

When it comes to experience, customers' expectations are high

Article



Thanks to the pandemic and rising inflation, customer behavior seems more erratic than ever. Customers are not great at saying what they want, and understanding the motivations behind their purchases is difficult. Add that to the fact that customer feedback is layered with challenges—it's often inconsistent, unreliable, and manipulated—and it's easy to understand

why figuring out what customers want is a tall order. But it's a foregone conclusion that they all want better customer experiences.

Customers say CX has steadily gotten worse in the last few years. In a November 2021 survey conducted by global market research company Big Village (formerly Engine) on behalf of Broadridge, 65% of consumers in the US and Canada thought most businesses needed to improve their CX, compared with the 35% who felt the same in 2019.

Per a January 2022 Independent Directors Counsel (IDC) White Paper commissioned by Emplifi, only 11% of customers would rate their CX as excellent, leaving companies a lot of room to improve.

And companies aren't getting second or third chances at the same rates they used to. Hykens' ACA Study found that 86% of customers would consider switching after a bad customer service experience, while 83% would be willing to switch if they felt the experience would improve with a competitor.

Attitude of US Adults Toward the Customer Service Experience, Jan 2022

% of respondents



Note: ages 18-65

Source: Shep Hyken, "The 2022 ACA Study: Achieving Customer Amazement," April 1, 2022

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What are the benefits of good CX leadership?

CX leaders thrive when they're equipped to exceed customer expectations. Customer-centric cultures yield better financial results and efficiencies. Those that lack can suffer from inconsistent results, inefficiencies, and culture problems.

Solid CX leaders develop agile programs that produce results. In an uncertain business and economic environment, agility is more important than ever. According to a July 2022 Qualtrics report, CX leaders are more adept at:

- Addressing customers’ evolving needs with new experiences
- Preparing for rapid shifts in the customer environment
- Identifying emerging segments of customers

This improves cross-selling efforts to customers and helps aid retention and advocacy.

Good leaders are more attuned to the CX program’s results—and its value. CX leaders are more likely to review CX performance metrics and exceed their customer satisfaction goals, according to a Q2 2021 survey conducted by Enterprise Strategy Group (ESG) on behalf on Zendesk. As a result, they’re better equipped than others to gain visibility and demonstrate impact within the company. Their close reading of metrics also equips them to change course quickly in the face of new variables and challenges.

CX leaders constantly drive for continuous improvement with their programs. Thanks to their constant review of results, they’re more informed on prioritizing investments that further develop their CX programs.

Customer-Related Objectives That Are Very High Priority for Investment at Their Company According to Marketing and Customer Experience (CX) Professionals Worldwide, by Maturity Level, Sep 2021

% of respondents in each group

	Leader*	Laggard**
Improving quality of customer support experiences	68%	32%
Improving consistency of customer support experiences	65%	29%
Improving quality of customer feedback	57%	34%
Using customer feedback for product innovation	57%	15%
Increasing volume of customer feedback	56%	17%
Improving personalization across interactions	52%	24%
Managing human & digital interactions across channels	52%	19%
Creating frictionless cross-channel experiences	51%	20%

Note: in the next 12 months; *defined as a company that scored in the 90th percentile of an average measure reflecting the extent to which it was able to achieve customer satisfaction and retention; **defined as a company that scored in the 10th percentile or below of an average measure reflecting the extent to which it was able to achieve customer satisfaction and retention

Source: Medallia, "Uncovering the Secrets Behind a Successful Customer Experience Program," June 10, 2022

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CX leaders are more confident in their data, digitalization, and tech. All three of these are growing in importance. Data provides valuable customer feedback, helping to improve the digital-first interactions customers want. That, in turn, drives the adoption of AI and automation and helps create the right mix of self-service and human-enabled engagement.

CX leaders can cut through silos. Traditional leaders are protective of their silos and resistant to change. More than half of CX leaders worldwide consider organizational silos their biggest obstacle to success, according to research from an April 2022 MyCustomer report.

Biggest Obstacles to Their Customer Experience (CX) Program's Success According to CX Leaders Worldwide, 2020 & 2022

% of respondents

	2020	2022
Organizational silos	49%	55%
Company culture	36%	44%
Business processes	28%	37%
Technology	23%	35%
Skills and training	19%	33%
Budgets/investment	15%	31%
Lack of executive support	23%	28%
Demonstrating ROI	24%	25%
Measuring CX performance	12%	25%
Customer insight/understanding	7%	23%
Changing customer expectations	7%	18%
Employee engagement and motivation	14%	14%
COVID-19	-	13%
No major obstacles	4%	5%

Source: MyCustomer, "The Changing Face of CX Leadership," April 6, 2022

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CX leaders help build cultures that prioritize the customer. Happy employees lead to happy customers. Leaders can leverage this connection by partnering with executives and HR to weave the employee experience into the culture. Organizations that focus on this connection score higher in empathy, values, data and analytics, and adaptability, according to Qualtrics.

CX leaders can help combat retention problems sparked by the "Great Resignation." Good leaders see beyond the job functions and value their team members. They build internal talent by relying on employee development and can spot burnout that can damage a CX program—or its strategy and results.

That's especially important since dealing with staffing shortages and labor challenges was the top concern for CX professionals worldwide in a December 2021 survey from Verint.

Areas With the Greatest Impact on Customer Experience (CX) & Engagement Challenges According to CX Professionals Worldwide, Dec 2021

% of respondents



Source: Verint, "The Engagement Capacity Gap Study 2022," March 22, 2022

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Dialing in Your CX Leadership Strategy

