

Forbes
INSIGHTS

How To Master High-Impact Customer Experience

IN ASSOCIATION WITH



Table of Contents

3	SECTION I Overview
4	SECTION II Is CX On The Agenda?
7	SECTION III Technology Is Important, But There's More To It
9	SECTION IV CX Focus Is Linked To Growth
11	SECTION V CX Is Everyone's Job
13	SECTION VI Your CX Roadmap
14	Demographics

Overview

It's a volatile business landscape, and business leaders across industries are vying for a competitive edge. The only way forward in today's digital era is to put customers front and center in every way possible. This requires mastering moments of truth—the crucial touch points when customers interact with a company.

Delivering *high-impact customer experience* (CX)—when these moment-of-truth interactions go above and beyond—helps companies stand out.

It's also challenging to pull off in today's multichannel environment. Touch points are tangled up in silos, muddling data and compromising a seamless customer journey. If digital interactions across channels such as text, chat and social media aren't consistently delighting customers at every turn, companies will find themselves behind the competition.

The recipe for high-impact CX requires steadfast commitment and collaboration across the entire organization, the right technology and impactful training.

Forbes recently surveyed over 400 CX decision makers across finance, healthcare, retail and travel. The results show that the most successful companies prioritize delivering the best CX as a crucial part of their culture. At the same time, findings suggest that many businesses are struggling to get there.

In this report, we'll explore the following key findings:

- Business leaders recognize the importance of CX.
- Yet, companies are underachieving in this area.
- Companies achieving high-growth rates have a focus on CX.
- CX must be woven throughout the organization—not limited to traditional customer support areas.

Is CX On The Agenda?

Today's leaders know that customers should be their priority, but are they taking action to deliver exceptional experiences?

The rise of digital channels, cutting-edge technology and evolving consumer demands—alongside the pandemic and an unpredictable economy—puts CX at the forefront as a competitive differentiator.

The message to leaders is clear: Stepping up their focus on delighting the customer across all moments of truth will benefit business outcomes.

The Forbes survey suggests that many leaders acknowledge how crucial this is: Improving CX is the leading initiative for enterprises, cited by 45% as a top-three priority over the next year.

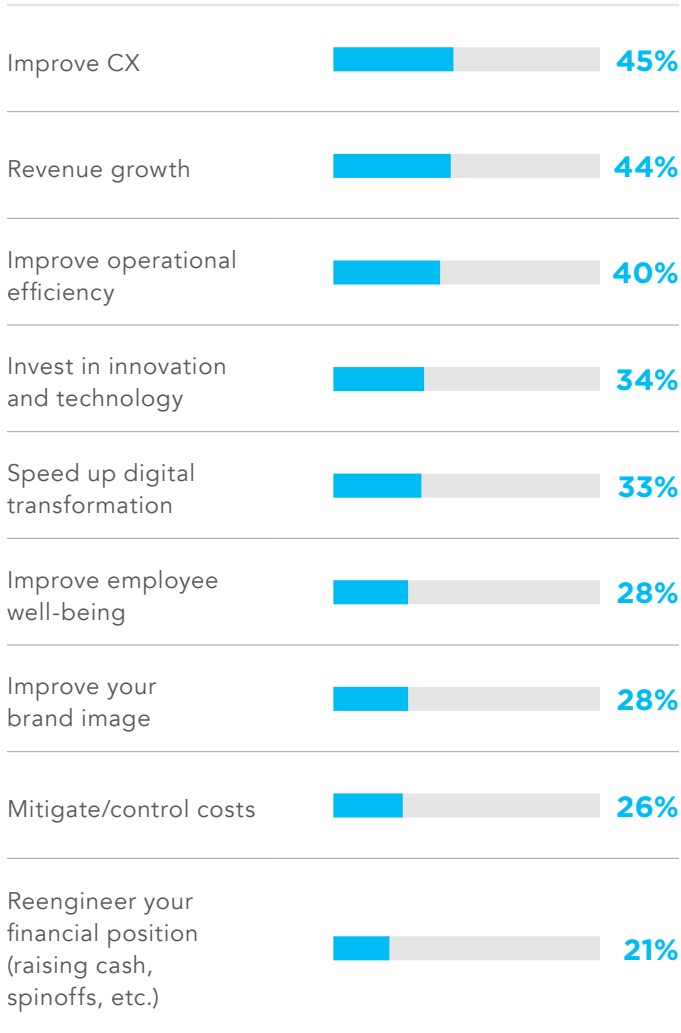
At the same time, companies are underachieving. Forrester's [US 2022 Customer Experience Index](#), for example, finds that CX quality fell for nearly 20% of brands in 2022—the highest one-year drop since the survey's launch seven years ago. While the report suggests that brands are losing their focus on customers, results also showed that the index's "elite brands" are the ones more likely to deliver positive experiences.

