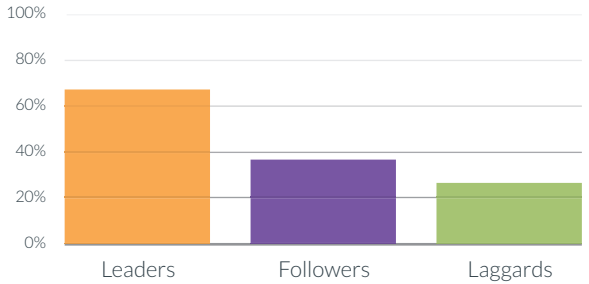


Figure 15: Investment in CX initiatives by category

Close to 70% of Leaders in the space are actively investing in initiatives to turn the Voice of the Customer into a force for change across the business. Here again we see significant differences across industry groupings.

Investing in CX Initiatives

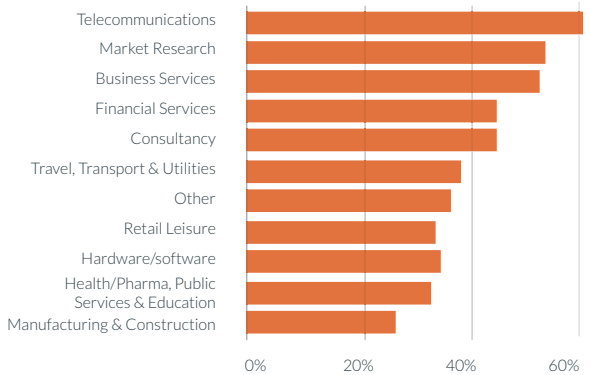


Figure 16: CX investment by industry

We asked Leaders what advice they would give to someone starting a programme, and “Think Action” was second only to the importance of senior buy-in. Again, this illustrates how critical action and change are for any programme to survive.

On a more positive note, it’s clear from our audience that where businesses are running change initiatives, they not only drive investment, but are also a source of pride. More than 10% of our audience stated that it was the ability to take action to respond to customers and to make business-level changes that they were most proud of.

We also need to consider how companies can drive action based on insight, at scale, across the enterprise. Technology is critical here, whether the action for an individual customer or at a more strategic level to inform, support decisions and track the impact. This is clearly understood by our audience too. When asked about areas in which they would like to see investment, more than half cited technology – many of these specifying more advanced CX platforms to support action management and analytics.

There is also a suggestion that most businesses are not keen to go too far down the technology and automation route. A number of verbatim statements from the survey stated that the “human factor” remains critical in dealing with customers. This ties with general themes we have heard in the market. Data and technology must not be the endgame, they should support, explain and share the story. While areas like Artificial Intelligence and automation will enable companies to better deal with huge quantities of data, these tools will not replace people. Rather we see that they will augment the human, reducing the need to ask questions and improving the customer experience.

Use VoC to Drive Innovation

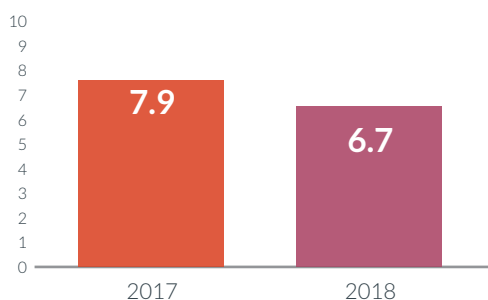


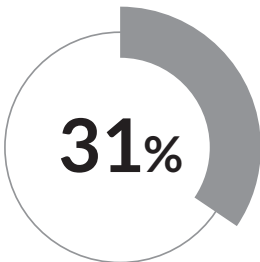
Figure 17: Using Voice of the Customer to drive innovation.
Year-on-year trend.

A final note here on our year-on-year figures which suggest a decrease in the number of programmes that are driving action. This may be a result of the expanded audience, so while interesting, we don’t necessarily think it’s alarming at this stage. We’ll certainly be keeping an eye on this figure next year, though!



Listen to
More Voices,
Combine
More Sources
(and destroy the silos)

Percentage agreeing strongly programme is combining many sources of insights



Overall
Got it sussed!

