SurveyMonkey®

The state of CX:

Emerging trends, challenges, and opportunities

The customer experience (CX) landscape has dramatically transformed over the past few years. Digital transformation has enhanced engagement with customers. Artificial intelligence (AI) and automation technologies are bringing significant benefits to CX professionals by boosting efficiency, improving customer journey engagement, and enabling data-driven decision-making.

At the same time, consumers' expectations surrounding customer experiences have expanded. Today's buyers expect seamless and personalized interactions with businesses across various touchpoints. Modern consumers seek speed, convenience, and efficiency through online platforms, mobile apps, or in-person interactions.

These changes left us curious: How exactly have customer experience professionals needed to transform their initiatives? Which new challenges have made it harder for them to do their job effectively? How have consumers' expectations evolved? And how can CX leaders successfully navigate this new environment?

To find the answers, we surveyed over 600 CX industry professionals and 1,000 consumers, ultimately discovering insights that will transform how CX professionals work and engage with customers.

We found that CX pros are hungry to meet the challenge of improving customer experience in this new era, but are facing a daunting set of challenges.

* Additionally, we uncovered new data that showcases how consumers' expectations and buying behaviors have evolved.

*91%
of consumers are likely to recommend the company after a positive experience

89%
CX pros say that their company's customer experience is always or sometimes the leading contributor to churn

48%

52%

*5%

*81%
of consumers are likely to share a poor experience with friends or family

CX pros say meeting and exceeding customer expectations is a top challenge for their team in 2023

CX pros want more investment in customer feedback programs

of consumers say they would never stop doing business with a company due to a poor experience
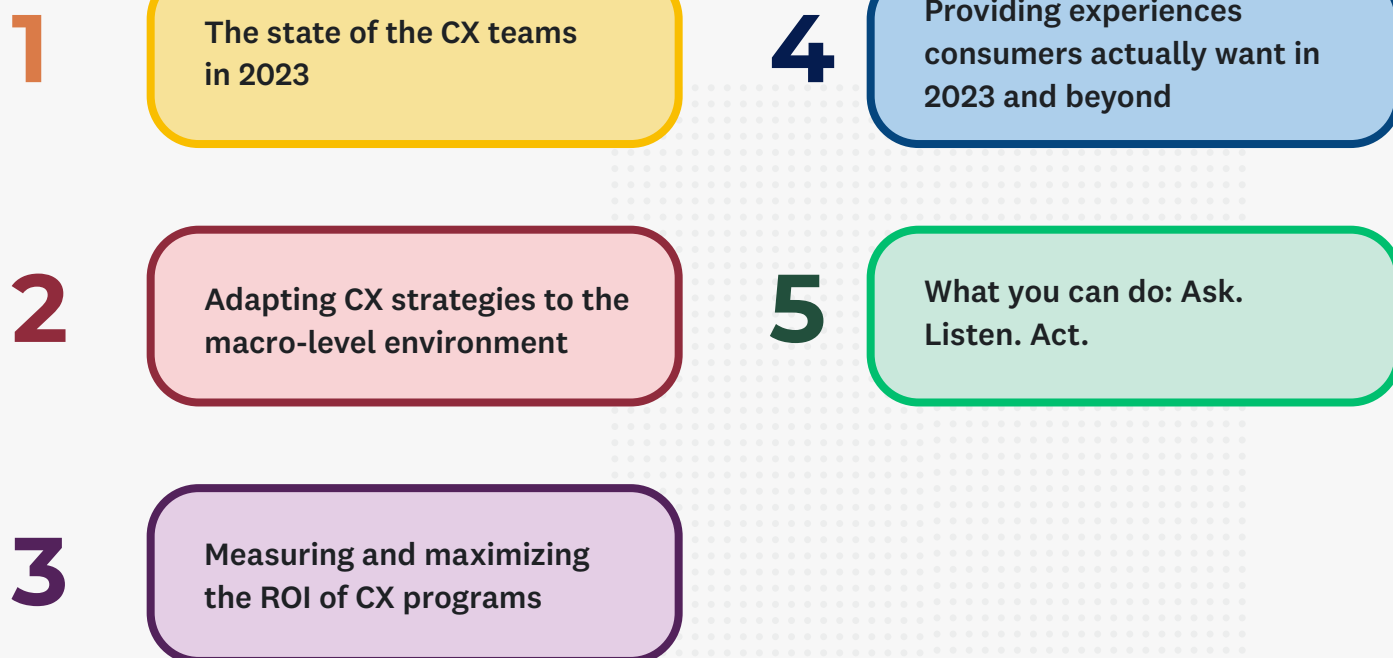
Amidst these turbulent times, there is good news: CX professionals are resilient, continuously transforming obstacles into opportunities to adapt to the changing needs of their customers.

Keep reading to discover valuable insights to help you stay ahead of the curve, adapt your CX strategies, and deliver experiences that align with your customers' changing expectations.

What you'll find in this report:

1 The state of the CX teams in 2023

4 Providing experiences consumers actually want in 2023 and beyond

2 Adapting CX strategies to the macro-level environment

5 What you can do: Ask. Listen. Act.

3 Measuring and maximizing the ROI of CX programs

This Momentive study among customer experience professionals was conducted on April 24-26, 2023, comprising 161 digital marketers and 442 customer experience professionals. Respondents were selected from an online non-probability panel.

The Momentive study among consumers was conducted on April 24, 2023 among a sample of 1000 U.S. adults 18+, with data weighted for age, race, sex, education, and geography using the Census Bureau's American Community Survey to reflect the demographic composition of the United States, resulting in a modeled error estimate of +/- 3.5 percentage points. Respondents were selected from an online non-probability panel.

The state of the CX teams in 2023

The state of the CX teams in 2023

Customer experience teams have shown remarkable adaptability over the past few years, shifting rapidly to overcome the challenges of an evolving CX landscape. As digital transformation takes center stage and economic uncertainty lingers, customer experience leaders are again faced with standing out in highly competitive markets.

The ability to deliver exceptional customer experiences has emerged as a defining factor for business success. In light of this, organizations must ramp up their investments in CX programs, recognizing the value of adopting innovative technologies and strategies that elevate customer satisfaction and foster loyalty.

As we delve into the state of CX teams in 2023, let's explore the dynamic forces shaping this ever-evolving landscape and the opportunities they present for businesses to cultivate excellent customer experiences.

CX program maturity

Improving the customer experience is a continuous process involving almost every aspect of an organization's operations, ranging from the highest levels of management to entry-level positions. Moreover, everything from a company's culture to its employee experience directly impacts the customer experience it provides.

Organizations with high CX maturity have a rich, customer-centric culture deeply embedded into the organization's DNA, and a customer-centric mindset is prevalent across all levels of the organization, including the C-suite. Companies with advanced stages of maturity also proactively anticipate and consistently exceed customer expectations. Their CX teams have a robust tech stack to analyze customer data and drive and optimize customer experiences—often in real time.

CX program maturity levels in 2023

10%	**Level 1:** My company does not currently have a defined customer experience strategy or dedicated team, but uses small or one-off solutions for measuring performance and gathering feedback.
20%	**Level 2:** My company is currently developing its customer experience strategy and team, with the aim of establishing a dedicated framework for engaging with customers and measuring success.
50%	**Level 3:** My company has an established CX strategy and program and team that regularly collects, analyzes, and acts upon insights for customer engagement and uses those metrics to drive business decisions.
20%	**Level 4:** Customer experience is deeply embedded across all levels of the organization, including the C-suite, and the CX team has a robust tech stack to analyze customer data and drive and optimize customer experiences.

Eighty percent of CX professionals ranked their programs at levels one to three, which suggests that most teams require more organizational support, despite the increasing recognition of the benefits that a robust customer experience program can bring to a company's success.

Irrespective of your program's current standing, improving the customer experience is impossible without continuously keeping a pulse on your customers' and employees' needs.

Customer experience teams are growing larger

As consumer buying behavior and expectations continue to evolve, the ability to act with agility will be critical for companies to differentiate their brand and build customer loyalty. In this dynamic landscape, a robust, skilled CX team becomes increasingly vital, enabling organizations to navigate complexities, leverage insights properly, and swiftly respond to changing customer needs.

In 2022, most CX professionals worked in a team of two to 10 team members. However, customer experience teams are getting larger. Today, most CX professionals work on a team of 11 to 20 team members.

As CX teams grow and remote and hybrid work continues to become more prevalent, CX professionals need tools that provide real-time insights and enable them to meet their customers' needs.

CX team size in 2023

6-10:
16%

1-5:
3%

21-30:
23%

31+:
16%

11-20:
42%
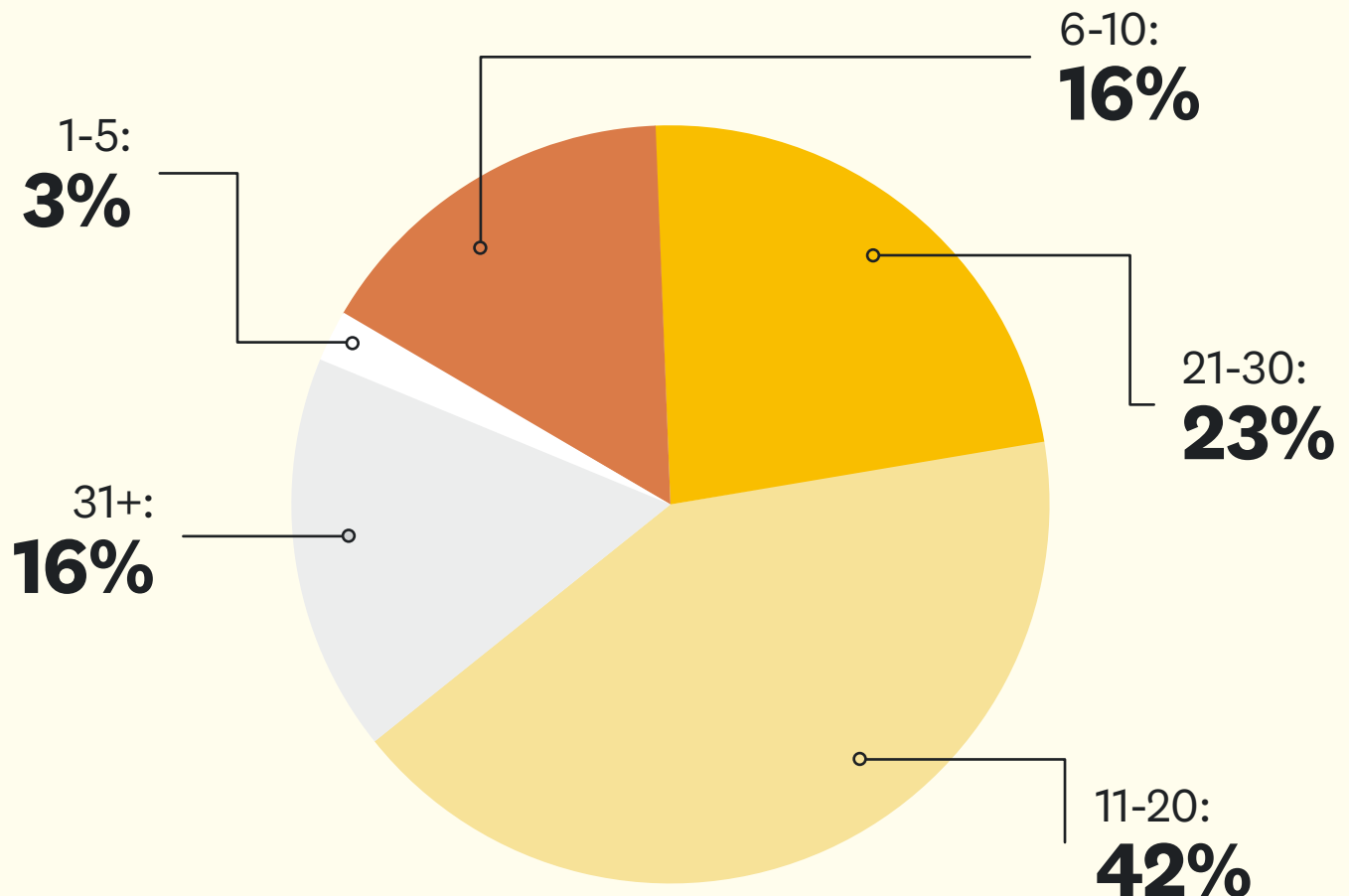
Remote and hybrid work models are increasing in popularity

Hybrid and remote work models are becoming more popular. Our 2022 State of CX Report found that the majority of CX professionals were working in person—40% were working entirely in-person, 39% hybrid (both in-person and remotely), and 20% worked fully remotely.

