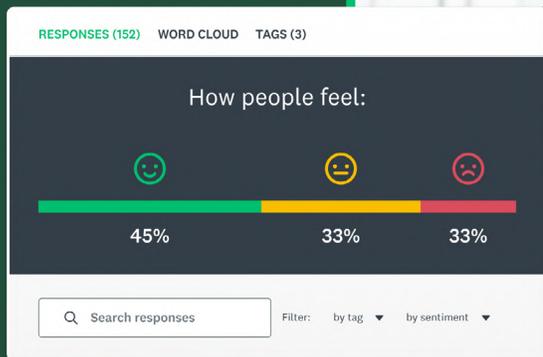


RESEARCH REPORT

The CX gap

New data on the divide between consumer needs and customer experience teams' priorities



Introduction

It seems that everyone has a different definition of the customer experience (CX). For many companies, CX starts when the sale is made. A more modern interpretation is that CX covers every step in the customer journey—from first impression of a brand or company, to initial contact and sales, onboarding, renewal, and loyalty.

The reality is that CX starts and ends when the customer thinks it does. That’s why CX teams have to consider every touchpoint as an opportunity to stand out, and offer an experience that is frictionless, seamless, and elevated.

This potential has moved CX from the help desk to the boardroom. The number of companies who view CX as a strategic priority has grown over the past year. In a recent SurveyMonkey study of CX professionals, 83% said customer experience plays a leading role in their company strategy and 66% say their leadership is focused on CX goals—a 28 point year over year increase.

This heightened focus has translated into company-wide support—and more awareness of both the upside potential and downside of getting CX right. According to our study, budgets are up this year for almost three-quarters of CX teams and most report they have the data and solutions they need to succeed. From diving deeper into analytics to harnessing AI, CX professionals appear to be optimistic about what the future brings.

The real challenge is not knowing how much it will take to meet customer expectations. Consumers today feel empowered by having access to a wide range of options—from what they purchase, to how they purchase it, and the service they receive. In a recent SurveyMonkey consumer study, half of consumers say they sometimes stop doing business with a company based on a negative experience—and 23% said they always stopped after a bad interaction.

CX teams are being asked to fill in the gaps between customer expectations and what their companies can realistically, and profitably, provide. In our study, we asked CX pros about the most pressing challenges they faced this year. The number one response was making sure that customer expectations were met or exceeded.



Two-thirds
of CX pros say the customer experience is a priority for all leaders in their organization

For this report, we conducted two SurveyMonkey studies; one with consumers and another with CX professionals. Our study of CX professionals was conducted on April 5-6, 2024, comprising 307 customer experience professionals. The consumer study was conducted on April 5, 2023 among a sample of 1,006 US adults over 18.



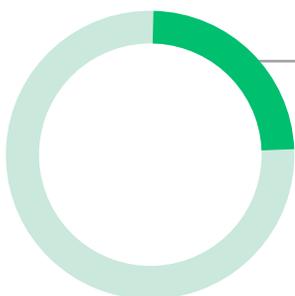
54%

of CX pros say meeting and exceeding customer expectations is the top challenge their team will face this year

It's not just customer expectations—CX teams are also dealing with increasing performance goals. In our study, 52% of CX pros believe they will have a difficult time meeting rising performance expectations, up from 44% in 2023.

When it comes to meeting these expectations, how do CX teams know where to start? We asked consumers some of the same questions we asked CX pros—we wanted to see where their expectations were being met and where companies needed to improve.

Based on consumer responses, companies have a ways to go. While 92% say customer service is very important when interacting with a company, less than a quarter say their expectations are being exceeded.



Only **24%**

of consumers said their last interaction with a company exceeded their expectations

A potential disconnect in CX terminology

Other insights tell a modern tale of two cities, where things are not always as they seem. Customers and CX professionals do want some of the same things—more personalized engagements, more efficient processes, and exceeding expectations when resolving problems.

But, terms like “personalization” and “exceeding expectations” appear to be interpreted very differently by these two groups. For consumers, exceeding customer expectations begins with some pretty basic deliverables, like shorter wait times. And, while CX pros are convinced of the transformative power of new technologies, like AI, consumers aren't so sure they want it to replace how they currently interact with brands. They also may be unaware of what incorporating AI really means.

“ The bottom line is that CX teams will have to do it all—meet company goals while striking a balance between getting the basics right and offering customers new, breakthrough experiences.

Successful CX teams will focus on the customer and keep up with a moving target driven by competition and the evolution of new transformative technologies.

Read on to learn about what CX professionals and consumers think about the state of the customer experience in the US, including where they agree and disagree.

Table of contents

ONE

**Aligning consumer
and CX priorities** _____ 5

TWO

**The value of more
personalized experiences** _____ 11

THREE

**How AI can change
the face of CX** _____ 19

FOUR

**What you can do:
Ask. Listen. Act.** _____ 26

ONE



**Aligning
consumer and
CX priorities**

Let’s say you’re a global leader in the entertainment industry, with themed amusement parks that deliver the gold standard for customer experience. Your parks are clean and safe, garbage cans and park benches are thoughtfully spaced, and the rides and exhibits deliver world-class innovative experiences.