The Forbes survey identified the following trends shaping today's business landscape:

- **Improving CX is the leading initiative for enterprises**—cited by 45% as a top-three priority over the next year—in line with increasing revenue (44%) and improving operational efficiency (40%). (Figure 1)
- **CX is still a work in progress.** Fewer than one-third (31%) of executives strongly agree that their customers are satisfied most of the time with their experiences with their organization. In addition, only 27% strongly agree that their customers are satisfied with the speed of engagement or problem resolution.
- **A third of companies are ramping up their CX strategies in the next two years.** When asked what they're prioritizing in terms of CX strategy, 34% of executives say they want to expand their digital customer service channels. Additionally, 32% want to improve their visibility into the customer journey as well as leverage collaboration technology to help agents get to resolutions faster. (Figure 2)

FIGURE 1.

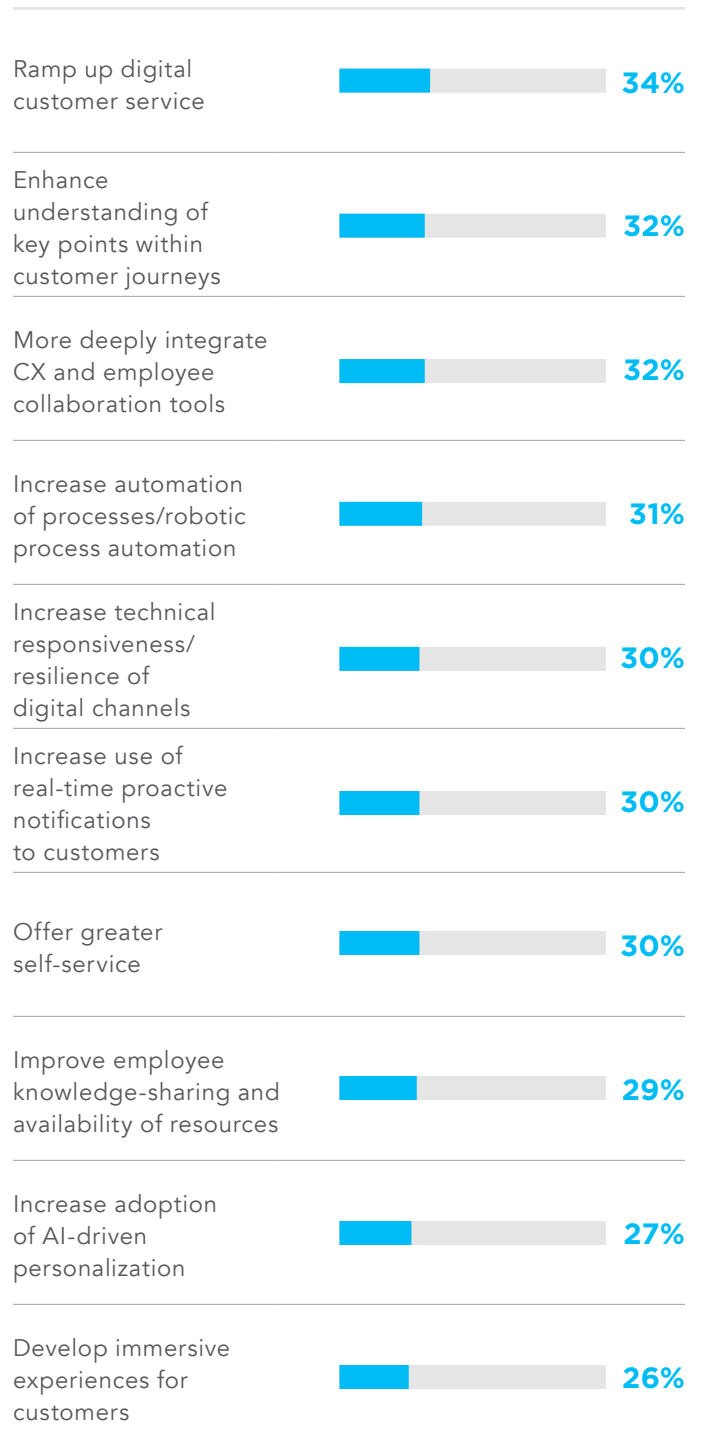
Top Priorities Over The Next Year



(Respondents ranked the top 3 priorities, with 1 being the top priority for their organization.)

FIGURE 2.