In 2023, 45% of CX professionals work in a hybrid environment, 27% remotely, and 28% in person: a 12.5% increase in hybrid work, a 35% increase in remote work, and a 30% decrease in in-person work.

As CX teams grow and remote and hybrid work continues to become more prevalent, CX professionals need tools that provide real-time insights and enable them to meet their customers' needs.

Where CX professionals are working in 2023

Fully remote:
27%

Fully in-person:
28%

In-person and remote (hybrid):
45%
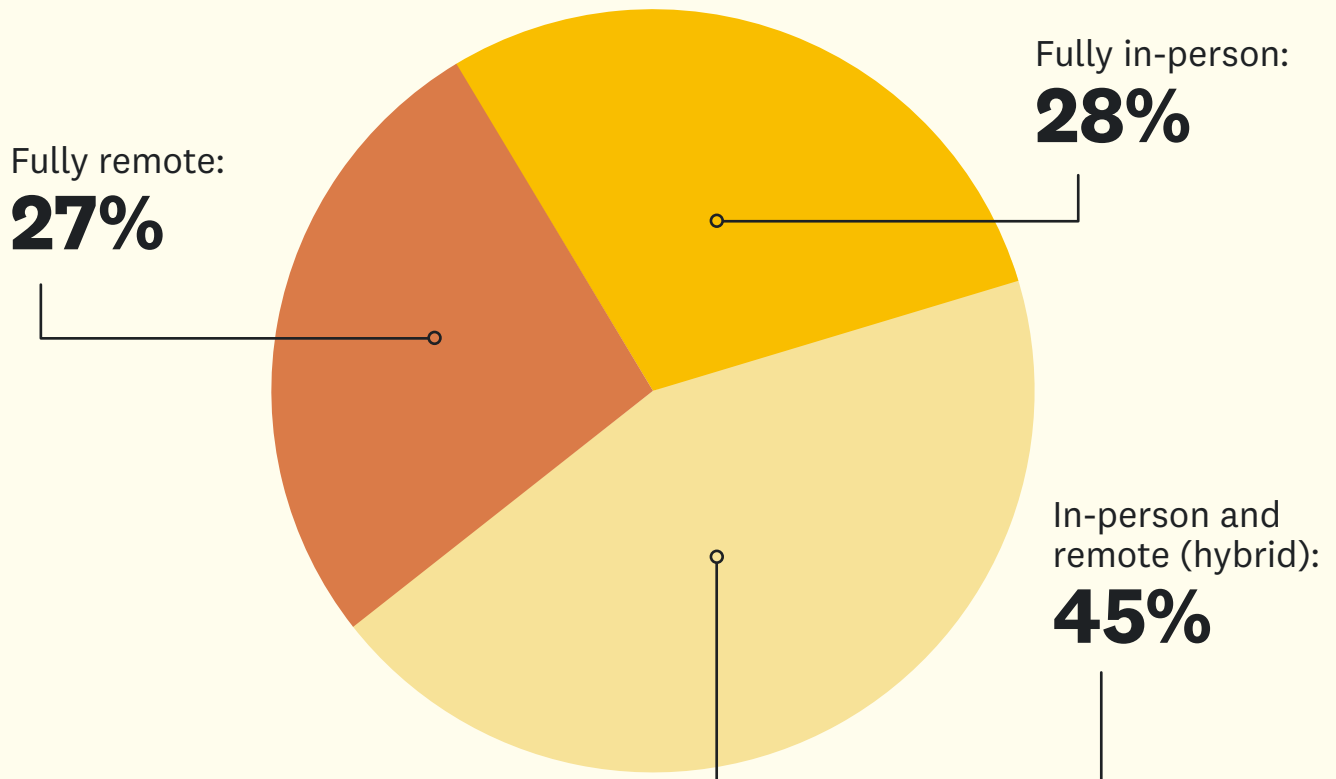
Exploring the diverse responsibilities of CX professionals

CX professionals have diverse responsibilities aimed at enhancing their company's customer experience and voice of the customer program. Most CX pros, 33%, are responsible for developing and maintaining the company's voice of the customer (VoC) program. Interestingly, this role is more prevalent in companies with 500 or more employees.

Additionally, 24% of CX professionals focus on developing and managing the customer journey and experience to foster brand loyalty and satisfaction. They play a pivotal role in creating positive experiences at every touchpoint a customer has with an organization.

Another vital responsibility, undertaken by 24% of CX professionals, is providing frontline support and service to customers, ensuring their concerns and inquiries are addressed promptly and effectively. Notably, customer service and support roles are more common at organizations that don't sell products or services online via websites or mobile apps (41% versus 20%).

Which best describes your role within your company's customer experience or voice of the customer program?

33%   Develop and maintain the company's voice of the customer (VoC) program to gain data and insights from customers (voice of the customer)

24%   Develop and manage the customer journey and experience for customers, aimed at increasing brand loyalty and satisfaction (customer experience)

24%   Provide frontline support and services for customers (customer service or support)

11%   Increase product or service engagement, satisfaction, and retention among customers (customer success)

8%   Maintain and implement the company's customer relationship management solution (CRM)

Teams are lacking strong CX leadership

Despite half of CX professionals reporting having an established CX program and strategy, only 25% say they have a single customer experience leader who oversees and manages the entire customer journey. The majority, 67%, have multiple customer experience leaders responsible for different parts of the customer journey, and 8% say there is no specific customer experience leader—but the responsibility is managed across non-CX teams or departments.

However, having a holistic leader in place enables organizations to operate more effectively to enhance performance and achieve their objectives. Our 2022 State of CX Report found that companies with a holistic CX leader were more likely to have stated goals to measure and improve their program than those lacking a holistic leader.

1 in 4

of CX pros have a single CX leader who oversees and manages the entire customer journey

Leadership involvement in the customer experience

40%   Customer experience is not a priority for leaders, who sometimes talk about CX but do not act on it

34%   Customer experience is a priority for all leaders in the organization who use customer feedback to drive their decisions

26%   Customer experience is a priority for some leaders, but not for all

When asked about leadership's involvement when it comes to the customer experience at their company, alarmingly, 40% of CX professionals said customer experience is not a priority for leaders, who sometimes talk about CX but do not act on it.

One in three professionals (34%) said CX is a priority for all leaders in the organization who use customer feedback to drive their decisions. However, this drops to 19% among respondents who say their organization is currently developing its customer experience strategy and team—showcasing the need for teams to gain leadership buy-in to create a more robust and mature CX program.

Leadership must spend time on the frontline to better understand what customers experience. Once they do, they may recognize a gap between their perception of the company's CX and what's happening on the frontline. You'll also need to showcase the right metrics—churn, satisfaction, and more—to make a compelling case for leadership to invest in CX and close the gap, thereby improving the customer's experience."

Shep Hyken
Chief amazement officer
Shepard Presentations

Customer experience program investment

Having the necessary resources and tools enables CX professionals to deliver exceptional customer experiences, build customer loyalty, and drive revenue. However, nearly three out of four (73%) CX teams' budgets are staying the same or increasing only slightly this year compared to last year.

Notably, the CX professionals reporting their budgets remained the same increased to 44% among those who say customer experience has some to no influence on their company's overall business strategy.

Compared to 2022, has your team's budget increased, decreased, or stayed the same?

22% Increased a lot

44% Increased a little

29% Stayed the same

4% Decreased a lot

2% Decreased a little

Limited or restricted budgets can significantly impact the ability of CX teams to perform effectively. Without the necessary funds, CX teams may struggle to keep up with the rapidly changing customer expectations and preferences. This can lead to missed opportunities, increased customer churn, and lower overall business performance.

To remain competitive in the current economic climate, CX professionals must continue listening to and understanding their customers. Use feedback to identify emerging trends and to adjust and adapt to customers' evolving needs and expectations. Ensure that customers know that they are heard and valued.

Annette Franz
Founder + CEO
CX JOURNEY Inc

Meeting and exceeding customer expectations is a top challenge

CX teams are grappling with new and heightened performance expectations, economic uncertainties, and difficulties in meeting and exceeding customer expectations—all of which are further exacerbated by the lack of necessary customer insights to understand and respond to customer needs effectively.

Nearly half of CX professionals (48%) believe meeting and exceeding customer expectations is the top challenge they will face this year. However, increased performance expectations and the changing economic landscape will directly impact their ability to meet and exceed expectations.

Top challenges CX professionals expect their team to face in 2023

48% Meeting and exceeding customer expectations

44% Increased performance expectations

38% Changing economic landscape

33% Reduced budget

31% Lack of customer insight

19% Layoffs

Facing uncertainty, CX teams are prioritizing retention

As CX teams pivot to adapt to macro-level uncertainty, their number one priority is improving customer retention (43%), followed by boosting customer loyalty (41%).

It is important to note that the areas these teams are focusing on—collecting and acting on customer feedback, cultivating a customer-centric culture, and more—contribute to the main objective of enhancing customer retention and loyalty. Here's how:

CX team's top priorities in 2023

41% **Collecting and acting on customer feedback:** By listening to customers and acting on their feedback, businesses can identify where they are falling short and take steps to improve.

35% **Cultivating a customer-centric culture:** When employees have the customer in mind, they are more likely to make decisions that positively impact the customer experience.

34% **Increasing expansion revenue:** Instead of solely focusing on acquiring new customers, businesses can generate additional revenue from existing customers through upselling or cross-selling initiatives.

34% **Taking more strategic action on CX data:** By analyzing CX data and taking strategic steps based on insights gained, organizations are better equipped to respond to customers' changing expectations.

32% **Implementing new CX tools:** Accessing the right tools and resources enables teams to build streamlined and automated processes, measure performance, and better engage with customers.

29% **Growing CX teams:** A larger CX team can help businesses provide more personalized customer support, respond to inquiries more quickly, and improve the overall customer experience.

27% **Proving the ROI of the CX/VoC programs:** By measuring and demonstrating the ROI of a customer experience and voice of the customer programs, teams can prove their value and secure ongoing support and investment.
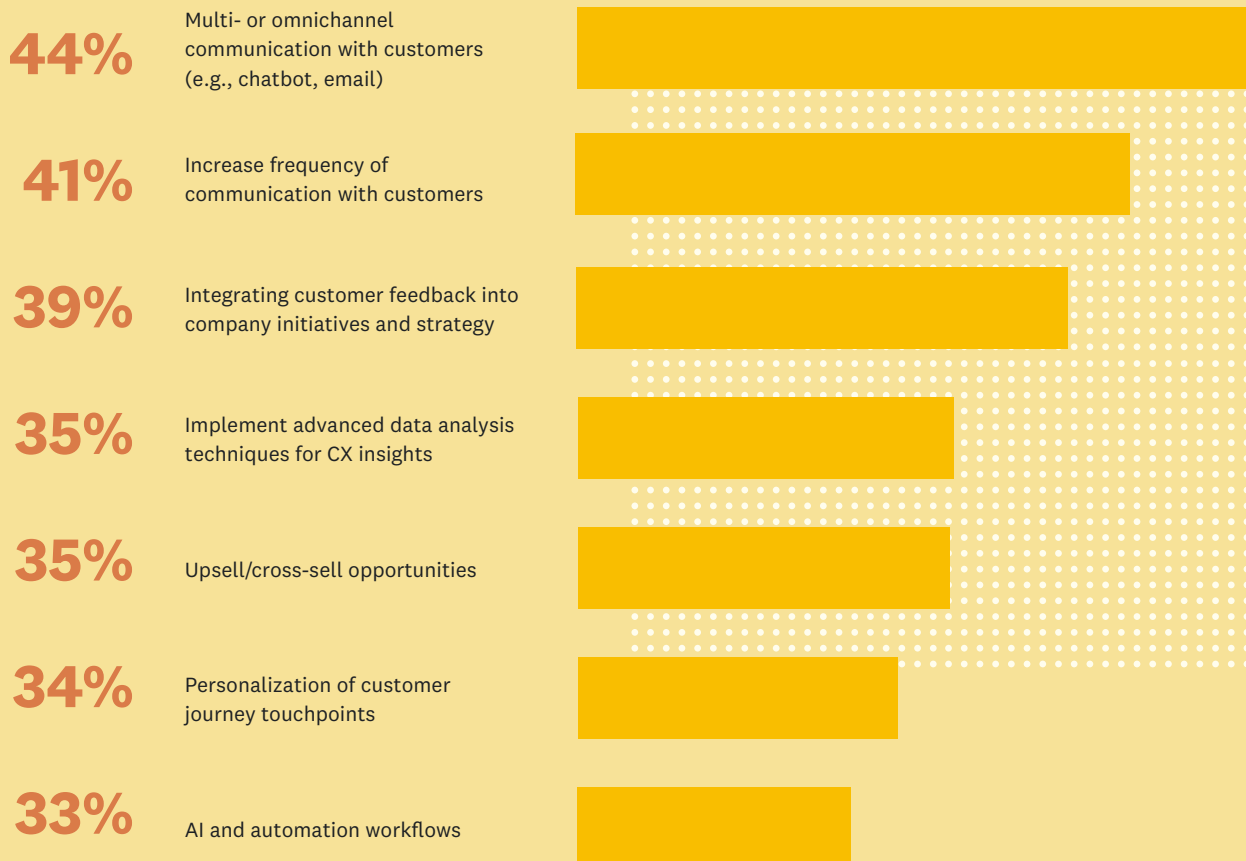
Aligning CX goals with company priorities

Leading the list of company priorities is multi- or omnichannel communication with customers, with 44% of respondents reporting their company wants to leverage channels like chatbots and emails.