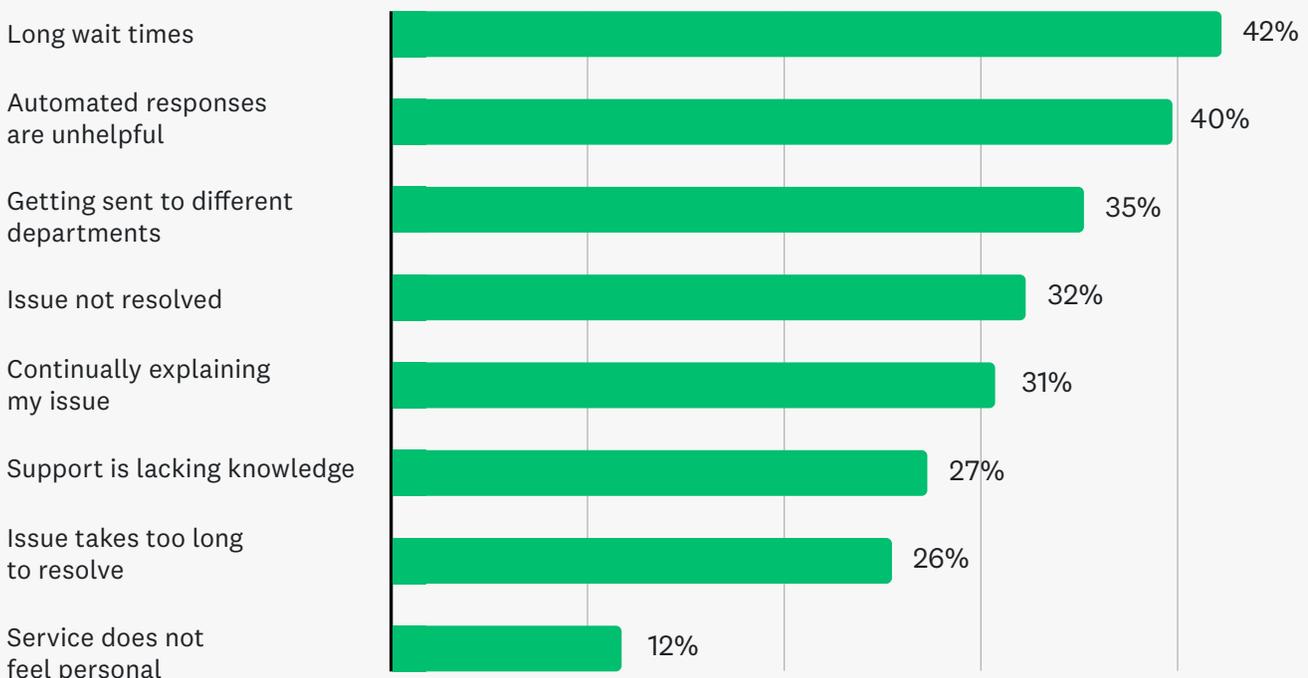
You’re already exceeding customer expectations, but staying on top means constant investment. As a next step, do you roll out a new personalized ticketing system that recommends rides based on individual preferences? Or, do you focus on the biggest pain point for your visitors—long lines and difficulty getting into the most popular venues?

This scenario illustrates just one of the dilemmas facing CX professionals today. The lure of creating groundbreaking experiences that incorporate innovative new technologies is competing for attention with the nuts-and-bolts issues that create friction with customers.

For example, in our study, 51% of CX pros said their top priority was increasing frequency of communication with customers and 45% were prioritizing more personalization throughout the customer journey. In our consumer study, only 18% of consumers said they considered proactive outreach to be a desirable part of personalized services.

The consumer’s list of wants is straightforward and grounded by their current experience. Their frustrations are largely focused on time and friction in the CX process.

Consumers’ top CX frustrations



For a deeper look, we created a side-by-side comparison of CX pros' priorities and consumer frustrations, focusing on the areas where CX goals were at odds with consumer wants.

- Only **12%** of customers say a lack of personalized service is one of their top three frustrations, compared with **39%** of CX professionals who place more personalized customer service as one of their top three priorities
- While **40%** of customers are frustrated with unhelpful automated responses, only **25%** of CX professionals say making automated responses more helpful is a top priority
- **31%** of consumers are frustrated over repeatedly explaining an issue, while only **15%** of CX professionals say minimizing customer explanations is a top priority

CX professionals

What are your company's top three priorities this year for improving customer service or support?

Increase personalization of services	39%
Reduce wait times	38%
Provide more proactive support	37%
Make automated responses more relevant	25%
Increase number of contact channels	20%
Minimize explanation from customer	15%

Consumers

What are your top three biggest frustrations with customer service or support?

Service does not feel personal	12%
Long wait times	42%
Support is too reactive	6%
Automated responses are unhelpful	40%
Limited contact channels	10%
Needing to continually explain my issue	31%

● Alignment

● Disconnect

There are some areas of consensus. Both consumers and CX pros say reducing wait times is a top priority: around four out of ten of both CX pros (38%) consumers (42%) cite it as their top issue to resolve.