As you would expect from our audience, the overwhelming majority (87%) of respondents are actively capturing the Voice of the Customer. Those who were not capturing Voice of the Customer were capturing Voice of the Employee.

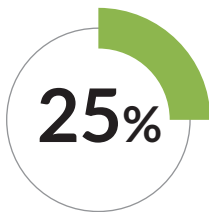
It is great to see that even with the least popular 31% of organisations are capturing feedback from their Employees on the Customer Experience.

Compared to last year, we see a significant increase in the number of respondents who are capturing more than one voice. Remember we have had a significant change in respondents, so it might not be a trend, but this is still very positive.



Leaders

Vs



Laggards

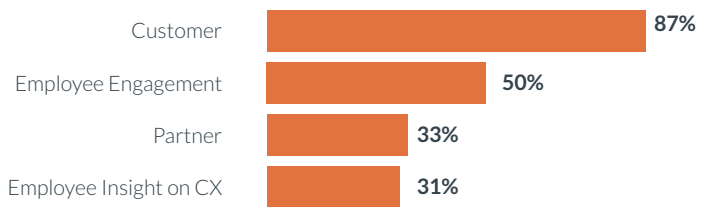


Figure 18: Type of feedback data captured by respondents

Number of Voices Captured - By Category

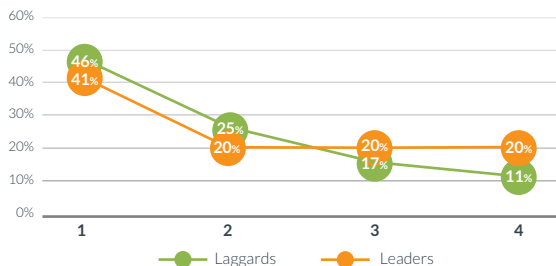


Figure 19: Number of voices by Leaders/Laggards

Number of Voices Captured - By Industry Type

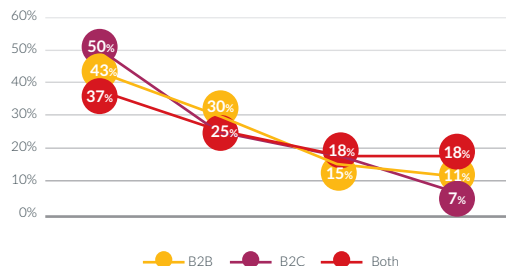


Figure 20: Number of voices by industry type

The most commonly collected two voices are of course customer and employee (42%). This is very good news, but does raise the inevitable question of whether companies are able to integrate the analysis. In our experience, organisations that do capture feedback from both customers and employees struggle with integration. This is particularly true with more mature programmes where entirely different methodologies have been used by the HR and CX teams.

This will continue to be one of the biggest challenges for companies to address. It does not mean however, that all forms of feedback collection must be owned by the same team. It means that these teams must work together to ensure goals are aligned. Great CX is only delivered when ownership is shared across the business and is not seen as the responsibility of a single – usually small – CX team.

Customer / Employee Moments - Year on Year

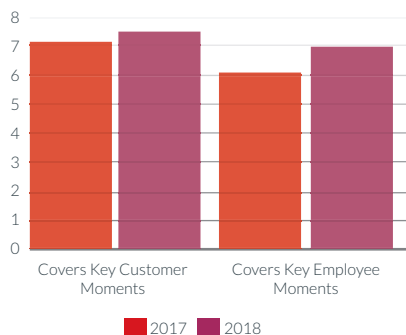


Figure 21: Programme covers key customer/employee moments. Year-on-year trend.

While the majority were only listening to one voice, a significant number of organisations are listening to more which is encouraging. Most impressively, a significant minority are listening to all four stakeholder groups that we identified, and may well be seeking feedback from additional groups beyond those we asked directly about.

When we look at year-on-year figures, we saw a small drop in the proportion of respondents collecting feedback from more than one source – down to 58% from 62%. However, on a more positive note, there is an increase in companies reporting that they collect data from three or more sources! This statistic jumped from 27% to 32% this year.