In addition, 41% of respondents said increasing the frequency of customer communication is a key company priority—further signifying the value of engaging with customers to build stronger relationships.

Another significant priority for 39% of organizations is integrating customer feedback into company initiatives and strategy, showcasing the power of customer insights as a driver for informed decision-making and the continuous improvement of CX efforts.

Which of the following does your company expect to prioritize this year regarding your company's CX strategy?

44% Multi- or omnichannel communication with customers (e.g., chatbot, email)

41% Increase frequency of communication with customers

39% Integrating customer feedback into company initiatives and strategy

35% Implement advanced data analysis techniques for CX insights

35% Upsell/cross-sell opportunities

34% Personalization of customer journey touchpoints

33% AI and automation workflows

Opportunities for CX advancement

Integrated tools that enable real-time CX data and insights are table stakes as remote and hybrid work continues to rise.

As meeting and exceeding customer expectations becomes more challenging, it's crucial to understand customers' preferences and pain points to build strong relationships.

CX teams should focus on improving customer retention and loyalty by keeping up with evolving customer needs and acting on customer feedback. Combining feedback with operational data allows CX professionals to demonstrate ROI and show executive teams how customer sentiment ties to retention and churn.

Budget restrictions can significantly impact the ability of CX teams to perform effectively. With increased pressure and lofty goals from leadership, CX professionals need investments in flexible platforms that break down data silos and support a range of use cases.

Adapting CX strategies to the macro-level environment

Adapting CX strategies to the macro-level environment

The state of the economy and the ongoing impact of COVID-19 have brought about significant disruptions for customer experience professionals. As businesses navigate uncertain times, and the CX landscape continues to evolve, new technologies and opportunities are emerging to improve the customer experience.

The economy is causing disruptions for CX pros and consumers alike

The economy is a significant concern for both consumers and CX professionals. In fact, 38% of CX professionals identified the "changing economic landscape" as a top challenge they anticipate their team will face this year. This, combined with worries about job security and a stressful work environment, will undoubtedly make reaching their goals more challenging.

Nearly 1 in 5

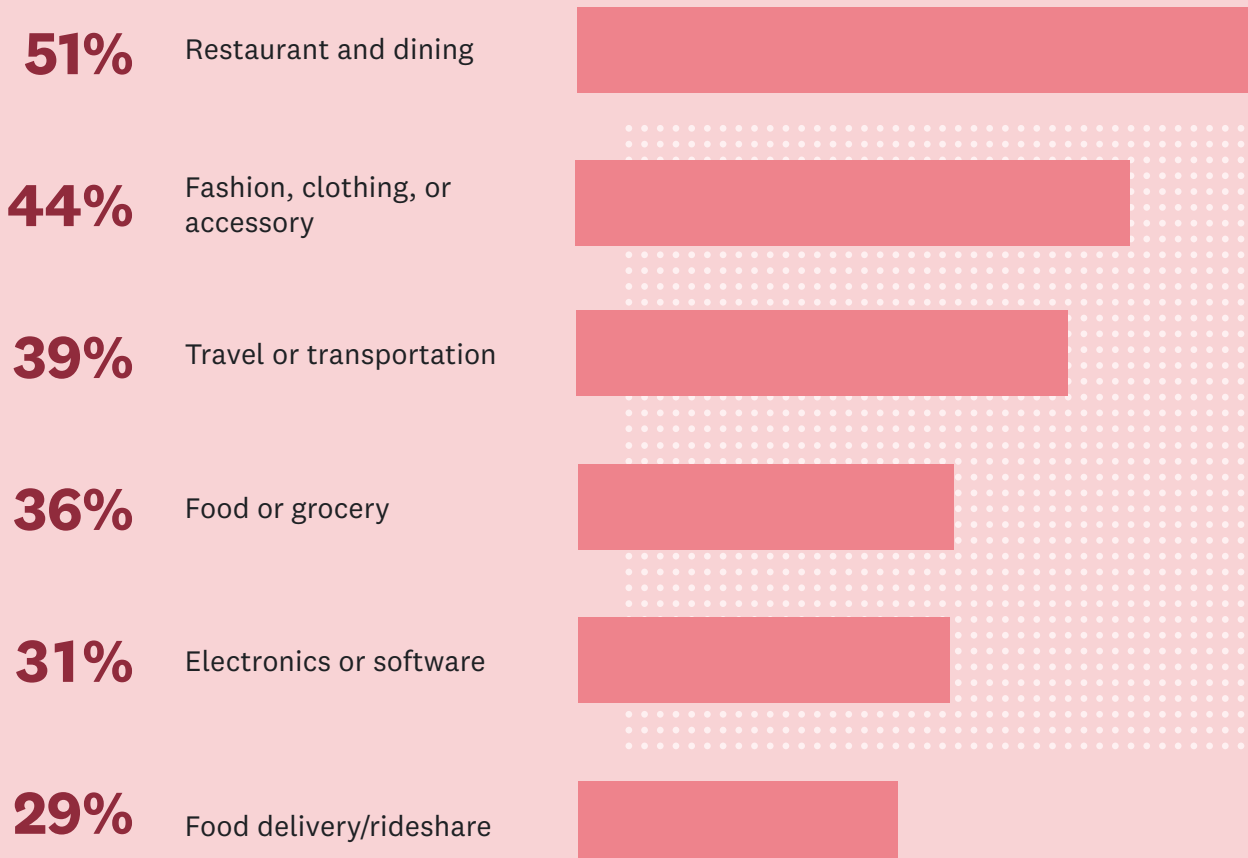expect their team to be challenged by layoffs this year

At the same time, consumers are cutting back on spending. Within the past year, 51% of consumers report cutting back on restaurant and dining; 44% say they're decreasing spending on fashion, clothing, and accessories; and 39% say they've cut back on travel or transportation. As consumers shy away from spending due to the economy, differentiating your brand through excellent CX is critical to improving your bottom line.

Where consumers report cutting back on spending due to the economic environment

51% Restaurant and dining

44% Fashion, clothing, or accessory

39% Travel or transportation

36% Food or grocery

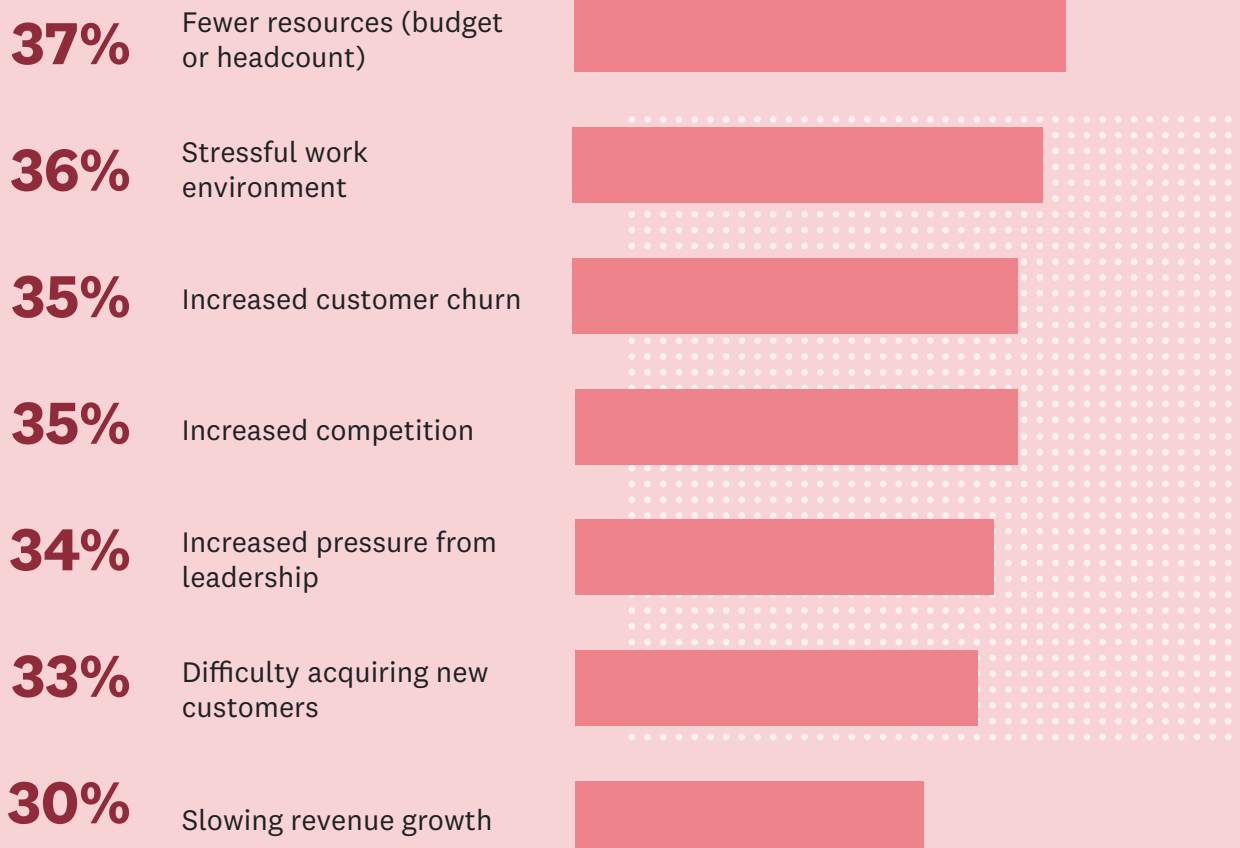**31%** Electronics or software

29% Food delivery/rideshare

CX professionals are concerned with their ability to make headwinds in the current economic climate: 37% say they have to work with fewer resources (e.g., budget or headcount), 36% report a stressful work environment, and 35% say their companies are facing increased customer churn.

These factors are compounded by the fact that 35% of CX professionals are encountering heightened competition, and 34% feel increased pressure from leadership.