🔑 Key takeaway:

Big, innovative initiatives are exciting and can differentiate your company's offerings. But, if you only focus on the flashy goals and industry trends without first asking customers what they really want, you could miss the opportunity to deliver the most meaningful experience. Understanding consumers' frustrations is something CX teams report they can easily do—according to our study, 84% of CX pros say it is easy to collect real-time feedback from their customers.



Reducing friction is top of mind for customers, too

Friction is a common term for CX professionals, and while customers may not use the actual word, they know exactly what it is. It might be a delay caused by an automated voice recognition system, or a chat interaction that veers from getting basic answers to a lengthy, unproductive session.

For CX pros, friction is any part of the experience that makes it hard for a customer to do business with a company. Whether it's a sign-in flow that requires users to continually enter personal information, or a clumsy order process that creates barriers to purchase, friction can reduce engagement and lead to a missed sale or a lost customer. It might feel different to customers compared to CX pros, but it's a problem for both sides of the aisle.

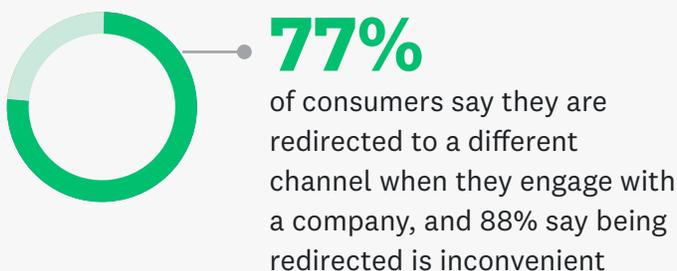
The cost of friction is significant. According to a [Harvard Business Review study](#), 94% of customers who report a low level of effort would repurchase products from a business, and 88% would spend more. In addition, only 1% of customers who experience a low level of effort would share bad things about your business—compared to 81% of those who've experienced a high level of effort.

9 out of 10 consumers say that being unable to reach a company via their preferred contact method impacts their willingness to engage

Addressing friction isn't as easy as it would seem. As omnichannel CX becomes more widespread, the channels for interaction have expanded. From email to chat, social media to phone calls; if companies miss the mark on one of these touchpoints, a customer walks away with a bad experience. Consumers have gotten used to the idea that companies should meet them wherever they are and engage in a way that meets their specific needs.

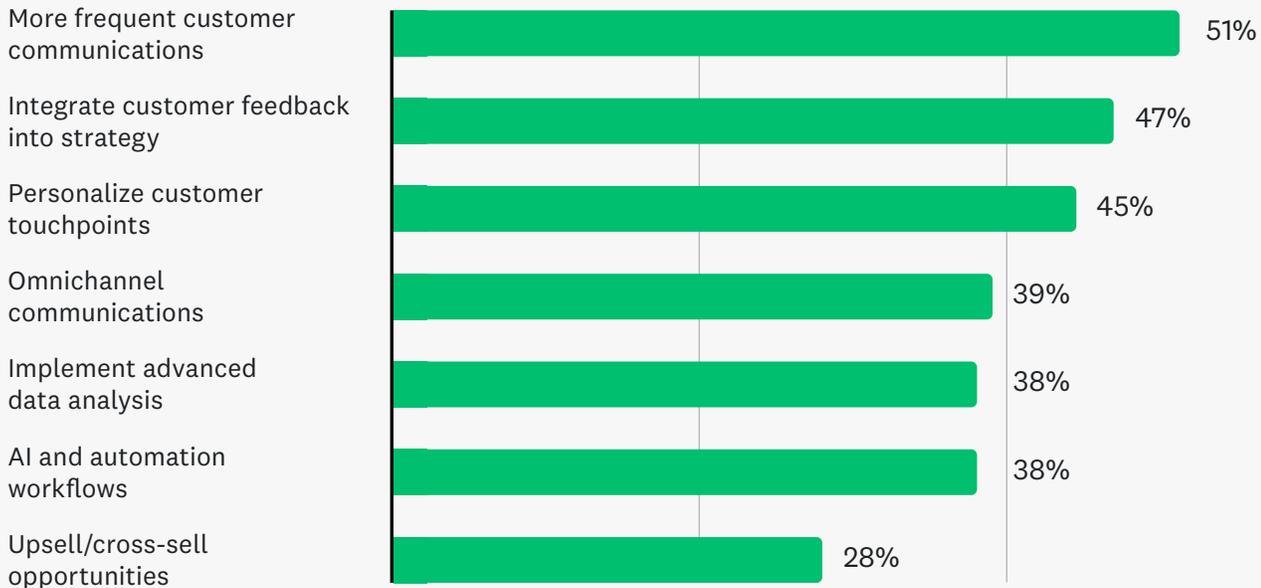
Friction points that impact consumers are not always a priority for CX teams. Here's one example from our research of how consumer friction points and CX plans are not aligned.

Consumers vs. CX pros



The CX professionals we surveyed had similar rankings for top priorities, and the top three priorities do seem focused on gaining a better understanding of customer needs.

CX priorities for 2024



Based on their responses, CX teams have a clear view of what needs to improve. And while the language used to describe these improvements may not exactly map to customer pain points, the priorities are designed to decrease the kind of friction that customers are currently experiencing.

Blurring the line between sales and service

The idea that a company is striving to address the individual needs of every customer is admirable and has historically worked for companies that can get it right. For consumers, however, companies have a way to go before these claims are credible.