CX Initiatives Business Leaders Will Focus On Over The Next Two Years



(Respondents selected the top 3 initiatives.)

So how do leaders connect awareness to action and deliver the experiences they already acknowledge are key to growth? A first step is to grasp what high-impact CX looks like in practice.

“A superior customer experience is answering the customer’s request faster, better and in a richer manner,” says Lorrissa Horton, senior vice president of Webex Calling and Contact Center at Webex by Cisco. *“A richer experience could be with video, through a mobile app or a chat window. It’s a more highly customer-centric way of solving problems and not putting a customer through disconnected business processes.”*

A customer-centric online retailer, for instance, might deliver a personalized, data-driven shopping experience that relies on deep consumer insights and real-time interactions to guide buyers with precision and speed. If an order is placed, the brand delivers products ahead of schedule, offers no-hassle returns and refunds and maybe even provides convenient physical locations for exchanges.

The journey involves seamless interactions and immediate answers every step of the way. If contacted, customer service representatives are knowledgeable, swift problem-solvers. All touch points are at the customer’s convenience, on their preferred device or interface. Ultimately, real-time communication with the brand *“prevents the customer from getting upset by an out-of-stock product and going to another retailer,”* says Horton. *“Being proactive focuses on what is important to the customer and how to keep them happy in the buying process.”*

To deliver a similarly pleasurable journey, enterprise infrastructure must also be customer-centric. Building and managing the organization around the customer is where high-impact CX begins. This requires a holistic strategy driven by targeted technology and engaged employees—one that looks beyond CX as an extension of customer service and puts it at the top of the leadership agenda.



Technology Is Important, But There's More To It

Digital engagement drives results. Human connection is important, too.

Digital solutions are one component of a customer-centric organization that delivers high-impact CX. The Forbes survey indicates that leaders grasp this: Results show momentum around digital engagement, fueled by today's consumer demands for providing services, products and information across any communication channel.

At the same time, tried-and-tested maxims—proactivity, respect and meaningful human connection—remain essential to delighting customers. While these values are key to in-person experiences, digital interactions should also be empathy-based. Customers shouldn't have to repeat information to multiple agents or systems, for instance, or be left troubleshooting a tech issue when engaging with a brand. This seamlessness requires arming the entire organization with agile, empathy-based digital capabilities from the get-go.

"As technology continues to enhance the experience, we are seeing an increased focus on ways to build better customer empathy," says Horton. "We can understand things like customer sentiment and the consolidation of analytics into a single place. With this information, the employee can be much more empathetic the next time that they engage with the customer and can work accordingly towards the right resolution."

Newer companies are already building their tech infrastructure from the ground up to be customer- and empathy-based, for example, creating mobile apps that run on highly agile systems using APIs and cloud services. For more established businesses, the challenge is to leverage the strengths of existing legacy investments by integrating them into next-generation systems.

"Startups or very young, fast-growth businesses have engineered their processes from day one to be focused on the customer," says Jay Patel, vice president and general manager for Communications Platform as a Service (CPaaS) Solutions at Webex by Cisco. "Organizations that are functionally aligned to in-person or voice interactions have to reengineer their processes around digital engagement with the customer."

The survey identified the following digital engagement trends:

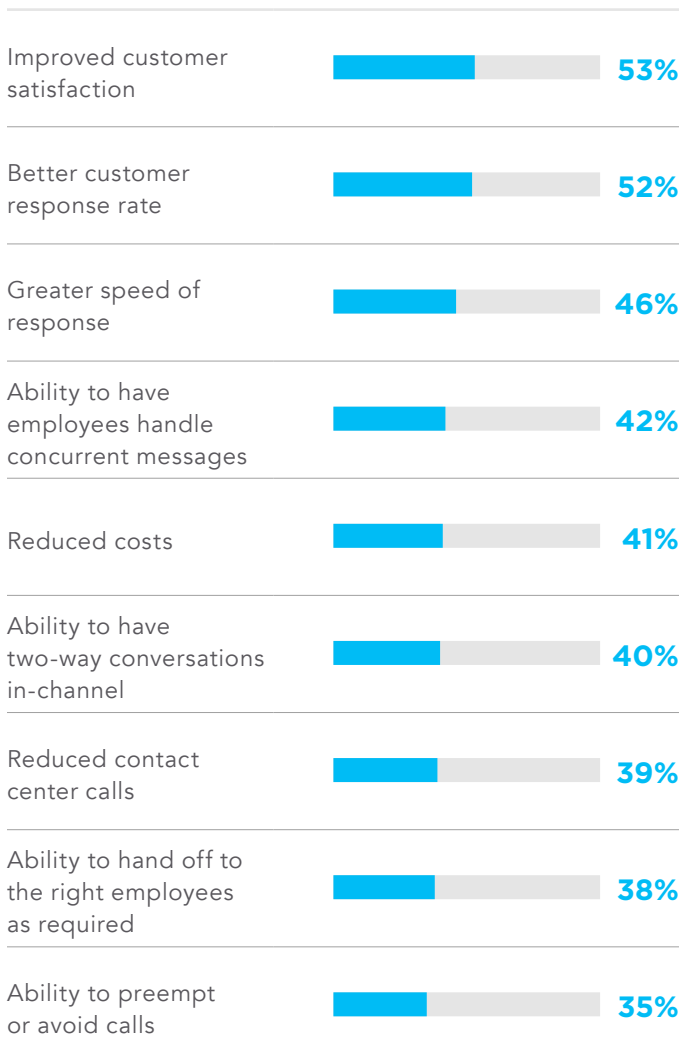
- **Digital engagement continues its momentum and delivers results.** Enterprises already rely on digital connections with customers, via websites, email, online chats and social media. This looks set to continue, with most executives (76%) expecting to see an increase in their online engagement with customers over the next two years. Most executives who experienced tangible results from employing digital CX say they've benefited because of the shift to digital versus traditional voice and in-person engagement. The majority say they've seen improved customer satisfaction (53%) and better customer response rates (52%). (Figure 3)
- **In addition to web-based channels, focus is also on a new generation of customer-contact platforms.** Leaders are employing instant messaging apps, text messaging and social media to digitally engage with customers. Today's leading social media platforms are considered primary avenues for customer contact by at least half of respondents. Another 44% connect with customers via chatbots, while 42% are deploying their own mobile apps. Similarly, 41% are turning to video interfaces to provide services or support.

- **Executives say customers care about privacy and want to feel understood.** When it comes to prioritizing CX, 44% of executives say customer data security is extremely important, followed by empathy (37%), simplicity (36%), speed (36%) and convenience (36%) for customer interactions. (Figure 4)

Leaders who build customer-centric businesses are setting industry standards by prioritizing technology, empathy and the integration of the two. Through judicious use of apps, video, proactive notifications and other touch points, for example, “customer expectations have been dramatically raised by digital-first businesses,” says Patel. “Many people now understand how to use tools such as video, payment and messaging apps. And the foundation—the technology backbone—is built. It’s time to explore how all these great technologies can extend across our organizations, across different functions and across different lines of business.”

FIGURE 3.

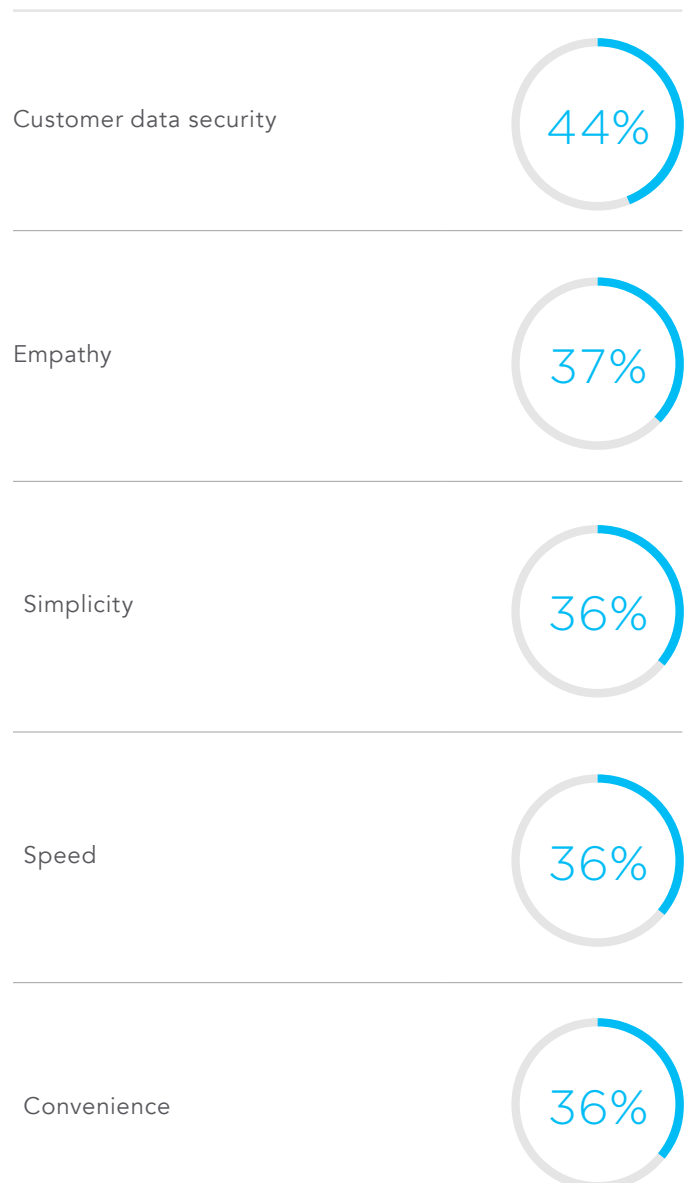
Operational Benefits Seen From Digital Engagement