Challenges CX professionals say their company is facing due to the current economic environment

37% Fewer resources (budget or headcount)

36% Stressful work environment

35% Increased customer churn

35% Increased competition

34% Increased pressure from leadership

33% Difficulty acquiring new customers
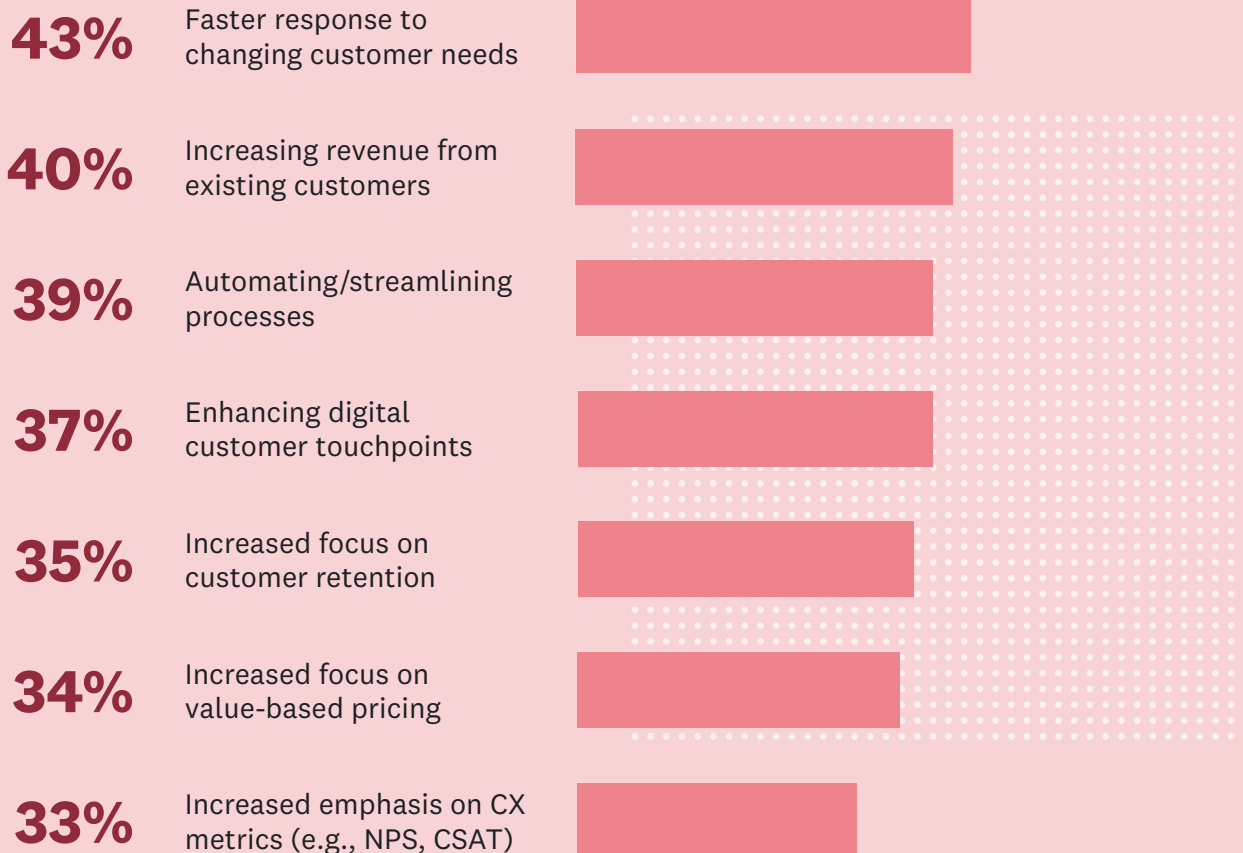
30% Slowing revenue growth

Luckily, CX professionals are implementing tactics to overcome the current challenges the economic landscape presents:

Forty-three percent are prioritizing faster responses to changing customer needs—highlighting the need for real-time CX data and insights. Increasing revenue from existing customers is a tactic that 40% of customer experience professionals report their company prioritizing, and 39% are automating and streamlining processes.

Is your company increasing focus on the following areas due to the current economic environment?

43% Faster response to changing customer needs

40% Increasing revenue from existing customers

39% Automating/streamlining processes

37% Enhancing digital customer touchpoints

35% Increased focus on customer retention

34% Increased focus on value-based pricing

33% Increased emphasis on CX metrics (e.g., NPS, CSAT)

Economic uncertainty makes customer feedback even more important. As customers' preferences, concerns, and expectations change, businesses can adapt their strategies by leveraging feedback to stay ahead of the curve.

Myra Golden
Customer service and de-escalation expert
Myra Golden Seminars, LLC

COVID-19's ongoing impact on the customer experience

There's no denying that the COVID-19 pandemic caused many disruptions for CX professionals, but it also changed consumer sentiments regarding the experiences companies provide.

Three out of four CX professionals (75%) say customer experience plays a bigger role in their company's success following the COVID-19 pandemic. And only 16% of customer experience professionals say that the level of CX their company provides has declined. However, most consumers disagree: 41% say that the overall service and experience companies provide has declined following the COVID-19 pandemic.

Most consumers (46%) say their expectations for service and experience have remained the same following the COVID-19 pandemic. However, nearly three out of four (72%) CX professionals say customer expectations for their company's products and services are higher following the pandemic—further highlighting a notable contrast between CX professionals' ideas about the experiences they deliver and consumers' perceptions.

72%

of CX pros say the level of customer experience their company provides has improved following the COVID-19 pandemic, but only **27% of consumers agree**

CX professionals are optimistic about AI tools, but most consumers don't share that sentiment

Most CX professionals are confident regarding the development of AI content-generation tools such as ChatGPT. In fact, 63% of CX professionals anticipate artificial intelligence to impact the customer experience positively, and 82% say AI is a priority for their company.

While CX professionals are optimistic about the potential of artificial intelligence tools to enhance customer experiences, it is noteworthy that most consumers do not share that belief. Only 25% of consumers say AI will positively impact their experiences while interacting with companies, 32% expect it to have a negative impact, and 42% are neutral.

Our research uncovered significant disparities in Net Promoter Score® (NPS) between AI-driven and human-driven customer service interactions. The average NPS for human customer service engagement is +6 (slightly positive), while the average NPS for an AI-driven customer service engagement is -66 (very negative).

NPS is 72 points higher for human service agents than for AI

The leading benefits CX professionals cite about AI features and tools are advanced insights and analysis across data sources (45%), expanded customer service support (44%), and personalized marketing for customers (41%).
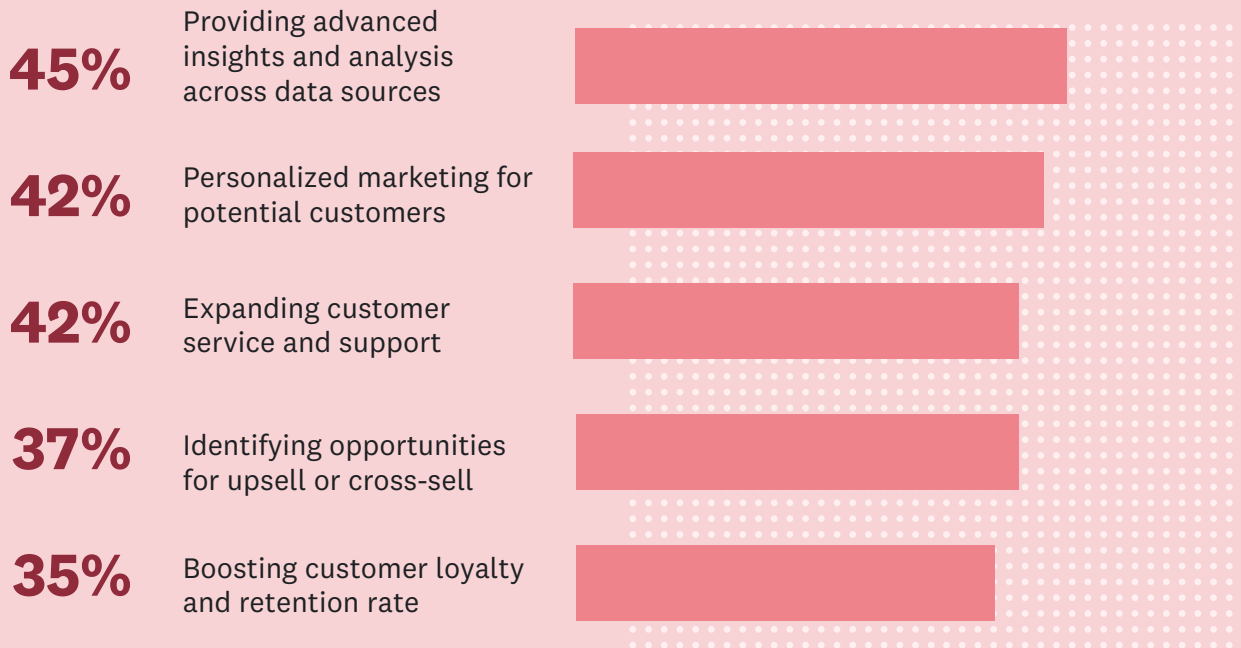
32%

of consumers are less likely to purchase from a company offering AI capabilities in its products or service

Where will AI impact customers most regarding their experience with your company's products and services?

45% Providing advanced insights and analysis across data sources

42% Personalized marketing for potential customers

42% Expanding customer service and support

37% Identifying opportunities for upsell or cross-sell

35% Boosting customer loyalty and retention rate

"I believe the biggest opportunities for early adoption and innovation of AI technology are likely found in industries heavily reliant on customer services, such as retail, telecommunications, and travel. As younger generations (Gen Z and Millennials) become more comfortable with AI, companies that target those consumers might benefit significantly from adding AI-driven enhancements to their customer experiences."

Myra Golden
Customer service and de-escalation expert
**Myra Golden Seminars, LLC**

Opportunities for CX advancement

As competition rises and the economy continues to cause disruptions across industries, CX professionals need to find new ways to differentiate their brands and drive customer engagement.

To increase sales from existing customers, CX teams can leverage metrics like NPS to identify their promoters and detractors to create tailored marketing campaigns to drive additional revenue.
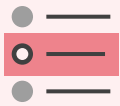
To bridge the gap between CX professionals and consumer perceptions, real-time data and customer insights are crucial—enabling more informed decisions and better alignment with the needs and desires of their customers.

As AI technologies continue to evolve and reshape the way businesses interact with their customers, it is essential for CX pros to monitor and understand how consumers perceive and respond to them.

Read our latest AI and CX report, AI in the customer experience: The ups, downs, and up-and-coming opportunities, to learn more about artificial intelligence in the CX landscape.

3

Measuring and maximizing the ROI of CX programs

Measuring and maximizing the ROI of CX programs

In today's dynamic business landscape, customer experience professionals face an ever-growing challenge: keeping pace with customers' evolving needs and expectations. While companies strive to deliver exceptional experiences, they often find themselves misaligned with consumer perceptions, leading to missed opportunities and diminished customer satisfaction.

To bridge this gap, CX professionals must implement programs—such as Customer Satisfaction Score (CSAT), Net Promoter Score (NPS), and Customer Effort Score (CES)—that allow them to identify areas of improvement and measure their performance against their goals.

CX pros face a growing challenge of keeping up with evolving customer needs

CX professionals face growing expectations for delivering on the customer experience: 48% say meeting and exceeding customer expectations as their team's primary challenge this year, outranking increased performance expectations (44%) and changing economic landscapes (38%).

CX pros' biggest challenges understanding and addressing customers' needs

40% **Changing customer expectations**

36% **Too much data to know what to do with it**

35% **Lack of customer data and insights**

34% **Customer feedback is too slow**

34% **Lack of technology and tools**

31% **Lack of clear metrics**

Because 34% of CX pros lack technology and tools, they face challenges in understanding and addressing their target market needs. Notably, customer experience professionals challenged by the lack of technology and tools decreased by 38% in organizations with higher levels of CX maturity (level 4).

Only 11% of CX pros have trouble analyzing and generating insights. Most face a more significant challenge in gathering customer insights and data (41%) and developing and executing on insights (48%)
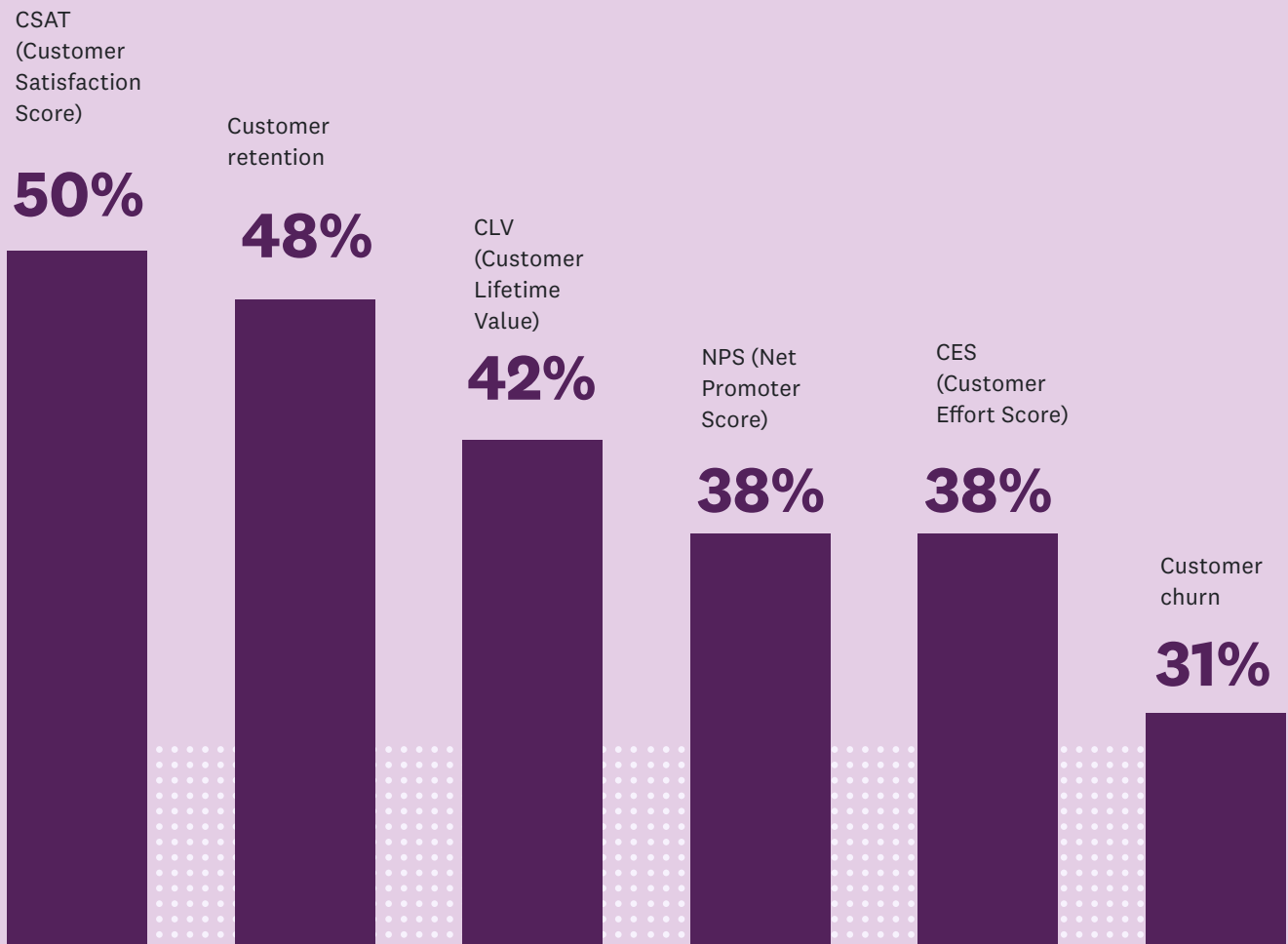
Capturing vital CX metrics and showcasing results

By keeping a close eye on the most important CX metrics and analyzing the data, teams can effectively evaluate their performance and demonstrate the impact they make in improving customer experiences.