For example, it's not lost on consumers that a customer experience could include an upsell or cross-sell pitch that ultimately benefits the company. In our study, consumers were split on how they viewed CX interactions with a brand or company. Were these experiences truly focused on customer satisfaction? Or was there an ulterior motive of generating revenue from any given touch point?

The numbers are close, but consumers chose the ulterior motive angle by a small margin.

How would you describe your typical experience when interacting with brands or companies?



This could seem cynical, but we uncovered more data that points to the fact that consumers just want to be heard. While offering additional services might seem like an opportunity to grow the customer relationship, the nuts-and-bolts kind of problem resolution that is the hallmark of good CX is still appreciated the most.

Customers want their issues resolved



The large majority (61%) of consumers prefer their customer service interactions to focus on solving their issue vs. going above and beyond their original request. That doesn't mean that companies shouldn't strive to do more; it might signal the need for companies to listen first, and base their actions on the individual needs of the customer in the moment.



TWO

**The value
of more
personalized
experiences**

Personalization might be the silver bullet to address the CX disconnects between companies and customers. Today’s CX strategies are clearly focused on the customer and include terms like customer empathy, customer respect, trust, or the “market of one.”

Aspirational? Yes, but the idea of treating each customer as an individual is a powerful way to increase loyalty, and ultimately revenues. Experts estimate that over 60% of company revenue comes from existing customers, an important proof point that supports investing in existing customer relationships.

In our study, CX teams are on board with striving towards meaningful personalization. Almost half of CX pros choose personalization as a top three priority for improving service and support this year, marking an increase in importance of 11 points year over year.



To be sure, CX pros largely believe their companies already provide personalized service. The majority (87%) say their customers receive a personalized experience throughout the customer journey, and 40% say their customers always receive a personalized experience.



Almost

9 out of 10

CX pros say their customers’ experience is personalized

Customers weigh in on what personalization means

Things get interesting when consumers respond to the topic of personalization. While 61% of consumers say they receive personalized services when interacting with companies, only 12% say they get a personalized experience all the time. That number is declining: over the past year, almost half of consumers say they received less personalized services.


6 out of 10
 consumers say they receive a
 personalized experience when
 communicating with companies


 However, **45%**
 of consumers say
 their interactions with
 companies have become
 less personalized over the
 past year

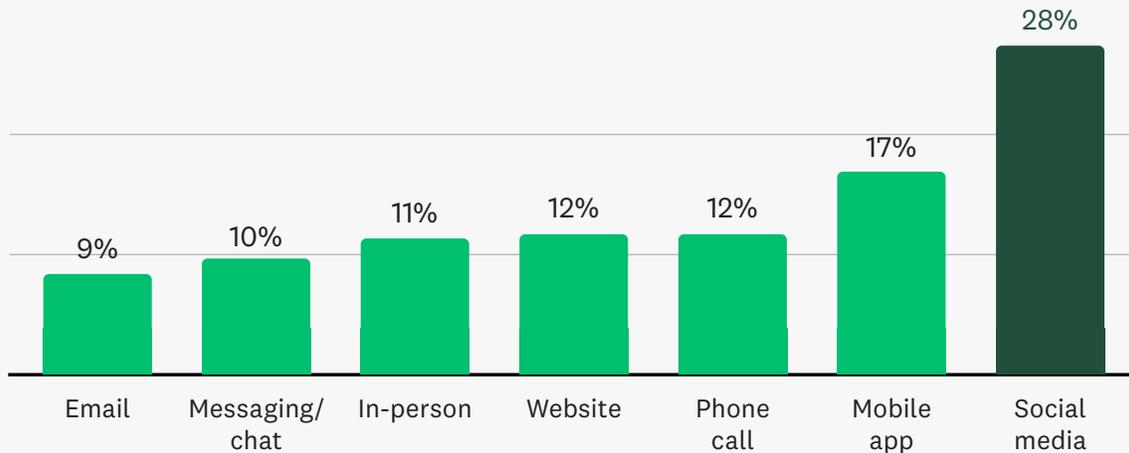


It's worth noting that personalization might mean different things to different people. GenZ is 2x as likely to think their interactions with companies are always personalized—with 22% saying they are compared to 11% of GenX, and 4% of consumers aged 55-64.

There are also some interesting correlations between customers' preferred way of interacting and their perception of personalization. Consumers who use social media or a mobile app to interact with a company are much more likely to feel they are getting a personalized experience. Consumers who use email or chat to interact are the least likely to feel like they're receiving a personalized experience.