IF I HAD A CX MAGIC WAND

When offered a magic wand 19% stated that they would use it to increase the sources/channels of feedback

Data currently used

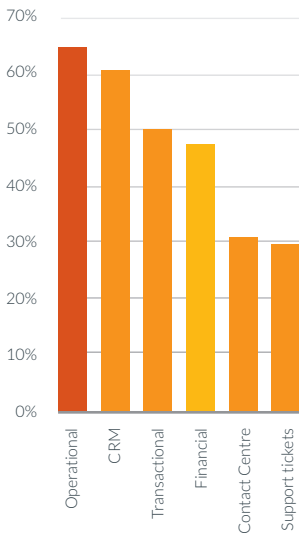


Figure 23: Source of data currently used

Customer Journey Coverage

Another key concern for programmes is how comprehensively the customer journey is covered. Can you truly say you have a comprehensive picture of the customer experience if you are only capturing feedback once a year? The short answer is “no”.

Only 41% of respondents strongly agreed that they had the customer or employee journey fully covered. This increased to 58% for the Leaders.

Notably, though, many people stated that they plan to run some customer journey mapping to enable them to better understand what they don't know. This is promising as it suggests a move towards a more comprehensive approach to CX.

So which touchpoints are you struggling with?

Missing CX Touchpoints

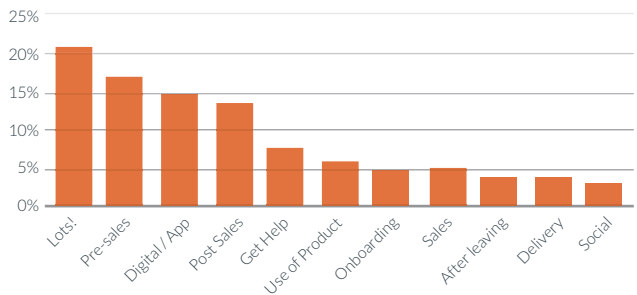


Figure 22: Key moments in customer journey not currently covered by programme

When we asked which parts of the customer or employee journey remained a mystery to our respondents, many said there were simply too many to mention! However, of those who were more specific, a wide range were highlighted. Pre-sales and in-app feedback was cited, along with non-purchase and exit surveys to capture the experiences of non-customers.

Enriching voices with business data

There is another facet to consider. That is the ability to bring in business data to provide depth and context to the various voices.

48% of respondents currently bring in some sort of financial data to their analysis, while 70% include some form of operational data (more detail in the chart on left). Note that this is just some data from these sources, not everything that would be useful!

Additional data sources of interest

- Social media
- HR
- Behavioural
- Product

How Investment and ROI Correlate with Number of Sources

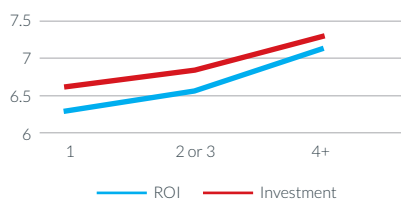


Figure 24: Ability to demonstrate ROI and increase investments in the next 12 months, correlated to number of voices captured

Which touchpoints are missing from our programme?

- “Delivery and finance touchpoints”
- “Interactions via dealers and partners”
- “Telephone interactions”
- “Employee on-boarding”



IF I HAD A CX MAGIC WAND

- The ability to include all voices - customer, employee, partner at every touchpoint
- “Integration of our survey system with all data sources”
- “Continuous and contextual feedback from customers, rather than sample-based intermittent surveys”

It’s been years since the coining of the term “big data” and most companies understand that nuggets of gold are hiding in these stacks of numbers. But, as with the different voices, it’s the integration that causes issues. Our research shows that overall, only 24% are able to effectively integrate multiple sources of data. Notably, among those we’ve classed as Leaders, this number jumps to 56%. There is no way around it - data integration is at the heart of a successful approach.

One of our key findings from last year’s research was a correlation between the number of sources used (including feedback and business data) and increased investment (see chart). This relationship still holds true in this year’s data and confirms that in order to drive the ROI that enables greater investment, multiple data sources are critical.