Customer experience professionals say the most important metric for their company's CX focus is Customer Satisfaction Score (CSAT), followed closely by customer retention and Customer Lifetime Value (CLV).
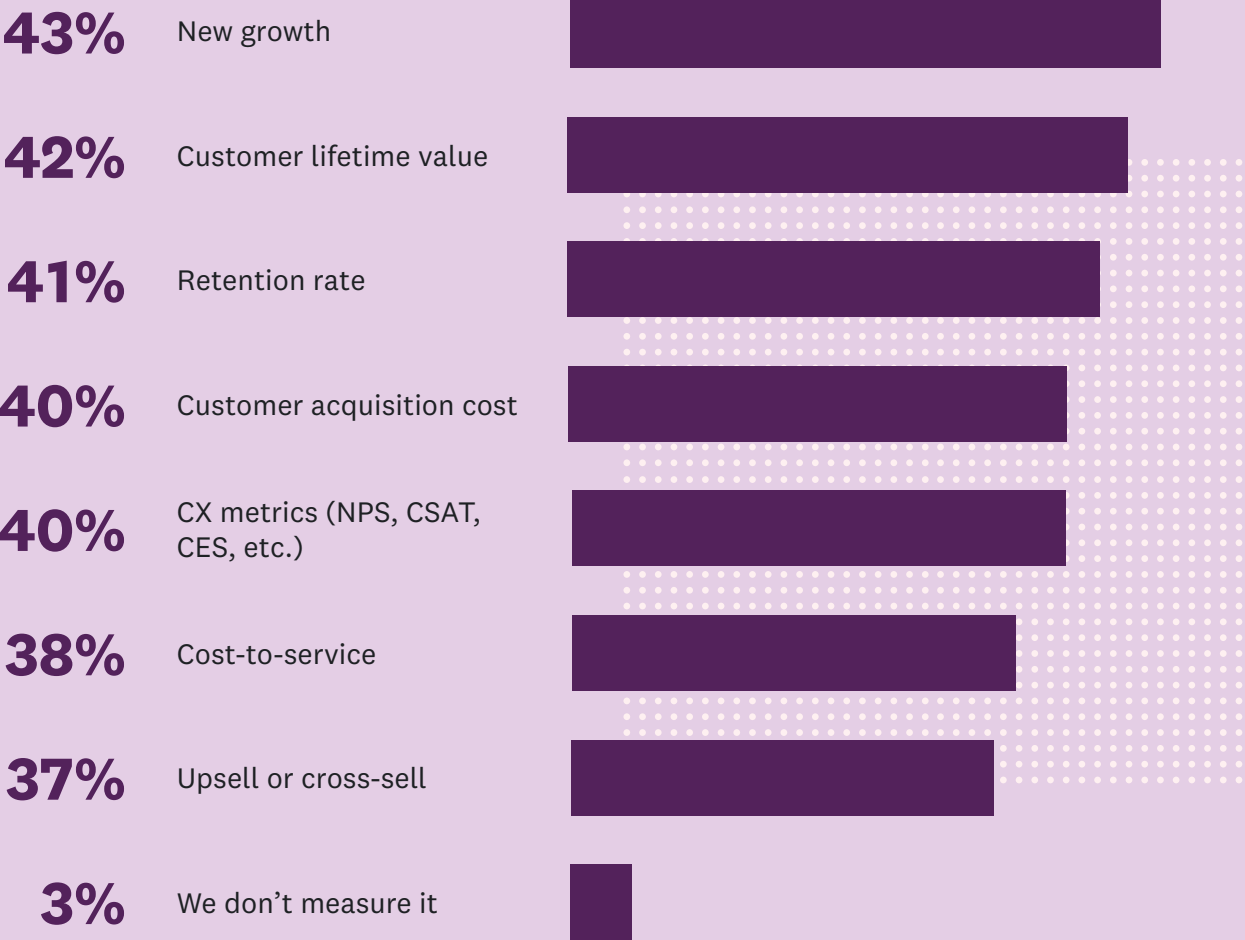
Which metrics are most important to your company's focus on customer experience?

CSAT (Customer Satisfaction Score)
50%

Customer retention
48%

CLV (Customer Lifetime Value)
42%

NPS (Net Promoter Score)
38%

CES (Customer Effort Score)
38%

Customer churn
31%

The top method for showcasing return on investment (ROI) is new growth (43%), followed by customer lifetime value (42%) and retention rate (41%). Only a small percentage of teams (3%) do not measure the ROI, indicating that the vast majority of teams recognize the significance of measuring the ROI to continually refine their efforts.

How CX teams prove ROI

43% New growth

42% Customer lifetime value

41% Retention rate

40% Customer acquisition cost

40% CX metrics (NPS, CSAT, CES, etc.)

38% Cost-to-service

37% Upsell or cross-sell

3% We don't measure it

Collecting customer experience metrics and insights is just the beginning. The real power lies in sharing these CX metrics, as it fosters cross-functional collaboration by enabling teams to identify dependencies and collectively address any issues that impact the overall customer journey.

When disseminating customer experience metrics—like NPS or CSAT—most teams (54%) opt for a monthly cadence. Around 38% share metrics on a weekly basis, and 40% provide updates quarterly.

Our 2022 State of CX Report found that CX professionals or teams that significantly collaborate cross-functionally are 27% more likely to have a "high" or "very high" rate of ROI on their program.

Cross-functional collaboration can be challenging when organizations face data silos or when CX insights are only available to specific departments. Integrating your feedback platform with collaboration or analytics tools can help boost visibility and empower cross-functional partners to make customer-centric decisions.

There's often misalignment between CX teams and company leadership. Customer experience professionals must communicate the impact of CX on business outcomes to bridge this gap. To do this, they must present compelling CX data (CSAT, NPS, CES), share success stories, and demonstrate a return on investment.

Myra Golden
Customer service and de-escalation expert
Myra Golden Seminars, LLC

Considering that 36% of CX professionals report having too much data when it comes to understanding and addressing customer needs, it's essential to strike the right balance when sharing CX metrics and insights across the organization. The goal is to provide meaningful insights without overwhelming stakeholders.

54%

of CX teams share metrics with leadership and internal stakeholders monthly

Gathering insights to bolster the end-to-end customer experience

More than one out of three (35%) CX professionals say they lack customer data and insights. When asked where they're missing data or insights throughout the customer journey, CX professionals report the highest gaps are seen in the consideration stage (57%), purchase stage (53%), and awareness stage (45%).

However, it is encouraging to note that the expansion and repurchase stages (15%) seem to have relatively fewer data or insight gaps, especially considering that 35% of CX teams are focusing on cross-sell and expansion motions this year.
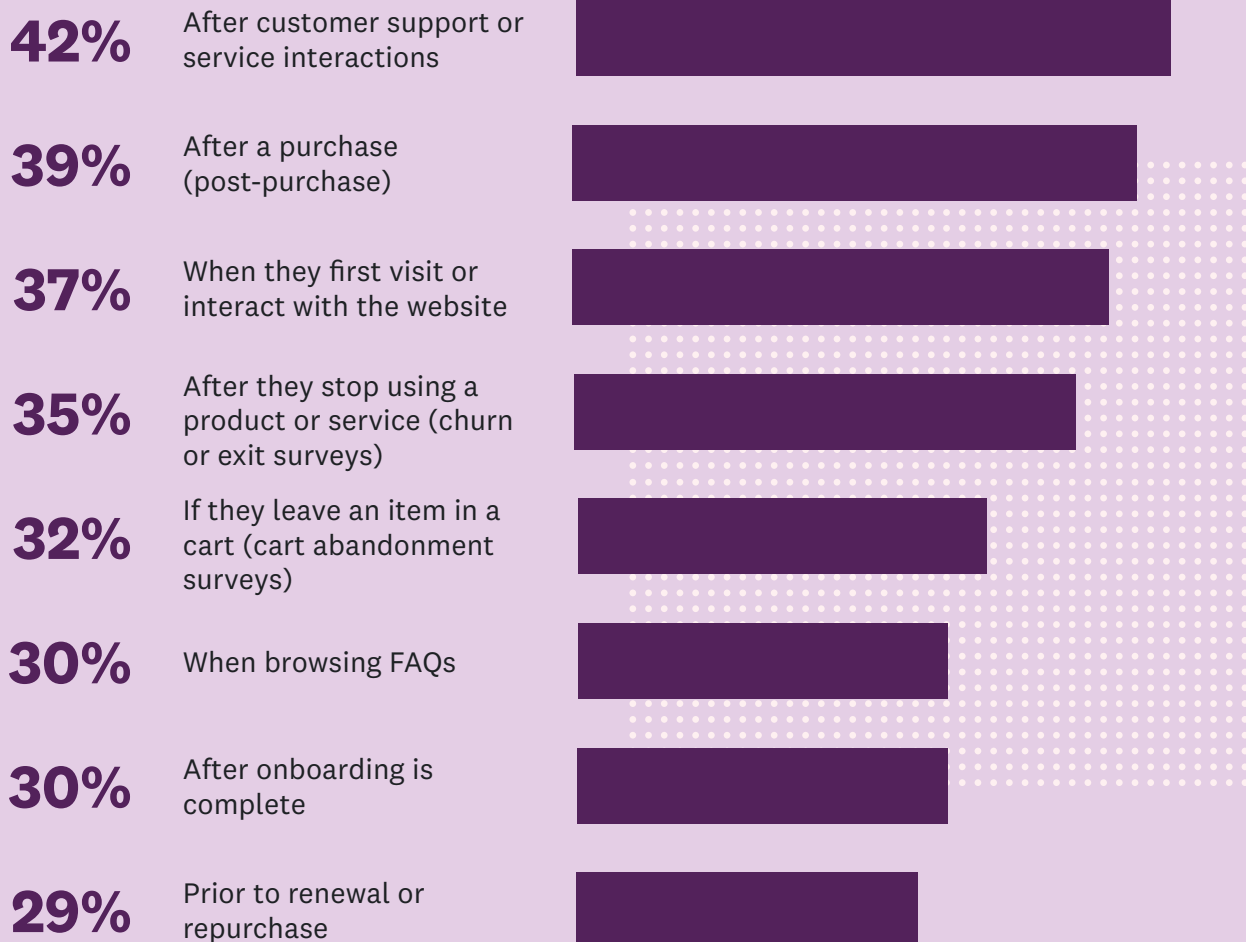
Areas of the customer journey CX professionals lack insights

Consideration
57%

Onboarding
33%

Purchase
53%

Awareness
45%

Expansion or repurchase
15%

It's crucial to actively solicit customer feedback at various touchpoints along the customer journey. The most common point is after customer support or service interactions, with 42% of professionals seeking feedback at this stage. Additionally, 39% of professionals focus on gathering feedback after a purchase.