Consumer perception of receiving a personalized experience

based on their preferred method of interacting with a company

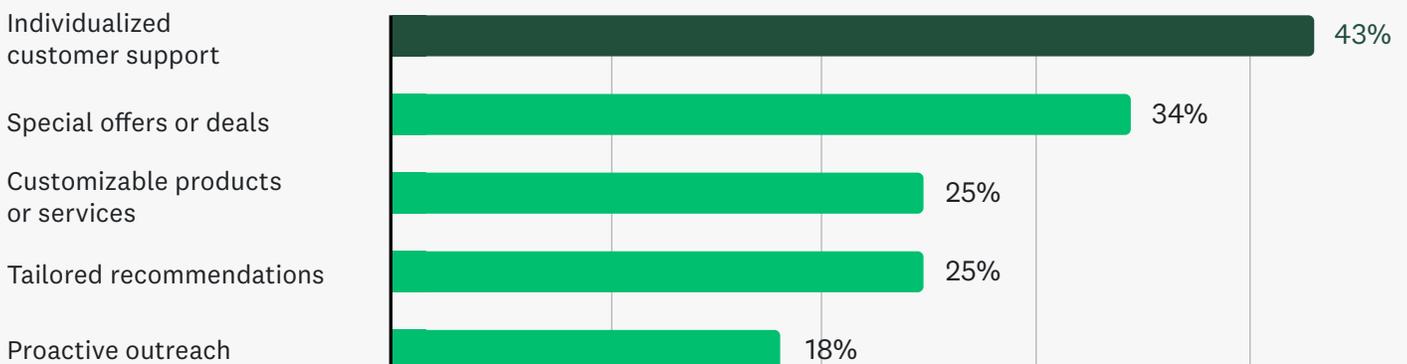


🔑 Key takeaway:

In order to deliver more personalized experiences, brands need to understand how individual customers want to engage. A customer who follows their favorite brand on social media is likely to think of their interactions as more of a relationship vs. a transaction.

Getting to the bottom of what constitutes a personalized experience is a worthy effort. In our study, we gave consumers multiple options to define their version of personalization. For some, it's all about talking to a human. For others, they're looking for something exclusive—such as a discount or special deal. But the leading answer for almost half of consumers (43%), is the idea of being recognized as an individual.

What consumers believe makes a personalized experience



We asked both consumers and CX pros about what types of services would provide a personalized experience. While both groups agreed on individualized attention and tailored recommendations, they differed for the other categories.

The biggest difference in perception is in the category of personalized products or services—almost four out of ten CX pros believe this would be an attractive personalization option, compared to one quarter of consumers.

	CX professionals	Consumers	Difference
	CX pros rank what makes a personalized customer experience	Customers rank what they look for in a personalized experience	
Tailored recommendations	29%	25%	4pp
Individualized customer support	48%	43%	5pp
Customizable products or services	39%	25%	14pp
Proactive outreach	24%	18%	6pp
Special offers or deals	27%	34%	-7pp

Conversely, a third of consumers are interested in the idea of a special offer or deal; in fact it was the second most chosen option for a personalized experience.

Categorizing needs by demographics could be risky business

It would seem easy to group customers together and assume that certain market segments might have similar preferences. For example, since young people are typically more tech-savvy, a logical assumption might be that they would prefer more self-service options. Older generations might have a difficult time finding and using digital services, like chat or a help center tutorial, and therefore might be most comfortable with an in-person interaction.

However, generalizations can be misleading and create some inaccurate narratives. In our study, Millennials were the most likely to believe in-person interactions with a company are essential, followed closely by GenZ and the over 65 generation. Boomers were the least likely, ranking in-person interactions a full 12 points below Millennials.

In-person interactions with a company are essential



🔑 Key takeaway:

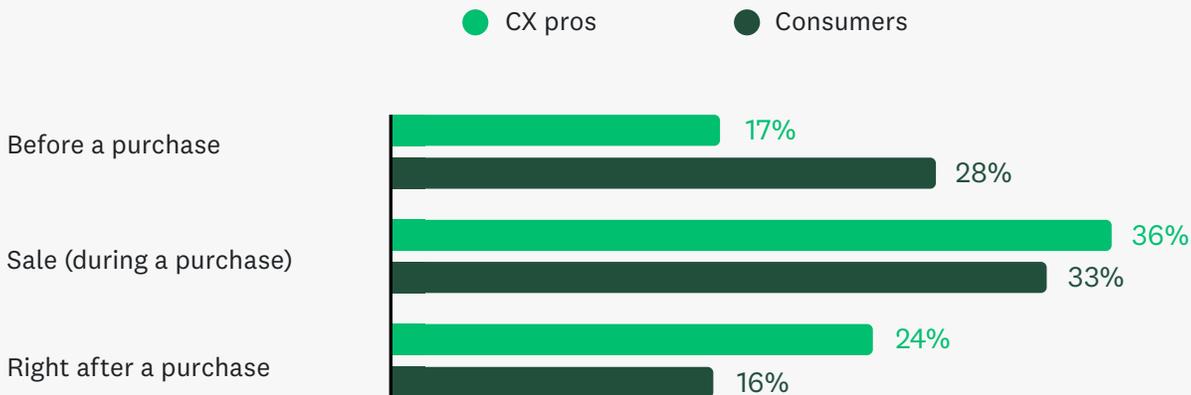
Creating more personalized experiences will likely require a move away from the traditional marketing approach that focuses on the common needs of a segment or persona. For companies to succeed at personalization, they will need to find new solutions and tools that capture the preferences of the individual—instead of relying on segmenting a set of users with seemingly similar needs.

Where personalization has the biggest impact

Here's another assumption that would be easy to accept: companies should be providing more personalized services to existing customers versus someone considering a purchase. After all, an existing customer has a purchase history, a customer profile that includes personal data and preferences, and potentially, a relationship with the company.