Data you wish you had

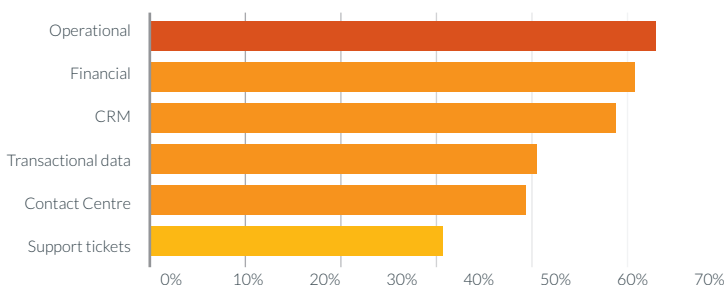


Figure 25: Sources of data that would add value to the programme

Why the struggle?

This all leads to the inevitable question. If multiple data sources and effective integration are so important – why are companies still failing to do this? Which sources are they unable to incorporate? 6% of respondents were keen to use any additional investment to scale up their work, with more channels being a key element of that scale.

Our survey suggests that there are five key issues that CX team battle with in their attempts to capture and integrate data sources. Budget, inevitably, tops the list. This is something we would hope to see change as actions – no matter how small – are taken and help to prove the value of the programme. In addition, legacy systems and having the right technical skills also cause issues. This is something of a chicken and egg situation. The answer must surely lie in driving change to ensure that ROI is realised and investment increased.

Why are there missing data sources?

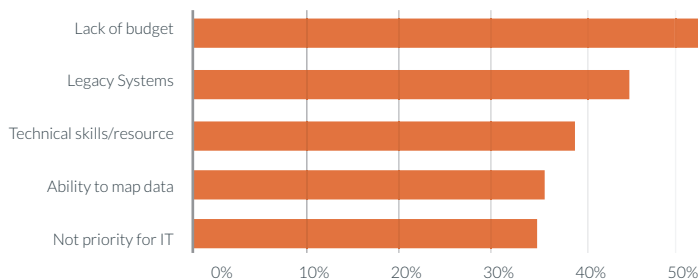
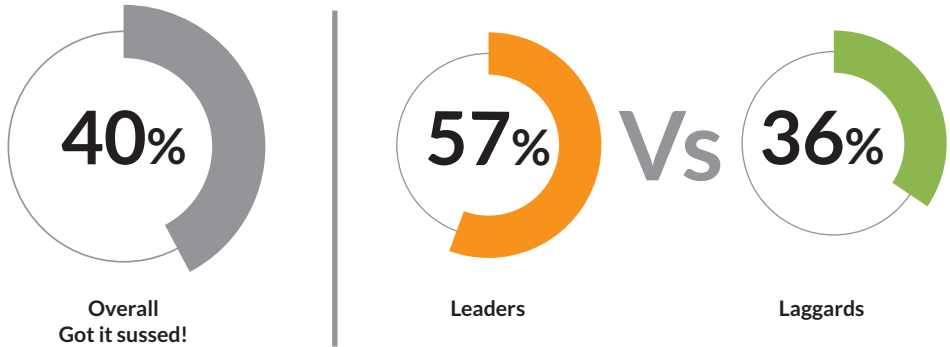


Figure 26: Reasons why data sources that would add value to the programme are missing



Focus on Customer- Centric Culture (team members first)

Percentage agreeing strongly programme has a communication strategy in place



Throughout the research we see the importance of driving a customer-centric culture.

Our audience mentions extensively the need for high employee engagement at all levels of the organisation, from the front-line, customer-facing employees, through to middle management across silos, and of course at Board level.

For the more mature programmes, with full executive support, culture is cited as a source of pride and growth. For the others, the lack of a single vision and fragmented silos create frustration and confusion. But in all cases, CX professionals view culture as one of the pillars of a successful programme.

In our research, when we asked CX professionals what they were most proud of, 28% focused on customer-centric culture, by far the top category.

What are you most proud of?