Customer journey touchpoints where CX professionals are soliciting feedback

42%   After customer support or service interactions

39%   After a purchase (post-purchase)

37%   When they first visit or interact with the website

35%   After they stop using a product or service (churn or exit surveys)

32%   If they leave an item in a cart (cart abandonment surveys)

30%   When browsing FAQs

30%   After onboarding is complete

29%   Prior to renewal or repurchase

When it comes to the early stages of the journey, 37% of professionals ask for feedback when customers first visit or interact with the website. Other crucial touchpoints for gathering feedback include:

- After customers stop using a product or service
- Cart abandonment surveys
- While browsing FAQs
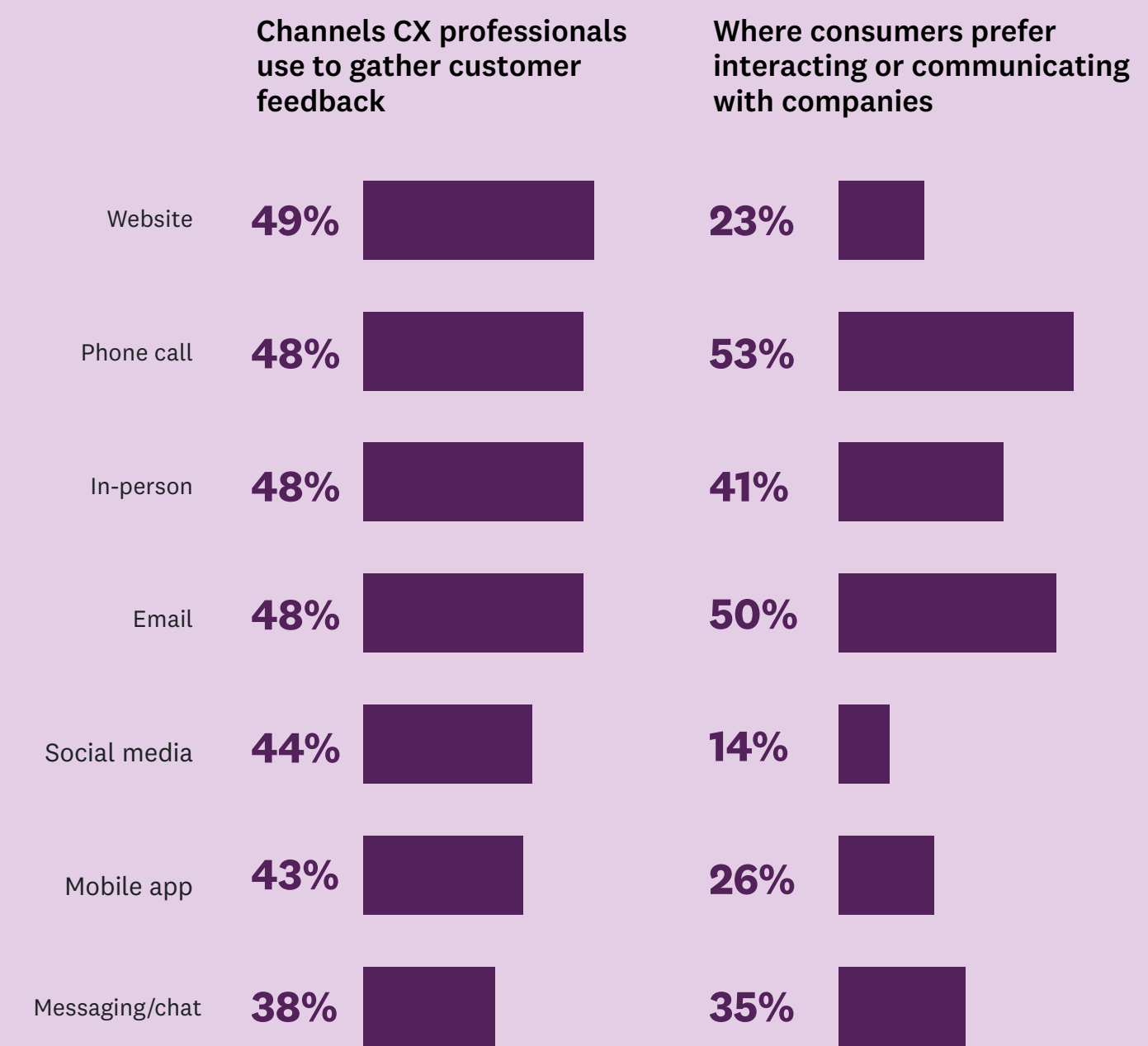- After onboarding is complete
- Prior to renewal or repurchase

By gathering feedback at these various stages, CX professionals gain valuable insights to improve customer experiences and drive meaningful interactions throughout the entire customer lifecycle.

Leveraging a range of feedback channels to bolster CX programs

Customer experience pros use various channels to gather feedback for strategic initiatives. The most common channels are websites, phone calls, in-person interactions, and emails.

	Channels CX professionals use to gather customer feedback	Where consumers prefer interacting or communicating with companies
Website	49%	23%
Phone call	48%	53%
In-person	48%	41%
Email	48%	50%
Social media	44%	14%
Mobile app	43%	26%
Messaging/chat	38%	35%

When it comes to collecting and leaving feedback, there is a noticeable difference between the top channel preferred by CX professionals and consumers. While CX professionals cite website as their primary channel (49%), consumers predominantly choose phone calls (53%) as their preferred means of providing feedback.

Social media stands at 14% overall, but it jumps to 27% among consumers aged **18 to 34**.

Phone calls are even more prominent among consumers aged **65 and above (65% versus 53% overall)**, but drop to 39% among those aged 18 to 24.

Messaging and chat feedback channels **decrease from 35% to 20%** among those **aged 65** and above.

These generational disparities emphasize the significance of utilizing a diverse range of feedback channels that align with the preferred communication methods of target buyers and customers—an undertaking made easier with access to the right tools and technology.

Collecting structured and unstructured feedback

When seeking to understand customers, CX pros report they are soliciting direct feedback requested from customers, such as surveys, ratings, and reviews (50%), and indirect feedback derived from sources like social media posts and third-party reviews (18%). Nearly one in three (32%) leverage both types of feedback, recognizing the value of combining insights derived from both direct and indirect feedback.

When evaluating the success of CX solutions, opinions vary regarding the importance of direct versus organic content from customers. Nearly half of respondents (47%) consider direct feedback requested from customers as more crucial, emphasizing the significance of surveys, ratings, and reviews.

Meanwhile, 26% view indirect feedback from customers, including social media posts and third-party reviews, as more vital. A considerable portion (28%) believe that both types of feedback hold equal importance in driving CX success.

32%
of CX pros collect both structured and unstructured feedback
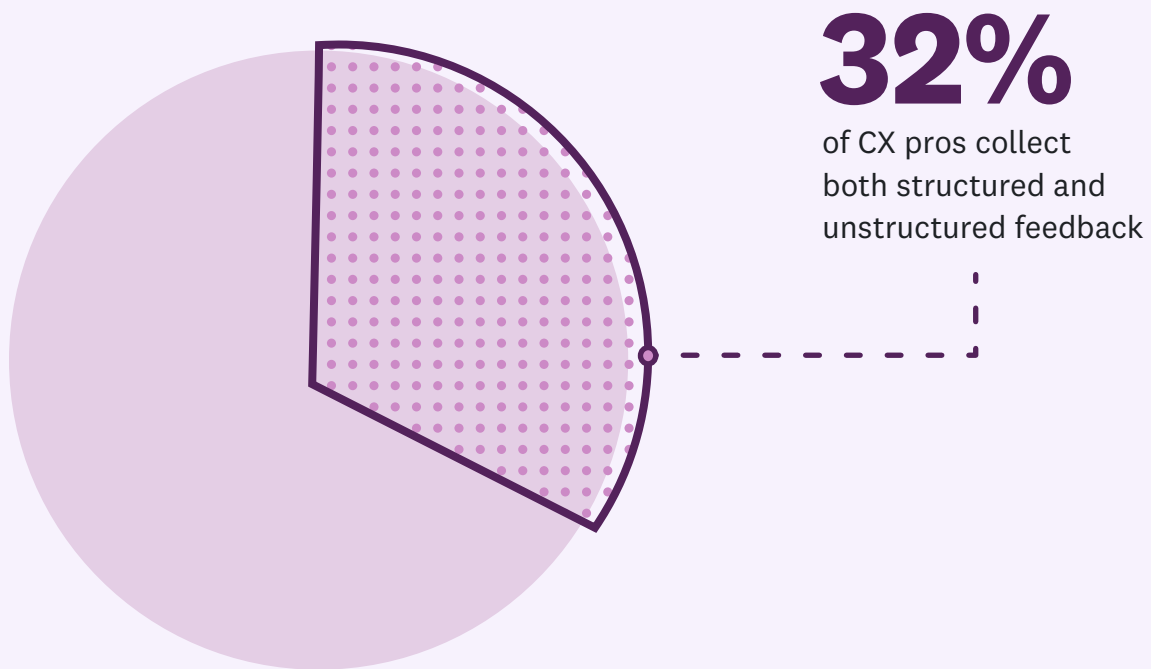
Opportunities for CX advancement

Measuring the return on investment of strategic initiatives is crucial for CX professionals as it allows them to assess the effectiveness of their efforts and garner more investment in their programs.

CX pros need access to the right customer data and insights to make data-driven decisions that positively impact touchpoints across the customer journey.

By incorporating both structured and unstructured feedback into their CX strategies, organizations can gain a comprehensive understanding of customer preferences, pain points, and expectations.

Providing experiences consumers actually want in 2023 and beyond

Providing experiences consumers actually want in 2023 and beyond

In 2023, macro concerns loom large, casting a shadow of uncertainty over customer experience professionals. Amidst these broader economic worries, CX professionals also face their own set of challenges and priorities. Foremost of these concerns is the constant endeavor to meet and exceed customer expectations while facing heightened performance expectations and reduced budgets.

In light of these realities, CX professionals must focus on customer retention, cultivating customer loyalty, eliminating unnecessary friction, and delivering experiences customers truly desire—but that's easier said than done.

Here are the six top priorities to bolster customer satisfaction and build experiences that will keep customers coming back again and again.

| 1	Improve customer retention	4	Gain more investment in feedback programs
2	Boost customer loyalty	5	Provide personalized customer experiences
3	Improve the purchasing and checkout experience	6	Bolster customer service and support

Priority #1: Improve customer retention

Customer retention is identified as the top priority for CX teams in 2023, with 43% of CX professionals emphasizing its significance. Within companies, the importance of CX in relation to customer retention is widely acknowledged, as reflected by the responses: 50% consider it to matter a great deal, and 42% view it as somewhat important.

Improving customer retention is the #1 priority for CX teams in 2023

When considering the impact of customer experience on customer attrition, 39% of CX respondents believe it always contributes to churn, while 49% stated that it sometimes plays a role. These findings emphasize the need for organizations to prioritize initiatives that continuously enhance the customer journey and make customers want to stay.

How often is your company's customer experience the leading contributor to customer churn?

Always:
39%

Sometimes:
**49%**

Rarely:
11%
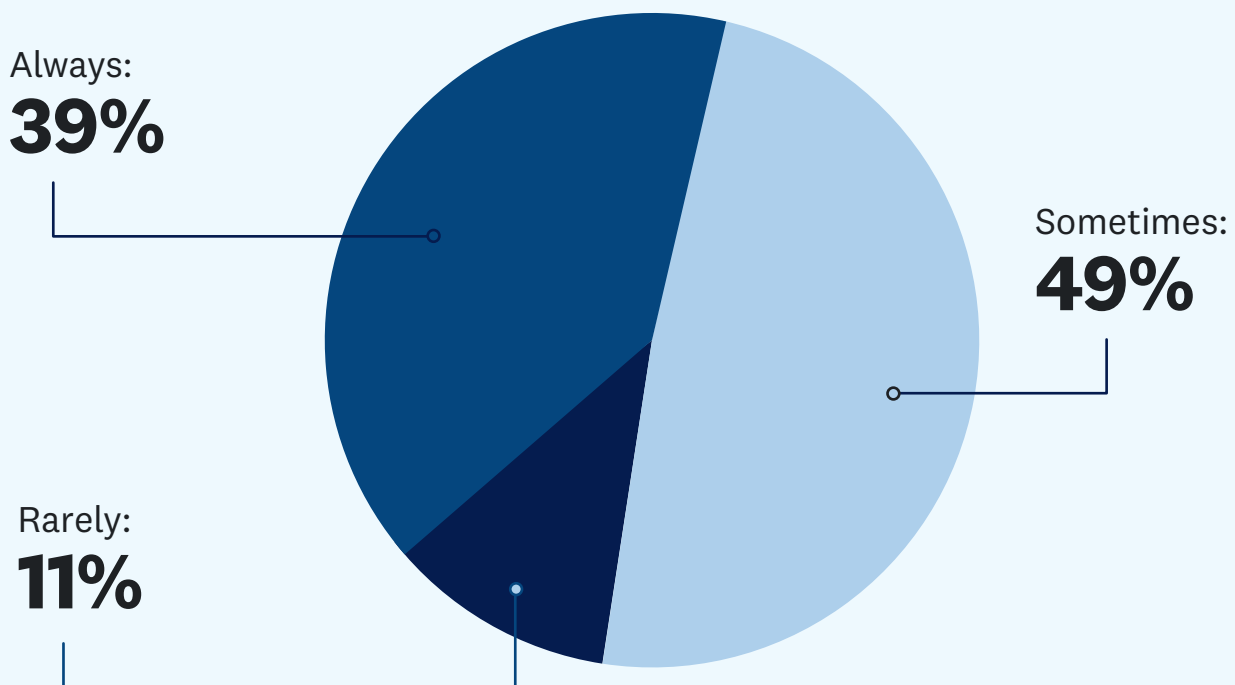
Consumers' opinions regarding poor experiences highlight the significant impact of customer experience on customer loyalty and word-of-mouth referrals. When faced with a poor customer experience, 57% of consumers indicated they would sometimes stop doing business with the company, while 18% stated they would always stop.