However, over a third of CX pros and customers agree—the most personalized attention happens during a sale. They actually swap places for pre and post-sales attention—customers believe they receive more attention before a purchase and CX pros say they deliver more attention after.

When customers receive the most individualized attention



The biggest miss for CX teams is during the renewal stage. Only 10% of CX pros believe they deliver a personalized experience at this stage; the lowest number of all the stages of the customer lifecycle. Consumers agree—only 9% believe they get personalized attention when they are actually using the product post purchase. This highlights what could be a big miss for companies—a large proportion of revenue traditionally comes from existing customers.



1 out of 10

CX pros say they deliver personalized attention during the renewal stage of the customer journey



This uncovers a potential risk as well as an opportunity. Customers appear to be very aware of when they receive the most personalized attention, and that fact could reshape how companies approach this goal.

By personalizing the experience earlier—and later—in the customer journey, CX teams might be able to really move the needle on converting prospects to new customers and instilling loyalty and repeat sales with their existing customer base.

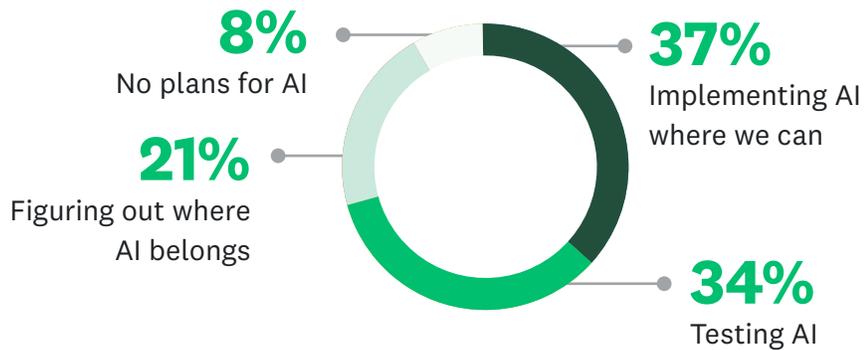
THREE

How AI could change the face of CX

AI feels like a natural fit for CX challenges. There are many examples of the technology in action—from consumers interacting with chatbots or voice assistants, to CX pros tapping into advanced customer analytics. Even at this early stage of adoption, AI clearly shows promise of making a big impact on the industry.

And, it's just getting started. In our research, nearly half (45%) of consumers said they encounter AI in customer service more often this year compared to 2023. One in three CX pros say their company is adopting AI as much as possible (37%), while a similar percentage (34%) are kicking the tires. Less than a third (29%) say they are still trying to figure it out or have no plans to use AI.

Describe your company's adoption of AI in CX operations



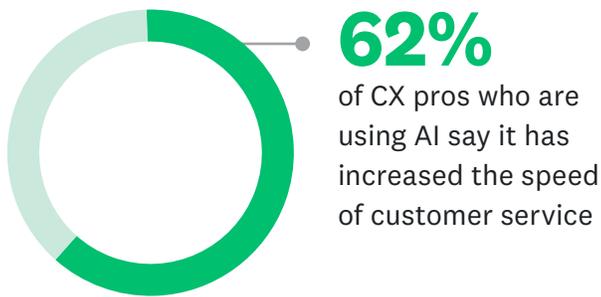
Overall, CX professionals expect AI to have a positive impact on their company's customer experience offerings. The large majority—70%—believe it will improve CX, while only 13% think it will have a negative impact on the customer experience.

CX pros rate the impact of AI on their company's customer experience

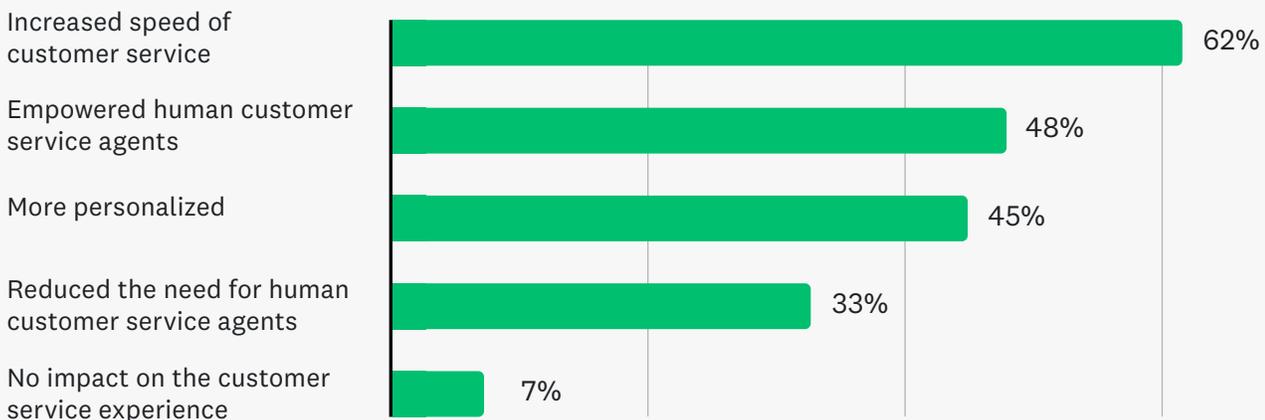


No matter where they stand on its potential, the majority of CX pros say their organizations are focused on AI. Three-quarters (75%) of CX professionals say AI is a top priority for their company this year.