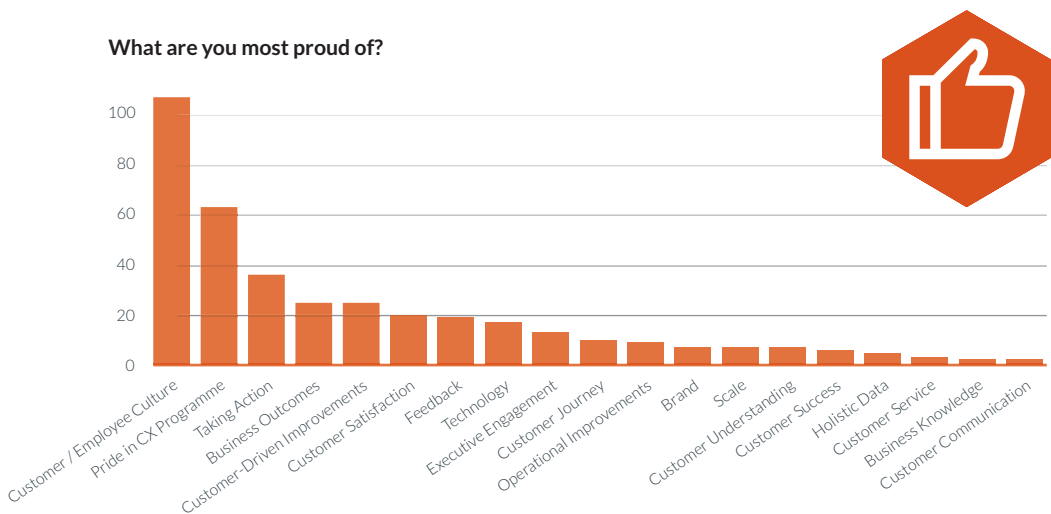


Figure 27: Categories of answers to the question "What are you most proud of"



I AM MOST PROUD OF

“We’ve begun to change the organisational culture to one that is ‘customer obsessed.’ Executives now regularly speak the language of CX... which is gratifying given that no one was talking about CX a few years ago.”

When it comes to considering where CX professionals see the next 12 months' investment being best used, answers linked to culture comes second on our list, after technology. They were also the second reason that Leaders cited as to why they were expecting more investments.

Areas of Increased Investments

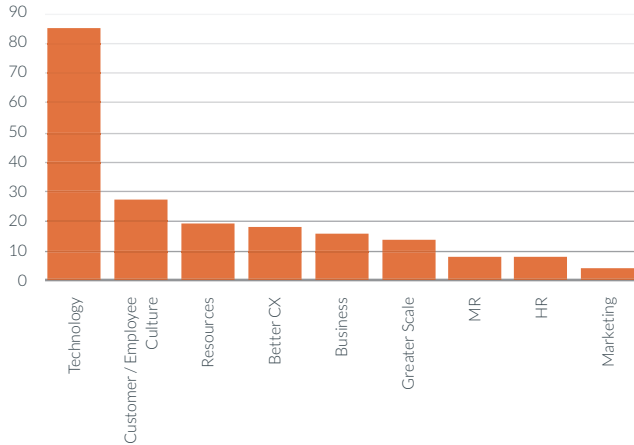


Figure 28: If planning to increase investments in the next 12 months, categories of investment required

We believe that this shows that companies that foster a great customer-centric culture tend to be on a virtuous circle. One where executive support and employee engagement combine to fuel the right behaviours, drive the right initiatives, and link to positive business outcomes.

Key stakeholders are important, but there are many more people in the business who also need to be bought into the programme. It's crucial to put together a communications strategy that helps the wider business understand what you're doing and why. 57% of companies that we identified as Leaders have this communications strategy in place, compared to only 33% of Laggards.