(Respondents selected all that applied. Asked only to those who said their employment of digital channels and infrastructure for CX delivered significant or moderate tangible results to their organization.)

FIGURE 4.

Top Factors For Providing A Superior CX (% considered extremely important)



CX Focus Is Linked To Growth

Businesses are achieving revenue results when they focus on delighting customers.

Responses from market-leading organizations suggest that prioritizing customers benefits business outcomes. A total of 25% of respondents can be considered “high-growth organizations”—recording 15% annual revenue growth or more during the most recent fiscal year. The patterns of the high-growth organizations were compared with “low-growth organizations”—the bottom 15% of the sample, experiencing annual growth of 5% or less (including no growth at all).

The high-growth organizations were more likely to report a widespread cultural focus on CX. Low-growth organizations, in contrast, are less focused on mastering moments of truth and more inclined to focus on traditional metrics such as customer churn.

- **Superior CX correlates to business growth.** Almost two-thirds of high-growth organizations (63%) say they proactively engage with customers all the time to ensure the best experience and prevent issues, versus 37% of low-growth organizations.
- **High-growth organizations view CX more holistically and report a greater emphasis on improving corporate culture to retain talent.** For example, 50% introduce high-level training involving improving problem-solving skills, versus 35% of low-growth companies. Another 44% of high-growth organizations focus on developing career opportunities versus 23% of low-growth organizations. One-third of the high-growth leaders surveyed (33%) measure customer lifetime value as a key KPI, compared with only 18% of their lower-growth counterparts. (Figure 5)

- **Digital delivers for high-growth organizations.** Most (59%) say digital CX delivers tangible business results in a significant way, compared with only 12% of low-growth organizations.

Importantly, high-growth organizations are embracing new ways to seamlessly communicate with customers. For example, 50% are embracing video chats with customers, versus 43% of low-growth organizations. They’re also more likely to use online chat with customers (63% versus 52%). On the other hand, low-growth organizations are more reliant on traditional customer call centers (82% versus 61%) and e-mail (90% versus 59%) compared with high-growth organizations.

Leaders in CX are constantly seeking solutions to reduce friction for customers by providing near-instantaneous connection between their customer apps and APIs that connect to back-end services or data sources.

For example, cutting-edge financial service providers offer ways for customers to receive services almost instantaneously, right from their mobile phones. These leaders *“are ping-ponging different back-end systems to create seamless experiences,”* says Patel. *“For example, five years ago, it was actually quite difficult to take or transfer money on a mobile quickly. Today, you could take or transfer money on a mobile in two or three clicks really quickly. That’s the disruption to which traditional businesses have to react.”*