We looked specifically at the responses of CX professionals who are actually using AI to get a more accurate perspective of the benefits. Over six out of ten of these pros say AI has sped up the customer service process, while nearly half say AI has empowered human customer service agents (48%) or increased personalization of customer service (45%). One in three (33%) say AI has reduced the need for human customer service agents.



CX pros rate how AI has impacted the customer



The use cases for AI in CX are varied and show enormous potential. From offering varied service options, to delivering personalized customer experiences, CX teams are looking forward to doing more for their customers as AI becomes widely applied to CX challenges.

Where CX pros think AI will have the biggest impact on customers



Consumers are skeptical of the benefits of AI

Our study shows that consumers are less convinced about the promise of AI on CX. Less than a third (32%) think AI will have a positive impact on their interactions with companies, outnumbered by the 39% who think AI will have a negative impact.

Seven out of ten (70%) consumers we surveyed have noticed that AI has had some level of impact on their customer service experience;

30%

noted improved customer support from human agents

17%

say customer support is faster from AI-powered experiences

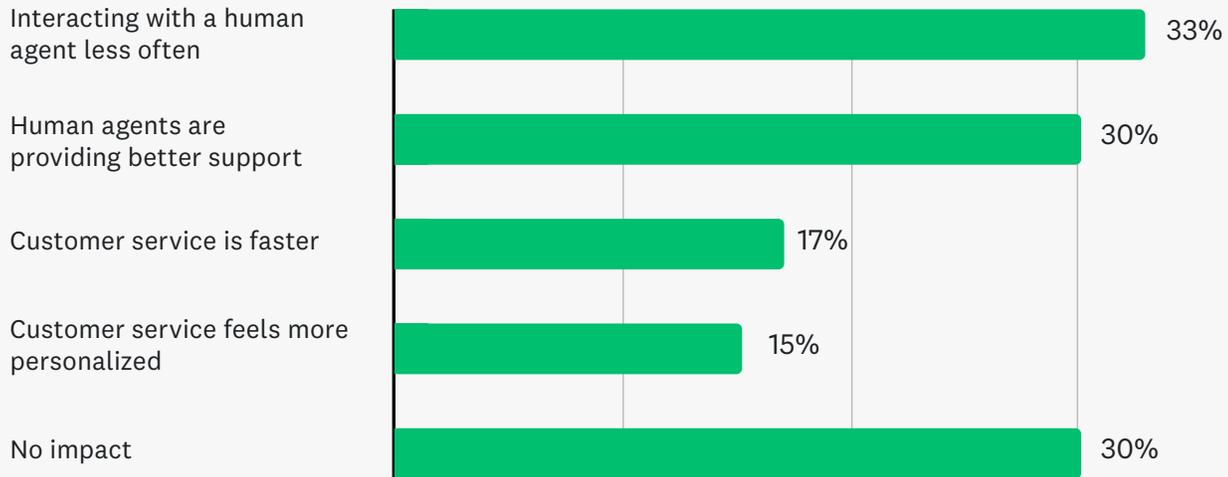
15%

report that customer support is more personalized thanks to AI impact

33%

notice less frequent interaction with human customer service agents

Consumers rank how AI has impacted their customer service experience



When we compare consumers' perceptions of AI to how CX pros feel, we uncovered several areas of disconnect. The biggest differential was in speed of service; 62% of CX pros said AI has increased the speed of customer service compared to only 17% of consumers. Another big disconnect: almost half of CX pros believe AI delivers more personalized experiences compared to only 15% of consumers.



Gap between how CX pros and consumers perceive the impact of AI

CX professionals

How has the adoption of AI impacted the customer service experience at your organization?

No impact	6%
Reduced the need for human customer service agents	33%
Empowered human customer service agents	48%
Increased speed of customer service	62%
Increased personalization of customer service	46%

Consumers

How has AI impacted your customer service experience?

No impact	30%
Interacting with a human customer service agent less often	33%
Human customer service agents are providing better support	30%
Customer service is faster	17%
Limited contact channels	15%

● Alignment ● Disconnect

These discrepancies might highlight a gap in the definitions of AI and in understanding of whether it's at work in the background. Consumers may not understand how AI is being harnessed, and instead focus their attention on areas that are obviously being automated by bots or less than successful replacements of human interactions.