Communication Strategy in Place

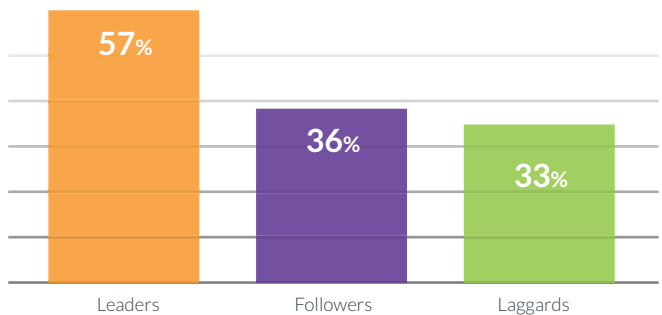


Figure 29: Proportion of respondents who have an internal communication strategy in place, by category



I AM MOST PROUD OF

Engagement

“The thirst my organisation shows for better understanding our customers’ experience. They really want to make a difference. High level engagement blows me away!”

“How much support we have from various teams we work with within our company”

“The ability for all team members to adapt their thought process and be creative with their opinions and ideas”

“Involvement of all employees”

“Openness to spread ideas and initiatives”

Customer centricity

“The commitment in the organisation to improve results”

“The level of trust in information sharing”

Investment

“Everything will be built with the customer in mind”

“Customers are the core of our company, not just in words but in our actions”

“Customer advocacy and online reputation will become increasingly important, so investing in ways to improve the customer experience will best impact these things”

“Focus on Customer centricity within the business is key to our growth”

We can also see a definite increase in companies that invest the time and resources needed for an internal communication strategy when you compare this year’s results to 2017, as you can see in the graph to the right. In fact the proportion of people who rated their internal communication above 6 has more than doubled (x2.45) compared to last year.

The ability for an organisation to share the vision, celebrate successes, recognise areas of improvements is key to promoting the customer-centric culture needed to support a successful CX programme.

Communication Strategy in Place

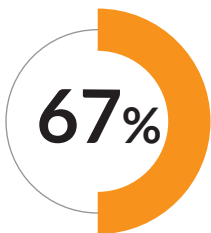
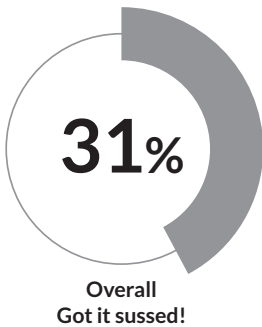


Figure 30: Internal communications strategy in place. Year-on-year trend.



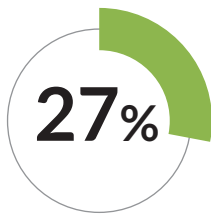
Continuously Re-think (what's next?)

Percentage agreeing strongly programme has resulted in significant investment in change



Leaders

Vs



Laggards

It's easy for CX programmes, just like any other functions in a business, to get stale, to stop pushing the boundaries, to get stuck with bad habits. Early on, the drive to set up a programme, deliver results and wow the Board with results, can make CX professionals feel a great sense of achievement. But as time passes, especially for successful programmes, a plateau occurs and routine sets in. And then results can plummet from one day to the next.

This research backs up Confirmit's belief that customer experience programmes demand innovation, all day, every day. Looking into the data, we found the most experienced individuals (those with more than 10 years' experience) did not necessarily have the most successful programmes. This final habit shows us we can't let CX programmes become a "habit" rather than a true driver of business value.

Obviously we need to ensure that the programme is delivering the right insights, listening to the right voices and asking the right questions. But is there anything else we should think about that might provide the "shot in the arm" a stale programme might need?

The use of innovative techniques to improve programmes has been a key question in this research. We asked professionals to rate which technological advances they considered were likely to have an impact on their programme in the next five years. We used the same question last year, so we were able to compare results year on year. The graph below focuses on the split between Leaders and Laggards in 2018, and what they deemed critical in 2017. We can see a very similar pattern for our Leaders with Predictive Analytics continuing to be the most important. For Laggards, text analytics, not surprisingly, is more of a priority - something that perhaps the Leaders have already got sussed. It's also interesting to see AI/Robotics still languishing in last place despite all the hype. There's clearly still room for it to mature.

Areas of Innovation

Mentioned by many

- Blockchain
- Internet of Things
- Automation (e.g. RPA)
- Behavioural Science
- Digital
- Speech analytics
- Personalisation

Mentioned by a few

- Virtual / Augmented Reality
- Privacy / Trust
- Communities
- Next Best Action
- Geolocation
- Co-browsing

What key innovations will impact your programme in the next five years?