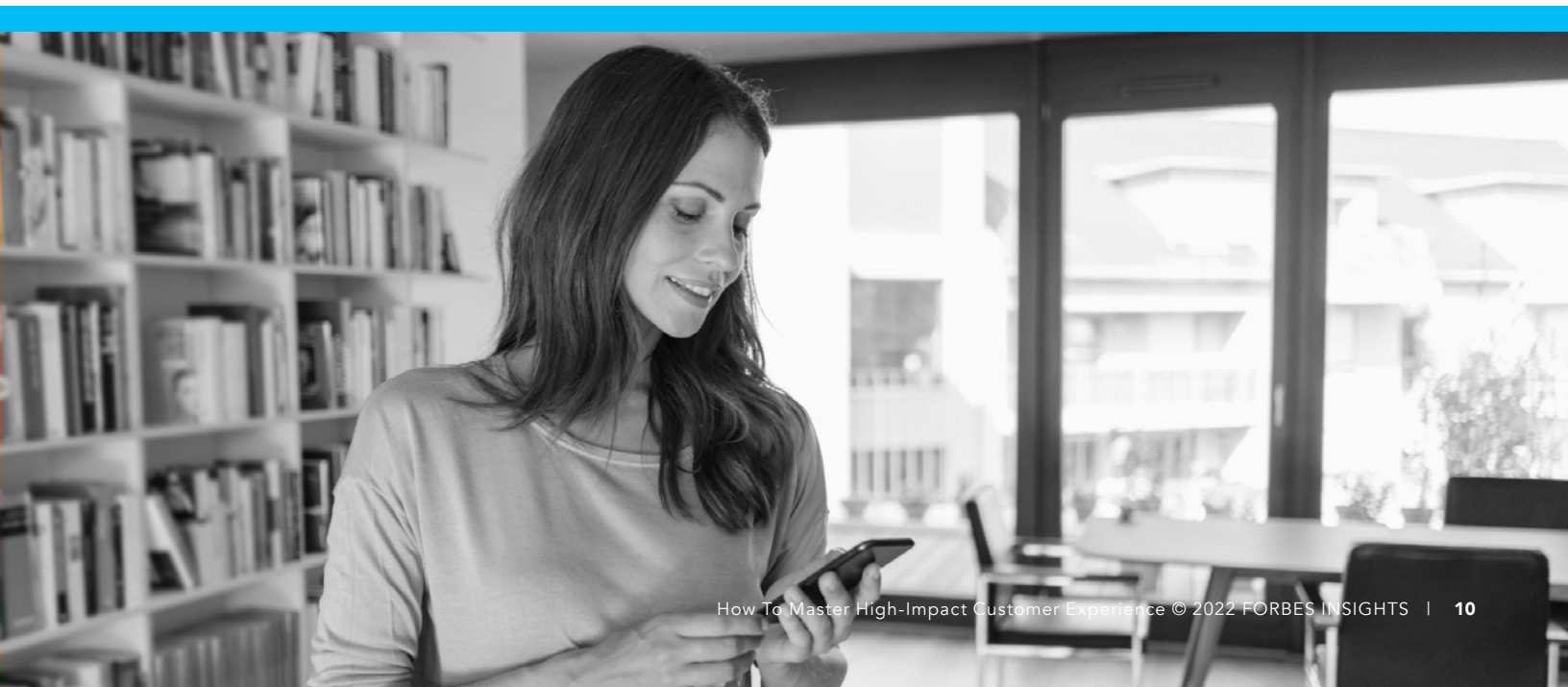
Airline apps provide another example of a move to frictionless experiences. *“Five to 10 years ago, an airline app could only show you your flight information and your loyalty miles,”* says Horton. *“Now you can book seats, move seats and even add a lap infant. This enhancement of digital means has led to the contact center evolving to handle a different makeup and mix of tasks over the phone.”*

FIGURE 5.

Strategies For Retaining Employees Essential To CX

	High-Growth Organizations	Low-Growth Organizations
Increase systems training	54%	50%
Increase sales/problem-solving skills training	50%	35%
Increase compensation and benefits	47%	43%
Define or open up career paths	44%	23%
Enable more flexible work arrangements	45%	52%
Step up communications and interaction	42%	35%
Purchase new technology	38%	37%

(Respondents selected all that applied.)



CX Is Everyone's Job

High-impact CX focuses across all customer touch points, not just customer support interactions.

CX cannot be confined to customer service and sales silos. Instead, it must be a focus across the organization—sitting at the heart of business strategy and shared consistently across teams and employees.

The survey shows, however, that commitment remains confined to certain parts of organizations, like customer service or call centers. *"A perennial issue is who owns customer experience in an organization,"* says Patel.

Today, CX should be part of every function. Traditional back-office workers now play a greater role in more customer-facing engagements. Customer service functions are evolving, too, reflecting a new emphasis on deeper customer needs.

Previously, customer service or contact center agents might have spent 80% of their time on routine tasks. Today, however, their roles take on new importance in the customer journey. Now, with proactive self-service and automation capabilities, those employees might instead spend 80% of their time on more meaningful moments with customers.

- **The lines of CX responsibility are unclear and fragmented.** Executives say they recognize the importance of linking CX to the experiences of customer-facing employees. Such employees might include CX experts, IT/tech developers, customer service teams and marketers. When it comes to managing CX, however, responsibilities are scattered. Only 22% have a dedicated executive whose sole focus is CX, while another 39% report having an individual who handles CX on a part-time basis. (Figure 6)

- **The key to successful digital engagement is collaboration at all levels.** Most executives (76%) agree that technology that enables employees to seamlessly collaborate across departments is essential. Those who showed an increase in digital customer engagement were enabled by the swift delivery of software and systems. Cross-organizational collaboration, particularly between technical teams and business teams, is essential. (Figure 7)
- **Data management and organizational support pose challenges.** Executives are most concerned about their ability to holistically acquire and manage customer data. Executives say the leading challenge is understanding individual customer journeys, which requires analyzing data that may be siloed across the enterprise. (Figure 8)

The shift to automation and proactive digital engagement requires a different type of employee, explains Horton. *"There has been a move from task-based workers to higher-skilled agents, because digital has pushed all the easy tasks down to not necessarily needing an agent. The more complex issues coming through to a contact center will get routed to these highly skilled agents with more knowledge and training to directly impact your customer lifetime value, customer satisfaction and hence your business."*

FIGURE 6.