Only 5% of consumers say they would never stop doing business with a company due to a poor experience

Additionally, the data shows that consumers are highly inclined to share negative or poor customer experiences with their friends and family: 81% of consumers expressed that they are very likely or somewhat likely to share a poor experience with others.

Not only does this emphasize the importance of consistently delivering positive customer experiences to maintain customer loyalty and prevent customer attrition, but it also signifies the potential amplification of negative experiences.

Consumers' likelihood to share poor customer experiences with friends or family

Very likely:
45%

Somewhat likely:
36%

Not likely at all:
5%

Not too likely:
14%
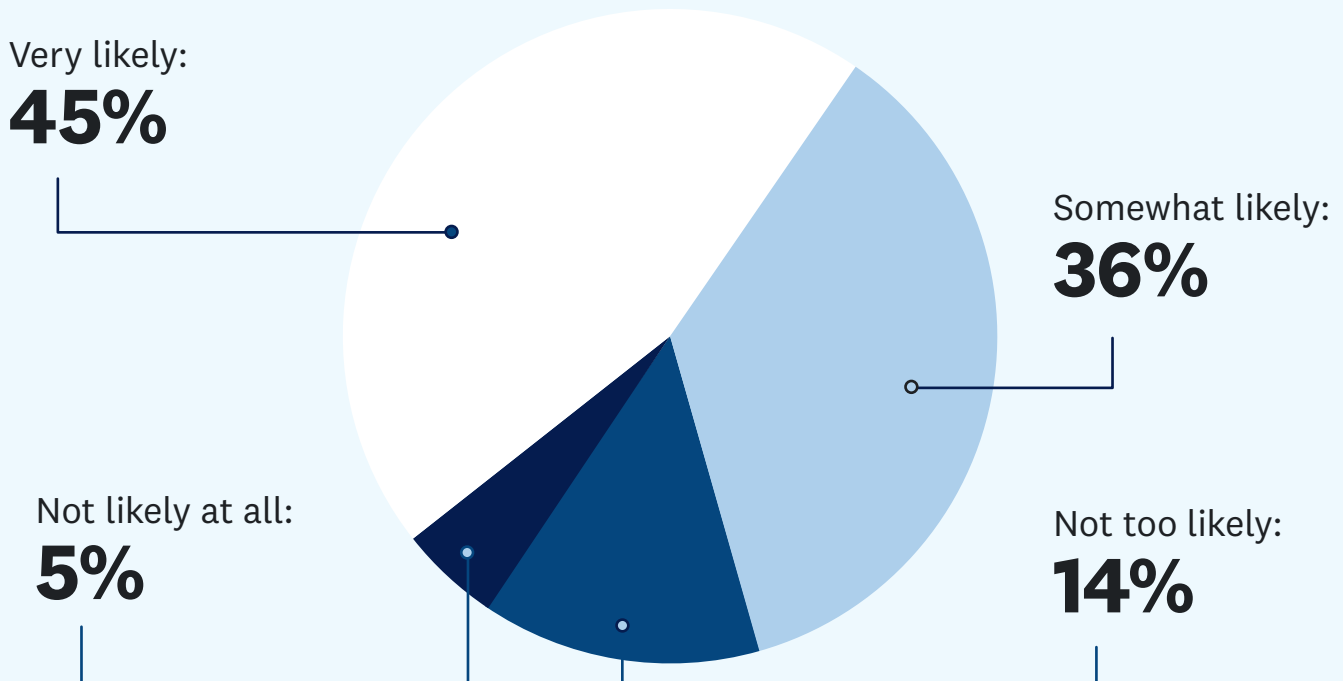
Quick tips for improving customer retention:

- **Improve customer engagement:** Maintain regular communication with your customers through email newsletters, personalized offers, or relevant updates. Keep them informed about new products, promotions, or changes that may affect their experience.

- **Measure and analyze customer metrics:** Track and analyze key customer metrics, like NPS, CSAT, and CES, to identify areas for improvement and develop strategies to retain customers effectively. Gain a 360-degree view of your customer insights by integrating your CX data with your CRM tool.

- **Analyze customer behavior and preferences:** Use data analysis to identify customer preferences, usage patterns, and potential churn risks, allowing you to proactively address issues and tailor your offerings to better meet customer needs.

- **Quickly respond to changing customer needs:** Use customer feedback and insights to adapt to evolving challenges, wants, and needs.

- **Don't forget about the employee experience:** Happy employees lead to happy customers. When employees are happy, engaged, and fulfilled in their roles, they are more likely to provide exceptional service and go the extra mile to meet customer needs.

- **Say "thank you":** Express gratitude to your customers by sending personalized thank-you notes or exclusive loyalty offers.

Priority #2: Boost customer loyalty

Customer loyalty is a top priority for CX teams this year, cited by 41% of CX respondents. Driving loyalty is particularly crucial considering the impact both positive and negative customer experiences have on consumer behavior. More than half (57%) of consumers would stop doing business with a company after a poor experience, and 42% would switch to another brand after just two negative encounters.

The good news is that 91% of consumers say they are very likely or somewhat likely to recommend the company after a positive experience, underscoring the critical role of customer satisfaction and positive experiences in driving customer loyalty and word-of-mouth recommendations.

Only
8%

of consumers say companies exceed their expectations all of the time

Quick tips for enhancing customer satisfaction and building long-lasting loyalty with your customer base:

- **Foster a customer-centric culture:** Ensure that all employees understand the importance of delivering exceptional customer service and prioritize customer satisfaction in their daily activities.

- **Define customer service standards:** Define expectations for response times, problem resolution, and overall service quality and regularly train and empower employees to meet and exceed these standards.

- **Build a seamless omnichannel experience:** Ensure a consistent and integrated experience across multiple channels—website, mobile app, social media, and in-store—to make it easy for customers to interact with your brand wherever they prefer.

- **Use customer feedback to improve:** Regularly collect and analyze customer feedback to identify areas for improvement and make meaningful changes and enhancements to your products, services, and processes.

- **Reward customer loyalty:** Implement a loyalty program that rewards customers for continued support by offering exclusive discounts, rewards, or access to special events.

Priority #3: Improve the purchasing and checkout experience

The purchasing process is a critical moment in the customer journey, directly impacting customer satisfaction and overall brand perception. Additionally, a frictionless buying experience significantly increases the likelihood of customers completing their transactions.

A frustrating or complicated checkout process can leave customers with a negative impression, leading to dissatisfaction and potential loss of future business. In fact, most consumers (82%) have abandoned an online purchase due to a negative experience, such as encountering hidden fees or facing difficulties with website navigation. This emphasizes the critical role of a seamless and user-friendly online experience in driving customer satisfaction and conversion rates.

When it comes to brands that consumers like, the purchase or checkout experience holds considerable importance: 85% of consumers view it as very or somewhat important, underscoring the need for brands to prioritize and optimize the purchase process, ensuring its' intuitive, efficient, and meets customers' expectations.

By addressing these aspects of the customer journey and enhancing digital engagement, CX professionals can create positive experiences that foster customer loyalty, improve conversion rates, and drive business growth.

82%

of consumers have abandoned an online purchase due to a negative experience

Quick tips to eliminate the common causes of customer frustration during the shopping and purchasing experience:

- **Requiring customers to create and register an account before purchasing:** This additional step can be time-consuming and may discourage potential buyers who prefer a quick and seamless shopping experience. Providing a guest checkout option or allowing customers to create an account after the purchase can streamline the process and improve customer satisfaction.

- **Having poor quality or too-small pictures of your products:** If product images are of low quality, unclear, or too small, it hampers customers' ability to evaluate and make informed decisions about their purchase. High-resolution, well-lit, and multiple-angle product images give customers a better understanding of the product.

- **Not considering the mobile experience:** Mobile-friendly websites or dedicated mobile apps with responsive design, clear navigation, and easy-to-use interfaces enable customers to browse, select, and purchase products effortlessly.

- **Making it difficult for customers to contact you when they have an issue:** Customer support and accessibility are vital aspects of a satisfying shopping experience. If customers encounter challenges or have inquiries during purchasing, it's crucial to provide accessible and prompt customer service across multiple channels (e.g., phone, email, live chat, and social media).

Priority #4: Gain more investment in feedback programs

CX professionals want more investment in customer feedback programs (52%) and product feedback programs (47%), punctuating the value of gathering insights to enhance customer engagement. However, gaining executive buy-in to secure the capital and resources necessary to fund customer and product feedback programs isn't always easy.

52%

of CX pros want more investment in customer feedback programs

> Customer understanding is the cornerstone of customer-centricity. To design a better experience at critical touch points across the customer lifecycle, you'll need to listen to customers, understand their needs and how well you're performing against them, and incorporate their feedback into delivering the experience they deserve.

Annette Franz, CCXP
Founder + CEO
CX JOURNEY Inc.

Quick tips to secure investment in feedback programs:

- **Communicate the value of feedback programs:** Clearly articulate the benefits and outcomes of feedback programs to stakeholders and decision-makers.

- **Demonstrate the return on investment:** Develop a compelling business case by showcasing the ROI of feedback programs. Showcase how these programs can lead to improved customer satisfaction, increased customer retention, enhanced product development, and, ultimately, higher revenue.

- **Leverage industry benchmarks:** Use industry benchmarks to highlight how other organizations have successfully leveraged feedback programs to their advantage.

- **Align feedback programs to business objectives:** Show how feedback programs align with the organization's overall business objectives and strategies. Showcase the ability to drive innovation, improve products and services, enhance the customer experience, and gain a competitive edge in the market.

- **Highlight the cross-functional benefits of feedback programs:** Showcase how feedback can inform marketing strategies, guide product roadmap decisions, and improve customer support processes.

SurveyMonkey customer, the Golden State Warriors, used customer feedback to build a state-of-the art fan experience.

When the team moved to a brand new stadium, they saw the opportunity to exceed their fans' expectations, and they used fan feedback to guide their business strategy.

They gathered more than 20,000 responses from more than 30 surveys, and ultimately realized a 19% increase in their NPS.

Read the story >

Priority #5: Provide personalized customer experiences

Delivering great personalized customer experiences means building products, services, and interactions—obtained from customer data points like purchase history, industry, location, etc.—that meet your customer's unique and individual expectations, preferences, and requirements.

In today's digital-first buying landscape, customer personalization is increasingly becoming table stakes. Nike enables its customers to create custom-designed shoes, Peloton gives its users individual, unique fitness goals, and the Whole Foods app keeps a record of all customer purchases, arranging them in a user-friendly manner that facilitates effortless reordering.

Personalized experiences can streamline the buying process and save customers time and effort, and help them make more informed purchasing decisions—which ultimately leads to increased satisfaction and loyalty.

72%

of consumers say that personalization of products and services is important when thinking about the brands they like

Our research reveals a notable discrepancy between the perceptions of CX professionals and consumers regarding the level of personalized experience customers receive. When asked about the personalized experience their customers receive, 86% of CX professionals say that their customers receive a personalized experience all or most of the time throughout each step of the customer journey.

But consumers' responses paint a different picture. Only 8% of consumers felt that they received a personalized experience all the time, and 10% expressed that they never felt they received a personalized experience.