Consumers want human interaction

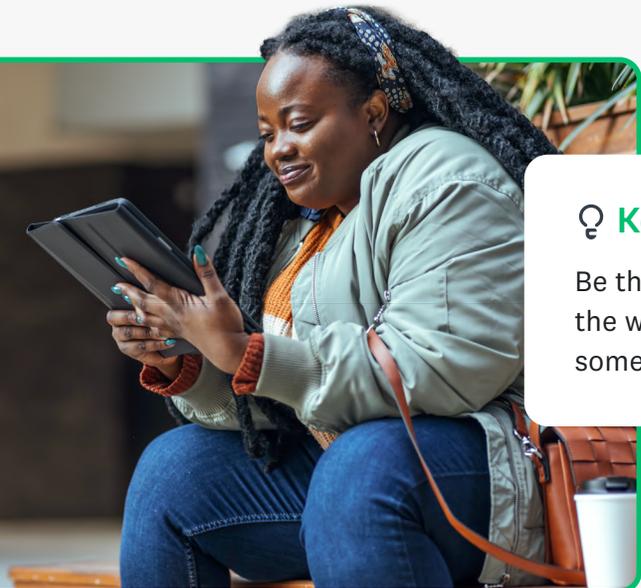
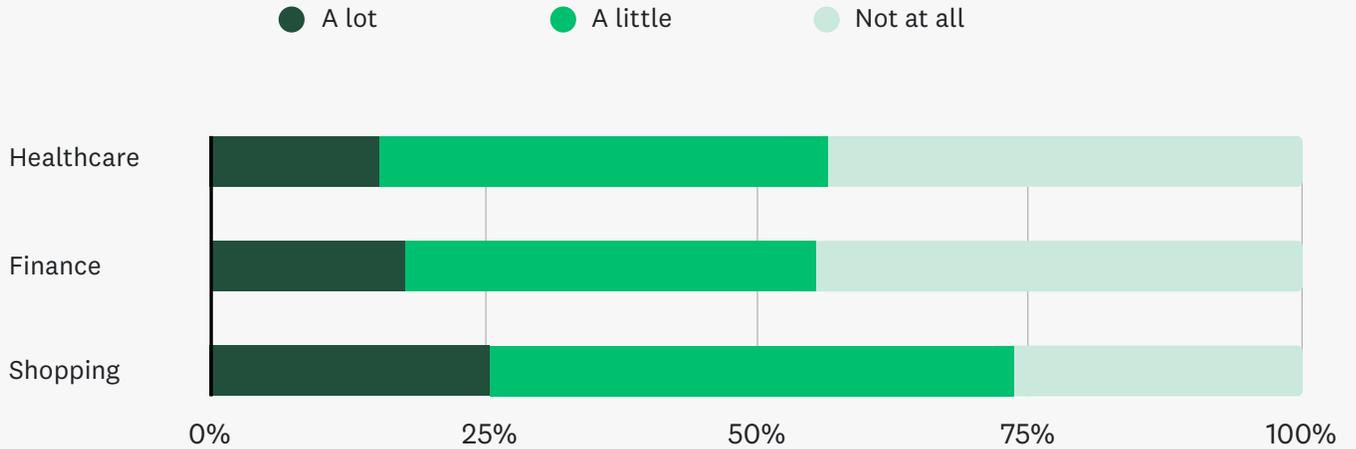
That lack of human interaction is a real pain point for consumers. Despite the benefits AI offers, consumers still overwhelmingly prefer connecting with a human over AI or self-service options.

More than half of consumers (55%) say they prefer human interaction in customer service, compared with 13% who prefer self service. Nearly two in three consumers (63%) prefer human-generated product or service recommendations over AI-generated recommendations.

Consumers also show skepticism over AI-powered chatbots, but have different degrees of trust depending on industry. Finance chatbots seem to generate the most distrust, with only 16% of consumers saying they have a lot of trust in chatbot answers on finance issues.

Healthcare was similar with 44% of consumers saying they would have no trust in answers from a chatbot. Shopping fared the best with a quarter of consumers saying they would have a lot of trust in chatbot answers on shopping, and about a quarter saying they would have no trust at all.

Consumer trust in AI-powered chatbots answers in key industries



Key takeaway:

Be thoughtful in how you implement AI and ask for feedback along the way. That way you'll know if your efforts are working well or if some new initiatives are creating friction.

FOUR

**What you
can do**



What you can do: ask, listen, act.

It makes sense to keep going with programs that are successful. However, focusing on what's worked can give a false sense of security, and support the assumption that past learnings still serve today's customers. The solution isn't just giving customers what they've asked for—it's bringing customers along on the journey to a better version of CX. By pressure testing the status quo, you'll get new insights on delivering a customer experience that elevates your brand.



Have the courage to **ask**

Ask customers for feedback that challenges your current assumptions. While customers might seem satisfied with what you're doing, sticking with the same approach can mask new opportunities. An ongoing [voice of the customer \(VOC\)](#) program can help you collect feedback that tracks customer sentiment and capture market shifts and changing customer perceptions.



Listen with care

Go beyond what you know to be true and listen to feedback. If CSAT scores are consistently at 75%, look deeper into the data to find out why 25% of customers aren't satisfied. Segment feedback by industry, company size, geography, or role to learn more about your findings. Harness AI to create a study that collects the optimal data, then use [data analysis](#) to uncover deeper insights.



Take **action** and transform your business

Be open to changing things up and take action on your your findings. [Capture NPS](#) scores on your service offerings to see if they are landing with customers. A quick 1 or 2 question survey can provide instant feedback on what needs to be adjusted. Connect feedback with data from other sources—like your CRM or analytics platform—using [business tools](#) that offer richer insights.

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

Find out how to deliver next-generation CX by acting on customer feedback.

[Get started](#)

Methodology: This SurveyMonkey study among CX professionals was conducted on April 5-6, 2024, comprising 307 customer experience professionals. The study among consumers was conducted on April 5, 2023 among a sample of 1006 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 for both CX professionals and consumers were selected from an online non-probability panel.

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