Who's In Charge Of CX?

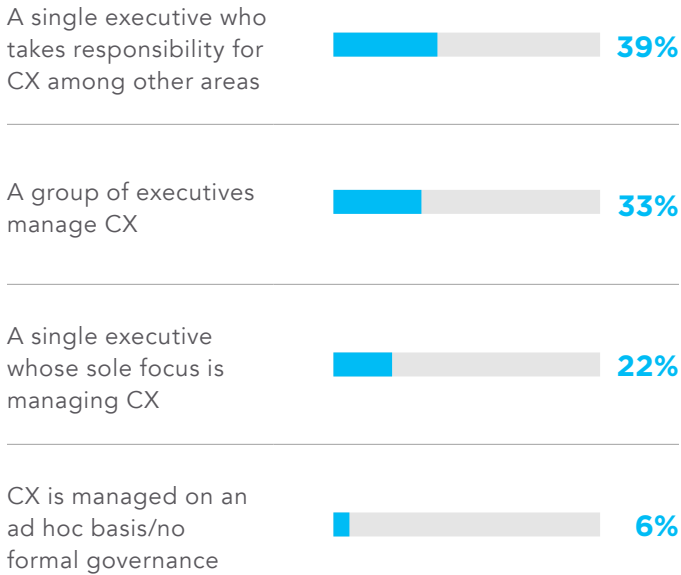
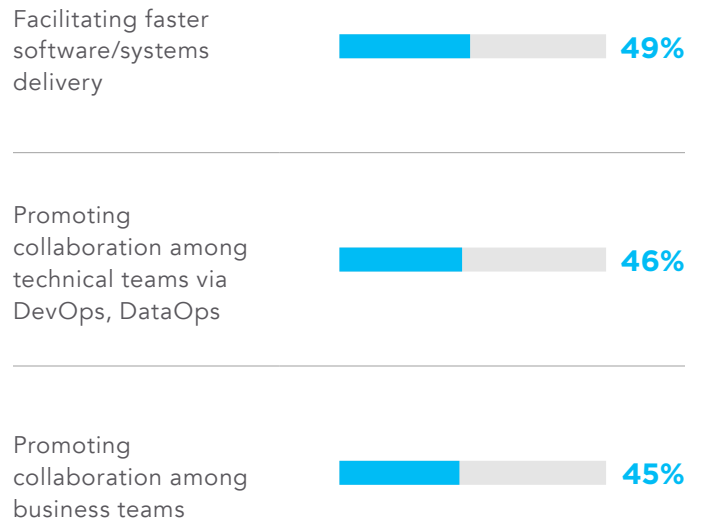


FIGURE 7.