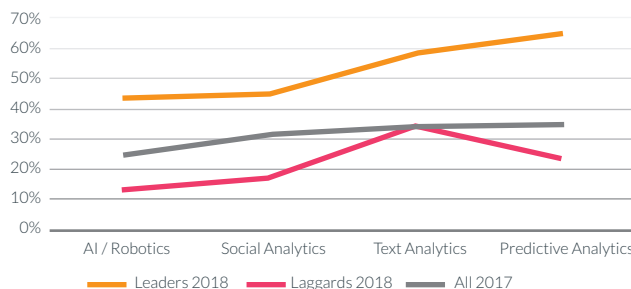


Figure 31: Percentage who strongly believe innovation type will impact their programme in the next 5 years

But what else? We asked what other future trends CX professionals are keeping tabs on when it comes to keeping their programmes fresh. Have a look through the list. Do any have potential for your programme or are you already using them? Blockchain is something we believe is going to be key - watch this space for a more scientific article!

There is also a sense that innovations are needed around improved communications internally and externally, collecting feedback, personalisation techniques, and the need to capture more than just text (adding emotions and sentiment for a wider perspective on CX).

Interestingly for a question around innovation, the human factor was quoted a few times as there are clearly concerns among our audience that an increased focus on technology might get in the way of human interactions.

Potentially we are seeing a pushback from all of this automation and AI. This reflects our thinking that we need to think “Augmented Intelligence” rather than “Artificial Intelligence” from two different perspectives:

1. Process Redesign

“There are obvious advantages and efficiencies gained through automation. But we need to consider carefully when this is appropriate.”

“There may be a segment of our customer base that will demand a human touch at specific touchpoints and firms that make that human connection will have an advantage. But don’t underestimate the role automation and AI will have in providing a personal enriching experience.”

2. Predictive Analytics

“As one of our data scientists says – data is stupid – it doesn’t know what it doesn’t know. So rather than AI making decisions for us surely it should be supporting human decision making. The data is used to support, understand and tell the story; data should not be the endgame.”

Where would you like to invest?

We asked our audience where they think future CX investments were likely to focus on.

Technology is the clear favourite with 48% of the vote. What specifically other than just general CX technology? Respondents mentioned the following investments:

Technology

- AI
- Text Analytics
- CRM
- Predictive Analytics
- Big Data
- Monitoring
- Innovative Data Capture
- Crowdsourcing
- Automation / RPA
- Chatbot
- Sentiment Analysis
- Customer Success
- Text / Analytics
- Speech Analytics
- Ecommerce
- Social Media
- Visualisation
- Session replay
- IoT



IF I HAD A CX MAGIC WAND

If you're looking to refresh your programme, perhaps a good place to start is looking at what CX professionals said they would do if they had a CX Magic Wand.

Programme success

- Link to business outcomes
- More budget
- More resources
- Actionable
- Better / more data
- Greater scale
- More visibility
- Holistic customer view
- Higher response rate
- Less silos
- More accountability
- More personalised
- More agile

Technology

- Better integration (CRM, VoE, CJM...)
- Easier / quicker to implement
- More real-time
- More automation
- More innovative feedback
- Better analytics, including predictive
- Safer
- Better visualisation

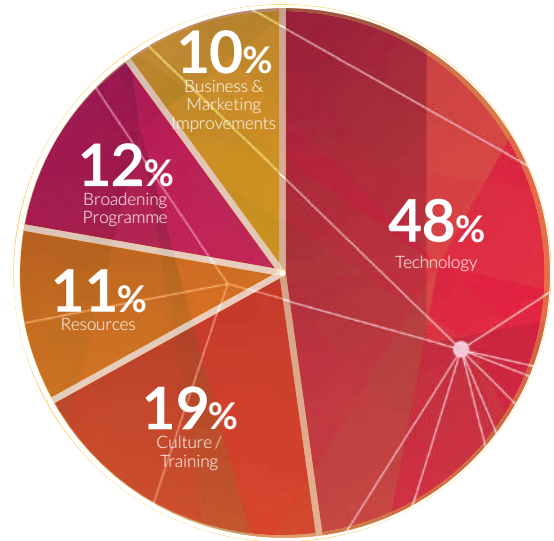


Figure 32: Areas of increased investments over the next 12 months

But let's also dig a little into the Culture/Training heading:

Culture/Training

- Employee engagement
- Training
- Vision
- More strategic CX
- Bonus scheme



IF I HAD A CX MAGIC WAND

“To have now what we will have in five years’ time!”

“One platform that supports all customer CX.”

It may seem obvious that CX professionals need to keep their programmes innovative, and avoid getting stuck in the rut. But why? The reasons might seem obvious as well, and our experience shows that without the right level of innovation and agility, your programme will fail to deliver results in the long term.

But don't take our word for it! We asked our audience whether they expected their budget to increase in the next twelve months. Those who responded positively cited some of the following reasons behind this increase:

- The need to invest in cutting-edge technology
- The drive to achieve a better culture (around customers and employees)
- The need to stay ahead of the competition
- The need to grow the programme, and the company
- Higher customer expectations

Other reasons included

- Executive engagement
- A drive for higher customer satisfaction
- Preventing churn
- Delivering impact
- Compliance concerns

Conclusion

There is a huge amount of data, insight, interpretation and guidance in the pages above - and well done for getting this far! There are lessons to be learned from Leaders and notes of caution from Laggards. Across it all, though, we have been able to get an exceptionally in-depth view of the issues that face CX teams today. Both the statistics and verbatim comments from our audience clearly point towards the five habits we have identified as being core to CX success. That is, core to securing future investment in your programme.

Here, though, let's turn this view on its head for a moment. It's great to look at what the best practices are, but sometimes it's more relatable to identify where we are going wrong. What are the most common bad habits that CX teams need to break in order to become masters of their own success?



IF I HAD A CX MAGIC WAND

"I'd wish to have everyone on board with making a customer's experience better, regardless of their role, background and digital capability"

"I'd have every professional in the company and their assistant be using our programme to make decisions"

"I'd like to start including employee surveys into our strategy. This would allow us to identify and address employee related communication requirements and opportunities"

"I'd wish to have a strong customer-focused culture, driven by employees rather than top down"

"I want it all. Proactive solutions, automatic feedback gathering and analysis from social media, qualitative comments and predictive analytics"

Bad Habit 1

Obsession with CX metrics and expecting everyone to join in. There is more to life than NPS® and Customer Effort Score. Moving the needle on these scores is meaningless to most of your employees. You need your colleagues to get involved and to care. Talk to them in terms that they understand and that matter to them.

Bad Habit 2

Focus on data collection. Data is not the outcome of your programme. Neither is a sexy dashboard or presentations to the Board. These are all just steps in the process. Innovate, take action, do something or die.

Bad Habit 3

Being deaf to everyone but the customer. The Voice of the Customer is core to CX efforts. But it cannot be the only voice. Employees, suppliers, partners and others all have a view on the experience you offer. And data from other sources, such as operational and financial input add colour and context.

Bad Habit 4

Keeping the customer experience too close. A focus on the customer cannot be the sole charge of a handful of CX professionals. It has to infuse the entire business. Each department, customer-facing or not, should understand how they impact the customer.

Bad Habit 5

Thinking your work is done. Spoiler alert – your work is never done! To continue delivering change a CX programme must be constantly looking for something new. New ways to gather data, share insights, track the impact of the action that's been taken. Customer expectations get higher all the time, competitive pressures get fiercer, so you need to keep raising your game.

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business media

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Our mantra is that organisations need to cut across their own internal silos, take a more holistic view of their customers, both internal and external, and deliver a consistent and appropriate customer and employee experience.

In support of this EBM runs a series of highly respected, CPD-accredited, Worldclass thought leadership events for its community throughout the year—including our annual flagship Customer Engagement and Employee Engagement Summits and our Engage Awards.

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