86%

of CX pros say they provide a personalized experience all or most of the time
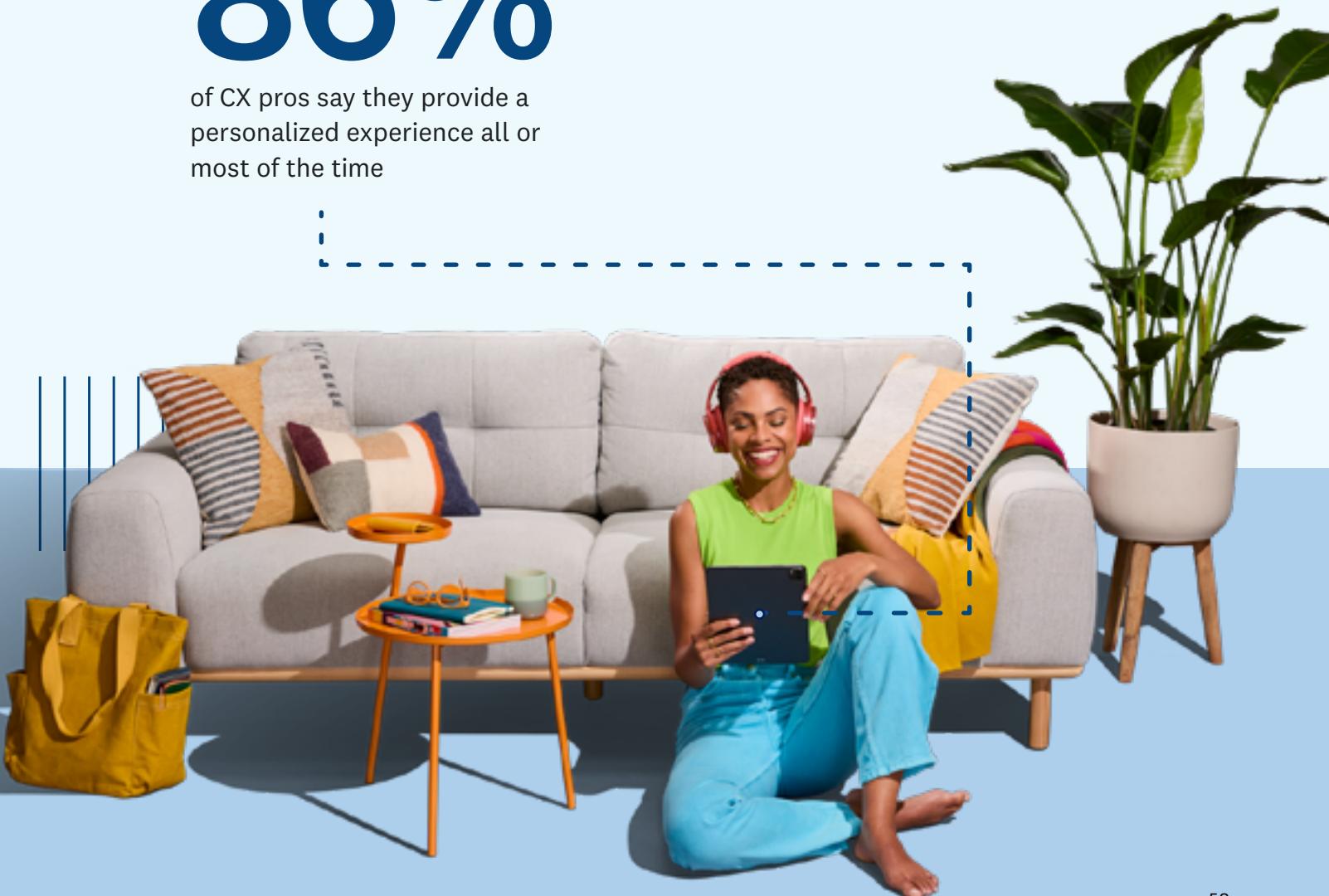
Quick tips for incorporating more personalized touchpoints into your customer experience program:

- **Leverage customer data and insights:** Gather relevant information about your customers, such as their preferences, purchase history, and demographics. Use these insights to tailor your CX programs and make tailored recommendations or offers.

- **Empower your customer service team:** Equip your customer service representatives with the knowledge and tools to provide personalized assistance.

- **Connect CX data with your customer relationship management tool:** Easily track customer behaviors, preferences, and sentiment, like website behaviors, to deliver personalized recommendations or targeted offers.

- **Personalize promotions and discounts:** Provide exclusive discounts or rewards specifically targeted toward individual customers or customer segments, incentivizing repeat purchases.

Priority #6: Bolster customer service and support

Customer service and support play a crucial role in shaping consumer brand perception and preferences, outranking the following in terms of importance:

- Purchase or checkout experience
- Design and appearance
- Personalization of product or service

In fact, 90% of consumers say customer service and support are very or somewhat important for the brands they like, demonstrating the critical role that effective customer service plays in nurturing positive customer relationships.

Only
2%

of consumers say customer service and support aren't important at all
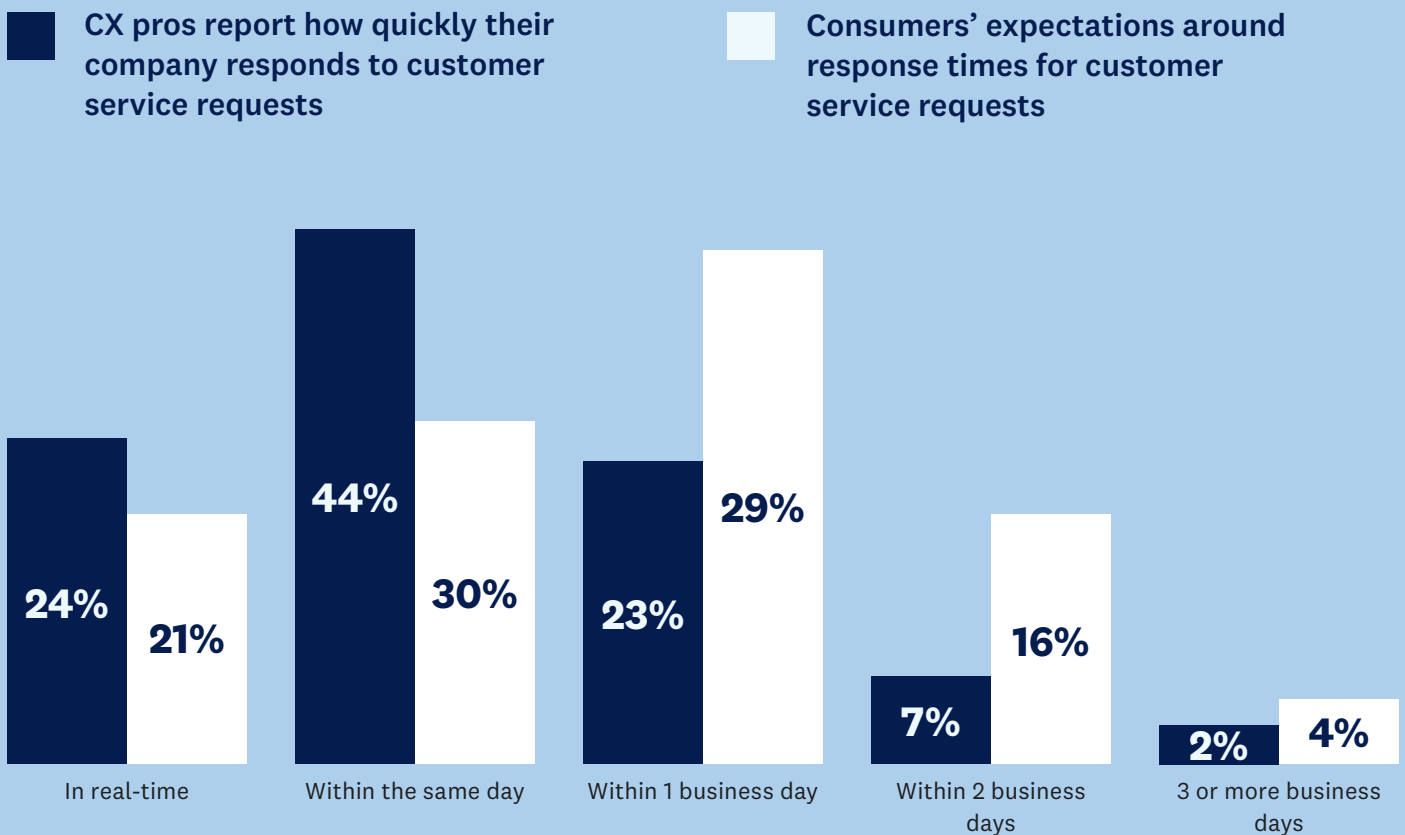
When customer service and support teams take too long to respond to buyers' needs, it can lead to a multitude of issues, including decreased satisfaction and loyalty, and lost sales and revenue.

Considering that the vast majority of consumers (80%) expect a response to customer service requests within one business day, timely and prompt customer service has become crucial to maintaining customer satisfaction and fostering healthy relationships. Failure to meet these expectations can result in customer frustration, dissatisfaction, and the risk of losing valuable customers to competitors.

By investing in customer service and support, businesses can differentiate themselves from competitors, foster a positive brand reputation, and ultimately, cultivate a loyal customer base.

CX pros report how quickly their company responds to customer service requests

Consumers' expectations around response times for customer service requests

	In real-time	Within the same day	Within 1 business day	Within 2 business days	3 or more business days
CX pros	24%	44%	23%	7%	2%
Consumers	21%	30%	29%	16%	4%

Quick tips for bolstering customer service and support teams:

- **Bolster employee training and development:** Equip support teams with the skills necessary to deliver exceptional customer service and continuously invest in their professional development.

- **Implement a multichannel support approach:** Offer customer support through various channels, including phone, email, live chat, social media, and self-service options, while ensuring a consistent and seamless experience across all channels.

- **Gather customer feedback following support interactions:** Customer feedback uncovers how well your support team addresses customer needs and identifies improvement areas.

- **Leverage technology and automation:** Utilize technology solutions and automation tools to streamline customer service processes and enhance efficiency.

What you can do: Ask. Listen. Act.

What you can do: Ask. Listen. Act.

Customer experience professionals want the same thing: to ensure every customer succeeds. Their unwavering focus lies in understanding customer needs and providing exceptional experiences—an impossible task without access to the right data and insights about their customers.

With access to valuable customer data, CX professionals possess the power to make informed decisions that resonate with both current and future buyers. In the face of an uncertain economy and intense competition, customer experience professionals must make every effort count.

With access to real-time data and insights, CX teams can move forward through this difficult time with confidence, knowing that every program initiative aligns with their customers' evolving needs and preferences.
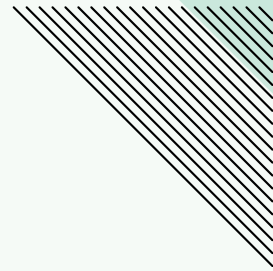
**How to make every customer effort count:**

Ask.

Listen.

Act.

Ask.

The first step in creating an excellent customer experience is getting customer feedback. As you're getting started, it's important to map out all the touch points a customer has with your brand to identify where you should be surveying your customers and what to ask. Keeping the entire customer journey in mind also helps you avoid survey fatigue. When crafting your questions, be sure to avoid common types of survey bias to make sure you're getting accurate, quality insights.

Collecting feedback from various channels—both online and in-person—will enable you to spot trends over time and provide a consistent customer experience across all touchpoints.
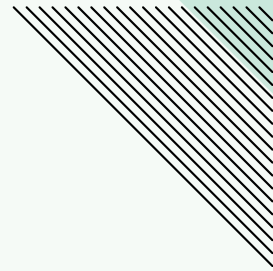
Listen.

The best way to understand your customer experience is to go straight to the source. Customer feedback can help you identify what's working and which areas of the customer experience need improvements based on what your customers have to say.

For example, you might have an excessively complicated checkout process. You won't know how customers feel about touchpoints on the customer journey until you offer them the chance to tell you by providing feedback and acting on their suggestions and ideas.
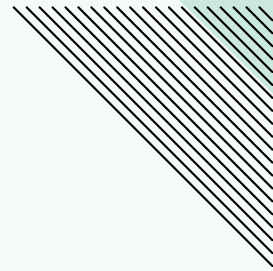
Act.

Resolve customer friction by keeping a pulse on the customer journey throughout purchasing funnels, including website visits, post-purchase, and customer sentiment history. You can even enhance the checkout process and reduce the chances of losing customers to a competitor. By acting on insights and quickly resolving critical customer issues, you'll increase customer satisfaction and repeat business.

Get the insights you need to ask, listen, and act

Make every customer experience count. Learn more about our solutions for CX professionals.

Start now