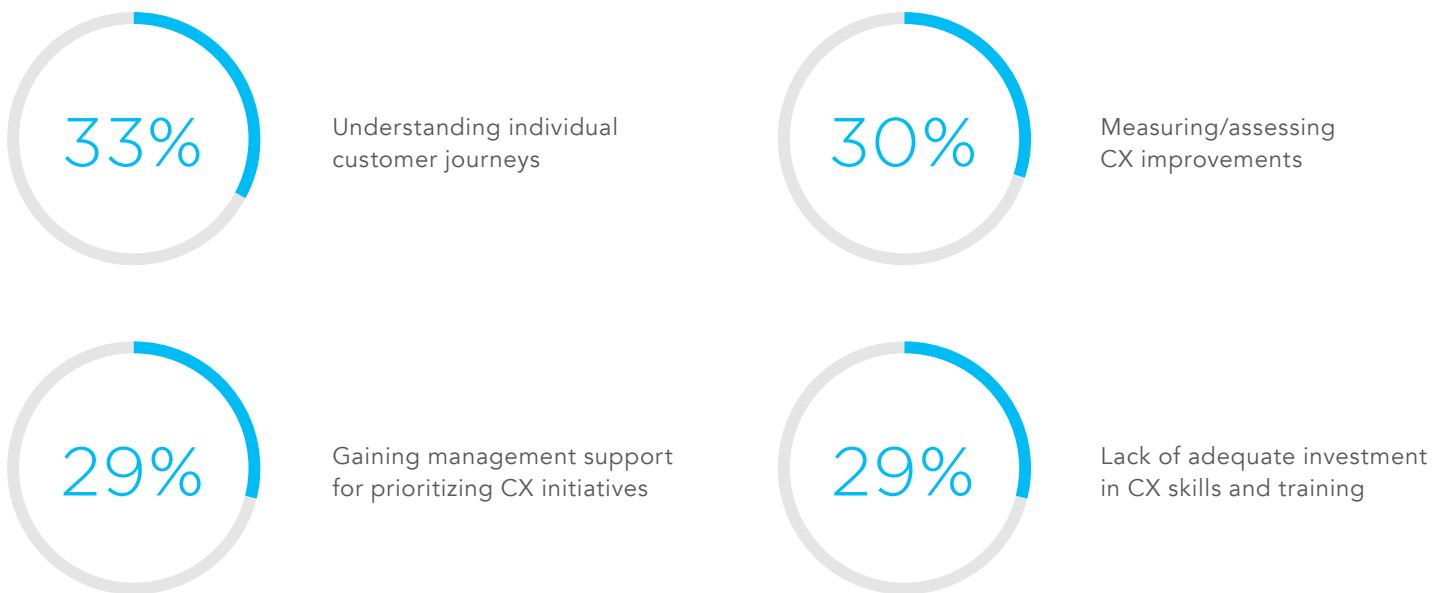
Leading Preparations Needed To Successfully Deliver Digital Engagement



(Asked only to those who saw an increase in their degree of online or digital engagement with customers over the past two years.)

FIGURE 8.

Top Challenges To Delivering Superior CX



(Respondents selected top 3 challenges.)

Your CX Roadmap

What's working for those leading the way? How can you incorporate high-impact CX and be a market leader?

Technology and CX are converging, but many businesses are just scratching the surface when it comes to leveraging innovation and moments of truth. If leaders want to stay in the game, there's work to do.

The following are research-based actions for mastering moments of truth and delighting your customers at every point along their journey:

- **Drive digital CX initiatives to interact better with customers through proactive communications and real-time service.** We live and work in an omnichannel world. Companies and customers interact across myriad channels for smarter and richer interactions. With such a variety of customer touch points, organizations must be connected and nimble to best serve customers. Supported by technology, staff must have access to the training, resources, systems and software required to deliver the seamless, pleasurable experiences that customers expect—across all devices and platforms.
- **Enhance collaboration and communication across the company.** Emerging technologies are fueling faster, more connected collaboration and data-sharing across organizations, meaning more opportunities for innovation, automation and smarter use of resources overall. C-level executives should embrace proactive communications and information-exchange across the organization for real-time views of customer interactions, so that employees working directly with customers can enjoy more autonomy and discretion to provide personalized, empathy-based service. In return, customers benefit from journey orchestration across all business systems and channels.
- **Take a holistic approach to measuring performance.** Organizations with the highest annual revenue take a more holistic approach to CX. This should apply to assessing CX efforts, too. A variety of metrics are associated with traditional customer satisfaction: churn rates, conversion rates, retention, customer lifetime value and customer effort scores, for example. These should be examined comprehensively and in relation to market growth, revenue and overall business success. For a holistic view, it's important to have broad, real-time access to data across the entire enterprise and all customer touch points. Leaning on artificial intelligence, machine learning and other advanced analytics can help consolidate data and make this 360-degree view achievable.
- **Cultivate a culture in which everyone shares commitment to customers.** Leaders must recognize that every employee has a role to play. This requires building an organizational culture that's fully dedicated to mastering moments of truth—and shares that commitment across departments, teams and job functions. Training, coaching and education are key. These might include emphasizing interpersonal communication, sales skills, empathy skills, business strategy, product or service knowledge and more. Customers must be the focus of all employees, whether they're in the data center or the call center.

Joe McKendrick
Report Author

Demographics

Forbes Insights surveyed 404 global leaders across banking/finance/insurance (27%), healthcare (25%), retail (25%) and travel/leisure (23%). Respondents were from the United States (50%), United Kingdom (25%), Australia (13%), India (3%), Japan (2%), France (2%), Germany (2%), Singapore (2%) and New Zealand (2%). Respondent titles included VP (31%), director (25%), EVP/SVP (16%), manager (14%) and C-suite executive (14%). Respondents represented a range of functions, including CX (29%), customer service (28%), digital strategy (11%), technology (10%), marketing (9%), contact center operations (6%) and e-commerce (6%). All respondents came from organizations with at least 1,000 employees.

